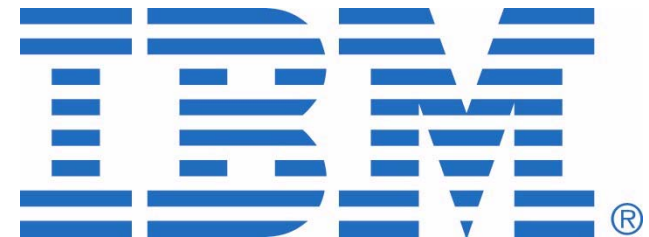


C-Level Perceptions of the Strategic Value of Learning Research Report

January 2006

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A research study conducted by ASTD in partnership with IBM Research

About the Authors

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ASTD marks its beginning in 1944 when the organization held its first annual conference. In recent years, ASTD has widened the industry's focus to connect learning and performance to measurable results, and is a sought-after voice on critical public policy issues. For more information, visit www.astd.org.

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Introduction

Background

The value of learning is inherent in today's business environment where human capital is seen as a key differentiator and driver of growth, transformation, and productivity. IBM's 2004 Global CEO Study found that 75 percent of CEOs believe that employee education is critical for future enterprise success.

In the study reported here, IBM and ASTD partnered to probe in more detail CEOs' and other C-level executives' perceptions of the strategic value of learning. We wanted to understand the C-level mindset with regard to the learning function's role in, and accountability for, organizational growth, transformation, and productivity. We were also interested in the extent to which C-level perceptions align with the perceptions of the most senior corporate learning executives.

We interviewed one senior executive (CEO, CFO, COO, CTO or large business unit head) and the chief learning officer/head of learning (CLO) in 26 large organizations. CXOs and CLOs were interviewed separately and asked the same six questions.

Report Structure

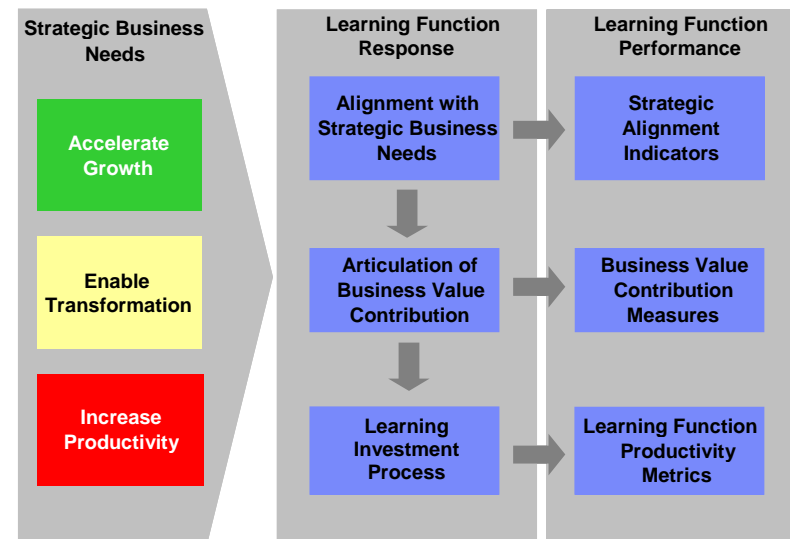
For each of the 6 questions, there are four pages of results:

- response frequencies (CXOs and CLOs combined)
- response frequency alignment (between CXOs and CLOs)
- interpretation of results via response frameworks
- representative quotes.

An executive summary and overall interpretation are included at the front of the report.

Framework and Questions

The six interview questions covered the learning function's response to, and accountability for, the three strategic business needs of growth, transformation, and productivity.



Questions

1. How does the learning function provide strategic value to your organization?
2. How does the learning function's strategic activity translate into business results?
3. What is the learning investment process and your involvement in it?
4. How do you know the learning function is maintaining ongoing alignment with your strategic business needs?
5. How do you measure the learning function's value contribution to your organization?
6. How do you know the learning function is performing as efficiently as possible?

Executive Summary

CXOs and CLOs agreed on the following:

1. Learning provides strategic value at the enterprise, business unit, and individual capability level of an organization.
2. Learning's value contribution is seen primarily in business outcomes and human capital.
3. It is difficult to isolate and measure learning's value contribution to business outcomes.
4. Perceptions of stakeholders (employees, business unit leaders, and executives) are a key indicator of learning's value.
5. The strategic value of learning is increased by strong governance processes for planning, allocating, and managing learning investments.
6. Learning's alignment with business needs is indicated by integration, proactivity, and responsiveness.
7. The learning function's efficiency can be increased by streamlining and standardizing processes, leveraging technology, and selectively outsourcing components of the function.

CXOs and CLOs differed in the following ways:

1. CXOs are less concerned than CLOs with quantitative metrics that show learning's value contribution to business outcomes. CXOs are more concerned with qualitative alignment of learning investment with the changing needs of the business, and with the perceptions of employees and business leaders, than they are with data from ROI studies.
2. CLOs are more focused than CXOs on improving the performance of business units, through understanding business unit goals and performance gaps, and identifying learning and non-learning solutions to close those gaps.

Interpretation

CXOs and CLOs are, for the most part, on the same page with respect to the strategic value of learning. They articulate similar indicators of alignment, effectiveness, and efficiency. Both groups understand the challenges involved in isolating learning's value contribution to the business. Any differences in their perceptions can be explained by differences in their responsibilities and vantage points.

CXOs have to be concerned with the short and long-term strategies of the business and the flexibility of their human capital strategies to respond to changing business needs. This leads them to be less interested in the operational details of the learning function and more interested in its alignment and integration with the business. Their big picture and futuristic perspective leads them to be less concerned with the ROI of particular learning programs and more concerned with the extent to which the learning function is anticipating and planning for changing workforce requirements.

CLOs have to run a function that serves many masters and partners, including individual employees, business units, the leaders of the organization, as well as the groups responsible for human resources, talent management, organizational effectiveness, and performance improvement. It is not surprising then to find CLOs focused on the operational efficiency of the learning function and its role in improving the productivity and performance of business units. As they struggle to maintain and defend their budgets, CLOs are naturally more anxious than CXOs to have quantitative evidence of their value.

One thing that CLOs can learn from this study is that they may not have to try so hard to convince the C-suite of the value of investing in learning. CXOs value a trusted relationship with their CLO more than ROI data. Cultivating those relationships should be the priority for a CLO.

One thing that CXOs can learn from this study is that their CLOs have a wealth of intelligence about performance and capability across their organizations. This intelligence can be leveraged to gain competitive advantage and to proactively drive both business strategy and learning investment strategy for the future.

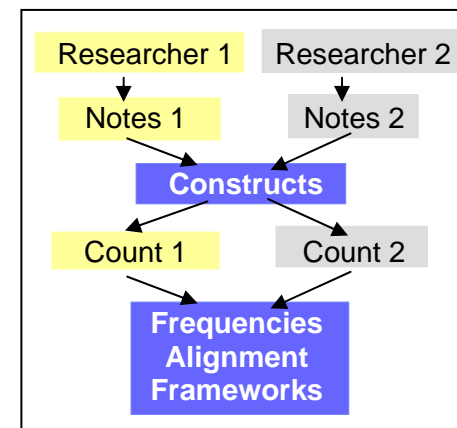
Sample

- We interviewed 52 executives in 26 organizations, representing 11 industry sectors.
- Half of the executives were non-learning executives (CXOs), such as CEOs, CFOs, COOs, CTOs, or heads of large business units. Half of the sample comprised learning executives with titles such as chief learning officer (CLO) and vice president of learning.
- Interviews were conducted by phone during the period May to July 2005. CXOs and CLOs were interviewed separately and asked the same six questions.

Industry Sector	Organization	
Airlines	▪ Delta Air Lines	▪ JetBlue
Automotive	▪ Lexus	
Financial Services and Banking	▪ American Express	▪ Barclays
Government	▪ United States Navy ▪ New York Fire Department	▪ Social Security Administration
Manufacturing	▪ Caterpillar ▪ Steelcase	▪ Molex ▪ Johnson Controls
Media	▪ BBC	
Retail	▪ Coffee Bean & Tea Leaf ▪ SABMiller	▪ Godiva
Pharmaceutical and Healthcare	▪ BD ▪ Humana	▪ Ely Lilly ▪ Novartis
Industrial	▪ Agilent	▪ Raytheon
Telecom	▪ Nextel	
Technology	▪ IBM ▪ SAS	▪ SAP

Analysis

- Two sets of notes were taken during each interview. Each researcher independently identified recurring themes/constructs in the responses. Constructs were compared and a common set was selected.
- Two researchers independently counted how many times each of the selected constructs was mentioned by the two groups (CXOs and CLOs). Frequencies were compared and agreed upon.
- To examine the extent of alignment of CXO and CLO perceptions, frequencies were plotted as percentages of total number of mentions for each construct. Constructs where both CXO and CLO frequencies were greater than 40 percent of the total were deemed to be significantly aligned, and were marked with a green diamond. Constructs where either CXO or CLO frequencies were less than 33 percent of the total were deemed to vary significantly, and were marked with a red diamond.
- To aid interpretation, a response framework was developed for each question by grouping constructs that were similar.



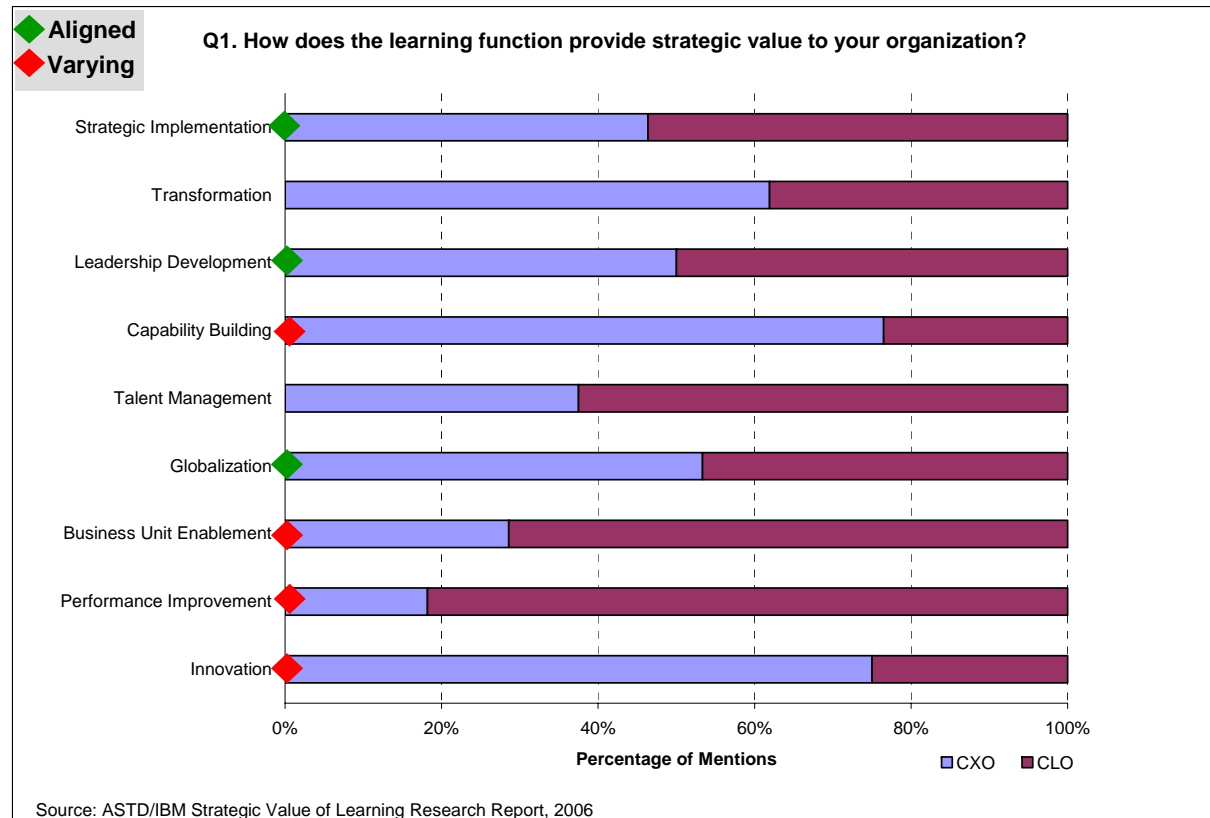
Q1. Response Frequency

- The two most frequently mentioned areas where learning provides strategic value were strategic implementation (26 mentions) and transformation (21 mentions).
- Leadership development, building workforce capability, talent management, and globalization were mentioned between 15 and 18 times.
- Business unit enablement and performance improvement (through performance analysis and participation in non-learning as well as learning solutions) were mentioned 14 and 11 times respectively.
- Innovation (with 7 mentions) was the least frequently mentioned aspect of the learning function's strategic value.



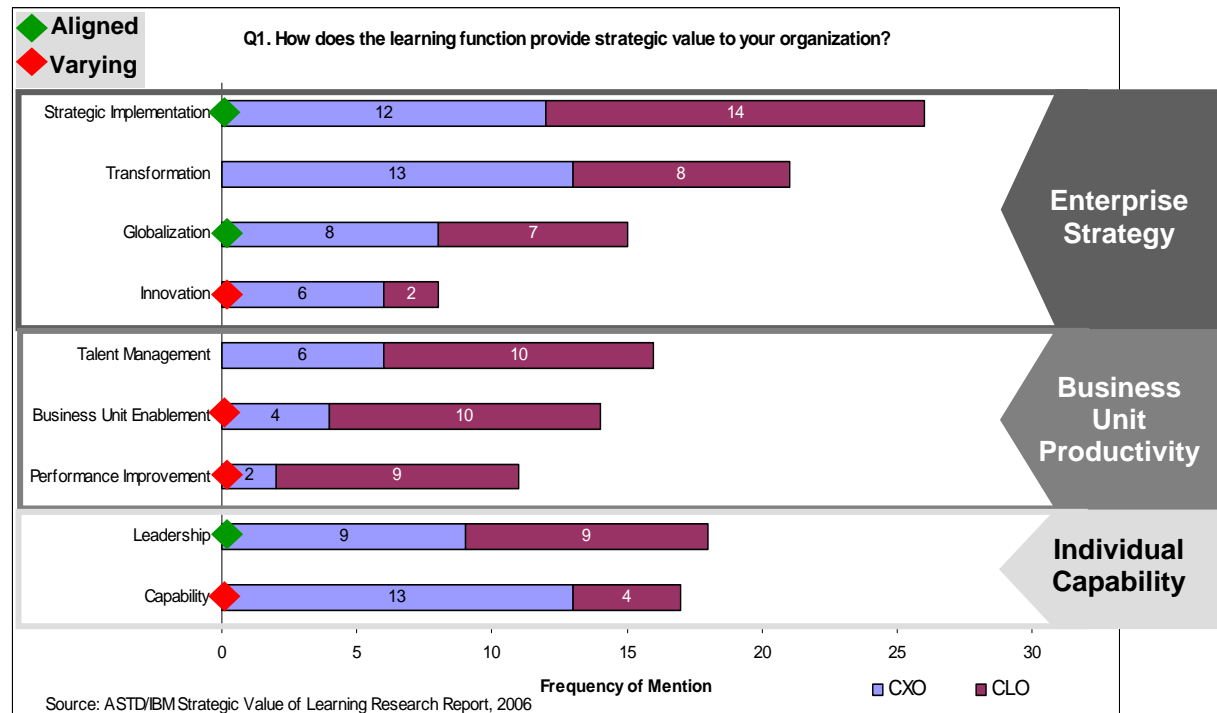
Q1. Response Frequency Alignment

- CXOs' and CLOs' perceptions of the strategic value of learning were most closely aligned in relation to strategic implementation, leadership development, and globalization.
- The aspects of learning's strategic value that CXOs mentioned significantly more than CLOs were capability building and innovation.
- The aspects of learning's strategic value that CLOs mentioned significantly more than CXOs were business unit enablement and performance improvement.



Q1. Response Framework Interpretation

- Indicators of learning’s strategic value mentioned by CXOs and CLOs fell into three categories: enterprise strategy implementation, business unit enablement, and individual capability building.
- CXOs placed more emphasis on learning’s role in building individual capability to meet the changing needs of the enterprise at the strategic level.
- CLOs were more focused on learning’s role in driving productivity and performance improvement at the business unit level. This may be because CLOs and learning function staff have closer relationships with business unit leaders than with senior executives.



Q1. Representative Quotes

Q1. How does the learning function provide strategic value to your organization?

CXO

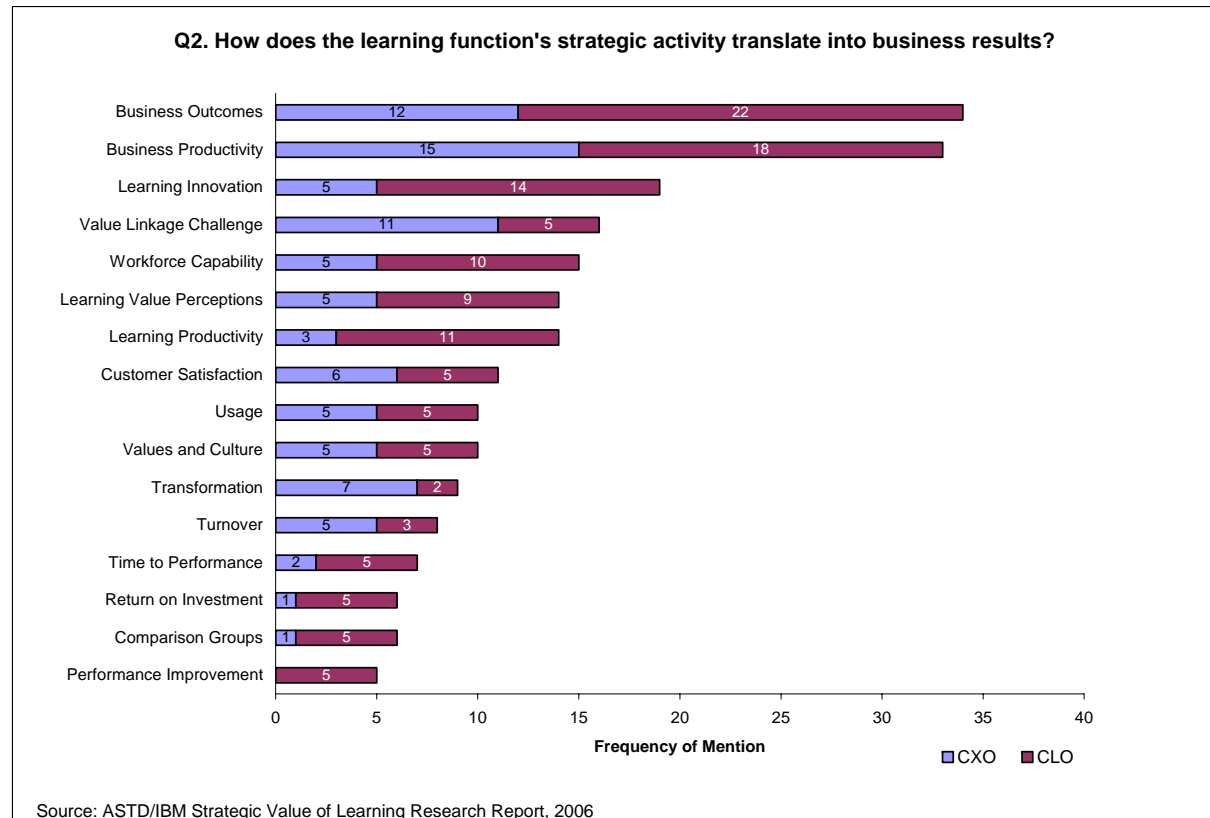
- Learning's strategic value is enabling a flexible, nimble workforce, employees who can adapt to rapidly changing business contexts.
- Learning is the major investment to build the capability to drive the business.
- Learning has to bring customers and employees along the change journey. It needs to enable the businesses to build the capability to change themselves.
- The learning function is critical during periods of intense change. It helps us invent, create, discover and respond. Change is a way of life in our industry, the learning organization is necessary to the existence of the company.
- The strategic value of learning will heighten as change increases. Learning's job is to make sure we have the skills and talent to capitalize on this change.
- Learning is not about creating programs. It is about realizing the strategic agenda established by the executive committee.
- Learning helps us develop bench strength and the competencies needed for the future.
- Investment in development is a longer term play.
- We need a strategic learning function to manage best practices and knowledge sharing.
- Training supports business performance and employee growth.

CLO

- The learning function will perform a performance improvement role. Productivity tools for employees will go beyond transaction based tools to sense making to help them use and interpret the customer information they access.
- The strategic value of learning is to reduce the cost of turnover and increase employee engagement.
- You can't change without people. Our remit is to oversee the transformation of the organization on the people side.
- The business plan for learning ties directly to the business unit goals. These also incorporate our roll-up from the individuals' development plans.
- At the fundamental level, the mission of learning and knowledge is to develop people to ensure their future success. Secondly, learning and knowledge is focused on ensuring that company teams are enabled and equipped to perform as effectively as possible. The third focus is around enabling innovation. Being able to define emerging issues, areas where don't have an answer and engaging collaborative learning practices to solve them.
- Accelerated globalization of the workforce requires more innovative approaches to learning to go across barriers imposed outside the business world.
- The learning function's role is to support the implementation of the people side of the business strategy.

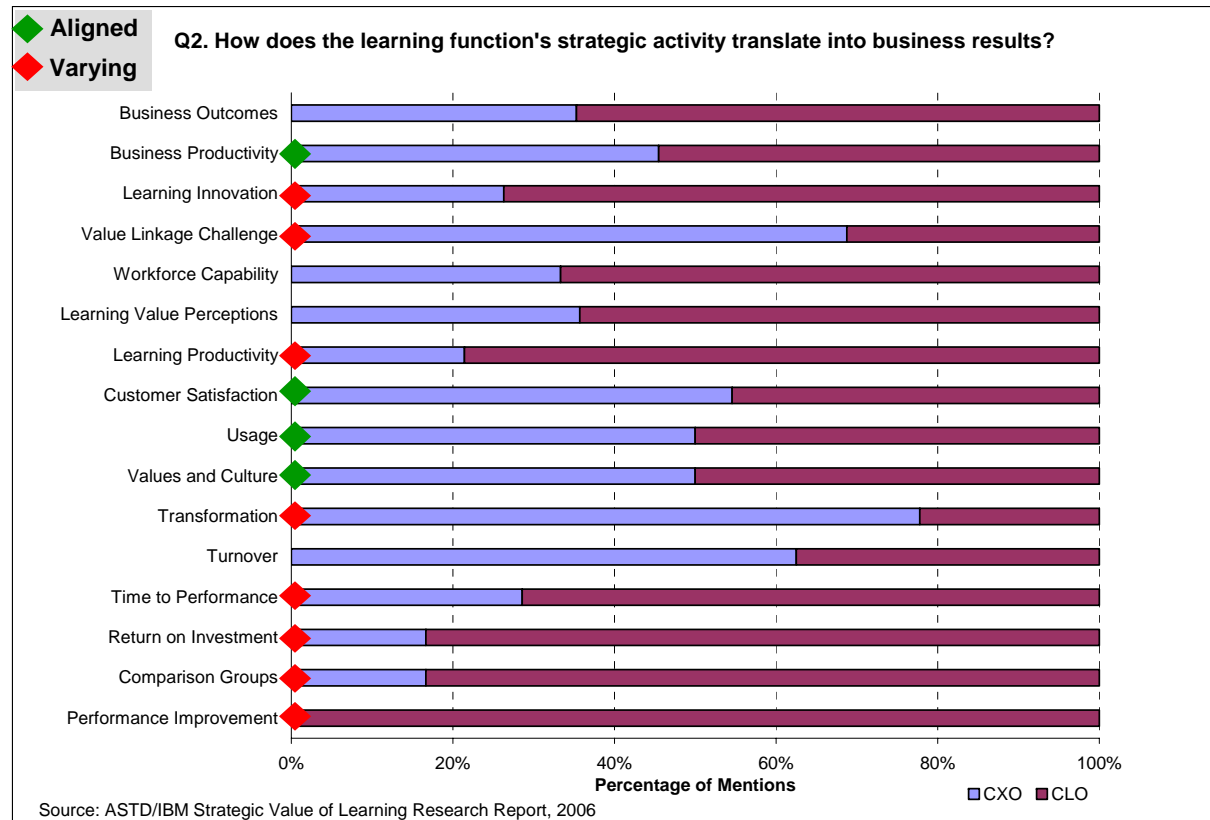
Q2. Response Frequency

- The two most frequently mentioned areas where the learning function's strategic activity translates into business results were business outcomes such as revenue (34 mentions) and business productivity (33 mentions).
- Workforce capability, culture and values, and customer satisfaction were also mentioned (between 10 and 15 times) as specific business results that are impacted by the learning function's strategic activity.
- The learning function's own productivity and innovation were also mentioned (14 and 19 times) as business results.
- The challenge of isolating the value contribution of learning to business results was mentioned 16 times.
- Least frequently mentioned as business results from learning were performance improvement, time to performance, turnover, and transformation.

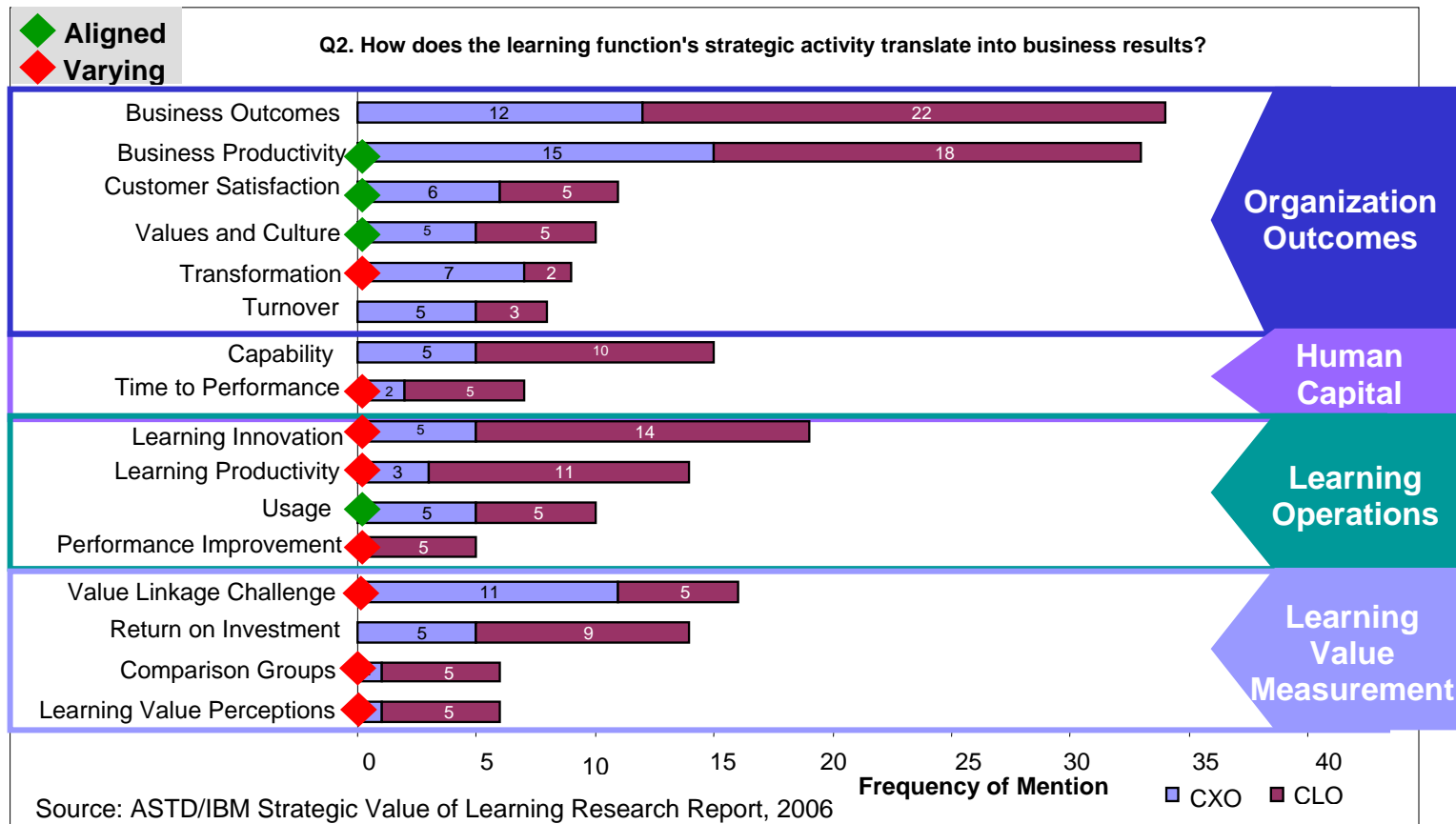


Q2. Response Frequency Alignment

- CXOs and CLOs agree on four ways that the learning function's strategic activity translates into business results: business productivity, customer satisfaction, values and culture, and learning usage.
- CXOs referred to the challenge of linking learning investment business results more than CLOs. CXOs also mentioned transformation as a business result that is impacted by learning more than did CLOs.
- CLOs mentioned learning innovation, learning productivity, performance improvement, and time to performance more than CXOs as ways in which the learning function's activity translates into business results.
- CLOs talked more than CXOs about specific techniques for demonstrating the value of learning, for example, comparison group and return on investment (ROI) studies. CXOs were more interested in perceptions of value and alignment of learning with business needs than in quantitative data to prove the value of learning.



Q2. Response Framework Interpretation



- Business results that CXOs and CLOs linked to learning fell into two categories: human capital and organizational outcomes such as customer satisfaction, revenue, and turnover.
- The question about linking learning to business results generated many comments about the difficulty of measuring learning's value in business terms. In many cases, the interviewees fell back on learning function productivity and operations metrics as proxies for business results. For example, if usage of learning programs increases, there seemed to be an implicit assumption that this impacts business results.

Q2. Representative Quotes

Q2. How does the learning function's strategic activity translate into business results?

CXO

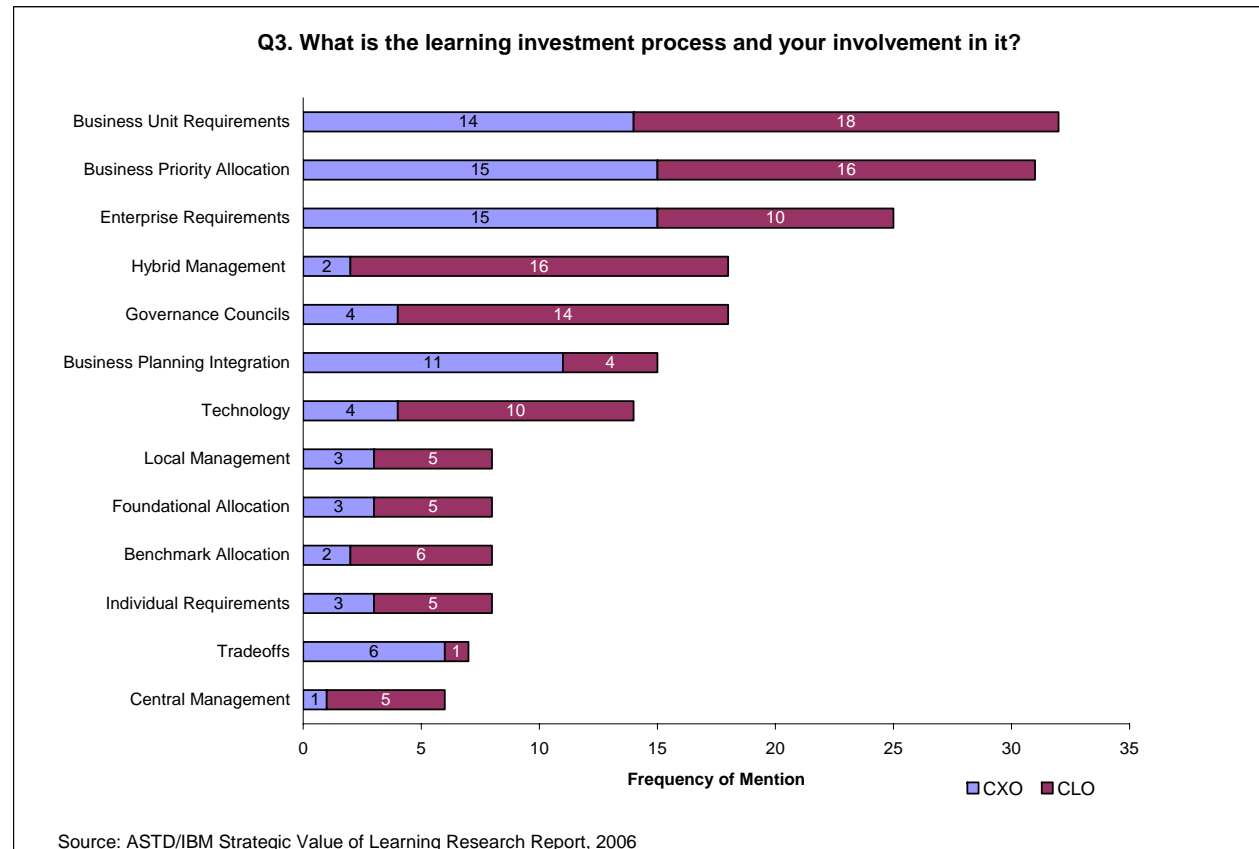
- Value is created by people, not by learning. Learning enables people to generate business results.
- Our metrics for learning are business outcome focused. We focus on learning's contribution to cost, quality and speed. Not cost of the training function but how training enables us to take cost out of the business itself.
- We need to focus on the cultural aspects and having people take responsibility for learning. This will probably end up being a function of how networked and flexible the organization can become and how quickly the business can respond to change as it happens.
- Our measurement is quite patchy. We need to find new ways of demonstrating value as learning becomes more integrated into the strategy of the business.
- I am not concerned with separating out the business value attributed to the learning function.
- In the future I hope to see more learning contribution to innovation.
- The only way to separate out the value of training would be via controlled experiments and I am not willing to pay for them. I let other companies do that. Good training, well done, at the right time in the right amount of detail that supports what we do does make a difference. I do not need to have that proved to me explicitly.

CLO

- As long as our company is doing a good job it doesn't matter what we say about how well learning is doing.
- Our strategy is highly dependent on integration and collaboration. Similarly the learning strategy must be able to bridge gaps and link people. It must accelerate the flow of knowledge in the company.
- We are pretty organized around how to measure the value of learning at the initiative level. What people learned, and what the results were. However, we're aware that this kind of ROI analysis is subjective and can be open to judgment.
- We're focusing more on roles within the firm and conducting participant versus control group studies to determine the impact of learning on a given role.
- Learning is about helping the company achieve financial results and helping it transform. Learning helps people transition more quickly. It also helps speed time to performance.
- We know from leadership surveys that employees perceive a big and positive change in leadership. I think we can do correlations but not calculations when it comes to valuing learning.
- Our competence index can be tied to business outcomes so I can show correlation between role competence and business impact.

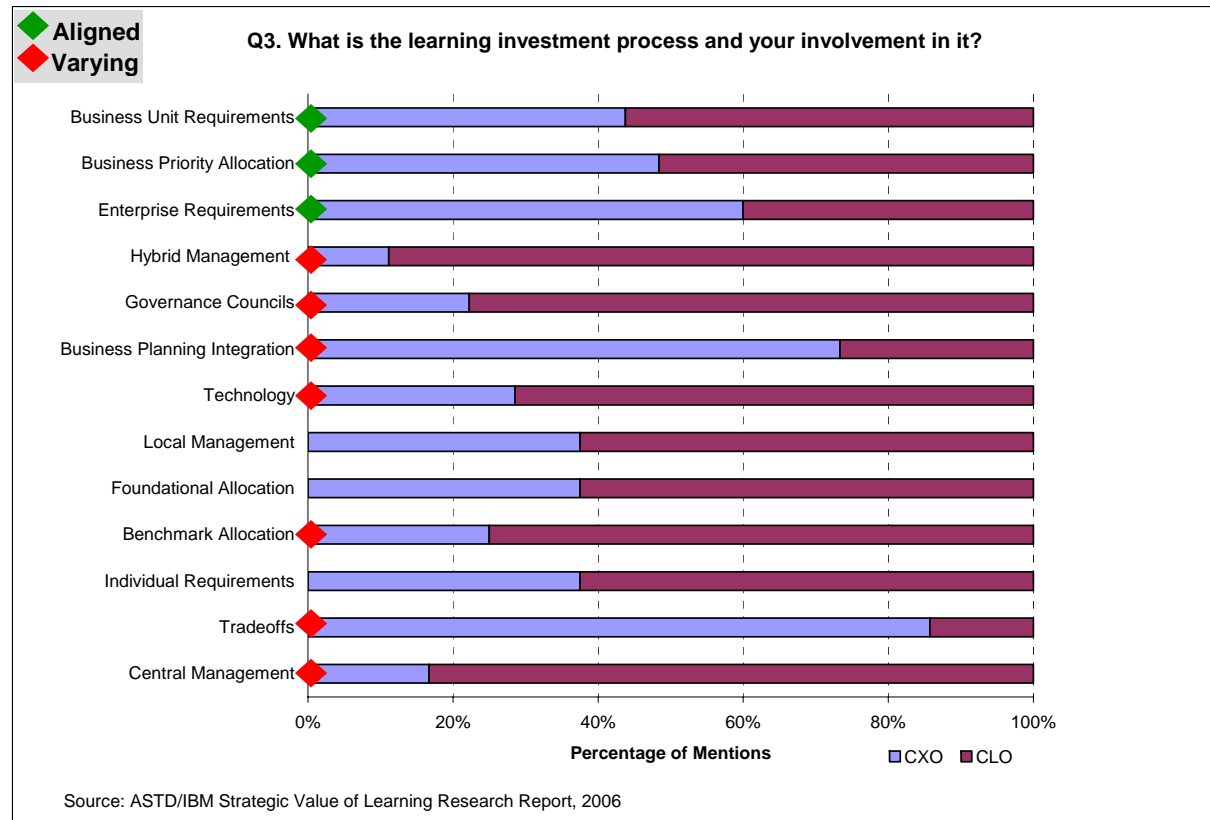
Q3. Response Frequency

- The three most frequently mentioned aspects of the learning investment process were alignment with business unit requirements (32 mentions), business priority allocation (31 mentions), and enterprise requirements (25 mentions).
- Hybrid management, governance councils, integration of learning investment planning with business planning, and technology were mentioned between 14 and 18 times.
- The least frequently mentioned aspects of the learning investment process were local management, central management, foundational allocation, individual requirements, and tradeoffs, each with between 6 and 8 mentions.



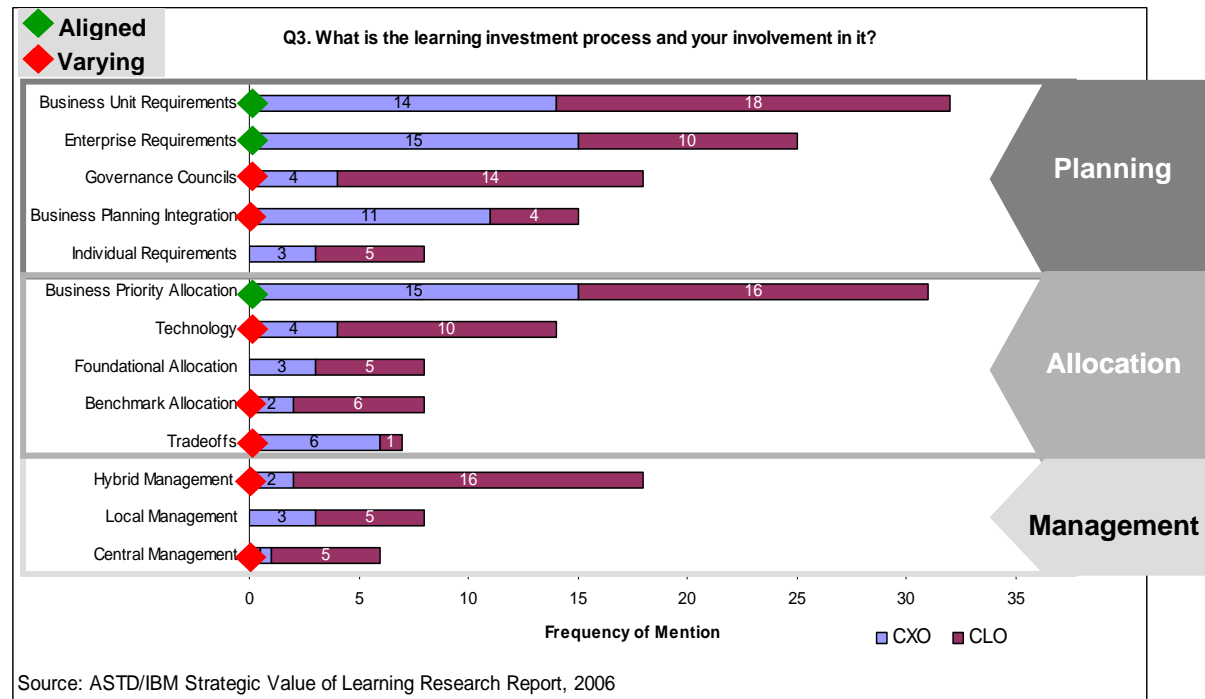
Q3. Response Frequency Alignment

- CXOs and CLOs agreed on the importance of enterprise and business unit requirements as drivers of learning investment decisions. CXOs and CLOs were also consistent in their reference to allocation of investment based on business priorities.
- CXOs placed more emphasis than CLOs on tradeoffs between investment in learning and other aspects of the business. CXOs also emphasized integration of the learning investment planning process with cyclical business planning processes more than did CLOs.
- CLOs mentioned central and hybrid management, governance councils, technology, and benchmark allocation more than CXOs. This not surprising given that CLOs are closer to the front lines of the learning function.



Q3. Response Framework Interpretation

- Aspects of the learning investment process mentioned by CXOs and CLOs fell into three categories: planning, allocation, and management.
- Both groups described systematic processes for identifying and prioritizing learning requirements in conjunction with the annual business planning process.
- The most frequently mentioned basis for investment allocation was business priorities. Other criteria for allocation decisions were foundational skill needs, and external benchmarks.
- Management of learning investment was most often a hybrid of central and local processes and controls. Management of learning technology investment was central in almost all cases.



Q3. Representative Quotes

Q3. What is the learning investment process and your involvement in it?

CXO

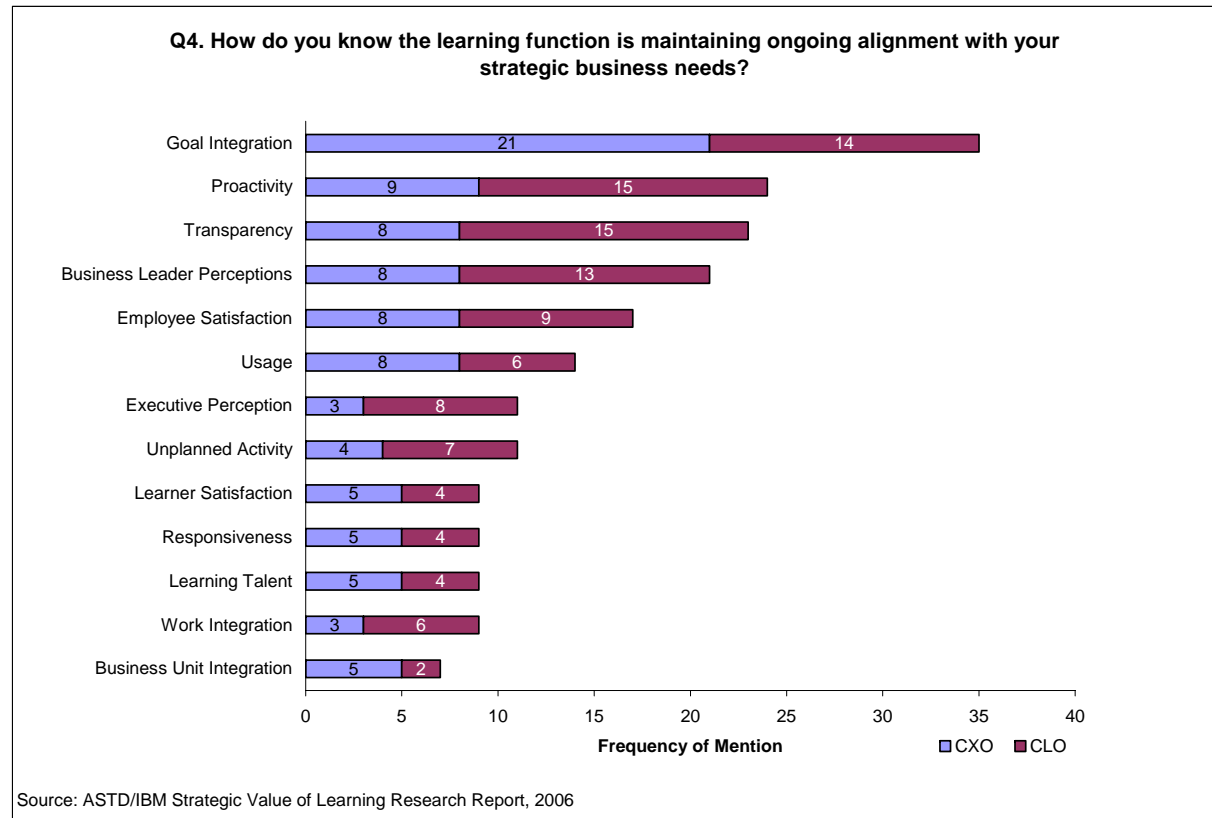
- The learning investment process will remain more or less the same. The nature of content will have to change. We'll scale back in some areas and reemphasize in others. Basically, rebalancing the investment based on business needs.
- Right now we have allocated the biggest part of our learning budget to our biggest business issue. I chose this approach because we need a high visibility project to quell naysayers. If learning is successful in pulling this off, it will be a mechanism for creating buy in for learning and process change.
- Learning is not an allocation in our organization. It is a cost. It is built in at the program or initiative level. It is baked into the budgets for a new product launch or a strategic initiative.
- Training is an enabling function and is centrally planned, developed and supported in our organization.
- I look to the governance process to match my requirements for learning to the realities of what can be accomplished given the business climate.
- It is critical to make the business leaders own it. Learning doesn't stand alone; it is part of the people and processes.
- We ask what we see on the horizon that we need to be funding. We think about hiring as well as training in domain expertise.
- The learning budget has increased each year for the past two years. We see productivity improvement in the learning function so we are able to do more with the investment.

CLO

- All learning in our organization has to be backed by a salient and compelling business plan.
- We work from a strategic profile for investment. We generally spend where we say we will, but I have the latitude to allocate funding based on business needs as long as I deliver on all corporate university objectives with the allocated dollars.
- When I took on the CLO position no-one could answer the question "How much do we spend on learning?" I see myself as the product manager for learning for the enterprise. I have to make sure that the spend per employee on learning is appropriate and that the distribution of that spend is aligned strategically.
- I would like to see more transparency in learning budget allocation than is available today and be able to show how that spending in learning adds value to the business. I'd also like to retain more control of the budget and manage detailed allocation across the business.
- We have moved from centralized to fragmented to now having decentralized learning functions embedded in business units but managed centrally by a learning council. This ensures integration, avoids duplication, leverages best practice, platforms and processes.
- My goal is to ensure that learning was planned for like any other investment within the business. I went around to the business leaders and said, you know you are spending dollars on training but you're not managing that investment with the same discipline as other parts of your business such as marketing or operations.

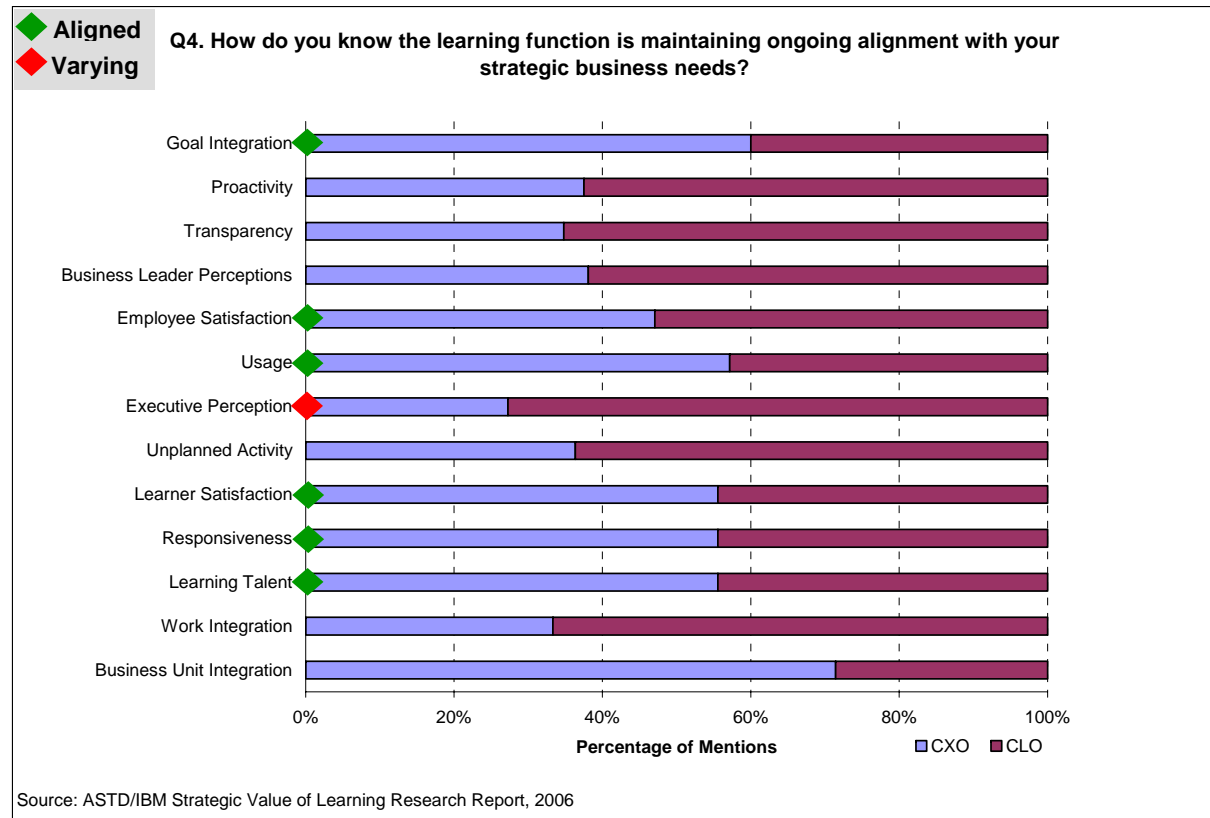
Q4. Response Frequency

- The most frequently mentioned indicator of alignment was integration of learning requirements with business goals (35 mentions).
- Other frequently mentioned indicators of alignment were proactivity, transparency, and business leader perceptions, each with between 21 and 24 mentions.
- Receiving between 11 and 17 mentions were employee satisfaction, usage, executive perceptions, and unplanned activity. Unplanned activity during was seen as an indicator of misalignment.
- The least frequently mentioned indicators of alignment (with between 7 and 9 mentions) were learner satisfaction, learning function talent, integration of learning with work, and integration of the learning function with business units.



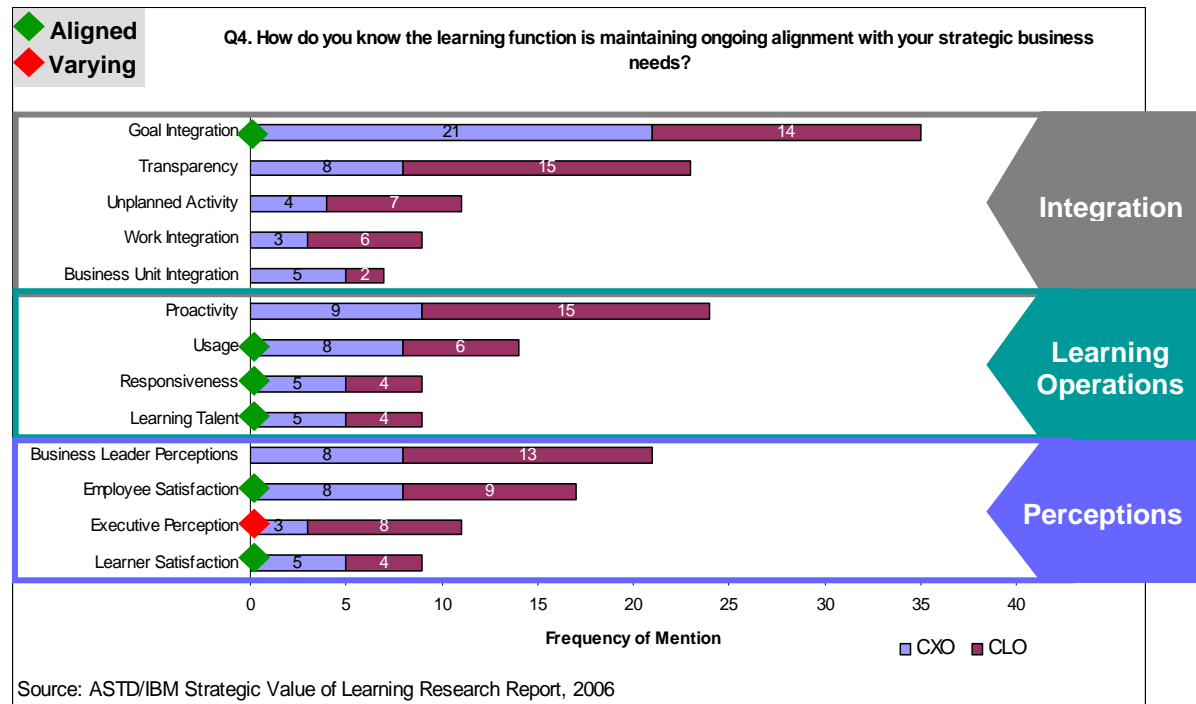
Q4. Response Frequency Alignment

- There was a high level of agreement between CXOs and CLOs on indicators of alignment.
- The only indicator where the responses of CXOs and CLOs differed significantly was executive perceptions. CLOs mentioned executive perceptions more as an indicator of alignment between learning and strategic business needs than did CXOs.



Q4. Response Framework Interpretation

- Indicators of a learning function's alignment with business needs mentioned by CXOs and CLOs fell into three categories: integration indicators, learning operations indicators, and perceptions of a variety of stakeholders.
- Integration manifests itself in multiple ways: integration of learning goals with business goals, integration of learning opportunities with work, and integration of learning function staff and operations with business units.
- An aligned learning function would be proactive and responsive to the changing needs of the business.
- Alignment would result in positive perceptions of stakeholders, including business leaders, employees, and executives.



Q4. Representative Quotes

Q4. How do you know that the learning function is maintaining ongoing alignment with your organization's strategic business needs?

CXO

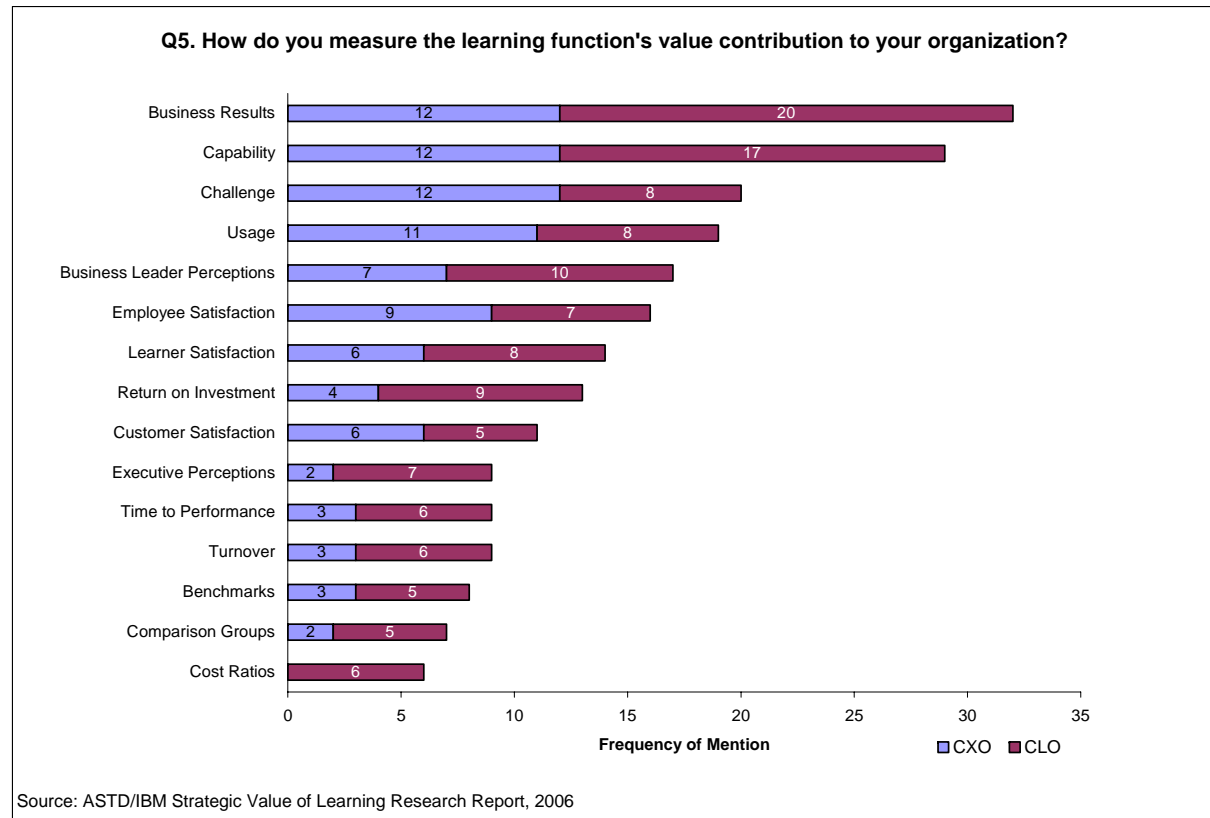
- How the investment aligns with the CEO's goals should be obvious to any bystander. The dashboard for global learning should start with the CEO priorities and then map all of the learning activities to those. All learning should align with the CEO/company priorities. There should be a process for prioritization of learning programs based on CEO priorities.
- The primary alignment indicator is how well the business leaders feel they are being served by the learning function. Second is how well the learning function understands the business they are serving. Third is how many times an unexpected investment requirement for learning pops up.
- A true value of learning is how seamless it becomes.
- The ideal way to know that learning was totally aligned would be if there were no learning function. Learning would be owned by the line and become business as usual.
- The learning function should not be developing programs after the horse has bolted. The learning function should be completely tied to the strategy process and flexible enough to respond to short term needs.
- Learning also needs good leadership. This is what helps me get through the decision process for learning without data. We need them to bring us the best ideas that will move the business forward. Mobility in and out of the learning function is also a great indicator of alignment. If people want to rotate in to learning because they know they'll have a greater opportunity when they go back into the business, then learning, by definition must be very closely aligned to the business for this to be achieved.

CLO

- Learning shouldn't be apart from work; it should be a part of it. It should become part of the everyday conversation.
- I believe learning needs to be current, contemporary and relevant. Our job is to understand our clients' issues and understand when and how to leverage learning to abate or eliminate those issues.
- Success for learning is that we are so tightly aligned to the business that we are almost invisible but we contribute to such an extent that people want to laud our efforts. We become invisible but we are still acknowledged.
- You know learning is maintaining ongoing alignment when people talk about change and acknowledge learning's role and when it becomes unclear who owns learning.
- Some business unit leaders still see learning as discretionary and they only do it when they can afford it. They are not convinced that learning will help them achieve their business goals; they view it as a perk.
- When it comes to leading indicators, people's perception is key. The best indicator of learning impact is to ask people. I want to leverage the Employee Engagement survey more effectively to identify the top two people issues and work through them on an ongoing basis.
- We link to corporate strategic initiatives, we stay in compliance, and we are integrated with organizational effectiveness which increases alignment.
- An open relationship is fundamental. Open and frank discussions with business leaders.

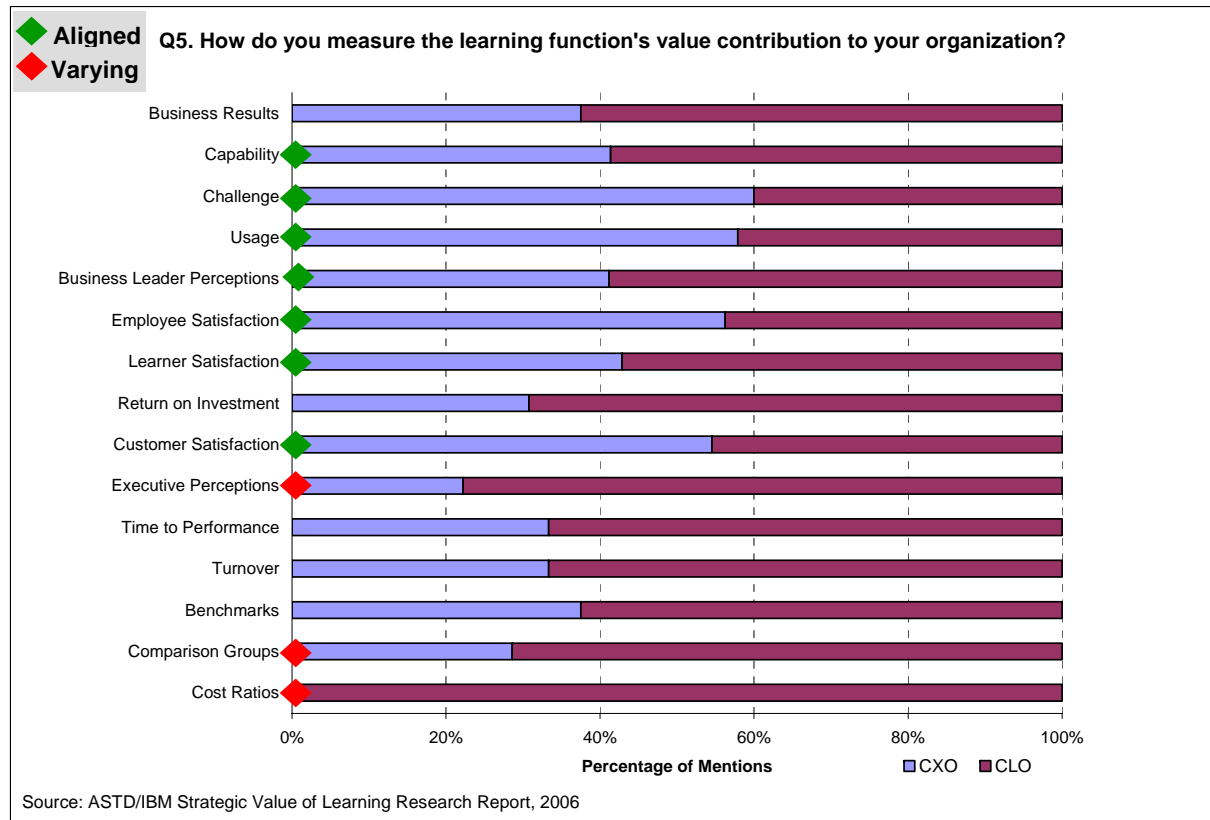
Q5. Response Frequency

- The two most frequently mentioned measures of learning's value contribution were business results (32 mentions) and workforce capability (29 mentions).
- Measures of learning's value contribution that were mentioned between 14 and 20 times included perceptions of business leaders, employee satisfaction with learning and development opportunities in general, learner satisfaction with specific learning programs, and ROI.
- Value contribution measures that received between 6 and 10 mentions included customer satisfaction, executive perceptions, time to performance, turnover, benchmarks, comparison groups, and cost ratios.



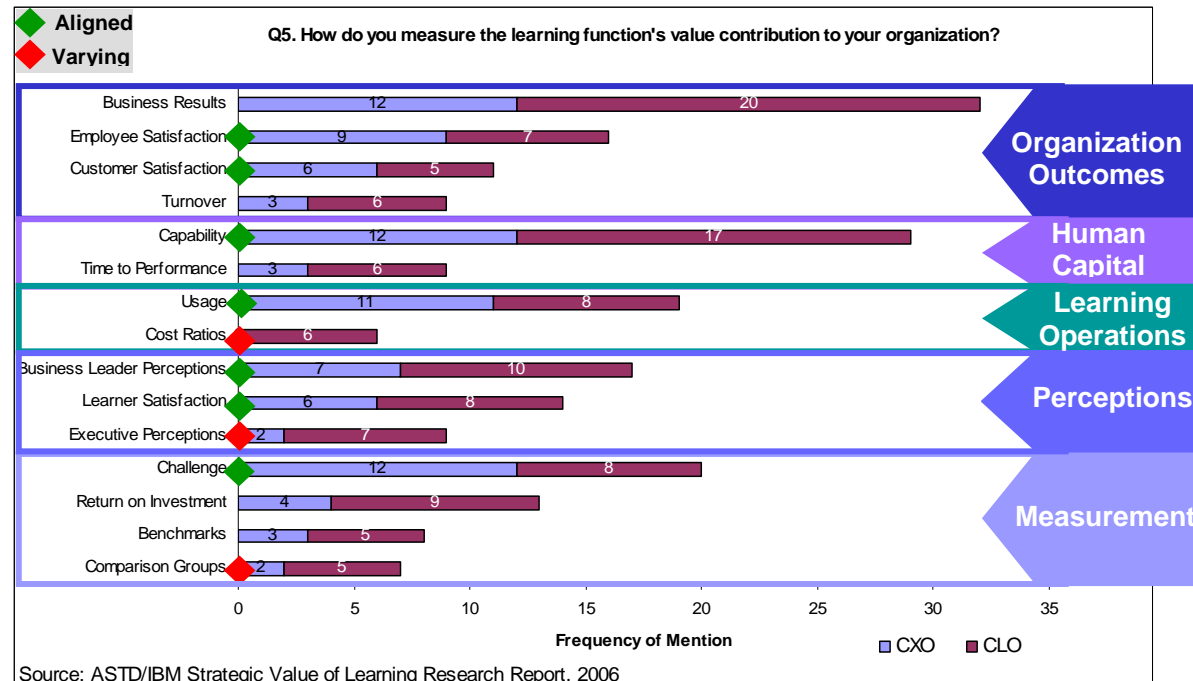
Q5. Response Frequency Alignment

- There was a high level of agreement between CXOs and CLOs on measures of learning's value contribution. The only significant differences were the more frequent mention of executive perceptions, comparison groups, and cost ratios by CLOs.



Q5. Response Framework Interpretation

- Measures of learning's value contribution mentioned by CXOs and CLOs fell into four categories: organizational outcomes, human capital, learning operations, and measurement techniques such as comparison groups, return on investment, and benchmark studies.
- The challenge of isolating learning's value contribution is even greater when learning becomes more integrated with work and when learning is deployed as part of a larger performance improvement solution set.



Q5. Representative Quotes

Q5. How do you measure the learning function's value contribution to your organization?

CXO

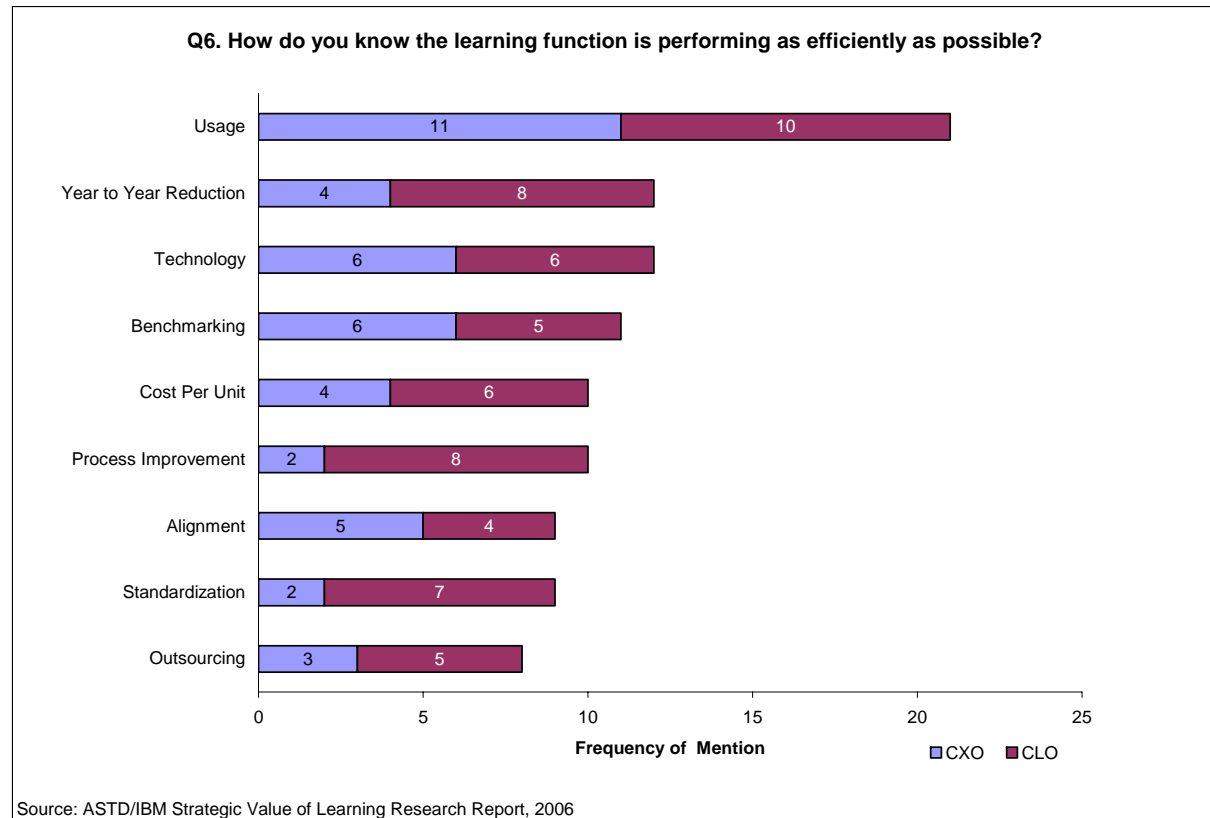
- For hard skills (technical, sales, prospecting etc.) I can measure results because there is a specific set of knowledge and I can see if the employees are performing better. But for the softer skills such as leadership and business creation, it is more challenging to find metrics. Yet it is the soft skills that can move the needle of business performance to a greater extent. Leadership development and business innovation initiatives have no ROI metrics. It is a matter of faith and I believe I see changes and impact due to leadership skills.
- I can tell you how much we spend on learning but not how much value it brings. Right now, feedback and engagement are all we are really looking at. Just because there is no science on demonstrating the value of learning does not mean there should not be. We should be able to show positive correlations between training investment and business outcomes.
- Traditionally we measure the results of training through surveys of the stakeholders; their opinions on quality and effectiveness of learning immediately and later to see the impact on the business unit. We ask if specific outcomes we expected were achieved, for example did the dealer take action.
- Right now I don't know how we measure the value contribution of learning. It is not about hours per employee per year. We need to measure in terms of productivity, boosts in sales and marketing, higher quality, less scrap, lower costs, new products, more flexibility. We need to link training to these results.
- We measure throughput. We don't have pass/fail criteria. We look at performance rankings for each employee and then go back and track improvements in performance or promotion against what training they got.

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- We look at safety metrics. As long as they are improving, then training is credited with effectiveness. We also look at the results of our corporate climate survey, but that is more subjective than objective.
- We have benchmarks of investment but no real way to determine how to add or take away investment in terms of how it impacts the business.
- We got wrapped around an axle showing ROI. Those we play to don't care as much as we do about it. Less is more with metrics.
- Our people's perception is the only leading indicator we have on our corporate dashboard. It provides us with insights on the top two areas that need work from an effectiveness perspective.
- In front of every business initiative there are metrics. Learning needs to be embedded in the deployment of these initiatives and track to those metrics.
- We are moving away from discrete events, so measurement becomes harder. As learning becomes more seamless and integrated it is harder to claim ownership of success.
- We rely on executive perception of the percentage of success of a business initiative that can be attributed to learning and development.
- The metrics are great, but at the end of the day, if you don't have good relationships with your strategic partners in the business, it doesn't matter. You will not be perceived as successful.

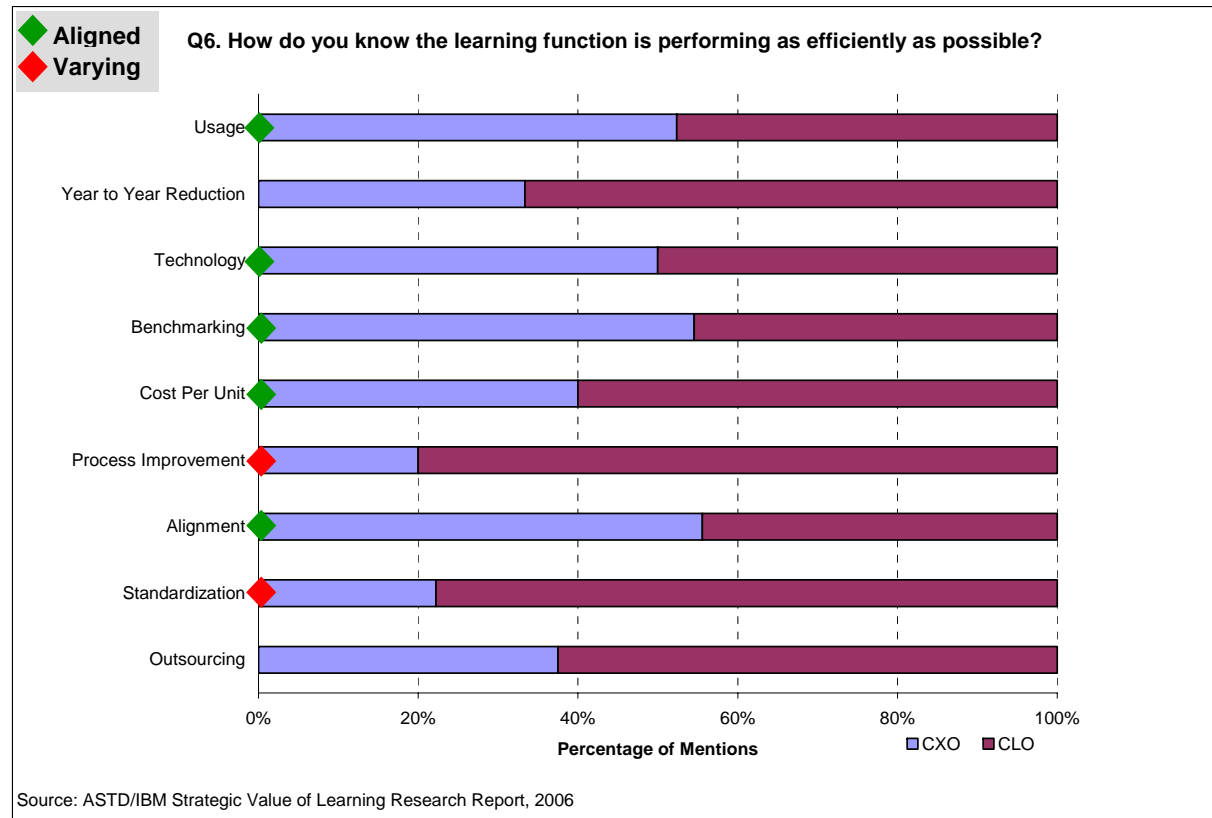
Q6. Response Frequency

- The most frequently mentioned indicator of a learning function's efficiency was usage of learning resources/programs (21 mentions).
- Other indicators of efficiency (with between 8 and 12 mentions) were year to year reduction in learning function costs. Costs per learning unit, process improvements, standardization of learning function practices, outsourcing, and alignment of learning programs with business needs.



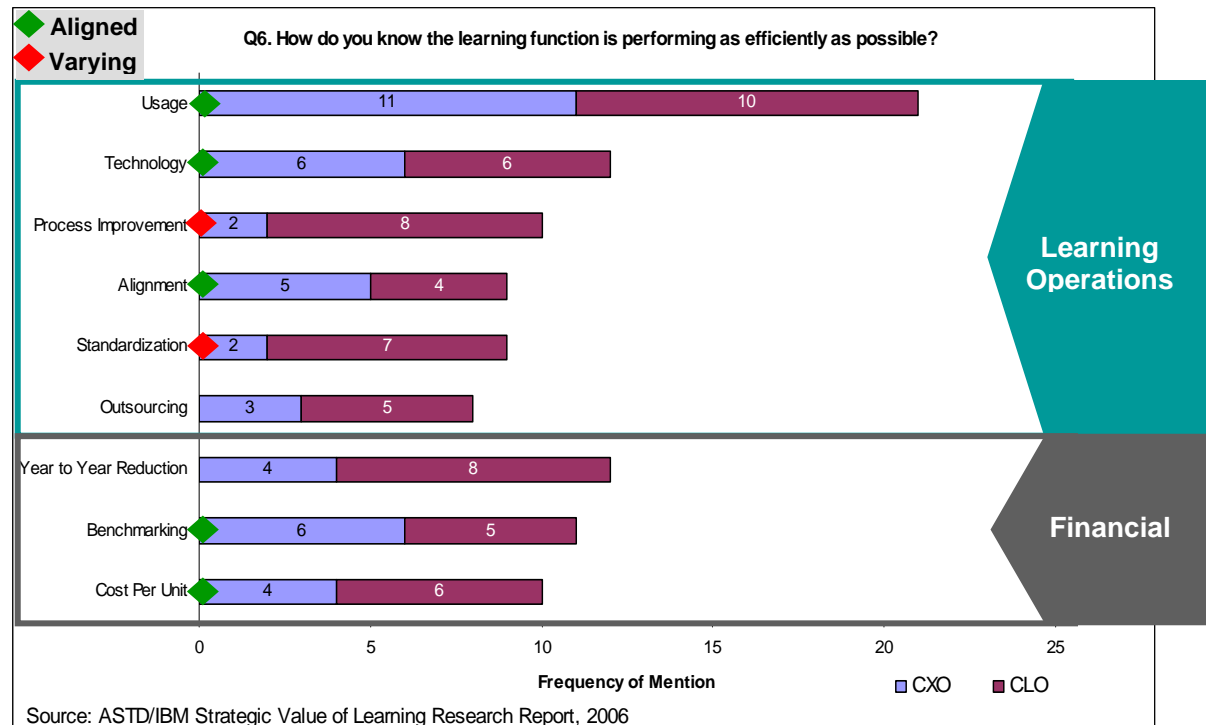
Q6. Response Frequency Alignment

- There was considerable agreement between the CXO and CLO groups on indicators of efficiency. The main difference was the more frequent mention of standardization and process improvement by CLOs. This makes sense because CLOs are closer to the learning function operations than CXOs.



Q6. Response Framework Interpretation

- The indicators of efficiency mentioned by CXOs and CLOs fell into two categories: financial and operations.
- As some of the quotes on the next page illustrate, the learning function is no different from any other business function with regards to efficiency. It is all about doing more with the same or less resources.



Q6. Representative Quotes

Q6. How do you know the learning function is performing as efficiently as possible?

CXO

- Our CLO has a lot of experience assessing our efficiency against external benchmarks. With respect to craft skills we have overspent. We have a Rolls Royce when a Ford will do. We need to make this more efficient and technology will be a big play here.
- As long as the units continue to grow their spend on learning we can assume it is adding value.
- I'd like to see improved use of technology in the production and distribution of learning and also in making absorption more efficient.
- Year to year improvement and unit costs are indicators of efficiency.
- Efficiency of the learning function is demonstrated by its ability to do more with less.
- If we get away from outcomes we can play games like a pound of training versus a pound of cost. How many people did we train and how much did they consume versus how much it cost us to deliver it?
- If we identify our 10 year plan and involve learning partners at points where they need to be involved and hold them accountable, then we are efficient. If we bring them in at the last minute, that is not efficient. If we are reactive versus proactive we are not as efficient as possible.

CLO

- To me it is doing more with less each year, either by having better development standards or design practices that are well honed.
- We look at unit costs to ready an employee, and how many employees we can ready at one time. Are we serving a larger population and do we have a larger portfolio of programs with the same staff?
- Our total spend on learning is down 40% since 2001, but I know that the learning impact has not decreased by 40%.
- We outsource to create a variable cost/staffing model. We have outsourced our LMS, and e-learning design and development but we have kept the learning definition and analysis.
- All parts of the organization are challenged to maximize resources with flat budgets. We are very disciplined around process and automation. We are looking to automate administration, optimize LMS usage.
- We are renowned for Kaizen (continuous improvement); we live that; we do more with less and are as efficient as possible. We have taken great care to avoid duplication of effort.
- We have started realizing massive efficiencies. Instead of having three functions creating content, we do it once and reuse in the other arenas.
- The Learning Council stamps out duplication and standardizes programs.