

## Use learning governance to improve business results...

Doing more with less continues to be a dominant theme in today's business world. Emerging from the economic crucible of the last few years, organizations are challenged to increase growth, expand into new markets, effectively manage risk, and generally stay competitive with their current (likely pared down) resources. Learning & Development (L&D) organizations are expected to play an important role in meeting corporate goals by bridging gaps in critical workforce skills. However, lack of alignment between organizational strategy and L&D often makes this mandate hard to achieve.

One of the ways L&D organizations can help prevent this common, yet counter-productive, practice and strengthen their ability to meet the company's talent needs is by improving learning governance — the formal framework for managing decisions about learning and talent development. By instituting effective learning governance, it is possible to align Learning & Development with Strategy and improve the prioritization of initiatives and resources in a world that is constrained by funding or headcount.

Many L&D organizations may not realize that inefficiencies created by poor governance structures directly challenge their ability to meet top- and bottom-line objectives. Addressing these inefficiencies by creating a sound governance framework can often improve the learning function while retaining indispensable talent and essential employee development programs that deliver real business value. Proper governance is also critical to advancing the maturity of the learning function, ushering its evolution from an administrative function to a valued, strategic partner in the business. An effective governance framework can help prioritize the right learning programs to build the workforce skills necessary to support business growth and reduce risk.

### Evaluate your current governance model

Poor governance manifests itself in many ways, impacting not only the effectiveness of the L&D organization, but also ultimately the ability of the company to execute its business strategies. Do you recognize any of the following issues in your organization?



Situation	Implication
Unclear process for enterprise-wide training curriculum decisions, changes to curriculum, and leading practices sharing	<ul style="list-style-type: none"> <li>• Poor decision making</li> <li>• Duplicative efforts for training development</li> </ul>
Business roles not appropriately identified for training curriculum	<ul style="list-style-type: none"> <li>• Training curriculum not aligned with learners' needs</li> <li>• L&amp;D organization fails to act as a strategic partner to the business to develop critical talent</li> </ul>
L&D organization structure not able to manage curriculum effectively	<ul style="list-style-type: none"> <li>• Inadequate learning governance body with little or no oversight and/or control of curriculum management</li> </ul>
Poorly defined roles for curriculum decision making	<ul style="list-style-type: none"> <li>• Duplicative roles performing same L&amp;D tasks</li> <li>• Lack of accountability for curriculum ownership</li> </ul>
Inconsistent and ineffective training curriculum to support the business	<ul style="list-style-type: none"> <li>• Lack of business prioritization of training spend</li> <li>• Poor performance measurement for key training programs</li> </ul>
L&D operating costs are unknown or disparately managed and controlled	<ul style="list-style-type: none"> <li>• Challenge in achieving business strategy due to poor prioritization</li> <li>• Inability to control costs and increased waste or redundancy</li> </ul>

An effective learning governance structure can help overcome such challenges. In our work with leading organizations, we have identified seven critical factors that characterize well-governed L&D organizations.

- An enterprise-wide learning strategy, supported by a centralized L&D governing body and aligned with business strategy (giving L&D "a seat at the table" that includes cross-functional visibility and endorsement of training programs)
- Capability of the L&D organization to identify, assess, and create capabilities through powerful learning programs
- Execution of the governance structure for efficient and effective operations within the L&D function (e.g., defining decision bodies, decision rights, spans of control, escalation, etc.), with appropriate roles involved in L&D decision making, such as a direct line from CLO to CEO
- Clarity of ownership and budgetary control for the L&D strategic portfolio of initiatives, including value objectives, metrics, and tracking,
- Ability of the L&D organization to support rapid and effective compliance reporting, including reporting that helps measure performance improvement and correlates to incidents/lack of incidents of non-compliance
- Effectiveness of the L&D organization to rationalize and manage learning vendors for consistency, quality standards, and increased value to the business
- Prioritization of the L&D operating budget to better support business needs

#### Room for improvement?

If you identify gaps in two or more areas, your L&D organization may have an opportunity to improve how it supports the business as a valued partner.

### Deloitte's approach to governance

In our work with learning organizations, we find that effective governance can enable expedient decision making and drive positive change. In essence, we take governance one step further to build a framework around decision rights. Who decides, for what purpose, and when? Successfully implementing a governance framework can support decisions that are effectively aligned to the business strategy, accepted by the parties involved, and implemented with fewer conflicts across the organization. Figure 1 introduces a structure and process to assess and design an effective governance model for L&D organizations.

**Figure 1: Approach for designing an effective governance model for L&D organizations**

In our experience, this four-part approach has helped organizations build an effective learning governance model. Here's what it entails.

#### Part I: Understand the current-state learning governance

Start by assessing the current-state learning governance model in your L&D organization. An effective assessment includes the following specific activities:

- Articulate the enterprise-wide learning strategy and define the decision-making problem statement for the learning organization
- Define the roles of the individuals and groups who make the decision within the business line and L&D organization

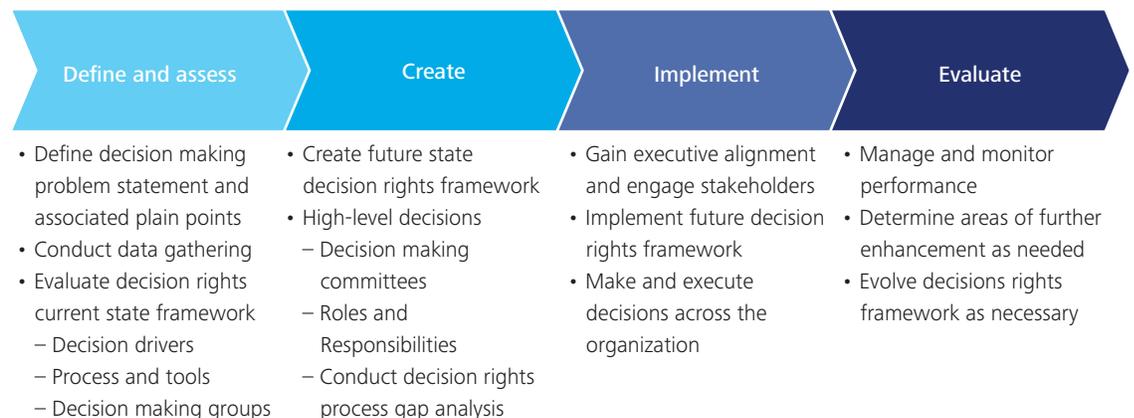
- Determine the criteria for decision-making and tools to support the learning governance process
- Document the financial model for L&D as it is tied to the business
- Assess/Evaluate the end-to-end process of the training life cycle, including how a training need is identified, initiated, designed, tested, executed, and evaluated
- Detail the process for making curriculum decisions and communicating decisions to relevant stakeholder groups

#### Part II: Define the future-state learning governance framework

Once the current-state assessment is complete, begin defining future-state requirements through additional interviews and discussions with business representatives and subject matter experts (SMEs).

An effective future-state design of the learning governance framework will typically include the following activities:

- Create an inventory of L&D decisions
- Develop processes and tools to support learning governance and assignment of decision-making accountability, e.g., Responsible, Accountable, Consulted, Informed (RACI) analysis
- Define your governance structure, including roles and responsibilities for the:
  - Business
  - L&D organization
  - HR business partner
  - Steering committee or advisory groups
- Develop a dashboard of key metrics and reporting
- Build a detailed implementation roadmap and timeline



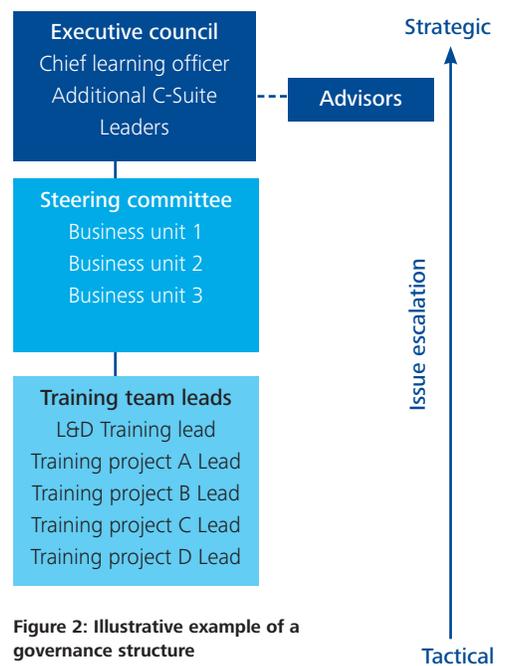
**Part III: Implement the learning governance framework**

Once the future-state learning governance framework is designed, several steps are necessary to implement it. First, building executive commitment, aligning leaders within the L&D organization and across impacted business units, is essential to executing the newly designed framework. The change management component of learning governance is critical to getting business leaders aligned to how L&D can be a key enabler of their business strategies. This stakeholder engagement may require awareness-building and communications plans, along with education and training plans. Ultimately,

Secondly, key decision makers and training design leads must understand the learning governance roles, tools, and templates necessary to facilitate the new decision-making processes. Standing meetings may be necessary if existing forums for decision making do not currently exist.

**Part IV: Evaluate regularly**

Finally, periodic evaluation of the learning governance framework will help refine the model and identify areas for improvement. Managing and monitoring operational performance will not only allow the L&D organization to identify how to continuously improve the learning governance framework and modify as appropriate, but will also help to document the tremendous business value that L&D programs can deliver. The following graphic depicts the high-level governance profile for an L&D organization.



**Figure 2: Illustrative example of a governance structure**

Learning governance organization structure	L&D Governance description
<pre> graph TD     EC[Executive council] -.-&gt; A[Advisors]     EC --- SC[Steering committee]     SC --- TL[Training leads] </pre>	<p>Responsible for securing curricula endorsement and providing voice of customer from representative business units and adhering to the Learning Governance Process</p>

L&D Governance profile	
Composition	L&D Governance responsibilities
<ul style="list-style-type: none"> <li>• Learning Governance Chairperson</li> <li>• Representative members from business units</li> </ul>	<ul style="list-style-type: none"> <li>• Represents business line and provides voice of customer during Steering committee meetings and Learning Governance endorsement presentations</li> <li>• Provides a name delegate to participate in meetings and/or secure endorsement if necessary if necessary (this should be the exception)</li> <li>• Be a visible leader to business unit by driving the Learning Governance process</li> <li>• Secure Learning Governance endorsement from appropriate business unit SME(s) and leader(s) and communicate endorse training to appropriate stakeholders</li> <li>• Champions and communicates endorsed training to appropriate stakeholders within business unit</li> </ul>
Key stakeholders	Authority
<ul style="list-style-type: none"> <li>• Accountable to Executive council and respective business unit</li> <li>• Supports: training team leads</li> <li>• Inform: L&amp;D training leads</li> </ul>	<ul style="list-style-type: none"> <li>• Secures final business unit for training</li> </ul>
Meeting frequency/time	
<ul style="list-style-type: none"> <li>• Quarterly 2-hour meeting</li> <li>• First month of each quarter</li> </ul>	

**Start now**

L&D organizations often recognize the importance of learning governance but may overlook building a integrated and effective model. Even for those organizations that have a well-designed framework, implementation may prove challenging. Getting it right is critical. Our experience with L&D Organizations across industries indicates that businesses that put the effort into building an effective learning governance framework, with the appropriate involvement between the business and the L&D organization, will likely see in tangible value to the business that drives performance results, substantial cost savings, and improved retention of key talent.

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