

Learning That Leads to High Performance

Jeanne C. Meister

A survey of 285 learning executives conducted by Accenture Learning clearly demonstrated a link between the most effective learning organizations and the overall performance of the companies they serve. Companies that demonstrate high-performance learning characteristics—about 10 percent of the survey sample—also return better revenue and profit growth compared to their competitors and industry peers. These firms exceed their peers in terms of productivity, as measured by sales per employee, (27 percent higher), revenue growth (40 percent higher) and net income growth (50 percent higher).

The learning organizations whose performance correlated with excellent business results show mastery in seven key areas:

- **Aligning learning with strategic goals:** While only 2 percent of the learning executives in the study are measured or evaluated according to how successfully they align learning to business goals, a number do have a process in place to ensure that learning makes such an impact. At Becton, Dickinson & Company (BD), more than 570 top leaders are certified to teach as faculty in BDU and are involved in learning programs offered to associates. This type of executive engagement is the cornerstone of a strategic process where leaders view the learning function as key to accomplishing their goals.
- **Measuring the overall business impact:** One in four of the organizations in the survey fail to measure the financial return of learning in any way. One big reason lurks behind this challenge: Most learning executives surveyed measure effectiveness in terms of inputs to the learning function (course completion rates, budget spent on learning, learner satisfaction scores, etc.), rather than in terms that can be translated into business impact, such as increases in revenue or decreases in costs or in employee turnover.
- **Emphasizing customer and channel partner education:** Most learning organizations primarily serve their own employees. However, about 50 percent of the organizations in the survey sample are expanding learning to customers and channel partners, and far greater numbers of high-performance learning organizations are pursuing customer and channel partner education.
- **Focusing on competency development for strategic workforces:** To make the right learning investments and maximize impact, focus on the workforces most directly linked to overall performance. Tennessee Valley Authority (TVA) has focused on its four most important job families and has given each its own profession-specific learning team, which performs the needs assessment and the curriculum design for its job classification.
- **Integrating learning with other human performance functions:** Learning is blurring into collaboration, knowledge management, knowledge sharing

and performance support. Knowledge retention is a particularly big issue today. By 2010, according to a recent Bureau of Labor Statistics report, large numbers of people in many industries will be eligible for retirement (one-third of all secondary school teachers, for example, and 60 percent of the workforce in the oil and production industry; at NASA, the number of engineers and scientists older than 60 will outnumber those under 30, three to one).

- **Blending delivery approaches:** Two-thirds of all learning for the organizations surveyed still occurs in a classroom. However, learning organizations that are making a greater impact are trending toward increased delivery of learning through technology. Executives in the survey believe that, over the next three years, the percentage of programs they deliver through technology will double.
- **Focusing on leadership development:** Whether the strategy is developing a stand-alone institute, such as Johnson & Johnson's School of Leadership, or the focus is on integrating leadership development into all programs, such as at National Defense University, leadership training is having a big impact on overall performance.

The relatively small numbers of learning organizations that have achieved high performance clearly show that the road ahead is not necessarily an easy one. But these learning leaders are helping demonstrate that such excellence is within everyone's reach.

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