Driving Impact with Learning Analytics

ATD Greater Twin Cities Chapter
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Jeff Grisenthwaite
VP, Client Success – Metrics That Matter
CEB

Who We Are

CEB is the world's leading member-based advisory company. We have a unique view into what matters—and what works—when capitalizing on drivers of business performance. With 30 years of experience working with top companies to share, analyze, and apply proven practices, we begin with great outcomes and reverse engineer to help you unlock your full potential.

As a result, our members achieve outsized returns by more effectively optimizing talent investments, creating new sources of efficiency, reducing risk, and enabling and accelerating growth.

30+ Years of Experience

110+ Countries Represented

6,000+ Participating Organizations

300,000+ Business Professionals

accenture · bp · BRITISH AIRWAYS · CISCO · CVS CAREMARK
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Microsoft · P&G · Unilever · Walgreens · WELLPOINT

90% of the Fortune 500

85% of the FTSE 100

76% of the Dow Jones Asian Titans

Best Practices & Decision Support		Talent Management		
Leadership Councils	Market Insights	Talent Acquisition	Talent Development	Talent Strategy & Analytics

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Driving Impact with Learning Analytics

METRICS THAT MATTER™

Built-In Expertise

Key metrics

SmartSheet evaluations

Optimization roadmap

Learning Impact Benchmarks

>1 billion data points

Integrated in reporting

Industry, Program, Role

Automated Insights

Scrap learning

Business results

ROI

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Doing More with Less

New Learning Environment	**Business Demands**	**Constrained Resources**
OTJ / JIT	Rapid deployment	Tightening budgets
Social Learning	Customize everything	Expanding responsibilities
Gamification	Minimize learners' time	Lack of manager support

Increased Complexity in L&D Solution Set

Heads of L&D Reporting Increased Complexity of L&D Solutions
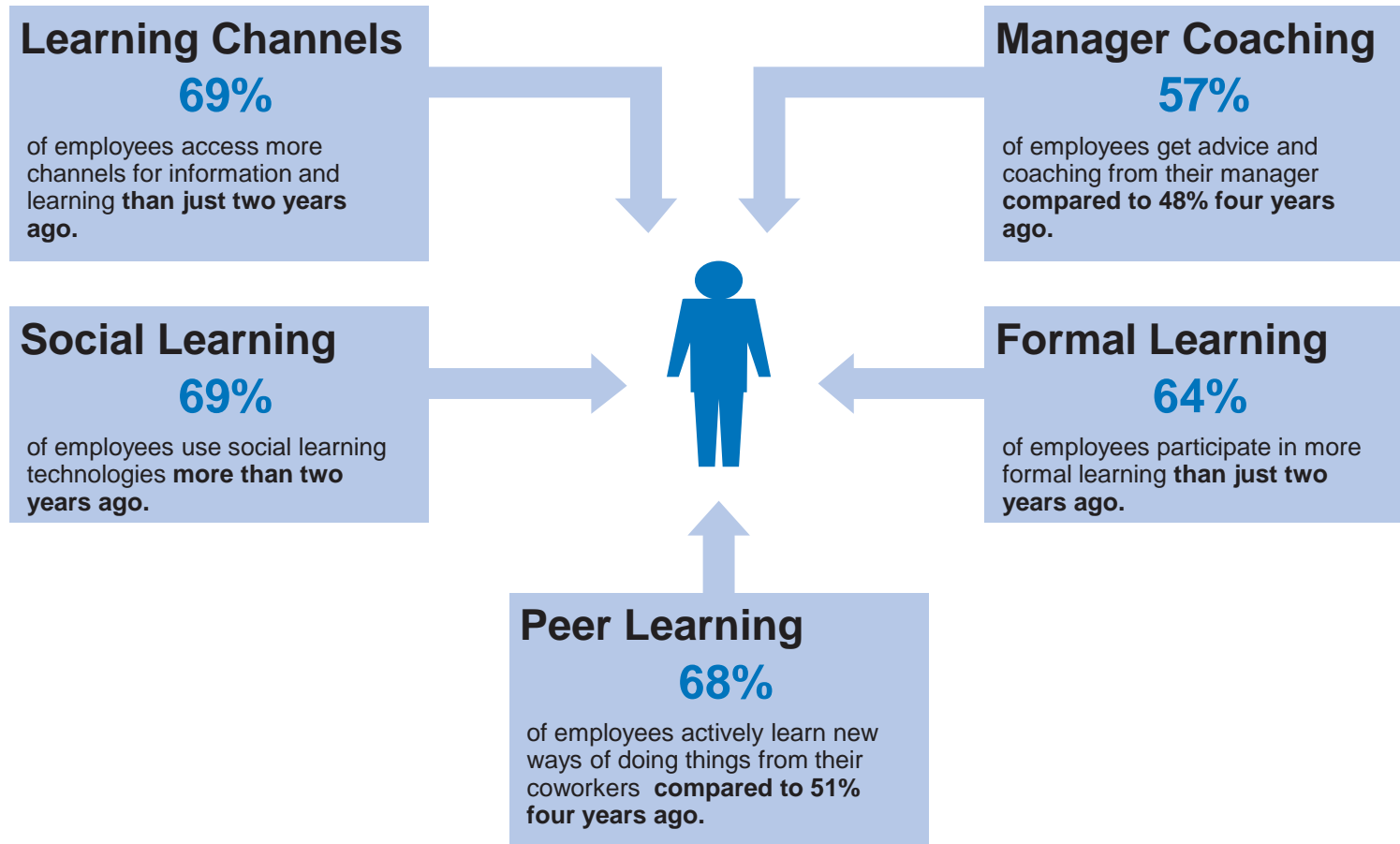

93% Agree or Strongly Agree
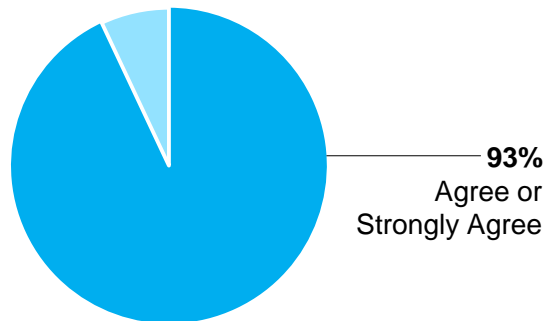
Employee Development Critical for Business Outcomes

Line Leaders Identifying Employee Development as Critical to Achieving Business Outcomes

86% Agree or Strongly Agree
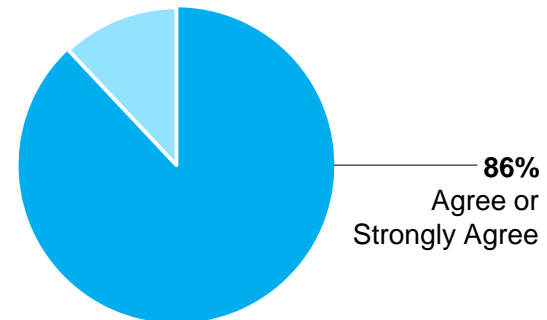
Source: CEB 2012 L&D Team Capabilities Survey

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More Learning Activity than Ever Before

Learning Channels

69%

of employees access more channels for information and learning **than just two years ago.**

Manager Coaching

57%

of employees get advice and coaching from their manager **compared to 48% four years ago.**

Social Learning

69%

of employees use social learning technologies **more than two years ago.**

Formal Learning

64%

of employees participate in more formal learning **than just two years ago.**

Peer Learning

68%

of employees actively learn new ways of doing things from their coworkers **compared to 51% four years ago.**

n = 23,764.
Source: CEB 2014 Learning Culture Survey.

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Falling Short of Expectations

CEOs Expect More Insights

CEOs Opinions Regarding Information on Return on Investment in Human Capital

Information is Important			
Receives Sufficient Information			

0%   50%   100%

CFOs Lack Confidence in HR / L&D Spend

CFOs that feel HR / L&D are spending the right amounts in the right places

12%
Confident or
Highly Confident
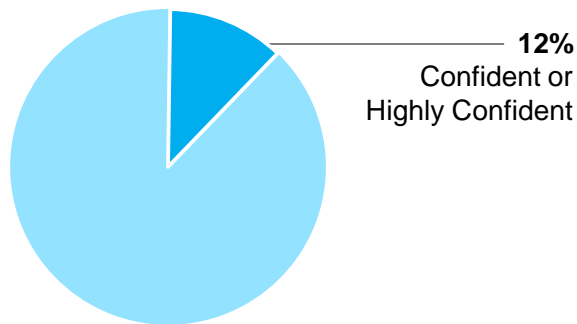
Line Leaders Not Satisfied with Effectiveness of L&D

Line Leaders Reporting Satisfaction with the Overall Effectiveness of the L&D Function

23%
Agree or
Strongly Agree

The Big Meeting

Fundamental Disconnect

Top 5 L&D Metrics Reported to Business	Top 3 Business Questions for L&D
1. Training Expense per Employee	1. **Results:** To what degree will a learning program improve a specific business outcome?
2. Satisfaction with Training	
3. Training Hours per FTE	2. **Value:** What will be the return on the learning investment?
4. External Vendor Expense	
5. L&D Cost per FTE	3. **Application:** How can we increase application of new skills on the job?

Source: CEB Corporate Leadership Council Analytics Survey, 2013

Source: How Executives View Learning Metrics
by Patti and Jack Phillips, CLO Magazine, Dec. 2010

A Powerful Impact Metric

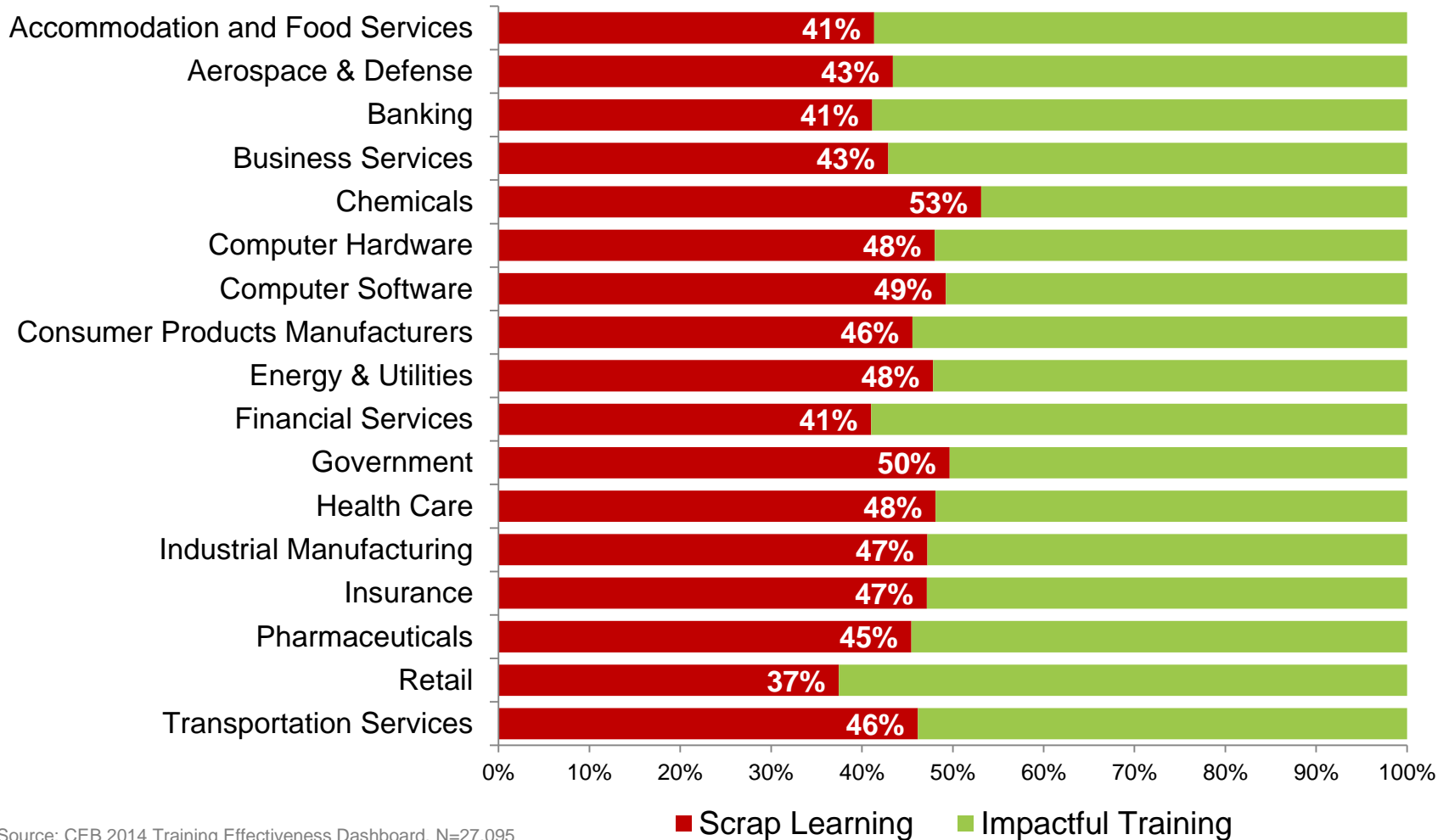Scrap Learning **=** Learning that is delivered but not applied back on the job

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Scrap Learning Root Causes

Ineffective delivery	Content not directly relevant	Low learner motivation
Content quality issues	Wrong learners attend	No opportunity to apply
Examples don't connect	Misalignment with priorities	Low organizational support
Insufficient practice	Delivered at wrong time	Insufficient time to apply
Inadequate support materials	Learners already know info	Lack of manager support

← →

Direct L&D Control   **Business Environment**

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Scrap Learning is Rampant

Scrap Learning by Industry

Industry	Scrap Learning
Accommodation and Food Services	41%
Aerospace & Defense	43%
Banking	41%
Business Services	43%
Chemicals	53%
Computer Hardware	48%
Computer Software	49%
Consumer Products Manufacturers	46%
Energy & Utilities	48%
Financial Services	41%
Government	50%
Health Care	48%
Industrial Manufacturing	47%
Insurance	47%
Pharmaceuticals	45%
Retail	37%
Transportation Services	46%

Legend: ■ Scrap Learning   ■ Impactful Training

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Financial Ramifications of Scrap Learning

$1,195   x   **45%**   =   **$538**
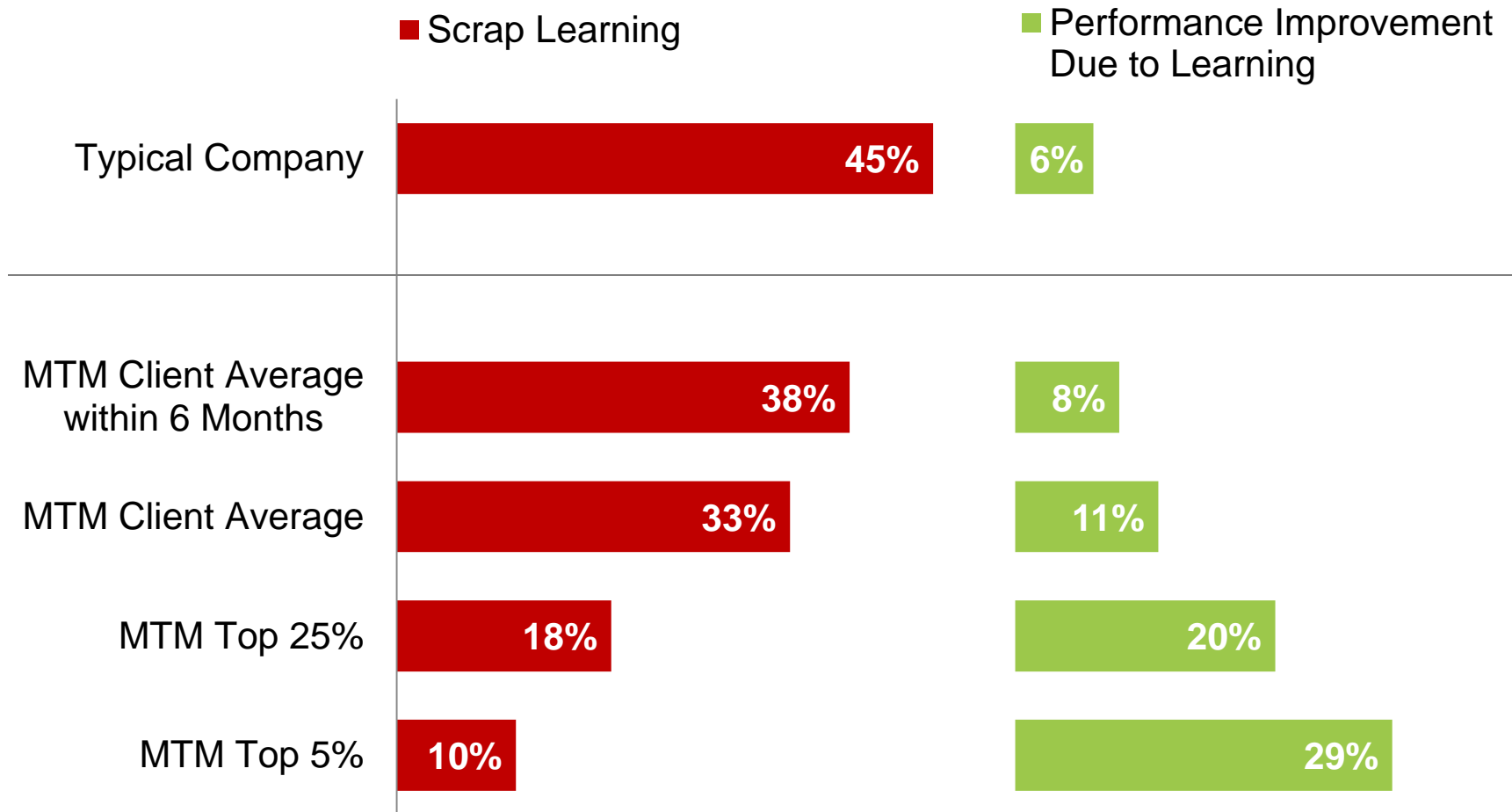
Annual Learning
Spend per Employee

Average
Scrap Learning

Wasted Learning
Spend per Employee

Headcount	Annual Learning Waste
1,000	$538,000
5,000	$2,690,000
10,000	$5,380,000
50,000	$26,900,000

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Reduce Scrap, Improve Performance

Legend: ■ Scrap Learning   ■ Performance Improvement Due to Learning

Category	Scrap Learning	Performance Improvement Due to Learning
Typical Company	45%	6%
MTM Client Average within 6 Months	38%	8%
MTM Client Average	33%	11%
MTM Top 25%	18%	20%
MTM Top 5%	10%	29%

Source: KnowledgeAdvisors Analysis 2014

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Rethinking the Approach to Learning Analytics

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WHAT THE BEST COMPANIES DO

**10 Critical Capabilities to Increase
Business Impact with Learning Analytics**

Learning Analytics Essentials Checklist

To significantly increase the impact of learning programs and enable more strategic conversations with the business, L&D functions need to ensure decision making and continuous improvement are supported by analytics.

Use this checklist to ensure your L&D function has the learning analytics essentials in place to be successful.

COMPREHENSIVE METRICS

☐ **Efficiency:** We track data needed to optimize resource allocation, including volumes, costs, and utilization rates.

☐ **Effectiveness:** We measure quality, knowledge gain, vendor performance, and manager support for our programs.

☐ **Outcomes:** We quantify results of learning, including increases in revenue, profit, and return on learning investment.

MULTIPLE SOURCES

☐ **Learner:** We deploy evaluations consistently both at the end of learning interventions and gather on-the-job feedback.

☐ **Manager:** We receive input from learners' managers of employees' behavior change and performance improvement.

☐ **Business Data:** We leverage metrics from business systems to quantify improvements resulting from learning interventions.

PERFORMANCE BENCHMARKS

☐ **Internal:** We rank courses, instructors, vendors, and learner demographics to identify high and low performance areas.

☐ **External:** We gauge impact of learning against competitors in the industry to prioritize areas for improvement.

PROCESS AUTOMATION

☐ **Data Collection:** We expend little to no manual effort to gather evaluations from learners and managers.

☐ **Insights:** We distribute actionable reports to all L&D roles and to business stakeholders in a timely and automated fashion.

Comprehensive Metrics

Efficiency
- Cost
- Volume
- Utilization
- Speed

Effectiveness
- Learning
- Impact
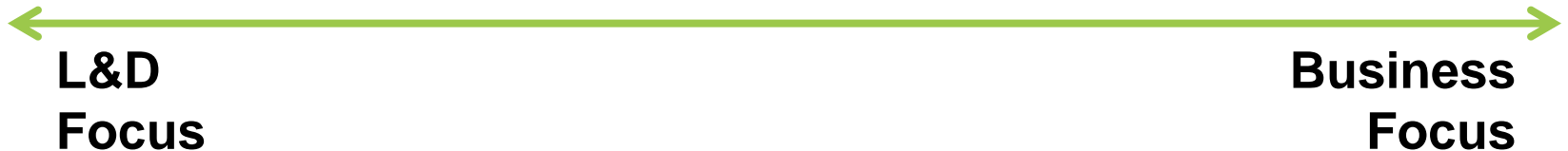- Support
- Alignment

Outcomes
- Revenue
- Profit
- Engagement
- Client Loyalty

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Comprehensive Metrics

Evolve from Smile Sheets to **SmartSheets**

Instructor	Application	Manager Support
Content	Scrap Learning	Organizational Support
Learning Environment	Net Promoter	Performance Improvement
Knowledge Gain	Criticality	Business Results
Support Materials	Alignment	ROI

L&D Focus ←————————————————————→ **Business Focus**

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Multiple Sources

Learning Intervention ———————→ **Impact Measurement** ——————————————→

Learner
Post Event Evaluation

Instructor
Post Event Evaluation

Learner
Follow Up Evaluation

Manager
Follow Up Evaluation

Business Metrics
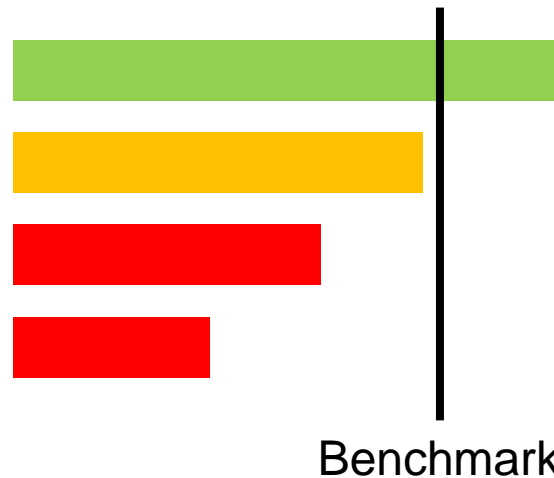Systems & Estimates

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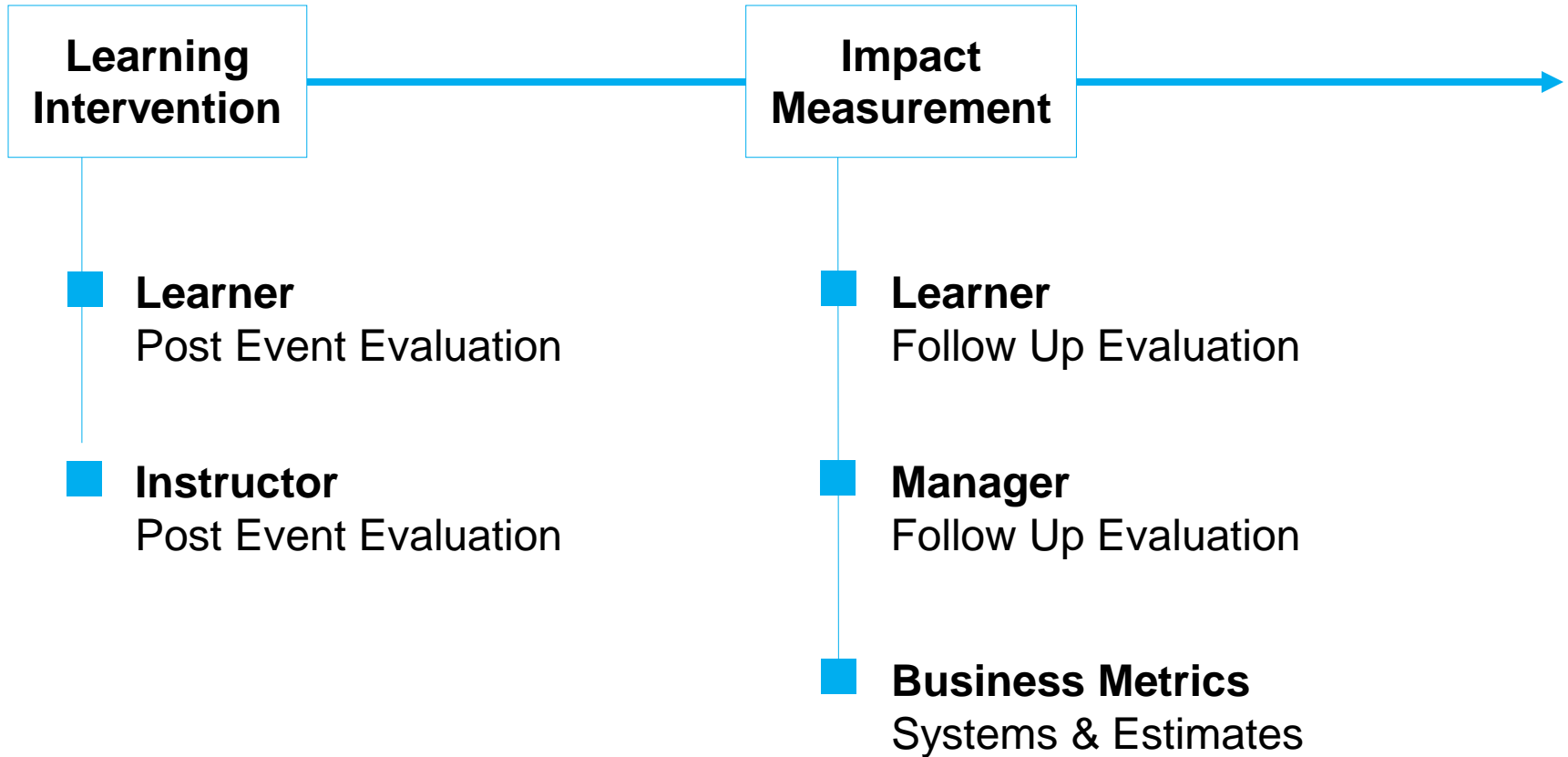
Performance Benchmarks

How does our company compare to our competitors?

- Scrap learning rate
- Delivering training at the time of need
- Net Promoter Score for learning

- Manager support for learning
- Increase in sales as a result of training
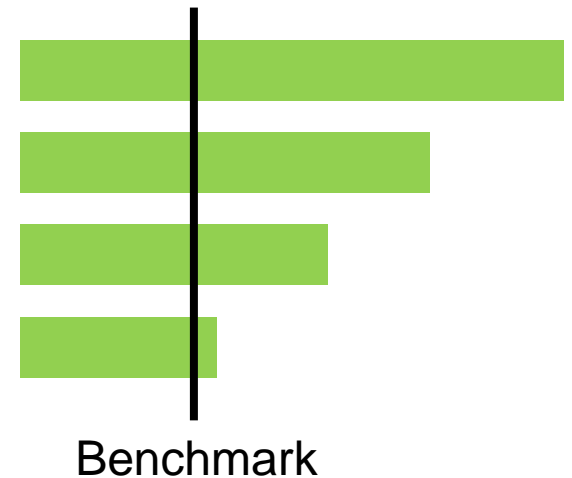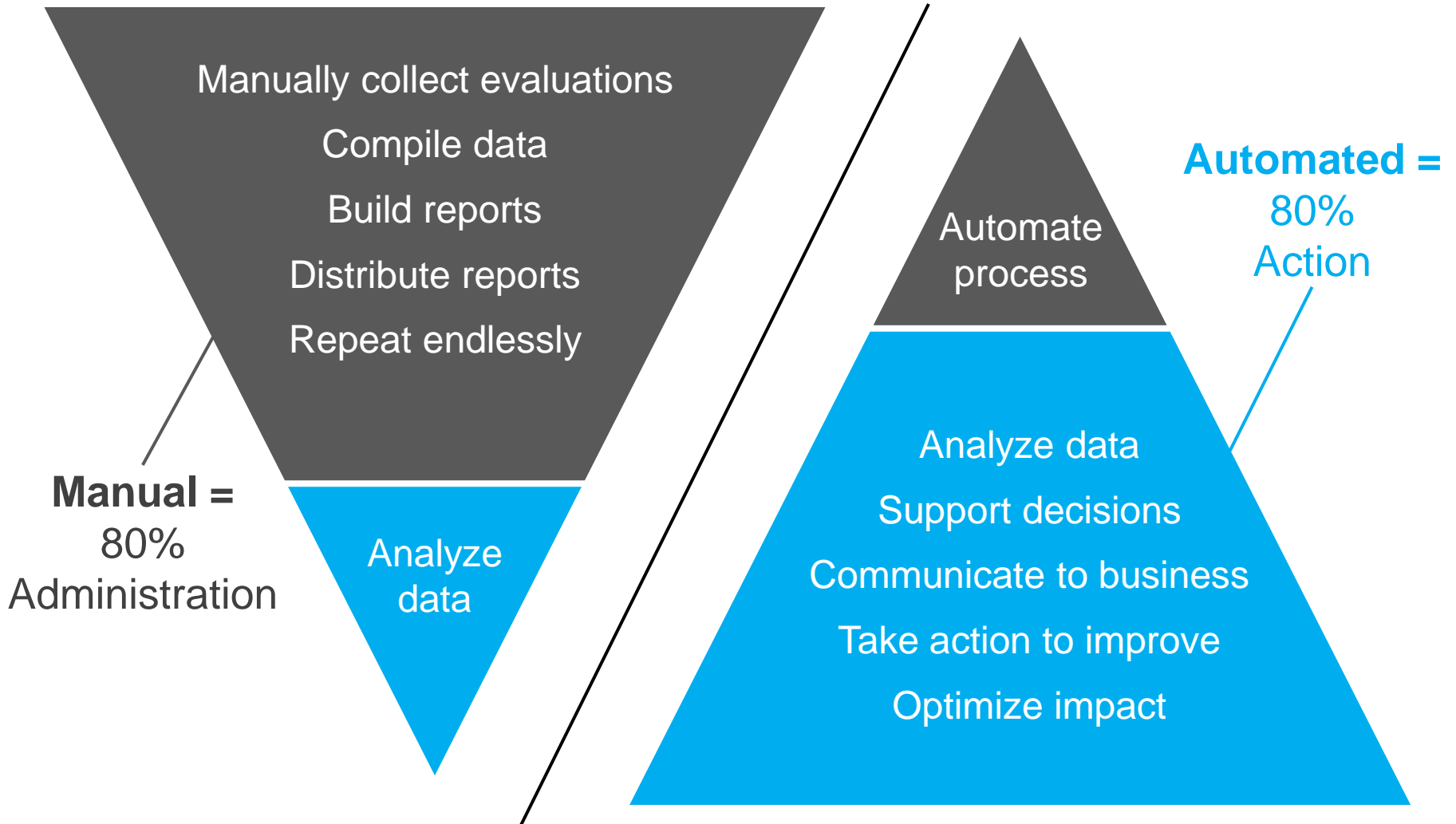- Return on learning investment

Without Benchmarks

With Benchmarks 1

With Benchmarks 2

Benchmark

Benchmark

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Process Automation

Manual =
80%
Administration

Manually collect evaluations
Compile data
Build reports
Distribute reports
Repeat endlessly

Analyze
data

Automated =
80%
Action

Automate
process

Analyze data
Support decisions
Communicate to business
Take action to improve
Optimize impact

Process Automation: Insights by Role

	Daily	Monthly	Quarterly
Instructor	What should I change before my **next class**?	Which **courses** could I facilitate better?	How can I improve my overall **delivery**?
Course Developer	How is my **new course** performing?	What **changes** should I make to my courses?	Which courses should I **revamp**?
Program Manager	Do I need to intervene with any L&D **issues**?	How do I improve the **impact** of my programs?	Which programs should I **revise** or **retire**?
L&D Executive		Which **vendors** should we continue investing in?	Where should we allocate **resources**?
Business Leader		What is the **predicted** impact of a new program?	How can we achieve better **results** with L&D?

The Big Meeting

Teeing Up the Business Discussion

Ask This	Not This
- What are your business goals?	- What metrics do you want me to report on?
- What decisions do you intend to make based on the data?	- What data do you want within your report?
- What will success for this program look like to you?	- What do you want your report to look like?

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METRICS THAT MATTER

Find the Story in the Data

1 : Scan
Review high-level summary reports across all datasets

3 : Synthesize
Combine summary data & detailed analysis to craft insightful story

2 : Analyze
Use detailed reports to pinpoint wins, areas of focus and root causes

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METRICS THAT MATTER

Choreography of Presenting L&D Results

1	2	3	4	5
Theme	**Insights**	**Recommendations**	**Requests**	**Broaden**
Elevator pitch	Surprises	Address issues	Support for program	Next phase
Key metrics	Validated hunches	Expand impact	Business data	Expanded audience
Current state	Forecasts	Improve forecast	Budget to expand	Wider implications

For each stage:

- Share both L&D and Business insights
- Share what's NOT working and what changes will be made
- Focus on the future, not the past
- Answer "So what?"

Try to Prove Value   **OR?**

> We delivered 20,000 hours of training.
>
> We spent $860 per employee.
>
> Satisfaction was 4.7 out of 5
>
> We think last year's major training program had a 320% ROI.

▼

L&D relegated to order taker

▼

Limited impact

Budget reductions

Career risk

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Try to Prove Value   **OR?**   Drive Results!

We delivered 20,000 hours of training.

We spent $860 per employee.

Satisfaction was 4.7 out of 5

We think last year's major training program had a 320% ROI.

▼

L&D relegated to order taker

▼

Limited impact

Budget reductions

Career risk

Leading indicators suggest the program will exceed targets for employee productivity increase.

We recommend shortening the workshop by 1 day, but expanding manager support following the workshop to drive further gains.

▼

L&D seen as strategic partner

▼

Tremendous impact

Budget increases

Career opportunities

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Thank you

Jeff Grisenthwaite

VP, Client Success

312.676.4450

jgrisenthwaite@executiveboard.com

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METRICS THAT MATTER