

High-Impact Learning Culture

A New Era in Corporate Learning & Development

Josh Bersin

September, 2010

About Bersin & Associates

Who We Are

 Bersin & Associates is an industry research and consulting company focused on helping organizations understand and apply best practices in L&D and talent management to improve effectiveness, efficiency, and performance.

Practice Areas

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

Offerings

- Comprehensive Research and Tools
- WhatWorks® Research Membership
- Consulting
- Benchmarking
- Workshops



Bersin WhatWorks® Membership Program

	Learning & Development	Talent Management	Leadership & Succession	Talent Acquisition	Human Resources (coming)		
ram	Score	Research and Tools Frameworks, Maturity Models, High Impact® Research Programs, Factbooks® Scorecards, checklists, forms, RFP's, selection guides, case studies, solution provider library					
ess Program		Advisory Services Ask the Experts®, Business Impact Workshops Analyst Advisory Calls					
Member Success		Member	nd Professional r Roundtables, Peer Connec ference, Bersin Lexicon®, A	tion®,			
Mer		Strategy Develop	nsulting Service oment, Executive Alignment, Roadmap, Measurement St	Benchmarking,			

Our Research in High-Impact L&D



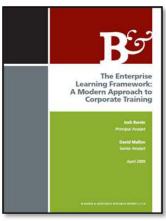
High-Impact Learning Organization® HILO



High-Impact Learning Measurement® HILM



High-Impact Learning Practices® HILP



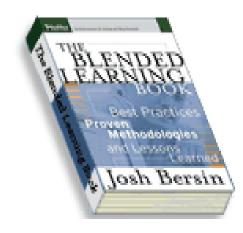
Enterprise Learning Framework MELI

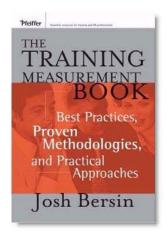


High-Impact Learning Culture® HILC



The Corporate Learning Factbook®



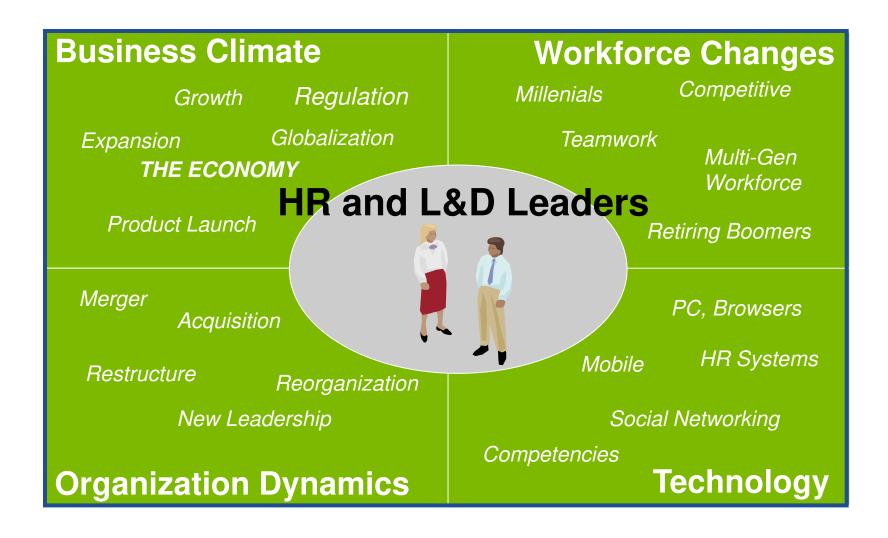


Agenda



- Today's business and workforce environment
 - Impact on employees and workers
 - Impact on L&D and HR
- Four keys to organizational success
 - Deep specialization
 - Career development
 - Talent mobility
 - New models of leadership
- The New High-Impact Learning Organization®
 - A new role in the organization
 - Building a continuous learning model
 - Embracing social and informal learning
 - Focus on a new set of disciplines
- Role of a learning culture

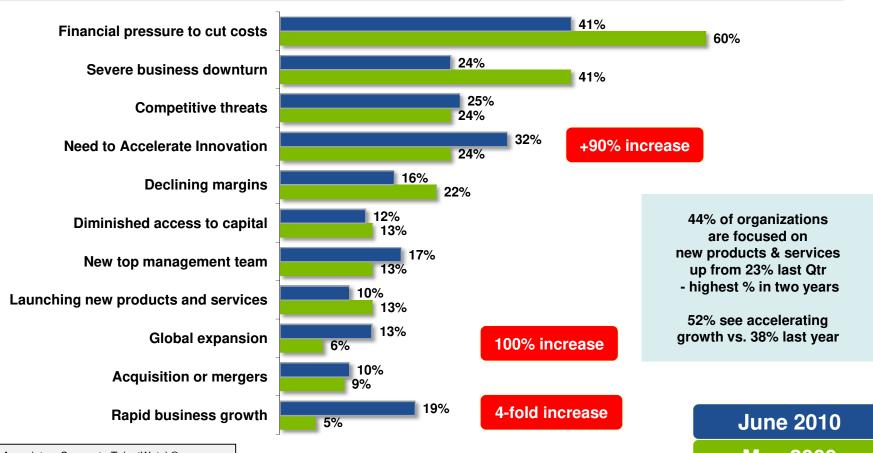
Forces for Transformative Change



2010 Business Environment

Innovation, globalization, expansion, within budgets

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

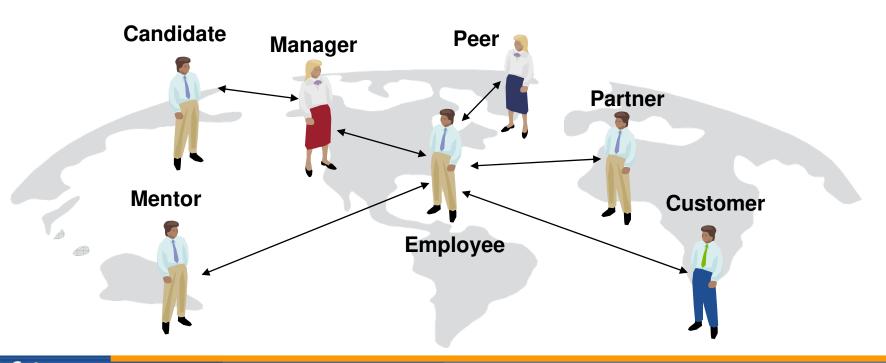


© Bersin & Associates, Corporate TalentWatch® Research, Senior HR and Business Executives, 1/2010

May 2009

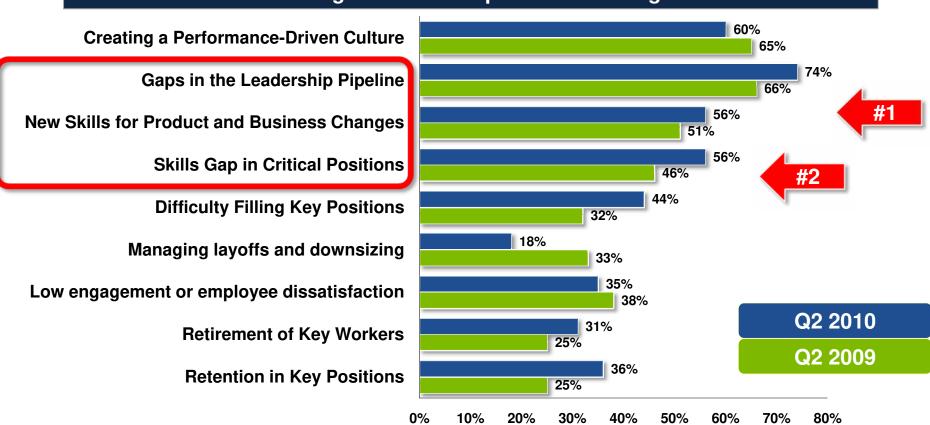
The New Workforce and New Workplace

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



Leadership & Capability Gaps



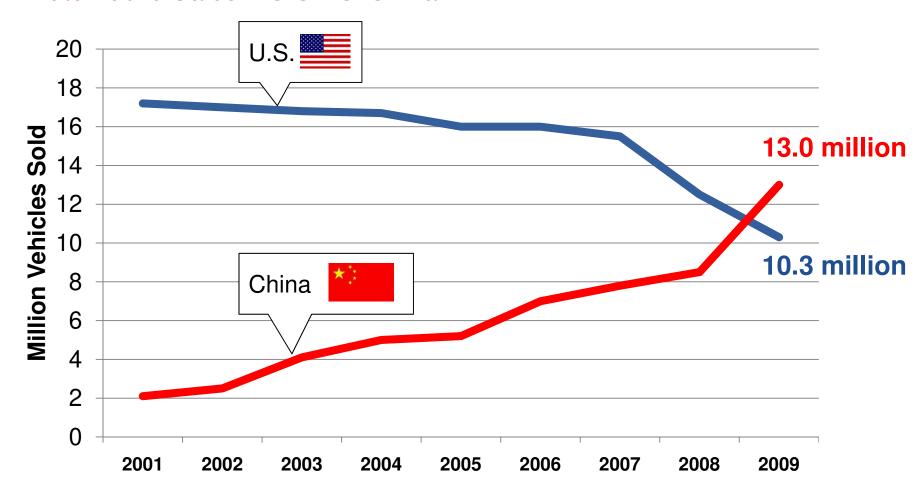


© Bersin & Associates, Corporate TalentWatch® Research, Senior HR and Business Executives, 6/2010

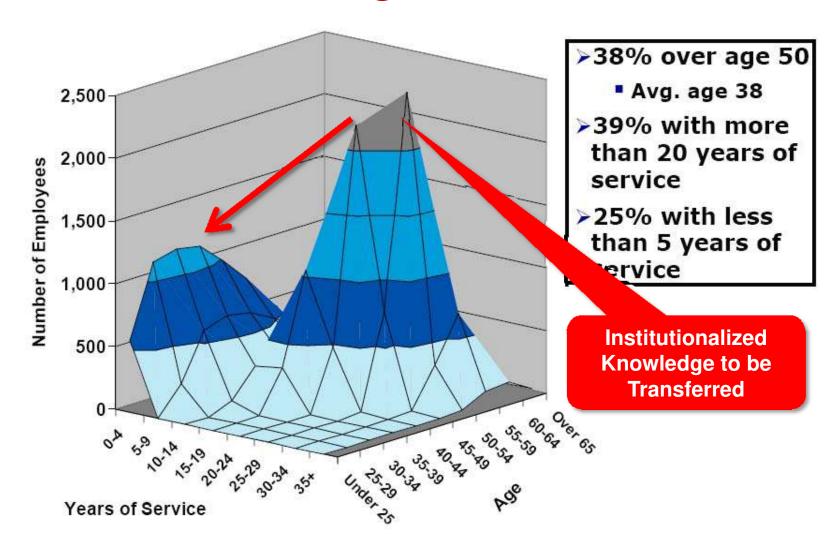


Urgency to Globalize

Automobile Sales - U.S. vs. China

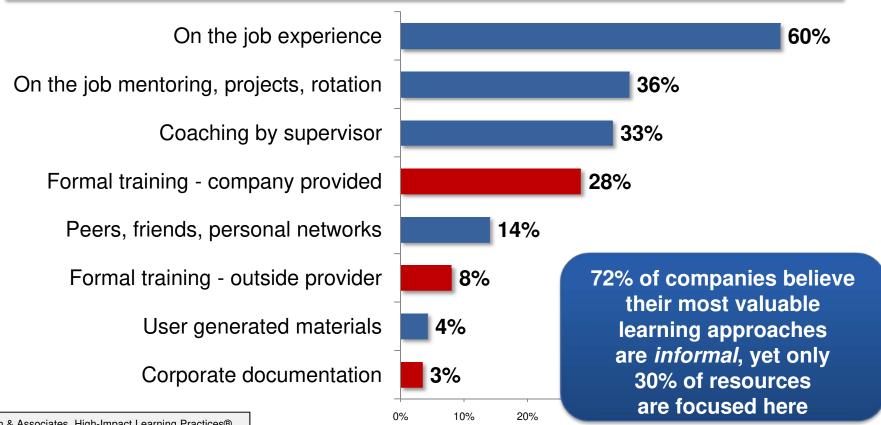


The "Crew Change" at Global Oil Co.



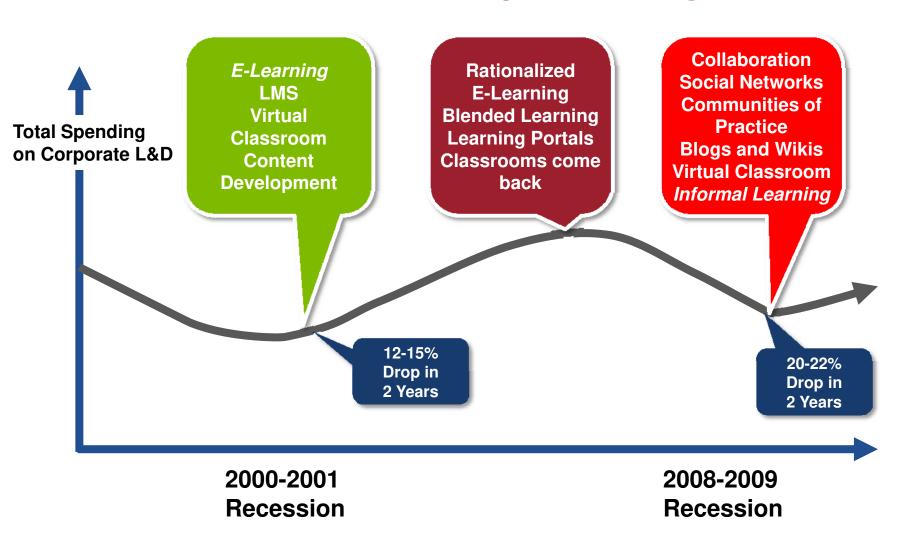
Need for Informal Learning

Which learning approaches drive the greatest business value in your organization?



© Bersin & Associates, High-Impact Learning Practices® n=1,100, www.bersin.com/hilp

How the Economy Changes L&D



Evolution of Enterprise Learning

Change in Disciplines, Technologies, and Strategies We are Here **Get Materials Expand, Blend Solve Talent** Informa Learning Improve E-Learning Skills & Specialization Online **Problems** Building Deep and Integrated Alignment with the Business Un derstanding Integrating Multi-Generational Selecting and Integrating and Aligning **Implementing** Adapting, and orkforce. with Informal Learning, E-Learning and **Enriching Talent** the LMS **Blended Learning** and **Management G** obalization (3) $(\mathbf{2})$ 4 2001 2004 2007 **201** D

Agenda

- Today's business and workforce environment
 - Impact on employees and workers
 - Impact on L&D and HR

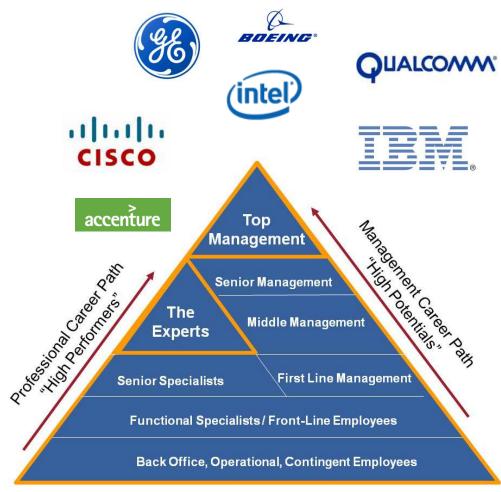


- Four keys to organizational success
 - Deep specialization
 - Career development
 - Talent mobility
 - New models of leadership
- The New High-Impact Learning Organization®
 - A new role in the organization
 - Building a continuous learning model
 - Embracing social and informal learning
 - Focus on a new set of disciplines
- Role of a learning culture

Deep Specialization

OCEANEERING

- Realization that Expertise drives competitive advantage
- Specialization improves quality and reduces cost
- Deep skills are developed through "deliberate practice" and reinforcement
- Deep skills come from a wide range of learning and development experiences
- Career Development in all critical job roles



You *Cannot Compete* with these organizations

Proficiency Level

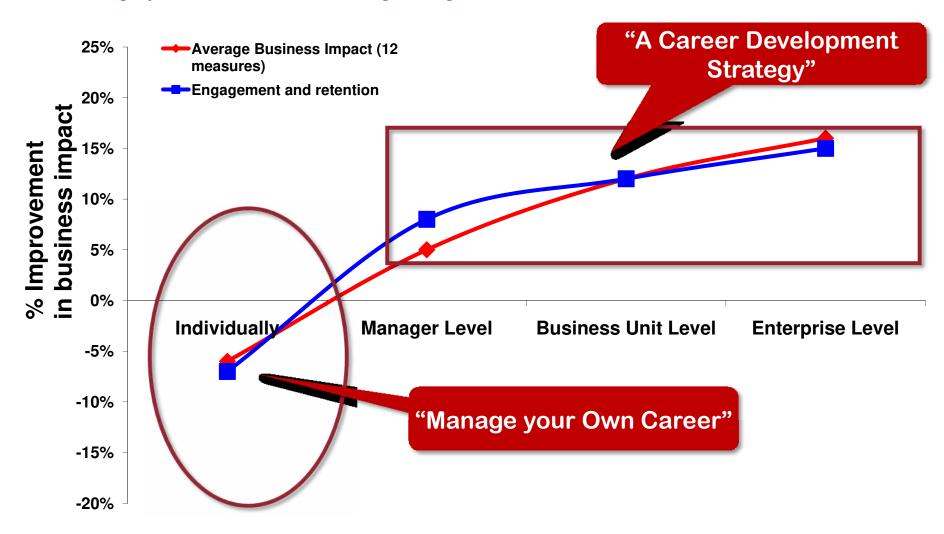
Enabling Specialization at Accenture

The foundation for developing skill is supporting deliberate practice for the individual – giving people ways to constantly work on their "growing edge."

Level 4 Expert	 SME role in Community of Practice and training development Advise on varied cases; collaborate w/peers to advance specialty 	Experience
Level 3 Advanced	 Job assignments focus on breadth across contexts; QA review work in specialty area Teach and mentor others 	Ç٥
Level 2 Proficient	 Job assignments focus on growth: increased complexity, functional or technical area Share problems/stories with peers & more experienced practitioners 	Collaboration
Level 1 Novice	 Hands-on Classroom learning or simulations Realistic work tasks with feedback 	Trai
Level 0 Trained	 Online Learning, Knowledge Assets build body of knowledge Practice activities with feedback build basic skills 	Training

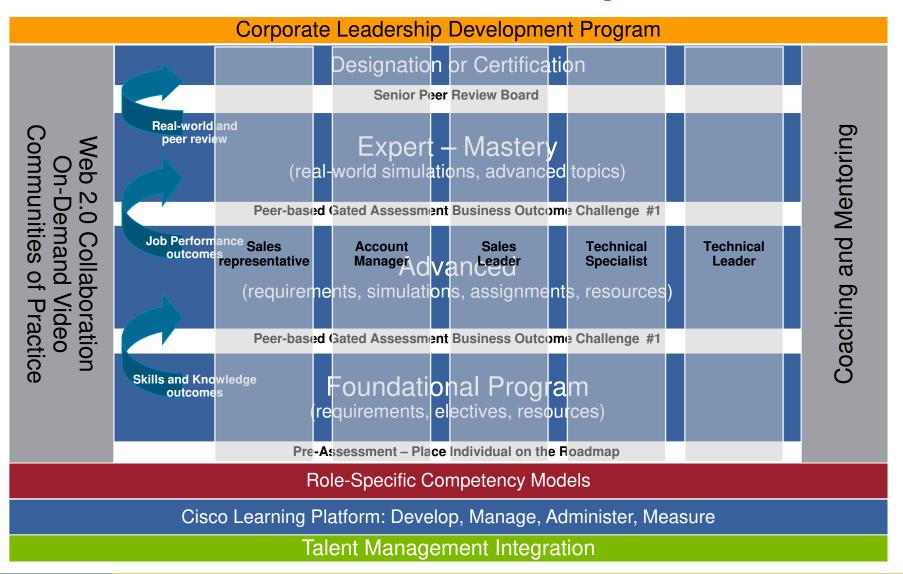
Value of Career Development

"Manage your Own Career" Damages Organizational Performance





Cisco Sales Career Development





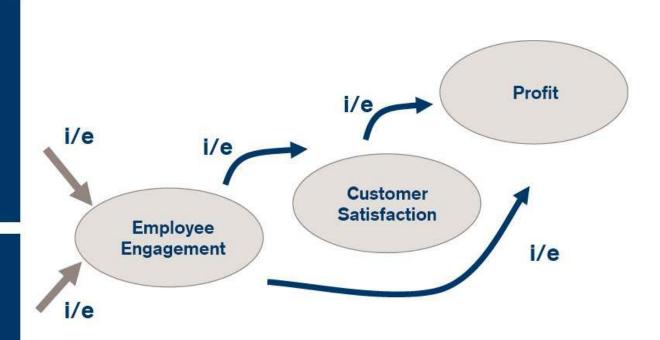
Career is #2 Driver of Engagement

Human Capital Management (HCM) Indicators

- Management Qualification
- Functional Education
- Talent Management
- Recruiting

Engagement Drivers - CS Employee Survey

- Direct Manager
- Recognition
- Career Opportunities
- Learning & Developm.



i = internal statistical evidence

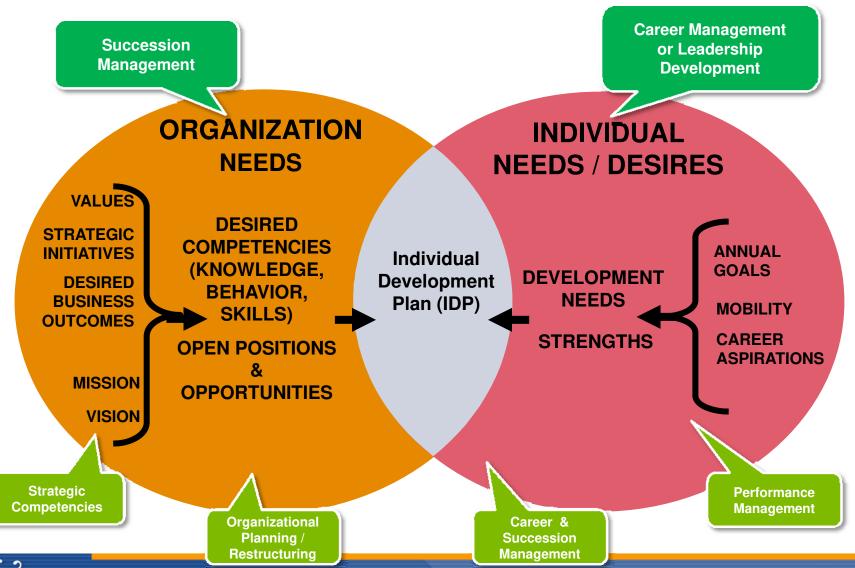
e = external statistical evidence



Produced by: A. Melcher & S. Winkler Date: April 2010, Slide 20



Strategic Development Planning



Impact of Development Planning

 Organizations with highly effective development planning significantly outperform those without.

	With	Without
Voluntary Turnover	8%	11%
Turnover among High-Performers	2%	3%
Ability to "develop great leaders"	23%	7%
Ability to "plan for future talent needs"	22%	6%
Median Revenue per Employee	\$169,000	\$82,800



Talent Mobility as Business Strategy

- Evolve from succession thinking to transparent talent mobility
- Career management at all levels of the organization
- Move from "pinball machine" to a deterministic model for talent
- Transparent information and discussions about people

Deloitte.

JPMORGAN CHASE & CO.



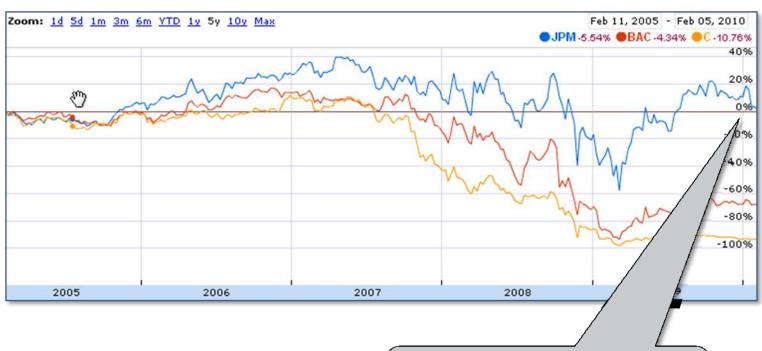






CHASE 🗘



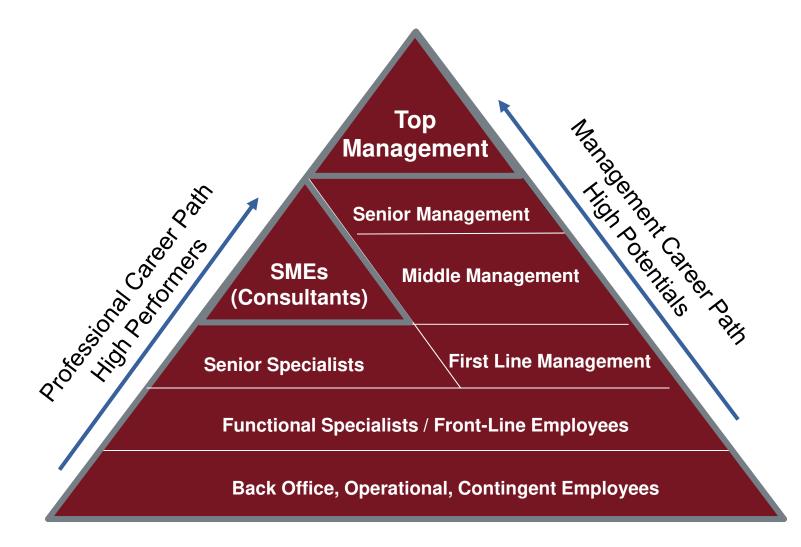




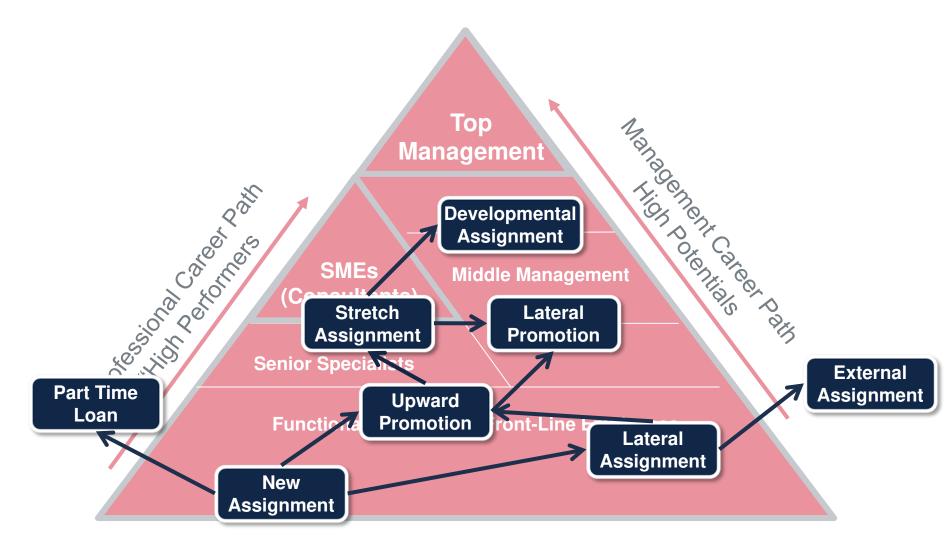


Why has JPM Chase Outperformed their peers?

8 Types of Talent Mobility



8 Types of Talent Mobility



New Leadership Models

- New competencies for success: global awareness, innovation, collaboration, change, disruption
- Action learning takes the lead: cohorts, real-world assignments
- Mentorship: leaders teaching leaders, apprenticeships, facilitate "changing of the guard"













Agenda

- Today's business and workforce environment
 - Impact on employees and workers
 - Impact on L&D and HR
- Four keys to organizational success
 - Deep specialization
 - Career development
 - Talent mobility
 - New models of leadership



- The New High-Impact Learning Organization®
 - A new role in the organization
 - Building a continuous learning model
 - Embracing social and informal learning
 - Focus on a new set of disciplines
- Role of a learning culture

How L&D Drives Success

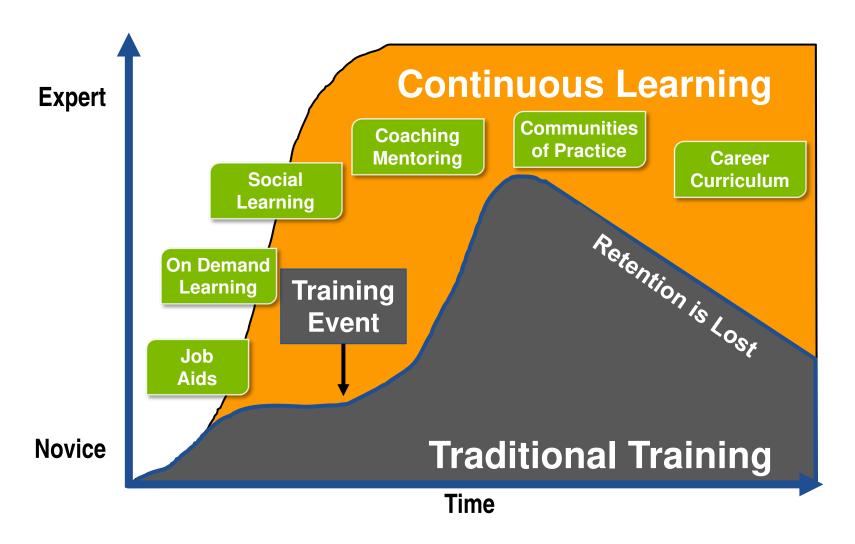
Organizational Learning Agility

Individual Specialization and Skills

A Set of Learning Programs within a Learning Architecture

A Learning **Environment** which Facilitates and Supports Learning

The Modern Learning Model



L&D's Evolving Role:

The "Enabler and Facilitator" of Learning

Figure 75: The New Role of L&D – the "Enabler and Facilitator" of Learning				
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			

The Traditional Way...

Learning Programs

Approaches

Formal Program Design

(ADDIE or other)

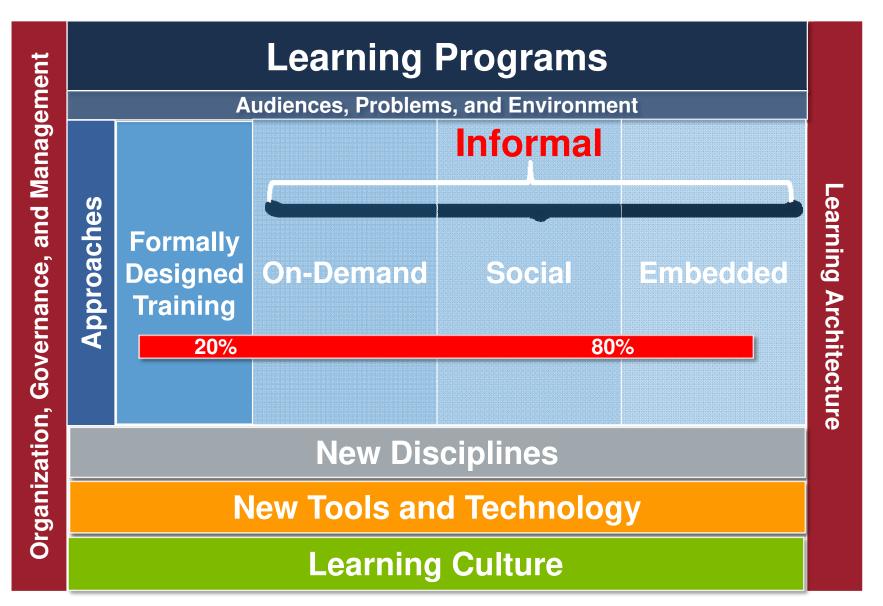
Disciplines of L&D

(Instructional Design, Kirkpatrick, ...)

Tools and Technology

(LMS, Development Tools, ...)

A New Model



Bersin & Associates Enterprise Learning Framework®



Bersin & Associates Enterprise Learning Framework®

The Challenge:

Informal Learning Concepts

Communities of Practice

Mobile Devices

Community Management approaches

> Corporate Learning culture

New forms of governance and ownership

Portals And Wikis

> Social Networking Tools

New models for instructional design

New software Platforms

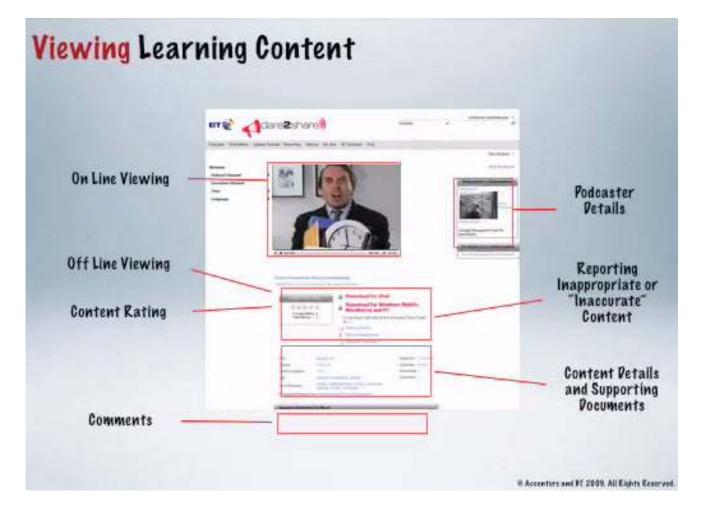
Information Architecture

And What Else?

> Search, Tagging, Rating Taxonomies



Dare2Share



Unexpected ROI of Informal Learning

Initial Business Case

Just for starters - \$12 million dollars per annum

- Field engineers reading newspapers and drinking coffee during down time rather than learning
- Coaches creating manuals and delivering one to one demonstrations
- Team leaders frequently conducting the same safety briefings
- Sales people spending days searching for answers and best practices
- Line managers answering the same question over and over again



Our initial business case was approved on the basis of improving learning efficiency. We aim to measure business "outcomes" and "results" after deployment.



The US Federal Reserve



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 System¹⁵

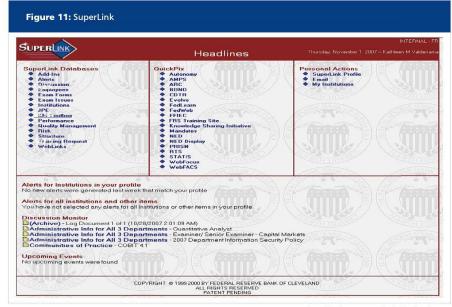
The examiner uses the CAMELS rating system to help measure the safety and soundness of a bank. Each letter stands for one of the six components of a bank's condition:

- · 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.

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



Source: The Federal Reserve Bank of Cleveland, 2008

Internal Social Networking and Knowledge Sharing

Lessons Learned - Culture



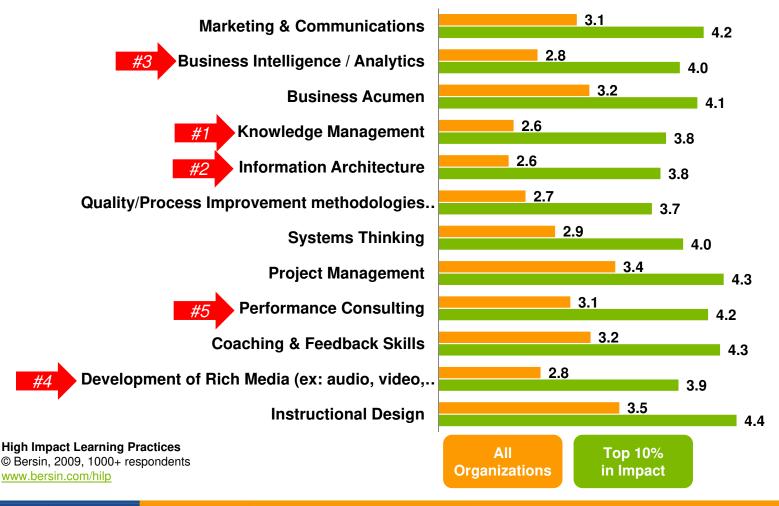
- Need for "Chief Culture Officer" to tie together rewards, incentives, rules, and programs for knowledge sharing
- Learning Executive Council to drive change and ongoing investment

"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."

What this Means to You

A New Set of Disciplines

Comparing the Top 10% of High-Performing L&D Organizations (n>1,000)



Modern High
Performance
Learning
Organizations
are particularly
strong in:

- Knowledge Management
- Information Architecture
- Business Analytics
- Rich Media
 New Media
- Performance Consulting

New Reward and Policy Systems

- Rate and Rate contributions
- No-one is anonymous
- Top contributors recognized
- Sharing information becomes corporate culture
- Policies for usage
- Senior Executive Support

A New Set of Roles

Letting go of the "Content Design and Delivery" Role



Portfolio Manager

Performance Consultant

Talent
Management
Expert

Content Manager (Media)

Community
Manager
(Interactions)

Connection
Manager
(Directories)

Content Standards
Authoring Tools
Content System(s)
Publishing Tools
Information Architecture

Community Management Sharing Guidelines Cultural Reinforcement Rewards and Feedback Monitoring and Standards

Systems Integration Interface to IT standards Expert Directories

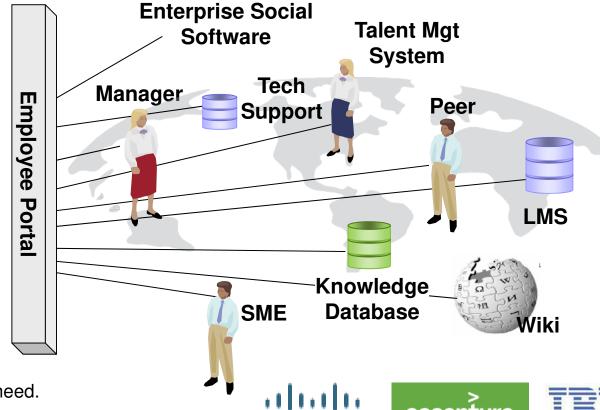
A New Technology Architecture











CISCO

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.







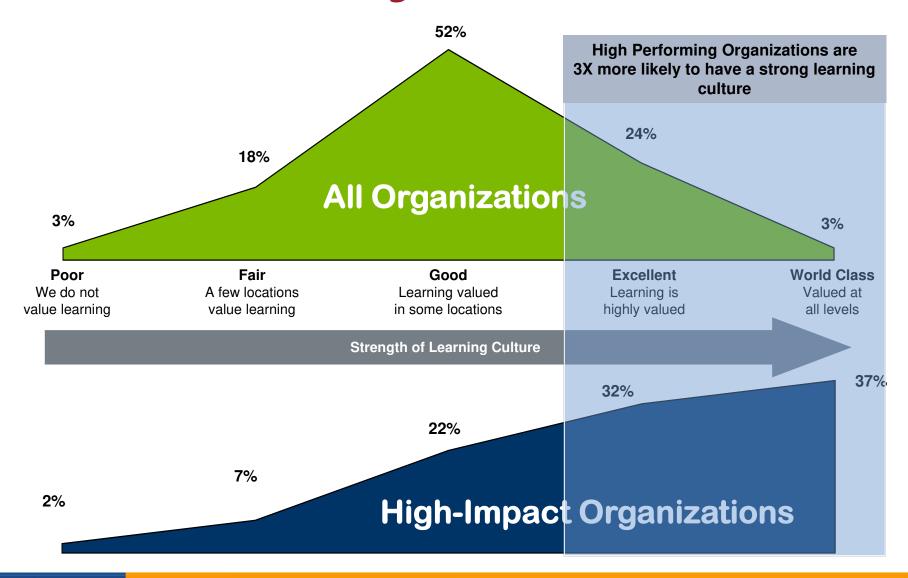


Agenda

- Today's business and workforce environment
 - Impact on employees and workers
 - Impact on L&D and HR
- Four keys to organizational success
 - Deep specialization
 - Career development
 - Talent mobility
 - New models of leadership
- The New High-Impact Learning Organization®
 - A new role in the organization
 - Building a continuous learning model
 - Embracing social and informal learning
 - Focus on a new set of disciplines
- Role of a learning culture



Culture Really Matters

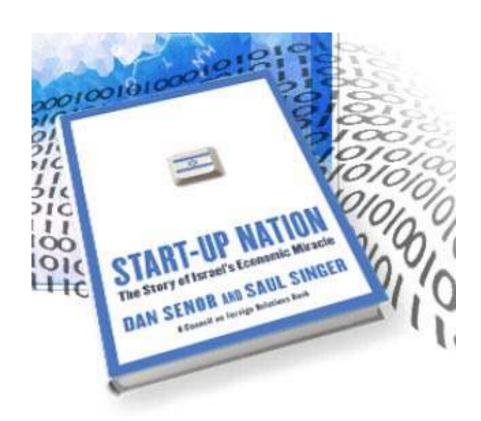


Culture

Learning Culture

The collective set of organizational values, conventions, processes and practices that influence and encourage both individuals and the collective organization to continuously increase knowledge, competence and performance.

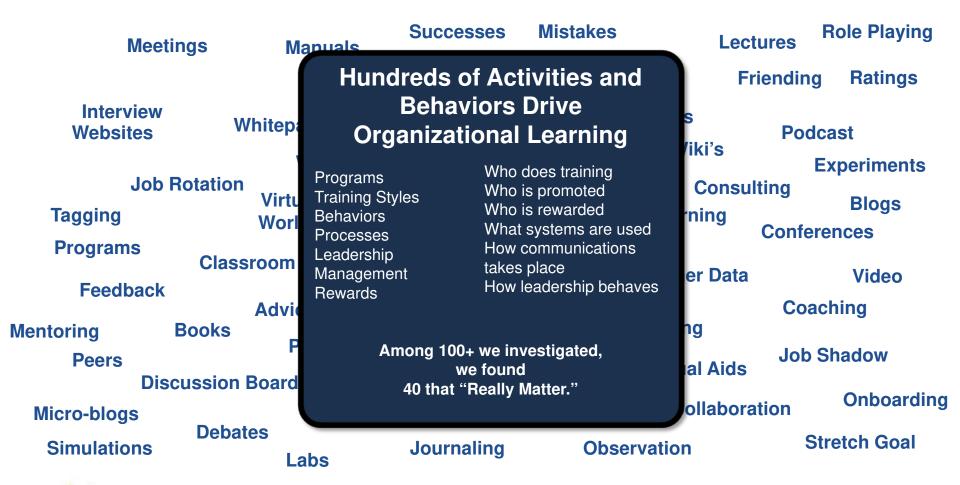
Lessons on Innovation and Growth



Secrets of Success for Innovation and Growth

Broad Spans of Control **Highly Diverse** Workforce Flat Organization Structure Open Dialogue on Decisions

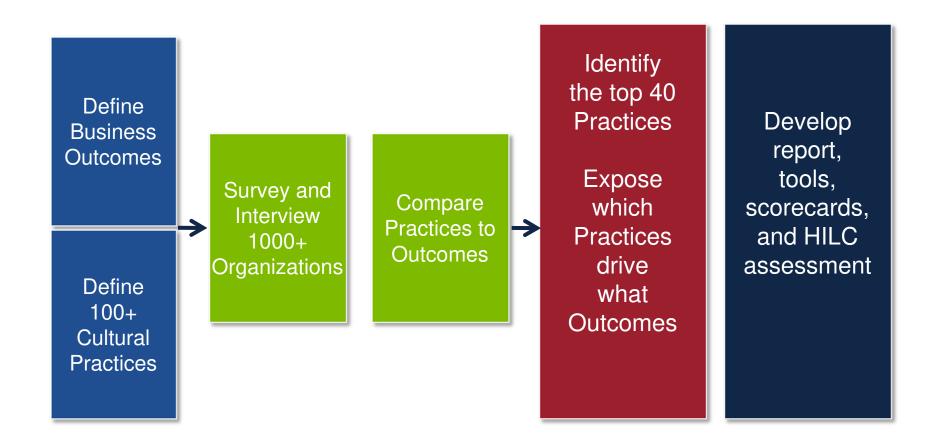
Learning Opportunities Everywhere



TELUS®

Whether formal, informal or social, in-person or online ... learning opportunities are holistic

HILC Methodology



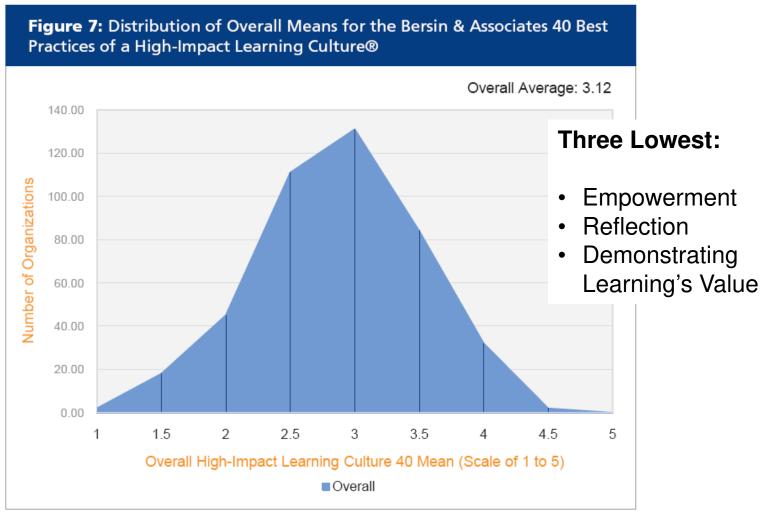
Business Outcomes

Ten Performance Measures we Studied **Productivity** Ability for employees to do more with less. **Innovation** Ability to create new, better products, services, and processes **Learning Agility** Ability to adapt to market changes and take advantage of opportunities. **Workforce Expertise** Ability to grow and maximize employee expertise. Time to Market Ability to get products out faster. **Market Share** Ability to outperform competition in the market. **Customer Responsiveness** Ability to meet immediate customer needs quickly and efficiently. **Customer Satisfaction** Ability to solve customer problems to their expectations. **Customer Input** Ability to capture and act on customer needs.

Cost Structure

Ability to operate efficiently and continuously reduce cost.

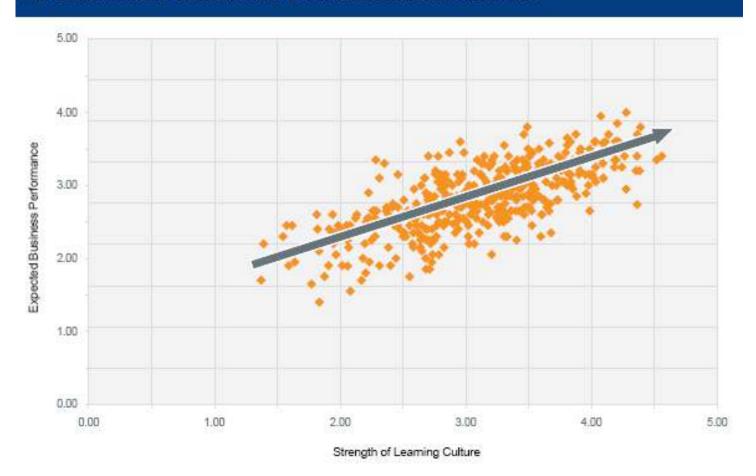
General State of Culture



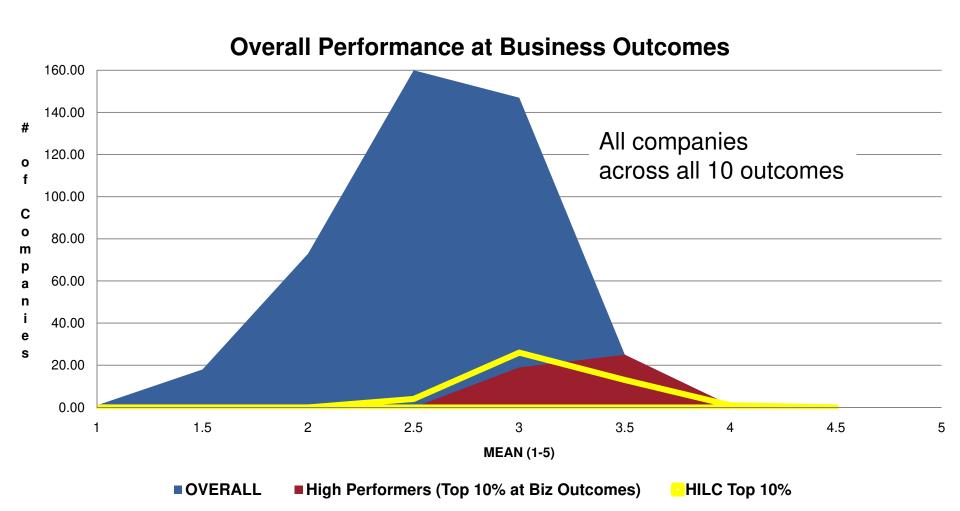
Source: Bersin & Associates, 2010.

Strong Correlation to Results



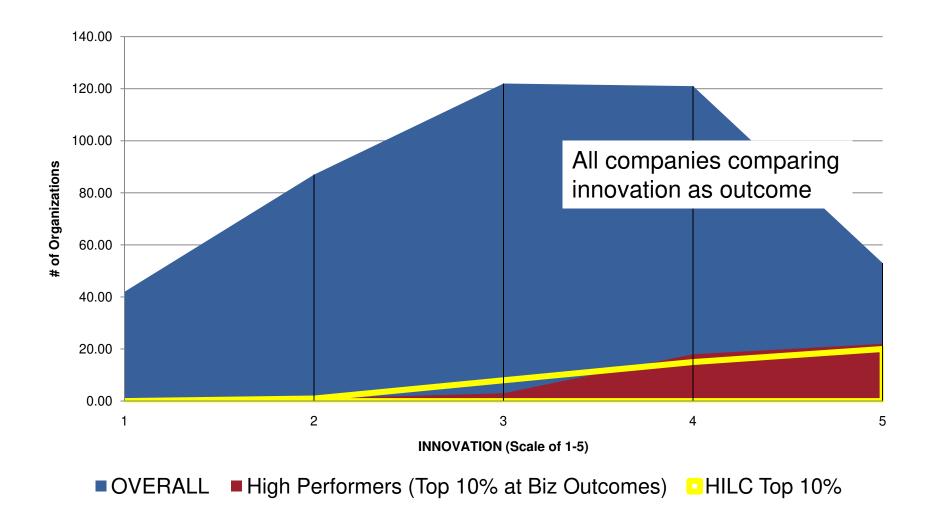


Strong Cultures = High Performers





HILCs Leaders in Innovation





The Six Keys

Building Trust

Organization engaged and committed to goals Organization has core values and beliefs Employees can explain values and beliefs Knowledge can be shared without political risk Employees fell safe in the work environment

> **Encouraging** Reflection

Organization values mistakes as learning opportunities Organization makes time for reflection after errors Organization analyzes assumptions before decision-making

Leaders open to bad news Asking questions is encouraged Decision-making clearly defined Employees have influence over job

Empowering

Employees

Formalizing Learning as Process

Demonstrate Learning's <u>Value</u>

Organization values people who learn new skills Organization believes time for learning is valuable Employees believe L&D offerings are high value Employees take active role in their own development Leaders frequently participate in training programs Most employees have career plans Organization has innovation programs widely used Employees know what L&D programs are available

Enabling Knowledge Sharing

Customers regularly interviewed and profiled Stories about company history frequently shared Innovations and new solutions widely shared internally Collaboration is considered central part of L&D process Organization surveys employees and acts on findings Customer ideas widely communicated internally

Employees given stretch assignments L&D regularly re-evaluates investments Organization hires vigorously from within Executives take interest in employee devt. Culture and fit are used in hiring process Business leaders rotated into L&D function

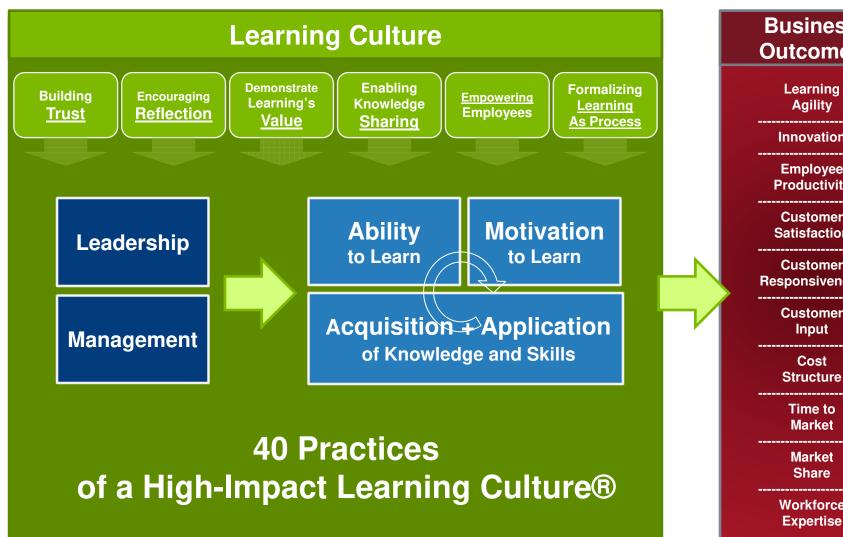
An Important Note:

Of the 40 practices we identified, only 7 are fully within the responsibility of the L&D organization....

...8 are owned by top leadership...

and 25 are owned by line management.

High-Impact Learning Culture® Model





Organizations with a Strong Learning Culture Significantly Outperform their peers...

- 46% more likely to be first to market (innovation)
- 37% greater employee productivity (productivity)
- 34% better response to customer needs (time to market)
- 26% greater ability to deliver "quality products" (quality)
- 58% more likely to have skills to meet future demand
- 17% more likely to be market share leader (profitability)

How Agilent Measures Success

"The World's Premier Measurement Company"



Employees, Leadership and Culture

Speed to Opportunity

- Customer Orientation Index: 81%
- Speed/Decisiveness Index: 77%
- Employee Engagement Index: 81%
- Risk Taking Index: 70%

Customer Satisfaction

Create Loyal Customers

- · Agilent Customer Survey: 8.1
- Agilent Market Survey: 1.04

Employees, Leadership and C Speed to Opportunity

- Customer Orientation Inde
- AND DESCRIPTION OF THE PROPERTY OF THE PROPERT
- Speed/Decisiveness Index
- Employee Engagement Index. 017
- · Risk Taking Index: 70%

Financial

Leverage the Operating Model

- ROIC: 185
- · Operating Profit: 13%

Markets

Accelerate Profitable Growth

- · Revenue Growth (w/o) Varian: 5%
- · Complete Targeted Strategic Initiatives

Agilent's Measures of Success

The World's Premier Messurement Company



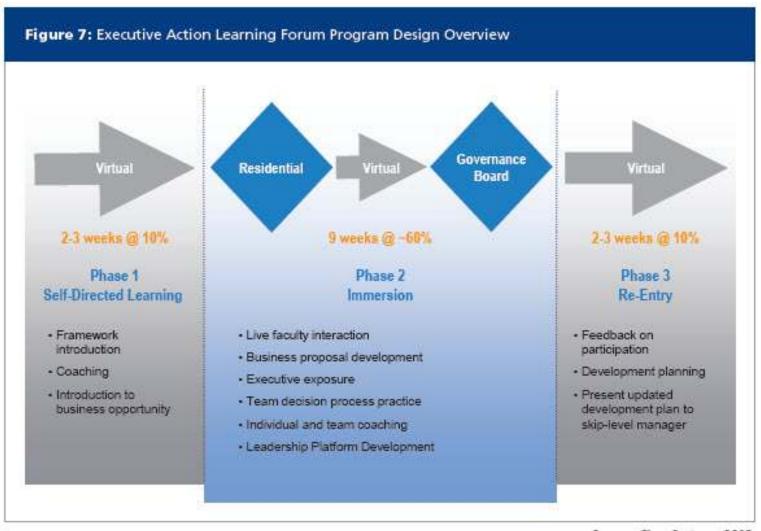
IMPROVING INNOVATION

#8 My organization believes that learning new knowledge & skills is a valuable use of time.



- Hold managers accountable for their role as people developers – not just task managers;
- Hold employees accountable for completion of development goals;
- Adopt work planning and strategic goal setting processes which account for the people component and which allocate sufficient time and resources for meeting talent needs;
- Build L&D budgets into the business plan and schedule time for employees development;
- Hold formal learning programs regularly; don't rely 100% on self-study or e-learning.

Consequential Learning at Cisco



Source: Cisco Systems, 2009.

#2 Asking questions is encouraged in my organization.

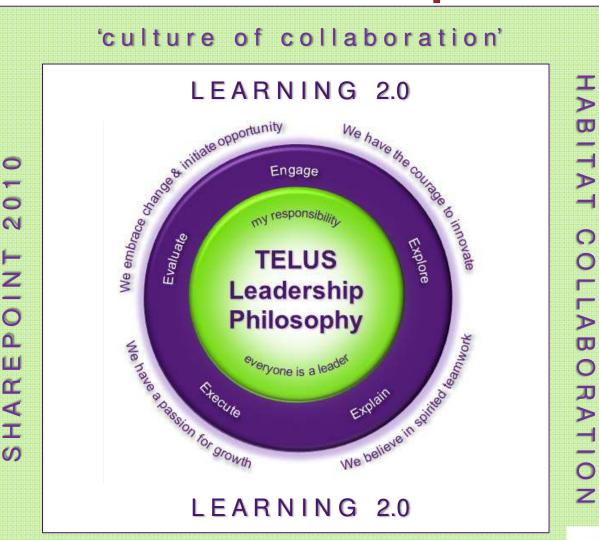


IMPROVING INNOVATION

- Include a focus on questioning and dialogue skills in leadership development programs.
- Encourage the creation of additional feedback loops through which employees can share perspectives upward safely.
- Encourage leaders to contribute to an internal blog and to engage in discussions there.
- Provide open anonymous tools which enable employees to ask questions without fear of reprisal, and publish answers for all to see.

Collaborative Leadership at Telus

the
TELUS
team



the TELUS team

'culture of collaboration'



#7 The organization values and rewards employees that learn new knowledge and skills.

IMPROVING INNOVATION

accenture

- Create recognition, award, certification, and career development programs which reward training, expertise, certification, mastery;
- Hold employees accountable to development plans however – focus the attention of knowledge and skills gained, not courses completed;
- Celebrate people who develop themselves and share their knowledge.
- "Capability Managers" given top level positions within industry and technology business units

IMPROVING INNOVATION

#6 My organization values mistakes and failures as learning opportunities and provides structured opportunities for reflection. ING 🌭 DIRECT

- Encourage leaders to talk about the value of good mistakes.
- Help the organization to design work processes that allow for time to reflect on what worked and what did not work along the way. For example: after-action reviews, project post-mortems, customer surveys;
- Incorporate reflective learning cycles into learning programs; use journaling as a tool for teaching reflection skills ...
- Teach managers and leaders to give constructive feedback and to receive feedback as a gift.
- Teach managers to monitor and evaluate "HOW" work is done, not just "WHAT" is accomplished.

Save your money

Values Matter at ING Direct "The Orange Code" from CEO



- **We are new here.** Every day is a new beginning, a new set of challenges, a change to reinvent ourselves.
- •Our mission is to help people take care of the wealth they make. Money is the fruit of work, and saving it is fundamental to freedom.
- •We will be fair. Everyone will be treated equally here.
- •We will constantly learn. Every experience we have will make us wiser and better at what we do.
- •We will change and adapt and dwell only in the present and in the future. We are nourished by thinking about what can be done.
- •We will listen; we will invent; we will simplify. Our customers can make us better if we let them. But we must first understand them.
- ■We will never stop asking why or why not. Nothing can be sacred here except for our mission.
- •We will create wealth for ourselves too, but we will do this by creating value. Profit is proof that we are fulfilling our mission.
- •We will tell the truth. We can't succeed without the trust of our customers.
- **We will be for everyone.** To be our customer, people need only a dollar and the will to be independent.
- •We aren't conquerors we are pioneers. We are not here to destroy we are here to create. We have competitors, not enemies. We came here to offer people a choice.
- •We will never be finished.

Agenda

- Today's business and workforce environment
 - Impact on employees and workers
 - Impact on L&D and HR
- Four keys to organizational success
 - Deep specialization
 - Career development
 - Talent mobility
 - New models of leadership
- The New High-Impact Learning Organization®
 - A new role in the organization
 - Building a continuous learning model
 - Embracing social and informal learning
 - Focus on a new set of disciplines
- Role of a learning culture

Bottom Line

- 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

