

The growing appetite for measuring the impact of learning at work

By Piers Lea, Chief Strategy Officer



Piers Lea is the Chief Strategy Officer of Learning Technologies Group plc and LEO Learning. He is responsible for overseeing the strategic direction of the group, as well as working closely with global organisations to create learning architectures that deliver business results. He has won the e-learning Age award for 'Outstanding contribution to the Industry' both as a business and as an individual. He is also on the board of ELIG (European Learning Industry Group).



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Do large organisations believe that measuring the business impact of learning is a priority? That's the question that we at LEO Learning, alongside Watershed and the iVentiv network, set out to uncover.

The benefit of being Chief Strategy Officer of a company like LEO Learning is that my field of vision is becoming larger and increasingly international. In my conversations, I consistently hear that organisations have little sense of whether their L&D spend is effective.

I am seeing an emerging trend where demonstrating business impact will become vital to securing L&D budget.

We now have increasingly sophisticated ways of measuring the business impact of learning. But is L&D really interested in its impact? We've all heard the debate many times over, so LEO Learning decided to conduct some research in Europe and the US to find out what people really think.



We went out to the [Watershed](#)¹ network in the US (made up of organisations that have expressed interest in learning measurement), the [iVentiv](#) network (senior talent and L&D leaders) and to LEO Learning's extensive database of organisations. We also conducted a series of in-depth interviews with a selection, so some of the commentary stems from those interviews.

The results come from answers from more than 350 organisations such as Ericsson, Twitter, Tesla, Xerox, UK Government, Telefonica, the London Stock Exchange, Sainsburys, Swiss Re, Lloyds of London, Virgin, Volvo Cars, Serco, the MOD, Menzies, IBM, Eon, Roche, DHL, Novartis, Syngenta, Jaguar Land Rover, L'Oreal, Credit Suisse, the Red Cross, Ford, Rockwell, Microsoft, Chase, Air Canada, Novo Nordisk, Thomson Reuters, Bayer, NFI Mutual, Google and the World Health Organisation.

In case you missed it, here are the survey talking points:

- > I want to use analytics to improve learning
- > I believe it is possible to demonstrate learning's impact
- > Big data has a significant impact on my organisation
- > The success of my department is evaluated by...
- > I feel executive pressure to measure learning's impact
- > The biggest challenge of measuring the impact of learning in my organisation is...

¹LEO Learning's parent company, Learning Technologies Group (LTG), has invested in Watershed, the world leader in learning analytics platforms for the measurement and evaluation of learning and development.

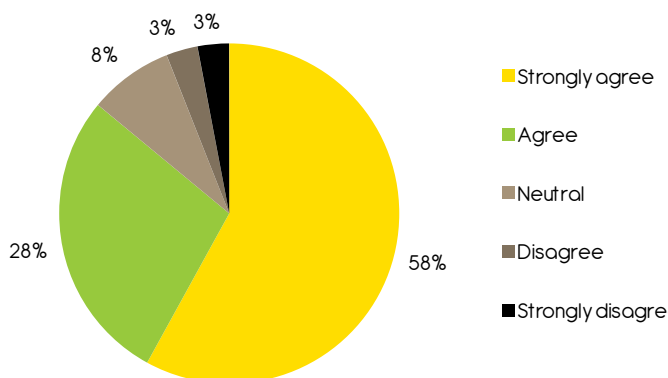
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THE RESULTS

1. Improving learning

I want to use analytics to improve learning



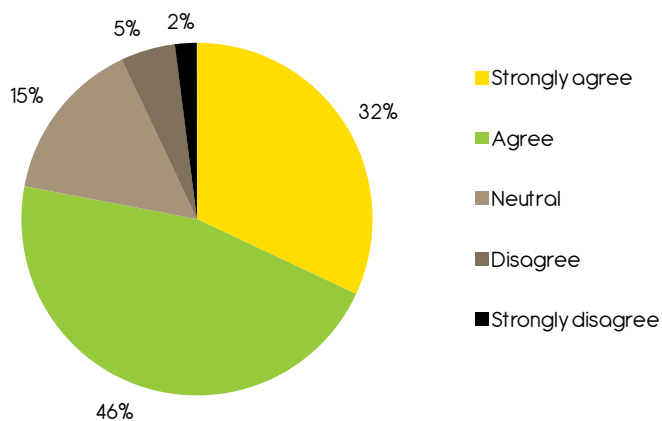
The good news is that our first set of findings indicate that, overwhelmingly, L&D and talent leaders want to use analytics to improve the quality of learning itself – with more than 85% strongly agreeing or agreeing that they want to use data analysis to boost learning quality.

This is reinforced by 97% of 600 L&D leaders in the 2016 Towards Maturity Benchmark study² saying that they are looking to technology to improve the way they gather and analyse data on learning impact, up from 74% in 2011. In 2011, only 16% were achieving their goals. In 2016, just five years later, although ambition has increased, still only 16% believe they are delivering against their objectives.

2. Belief that it is possible

Over the years, I've often heard people say that you cannot measure the same kinds of results for training as you can for other disciplines³, such as marketing. My response has always been that L&D data is actually just as valid as the data that marketing uses to support its spending and build business cases. So it was with some surprise that we received the following response:

I believe it is possible to demonstrate learning's impact



The results indicate that over 77% strongly agree or agree that it is indeed possible to evidence learning impact, while a mere 7% feel that learning impact cannot be measured.

² www.towardsmaturity.org/2016benchmark – LEO Learning is a founding ambassador of Towards Maturity.

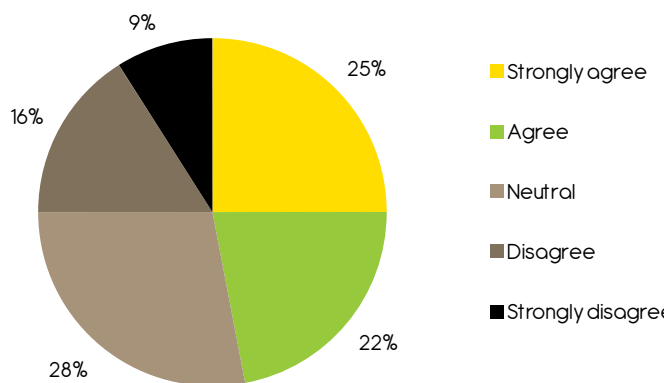
³ I am avoiding the use of ROI, which although a perfectly valid business term, seems to have become 'difficult' in L&D, possibly because of so many failed attempts to conduct full ROI studies. ROI, if strictly taken as a number, also misses points of worthwhile L&D measurement. For example, it is difficult to turn an achieved increase in patient-focus in the health service into a number, and yet no one would deny that is a useful business-focused measure.

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3. Impact of big data

Next we asked for an impression of the effect of big data on the rest of the business. Here we uncovered a mixed picture.

Big data has a significant impact on my organisation

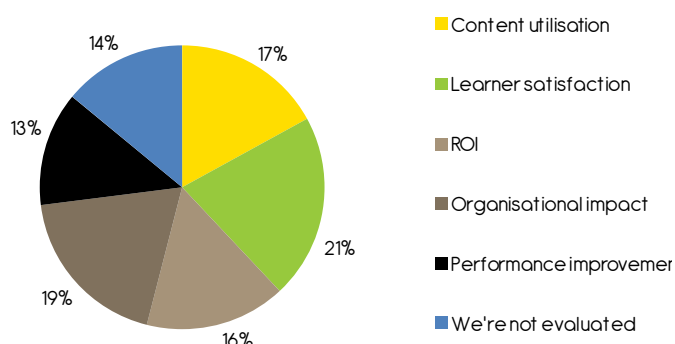


In addition to the varied survey results, our follow-up conversations revealed a growing trend around how organisations are leveraging big data in an increasingly digital and data-driven world. It seems more and more organisations are using data to professionalise their activity in increasingly inventive ways, and the challenge for L&D departments is to keep up with this rapid pace of development.

4. Department evaluation techniques

We wanted to find out how L&D departments are currently evaluated by the organisations they work for. Once again this provided a varied picture.

The success of my department is evaluated by...



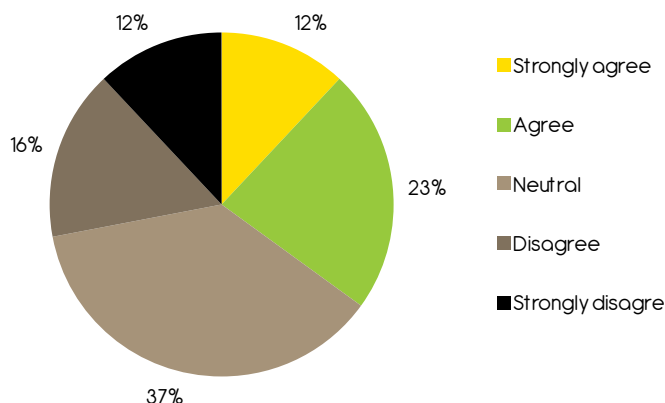
While 14% say they are not evaluated at all, there's a fairly even set of responses against this, with 'learner satisfaction' (21%) and 'organisational impact' (19%) trumping 'performance improvement' (13%), 'content utilisation' (17%) and the all-important 'ROI' (16%). This is an area where LEO Learning will dig deeper in the coming months and share methods on how this can be done.

5. Executive pressure to measure

This is where things start getting interesting...

When asked whether L&D leaders feel pressure from their leadership to deliver business impact results, the research indicates an overwhelming majority of people aren't feeling any pressure to measure the impact of their learning programmes.

I feel executive pressure to measure learning's impact



Only 35% strongly agree or agree that they are feeling executive pressure to measure the impact of learning, with 65% either neutral (37%) or very low (28%). What does this signify? Simply that leadership has been convinced over the years that you can't measure learning impact? Perhaps that they aren't interested in the answer? Or that they don't know it's even possible?

Laura Overton, CEO of Towards Maturity, makes the point from the 2016 benchmark⁴ that even if there was more pressure, an in-house skills shortage could be getting in the way: "It is clear that L&D leaders have identified that data analysis is a priority skills area. However, whilst 93% feel that the skills are a priority, only 31% believe they have those skills in-house now."

⁴ Later this year, Towards Maturity will be updating the LEO Learning-sponsored report on Learning Impact that was published last year at <http://leolearning.com/resources/impact>

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I also asked the views of Mike Rustici, Chief Executive of Watershed, who's spent many years in the business of measuring learning and is now inventing the new world of xAPI and data dashboards.

"I think a lot of business leaders just don't know what's possible," Mike says. "They've set their expectations very low in terms of what they can hold L&D accountable for and what kind of results they can expect. The status quo has been entrenched for so long, we all just kind of accept it. It's time for us as an industry to step up and hold ourselves accountable for results and to align ourselves with the business. We need to show leadership what is possible. Taking a step towards more direct alignment with business problems and using data to hold yourself accountable really changes the relationship to be much more strategic and important."

While the trend is slowly coming into mainstream practice, it's interesting to note that it is gaining more and more momentum. For example, the Chartered Institute of Professional Development (CIPD) introducing a new learning module in 2016 targeting L&D managers at Level 5 on Data, Metrics and Business Cases⁵. This is another indicator of the push to professionalising the industry in this direction.

6. Biggest challenges

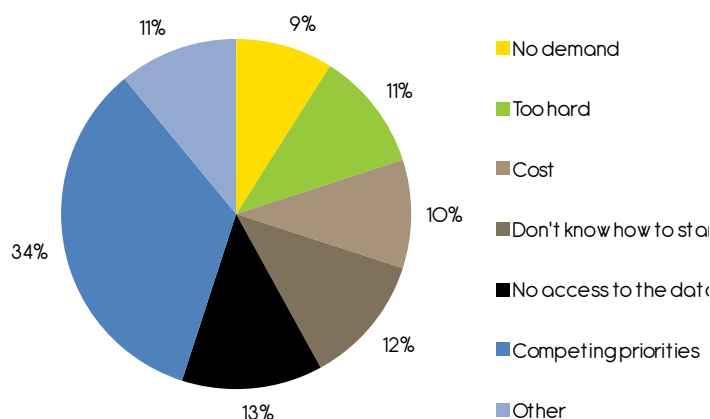
So given that L&D is so keen to measure business impact then why aren't more organisations doing it? What is getting in the way?

By far the biggest reason – more than twice the amount of any other – is that of 'competing priorities'. This makes absolute sense when you line it up against the 'pressure from leadership' question. Quite simply, the pressure to move into the next project is just too great. This trumps any analysis of the past.

While understandable, this is not sensible for our profession and industry. We need to learn from the past. For more on this, I urge you to read the book *Black Box Thinking* by Matthew Syed, which clearly shows how different industries learn from their mistakes and make incremental improvements – ones that then lead to transformation.

So the solution LEO Learning is pursuing is to put frameworks and systems in place which reduce the effort on a project-by-project basis. Mike Rustici of Watershed sums it up elegantly: "When we remove just a little bit of friction, when we make things just a tiny bit easier, there is a dramatic increase in usage. We're at a tipping point for learning analytics where the tools and technology are readily available to transform reporting from the chore of cobbling together spreadsheets to the joy of discovering insights that are seamlessly and automatically assembled. When the friction of analytics is removed, we use data more. When we use data more, we learn more. When we learn more, we improve more. Little improvements, constantly applied, quickly become transformational change."

The biggest challenge of measuring the impact of learning in my organisation is...



⁵ <https://www.cipd.co.uk/>

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THE RESULTS

What we've learnt over the years is that doing studies on the business impact of learning is tough. Organisations attempting it have done a great job but haven't traditionally been able to sustain the process for a variety of reasons. This has resulted in a history of companies failing to build a long-term picture of how L&D is helping business to achieve its objectives.

But thanks to technological advancements, we're on the brink of changing that.

What we've gleaned from this research is that there's a huge appetite in L&D to make this happen and that there's now a shared ambition to use data systems and analytics well so that measurement becomes a sustainable proposition. The question is not **whether** it will happen but **how** it will become standard industry-wide. LEO Learning will continue to ask these questions on an annual basis to monitor the trend. Plus, we'll engage with our sister companies, partners and the market to develop solutions that are cost-effective and demonstrable.

LEO Learning's award-winning range of expertise in this area includes:

- > Measurement frameworks
- > Evaluation and measurement methodologies
- > Technical use of xAPI
- > Tools and systems
- > Data collection and technical integration
- > Analytic processes and management dashboards
- > Using analytics to personalise learning

Over the coming months, LEO Learning's team of learning experts will be expanding on these points, so keep checking back for further insights and practical applications of the learning impact research.

To find out more about how LEO Learning can craft learning impact measurements for your organisation contact us today: talktous@leolearning.com

If you're interested in the research, or joining the debate, please do get in touch with me at piers.lea@leolearning.com.

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