Steps to Building a Culture of Learning

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@KMOakes
A Culture of Learning

- 832 respondents
- Most respondents were large organizations
- 50/50: National vs. Multi-national / Global
- Just published
i4cp discovers...

...the people practices that drive high performance.
Defining High Performance*

1. Revenue growth
2. Market share
3. Profitability
4. Customer satisfaction

Focus of Research:
- What do high-performance organizations do differently?
- Do those practices correlate with market performance?

*i4cp defines high performance as organizations that excel in four key areas—revenue growth, market share, profitability and customer satisfaction—as compared to the levels achieved five years previously. High-performance organizations (HPOs) are those in the top quartile of all organizations.
i4cp Members
Recent ATD & i4cp Research
Recent i4cp Research
In 2 years, a noticeable decline

Our learning function helps meet our learning and development goals.

Our learning function helps meet our organization's business goals.

We deliver training very effectively.

We deliver training very efficiently.

Our learning function stays on the cutting edge of new learning techniques and technologies to help meet our learning and development goals.

Our learning function applies newer technologies to solve business problems.
But High Performers noticeably excel

Our learning function helps meet organizational learning and development goals.

- Higher performers: 60%
  - Lower performers: 26%

Our learning function helps meet organizational business goals.

- Higher performers: 57%
  - Lower performers: 24%

We deliver learning very effectively.

- Higher performers: 47%
  - Lower performers: 20%

We deliver learning very efficiently.

- Higher performers: 44%
  - Lower performers: 25%

Our learning function stays on the cutting edge of new learning techniques and technologies to help meet organizational learning and development goals.

- Higher performers: 40%
  - Lower performers: 20%

Our learning function applies newer technologies to solve business problems.

- Higher performers: 36%
  - Lower performers: 19%
A Culture of Learning

“An organization’s ability to learn, and translate that learning into action rapidly, is the ultimate competitive advantage.”
- Jack Welch
A workplace in which learning is a valued way of life, knowledge is readily shared, and performance improves – at both the individual and organizational levels – is the vision that drives companies to establish and expand cultures of learning.

Organizations are more competitive, agile and engaged when knowledge is constantly and freely shared.
31% of Organizations Have a Culture of Learning
“Learning is a mindset and a lifestyle, and for SAP, it is a key differentiator. If I’m an individual contributor or manager at SAP, I’m responsible for my learning all the time, every day. That is what a learning culture is.”

Manette Chadwick
VP, COO, Learning Center
Traits of a learning culture

- Active knowledge sharing permeates the organization
- Learning is an espoused organizational value
- Leaders (at all levels) are involved in teaching others and reinforcing learning’s importance
- Learning is reinforced in hiring and in leadership dev.
- The organization measures learning’s effectiveness
- Managers are rewarded for mobility and development
- A culture of learning is about 4-way accountability (organization, learner, manager & leader)
4 Steps
To Building a Culture of Learning

1. At the organizational level
2. At the learner level
3. At the manager level
4. At the leader level
4 Steps
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Is Your Culture a Learning Culture?

- Very high extent: 17% (Higher performers: 4%)  
- High extent: 24%  
- Moderate extent: 40% (Lower performers: 26%)  
- Small extent: 17% (Lower performers: 36%)  
- Not at all: 2% (Higher performers: 12%)
Characteristics of a Learning Culture

Learning strategies are closely aligned with business strategies.

Organizational values specifically refer to the importance of learning and development.

The learning function is staffed by qualified learning professionals.

Learning is an integral component of organizational talent management.

Learning is delivered when and where it is needed.

Organizational communications reinforce the importance of learning.

The learning budget is adequate to address both current learning needs and preparations to meet future learning needs.

The learning budget is adequate to address current learning needs.

An organizational learning function designs and delivers learning programs.

Organizational technologies support effective design and delivery of learning.

A chief learning officer or other C-level position is responsible for learning.

The High-Performance Difference

For respondents from high-performance organizations, three essential learning-culture characteristics stood out:

- budgets sufficient to meet learning needs
- dedicated learning functions
- senior-level responsibility for organizational learning.
9 out of 10 organizations with extensive learning cultures specifically address learning in their stated values.
THE GOODYEAR MISSION

GLOBAL PURPOSE
All around the world, Goodyear’s purpose is:

- To increase the value of our brands for everyone
- With market-driven innovation
- Delivering the highest quality tires, related products and services for our customers and consumers

COMMON GOALS
Goodyear will be first in the global tire industry by:

- Attracting, developing, motivating and retaining the best team of associates
- Earning and building long-lasting relationships with customers, consumers and business partners and exceeding their expectations
- Driving an efficient, aligned and effective organization
- Creating a sustainable business model that consistently delivers a strong return on investment

SHARED VALUES
Goodyear is committed to:

- Delivering the highest quality in all that we do
- Acting with honesty, integrity and respect
- Encouraging wellness and safety, both on the job and away from work
- Caring for our environment and communities
- Supporting a team-based culture of continuous learning
- Discussing problems openly and solving them as a team

LEADERSHIP TRAITS
Goodyear will be driven by leaders who:

- Build talent and teams
- Have the ability to solve problems
- Are effective communicators
- Make courageous decisions
- Deliver results
Benefits Expected from Culture of Learning

- Compete for top talent: 41% LPO, 65% HPO
- Meet future needs for talent/skills: 54% LPO, 71% HPO
- Meet current needs for talent/skills: 59% LPO, 71% HPO
- Respond to change: 46% LPO, 71% HPO
- Retain valued talent: 57% LPO, 72% HPO
- Increase overall organizational performance: 52% LPO, 74% HPO
- Increase employee engagement: 46% LPO, 77% HPO
- Higher individual employee performance: 57% LPO, 80% HPO

LPO vs HPO percentages for various benefits expected from a culture of learning.
Employees at HPOs are nearly 3X more likely than those at lower-performers to understand how their jobs contribute to organizational results.
3 Next Practices to Build Culture

1. Each employee has a regularly updated IDP
3 Next Practices to Build Culture

2. Hold employees accountable for learning in those IDPs
3 Next Practices to Build Culture

3. Providing non-financial rewards/recognition for learning

- HPO
- LPO
Jack would be disappointed to hear

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learners’ application of new knowledge and skills is assessed.</td>
<td>19%</td>
</tr>
<tr>
<td>Learning programs are planned with specific, measurable business results in mind.</td>
<td>19%</td>
</tr>
<tr>
<td>Learning function measures alignment of learning strategy to business strategy.</td>
<td>18%</td>
</tr>
<tr>
<td>Learning measurement tracks impact on business results (sales, revenues, etc.).</td>
<td>13%</td>
</tr>
<tr>
<td>Learners’ engagement levels are assessed before and after learning programs.</td>
<td>13%</td>
</tr>
<tr>
<td>Learning measures gauge learning’s role in employee advancements.</td>
<td>12%</td>
</tr>
<tr>
<td>Employee retention is assessed before and after learning programs.</td>
<td>11%</td>
</tr>
</tbody>
</table>
Happy Jack

That’s more like it.

Top companies are six times more likely to gauge the effects of learning on business results.
4 Steps
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1. At the organizational level
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“Relinquish the need to control employees’ learning and do not overly structure what an employee needs to learn. I’m not advocating the abolition of formal learning, but I think the role of the L&D function more and more needs to be to enable employees to find knowledge.”

Kee Meng Yeo
VP Global Talent Development
About The Report

- 405 participants
- National, multinational & global
- 90% with managerial or leadership responsibilities
59% of respondents believe that learning in 2020 will take place in ways we can’t imagine today.
The state of ILT

<table>
<thead>
<tr>
<th>Year</th>
<th>Instructor-led classroom</th>
<th>Technology-based</th>
<th>All online</th>
<th>Self-paced</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>58.84%</td>
<td>36.54%</td>
<td>27.70%</td>
<td>27.63%</td>
</tr>
<tr>
<td>2010</td>
<td>59.10%</td>
<td>33.00%</td>
<td>24.77%</td>
<td>25.50%</td>
</tr>
<tr>
<td>2011</td>
<td>59.43%</td>
<td>37.30%</td>
<td>25.18%</td>
<td>20.07%</td>
</tr>
<tr>
<td>2012</td>
<td>54.28%</td>
<td>39.20%</td>
<td>27.29%</td>
<td>21.56%</td>
</tr>
<tr>
<td>2013</td>
<td>54.62%</td>
<td>38.51%</td>
<td>27.22%</td>
<td>25.78%</td>
</tr>
<tr>
<td>2014</td>
<td>50.63%</td>
<td>41.23%</td>
<td>28.93%</td>
<td>26.25%</td>
</tr>
</tbody>
</table>
What respondents said about the future of how learning will happen

70% of respondents said a blended approach will characterize workplace learning in 2020.

68% of respondents believe L&D should make access to social learning easy and fast.
18% of respondents said 2020 will see learning take place in live classrooms.
We hear a lot about the future of learning and L&D

What about the here and now?

29% of respondents described their learning functions as leaders in using new technologies to help achieve L&D goals.
In high-performance organizations, employees are nearly 4X more likely to regularly share new knowledge with their colleagues than those at lower-performers.
Harnessing the Power of User-Generated

- Only 13% of organizations don’t provide tools & resources to share knowledge
- Yet many companies still have not excelled at this
“We launched an app to teach service training. Our staff can take photos of something that is actually happening, upload it, and describe the situational cue that associates should pay attention to. Then the employee describes a potentially brilliant way to respond.”

Adam Malamut
Global Talent Officer
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High-Performance Companies Hold Leaders Accountable

High-performance organizations are three times more likely to hold leaders at all levels accountable for actively demonstrating the importance of learning.
The Study

- 365 respondents
- Most have > 10,000 employees
- 65% are global or multinational
- 48% are public, 31% are private, and 21% are non-profit or government
Good News: Lots of Development Opportunities

89% offer development opportunities to frontline workers

98% plan to maintain or grow development programs
Bad News: Most Don’t Know Who Is Taking Advantage

73%

Say they don’t track this, or don’t know if they track this
Of those that do know…

…say most frontline workers don’t take advantage of developmental programs

Most organizations indicate that far less than half of frontline workers do so
Frontline workers who take advantage of development opportunities are usually rewarded with higher-skilled jobs and/or higher wages

- High-performance organizations: 79%
- Low-performance organizations: 59%

Most frontline workers take advantage of development opportunities

- High-performance organizations: 62%
- Low-performance organizations: 41%

Supervisors are measured and rewarded for developing frontline workers

- High-performance organizations: 50%
- Low-performance organizations: 30%
**Issue:** Most Don’t Measure and Reward Supervisors for Frontline Development

LOW MARKET PERFORMERS ARE 2X MORE LIKELY NOT TO MEASURE OR TRACK MANAGER EFFECTIVENESS AT DEVELOPING FRONTLINE WORKERS

- **High-performance organizations:** 29%
- **Low-performance organizations:** 63%

Source: i4cp
Managerial Failing: Talent Hoarding
HIGH-PERFORMANCE ORGANIZATIONS ARE 2X MORE LIKELY TO PRIORITIZE TALENT MOBILITY
MOST HAVE NO FORMAL MECHANISM TO REWARD MANAGERS FOR DEVELOPING TALENT

We have no formal reward mechanism for managers for developing and promoting talent  
- Tied to both compensation and advancement decisions: 12%
- Tied to the manager's annual compensation: 9%
- Don't know: 9%
- Tied to decisions about the manager's advancement (i.e. promotion): 7%

No formal reward mechanism: Strong negative correlation to TMRI
- High-performance organizations: 60%
- Low-performance organizations: 70%
Millennials Want Rotational Assignments

ROTATIONAL DEVELOPMENT PROGRAMS
Does your organization offer a rotational development program?

- Yes: 65%
- No: 28%
- Don't know: 7%

<table>
<thead>
<tr>
<th></th>
<th>Higher performers</th>
<th>Lower performers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>37.9%</td>
<td>26.6%</td>
</tr>
</tbody>
</table>
What else is important for Millennials?

36% of high-performance organizations talk about the commitments they make to continuous learning during interviews with job candidates.
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### Half of Top Companies Reinforce Learning’s Importance with Leaders

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership development includes reinforcement of learning’s importance</td>
<td>34%</td>
</tr>
<tr>
<td>to the organization.</td>
<td></td>
</tr>
<tr>
<td>Senior leaders model learning behaviors.</td>
<td>33%</td>
</tr>
<tr>
<td>Leaders at all other organizational levels model learning behaviors.*</td>
<td>31%</td>
</tr>
<tr>
<td>Senior leaders reinforce learning’s importance by teaching others.*</td>
<td>30%</td>
</tr>
<tr>
<td>Senior leaders regularly share lessons learned/new knowledge with</td>
<td>30%</td>
</tr>
<tr>
<td>employees.</td>
<td></td>
</tr>
<tr>
<td>Leaders at all other organizational levels reinforce learning’s</td>
<td>29%</td>
</tr>
<tr>
<td>importance by teaching others.</td>
<td></td>
</tr>
<tr>
<td>Leaders at all other organizational levels regularly share lessons</td>
<td>29%</td>
</tr>
<tr>
<td>learned/new knowledge with employees.</td>
<td></td>
</tr>
<tr>
<td>Leaders at all levels are held accountable for demonstrating the</td>
<td>27%</td>
</tr>
<tr>
<td>importance of learning.</td>
<td></td>
</tr>
</tbody>
</table>

*Learning behaviors include participating in learning activities, sharing new knowledge with employees, demonstrating skills, and communicating how new knowledge translates into organizational changes.*
“We conducted a number of needs analysis meetings and are now rationalizing and prioritizing our curriculum based on our business strategy. Now we are working with a number of the key C-suite leaders to finalize our aligned learning strategy and plan.”

Toni Handler
VP Human Resources
The Report

- 1,361 participants
- 52% global or multinational
- Interviews with several learning professionals
Room for improvement

42% of organizations achieve little or no effectiveness leveraging leaders as teachers.
Better leverage needed

To what extent is your organization effective at leveraging leaders as teachers?

- Very high extent: 5%
- High extent: 15%
- Moderate extent: 38%
- Small extent: 35%
- Not at all: 7%
Informality rules...

- 17% We have a formal leaders as teachers program.
- 39% Leaders act as teachers on an informal basis (no structured program).
- 6% Our leaders do not act as teachers currently, but we plan to implement a leaders-as-teachers program in the next 12 months.
- 5% Our leaders do not act as teachers currently. We plan to implement a leaders-as-teachers program beyond the next 12 months.
- 25% We don't have a leaders-as-teachers program and have no plans to implement one.
...but should it?

High Performing Organizations are more likely to formalize their LAT programs.

39% of organizations have informal leaders-as-teachers programs.

17% of organizations have formal leaders-as-teachers programs.

2X more likely to formalize their LAT programs.
Who is the target?

Organizations tap leaders to teach all employees

Who is the primary audience for leaders as teachers?

- All employees: 44%
- High potentials: 23%
- Senior leaders: 13%
- First-time executives: 8%
- Other: 13%
Who teaches?

FRONLINE LEADERS AND SENIOR MANAGERS ARE SOUGHT-AFTER TEACHERS

To what extent does your organization leverage leaders at the following levels to serve as teachers?

<table>
<thead>
<tr>
<th>Level</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frontline manager</td>
<td>40%</td>
</tr>
<tr>
<td>Senior manager</td>
<td>34%</td>
</tr>
<tr>
<td>Director</td>
<td>26%</td>
</tr>
<tr>
<td>VP</td>
<td>19%</td>
</tr>
<tr>
<td>CEO</td>
<td>17%</td>
</tr>
<tr>
<td>C-level officers</td>
<td>16%</td>
</tr>
<tr>
<td>Board members</td>
<td>7%</td>
</tr>
</tbody>
</table>

Percent of respondents indicating high or very high extent.
Who to choose?

Most organizations lack specific methods of selecting teaching leaders.

To what extent does your organization use the following methods to choose leaders to serve as teachers?

- We have no formal selection process: 27%
- Specific selection criteria applied by the learning function: 21%
- Self-nomination: 18%
- Chosen by the learning function but no specific criteria: 17%
- Nomination by direct reports: 15%
- Specified in C-level job responsibilities: 14%
LAT is cheap

MANY ORGANIZATIONS FAIL TO FUND LAT PROGRAMS

What percentage of your learning and development budget is dedicated for leaders as teachers?

- 0% (No budget)
- 1 to 20%
- 21 to 40%
- 41 to 100%
- Don’t know
Student benefits

LEADERS’ TEACHING PRODUCES A MORE ENGAGED WORKFORCE

To what extent does your organization view the following as benefits employees receive when leaders serve as teachers?

- Increases engagement of the workforce: 54%
- Exposes employees to senior leaders in the organization: 53%
- Provides employees with company-specific skills and knowledge: 53%
- Encourages employee enthusiasm about learning: 50%
- Accelerates learning and comprehension for employees: 45%

Percent of respondents indicating high or very high extent.
It’s not all about the students…

BENEFITS LEADERS GAIN FROM TEACHING

To what extent does your organization view the following as benefits for leaders who serve as teachers?

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhances leader’s self-awareness</td>
<td>45%</td>
</tr>
<tr>
<td>Provides professional development opportunities for leaders</td>
<td>44%</td>
</tr>
<tr>
<td>Supports talent awareness by exposing leaders to a wider range of employees</td>
<td>44%</td>
</tr>
<tr>
<td>Exposes leaders to information or opinions not likely encountered otherwise</td>
<td>36%</td>
</tr>
</tbody>
</table>

Percent of respondents indicating high or very high extent.
L&D Benefits

LEARNING FUNCTIONS CLAIM STRATEGIC BENEFITS WHEN LEADERS TEACH

To what extent does your organization view the following as benefits to the learning function when leaders serve as teachers?

- Aids in aligning learning strategy to business strategy: 53%
- Improves support for the learning function from the C-level: 40%
- Leads to more resources for learning: 38%
- Saves the cost of an instructor or facilitator: 30%
- Saves the cost of content development by learning staff: 21%
- Saves the cost of an instructor or facilitator: 16%

Percent of respondents indicating high or very high extent.
Organization Benefits

To what extent does your organization view the following as benefits to the overall organization when leaders serve as teachers?

- Support a culture of learning: 59%
- Aids in aligning learning strategy to business strategy: 56%
- Aids in organizational culture change: 53%
- Facilitates transfer of leaders’ deep tacit knowledge: 52%
- Enhances internal communication: 51%
- Strengthens ties between L&D and the business: 51%

Percent of respondents indicating high or very high extent.
Next Practice

- assessing leaders’ teaching skills
- pairing experienced leaders with inexperienced ones
- providing train-the-trainer learning sessions.

Organizations that apply these little-used methods to prepare their leaders to teach are more likely to reap benefits in better market and learning performance.
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“By their very nature, organizations that have a learning culture are on a continuous-improvement path. Developing people is simply how they operate. And that drives the type of impact you see— you have better market share, increased retention, and employees who want to be there. Leveraging the full power of the organization comes about through optimizing a culture of learning and development.”

Renee Romulus
Chief Learning Officer
Booz | Allen | Hamilton
Take Your Learning One Step Further

Download the report
Just $199 for members
$499 for non-members

www.td.org/
Publications/Research-Reports/2016/Building-a-Culture-of-Learning
Questions??
Integrating learning with other talent functions is a hallmark of HPO’s
Integrating L&D Drives Performance

**4X**
Commitment to ongoing L&D discussed in interviews

**2X**
L&D is included in performance expectations

**3X**
Reward/ recognition programs include learning-related rewards

**2X**
Career paths specify knowledge / skills required for advancement

**Recruitment**
L&D opps are used to attract top talent

**Performance Management**
Sharing knowledge is included in performance expectations

**Total Rewards**
Compensation linked to application of knowledge/skills

**Succession**
Advancement linked to application of knowledge/skills

2X  3X  2.5X  2X