

Scrap Learning—Your Programs Are Not As Good as You Think They Are

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Doing More with Less

New Learning Environment

- OTJ / JIT
- Social Learning
- Gamification

Business Demands

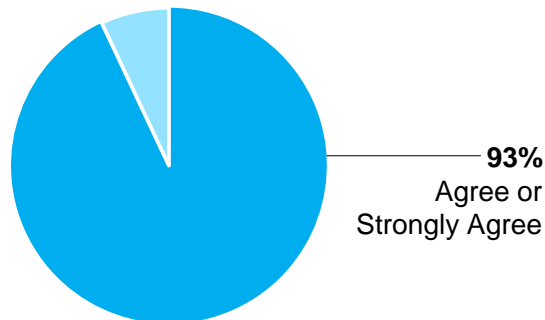
- Rapid deployment
- Customize everything
- Minimize learners' time

Constrained Resources

- Tightening budgets
- Expanding responsibilities
- Lack of manager support

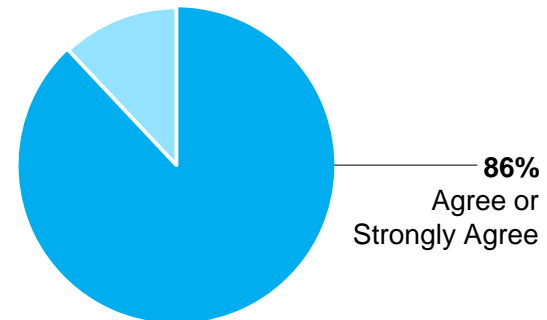
Increased Complexity in L&D Solution Set

Heads of L&D Reporting Increased Complexity of L&D Solutions



Employee Development Critical for Business Outcomes

Line Leaders Identifying Employee Development as Critical to Achieving Business Outcomes



Source: CEB 2012 L&D Team Capabilities Survey

Falling Short of Expectations

CEOs Expect More Insights

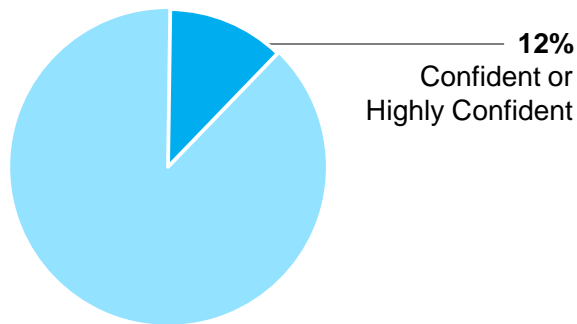
CEOs Opinions Regarding Information on Return on Investment in Human Capital



Source: PwC 2012 Annual Global CEO Survey

CFOs Lack Confidence in HR / L&D Spend

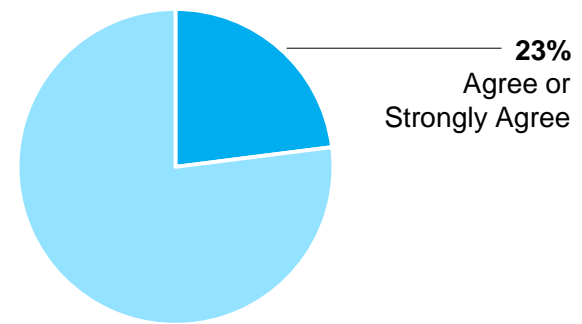
CFOs that feel HR / L&D are spending the right amounts in the right places



Source: CEB 2014 CEB Overhead Cost Management Survey

Line Leaders Not Satisfied with Effectiveness of L&D

Line Leaders Reporting Satisfaction with the Overall Effectiveness of the L&D Function



Source: CEB 2011 L&D Team Capabilities Survey

Fundamental Disconnect

Top 5 L&D Metrics Reported to Business

1. Training Expense per Employee
2. Satisfaction with Training
3. Training Hours per FTE
4. External Vendor Expense
5. L&D Cost per FTE

Source: CEB Corporate Leadership Council Analytics Survey, 2013



Top 3 Business Questions for L&D

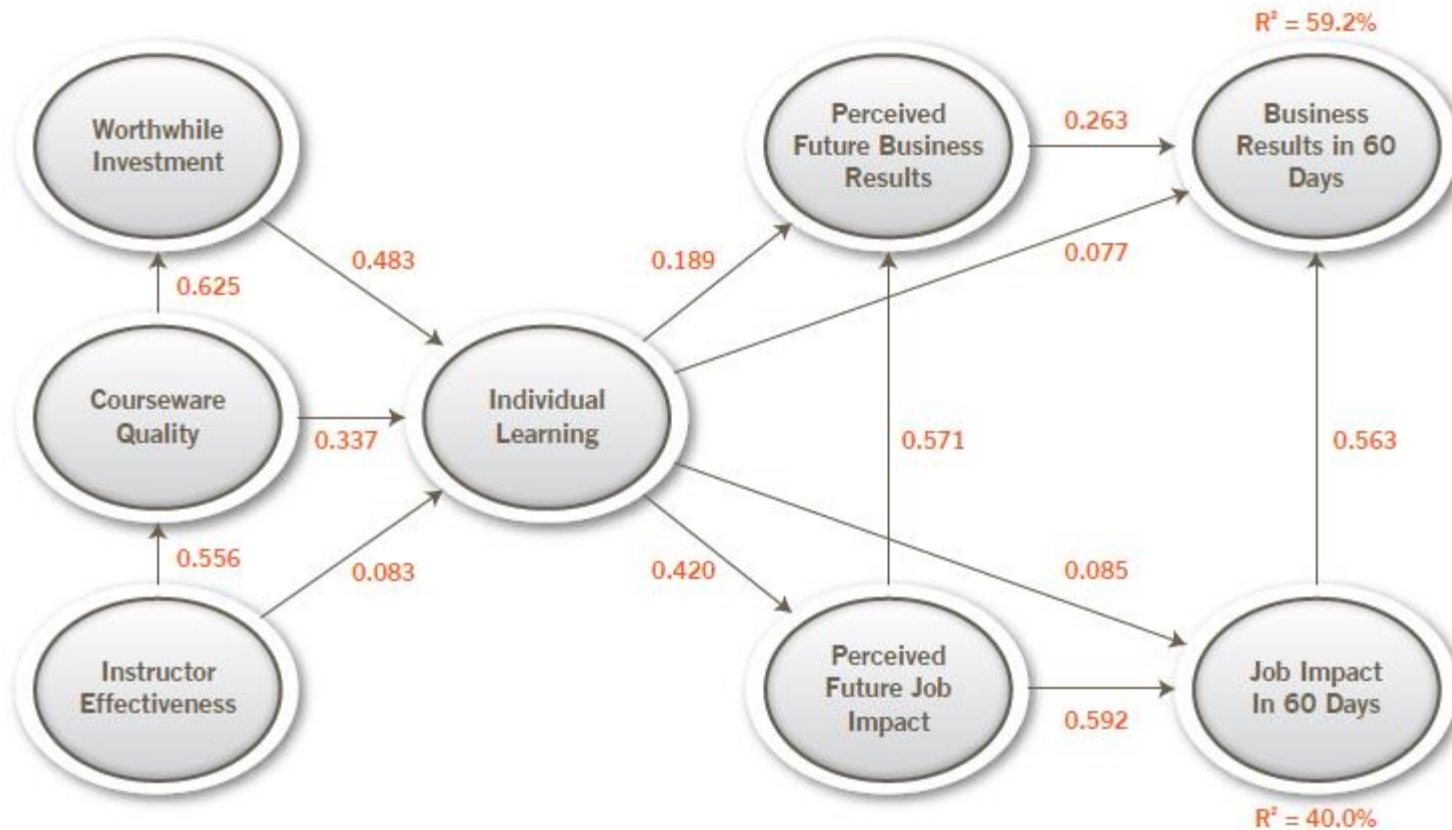
1. **Results:** To what degree will a learning program improve a specific business outcome?
2. **Value:** What will be the return on the learning investment?
3. **Application:** How can we increase application of new skills on the job?

Source: How Executives View Learning Metrics
by Patti and Jack Phillips, CLO Magazine, Dec. 2010



Predictive Stats: Exercise

Which aspects of training predict business impact?



Audience Input

Scrap Learning = Learning that is delivered but not applied back on the job

What causes scrap?

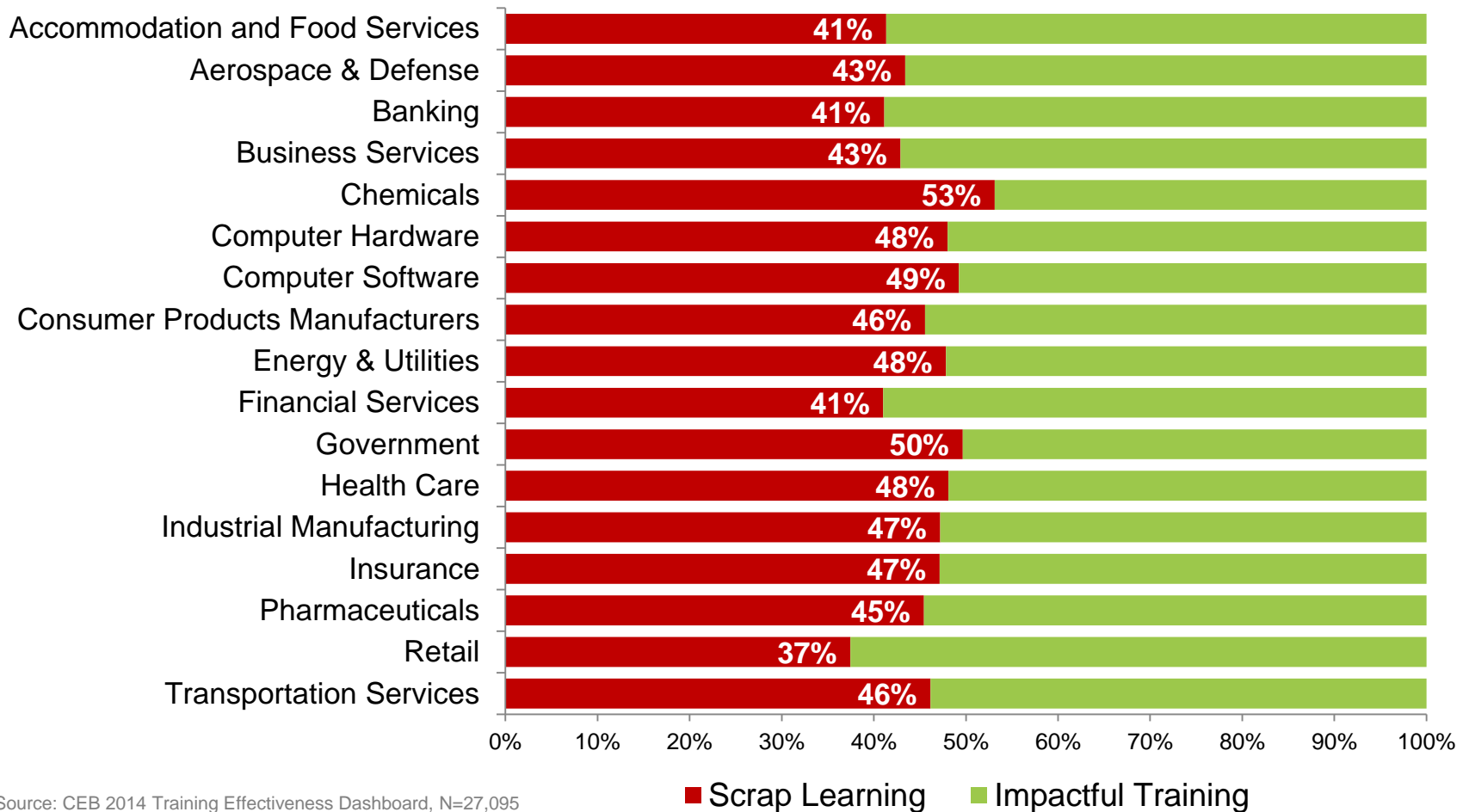
Scrap Learning Root Causes

Ineffective delivery	Content not directly relevant	Low learner motivation
Content quality issues	Wrong learners attend	No opportunity to apply
Examples don't connect	Misalignment with priorities	Low organizational support
Insufficient practice	Delivered at wrong time	Insufficient time to apply
Inadequate support materials	Learners already know info	Lack of manager support



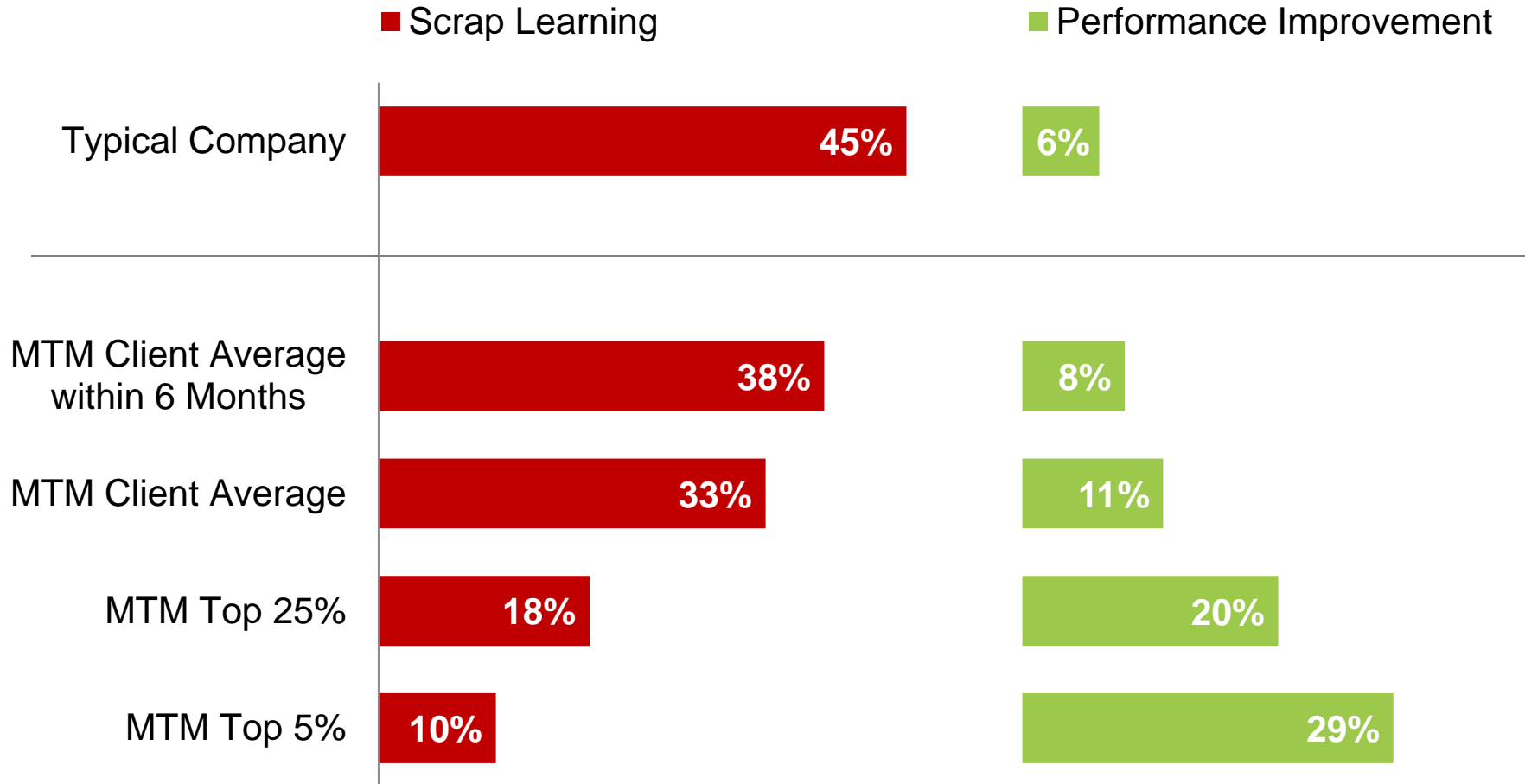
Scrap Learning is Rampant

Scrap Learning by Industry



Source: CEB 2014 Training Effectiveness Dashboard, N=27,095

Make an Impact

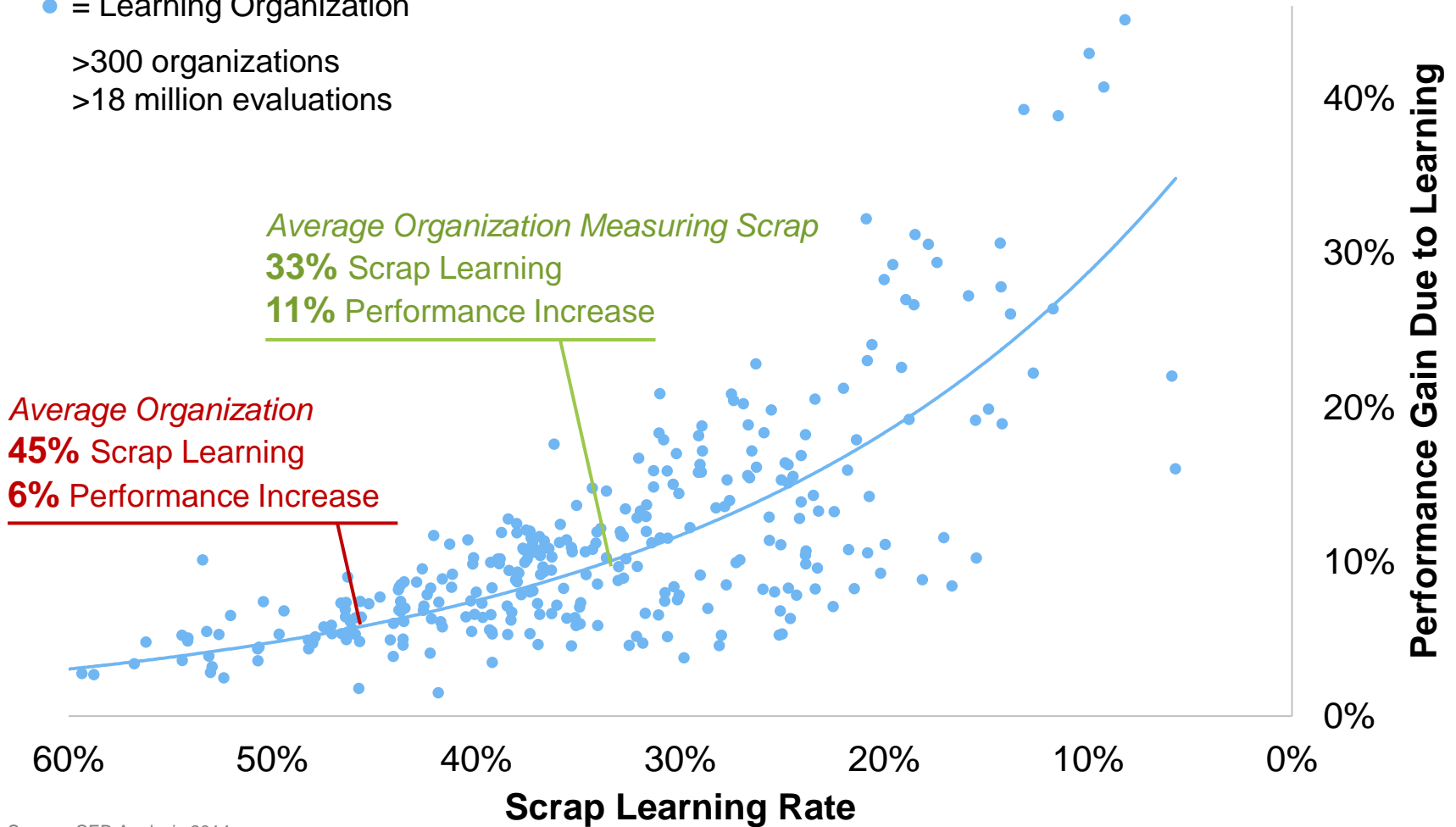


Source: CEB Analysis 2014



Reduce Scrap, Increase Performance

- = Learning Organization
- >300 organizations
- >18 million evaluations



Source: CEB Analysis 2014



Financial Ramifications

Annually, for an organization of 10,000 employees:

	Waste in Learning Budget Due to Scrap	Value of Performance Improvement Due to Learning
Average Organization	<p>\$5.4 Million</p> <p>45% scrap¹ X \$1,195 spend per learner² X 10,000 employees</p>	<p>\$36 Million</p> <p>6% performance improvement³ X \$60,000 average salary X 10,000 employees</p>
Average Organization Measuring Scrap	<p>\$3.9 Million</p> <p>33% scrap³ X \$1,195 spend per learner² X 10,000 employees</p>	<p>\$60 Million</p> <p>10% performance improvement³ X \$60,000 average salary X 10,000 employees</p>
Unrealized Gains for Average Organization	<p>\$1.5 Million in Waste</p>	<p>\$24 Million in Opportunity Costs</p>

Next month, suboptimal learning will cost \$2.1 Million

¹CEB 2014 Training Effectiveness Dashboard
²ASTD 2013 State of the Industry Report
³CEB Analysis 2014

Profile of the Metrics That Matter **Top 25%**

1/2

Amount of
Scrap
Learning

3x

Performance
Gain Due
to Learning

400%

Higher
Learning
ROI

Sample Organizations



Deloitte.

JUNIPER
NETWORKS



Attributes

- Using Metrics That Matter for 2+ years
- Leverage recommended best practices
- Focus on continuous improvement
- Scale measurement to enterprise over time

Source: CEB Analysis 2014



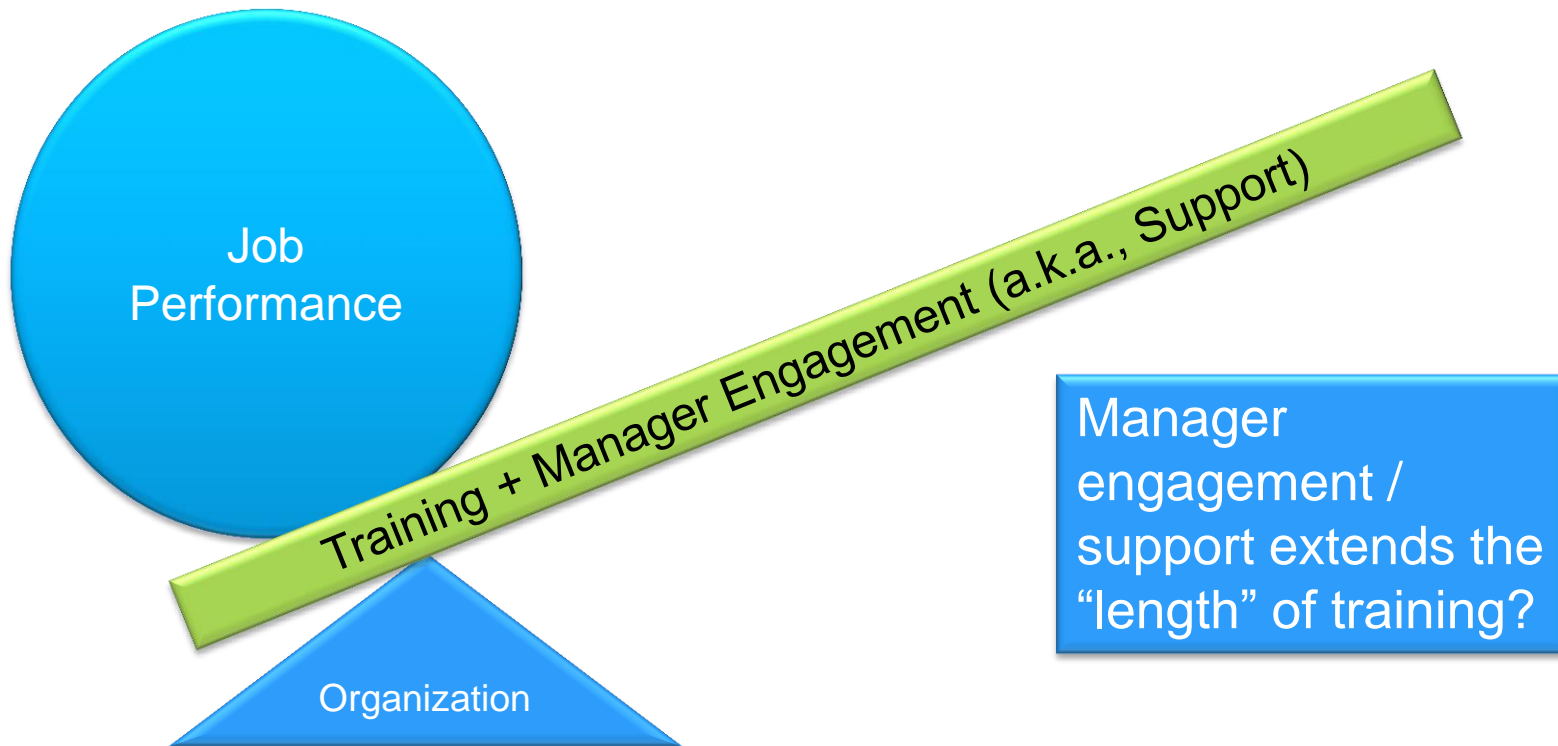
A New Way Forward

Reducing scrap learning and improving impact requires a fundamentally different approach to measurement that pinpoints what is working, what is not working, and why

	Current State	Future State	Benefit
Metrics	Volume, Cost, Satisfaction	Efficiency, Effectiveness, Outcomes	Comprehensive view of learning impact
Source	Learner	Learner, Instructor, Manager, Business data	Triangulate perspectives to uncover gaps and demonstrate value
Timing	After learning	After learning and On-the-Job	Identify drivers of scrap that occur outside of training
Benchmarks	Internal	Internal and External	Prioritize improvements based on comparison to competitors
Process	Manually intensive	Highly automated	Scale measurement to be consistent and have significant impact across the enterprise

Scrap learning and Manager Support

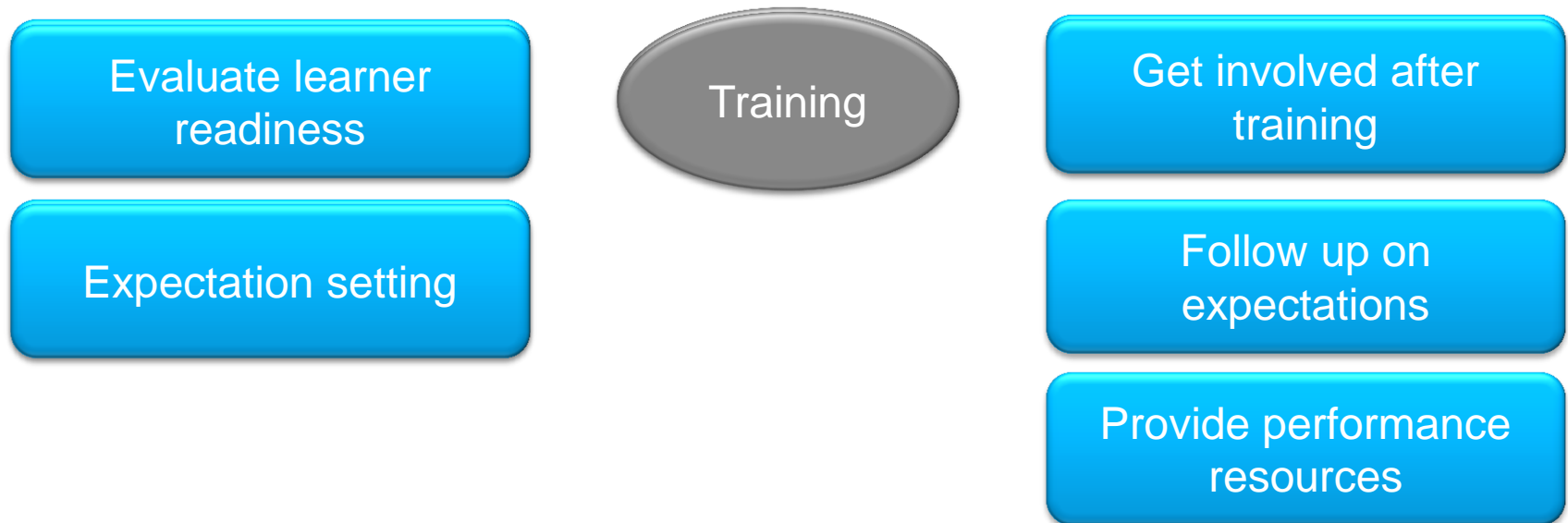
Robert Brinkerhoff, Ph.D. focuses on the influence of managers and the support they can provide before and after training.



Manager Support

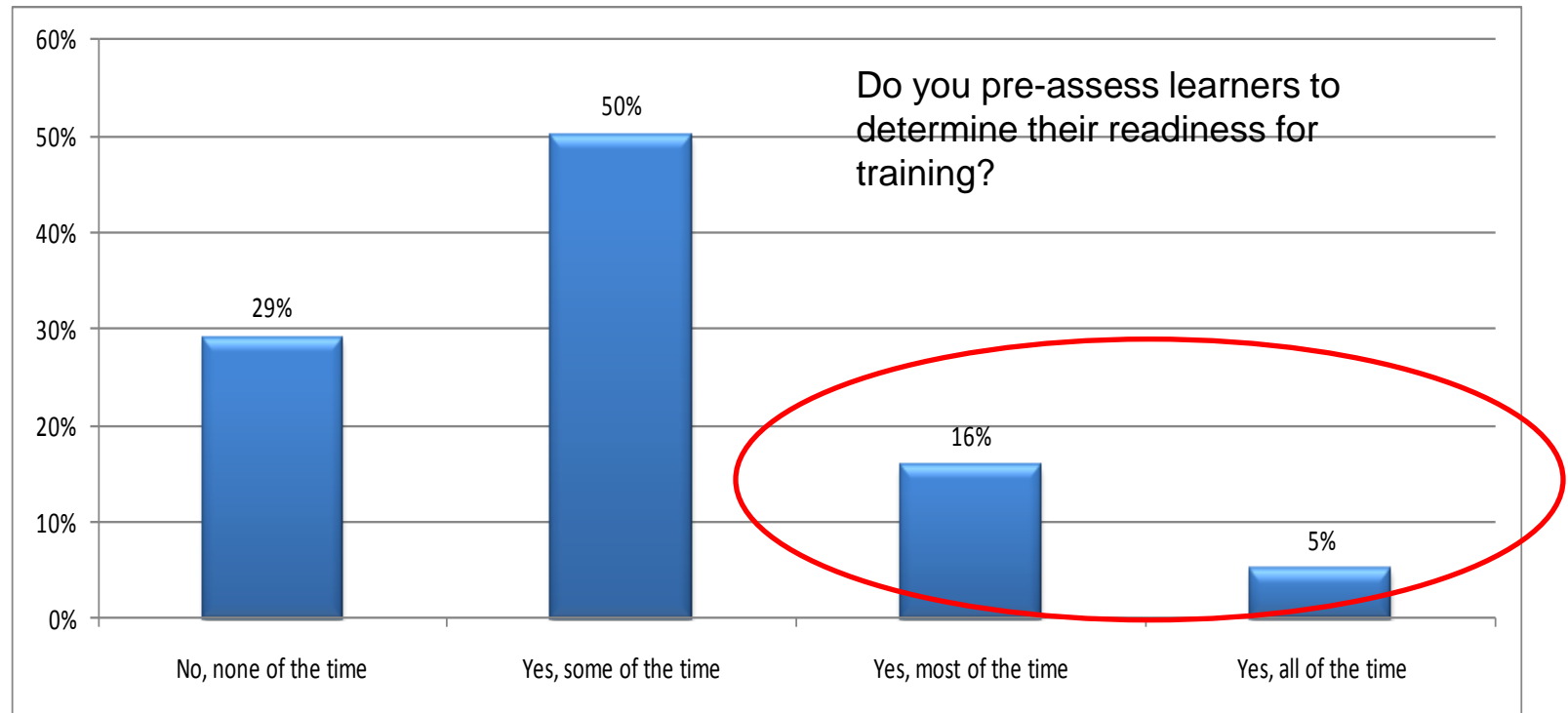
Manager support comes both before and after training

Key steps include:



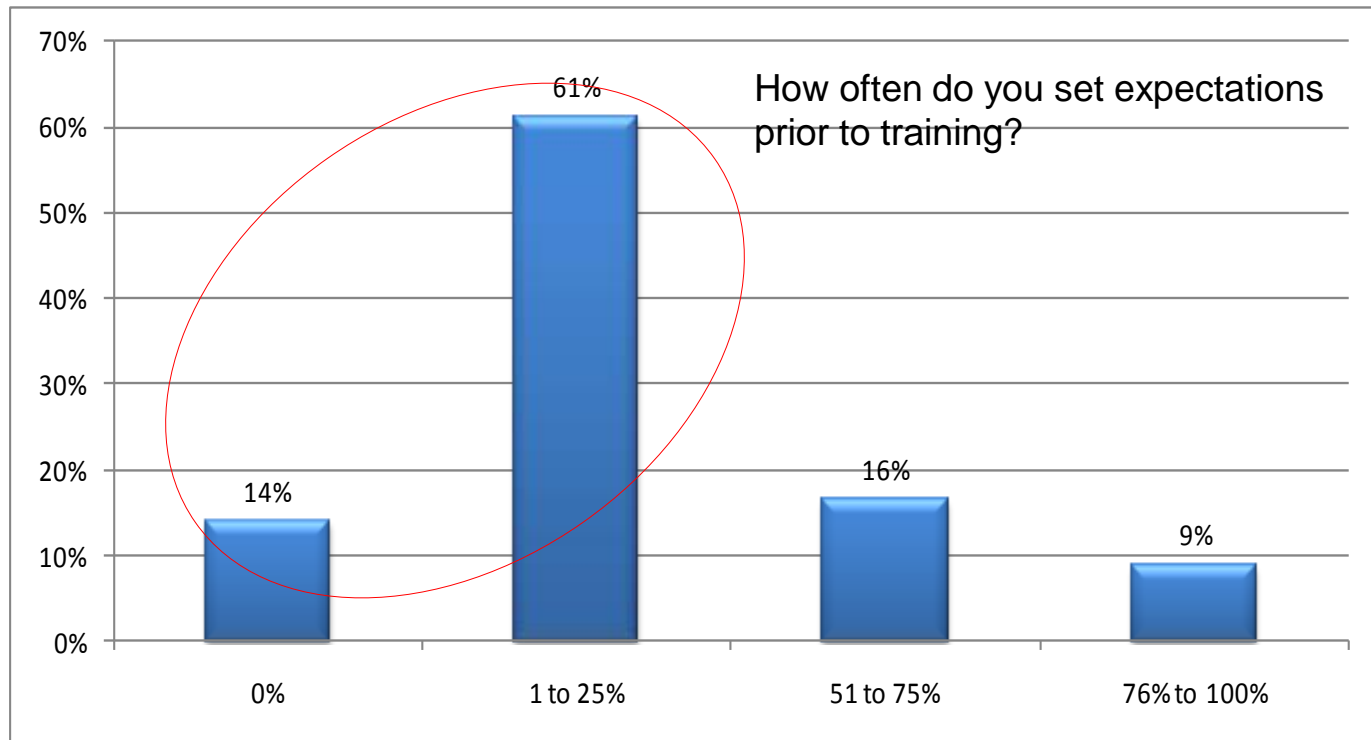
Learner Readiness

Sending the right person to the right training is essential. However, only 21% of organizations pre-evaluate learners “most of the time” or “all of the time” prior to sending them to training.



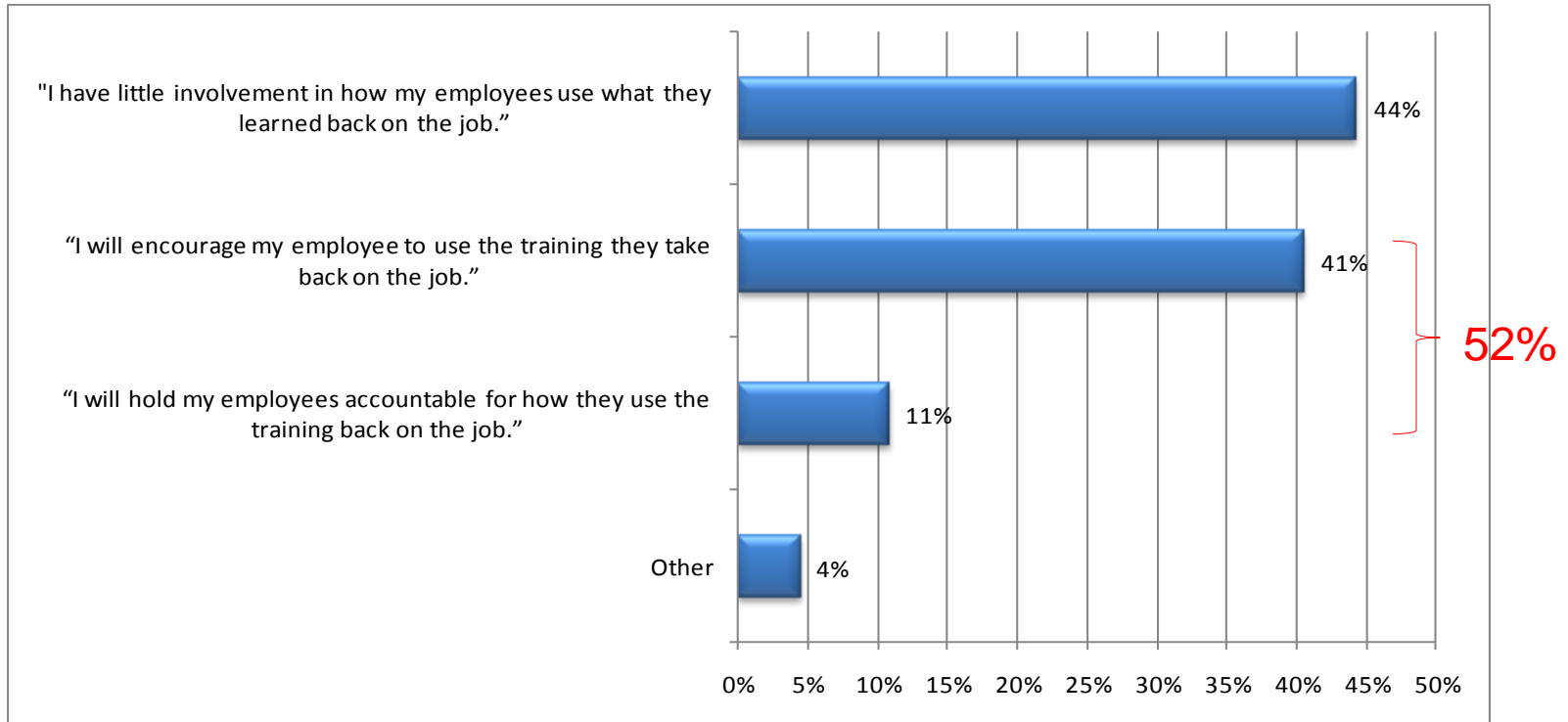
Expectation Setting

Setting learning expectations can often increase attention and learning. Yet, 75% of companies indicate that managers set post-training performance expectations with learners less than 25% of the time.



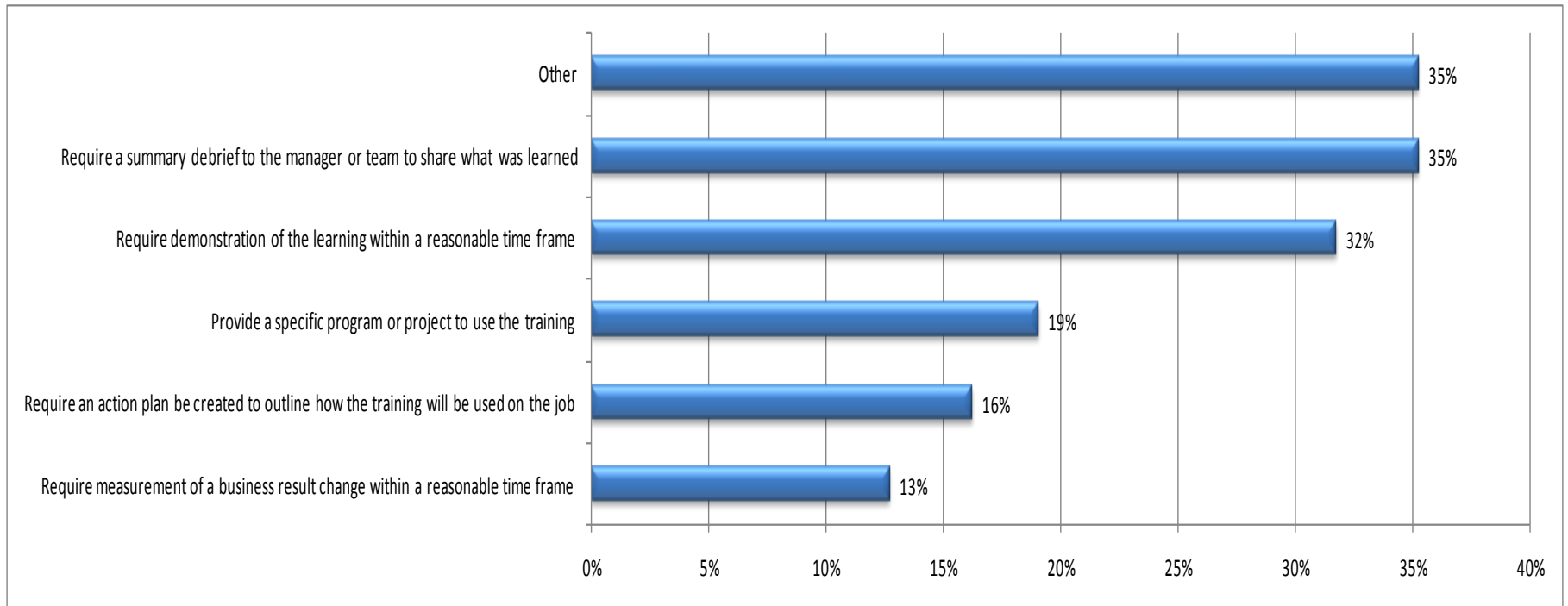
Manager Involvement

While 52% of managers appear to have some level of involvement—encouraging application of training—there is a large minority (44%) that does not. Scrap learning can be reduced by getting managers involved.



Follow up on Expectations

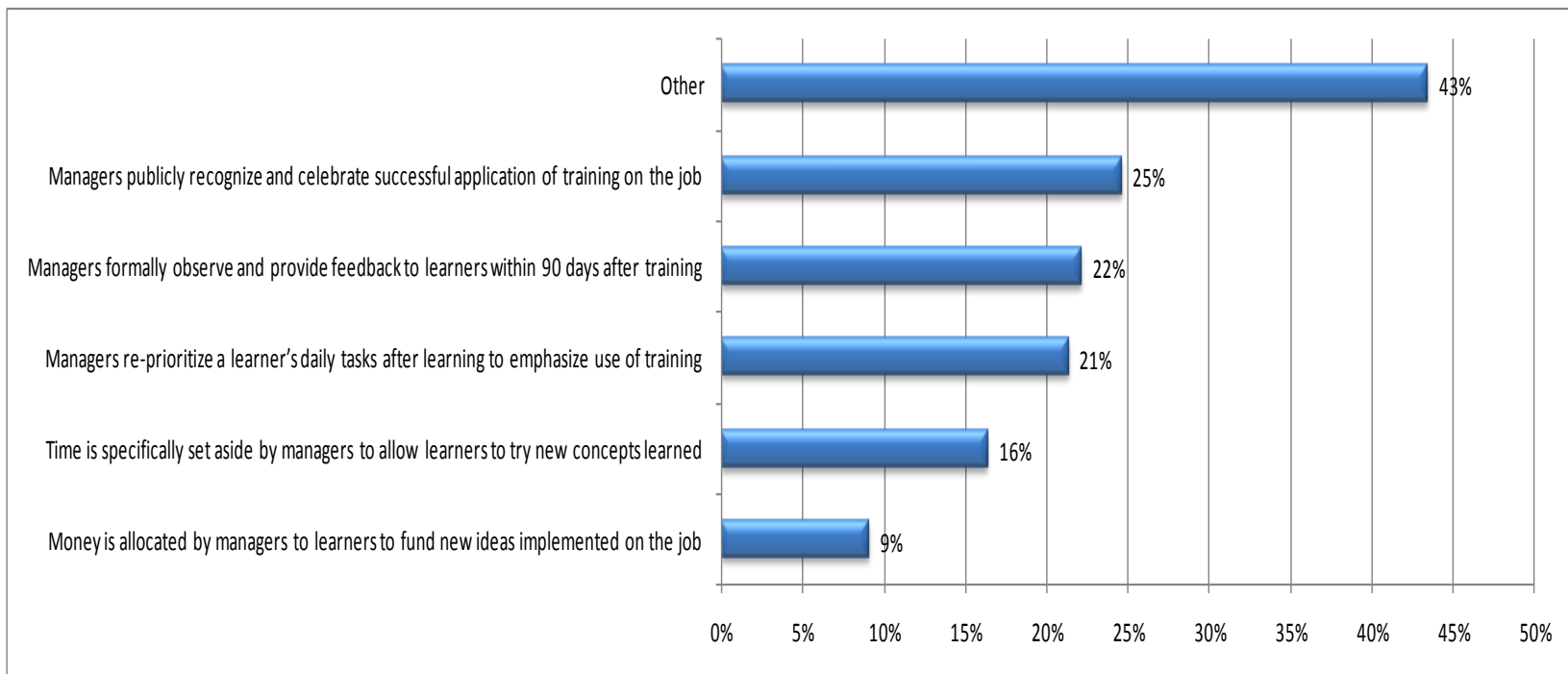
Managers require follow up actions in various forms. As the complexity of the required action increases, the percentage of managers who require the action decreases. The most complex requirement “measurement of a business result change” was least often selected at 13%.



Other: 61% of “other” comments said managers do “nothing”. Another 24% indicated follow up varies by manager or was inconsistent.

Provide Resources

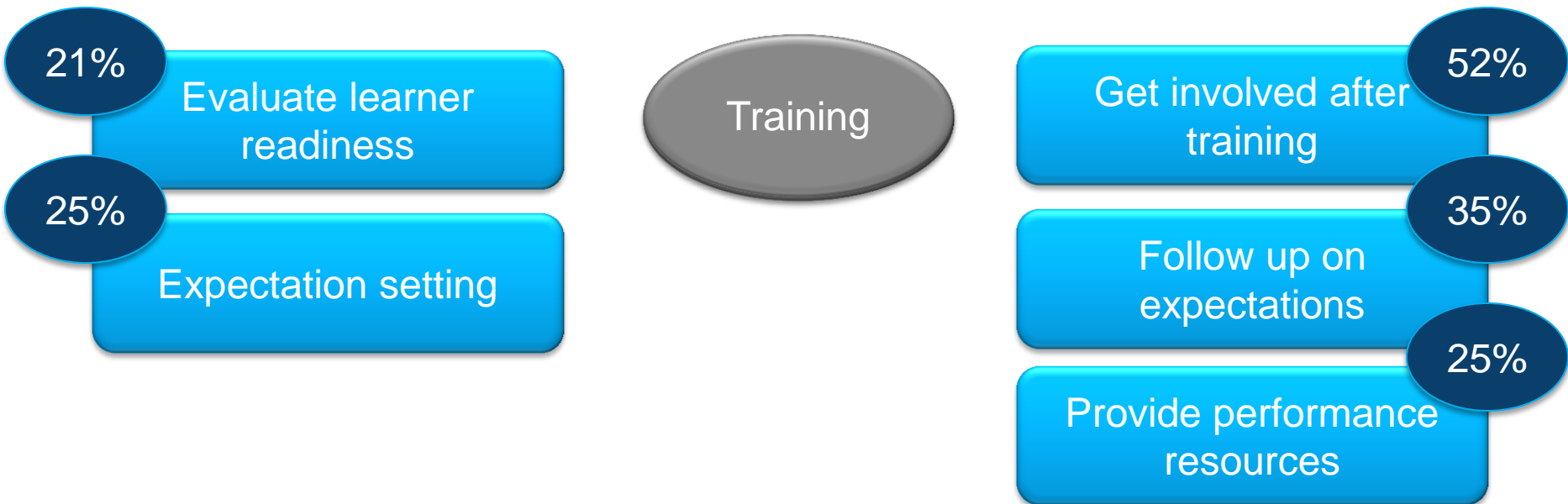
Managers support learners with a variety of resources—most often (25%) by publicly recognizing successful application of training. It is safe to say that scrap learning could be reduced if any and all of these resources were applied more often.



Other: 67% of “other” comments indicated that managers did not actively support learners after training. Another 16% indicated that manager support was inconsistent.

Manager Support: Summary

- Here are the general estimates of manager support for selected activities
- Results indicate that most managers are not substantially involved with supporting direct reports before or after training



Manager Support and Performance

Index	Learner Follow-up Evaluations N = 147,383	Manager Evaluations N = 1,363
Criticality	0.835	0.673
Relevance	0.590	0.604
Value	0.503	0.495
Manager engagement	0.409	0.419
After training, my manager and I discussed how I will use the learning on my job.	0.455*	0.421**
My manager and I set expectations for this learning prior to attending this training.	0.438*	0.395**
I was provided adequate resources (time, money, equipment) to successfully apply this training on my job.	0.395*	0.297**

- Correlations between “Transfer of Learning” and other factors
- All are statistically significant
- Based on responses from managers, when they are engaged, they contribute 17.5% to training transfer and performance on the job.

Source: Training Industry Quarterly Magazine
[http://www.cedma-europe.org/newsletter%20articles/TrainingOutsourcing/Manager%20Engagement%20-%20Reducing%20Scrap%20Learning%20\(Oct%2010\).pdf](http://www.cedma-europe.org/newsletter%20articles/TrainingOutsourcing/Manager%20Engagement%20-%20Reducing%20Scrap%20Learning%20(Oct%2010).pdf)

- N = 93,806 ** N = 1,286
- 0.419 * 0.419 = .175 or 17.5%

Making Your Programs Better

The road to improvement is filled with measurement

- Evaluate programs using an appropriate model (e.g., Kirkpatrick)
- Use standard processes and tools (e.g., Metrics That Matter™)
- Compare results to benchmarks
- Measure scrap and other factors that lead to performance improvement

Thank You

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