Creating a Learning Culture for the Improvement of your Organization

A learning culture is a collection of organizational conventions, values, practices and processes. These conventions encourage employees and organizations develop knowledge and competence.

An organization with a learning culture encourages continuous learning and believes that systems influence each other. Since constant learning elevates an individual as a worker and as a person, it opens opportunities for the establishment to transform continuously for the better.

**The Advantages of a Learning Culture**

There are many benefits of a cultivated learning culture in an organization. These include, but are not limited to:

* Increased efficiency, productivity and profit
* Increased employee satisfaction and decreased turnover
* An improvement mindset among employees
* A developed sense of ownership and accountability
* Ease in succession/transition
* A culture of knowledge inquiry and sharing
* An enhanced ability for workers to adapt to change

For learning to be effective in an organization, the knowledge that is encouraged must be related to the business. More so, individuals in an organization should be working together rather than learning individually. Shared learning enables companies to increase their staff quicker and solve problems more efficiently.

**How to Create a Learning Culture in an Organization**

The first step in creating a culture of learning in your workplace begins with your leaders. Since they are reinforcing training initiatives, they should be supportive of a learning environment. Otherwise, they should alter the way they see the company and look at it from a different perspective.

Some key steps in creating a learning culture in the workplace are as follows:

**Formalise training and development plans**

For a learning culture to be ingrained, it should be mandatory for all individuals in the organization. Training and development plans that are not formalized run the risk of not being taken seriously and as a result, not implemented.

**Give recognition to learning**

Employees who have successfully learned new skills and abilities should be recognized and encourage others to follow suit.

**Get feedback**

Sessions and polls should regularly be done to evaluate the benefits of training and development, as well as to determine whether the training investment is well spent.

**Promote from within**

One of the advantages of training is having employees who are ready for a bigger role. Announce an internal job posting to encourage employees to gain knowledge.

**Develop knowledge and information sharing into a formal process**

People will be more encouraged to share knowledge and information if they are required to do so. Formalising the process makes sure that everyone who needs the information gets it.

**Keep Your Company Competitive by Developing a Learning Culture**

Since the business environment quickly changes, many companies feel pressure to learn faster than the competitor or risk losing the business altogether. This is apparent in digital technology where companies keep churning out new models of products at a fast pace to outperform competitors who are doing the same.

Developing a learning culture is no longer just another fanciful idea. It is becoming more imperative for companies to cultivate learning if they wish to stay in business.

The question that every organisation faces as it considers a learning culture is its readiness to embrace such a radical concept. Is your company ready to give up confrontational attitudes for an open culture of trust and inquiry? Are you ready to unlearn competition among groups and individuals, and replace it with cooperation, openness and dialogue? If so, your organisation may be on its way to developing a learning culture. This will enable you not just to survive in a hostile business environment but to grow organically and thrive.

Some leaders pay lip service to learning but then insist that employees do the same things in the same way without questioning anything. No matter how much they value learning in the abstract and how much they spend to promote it, leaders are not putting their money where their mouth is in order to create an environment that produces curious information seekers.

As a result, leaders are missing out on the competitive advantage realized by [SAP](http://go.sap.com/index.html), [Apple](http://www.apple.com/),[American Express](https://www.americanexpress.com/)and [Bridgewater Associates](http://www.bwater.com/). These companies have at least two things in common: They’re all standouts in their respective sectors, and they nurture top-to-bottom learning cultures.

The research linking learning to business success is compelling. “Companies that learn fastest and adapt well to changing environments perform the best over time,” says Edward Hess, a professor of business administration at the [University of Virginia’s Darden School of Business](http://www.darden.virginia.edu/)and author of [*Learn or Die: Using Science to Build a Leading-Edge Learning Organization*](http://www.amazon.com/dp/0231170246/?tag=googhydr-20&hvadid=45625342730&hvpos=1t1&hvexid=&hvnetw=g&hvrand=17714554692033843142&hvpone=22.97&hvptwo=&hvqmt=e&hvdev=c&ref=pd_sl_4179iqpafi_e)(Columbia Business School Publishing, 2014).

Some jobs are disappearing due to the increasing use of technology and automation, and the positions that are emerging require quick thinking, creativity, and high social and emotional intelligence, Hess says, making the ability to learn more important than ever. Companies with nimble learners can react quickly to disruptions, adapt to meet the demands of a changing business climate, and harness a wealth of ideas for new products, services and processes.

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| **Calculating ROI**  Measuring the return on investment for your learning and development programs is critical to business success, says Jennifer Dearborn, senior vice president and chief learning officer at SAP. A good place to start is with your sales team. Dearborn recommends that HR professionals find out what the metrics dashboard measures for the sales team (e.g., close rate, number of products bundled into sales, net new customers and repeat customers). Then:   * Home in on metrics that highlight poor results. * Dig into the data to discover what differentiates the team’s top performers. * Crunch the data available on relationship management, human resource information, learning management and talent management systems to learn everything you can about the top achievers. * Map out the stages of the sales cycle to discover how team members do their job and what top performers do that’s unique. * Compile the data and pinpoint indicators of success. * Create training interventions to develop skills identified with success. * Set up a control group to scientifically validate the outcomes of your intervention.   At SAP, Dearborn seeks out similar sales groups operating in different territories and compares their performance with a team that has received training to show its impact. “I measure every training or learning intervention I undertake against a control group that doesn’t experience the intervention,” she says. If a training or learning intervention yields positive results, she rolls it out companywide. Finding control groups is easy at SAP, which has more than 70,000 employees worldwide. It may be more challenging at smaller companies—but it’s still worth the effort. |

“The single biggest driver of business impact is the strength of an organization’s learning culture,” says Josh Bersin, principal and founder of [Bersin by Deloitte](http://home.bersin.com/)in Oakland, Calif., citing findings from a 2010 Bersin & Associates research report, [*High-Impact Learning Culture: The 40 Best Practices for Creating an Empowered Enterprise.*](http://www.bersin.com/Store/Details.aspx?id=12171)

Yet research also suggests that creating a learning culture is easier said than done. Fortunately, like most things, it can be taught.

**Learning Gaps**

In 2013, U.S. organizations spent an average of $1,208 per employee on training and development. Small organizations (those with fewer than 500 employees) spent, on average, $1,888 per employee, and midsize organizations (500 to 9,999 employees) spent $838, the same amount as large organizations (10,000 or more employees), according to the [Association for Talent Development](https://www.td.org/). In the aggregate, that’s more than $162 billion annually. Yet despite that huge investment, there are lingering questions about whether organizations are getting their money’s worth and if the learning cultures they espouse are real or illusory.

Worldwide, organizations spend at least 11 percent more on training per person than is cost-effective, according to Thomas Handcock, senior director at the [Corporate Executive Board Co.](http://www.executiveboard.com/) (CEB) in London. That’s time employees spend away from their core jobs engaged in learning that’s not germane to the business.

Moreover, only around 1 in 10 companies have a true learning culture, defined as a culture that supports an open mindset, an independent quest for knowledge, and shared learning directed toward the mission and goals of the organization, according to CEB research. And only 20 percent of employees demonstrate effective learning behaviors.

So, in terms of investment and return, there seems to be a clear disconnect. According to Jennifer Dearborn, senior vice president and chief learning officer at SAP America Inc. in Palo Alto, Calif., CEOs are not applying the same rigorous analysis to learning as they do to other business functions.

**Nontraditional Learning**

Corporate learning isn’t what it used to be, when people would squeeze in a class or seminar during their slow period on the job. Increasingly, it is becoming part of the very fabric of work. In a [2014 CEB survey of almost 34,000 employees at all levels](http://www.executiveboard.com/exbd/human-resources/learning-and-development/learning-culture/index.page), respondents reported spending nearly 40 percent of their total work time learning. Seventy-nine percent said their work-related learning came from sources outside the learning and development function, an 11 percent increase since 2012.

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| **Unlocking Learning**  To develop a learning culture, begin by recognizing the key constraints that prevent people from reaching their full potential as learners, says author and University of Virginia business professor Edward Hess. Develop policies and processes that address obstacles that inhibit learning, including:  **Ego.** We all want to be liked and perceived favorably by others. As a result, we defend, deny and deflect what we think may cause us to lose face or to look uninformed or not particularly smart.  **Fear.** We seek to avoid the embarrassment of failure.  **Complacency.** When we learn something, we tend to retreat to automatic pilot mode, resisting new challenges and ideas. |

Societal and technological advances are playing a large role in shaping how people learn. While learning and development professionals used to have a near-monopoly on employee education, workers today have much more control over their own development. That’s largely due to the ubiquity of online courses, webinars and social networks. Given a choice, people generally prefer to learn online at their own pace. This preference for independent learning cuts across age groups from Millennials to Baby Boomers, says Dani Johnson, research manager, organizational learning, at Bersin by Deloitte in Oakland, Calif.

So, learning is clearly taking place, but are employees learning what they need to in order to excel at the company? And does your organization support their efforts? To drive culture change, it may be time for HR to reassess its role in learning and development. That role no longer calls just for providing courses and seminars periodically; it involves supporting active and independent learning all the time.

**What Is a Learning Culture?**

A learning culture consists of a community of workers instilled with a “growth mindset.” People not only want to learn and apply what they’ve learned to help their organization, they also feel compelled to share their knowledge with others.

At [New York Life Insurance Co.](http://www.newyorklife.com/)in New York City, for instance, supporting a learning culture means “trying to make each moment about learning, about establishing the intention to learn in every interaction, every relationship and every chance to lead,” says Michael Molinaro, vice president of talent management.

At SAP, a dedication to business results is the catalyst for the company’s learning culture. “You want people who are curious, committed and who understand their role in the bigger picture of your company,” Dearborn says.

American Express, based in New York City, measures the impact of learning interventions on pre- and post-individual and organizational change. The impact of learning interventions on some business functions, such as sales, is easier to measure because of the subsequent direct impact on business results.

The 62,800-employee company also looks at its employee pulse survey results to validate the impact of its learning strategy on employee retention and satisfaction. “High pulse rates lead to high retention,” says David Clark, senior vice president and chief learning officer. “When employees are consistently learning, they are happy.”

Bersin by Deloitte offers clients a metrics dashboard that includes data on time-to-market, market share, customer satisfaction and learning agility.

Molinaro says New York Life’s most important measure is a biannual engagement survey fielded to its 10,000 employees, which tells company leaders what impact the organization’s learning agenda is having on corporate culture and business goals.

At companies large and small, leaders set the tone. “You could put 3.5 percent of your budget into training or give your employees 80 hours of classes every year, yet it might mean nothing,” says Kim Ruyle, president of [Inventive Talent Consulting LLC](http://www.inventivetalent.com/kimruyle.asp)in Coral Gables, Fla. “If you are developing learning programs because the HR police are on your back or for compliance reasons, that’s not what learning cultures are about. In a learning culture, you’ll find people learning because they want to.”

**Creating the Culture**

Once you’ve committed to developing a learning culture, the following key actions can help you get there:

**Secure CEO Buy-In**

In vibrant learning cultures such as UPS, American Express, Bridgewater Associates and the Container Store, C-suite executives and leaders within the business are committed to learning. They model behaviors that communicate their belief that being smart is no longer about how much you know or how adept you are at avoiding mistakes. Instead, it’s about being a critical thinker, a motivated learner and an effective collaborator to further the business.

**Cultivate a “growth mindset.”**

Inner motivation is key. Ideally, it is part of every employee’s DNA, driving workers in real time to expand their knowledge, learn from one another and contribute to the mission of the organization.

**Hire Smart**

Teach hiring managers and recruiters how to evaluate candidates’ penchant for learning. This can be accomplished using structured interviews, assessments and behavioral interviews, Dearborn says. “Ask behavioral questions like ‘Do you seek and welcome demanding tasks?’ [and] ‘Are you willing to take calculated risks?’ Look for people who are intrinsically driven, who want to figure out what needs to be done, find a way to do it and do it before you even know about it.”

**Teach “How” not “What.”**

Bridgewater Associates LP, with 1,500 employees, hires the best and brightest talent from Ivy League schools. Once on board, recruits spend 18 months being acclimated to the organisation’s learning culture. “It takes that much time to transform a superstar into an independent thinker,” Hess says. At American Express, employees are repeatedly encouraged to reflect on what they learn, to apply it to their work and then pass it along to others.

**Encourage Candor and Dissent**

Learning cultures feature flat hierarchies, high levels of engagement and openness. Tough questioning is welcomed. People go outside formal reporting lines to discuss ideas and issues without fear. In teams, there’s constructive paranoia about the pitfalls of groupthink.

**Support risk-taking and “failing forward.”**

As long as people are taking acceptable risks, learning cultures support them, even when they fail. Tolerate, and even encourage, mistakes as long as they support learning and growth (as opposed to repeating the same error). “You can’t learn when you’re too comfortable and without the possibility of failure,” Ruyle explains. “If you fear repercussions from failure, you will become risk-averse.”

**Practice humility.** When leaders and managers don’t take themselves too seriously, they’re more approachable, better listeners and more open to learning, instead of focused on confirming their personal views.

**Build teams, not stars.**Foster creative tension by giving teams stretch assignments requiring them to innovate and master new skills. Reward and recognize teams rather than individual performance. People learn more when they are supported by others.

**Keep units small and manageable.**Small teams are better for learning. As structures grow and become more complex and formal, interaction and intimacy diminish, making learning and sharing more difficult, Hess says.

**Create routines to stay on track.** Fear, ego, complacency and arrogance block learning. Holding these traits in check requires constant vigilance and focus. At Bridgewater, employees complete daily checklists to keep them focused on learning and help them manage the thoughts and feelings that interfere with it.

**Reward what you say you value.**Learning cultures value “how” people do something as much as “what” they accomplish. At American Express, a growth mindset is embedded into the company’s performance management process. “Fifty percent of your score comes from how you went about doing your work,” Clark says.

**Deliver metrics**. Beef up your HR metrics dashboard. Include data gleaned from employee surveys about the quality of learning programs and their on-the-job applications. Track data on the number of employees served and programs offered. “Where is the cause and effect? Can your company point to a learning activity and demonstrate a clear relationship [to a business outcome]?” asks CEB’s Handcock.

Finally, model the behaviour you’re seeking to achieve by becoming a lifelong learner yourself and continuously monitor outcomes of learning programs to ensure everyone is engaged and challenged. “You can’t take your learning culture for granted,” Hess says. “Maintaining it requires rigor and daily vigilance.”

That’s a lesson every business leader should learn.