FROM LEARNING TO KNOWLEDGE: BEST-IN-CLASS METHODS FOR ENABLING EMPLOYEES TO PROPEL THE BUSINESS FORWARD

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Report Highlights

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The Best-in-Class are 22% more likely than All Others to adopt new knowledge methods to support customers and ensure employee safety.

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Best-in-Class companies are 76% more likely than All Others to deliver learning in different ways to help cater to different generations. р8

Best-in-Class companies are 60% more likely than All Others to consider microlearning to be effective for employee development. **p10**

Best-in-Class companies are 73% more likely than All Others to ensure that post-training discussions occur regarding how to apply the training.

We live in an era where access to information is instantaneous and effortless, buyers are more educated, the pace of business is accelerated, and employers place higher demands on employees to keep up with ongoing change. This cultural shift has revealed the glaring inefficiencies of traditional learning for employee development. Best-in-Class organizations are therefore changing the way they approach learning and development (L&D). Rather than simply delivering learning, top-performing companies are focusing on how to help employees build, sustain, share, and apply knowledge continually in order to have a measurable impact on business results.



Forty-nine percent of organizations indicated that their main challenge for rolling out learning is ensuring that what is taught is actually understood and utilized on the job.

Aberdeen Example:

In the retail world, employees need to know a variety of product lines and keep up to date with promotions, discounts, and availabilities throughout the store and online. So when a new line of products is released, employees need to learn the ins and outs of every item, what's unavailable sizing-wise, and other comparative products. They're often expected to pick up all that new information in a matter of days, if not overnight. That's a lot of content to learn, retain, and then apply, especially so quickly!

Understanding the Employee Knowledge Conundrum

Employees have to retain and regurgitate a lot of information to be successful in their roles. Whether that means understanding the details about a medical device, the technical features of an automobile, or what to do in the case of an active shooter incident, the demand on employees' knowledge is great. Without key information at the right time, employees can make costly mistakes, including missing sales opportunities or even confusing safety procedures that result in injuries and compensation claims. What employees know or don't know can have a huge impact on an organization's success.

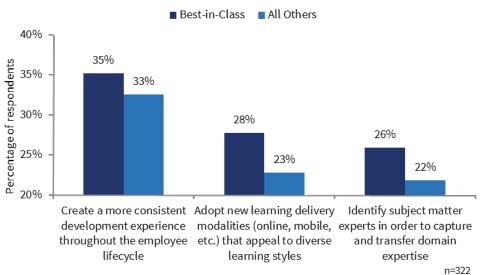
Organizations, specifically L&D leaders, looking to improve employee performance need to shift their thinking about employee learning. In truth, traditional methods just don't work very well. Whether it's an in-person class or online learning course through an LMS, such tactics provide way too much content for employees to effectively retain and then apply to their jobs. Besides this, the fast pace of business means employees need a way to get answers as quickly as possible or at the point of need so they can be responsive, effective, and safe.

Developing effective knowledge initiatives isn't easy; in fact, 49% of organizations indicated that their main challenge for rolling out learning is ensuring that what is taught is actually understood and utilized on the job. To achieve this, Best-in-Class companies (sidebar) provide a consistent development experience throughout employees' tenures. They use contemporary knowledge-centered modalities to help ensure that employees can learn continually on their own terms. They also identify subject-matter experts (SMEs) to help capture and present specific content. Notably, Best-in-Class companies are



22% more likely (28% vs. 23%) than All Others to adopt new knowledge methods to support their employees (Figure 1).

Figure 1: Savvy Companies Provide Knowledge to Employees



Source: Aberdeen Group, February 2016

Traditional Learning is Bogging Down Employee Development

The reality is that a lot of organizations are stuck in a quagmire. They're using traditional techniques that are not only costly, but ineffective at helping employees build long-term knowledge. The resources that are in place — outdated eLearning, lengthy classroom training, simulations, etc. — are focused on a specific point in time, don't provide easily digestible content, don't offer a personalized learning experience that employees can apply to their specific roles and don't provide a way to help employees remember the information after the session is complete.

While traditional learning techniques may still be popular — with 58% of companies using traditional, self-paced eLearning

Aberdeen's Maturity Class Framework

Aberdeen's research defines Bestin-Class performance by benchmarking organizations against several key performance metrics. In this case, three metrics were used:

- 85% of employees rated themselves "highly engaged" in the most recent engagement survey
- 15% increase in revenue per full-time equivalent (FTE)
- 16% increase in customer/patient satisfaction rates/score

By looking at organizational performance, we then break the survey respondents into three maturity classes, as described below:

- Best-in-Class: top 20% of performers
- Industry Average: middle 50% of performers
- Laggard: bottom 30% of performers

Sometimes, a fourth maturity class, **All Others**, is used to describe Industry Average and Laggard combined.





"The pace of innovation and changes in our customer environment, coupled with the need to be more efficient than ever, makes it challenging to keep the sales organization at the knowledge level required to be most effective." ~ John Knoble, Director of Commercial Learning, Ethicon

Aberdeen Example:

For instance, learning all about a new monetary offering is an expectation for financial advisors so that they can better service their customers. But when the content is presented in extensive, hour-long chunks whether in person or online — it's a lot harder to determine the exact information necessary to understand the new product. Then the financial advisors need to take their newly acquired insight about the product and present it to customers, who will often have countless questions about the details and potential implications of the new product.

methods to disseminate content — they don't work that well for the modern learner. Whether employees are constantly on their feet, such as in hospitals or retail, if they're operating phones in customer service and support roles, or they're on the go selling medical devices, they all share a common need for quick, digestible information. It's next to impossible for employees with so much on their plates to sit down for an hour or two to learn. In fact, it's estimated that less than 1% of an average employee's work week is available to learn something new.

Moreover, humans, let alone the most committed employees, aren't able to retain a large amount of information at once. Whether it's our short attention spans or all of the other things racing through our minds, it's extremely difficult to recall the finite, most relevant details from any lengthy presentation, video, or course (sidebar for an example).

While synthesizing information poses a problem for employees, employers have their own challenge: putting together the content for traditional in-person or online training. Doing so requires a lot of time, money, and internal resources. In fact, it's estimated that companies worldwide spend \$130 billion dollars every year on employee learning and development programs. Spending that kind of money on resources that aren't effective for employee knowledge, development, and engagement is a major detriment to the success of the business, the satisfaction of the customer, and the confidence of the employee.

While 79% of organizations believe that learning and development is critical to their organization's ability to execute on strategy, the most popular methods aren't helping enough. The fact is, employees need a combination of information in their heads and at their fingertips in order to effectively perform their jobs.





Contemporary Learning Modalities Are Here to the Rescue

Thankfully, there are significantly more effective resources available today that can better assist with employee knowledge and development. In order to diagnose their employees' individual needs, Best-in -Class companies are taking decisive actions to ensure that their employee knowledge initiatives are well planned (Table 1).

Table 1: Best-in-Class Companies Plan Ahead for Employee Knowledge Transfer

	Best-in-Class Companies	All Other Companies
Assessing the current skill/knowledge/	91%	39%
competency levels to determine gaps		
Delivering knowledge in ways that are	37%	21%
appealing to multiple generations/learner types		
Keeping knowledge agile enough to respond to	33%	24%
shifting business priorities		

n=322

Source: Aberdeen Group, February 2015

Best-in-Class companies are 2.3 times more likely (91% vs. 39%) than All Others to assess current skill levels to determine gaps. With such insight, organizations can figure out what specifically each employee struggles with and develop a knowledge-transfer plan that fits their profile. In an era where the workforce is made up of five different generations, it's important to have different learning methods to fit different learner types. Hence why Best-in-Class companies are 76% more likely (37% vs. 21%) than All Others to deliver learning in different ways.

Savvy companies are 76% more likely than All Others to deliver learning in different ways to help cater to different generations in the workforce.



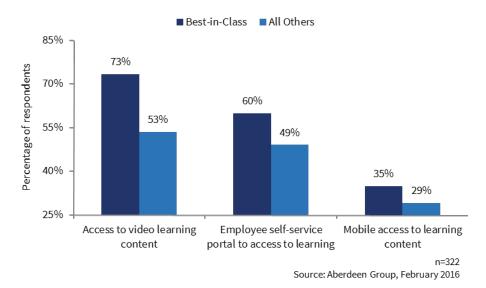
Best-in-Class companies plan to increase their learning spend by 121% over the next two years.

There's a plethora of methods available to solve the knowledge problem, including: microlearning, mobile learning, usergenerated content, gamification, and more. Each one has its own value, requirements, and implications for the workforce. But, ultimately, such methods are oriented toward employees and are structured to make their roles and responsibilities easier to handle. That way, the workforce can more easily access information that will allow them to better meet the needs of the business.

These resources tend to be easier to use and more accessible than their traditional counterparts. They are robust, yet simple, easy to use, and designed with the user in mind. Such technologies are akin to consumer-oriented, real-world resources like Google, Facebook, and YouTube. With such ease of access, the workforce can add content and share with their coworkers as need be.

Top companies are recognizing the importance of empowering their employees to learn wherever and whenever (Figure 2). In fact, Best-in-Class companies plan to increase their spending by 121% over the coming two years. Further, businesses that plan to increase their spending on learning in the next 12 to 24 months plan to do so by 87%.

Figure 2: Enable Employees to Learn Wherever and Whenever



Notably, Best-in-Class companies are 22% more likely (60% vs. 49%) to provide employees access to a learning self-service portal where they can easily consume the applicable content. So whether learning occurs at kiosks, on tablets, or on smartphones outside of work hours, employees can learn when they need it the most, as well as when they have the time to do so (sidebar for an example).

With that in mind, let's explore modern learning methods that, when combined together, can enable a higher degree of employee understanding and performance on the job. To help get to that point, organizations need to focus on providing employees with digestible knowledge that they need, both for their minds — such as microlearning — and for their fingertips — such as knowledge on demand (ideally, through mobile access).

Best-in-Class companies are 22% more likely to provide employees access to a learning selfservice portal where they can easily consume the necessary content.



Aberdeen Definition:

Microlearning is a method of learning that delivers content to employees in short, very specific bursts (think "bite-sized learning" or "learning nuggets").
Microlearning activities are usually completed in less than four minutes, making them digestible and manageable.

Aberdeen Example:

For instance, a pharmaceutical sales executive has a break between meetings and learns about an update on a popular medication via her phone in real time. She can then review a three-minute video and a brief Q&A about the new update before her next call. With such insight at her disposal, she can do a significantly better job at satisfying her customer (and he often doesn't know it, either).

Microlearning

Microlearning (sidebar) is a great resource for organizations that want to help their employees process small pieces of information. Microlearning is helpful for a wide variety of industries, from retail and professional sales, to finance, insurance, and consulting, to healthcare and pharmaceuticals, to telecom and supply chain. Smart organizations understand just how valuable informative tidbits can be for an employee's knowledge retention when presented ongoing. Notably, Best-in-Class companies are 60% more likely (88% vs. 55%) than All Others to consider microlearning to be effective for employee development.

Microlearning is certainly a stark contrast from traditional eLearning, which is often generic and requires a serious time commitment to consume and extract the most applicable information. Microlearning can be used to introduce new concepts or highlight minute details, so long as the information is presented in concise snippets, targets employees' specific knowledge needs and allows employees to access it wherever and whenever they like. This is why companies that use microlearning for employee development are almost twice as likely (50% vs. 26%) to enable them to access content from their mobile devices as compared to non-users.

Mobile Learning

Employees need the ability to figure things out on the go. With access to the right information from their mobile devices, employees can answer customers' questions, pose questions to colleagues, watch videos, participate in internal social sites, and consume additional content, anytime and anywhere. Per Figure 2 on page 7, Best-in-Class companies are 21% more likely (35%)







vs. 29%) than All Others to provide mobile access to learning content. While a majority of top-performing companies might not use mobile learning, they understand that it's imperative to enable employees to solve problems easily. Further indicative of this is that the overall adoption of mobile learning has grown by 20% since 2013 (30% vs. 25%).

User-Generated Content

SMEs create microlearning content so they can more effectively and efficiently explain new concepts and updates to employees. However, user-generated content provides employees with experiences and personal insights into how to execute specific ideas in ways SMEs can't. User-generated content provides employees with unique perspectives on internal responsibilities that SMEs didn't focus on in their tutorials.

That's why smart companies prioritize opportunities for employees to contribute their own insights. For instance, Bestin-Class organizations are 80% more likely (18% vs. 10%) than All Others to utilize user-generated content to help uncover hidden knowledge within their own organization. Tapping their most valuable assets (employees) and using their insights gained spending time on the job can help other employees learn more. Moreover, Best-in-Class companies are 36% more likely (30% vs. 22%) than All Others to encourage learning from peers via social learning to help with employee development.

Gamification

Gamification (sidebar) is a concept that has been tossed around and even misused. But when employed correctly, gamification is "Earning mindshare amidst all of the competing demands of a sales representative's time required an innovative approach that engaged them on their terms."

~ John Knoble, Director of Commercial Learning, Ethicon

Aberdeen Definition:

Gamification is the practice of applying game mechanics to non-game contexts or situations to teach new behaviors and/or encourage existing behaviors to continue.





information. Top companies are committing increased efforts toward such a methodology for knowledge retention; in fact, Best-in-Class companies are almost three times more likely (32% vs. 12%) than All Others to use gamification to support their employees.

an effective way to engage employees and help them retain key

Ultimately, top companies invest in resources — whether its microlearning, mobile, user-generated content, or gamification — that actively empower their employees. On top of that, the ability to truly quantify the ramifications of modern resources for employee development is equally as important.

Measure the Impact of Modern Employee Knowledge

Just as there are a multitude of ways to build up employees' skill sets and abilities, there are many tactics to determine the impact of learning on the organization. For starters, it's imperative to set core competencies for each job and career path to ensure you can consistently measure employees' knowledge to set standards moving forward. Best-in-Class companies understand how important such a structure is to their ongoing success. In fact, top performers are 32% more likely (54% vs. 41%) than All Others to define core competencies to help plan for current and future employees.

Another tactic is to facilitate an ongoing dialogue, rather than a single yearly review, between workers, their managers, and HR, specifically around listening to employees' needs, incorporating them into establishing and meeting goals, and ensuring that they understand how to make use of their new knowledge. For instance, Best-in-Class companies are 73% more likely (38% vs. 22%) than All Others to ensure that after training is conducted employees have one-on-one meetings with their immediate

Best-in-Class companies are 73% more likely than All Others to ensure that after training is conducted employees have one-on-one meetings with their immediate managers to discuss how to apply the training in their specific roles.



managers to discuss how to apply the training to their specific roles.

So instead of bestowing knowledge on the workforce and expecting employees to comprehend exactly what they need in order to be successful, perceptive organizations ensure that managers work cohesively with their employees. Said dialogue extends to performance management as well. Best-in-Class companies are 44% more likely (65% vs. 46%) than All Others to empower employees to collaborate with their managers to create their performance goals (rather than them being created for them).

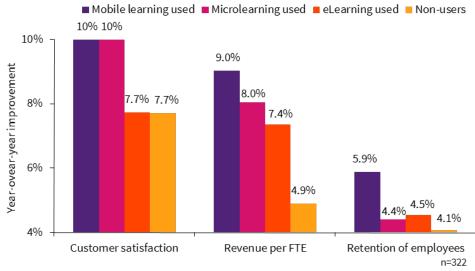
Another tactic to determine if your employees are connecting with your methodologies is by measuring the business impact of modern versus traditional techniques. For instance, Figure 3 (page 12) compares several methods, namely between two vital modalities necessary for retooling knowledge management microlearning and mobile learning — and eLearning or no learning whatsoever. For instance, when organizations empower their employees with mobile or microlearning, they experience a 43% year-over-year improvement in customer satisfaction as compared to using eLearning or no learning. Such methods afford employees more time to care for the customers and less time trying to determine what's wrong or what's not working in order to do so. With well-designed knowledge resources within their workflow, employees can spend less time looking for information and spend more time focused on completing their work.

When organizations empower their employees with mobile or microlearning, they experience a 43% year-over-year improvement in customer satisfaction as compared to using eLearning or no learning.



Companies with microlearning in place experienced 63% greater year-over-year improvement in revenue per full-time equivalent.

Figure 3: Modern Modalities Seriously Benefit the Business



Source: Aberdeen Group, February 2016

Companies with microlearning in place experienced 63% greater year-over-year improvement in revenue per full-time equivalent (FTE) than companies without microlearning in place (8% vs. 4.9%, respectively). With ease of access, employees can learn more effectively and, as a result, bring in greater revenue.

Conclusion

Top-performing organizations understand that they need to transition from delivering learning to driving employee knowledge, which is best accomplished by using a combination of modalities to ensure they educate their workforce properly. A lack of appropriate knowledge can be a huge problem for simultaneously keeping employees safe, ensuring they can assist customers as efficiently as possible, and allowing them to perform at their best.



By adopting the right knowledge-centric technologies, guided by both the needs of employees and of the business, L&D leaders can help to improve employee and organizational performance. To achieve this objective, organizations should take the following three steps:

- 1. **Reframe learning as knowledge:** Instead of simply delivering learning using traditional approaches, think about how to help your employees turn learning into knowledge. Then, help them apply that knowledge in their specific work setting so they can achieve key outcomes. By setting objectives for the final product, and developing learning programs that align with these objectives, organizations can enhance the value of training to the business.
- 2. Empower employees to share their knowledge with others: It's necessary that companies enable employees to share knowledge with each other. Members of the workforce young or old, tenured or brand new all have varying experiences and insights. Who's to say who will benefit from certain anecdotes or challenges? It might turn out that your most experienced retail employees can learn something from someone new that can't be taught by a SME. Employees should not only feel comfortable sharing their expertise and questions with each other, but they should also have resources that will allow them to do this whenever, wherever.
- 3. **Out with old learning, in with new knowledge:** Whether through microlearning, mobile learning, gamification or beyond, employees require modern features to remain engaged and motivated to keep up with the growing

Three Steps to Proceed Forward:

- Reframe learning as knowledge
- Empower employees to share knowledge with co-workers
- Out with old learning, in with new knowledge

demands of customers and changing business requirements. Such solutions should be easily accessible to employees and enable development.

Ultimately, the workforce needs to feel empowered and motivated to share what they learn with co-workers to expand the organization's institutional knowledge and decrease the reliance on formal, more time-consuming training. Lest you forget that employees' number one goal is to service your customers — isn't it time you empowered them to do so?

For more information on this or other research topics, please visit <u>www.aberdeen.com</u>.

Related Research

Employees Need Modern Learning to Aid Customers and the Organization; January 2016 Transparency is Upon Us; April 2015

Best Practice: Identify High Potentials Before You

Lose Them!; August 2015

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Want That Dream Job? A Degree Might Be Your

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Mobile Learning: Moving Companies Forward; April

2014

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Since 1988, Aberdeen Group has published research that helps businesses worldwide improve their performance. Our analysts derive fact-based, vendor-agnostic insights from a proprietary analytical framework, which identifies Best-in-Class organizations from primary research conducted with industry practitioners. The resulting research content is used by hundreds of thousands of business professionals to drive smarter decision-making and improve business strategy. Aberdeen Group is headquartered in Boston, MA.

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