

PART
I

The Opportunity

CHAPTER



Learning Is a Lot More Than Training

“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

“It used to be that information supported the ‘real’ business; now it is the real business.”

Thomas Stewart¹

THE EXPONENTIAL GROWTH of information that characterizes modern business makes the need for learning more important than ever. But the sheer volume of what we have to learn and the speed at which we must learn it can be daunting. So much so that old models of learning acquisition are failing us. Meeting this challenge requires new thinking about how we acquire knowledge and skill, and how we deploy learning resources that can keep up with the knowledge economy.

Learning and training are often thought of as synonymous; they are not. Training is the way instruction is conveyed; it supports learning, which is our internal way of processing information into knowledge. But since there are many ways we can learn, an effective learning strategy must transcend training.

Some dictionaries equate learning with activities such as training or education. Others use broader cognitive viewpoints like “acquired wisdom, knowledge, or skill,” or scientific-sounding behavioral definitions such as “a modification of behavior as a result of experience.” While all of these definitions are useful, we can go further to define learning in a way that works in the context of organizations and businesses.

What Is Learning?

In business, learning is a means to an end. Generally speaking, that end is enhanced workforce performance, which in turn reflects its value—better products and services, lower costs, a more competitive posture in the marketplace, greater innovation, improved productivity, increased market share, etc.

In the context of business, learning is the process by which people acquire new skills or knowledge for the purpose of enhancing their performance. Companies want salespeople to learn new selling techniques so they can improve their sales results, which goes right to the business’s bottom line. A hotel wants its desk clerks to learn more about customer service so they can be more helpful to guests, and, as a result, the hotel can increase occupancy rates and solidify brand loyalty. The independent plumber seeks to learn a new way to repair burst pipes so that s/he can do the job more quickly and thus handle more customers in the same amount of time. Investment houses want their stockbrokers to learn more about investment strategy so they can presumably provide a greater level of client service, while the firm can increase the amount of assets it has under management. In each case, learning enables an individual or groups of individuals to work faster, better, and smarter so that they and their organizations (or employers) reap business benefits.

The Role of Training

We have traditionally relied on training as the “default” approach to facilitating and improving performance, and instruction as the specific process that makes training work. Training/instruction is used when it is necessary to shape learning in a specific direction—to support learners in acquiring a new skill or to utilize new knowledge in a specific way or to a specific level of proficiency, and perhaps within a specific time frame. Airline pilots are trained to be sure that they can demonstrate all the skills and competencies necessary to operate an airplane safely and efficiently *before* anyone flies with them. Surgeons are trained because of the grave consequences that might result if they practiced their craft without certification of their skills—in advance. Police officers are trained not only because society needs to be sure they are skilled, but also to be sure that they employ their skills appropriately in situations where life and death decisions are made in split seconds. Customer care representatives are trained to respond appropriately with customers every time, and technical experts are trained to fix infrastructure or systems problems quickly so our businesses run smoothly.

Training can be delivered in many ways—in the classroom, over the phone, through a computer or via satellite, to name a few. And a variety of instructional approaches are used to get the job done, including lecture, case study, simulation, drill and practice, laboratories, and small group work. In the end, training has four main elements:

1. An *intent* to enhance performance in a specific way, typically derived via needs assessments and reflected in learning goals and instructional objectives.
2. A *design* reflecting the instructional strategy that is best suited to the learning requirement and the learner’s attributes, as well as the measurement strategy that gauges the effectiveness of the training.
3. The *means and media* by which the instruction is conveyed, which may include the classroom, a variety of technologies, independent study, or a combination of approaches.
4. In high accountability situations, a more formalized *assessment* or certification capability.

A New Era

In 1998, \$62.5 billion was spent on corporate training, a 24 percent increase in five years. Of that amount, \$4.5 billion was spent on facilities and overhead, predominately classrooms, a five-year increase of just nine percent. Compare that figure to the amount spent on outside services, \$15 billion, representing a 66 percent increase over the last five years, most of it coming from increased purchases of hardware and education programs to be delivered over new technologies. In addition, expenditures in the training marketplace, money spent outside the organization for training products and services, has increased by 52 percent in the past five years. So while the demise of the classroom is clearly premature, it's also clear that companies are shifting their training investments to new strategies of technology and external services.²

Is this investment in corporate learning paying off? There is increasing evidence that these types of investments are related to corporate success, according to a 1997 study conducted by the American Society for Training and Development (ASTD). When a sample of publicly traded companies was split in half based on training expenditure per employee, the companies in the top half had higher average net sales per employee, and higher average annualized gross profit per employee than the companies in the bottom half. In addition, companies in the top half provided training to an average 84 percent of their workforces, whereas companies in the bottom half averaged just 35 percent of their employees receiving training.³ But it's more than a question of whether learning pays off; it's about how we can improve the learning process so that the benefits can be *sustained*.

“In the 21st century, the education and skills of the workforce will be the dominant competitive weapon.”

Lester Thurow

The Transformation Is Underway

The growing body of evidence that quality training can positively impact business performance is good news, but it is only part of the

story. In the future, changes in society, business, and technology will limit the impact of traditional training. To continue moving forward, we must transform our perceptions of learning. Following are the five major areas of transformation.

From training to performance. The first transformation is about outcomes. Focusing on the act of training, including how much training activity takes place, is no longer adequate. Trainers must be more accountable; they must demonstrate a positive impact on worker performance in ways that benefit the company. In other words, training is accountable for the same primary measure as any other function: business value. Although powerful, training is just one way to improve performance. No performance improvement strategy is complete without leveraging a variety of powerful nonlearning interventions, such as having the right tools, creating a good work environment, providing adequate incentives and motivation, and giving appropriate feedback/coaching, to name a few. This broad-based view of performance improvement is often referred to as “human performance technology” (HPT).⁴ Although beyond the general scope of this book, you should always take HPT into consideration as you formulate an overall learning and development strategy.

From the classroom to anytime . . . anywhere. The second transformation is about access. Widely distributed employees who are busier than ever are calling for delivery solutions that meet their needs and time frames. Learning must be available on a 24/7 clock, with delivery to the office, home, and hotel room. Time is emerging as a critical factor in learning. Employees want and need to learn according to their schedule, not the schedule of the training organization. They also want to learn as fast as possible. Managers want this, too, as it saves downtime due to training and increases overall organizational mobility. But others may want to learn more slowly, a little each week or whenever their schedule permits. While classroom training still has a critical role to play, the needs of employees who have different time requirements can be met most effectively by putting technology in the mix.⁵

From paper to online. Although no one still predicts we'll be working in a paperless world anytime soon, we have come to rely more and more on what's on our computer screens. The online revolution provides corporations with an extremely valuable capability—to update content immediately and continuously. Now, learners will not have to rely on so-called “student guides” given out in class that quickly become old and dated. Nor will businesses have to worry that people might act on last week's or last month's information, believing it is still accurate and valid. Online resources, including learning materials, can be kept fresh and relevant, making them much more valuable to employees over the long term.

From physical facilities to networked facilities. While there continues to be strong arguments for classroom learning, and for outstanding training facilities to support it, companies are now taking advantage of the digital age to link their facilities and their people through the Internet, and, more specifically, through intranets. In companies where these internal webs are built out, they've become the lifeblood of the business, carrying critical business information on sales, customers, products, and people. And learning is becoming a major user of these new corporate information highways. Some companies such as Aetna, AT&T, and SBC Communications have closed or drastically reduced their investment in large, centralized residential training centers, but other businesses continue to maintain these facilities. Those centers that remain have a changed role. They are becoming more specialized, moving to more advanced learning, team-based training, culture-building and problem-solving experiences. Courses that are introductory in nature or deal with specific processes or informational content are among the first to be moved to the Web. In many cases Web-based training is a prerequisite for attendance at a live course. This “clicks and mortar” approach is quickly being deployed at firms like AT&T, Andersen Consulting, Dell Computer, General Motors, IBM, Lucent Technologies, and Merrill Lynch.

From cycle time to real time. Speed is the defining characteristic of the digital world, and time is either a competitive asset or a competitive disadvantage. Twenty years ago I had a year to

develop a two-week course. And that course was expected to have a life of several years before it needed major revisions. Sometimes, with stable or foundation content (for example, fundamentals of telecommunications, basic science, or communications skills), we can and should take the time to build the right learning programs that will remain relevant and interesting to people. In many other cases, however, we don't even have two weeks to develop the same course. In fact, an increasing number of training programs cannot be retaught even once without some maintenance. The days when training developers built a course, launched it, declared the project over and moved on are over. Today, cycle times, especially around knowledge, are so short that we are all but working in a real-time mode. That doesn't mean a rigorous training solution is inappropriate—it still might be the best solution. It's just that with such short time frames, using technology and more advanced instructional and informational design techniques are required if we are to keep up with the change all around us.

Learning itself can take time—more time than people or companies can afford to expend. The implications for organizing suppliers of information, including training, are huge. Updating becomes critical as training organizations struggle to stay current. And people are finding that the information they may have learned only weeks ago is now outdated. Going forward, learning will be a continuous process, not only because the content is changing, but because the needs of learners, as well as the needs of the organization, are also constantly changing. We have to find ways to improve learning efficiency, perhaps even to the point where less emphasis needs to be placed on direct learning acquisition for the same or even greater performance payoff. New tools, approaches, and organizational principles will be needed for this to happen.

“The only thing that gives an organization a competitive edge . . . is what it knows, how it uses what it knows, and how fast it can know something new.”

Laurence Prusak, IBM⁶

Despite the power of training to contribute toward improving performance, we simply can't train everyone to do everything. If we did, we'd have employees in the classroom all the time—with

little time left for work. We can't retrain people every time a new product is announced or every time the competitive landscape changes. We can no longer tell our sales force to leave their customers and come to the training center whenever we have something new to teach them, nor can we halt an assembly line to teach workers about every part change to a product being built. Changing people's perceptions about this will require a lot of effort, because it involves changing the culture they work in as well as influencing their beliefs about what training is.

Formal training may also be "overkill" when the content to be learned is more easily discerned from documentation or other information sources. Think of all that you do and all that you know. Some of what you know and what you can do required training, but much of your knowledge and capability did not. You learned by reading, watching someone else, trial and error, asking a question, or simply thinking through a problem on your own.

Organizations that have strong values regarding learning and performance improvement are usually the ones that have the support and resources necessary to carry learning to the workplace. They have instilled a broader learning culture, not a training culture, and have backed this up with leaders who see it as a significant competitive advantage. They have developed a compelling rationale for learning and have used it to help organizations navigate through difficult change. When these supports are in place, the journey from a focus on training as an activity to competence as an outcome, and the sustainability of that competence, is made much easier.

Unfortunately, in too many businesses learning isn't looked at this way. It's often viewed as an afterthought. Sure, most companies conduct training (some more systematically and comprehensively than others), but the question is whether they go beyond mere training to instill learning in the fabric of the organization.

Broadening Our Perspective: The Role of E-Learning

This expands learning's role in the organization. Despite more emphasis on technology, most training departments, corporate universities, and even organizations that have begun their transition

from training to performance still function predominately with a training mindset. They have concentrated their resources, either by design or legacy, almost exclusively in the instructional arena.

E-Learning provides an opportunity for us to broaden this perspective. What we are beginning to note most about e-learning is its growing diversity, beyond courseware and instruction, to generating and disseminating information and directly supporting performance. Providing access to information that contains the collective wisdom of the company can be a powerful adjunct to training. So when we have a learning need that requires instruction, we can use training, and when there is a learning need that more appropriately requires information, we can use *knowledge management* (KM). In the chapters that follow, these two components of e-learning will be examined in detail. But to better understand their differences at a macro level, let's look at one example.

Today, communications companies serve two primary customer groups: businesses and consumers. (Some will argue that government represents another key customer group, but we'll put that aside for now.) One large communications firm set about to secure the data transfer business of a major global client. This client wanted to electronically move financial resources around the world instantly, and ensuring the accuracy and security of these transfers was essential. So the eventual contract was worth millions. Needless to say, the communications firm put its best people on the sales effort—several hundred sales executives, technical experts, and support personnel. These people did not need to be trained. They were already the best. But they needed to learn—quickly and securely. Every day, they needed to learn what was new about the customer, they needed to learn about each other's activities, they needed to learn about the competition. So how did they do it? They learned from each other, facilitated by a Web site designed exclusively for this purpose. Every day, new information—much of it supplied by the team members themselves—about the customer, competition, products, budget, the proposal, government regulations, and literally everything else that had to do with this sale was posted to this secure site. And every day, every member of the team not only interacted with it, they depended on it. Data, analysis, strategy, progress reports, e-mail, tools, discussion, and

other features on the site created a community out of this far-flung team. And once the sale was made, the Web site was expanded and repurposed to support the broader sales force. Neither classroom nor computer-based training (CBT) would have worked here because of its structured nature, lack of flexibility, and long lead-time for development—this was simply not a training problem. In this instance, *knowledge management* was the best approach for enabling learning through the delivery of *information*. It worked so well that many on the team attributed the success of the sale in part to this new form of learning.

This same company serves millions of individual consumers, people who might spend five or \$500 a month on their phone bill. These customers have needs that are normally met through a call center. The representatives they deal with, on the other end of the phone line, also have learning needs. But their life is more structured. In most cases, turnover is high and pay is moderate, at best. They are evaluated on how fast they handle calls and how many calls they can handle in addition to how well they treat the customer. They deal with an increasingly complex array of products, services, promotions, and special situations that change daily. For these folks, time “off calls” is costly to the company, so learning is more controlled. CBT, delivered directly to their workstation over the intranet, provides short, precisely tuned, and specifically scheduled instruction on specific skills and knowledge—customer relations, telephone sales skills, handling customer objections, product knowledge, marketing pitches, etc. Fifteen-minute CBT modules are scheduled when the call center’s activity is slowest. Each week the representatives will learn something new. For these workers, knowledge management would be too unstructured, too unsuited for the rigors of the call center. However, *online computer-based training* worked extraordinarily well, because the nature of the learning need required *instruction*, not just information.

What did the global sales team and the customer service representatives have in common about the way they learned? Most of their skills and knowledge acquisition was facilitated through the same corporate intranet. Although each group had different requirements (training versus knowledge management), a broad e-learning approach provided solutions in both cases.

In summary, while instruction and information both aid learning, they are different in many respects. Be careful not to confuse the two. If we mistakenly substitute one for the other, we can hinder rather than accelerate the learning process. These distinctions are shown in Table 1.1.

Table 1.1 Characteristics of Instruction and Information

Instruction	Information
• Focused on a specific learning outcome.	• Focused on a specific organization of content.
• Purpose defined by instructional designers, instructors, etc.	• Purpose defined primarily by users.
• Based on a strong diagnosis of user characteristics and needs, and targeted to meet those specific needs.	• Based on the characteristics of the particular knowledge discipline and targeted users.
• Sequenced for optimum memory retention.	• Sequenced for optimum reference.
• Contains presentation, practice, feedback, and assessment components.	• Primarily centered on effective presentation.

Be wary of claims that suggest instruction can be done away with in favor of information. The real challenge for learning, especially for e-learning, is the ability to distinguish the need for information (knowledge management) vs. the need for instruction (online training), and to understand how they work in tandem. This leads to the important determination of whether a particular skill or knowledge need is better met through training or through other approaches.

The Internet and Organizational Learning

Today, organizations are investing in corporate universities, elevating learning to the highest levels of the firm. They're appointing "chief learning officers" or "chief knowledge officers" with access to the top of the business. These new leaders seek not just to offer training courses, but rather to demonstrate a clear linkage between learning investments and business strategy, and to create and maintain a knowledge-creating and knowledge-sharing culture.

They seek, in the words of MIT's Peter Senge, to create organizations that are "continually expanding their capacity to create their future."⁷ This is essentially the definition of a "learning organization." Given the massive changes in businesses and the increasing demands on employees, how can we effectively deliver on this learning promise?

One often-discussed approach is to build organizational learning into the business. That is, to create an environment and a culture that encourages knowledge generation and sharing, supports an atmosphere of learning from mistakes, and assures that what is learned is incorporated into the future activities, decisions, and initiatives of the firm. But with people so dispersed and so busy, with demands on our time so seemingly overwhelming, new tools are needed. The Internet is just such a tool. Certainly the Web is becoming essential in the work of business, but it is also becoming essential in the work of learning.

Learner Needs

Employee learning needs can be characterized in three key points: access, comprehensive approach to knowledge, and a balance between training and information.

1. Access is key. Without access to learning, nothing else matters. Employees need access to the information they require to perform their jobs, whenever and wherever they need it. Access has four dimensions: *technical*, as in having the infrastructure to connect to the information; *empowerment*, as in having (or taking) the authority or permission to retrieve and use the information; *flexibility*, as in accommodating the schedules of the learners and not the schedules of the trainers; and *time*, as in having the time to spend obtaining, reviewing, absorbing, and learning the information. In other words, if people can't get it, are not permitted to have it, have to reorder their lives in order to take advantage of it, or have no time for it, there is a fundamental management problem that must be addressed first.

2. Comprehensive approach. Once access is established, employees expect a comprehensive approach to information that's reliable, accurate, complete, organized, and labeled for easy

retrieval and use. And they expect it all the time, not just for the few weeks they attend training classes. Knowledge that's inaccurate, dated, missing key points, hard to verify, or organized and labeled for a different use or users is pretty much worthless. This is the continuing struggle of any learning strategy—ensuring that the content is always the *right* content, in the *right* format, and continuously available.

3. Balance. A complementary balance between training and information is another key point. There are many types of information that do not have to be delivered in a course, and other skills or knowledge areas that must be delivered as training. One success factor is being able to differentiate on this point. When we require people to sit through training to learn something they could more easily look up, we waste their time and our resources. On the other hand, if we truly need to train people on a certain skill or competency, then simply referring them to a job aid or Web site would not be adequate. For example, product knowledge can often be delivered as information. But learning how to give CPR probably requires at least some formalized training and practice. One of the biggest errors practitioners make is confusing requirements for learning via training vs. requirements for learning by other means, such as accessing information or using tools to perform tasks for you so you don't necessarily have to learn them.

Business Needs

To meet employee learning needs, businesses also have three key requirements: the right information, an open culture, and an effective technology.

1. Information. Businesses need to deliver the right information to the right people at the right time, even though the content is constantly changing. If people are going to take time out to learn, this information better be well selected and organized for them to use. In an era of specialization, each individual needs a customized learning plan. The old “spray and pray” approach to training—i.e., “spray” it out to everyone and “pray” that it sticks—is an anathema to where organizations are headed. So the organization seeks to deliver precision learning—learning that is timely

and geared to precise individual, organization, and business needs. As information requirements become more diverse, the traditional classroom system can no longer cost-effectively or speedily meet all of the demands.

2. Open culture. The organization requires a culture of open access to information and knowledge that encourages sharing knowledge rather than hoarding it. The free flow of information and knowledge is a requirement for a learning organization. When people protect what they know, fearful that sharing it with others somehow diminishes their security or power, the organization can't grow. Real learning organizations characteristically have incentives and systems in place that legitimize, encourage, and reward knowledge sharing, thus building the collective intelligence of the firm. Creating a learning culture is one of the first criteria for building an effective e-learning strategy.

3. Effective technology. Finally, the company requires a cost-effective technology that allows these needs to be met. Information that arrives too late to be used, is too difficult to access, or disrupts the normal work flow is of little value to individuals or to the firm. The increasing complexity of the workplace cries out for technology solutions that help people cope with the information explosion. With learning needed across geographic and organizational boundaries, across cultures and time zones, and across product lines and customer classifications, there is a need for a unifying technology that can, in a manner of speaking, create organizational learning in cyberspace. That unifying technology is the Internet/intranet. It will radically transform learning in the organization and lead everyone involved to reassess their role and purpose.

What Is Your Purpose in the New World of Learning?

Whether you are a chief knowledge officer, chief learning officer, training director, course developer, instructor, or other learning professional, you must determine the purpose of your part of the business. If you are a front-line manager, vice president, or CEO, you must ask yourself: What is the role of learning in the organization? How do I build a climate *and* an infrastructure to support learning? How do I justify learning and e-learning to the busi-

ness? Asking questions like these is critical of the first steps in building a durable e-learning strategy.

Some people see training, and training organizations, as limited to the delivery of courses, primarily classroom courses. They see instruction as the only legitimate way to learn, and see training people primarily as teachers. They measure their success by how much instruction they deliver and how much people have learned when it's over. Their views of the Internet tend to center on its ability to expand the delivery of what they've always done by moving classroom instruction to online instruction, and that's all. Anything else is someone else's job.

Others have a much broader perspective. They look at improved business performance as the driver of what they do, and thus are more comfortable with new, noninstructional approaches to learning as legitimate growth areas for CKOs, CLOs, training departments, and training professionals. They tend to view the Internet as providing a unique opportunity to redefine themselves and their value in a knowledgecentric world.