

Workforce Performance and Learning

The business case for social learning: Dealing with the "capability recession" at lower cost

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Have you heard of the "capability recession"? For many organizations, the economic downturn is having a noticeably negative effect on workforce productivity, engagement and performance. Job losses, combined with cutbacks in workforce development investments, mean that many companies are less able to serve customers, make sales or generate innovations than they were just a few months ago. In effect, their capabilities are in recession.

One important question for companies suffering from such a critical loss of their capabilities is how to generate better performance from their existing workforce. Consider a soccer team forced to cut its practice time by 30 percent and its team roster by 20 percent. Such a team must do two things: First, make sure that each practice session is efficient and targeted at the most critical areas of development; second, enable the remaining team members to be more versatile—better able to play different positions and to learn from one another.

The answer is not to jettison a company's existing approach to enterprise learning—even one that relies heavily on more traditional and formal classroom learning experiences. The answer is an additive one: Optimize the blend of formal training, informal learning and knowledge-sharing activities that a company makes available to its people.

Effectively improving the social learning environment can meet three urgent needs for companies striving to stay on the path to high performance during these challenging economic times. First, companies can reduce training costs by leveraging employees to produce and deliver personalized learning content that is both relevant and timely.

Second, they can improve their return-on-learning investment by compressing the time to competence needed by business-critical workforces. Third, they can create a more nimble workforce, capable of responding faster to marketplace and customer change.

Making the business case

For a number of years, enterprise learning professionals have debated the best way to deal with a perplexing paradox: Most of a typical learning budget is spent on interventions that have the least impact on employee knowledge, performance and productivity. According to several studies, only about 10 percent of what people know on the job was acquired from formal classroom learning experiences—where knowledge retention and transfer rates are never better than 40 percent. Imagine a Las Vegas gambler deliberately placing bets where the odds of winning are lowest and you begin to get the picture.

Many of today's employees actually prefer informal or on-the-job learning to classroom training; in some cases, they are demanding it. At leading communications provider BT, for example, where BT and Accenture have been collaborating on strategies and programs to improve the business impact of enterprise learning, we recently validated some key assumptions about learning investments. We found that a large percentage of the company's workforce have numerous (and critical) performance needs that are not being met by formal learning events.

BT had been spending about £100 million a year developing and delivering formal training—learning events that research showed was ineffective and

that was, according to employees, too rigid, too generic and too far removed from the realities of their work environment.

An analysis of existing performance and learning environment around BT found the following:

- Field engineers were not provided with the opportunity to learn and develop during down time.
- Team leaders independently (and unknowingly) conducted redundant safety briefings.
- Sales people wasted days trying to find answers, best practices and experts.
- Line managers answered the same questions over and over again.
- People spent too much time and money traveling to and from classroom training.

When we computed the business case—in terms of lost productivity, excess expense and redundant activities—we arrived at a conservative estimate that correcting these situations could save the company at least £8 million per year. In addition, we compiled data from secondary research about the improved employee productivity and performance that can result from social learning, and from more effectively capturing and reusing tacit knowledge.

Clearly, it was worth pursuing a better learning environment. But what exactly would that learning environment look and feel like?

A better way

The approach BT and Accenture have taken has resulted in something we call "Dare2Share." It does not replace the company's existing learning programs so much as augment them with informal learning opportunities and with social, collaborative capabilities.

From a technology platform perspective, the approach is equivalent to an enterprisewide YouTube system with a strong social dimension. Dare2Share leverages Microsoft Sharepoint to enable employees to create, find and view learning segments (podcasts, documents and links), and also discuss and debate the content being created. Perhaps more important than the platform, however, is the attitude and learning culture that this approach creates across the organization. The free-form environment encourages people to experiment, innovate, collaborate, communicate and share their experiences and knowledge in engaging ways. This knowledge sharing has a positive impact on how other employees serve customers, find information or solve problems.

All employees have the opportunity within the learning environment to establish a presence or social profile that reflects their

expertise and interests. They can then create and share their knowledge and experience, even search for peer insights, all organized by user-generated tags and topics. People and their content are linked to one another through team sites, instant messaging, blogs and discussion threads. Material is also rated by peers during the sharing process according to quality and applicability.

Making it happen

Make no mistake: Moving to a more collaborative learning environment—one where a central training organization, driven by top-down executive inputs, has less control—is a huge cultural shift for most organizations. Social learning needs to become a formal job responsibility for some individuals and must be supported by effective rewards and incentives. We recommend proceeding on the path to social learning in the following way:

- **Strategize.** Work with senior leadership to conduct a business-case analysis of where opportunities exist to improve employee productivity and performance through an improved learning environment. State those opportunities explicitly in terms of wasted spending as well as opportunities to generate better business results.
- **Evaluate.** An important step for Dare2Share was an "innovation day" where we brought together many of our best thinkers and practitioners from BT and Accenture to review and debate the merits of various Web 2.0 technologies. The point of review and debate at this stage is not about just the technologies but the business and learning needs those technologies address.
- **Prove.** Start with a workable proof-of-concept followed by a pilot test involving a representative sample of your employee population. Test the technology, functions, usability, content, learning networks and rewards programs.
- **Promote.** Use the success of your pilot to generate enthusiasm around the rest of the organization. Use good marketing methods and senior executive sponsorship to increase awareness and engagement.
- **Measure.** Monitor usage, gather feedback and measure results, feeding all that back into subsequent releases of the social learning solution.

Outcomes

Social and collaborative environments that leverage informal learning and Web 2.0 capabilities can deliver both more efficient and more effective learning with improved impacts on the business. Consider the cost and time involved to find and bring together the right subject matter experts to create a traditional learning course. Today, those experts can be right there,

online, participating in a vibrant community of knowledge sharing.

Time to competence can be significantly improved in this environment because learning experiences are tailored to employees' needs. Because content is rated and filtered through those who know best—the users—it is more likely to produce successful results. Learners are driven by personal needs and interests, resulting in much higher knowledge retention and transfer rates.

Finally, an environment such as Dare2Share has the potential to create a culture that is much more active, engaged and responsive—as long as employees are held accountable for and motivated to network, share and collaborate. For some forms of basic skills training, classroom or synchronous e-learning experiences are still cost-effective ways of creating a workforce with common skills and expectations. But in today's marketplace, business and customer needs are changing too rapidly. Companies are coping with multiple stresses, including workforce reductions and a capability recession. In that environment, companies must have a way to leverage the inherent knowledge and performance power that continuously resides within their workforce. Social learning is a way to tap into a continuous source of high performance.

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