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Creating the High-Impact Learning Organization

Addressing Today's **Workforce** *and* **Workplace**

Presented at the NTIS 2010 Fall Symposium

Bob Danna, Executive Vice President, Bersin & Associates

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About Us

- **Who We Are**

  - Bersin & Associates is the leading research and advisory firm focused solely on enterprise learning, talent management, talent acquisition and strategic HR. The company's WhatWorks® membership program offers actionable information, tools, benchmarking, and services to help HR and L&D professionals drive operational results.
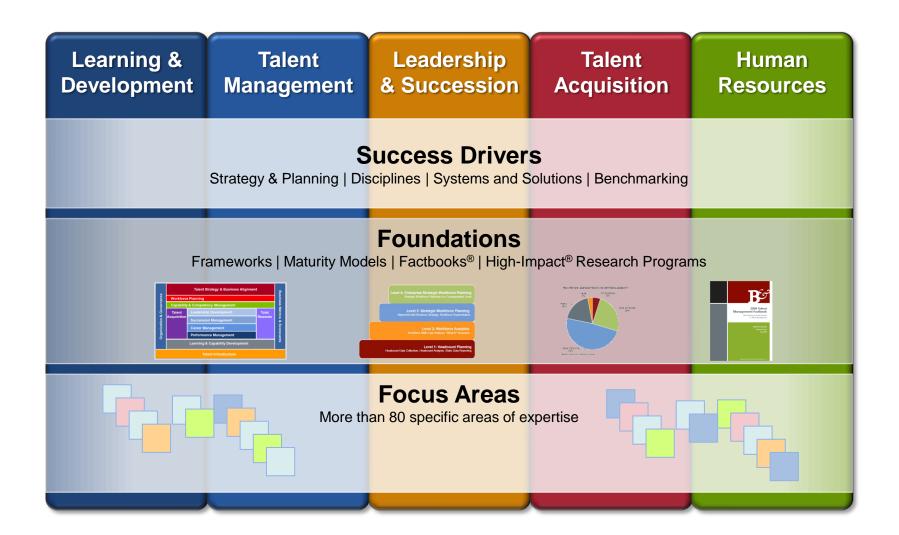
- **Research Areas**

  - Enterprise Learning
  - Leadership Development
  - Talent Management
  - Career and Succession Management
  - Workforce Planning
  - Talent Acquisition
  - HR, Talent, and Learning Systems
  - Strategic HR

- **Offerings**

  - WhatWorks® Research Membership
  - Strategic Consulting
  - Professional Networking
  - Benchmarking
  - Workshops and Education

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Bersin & Associates Practices

Learning & Development	Talent Management	Leadership & Succession	Talent Acquisition	Human Resources

Success Drivers

Strategy & Planning | Disciplines | Systems and Solutions | Benchmarking

Foundations

Frameworks | Maturity Models | Factbooks® | High-Impact® Research Programs

Focus Areas

More than 80 specific areas of expertise

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Bersin WhatWorks® Membership Program

Learning & Development	Talent Management	Leadership & Succession	Talent Acquisition	Human Resources (coming)

Member Success Program

Research and Tools
Frameworks, Maturity Models, High Impact® Research Programs, Factbooks®
Scorecards, checklists, forms, RFP's, selection guides, case studies, solution provider library

Advisory Services
Ask the Experts®, Business Impact Workshops
Analyst Advisory Calls

Networking and Professional Development
Member Roundtables, Peer Connection®,
IMPACT Conference, Bersin Lexicon®, Analyst Blogs

Consulting Services
Strategy Development, Executive Alignment, Benchmarking,
Systems Selection and Roadmap, Measurement Strategy and Programs

Our Research in High-Impact L&D

High-Impact
Learning Organization®
HILO

High-Impact
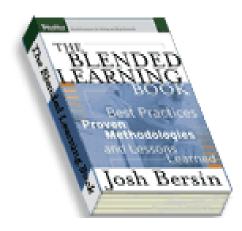Learning Measurement®
HILM

High-Impact
Learning Practices®
HILP

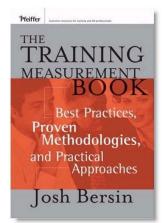
Enterprise Learning
Framework
MELI

High-Impact
Learning Culture®
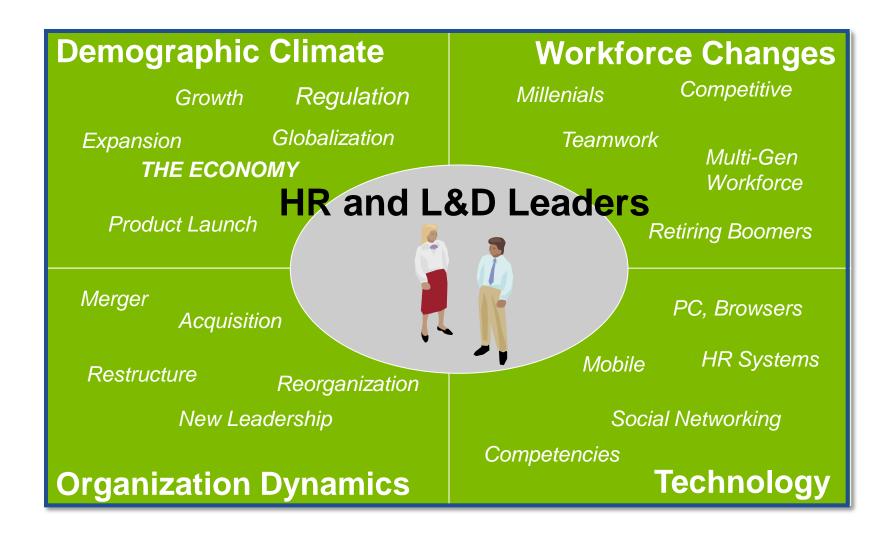HILC

The Corporate Learning
Factbook®

Agenda

- Where L&D Is Today
- Need for Deep Specialization
- Emergence of Informal Learning
- Career Development and Talent Management
- New Disciplines, Technologies, and Roles
- Creating a High-Impact Learning Culture
- The Five Keys to Driving Impact

Forces for Transformative Change

Demographic Climate

Growth   Regulation

Expansion   Globalization

THE ECONOMY

HR and L&D Leaders

Product Launch

Workforce Changes

Millenials   *Competitive*

Teamwork

Multi-Gen Workforce

Retiring Boomers

Merger

Acquisition

Restructure

Reorganization

New Leadership

Organization Dynamics

PC, Browsers

Mobile   *HR Systems*

Social Networking

Competencies
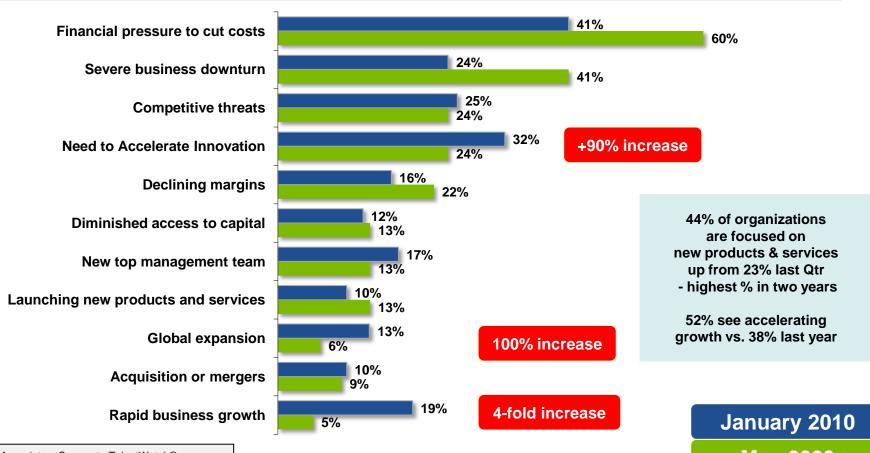
Technology

2010 Business Environment

Focus on innovation, globalization, expansion, within budgets

What Are Your Organization's Top Business Challenges for 2010?

Challenge	January 2010	May 2009
Financial pressure to cut costs	41%	60%
Severe business downturn	24%	41%
Competitive threats	25%	24%
Need to Accelerate Innovation	32%	24%
Declining margins	16%	22%
Diminished access to capital	12%	13%
New top management team	17%	13%
Launching new products and services	10%	13%
Global expansion	13%	6%
Acquisition or mergers	10%	9%
Rapid business growth	19%	5%

+90% increase (Need to Accelerate Innovation)

100% increase (Global expansion)

4-fold increase (Rapid business growth)

44% of organizations are focused on new products & services up from 23% last Qtr - highest % in two years

52% see accelerating growth vs. 38% last year

January 2010

May 2009

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Key Talent Challenges

What Are Your Organization's Top Talent Challenges for 2010?

Challenge	January 2010	Q2 2009
Gaps in the Leadership Pipeline	74%	66%
Creating a Performance-Driven Culture	60%	65%
New Skills for Product and Business Changes	56%	51%
Skills Gap in Critical Positions	56%	46%
Difficulty Filling Key Positions	44%	32%
Managing layoffs and downsizing	18%	33%
Low engagement or employee dissatisfaction	35%	38%
Retirement of Key Workers	31%	25%
Retention in Key Positions	36%	25%

#1

January 2010
Q2 2009
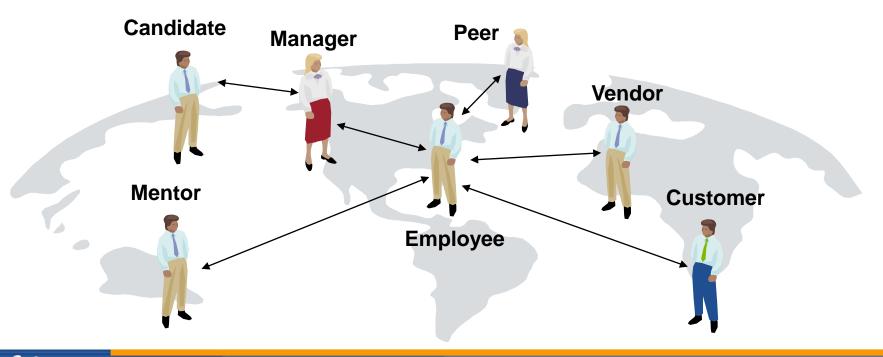
0% 10% 20% 30% 40% 50% 60% 70% 80%

© Bersin & Associates, Corporate TalentWatch®
Research, Senior HR and Business Executives, 10/09

The New *Workforce* and New *Workplace*

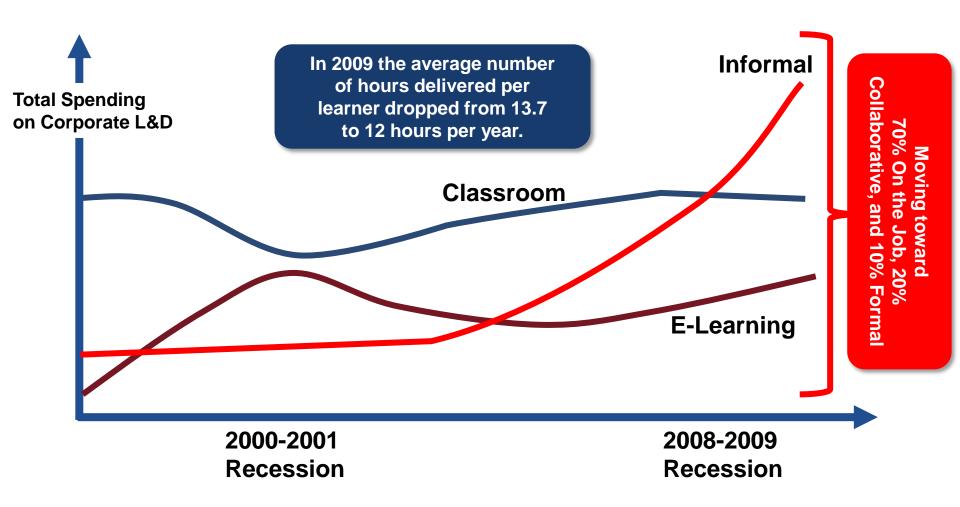| Workforce	Workplace
Multi-Generational	Interconnected
Global	Dynamic
Interconnected	Performance-driven
Mobile	New Leadership
Transient	More Specialized
New Models for Career	**New Models for HR**

Candidate

Manager

Peer

Vendor

Mentor

Employee

Customer

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How the Economy Changed L&D

Total Spending on Corporate L&D

E-Learning
LMS
Virtual Classroom
Content Development

Rationalized E-Learning
Blended Learning
Learning Portals
Classrooms come back

Collaboration
Social Networks
Communities of Practice
Blogs and Wikis

Informal Learning

12-15% Drop in 2 Years

20-22% Drop in 2 Years

2000-2001 Recession

2008-2009 Recession

How the Training World is Changing

The economy predicts and creates opportunity for change

Total Spending on Corporate L&D

In 2009 the average number of hours delivered per learner dropped from 13.7 to 12 hours per year.

Informal

Classroom

E-Learning

Moving toward 70% On the Job, 20% Collaborative, and 10% Formal

2000-2001 Recession

2008-2009 Recession

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Deep Specialization as Strategy

- Organizations are flatter, more global, more connected
- **Expertise** now drives operational effectiveness and competitive advantage
- Skills developed through "deliberate practice," standards, and reinforcement
- Specialization is a career strategy, not just a training strategy
- **Demand for "Learning Environments" not "Learning Programs**

Building Competitive Advantage

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Enabling Specialization – an example

The foundation for developing skill is supporting [deliberate practice] for the individual – giving people ways to constantly work on their "growing edge."
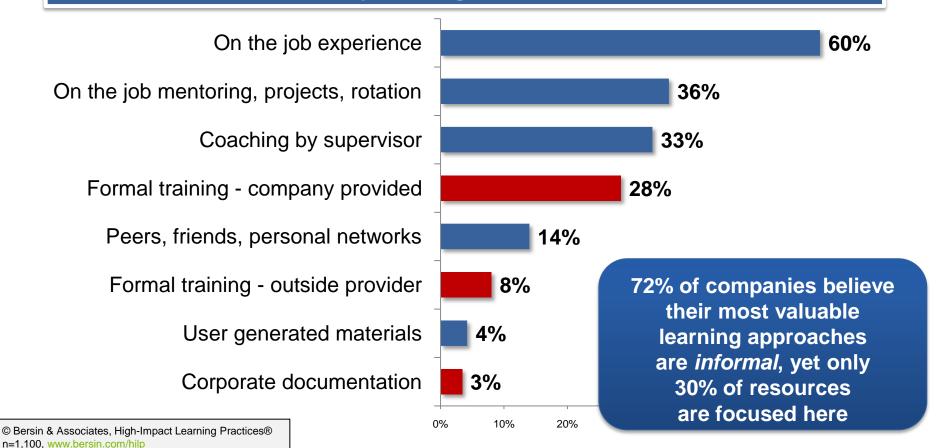
Proficiency Level			
Level 4 Expert	• SME role in Community of Practice and training development • Advise on varied cases; collaborate w/peers to advance specialty	**Experience & Collaboration**
Level 3 Advanced	• Job assignments focus on breadth across contexts; QA review work in specialty area • Teach and mentor others	
Level 2 Proficient	• Job assignments focus on growth: increased complexity, functional or technical area • Share problems/stories with peers & more experienced practitioners	
Level 1 Novice	• Hands-on Classroom learning or simulations • Realistic work tasks with feedback	**Training**
Level 0 Trained	• Online Learning, Knowledge Assets build body of knowledge • Practice activities with feedback build basic skills	

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Need for Informal Learning

Which learning approaches drive the greatest operational value in your organization?
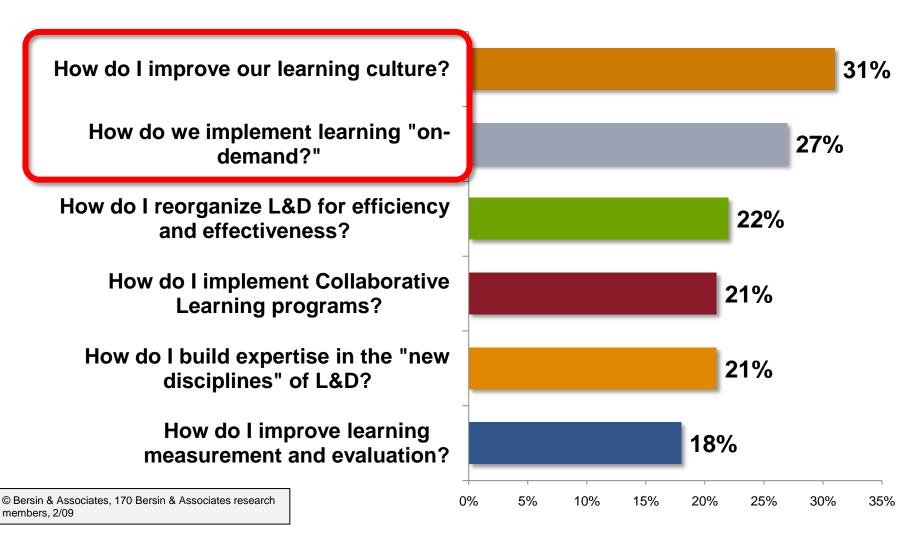
Learning Approach	Percentage
On the job experience	60%
On the job mentoring, projects, rotation	36%
Coaching by supervisor	33%
Formal training - company provided	28%
Peers, friends, personal networks	14%
Formal training - outside provider	8%
User generated materials	4%
Corporate documentation	3%

72% of companies believe their most valuable learning approaches are *informal*, yet only 30% of resources are focused here

Evolution of Enterprise Learning

Change in Disciplines, Technologies, and Strategies

We are Here

Get Materials Online	Expand, Blend Improve E-Learning	Solve Talent Problems	Informal Learning Skills & Specialization

Building Deep and Integrated Alignment within the Organization

Selecting and Implementing E-Learning and the LMS	**Integrating Adapting, and Enriching Blended Learning**	**Integrating and Aligning with Talent Management**	**Understanding Multi-Generational Workforce, Informal Learning, and Globalization**
①	②	③	④

2001	**2004**	**2007**	**2010**

L&D Leaders Understand This

Biggest issues facing L&D leaders in 2009 and 2010

Issue	Percentage
How do I improve our learning culture?	31%
How do we implement learning "on-demand?"	27%
How do I reorganize L&D for efficiency and effectiveness?	22%
How do I implement Collaborative Learning programs?	21%
How do I build expertise in the "new disciplines" of L&D?	21%
How do I improve learning measurement and evaluation?	18%

The Model we All Believe

We need to optimize this

Coaching On the Job, 70%

Information in Support of Work, 20%

Formal Training, 10%

Not just this

…But How?????

Bersin & Associates Research
High Impact Learning Organization 2008

The Model we Need to Consider

Continuous Learning

Coaching Mentoring

Communities of Practice

Career Curriculum

Social Learning

On Demand Learning

Training Event

Job Aids

Retention is Lost

Traditional Training

Expert

Novice

Time

The Traditional Way…

Organization, Governance, and Management

Learning Programs

Approaches

Formal Program Design

(ADDIE or other)

Disciplines of L&D
(Instructional Design, Kirkpatrick, …)

Tools and Technology
(LMS, Development Tools, …)

Learning Architecture

A New Model

Bersin & Associates Enterprise Learning Framework®

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Bersin & Associates Enterprise Learning Framework®

Organization, Governance, and Management

Learning Programs

Leadership Development	Career Development	Onboarding	Customer Service	Project and Process	Customer Education	Systems
Management	Technical Professional	Compliance	Sales	Product Knowledge	Channel Training	IT Skills

Audiences & Environment

Jobs · Roles · Competencies · Proficiencies · Preferences · Demographics · Geographies · Business Problems

Approaches

Informal

Formal
Instructor Led Training
Virtual Classroom
Games
Simulations
Testing & Evaluation
E-Learning

On-Demand
E-Learning
Search
Books, Articles
Videos
Podcasts
Learning/Knowledge Portals

Social
Wikis, Blogs, Forums
Expert Directories
Social Networks
Communities of Practice
Conferences &Colloquium
Coaching & Mentoring

Embedded
Performance Support
Feedback
Rotational Assignments
After Action Reviews
Quality Circles
Development Planning

Disciplines

Performance Consulting Instructional Designs	Information Architecture Knowledge Management	Content Development Program Management	Change Management Community Management	Measurement & Evaluation Business Intelligence

Tools & Technology

LMS, LCMS Learning Portals Talent Mgt. Systems	Content Development Content Management	Collaboration Social Networking	Rich Media Mobile	Assessment Search, Tagging	Performance Support Virtual Classroom	Reporting and Analytics Measurement Sustems

Culture

Executive Support Learning integrated With Business Planning	Development Planning Knowledge Sharing	Performance and Talent Management Customer Listening	Innovation Programs Mentoring and Knowledge Sharing	Employee Feedback Learning from Mistakes

Learning Architecture

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The Challenge:

Informal Learning Concepts

Communities of Practice

Portals And Wikis

Mobile Devices

Social Networking Tools

Community Management approaches

New models for instructional design

Corporate Learning Culture

New software Platforms

New forms of governance and ownership

Information Architecture

Search, Tagging, Rating Taxonomies

And What Else?

Learning On-Demand:

Keys to Success

- Understand role, environment, and use of information

- Find information sources: experts and tacit knowledge

- Creating a "portfolio manager" who can locate and update information needed by users across the agency

- Re-engineering the information architecture of the "learning portal"

- Expanding use of job aids and support systems in the learning environment

Bersin & Associates Enterprise Learning Framework®

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On-Demand Learning at HP

Social Learning:

Keys to Success

- Communities of *interest* become communities of *practice*

- Capture and share internal **"tribal knowledge"**

- Establish a **platform** which enables comments, content sharing, ratings, and feedback

- **Dare to Share** information and let the community rate and validate usage and quality

- **Integrate** the environment into formal learning programs

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The US Federal Reserve

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The Bank Examiner: Critical Role

- 40% have under 5 years experience

- 40% have more than 20 years of experience

- Only 20% have 5-20 years of experience

- Solution: A Knowledge Sharing Culture, System, and Program

The CAMELS Rating System[15]

The examiner uses the CAMELS rating system to help measure the safety and soundness of a bank. Each letter stands for one of the six components of a bank's condition:

- Capital adequacy;

- Asset quality;

- Management;

- Earnings;

- Liquidity; and,

- Sensitivity to market risk.

When performing an examination to determine a bank's CAMELS rating, instead of reviewing every detail, the examiner evaluates the overall financial health of the bank and the ability of the bank to manage risk. A simple definition of risk is the bank's ability to collect from borrowers and meet the claims of its depositors. A bank that successfully manages risk has clear and concise written policies. It also has internal controls, such as separation of duties. For example, a bank's management will assign one person to make loans and another person to collect loan payments.

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Culture and Systems for Knowledge Sharing and Deep Expertise

- New Examiner commissioning process
- Assigned coaches and peers for all new examiners
- Lessons learned videos posted by experts
- Quizzes required after each video is viewed
- Volunteers contribute information to each lesson
- Collaboration days
- Communities of practice
- After-Action Reviews

Figure 11: SuperLink

Source: *The Federal Reserve Bank of Cleveland, 2008.*

Internal Social Networking and Knowledge Sharing

Lessons Learned - Culture

- Need for "Chief Culture Officer" to tie together rewards, incentives, rules, and programs for knowledge sharing
- Learning Executive Council to drive change and ongoing investment

"One of my 'a-ha' moments is the impact on SMEs who are sharing, who are being tapped as leaders, it's been so well received … eliciting some pride, increase in stature. It's enhanced our retention of experienced employees. We have people falling over themselves to be volunteers, to be experts. People have come to see that hoarding is not job security – the culture here is the opposite. If you don't share, your job is in trouble – if you don't collaborate with peers, you aren't doing your job."

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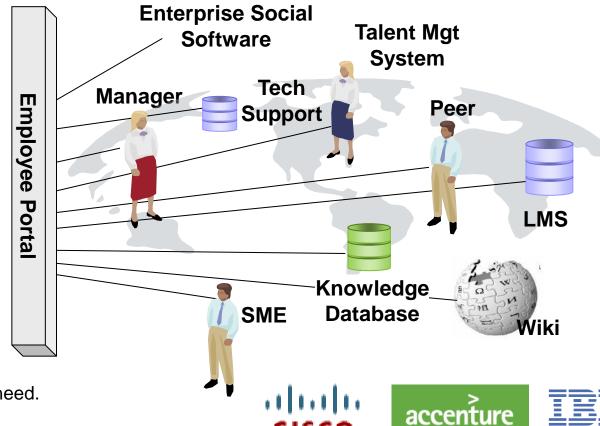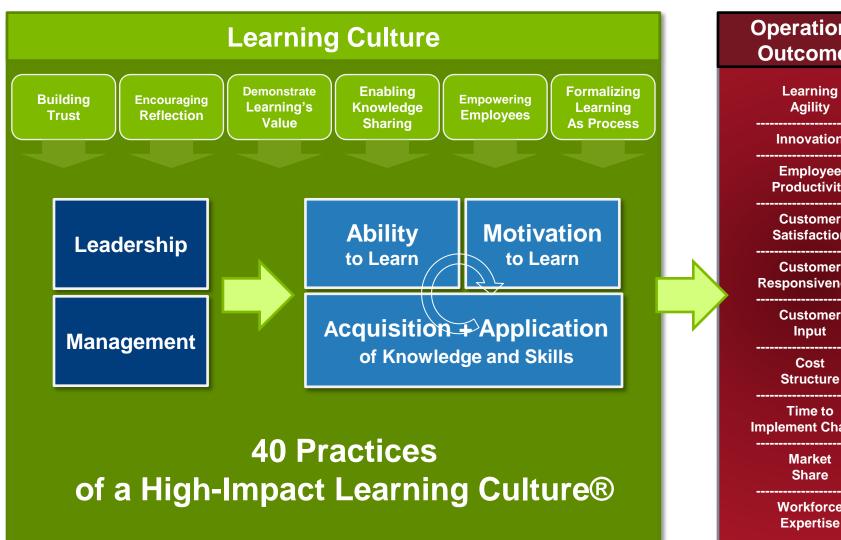- The Five Keys to Driving Impact

A New Technology Architecture

Employee

Employee Portal

Enterprise Social Software

Talent Mgt System

Manager

Tech Support

Peer

LMS

SME

Knowledge Database

Wiki

What I need to know right now.
What skills and competencies I need.
Who I can ask for help.
It's all about me. My job. My role. My assignment.

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High-Impact Learning Culture® Model

Learning Culture

Building Trust	Encouraging Reflection	Demonstrate Learning's Value	Enabling Knowledge Sharing	Empowering Employees	Formalizing Learning As Process

Leadership

Management

Ability to Learn

Motivation to Learn

Acquisition + Application of Knowledge and Skills

40 Practices of a High-Impact Learning Culture®

Operational Outcomes

Learning Agility

Innovation

Employee Productivity

Customer Satisfaction

Customer Responsiveness

Customer Input

Cost Structure

Time to Implement Change

Market Share

Workforce Expertise

Organizations with a Strong Learning Culture *Significantly* Outperform their peers…

- 42% more likely to be first to implement change **(innovation)**

- 37% greater employee productivity **(productivity)**

- 35% better response to customer needs **(service)**

- 26% greater ability to deliver "quality products" **(quality)**

- *17% more likely to be market share leader* **(profitability)**

The High Impact Learning Culture "Top 10 Practices

	Practice	Category	Relative Impact on Business Outcomes
1	Leaders are open to "bad news."	Empowering Employees	Very High
2	Asking questions is encouraged.	Empowering Employees	Very High
3	Decision-making processes are clearly defined throughout the company.	Empowering Employees	Very High
4	Employees are frequently given tasks or projects beyond their current knowledge or skills level in order to stretch them developmentally.	Formalizing Learning as Process	Very High
5	Employees in my organization have influence over which job tasks are assigned to them.	Empowering Employees	Very High
6	The organization values and rewards employees who learn new knowledge and skills.	Demonstrating Learning's Value	High
7	The organization values mistakes and failures as learning opportunities, and provides structured opportunities for reflection.	Encouraging Reflection	High
8	The organization believes that learning new knowledge and skills is a valuable use of time.	Demonstrating Learning's Value	High
9	Employees generally believe the learning and / or developmental opportunities offered by the organization to be of high value.	Demonstrating Learning's Value	High
10	Employees in my organization take active responsibility for their own personal development.	Demonstrating Learning's Value	High

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Summary of Findings

Traditional Training Model	High-Impact Learning Organization
Training organization is "The Place for Learning"	Learning organization facilitates and enables learning
Focus on training programs, delivery and measurement	Focus on building a "learning environment" that includes formal learning, collaboration and many organizational activities (e.g., coaching, action learning, mentoring and collaboration), which facilitate continuous learning
Learning as an event	Learning as a continuous process
Learning driven by the training organization	Learning driven by the employees and managers themselves, with many learning opportunities made available

Five Keys to Success

1. Strong Agency Alignment and Evolving Organization Structure

2. Integration with Talent Management and L&D Understanding of Talent Strategies

3. Focus on Culture among Management and Leadership, not just L&D

4. New Platforms, Tools, Disciplines, and Skills

5. Willingness to **Re-Think** the Role of L&D

Discussion and Questions

- High-Impact L&D programs combine expertise in design, architecture, implementation, and modern learning practices

- Informal learning represents the modern and current approach to all L&D strategies

- The role of the L&D organization is rapidly shifting from that of "teacher" to that of "enabler"

- Learning Culture is one of the most powerful tools you have to drive results

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