

Unlocking Information in the Knowledge Economy

The future of work is here,
but information sharing is
stuck in the dark ages.



The most comprehensive study into the business and
economic impact of corporate learning inefficiencies

The Evolution of Knowledge

Companies across all industries recognise the need to keep their workforce up-to-date, relevant and productive, particularly in the face of widespread change. Technological advances, demographic shifts and a volatile economic landscape have made it harder than ever for businesses to know what skills they need to remain competitive in the market.

Corporate training has therefore become an integral part of the HR strategy for large organisations across the public and private sector.

As a consequence of this, the corporate training market is projected to swell to **\$475 billion** by 2027. Despite this anticipated strength, poor access to critical information and outdated resources will always limit success, regardless of the money invested. The battle for relevance in the economy of the future will be fought on many fronts, but what we are facing is a widespread issue of inefficiency.

According to the World Economic Forum, about **half of all workers currently in employment will need to be reskilled by 2025.**

What's more, in today's world, workers are no longer bringing 10–20 years of institutional knowledge to an organisation or role; they are moving between companies and positions more frequently than ever before. Though this movement can bring fresh insights, onboarding times are longer and the potential for costly knowledge gaps to creep in is greater.

All these inefficiencies mean that, ultimately, businesses are losing money. Given that human capital costs are almost always one of the highest outgoing expenses in any business, not having a highly trained workforce who knows what they are doing can run up a bill into the hundreds of millions a year.

Methodology

OBRIZUM commissioned a survey with independent research house, Censuswide, to assess and reveal the business and economic cost of poor access to information, in turn uncovering the cost to the wider economy in the UK and US. A total of 2,000 respondents, 1,000 employers and 1,000 employees/knowledge workers (60:40 split between UK and US) were polled to offer a 360-degree perspective on the current state of the knowledge economy.



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01 The Future of Work and Skills

The COVID-19 pandemic and subsequent global lockdowns have accelerated change in the work and skills market, highlighting the importance of reskilling and retraining on an unprecedented scale.



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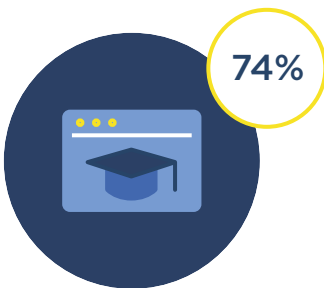
01 The Future of Work and Skills

The COVID-19 pandemic and subsequent global lockdowns have accelerated change in the work and skills market, highlighting the importance of reskilling and retraining on an unprecedented scale.



01 — The Future of Work and Skills

Before the outbreak in 2019, almost three quarters (**74%**) of people surveyed by PwC said they were ready to learn a new skill or completely retrain to keep themselves employable. Equally, **82%** of companies with a **\$100 million annual revenue** believed that reskilling and retraining were critical for addressing increasing skills gaps.



74% of people surveyed by PwC said they were ready to learn a new skill

What is particularly interesting is companies' investment in ways to make their staff more productive, efficient, and successful in this new-look approach to hybrid and/or remote working models.

Corporate investments in re-training and re-skilling are becoming more visible. For example, we have seen companies like Amazon committing **\$700 million** to retrain and reskill a third of its workforce in 'skills needed to thrive in the new economy' over the next six years.

Learning has, and always will be, required in the world of work. It lies at the heart of all employee development programmes and overall business success. How is the issue of inefficiency holding us back? In order to be effective, critical knowledge and resources need to be at the workforce's fingertips, yet there is currently a significant gap.



02 The Productivity Conundrum

A Workforce in Need

The time that it takes knowledge workers to locate the right information with which to effectively carry out their jobs is restraining productivity, costing businesses and the economy millions. Ultimately, information within an enterprise is useless if it isn't kept tailored and relevant, and if workers cannot access it quickly.

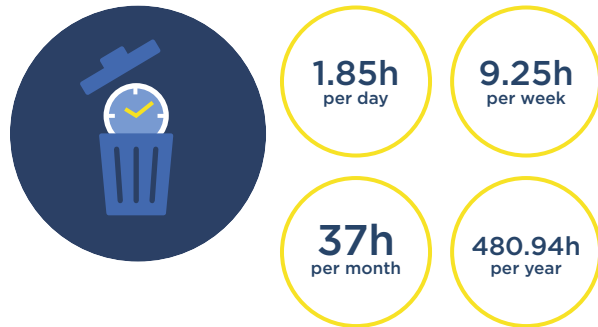
OBRIZUM's study investigated both sides of the table, incorporating both employees' and employers' perspectives, to understand the extent of the gap between the two.



02 – The Productivity Conundrum

Searching for Answers

Currently, almost a fifth of workers (18%) are completely unable to find the information they need for their job role every day of the week. When asked to elaborate, more than a quarter of knowledge workers (28%) confirmed they spend roughly three to four hours a day looking for information they desperately need to carry out their role effectively. A further 65% spend up to two hours a day doing so.

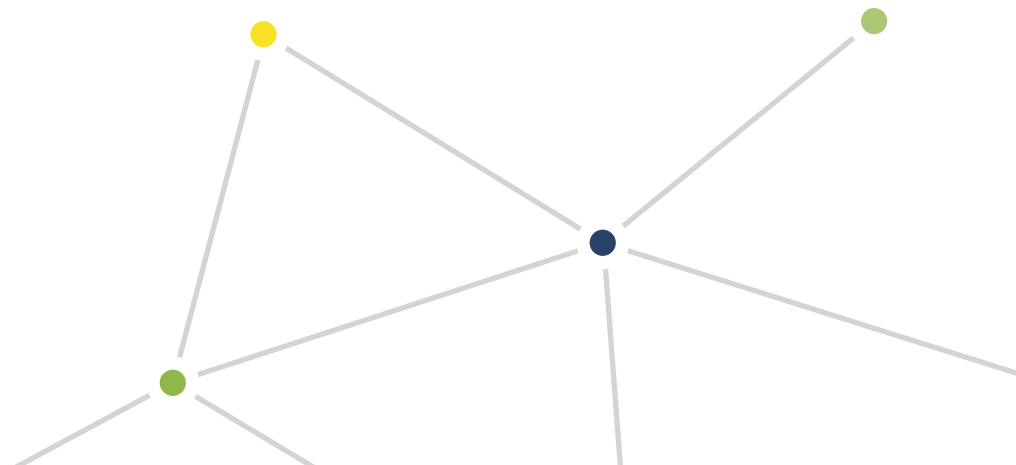


Total hours wasted by each employee looking for information

The gravity of this issue is enormous. Having such a large fraction of the workforce incapacitated by their inability to track down critical details – while wasting working hours in the process – translates to a huge cost on business finances and resources.

The immediate risk is that workers will underperform in their roles. Without the necessary information to inform and guide them through their responsibilities, output will suffer. At this point, they are faced with two options: make do with what they have, not wanting to waste time looking for information, or expand their search. Either way, the cost to the business will be significant.

Naturally, if workers cannot pinpoint the information they need from the company itself, they'll begin to look elsewhere. The study shows that 85% of knowledge workers extend their search to the internet if their efforts internally amount to nothing.



02 – The Productivity Conundrum

While the majority (**86%**) automatically refer to Google, a significant **30%** have actually admitted using the websites of other companies operating in the same industry to track down the information they need.

The danger is that one of these third party sites could end up being a direct business competitor. If an employee manages to find better information from another company in comparison to their own employer, they may feel tempted to jump ship.

To make matters worse, a quarter of workers (**25%**) have already said that their decision-making is negatively impacted every day of the working week due to them having to search for the information they require. Knowledge workers are recognising the limitations they are currently faced with: how long will it be before they stop searching for information, and start searching for a new job?

25%

25% of workers say decision-making is negatively impacted every day of the working week

Employee Confidence

The frequent battle of sourcing relevant information to perform a job is taking its toll on employee morale. Nearly two thirds (**60%**) of workers are frustrated by not being able to find the information they need centrally.

Furthermore, confidence levels are reaching an all time low; more than two thirds of employees (**69%**) lack confidence in the information they have access to, questioning its relevance and accuracy. In fact, less than half of workers (**44%**) consider their knowledge of how to carry out their role as 'excellent' or 'good'. One in ten workers describe their job knowledge as 'average.'

A further **28%** admit they cannot work **100%** efficiently every day of the working week because they do not have access to all of the information and resources they need.



There is an enormous gap between where employee confidence levels should be and where they currently sit. Businesses are fueled by data and knowledge - if such a high proportion of workers feel insufficiently educated for their job role, then realistically the organisation cannot operate at maximum capacity.

Dr Chibeza Agle
Co-founder and CEO
of OBRIZUM

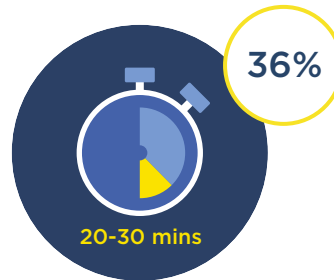
02 – The Productivity Conundrum

The Domino Effect

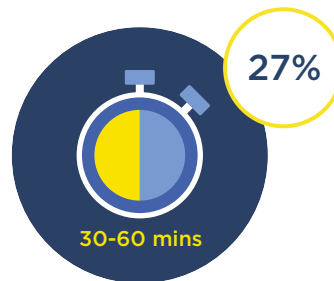
Businesses are collaborative environments, where no one person is left to fend for themselves. Teams operate as one, meaning they not only share their achievements, but also their struggles.

Unfortunately, this means the productivity conundrum spreads like wildfire. Nearly one in five workers (17%) need to ask colleagues every day of the week to provide information and resources in order for them to carry out their role effectively. A quarter (26%) do so three to four times per week, and one in five (21%) do so at least once a week.

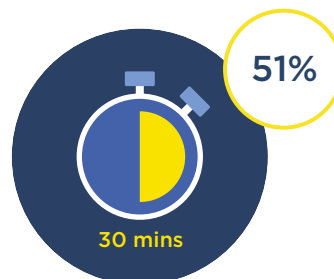
As a result, the amount of time wasted trying to track down information increases exponentially. Each time someone asks a colleague to provide information, it takes **20-30 minutes** of their colleagues' time, according to more than a third of workers (36%).



A third (36%) estimate it takes **20-30 minutes** of their colleagues' time

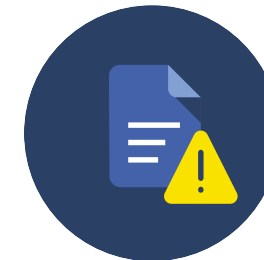


A quarter (27%) estimate it takes **30-60 minutes** of their colleagues' time



Half (51%) estimate it takes **30 minutes or less** of their colleagues' time

The issue is exacerbated by the fact that, even once the information is located, a significant **88%** of employees believe it to be out of date or irrelevant, with nearly half of workers (44%) classing it as 'significantly' out of date.



88%

Once the information is located **88%** of employees believe it to be out of date or irrelevant

44%

44% classing it as 'significantly' out of date

02 – The Productivity Conundrum

An Employer Perspective

A Shared View

At the highest level, employers and their workers are aligned on the relevance, and irrelevance, of the information available to them. Nearly three quarters of employers **(70%)** admit a significant amount of their knowledge and learning resources for employees are ‘significantly’ out of date.

Given that only **44%** of workers said the same thing, it would suggest that business leaders are more aware of the issue than the workforce itself. This raises the question as to why more isn’t being done to rectify a situation that’s having a direct negative impact on workforces – and is only getting worse.

Misalignment

However, the same cannot be said when we look at the ease of access to this information. Three quarters of employers claim it’s ‘easy’ for their staff to find learning resources, with a third **(38%)** saying it’s ‘very easy’, and only **36%** believing that it’s ‘difficult’ to find this information within the business.



38% of employers say it’s ‘very easy’ to find learning resource information



Only **36%** believing that it’s ‘difficult’ to find this information within the business



This gap between what employers believe to be the case, and what knowledge workers are experiencing every day, reveals a new layer of challenges for organisations. As well as the constant battle of finding the time and finances required to keep corporate learning processes efficient, teams must also re-align perceptions and reality. Without that cohesion, any future efforts towards knowledge and learning will lack the critical underlying foundations.

Dr Chibeza Agle
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02 – The Productivity Conundrum

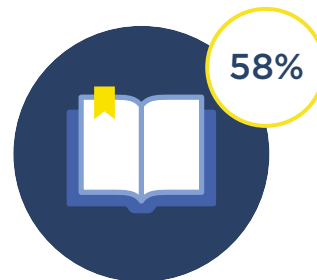
The Productivity Conundrum

By looking at both sides of the table, the challenge becomes clear. Not only are employees spending enormous amounts of time searching for the information they need to carry out their roles – taking up their colleagues' valuable time in the process – but the information they do find is outdated.

However, the extent of the challenge becomes far greater when we assess employer perspectives. What's troubling is that employers agree that a large proportion of the information is outdated, but they also believe this outdated information is easily found and accessed by staff. This indicates a potential disregard for the actual problem and reinforces the need to educate employers about the costs and risks associated with inadequate access to the right information.

The result of this is a significant productivity conundrum.

The impact is massive. Over half of employers (**58%**) say that knowledge and information rank as a critical business asset (**41% agree it is important**), so inefficiency and irrelevance can be extraordinarily damaging.



58% say that knowledge and information rank as a critical business asset

And yet, in more than two thirds of businesses (**67%**), learning resources and information are siloed across multiple places and departments. Currently, only a third of businesses centrally index their information (**33%**).



67% of learning resources and information are siloed across multiple places and departments

Currently, only a third (**33%**) of businesses centrally index their information



So far, we've addressed the amount of time currently being wasted in the search for relevant information, but how does this translate to business cost? When time is money, can organisations really afford to ignore inefficiencies?

03 The Business Cost

Here we will uncover the financial impact of outdated and inaccessible information from three core angles: the cost of knowledge workers looking for information; the cost of reworking resources; and the cost of asking others for help.



03 – The Business Cost

To give an overview of the entire survey base, we have taken the average annual salary of employee respondents which stands at **£57,754.54** per year (average taken from both UK and US respondents in GBP).

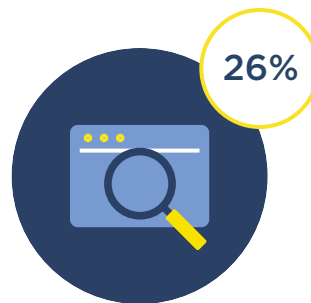
On average, each employee earns:

Per year	£57,754.54
Per month	£4,812.88
Per week	1,110.66
Per day	£222.13
Per hour	£31.73

Looking for information

The first major cost to businesses is the amount of time each employee spends searching for critical information in order to perform well in their role.

The average amount of time spent looking for resources each day is roughly **1.85 hours**. For workers, this equates to **£58.70 a day**. That may not seem like much in the grand scheme of things, but the numbers can very quickly add up. In total, for one employee spending just under two hours looking for information each day, it costs the business **£15,261.65**. That's **26%** of this person's salary.



The average annual cost of one employee searching for relevant information is £15,261.65. 26% of this person's salary

The average time spent searching for information each day is **1.85 hours**. That equates to:

Per day	£58.70
Per week	£293.49
Per month	£1,173.97

The grand total also scales up depending on the specific hours dedicated by each worker to finding the right information. For example, for the **28%** of workers who spend on average three and half hours a day, the total cost per year is **£26,655.94** – which is **46%** of their salaries.

A further cost to the business arises if a knowledge worker spends time searching for information – which research reveals will often be outdated – and then acts on the basis of the inadequate information. At this point, the only thing they will subsequently do is perform their role inadequately. This can have very costly repercussions, and additional resource will need to be allocated to rectify the underperformance.

03 – The Business Cost

Re-working information

Recognising that a significant proportion of resources are outdated, time is allocated to reworking this information. Or in some cases, when the originally sought after resource is not found, employees end up duplicating data.

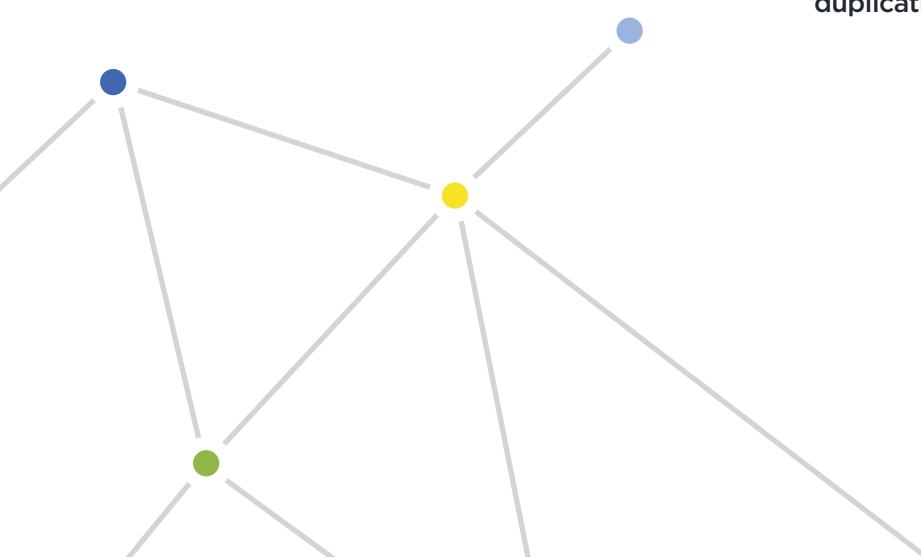
On a weekly basis, the cost of one employee spending just over **1.5 hours** reworking outdated information is **£50.02**. Across the entire year, this total reaches a significant **£2,601.21**.



The average annual cost of one employee reworking or duplicating information that already exists within a business is **£2,601.21**

Per week	£50.02
Per month	£200.09
Per year	£2,601.21

The average time spent reworking for duplicating information each week is **1.58 hours**



03 — The Business Cost

Asking for help

In the instances when the original employee struggles to locate the resources they seek, they turn to their colleagues for help. All of a sudden, the impact on business productivity and resource intensifies as more people become distracted from their day-to-day roles.

According to OBRIZUM's study, the average amount of time spent asking a colleague for help, and for that action to be carried out, is **27.4 minutes** per ask. Taking into account the average salary, this equates to an extra **£14.54** being spent on each request. Again, at this level, the cost to the business appears minimal. However, given that **88%** of workers have admitted to asking their colleagues for help at least once a week, it's safe to say that this cost will reach dizzying heights across each business.

The average number of requests made by one employee each week is **3.57**, so per week, the mean cost is **£51.91**. The total is gradually increasing. On an annual scale however, the extent of the issue once again becomes transparent. Across one year, the cost can reach **£2,699.25**.



The average annual cost of one employee asking for help from their colleagues to find information is **£2,699.25**

The average total annual cost of ineffective access and outdated information is a massive **£20,562.10** per worker. That means that roughly **35.6%** of each person's salary is absorbed by inefficiencies which, in today's knowledge economy, is catastrophic.

35.6%

35.6% of each person's salary is absorbed by inefficiencies

We are no longer looking at minor inconveniences; not having access to relevant information for the job at hand is what differentiates the complacent from the visionary.

04 A Global Snapshot

The issue of inaccessible resources and outdated information is not unique to one country or region; it's impacting businesses on a global scale. In this chapter, we draw comparisons between two large international markets to understand the similarities and differences in how the knowledge economy is being impacted by business practice.



04 A Global Snapshot

UK vs USA

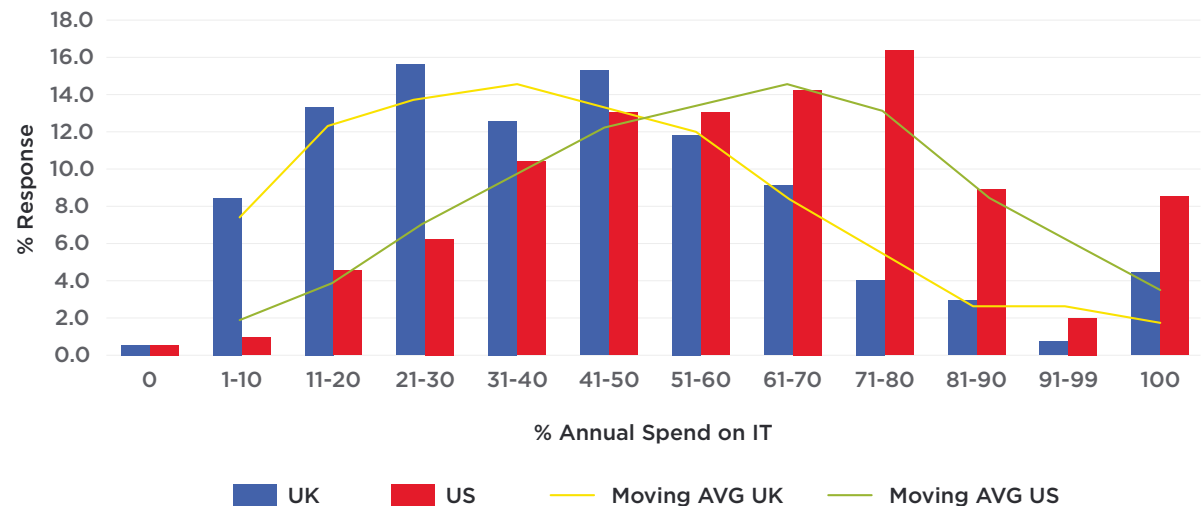
The average total spend on learning and development (L&D) tools and knowledge sharing greatly differs between the two countries. While the majority of UK respondents spend roughly **45%** of their IT spend on L&D, most US employers report having spent on average **75%** of their IT budget on L&D.

Applying a 3-point moving average demonstrates that **15%** of US companies spend **61-70%** of their IT budget on L&D, compared to **15%** of UK companies spending **31-40%** of their IT budget.

UK: 31-40%

US: 61-70%

Percentage of IT Spend on L&D



04 – A Global Snapshot

Looking at allocation of IT budgets alone, UK businesses appear to be trailing behind in learning and development investment. However, the financial impact of inaccessible and outdated resources on companies in both the UK and US is still significant.

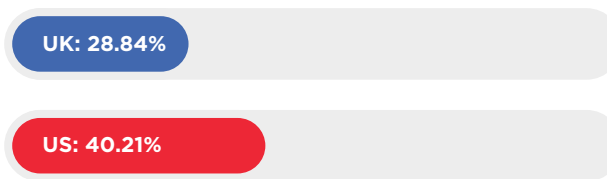
Using average worker salaries (on the basis of eight hour working days with one hour lunch breaks, five days a week) it becomes clear that despite the greater investment being made by the average US company, the cost of ineffective knowledge sharing outweighs that of the average UK business.

	UK	US
Per year	£46,081.25	\$78,973.45
Per month	£3,840.10	\$6,581.12
Per week	£886.18	\$1,518.72
Per day	£177.24	\$303.74
Per hour	£25.32	\$43.39

The annual cost of one **UK worker** looking for relevant information is **£9,931.73**, however the cost of one **US employee** is **\$23,444.66**. Using the conversation rate as is at the time of production (0.79), this is the equivalent to **£18,587.86** – almost double the UK cost.

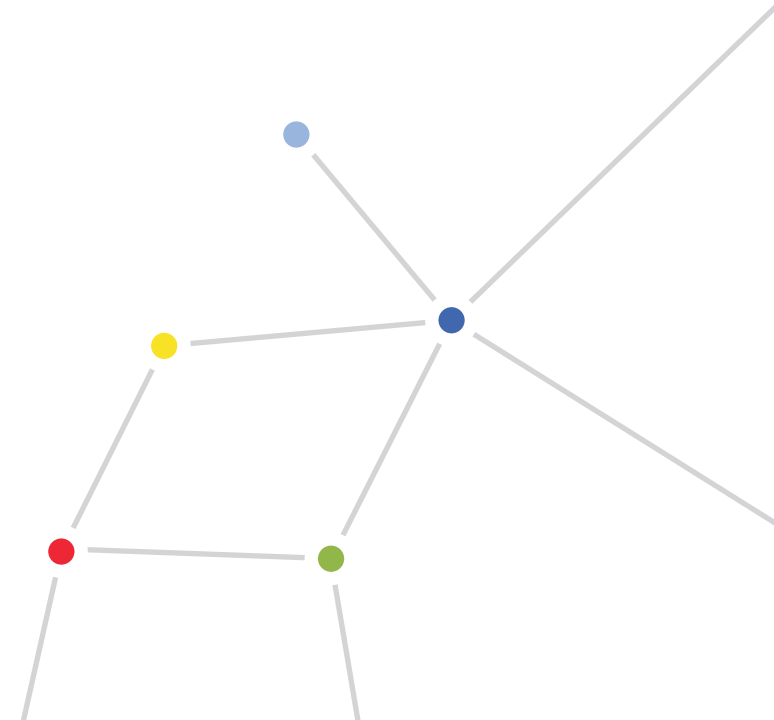
For reworking outdated resources, the average UK respondent costs **£1,691.50** per year, whereas a US worker costs **\$3,997.40**.

Finally, asking for help from a colleague costs **£1,667.96** and **\$4,312.15** for a UK and US respondent, respectively.



Combined, the total annual cost for UK employees is **£13,291.18 (28.84% of the average salary)** and for the US it's **\$31,754.20 (40.21% of the average salary)**.

The cost of inefficient knowledge sharing is great for both regions so more needs to be done, regardless of existing investment. Despite the US currently demonstrating greater spend on L&D, the average annual cost is substantially higher than the UK. There are clear gaps between the intentions behind investment, and the actual outcome.



05 A Lost Opportunity

The amount of money being wasted due to learning and knowledge inefficiencies is only the beginning. The chain of lost opportunities is great, and extends far beyond the initial productivity conundrum.

For example, how many critical business deals have fallen through due to workers not being able to access information?



05 – A Lost Opportunity

According to the study, nearly three quarters of employer respondents (**72%**) have missed out on a potential sale or new customer at least once as a result of poor access to information and outdated resources. Furthermore, **10%** of US workers have missed out on more than one deal, compared to **6%** of UK respondents.

An estimated total loss has been calculated using the amount of revenue these missed sales would have been worth. Over the last 12 months:



16%

More than one in six businesses (**16%**) have missed out on **£1 million - £5 million** worth of deals

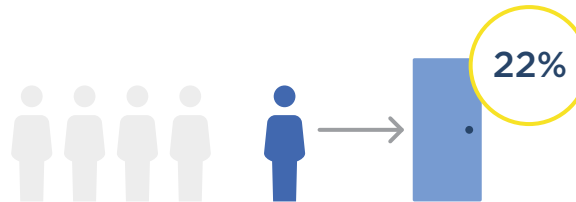
32%

A third (**32%**) have missed out on **£250k - £500k**

23%

A quarter (**23%**) have missed out on **£500k - £1 million**

In addition to the direct financial impact on the business, these knowledge inefficiencies are taking their toll on the workforce. As a result of not being able to source centrally located information, nearly half of workers feel less able to improve their skills, and more than one in five (**22%**) knowledge workers are considering leaving their job.



22% of knowledge workers are considering leaving their job

The cost of employee attrition can skyrocket as rates increase, so businesses could soon be looking at another huge hit, both from a financial and resource perspective. Lack of access to relevant information also makes **49%** of companies feel 'behind the times'.

Naturally, repercussions on this scale will have a knock on effect on the wider economy.



The repercussions of ineffective learning resources extend far beyond the initial decline in productivity and wasted hours. Employee performance is at risk, which ultimately has a direct impact on the business' bottom line. With potentially millions worth of sales and new customer deals in danger of falling through, there is a clear need for organisations to increase their investment in knowledge and learning resource management.

Dr Chibeza Agle
Co-founder and CEO
of OBRIZUM

05 — A Lost Opportunity

In 2022, government figures show there were 43,615 businesses in the UK with over 50 employees, with an average turnover of **£6,819,328.21**. Given that an average labour to cost ratio for any industry is between **15% - 30%**, we can deduce that the average UK business with over 50 employees is spending between **£1,022,899.23** and **£2,045,798.46** on payroll.

As we've established, ineffective access and outdated information is absorbing **28.84%** of the average employee salary, meaning that across the board, the annual costs for UK businesses with over 50 employees is between **£295,034.12** and **£590,068.23**.

Extrapolating this figure back across the UK as a whole, ineffective access and outdated information is costing the UK economy between **£12,867,912,978.57** and **£25,735,825,957.13**.



£25,735,825,957.13

Ineffective access and outdated information is costing the UK economy between **£12,867,912,978.57** and **£25,735,825,957.13** per year



06 Unlocking Information Through the Power of Technology

Current business investment into learning and development is significant. A third of UK businesses (31%) spend between £5-10 million per year on in-person training and knowledge sharing, with more than one in ten businesses (12%) spending at least 60-70% of their IT budget on L&D tools.



06 — Unlocking Information Through the Power of Technology

The benefits of such investment are therefore substantial. According to the study, over half of employers (51%) primarily use knowledge sharing in their business for training their staff to deliver in their jobs. A further 35% use it for personal development, and 13% use it for life skills, such as wellbeing, health and fitness.

The prominence of knowledge sharing within the corporate environment is clear, and three quarters of employers (75%) believe quality of data is highly beneficial to business.

Currently, more than two thirds of businesses (67%) state that learning resources are siloed across multiple places and departments, with an overwhelming majority (96%) agreeing that this knowledge should be stored centrally by a business.

[Box out Obrizum customer or prospect real-life scenarios / perspectives]

- Confirm customer and/or prospect names

However, one of the biggest barriers standing in the way of organisations today is time. Many of the issues uncovered throughout this analysis are in part due to businesses not having the time to keep resources up to date or consolidate existing information into a centrally located platform.

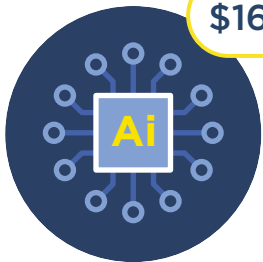
This is where technology plays a huge role in helping businesses remain aligned with the requirements of their workforces when it comes to corporate learning.

06 — Unlocking Information Through the Power of Technology

An Adaptive Future

Adaptive Digital Learning

In order to be effective, all information within an organisation needs to be kept accessible and relevant. Rather than dedicating precious resources to this task, businesses can empower their workforce with technology.



\$16,000,000,000,000

Artificial intelligence continues on its accelerating trajectory, and it's forecast by McKinsey and PwC that AI-based technologies will deliver global economic activity of between \$13 and \$16 trillion dollars by 2030

Artificial intelligence underpins much of today's technological landscape, and holds enormous value in the corporate learning space. AI-powered tools can enhance the efficiency of education and training. It can solve the dilemma of bringing up-to-date resources into a centralised location.

The changing demands of the workforce requires organisations to be flexible and adaptive across multiple functions, learning and knowledge sharing being a crucial example.

AI technology can analyse and arrange content at a rate that is unattainable for humans. By leveraging the data and information that already lives within business' content bases, this technology has the power to create an ever-evolving central hub of information. The costs associated with knowledge searching, reworking outdated information, and asking colleagues for help, would quickly disappear.

The knowledge economy is under threat by learning inefficiencies, and companies are already experiencing millions in wasted revenue. Learning will continue to underpin workforce development as businesses and markets evolve and grow, so investments made in knowledge sharing platforms today will only strengthen the workforce of tomorrow.



About OBRIZUM

—The Personal Touch

OBRIZUM utilises AI-powered technology to revolutionise the corporate learning market. Understanding that learning journeys are unique to each individual, and are key to both personal and professional progression, its services are founded on the concept of adaptive learning.

Given the importance of keeping business resources up-to-date and accessible at all times, OBRIZUM's technology maps and organises all existing content within an organisation and assists teams with ongoing content management.

The technology puts the power in the hands of the company, but takes away the manual workload. A programme manager simply needs to upload content files, and OBRIZUM does the rest. It absorbs all types of content and accurately defines related subjects using a combination of analytics.

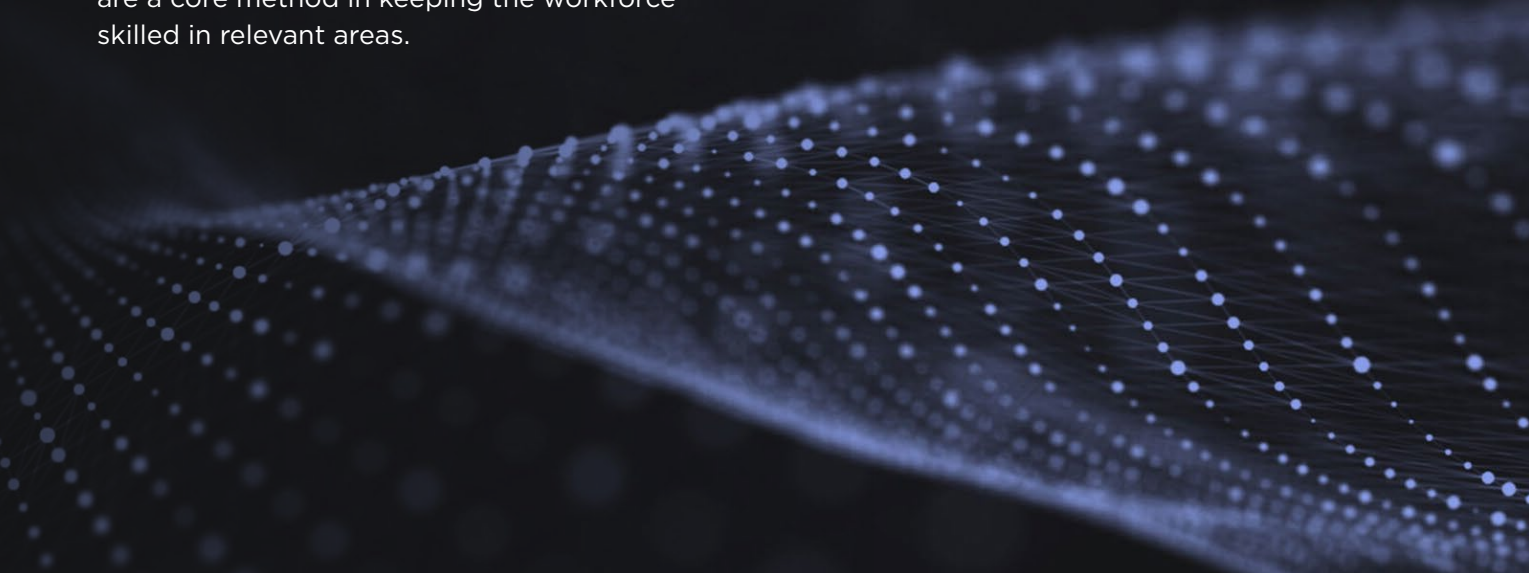
From there, the technology creates a self-organising multi-dimensional content space where content is grouped by the relationships and dependencies between all content items.

As a result, all employees within a business can quickly access relevant content as and when they need.

With a more effective content management system, organisations can subsequently engage their workforce in tailored learning programmes to assist them in their roles and on their future career paths. These courses are a core method in keeping the workforce skilled in relevant areas.

OBRIZUM creates 'Knowledge Spaces' rather than traditional linear courses that allows learners to embark on hyper personalised learning journeys that adapt based on an individual's prior knowledge and experience.

Knowledge Spaces are intelligent self-organising courses, doing everything that a conventional programme can do but with the capability to adapt based on new data. These Spaces are built in minutes rather than months, historically needed to create new training programmes from scratch.



About OBRIZUM—The Personal Touch

Businesses will experience greater workforce productivity from up-skilled learners with easy access to resources and personalised Knowledge Spaces, in addition to accelerated speed-to-competency time.

OBRIZUM extracts high quality data from digital learning experiences which could be used to power fast and accurate machine learning. This is born out in the way in which learners are formatively assessed during their learning. Each individual's data is not only used to benefit the personal learning journey, but also on an organisational level where machine learning can spot trends and patterns, benefiting the entire workforce.

Furthermore, organisations benefit from having access to real-time data about the current knowledge level – and ongoing knowledge acquisition – of their workforce across all business critical areas. Not only are staff therefore given greater learning opportunities, with quicker access to reliable information, but organisations can also gain full insights into the type of information workers frequently search for, and therefore may be struggling with.

OBRIZUM's platform can assess and accelerate **speed-to-competency**: proven enhancement of between **1.7 – 5x** when compared to linear offerings

We are revolutionising
corporate digital learning.
Let us show you how
OBRIZUM aligns with
your needs.

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