

PAUL MATTHEWS



# informal learning AT WORK

## HOW TO BOOST PERFORMANCE IN TOUGH TIMES

## **Praise for *Informal Learning at Work***

“Paul has clearly identified where informal learning can provide cost effective and high impact ways of improving workforce engagement and capability.”

**David Apparicio**

*Former Head of Learning & Development, The Royal Mail*

“In order to meet the challenge of equipping a public service organisation to develop and improve on performance in today’s climate, something new is required. ‘Informal Learning’ has changed my mindset and provided a framework and direction for how that can be better achieved.”

**Adrian Kingswell**

*Head of Learning & Development, Hampshire Constabulary*

“Hurrah!! Finally, a book that doesn’t just theorise about informal learning, but actually provides real-world, practical advice for making it happen. In the current climate of over-stretched L&D resources and budget, this book really does open the door to creating a true learning culture by harnessing what our employees do naturally. By applying the advice in this book, enhanced employee engagement and increased organisational performance will inevitably follow.”

**Nicki Talbot**

*Director – Learning & Development, Colt Technology*

“Too few business leaders recognise the importance of informal learning in the development of their people and hence the value such learning can contribute to the future prosperity of their enterprise. ‘Informal Learning at Work’ provides a very readable explanation of the value to be derived from this aspect of learning together with practical examples of how it works and why.”

**Andrew Hall**

*Group Chairman, Vistage UK*

“A refreshing read that provides the L&D specialist with a clear mandate to immerse themselves in the business, work with leaders and managers and be a fundamental part of the learning process with people in their daily working activities. A helpful insight into placing learning as part of the change agenda and working with learners innate abilities to self-learn when it matters to them not when the training department tells them. Learners, leaders and managers will need to know how to do this, this is the new role for L & D – a paradigm shift for traditionalists.”

**Carol Bolton**

*Organisational Development Manager, University of Liverpool*

“Informal learning drives competitive advantage; this book tells you how to harness informal learning in the workplace to drive engagement and workforce capability. It is a fantastic tool that enables employees to leverage their knowledge and share their skills whilst completing their daily activities, resulting in a low cost, but highly effective option for improving performance across the entire organisation.”

Sarah Munday

*Learning Solutions Manager, Home Retail Group*

“At last, a thought provoking practical book with ideas and insightful examples which challenges us all to embrace informal learning. This book is an easy read, filled with wonderful stories and great ideas which invite us all to re think how we work within our organisations.”

Christina Bush

*Learning & Development Manager, large supermarket chain*

“Paul sets out his case succinctly and manages to distil, in a very easy to read book, clarity, common sense and a way forward from the often over-crowded debate on the future direction of workplace learning.”

Derek Brimley

*Learning Manager, aviation industry*

“Paul clearly explains the shift in expectations on L&D professionals these days and explores the new opportunities that are available without disregarding the value of traditional training routes should they still be applicable. A good read and I would recommend this to anyone joining our team to understand the relative benefits of formal and informal learning.”

Fiona Jones

*Senior Management Development Advisor, large financial institution*

“A really practical book with plenty of examples and tools to encourage L&D professionals to become learnscapers. I love the helpful and engaging quotations that will motivate those involved in workplace learning to “seed, weed, feed and breed”

Linda Walker

*Senior People and Learning Manager (West Scotland), British Red Cross*

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Three Faces Publishing

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First published in 2013 by  
Three Faces Publishing  
Alchemy House  
17 Faraday Drive  
Milton Keynes  
MK5 7DD  
United Kingdom

[www.threefacespublishing.com](http://www.threefacespublishing.com)  
[info@threefacespublishing.com](mailto:info@threefacespublishing.com)

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British Library Cataloguing in Publication Data  
A CIP catalogue record for this book is available from the British Library

ISBN 978-1-909552-00-5

The Publisher's policy is to use paper manufactured from sustainable forests.

Printed and bound in the UK by TJ International Ltd, Padstow, Cornwall

Typeset by Ramesh Kumar P.

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# Chapter 1

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## Survive and thrive with informal learning

*“I want to talk about learning. But not the lifeless, sterile, futile, quickly forgotten stuff that is crammed in to the mind of the poor helpless individual tied into his seat by ironclad bonds of conformity!*

*“I am talking about LEARNING – the insatiable curiosity that drives the adolescent boy to absorb everything he can see or hear or read about gasoline engines in order to improve the efficiency and speed of his ‘cruiser’. I am talking about the student who says, ‘I am discovering, drawing in from the outside, and making that which is drawn in a real part of me.’*

*“I am talking about any learning in which the experience of the learner progresses along this line: ‘No, no, that’s not what I want’; ‘Wait! This is closer to what I am interested in, what I need’; ‘Ah, here it is! Now I’m grasping and comprehending what I need and what I want to know!’”*

Carl Ransom Rogers<sup>1</sup>

Phil was a forklift driver in an ice cream factory and spent his working hours skilfully manoeuvring pallets across the icy floors of the warehouse.

I think to Phil's mind it wasn't the most exciting of jobs, but, with his learning difficulty, he doubted he would ever qualify for something better.

I met Phil while I was working at the same ice cream factory to earn money to pay my way through university. In our breaks, we'd sit outside in the sunshine and chat. During those chats, I discovered that Phil had a phenomenal knowledge of famous historic battles. He could recount the causes and outcomes of many of history's great battles and explain the tactics and psychology of the men who'd led them – Alexander, Napoleon, Washington, Saladin, Lee and Grant...

In his spare time, Phil's hobby was wargaming. He and his friends would recreate famous battles using model soldiers.

Phil didn't just recite a list of battles – he knew so much about the context of each battle that he could bring each one to life. He could explain what caused the battle and the political fallout afterwards. When he told me about a battle, I felt as if the two of us were silent spectators, watching from the trees or nearby encampment as events unfurled. As he spoke, I could imagine the boom of cannons, the screams of the defeated and the smell of gunpowder on the air.

He was such a master storyteller that I came to dread the end of our break times when I would be unceremoniously dragged back from the past and left to continue my shift loading ice cream pallets inside the sub-zero warehouse.

In a rare moment when Phil seemed to have run out of steam, I asked him, "How did you learn all this stuff?"

He looked uncomfortable. "I didn't. I just picked it up as I went along."

I thought of Phil while I was writing this book and how what he said all those years ago was a pretty good definition of informal learning. It's not scheduled; it's spontaneous. It just happens.

It happens when we make a mistake. It happens when we observe others doing either well or badly. When we see someone walk across a wet road and step into a deep puddle, we register the information. When we need to cross the same road, we will give the puddle a wide berth. We noticed something, we remembered it, and we changed our behaviour as a result. That's an example of informal learning in action. Sometimes, as with Phil, or when observing the puddle, we are not even consciously aware that we have learnt something. This

lack of awareness is intriguing, and I believe counts for a lot of the confusion around the concept of informal learning.

If I need to buy a new photocopier, I will look on the internet to find out what is available. I won't consider my online search involves 'learning'. I won't think, "I am now going to learn about photocopiers." Much of the learning we do on a daily basis is not something we think of or label as learning.

Informal learning happens when people chat about their experiences, or ask someone a question. It happens when they look up information using Google, or go to a specialized website. It happens when they pick up an old manual or handbook to check something.

Informal learning is ubiquitous: it happens everywhere all the time. It is like breathing: it's natural and we can't stop doing it any more than we can stop breathing. Much of it is simply a side-effect of living our lives.

In the workplace, informal learning can be self-directed learning: the learner sets the objectives and pulls the information they need. In that moment, they are highly motivated to find information and to use it. It can also happen without any self-direction, when someone is exposed to information they are not looking for, yet they absorb and remember it, and maybe later use it. The classic example of this is the overheard water cooler conversation.

With formal learning, by comparison, someone or something (usually the Learning and Development department) sets the goals and objective. The organization has an explicit goal (for example, it wants employees to learn to operate a new machine or master a skill set) and the process is formal (for example, employees are sent to learn about the machine or skill set in a classroom, with an instructor or manual). The information is pushed at them.

But research has revealed that people learn much more about their jobs informally – by asking questions of colleagues, chatting, observing, or looking for the information online or on the company's intranet – than they do formally (through an organized training programme, for example). They learn informally because their perceptions are open and attuned to any information that passes them by that is relevant to their job. They want to do their jobs more effectively and efficiently: to fill in the gaps left by training, to learn new skills the workplace demands, and to increase opportunities for advancement and self-satisfaction.

An Atos KPMG study found that 80 per cent of learning in the workplace is informal and 20 per cent is formal. Many other studies have come up with similar results.

Work by Morgan McCall, Robert W. Eichinger and Michael M. Lombardo at the Center for Creative Leadership led to the oft-quoted '70:20:10' concept, which posits that around 70 per cent of learning happens on the job, 20 per cent happens through interaction with others and only 10 per cent occurs as a result of formal learning. Incidentally, the 70:20:10 concept is just that: a concept, not a framework. More on that later...

Until very recently, informal learning was under the radar as far as Learning and Development (L&D) professionals were concerned. While university scholars were busy researching and arguing over definitions of informal learning, L&D professionals in organizations were focused on formal learning. Their efforts were primarily channelled into providing formal training programmes to meet the needs of their organization's employees.

This might have continued were it not for the tumultuous economic, technological and demographic changes that have taken place in the past decade or so. The continuing impact of these changes on organizations and their employees is, and probably will continue to be, profound.

Just recently, NASA landed its one-tonne Curiosity robot on Mars – an incredible achievement and one which will provide scientists around the world with much-needed data about one of the planets within our planetary system. A few years ago, however, NASA was facing a major problem – many of its most experienced scientists and engineers were nearing retirement age and the space agency didn't have adequate systems in place to retain most of what those people knew.<sup>2</sup> In other words, once those people retired, the knowledge they had accumulated over many missions and years would be lost. These were people who had worked on the Apollo mission to the moon and had built the first space shuttle. For an agency like NASA, they represented billions of dollars of investment.

Imagine for a moment what it would be like to lose that kind of knowledge in your organization and the implications it would have...

If your organization is like many others and you have many senior employees (baby boomers), this is about to happen, because many of those people are on

the verge of retirement. The invaluable knowledge they have acquired over many years – formally and informally – will vanish the day of their retirement party.

That's just one of the challenges companies and institutions face today. There are plenty more...

Increased competition has meant there's been a reduction in discretionary time in the workforce. The result is that employees have less time for activities that aren't viewed as immediately productive. Since classroom training takes employees away from their current responsibilities, supervisors and senior managers are less supportive of training activities. In addition, the economic pressures have meant many companies have cut back on training budgets.

In organizations that are responding well to these changes, this has led to a shift in focus from training to learning. Training is a brief episode, whereas learning is ongoing, and the responsibility shifts towards the learner. This shift increases the relevance of what people learn, and the learner more readily identifies with it, in comparison to material presented to them on a training course. So what does this shift in emphasis mean in practice?

Companies recognize that they need to offer products and services that are perceived to deliver high value to their customers. This value will be created by the acquisition and then application of the knowledge and skills of the workforce. The more skilled and knowledgeable the workforce and, crucially, the more capable they are of applying what they know, the greater the value of products and services produced and the more profitable the organization.

How will employees become the agile, innovative high performers their organizations need? Probably not by attending costly training programmes, but by learning the way people most like to learn – informally – asking questions of colleagues, collaborating, listening, testing new ideas, job sharing, failing, observing, job shadowing, watching videos, sharing experiences in hallways and online via social networking sites, and reading articles and emails on mobile phones...

Although L&D can't manage or measure this kind of learning in the way they might be used to, what they can and must do is to enhance their organization's informal learning environment to make it easier for workers to access the information they want and need, and then to share it with others.

This offers a huge opportunity for L&D to step up to this new reality and expand their role within their organizations. The recent decimation of the L&D budget has not reduced the relevance or scope of L&D. If anything, it has simply accelerated a trend that had already started, and savvy L&D people are changing the way they do things to bring focus onto the real powerhouse of learning in any workplace – the informal learning environment.

When companies are able to provide learning in the way employees want, learner satisfaction and engagement increases. Engaged employees perform better and are more productive than those who are not. They are more motivated to use what they've learned to come up with improved ways of tackling organizational challenges.

One pathway to organizational success is informal learning, according to Jay Cross, one of its foremost proponents and author of *Informal Learning: Rediscovering the Natural Pathways That Inspire Innovation and Performance*, the book that really turned the spotlight on the subject for the L&D profession.<sup>3</sup>

“Executives don’t want learning, they want execution,” he says. “They want the job done. They want performance. Informal learning is a profit strategy.”

Companies are already applying it to reap these benefits: increase sales by making product knowledge instantly searchable; improve knowledge worker productivity; transform an organization from near bankruptcy to record profits; generate fresh ideas and increase innovation; reduce stress, absenteeism, and health care costs; invest development resources where they will have the most impact; increase professionalism and professional growth, and cut costs and improve responsiveness with self-service learning.

To improve performance in an organization, L&D needs to embrace and enhance informal learning and this requires a radical shakeup of the L&D role, from that of training provider to learning enabler. Don’t take workers out of the workplace to give them training; instead, put the opportunities to learn in the workplace, right where they are needed.

L&D departments must stop being passive providers of training and become strategic partners with the C-suite and other key stakeholders within the organization – employees, line managers, senior managers – and perhaps outside the organization (customers and suppliers, for example).

L&D professionals need to ensure that learning, training and development interventions reflect business priorities. When they do this, they will be respected and supported within the organization and gain important backing from senior management.

This book reveals the challenges L&D professionals face right now, thanks to the sea change that is taking place, and shows how those challenges paradoxically provide them with the opportunity to become so much more than training providers. It explains the new L&D role – and how L&D can contribute to meeting business challenges.

Performance is crucial to the survival and future success of any organization, large or small, but improvements will only happen if people throughout the organization are encouraged to learn faster and more efficiently, and to use and share what they learn with others.

This book provides examples of how informal learning is happening in organizations around the world – from small private to large public companies to government agencies, such as NASA and the Central Intelligence Agency (CIA).

More importantly, it gives you practical advice about where to start with informal learning: how to identify, support and enhance the informal learning networks that already exist in your company.

The key point is this: the challenges aren't going to go away. L&D people who stick rigidly to the traditional formal learning paths will suffer the consequences, but those who can take up the challenge and creatively support informal learning, integrating it into the company culture, will be the L&D success stories of the 21st century. There will always be the need for a certain amount of formal learning, more or less depending on the nature of your business, but the up and coming generation thrives on informal learning. Your job now is to make it work smoothly, guide it to ensure the right things are learned, turn your company into a learning culture and deliver what the C-suite wants.

### ***The learning organization***

Success today and in the future depends on an organization's ability to outperform its competitors and deliver high value products or services. Competition

is ferocious and escalating – pricing and profit margins are under pressure. Only those that can keep ahead of their competitors in terms of improving and sustaining performance will survive.

To achieve that, they need employees who are highly motivated and able to learn, innovate and adapt to external changes that are taking place at breakneck speed.

In the words of Peter Senge, “In the long run, the only sustainable source of competitive advantage is your organization’s ability to learn faster than its competition. No outside force can take the momentum of that advantage away from you.”<sup>4</sup>

Continuous improvement is critical and companies need to be agile, flexible and able to learn faster and faster, just to maintain their market share. But learning is the beginning of a journey, not the ultimate destination. What is learned on the job needs to be put into practice. To be really effective, learning has to be transferred – to be used, shared and ongoing. Sustained learning leads to capability, and it is employee capability that is crucial.

Competitive advantage comes from making sense of the vast volume of information that is available, and then sharing that understanding. For information is not knowledge – it is just intelligible data. Knowledge results when someone uses information to produce something new, combining it with other information to produce new information or to acquire new skills.

As L&D expert Bob Mosh says, “We are in the performance business, not the knowledge-gain business. The learning leaders who understand the difference are the ones who succeed.”<sup>5</sup>

### ***The challenges L&D face***

Given an organization’s dependence on such a strategic capability, you would think that learning and development would be treated as an absolute priority by any organization that has success in its sights.

Yes, many organizations say that learning is their upmost priority, but studies show that’s rarely the case. Learning and development is unfortunately more

often regarded as a business cost, rather than a crucial investment in an organization's survival. Sometimes, it's even seen as a distraction instead of a critical factor in performance.

Senior executives often regard investment in training and development as an expense. Worse, they often see it as a wasted expense.

A study of 500 senior managers by Capita Learning & Development revealed that 70 per cent fear that the inadequate skills of their staff will hold them back as the UK emerges from the current economic downturn.<sup>6</sup> About 46 per cent of those business leaders cast doubt on their L&D department's ability to deliver the skills needed to help their organization grow.

Over half (55 per cent) claim their firm is failing to deliver the necessary training for recovery. Around half fear for their company's ability to respond to surges in demand (51 per cent), retrain and redeploy people where required (47 per cent), and identify where current skills are becoming obsolete (49 per cent).

Even more worryingly, workers are still struggling to catch up with the impact of the downturn. More than two thirds (67 per cent) of business leaders are concerned their employees are struggling to cope with expanded remits following job cuts.

The vast majority (82 per cent) of leaders lack confidence that their firm's L&D strategy and delivery is aligned to the company's operational strategy. Half (50 per cent) believe that their L&D function is stuck in a 'business as usual' mind-set.

A 2010 McKinsey Global Survey indicated that nearly 75 per cent of those questioned do not believe their companies are effective at building the capabilities they need (McKinsey defined capability as 'anything that an organization does well that drives meaningful business results').<sup>7</sup> In particular, it pointed to the failure of training programmes to build the capabilities they need.

Three-quarters of the nearly 1,500 senior managers at 50 organizations interviewed by the Corporate Leadership Council were dissatisfied with their company's L&D function. Only one in four reported that L&D was critical to achieving business outcomes.<sup>8</sup>

Fewer than one in four Chief Learning Officers surveyed by the Internet Time Alliance said their employees were learning fast enough to keep up with the needs of the business.<sup>9</sup>

Chris Sharp, Managing Director, Capita Learning & Development, commenting on the Capita study says, “The post-recession landscape demands a range of new skills. Yet the UK workforce is critically lacking essential capabilities.

“Firms have failed to provide the right training through turbulent times and arm their staff with the skills needed for recovery. There is a real risk that this will leave UK Plc. exposed when the upturn finally arrives.

“As companies now position for growth, L&D strategy needs to catch up fast and evolve in line with firms’ recovery strategies.”

This all sounds like a pretty dire indictment of the L&D profession. It certainly makes tough reading for L&D people (unless you are one of the good ones), but I remember someone telling me that if there are lots of fires burning, you can easily become a hero by putting out just a few of them. Within these challenges faced by L&D are the seeds of a new way forward. Clearly what has been done is no longer working so well. The question now is how L&D people can change what they are doing to bring learning within organizations up to where it needs to be so people can develop the skills they, and the organization, need.

### **Managers lack skills**

It’s not just non-management employees who lack skills. Their managers, who play a crucial role in employees’ learning, lack leadership and management skills. Research in the UK and abroad has shown that, despite considerable investment in management training and development in both the public and private sectors, much of the skill base of managers remains unimproved, according to those who work for them.

Research from the Chartered Institute of Personnel and Development (CIPD)/Cornerstone OnDemand shows the UK’s eight million managers lack leadership and management skills, according to their employees.<sup>10</sup> In its quarterly ‘Employee outlook’ survey of 2,000 employees, the CIPD found that there was a significant contrast between how managers say they manage their people and the views of their employees.

Another survey, 'The lessons for leaders from the people who matter', conducted at the end of 2011 by talent management firm Development Dimensions International (DDI), found that leaders worldwide lack empathy with their staff, have poor leadership skills, and a third of them are ineffective. The report found one in three employees (34 per cent) only "sometimes" or "never" consider their leader to be effective, and over a third (37 per cent) are only "sometimes" or "never" motivated to give their best by their leader.<sup>11</sup>

The poll of more than 1,250 full-time employees in non-management positions in the US, UK, Australia, Canada, China, India, Germany and South East Asia (Malaysia, Philippines and Singapore), found that they would rather suffer a bad hangover, do housework or see their credit card bill arrive in the mail, than face the prospect of sitting through a performance discussion with their boss.

Far from inspiring people to perform at their best, it seems more than half the bosses damaged their employees' self-esteem at some point. Only 40 per cent of respondents reported that their boss "never" damaged their personal self-esteem, which means 60 per cent had managers who damaged their self-esteem "sometimes", "most of the time" or "all of the time".

A survey by Orion Partners found that 24 per cent of employees thought their bosses were overstressed, poor communicators and lacked empathy – a combination judged to be counterproductive and in some cases destructive by the report. Almost half (47 per cent) of the 2,000 workers surveyed said that their managers made them feel threatened rather than rewarded.<sup>12</sup>

The impact managers have in terms of employee motivation and productivity is significant, yet these findings show that they are not only failing in their obligation to employees and, therefore, their organization, they're actually having a negative impact on the self-confidence of the organization's employees.

"Managers consistently delude themselves about how much good they're doing," says Robert Sutton, Professor of Management Science and Engineering at Stanford University. "The oath for managers should be the same as for physicians: First do no harm."

Given the need for companies to have employees who are highly motivated to learn and to perform, the consequences of managers with poor leadership skills are enormous. It's highly unlikely employees with managers who consistently damage their self-esteem will be motivated to perform at a high level.

CLC Human Resources found in its research ‘Managing in the Downturn: Four Imperatives to Drive Employee Innovation and Performance’ that “managers are increasingly important for improving discretionary effort: the impact of manager quality on whether employees go above and beyond the call of duty has jumped by 50 per cent since the recession began. On the flip side, bad bosses sap motivation, kill productivity and drive everyone crazy”.

Employees who are most committed perform 20 per cent better than those who are not and are 87 per cent less likely to leave the organization, indicating the significance of engagement to organizational performance, according to a Corporate Leadership Council survey of more than 50,000 employees at 59 global organizations.<sup>13</sup>

While employees’ commitment to their manager is crucial to engagement, the manager is most important as the enabler of employees’ commitment to their jobs, organizations and teams, the survey concluded.

Employee engagement is a prerequisite of high performance and, as these surveys and reports have shown, organizations are failing to provide environments that make this possible.

### **Too much focus on formal learning**

Almost all organizations spend the majority of their learning budgets on formal learning interventions – interventions that have the least impact on employee knowledge, performance and productivity.<sup>14</sup>

Study after study has shown that employees only learn about 10 per cent of what they need to know on the job from formal learning experiences. The majority of their learning happens informally – through observation, conversation with colleagues, trial and error, and so on.

In a formal learning environment, the training or learning department sets the goals and objectives, and then pushes the information at the learner. Informal learning means the learner sets the goals and objectives, pulling the information as required at time of need.

The more control of learning resides with the learner, the more likely it is that the learning will be of an informal nature. That’s not to say that informal

learning cannot convert to formal learning, or that an individual worker has no personal authority to decide to take a formal course. Nevertheless, if the learner knows what they want to learn, chooses how, when and where to learn it, and then decides for themselves whether they have learnt it, this would fall within the definition of informal learning.<sup>15</sup>

Formal training is inadequate to develop all the practices necessary to operate and thrive in an ever more complex working world. We all know people who have returned from a training course only to slot back into the same behaviours that the training course was supposed to change. They can't do what is expected and required, so their managers say they need to be trained again because the training failed. If something isn't working well, surely it is time to find out why and consider doing things differently?

Jim Clemmer, author and organizational expert, says investment in training is often wasted.<sup>16</sup> "Most organizations use their training investments about as strategically as they deploy their office supplies spending. And the impact on customer satisfaction, cost containment or quality improvement is just as useless.

"One of the biggest causes of wasted training dollars is ineffective methods. Too often, companies rely on lectures ('spray and pray'), inspirational speeches or videos, discussion groups and simulation exercises."

Unfortunately, research has shown these methods rarely change behaviour on the job.

"Knowing isn't the same as doing; good intentions are too easily crushed by old habits," says Clemmer. "What happens in the classroom and what happens back on the job are often worlds apart. Trainees learn which hoops to jump through, pledge alliance to the current management fad, give their enthusiastic 'commitment' to building 'the new culture', get their diploma – and then go back to work."

And yet, training is still where L&D invest their budget and hopes. The CIPD says, in its Learning and Talent Development Survey 2012, that although traditional methods of workplace learning are considered amongst the least effective ways to upskill employees, they still dominate the majority of learning and development programmes.

When asked to choose the most effective ways of delivering training, 16 per cent of learning and talent development professionals opted for formal education courses, and the same number for coaching by external practitioners. Only 11 per cent pointed to e-learning. But despite doubts about its effectiveness, less than a fifth (17 per cent) of the report's respondents plan to reduce their reliance on classroom and trainer-led instruction over the next two years. Why is that? Perhaps it is because they are simply not sure what else they could do instead.

When asked what methods are most likely to work, most L&D professionals pointed towards training that is integrated into the normal course of people's jobs. Half of respondents (52 per cent) said that in-house development programmes were amongst the most effective ways of delivering training, while almost as many (46 per cent) cited coaching by line managers. Two-fifths (39 per cent) pointed towards on-the-job training.

The report also revealed a third of public sector organizations anticipate greater use of e-learning across their organizations over the next two years, compared with a fifth of other organizations.

In two-fifths of organizations, talent management activities cover all or most employees, but most focus on high-potential employees and senior managers.

Half of organizations report that their economic circumstances have declined in the past 12 months, rising to three-quarters in the public sector. And the median annual training budget per employee was £276 for 2012, less than the previous year's figure of £350. The median number of formal training hours employees receive per year was 24, again a reduction on the previous year.

From the figures and anecdotal evidence, it looks as though formal training is reducing, not so much because of doubts about its efficacy, but because of budget constraints. In a way this is good news, because it is forcing L&D people to look at alternatives. It is no longer 'business as usual'.

John McGurk, learning and talent development adviser at CIPD, said: "Many of the learning approaches used by organizations are legacies of a learning environment where the classroom, courses and 'sheep-dip' learning were the order of the day. However in today's environment, the skills of continuous collaborative and connective learning are paramount. Even compliance

learning and advanced skills learning needs to be re-thought with the advent of gaming and simulation.

“We need to take into account how generations learn and share knowledge and we need to understand anew the process of learning and knowledge. We need to lift our awareness of the emerging science on learning and in some cases we need to slaughter some of the sacred cows which have informed practice. Quick evaluation will become even more critical in this environment as will a fusion of coaching, leadership and change management. L&TD professionals need to lead the debate, and need to take a different perspective, calling on their own resourcefulness and creativity to push learning in new directions.”

Vincent Belliveau, general manager EMEA, Cornerstone OnDemand, added: “When it comes to investing in L&D, it’s critical that organizations understand their people and the learning approaches that suit them best to meet their needs. By doing so, they’ll get the best return on investment as employees will be more engaged in the learning and transfer the skills into their day-to-day activities, which will ultimately support the business and its bottom line.

“It’s vital that organizations don’t take a ‘training for training’s sake’ attitude but instead adopt approaches that are known to be effective ways of delivering training. It’s also important that this investment can be measured, so that they can align training with business objectives. The effects of a well thought-out learning strategy can be widely felt throughout an organization, with employee engagement, job satisfaction and retention benefiting.”

The problem is that training departments have not kept up with the changing times. They deliver training, while workers search and ask for the information they need, when they need it. Ultimately the conflict between these two approaches will be won by the workers.

### **Poor communication between L&D and the C-suite**

In the past, L&D departments have tended to focus solely on delivering training. Unfortunately, instead of measuring the impact and effectiveness of the training delivered, they have measured the quality of the learning experience, how much revenue was spent on training each employee, and how many courses were completed and passed.

Those metrics hold little meaning or interest for senior executives, who measure success, not in terms of quality experiences for staff, but in performance – revenue, cash flow, profits, productivity, and the speed at which the company can deliver its services or products to market.

L&D departments have often been unwilling or unable to ‘speak the language’ of senior executives or to understand their needs or concerns. Consequently, those same L&D departments have been marginalized and left out of key decision-making processes. One of the most important decisions made at C-suite level is where budget is allocated within the organization to keep the organization running, so it can serve its customers. There is a huge opportunity in most organizations for L&D to become an integral part of those discussions by saying “if you want to follow this strategy, then you need capable people who can make it happen. This will involve this much L&D budget, or you won’t be able to deliver on your strategy.” Of course, taking this approach relies on L&D being able to make promises on employee performance, and then keep them.

One issue this raises is that the contribution of the learning and training interventions to the companies’ goals has seldom been assessed, making it even more difficult for L&D departments to justify the continuing expense of training. In recent years, this situation has come under closer scrutiny.

The economic downturn has seen countless job losses and cutbacks in workforce development initiatives as companies have looked for ways to dramatically cut costs. All too often, L&D has been first in line to receive the full impact of recessionary cutbacks. After all, senior executives don’t generally see L&D as something that contributes to the bottom line. Training can be ‘turned off’ very quickly and with minimal short-term damage. It is an easy win for someone juggling a stretched organizational budget.

At the same time, competition has become increasingly fierce. Companies are being forced to cope with situations for which they are unprepared. They desperately need employees who can and want to learn new, better ways of doing things and can master these skills quickly.

There’s clearly a need for organizations to foster learning and to do everything they can to boost employee engagement. The C-suite knows this, but in many cases has lost faith in the ability of the L&D department to deliver.

## ***The opportunity for L&D***

All this has created a major opportunity for anyone involved in L&D, but it's one that involves a fundamental and radical shift in their perception of themselves and their role within the organization. Essentially, it will require L&D professionals to focus less on delivering training and more on facilitating performance capability and supporting learning.

L&D personnel need to step up and take responsibility for the capability of their organization's workforce. They need to move away from being the passive producers of training programmes and learning initiatives, and instead become proactive strategic planning partners, who understand every aspect of the organization's business.

To achieve this, L&D people need to know their organizations' strategic direction and work towards it, identifying the skills, knowledge and behaviours that people and leaders will need for the future.

They need to communicate the value of learning throughout the organization on a daily basis. Most importantly, they need to demonstrate to the C-suite exactly how the performance of the business is improved as a result of investing in both informal and formal learning initiatives. To do that, they need to understand the core competencies of their organization (those elements that give the company its competitive edge) along with its financial objectives.

When L&D aligns its strategy and tactics with the business strategy, it shows that it is a part of the business and not merely a function of it. As L&D gains more credibility within the business, it will be approached more often as a resource.

L&D people need to look beyond the number of courses they've developed or delivered, how many employees completed which course, and the costs of developing material. Instead, they should focus on delivering capability through learning, particularly informal learning. To achieve this, they need to work with all their organization's stakeholders.

Informal learning – the way that employees most like to learn and the means by which they learn the most – needs to be embraced and enhanced. L&D

needs to manage the system and environment that supports the learning that takes place throughout the organization.

Across the globe, organizations face huge challenges in the midst of the economic recession. The secret to their survival and future success lies in their employees. Right now, there is a tremendous opportunity to bring learning and development to the forefront of organizations, helping to ensure people and leaders have the capabilities they need to reach their full potential.

# Conclusion

*“The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn, and relearn.”*

*Alvin Toffler*

The changes in today's knowledge-based, global economy are redefining the terms and conditions of work, its content and the context in which it takes place. It is now more complex, unpredictable, interconnected and virtual.

This means employees must be adaptable, responsible, multi-dimensional in problem solving, continuous learners, innovative, and willing to share what they know with their colleagues. They must rapidly acquire and successfully apply vast amounts of new information in response to constantly-changing technology and work conditions, which means the ability to continuously learn is among the most important and necessary of these skills.

To achieve that, they need to work in an environment that recognizes the need for learning and so provides every possible opportunity for them to find information, learn from it and then share it.

They learn most of what they do on-the-job informally, whether that's via an instant message, an email, a chat room session, a scheduled web-based meeting, a conversation with a colleague, coach or mentor, or even a chance encounter with a colleague. That's the way they like to learn.

Employers and L&D professionals have long talked about the value of their most important asset – people – and now, more than ever, they must do what they can to develop, enhance, engage and retain that asset.

As you've discovered, informal learning provides a way to improve employee capability and organizational performance. Equally importantly, it can be a critical element in employee engagement, and hence retention. Investing time and resources in people, learning resources and information technology can directly impact company results. All of which gives L&D a mission-critical role to play in the leadership success stories of the future.

One way L&D can achieve this is by creating or enhancing the collaborative learning environments. Getting started doesn't have to be an organization-wide project, but a step-by-step process involving one team at a time.

The case studies and examples in this book show that the results will be more than worth it.

I hope you have found this book useful and above all thought-provoking. Did you scribble notes in the margins next to ideas you can use in your workplace? I hope so; because above all my wish is that you take some of what you have encountered in this book and make use of it.

Don't leave the ideas lingering in the book stuck on the bookshelf. Take them out for spin and notice what results you get when you start doing things a little differently.

My best wishes,

A handwritten signature in black ink that reads "Paul". The script is cursive and fluid, with the 'P' being particularly large and stylized.

Paul Matthews

P.S. You are welcome to drop me a line if you have any comments or suggestions. My email address is [paul.matthews@peoplealchemy.com](mailto:paul.matthews@peoplealchemy.com)

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## About the author

Paul's life and work history can only be described as a little unusual.

He grew up on a hill country farm in New Zealand and went on to study both Agriculture and Engineering at University. He graduated with first class honours and a couple of years later won a national farm machinery award for the design of a seed drill. The drills were exported by his employer to over 20 countries around the world. Years later, when he was travelling in Ecuador, he was amazed to see one of his seed drills up for sale in a second-hand farm machinery yard by the side of the road.

As many Kiwis do, he set off to see the world and travelled extensively, stopping along the way to earn money for the next adventure. He then landed what was to him a dream job, working for an adventure travel company leading overland expeditions into many remote areas of the world. All this experience, which lasted over four years, has given him some great stories to tell of far-flung places, from the Congo jungle to the Chinese Taklamakan desert. By the way, locals say the name means 'go in and you will never come out'.

Paul then 'got a real job' as an engineer in the UK. It proved quite a challenge to make the transition from travelling the wild places on the planet and needing to build a campfire each night, to working regular hours and commuting.

After some success, he was headhunted into a NASDAQ-quoted multi-national technology company, where he eventually held the role of Customer Services Director. It was during this time that he really started to appreciate the importance of learning, and was surprised that his adventures and the experience of observing people learn to cope with unfamiliar situations were so valuable in understanding learning. His curiosity led him into studying psychology, NLP and many other areas relating to how the mind works – knowledge which he could then translate back into the workplace.

The constraints of corporate life lost their appeal and Paul started his own company, People Alchemy Ltd, in 1999, working as a consultant, trainer and coach in the areas of management and leadership. Most of his clients were blue chip organizations and one client programme had over 1,200 delegates.

He soon recognized the need for more direct performance support and the importance of informal learning in all its guises, rather than the common L&D reliance on classroom training. Paul has a way of engaging people with this changing paradigm so they can grasp it, incorporating it into their own organizational learning and capability strategies. His approach helps people to fully cater to the learning needs of their staff so they can get the job done.