

# Beyond a Seat at the Table

**Enterprise learning focuses on the enterprise first. The needs of the corporate entity are paramount. The learning is second.**

By Kathy Kleponis, Scott Christensen, and Mary-jo Hall

## Congratulations.

As a newly minted chief learning officer (CLO) or other workforce learning and performance professional with an executive title, you now have a seat at the table of the corporate leadership team. It's an impressive group charged with setting and deploying the vision, values, and strategies to sustain and grow the business. Now what? How do you influence strategic direction in a way that clearly demonstrates increased performance results for the stakeholders and customers?

Before answering those questions, let's look at how you arrived at the table, because it was no small feat. To get a seat at the table you worked hard to earn the acknowledgement of your peers that learning across the enterprise is an integral part of the business operations of your company, and valued by the employees. The leadership of the organization has realized that learning is more than just training, "putting butts in seats," or counting how many times an e-learning course has been downloaded.

Over the past few years, you've established and implemented corporate e-learning, which significantly reduces the cost of

training, greatly extending the reach and capability of your department. You probably have a Learning Management System—or several—across your enterprise to streamline administrative processes, thus freeing up your learning professionals to concentrate on innovations such as workplace learning or embedded learning.

You've convinced leadership that intellectual capital is a vital corporate asset that needs to be measured and managed. You're tracking to Kirkpatrick's evaluation levels 1 and 2 and sometimes 3 and 4. And, you're starting to wonder how to demonstrate Phillips level 5. The leadership team has supported the development of a portfolio of learning assets, making them available 24/7. They see you as a key member of the executive team with as much to contribute to the bottom line as the other key players. So, what do you do now?

With this strategy and activity, you've earned a seat at the table. Through leadership team meetings and conversations, you've discovered there are still disparate lines of business-specific training occurring that are not in your portfolio. You're questioning how to manage and measure all of it. Do you need to report on all of it? Your CIO has asked why you need all of

these different systems to track training. Do you have to centralize all of the training, or can it still be decentralized and kept in the hands of the business leaders? What measurement statistics really matter to the leadership team? You come to the conclusion that you need to figure out an *enterprise learning strategy* to answer these questions and more.

You start to network with other training professionals. You ask them: "Do you have an enterprise learning strategy?" "What does it include?" "Is centralization a mandate? Or can some things be centralized and others remain in the business?" "How do you measure the effectiveness of learning?"

One of your colleagues mentions attending ASTD's Benchmarking Forum meeting in September. The attendees, a collection of workforce learning and performance leaders from member organizations, spent a day discussing the topic of enterprise learning. The following article was derived, in part, from discussions and presentations at that event.

## Enterprise learning goal

In our roles with SAP Education, we spend a lot of time with customers helping them

build an enterprise-wide curriculum, primarily for the implementation of some portion of an SAP system. We ask numerous questions as part of this analysis prior to development. This inquiry helps us understand our customer's current learning landscape. This broader systems perspective allows us to integrate the SAP training strategy into the systems and processes currently used. For us, the goal for enterprise learning is to improve business performance through improved human performance capability.

This goal clearly links enterprise learning with the corporate business strategy while simultaneously building intellectual capital through increased skill sets, commitment, and employee satisfaction. Enhanced capability in the organization is a competitive advantage that promotes innovation, continuous improvement, and true business benefit. This goal noticeably does not indicate learning for the sake of learning. The concept of enterprise learning focuses on the *enterprise* first. The needs of the entire corporate entity are paramount, the *learning* is second. In this concept, learning is an enabler of enhanced performance. Learning is not an end in itself. Learning, however, drives day-to-day customer-focused performance as a key enterprise strategic imperative for business change and success.

### Components of enterprise learning

As part of the conversation on enterprise learning, the ASTD Benchmarking Forum participants identified three key components that are the foundation for a successful enterprise learning strategy. **Executive commitment and personal buy-in of the enterprise learning strategy by the leadership team is not only necessary, it is mandatory.** CEOs and executive management must view enterprise learning strategically and commit to making learning an imperative for business change and success. Learning must be closely aligned with the CEO's enterprise strategies and organizational priorities in order to achieve the maximum return on learning investments and recognition for our efforts. The enter-

prise learning strategy must establish the vision, path, and correlation from learning initiatives to business outcomes. And, most important, the leadership personally participates in promoting a learning culture and models the leader as trainer.

**Learning is an integral part of the business of the enterprise and therefore must be embedded in every facet of the system.** Creating and delivering learning that supports enterprise initiatives and business processes is a key objective. Learning must be guided, managed, and improved in the same fashion as any other essential business process or service from a supply and demand position, enterprise-wide, and for specific business units. Enterprise learning supports the employee life cycle and all related activities: recruiting, hiring, orientation, development, assessment, and advancement. Learning teams must provide consistent, effective, and targeted learning initiatives to support the gamut of competencies and skills needed, including leadership development, sales training, business process and system enhancements, as well as regulatory and compliance training.

**Create a strong foundation and scalable infrastructure for learning management.** To achieve enterprise learning success and maximize return-on-investment, established processes are required to support the development, deployment, management, and assessment of learning initiatives. The technical infrastructure to support these learning processes should be composed of a blended learning management system, content management system, learning portal, collaboration, evaluation, and performance support. This infrastructure must support the integration with key business processes, including HR, enterprise resource planning, and knowledge management, and should be scalable and targeted not only to employees, but to the extended enterprise audience that includes partners and customers. The system must provide the measurement, analysis, and reporting needed to demonstrate a return-on-learning-investment in time, money, and improved performance.

## Enterprise Learning: A Definition

A systematic and holistic approach to training, communications, learning, information sharing, and governance purposely designed to support consistent personal behaviors and business practices aligned with desired organizational performance results. Enterprise learning is embedded in daily operations and is supported by an enterprise technology

### It's about the business, not the software

SAP provides collaborative enterprise business solutions for all types of industries. The SAP Learning Solution consists of a state-of-the-art learning management system, a learning portal, collaboration and content tools, a learning content management system, analytics and services to support and enable learning, knowledge management, and performance support. Just as the SAP enterprise software enables a company's business processes, the SAP Learning Solution enables a company's workplace learning and performance business processes that encompass the entire employee life cycle.

Instead of creating and maintaining multiple interfaces between LMS and financial, or HR systems, the SAP Learning Solution is integrated with SAP HR and Enterprise Resource Planning solutions in an open architecture, enabling companies to integrate learning into all aspects of their businesses.

Customers have successfully deployed the Learning Solution as an integral part of their human capital man-

## A Single Source

The learning portal provides a single, intuitive personalized source to view, register, manage, and access all forms of learning, including:

- e-learning
- virtual classroom
- classroom-based or instructor-led courses
- collaboration
- performance support.

The learning management component provides single central enterprise learning management to enable enterprise governance. It provides both flexibility and scalability to address distributed learning initiatives to meet individual business requirements, including unique catalogs, learner groups, business rules, and learning content.

Human resource and learning professionals can assess workforce capabilities and skills requirements, and develop learning initiatives to meet required competencies. Employee managers can also create, manage, and review their employees' learning objectives and development plans, and monitor and approve learning activities as required.

SAP Learning Solution extends the reach by pushing learning to employees based on basic business process triggers, such as a new hire, role change, organizational change, or change in competencies. Quality assurance and compliance managers can deploy and manage business critical compliance training, certifications, and standard operating procedures with requisite reporting in a validated system to meet regulatory standards.

The Learning Solution's collaboration, content tools, content management system, and open architecture enables the development of learning content, and import or integration of third-party content based on industry standards such as SCORM—Sharable Content Object Reference Model.

agement employee life cycle process. Learning needs are identified based on roles, competencies, business processes, and transactions identifying the requisite learning events and learning content that will meet those needs.

Customers include small regional organizations as well as global enterprises. One global customer was juggling eight separate learning management systems with multiple points of access and registration for its 20,000 employees. By establishing an enterprise learning strategy and leveraging a learning solution, it reduced its technical platform to a single enterprise solution. The SAP Learning Solution provided central enterprise learning governance with the flexibility to meet the requirements of individual business units and regions. The Learning Portal became the single-source for all learning activities not only for employees,

but also for contractors, partners, and customers. And the analytic capabilities of the learning solutions, in conjunction with SAP ERP analytics, provided measurement of learning effectiveness as well as measurement and correlation of learning with key business metrics.

Customers in the pharmaceutical industry have implemented the SAP Learning Solution as a fundamental component of an FDA regulatory compliance strategy. The initial business case for implementation of an enterprise learning system was based on management of standard operating procedures, which was mostly a manual-based system. The Learning Solution automates this management process and has become mission-critical to the company, providing 24/7 access to learning and certification, and the requisite audit trail for regulatory compliance.

Additionally, the SAP Learning Solution provides reporting and analytic tools to enable visibility into all learning processes, validates the value of learning initiatives to business results and performance, and measures and analyzes the effectiveness of enterprise learning.

Pre-integration with SAP HR and ERP allows the incorporation of other key metrics across the enterprise to correlate that learning initiatives are providing true business benefit. This type of measurement takes workforce performance to a new level, away from the typical learning statistics (number of classes run, number of classes taken per employee) and toward results your peers at the table will value. It demonstrates that learning is a component of a successful launch of a new product, or a new way of selling or adhering to compliance regulations. All of which are examples of the business metrics your leadership team peers value.

### Numbers that matter

So, how do you develop those types of statistics? ASTD is developing a scorecard to measure and benchmark enterprise learning. The Workplace Learning and Performance Scorecard will be launched in early 2006. The scorecard will incorporate a comprehensive set of indicators and reporting frameworks to monitor, evaluate, and compare the alignment, efficiency, effectiveness, and sustainability of the learning function across organizations.

Users can choose from two types of reports: a customizable scorecard and an index report. The scorecard report will compare a given organization to others on sets of financial, operations, customer, and innovation indicators. The index report will include diagnoses of what should be changed to improve the alignment, efficiency, effectiveness, or sustainability of enterprise learning.

Evaluation of enterprise learning is more about the evaluation of the effectiveness and efficiency of the learning function as a whole, rather than evaluation of particular learning programs. Eighty percent of organizations in the ASTD Benchmarking Forum employ a

scorecard or dashboard to measure and report on the effectiveness of enterprise learning. The key indicators in those scorecards are business leader perceptions, productivity metrics, customer satisfaction, and actual business outcomes. The main measures of efficiency are expenditure per employee, staying within budget, and business leader perceptions.

### **The value proposition**

Now that you are at the table, you need to influence the strategic direction. To do this, you need to have a clear value proposition for the enterprise learning strategy. This includes a clear definition for enterprise learning, a strategy with a goal, and a road map that incorporates technology with other aspects of the business. And make sure that you pursue clear measures of success that are aligned with the overarching corporate direction.

Remember that the value proposition of enterprise learning is tied directly to business benefit: speed to market for products and services, organizational capability, skill gap reduction in ability of employees to perform, intellectual capital, and readiness for future business needs required by the customers.

These are concepts executives understand, regardless of the size of the company or the individual background of the executive. By enhancing these aspects of the business, enterprise learning strategy creates a more cohesive and sustainable culture and workforce. The learning function is more efficient, relevant, and effective because technology tools are appropriately applied and integrated. With this value proposition, the CLO is capable of influencing the leadership team in a manner that moves the enterprise forward and embeds learning and innovation in all processes and activities. **TD**

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