

## ПОДОБРЯВАНЕ НА ОБУЧЕНИЕТО И ПОВИШАВАНЕ НА КВАЛИФИКАЦИЯТА ЧРЕЗ СИМУЛАЦИИ С РАЗШИРЕНА РЕАЛНОСТ

### The Enhancement of Learning and Upskills through Extended Reality Simulations

Kaloyan Dimitrov<sup>1</sup>

e-mail: [kdimitrov@unwe.bg](mailto:kdimitrov@unwe.bg)<sup>1</sup>

#### Абстракт

*Интегрирането на технологиите за разширена реалност (XR) оказва трансформиращо влияние върху съвременните среди за обучение и професионално обучение. Настоящото проучване разглежда ефективността на XR симулациите за подобряване на резултатите от обучението и повишаване на квалификацията в различни образователни и професионални контексти. Целта на тази статия е да установи основните предимства на използването на XR симулации в индустриалния контекст, с особен акцент върху областите на обучението и повишаването на квалификацията. Като част от изследването беше проведен систематичен преглед на литературата, за да се идентифицират и теоретизират посочените ползи и приложения на XR симулациите. Тези констатации подчертават трансформационния потенциал на разширената реалност като катализатор за иновативна педагогика и развитие на работната сила. Настоящото проучване представя аргументи за увеличаване на инвестициите и изследванията в областта на XR инструментите. В заключението се твърди, че тази технология може да улесни моделите на обучение и учене, като по този начин се установи по-добра връзка между теоретичните концепции и тяхното практическо приложение в реалния свят. Следователно XR симулациите имат потенциал да служат като трансформативен инструмент в областта на обучението и повишаването на квалификацията.*

#### Abstract

*The integration of Extended Reality (XR) technologies is having a transformative effect on contemporary learning and professional training environments. The present study investigates the effectiveness of XR simulations in enhancing learning outcomes and upskilling across diverse educational and vocational contexts. The aim of this paper is to ascertain the primary advantages of utilizing XR simulation within industry contexts, with a particular focus on the domains of learning and upskilling. A systematic literature review was conducted as part of the research to identify and theorize over the stated benefits and applications from XR simulations. These findings emphasize the transformative potential of Extended Reality as a catalyst for innovative pedagogy and workforce development. This study posits the argument for augmented investment and research in the domain of XR tools. The conclusion argues that this technology can facilitate training and learning models, thereby establishing a better connection between theoretical concepts and their practical applications in the real world. Hence, XR simulations have the potential to serve as a transformative instrument in the domains of learning and upskilling.*

**Key words:** immersive technologies, extended reality, immersive education, immersive learning, immersive training, skills.

**JEL:** A22, I21, I25, O31, O35.

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<sup>1</sup> Assoc. Prof. Dr., Department Industrial Business, University of National and World Economy – Sofia, Bulgaria, ORCID: 0009-0006-3752-3413, e-mail: [kdimitrov@unwe.bg](mailto:kdimitrov@unwe.bg)

## Introduction

A multitude of industries are undergoing rapid transformation due to a combination of geopolitical shifts, climate goals and demographic changes, thereby driving a growing demand for skilled labour. Conventional training methodologies are found to be deficient in effectively integrating practical and theoretical learning, thus underscoring the necessity for innovative, scalable, and immersive training solutions to meet the future demands of the workforce.

Advancements in Extended Reality (XR) technology have created an alternative to traditional training, offering the potential of safe, efficient and scalable training with a high degree of realism and practical learning. Despite recent technological advances and reduced hardware costs, there has been a paucity of large-scale industrial implementations of XR simulations.

The aim of this paper is to ascertain the primary advantages of utilizing XR simulation within industrial contexts, with a particular focus on the domains of learning and upskilling. A systematic literature review was conducted as part of the research to identify and theorize the benefits and applications from XR simulations.

As demonstrated in the extant literature on XR simulation, the design of the XR training environment is heavily dependent on the applied learning style and the industry use case.

## Conceptual Foundations of Extended Reality Technology: Brief overview

The term “extended reality” is an umbrella term for “virtual Reality” (VR), “augmented reality” (AR) and “mixed reality” (MR). These immersive technologies blend the real and digital worlds, with the objective of enhancing productivity. First, VR is a technology that employs a headset to create a fully immersive experience, transporting the user into a simulated environment that is presented in three dimensions. Second, AR can be defined as the overlaying of computer-generated graphics onto a real-world view. Third, MR encompasses the ability to observe and engage with holograms that are integrated within one's physical environment [1].

The Emerging Immersive Technology is no longer a futuristic concept. The advent of novel digital technologies, including but not limited to Extended reality, artificial intelligence (AI), and the Metaverse, has led to a marked increase in their utilization within the industry. This development is indicative of a broader shift towards the integration of technology into various facets of production and consumer behavior, with the objective of optimizing efficiency and enhancing the shopping experience. This technology has been demonstrated to have the capacity to enhance contemporary business performance. Forbes cited ABI Research's forecast that the XR market will grow from \$44.7 billion in 2024 to \$299.3 billion by 2030 [2].

Extended reality technology plays a key role in addressing critical business challenges. The use of XR solutions for core business requirements occurs through the provision of effective actions in four key areas [3]:

- *Learning and Development*: This approach to education is characterized by its immersive and hands-on nature, with a focus on the acquisition of practical skills in a risk-free environment;
- *Operations and Workflow*: The utilization of real-time guidance and simulation has been demonstrated to enhance the efficiency of tasks;
- *Sales and Marketing*: Engaging demonstrations and virtual showcases have been shown to be effective in exciting potential buyers;
- *Cost Reduction and Efficiency*: A reduction in errors, travel, and wasted resources will result in savings.

## Extended Reality Simulations as a Strategic L&D Solution

In the contemporary business context, the industry is undergoing a significant transformation with respect to the manner in which its human capital is being developed and capacitated. Conventional training and development methodologies are frequently characterized by their protracted nature, substantial financial expense and challenging scalability. Digital tools are currently transforming the landscape of workforce training, enhancing the efficiency, accessibility, and safety of learning processes.

**Table 1:** Reality-Virtuality Continuum of XR Technologies

	Type of Reality	Description	Best Use Cases
1	Virtual Reality	Fully immersive digital environment	Complex simulations, high-risk training
2	Augmented Reality	Digital overlay on real world	On-the-job guidance, equipment maintenance
3	Mixed Reality	Interaction between real and digital objects	Collaborative training, design reviews

*Source:* Author's summary along Milgram's continuum

In the contemporary business context, organizations are increasingly utilizing technological solutions to enhance the competencies of their workforce. This technological adoption encompasses a wide spectrum of applications, ranging from extended reality simulations to AI-driven skill assessments. The primary objective of these initiatives is to facilitate the rapid and effective upskilling of employees, thereby ensuring their readiness to face the challenges and opportunities of the modern business environment.

- Virtual Reality Training

The employment of VR simulations enables immersive, hands-on training experiences, circumventing the risks associated with real-world scenarios. Employees have the opportunity to refine their skills in operating technologies and techniques, respond to hazardous situations, and develop competencies in a controlled, risk-free environment [4]. The VR utilization has been demonstrated to facilitate the emulation of perilous on-site scenarios. This, in turn, has been shown to enhance the efficacy of safety training and facilitate the retention of knowledge.

- Augmented Reality for On-Site Learning

AR technology has been developed to superimpose digital instructions over physical equipment, thereby enabling personnel to access real-time guidance while undertaking tasks. This enhancement in accuracy is particularly beneficial in complex work activities, where it has been shown to reduce errors [4]. In summary, it is recommended that employees be equipped with augmented reality headsets with a view to enhancing on-site learning and productivity.

- AI-Powered Skill Assessment

The utilization of artificial intelligence in the evaluation of employee performance entails the implementation of digital testing methodologies and real-time monitoring systems. The employment of these technologies facilitates the identification of skill gaps within the workforce, thus enabling the recommendation of targeted training programmes. This enables business organizations to personalize training, thereby ensuring that employees develop the requisite skills for specific tasks [5]. In summary, it is recommended that organizations implement AI-driven analytics to optimize their workforce development strategies.

- Mobile Learning Platforms

Mobile-based training facilitates on-the-go learning, thereby enabling employees to access educational content from any location. This is a particularly beneficial feature for employees working at remote locations or those with busy schedules, as it allows them to learn at their own pace [6]. In summary, the utilization of microlearning modules within mobile applications facilitates the delivery of concise and efficacious training sessions.

- Gamification in Training Programs

The incorporation of game-like challenges, leaderboards, and rewards has been demonstrated to enhance the engagement and competitiveness of training, thereby increasing participation and motivation. This approach has been demonstrated to enhance skill mastery while simultaneously rendering the learning process more enjoyable [7]. In summary, it is recommended that rewards-based gamification techniques be employed in order to enhance worker engagement.

- Digital Certification and Compliance Tracking

Automated systems have been developed to track worker certifications, thus ensuring compliance with safety and industry regulations. Digital platforms have been shown to reduce the amount of paperwork involved in the process, and to assist companies in the maintenance of records pertaining to mandatory training requirements [8]. In summary, the utilization of AI-powered compliance tracking tools facilitates the automation of certification renewals, thereby minimizing administrative workload.

### The Potential Benefits of Learning and Upskills through XR Simulations

As demonstrated by extant research and industry evidence, the most significant benefits of XR training are those that provide a clear, measurable advantage over traditional methods such as classroom learning, e-learning modules or physical simulation [9]. The following figure outlines the most relevant benefits associated with XR training.



*Source: Author's summary*

**Figure 1:** Most relevant benefits of XR Training

The aforementioned benefits are the driving factors behind the rapid adoption of XR by industries as diverse as healthcare, manufacturing, corporate retail, the military and many others. The ability to provide a quantifiable solution to the most critical training challenges is the primary incentive for these industries.

A synthesis of current academic research and industry implementation has identified several core areas in which XR technology can be employed to enhance learning and upskilling [10]. This technology is moving from a niche tool to a mainstream pedagogical solution, particularly where traditional training

is too costly, dangerous, or logistically difficult to scale [11, 12]. The following table provides a synopsis of the identified key application domains.

**Table 2:** Key Application Domains of Learning and Upskilling via Extended Reality (XR)

<b>Benefit Category</b>	<b>Key Takeaways &amp; Impact</b>	<b>Industry Implementation</b>
Complex Psychomotor & High-Risk Skills	XR is leveraging its ability to create “safe-to-fail” environments for high-stakes professions. Engaging with the concept of embodied cognition – the notion that the human brain acquires knowledge through the process of physical interaction – enables trainees to develop procedural “muscle memory” in a risk-free environment. This is facilitated by the use of virtual reality technology.	Healthcare; Aviation & Aerospace; Manufacturing; Emergency Services.
Technical, Procedural & Maintenance Skills	This area primarily uses augmented and mixed reality to overlay digital information onto the real world, providing on-the-job performance support rather than off-site simulation. The utilization of “just-in-time” visual prompts and step-by-step instructions by AR systems has been demonstrated to engender a reduction in the mental effort (extraneous cognitive load) demanded for the recollection of intricate procedures. This, in turn, has been shown to result in a significant decline in error rates and expedited task completion times.	Field Service; Maintenance; Manufacturing; Assembly; Logistics; Tourism.
Interpersonal & "Soft" Skill Development	XR technology is used to simulate nuanced, high-stakes human interactions, which are notoriously difficult to practice. These simulations frequently incorporate AI-driven virtual humans that are capable of reacting to the learner's tone of voice and word choice; highlights VR's effectiveness for skills that require emotional regulation and behavioral change. Studies on empathy training (e.g., having a doctor experience a scenario from the patient's perspective) show marked increases in patient-centric communication.	Leadership; Business Management; Sales; Customer Service; Diversity, Equity & Inclusion.
Foundational Knowledge & Conceptual Learning	The utilization of XR technology facilitates the conceptualization of abstract concepts and the standardization of fundamental training, including the orientation of new employees.	Employee Onboarding; Product Knowledge; Design & Visualization.

*Source:* Author's summary

## Conclusion

In summary, Extended Reality simulations, incorporating virtual, augmented, and mixed reality, have demonstrated considerable potential in enhancing learning and upskilling across diverse domains, particularly in the fields of healthcare and education. XR provides immersive and interactive environments that facilitate the understanding of complex concepts, improve skill acquisition, and increase learner satisfaction. Nevertheless, the efficacy of XR is contingent upon its integration into well-structured learning frameworks and the overcoming of challenges such as accessibility and cost.

While XR offers promising opportunities for enhancing learning and upskilling, its effectiveness is not universally guaranteed. The success of XR applications is contingent upon the context, the target audience, and the specific learning objectives. Further research is required to comprehensively ascertain the long-term impact of XR on learning outcomes and to address the challenges associated with its implementation.

It can thus be concluded that XR is not merely a new method of delivering content; rather, it signifies a fundamental shift towards experiential, data-driven, and scalable learning. It has been demonstrated that this medium is more effective than almost any other, thus rendering it a powerful tool for the future of education and professional development across all industries.

This study concludes that Extended Reality has the potential to serve as a transformative instrument in the domains of upskilling and education. It is argued that this technology can facilitate experiential

learning models, thereby establishing a connection between theoretical concepts and their practical applications in the real world.

## Acknowledge

The author acknowledges with gratitude funding provided by the Bulgarian National Research Fund under administrative contract KP-06-H65/5 of 12.12.2022.

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