



High-Impact Learning Culture 2010

Executive Summary

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Introduction

Bersin & Associates is releasing the first comprehensive, grounded look at how an organization’s collective set of values, processes and practices that influence and encourage continuous learning are a substantial factor in both short-term business performance and long-term business growth.



KEY POINT

The 40 defining practices of a high-impact learning culture published in the report relate directly to how the business operates, not how L&D or HR departments operate.

The 40 defining practices of a high-impact learning culture published in the report are not soft or “touchy-feely.” Most relate directly to how the business operates, not how L&D or HR departments operate. Choosing to build a strong learning culture is a business strategy, not just a training and HR strategy. Its impact on the business is significant and measurable. Without a strong set of cultural practices, even the most well-designed and well-intentioned learning strategy, organizational structure and well-designed learning programs will fall short of meeting desired needs.

The good news is that learning culture *can* be changed – and for the better. However, effecting this change requires collaboration with business leaders. This report is an actionable¹ guide for where and how to best begin that collaboration – including how best to weave a focus on strengthening learning culture into and in support of existing learning programs. In short, this study contains data-driven best practices and detailed case studies capturing *WhatWorks*® for building a strong culture of learning today.

Corporate learning leaders interested in driving real business impact will want this report at-hand, as the companion piece to our previous studies, *High-Impact Learning Organizations*² and *High-Impact Learning Practices*³.

¹ “Actionable information” provides data that can be used to make specific business decisions. Actionable information is specific, consistent and credible.

² For more information, *The High-Impact Learning Organization: WhatWorks® in the Management, Governance and Operations of Modern Corporate Training*, Bersin & Associates / Josh Bersin, May 2008. Available to research members at www.bersin.com/library or for purchase at www.bersin.com/highimpact.

³ For more information, *High-Impact Learning Practices: The Guide to Modernizing Your Corporate Training Strategy through Social and Informal Learning*, Bersin & Associates / David Mallon, July 2009. Available to research members at www.bersin.com/library or for purchase at www.bersin.com/hilp.

Overview of This Research



KEY POINT

This research is designed to help managers and executives in L&D, HR and the business understand how to make culture a “multiplier” of business success, not an obstacle.

In this study, we used our *WhatWorks*® methodology to provide tools for first, defining and identifying the existing practices and elements of learning culture (*and we have an assessment to help with this*); and, second, taking action to improve these practices and processes to drive toward a “high-impact” culture. This research is designed to help managers and executives in L&D, HR and the business understand how to make culture a “multiplier” of business success, not an obstacle.

From our *High-Impact Learning Organization* research⁴, we know that learning can impact the business. We also know that learning culture is strongly predictive of a high-impact learning organization. Therefore, we made the logical hypothesis that a strong learning culture directly affects business results.

At the heart of this report are 40 such practices which we believe are the defining, observable evidence of a high-impact learning culture. These 40 fall into the following six categories.

1. Building Trust
2. Encouraging Reflection
3. Demonstrating Learning’s Value
4. Enabling Knowledge-Sharing
5. Empowering Employees
6. Formalizing Learning As a Process

The following details how, through our research, we captured these practices (and categories).

- Deployed an in-depth survey to approximately 40,000 training, HR and business leaders. We asked respondents to rate themselves according to a much longer list of 94 possible practices that we hypothesized could be a component in an organization’s learning culture and, according to certain business outcomes, could be important to most organizations (Figure 1).

⁴ For more information, *The High-Impact Learning Organization: WhatWorks*® in the Management, Governance and Operations of Modern Corporate Training, Bersin & Associates / Josh Bersin, May 2008.

Figure 1: Business Performance Measures Included in This Study

Business Outcomes	
Employee Productivity	Ability for employees to do more with less.
Innovation	Ability to create new products, services and processes that are better than previous.
Learning Agility	Ability to adapt to market changes and to take full advantage of new opportunities.
Workforce Expertise	Ability to maximize the percentage of employee experts.
Time to Market	Ability to get products out faster.
Market Share	Ability to win over competition in the market.
Customer Responsiveness	Ability to respond to immediate customers' needs quickly and efficiently.
Customer Satisfaction	Ability to solve customers' problems to their expectations.
Customer Input	Ability to capture and act on customers' needs
Cost Structure	Ability to operate efficiently and to continuously reduce costs.

Source: Bersin & Associates, 2010.

- We compared learning culture practice responses to 10 performance measures. We use a variety of statistical tools to understand which dimensions were significant, both in terms of their effects on overall variance in the data (*in other words, they caused some amount of substantial separation between the "goods" and the "not-so goods"*) and in their direct impacts on the business outcomes.
- We culled the overall list of candidate dimensions to those with the most business impact.
- We interviewed organizations with demonstrably strong learning cultures, facilitating our capture of the best practices discussed in the report.

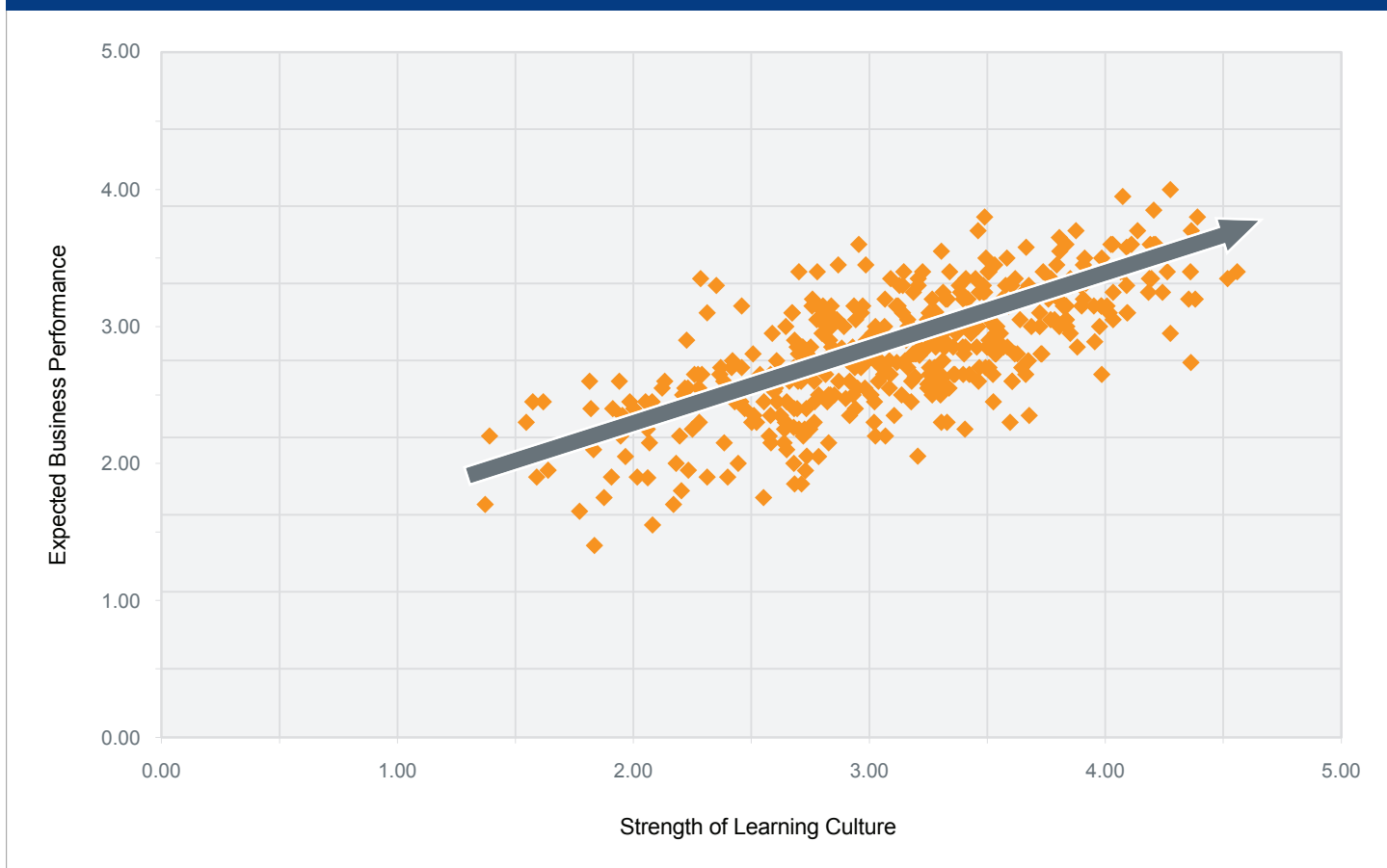
Top Key Findings

1. Working to Create a Strong Culture of Learning Is a Business Strategy That Deserves the Attention of Senior Leadership.

In Figure 2, the trend line is clear. There is a direct positive correlation between culture and business performance. Our data shows that learning culture, represented by the 40 high-impact learning culture practices, directly accounts for 46 percent of overall improved business outcomes.

As companies like Aetna, Brownshoe, ING Direct, Extra Space Storage and Keller Williams Realty can attest, the culture of learning of the

Figure 2: Relationship of Overall Learning Culture to Overall Business Outcomes



Source: Bersin & Associates, 2010.

organization can and does impact the business; cultivating a strong value of learning is essential to their business success.

2. Organizations Can Intentionally Strengthen Their Learning Culture by Implementing Very Specific Practices.



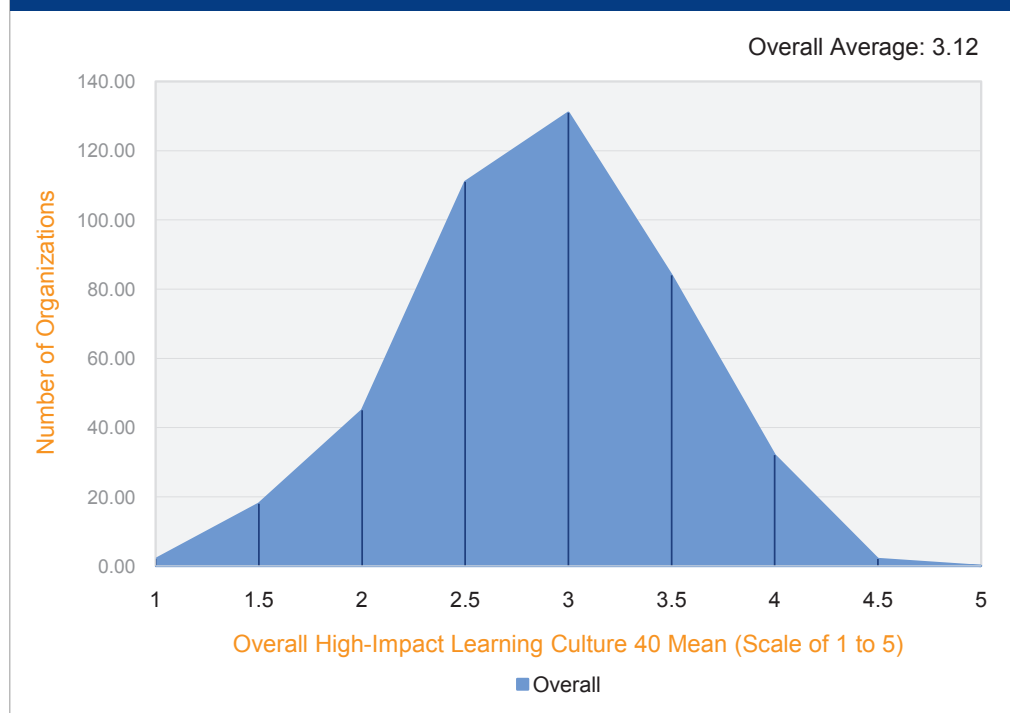
KEY POINT

Learning cultures can be improved by focusing on the Bersin & Associates 40 High Impact Learning Culture® practices.

Our data shows that most organizational learning cultures today are mediocre (see Figure 7). While change in culture of any sort is always measured in large blocks of time, the good news is that **learning culture can be changed**. The stories of most of the organizations studied for this report had a similar beginning, *“It was not always this way, but then we started to do...”*

Organizations can improve their culture by focusing on the 40 High-Impact Learning Culture practices – and they can assess their current state against these 40 practices with the **Bersin & Associates High-Impact Learning Culture Assessment™**.

Figure 3: Distribution of Overall Means for the Bersin & Associates 40 Best Practices of a High-Impact Learning Culture®



Source: Bersin & Associates, 2010.

We will introduce to you to **seven actionable strategies** for building and maintaining a strong culture of learning, culled from the best ideas currently in use by the companies we studied. Some (such as better leveraging the opportunities presented by leadership development and onboarding programs) are more defined and easy to implement than others. Rest assured, all are well within reach of most learning and HR departments.

3. Leadership and Management Must Drive the Development and Reinforcement of Learning Culture.

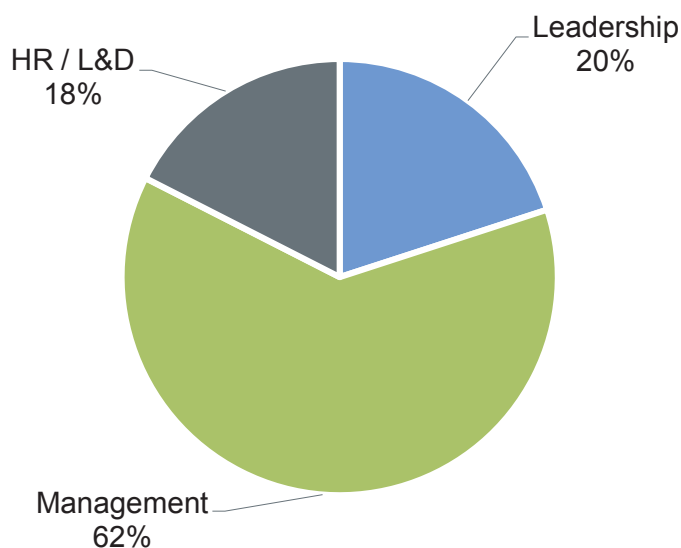


KEY POINT

HR and L&D need to win over leadership and management, because it is these groups that will own most of the levers with which learning culture can be improved.

Of course, many elements of a learning culture are outside of the direct scope of authority of most L&D or HR organizations. Of the 40 high-impact practices we found, 25 must be owned by line management, eight must be owned by top leadership, and seven can be totally owned by HR or L&D. (*For a complete breakdown of practices and their owners, see the section entitled, “40 Best Practices of High-Impact Learning Culture.”*) L&D and HR have a clear support role to play in those owned by the organization’s senior leadership and front-line management, but ultimate success in this regard will require collaboration.

HR and L&D need to win over leadership and management, because it is these groups that will affect the most change. They can train, facilitate and encourage leadership and management, but cannot fully own the quality of an organization’s learning culture. Almost all of the leading organizations interviewed for this study are using this strategy. Some of those featured in this study include Brownshoe, Extra Space Storage, ING Direct, Nationwide Insurance, Telus, Bank of New York Mellon and Cisco.

Figure 4: Primary Owner for the 40 High-Impact Learning Culture Practices

Source: Bersin & Associates, 2010.

★ BEST PRACTICE

Different practices of learning culture have varying degrees of impact on each individual business outcome. Organizations should vary their learning culture strategies to match the outcomes of most importance to them.

4. Not All Learning Cultures Are the Same: The Specific High-Impact Learning Culture Practices in Focus for Each Organization Will Vary by Business Strategy.

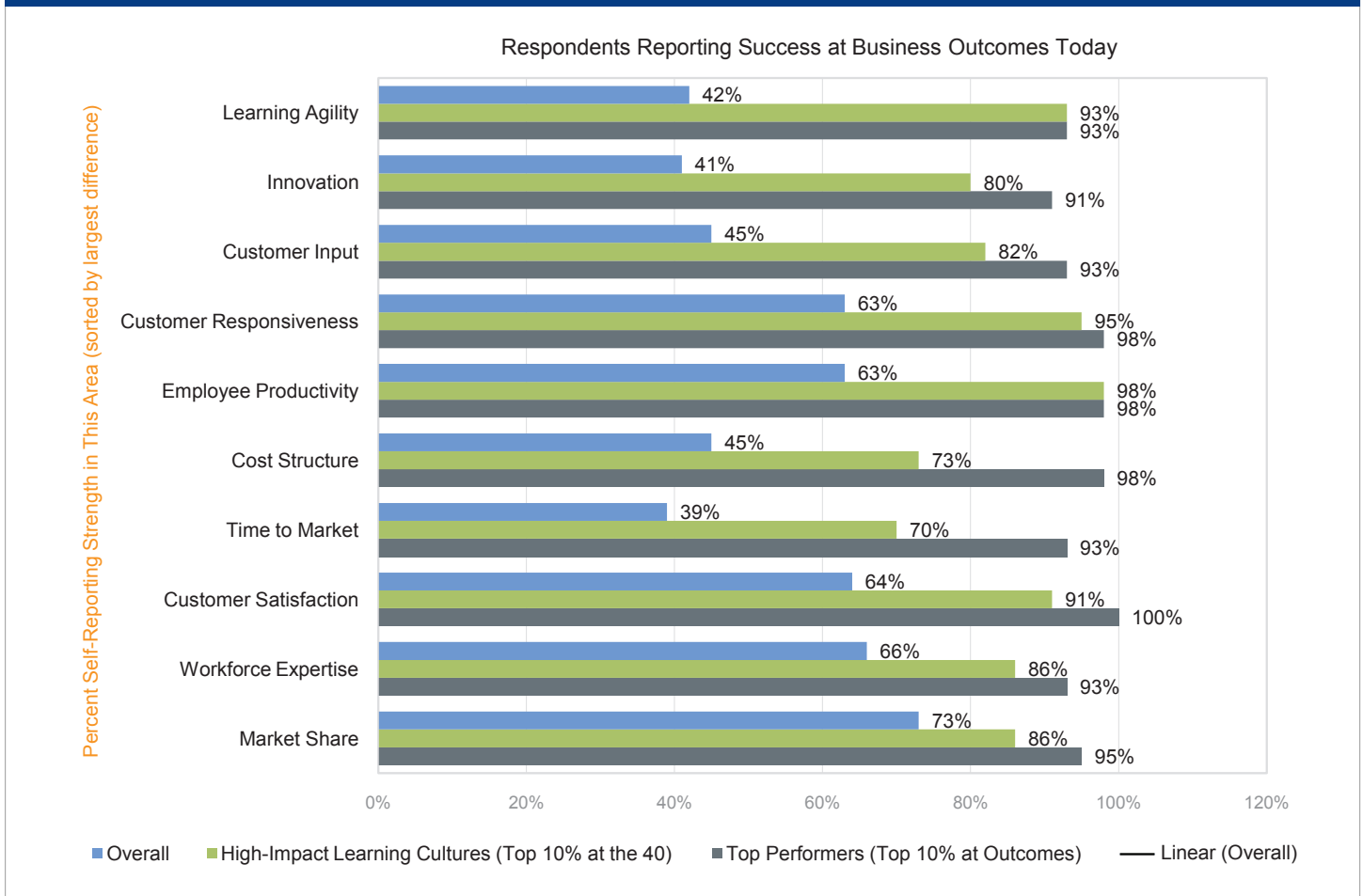
Different practices of learning culture are more or less important for each individual business outcome. Since every organization is different, and has its own unique circumstances, goals and objectives, each organization's approach to cultivating a strong culture of learning will also be different – stressing different practices over others.

For instance, organizations which are focused on product innovation and excellence benefit from practices in the areas of empowerment and reflection (single- and double-loop learning). Companies that drive business value by being a low-cost producer benefit most from enabling knowledge-sharing throughout the organization. While all of these practices add significant value, it is important for leaders to select the right practices for their individual business strategies.

5. High-Impact Learning Culture Practices Create Greater Business Efficiency.

Our data (Figure 5) shows measurable financial impact on *employee productivity, efficiency and cost*. Ninety-eight percent of current organizations with strong learning cultures (*the organizations measuring in the top 10 percent overall for our 40 High-Impact Culture Practices*) reported strength in employee productivity, 37 percent more than their peers; and 73 percent reported high-cost competitiveness, 34 percent more than other companies. Analyzing this relationship further, we can predict that an organization moving from weak to strong overall in High-Impact Learning Culture Practices should expect to improve in these two outcomes by 52 percent and 50 percent, respectively!

Figure 5: Performance of Current High-Impact Learning Cultures Versus the Rest

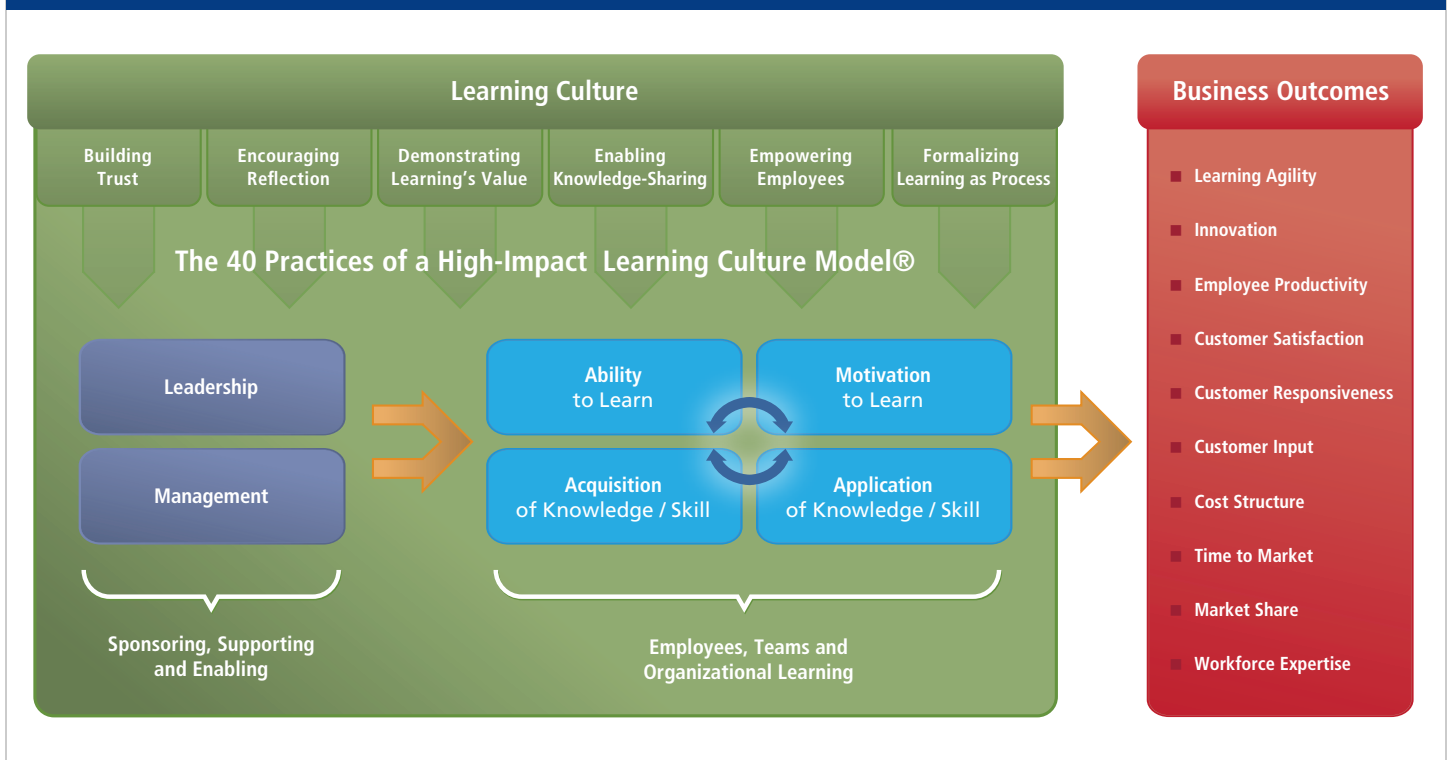


Source: Bersin & Associates, 2010.

Bersin & Associates High Impact Learning Culture Model®

We provide a formal definition for learning culture in the full report, developed using a *systems thinking*⁵ approach. We examine learning and learning culture as a holistic process, seeking to understand how all of the component parts influence one another within a whole.

Figure 6: Bersin & Associates High-Impact Learning Culture Model®



Source: Bersin & Associates, 2010.

⁵ "Systems thinking" has been defined as an approach to problem solving, by viewing "problems" as parts of an overall system, rather than reacting to specific parts, outcomes or events, and potentially contributing to further development of unintended consequences. Systems thinking is not one thing, but a set of habits or practices within a framework that is based on the belief that the component parts of a system can best be understood in the context of relationships with each other and with other systems, rather than in isolation. Systems thinking focuses on cyclical rather than linear cause and effect. Source: http://en.wikipedia.org/wiki/Systems_thinking.

**KEY POINT**

We examine learning and learning culture as a holistic process, seeking to understand how all of the component parts influence one another within a whole.

This overall Learning Culture Model contains a continuous process for learning itself (light blue boxes at center-right), including:

- The stars of the process – the learner(s), including employees, teams and the entire organization; and,
- A repeating series of actions that are learning itself – acquiring and applying new knowledge and skill.

Surrounding the process of learning is:

- The whole organizational environment of influences that affect and provide inputs to the system (the green bar and set of boxes at the top, and the green field surrounding everything on the left) – aka: the **learning culture**;
- The primary influencers (dark blue boxes at center-left) within the environment that own and are responsible for most of the ways that the organization affects learning – the organization’s **leadership and management**; and,
- The desired outputs of this system (red column on the right) – measurable **business performance outcomes**.

Key Questions This Research Answers

- What is “learning culture?”
- What are the defining practices of a strong culture of learning?
- What learning culture practices have the greatest impact on business performance?
- What practices / activities / behaviors / norms within the organization have the greatest effect on organizational learning?
- What should the role of business leaders, L&D, HR and the individual employee each be in building a strong learning culture?
- Where should leaders in the business, L&D and HR focus their time and efforts in order to best improve learning culture?
- How have leading organizations strengthened their own learning culture?

What Problems Will This Study Address?

After reading this report, organizations will understand how to do the following.

- Communicate the importance of a strong culture of learning to the organization’s overall business success and its success at specific, critical business outcomes.
- Assess the organization’s strengths and opportunities for improvement with regard to learning culture.
- Determine who owns each practice of learning culture (e.g., senior leadership, management, or L&D / HR).
- Determine which practices of learning culture are the most effective leverage points for business leaders, senior L&D leaders and senior HR leaders to actively address and where to start first.
- Devise strategies for improving specific aspects of learning culture.

Report Features

- Our definition for learning culture.
- The Bersin & Associates High-Impact Learning Culture Model®.
- The 40 Bersin & Associates High-Impact Learning Culture Practices®.
- Practical examples of success for each High-Impact Learning Culture Practice.
- Actionable guidance for improving or implementing each practice.
- Detailed case studies of successful applications of each practice.
- Seven ways for L&D / HR to “get started” improving the overall learning culture.

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About Us

Bersin & Associates is the only research and advisory consulting firm focused solely on *WhatWorks*® research in enterprise learning and talent management. With more than 25 years of experience in enterprise learning, technology and HR business processes, Bersin & Associates provides actionable, research-based services to help learning and HR managers and executives improve operational effectiveness and business impact.

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