

Skills development- A new approach

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PUT SKILLS DEVELOPMENT ON STEROIDS TO MEET THE DEMANDS OF A CHANGING WORLD OF WORK

The world has changed

Employees have more information at their fingertips

Before Google and the World Wide Web, the only way most people could gain knowledge was from learning institutions, local libraries ... and Chappies wrappers. The affluent owned large sets of encyclopaedias and companies needed learning and development (L&D) teams to provide training for and information to their employees.

As the world has changed, so has the learning landscape. We now learn from a diverse set of sources throughout our lives. Just about everyone in the world can now find out anything they want, from anywhere they are. There has been an explosion of educational platforms, massive open online courses (MOOCs), podcasts, webinars, videos and articles that provide access to information on any subject imaginable.

Employees are overwhelmed, impatient and have shorter attention spans

Attention spans are shorter than ever. So many people claim to have Attention Deficit Disorder (ADD) or the high-definition version, Attention Deficit Hyperactivity Disorder (ADHD). Some millennials have even been diagnosed with ADLTAC – Attention Deficit, Look There’s A Cat. In fact, many people may not read this text but instead choose to browse through the graphics and headings while playing with their fidget spinners.

A Microsoft study recently found that the attention span of the average person is now eight seconds. This is incredible, considering that goldfish are estimated to have a nine-second concentration span¹.

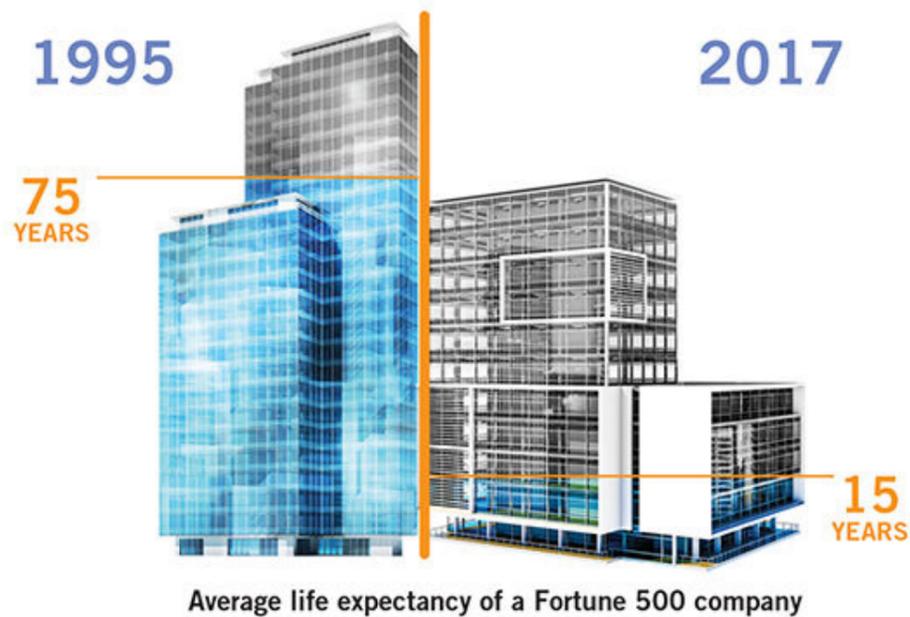
Workers are also overwhelmed and impatient

Long lectures and training courses do not cater to the way our brain works or to our busy schedules. The *Meet the Modern Learner*² report by Bersin recently revealed that learners have 1% of their week available for training and development. They are looking for greater flexibility with regard to where and how they get their information. They’re also taking more control of their own development and are looking to gain expertise from peers as much as from traditional subject experts.

In fact, here is something to think about: various polls have shown that most people use their smartphone while sitting on the toilet. Many do so primarily to avoid boredom. So it may well be that people today learn more sitting on the toilet than in any training room each year. Employees and organisations have a greater chance of becoming obsolete.

Daily learning should be a continuous discovery of your own ignorance. Albert Einstein said, “Once you stop learning, you start dying.” If he were alive today, he would take one look at the statistics and tell you that when your company stops learning, it will start dying and soon become extinct. In fact, 52% of Fortune 500 companies have disappeared in the last 15 years.

In 1995, the average life expectancy of a Fortune 500 company was 75 years. It's now just 15 years.



This is a US statistic but Africa is by no means immune to this. In a recent study³, 94% of African respondents said they believe technology has changed competition in their industry in the past five years.

As Microsoft CEO Satya Nadella recently said, “Don’t be a know-it-all, be a learn-it-all⁴”. Companies with know-it-alls get disrupted and go extinct; companies with learn-it-alls survive, disrupt and flourish.

Technological advances have intensified skills and knowledge shortages. We live in a world where the Internet of things, artificial intelligence, 3D printing, drones, robotics, augmented reality and cryptocurrencies are foundational elements of competitive landscapes. Some of this sounds like science fiction, but in a few years these, too, will be outmoded and boring, and new disruptions will follow suit.

In this world, staying relevant isn’t a macro challenge for organisations only. Employees face this on an individual level, too. Randall Stephenson, CEO of AT&T, said, “There is a need to retool yourself and you should not expect to stop. People who do not spend five to 10 hours a week online learning will [be] obsolete⁵.”

Career development has become an important loyalty factor

Consider Deloitte’s 2016 Millennial Survey⁶ of some 7 700 millennials from 29 countries. All respondents had college or university degrees and were employed full time, most of them in large, private sector organisations.

The study found that over half (57%) of those surveyed expected to leave their current employer within four years. Participants cited lack of development, training, and leadership opportunities as primary reasons for their dissatisfaction. When asked what they looked for when weighing a new job opportunity, they ranked professional development programmes and opportunities to progress among the five most important factors they consider.

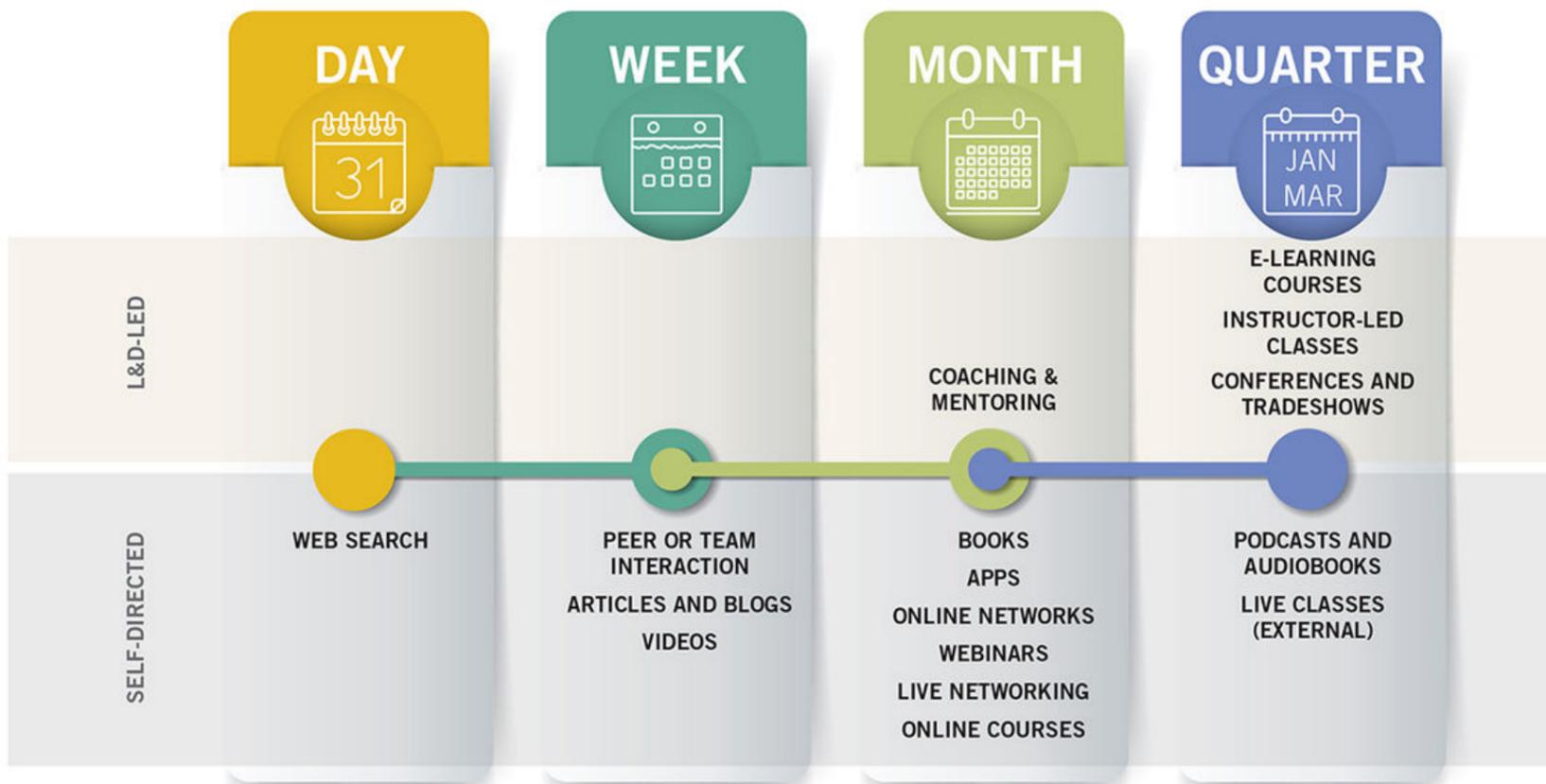
The world has changed rapidly, information is more accessible and there has never been a greater need to keep up to date with learning to avoid irrelevance. At the same time, employees are overwhelmed and have very little time or patience for the kind of inflexible learning offered by most traditional learning practices. If skills and career development are not provided, they will leave to find an employer that will empower them. This is the world we live in.

Employee needs have evolved, but learning tools haven’t

Taking into account the characteristics of this new world, the challenge is no longer trying to find information but trying to provide personalised information to employees when they need it, and that can be consumed in bite-sized chunks.

Consider the figure below. Above the line are the traditional L&D-led initiatives: instructor-led classes, e-learning courses, coaching and mentoring, and conferences. This is where companies are spending millions each year. However, this caters for only a small portion of their people’s actual learning. The average person does over five times more learning through the self-directed items below the line⁷.

Figure 7: How the workforce really learns



Source: Degreed (2016)

Formal training still popular; self-serve training fills the gaps

Formal, L&D-led training is still a valuable part of how workers learn, however. Degreed, a global edtech company that is looking to revolutionise the world of learning, conducted a survey on how people learn. In that survey, around 70% of people told Degreed that they take live, virtual or e-learning courses from their employers at least once a year – once every three or four months, on average.

Informal, self-serve learning connects the dots in between. Almost 85% said they learn things for work by searching online at least once a week. Nearly 70% learn from peers or by reading articles and blogs every week, and 53% learn from videos in any given week.

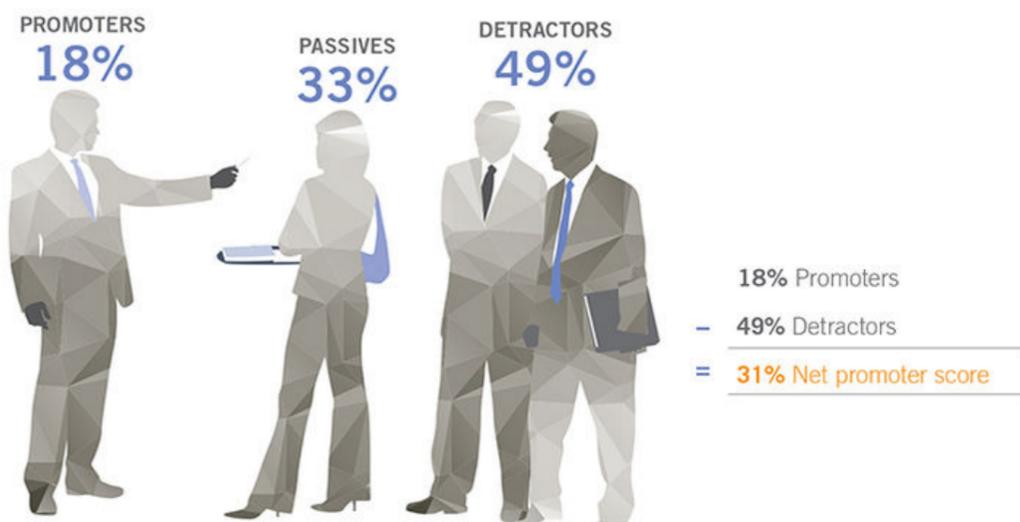
Over 60% would put in even more learning time if they received some kind of credit or recognition for doing so. People want more than what they can find in the typical L&D course catalogue, though. Three in four told Degreed they invested their own money (\$339 (R4 340) on average) in career-related development over the last 12 months.

Existing learning management tools not producing results

Learning management tools are not producing the results that organisations crave. This is because they are trying to develop faster horses rather than realising it's time to switch over to a sports car. This has resulted in a large number of detractors, as shown in Figure 8⁸.

Figure 8: Net promoter score for traditional learning and development

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Rather than focus on the negative, let's look at how we can meet the learning requirements of this new world of work.

Meeting the learning requirements of the new world of work

We need the 'Netflix for learning' – learning from every source

Uber, the world's largest taxi company, owns no vehicles. Facebook, the world's most popular media owner, owns no content. Alibaba, the most valuable retailer, has no inventory. And Airbnb, the world's largest accommodation provider, owns no real estate. It would make sense, then, that the world's most powerful education provider would own no content. Curation and crowdsourcing are integral to new ways of learning.

Jane Hart, founder of the Centre for Learning & Performance Technologies, advised learning professionals that they “will never again be able to keep up with the pace of business and everything everyone needs to know⁹.”

Individuals should own their learning profile

Each individual should be able to take their own learning record from one employer to the next. This will provide the incentive for employees to invest themselves fully into a powerful learning system that enables a lifelong career platform, rather than a short term facilitator of training.

Set pathways for any skill and every job

Just as you can set up music playlists on iTunes for different members of a family, organisations and their employees should create career-specific paths of learning for every role type.

They should not only rely on internal expertise to do so.

Michael Miller, manager of Global Dealer Learning for Caterpillar, said, “To think that all the experts reside within the walls of Caterpillar alone is a dangerous belief¹⁰.” Companies need to source non-company specific information from all the best sources in the world. This would help them free up time to dedicate their expertise to proprietary training.

In fact, creating new content takes up huge amounts of learning professionals’ time and wastes buckets of company money.

Figure 9 shows how many hours on average it takes one person to create instructor-led training. Compare this to the time it would take to curate a library of relevant, existing resources¹¹.

Instructor-led training includes front-end analysis; design; lesson plans; handouts; workbooks; PowerPoint; and subject matter expert (SME) reviews of content to be used during live, face-to-face learning events.

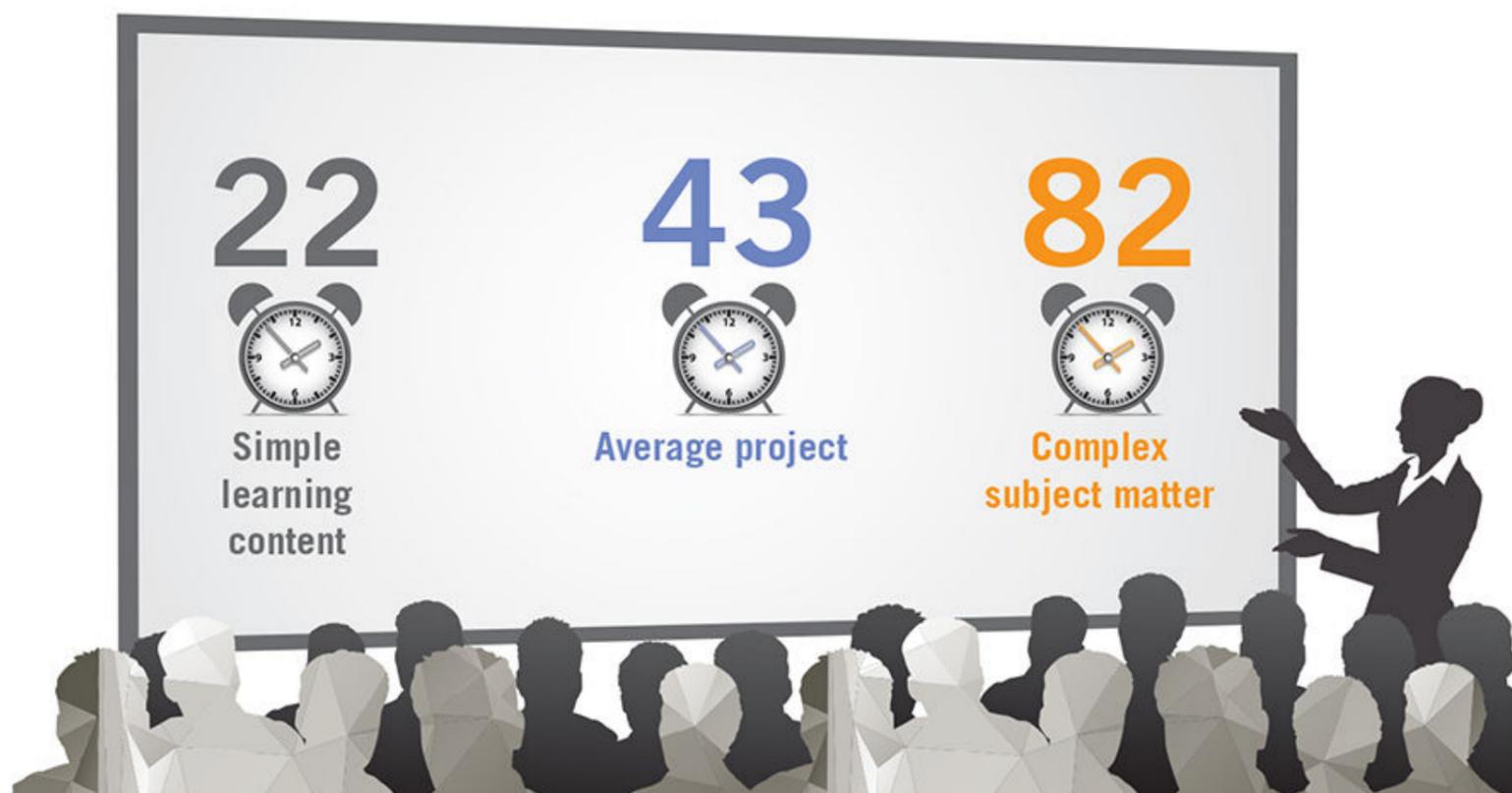
Hours taken to create a single hour of training

22 – simple learning content, possible repurposing of learning source material, with minimal learning support materials

43 – average project for creating corporate instructor-led training class with well-documented deliverables (lesson plan, handouts, workbooks, PowerPoint visuals)

82 – complex subject matter, very customised, extended time spent on formatting classroom deliverables

Figure 9: Number of hours taken to create a single hour of training



Give credit for everything I learn

When someone asks you about your education, what do you tell them? Usually, you tell them which school you went to and perhaps the university degree that you hold. However, for most people this paints a very small picture of their actual education. Think about how much of the knowledge you use on a daily basis came from traditional education and how much came from learning and accumulating knowledge from various different sources over time.

As we’ve seen from the Degreed study, people are prepared to put in even more time to learn on their own if they get some kind of professional credit for doing so.

Learn with and from others

“As you start driving conversations between learners, experts and mentors, there’s an increased level of engagement because people are now contributing, not just taking,” says Michael Miller.

People want their input to influence the system, and feel empowered when they are allowed to do so.

With this model of learning, people need to be able to:

- > Follow managers, experts and mentors to see what they are learning in order to build their own expertise.
- > Share crucial take-aways from their learning with their co-workers.
- > Influence what other people see, so that if they don't find a piece of learning beneficial, their colleagues will not waste time on the same content.

At Google, 55% of training courses are delivered by an ecosystem of over 2 000 peer learners.

Josh Bersin claims that "Learning owns probably 30% or 40% of the employment brand in your company. The issue of how we learn and how we share information in companies is very essential to the employee experience at organisations."

The good news is that L&D is not obsolete, it's just incomplete

As Janice Burns, Chief Learning Officer of MasterCard, puts it: "We play the role of facilitators and motivators more than anything else¹²." Karen May, Vice President of People Development from Google, said: "Put the support structures in place to make [learning] happen and then get out of the way¹³."

The role of the employer is to put the right technologies and infrastructure in place to learn, and ensure there is a culture and ethos that supports and inspires learning.

Learning and development is far more than a regulatory function

Deloitte's *2017 Human Capital Trends Report for South Africa*¹⁴ found that 21% of South African organisations believe the learning department exists to comply with regulations. Only 16% believe learning departments help employees grow and navigate their careers within the company – there clearly needs to be some reassessment.

South African companies have something else to realise: learning and development is far more than just a regulatory function. There is the Skills Development Levy to consider, as a hefty chunk of cash is paid for each company for this. Skills development is also an efficient place to earn BEE points. However, these regulations cannot be the driving force behind a company's learning strategy.

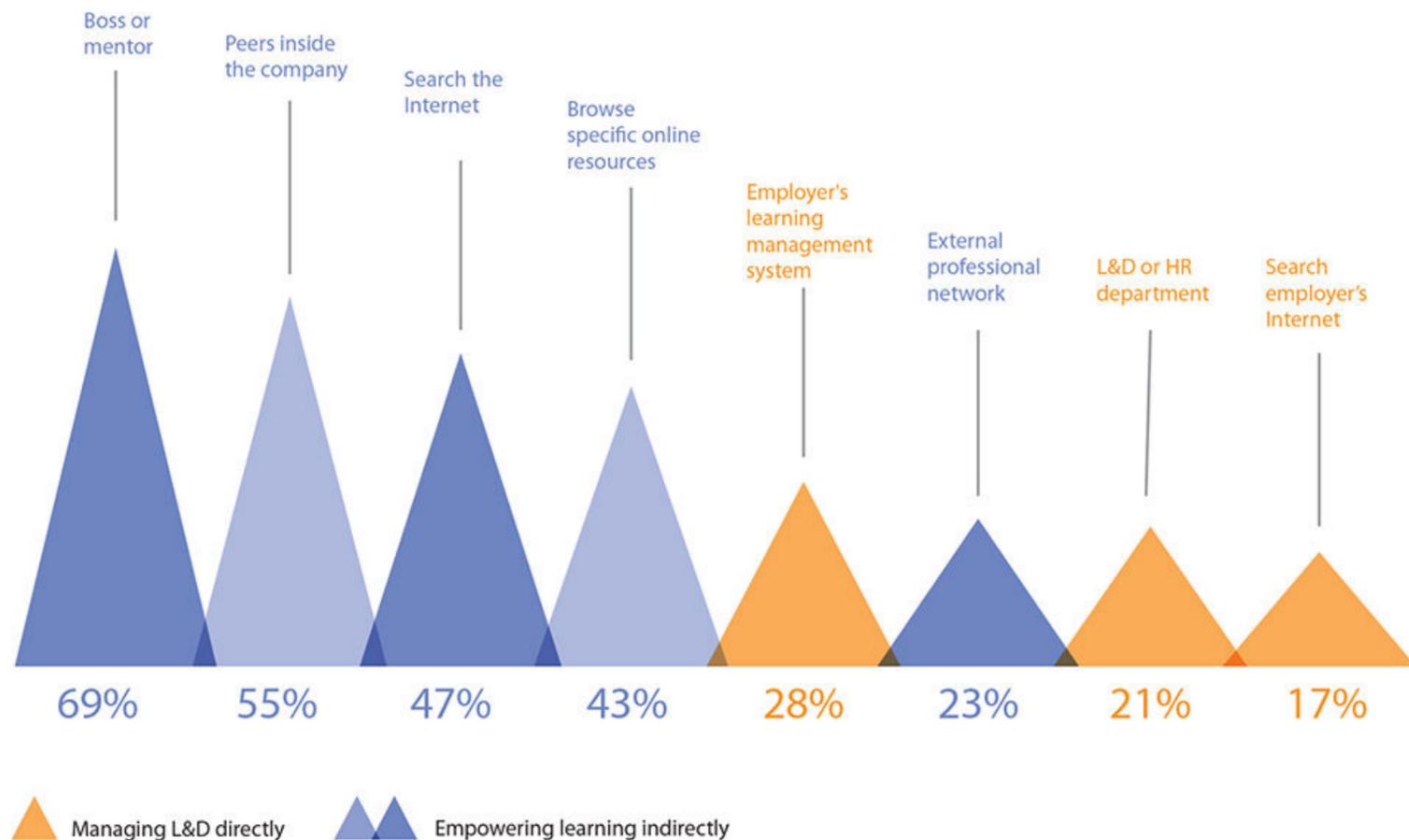
The Skills Development Levy (SDL) has a significant impact on the L&D practices of many organisations. It provides a financial incentive for implementing specific learning programmes. The South African Board for People Practices (SABPP) recently commented in a factsheet that "At 1% of payroll per month, or R13 billion per annum in collected revenue, the SDL represents a sufficiently high financial incentive to shape L&D practices, especially in medium and large organisations with the administrative capability to claim back 20% - 49% or more of the Levy available to employers. Unfortunately, the design and delivery of many of the new programmes under the National Qualifications Framework suffered from an overemphasis on formal, quantitative and supply-driven types of learning, resulting in the neglect of informal, just-in-time, demand-driven learning. While the former programmes may be suitable for foundational education contexts, the latter programmes are an essential component of workplace learning for modern employers¹⁵."

The levy needs to be looked at in context and the payback should not be looked at in isolation. If an employee needs to learn about Excel, it makes more financial sense for a company to direct them to a \$20 (R256) Udemy course that is not accredited, or even use free online resources, rather than spending R4 000 for a one-day accredited course where you can receive almost R2 000 in return.

If a company looks at overall spend, a quality, online on-demand resource from Udemy makes sense. In fact, it would be at least eight times cheaper. If you're focusing only on maximising a skills levy payback, you could be costing your company a lot of money.

An employee survey was done by Purch, a digital commerce company servicing more than 100 million customers worldwide¹⁶. Purch found that 73% of employees said that self-directed learning is more effective in helping them be successful in their professions than learning directed by their employer. In fact, employer-provided resources are one of the last places people go to when searching for knowledge and skills development, as seen from the study below¹⁷. When they need to learn something new, though, they are most likely to ask their boss or mentor (69%) or their colleagues (55%) for recommendations. Many people also take matters into their own hands – literally. Around 47% search the Internet and 43% browse specific resources. But just 28% search their employers' learning systems and only 21% rely on their L&D or HR departments¹⁸.

Figure 10: The pathway to learning typically does not start with L&D-provided resources



Source: Degreed (2016)

Empowering people to learn empowers their financial freedom

The employee has wrestled away power from employers. If you can't beat them, join them ... and go one step further. Empower them. And empowering learning also empowers financial well-being.

Jim Rohn, an American entrepreneur, said, "Formal education will make you a living, self-education will make you a fortune." Well, that sounds good, but is this a reality?

Self-made millionaire Steve Siebold, who has interviewed 1 200 of the world's wealthiest people, agrees, and writes in his book *How Rich People Think*: "Many world-class performers have little formal education, and have amassed their wealth through the acquisition and subsequent sale of specific knowledge. Meanwhile, the masses are convinced that master's degrees and doctorates are the way to wealth, mostly because they are trapped in the linear line of thought that holds them back from higher levels of consciousness ... The wealthy aren't interested in the means, only the end¹⁹."

While the rich don't put much stock in furthering wealth through formal education, they appreciate the power of learning long after college is over, Siebold explains. Rich people would rather be educated than entertained. "Walk into a wealthy person's home and one of the first things you'll see is an extensive library of books they've used to educate themselves on how to become more successful," he writes. "The middle class reads novels, tabloids, and entertainment magazines."

So, it would seem that education does bring financial success, and not formal education but continuous, lifelong learning. It's not for nothing that Benjamin Franklin said, "An investment in knowledge pays the best interest²⁰."

The learning curve hugely influences the earning curve. "Over 300 years of economic history, the principal and most enduring mechanism for distribution of wealth and reduction of inequality is the diffusion of skills and knowledge," says Thomas Piketty²¹.

A new learning movement

"How's that LMS working out for you? My guess, not so good. It's because the world has changed, your needs have evolved but the tools haven't. Because they were built to meet the needs of HR, not the learner. They just weren't built to empower people to learn."

These are the words of Degreed founder and CEO David Blake to the HR profession and companies at large. Josh Bersin, arguably the world's top learning and skills development expert, talks about Degreed as being a globally disruptive learning 'movement': "They'll really change your thinking about what the learning environment looks like."

Degreed is actually a company in the education technology sector. Alexander Forbes has been in collaboration with Degreed and will be looking to bring solutions to market to assist employers in addressing the learning gap. Barry Murphy, Airbnb's Global Learning Lead, felt that calling them an organisation wouldn't do them justice. Degreed is driven by a world-changing philosophy; it is indeed a 'movement'. The Degreed manifesto is to 'jailbreak' the degree, to help people gain knowledge where and when they need it, and to get credit for their expertise no matter where and how they got there.

This outlook aligns perfectly with the new way that people want to learn, and has already transformed the learning of the biggest, most innovative companies in North America and beyond. Africa is next. Will your organisation lead this change?

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MILLENNIALS

SKILLS DEVELOPMENT

WORKFORCE LEARNING

LEARNING AND DEVELOPEMENT

SELF-LEARNING