

The Business Value of LinkedIn Learning



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Executive Summary

Amid widening skills shortages and turbulent global economic conditions, effective skill development is critical. An organization's agility is a reflection of its employees' ability to learn and adapt. To stay competitive, organizations must build powerful initiatives to upskill and reskill their workforce.

IDC spoke with organizations that have provided their employees with access to LinkedIn Learning. Interviewed LinkedIn customers reported benefiting from extending access to cost-effective, dynamic, and personalized skill development across their workforce.

Study participants have reduced their total learning and training costs with LinkedIn Learning and captured benefits from higher employee capabilities, engagement, and productivity.

Based on interviews with current LinkedIn Learning customers, IDC calculates that these customers will achieve benefits worth an annual average of \$1.72 million (\$830,000 per 1,000 employees using LinkedIn Learning) by:

- **Lowering learning and training-related costs** by consolidating access to e-learning and reducing in-person training
- **Minimizing costs associated with in-person training** such as travel and instructor costs
- **Avoiding costs associated with hiring external candidates** by ensuring that more existing employees have the skills and knowledge required to take on promotions and move to new teams
- **Benefiting from higher employee productivity levels** as they apply the skills and knowledge gained to their day-to-day jobs and activities
- **Capturing more revenue** by translating LinkedIn Learning courses to improved sales, customer support, and marketing efforts, among other benefits for business-focused teams and activities

In addition to these directly quantifiable benefits, study participants described the importance of connecting employee skill development with their career development. They also reported that their employees value having access to the dynamic content and learning experiences that LinkedIn Learning provides. The ability to build and apply new skills fosters increased employee satisfaction and ultimately factors into benefits such as increased employee retention and engagement.

Business Value Highlights

Click highlights below to navigate to content within this document.

- ↑ **695%**
three-year ROI
- ↓ **<6 months**
to payback
- ↑ **0.9%**
higher revenue
- ↑ **>1 week**
of additional productivity per year for LinkedIn Learning users
- ↓ **57%**
lower cost of providing learning courses
- ↓ **\$51,000**
travel costs reduced/avoided per year per 1,000 employees using LinkedIn Learning

Situation Overview

Enterprises have long struggled with skills shortages. Technology changes rapidly, and it takes a concerted effort to keep workers up to speed. Unfortunately for today's enterprise leaders, the challenge has become even more gargantuan.

Thanks to a perfect storm of accelerating tech developments, global economic factors, and hardening post-pandemic hybrid work realities, the skills shortage is increasing. According to IDC, some 70% of global IT leaders say they are feeling the negative impacts of the skills crisis. By 2026, more than 90% will be impacted, costing upward of \$5.5 trillion USD in delayed products, quality issues, and missed revenue goals.

Enterprise leaders ignore the skills shortage at their peril. To remain competitive, organizations must ensure they have the right people with the right skills in the right roles. Additionally, they must find ways to inculcate a strong culture of learning throughout the organization, including a full-featured learning management system (LMS) with courses and content that engage learners. It should also include labs, events, and hands-on challenges that allow employees to hone the new skills they have learned.

Thanks to over three years of remote and hybrid work transformation, the training space has undergone a real renaissance. No longer should enterprise leaders rely solely on classroom instruction; now, organizations can offer up an evocative mix of learning content, from self-paced video courses to group mentoring sessions, virtual coaches, and podcasts.

The magic happens when new and current employees understand how their skill development plays into the organization's goals at large. Employees are more likely to stay at companies that value their personal development and skill attainment. Further, organizations that prioritize upskilling, reskilling, and cross-skilling their employees will be able to leverage the technologies more rapidly on which success for both the individual and the organization increasingly relies.

LinkedIn Learning

LinkedIn Learning is a skill development platform that helps businesses guide employees to the most critical skills. It helps them to develop those skills, connect them to where they're needed, and measure the impact.

Thanks to robust skills data from LinkedIn's 1 billion members and 40,000 standardized skills, LinkedIn Learning offers personalized guidance on the skills employees need to reach their goals. Employees can set career goals, undergo evaluations to understand their skill proficiency, view potential career paths, and explore roles within their organization based on their interests and skill set.

Once employees understand the skills they have and need, they can effectively develop those skills with the platform's dynamic content and learning experiences. LinkedIn Learning's content library covers in-demand skills with highly applicable content accessible in 25+ languages. Its learning experiences include hands-on tech practice, professional certifications, and AI-powered coaching.

Employees can apply their skills to their current role or connect to new opportunities within their organization. They can also explore jobs at their organization and even raise their hand for internal opportunities. Learning and development (L&D) professionals can then measure the impact of their efforts by reporting on skill insights and career insights.

In IDC's most recent MarketScape comparison of U.S. IT training and skills companies, LinkedIn Learning ranked high, easily winning classification in the Major Players category. In that comparison, customers told IDC that LinkedIn Learning earned top marks for its active user community and powerful customization features.

The Business Value of LinkedIn Learning

Study Demographics

IDC conducted in-depth interviews with L&D leaders at organizations that use LinkedIn Learning. The interviews were in-depth and designed to understand the overall impact of using the LinkedIn Learning platform for these organizations.

Table 1 provides details about the LinkedIn customers that participated in IDC’s research. As shown, study participants ranged from smaller businesses to enterprise-level customers, with an average employee base of 2,639 employees and annual revenue of \$480.6 million (median of 975 employees and revenues of \$250.0 million, respectively). The interviewed organizations comprised a mix of geographies and industries, with representation from North America, Latin America (LATAM), Asia/Pacific (APAC), and Europe, the Middle East, and Africa (EMEA), as well as a mix of industry verticals that included the professional services, software, banking, consulting, financial services, higher education, and publishing sectors.

TABLE 1
Demographics of Interviewed Organizations

	Average	Median
Number of employees	2,639	975
Company revenue	\$480.6M	\$250.0M
Countries	United States (6), Philippines (2), Colombia, United Kingdom	
Industries	Professional services (3), software (2), banking, consulting, financial services, higher education, publishing	

n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

Choice of LinkedIn Learning

Study participants adopted LinkedIn Learning as a skill-development platform for their employees for common reasons. Most importantly, they concluded that LinkedIn Learning would provide enhanced flexibility for their employees in accessing timely, updated, and relevant course content. Interviewed LinkedIn Learning customers realized that they could no longer afford to offer piecemeal or inconsistent learning opportunities to employees, and employee expectations around access to learning necessitated investing in a more holistic, available, and consistent platform.

Interestingly, interviewed LinkedIn Learning customers followed varied paths in adopting LinkedIn Learning. For example, several interviewed organizations consolidated on LinkedIn Learning after using other online learning platforms, while other study participants shifted from learning and training approaches predicated more on instructor- and in person-based opportunities. Further, several customers noted that they implemented LinkedIn Learning in

the context of broader shifts to online and remote solutions during the COVID-19 pandemic, while others adopted LinkedIn Learning as part of a strategic and tactical shift in how they approach providing training and learning opportunities to their employees.

Interviewed LinkedIn customers provided details about the specific factors and considerations at play in their selection process:

Dynamic broad-based content, VP of Global HR, North America, Professional Services:

“One of the things we knew and could see the value in LinkedIn Learning was being able to deliver on-demand content wherever and whenever a participant was interested in learning and being able to offer a wide catalog of learning opportunities ... The more flexible and agile resources are, the more valuable they are.”

Up-to-date coverage of in-demand skills, Director of Learning and Organizational Development, North America, Professional Services:

“The benefit of LinkedIn Learning is that the courses are always being updated, which makes them relevant.”

Scaled learning ondemand, Director of Learning and Development, North America, Software:

“We acquired a LinkedIn Learning contract for the purpose of bringing as much on-demand learning to our employees as possible. We don’t have the staff capacity to create our own content. Getting a LinkedIn Learning contract and having that training available to our employees was the way to just get stuff out there and start from the ground up.”

Applicable content taught by leading experts, Development and Training Manager, LATAM, Professional Services:

“We looked at several providers, but we saw LinkedIn Learning as a good alternative since it offers high quality and consistent training across different topics and instructors. They align to our training needs, have quality and consistency, and are mindful about the time investment.”

The importance of study participants’ broader LinkedIn environments also came up in several interviews.

Study participants appreciated having a learning platform that integrates with their employees’ professional networking profiles, as well as their hiring platforms in some cases:

Connection to broader LinkedIn platform, Training Manager, North America, Publishing:

“We are a very social company, so the fact that LinkedIn Learning connects with everyone’s LinkedIn profiles and allows people to share to their networks that they are upskilling and developing skills was important for us.”

Unlocking economies of scale, Head of Learning, Engagement & Development, APAC, Financial Services:

“We were already using LinkedIn’s talent acquisition solution when we transitioned to LinkedIn Learning, and it was institutionally more practical to have only one supplier, and you have economies of scale as well ... There’s no limitation to what kind of learning path or courses people can explore.”

Use of LinkedIn Learning

Table 2 (next page) provides information about the extent to which employees at interviewed organizations access and take LinkedIn Learning courses. As shown, an average of 2,078 employees actively use LinkedIn Learning, meaning that almost four-fifths of employees (79%) regularly engage with LinkedIn Learning content. These employees take an average of 6,880 LinkedIn Learning courses per year, or more than three courses per employee per year. Further, study participants have subscriptions for more than 90% of their employees, which reflects both how enterprise licenses enable them to offer universal employee access to LinkedIn Learning courses as well as the extent to which even those organizations that take an a la carte approach end up providing significant numbers of their employees with access to LinkedIn Learning courses.

Study participants spoke about how their intent of providing broad access to learning with LinkedIn Learning, including through an enterprise-wide license, informed their decision to use the platform:

Director of Learning and Development, North America, Software:

“We acquired a LinkedIn Learning contract for the purpose of bringing as much on-demand learning to our employees as possible.”

VP of Global HR, North America, Professional Services:

“We have an enterprise-wide license, so anyone anywhere, anytime can look at and learn from any type of content.”

Director of Learning and Organizational Development, North America, Professional Services:

“Every single employee has access to LinkedIn Learning on the day that they start. They are welcome to use any courses they want, but we also add several LinkedIn Learning courses to our onboarding depending on their position.”

TABLE 2

LinkedIn Learning Use by Interviewed Organizations

	Average	Median
Number of employees with active LinkedIn Learning accounts	2,078	750
Number of LinkedIn Learning courses per year	6,880	3,214
Number of LinkedIn Learning subscriptions	2,403	925

n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

The Business Value of LinkedIn Learning

LinkedIn Learning customers described a consistent value proposition centered on providing their employees with cost-effective, dynamic, and highly personalized skill development. They connected these benefits to better outcomes in terms of the direct costs of providing learning courses, as well as operational efficiencies in the form of higher employee productivity and business gains in the form of higher revenue.

Additionally, customers clarified that LinkedIn Learning has also had other areas of positive impact, including in terms of employee satisfaction and career growth, and provided examples of how they view the core impact of LinkedIn Learning:

Increasing rates of internal mobility and promotion, Training Manager, North America, Publishing:

“We track our learning hours with LinkedIn Learning and ... people who are active are more than three times as likely to move into a new role (internally) or be promoted.”

Delivering a broad platform for employees to use across their professional and career development needs, Director of Learning and Development, North America, Software:

“We wanted a growth mindset that says, ‘You’re going to have world-class resources out there for you to pursue whatever skills you want to pursue.’ So, bringing in LinkedIn Learning was one of the first things needed to provide access to content.”

Providing greater access to learning and training opportunities, Senior Manager, Training Operations, North America, Professional Services:

“We gain from our employees’ ability to just go to LinkedIn Learning and look for exactly what they need, whether that’s Excel or Finance Essentials or the cybersecurity training. The search feature lets them browse content and find what they need without us having to create it.”

Offering the right mix of professional and personal development/growth, Development and Training Manager, LATAM, Professional Services:

“We’ve seen how our employees benefit from taking these courses and learning the skills they need in their day-to-day lives. Our employees feel that we are investing in their personal and professional growth.”

Ensuring complete flexibility for employees in access, Chief People Officer, APAC, Financial Services:

“The most important benefit of LinkedIn Learning is the opportunity to choose a wide array of courses in such an easy manner. Our employees can access it anytime, anywhere at their own pace.”

Based on interviews with LinkedIn Learning customers, IDC calculates that they will realize benefits worth \$830,000 per 1,000 employees taking LinkedIn Learning courses (\$1.72 million in benefits per organization) per year in the following areas:

• **Higher net revenue:**

Study participants translate new skills and best practices gained through courses for sales, development, marketing, and other teams to business outcomes such as increased sales win rates and better customer support. As a result, IDC calculates that they will see net revenue gains of \$316,000 per 1,000 LinkedIn Learning users (\$656,500 per organization) per year.

• **Increased employee productivity:**

Study participants upskill more employees with LinkedIn Learning, which means that employees perform their jobs more efficiently and can take on higher-level responsibilities. This increases their value to their organizations, which IDC projects will result in net productivity gains of \$263,000 per 1,000 LinkedIn Learning users (\$546,500 per organization) per year.

• **Learning platform cost savings:**

Study participants reduce direct costs by consolidating their learning and training on LinkedIn Learning and extending cost-effective access to learning to new learners, which IDC estimates will yield annual cost savings of \$109,000 per 1,000 LinkedIn Learning users (\$226,600 per organization).

• **External hires, costs avoided:**

Study participants avoid needing to source certain hires externally as more employees gain the skills and knowledge they need for promotions and internal mobility, thereby avoiding average external hiring costs of \$91,000 per 1,000 LinkedIn Learning users (\$190,000 per organization) per year.

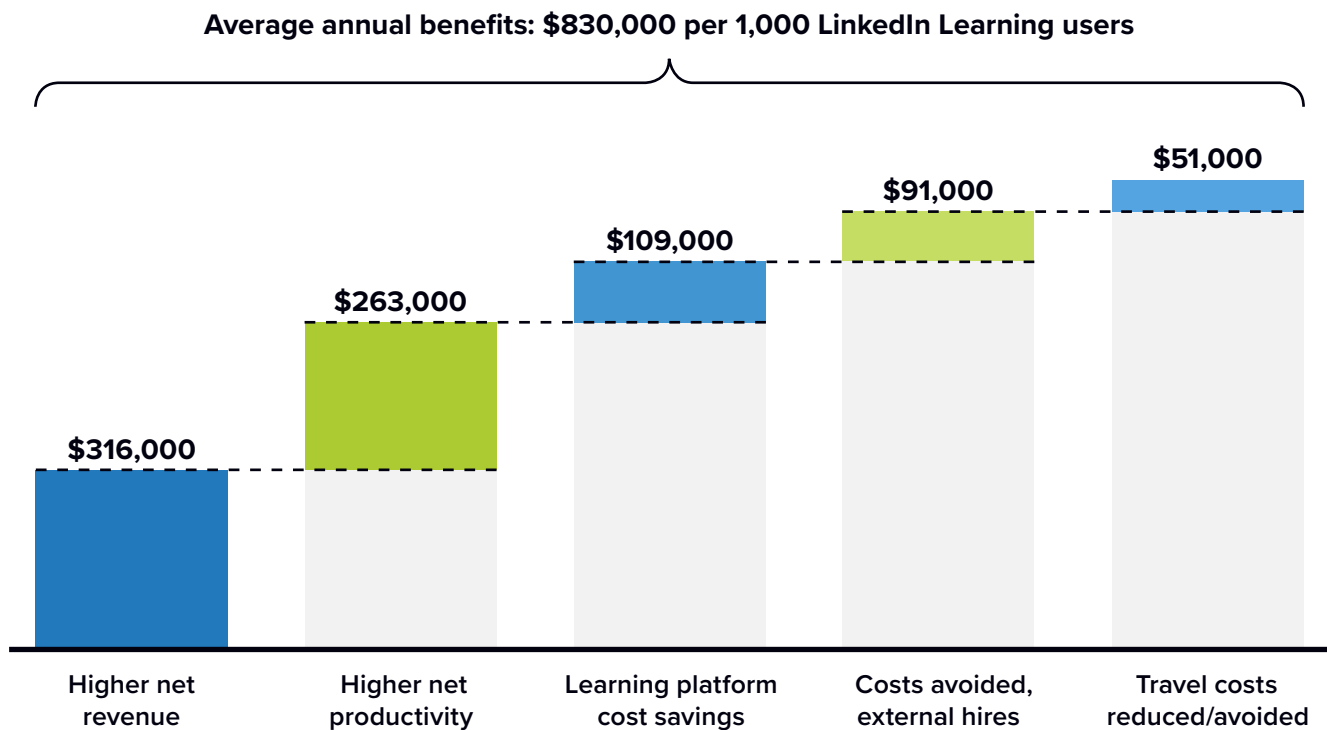
• **Travel costs avoided/reduced:**

Study participants rely less on in-person learning and training with LinkedIn Learning, thereby cutting travel and other learning-related costs by an average of \$51,000 per 1,000 LinkedIn Learning users (\$105,200 per organization) per year.

FIGURE 1

Average Annual Benefits per 1,000 LinkedIn Learning Users

(Benefits per 1,000 LinkedIn Learning users per year)



n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

For an accessible version of the data in this figure, see [Figure 1 Supplemental Data](#) in Appendix 3.

Consolidated and Cost-Effective Learning Platform

Study participants consistently cited their ability to establish more cost-effective learning environments with LinkedIn Learning as a benefit of their use. They described having disparate and inconsistent approaches to providing learning and training to employees prior to using LinkedIn Learning, which drove up costs and created inefficiencies. Several study participants noted offering employees one or more online learning solutions but finding it challenging to drive strong use, while others reported relying on more expensive and inefficient instructor-led and in-person learning approaches.

Regardless of their previous approach to offering employees learning opportunities, interviewed LinkedIn Learning customers agreed that it has enabled them to offer learning opportunities to more employees even as they reduce their overall costs. This is especially the case for organizations with an enterprise LinkedIn Learning license that allows all employees to access courses, but organizations that purchase LinkedIn Learning courses on an a la carte basis also reported cost savings.

Study participants described how LinkedIn Learning has enabled them to centralize, standardize, and optimize how they deliver learning opportunities to employees:

Move away from more expensive one-time training and learning opportunities,

Training Manager, North America, Publishing:

“Before LinkedIn Learning, we used a lot of one-off learning and training. There wasn’t a central learning platform, which meant that we needed to scale because it wasn’t sustainable to keep having external trainers come in. It made more sense to have a platform that was available for everyone at all levels in every department at a price that made sense.”

Cost efficiencies from consolidation and standardization, Vice President,

Growth and Development, North America, Software:

“Before LinkedIn Learning, it was a free for all, with people spending money left and right. It was a circus. We needed to centralize ... We are saving at least \$200,000–\$300,000 and time as well.”

More efficient use of time in learning, Project Officer, EMEA, Higher Education:

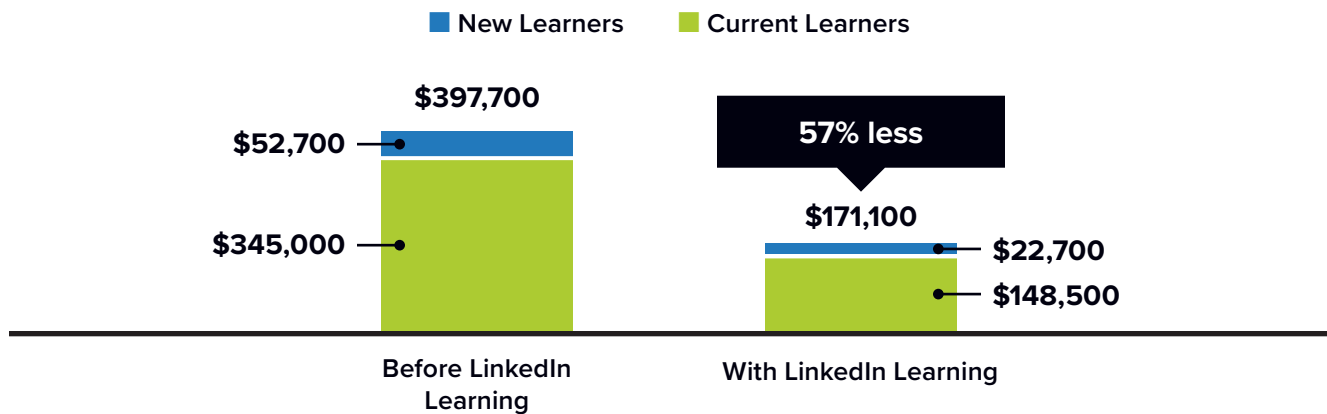
“We no longer provide the courses that were face-to-face time management, project management, presentation skills, anything like that. We direct people to LinkedIn Learning ... They get exactly what they would from point to a face-to-face course, but we’re using our time more effectively.”

Shift training for new employees from in-person to virtual, Director of Learning and Organizational Development, North America, Professional Services:

“We used to have a six-week bootcamp that we did in person, and we would fly people here for training for new employees. Now, this is all done virtually, and we have been able to assign LinkedIn Learning content to these people across the organization ... This saves at least \$100,000 per year, if not more.”

Figure 2 shows how interviewed LinkedIn Learning customers have reduced their spending on learning and training, saving an average of 57% or \$226,600 per organization (\$109,000 per 1,000 LinkedIn Learning users) per year. The cost savings reflect both the reduced cost of providing learning content to employees who already had learning opportunities and the benefit of extending access to new employees. Further, IDC’s research shows that study participants will avoid other costs associated with learning and training, including travel and costs associated with providing in-person learning, of an average of \$105,200 per organization per year (\$51,000 per 1,000 LinkedIn Learning users per year).

FIGURE 2
Impact on Learning Platform Costs



n = 10; Source: IDC Business Value In-Depth Interviews, October 2023
For an accessible version of the data in this figure, see [Figure 2 Supplemental Data](#) in Appendix 3.

For study participants, the value of providing cost-effective access to learning extends beyond direct cost savings. For example, several organizations spoke about how they benefit from shifting their approach to online-first, which frees up instructors and other resources. The chief people officer at a financial services organization in APAC explained: *“With LinkedIn Learning, we’ve pivoted the organization to digital learning ... so we’re more efficient ... We still have our training staff, but their role has changed tremendously. They’re partnering more with the business right now.”*

Quality, Breadth, and Access to Learning

Study participants described their ability to offer timely, relevant, and user-friendly learning content to employees across their organizations as a key benefit of using LinkedIn Learning. As noted, prior to LinkedIn Learning, they took divergent approaches to delivering learning content with inconsistent results. In some cases, employees did not respond to these approaches, while in other cases, there was insufficient flexibility in more static access to learning opportunities to allow employees to readily access learning content.

Interviewed LinkedIn Learning customers detailed how they have extended access to more employees:

Significant increase in learning platform use, Vice President, Growth and Development, North America, Software:

“After getting LinkedIn Learning, we have more than 10 times more active users and more than four times as many repeat users.”

Provides flexible access across different employee types, Project Officer, EMEA, Higher Education:

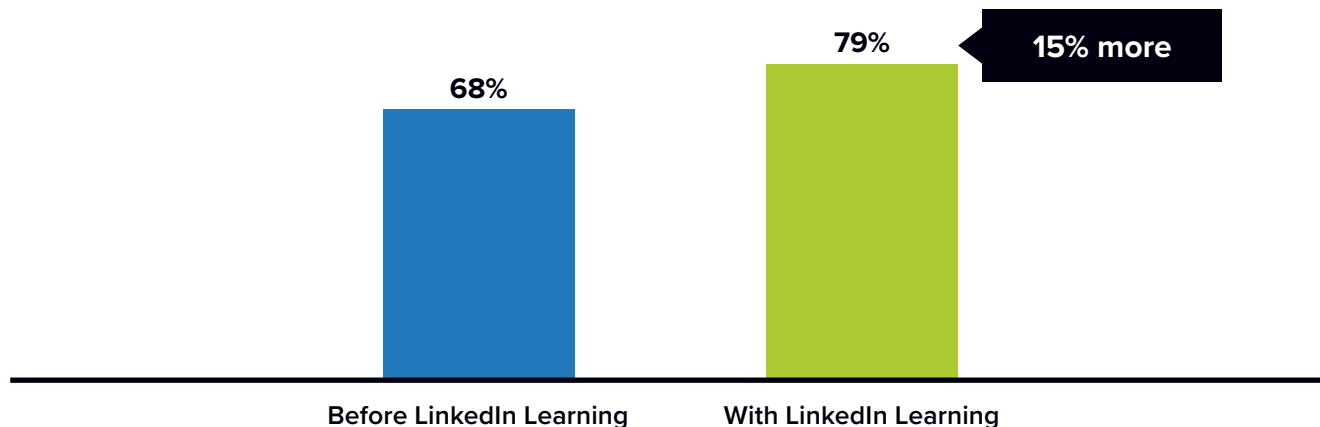
“Many of our staff work in shifts, so they’re not available to do any of the training or learning courses that we might have during the day. But LinkedIn Learning fits in with their shifts that they can access at any point.”

Platform for ensuring access to quality learning opportunities, Senior Manager, Training Operations, North America, Professional Services:

“We use LinkedIn Learning to provide courses that have been curated specifically to a particular skill that we want leaders to take ... The only way to go during the pandemic was digital learning, and we’ve made sure that employees invest in it for their personal development as well as professional development. Without LinkedIn Learning, I have no idea how we would be developing our employees.”

Figure 3 (next page) shows how LinkedIn Learning has allowed study participants to provide access to learning and training opportunities to more employees. On average, they now offer these opportunities to 15% more employees. For organizations that rely on providing learning and training opportunities to not only ensure that their employees have the right skills and knowledge to do their jobs but also offer other opportunities for personal and professional development, ensuring access for more employees is an important benefit of using LinkedIn Learning. The VP of Global HR at a North American professional services firm explained how LinkedIn Learning has allowed it to overcome cost concerns to deliver meaningful content to employees on a wide variety of topics: *“If we didn’t have the LinkedIn Learning platform and we wanted to do more things in the DE&I space or well-being or technology skills, we’d have to find disparate platforms to try and knit that together for employees at an enterprise level. And it would’ve been cost prohibitive for us to be able to do that.”*

FIGURE 3
Impact on Access to Learning
 (Percent of Employees with Access)



n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

Improved Employee Experience and Career Impact

Study participants consistently described the value of increased employee engagement and capabilities by having employees take LinkedIn Learning courses. They cited both the importance of employees leveraging courses to upskill and maintain their knowledge for doing their day-to-day jobs and of having access to a strong catalog of learning content for personal and professional development.

Interviewed LinkedIn customers spoke about the importance of providing employees with this type of platform and learning content:

Broad platform for employees to use across their professional and career development needs, Director of Learning and Development, North America, Software:

“We wanted a growth mindset that says to employees, ‘You’re going to have world-class resources out there for you to pursue whatever skills you want to pursue.’ Bringing in LinkedIn Learning was one of the first things needed to provide access to content that could serve everything, from technical to leadership to soft skills.”

Value as a platform for personal and professional development, Senior Manager, Training Operations, North America, Professional Services:

“It’s a benefit to have access to LinkedIn Learning, and we want our employees to use it to upskill in any personal and professional ways that they wish. More recently, we have also been pushing it as a career advancement in partnership with new career path guides that we just rolled out internally.”

Day-to-day efficiencies and longer-term growth, Head of Learning, Engagement and Development, APAC, Financial Services:

“Employees optimize the time they need to spend on daily activities with LinkedIn Learning, but also, by having more knowledge about the tools we use in our projects, consultants start to see different possibilities expand. Employees are consistently developing core competencies in their roles.”

Interviewed LinkedIn Learning customers connected these employee-related benefits to better employee development and higher satisfaction. While many found it challenging to directly tie these benefits to increased employee retention, they expressed the view that employees value access to LinkedIn Learning courses and can better prepare themselves to grow within the organization. For example, a training manager at a North American publishing company explained: *“We use LinkedIn Learning to develop our associates to take on leadership roles and become managers of teams. So, the biggest impact is the ability to work on their skills so they can ultimately move into either a new role or a management position.”*

Study participants provided further examples of how employees leverage LinkedIn Learning courses to their career advantage:

Senior Manager, Training Operations, North America, Professional Services:

“The new AI in the LinkedIn Learning platform that allows people to pick career goals is really helpful.”

Chief People Officer, APAC, Financial Services:

“Employees have the flexibility to learn whatever topics they want to with LinkedIn Learning. It’s driving a different type of behavior where they have ownership of this.”

Director of Learning and Organizational Development, North America, Professional Services:

“Some employees get a ton out of LinkedIn Learning and they utilize it a lot ... It’s one of those things where someone starts with it and really sees the benefit and keeps on going.”

For study participants, this type of skill development can mean that more employees are ready for advancement or lateral moves, which can mean sourcing fewer new hires externally. Study participants spoke to how LinkedIn Learning benefits employees in this way:

Training Manager, North America, Publishing:

“Where we are seeing the most impact with LinkedIn Learning is the cost savings of our employees. For example, being able to develop skills to move into different roles, which is helping us lower our attrition and keep our employees satisfied.”

Training Manager, North America, Publishing:

“There are so many different factors that go into turnover ... LinkedIn Learning has helped people develop skills, which has opened up more opportunities for them that they might not otherwise have for internal mobility or for potential growth.”

VP of Global HR, North America, Professional Services:

“I know for a fact that when we are recruiting, part of our value proposition is that we’re mission driven, and people really value the learning opportunities people gain here. And absolutely part of that equation is LinkedIn Learning.”

With external hires generally requiring significant costs in direct support and more time to onboard (an average of \$50,100 per new external hire), even increasing the number of hires from internal candidates or avoiding some employee attrition can deliver significant cost savings. On average, IDC’s research shows that study participants will avoid having to make four new external hires per year with LinkedIn Learning, which results in annual hiring-related cost savings of \$190,000 per organization per year (\$91,000 per 1,000 LinkedIn Learning users) (see **Table 3**).

TABLE 3
Impact on Hiring

	Average per Organization
Number of new hires per year	398
Percent increase in internal hires with LinkedIn Learning	1%
Number of additional internal hires with LinkedIn Learning	4
Average assumed total cost of making external hires	\$50,100
Cost reduction/avoidance of making external hires per year	\$190,000

n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

Upskilling and Higher Employee Productivity Levels

Study participants also tied having their employees take LinkedIn Learning courses to more direct benefits in the form of greater effectiveness in doing their jobs, which translates to higher employee productivity levels. In other words, employees who take LinkedIn Learning courses can translate information, best practices, and advice into actionable improvements in how they work, with interviewed organizations self-reporting these areas of impact of using LinkedIn Learning translating to productivity and business gains. In some cases, interviewed LinkedIn customers described specific scenarios such as onboarding new employees, while in others, they described how employees take courses to keep up with and prepare for changing technologies and other aspects of their jobs.

Interviewed organizations provided examples of the positive impact of LinkedIn Learning courses on their employees:

More effective onboarding for new hires, Head of Learning, Engagement and Development, APAC, Financial Services:

“It usually takes about three to six months before a new hire becomes fully integrated into the organization. Having LinkedIn Learning fast tracks this by at least 20%, and we use LinkedIn Learning for custom content for onboarding new hires.”

Significant difference in productivity for new employees onboarding with LinkedIn Learning, Vice President, Growth and Development, North America, Software:

“We have a program called Developer Academy where we bring people in for three months to get very targeted training with LinkedIn Learning being a huge part of that component ... There’s a direct correlation between participation and results — based on what the managers are saying, the ones with this training are at least 50% more productive, if not more.”

Use to gain necessary knowledge/skills ahead of work requirements, Head of Learning, Engagement, and Development, APAC, Financial Services:

“We see in cases where there is a coming shift in the technology that employees are using LinkedIn Learning to study ahead of the project. They are taking advantage so that when the skill required for those projects materializes, they will at least have taken up the conceptual parts of it.”

Engaging content fosters use and resultant productivity gains, VP of Global HR, North America, Professional Services:

“LinkedIn Learning content tends to be engaging, and people keep coming back because they get curious. I think it helps build skills a lot more quickly; without hard data, it probably drops the time in half to one-third of what it would take to gain skills compared with a longitudinal course.”

Table 4 shows the productivity impact on employees who take LinkedIn Learning courses. As shown, study participants self-reported an average 3% productivity gain, which translates to more than a week of additional productivity per year, i.e., 47 hours of additional productivity for each employee who takes LinkedIn Learning courses. In total, this results in an average productivity gain of 53 FTEs per organization. For purposes of IDC’s financial model, a 15% margin assumption is applied against this productivity gain, resulting in an average net productivity gain worth \$546,500 per organization (\$263,000 per 1,000 LinkedIn Learning users) per year.

TABLE 4
Employee Productivity Impact

Productivity Impact of Courses	Before/Without LinkedIn Learning	With LinkedIn Learning	Difference	Benefit
Productivity level, employees already with LinkedIn Learning	1,803	1,848	45	3.0%
Productivity level, new learners	275	282	7	3.0%
Overall productivity level, LinkedIn Learning users	2,078	2,131	53	3.0%
Equivalent gross productivity, \$ per organization per year	\$145.49M	\$149.14M	\$3.64M	3.0%
Equivalent net productivity, \$ per organization per year	\$145.49M	\$146.04M	\$546,500	0.4%

n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

Business Benefits and Higher Revenue

Study participants also connected employees taking LinkedIn Learning courses to improved business outcomes. In many cases, this relates to having more productive, effective employees, but it also stems from specific benefits for teams responsible for driving business results, such as sales, development, and marketing teams. For example, the chief people officer at a financial services company in APAC explained: *“We can say that LinkedIn Learning has helped us improve our sales activities, especially the courses on virtual selling ... We’ve improved some of our core sales KPIs by over 30% since beginning to use LinkedIn Learning.”* On average, based on self-reported improvements in sales and revenue related to use of LinkedIn Learning, IDC calculates that study participants will realize \$4.38 million in higher revenue per year (\$2.11 million per 1,000 employees taking LinkedIn Learning courses). This reflects a significant business bump for study participants of almost a full 1% higher revenue per year (0.9%). Even applying a 15% margin assumption against this revenue gain results in an average net revenue gain worth \$656,500 per organization (\$316,000 per 1,000 LinkedIn Learning users) per year.

TABLE 5
LinkedIn Learning Use by Interviewed Organizations

	Average per Organization	Average per 1,000 Employees Taking LinkedIn Learning Courses
Average total revenue gain per year	\$4.38M	\$2.11M
Margin assumption	15%	15%
Average net revenue gain per year	\$656,500	\$316,000

n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

ROI Summary

Table 6 (next page) provides IDC’s analysis of the net benefits and investment costs for interviewed LinkedIn Learning customers. IDC calculates that they will realize discounted benefits over three years worth \$1.99 million per 1,000 employees (\$4.14 million per organization, meaning taking LinkedIn Learning courses results in higher net revenue and productivity and lower learning and hiring costs. These benefits compare with discounted investment costs of \$0.25 million per 1,000 employees taking LinkedIn Learning courses

(\$0.52 million per organization). IDC estimates that these levels of benefits and costs will result in an average three-year ROI for study participants of 695%, with benefits accrued exceeding investment costs after an average of only two months. For more details about the ROI analysis calculations, please see **Table 8** in Appendix 2.

TABLE 6
Three-Year ROI Analysis

	Per Organization	Per 1,000 Employees Taking LinkedIn Learning Courses
Benefit (discounted)	\$4.14M	\$1.99M
Investment (discounted)	\$0.52M	\$0.25M
Net present value	\$3.62M	\$1.74M
ROI (NPV/investment)	695%	695%
Payback (months)	2 months	2 months
Discount factor	12%	12%

n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

Challenges/Opportunities

LinkedIn Learning is well placed as a skill development solution. One key differentiator is that it is part of the broader LinkedIn ecosystem, which includes more than 1 billion members worldwide. This professional community provides robust skills data from which LinkedIn Learning drives personalized experiences for learners and actionable insights for admins. This skills data also informs the development of high-quality content on in-demand skills that leading experts teach.

LinkedIn Learning’s challenges mainly relate to a rapidly widening field of learning competitors, some of whom offer more courses for a comparatively low price or even free of charge. A LinkedIn Learning strength is that the platform can operate side-by-side with other systems, which is a common scenario. Still, LinkedIn would be wise to review its pricing strategy as competition heats up.

Conclusion

Organizations' ability to maintain their competitive position and establish competitive differentiation increasingly depends on their employees' ability to learn and adapt. However, employees cannot do this on their own; their organizations need to put in place powerful and relevant training initiatives to upskill and reskill their workforce while providing access to training that enables employees to develop softer skills and even pursue their own professional and personal interests. This study evaluates how organizations use LinkedIn Learning to pursue and achieve these objectives.

Interviewed organizations using LinkedIn Learning reported benefiting from providing more of their employees with dynamic, flexible, and highly personalized training and learning opportunities. With LinkedIn Learning, study participants have not only optimized the cost of offering learning courses to their employees, but they also see the value of employees translating relevant and high-quality content to their day-to-day work. Employees who regularly use LinkedIn Learning perform better, which generates value in the form of higher employee productivity and revenue as well as in terms of bettering employee satisfaction and preparing employees for intra-organizational career growth. For interviewed LinkedIn customers, IDC projects that this will result in almost \$8 in benefits for every dollar invested in LinkedIn Learning, which means an average three-year ROI of 695% and investment breakeven in only two months.

Appendix 1: Methodology

IDC's standard business value/ROI methodology was utilized for this project. This methodology is based on gathering data from organizations that currently have employees who take LinkedIn Learning courses as the foundation for the model.

Based on interviews with organizations using LinkedIn Learning, IDC performed a three-step process to calculate the ROI and payback period:

- 1. Gathered quantitative benefit information during the interviews using a before-and-after assessment of the impact of using LinkedIn Learning.** In this study, the benefits included productivity gains, cost reductions, and higher revenue, which were self-reported by interviewed organizations.
- 2. Created a complete investment (three-year total cost analysis) profile based on the interviews.** Investment costs included both the cost of using LinkedIn Learning as well as incremental employee time required to participate in and complete LinkedIn Learning courses.
- 3. Calculated the ROI and payback period.** IDC conducted a depreciated cash flow analysis of the benefits and investments for the organizations' use of LinkedIn Learning over a three-year period. ROI is the ratio of the net present value (NPV) and the discounted investment. The payback period is the point at which cumulative benefits equal the initial investment.

IDC bases the payback period and ROI calculations on several assumptions, which are summarized as follows:

- Time values are multiplied by the burdened salary (salary 28%+ for benefits and overhead) to quantify efficiency and manager productivity savings. For the purposes of this analysis, based on the geographic locations of the interviewed organizations, IDC has used assumptions of an average fully loaded salary of \$100,000 per year for IT staff members and an average fully loaded salary of \$70,000 per year for non-IT staff members.
- IDC assumes that employees work 1,880 hours per year (47 weeks x 40 hours).
- The net present value of the three-year savings is calculated by subtracting the amount that would have been realized by investing the original sum in an instrument yielding a 12% return to allow for the missed opportunity cost (i.e., discount factor). This accounts for both the assumed cost of money and the assumed rate of return.

Appendix 2: Business Value Calculations

Table 7 provides more details about the quantified benefits related to study participants having employees take LinkedIn Learning courses. As shown, IDC calculates that they will realize benefits worth an average of \$1.72 million per organization (\$830,000 per 1,000 employees taking LinkedIn Learning courses).

TABLE 7

Average Annual Benefits

Category of Value	Average Quantitative Benefit	Calculated Average Annual Value
Learning platform cost savings	57% lower weighted cost, saving \$226,600 per year	\$203,900
Travel/other costs avoided/reduced	Saving \$105,200 per year	\$105,200
Costs avoided, making external hires	3.8 external hires avoided per year, average cost of \$50,100, saving \$190,000 per year	\$190,000
Higher employee productivity	3% average higher productivity, worth 52 FTEs, \$70,000 salary assumption, 15% margin applied	\$546,500
Higher net revenue	\$4.38M higher revenue per year, 15% margin applied	\$656,500
Total average annual benefits	\$1.72M per organization	

n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

Table 8 shows how the benefits and investment costs for study participants of using LinkedIn Learning translate to the 695% average three-year ROI.

TABLE 8
Average Annual Benefits

Category of Value	Year 1	Year 2	Year 3	Total, 3 Years
Discount factor (with 12% assumption)	0.893	0.797	0.712	n/a
Total non-discounted benefits	\$1,724,800	\$1,724,800	\$1,724,800	\$5,174,400
Discounted benefits (nominal benefits X discount factor)	\$1,540,000	\$1,375,000	\$1,227,700	\$4,142,700
Total non-discounted investment costs	\$217,000	\$217,000	\$217,000	\$651,000
Discounted investment costs (nominal investment costs X discount factor)	\$193,800	\$173,000	\$154,500	\$521,200
Net present value (discounted benefits minus discounted investment costs)	\$1,346,200	\$1,202,000	\$1,073,200	\$3,621,500
Three-year ROI (NPV divided by discounted investment costs)	695%			

n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

Note: All numbers in this document may not be exact due to rounding.

Appendix 3: Supplemental Data

This appendix provides an accessible version of the data for the complex figures in this document. Click “Return to original figure” below each table to get back to the original data figure.

FIGURE 1 SUPPLEMENTAL DATA

Average Annual Benefits per 1,000 LinkedIn Learning Users

	Higher net revenue	Higher net productivity	Learning platform cost savings	Costs avoided, external hires	Travel costs reduced/ avoided
Higher net productivity	\$316,000	\$316,000			
Higher net productivity		\$263,000	\$579,000		
Learning platform cost savings			\$109,000	\$688,000	
Costs avoided, external hires				\$91,000	\$779,000
Travel costs reduced/ avoided					\$51,000

n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

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Appendix 2: Supplemental Data (continued)

FIGURE 2 SUPPLEMENTAL DATA

Impact on Learning Platform Costs

	Before LinkedIn Learning	With LinkedIn Learning
Current Learners	\$345,000	\$148,500
New Learners	\$52,700	\$22,700
Total	\$397,700	\$171,100

n = 10; Source: IDC Business Value In-Depth Interviews, October 2023

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