

Learning Metrics: How to Measure the Impact of Organizational Learning

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LEARNING METRICS

HOW TO MEASURE THE IMPACT OF ORGANIZATIONAL LEARNING

Ajay M. Pangarkar CTPP, FCPA, FCMA
author, **thought-provoker**, workforce revolutionary

Author
Learning Metrics:
A How to Measure the Impact of Organizational Strategy

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About Ajay:

- CTPP
- FCPA, FCMA
- LinkedIn Learning Author
- Award-winning author
- Professor, strategy/accounting

@bizlearningdude

in ajaypangarkar

ajayp@centralknowledge.com

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agenda...

1 align learning to purpose

2 map learning to operations

3 evaluate financial performance

4 leverage existing metrics

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Operationalize a clearly defined **mission**

Tie what makes performance metrics **successful?**

Clearly communicated to employees **who know...**

...**what** to do

...**how** to do it

...**when** to do it

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time to reflect

“Where do you look to focus your learning?”

”

(If you had no idea where to start)

- With operational issues
- With the mission
- Focus on what I think is needed
- Wait for someone to tell me

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1 why start with **mission?**

Mission

HOW an organization accomplishes what it does to exist!
(defines the org)

Business Strategy

Vision

WHAT an organization must do to become what it aspires to be!

Corporate Strategy

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(past) McDonald's mission:

Be the world's best quick service restaurant experience. Being best means providing outstanding quality, service, cleanliness, and value, so that we make every customer in every restaurant smile

How would this help you to **focus** your learning efforts?

(Hint: always begin your LD efforts with the end in mind)

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reflection...

- Do you know your organization's mission and vision?
- What business/operational areas would you address?
- What people/staff would need you? What would they need?

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of your **efforts** must have a connection to the **mission** objectives

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monday morning...



what's your mission?

- Reflect on your organizations' mission
- What are the mission's focus areas?
- What will you do to focus your learning efforts?

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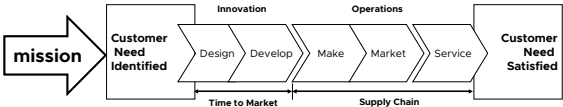
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2 mapping performance

the value chain:



mission → Customer Need Identified → Design → Develop → Make → Market → Service → Customer Need Satisfied

Innovation (Design, Develop) | Operations (Make, Market, Service)

Time to Market | Supply Chain

Measuring & Managing Performance Throughout

Various Factors Affect Performance

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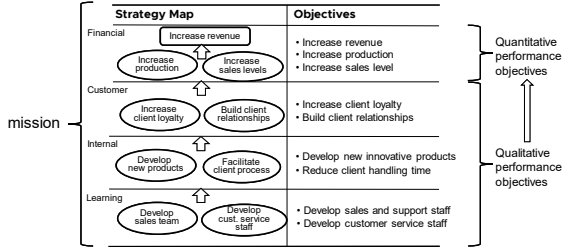
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mapping performance



mission → Strategy Map → Objectives

Financial: Increase revenue, Increase production, Increase sales levels

Customer: Increase client loyalty, Build client relationships

Internal: Develop new products, Facilitate client process

Learning: Develop sales team, Develop cust. service staff

Quantitative performance objectives

Qualitative performance objectives

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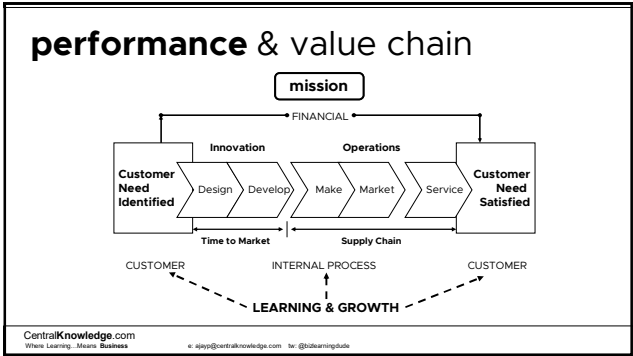
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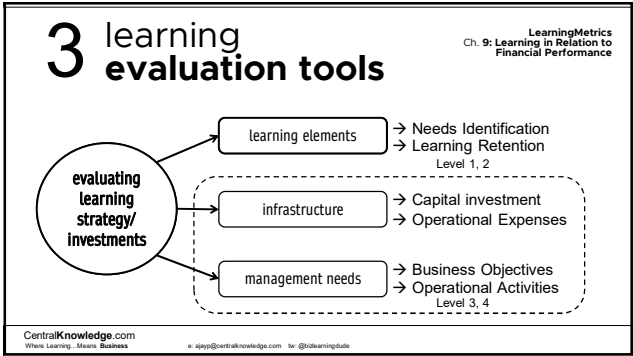
time to reflect

“ How do your leaders evaluate initiatives? ”

- ☐ Applying learning methods
- ☐ Assess infrastructure needs
- ☐ Meet business/financial needs
- ☐ Other evaluative methods?

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leadership
decision tools

return on learning investment

Cost-Volume-Profit (CVP)

Analyzes changes in costs

- Break-even analysis

Net Present Value (NPV)

Analyzes project profitability

- Contribution to major projects

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leadership
decision tools

Revenues

Variable Costs

Contribution Margin

Fixed Costs

Operating Income

Learning increases fixed costs

To offset cost increase:

- Increase revenue (units sold)
- Reduce variable costs

Question to ask:
What extent will learning contribute to production/profit?

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learning
investment example

ABC co. sells a software

- Sales: 4000 units / \$200 unit
- Variable cost: \$120 unit
- Current fixed costs: \$200,000
- Elearning is a fixed cost
- New elearning course: \$60,000
- Post course sales incr.: 700 units

Should we spend \$60,000 for elearning?

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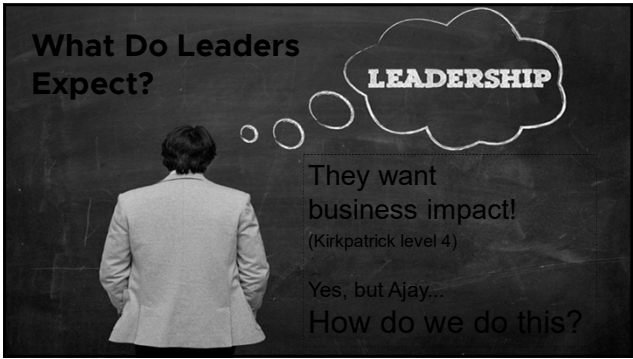
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	4000 units NO elearning (1)	4700 units w/elearning (2)	Difference (2) – (1) = (3)
Revenues	\$800,000 (\$200 x 4000)	\$940,000 (\$200 x 4700)	\$140,000 (\$200 x 700)
Variable Costs	\$480,000 (\$120 x 4000)	\$564,000 (\$120 x 4700)	\$84,000 (\$120 x 700)
Contribution Margin	\$320,000 (\$80 x 4000)	\$376,000 (\$80 x 4700)	\$56,000 (\$80 x 1000)
Fixed Costs			\$60,000
Operating Income	\$120,000	\$116,000	(\$4,000)

Now, what decision would your leader take?

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get learning acceptance		
R↓	Resistance → "What will this cost us?"	Level 3-4
A↓	Apathy → "What will this do for us?"	Level 4
D↓	Disruptions → "Why now?"	Level 4
A↑	Application → "What difference will it make?"	Level 3-4
R↑	Results → "What will it do for the business?"	Level 4

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time to reflect



“

How do you ensure employee engagement?”

”

- Mandatory attendance
- Assessing and testing
- Smile sheet feedback
- Other methods?

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[illegible]

4 learning engagement

LearningMetrics
Ch. 4: Participant Engagement Metrics

p.88 Employee engagement from a learning context What should your learning efforts have in common with **NETFLIX**? enthusiasm, curiosity, & dedication

p.89 Employee engagement for decision-making What should your learning efforts have in common with **TOYOTA**? insight, direction, & continuous improvement

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e: enquiries@centralknowledge.com t: [+617388888888](tel:+617388888888) → Business Objectives

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engagement metrics ...for learning

Ch. 7: Employee Performance & On-the-Job Behavior

p.153

Timely	→	anytime, anywhere
Relevant	→	job, performance
Adaptive	→	changing needs
Integrative	→	part of the work
Efficient	→	quick, targeted
Resourceful	→	use what you have
Seamless	→	learning happens

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Learning Metrics: Review

1

align learning to strategy:

- study the mission to identify primary focus

business impact L4

2

map learning efforts to business outcomes:

- identify operational areas from the mission
- investigate performance expectations

business impact L4
application L3

3

retrieve existing performance expectations:

- review performance relationships/sub-objectives

business impact L4

4

leverage existing metrics and engage:

- show relevant value through improvement in job/task metrics

application L3

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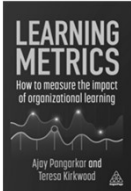
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some **resources...**



Available as
ebook

Courses

- Train-the-Trainer
- Gaining Buy-in for E-Learning
- Increasing Engagement for Elearning
- Foundations for Corporate Learning

Articles

- Training Magazine (Last Word)
- ElearningIndustry.com (columnist)
- TrainingIndustry.com (columnist)
- ATD Links (field editor)



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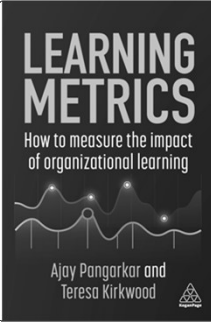
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Dank u wel, Merci, Thank you...

Let's start a...

"Workforce Revolution!"

Ajay M. Pangarkar CTDP, FCPA, FCMA
e: ajayp@centralknowledge.com



ajaypangarkar



@bizlearningdude

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