

The Great Upskill

Inside the Ongoing Convergence of
Human Capital + Knowledge Solutions

47 Million+
Americans who quit their jobs in 2021¹

57% Of U.S. workers want to update
their skills²

11 Million+ – *Record High*
U.S. job openings, March 2022³

70% Employees who feel their employer
doesn't teach them the skills they need
to do their job⁴

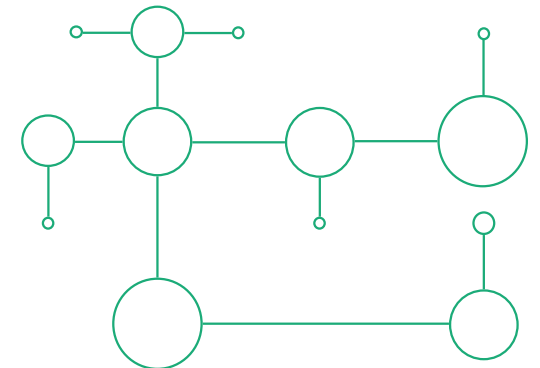
33% Skills included in average 2017 job
posting that were no longer relevant in
2021⁵

The Opportunity

The world of work is undergoing a post-COVID transformation – and the demand for workforce development and reskilling solutions is ramping up, creating compelling opportunities for investors.

The Great Resignation remains in full swing, driving demand for top talent and challenges in hiring across all education and skill levels. Companies need new solutions to source, hire and train their workforces in the post-pandemic world.

At the same time, tech is revolutionizing the workplace, changing when and how work gets done. Tech is no longer a nice-to-have – it's crucial for assessing talent, adjusting to evolving work formats and meeting the growing demand for digital tools/platforms.



THE BACKDROP

Fueled by long-term trends toward contingent workforces and flexible work arrangements, the Human Capital Management sector continues to evolve.

BAIRD

How It Started

How It's Going

TALENT POOL | Who's Available



CANDIDATE SOURCING/SCREENING | How They're Found



WORK ARRANGEMENTS | Where They're Going



WORKFORCE TRAINING | How They're Coached



THE IMPACT

Employers need to retain workers to enhance career development and meet new job requirements and demands for talent.

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ISSUES TO ADDRESS

Shift in Nature of Work

The world continues to experience a pandemic disruption that has changed perspectives and beliefs on how and where we work.

Supply-Demand Imbalance

Labor demand continues to considerably outpace supply, placing upward pressure on employee wages, offerings and benefits.

Increased Churn & Lower Engagement

Heavy workloads leading to burnout, increased turnover and job hopping. Companies need to engage and connect with employees, giving them a reason to stay.

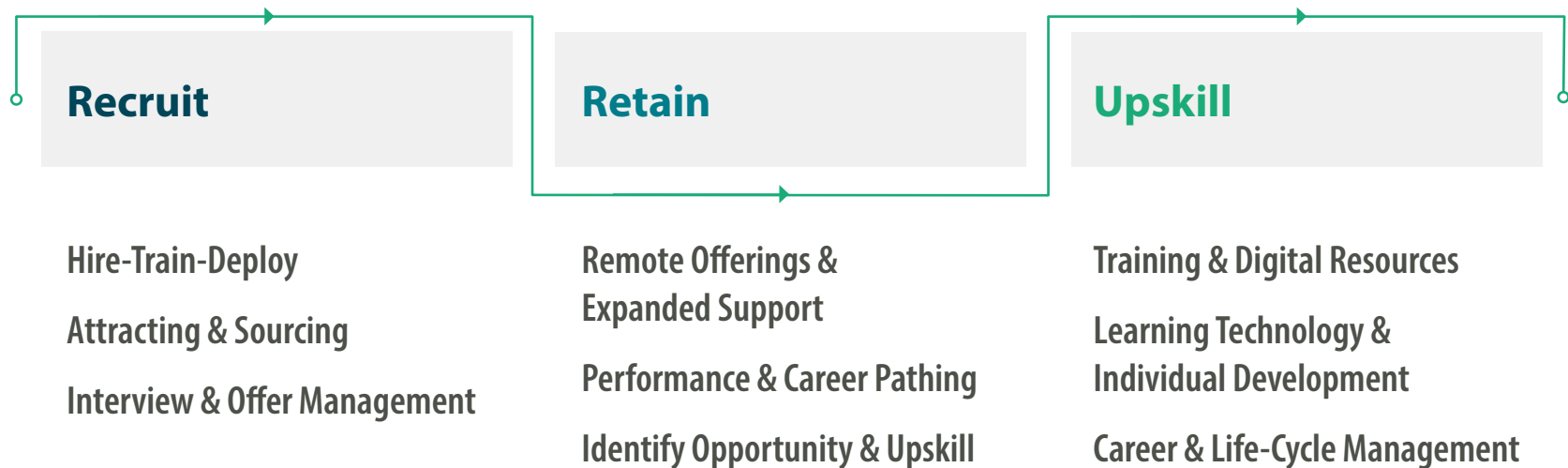
Talent Upskilling

Companies are focusing resources on an intentional build-up of current employees' skill sets. The demand for robust training and development capabilities is increasing.

Convergence with HR

The HR function has expanded beyond its traditional domain. Now, it includes training, talent management, career pathing, remote work support and more.

HOW THE TALENT ECOSYSTEM IS EVOLVING



JOINING THE CONVERSATION

Across all industries, leaders must take action to tackle emerging HR challenges and drive organizational change.

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Gartner

Top 5 Priorities for HR Leaders in 2023

Compelling Careers Are Critical for Retention

Data from a Gartner survey on employee career preferences shows that just one in four employees is confident about their career at their organization, and three out of four people looking for a new role are interested in external positions.

[Gartner](#)

SHRM

What Will HR Look Like in 2030?

Digital Training Will Become a Necessity

More than half of HR professionals (53 percent) report noticing at least one basic skill or knowledge gap among applicants in the past 12 months, according to the 2022 Talent Trends Report from the SHRM Research Institute.

[SHRM](#)



To stay current, the key is upskilling. This is the capacity you have as a company to train and develop your employees. Put it on the “must-do” list. Why? Competition. You’ve got to stay competitive in the marketplace.

[Forbes](#)



Developing such skills usually takes time, however, and that’s a luxury that many companies simply don’t have.

[McKinsey](#)



50% of all employees will need reskilling by 2025, as adoption of technology increases, according to the World Economic Forum’s Future of Jobs Report.

[World Economic Forum](#)



Analysts estimate that the need for upskilling will soon reach staggering heights, with as many as 40% of current workers requiring new skills in the next three years.

[HRO Today](#)

CASE STUDY

Learning Pool addresses the issue of Convergence of HR

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Learning Pool is a full-service online training provider to workplaces around the world.

The company has grown to become a strategic leader in the U.K. and U.S. learning technology markets, creating engaging onboarding experiences, rigorous compliance training and meaningful skills development opportunities for a global client base.

In 2021, Baird served as financial advisor to Learning Pool, a then portfolio company of Carlyle Cardinal Ireland (CCI), on its sale to Marlin Equity Partners.

HOW LEARNING POOL IS MEETING THE DEMAND

Comprehensive Suite of Innovative Technologies

Offers learning courses, platforms, compliance training, analytics and custom content development services to over 1,500 organizations

Meeting Employees at Every Stage

Creates engaging onboarding experiences, rigorous compliance training and meaningful skills development opportunities

AI-Based Skills Management & Jobs Pathing

Acquired People-Analytix, a multilingual skills ontology, to identify organizational skills gaps, uncover workforce trends and match employees to jobs

Personalized Experiences for Employee Retention & Efficiency

Acquired True Office Learning, a compliance technology firm, to improve predictive insight, targeted remediation and increase efficiency of learning programs by 30-50%

Creating Extraordinary Performers Through Adaptive Learning

Puts data at the heart of the company's strategy to deliver meaningful results by using AI and increasingly advanced machine learning techniques, creating extraordinary performers

ILLUSTRATIVE PLAYERS

Companies across the workplace skilling ecosystem are poised to address this convergence of trends – and present compelling investment opportunities.

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LMS uses AI and collaborative features to upskill from within



Cloud-based LMS engineered to inspire learning and fuel business productivity



Comprehensive outsourced recruiting and innovative talent lab, developing in-demand skillsets



Frontline LMS with mobile-first training and communications



Coaching experience to drive productivity, engagement and retention at scale



Upskilling platform connects learning, talent development and internal mobility opportunities



Training technology talent to provide diverse and highly skilled resources



Single platform solution to support the entire learning process from development to delivery



Smart and flexible way to deliver feedback, learning and people development



Curated eLearning library from top training providers in a single subscription



Supports recruiting, retaining and reskilling every employee at every level



Technology training in the leading tech platforms for client upskilling and student certifications



Powerful, easy-to-use LMS to deliver corporate training at scale



Comprehensive technology talent training



Large-scale Talent as a Service (TasS) solution for the Salesforce ecosystem



Consultant development program to attract, train, and retain business and IT leaders

WORKING WITH BAIRD

Baird has unique, synergistic coverage of the Knowledge Solutions & Human Capital Management spaces.

BAIRD

Baird Global Investment Banking delivers premier knowledge and buyer access via our dedicated industry banker focus, proven “one P&L” approach, strong call point into all priority buyers and highly relevant transaction experience.

Our **Human Capital** expertise, including HR technology, recruiting and screening, staffing and employee engagement coverage, paired with our established **Knowledge Solutions** practice, focusing on corporate training, educational technology, publishing / content and outsourced services, gives clients the upper hand in the digital training space.

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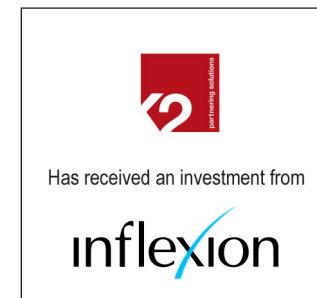
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¹U.S. Bureau of Labor Statistics

²Gallup. The American Upskilling Study: Empowering Workers for the Jobs of Tomorrow

³Job Openings and Labor Turnover Survey, U.S. Department of Labor

⁴Gartner

⁵2020 Gartner Shifting Skills Survey for HR Executives; Gartner TalentNeuron™. Accessed via <https://www.gartner.com/ngw/globalassets/en/human-resources/documents/trends/top-priorities-for-hr-leaders-2021.pdf>

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