FUEL BUSINESS STRATEGIES
WITH L&D ANALYTICS
Gene Pease and Caroline Brant
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AUTHORS

Gene Pease
Gene Pease is a globally recognized thinker, speaker, and educator in talent strategy and workforce optimization. He is author of three books on people predictive analytics, and he has more than 25 years of experience as a CEO and board member. Pease was the founder, CEO, and board member of Vestrics (formerly Capital Analytics) that was acquired by Ultimate Software in 2016.

Caroline Brant
Caroline Brant is an award-winning author and speaker on learning strategy. She is currently the director of Client Success at Zoomi.ai, with 20+ years of experience in resource planning, employee engagement, product development, training design and implementation, and efficacy of learning.

REFERENCES & RESOURCES

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The quest to acquire, engage, and retain talent is more important than ever before in this challenging and changing business environment. In the United States today, there are more job openings than qualified candidates, so organizations face many hurdles in hiring the right talent. High-performing companies recognize that developing and keeping talent is critical to their success. And L&D is the cornerstone of doing so.

Josh Bersin states that corporate learning is now the second most important topic on the minds of CEOs and HR leaders. The 2017 Deloitte Human Capital Trends report found that 83 percent of companies rate this issue “important,” and 54 percent rate it “urgent,” an increase of 11 percent from the previous year. In this world of automation, business transformation, and skills continuing to become obsolete, companies are realizing that delivering on a compelling digital learning experience is an important facet of corporate learning.

Given top leaders’ concerns, it’s not surprising that most organizations are making significant investments in L&D. The Association for Talent Development’s 2018 State of the Industry report, for example, found that organizations had an average direct expenditure per employee of $1,296 in 2017. It is imperative to understand whether these significant investments are achieving their goals. But how do we do that?

Today’s technology is the answer. In “Executive Dashboards to Win Over the C-Suite,” Preethi Anand explains, “Dashboards showcase metrics and data on various initiatives and overall performance of business functions so that leaders can take stock of the current situation and chart a path forward.” While for some time L&D professionals have had access to data via excel spreadsheets—that is, analytics—artificial intelligence (AI) through dashboards now enables us to gather significant amounts of data in real time to affect learning, performance, and business. AI involves computer systems being able to perform tasks that normally require human intelligence.

Learning dashboards and AI can help even nondata scientists see meaningful insights into learning’s effect on an organization, which enables L&D leaders to leverage learning as a business strategy with a quantitative data-driven approach.

In this issue of TD at Work, we will look at

- insights into which talent strategy for effective analytics is right for you.

PROVING L&D’S WORTH

Historically, in terms of talent development, HR generally operated on gut feeling and doing the right thing. For decades, L&D professionals have relied on smile sheets to measure a training program’s effectiveness. Indeed, as Zoomi Chairman and Co-founder Jim Walker shared in a Forbes interview, “learning and development seems to be the last corner of the organization where we have been happy to fly blind and operate without meaningful data.” To compete today, you must understand whether your programs are working, where they are working, and where they need to be improved or eliminated.

The Starting Point

For many years, we used surveys and postcourse assessments that provided little, if any, useful data on knowledge transfer, retention, and impact on job performance. Even when postcourse surveys are mandatory, they are often a crude measure of how much knowledge transfer actually took place.

Our understanding of learning efficacy has come a long way. L&D introduced the use of surveys for learning effectiveness through the Kirkpatrick and Phillips return-on-investment methods beginning in the 1950s. Dashboards, scorecards, and benchmarks were then introduced in the 1980s.

Summarizing historically where L&D has been in terms of providing its worth, Bersin states, “We knew learner satisfaction was far below goals, but we didn’t really know why and therefore had no concrete guidance for improving. And we did a lot of guessing about what types of language, activities, simulations, or videos would be effective and engaging.”

Where We’re Going

Recent advances in technology have enabled L&D to evolve from paper to spreadsheets to the learning management system. Current LMS dashboards generally provide a quick view of training performance and LMS usage—that is, activity metrics. Analytics, which only started taking off in the early 2000s, is fairly new to our toolkit for understanding the effectiveness of people investments.

Still, even recent dashboards typically have captured historical learning indicators—that is, the number
of students trained, survey responses, class completion, and cost per student per day. However, these measurements do not accurately illustrate the real success of a training investment, especially since time spent in training is rarely positively correlated to knowledge transfer.

CEOs and chief financial officers need to see more than participation data. According to the LEO Learning and Watershed report Measuring the Business Impact of Learning, 60 percent of surveyed practitioners reported they feel more pressure from their executive teams to demonstrate L&D’s impact across the organization. That’s up 71 percent from the previous year.

New-generation L&D technologies include imbedded analytics and machine learning. Executive dashboards now offer unique insights into people’s alignment to business strategies and the effectiveness of L&D programs.

The tools you invest in can provide a data-driven understanding of how your employees learn, what they’re learning, and what they need to learn so you can define and deliver better solutions and business outcomes.

Don’t let the fear of metrics prevent you from taking advantage of the technology and data streams that will make your job easier and learners smarter and more successful.

**AI’S BENEFITS**

Collecting and analyzing the most basic data was once a six-month process:

- Collect and tabulate postcourse assessments.
- Track impact (sales, quality, cycle time, productivity, customer satisfaction, turnover, cost savings, and risk mitigation).
- Assemble a team to populate and merge spreadsheets.
- Distribute spreadsheets.
- Review again.

Now with learning dashboards, managers can collect, index, and obtain visuals of data from existing training programs in real time, enabling them to analyze trends and identify learning preferences, patterns, and anomalies.

Bersin notes that, “AI takes so much of this guesswork out of the equation. AI can help us quickly curate content and analyze detailed learner activities and interactions. It will also improve learner experiences by making searches more powerful and offering up recommendations based more specifically on individual needs, interests, and preferences.” He continues, “Cutting-edge dashboards that provide meaningful insights about engagement, skills, and learning paths allow L&D leaders to leverage learning as a business strategy.”

**What Kind of Insights?**

The quest to glean new insights from large, often diverse sets of information has fueled a surge of development around AI. L&D, often thought to be technologically lagging, is beginning to realize the benefit of AI in several ways:

- eliminating extraneous content
- ensuring that content, testing, and learning objectives are aligned with each other
- getting content recommendations
- checking grammar.

We use AI every day in our Google searches, shopping recommendations, and traffic apps. Sophisticated algorithms can discover behavior patterns and understand how knowledge and information flow through organizations and networks. For example, social learning network analysis—the interaction between learners, instructor, and learning content—is a growing trend in the field of people analytics, specific to learning. It is a powerful way to understand how people are connected within an organization, the topics most discussed, who the influencers are, and even which connections would be most beneficial to learning and job function.

**Types of Challenges**

Imagine you are in a sales organization and there’s a new product release you need to know about before you speak to your customers. The ability to know the individuals you should connect with to best understand upcoming product knowledge would save you time and improve your sales performance. A social learning network analysis looks specifically at how networks form around the function of learning and how they are specifically interested in knowledge sharing and information dissemination. It’s not just about how people
communicate in an organization but whether they are learning from each other.

Modern dashboards provide this data visualization, enabling learning and business leaders to assess content, as well as learning effectiveness while the training is taking place. Learning managers, department heads, CFOs, and even CEOs can use customizable dashboards to gain insight on the impact of these programs on business outcomes. Leaders can evaluate the human and financial benefits of training programs by measuring relevant correlations with established business metrics.

Today’s dashboards can be customized to focus on specific types of issues.

**Safety**
- Do organizational safety scores improve as more associates complete the prescribed training program?
- Do safety scores vary by different demographics?

**Sales training**
- Do our sales commissions increase as more salespeople are trained?
- Does the consumption of the sales training program vary by region, and if so, why?

**Compliance training**
- Does our compliance training content properly map to regulations?
- Where are we at risk?
- How many employees were able to test out of the annual compliance training program as a result?
- How significantly did the training program affect our fines?

**Knowledge**
- Where is knowledge transfer taking place?
- Where are the gaps?

**Ready to work**
- Where are we able to reduce time to proficiency?
- How much faster are employees ready and able to do their jobs?

**ANALYTICS THROUGH DASHBOARDS**

The effectiveness of a training program has historically been measured by metrics, not the business value that the program has affected. Today, dashboards can measure not only business value but also where programs are effective and where they can be improved.

**Analytics Spectrum**

Figure 1 illustrates the spectrum of analysis sophistication and the corresponding business value. As you move from descriptive analytics into more sophisticated measurement techniques, the work becomes more complicated but creates greater business value.

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**Figure 1. Analytics for L&D**

Adapted from Zoomi.