

# The \$102 Billion Training Problem



## Introduction: The Cost of Training... And the Cost of Forgetting

Companies spend billions every year on training: \$101.8 billion in the U.S. alone for 2022-2023, yet they still face a massive, well-known problem: most of that investment disappears within days.

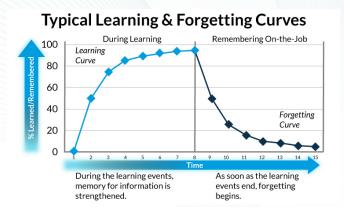
The world has known about the forgetting curve for over a century. It made sense to do nothing about it when there was no solution. But now there is — and continuing to ignore it is not just wasteful, it's negligent.

#### Without reinforcement:

- Up to 50% of information is gone in one hour
- Up to 80% is lost within one week

This isn't just an L&D issue. It's a business performance issue. A risk issue. A readiness issue. A bottom-line issue.

The longer organizations accept this status quo, the more they'll (at best) keep paying for the same training outcomes again and again, and (at worst) run into a critical failure in their business.



## The Problem: Why Traditional Training Fails to Fix This

Training systems today were built to move people *up* the learning curve. What they aren't built to do is prevent people from sliding right back down it.

#### Here's why:

- LMS and LCMS platforms don't support proper reinforcement
- Instructional teams rarely have the time or resources to create sophisticated reinforcement plans
- Spacing and retrieval schedules are complex and hard to execute manually
- Typical "refresher" training is expensive and disruptive

It's no wonder companies default to hoping initial training will stick. But hoping is not a strategy.. and with today's tools, it's no longer acceptable.



#### Why Retention is the Missing Piece

Every company has critical knowledge for successful business operations, whether it's about safety, compliance, technical skills, or processes.

#### If that knowledge dissipates, the risks are clear:

- More accidents
- More lawsuits
- More wasted budget
- Lower quality and slower execution
- Diminished mission readiness

And yet, most organizations still devote nearly 100% of their L&D budget to delivery, and 0% to retention. That gap is what allows performance to erode after training is complete.

Retention isn't a "nice to have." It's the final step in actually making training stick.

## The Business Case for Reinforcement

Reinforcement isn't just a pedagogical benefit but a business necessity.

- Prevents knowledge erosion before retraining becomes necessary
- Improves employee performance and consistency
- Reduces costs by avoiding repeat training and unforced errors
- Fits into the flow of work, so learning doesn't interrupt productivity
- Measures what matters, tracking retention over time instead of just completion

Organizations who are properly applying reinforcement training have gone from 80% learning loss to 80% learning retention



## Hermann's Innovative Solution: Proactive Reinforcement and Microlearning

PMG Learning's Hermann platform was designed specifically to solve this problem, not by replacing your LMS or TMS, but by working with them to keep critical knowledge from eroding.

Think of it this way: Training alone isn't enough. If you aren't investing in retention, you're wasting your training budget and exposing your organization to real risk.

We believe the new standard on long-term learning retention should be 80% - achieved by dedicating 85% of training budgets to delivery and 15% to reinforcement to ensure knowledge sticks. Forward-looking organizations are beginning to treat reinforcement not as optional, but as essential to performance and risk management. In five years, this will be common sense. The companies that get there first will see fewer accidents, fewer lawsuits, and far better performance.

Hermann makes that shift simple, fast, and affordable.

#### How (& Why) Hermann Works

#### **Grounded in Learning Science**

Hermann's approach is based on well-established cognitive science principles, most notably:

#### Spaced repetition —

Information presented at strategic intervals is more likely to be transferred to long-term memory (Ebbinghaus, 1885).

#### Retrieval practice —

Actively recalling information (rather than simply reviewing it) significantly improves retention and job transfer.

#### Cognitive load theory —

Smaller, distributed pieces of information are easier for the brain to process and retain than bulk learning sessions.

Hermann brings these principles together in a single, automated system designed for today's work environments.





### What Makes Hermann Different

### True Reinforcement, Not Just "Follow-up Training"

Hermann isn't another platform that delivers posttraining surveys or passive refreshers. It's an active reinforcement system—focused on strengthening memory pathways over time through calibrated content sequencing.

#### **AI-Assisted Campaign Creation**

Most training teams lack time to build sophisticated reinforcement plans. Hermann solves this by using AI to assist in:

- Identifying key concepts tied to performance objectives
- Repurposing existing content into microlearning modules
- Building spaced schedules an retrieval cadences automatically

\*The algorithm behind Hermann's campaign creation engine wasn't built in a vacuum, but designed by seasoned learning and development experts who understand how retention works in applied settings. The result is a system that's not only smart, but practical and grounded in real-world instructional design.

#### Fits Into the Flow of Work

Learning that happens outside the job is less likely to transfer back onto the job. That's why Hermann is built to:

- Deliver microlearning in under 5 minutes
- Integrate with common workplace platforms
- Minimize disruption while maximizing impact

#### Doesn't Require New Content

Unlike other solutions that require rebuilding training from scratch, Hermann works with your existing content whether it's from an LMS, PDF, PowerPoint, or video - optimizing it for reinforcement.

#### Quantifiable, Systematic Measurement

Hermann tracks engagement, accuracy, and reinforcement effectiveness—allowing L&D teams to finally connect training to outcomes like:

- Reduced error rates
- Higher compliance pass rates
- Improved speed to competency
- Fewer retraining hours logged

#### Easy, Fast Deployment & Zero Bloat

Designed for simplicity from day one, Hermann can be implemented in days and clients consistently cite how easy it is to implement, manage, and use. It doesn't require replacing your LMS or investing in a whole new ecosystem. Instead Hermann layers on top, acting as a reinforcement engine.

## Conclusion: It's Time to Treat Retention as the Business Priority It Is

If you care about performance, safety, compliance, quality, or about getting your return out of your training and employee investments, you can't afford to keep letting critical knowledge erode.

Hermann makes it simple to stop that erosion and build a learning culture where training sticks, performance improves, and risk declines.

Schedule a demo today and see what Hermann can do for your organization.

