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Engagement Through Workplace Learning

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THE IMPORTANCE OF WORKPLACE LEARNING FOR PERFORMANCE AND ENGAGEMENT

It makes good business sense to focus on exploiting learning in the workplace⁴.

Learning in the workplace not only increases organizational performance and productivity, but it increases engagement and retention, too.

Evidence suggests workplace learning is even more important than formal learning for creating value for our organizations.

These are not new insights, but there is an increasing imperative to address them as the speed and complexity of business increase and demands for the right solutions delivered at the right time become even more critical.

Gallup's 2017 *State of the American Workplace* report⁵ found levels of employee engagement to be at a nadir – reporting just 33 percent of US employees as 'engaged' against 70 percent in the world's best organisations. Gallup identified 12 elements that drive engagement, all of which can be addressed through a focus on workplace learning (the '70' and '20' in the 70:20:10 performance framework) and support by managers.

Gallup's 12 Elements of Engagement

I KNOW WHAT IS EXPECTED OF ME AT WORK.	AT WORK, MY OPINIONS SEEM TO COUNT.
I HAVE THE MATERIALS AND EQUIPMENT I NEED TO DO MY WORK RIGHT.	THE MISSION OR PURPOSE OF MY COMPANY MAKES ME FEEL MY JOB IS IMPORTANT.
AT WORK, I HAVE THE OPPORTUNITY TO DO WHAT I DO BEST EVERY DAY.	MY ASSOCIATES OR FELLOW EMPLOYEES ARE COMMITTED TO DOING QUALITY WORK.
IN THE LAST SEVEN DAYS, I HAVE RECEIVED RECOGNITION OR PRAISE FOR DOING GOOD WORK.	I HAVE A BEST FRIEND AT WORK
MY SUPERVISOR, OR SOMEONE AT WORK, SEEMS TO CARE ABOUT ME AS A PERSON	IN THE LAST SIX MONTHS, SOMEONE AT WORK HAS TALKED TO ME ABOUT MY PROGRESS
THERE IS SOMEONE AT WORK WHO ENCOURAGES MY DEVELOPMENT.	THIS LAST YEAR, I HAVE HAD OPPORTUNITIES AT WORK TO LEARN AND GROW.

WORKPLACE LEARNING WORKS

In 2009, The Corporate Executive Board published finding(3) of a 300 percent increase in performance and a 262 percent increase in engagement (as reported by managers) from employees who were exposed to high levels of on-the-job learning opportunities against those who were not exposed to, or didn't take, such opportunities. 'High levels' were defined as eleven or more on-the-job learning activities in the month prior to the study.

In 2010, Bersin & Associates (now Bersin by Deloitte) reported(2) that:

THESE FORWARD-THINKING LEARNING ORGANIZATIONS UNDERSTAND THAT MOST LEARNING WITHIN TODAY'S WORKPLACES HAPPENS IN SUBTLE AND INFORMAL WAYS.

THE ECONOMICS OF WORKPLACE LEARNING

Research from outside the HR/L&D sphere has found that supporting learning from work is critical for organizational learning and improvement.

Critically, research carried out by economists points to the fact that learning from work is as important, if not more important, than formal training for both engagement and performance.

The Research Centre for Education and the Labour Market (ROA), a European research body in The Netherlands, has been studying the roles and impact of formal and informal workplace learning since 2004 and it, too, has found that most learning occurs in the flow of work.

ROA research(2) found that workers spend an average of twenty-one hours a year on formal courses and other training, and 484 hours on informal learning – a 96 to 4 percent split in terms of time. This huge difference alone makes it obvious that informal learning is more relevant. But in the ROA study respondents also reported they learned about the same from eight hours of formal training as from eight hours of informal learning. In other words, learning output is the same in both cases.

As a result, De Grip(4) concludes that with equal learning output and a ratio of 96 to 4 percent, informal learning is much more important than formal. De Grip says:

RECENT STUDIES FIND THAT MUCH OF THE PERFORMANCE OF NEWLY HIRED WORKERS IS DRIVEN BY LEARNING BY DOING OR LEARNING FROM PEERS OR SUPERVISORS IN THE WORKPLACE. DESCRIPTIVE DATA SHOW THAT WORKERS LEARN A LOT FROM THE VARIOUS TASKS THEY PERFORM ON THE JOB INFORMAL LEARNING IS FAR MORE IMPORTANT FOR WORKERS' HUMAN CAPITAL DEVELOPMENT THAN FORMAL TRAINING COURSES.

These findings, along with others that come to the same conclusions, are too important to ignore.

Other economists have reported the importance of workplace learning for decades

LEARNING IS THE PRODUCT OF EXPERIENCE. LEARNING CAN ONLY TAKE PLACE THROUGH THE ATTEMPT TO SOLVE A PROBLEM AND THEREFORE ONLY TAKES PLACE DURING ACTIVITY.

Kenneth Arrow

'The Economic Implications of Learning by Doing'
Nobel Prize in Economic Sciences (1972)

WE LEARN BY DOING. WE LEARN HOW TO PRODUCE MORE EFFICIENTLY BY PRODUCING – AND AS WE PRODUCE, WE OBSERVE HOW WE CAN DO IT MORE EFFICIENTLY.

Joseph Stiglitz

'Creating a Learning Society'
Nobel Prize in Economic Sciences (2001)

Experience is our greatest teacher, and if we don't create effective ways to learn from our work experiences we are limiting the potential for *organizational learning* – that is the ability of our organizations to respond rapidly to changing circumstances, behave in an agile way, foresee potential opportunities and challenges based on past experiences, and so on.

However, most of spend is still on formal training. Based on its own research and US Bureau of Economic Analysis data, *Training Industry* reported 2016 global training spend(10) at \$359.3bn(7). Data suggests training spend in the USA surged a further 32 percent by 2017(9).

Put simply, we don't know how much of the spend on formal training and development is contributing value to our organizations. Randomized controlled trials are rare in corporate education, so the only useful measures we can use are based on indirect stakeholder metrics and opinions. People are trained, organizational performance improves (or doesn't). We make the assumption that the training had impact (or didn't). Then we move on – often to do the same we've been doing in the past.

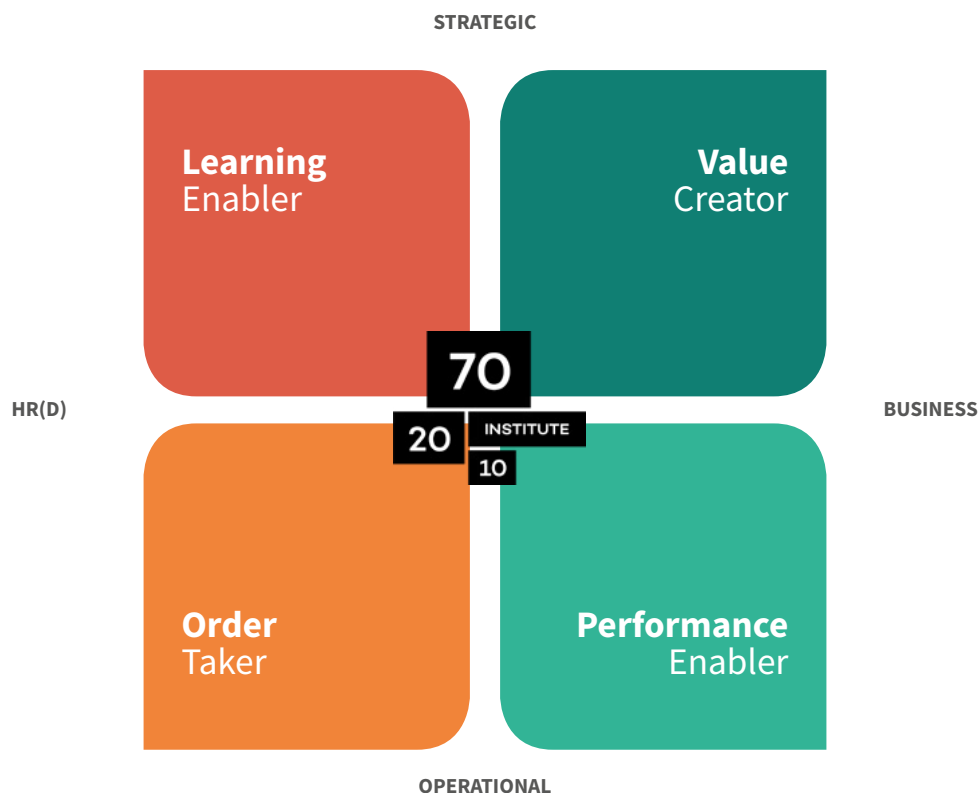
'REFRAMING' L&D SERVICES FOR IMPACT AND INTERNAL ENGAGEMENT

It is becoming increasingly clear that the status quo is not an option in a world where leaders expect their HR and L&D departments to contribute to improved business performance and increased employee engagement in a tangible way.

L&D will only succeed to meet both these expectations by *reframing* to focus on learning from working. Significant changes are required in order to achieve this goal

THE ROLE OF 70:20:10 IN LEARNING FROM WORKING

The 70:20:10 model helps this change process by moving the focus from learning to performance. This is best explained by the new Four L&D Business Models¹¹⁾ developed by Arets with colleagues at the 70:20:10 Institute.



Most L&D practices are focused on the left-hand side of the model. This is not surprising as L&D has, until recently, been focused on building 'learning solutions' and looking to measure 'learning value' rather than business value.

Business Model 1 above (the Order Taker) works this way by providing formal learning solutions in response to 'orders' from internal customers. Under the motto "If you want it, we've got it", L&D

ensures that learning solutions are available to match client demand.

The Order Taker also makes the service provision as simple and efficient as possible, offering no complex training analysis, theoretical models or evaluations, but a detailed professional catalogue of the formal learning solutions available.

Business Model 2 (the Learning Enabler) uses educational advice as the core of L&D services. The Learning Enabler is responsible for organizing the intake, analysis, implementation and evaluation processes required to maintain the professional quality of learning provision. The Learning Enabler engages in dialogue with the client, using educational analysis to establish whether a formal or other learning solution is the best response to the question. Effective learning analysis also establishes the target group's needs and matches the program to these needs.

As well as a professional catalogue, the Learning Enabler often also works within learning landscapes or a learning and performance ecosystem. In practice, the main strength of the Learning Enabler lies in the provision of professional, formal online and offline learning. The focus is clearly strategic, ensuring that the learning provision reflects the organization's overall priorities. This is the best way of reconciling learning with organizational development.

Business Model 3 (the Performance Enabler) implements the operational and other priorities of the business. The services provided focus entirely on helping teams and individuals to work better, make continuous improvements, and learn from these. The emphasis on the business is the result of adopting a perspective on working and learning that is not purely educational. Very few L&D departments currently work this way, although many feel they do.

The Performance Enabler analyses the organization's systems and does not regard learning solutions as the only response to business problems or opportunities. The Performance Enabler is closely linked to the five roles within the 70:20:10 methodology(1).

Business Model 4 (the Value Creator) works by expanding the service to the whole spectrum of 70:20:10 provision. The Value Creator implements management's strategic priorities, offering more than formal learning solutions, and co-creating with management and exemplary performers to make a measurable contribution to improving organizational performance.

The Value Creator is a profit center for management, with income and value-add exceeding expenditure. This is also the norm for all other parts of the organization required to contribute to its profitability. The Value Creator acts fully in line with the 70:20:10 model by utilizing the 70:20:10 methodology.

INCREASING ENGAGEMENT THROUGH LEARNING FROM WORKING

By refocusing from formal learning to workplace learning, and from *learning to work* to *learning from work*, engagement levels are likely to improve across several dimensions.

Increased engagement of L&D professionals: By understanding, and aligning with, business goals rather than learning goals, L&D professionals add an exciting range of new service offerings to their portfolio. These offerings provide tangible business benefit. Moving from the left-hand side of the *Four Business Models* to the right, L&D enters a new world of business challenges and solutions, becoming more relevant and important for successful organizational outcomes.

Increased engagement of internal clients: With L&D's increased ability to deliver successful value-add solutions to meet business needs, internal clients (team leaders, managers and organizational leaders) will find engagement levels increase rapidly. The key internal client of one company⁸ using the 70:20:10 methodology recently reported increased stakeholder buy-in with five 70:20:10 projects delivering approximately Euro 200,000 business value and the approach playing a key role in safety and production programs.

Increased engagement of the general workforce: Confidence that workplace learning⁵ is supported for each employee personally, and that *learning from working* methodologies can deliver success, increased not only general workforce engagement, but workforce performance levels, too.

FIVE ACTIONS to Increase Engagement and Organizational Performance Through Workplace Learning

- 1. Revise your L&D strategy:** most L&D strategies 'start with the 10' and commit the majority of resource and effort to formal learning solutions. Whereas informal learning has been shown to deliver greater value.
- 2. Refocus your L&D practices from push to pull:** align with your organization's business objectives, and 'start with the 70' when you develop L&D solutions.
- 3. Refocus your L&D approaches from learning to performance:** review your existing approach and determine how you can move to the right-hand side of the *Four Business Models for L&D*, at least in part.
- 4. Understand your stakeholders' key challenges:** work with your key stakeholders to align L&D solutions to their key challenges. There is nothing better to increase their engagement overall, and their engagement with you, than to deliver successful solutions to solve their problems.
- 5. Encourage leaders and managers to support workplace learning:** research has shown that managers who focus both on delivering operational excellence and on challenging and supporting their people to improve their work tasks have teams that outperform others by more than 25 percent. High-performing workers are more engaged³.

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