



**FOSWAY  
GROUP**

# Maximising The Business Impact Of Learning

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**Moving beyond evaluation and embracing impact as a central ethos for L&D**

*With all the change and new technology options available in learning and development, it is sometimes easy to focus only on the 'what?' and the 'how?', but not on the 'why?'. Learning should be a strategic investment that drives business performance and builds business capability. But how do you measure the impact it really has, or go about truly maximising that impact?*

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# Why is this important?

## An old question but a new challenge

- Questions about measuring the impact of learning are not new, they have been around for decades. L&D is often asked to show how it measures its effectiveness or prove the value of what it does. But now there is a new challenge, to optimise and maximise the impact learning has in the business. This is no longer an issue of just measurement, but of focus, engagement, execution and evidence.

## Moving beyond Kirkpatrick and ROI

- The standard L&D response to discussions of impact has been to reach for Kirkpatrick's model for evaluating the effectiveness of training, designed originally in 1959. Structured into four main levels – reaction, learning, behaviour and results, Kirkpatrick is the standard reference point for evaluation across the learning industry. Corporate L&D departments reference it, as do training companies, and the learning world has been besotted with the infamous KP level 1 'reactionnaires' – popularly known as happy sheets.
- But whilst L&D might like this, no one else does. The majority of evaluation information is only shared within the L&D department itself, and if it is reported to business leaders, they generally don't even read it. Whether for good or bad, business leaders are not interested in happy sheet scores. They are interested in whether people sell more, are competent on the job or make better business decisions. Business leaders care about business outcomes and metrics - not learning outcomes and metrics. L&D has to recognise this, otherwise it risks obsolescence. Quoting a nearly 60-year old learning orthodoxy is not going to change that. This realisation is starting to dawn on learning professionals. In the 2017 [Digital Learning Realities research](#), over 1100 of them indicated that broader business metrics are becoming the most important measures of success,



including increased employee capability (69%), employee engagement and advocacy (43%) and delivering regulatory compliance (37%). But more needs to be done.

- Even discussion of return on investment (ROI) doesn't really concern business leaders as they see ROI as artificial unless it tangibly aligns with hard business metrics. The issue with ROI is not the calculation. That part is actually simple - it's the data that isn't. L&D has always struggled with quantifying benefits, even when they are self-evident. The other issue is attribution; who can prove that the resulting change came from the learning and not from some other factor, such as management focus or market changes? No, ROI is a nice idea but not a practical option for the majority of learning needs unless you invent the benefits, and they, typically, are not business credible. The question that should be asked more, is what is the ROI of calculating the ROI?

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*ROI? The calculation is simple, it's the data that isn't!*

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## Learning is not an event!

- If learning evaluation was tricky for training when it ran mainly classroom-based instructor-led sessions, think how tricky it is in the modern world of digital learning, on-the-job performance support and social collaboration! In the 21<sup>st</sup> century, learning is not an event, it should be an experience - or more accurately a blend of processes, opportunities and engagement across many channels and components. This can be illustrated by the Fosway Learning Ecosystem model (below) which highlights the wide range of options L&D now has at its disposal when designing learning experiences. These should now consist of many strategies, many contexts and many outcomes. Measuring impact across this multitude of different channels and components is part of the challenge facing L&D.



Fosway Learning Ecosystem Model

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# What should you do?

## Stop the habit of delivery and develop a habit of impact

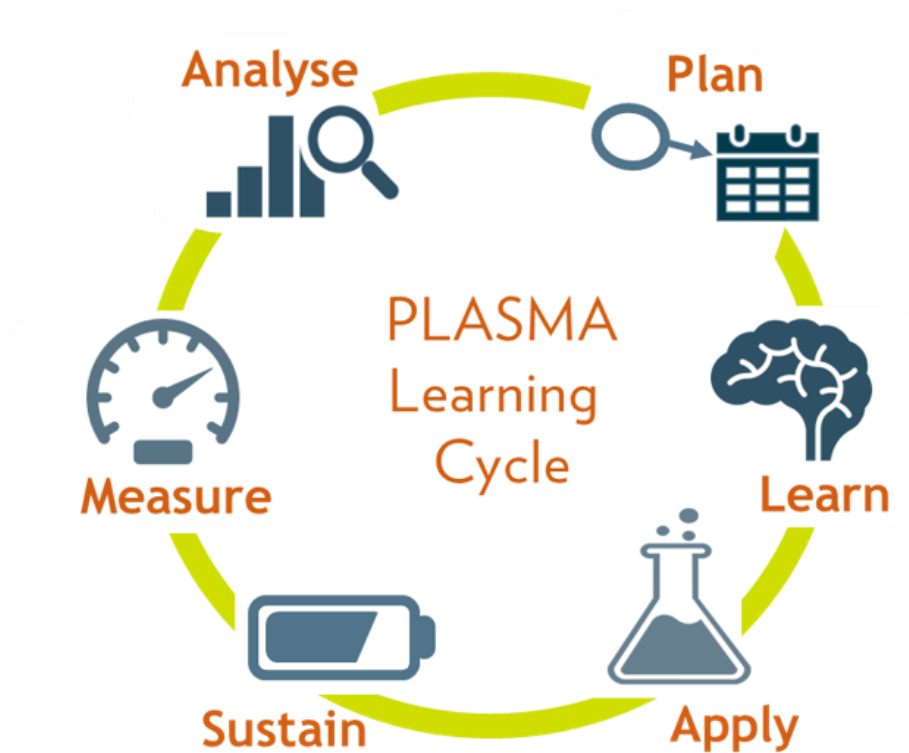
- Firstly, we have to break L&D’s habit of delivery; the obsession with running events, workshops training courses, and now taking orders for e-learning and other types of learning solution. L&D has tended to measure its success in terms of activity – number of events run, student days booked, courses completed, and happy sheets returned. We need to change this and instead develop a habit of **impact** – does what we do deliver a positive result, both for the learner and the



business? This can be measured in different ways but if it doesn't make a difference, we shouldn't do it.

## Build impact into L&D's engagement process and ethos

- Whatever methodology you use, make sure impact is at the core of it. Move away from measurement at the end, and focus more on understanding the impact or value you're ultimately aiming for, then build it explicitly into the design and execution of what you do. Impact should be central to all stages of the learning lifecycle, from beginning to end.
- From a Fosway perspective, we use the PLASMA model to put this into practice: Plan, Learn, Apply, Sustain, Measure, Analyse.



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**Plan** = What do I need to know, understand, be able to do?

**Learn** = How can I learn that knowledge, develop that skill, build that proficiency? (Acquire, Practise)

**Apply** = How am I using my learning? (Do)

**Sustain** = What am I doing to consistently achieve the right levels of skill and performance? (Be)

**Measure** = How well am I doing? Am I on / off target?

**Analyse** = Where should I be going next?

## Be predictive, not just retrospective

- The point of impact is surely not about measuring what you have done, but in designing better ways of doing things in the future. Too much of the discussion about evaluation is retrospective. Instead, L&D needs to look at impact in a predictive way – i.e. if we do this, what will this lead to? The shift from past to future (inherently via the present) also makes L&D more of a proactive business improvement function as well as a reactive development one, and that should be positive.

## Where possible, relate to real business measures

- Influencing business leaders means talking to them on their terms, not yours. Whilst much learning evaluation activity is laudable, it is ultimately pointless if the business doesn't value what you tell them. To do that, you need to relate what you do and what you deliver back to the measures of activity, performance and outcomes they already use. It doesn't mean they are right, but it is likely to be more effective in getting their attention and buy in.

## Embrace the promise of analytics

- Analytics is a catch-all term used to mean tools that analyse business data to identify meaningful patterns and create actionable insights. Analytics is really hot right now – **with 92% of HR leaders identifying it as a key lever for success** – because of what it promises; analysing people and learning data alongside business data to identify potential relationships and insights, such as the correlation



between learning activity and business outcomes, or the relative effectiveness of different learning strategies.

- From a learning impact perspective, this could be the holy grail, but it could also become your bête noire! Analytics might just be the tool that L&D has been waiting for; automatically enabling the analysis of learning activity data and a myriad of business process data or KPIs and producing hard evidence that one drives the other. Alternatively, it might just prove the opposite, that a lot of learning activity is not making a difference, leading to the likely outcome that we should stop doing it or do it differently. Either way, L&D has no choice but to engage positively and embrace the promise of analytics and use what it learns to improve the way L&D works and what it does.

## Recommended Fosway reading

For further Fosway analysis relating to this topic, please see the following papers or resources.

- [Digital Learning Realities Research 2018](#)
- [Digital Learning Realities Research 2017](#)
- [Core Insights: Delivering Next Gen Learning Engagement](#)
- [PLASMA Learning Cycle](#)
- [PLASMA Learning Cycle Checklist](#)
- [Showing The Impact Of Learning Painlessly \(Almost!\)](#)
- [HR Realities Part 4: HR Analytics](#)
- [What Are Your Measures Of Success?](#)



# Accelerate and De-risk

To talk to us about our research on learning and talent systems, or to discuss what it might specifically mean for your organisation please contact us directly.

We will use our independent expertise to provide you with the guidance you need to accelerate and de-risk your decisions. We have a wealth of experience, tools, research and profiles at our disposal. We don't have any products to sell and we have no vested interest to bias your outcomes. We concentrate on pragmatic, independent advice.

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Fosway Group is Europe's #1 HR Analyst focused on Next Gen HR, Talent and Learning. Founded in 1996, we are known for our unique European research, our independence and our integrity.

For over 20 years, we have been analysing the realities of the market, and providing insights on the future of HR, Talent and Learning. Fosway analysts work extensively with our corporate clients to understand the inside story of the challenges they are facing, and their real experiences with next gen strategies, systems and suppliers. Our independent vendor analysis also provides a vital resource when making decisions on innovation and technology.

And just like the Roman road we draw our name from, you'll find that we're unusually direct. We don't have a vested interest in your supplier or consulting choices. So, whether you're looking for independent research, specific advice or a critical friend to cut through the market hype, we can tell you what you need to know to succeed.

**Example clients include:** Alstom, Aviva, Boots UK, BP, BT, Centrica, Deutsche Bank, Faurecia, HSBC, International SOS, Lloyds Banking Group, Novartis, PwC, Rolls-Royce, Royal Bank of Scotland, Sanofi, Shell, Swiss Re, Telefonica, Thomson Reuters, Toyota Europe, and Vodafone.

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