Having Learning Impact
(not just showing it)

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In This Report

Key Findings

- **There has never been a more important time for L&D to have impact.** Organizations have necessarily changed the way they work, and with that comes the need for ever-changing skills and constant updating of those skills. L&D must get good at helping organizations keep up.

- **Organizations should focus on not just showing impact, but on actually having it.** Measurement has long been seen as a way to prove worth; but it's much more valuable as a tool to identify how to ensure the organizaiton is consistently learning.

- **Measurement efforts should first and foremost be tied to business measures.** L&D functions need to understand what the business is measuring and the tie between what they (the L&D function) does and the effect on the organization.

- **All learning, not just formal learning, should be enabled.** This means that the L&D function should help employees to plan their development, discover content, consume learning, experiement with new skills, connect with others, and perform better on the job. Measurement and analysis can help with this.

- **Intentionality is key;** forward-thinking L&D functions understand the importance of making metrics and choosing data in order to impact the organziation.

- **Leading *and* lagging indicators are necessary.** While lagging indicators can tell an L&D function how they've done (a report card, if you will), leading indicators can help them to identify trends and patterns that will need to be addressed in the near future.

- **Consistency!** Consistency in data formats, data collection methods, and analytics processes provides greater clarity and allows L&D functions to make better decisions.

- **Use data to tell stories.** Forward-thinking L&D functions know their data, but they also know how to tell stories with their data. Understanding the basics of focus, data visualization, and audience can help L&D functions get buy in and resources to have further impact..

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Why Learning Impact?

We have been talking about learning measurement for more than six decades. Ever since Kirkpatrick came up with his 4-level model, learning & development (L&D) functions have been trying to understand the relationship between what they do and business outcomes. Since that first model, over 20 models have been developed to help L&D functions support their claim to impact.

Earlier this year, we became really interested in a variation of that question: How does what and how we measure affect the organization? What resulted was a surprise. While we approached it with a "there's got to be a right way" mindset, what we found is quite different. In fact, through this study, we made two large realizations:

1. 1. There has never been a more important time to get learning impact right.

2. 2. Learning Impact is hard.

Let's talk about each.

REALIZATION 1: THERE HAS NEVER BEEN A MORE IMPORTANT TIME TO GET LEARNING IMPACT RIGHT.

Let's start with a short history lesson. At the beginning of the first industrial revolution, we started using assembly lines to create products. These lines were inefficient and fraught with problems: people learned only on the job, no one had a clear idea of what their roles were, and the workloads were incredibly uneven.

Then along came a guy named Frederick Winslow Taylor. Taylor was a mechanical engineer who applied engineering principles to the lines in order to clean them up and make them more efficient. One of the first things he did was establish processes and divide up the work. Then he trained employees to do that work in efficient ways. In essence, he turned a chaotic malfunctioning system involving both individuals and equipment into one cohesive well-functioning machine. This made Taylor famous. He wrote a book on these principles called The Principles of Scientific Management and is considered one of the world's first management consultants.

As industry progressed, these principles were applied to types of work beyond assembly lines. They helped organizations grow and develop by structuring their workforce and ensuring that everyone knew what their role was and how to do it most efficiently. Today, organizations continue to define roles, add people, train employees the 'correct' way, eliminate wasted time and effort, and gain efficiencies using these principles.

This focus on efficiency has worked for a really long time. The US, for example, had consistent gains in productivity from when we started measuring in 1947 through 2007. However, like any system or machine, it's impossible to make it infinitely efficient. At some point, any system will reach its optimal efficiency and additional effort won't yield very big gains. We're seeing that now in the market.

Image 1 shows trend lines from 1947 to 2007 (blue line), trend lines from 2001 through 2007 (orange), and the actual productivity gains from 2007 to 2017. As you can see, our actual productivity growth is the lowest it has been since we started measuring. Since efficiency is not getting us as far as it used to, we need to start rethinking our reliance on it for business gains.

Image 1: US Productivity is Leveling Off

Labor productivity trend line, reflecting growth rate from 1947 Q1 through 2007 Q4
Labor productivity trend line, reflecting growth rate from 2001 Q1 through 2007 Q4
Labor productivity series of current business cycle (2009 = 100)

Source: Data from US Bureau of Labor Statistics

Image 2: What outperforming organizations are focusing on

	Significant outperformers	All others
Developing new product / service offerings	43%	29%
Addressing regulatory challenges	40%	28%
Improving operational efficiency	32%	52%
Expansion into new markets/geographies	32%	18%
Increasing revenue from current operations	30%	30%
Increasing profit margins	26%	32%
Reducing business risk	21%	21%
Developing new distribution channels	19%	12%
Increasing customer loyalty	17%	19%
Integrating newly acquired companies	17%	12%
Improving product/service quality	15%	22%

Source: IBM Global Study

Interestingly, more forward-thinking organizations already are. A few months ago, we stumbled upon some research done by IBM. This study compares business focuses of industry outperformers (shown in orange in Image 2) to all other companies in that industry (shown in gray). The results are telling.

While the rest of the industry is focused on improving operational efficiency, outperformers focus on items that are inherently messy and inefficient such as developing new products and services, expanding into new markets, and developing new distribution channels. And they need workforces who can think outside of the proverbial black box, take calculated risks, and think critically.

So what does this have to do with L&D and its impact? A lot. We're dealing with a completely different world.

When Taylor basically invented the L&D department, he did so to ensure that people were being trained to do a certain role in the most efficient way possible. But L&D's traditional methods and measures are not going to get it done. Most organizations cannot wait (and most likely don't care) for L&D functions to calculate an ROI on a program or initiative to determine if it was effective and then adjust; it's too late by then. Organizations need L&D functions to react more quickly and with flexibility – which requires a radically different mindset than the one currently en vogue.

> Efficiency is not getting us as far as it used to. We need to start rethinking our reliance on it for business gains.

We think that L&D functions everywhere need a chakabuku[1] – a swift, spiritual kick to the head that alters their reality forever. L&D functions desperately need to rethink their measurement strategies and understand the implications that they have – not just for employee development, but for organizational performance as well.

REALIZATION 2: LEARNING IMPACT IS HARD.

We were hoping that our research efforts would point to definitive things that all organizations should do. What we found was just the opposite. We talked to over 30 really smart leaders doing really innovative things when it came to how they were showing and having impact. But none of them were doing the exact same things.

Some of these leaders identified strongly with the idea of ROI. Some lived and died by Kirkpatrick, Phillips, or some other model. Some focused heavily on drawing a straight line from what they did to business results. But all of them were having at least some modicum of success. As it turns out, how learning impacts an organization is specific to that organization, its goals, and its resources.

Fortunately, patterns exist. While metrics and tactics should be aligned to the organization's business goals and employee development needs, our literature review, roundtables, and interviews led us to 7 patterns that more evolved organizations follow for moving beyond simply showing impact to actually having impact.

- Tying to business results
- Leveraging all the methods
- Making metrics and choosing data sources
- Considering leading and lagging indicators
- Focusing on consistency
- Continuously analyzing and adjusting
- Telling the story

This report will outline these seven patterns, provide helpful hints and insights, and share leading practices from leaders who have implemented them.

> There is no silver bullet. How learning impacts an organization is specific to that organization, its goals, and its resources.

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1   "Grosse Pointe Blank", George Armitage, Buena Vista International, 1997

Tie Efforts to Business Goals

"Instead of worrying about my learning ROI, if I can show a business leader where to impact behaviors to add $1.4MM to their net profit, it gets their attention."

– Andy Webb, Director of Training, Applied Industrial Technologies

Although this first one should go without saying, we're going to briefly say it anyway: the single biggest piece of learning impact advice we found in our literature review and in our conversations with leaders was to ensure a link between what was being done and the overall business goals.

Granted, we know of exactly no L&D functions that intentionally work against business goals. Most are cognizant of business objectives and do their best to fulfill them. The difference between the average organizations and the more forward-thinking organizations appears to be how they prioritize.

Average L&D functions tend to triage based on squeakiest wheel or easiest fix, generally driven by priorities of individual business units. Evolved L&D functions are much more thoughtful with their priorities: they develop strategies to impact overall business goals and move the strategy forward. How do they do it? There tends to be three things they understand:

- The overall direction of the larger organization
- How success is being measured
- The need for collaboration

THE OVERALL DIRECTION OF THE LARGER ORGANIZATION

Not surprisingly, it's difficult to have a positive impact on the direction of the organization if you don't understand the direction the organization is moving. More forward-thinking L&D functions tend to be tied into the rest of the organization, its challenges, and its overall goals. Understanding these things puts them in a better place to

ensure the right kind of employee development is happening in order to ensure the skills and knowledge necessary to meet the challenges.

This isn't always easy. L&D has long been seen as a cost center rather than a competitive advantage and, as such, is not often considered crucial to those conversations. However, instead of worrying about their credibility or getting the proverbial "seat at the table," these forward-thinking L&D functions actively join the conversation.

One leader we spoke with said that they often find themselves being more forceful than they would like: they invite themselves to strategy discussions early on in projects to ensure that they can have a stronger impact rather than waiting for leaders to come to them (which often happens as an afterthought).

HOW SUCCESS IS BEING MEASURED

Forward-thinking L&D functions don't just understand their own metrics, they also understand the key performance indicators (KPIs) used by the larger organization. Understanding the general direction and challenges the organization faces is one thing; understanding how those things are being measured is another.

Understanding the metrics that are important to other business functions will (or at least, should) affect the metrics that L&D functions use. For example, if customer satisfaction is a goal for the organization or business unit, L&D functions should focus on improving those scores.

Getting other businesses to share information on KPIs is often also more difficult than it sounds. A few of the organizations we spoke with told us that leaders of other business functions were often reticent to even discuss KPIs. The L&D function was not seen as a consequential or influential part of the business and other business leaders were worried about their data being mishandled. But some are figuring it out.

THE NEED FOR COLLABORATION

Forward-thinking L&D functions understand that learning and development isn't just their job; it's everyone's job – from senior leadership down to individual contributors – and they tend to do a better job at collaborating than their average counterparts.

> Instead of worrying about their credibility or getting the proverbial "seat at the table," more evolved L&D functions are actively joining the conversation.

Notice that we said "collaborate" and not "serve." While many L&D functions see their customers and clients as internal (the business units and their leaders or the employees), forward-thinking L&D functions organizations put themselves on equal footing with leaders of other functions and work with them to come up with solutions that can move the business forward.

HOW LEADERS MAKE IT HAPPEN:

Hilti, Inc.

Rachel Hutchinson, Director of Learning and Development at Hilti, Inc., told us that they make sure they're constantly staying connected to what is the core business. And they do it in two major ways.

First, L&D professionals go on field rides with the company's sales team at least once per year. This gives them the opportunity to talk to customers and to see what challenges a person on the job faces. In turn, this gives them a better understanding of the critical skills and skill components they need and how they can best meet those needs and measure success.

Secondly, L&D professionals focus heavily on building networks within the organization. They have found that good relationships with stakeholders are crucial to both getting their buy in in order to drive change and to get a firm understanding of the business problems they face.

Rachel feels that focusing on these two things keeps the L&D function in step with the business – something critical in an age where business priorities can change on a dime.

Tying to business results is not just the first and most prevalent pattern we saw among organizations where learning has an

impact; it's also the most important – the holy grail, if you will. As organizations get better at relying on data to make good decisions, L&D functions cannot afford to be left behind. Starting with understanding the goals that all business functions are working toward gives them a target and a direction for their efforts.

ASK YOURSELF:

- Does our L&D function understand our organization's top three priorities for this year? For the next three years?

- To what extent do the metrics our L&D function tracks align to the metrics or KPIs that are important to the organization?

- What are we doing to ensure that we're remaining lock-step with the larger business and its challenges?

- How well does our L&D function understand and use a language that is understood by the entire business, not just by others who are fluent in L&D-speak?

- How often does our L&D function actively collaborate with leaders with other functions to create strategy plans to solve the big problems?Use all the Levers

Use all the levers

"We're trying to make sure that we're matching up our learning to the way the [workforce] navigates – and the actual day-to-day."

– Brian Floyd, Director, Sales International Training Development, Behr

Newsflash: most learning doesn't happen in a classroom. We've been aware of this for years; and it's prompted several sound and important movements such as a focus on social learning (learning from others), microlearning (learning that better fits around work), blended learning (learning designed to take into account several methods and modalities for learning), and on-the-job learning (the original way to learn that has made a comeback in recent years through stretch assignments, special assignments, internships, etc.).

However, while many L&D functions have introduced different modalities, these modalities are often harder to measure and to tie to actual business results (if we had a nickel for every time we have been asked the question, "yes, but how do you measure informal learning?"). Because of the pressure on a lot of L&D departments to show value, many of them continue to measure stuff they know they can measure in a way that will show some sort of positive outcome. We think there may be a better way.

Pay attention to conditions and environment

Late last year, we spent a significant amount of time trying to figure out how L&D functions should be thinking about their responsibilities. Because of the changes in technology, learner expectations, and the like, what they used to do (create and disseminate content, ensure compliance, etc.) is woefully inadequate.

Why? Organizations appear to be starting a broader conversation about employee development. It's no longer just about "learning," but it also includes career development and performance as well. And if you think about it, this makes a lot of sense: it's difficult to develop

individuals if you don't know where they're going (career) and how they're doing (performance).

This larger discussion further complicates L&D's ability to have and show impact. If we are no longer just paying attention to learning in its purest most formal form and if we must now account for individual career paths and performance, using the course as the unit of measurement and measuring things like completions simply doesn't make sense anymore.
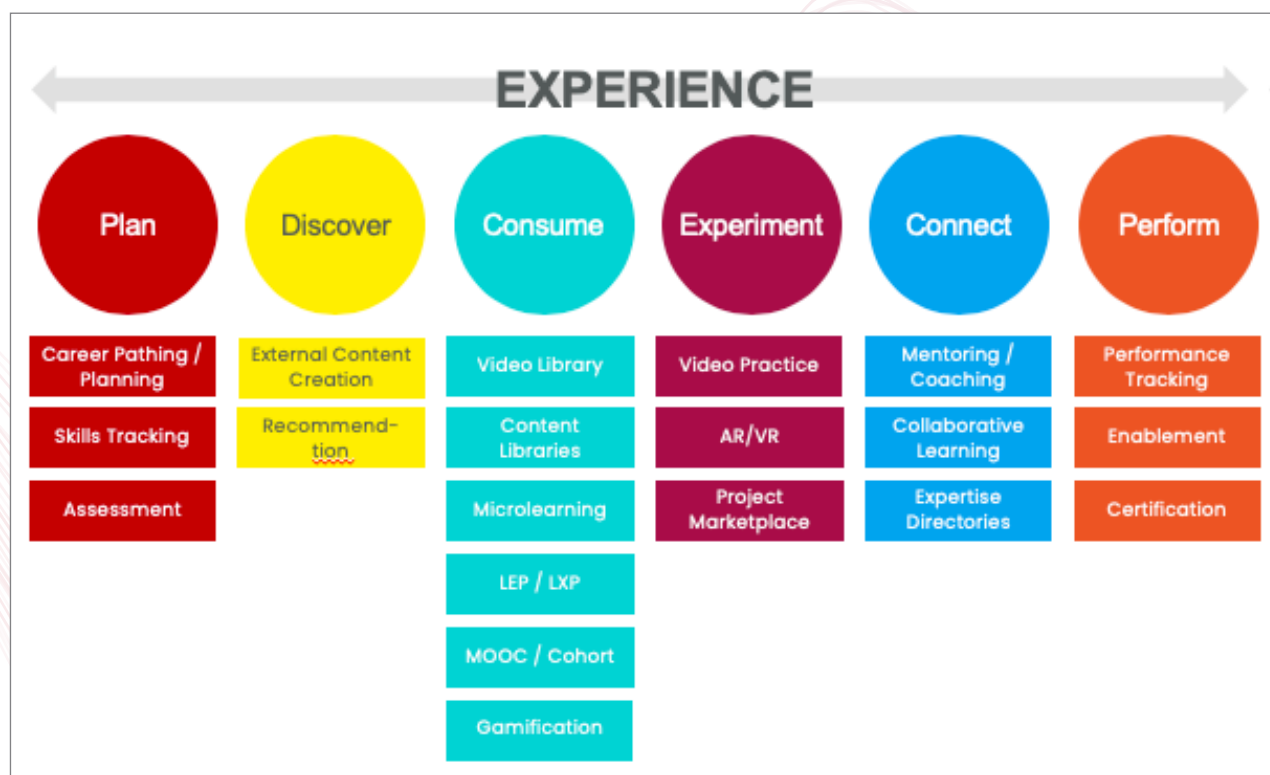
A framework for thinking of conditions

Instead, some of the more evolved organizations we talked to appear to be taking more of an environmental approach – focusing on the conditions and how they encourage, motivate, and prompt learning.

This isn't the first we've talked about conditions. As a part of our Learning Technology Landscape project last fall, we spent some time thinking through the changing nature of L&D responsibilities and identified the following six areas that comprise the conditions that encourage an employee's development experience (See Image 3).

Image 3: A New Model for Developing Employees

EXPERIENCE

Plan	Discover	Consume	Experiment	Connect	Perform
Career Pathing / Planning	External Content Creation	Video Library	Video Practice	Mentoring / Coaching	Performance Tracking
Skills Tracking	Recommend-tion	Content Libraries	AR/VR	Collaborative Learning	Enablement
Assessment		Microlearning	Project Marketplace	Expertise Directories	Certification
		LEP / LXP			
		MOOC / Cohort			
		Gamification			

Sourced: RedThread Research, 2019

Forward-thinking organizations are beginning to think in terms of these six ways they can enable their employees:

- **Plan.** Defines how we encourage and enable our employees to plan their careers – in our company and outside our company (in some cases). Planning includes careers, skills gap analyses, and other things that will help employees get where they want to go.

- **Discover:** Defines how organizations enable their employees to find the types of content and opportunities that will take them in the direction they'd like to go in their careers.

- **Consume:** Defines how organizations enable their people to access and consume content

- **Experiment:** Defines how organizations provide opportunities for practice of new skills and knowledge – both on and off the job.

- **Connect:** Defines how organizations enable people to connect with each other and learn from each other – again, inside and outside of the organization.

- **Perform:** Defines how organizations enable their employees to perform better on the job and learn while doing it.

As L&D functions begin to pay attention to all of these areas, their job gets bigger, but also infinitely more impactful. Instead of relying solely on creating and disseminating information, they have many more levers to pull. Not only that, but the levers can be tailored to the goals of the organization.

Measuring conditions, not courses

The many levers associated with a focus on creating the conditions of learning also provides L&D functions with many, many more data points. These data points provide more discrete information about what's going on in the organization and makes it easier to draw conclusions about what should be tweaked or how people should be nudged to move them toward the outcome that the business wants.

Let's assume, for example, that a company has a goal of encouraging more innovation from its employees, and that it has decided to measure it in two ways: keeping track of the number of new ideas submitted by employees and counting the number of new patents the company gets per year (incidentally, these two

> As L&D functions begin to pay attention to conditions, not just content, their job gets bigger and also infinitely more impactful.

measures lead to a discussion on leading and lagging indicators, which we'll discuss in the next section).

Once the L&D function understands how the company is measuring success, they're able to identify things they can do to influence more innovation for each of the six conditions for learning and then identify metrics they can use to track it. It may look something like this (See Image 4):

Image 4: Examples of Metrics to Measure Innovation

Plan	Discover	Consume	Experiment	Connect	Perform
# of employees who discuss innovation in their 1:1s	Campaigns highlighting internal resources on innovation	# of individuals who have completed a design thinking course	# of extra "learning" projects individuals in the org do # of stretch assignments completed that build innovation skills # of cross-functional rotations that build innovation skills	# of connections between people outside of their immediate team or function # of new team formations between individuals	# of smart failures associated with innovative projects # of employees meeting innovation goals set forth

Source: RedThread Research, 2019

Measuring conditions provides a broader view of the system and allows L&D functions to respond more holistically. It also allows L&D functions to correlate the things that they are doing with the organizational goal. While they're simple correlations (which means they're not necessarily causal), understanding how development opportunities in innovation are either trending with, against, or not at all with the organizational goal can provide a good deal of insight into how things are going and how they should be tweaked in order to encourage more of the right things.

It also allows L&D functions to do more safe experimentation – or informed experimentation. Instead of shots in the dark or trying to tie one single course to a business result, L&D functions can make

informed decisions about what is working and what is not, and confidently swap out the things that are not working.

HOW LEADERS MAKE IT HAPPEN

Behr Sales Organization

Behr's L&D salesfunction that focuses on its sales organization implemented A/B testing to get a feel for what their workforce wanted to watch. They took two equally-rated subjects and then created different lengths of videos – some were 45 seconds, some 2 minutes, some five minutes. Their going-in assumption was that their audience would prefer the shorter videos. But by tracking engagement data, they were able to determine that their sweet spot was actually about 2 ½ minutes.

Behr also uses engagement data to understand what is of interest – what skills and knowledge the workforce wants. They not only focus on the national initiatives and the mandatory content analytics, but they also spend time analyzing what the workforce is looking at that isn't mandatory. This helps to identify gaps and trends that the team is experiencing at the store level. This information is not just useful for L&D – it's also useful for the organization.

We recognize that a focus on measuring and analyzing conditions or environment is a departure from the ways most L&D functions are currently showing impact. But we think it's better. And while we ran across exactly no companies that have completely adopted this way of working (we just invented it last fall, but we think it'll catch on), several were starting to pay attention to environmental factors as a part of their measurement strategies.

We know that this point – using all the levers – may feel a bit like an aside from the main discussion of learning impact, but we were surprised from our discussions at how much what you do matters to how you measure. You don't get the extra data points unless you're

paying attention to the different areas, and you aren't able to have as much impact if you focus exclusively on courses and traditional stuff. We think that it will be crucial to L&D functions being key players in their organizations in the future.

ASK YOURSELF

- How often are we defaulting to courses or initiatives in our efforts to build a skilled workforce?

- To what extent are we leveraging other types of learning?

- How many of our metrics measure things that are not typically L&D-related, but more geared toward the business?

- How much are we experimenting with different types of learning?

- Do we have the ability to be agile – swapping things out that aren't working for things that may work better?

Make Your Metrics and Choose Your Data

One of the most interesting discoveries we made in this study is how more forward-thinking organizations make a clear distinction between metrics and data. While they are often confused, there are some key differences between the two.

Successful organizations can only measure so many things well, and what they measure ties to its definition of success.[2] While data in and of itself is directionless and meaningless, metrics have significant meaning and are intentionally created and tracked to show progress. Many organizations may be data-rich while they are metric-poor. They have yet to determine which metrics tie to their definition of success. We found that evolved organizations are doing two things differently:

- Making their own metrics
- Intentionally choosing data sources

Making your own metrics

The fact that we are talking about making metrics before we talk about choosing data sources is intentional. While many organizations default to metrics that are readily available through their LMS or other learning technology, more evolved organizations carefully think through their metrics before and then identify data sources that can help them calculate those metrics.

From our interviews, we identified four characteristics of a good metric, as shown in Image 5 below.

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2 Know the Difference Between Your Data and Your Metrics. Harvard Business Review. Jeff Platt and Bob Filbin. March 2013.

> Many organizations may be data-rich while they are metric-poor. They have yet to determine which metrics tie to their definition of success.

> Good metrics are contextual, deliberate, calculated, and directional.

Image 5: 4 Characteristics of Good Learning Metrics

Contextual	Context is one of the things that turns data into metrics. Many organizations conflate data and metrics, but they're different. According to Google's dictionary, data are points of information that reside together (or are collected together) so that they can be referenced or measured. Metrics are the results obtained from measuring something. The second is much more specific and intentional than the first.
Deliberate	There are 2.5 quintillion bytes of data created each day at our current pace. That is a lot. And not all of them are valid for your organization. Metrics should be deliberately created and monitored – chosen specifically to give you needed information and insights. Too much data is just noise.
Calculated	Metrics are calculated. While almost all learning tools (and many business tools) provide built-in metrics, more evolved organizations calculate their metrics from the purest data source they can find.
Directional	Measuring for the sake of measuring is stupid and time-consuming. Organizations should calculate metrics that will let them move in the direction they need to go. A metric is data with a purpose and a direction. Rates, percentages, variations, and correlations are a few of the ways that companies can give their data some direction.

Source: RedThread Research, 2019

We think it's great that so many learning technology solutions are thinking in terms of data and metrics – it means that the entire learning industry may be moving toward more data-driven solutions.

HOW LEADERS MAKE IT HAPPEN

Large Transportation Company

An AI learning leader at a large transportation company expressed frustration at some of the numbers that were returned through learning technology. While they looked good on a dashboard, when he dug a bit deeper, they didn't hold up to the scrutiny. They didn't align with what they knew to be true, and because of the way they were structured, couldn't be used in other parts of the organization or in other systems.

To solve this challenge, the learning team went back to the raw sources of the data and deliberately calculated the metrics that would be most useful to the larger organization. By taking this time, the learning team was able to create not only metrics that were more meaningful and useful in aligning learning to the organization but also ones that could be fed into systems for the broader organization.

Choosing data sources

As a part of this study, we took a look at learning metrics commonly referred to in the literature. Interestingly, the data sources for these metrics generally fell into roughly five categories.

- Learning / LMS data
- Surveys, evaluations, assessments
- HR / HRIS data
- Observations, conversations, meetings
- Business data, latent system data

During our interviews, we asked which of these data sources was most commonly used. Not surprisingly, learning data, followed by surveys, were used most commonly. It makes sense that L&D functions tend to leverage those data sources that they are wholly in control of: it takes little collaboration or permission to use your own

data or issue surveys, evaluations, or assessments, or access data that lives within their own systems.

Comparing data from one part of the function to data in another part of the function can help L&D understand how what it does affects its own metrics and goals (sometimes) but does little to build a story around what it does for the larger organization, and does even less to help it understand how it needs to adjust to have greater impact.

Depending on the measurement and analytics strategy of the L&D function, some or all of these sources could be accessed; however, to some degree, using each of these data sources taxes organizations: measurement is not free. The image below shows these five data sources, gives examples of some of the types of data available, and identifies the tax on the organization.

**Image 6: An incomplete (but probably useful) list of data sources and their tax on the organization**

Data Source	Data Types - Examples	Time and resources from:
LMS / L&D Data	• Completion data • Content usage • Modality or method usage • # of courses	• L&D • Support from HR, IT, & Data Analytics teams
Surveys, evaluations, assessments	• Course evaluations • Knowledge assessments • Satisfaction surveys • Behavioral assessments	• L&D • Survey participants • Organization leaders • Support from HR, IT, & Data Analytics teams
HR Data / HRIS	• Employee data • Retention data • Career paths data	• L&D • HR • Support from IT & Data Analytics teams
Observations, conversations, meetings	• Knowledge transfer • Development discussions • Alignment discussion output • Focus group output • Interviews • Coaching & mentoring discussions	• L&D • Individual employeeds • Managers / Supervisors • Organizational leaders • Support from HR, IT, and Data Analytics teams
Business Data	• Adoption & conversion rates • Behavior change • Quality • Customer satisfaction	• L&D • Data Analytics team • IT department • Data owners

Source: RedThread Research, 2019

Interestingly, while many L&D functions default to LMS data first, and then to surveys, evaluations, and assessments (Kirkpatrick, anyone?) to gather information, these types of information are often geared toward one course or initiative (rather than thinking more broadly of conditions) and, at least the second of the two methods, often requires a fairly heavy lift from the organization: lots of people hours are needed -from L&D, from the people taking the survey, sometimes from the IT department, and from those that will crunch the data.

Anecdotally, when looking at the five methods based on how frequently we see them used and the resources required to get good metrics from them, you get something like Image 7 below.

Image 7: Data Sources - Frequency of Use vs. Resources Required
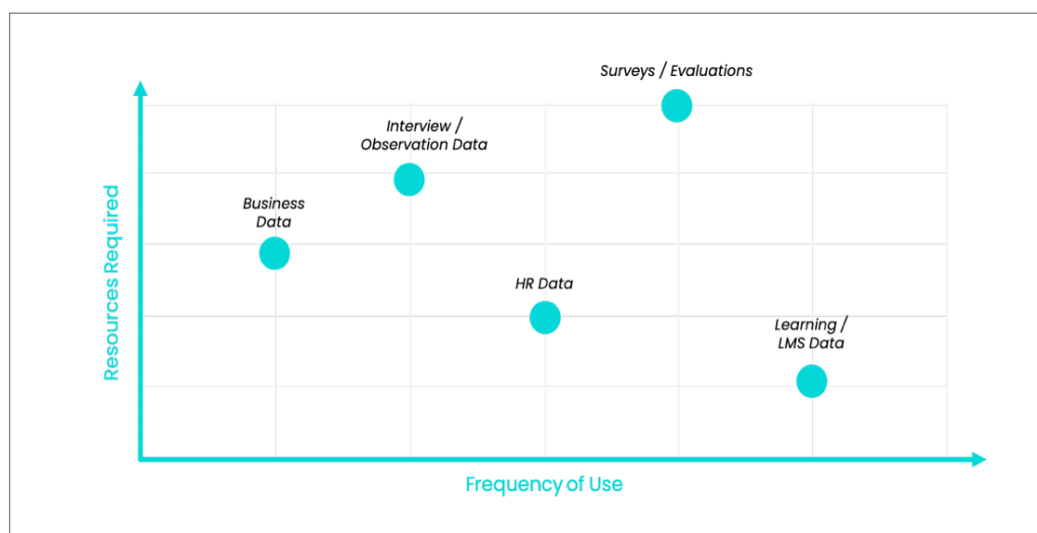
Source: RedThread Research, 2019

More evolved L&D functions recognize the tax that measurement and analytics can put on the organization and appear to be finding and using data that already exists. Business systems, web analytics, and other latent system data can provide all kinds of information to the L&D function without requiring a significant lift by the organization.

HOW LEADERS MAKE IT HAPPEN

Communications Company

One learning analytics leader in a large communications organization realized fairly quickly that learning impact data would be better if he mined existing systems for existing data rather than only surveying employees. This leader began by identifying the KPIs important to the business lines (as it turns out, many of them had the same concerns and needed to move the needle on the same thing), and then identified the data sources that would provide him information to measure against.

He then worked with the IT and analytics teams to set up recurring data feeds instead of static reports or one-time data pulls. "It's only slightly more difficult to put a feed into place than it is to ask them to do a one-time data pull," this leader said. "In the long run, we're causing less work for the broader organization."

The data feeds made it possible to create a more agile learning team; they were able to adapt to the needs of the organization and the changing KPIs.

A final note: one thing that surprised us during some of our interviews was the territorial nature of some data owners. L&D functions expressed their frustration in not being able to get KPI data and metrics from other business functions because the organization didn't foster a culture of trust and respect.

While more evolved organizations tend to view data and metrics less as "ours" and "theirs" and instead look at all sources of data that can help them, the organization, and the individual make decisions, this is still a major challenge for many. We think that as L&D functions begin to show impact and help other business functions perform that this will be less of a challenge. Where it is a challenge, L&D should start where they are and slowly win leaders of other functions over. And yes, we know. This is easier said than done.

ASK YOURSELF:

- To what extent are we relying on existing data and metrics from our systems rather than making metrics that would better serve business goals?

- Do we understand the sources of our data?

- How often are we leveraging data sources beyond those entirely controlled by L&D?

- To what extent are we aware of the measurement tax we place on the organization?

Consider Leading *and* Lagging Indicators

Measuring what and how people learn is multidimensional, hard to quantify, and even more difficult to prove. It's an age-old problem, and one that has yet to be solved. L&D functions with a sole focus on proving their impact to their organizations will undoubtedly disappoint. We are in a world that changes very fast, and L&D needs to develop the ability to, in essence, see around corners.

How? Currently, most L&D organizations use metrics as a way to report out what they have done instead of using them to determine what they should do next. The latter requires a different set of metrics applied in a different way: we're talking about using leading indicators along with lagging ones. What's the difference?

Lagging indicators

Lagging indicators are typically "output" oriented. They are easy to measure but hard to improve or influence. A lagging indicator is one that usually follows an event. The importance of a lagging indicator is its ability to confirm that a pattern is occurring.[3]   In business in general, and in L&D functions specifically, lagging indicators are often used to provide some sort of report card: to tell the market (or whoever controls your budget) how well you have been doing.

Lagging indicators are used to confirm long-term trends. Significant changes in the organization generally occur before trends in the market. Examples include:

- ROI (Return on Investment)
- Development Spend per Employee
- Return on Assets
- Operating Income Growth

> Lagging indicators are used to confirm long-term trends. Significant changes in the organization generally occur before trends in the market.

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3   Leading and Lagging Indicators, Leading Agile, Derek Huether, MIT Sloan, February 2018.

Not surprisingly, especially since organizations are often hyper-focused on efficiency metrics and what Wall Street thinks, lagging indicators are used extensively within organizations, especially within L&D functions.

In fact, the metric we (unfortunately) hear most often is Return on Investment (ROI), the granddaddy of lagging indicators. ROI is a great example of a lagging indicator because it is primarily used as a way to show impact. ROI only offers the organization a report card – whether or not some initiative or course delivered value. There is little to nothing that an L&D function can do with that information. It's in essence, a dead metric.

This is not to say that lagging indicators don't serve a purpose. They do. But because they are backward focusing, they often provide an incomplete picture of what is happening and, even more important, what needs to happen moving forward.

Leading indicators

Leading indicators, on the other hand, are easier to influence but hard(er) to measure.[4] While lagging indicators measure what has already happened, leading indicators are predictive in nature. They are frequent and formative, and provide information to the organization that can help it adjust or change. By their nature, they do not necessarily show impact that L&D functions have had, but they do offer crucial information to help them adjust (and because of that, enable the L&D function to have impact). Leading indicators are used much less often in L&D functions.

Interestingly, what is considered a lagging indicator in one case can actually be a leading indicator in another. For example, for L&D functions who want to measure their own effectiveness, course completions and assessment scores can be seen as lagging indicators – a report card on a specific course or initiative. For the organization, on the other hand, course completions and assessment scores may be leading indicators – predictors of behaviors in the workplace or key performance business measures.

> Leading indicators are predictive in nature. They're also frequent and formative and offer valuable information that can help organizations adjust or change.

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4   "Using Leading and Lagging Indicators to Inform System Wide Change", Susan A. Gendron and Scott Traub, 2015.

Examples specific to L&D include:

- Intention to change
- Employee / manager engagement
- Improved awareness
- Actions implemented after a course
- Popularity of a topic on an LXP

Leading indicators become particularly valuable to L&D functions as they move away from measuring the course or the initiative and instead focus on the conditions they are creating for learning, as we discussed here. Monitoring leading indicators gives the L&D function an idea of what is working, what is not working, and what could be shifted in order to affect the business outcome.

If we return to the example on innovation that we introduced here, we see that many of the measures we use for monitoring the learning conditions or environment can be seen as leading indicators.

Image 8: Leading Indicators for Measuring Conditions –Innovation Example

Plan	Discover	Consume	Experiment	Connect	Perform
# of employees who discuss innovation in their 1:1s	Campaigns highlighting internal resources on innovation	# of individuals who have completed a design thinking course	# of extra "learning" projects individuals in the org do # of stretch assignments completed that build innovation skills # of cross-functional rotations that build innovation skills	# of connections between people outside of their immediate team or function # of new team formations between individuals	# of smart failures associated with innovative projects # of employees meeting innovation goals set forth

Source: RedThread Research, 2019

While it would be nearly impossible (and certainly not advisable) to tie innovation to any one of the metrics in the image above, understanding how they are trending and then correlating those trends with innovation KPIs helps the L&D function know which way to move.

HOW LEADERS MAKE IT HAPPEN

Call Center Sales Organization

One organization we spoke with told us that they were approached by a business unit that was trying to promote the sale of a particular product by their inhouse sales team. The measure that the sales department was using was how many of the products were sold through the inhouse sales team. L&D put together a short program teaching the team about the product and administered an assessment to ensure that the team had the knowledge to deliver. But the numbers didn't improve.

However, their understanding of how success was being measured and the product knowledge of the team helped them find the root cause of the failure: another department was offering a bigger incentive to sell something else instead. (As it turns out, the sales function was measuring the wrong thing: instead of measuring sales, they should have been measuring times that the product was offered).

In planning their measurement and analysis strategies, L&D functions should pay attention to both leading and lagging indicators and be aware of how those indicators will be received and used by the rest of the organization.

ASK YOURSELF:

- How many of our metrics are lagging indicators, which tell us how we have done versus leading indicators, and which tell us what we should do?

- Are we able to make decisions about what we need to do from our metrics?

- To what extent are we identifying how our metrics are leading information to organizational KPIs?

- How often can we correlate our data with data from the organization?Be Consistent: Develop a Data and Metrics Culture

Be Consistent: Develop a Metrics and Data Culture

"Metrics aren't always immediately useful."

– Susie Lee, Degreed (formerly BofA)

One of the reasons so many L&D functions struggle with learning measurement and learning impact is that they have no consistent data. In fact, according to Brandon Hall, only 51% of companies say that they are effective or very effective at measuring formal learning. And even fewer are effective when it comes to measuring informal (19%) and experiential (29%) learning.[5]

While these statistics focus on a more traditional way of viewing learning and development, the fact that only 51% of organizations are effectively measuring formal learning – which, by the way, they have complete control over and for which they have complete access to the data – is telling. By and large, L&D functions do not have a data culture. But they could have one.

How should they start? Leaders told us that they needed to overcome two major challenges in order to get consistent data: patience and standardization.

Patience

Be patient; it's a virtue. Most L&D functions either really struggle to collect data and information on a regular basis or don't do it at all. At least part of this struggle stems from the practice of focusing on one-time measurements. When L&D functions focus on calculating the ROI or learner satisfaction associated with one course or initiative, the tendency is to collect only the information needed to serve that one purpose.

> One of the reasons so many L&D functions struggle with learning measurement and learning impact is that they have no consistent data.

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5   "Learning Measurement Standards: Consistency Equals Effectiveness," Brandon Hall, Richard Pacher. April 2018.

This focus on point-in-time results means that longitudinal data, interactions, and correlations are hard to come by in many organizations. Interactions and correlations over time provide ongoing insights about what is happening and why. Without consistent L&D data, it is difficult, if not impossible, to understand the impact employee development is having on organizational goals. Understanding this impact is the first step in being able to make intentional decisions about where to go next.

Collecting data over time can be challenging, and the fact that data and metrics may not be immediately useful can add to that challenge. But establishing continuous collection goes a long way in building a data and metrics culture.

In our conversations with leaders, three pieces of advice for how to consistently collect data stood out:

- **Start where you are and keep at it.** Metrics aren't always immediately useful – it often takes time, dedication, and investment. But the results are worth it. Several leaders emphasized the importance of starting where you are and building capability as you go along. No need to boil the ocean, but you must be consistent. Rachel Hutchinson, director of L&D at Hilti, said her team collects data for six months on any given initiative or change: four months to get results and two extra months to make sure it wasn't a blip in the data.

- **Consider continuous data feeds.** This bears repeating: L&D functions should think in terms of continuous data feeds instead of static reports or one-off calculations of metrics for two reasons. First, continuous data feeds provide the most recent data, giving L&D functions the ability to adjust to conditions more quickly. Secondly, it's only slightly more difficult to set up a data feed than ask for a one-time data dump. Working with IT and other business functions to set up feeds will ultimately save the entire organization time and effort.

- **Automate data collection**. In circumstances where it is necessary to collect data (rather than using other sources), automate it! Learning leaders we spoke with do this by planning for surveys, evaluations, and feedback as a part of the design process for any initiative, utilizing scheduling software or investing in measurement software that helps you do it (Watershed, forMetris, Visier, PowerBI, etc.).

For example, one organization that participated in our roundtables highlighted their use of Google Analytics to understand what parts of their learning site people were paying attention to.

Using standardized tools and looking at data over time gave this organization a view into their environment. Specifically, monitoring these metrics gave the L&D function a better understanding of the topics that were of most interest as well as information about when and where best to approach employees for learning.

Standardization

The other part of the consistency story is data and metrics standardization. Why? In order to consistently monitor and make good decisions, data and metrics need to be correct and comparable.

Standardization also ensures that L&D data and metrics are consumable by other business functions, by central data analytics teams, and by other technologies and systems. L&D functions should start by identifying any existing data standards their organization may have and adopting them.

That said, our interviews with L&D leaders indicated that the first challenge was often standardizing data and metrics within their own department. They talked about three types of standardization:

- **Consistent formats**. If data will be compared over time or with data from different systems or functions, using consistent formats is key. One leader mentioned the first time she realized the importance of this was in trying to pull a dataset for a given time frame. Since she worked for a global organization, dates were stored differently depending on where in the world they were. While technology is getting smarter and better able to correct some of the challenge, identifying standards for data formats upfront can save a lot of headache down the line.

- **Consistent scales and data types**. In situations where data needs to be collected, particularly through surveys or evaluations, consistent scales and data types should be used. Three-point scales vs. four-point scales vs. open-ended answers all affect how easily data can be compared. One leader told us of the struggle he had of simply trying to get the entire organization to use one

> Forward-thinking L&D functions consider three types of standardization: consistent formats, consistent scales and data types, and consistent collection methods.

form so that course evaluation information was standard and could be compared.

- **Consistent collection methods.** How and when you ask questions, who you ask them to, what words you use to ask them, who is asking them, and the format in which they are asked can have an effect on responses. More evolved L&D functions are standardizing some of these things – sometimes with the use of technology – to ensure that bias doesn't creep into their data and to ensure consistency.

HOW LEADERS MAKE IT HAPPEN

Communications Organization

Derek Mitchell, while working for a large communications organization, had an interesting solution to gathering consistent data and minimizing the effect of the learning data collection effort. He eliminated the traditional survey altogether and replaced it with one simple question: "Describe your experience in one word."

From that one answer, his team was able to assign a sentiment – positive or negative – and were able to see proportionally who said good things and bad things without biasing responses in any way. He also reduced the tax on the organization by getting rid of the 10-question survey and replacing it with just one question.

Unfortunately, developing a data and metrics culture within L&D functions is most likely not second nature: it takes work and investment. And it's often not the sexy part of what we do. But we think that this culture and the ability to consistently collect and analyze data is the first nut L&D functions need to crack. As organizations begin to collect and assess information regularly, they will better understand how employee development is affecting the organization and their options for having impact will increase.

ASK YOURSELF:

- Are we consistent in how we gather our metrics (i.e., do we use the same scales, gather at the same time, etc.)?

- Do we look at data over time so that we can draw longitudinal conclusions?

- To what extent do we make information, metrics, and data available to those who have the power to do something with them (i.e., front-line managers, individuals)?

- What steps have been taken to standardize how we collect and structure data?

- How conscious are we of making our metrics and data digestible?

Analyze and Adjust Continuously

"Why isn't [Information] that helps you do your job better part of learning? Why aren't we harnessing the collective knowledge of our workers and then helping them find their own answers?"

- Siobhan Curran, Learning Architect, TJX Companies

The things we have talked about to this point in the study are all in service of being able to analyze and adjust continuously. This is where actually having impact really becomes a thing. L&D functions that want to have impact on their organizations need to look at data and metrics continuously, use it to adjust their actions, and share it with others in the organization who can also use it to adjust.

More evolved L&D functions are enabling the ability to analyze and adjust in a few ways:

- Get some analytics chops
- Default to data rather than the gut check
- Leverage technology where prudent
- Share information – especially down
- Develop an agile mindset

Get some analytics chops

Being able to leverage data and metrics for better decision-making doesn't just happen; it takes effort. L&D functions that are doing this recognize that it takes a certain amount of dedication in order to do it. Our conversations with leaders pointed to three main ways that organizations are finding this capability: Building it internally, buying it externally, or borrowing it from fellow business leaders.

> L&D functions that want to have impact on their organizations need to look at data and metrics continuously, use it to adjust their actions, and share it with others in the organization who can also use it to adjust.

BUILD

Organizations are building the capability in their teams. In its simplest form, building this skill means being cognizant of how you would measure when designing any sort of learning initiative. More complex applications have leaders sending their L&D professionals through analytics and statistics classes. Either way and given the tight labor market for these types of jobs, building at least basic analytics capabilities into each member of your team is a good way to go.

We talked to one leader who put his entire team through a mini bootcamp – requiring them to collectively write a book on measurement and analytics that was delivered to senior leaders after three months of work. He is quick to point out that the book isn't the point; it's that his team was able to quickly ramp up on data and analytics and speak to it somewhat intelligently within a relatively short period of time. Since the delivery of the book, the team has continued to develop their analytics knowledge and skills.

BUY

L&D functions are also looking to hire specifically for an analytics role. While this was unheard of 10 years ago, it is becoming more common. A quick search on Indeed.com yields almost 200 open positions for this type of skillset. Kevin M. Yates, in his recent article[6] on TrainingZone.uk, says these job descriptions generally call for the following specialized skills:

- Data collection
- Data quality
- Data visualization
- Business intelligence tools
- Analytics applications, programming
- Experience with statistical models and methods
- Research and predictive analytics

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6   "Why do we need an analytics role on the L&D Team?" Kevin M. Yates, Training Zone Magazine, 2019.

This mirrors the conversations we had with other learning leaders. While they may not see the value in building analytics and data skills into every member of their teams, many of the leaders we talked to indicated that they either had or were going to prioritize headcount for this purpose.

BORROW

L&D functions are also finding value in developing really close relationships with their data analytics and IT departments. Tighter relationships with both of these groups leads to better communication, which makes it easier for the two functions to collaborate. It also gives L&D function a trusted partner who could help them think through what they were trying to do and guide them in the right way to do it.

Default to data rather than the gut check

We think we're safe in saying that the majority of L&D functions currently make decisions based on their "gut," or what they feel is right rather than basing decisions on data. While it may seem that using a gut check would lead to a greater propensity for risk taking and experimentation, we found the opposite to be true.

L&D functions that were more apt to experiment and try things were also those who were more versed in data and analytics. Having data and understanding metrics allowed them to make decisions more confidently – whether it be investing in new technologies or pulling the plug on older programs. It also had the side effect of giving them more credibility with other business functions.

L&D functions using data to make decisions are not just looking at internal data; rather, they are looking at data and metrics in concert with organizational data, and often industry data as well.

Looking at data in concert helps organizations start to think in terms of continuous improvement rather than one-off solutions. Trends and correlations between metrics that truly matter to the health of the business prompt organizations to continuously ask, "How can we do this better?" and "What needs to be changed to affect this positively?" rather than focusing on staid and static industry benchmarks for decision-making.

> L&D functions that were more apt to experiment and try things were also those who were more versed in data and analytics.

> Looking at data in concert helps organizations start to think in terms of continuous improvement rather than one-off solutions.

Leverage technology where prudent

Recently, we have been conducting a Learning Technology Ecosystem study – trying to understand how learning tech ecosystems are built and why they're built the way they are. As a part of that study, we have looked at the learning tech ecosystems of over 30 companies.

One of the interesting findings of that study is the number of organizations that are leveraging specific analytics software. L&D functions are not relying solely on learning technology to spit out the metrics or numbers they need: they're using something extra.

Organizations told us they were using all sorts of tools, such as PowerBI, Visier, forMetris, Zoomi, Watershed, and Tableau, to make sense of data and metrics. These data analytics, visualization, and warehousing tools make analytics easier, and their teams can be leveraged to help L&D functions think through their needs.

These tools make it easier to build dashboards and look at interactions between data. A correctly configured dashboard allows L&D functions to look at data in concert. Looking at metrics in concert tells a more complete story – highlighting interactions that aren't necessarily obvious when L&D functions focus on one metric at a time.

For example, completion rates of a course on design thinking can tell you what information employees are being exposed to and how many employees are being exposed to it; completion rates on a design thinking course statistically compared to the number of new innovations coming out of a particular region or business unit can give L&D functions a better understanding of where things are working and where they are not, which guides them to find out why.

We're also seeing a new breed of HR tools; data from Lighthouse Advisory shows that venture capital funding in AI-focused HR technology firms was 50% of the total investment for the past two years, which means these capabilities are coming to the HR technologies that employers are using.[7]

> Forward-thinking L&D functions are not relying solely on learning technology to spit out the metrics or numbers they need; they're using specific analytics software.

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7   "Ben Eubanks shares why AI in HR isn't just about automation," Amit Sidhpura, IBM Smarter Workforce. August 2019.

AI, machine learning, natural language processing, sentiment analysis, and other new technologies are increasing possibilities for L&D and people analytics and data. Even today, at the relative beginning of these technologies, with a bit of effort, data can be fed into systems that can use algorithms and technology to provide individuals with better choices. Right now, we are primarily seeing this within systems in ways that enable people to find better content for their needs (search, suggestions, rating and ranking, etc.) or content that's based on their desired career or learning path.

We're also seeing organizations leverage data collected outside of L&D to provide better information, coaching, and learning. Cultivate, GamEffective, Mighty, and a whole group of technologies that focus on enablement (or helping employees learn while they do the work) use data to "coach" individuals are doing this better. They're taking in information from different parts of the company and combining it with additional data to directly impact the employee.

Sharing information – even down

Individuals are often at a loss as to where they stand, what knowledge they have, and what they should know and be able to do. Organizations overwhelmingly rely on managers to disseminate information – a risky move in situations where managers don't have the training, motivation, or desire to have those conversations with their employees.

More forward-thinking organizations are beginning to realize the value of providing development data to individual employees themselves. Currently, this movement is mostly driven by vendors and their technologies (some of whom we mentioned earlier). They provide tools that make it feasible to push information down to the individual level instead of keeping it at the manager level or higher.

However, we're hoping it catches on. Providing this information to the individual gives them insights into not only how they're learning and what skills they have but also how they're performing and where their skills can take them.

> Providing information to employees gives them insights into how they're learning and what skills they have, but also how they're performing and where their skills can take them.

Develop an agile mindset

One of the best things about utilizing data to make decisions is the relative freedom it brings your organization: you have data to back those decisions up, which makes them easier to justify (and easier to excuse if things go horribly wrong – which they will do, but not nearly so frequently).

HOW LEADERS MAKE IT HAPPEN

IT Retail group

One organization, anxious to help their employees develop and grow in their careers, built an internal career journey site listing all jobs available to their employees. This site also includes skill levels and necessary capabilities associated with each position. Each job also links to learning paths that help individuals develop that knowledge and skills.

The company then uses Google Analytics to understand the activities on the site. Much like a marketing function would, the L&D function looks at the interest in positions and the "conversion" rates associated with employees linking to the training for particular jobs.

This gives them a wealth of information to understand where their workforce wants to go and what development they are interested in to achieve those goals.

But the best thing is also sometimes the scariest thing for organizations. Armed with data and metrics, organizations still must act in order to have impact. And it requires a different mindset. Leaders we spoke to seem to be doing two things: experimenting and minimizing.

EXPERIMENTING

We mentioned earlier that L&D functions with data and metrics are more apt to experimentation. Understanding how employees are behaving when it comes to their development (i.e., What are they looking at? Who are they talking to? How are they applying it? etc.) gives you insights into how you can adjust to influence that behavior.

MINIMIZING

Because content has an ever-decreasing shelf life, more evolved L&D functions are opting for a more minimalistic approach to content and learning in general. L&D functions literally cannot keep up with demands on their time anymore and are more carefully evaluating what they, the L&D function, needs to personally be involved with.

This doesn't mean that the experience they deliver is any less rich. In fact, in many cases, it's much richer. For example, several of the following "movements" have been prompted (or at least encouraged) by L&D organizations stewarding, rather than directly creating, the learning experience:

- **User-generated content:** allowing front line workers share their knowledge and skills to educate their peers
- **External free content:** leveraging free resources that are readily available rather than insisting on creating everything
- **Ratings and rankings:** using crowds and algorithms to determine what is "good" content rather than personally curating everything themselves
- **Feedback loops:** several technologies that build in natural feedback loops and personalize experiences for employees

When organizations have data and metrics about what employees are viewing and doing and how those things correlate with the rest of the organization, they're able to adjust to encourage some things over others. However, in our experience, this type of work rarely happens in organizations that are really focused on creation of content. It is almost as if organizations need to get to a level of minimalism before they can see the big picture of what is happening more globally in their organization.

In our opinion, the ability to continually and methodically adapt and adjust to the needs of the organization is one of the most important things that data and metrics provide to the L&D function. As business continues to move faster, understanding what is going on will be key to being able to ensure a skilled workforce.

ASK YOURSELF:

- Which analytics knowledge and skills do our L&D function have access to? Which ones do we need? How should we procure them?

- How often is our L&D function making decisions based on data and analytics versus on our "gut"?

- What kinds of technology is our L&D function leveraging to help us collect, analyze, and use organizational data?

- Are we thinking in terms of flexibility and agility? How likely are we to experiment with new methods?

- To what extent can we "minimize" our involvement in the extreme details?

- How can we leverage data and tools to put some learning and development on autopilot?
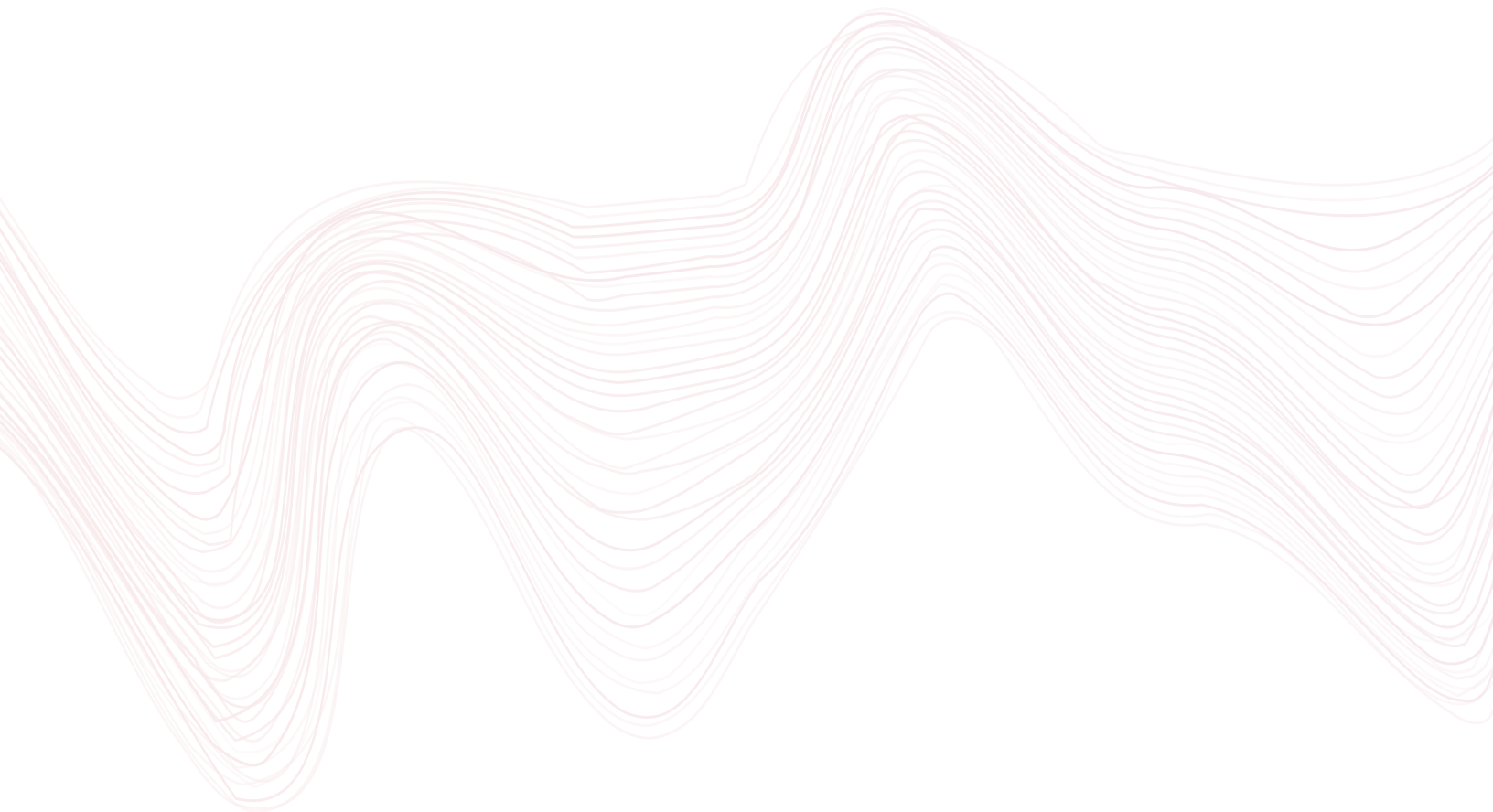
Tell Your Story

"We are, as a species, addicted to story. Even when the body goes to sleep, the mind stays up all night, telling itself stories."

- Jonathan Gottschall, The Storytelling Animal

In the summer of 2018, we conducted some research on the humanness of learning.[8] One of the things we found is that storytelling is something uniquely human – we tell stories to communicate information, to motivate, and to make connections. Robots, machines, and computers, with their enhanced ability to crunch numbers and use data, cannot tell stories; they just present data.

The storytelling part is up to us. Good metrics should give L&D functions the confidence they need to impact their organizations. But all of the metrics in the world won't matter if the story is boring, unmotivating, confusing, or left untold. Storytelling is a skill, and one that L&D functions should learn.

In fact, the more impressive examples we heard over the course of this study all included an aspect of storytelling. We noticed three similarities in the way they told their stories: they were graphic, they knew their audience and what was important to them, and they were focused. We recommend the same.

Be graphic

If the old saying "A picture is indeed worth 1000 words" is true (and we believe it is), then we should begin telling a story with pictures, not just numbers. Pictures – by which we mean clear charts and graphs and examples – have two benefits over just words or numbers.

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8   "Humanizing Learning," RedThread Research, Dani Johnson. September 2018.

First, humans remember pictures better than words. In fact, a study done several decades ago showed that people can remember more than 2000 pictures with at least 90% accuracy in recognition tests over a period of several days – even if they only saw them briefly.[9] Pictures increase your audience's ability remember important information, which is particularly important when trying to get them to change behavior, give you budget, or buy into a new direction.

Secondly, pictures, charts, and graphics evoke emotions. Anger, fear, excitement, and satisfaction are often more easily demonstrated with a good graphic as opposed to numbers or words. Good visualization leverages the ability to build trust – not just because they have the data and metrics, but because they tap into emotions in connection to those data and metrics.

L&D functions should do the same. Data visualization has become increasingly important. Understanding how to visually represent the story you want your data to tell is becoming increasingly important.

In our research, we saw some really great examples:

Pictures increase your audience's ability to remember important information, particularly important when trying to get them to change behavior, give you budget, or buy into a new direction.

HOW LEADERS MAKE IT HAPPEN

One organization used graphics to highlight the correlation between how managers were performing with respect to important business KPIs and their demonstrated knowledge in certain subjects. Since information was shared with both the manager and the director, they were able (and motivated) to take corrective actions.

Another organization built a dashboard showing the correlation between key business KPIs and training completed

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9   "Perception and memory for pictures: Single-trial learning of 2500 visual stimuli," L Standing, J Conezio, RN Haber - Psychonomic science, 1970 - Springer

by each of their franchisees. The correlation and the emotion created by the peer pressure of having the information public worked to motivate franchisees to keep on top of product training.

So, data visualization is important. Where to start? We, internally, have been doing research of a similar nature as we ramp our team and help them tell better stories with our data. Below are three key resources that may be useful to L&D functions trying to develop the same skills.

Image 9: Storytelling with Data - resources

Book	Blog	Infographic
Storytelling with Data, Cole Nussbaumer Knaflic	Flowingdata.com	types of Data Visualization

Know your audience

The second thing we learned from L&D leaders about story telling was the importance of knowing your audience. Unfortunately, most don't. Our colleagues at Bersin did some work a few years ago that illustrated this: in general, L&D functions measure things that are easy to measure or that business leaders don't really care about (completion rates, enrollment, hours delivered, etc.) and don't measure the things that businesses do care about (business results and impact).[10]

If L&D functions are going to both show and have impact on their organizations, they need to understand their audiences' motivations, feelings, pressures, desires, and goals, and present the right data in the right way to help them connect.

> L&D functions need to understand their audiences: their motivations, feelings, pressures, desires, and goals.

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10 "State of Learning Measurement Infographic," Bersin by Deloitte, Todd Tauber, Wendy Wang-Audia, 2015.

One leader we spoke with spent the first three months of his time in a new analytics role interviewing and speaking with leaders of other business functions to find out what was most important to them.

This not only helped him hone his focus for the analytics work but also gave him a leg up in how he wanted to use data and metrics in order to motivate the organization to change. He found that most of the leaders he spoke with cared primarily about six metrics, and he was able to streamline the processes of collecting and sharing information that the organization cared about.

Focus

Finally, in telling stories, L&D leaders should focus. We often have the tendency to bury the lead by using ALL of our data and metrics rather than data and metrics that are focused on the stories we want to tell. More isn't always better. Sometimes it's just more.

Often, L&D functions err on the side of providing too much data or data that doesn't resonate with audience they are addressing. This misstep can often cause them budget or even worse, credibility.

L&D functions should focus the information they share on the audience and the story they want to tell. And this means using data sparingly at times. Tight stories provide enough detail to be interesting and engaging. But don't get bogged down in mundane details unnecessarily. If context is important, by all means, share it; but if it adds nothing to the signal, and instead creates noise, think about leaving it out.

Susie Lee, Head of Global Business Solutions at Degreed and formerly SVP of Learning Technology Products and Implementation at Bank of America understands this well. As part of both of her last two positions, she has had the opportunity to help leaders think through the stories they may want to tell and what focus they should take when telling those stories. The following graphic is shared with her permission:

More isn't always better. Sometimes it's just more.

Image 10: The Metrics Tell the Story
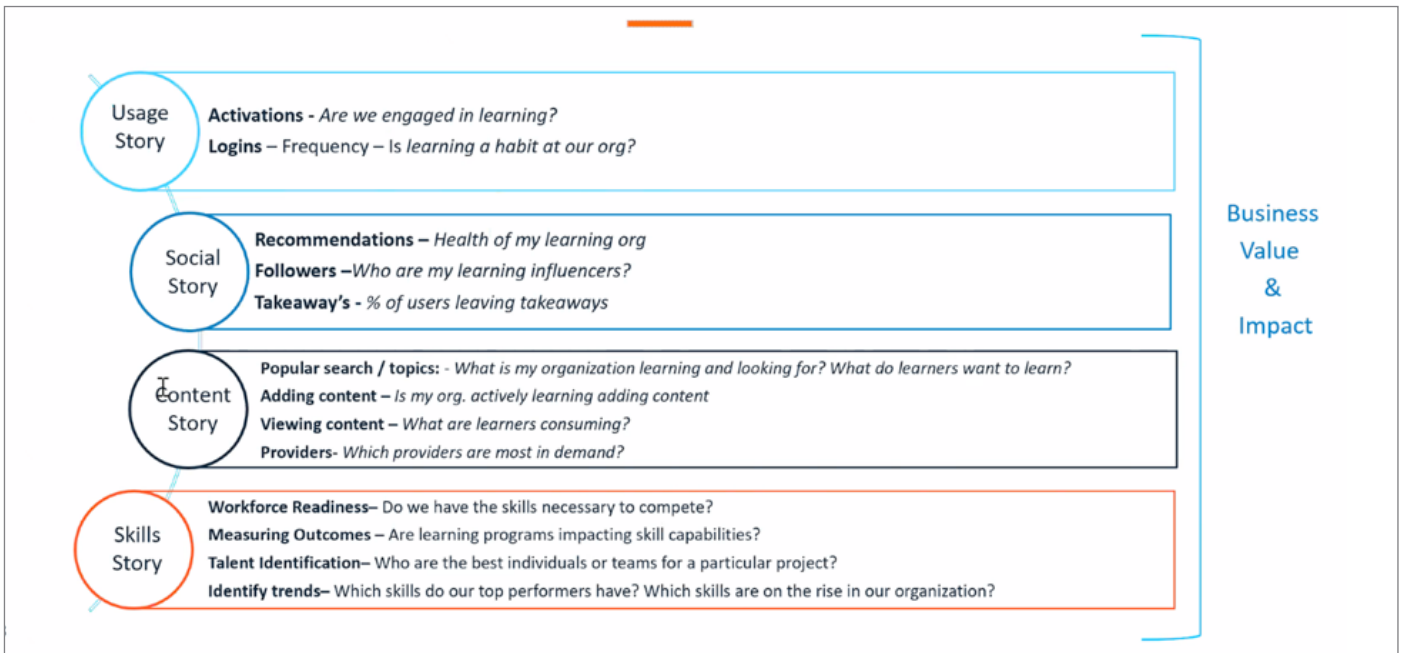
Source: Susie Lee, 2019

As the quote at the beginning of this section suggests, storytelling is in our nature. In this world of data-overload, sometimes it's difficult to remember why we want the data in the first place. As L&D functions get better at being graphic, knowing their audience, and focusing, their ability to leverage data and metrics for the good of the organization will increase.

ASK YOURSELF:

- What data do we use to tell our story?
- How graphic are we when we tell our stories?
- Do we know our audience, their needs and goals? Are we sharing the appropriate information?
- Are we focusing our story and the data we use to tell it, or are we inundating our audience with noise?

Conclusion

When we started this research, we were looking for a silver bullet – the processes that forward-thinking organizations were using in order to both have and show impact. What we found instead can almost be described as a philosophy. Yes, there are broad-brush ideas that organizations should be leveraging, but the details of exactly how those things are executed is specific to each organization. And it takes work to figure out.

And forward-thinking L&D companies are. They're taking the time to truly understand their organizations, build analytics capabilities, get rigorous about data, and think about their role more broadly. The result is a more thoughtful, effective, and yes, impactful approach to employee learning and development.

About RedThread & Authors

Dani Johnson, Co-founder & Principal Analyst

Dani is Co-founder and Principal Analyst for RedThread Research. She has spent the majority of her career writing about, conducting research in, and consulting on human capital practices and technology. Before starting RedThread, Dani led the Learning and Career research practice at Bersin, Deloitte. Her ideas can be found in publications such as Wall Street Journal, CLO Magazine, HR Magazine, and Employment Relations. Dani holds a Master of Business Administration and a Master of Science and Bachelor of Science degrees in Mechanical Engineering from Brigham Young University.