The State of Learning 2026

Notes from conversations with 52 L&D leaders

Over the past two months, we've had focused, short conversations with senior L&D leaders across industries to understand four questions:

- What's happening to investments in learning?
- What are their key priorities for the year?
- What's the impact of AI on the world of L&D?
- What are the top challenges they're facing?

Here's a consolidation of what these 52 generous leaders had to say; responses have been anonymized.

Industries represented:

Software, Cloud and Enterprise Platforms	17
Consumer Goods & Retail	7
Semiconductors & Electronics	5
Banking, Financial Services & Fintech	5
Media & Digital Platforms	5
Consulting	3
Engineering & Infrastructure	3
Transportation	3
Healthcare & Pharma	3
Others	1

This report is a broad trends view rather than an industry-by-industry breakdown.

It was fascinating for us to have these conversations (much gratitude to all of you who spoke to us) and even more so to compile this report (and to play around with AI to create the image of the soothsaying cat).

We hope you find it useful. If you have questions or comments, please do write back to sunitha@navgati.in. We'd love to hear from you.

What's happening to investments in learning?

Budgets are largely flat over 2025; and being redirected

69% flat

19% increasing

Remainder cutting or anticipating cuts

Most organisations are investing heavily in AI (tools and training). This has resulted, in some cases, in a reduced focus on leadership development and in some cases, in a much tighter focus.

For example fewer external programs at the very top level; moving away from org-wide programs to function- and role-specific upskilling; no calendar-based programs etc.

The pace of change in the world (both geo-political and technological) is also reflecting in the fact that some companies are no longer making annual plans for learning. "We used to have an annual plan; now we've started planning one quarter at a time."

With flat budgets, business impact becomes non-negotiable

Now, more than ever, the focus is on building capabilities that directly impact business outcomes. How well L&D teams demonstrate this linkage is directly proportional to the support they receive.

This results in pressure on the HR and L&D teams to act as enablers of business success and to operate with an ownership mindset in addition to being SMEs. Key operational realities include slow decision cycles, multiple stakeholder iterations, and the need for persistent follow-ups, as teams and leaders are managing multiple competing priorities.

Measuring impact is necessary — but still unresolved

The ask that learning interventions demonstrate business outcomes results in a demand for better measures of post-program impact. This is an unanswered question for many of the leaders we spoke with – they would like better measurement of change (behavioural change is particularly difficult to measure).

As one leader put it: *"In the past the measure was how many people have you covered, now it's how deeply have you touched them? Business leaders are saying how do you guarantee return? Not sure yet how to do it from a leadership perspective."*

AI is absorbing attention - but its role in leadership development is still emerging

While several leaders spoke about pressure from management to demonstrate how they are using AI in leadership development, most companies are still in the process of experimenting. Low hanging fruit (like using AI to generate content; automating L&D processes) is being picked but the jury is still out on more meaningful use cases.

Learner mindset: "Don't add noise unless it's immediately useful"

From a learner perspective, several leaders shared that employees (especially tech folk) are clear that they're not interested in learning for the sake of learning. As one leader put it:

"There's an overwhelming belief amongst tech folk that learning adds noise to the signal load that people are already struggling with. So, if they can't immediately apply it, they're not interested."

This is resulting in reduced appetite for long programs. Some companies are experimenting with bite-sized learning embedded into daily work.

For many others who still believe in the impact of immersive learning, the challenge is how to create excitement for these.

There was a difference here with non-tech companies where we heard that learners would prefer immersive, in-person learning.

Some interesting approaches to handle these pressures:

- Outside-in perspectives
  - getting strong leaders from outside who can share their experiences
  - exposure to other organisations – two leaders spoke about an organizational exchange program where individuals get to spend time shadowing someone in another company

- Working to inculcate the belief that learning has to be self-led
  "We hire smart people, make learning accessible to them and they need to make the most of it. The L&D team focuses on the few needs that won't get addressed in self learning".

- Disproportionate investment in high potentials and in managers
  While this isn't a new strategy, several leaders spoke about this to manage working within a constrained budget – make AI based learning available to the vast majority of the workforce and concentrate more high touch interventions on the people who are going to shape the future.

What are key priorities for the year?

The major themes that emerged (apart from functional capacity building)

1. **Manager capability building (especially first-time and middle managers)**
   By far the most common focus area because growth, churn, AI, distributed teams, and the need for speed are exposing gaps.

   Common sub-topics inside this theme:
   - feedback, difficult conversations, conflict, stakeholder management, influencing
   - moving from "doing" to "orchestrator"
   - leading multi-generational workforces
   - how to lead AI workers

2. **Coaching as a capability and as a delivery mechanism**
   Organisations are investing in two areas : leaders-as-coaches; coaching as an intervention – for managers and senior leaders

3. **Leadership "human skills" in an AI world**
   As AI-driven workplace shifts occur more, the human skills of EI, empathy, authenticity, psychological safety skills are seen as being increasingly important for leaders.
   - *We need to help leaders and teams become more human…*
   - *As human touchpoints are reducing, each interaction is becoming more high stakes.*
   - *Leaders need the EI to deal with a workforce that's more AI native than them.*

4. **Presence and influence (especially in global/matrix contexts)**
   The need here is in areas like "how leaders show up" and "how they land messages," often linked to executive presence, pitching, and storytelling.

5. **Leading through disruption**
   A lot of "help people lead while everything moves under their feet.". Dealing with resistance to change; courageous leadership; resilience.

6. **Women in leadership**
   Representation problem above a certain level is making these interventions important. About 25% of companies reported a backlash of the anti-DEI sentiment from the US; some are experimenting with mixed cohorts for the programs that used to be offered only to women earlier.

Important but less common priorities

- **Result orientation**
- **Business strategy**
- **Negotiation**
- **Systems thinking**
- **Leader assimilation / onboarding**
- **Well-being**
- **Reverse mentoring**
- **Senior IC leadership**
- **Culture alignment**

Some interesting approaches:

- *"We are equipping leaders to not just model concepts like inclusion and psych safety but also to coach others to understand it and demonstrate it too."*

- *"We've developed a framework where my team members observe leaders - to predict their success accurately and develop them as well ("hey in that feedback conversation you didn't point out the positives. Do you want to practise with me?"). "*

- *"Our priority is to unlock mindset - if this shifts then functional learning will happen. We have full time internal coaches plus external coaches to help leaders with this."*

- *"Earlier becoming a people manager was a given… a lot of people who didn't want it also had to do it. Now organizations also understand people management doesn't have to be a natural step in progression. The challenge then becomes that more people are preferring to be ICs. So we invest in helping people see the value in people management."*

What's the impact of AI on the world of L&D?

Adoption is uneven: some are mandating, some are piloting, some are spending on tools but shrinking L&D, and a lot are uneasy about where AI crosses into judgment and people decisions.

It seems like the major investment of learning budgets/time, so far, has been in:
- Org/function wide training on AI tools (to improve efficiency)
- Functional capacity building (eg upskilling engineering teams on AI platforms)
- Designing interventions faster
- Automating L&D processes
- Integrating AI into their LMS

Some of the most common use case scenarios:

AI as practice partner

Simulations for sales and customer conversations
- Assessments of skills
- Preparing for feedback, conflict, and development conversations

Companies like this because it closes the gap between training and application, and it scales practice that managers often don't make time for.

AI-enabled "coaching"

Almost all leaders are explicitly distinguishing it from "formal ICF coaching,". It's being used for
- Helping managers find developmental interventions
- Creating the first draft of a company specific IDP basis feedback
- Giving objectives an "AI makeover"
- Recommending IJPs basis strengths and development items

One example: *"Let's say people have questions about our leadership principles - eg if there's a conflict between two, the AI tool can provide inputs on which to prioritise in a given context".*

Pure coaching? Some leaders have seen models claiming to do this but are, as of now, unimpressed.

The prevailing belief seems to be that AI can impart knowledge and be a practise partner but high-touch learning still very much has a role
- for senior/key roles
- behavioural depth (where reflection, identity shifts, and behaviour change is important)

What about concerns?

1. Is it ethical to use AI for performance management?

> *"We have an AI tool which can write the first draft of the performance self-appraisal by looking at emails/meeting notes/feedback/goals. I tried it out on myself - gave me a glowing review…..on the basis of one comment I had made in a meeting!*
>
> *If my manager had been new to the team, they would have thought I am a total rock star basis that exaggerated review."*

Many ethical alarms going off here as people talk about AI writing first draft of performance reviews, mining performance data, making promotion recommendations etc.

As one leader shared, *"If we want AI to look at performance data and make promotion recommendations; what bias could we be strengthening?"*

2. Are we giving people fish instead of teaching them how to fish?
A few leaders were concerned that if managers rely on AI to generate conversation scripts—without understanding the intent and principles behind them—they may struggle to handle emotional responses or respond appropriately when AI is not available.

3. How do we deal with the pressure on L&D teams?
In some cases learning teams have become leaner; in most, they're expected to do more. This creates a paradox - leaders expect faster design and delivery, while the team capacity to do thoughtful learning work is reduced.

4. How do we counter the "AI-first" related pressure and fear?
In many companies there is a top down (and market driven) pressure to be AI first in everything on the ground. This is resulting in mandating x hours of training across the company; measuring AI usage (pop-up reminders "you haven't used ai in the last thirty days")

Despite (or because of) these efforts, there is resistance to AI:
- Job security fears
- Impostor syndrome
- Identity disruption
- Mental model rigidity

Many organisations are coming to the conclusion that the learning need isn't only "AI skills." It's helping people navigate the change in their identity and use the time/efficiency gains in higher-order ways. There is also a need to equip managers to deal with these fears.

What are the top challenges?

- **Getting people to invest time in their learning.**

  - Many leaders are saying 90 minutes is about the upper limit for live sessions, and even getting people into a classroom is hard.
  - Early-career and Gen Z expectations are shifting toward "on-demand, simple, audio/video-first" learning rather than cohort journeys or heavy reading.
  - Several orgs are battling a broader "push vs pull" learning culture: people learn once they show up, but don't self-initiate without leadership role-modelling.
  - Journeys are hard to sustain in chaotic work environments; once people leave workshops, follow-up drops

  Blended journeys could help. One leader cited a program where participants had to watch videos, study material, and complete an evaluation (visible to their managers) before attending an in-person workshop.

  Another leader spoke about how it helps to position learning interventions as aspirational rather than mandatory.

- **Impact measurement remains frustratingly weak.**

  - Going beyond reaction scores and assessments is necessary but difficult.
  - Need a stronger ecosystem involving business leaders, HRBPs, and managers to link learning to performance data and outcomes.
  - People would be interested in knowing how AI can be used to showcase the value of training programs

- **Getting learning to translate to behaviour change**

  A few organisations are experimenting with learning that is embedded in work. For example
  - Bite sized learning that is linked to specific situations (eg feedback right before a performance cycle)
  - Requiring nominations for a program to be accompanied with details of a specific project they will be applying the learning to

- **Talent, succession, and potential identification keep leaders up at night**

  - succession planning feels "too perception-driven"
  - calibrating career growth across countries is messy

What are we going to do in response?

It's a tough world for L&D leaders today - flat budgets; high levels of scrutiny; overwhelmed learners; the difficulty of proving behaviour change. And yet, the need for strong, human leadership has never been greater.

Here's some of what we are going to start doing to manage these tensions:

1. **Start every intervention with the question: What business shift is this meant to enable?**

2. **Find ways to make learning even more attractive to learners**
   At Navgati, we pride ourselves on how engaging we make learning. From what we're hearing, we will need to step up our game even more on this.

3. **Design interventions that support the building of leadership in an AI-led world**
   We will focus on creative ways to build skills in the space of being an emotionally intelligent human. And to do the inner work needed to navigate complexity like humans have never dealt with before.

4. **Answer the question "how can we make sure our manager capability interventions translate into behavioral change?"**

5. **Design for the attention realities of today**
   Use our years of understanding the nuances of facilitation to create learning in a way that meets learners where they are.

The conversations in this report make one thing clear: the key question is "What capabilities will allow this organisation to stay relevant; and how do we build them in a way that actually sticks?"

That is the work we are committing to. And we look forward to building it with you.