

HOLLY BURKETT



Learning

*for the*

Long Run



7 Practices for Sustaining a Resilient  
Learning Organization

## More Praise for *Learning for the Long Run*

“Don’t miss this opportunity to hear from one of the foremost learning experts how to benefit from, build, or lead the kind of sustainable learning culture that engages talent, sparks innovation, and optimizes performance and productivity. Packed with practical strategies, proven daily practices, assessment tools, and more, *Learning for the Long Run* is a trusted resource that you will turn to again and again.”

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—Howard Prager  
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“This book presents an energized, highly developed formula for creating sustainable talent development and workplace performance. Holly Burkett provides an abundance of well-organized, comprehensive examples, diagrams, and assessment tools. It’s a must-have for learning and performance improvement professionals.”

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—Sharon Huntsman

*Director, Management and Leadership, UC Davis Extension*

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—Lynn Schmidt

*Director, Global Leadership Development*

*Author, Shift Into Thrive*

"Burkett provides a clear road map for building a sustainable, high-performing learning culture in any organization. Comprehensive and practical, the seven fundamental practices in *Learning for the Long Run* inextricably link theory to practice and learning to performance. With its compelling case studies and useful assessment tools, this is a must-read for organizational learning and performance professionals, change leaders, and talent development managers, as well as learning sponsors and students."

—Salvatore Falletta

*Program Director and Associate Professor,  
Human Resource Development, Drexel University  
Former Chief HR Officer, Fortune 1000 company*

"Holly Burkett's seven practices are both practical and actionable. As a learning leader, I am incorporating these practices to help my organization face the challenges of today—and tomorrow!"

—Dawn Snyder

*Senior Manager, Credentialing and Learning Strategies, Ellucian*

# Learning *for the* Long Run

7 Practices for Sustaining a Resilient  
Learning Organization

HOLLY BURKETT

**atd**  
PRESS

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*To my father, who inspired me to learn more about myself and the world every day. To my grandfather, whose love of books introduced me to worlds of infinite possibilities. You both showed me what it means to be a true learning leader. Your examples and teachings deepened my commitment to learning as a noble calling, one worth sustaining over the long run.*



# Contents

<b>Foreword by Jack J. Phillips</b> .....	<b>vii</b>
<b>Preface</b> .....	<b>xi</b>
<b>Introduction</b> .....	<b>xix</b>
<b>1</b> Managing the Learn Amid the Churn .....	<b>1</b>
<b>2</b> The Sustainability Cycle for Learning Organizations .....	<b>19</b>
<b>3</b> Practice 1: Lead With Culture .....	<b>53</b>
<b>4</b> Practice 2: Develop and Distribute Leadership .....	<b>85</b>
<b>5</b> Practice 3: Execute Well .....	<b>119</b>
<b>6</b> Practice 4: Drive for Results; Continuously Improve .....	<b>147</b>
<b>7</b> Practice 5: Build and Bend Change Capabilities .....	<b>187</b>
<b>8</b> Practice 6: Foster Collaboration, Connection, and Community .....	<b>225</b>
<b>9</b> Practice 7: Embrace the Art of Innovation.....	<b>255</b>
<b>10</b> Final Thoughts .....	<b>293</b>
<b>Appendix 1: Case Profiles</b> .....	<b>299</b>
<b>Appendix 2: Characteristics of a Sustainable Learning Organization...</b>	<b>301</b>
<b>Appendix 3: Plan, Do, Check, Act Job Aid</b> .....	<b>317</b>
<b>References</b> .....	<b>329</b>
<b>Further Reading</b> .....	<b>343</b>
<b>Acknowledgments</b> .....	<b>347</b>
<b>About the Author</b> .....	<b>349</b>
<b>Index</b> .....	<b>351</b>



# Foreword

**A FEW YEARS AGO, ROI INSTITUTE** served as expert advisers for a benchmarking project with the American Productivity and Quality Center. The project focused on measuring the impact of a corporate university and was organized at a time when traditional learning functions were being converted to corporate universities with new titles and functions. The project involved about 25 well-known and respected organizations, all very interested in learning more about how to measure the success of their corporate university.

Over the two to three months of the project, much to our surprise, two of the organizations in the study dropped out because their companies disbanded their learning function. This was particularly disturbing because these organizations were considered to be very progressive and wanted to know more about how to measure the value of their learning function. As one of the departing learning executives told us, “Unfortunately, our executives just don’t seem to value having a centralized corporate learning university.” At the same time, we noticed that new corporate universities were created at a couple of other respected companies. The announcements were high profile, with press releases stating how these learning functions would help grow the organization and make it successful.

This experience brought into focus the need for sustainable learning organizations. Sustaining the value of the learning function is ultimately the key to a successful learning organization.

## Ongoing Dilemmas

Learning leaders today face several dilemmas, making it a challenge to add and drive value—and to be consistent. The first dilemma is the perception of learning as the number-one solution when an organization has a problem.

Executives and managers who request learning programs often see any problem as being caused by someone not knowing what to do. As a result, they assume learning is the solution. Yet at the same time, when budgets get tight and times get tough, these same executives and managers will be the first to cut the learning function. This perception must change.

A second dilemma is the great amount of wasted learning. Learning and development professionals often discuss “scrap learning,” the portion of learning that is not used on the job, although you wanted it to be applied. Depending on which study you examine, this waste can range from 50 to 80 percent or more of learning. So say your learning and development budget is \$10 million. The waste could be \$5 million, and that’s if you take the low estimate. Whether learning is transferred is a constant and perplexing problem that needs to be corrected. And with a reasonable amount of effort, it can.

A third dilemma is the need and desire to have training “just in time,” “just for me,” and “just in the right amount.” This ultimate customization often means bite-size learning, which is difficult to achieve logistically unless formatted into technology-based learning. Some technology-based learning, particularly online and e-learning, is not as effective as facilitator-led learning when measured at the application and impact levels. While it is convenient, accessible, and low cost, learning often breaks down at these higher levels of evaluation. The concern is making technology-based learning work, using the creative spirit of designers and developers and the business-minded focus of administrators.

Finally, a fourth dilemma is the definition of success for learning. This is perplexing to many learning leaders. Years ago, success was principally measured by the number of learners involved, the time involved, and the cost of the involvement. Measures of learner satisfaction were added. This evolved to measuring the success of learning based on what people have learned. Now this has moved to application and impact: Learning should be defined as successful not only when participants use what they have learned, but also

when that learning has had an impact. This changes everything for some learning centers because, under this definition, without impact, the learning center is not successful.

## More Challenges

These dilemmas create not only challenges but also opportunities for the learning leader. Complicating these dilemmas are the changing complexity of the workplace, the competition with other functions for resources, and the desire to learn from all types of employees, among other trends. For some employees, access to learning is a part of the decision to stay with the organization. Added to this is the speed of change in organizations, which makes it difficult to rely on traditional ways to design, develop, and deliver learning. All of this makes sustainability harder to reach.

And yet, sustainability is needed for the longevity of the learning function. The learning function needs to remain stable, adding value for long periods of time, not going through up and down cycles of budget cuts and additions. The budgets need to be appropriately funded so that highs and lows are avoided to the extent possible. For example, during a recession, executives need to realize that it may be better to increase the learning budget, not reduce it.

The turnover rate of chief learning officers (CLOs) is quite high, probably the highest of the C-suite jobs in most organizations. This, too, makes sustainability more difficult. We need steady growth, ample budgets, credible results, and a constant focus on making the organization more innovative, profitable, and yes, sustainable.

## What This Book Will Do

*Learning for the Long Run* addresses these dilemmas and challenges with an innovative approach. Holly Burkett begins by defining sustainability and discussing the challenges facing learning, some of which I've highlighted here. In the meat of the book, she delves into the seven fundamental practices of sustainable, resilient, highly effective learning organizations. She has packed this book full

of tips, tools, action items, and case studies. *Learning for the Long Run* will spark the needed change for you to bring a sense of long-term value, worth, and overall sustainability to this important function in your organization.

Holly has the perfect background to write this book; four sets of experiences come together to make her the ideal author. First, she has worked as a learning practitioner for several decades inside one of the world's most respected organizations. Second, she has spent the last 20 years as a consultant, helping learning functions show, add, and sustain value. Third, she has taught a variety of university programs, teaching others how to do what she has learned to do so well. And fourth, she has conducted a tremendous amount of research on sustainability, including her PhD dissertation. Holly masterfully blends experience, consulting, teaching, and research into this truly well-thought-out book.

Please enjoy and use *Learning for the Long Run* to make sustainability work in your organization.

Jack J. Phillips

Chairman, ROI Institute

Author of 75 books, including *Show Me the Money*

# Preface

In the long run, the only sustainable competitive advantage is your organization's ability to learn faster than the competition.

—Peter Senge

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**I GREW UP AS A MILITARY BRAT**, moving from state to state, school to school, and neighborhood to neighborhood throughout my childhood and late teens. Like most kids who experienced that kind of nomadic lifestyle, I developed a certain level of resiliency in facing the unknown, along with an innate curiosity about how new people, places, and things worked. As a member of the military community of dependents, we were all driven—by both necessity and design—to “depend” upon our ability to learn quickly. We had to learn how to gauge the lay of the land, decipher cultural cues, pinpoint leaders and followers, and figure out where to get the information we needed to adapt. We needed to learn whom to trust and how to behave in unfamiliar terrain. We needed to learn what to do to not only get along but also get ahead. How to not just survive, but to thrive in each new setting.

The capacity to learn quickly and to bounce—not only back, but forward—are key survival skills that benefit us all, no matter how old we are, how we were raised, or where we live or work. As individuals, a strong capacity to learn makes us better equipped to gather information about the world around us, which is especially critical because the conditions are increasingly more volatile and complex. A strong capacity to learn helps us make better, more informed decisions about how to seize opportunities for using our talents and strengths to create better teams, organizations, and communities. A strong sense of resiliency helps us adapt in a world that is full of complexity, uncertainty, and ambiguity. In short, learning and resilience matters more today than ever before. This is especially true for the modern learning leader and the modern learning organization.

Much has been written about the importance of the learning organization and the role of learning as a key source of competitive advantage. Successful organizations have found learning to be a critical asset used to:

- Attract, retain, and engage talent.
- Fuel the breakthrough ideas needed to spark innovation.
- Build the critical capabilities needed for a strong leadership pipeline.
- Grow change responsiveness and adaptability.
- Enhance performance and productivity.

Organizations that consistently produce the best business results demonstrate a strong commitment to learning and have robust learning organizations that foster a learning culture. While there are obvious benefits to a stable learning organization with an established, well-integrated learning culture, studies show that a high proportion of organizations have well-developed cultures of learning. In an increasingly complex and volatile landscape, it becomes more difficult to not only build, but also sustain a high-performing learning organization. Yet there is an even more critical need. Organizations must learn faster, and adapt faster, to meet the demands of globalization, the increased competition for talent, and advancing technology, or they won't survive. Some experts have predicted that within the next 10 years, only true learning organizations will be left standing. In a true learning organization, learning is not seen as a separate activity or event, but instead as an intrinsic way of operating and being productive on a day-to-day basis. In a true learning organization, the value of learning is embedded and embodied by corporate culture, leaders, managers, teams, and all employees. Learning processes are nimble, customized, and available at the time of need. Employees are responsible for their own development and learning leaders serve as facilitators rather than gatekeepers of learning. Learning leaders who create the most short- and long-term value are those who focus on effectively teaching organizations how to learn and transfer that learning into performance capabilities that propel organizational growth. Here, the focus is on collective capability building across the whole organization.

Of course, elevating and sustaining the strategic role of learning is easier said than done. Many learning leaders, performance improvement specialists, and talent managers continue to struggle with the strategic partnership roles required for effective integration, alignment, and adaptability of the learning function, which has increasingly fallen under the umbrella of talent management. In today's VUCA business environment, change happens faster than learning strategies can be devised, strategic priorities become moving targets, learning sponsors and advocates may come and go, skills and knowledge depreciate more quickly, and pressures for showing the learning function's contribution to the business intensify as competition for talent and resources increase. In this climate of shifting sands, it's tough for any business function, including a learning enterprise, to stay grounded, relevant, and intact, making it more challenging for a learning culture to take hold and fulfill its promise of making a real difference.

## **Who Will Find This Book Useful**

This book is for all of you who, at various learning, performance improvement, HR, organization development (OD), higher education, grants management, or consulting meetings, conferences, or coffee breaks over the years, have shared your joys and frustrations in trying to make learning cultures "stick" in your respective settings. Some of you have had little formal training as a learning leader and are struggling to keep up with the pace of change in the business world and the world of learning and development. Many of you worry about increased demands to do more, prove more, and be more, not only as a practitioner but as a business partner. Many of you have successfully stepped up to meet these challenges, only to see your hard work and supporting foundations torn down in the wake of organizational downsizing, rightsizing, or capsizing. Others of you have been recognized as best-in-class, exemplary learning champions and talent builders, who have made steady progress in developing a stable, value-added learning culture, despite periodic speed bumps and disruptions along the way.

Whether you're a new or seasoned professional involved in learning and development, talent management, performance improvement, human resource development, OD, or higher education, you'll find practical tips, tools, and lessons learned from others who are actively transforming their learning organization to ensure its long-term strategic value in the midst of changing conditions and competing pressures. If you're an executive, director, or manager, you'll find valuable guidelines, assessment tools, and best-practice examples showing how you can leverage your learning organization as a key driver for talent development, improved engagement, high performance, and increased innovation. You'll find compelling testimonials and anecdotes from other executives and sponsors who have found a culture of continuous learning to be a key source of competitive advantage and sustained value, and who actively champion learning by serving as leader-teachers in their organizations. If you're a consultant, you'll find insights from other consultants who have helped shape learning organizations from the outside in, and who have successfully forged the partnerships needed to help others build and sustain a learning organization. You'll find strategies and tools that will help you with clients who want to optimize their processes and maximize their value. Educators and students will find this book to be an important supplement to other learning, HR, performance improvement, or OD textbooks because it provides the extra dimensions of real-world case studies, diagnostic assessments, and job aids.

Regardless of your title or role, learning is likely to be an important element of any strategy or solution you recommend or implement. Understanding how learning works and how mature learning organizations enable improved work performance and engagement will enhance your effectiveness as a strategic adviser and decision maker.

## **Origins of This Book**

First, *Learning for the Long Run* draws upon several years of perspiration and inspiration from firsthand experiences as a learning leader in a wide range of public- and

private-sector organizations. On a personal level, my “good, bad, and ugly” experiences positioning learning as a mission-critical enterprise have given me a deep sense of admiration and respect for learning leaders who are facing similar challenges. As an internal and external consultant, I’ve had the good fortune of learning with and from diverse, talented experts from around the world on topics related to learning and performance, culture change, leadership, human capital development, and sustainability. Many of those insights and conversational highlights are shared here. Second, as an active global citizen and passionate learning champion, I care deeply about developing relevant strategies and solutions that achieve their intended social and economic impact. That passion spurred my doctoral pursuit, which led to extensive research about the relationship between change resilience and a sustainable culture. In my dissertation, hundreds of learning leaders shared their culture building and organizational change experiences through a combination of survey participation and structured interviews. Many of the lessons learned, comments, and findings gained from that mixed-methods research are provided here. Some examples have been adapted for clarity and anonymity.

The topic of creating sustainable value as a learning leader seemed to strike a chord. Many individuals I originally interviewed during 2009-2010 encouraged me to write a book describing how important a sustainability focus is in helping learning leaders deliver on their promise to add value and on their desire to make a meaningful difference. So began the process of telling those stories and gathering more. Nearly two dozen learning leaders who are actively attempting to jump-start or sustain a value-added learning organization have been interviewed for this book. Examples were drawn from both internal and external learning professionals; those with performance improvement, learning, or HR roles and titles; and public and private sector organizations of varying sizes and geographic locations. The case examples are taken directly from transcripts of those recorded interviews and have been approved by those involved. The Voices From the Field sections include highlights from conversations held with learning leaders during workshops, conferences, networking meetings, or professional association events.

All and all, this book is designed to provide practical strategies, practices, assessment tools, job aids, and real-world examples that will help your learning organization sustain its relevance over time.

## **How This Book Is Organized**

The introduction sets the stage and builds the business case for a well-developed, sustainable learning organization. The value proposition of a sustainability focus is explored from the perspective of a learning leader.

Chapter 1 provides clarity on what a mature, sustainable learning organization is, why it's important, and why it's so difficult to achieve. Seven proven practices for driving sustainable value are introduced.

Chapter 2 dives deeper into the notion of an integrated, sustainable learning organization, and provides a framework for viewing sustainability as an evolutionary growth cycle with progressive value propositions. The chapter describes four distinct stages of the evolutionary process, key tasks within each stage that will facilitate forward movement, and provides examples of how those tasks have been applied by progressive learning leaders to create more momentum and traction for their learning organizations. Ten characteristics of a mature learning organization are also presented, along with a self-assessment tool, allowing you to assess the level of process maturity within your own learning organization.

Chapters 3 through 9 detail each one of the seven practices, and will provide a case example showing how each practice has been applied. You'll see how each case mirrors the sustainability growth cycle. You'll also see how each case stacks up to the 10 characteristics of a sustainable learning organization, based upon common use of the seven practices and unique enabling strategies highlighted by each learning leader. In essence, sustaining a mature learning enterprise is about how you work the practices to meet the unique needs, strengths, and capability challenges within your own environment.

Chapter 10 provides a recap along with closing tips, tools, and a call to action encouraging you to put key lessons learned into practice so you can

achieve higher levels of process and practice maturity with your learning organization. Guidelines and recommendations for how to use each of the assessment tools, job aids, and case scenarios are also included.

Appendix 1 includes an overview of the case studies and enabling strategies. Appendix 2 reviews the characteristics of a sustainable learning organization and provides a tool for assessing your learning organization's maturity level. Appendix 3 reviews the plan, do, check, and act actions from chapters 3-9 and has a tool for you to assess your learning organization's pattern of practice with each.

## **Final Thoughts**

Whether to become a mature learning organization is no longer the question. Learning matters and continuous learning is the path to adding a sustainable, competitive advantage. Now the question is how to keep continuous learning processes in place given volatile change conditions and shifting business demands. Unfortunately, there is no simple, one-and-done solution for meeting modern day sustainability challenges. However, there's a lot to be learned from those who are successfully navigating the maturity continuum so that their learning organization remains credible, flexible, and adaptive over time, despite these challenges. A common piece of advice is to treat the growth process like a marathon, not a sprint. How to train for that marathon and prepare for the long run is the essence of this book. I hope these stories, practices, and tools guide you in making the impact and difference you seek with your learning organization and mobilize your efforts to shape a meaningful legacy as a learning leader.

Holly Burkett  
November 2016



# Introduction

“Someone is sitting in the shade today because someone planted a tree a long time ago.”  
—Warren Buffett

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## CONSIDER THE FOLLOWING SCENARIOS.

### Scenario 1

Ann is a performance consultant at a global healthcare company with commercial operations in more than 100 countries, along with a strong network of manufacturing sites and international research centers. When she first started, executive support and advocacy for a learning and performance focus was minimal. She could not get support from senior management or establish any traction for integrating performance-based learning into existing business or HR processes. Then, about five months after she assumed the role, a middle manager asked her to help measure the effectiveness of a corporate university program on sales training. His main purpose was to prove that the program didn't have any value and that its training dollars needed to be cut.

The person in charge of the training program didn't want its performance evaluated for fear of how the results would be used. “It took months to convince the learning team to get surveys out, to get feedback electronically instead of by paper,” Ann said.

Despite the naysayers, the evaluation found that the sales training program had a positive return on investment of 168 percent, with a clear connection to increased sales revenues. “When those results came out it was like opening a floodgate. Everybody wanted to use our services; managers wanted to measure results on everything to ‘fix holes’ in their departments,” Ann said. “Employees

wanted to learn how to use results as a personal and professional improvement tool so they get promoted more easily and stand out from the crowd. The culture was one where people needed data to justify career paths and performance rewards. The VP of sales became one of our biggest advocates.”

With executive and management support, the learning and performance team was able to build a solid foundation for a performance-based learning organization, including supporting policies, processes, and standards. The team members established and strengthened business partnerships with managers across all organizational levels. They educated and engaged business units to promote shared responsibility for learning and performance results. And they regularly monitored and measured the impact of learning investments to ensure that programs and services were contributing to important job performance and business measures.

“Then about two years later, the company went through a reorganization and started . . . downsizing,” Ann said. “We got a new VP of sales training and he came from the school of ‘as long as I train, people benefit from it.’ He frankly said, ‘You’re doing great stuff here, but we can’t afford to have such a specialized position when we’re eliminating so many positions.’” As a result, the company eliminated more than 5,000 jobs and most learning and performance measurement processes, including Level 1 satisfaction surveys.

With her position eliminated, Ann opted for early retirement. However, she was recently hired back as a contractor to facilitate other corporate training programs on the consumer product side of the company. “We’re in the process of reintroducing some of the performance and results-based approaches to learning that we put in place when I first started,” Ann said. “Metrics around getting products launched faster are a big source of interest. So it’s come full circle and we’ll see what happens with that.”

## **Scenario 2**

Bill is an analytics consultant for a global financial institution with more than 5,000 locations and more than \$1 trillion in assets. When he first joined the

company, he was a member of a commercial training team, managing projects as an assistant vice president. At that time, the company was investing heavily in training and development efforts associated with re-engineering and decided to hire a training manager, Sue, to lead training and development, including the commercial and wholesale banking colleges. Sue was a 20-year veteran on the commercial banking side of the business, but she was brand new to the learning and HR side. Soon after Sue started, the company completed the re-engineering training for some 100,000 employees across all locations. According to Bill, Sue was the first one who wanted to find out what the company really got from spending such large sums of money. She started asking questions like, “Are people really doing anything any differently, or have they just gone back to their old habits? Is anyone checking to see what difference all this training has made?”

Those questions became the catalyst for the training team to develop more discipline, more-standardized processes, and more-consistent goals around evidence-based practice. “My role was to work with other learning leaders to drive the development and implementation of the learning and measurement strategy,” Bill said. “Our team consulted, coached, and mentored others along the way ‘to catch them if they fell’ so to speak. We also worked to get the supporting technology we needed. I had two people working with and for me and about 40 employees throughout the learning community who were also reporting to me.”

To help establish more discipline and accountability, the training team partnered with ROI Institute to evaluate a high-profile curriculum that was part of the original expenditures around re-engineering and culture change. The team dedicated itself to learning more about how to add value and make learning programs and services more effective.

“We spent a lot of time developing capability in the company around doing measurement and ROI work as well,” Bill said. “We hired consultants like [Dana Gaines Robinson and James C. Robinson] to show us how to ask better questions up front and how to be better business partners and

performance consultants. We helped senior leaders and managers understand that adopting a broad measurement framework and a performance improvement perspective was more than just conducting a thorough needs analysis or an isolated impact study.”

Over the course of five-plus years, the training team’s efforts ultimately led to an enterprise-wide practice around performance improvement as well as measurement and evaluation that expanded beyond the learning community to other lines of business, including HR. Part of that evolution was the creation of a workforce analytics division within the HR group that Bill ended up leading. The analytics division grew into a consultative, project-based function that helped assess and evaluate the value of various HR initiatives—such as compensation, benefits, and recruiting—so that senior leaders would have the information they needed to make evidence-based decisions.

“We were solid, an ingrained part of the business, with a regular ‘seat at the proverbial table,’” Bill said. “We spoke regularly at conferences and were viewed as experts in the field, inside and out of the organization. Then the company was acquired by another financial services institution and everything changed.”

Due to the acquisition, a large number of learning and performance positions were eliminated or reconfigured. With the exception of a small enterprise-level group focused on managing technology, the learning organization became decentralized and consolidated with the state government line of business. Some of the measurement work done previously in the learning community carried forward, but on a very limited basis.

The current enterprise learning team now focuses on exploring what people need to know and do from training and what measures need to be in place, much like discussions between the learning and senior leadership team more than five years earlier. “As senior and executive leaders from the old organization have grown their influence and authority on the new side,” Bill said, “there’s been more word of mouth about the value of our legacy work in learning and performance at the old institution.”

Driving this interest from the training and development side are real concerns over readiness: Are employees in various parts of the business ready for the various integration efforts that are and will keep unfolding? To that end, the current learning enterprise is “starting from scratch to build a learning organization,” says Bill, with all the integrated business processes needed to drive results.

“Instead of making either the assessment component or the measurement component an add-on piece of learning, they want to make it a systemic part of what they’re doing with the end in mind of being more credible as true strategic partners,” Bill said. “They’re still figuring out what that looks like in this new culture. Some of the old-guard learning members from our former organization are helping the new guard get to where we were as a learning organization before the organizations merged. But they’re essentially starting all over and reinventing the wheel, which is tough to see.”

Outside the learning community, the analytics division remained intact during the reorganization, although the focus is more on HR and business analytics than learning and development (L&D) or performance consulting. But the company seems to be coming around to the true value that the division—and the learning community—can have during turbulent times. “The leaders of the business unit that I’m working with now are more in tune to the accomplishments we made before,” Bill said. “They don’t know much about it but they are very interested in it. So we’ve developed some good analytics around operational measures, but there is a lot more maturity needed there. I’m thankful for the support and accomplishments that we’ve made as a group in this new environment, and we do feel like we’ve accomplished something and developed some credibility, but we haven’t ‘arrived.’ It is an evolution . . . and my knowledge continues to evolve.”



What do each of these scenarios have in common? Both learning leaders planted seeds for improved organizational, team, and employee effectiveness

that grew into a mature, fruitful enterprise over time. Both developed modern strategies and business models to increase alignment with organizational objectives and propel capabilities forward. Both created and integrated standardized, systemic measurement approaches to ensure that learning and performance improvement efforts closed critical skills gaps and met relevant business needs. Both established credibility as value-added business partners, coaches, and consultants. Both acted as responsible stewards of time, money, and resources so they could provide shelter and shade (as in Warren Buffet's opening quote) for future learners and learning leaders. Yet despite all their hard-won success, both had their deeply planted foundations uprooted—unable to sustain the momentum of their learning organization amid major organizational changes, leadership transitions, and culture shifts.

## How Does Learning Take Root?

What does it mean for a learning organization to take root and remain intact, despite the perpetual disruptions of the modern business world that threaten to derail the momentum of even the highest-performing learning functions? Patrick Taggart, managing director of Odissy LTD, a business improvement consultancy in the United Kingdom, describes it as the process of moving from stony ground to fertile soil: “We tell our clients that they need a fertile organizational climate for learning and performance to take hold, that casting seeds on stone is a wasted exercise.”

All learning organizations are susceptible to shaky climate conditions. For example, French winemakers use the term *terroir*, from *terre* (land), to describe how the characteristics of a certain geography, geology, and climate interact with plant genetics. At its core is the assumption that the land from which the grapes are grown will impart a quality specific to that growing site to the agricultural products (such as wine) produced there. Terroir, very loosely translated as “a sense of place,” embodies the sum of the effects that the local environment has on the production of the product. In much the same way, the environment in which learning strategies, processes, and practices reside has a

direct impact on the quality, integrity, and long-term value of a learning enterprise and its products. An organizational environment represents its culture, vision, values, and patterns of behavior.

While there are many perspectives on this, for our purposes, a learning organization takes root when the whole learning and performance infrastructure or ecosystem—its content, practices, processes, strategies, technologies, and tools—is fully embedded, with a firm “sense of place,” into an organization’s cultural DNA.

## **The What and Why of a Learning Organization**

Learning continues to gain traction as a source of strategic advantage. Organizations that learn better and faster can adapt more quickly to increased demands for capable knowledge workers in a technologically advanced, rapidly changing global economy. Learning is a chief asset and a necessary resource for driving innovation, higher profit margins, and improved levels of service. According to author Harrison Owen, an organization that does not continuously adapt to the environment through speedy, effective learning runs the risk of extinction. “There was a time when the prime business of business was to make a profit and a product. There is now a prior, prime business, which is to become an effective learning organization. Not that profit and product are no longer important, but without continual learning, profits and products will no longer be possible” (Owen 1991).

Learning organizations are places “where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to learn together,” according to Peter Senge, who popularized the term in his 1990 book *The Fifth Discipline*. The notion of organization-wide learning can be traced back to research from the 1940s, when companies began to realize its potential for increasing organizational performance and competitive advantage. In the 1980s, Shell Oil started relating organizational learning to strategic planning

and, after experimenting heavily with teamwork and group communications, concluded that organizational learning provided a competitive edge for corporate success. Companies such as General Electric, Nokia, Pacific Bell, Honda, and Johnsonville Foods helped further pioneer the learning organization concept (Marquardt 2011).

The *learning organization* concept represents the “what” of learning: the systems, principles, and characteristics of organizations that learn. The *organizational learning* concept represents the “how”: the skills and processes used to build and use knowledge. Most experts view organizational learning as a process that unfolds over time and agree that while all organizations learn, not all organizations can be considered learning organizations. For example, an effective learning organization has developed the capacity to support and maximize learning at all three institutional levels of an organization: individual, team or group, and organizational. Here, learning is not a separate, isolated activity reserved for certain groups or individuals, but rather a higher form of learning capability in which structures and systems support the continuous acquisition, creation, and transfer of knowledge across boundaries. Peter Senge (1990) proposed the use of five “component technologies” to achieve these ends: systems thinking, personal mastery, mental models, shared vision, and team learning. Together, these integrated components shape an organization’s overall capability to harness learning for its continuous growth and revitalization.

To fully grasp how learning organizations put these components into practice, it helps to examine what high-performing learning organizations do in comparison with others. Over the last decade, the Human Capital Institute and Bersin by Deloitte, among other groups, have conducted research on the characteristics of learning organizations and how successful ones have linked learning to high performance. Figure I-1 shows the hallmarks of high-performing learning organizations based on collective research findings.

Figure I-1. Hallmarks of a High-Performing Learning Organization

From This	To This
Learning focused on isolated, episodic events for individual audiences	Continuous, collective, and daily learning across all organization levels
Learning focused on facilitating interaction and engagement among training groups	Learning focused on facilitating connection and engagement across boundaries
Learning leaders function as facilitators and gatekeepers	Learning leaders function as strategic business advisers
Learning driven by the learning organization	Learning self-directed and driven by employees and managers on their own
Learning leaders assess individuals' learning progress or skill gains and provide feedback	Learners, managers, and peers constantly involved in feedback loops about one another's learning progress or skill gains
Learning leaders unable to demonstrate their contribution to the business	Learning leaders provide qualitative and quantitative measures of business impact
Learning as a stand-alone function	Learning as an integrator of strategy, talent, and knowledge
Learning leaders isolated and vulnerable to environmental influences	Learning leaders continuously interacting with and influencing their environment

Driving organization-wide capabilities means focusing less on training and more on creating an organizational culture of learning through supporting strategies, structures, staffing levels, program design, and governance practices that add and create value. A high-performing learning enterprise is one that excels at building organization-wide capabilities that drive business growth (O'Leonard 2014). For example, findings from a survey on high-performance organizations show that high-performing learning organizations typically outperform low-performing groups in revenue growth, market share, profitability, and customer satisfaction (AMA and i4cp 2007). Other research reports that high-performance learning organizations are eight times more likely to be viewed as strategically valuable by executives and are three times more likely to align learning and development initiatives with overarching corporate goals (O'Leonard 2014). In short:

- **Capability development is a high priority for most organizations.** A capability can be anything an organization does

well that drives meaningful business results. Building organizational capabilities, such as lean operations or project or talent management, is a top priority for most companies. While companies are increasing their skill development focus, few executives report that their efforts are effective in driving desired results. Executives say that learning and HR functions need to adopt more formalized approaches, tools, and metrics for maintaining and improving capabilities so that skill development is better aligned with evolving business needs (Benson-Armer et al. 2015).

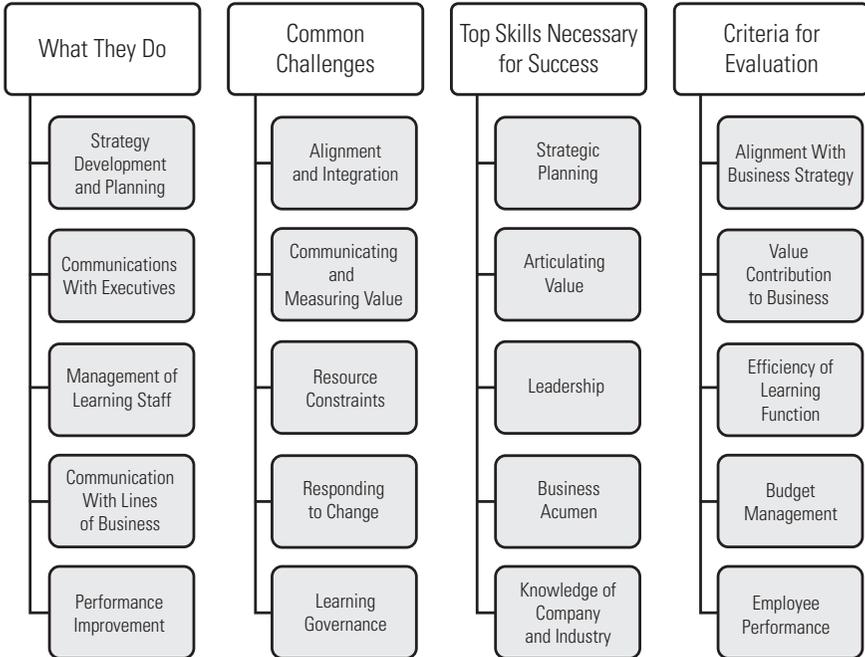
- **Learning is a core capability and a key source of competitive advantage in today's modern workplace.** Learning is the catalyst for broadening and deepening the organizational capabilities needed to thrive in complex, turbulent times. Talent is the energy that drives competitive advantage, and learning is the fuel that attracts, develops, and retains talent.
- **Learning is simply the means; performance is the end.** Learning and development can do a great deal to enhance and produce capability at both the individual and organizational level. But learning is not enough in and of itself. Only when new capabilities are acquired and then transformed into new behaviors is the potential for improved performance realized. A learning organization without the means to assess, define, develop, inspire, and measure performance will not add sustainable value.

## What Is a Learning Leader?

The definition, strategic role, and reach of learning leaders has continued to expand since the founding of Motorola University in 1981 and the naming of the first chief learning officer (CLO) at General Electric in the mid-1990s. This is partly due to demands from a growing knowledge economy, where learning and performance continue to shape the capabilities needed for organizations to keep a competitive edge. For example, Figure I-2 offers a snapshot of a

high-performing, strategic learning leader, adapted from early research with CLOs conducted by the Association for Talent Development and the University of Pennsylvania in 2006.

Figure I-2. Profile of a Learning Leader as Business Partner



Adapted from ASTD and the University of Pennsylvania (2006).

Regardless of title or functional area, today's learning leader, talent manager, or CLO generally has key responsibilities focused on managing talent, developing and coaching leaders, leading organization development and culture change, and addressing strategic business challenges. Learning leaders are most successful in fulfilling these roles when they have credibility as a business partner who can provide sustainable value.

## The What and Why of Sustainability

Sustainability can mean different things to different people and is often a source of much debate. However, in general, sustainability seeks to meet "the needs

of the present without compromising the ability of future generations to meet their own needs” (World Commission on Environment and Development 1987). This concept reflects the idea of sustainability as the capacity to endure, evolve, and adapt, even when confronted with such setbacks as political challenges, mergers and acquisitions, resource constraints, or increased competition. The capacity to remain durable, flexible, and credible, while simultaneously adapting to continuously changing business and client needs over time, is especially challenging for learning leaders as times become more ambiguous, fast-paced, and complex. The two opening scenarios highlight those challenges.

Business practices that promote aspects of sustainability—whether through environmental stewardship, community relations, labor practices, or corporate social responsibility—are on the rise, but they’re not really new. For example, DuPont’s sustainability philosophy dates back to the firm’s history as an explosives manufacturer, more than 200 years ago. The underlying social principle was simple and well suited to the times: “Don’t blow up workers and mind the town well.” It took another 200 years for DuPont and society at large to develop comparable concerns for the environment.

Today, many companies are dealing with sustainability as a business imperative, with measurable and reportable goals connected to the triple bottom line: people, planet, and profits. Walmart is one example. Its social responsibility policy encompasses three goals: Be fully supplied by renewable energy, create zero waste, and sell products that sustain people and the environment (Knowledge@Wharton 2012). When companies like Walmart strive to be more environmentally, socially, and economically responsible, they are more likely to:

- Influence the speed with which they enter or grow within a market.
- Drive innovation in products and services.
- Benefit from the rise in socially responsible investing.
- Attract talent, because good people want to align with a company that cares about its employees and the broader community.

To sum up, interest in socially responsible, sustainable business practices continues to boom, with both the C-suite and frontline employees emerging as key players in these efforts.

## **Implications for Learning Leaders**

So how does a focus on social responsibility and sustainability relate to learning and performance? How can best practices in corporate sustainability influence the process of building a durable, high-performing learning organization? First, a commitment to sustainability, on any level, requires an ongoing pattern of practice with future-focused perspectives, which include many aspects.

## **Sustainability Is Part of Our Core Mission**

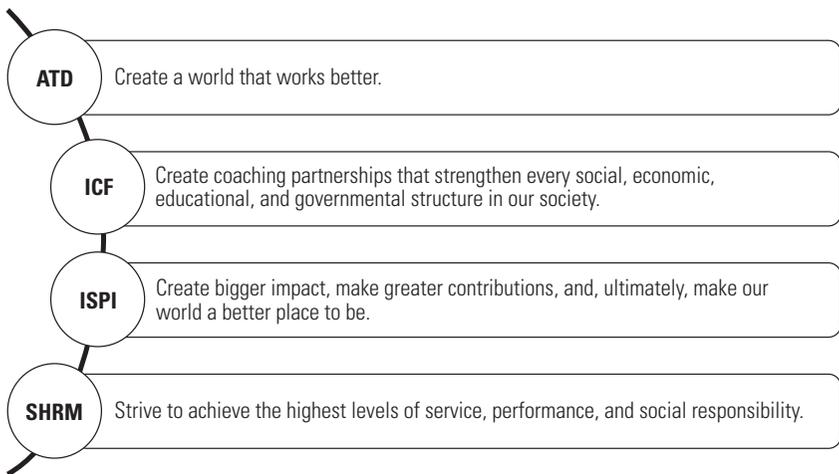
Creating a sustainable learning organization is part of a learning leader's core mission, because growing and nurturing the talent of future leaders and knowledge workers is critical to an organization's immediate and long-term success. For instance, Millennials now make up more than half of today's workforce, so there are higher expectations for meaningful work and constant learning and development opportunities. At the same time, skills are depreciating faster than they were a decade ago because of technological advancements, lower graduation rates, and changing skill needs (De Grip and van Loo 2002). Increasingly organizations are focusing on building and sustaining workplace cultures that provide continuous, accessible, and innovative learning experiences that accelerate capability development, engagement, and innovation.

## **Sustainability Is Part of Our Value Proposition**

Adopting and cultivating learning practices that promote aspects of sustainability is essential to learning functions that want to be proactive, future-focused, and oriented toward solutions that add and create value beyond the success of one-shot initiatives for isolated user groups. Many professional associations for learning, human resource, coaching, and performance improvement emphasize aspects of adding sustainable value in their vision,

mission, or ethics statements (Figure I-3). Here, the concept of sustainability is associated with a global mindset and the idea of global citizenship and social responsibility. Learning leaders establish their credibility, brand, and sustainable value by being sensitive to the needs of the learning communities they serve and by being an active community citizen, both in and out of the organization. This means focusing on meeting customer, investor, and other external expectations to strategically plan for the long term and helping executives to do the same. Leaders in high-performing organizations rate external relationships with government officials, partners, resellers, and customers as integral to their business success in global settings and their competitive advantage as a conscientious global citizen (AMA and i4cp 2015). One learning leader in a financial institution describes his sustainability focus this way: “It’s about doing the right thing for our policyholders, for our employees, for the markets, for the industry, and for the global community we’re in.”

Figure I-3. Associations’ Value Propositions



Associations: ATD (Association for Talent Development), ICF (International Coaching Foundation), ISPI (International Society for Performance Improvement), and SHRM (Society for Human Resource Management)

## Sustainability Is a Responsible Business Process

A common mainstream approach to sustainability centers on the idea of lean thinking, which emphasizes business as a process, where all activities surrounding the life cycle of products or services are examined for ways to improve the efficiency of the value chain. Lean thinking processes, much like learning and development processes, seek to:

- Understand the real value and benefits associated with each product or service.
- Engage consumers and customers in defining value that is driven by actual versus arbitrary needs.
- Minimize waste and resource depletion by eliminating activities that don't add value.
- Continually examine and re-examine value during each phase of improvement.

Learning leaders can adapt lean thinking principles to examine how well their L&D processes are integrated and viewed as a sustainable business process, beyond the life cycle of individual projects or initiatives, to add more value.

## Sustainability Is a Responsible Business Practice

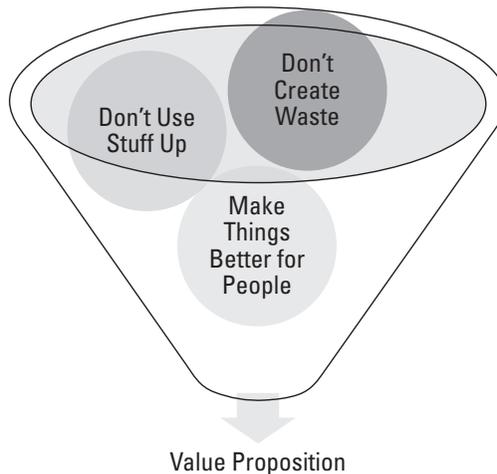
A sustainable business practice behaves in a responsible way with its human, financial, and material resources so that balanced attention can be given to the social (people), environmental (organizational, contextual), and economic (productivity, profit) needs of multiple stakeholders. Balance implies that the pursuit of a profitable impact is seamlessly blended with pursuit of the common good through the spirit of servant leadership and stewardship. In simple terms, the core principles of stewardship are shown in Figure I-4. These principles involve seeing your learning function as the vehicle for adding sustainable value to an organization and your organization as a vehicle for adding sustainable value to a shared society. Following these stewardship principles can be considered another form of value management, which is a

primary goal of most learning organizations—and an organizational priority for many HR practitioners.

## Sustainability Is Essential to Organizational Learning

Organizational learning is not a static business objective or a singular event, but rather a never-ending process of building the critical, collective capabilities needed to propel and create business growth for both the short and long term. Developing needed capabilities for future growth is about ensuring the continuous improvement of skills amid changing needs, which can only be accomplished with a mature, stable, and sustainable learning enterprise. For instance, Cognizant, a global technology solutions company, supports evolving growth needs with an adaptive learning strategy focused on developing business-aligned capabilities across all organization levels. This represents the new work of L&D, in which learning strategies and models are continually improved, transformed, and adapted to align with changing objectives and emerging business needs.

Figure I-4. Stewardship Principles



In general, then, a sustainable learning organization adds and creates organizational value by being more:

- proactive and future-focused
- aligned to immediate and long-term challenges related to engagement, retention, and capability development
- focused on organizational, collective capabilities to drive high performance and business growth
- accountable for delivering strategic value and optimizing results
- efficient, effective, and innovative in managing its resources
- systemic, collaborative, and socially responsible in its approach to learning and performance
- adept at creating adaptive learning models that will continuously expand organizational capabilities
- attuned to business practices that actively contribute to the greater good.

## Today's Learning Landscape

Learning organizations today must navigate a new world of work where dramatic changes in strategies, processes, and practices are needed to help organizations increase their readiness to lead, manage, develop, and inspire people. Critical challenges include greater emphasis on the larger organizational culture as a lever for improved engagement and retention, especially among Millennials, who are expected to make up 50 percent of the workforce by 2020 (PwC 2011). When it comes to engagement, there are also unique talent challenges associated with both the “overwhelmed employee,” who struggles to manage a flood of information amid perpetual and volatile conditions, and a growing part-time and contingent workforce. Challenges associated with leadership development have become more paramount as organizations face heightened pressure to fill critical skills gaps, including a short supply of leaders. Many companies consider it a priority to develop leaders so they're equipped to drive culture change. Yet many organizations are not developing leaders fast enough to keep up with the pace of change and the demands of business (Figure I-5).

Figure I-5. Fast Facts

70%	19%	17%
More than 70 percent of organizations cite capability gaps as one of their top five challenges.	Only 19 percent of high-performing organizations say they can effectively manage predicted talent shortages.	The percentage of executives confident their organizations have the right leadership in place to deliver on their strategic priorities.

Sources: O’Leonard (2014); AMA and i4cp (2015); Korn Ferry Institute (2015).

Associated with leadership development challenges are rising demands for new technologies and innovative, consumer-like learning models that offer end-to-end learning experiences versus learning events. In short, learning leaders face increased expectations from executives to drive engagement, manage talent shortages, and close gaps related to bench building and leadership development. Business executives consistently rate learning and development and talent management as crucial elements of organizational growth and competitive advantage. While most learning leaders clearly understand their role in developing a high-performing, engaging workplace, many remain unprepared to meet the challenge. Consider the following:

- A high percentage of CLOs say that they lack “structured processes for creating a learning strategy linked to business objectives” (Anderson 2014).
- Only 34 percent of top companies indicate that they are effective at developing leaders; in fact, they are getting worse at it (i4cp 2014).
- More than half of learning professionals describe their learning and development function as slow to respond to the changing requirements of their business during economic turbulence.
- Less than 8 percent of HR leaders expressed confidence in their teams’ ability to execute strategies and drive business impact (Benko et al. 2014).
- A high proportion of CEOs and board-level executives continue to see training as the least strategic function of the business.

Despite the rise in high-performing, sustainable learning cultures, many of today's learning organizations are in trouble and need to significantly transform their own business orientation and business acumen. Since van Adelsberg and Trolley (1999) made the case for evolving the learning function by "running training like a business," updated research shows that the rate of adoption among most learning organizations remains low. Most training is ad hoc, fragmented, and tactical, and most learning investments are poorly managed. All of which raises important questions:

- How can a learning organization position learning as a key driver of business strategy if it lacks credibility as a strategic business partner?
- How can a learning organization develop and engage talent if critical capabilities are lacking within its own talent pool?
- How can a learning organization help leaders anticipate and react to the challenges of constant change without adaptive learning models and demonstrated change capability?
- How can learning leaders build a relevant, resilient, and sustainable learning organization if even the most basic foundations of its learning function are in need of repair?

Consider the capability gaps that impede the relevance and resilience of your own learning organization. What roadblocks get in your way when trying to frame learning as a credible, durable driver of business strategy?

## Going Forward

As sweeping demographic, technological, and global changes continue to influence the business landscape, learning leaders face increased demands to shape the future, engage talent, and make performance happen in an increasingly complex environment. To survive and thrive, learning leaders must focus less on static, individual training, and more on adaptive, organization-wide capability development that balances immediate business needs with the needs of the future. This means being more deliberate in understanding which capabilities truly affect business performance and aligning programs and services

accordingly. It also means adopting a proactive lens toward organizational learning strategies that will add sustainable value, beyond the value gained from one-shot solutions. Consider how well your learning organization meets these criteria for adding sustainable value.

Chapter 1 will highlight common roadblocks related to building and sustaining a relevant and resilient learning organization and will introduce seven proven practices for managing them. The remaining chapters show how progressive learning leaders have used these practices to transform the credibility, maturity, and sustained value of their own learning organization.

# Managing the Learn Amid the Churn

“The loftier the building, the deeper must the foundation be laid.”

—Thomas à Kempis

13th-Century Dutch Priest and Author

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## What’s in This Chapter

- common challenges to building and sustaining a high-performing learning organization
- seven practices for building and sustaining a high-performing learning organization.

**FACED WITH GAPS IN TALENT AND SKILLS**, most CEOs report a pressing need to create performance-driven cultures that can build bench strength, drive execution and results, and move quickly to innovate products and services. Executives know that sustainable performance and results depend on committed and capable talent. It’s not surprising, then, that capability building was cited as a top three priority by half of all business leaders (Benson-Armer et al. 2015). As the competition for talent tightens and the business climate becomes more complex, the spotlight has intensified on learning and development as a strategic lever for addressing capability challenges. Organizations that are most effective at capability building are much more likely than others to focus on sustaining capabilities over time and linking learning to critical performance

goals. A mature, resilient learning organization has the greatest potential for building sustaining capabilities.

Building a high-performing learning organization with all the necessary foundations and infrastructures is never easy. Sustaining one is much harder, even under the best circumstances. The two scenarios in the introduction attest to that fact. Making it more difficult is the new normal of a volatile, ambiguous world, in which one in four organizations is experiencing major change every eight weeks or more (ASTD and i4cp 2014a).

Simply put, learning leaders today have to manage the learn amid the churn. They have to continually keep core functions intact while shoring up, reimagining, and reinventing learning strategies as needs shift and conditions change. Most learning leaders clearly understand the need to be future-focused, results-based, and agile in their approach to talent management and capability development. Yet many remain unprepared and ill-equipped to inspire the trust and confidence from senior leaders needed to keep learning strategies front and center. For example, a large proportion of executives say that their learning organizations lack effective approaches for assessing current capabilities and identifying skills gaps, which are integral parts of successful capability-building efforts (Benson-Armer et al. 2015).

So, while the capabilities that companies need most have evolved, the methods of building those skills have not. What gets in the way?

## **Common Detours and Roadblocks**

When it comes to developing learning and performance strategies for sustaining capabilities, the most successful learning organizations not only support the business, but also are run like a business. Yet many learning leaders struggle in business partner roles because they lack the business savvy needed to establish the credibility and alignment of the learning function. To that end, common detours and roadblocks to sustainability include faulty strategic focus, faulty alignment, faulty execution, faulty measurement, failure to adapt to the speed of change, and failure to innovate.

## Faulty Strategic Focus

Many CEOs report that the learning function within their organizations is stuck in a business as usual mindset, in which learning strategy is not linked to performance and performance is not linked to results. Without these links, the learning function will suffer from a weak strategic focus and a poor line of sight to critical performance needs. This is evident in the fact that higher-performing organizations are much more likely than their lower-performing counterparts to have clear strategies that are well matched with performance measures. In fact, the single largest gap between high and low performers relates to how well organization-wide performance measures link to organizational strategy (ATD 2015a).

For instance, ConAgra's learning strategies are continually renewed to ensure alignment with top business priorities around staff retention, development, and innovation. To help learning leaders increase their credibility as a strategic partner, Jennie Reid, ConAgra's senior director of human resources, advises them to adopt a "business-first, function-second" mindset by speaking advanced "business" and demonstrating business acumen (Dearborn 2015). This includes shifting learning's strategic focus from creating individual, course-centric development strategies to building collective learning capabilities, in which learning is embedded into everyday roles.

## Faulty Alignment

Andre Martin, former CLO of Mars Corporation, has said that alignment occurs when learning is "relevant to our business leaders" (ATD 2015a). An aligned learning strategy helps define relevant performance requirements and guide the design, delivery, and evaluation of learning and performance results. Organizations with high levels of alignment perform better than those with lesser degrees of alignment.

While learning leaders seem to understand the importance of alignment, few learning organizations link targeted performance competencies to overall business success or routinely measure how well learning initiatives are aligned

to business impact (ATD 2015a). In addition, full-scale, systemic integration between learning and other talent management systems is still relatively rare (Oakes and Galagan 2011).

Effective alignment of learning and business strategies is further complicated by today's fast-paced climate, where strategy has become more of a moving target. In addition, many learning organizations continue to struggle with how to integrate and use data from their learning management system, weakening the alignment of learning tools and technologies with cultural fit, function, and organizational relevance (Ramani 2012). In short, poor alignment is one of the most common reasons learning organizations fail to add immediate or long-term value. Aligning learning strategies, tools, and processes with business priorities is central to the job of a learning leader and is at the heart of a mature, sustainable learning organization.

## Faulty Execution

Proper alignment does not necessarily lead to proper execution. Even when learning and business strategies are aligned, translating strategy into execution is often an exercise characterized by stalled initiatives, politically charged turf battles, lost opportunities, and important work that remains undone. Up to two-thirds of large organizations have trouble implementing their strategies, with one of the biggest obstacles being failure to coordinate across units (Sull, Homkes, and Sull 2015).

For example, most companies lack clear processes or structures for managing horizontal performance commitments across silos, including cross-functional committees and centralized project management offices. Even among those companies with disciplined and formal coordinating systems, few managers believe those processes work well all or most of the time. This lack of discipline and accountability in execution makes it more difficult for learning leaders to achieve commitment and buy-in when implementing learning strategies, which ultimately thwarts performance results.

Lack of agility is another major obstacle to effective execution. Learning organizations that fail to adapt to changing circumstances will struggle to exist in the coming years. Even those functions that are now successful at adapting to changing business demands foresee problems in being too slow to seize opportunities or mitigate emerging threats in the future.

No matter how well aligned its learning strategy may be, a learning organization needs to be able to coordinate execution activities, manage performance commitments, and remain agile in the face of shifting needs to be sustainable.

## Faulty Measurement

In 2014, organizations spent \$1,229 per employee on learning (ATD 2015c). However, only a small portion of that investment produces any real value in terms of contributing to critical work measures such as productivity, costs, quality, and time. According to the 2015 Towards Maturity Benchmark Study, only three out of 10 organizations are achieving improved productivity and engagement from their learning and development initiatives, and only four out of 10 are achieving increased efficiency as a result of their training strategies. While most learning leaders agree that their organizations need strong measurement strategies and practices, many fail to maintain relevance and establish sustainability because they focus more on learning than on the performance that results from learning. In fact, linking learning to performance has been defined as one of the most important topics in talent development today (ATD 2015b). Yet only 21 percent of learning practitioners measure whether learning is used on the job (Filipkowski 2015).

Complicating the issue is the concept of big data, where questions about what to measure and what to do with the results can be overwhelming. Higher expectations for evidence-based success metrics have only heightened the dissatisfaction of both learning leaders and their CEOs with current measurement practices. Mining learning data from a measurement and analytics function is essential for informing overall strategy, yet few learning or HR departments have an analytics function. People analytics has been cited as

one of the biggest capability gaps facing learning and HR organizations today (Deloitte 2015).

Impact measures tend to be highly correlated to the effectiveness and durability of a learning organization, the presence of a learning culture, and market performance. Measures and methods for assessing learning and performance impact are critical enablers to a relevant, sustainable learning organization. Even a learning organization with perfectly aligned and flawlessly executed strategies will be unsustainable if it lacks credible processes and practices for communicating the tangible and intangible value of those strategies to key stakeholders and investors.

## Failure to Adapt to the Speed of Change

Just as companies need to rapidly adapt to business conditions, learning organizations need to demonstrate change capabilities that allow for a just-in-time response to shifting needs. Without these capabilities, a learning function, like any other business enterprise, is especially vulnerable to threats brought about by organizational change, situational disturbances, or even new opportunities. In fact, the success or failure to adapt to unpredictable change is commonly cited as a key factor separating high- and low-performing organizations (ASTD and i4cp 2014a). While there is no shortage of literature about how to manage change, attending to change issues remains an elusive leadership practice. Few business leaders (17 percent) rate their organizations as highly effective at managing change (ASTD and i4cp 2014a). In the face of explosive change patterns, learning leaders face formidable pressure to help organizations manage change while keeping core learning functions intact.

Quite simply, a learning organization that cannot adapt to change cannot be sustained. Change capability and organizational resilience are key enablers to sustainability.

## Failure to Innovate

Innovation drives sustainable value and growth for any business, including a learning enterprise. Almost all high-performing organizations consider

innovation “extremely” or “highly” important to their success (ASTD 2011). And “accelerating the pace of innovation” is now one of the most pressing business priorities for executives, which is roughly in line with more traditional priorities such as improving profitability and increasing market share (Korn Ferry Institute 2015). Yet most learning organizations lack strategies or systems that foster innovation for leadership development and business growth. For example, many leadership initiatives fail to integrate real-world innovation challenges and action learning opportunities within their existing curriculums.

In addition, a large proportion of learning organizations are not up to speed with innovative learning approaches—such as microlearning, gamification, and social learning—that have a strong influence on employee engagement and organizational performance. Many rate themselves as ill-equipped to apply modern technologies or prepare for how learning needs will change in the future (ATD 2015a). Despite ever-changing needs, many executives complain that their learning organizations do not use experiential approaches or risk-free environments that foster innovation, and tend to rely on the same methods to deliver learning and build skills as they did four years ago (Benson-Armer et al. 2015). Learning leaders cannot expect to help drive innovation within the business if their own learning practices are out of touch with the needs of the modern learner, workplace, or world. Relevant, resilient learning strategies must focus on the dual goals of optimal performance and continual innovation as key differentiators. In many ways, continual innovation is really just another form of continual learning (Quinn 2014).

Given all these challenges, how do mature learning organizations do what they need to be doing to sustain their value and relevance?

## **The 7 Practices of Highly Sustainable Learning Organizations**

The process of managing threats to a sustainable learning organization is an ongoing one; there are no quick fixes, magic bullets, or shortcuts. Learning leaders who have achieved this level of excellence emphasize that learning and

development process maturity takes time, effort, and a dedicated focus on the long term. Process excellence occurs through a future-focused mindset, fluid processes, and the consistent use of fully integrated, disciplined practices that develop into behavior patterns. Like any behavioral change process, meaningful practice is required to grow proficiency. With practice and repetition, however, these patterns of behavior ultimately become the capabilities representing “what the learning organization is known for, what it’s good at, and how it prioritizes its activities and services to deliver value” (Ulrich et al. 2009). A learning organization is all about driving and growing capabilities. It cannot do so without a strong foundation of capabilities that become building blocks for adding immediate and long-term value.

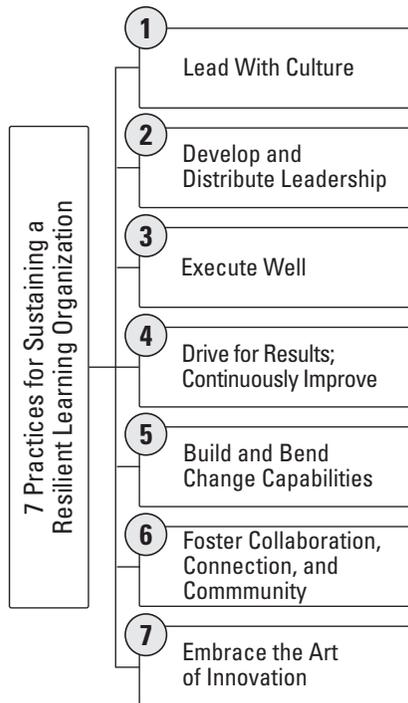
To that end, the following seven practices highlight the core capabilities of highly sustainable learning organizations, based upon research and extensive interviews with hundreds of learning leaders who have successfully sustained a mature learning organization for five years or longer (Figure 1-1). The remaining chapters will describe each of the seven practices in more detail and provide examples of how diverse learning leaders have applied them to sustain process excellence in their own learning organizations.

## **Practice 1: Lead With Culture**

In today’s global marketplace, a healthy company culture is the only sustainable competitive advantage and the most powerful way to find, build, and keep an engaged, high-performing workforce. Employees want an environment that’s conducive to continuous learning and growing; if employees aren’t learning, they’re leaving. Organizations that consistently produce the best business results in terms of revenue growth, profitability, market share, and customer satisfaction are distinguished by their robust learning cultures. Consider Campbell Soup Company. In 2001, Campbell’s was the rock-bottom performer of all the major food companies in the world and its stock was falling steeply. Doug Conant, the former president and CEO, described the company’s culture

as “very toxic” when he took over. In restoring the company to world-class levels of performance and engagement, Conant led with a culture that celebrated contributions, helped employees make personal connections to strategy and direction, and encouraged “change-friendly” leadership focused on listening and learning (Duncan 2014).

Figure 1-1. Seven Practices



Chapter 3 describes how the Tennessee Department of Human Resources built a sustainable, performance-based learning culture to “future-proof” the workforce and address unique talent challenges in the public sector. With the increased emphasis on building, engaging, and retaining core capabilities for competitive advantage, a business-centric learning culture is perhaps the most important asset a company can have.

## Practice 2: Develop and Distribute Leadership

Leadership skills contribute most to a company's winning culture and business performance. While organizations clearly understand that developing leaders is vital to their ability to drive strategy, innovation, and change, few executives are confident that their organizations have the right leadership in place to deliver on their strategic priorities (Korn Ferry Institute 2015). Many CEOs lack confidence in their current leadership development processes and believe that learning professionals are not doing enough to build talent and leadership bench strength. In Deloitte's *Global Human Capital Trends 2015* report, 86 percent of respondents, which included C-suite executives, said they are seriously worried about their leadership pipeline and cite leadership as a "staggering" capability gap. In addition, a high proportion of respondents reported that their overall capability gaps have grown in magnitude over the past year, despite increased investments in leadership development (Deloitte 2015).

The success and long-term value of a learning enterprise is increasingly judged by how well it addresses executive concerns about retaining, developing, and attracting leaders to close skill gaps. Developing and distributing leadership across all levels is more important than ever before because midlevel and frontline supervisors must also be able to coach, develop, and inspire multigenerational, dispersed work teams. In fact, employees' experiences of company culture will be largely dependent on who they have as a manager, so honing managers' leadership style is a key component of business success.

Sustainable learning organizations recognize that leadership development is a perpetual journey of cultivation, not a series of one-time, ad hoc events. As such, learning leaders must also be able to demonstrate credibility as a strategic business partner to cultivate senior leaders' support for development efforts, through good times and bad.

Chapter 4 describes how one exemplary executive developed and distributed leadership skills among his senior management team to build a succession pipeline and a sustainable leadership legacy at Horizon House in Seattle.

## Practice 3: Execute Well

Sustainable learning organizations close the gap between strategy and execution by making exceptional execution part of everyday work. Jack Welch rates the “talent to execute” as one of the essential traits of effective leaders (Welch 2016). In practice, the talent to execute is not only about having the right people in place to get the right things done. It’s also about knowing how to get things done in the right way. It’s about being able to seize opportunities that align with strategy while coordinating with other parts of the organization on an ongoing basis. Effective execution is often the missing link between learning alignment and results. Poor execution diminishes the potential of a learning organization to add immediate or future value.

Factors that contribute to sound execution include:

- the consistent use of disciplined, data-driven approaches
- communication planning around a shared vision
- role clarity and accountability
- skill development and performance support
- clear measurement targets
- defined governance processes.

Chapter 5 describes how the learning director of a large home improvement organization uses governance processes to enhance execution results and improve accountabilities with corporate learning strategies. A case study is also provided to show how a disciplined performance improvement approach was used to enable execution of a comprehensive change strategy in the public sector.

## Practice 4: Drive for Results; Continuously Improve

Sustainable, high-performing learning organizations not only plan and prioritize around important business measures, but also relentlessly monitor the impact of learning to determine whether initiatives are hitting their mark and adding value. For example, the multiple-award-winning learning team at Defense Acquisition University (DAU), the education arm of the U.S. Department of Defense’s acquisition workforce, regularly measures the success of its performance-based learning

strategies. The team tracks metrics such as organizational capacity, customer satisfaction, speed to market, and individual productivity through a web-based, real-time performance measurement system. Results are used to identify improvement opportunities and to make sure that learning—both formal and informal—is fully integrated with leadership priorities (Prokopeak 2013).

Consistent, disciplined use of metrics is a prerequisite for building capabilities in a sustainable way. Solid measurement practices also reinforce the strategic alignment of learning initiatives, help position the learning organization as a value-added partner, and enable learning leaders to speak the same business language as senior management. At the same time, metrics are a growing concern of executives, who cite a lack of credible metrics as one of their companies' biggest challenges in building capabilities (Benson-Armer et al. 2015).

Chapter 6 describes how learning leaders at FlightSafety International applied comprehensive measurement practices to assess the impact of a mission-critical learning strategy and inform executive decision making about the value of learning assets in building needed capabilities.

## **Practice 5: Build and Bend Change Capabilities**

Today's turbulent business landscape, combined with the amount of knowledge needed to sustain high performance amid growing complexity, requires sophisticated learning capabilities and evolving change capacity from organizations, leaders, and talent management professionals. In any endeavor, the ability to recover quickly separates winners from losers. If organizations and employees don't learn to bend and recover quickly from changing conditions, they'll break. These realities led 79 percent of CEOs who responded to a PricewaterhouseCoopers survey to say they intend to increase focus and investment on how to manage people through change (PwC Saratoga 2010).

Change is at the center of every learning and performance improvement strategy, talent development efforts are designed to drive organizational change, and today's learning leader plays a vital role as a change agent. As the speed of change increases and the market for high-skill talent tightens, learning organizations can

add sustainable value by continuously improving the way that change capabilities are grown, recognized, and rewarded. Developing a network of change-ready employees across the entire organization will not only meet capability challenges, but also accelerate business performance. Finally, building change capabilities is not just about becoming more flexible or agile. It's also about shaping the future and helping organizations create the change they want to see.

Chapter 7 describes how learning leaders at the U.S. Army served as change agents to create a network of agile, change-ready warrant officers through a learning organization founded upon principles and practices of institutional resiliency.

## **Practice 6: Foster Collaboration, Connection, and Community**

In today's knowledge economy, in which the half-life of knowledge progressively shrinks each day, organizations need solid networks to enable fast and free information flow across boundaries. Jobs today require more collaboration among people from different units and supervisory levels. Leadership, in general, is becoming increasingly more horizontal, shared, and collective, with growing democratization of work.

If executed properly, learning strategies that emphasize collaboration, connection, and social learning can lead to more innovation and better engagement. Consider Workday, which is consistently named the number 1 Top Workplace in the Bay Area for large companies. A supportive and collaborative environment is key to its success. Employees, scattered across the United States and the globe, use technology like WebEx, Skype, Google Docs, and Slack to connect and share insights about projects and goals (Coffin 2016). Providing meaningful connections for easy knowledge sharing drives the relevance and sustained value of the learning organization. Individuals are far more motivated and engaged when they are connected to a shared purpose and feel like contributing members of their team, workplace, community, and society. This is especially true when you consider that learning in the modern workplace is

less about taking in new information than it is about connecting with people who can help put new information into context and suggest new ways of understanding it. Technology has its place, but the social component will always be a major factor in the success of any sustainable learning culture.

Chapter 8 describes how collective actions, a sense of community, and a shared purpose enabled the growth of a mature learning organization at the University of Southern Mississippi.

## **Practice 7: Embrace the Art of Innovation**

Innovation is needed at every turn in a world of constant disruption, and high-performing organizations consider it very important to their success. Executives are pushing for more innovation, not only among leaders but across all organizational levels, and are turning to learning as a catalyst for forward-thinking approaches that will propel growth. To boost innovation and reward creativity, high-performing organizations promote a culture in which employees feel safe to take risks, generate new ideas, and learn from failure.

Learning leaders play a key role in helping to drive innovation across an organization. Traditional learning approaches and organizational structures are no longer enough to remain competitive. What sets sustainable learning organizations apart is their commitment to continual innovation, their ability to renew or even reinvent themselves and their organizations in significant ways as the need arises. Sustainable learning organizations approach innovation as a key competency and have formal strategies and systems in place that proactively look toward the future to identify trends and capitalize on opportunities.

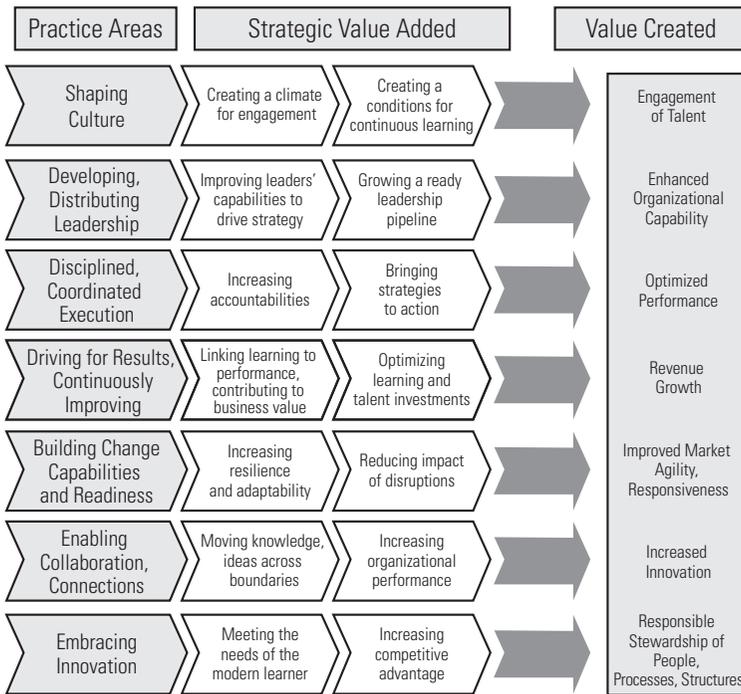
Chapter 9 illustrates how learning leaders at Blue Shield of California took risks and learned from failures to embrace innovative learning models and methods in support of increased organizational performance.

## **How the 7 Practices Work**

Consistent, integrated use of these seven practices can help learning organizations gain traction as a business-centric, future-focused pocket of process

excellence. While each of these practices has stand-alone merit, it’s the collective, continuous application of these practices that then become the capabilities needed to propel value creation for the long run (Figure 1-2). Here, the immediate value added by each capability produces a multiplier effect when practiced in tandem with other capabilities.

Figure 1-2. Seven Practices Value Chain



For example, an organization may have sophisticated technologies in social and blended learning that enable collaboration and connection, but lack measurement processes to show how those technologies have contributed to knowledge sharing and innovation. A lack of measurement would likely lead to some questions or issues around continued resource allocations for tech-based learning solutions. Or an organization may have robust and progressive leadership processes, but lack capabilities in effectively executing them throughout

the organization. A limited ability to execute cripples the capabilities of an organization and diminishes the role of the learning organization as a partner in driving business results.

In essence, sustaining a mature learning enterprise is about how you use the practices to meet the unique needs, strengths, and capability challenges within your own environment.

## **Chapter Summary**

While significant progress has been made in defining best practices for building a value-adding, high-performing learning organization, sustaining a fully integrated learning organization that can remain responsive to evolving business needs over time still presents challenges. Experts say that a sustainable, “hard-wired” learning enterprise—one that is fully embedded in organizational culture—may take several years to achieve. Compounding this issue is an increasingly complex and volatile business landscape that makes sustainable integration of any business process much more difficult and tenuous. As such, sustainability is best viewed as a perpetual change process toward consistently higher levels of process excellence.

Chapter 2 dives deeper into the notion of a sustainable learning organization and provides a framework for viewing sustainability as an evolutionary growth cycle. Chapters 3 through 9 explore each of the seven practices in detail and describe how diverse learning leaders in the public and private sector have applied them to facilitate movement along the sustainability continuum. You’ll learn from stories of those who share your passion for learning and gain insights from the experience of those whose passion and commitment have been vigorously supported by executives and stakeholders. Self-assessments for each of the seven practices are provided in appendix 2, so that you and your team can compare current efforts with recommended best practices. Finally, chapter 10 provides a recap of the book and a review of tips, tools, and job aids, and closes with a call to action encouraging you to put what you learned into practice.

## Chapter Highlights

### **Learning is the catalyst for sustaining capabilities.**

As the modern learner and workplace continue to undergo perpetual, volatile change, learning has emerged as a strategic lever for closing skills gaps, building leadership pipelines, and driving employee engagement. The essential mission of any learning organization is capability building. Most CEOs describe an urgent need to grow organizational capabilities by leveraging well-aligned, business-critical learning strategies focused upon talent, innovation, and performance. For learning leaders, this means being more deliberate in understanding which capabilities truly affect business performance and aligning programs and services accordingly.

### **Sustainable value implies the capacity to remain credible, flexible, and responsive to changing business needs, and the changing needs of multiple users.**

While the capabilities that companies need most have continued to evolve, studies suggest that the methods of building those skills have not. Learning organizations cannot lead the way forward without first repairing and transforming the structures or practices that derail their influence and credibility as a future-focused, proactive business partner. Adopting sustainable practices draws upon learning leaders' ability to adjust and reinvent, perspectives, processes, and practices to enable continuous learning across the whole enterprise.

### **Building a value-adding, high-performing learning organization is not easy. Sustaining one is even harder.**

Increasingly organizations are focusing on building and sustaining workplace cultures that provide continuous, accessible, and innovative learning experiences that accelerate capability development, engagement,

and innovation. To survive and thrive, learning leaders must focus less on individual training and more on adaptive, organization-wide capability development. By developing the right capabilities, perspectives, and practices, learning leaders can be more relevant and resilient, and can add more sustainable value in the face of chaotic times. For the sustainable learning organization, the journey from individual to organizational learning is the destination, and continual change, innovation, and transformation are key elements in the journey.

**Transformation is an inside-out process.**

Focusing transformation efforts on processes, practices, and new efficiencies is not enough. Learning and development will never experience true transformation until practitioners are also willing to transform themselves. One place learning leaders can start is by recognizing the value of running learning like a business. This means continually growing the business-savvy capabilities and mindsets needed to be credible as a talent builder, change enabler, and strategic adviser.

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