

TAPPING THE POTENTIAL

OF INFORMAL LEARNING



EXECUTIVE SUMMARY

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If learning were an iceberg, then formal training and development would only be its tip. Most learning is informal in nature and takes place beneath the waterline—invisible, and therefore much harder to understand. Informal learning, for purposes of this report, is defined as “a learning activity that is not easily recognizable as formal training and performance support...[taking] place without a conventional instructor and...employee-controlled in terms of breadth, depth, and timing.” By its very nature, informal learning is difficult to comprehend in detail and equally hard to manage.

Even so, it is becoming increasingly important for companies to understand and leverage informal learning, according to this new study commissioned by the American Society for Training & Development (ASTD). Over half of the survey respondents (56 percent) predicted that the use of informal learning as a proportion of all learning at their organizations will increase over the next three years, 40 percent believed it would stay the same, and only 4 percent said it would decrease.

This expected increase in informal learning is not surprising in the context of today's technology-driven corporate culture. Many of today's employees scramble to keep up with floods of email, reams of new data, and constantly shifting business information. There is a sizable need to *learn on demand* rather than wait for more conventional learning opportunities. Informal learning will increasingly help fill this demand, enabling employees to stay knowledgeable and productive in a dynamic work environment.

The purpose of this study, conducted by ASTD and the Institute for Corporate Productivity (i4cp), is to help today's learning professionals gain insights into how informal learning works and how to improve its effectiveness. The study breaks the findings into six main categories that best explain how and why to harness the untapped power of informal learning:

- linking informal learning and performance
- understanding factors that influence informal learning
- identifying the most effective practices
- mastering informal learning tools and processes
- measuring the effectiveness of informal learning
- leveraging best practices and lessons learned.

Analysis of the survey data and a review of the existing literature make clear several key findings:

- **Informal learning already has a strong presence in many of today's organizations, which is expected to increase.** Forty-one percent of respondents said such learning is occurring in their organization to a high or very high extent, and another 34 percent said it's occurring to a moderate extent. Over half said informal learning will increase over the next three years.
- **Informal learning improves performance of individuals and organizations.** Most respondents said that informal learning enhances performance to at least a moderate extent, with 46 percent reporting it does so to a high or very high extent. The study also found a significant correlation between the degree to which informal learning occurs in organizations and their reported market performance.

- Despite its prevalent use and its links to improved performance, very little of most firms' training budgets are devoted to informal learning. Over a third of companies surveyed (36 percent) said they don't allocate anything to informal learning, and another 42 percent said they allocate 10 percent or less of their budgets to creating such learning opportunities.
- Efforts to measure informal learning can lead to improved market performance. Although there's not much measurement of informal learning going on, the use of any type of measurement was found to be correlated to better market performance.
- Organizational culture is crucial to the uptake of informal learning. Not surprisingly, a culture that supports informal learning is highly correlated with the occurrence of such learning, which in turn is associated with high market performance.
- Companies are missing opportunities when it comes to informal learning. There are especially large gaps between the degree to which employees use informal learning to share knowledge and the degree to which they *should* do so. For example, there are large gaps between the extent to which seasoned employees share their insights with others and the extent to which respondents say this *should* be done.

- Many companies use informal learning to help employees understand how to “get things done” from a process standpoint. This usage is most highly correlated with the overall occurrence of informal learning.
- Email and intranets are the most commonly used informal learning tools, but some other types of tools that are used less often—such as peer-to-peer coaching—may be just as important to informal learning. Peer-to-peer coaching is associated not only with the occurrence of informal learning but also with greater market performance.

Overall, these and other findings suggest that although informal learning remains a poorly understood and measured process, it is becoming increasingly important and has considerable untapped potential. If organizations can harness the potential of informal learning, it can become an unusually powerful and cost-effective performance tool in coming years.

| ABOUT THE CONTRIBUTING ORGANIZATIONS |

THE AMERICAN SOCIETY FOR TRAINING & DEVELOPMENT

The American Society for Training & Development (ASTD) is the world's largest association dedicated to workplace learning and performance professionals. ASTD's members come from more than 100 countries and connect locally in 136 U.S. chapters and 25 global networks. Members work in thousands of organizations of all sizes, in government, as independent consultants, and suppliers.

ASTD started in 1944 when the organization held its first annual conference. ASTD has widened the profession's focus to link learning and performance to individual and organizational results and is a sought-after voice on critical public policy issues. For more information, visit www.astd.org.

THE INSTITUTE FOR CORPORATE PRODUCTIVITY

The Institute for Corporate Productivity (i4cp) improves corporate productivity through a combination of research, community, tools, and technology focused on the management of human capital. With more than 100 leading organizations as members, including many of the best known companies in the world, i4cp draws upon one of the industry's largest and most experienced research teams and executives-in-residence to produce more than 10,000 pages of rapid, reliable, and respected research annually, surrounding all facets of the management of people in organizations.

Additionally, i4cp identifies and analyzes the upcoming major issues and future trends that are expected to influence workforce productivity and provides member clients with tools and technology to execute leading-edge strategies and "next practices" on these issues and trends. For more information, visit www.i4cp.com.



ASTD Research tracks trends, informs decisions, and connects research to practice in the field of workplace learning and performance. ASTD Research conducts a wide variety of ongoing studies on topics of interest to the learning profession. Recently released studies include:

- Annual State of the Industry Report
- Learning's Role in Employee Engagement
- Learning's Role in Globally Dispersed Workforces
- Tapping the Potential of Informal Learning
- Talent Management: Practices and Opportunities
- Executive Development: Strategic and Tactical Approaches
- The State of Sales Training

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