FUEL innovation

By Steve Parker | August, 2013

Innovative learning organizations can merge business and people information to provide diverse, consumable learning within the context of daily work and use technology to support real-time collaboration.

Organizational learning is seeing a renaissance of sorts. According to the U.S. Bureau of Labor Statistics, there were 3.9 million job openings in the U.S. at the end of February, with almost half remaining unfilled due to a lack of qualified talent, according to ManpowerGroup Inc.

In the same vein, a June 2012 report from the McKinsey Global Institute in Washington predicts that employers worldwide could face a shortage of 85 million workers with high- and midlevel skills by 2020. One-third of CEOs report they are unable to successfully execute on one or more business strategies because of talent constraints. In today's supply-and demand business world, organizations must build, not buy, the talent they need to be successful.

The problem is that traditional methods for building talent are no longer effective. Organizations have to keep their people constantly engaged in their primary work functions and can't afford to interrupt their people with traditional learning techniques.

CLOs must find innovative ways to deliver learning that will produce the talent needed to succeed in the future without disrupting performance in the present. By definition, innovation is not just about the creation of something new, novel or better; it's about the successful use and application of that different, better idea. No matter how interesting or novel a new learning delivery approach is, if it is not easily and quickly adopted, it likely won't be successful. The best way to create an innovative learning organization is to understand what learning content and delivery methods really work. Practicality is the key.

CLOs looking to create an effective, innovative learning organization rooted in practicality should consider the following four-step process when building their learning strategies:

1. Merge business and people information to guide actions.
2. Design learning content to be diverse and consumable.
3. Provide access to learning interventions in the context of daily work.
4. Use technology to support real-time knowledge sharing and collaboration.

Step 1: Merge business and people information to guide actions. To understand what should be delivered when and to whom, it's critical that learning organizations have access to both business and people information in a way that allows for continuous analysis. Marrying information about people's knowledge, skills and abilities with financial and operational data is the only way to ensure learning interventions are timely, targeted and relevant to the consumer or employee. Without understanding an employee's capabilities and the context in which he or she operates, managers are left to guess what learning employees need to perform their jobs better.

Most organizations have a difficult time accessing information about people. They have complex HR technology infrastructures that silo data and make it difficult to access. According to Forrester Research's October 2011 "Employee Master Data Management Trends" report, 75 percent of organizations have more than three internal HR systems. Insights about an organization's people also can be found outside of its people systems infrastructure in places such as LinkedIn, Twitter and Facebook. Combine this lack of access with the need to include business data for context, and the level of difficulty increases significantly.

Organizations have tried to solve this issue in a number of ways. Some set out to consolidate their disparate HR systems. According to research from Panorama Consulting Solutions, however, consolidation can be time-consuming and costly, on average taking about 16 months and $6 million to complete, and often delivering subpar results. Many CLOs are unwilling to take on this level of cost and risk. Instead, they seek alternatives.

According to Gartner industry analyst John Radcliffe in the October 2012 piece "Hype Cycle for Human Capital Management Software," HR professionals "have typically investigated using data integration, data warehousing and business intelligence tools to provide consolidated data for reporting, but this is not as useful as a true single system of record that can be consumed by other non-HR systems."

Radcliffe said the solution is using master data management (MDM). "Large and midsize organizations with heterogeneous IT portfolios containing HR data fragmented across many systems should consider buying or building a central MDM of HR data solution that integrates with established HRMSes and becomes the enterprise system of record for master HR data," he said.

MDM technology has been widely available for some time, and is often used in conjunction with operational systems. Gartner estimates, however, that fewer than 1 percent of HR and learning organizations employ this technology, which is interesting because applying MDM to learning can be simpler than applying it to operational data, because there are fewer data elements to

which a learning organization actually needs access. Deploying MDM technology to merge the appropriate business and people information needed to guide a learning organization's actions can take as little as a few months to accomplish.

Step 2: Design learning content to be diverse and consumable. Once an organization has a solid grasp on the business and people information it needs to develop effective learning, the next step is to design targeted interventions. This step represents perhaps the largest paradigm shift and biggest opportunity for innovation.

According to Michael Rochelle, chief strategy officer for research and analyst firm Brandon Hall Group, "It can't be emphasized enough: the learning function's role isn't just to create content and build courses. The role of the learning function is to create a learning ecosystem, where people can share content through a variety of modalities, learn more efficiently and effectively, and drive business results."

Some learning organizations leverage the wisdom of the crowd by providing content development tools and guidance to subject matter experts and gurus across the organization and inviting these people to develop content. In this way, learning organizations can change the learning content development and distribution dynamic from one-to-many to many-to-many, increasing the accessibility and relevance of learning interventions.

This type of diverse content development can be a headache to manage. But Rochelle said there are new standards being developed to alleviate these issues. "Experience API (formerly known as TIN CAN API) is a new technology that is definitely worthy of attention. It is a breakthrough that will begin to allow organizations to accomplish what has never really been feasible before — tracking non-structured learning experiences and linking them to performance."

"To support a learning ecosystem, you need control over all elements of learning, and to support this approach you need to be more granular about learning object management," Rochelle said. "If you're not getting to this level of detail now, then you're significantly decreasing the likelihood that learning will be a game-changer for improved performance in your organization."

Step 3: Provide access to learning interventions in the context of daily work. Once an organization has appropriate information and content, in-context delivery should be the focus. Brandon Hall said 60 percent of all learning and development spending is on nonclassroom content and programs. To be more relevant, drive just-in-time behavior change and do not disrupt core job functions. Content needs to be diverse and consumable because in-context interventions are typically more effective than learning delivered outside the normal routine.

For example, look at the integration of learning with its sister function, performance management. While performance management has become synonymous with focal review and appraisal processes, its real goal is the same as in learning — to increase organizational performance.

Katherine Jones, lead analyst at Bersin by Deloitte, said, "Those organizations that were highly effective at integrating L&D with performance were three times more likely to report

good employee results, 55 times more likely to report strong overall talent management results and 100 times more likely to report strong business results." Instead of delivering learning interventions outside the context of performance, these organizations provide learners with interventions specific to the goals or projects they are working on at that moment.

Innovative learning organizations can no longer count on semi-regular training events and course catalogs of activities that can be accessed just-in-time from a learning management system, but rarely are. Learning interventions need to be pervasive, meaning they need to be provided when and where people are already working.

For example, a retail organization might provide learning through its point of sale system on key products in the department specific to where an employee works during a shift. As a result, employees can become near subject matter experts in any department.

Step 4: Use technology to support real-time knowledge sharing and collaboration. The last step in building an innovative learning organization focuses on more effective use of learning technology. Lessons learned from the success of massive open online courses in higher education can be applied. With such courses, while the initial draw is often related to a subject or course, learners can interact with each other more effectively. Crowd-sourced interaction and feedback often drives more effective learning than rigid pre-developed content. Having a topic or subject for the course provides a framework for discussion; the interaction provides the learning.

"Learning leaders will solidify their position as key stakeholders in driving organizational performance and business results, not just through better content and courses but through more robust access to learning technology and more innovative learning approaches that appeal to a diverse learning audience," said Brandon Hall's Rochelle.

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