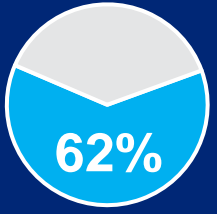


Learning Transformation

Optimizing your learning operations to **Reduce Costs** or **Fund Investments**

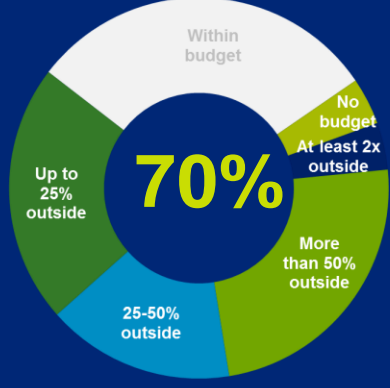


The Learning Landscape



62% of organization surveyed **don't know exactly** how much they are spending on learning

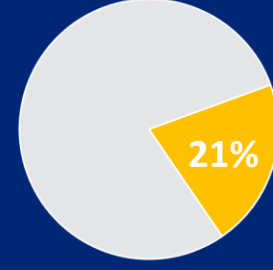
69% surveyed rated themselves **poor or adequate** on visibility into, tracking of, and reporting on learning spend



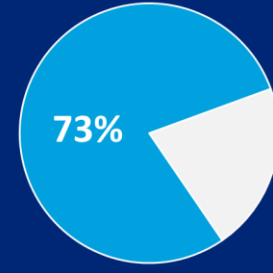
70% of organizations surveyed **believe spend occurs outside** their learning budgets



Annual L&D spend is typically **1.5 - 3x greater** than the amount visible to the learning function



Only 21% of organizations surveyed rate themselves excellent or good on **value and ROI** of learning spend...



...and 73% believe they **spend too little** on learning, and should be spending more

Deloitte Consulting LLP, Survey of learning and finance professionals, 3/2014

You can **INCREASE THE VALUE OF YOUR LEARNING SPEND** by improving the **effectiveness** of your learning programs, **efficiency** of your learning operations, and **alignment** of your learning and business strategies.

DRIVERS FOR TRANSFORMATION

ORGANIZATION
What changes should we make to our operating model?

CURRICULUM
What capabilities do we need serve the business?

VENDORS
How do we optimize relationships with third parties?

TECHNOLOGY
How can we best leverage learning technologies?

EFFECTIVENESS

- Integrate learning operations with talent management strategies to address critical talent gaps
- Use performance consultants to identify urgent, time-critical business needs
- Collaborate with procurement to facilitate alignment with business needs and impact on business results
- Simplify and upgrade learning technologies to improve learner experience and outcomes

EFFICIENCY

- Create a central learning shared services function to eliminate duplicative activities
- Conduct analysis, planning, and other due diligence ahead of learning activities and programs
- Create and govern vendor management processes to require use of preferred vendors and negotiated rates
- Rationalize duplicative learning management systems and regularly cleanse curricula

ALIGNMENT

- Partner with lines of business to allocate learning budgets to programs with the greatest business impact
- Increase engagement and capability to support the current business strategy
- Review and refresh vendors to align with the current and changing needs of the business
- Invest in measurement tools to track and report business outcomes

ORGANIZATIONS THAT BENEFIT MOST FROM TRANSFORMATION

Large ● Complex ● Global ● Decentralized ● Emphasis on Talent Needs
New Business Strategy Requiring New Operating Methods

Transformation in Action



Framework

Leading organizations are transforming their learning functions to reduce costs, improve the learning experience, and align with the CEO's strategy.

Deloitte utilizes a **four-part framework** to assess the current state of a company's learning and development operations.



Organization

Moving to a centralized or federated model, standing up shared services, and establishing governance can optimize operations and create accountability and transparency.



Curriculum

Harmonizing and rationalizing curricula can reduce redundancies, improve user experience, and facilitate alignment to business objectives.



Vendors

Implementing a structured vendor management process including preferred vendors and negotiated rates can reduce costs and improve quality and efficiency of services.



Technology

Simplifying and upgrading learning technologies can reduce costs, improve learning outcomes, and facilitate ability to quantify business outcomes.



Timeline

Weeks 1-5

COLLECT DATA

Activities

- Validate project objectives and timeline
- Identify data sources
- Modify data collection tools as needed
- Collect data
 - Request HR, finance, and procurement data
 - Deploy survey
 - Conduct interviews

Deliverables

- Modified data collection tools

Weeks 4-9

ANALYZE FINDINGS

Activities

- Create data model and cleanse system data
- Compile and analyze survey results
- Compile and rationalize interview findings
- Benchmark findings against Bersin data
- Assess maturity against Bersin maturity model
- Validate initial findings and insights with data owners and key stakeholders

Deliverables

- Interactive Tableau dashboard
- Summary of qualitative data
- Comparison of findings to relevant benchmarks

Weeks 8-12

DEFINE OPPORTUNITIES

Activities

- Document findings
- Identify improvement opportunities
- Quantify potential cost savings
- Define recommendations on next steps and areas of focus

Deliverables

- Roadmap for realization of savings

Outcomes



Global Pharmaceutical Corporation

Opportunities Identified

- \$180m annual spend
- 528 L&D FTEs
- Duplicative administrative activities
- Inflated payroll & benefits costs

Benefits Realized

- \$62m first year savings
- Transitioned to federated model
- Stood up learning shared services
- Rationalized curricula and vendors



Global Manufacturing Conglomerate

- €300m annual spend (vs €150m est.)
- 1,600 L&D FTEs
- 21 LMSs
- 40+ manager development programs

- €45m first year savings
- Transitioned to federated model
- Consolidated LMSs to one system
- Rationalized learning programs



North American Confectionary Company

- \$15m annual spend (vs \$3m est.)
- Underinvestment in technology
- Overinvestment in vendors
- High use of ILT versus WBT

- Savings \$2M-\$4M identified to date
- Moving to federated model
- Self-funding to include new LMS
- First focus on vendors and curricula

These companies decreased their spend AND increased their return on investment – spend less, get more