General Webinar Guidelines

• Polling questions will be displayed on your screen throughout today’s presentation.
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• Please use the Questions function in your GTW menu to ask any questions.
Today’s presenter

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We originally estimated the market would grow by a modest 2% for 2012. We now estimate the annual growth rate for corporate spend for training to be up as much as 6 to 7%.
Berzin and Associates

• After double-digit budget cuts in 2008 and 2009, 2010 ushered in the beginning of a turnaround for many L&D organizations. This continues—slowly.

• In 2011, L&D organizations continued to recoup their losses, with budgets up 9.5 percent, to an average of $800 per learner.

• L&D organizations also continued to replenish their headcount lost in the recession, with staffing up seven percent.
Learning spending up 7.5 percent according to Berzin
• Learning is happening, but actual hours per person are slightly down.

• On average, employees clocked 31 hours of training in 2011, which is about one hour less than 2010 and six fewer hours than a peak of 37 hours in 2007.

• However, it is five hours more than employees were using 10 years ago.
Outsourcing up 10%

• “Another key trend is the growth of outsourcing services.
• We expect the use of external suppliers to continue to grow, especially for the use of custom content development services.
• This market is up by more than 10% from last year, and we expect it to continue to grow for quite some time.”

TRAININGINDUSTRY.COM
Cost to train is up

- Similar to past years, while the number of hours of learning an employee used remained somewhat stable, the cost per learning hour used has increased. **The cost per hour of learning has increased by approximately $10 each year for the past four years.**
- In 2011 there was a $13 (18 percent) increase to a peak cost of $85 per learning hour used. Small and midsize organizations drive the higher cost.
- The average cost per learning hour used in a small company with fewer than 500 employees is $126, compared with $82 for a midsize organization, and $51 for a large organization with more than 10,000 employees.
Some new vocabulary for CT professionals
The Era of “Personal Learning”

- How learners take control of getting information
  - How
  - When
  - Where they want it
  - Who they want to learn from

- Instead of the ISD pro controlling that, the learner will
  - Of course, it’s the ISD pro who will help design the easy-to-get-to-options mechanism
Learning personalization keys

- Focus on content that is new or changed.
- Skip content that they already know.
- Minimize content they can look up easily.
- Learn at a time and place that is optimal.
- Utilize any device to access digital content.
- Have access to expertise for context & mentoring.
Expanded role of the ISD pro and your instructors

- Managing communities of practice
- Curating content
- Facilitating online discussion groups
- Organizing learning events
- Supporting social media for learning
- Champion innovation to upper management in your client organizations and inside your institution
“Backchannel”

• Backchannel is the **informal, social learning** that happens on smartphones, iPads, etc. during classes and other events

• Encourage it

• Use it
“Flipped learning”

• Homework before class
• Discussion before lecture
• This is an artifact of social/informal learning
“Gamification”

- Watch for a better understanding and more effective use of game mechanics in training and education this year.

- These are wonderfully captured in Karl Kapp’s book, *The Gamification of Learning and Instruction*, just out.

- As noted by neurologist, Judy Willis, games provide an individualized achievable goal that initiates the dopamine-reward system, which provides a powerful pleasure response.
“New blended learning”

• Now the definition of blended learning is expanding to include any number of strategies
  • from learning through a community of practice
  • to mobile performance support.
    • For example, someone might attend a workplace webinar on how people learn, then participate in a video-based Google+ hangout with a cognitive psychologist, and join a LinkedIn community of instructional designers to discuss the application of these ideas.
“Real-Time Content”

15% Real-Time Sessions:

Have you attended a conference and had a wish list for a few more sessions that mapped to YOUR issues or allowed a deeper follow-up conversation about a keynote or breakout session?

15% of all sessions and activities at Learning 2012 will be built by participants on site. Real-Time Content, Workshops, Controversies & Conversations!
“70-20-10 model”

• In a “70-20-10 model,” 70 percent of learning about a job is through practice and on-the-job experiences.
• 20 percent is through other people by exposure to coaching, feedback, networks and expertise.
• and, 10 percent is through formal education-based learning interventions.
So what’s new?
Trends shared by Canada and the US

- Tablet sales through the roof
- Business spending on social media marketing up more than 10%
- Networks, wireless and cloud computing all on the increase
- Social responsibility of business matters to customers
- Strong focus on customer service continues
- Leadership continues to be key
  - Leadership through cooperation
  - Leadership through example
  - Leadership through ethics
  - Leadership through learning—especially through failure analysis
Chief Learning Officer: Top 5 Trends mid-year analysis

• Five trends that rise to the top mid-year
  • the continued convergence around integrated solutions,
  • the emergence of using social media for effective informal learning, the adoption of mobile learning,
  • the importance of progressive cloud model
  • and the evolution of a global understanding in learning content.
Trend #1
Integration of systems

• No matter the size or industry of a company, one of the main keys to success is **efficiency**
  • Don’t do unnecessary work, don’t repeat steps and make sure that all areas of the company follow the company vision and targets.
  • An emerging tool in business process and analysis efficiency is an integrated learning management and talent management solution.

• **We need to consult and train more in efficiency and the tools to accomplish it.**
  • Of course, we can use a huge dose of this ourselves
Trend #2

Social Learning

• Employees have integrated social networks into the way they think, learn and solve problems.

• Rather than passively taking in social information, employees actively seek social context to help make their decisions and learn how to solve specific problems.

• Use social solutions to foster informal learning, cross-divisional understanding and self motivation, but it must be interactive.

• Help your employees’ best information rise to the top.

• We need to study and teach social media use in both business and education.
Trend #3
Mobile Learning

• Many businesses have done a great job of offering truncated and just-in-time mobile courses and job aids for their employees to use on the go.

• In fact, Corporate Executive Board, a research and advisory services company, says that supporting the mobile employee is a top infrastructure priority in 2012, with mobile application spending projected to increase 60 percent this year for companies.

• We need to help our teachers get ready to use mobile learning. Most tools to date are not all that good.
Trend #4
Head in the cloud

- Cloud models are ideal for many clients who don’t want to worry about data storage, upgrade transitions or bug fixes. Behind-the-scenes work has given users of this model the almost carefree ability to concentrate on their data and not on their systems.
- The 2012 IT Budget Benchmarking report estimates that company spending on cloud infrastructures will increase more than 20 percent and account for 7 percent of the total budgets in 2012.

- We need to help our clients understand the use of the cloud. Great conference or event topic.
Trend #5
Global Language

• Some global businesses are moving toward the adoption of a global language that all employees will speak, read and write to limit disparity in learning, comprehension and business practices and to remove some of the burdens of cultural awareness. According to the 2011 Bersin & Associates Research Bulletin, “Borderless Business Communication,” the global language of choice for many businesses is English.

• So, “note to self”: if you adopt a global language, courses need not be translated prior to dissemination, and more courses training on the vocabulary, grammar and other elements of the global language may be required to achieve the appropriate proficiency level in employees.
ZD Net talks trends

More Independent Workers

• With more independent workers (an estimated 20 million in 2013), learning and development initiatives should target low-cost, high-reward training. A wide array of off-the-shelf e-learning courses and interactive webinars targeting communication skills and professional development will appeal to this group.

Working Online

• More and more people are working from home, or working online. E-learning and interactive webinars can reach a wide audience at a relatively low cost and with flexibility to fit into the employees’ schedule. E-Learning will continue to appeal to companies who are already lowering costs by allowing their employees to work from home.
ZD Net talks trends

Co-working
• Team-building will be just as popular in 2013 as it is today. Team Leaders will need to continue building their virtual team leadership skills.
• Life-long Learning
• The term Life-Long Learning was first heard in the 90’s. Informal learning has emerged providing distance learning opportunities through wiki’s, online universities with available modules, social networking learning circles, etc.

• We need to be sure our clients see us as purveyors of continuous, lifelong learning.
And more

The imbalanced global workforce will place the focus on talent acquisition.

- With high unemployment high in many countries, businesses will need to hire staff and develop products at a frantic rate.
- Large gap between skills needed and skills available.
- Young people are less prepared for work than ever, forcing employers to adopt more forms of on-the-job training to build skills.
- And as jobs are becoming much more specialized, “internal expertise-matching” is taking hold – matching jobs with current employees who have the expertise and are most willing to do them.
- There is an explosion of interest in assessment tools and pre-hire simulations, as every hire counts so much.
• Talent acquisition and talent management teams will be integrated. In 2013, companies will form new functions that may be called “talent acquisition, development, and mobility” to combine training, leadership readiness, and succession management.

• When labor markets and economy are tight, recruiting should first focus on internal talent.

• We need to better understand new trends in talent management and acquisition and be ready to consult.
Employee engagement will be more important than ever.

- A 2011 report by Mercer found that 32% of employees were “planning on leaving” their employers – up from 19% just two years ago. This trended in both the US and Canada.

- This year, 47% of the workforce will be born after 1977, so engagement needs to include an appeal to people under 30. Today’s employees are looking for career development, a modern rewards structure, and companies with a strong mission.

- We need to help companies we serve retain their talent.
• **Corporate training will continue to transform.** Even though the concepts of informal learning and expertise-sharing are becoming more common, most companies are still stuck with “old-fashioned” learning management systems.

• The modern approach will mean about 20% formal training, with the remainder divided among
  • on-demand
  • informal
  • and embedded disciplines
  • supported by new tools and a culture of learning.
And 10 years from now..?

- Serious gaming applications
- Social learning taught by content experts inside organizations
- Content created quicker than ever—in hours rather than days or weeks
- Learners will need instant access to content the moment they need it—no matter where they are.

- We should consider partnering with content creators to help our clients develop new ways of learning—faster.
What’s hot for 2013?
Content

• Top 3 areas were:
  • managerial and supervisory
  • profession- or industry-specific (healthcare, manufacturing, etc.)
  • processes, procedures, and business practices.

• These three captured almost 40% of the market.

• This is not significantly different from last year when the same three categories topped the list and accounted for 34 percent of the learning content available.
Content on how work gets done

• Skill-building on
  • Leadership
  • Efficiency
  • Effectiveness
  • Technology
  • Teamwork—including virtual teams
  • Partnering and outsourcing
  • Data-based decision making
  • Change management
  • More soft skills in general
Developing “Smart Workers”

1 - The SW recognizes that she learns continuously as she does her job
2 - The SW wants immediate access to solutions to his performance problems
3 - The SW is happy to share what she knows
4 - The SW builds a trusted network of colleagues and friends
5 - The SW learns best with and from others
6 - The SW keeps up to date with what’s happening in his industry and profession
7 - The SW constantly seeks to improve her productivity
8 - The SW thrives on autonomy
Leadership still key in 2013, but at new levels

• While companies have traditionally invested heavily in senior leaders, organizations are now committed to developing leaders on every rung of the corporate ladder.
• Today, senior leaders consume 22 percent of the leadership development budget – a lower proportion than in prior years, as more money is being directed down the leadership chain.
• Senior-level leaders still command the highest per person investment at just more than $6,000 – but this is not the only group receiving funding.
• Companies are also investing in first- and midlevel leaders, with spending averaging roughly $1,700 to $2,700 per participant, respectively.
Fastest growing business areas

- Internet
- Alternative energy
- Environmental consulting
- Biotechnology
- Videogames
- Outsourcing staff

- Just for the record, hot sauce was one of the fastest growing products. You heard it here first.
Video in learning is a “go to” tool

1. Knowledge Video Clips (a la YouTube): Short, targeted and often user created video clips with content, context or field examples of work processes.

2. Video in Webinars: Organizations are rapidly adding video to webinars, with teachers/experts and increasingly with learners as well.

3. Video Sage in the Classroom: Use Video Conferencing or Skype to bring field experts to the classroom, via a large display on the side or front of the room.

4. Capture Thy Classroom: Mounting video cameras and microphones in a classroom, to capture and re-use content and interviews with subject matter experts.

5. Desktop Video Expertise: Coaching, mentoring, “over the shoulder demos” and other forms of performance support delivered to the desktop or mobile device of a worker.
Video in learning is a “go to” tool

6. Field Trips By Video: Manufacturing organizations are placing “always on” video feeds from production and assembly lines to be used by teachers and learners for real-time visits to the field.

7. Video Frequently Asked Questions: Designers and instructors are building collections of Frequently Asked Questions from students to provide low-cost, agile responses for eLearners.

8. Clips for the Classroom: Build a collection of 3 to 5 minute interviews with experts, from your CEO to a famous author, that can be used in a classroom for context or in response to a learner question.

9. Leadership Video Interviews: Give each rising leader a video camera and have them interview peers, customers and other leaders on a key topic – as a core element in the leadership program.

10. Video Brown Bags for Remote Workers: Schedule an hour lunch and chat, using video, with at-home or global colleagues to munch and dialogue on an interesting topic.
DIY health.. Using the devices
What else: CT organizations need to lean up!

- Training organizations have continued to trim costs where needed, with cost-per-hour metrics hitting their lowest levels in six years.
Message to clients: They need you now

• Although training teams added staff this year, the additional headcount has been outpaced by faster growth in the number of learners.

• Today organizations employ 5.2 L&D professionals for every 1,000 learners, down from 6.7 in 2006.
  • This is partly driven by increased scaling provided by technology-based training, as well as the move to informal and collaborative learning, for which coworkers and subject matter experts (SMEs) assume some responsibilities once held solely by L&D staff.

• Shrinking staff-to-learner ratios are putting pressure on many training groups to find creative ways to extend their reach.
Message to clients: You can help fill their skill gaps

• Most companies have considerable skills gaps in their workforces; with a scarcity of skilled talent in the labor market, companies realize they cannot solve their skills shortages externally.

• To achieve competitive advantage, they must commit to developing the right skills **internally.**

• Emphasize this in your copy and sales pitch.
Message to clients: We can help you with performance, measurement and analytics

- More L&D teams are developing skills sets around effective virtual delivery, performance consulting, and measurement and analytics.
Get yourself some analytical thinkers

• The increased focus on measurement and analytics is causing training groups to sharpen their reporting and analysis capabilities.

• Tracking and analyzing data can spotlight issues with cost structures and utilization, as well as assess the value and impact of training on the business.

• This analysis is critical to making sound investment decisions.

• I recommend certificates in analytics.
Have to say—I told you so last year and the year before!

• Much of this year’s focus in learning will be on RETENTION!

• L&D organizations have realized that training must be reinforced to provide lasting benefits. Knowledge and skills that are not applied on the job reflect training dollars wasted.
Attention to retention!

- These efforts include
- manager coaching,
- collaborative tools
- and experiential exercises.

- They also include implementing a cadenced approach to training in which the content is delivered over a longer period of time, with exercises and support in-between training sessions.
Outsourcing.. A best practice for 2013

• One study found that **high-impact learning organizations** spend $1,021 per learner on training – significantly more than the national average. They also deliver more training, at 20 hours per learner annually.

• At the same time, these organizations are able to deliver their services, while maintaining 4.3 L&D staff per 1,000 learners – a significantly *lower* ratio than the U.S. average of 5.2.

• **How do they do it?** These organizations utilize staff effectively, pushing more delivery to local resources and building informal learning environments to provide development and support to learners.

• **In addition, these organizations outsource more learning services** – allocating 20 percent of their training budgets to external providers, versus a U.S. average of 14 percent.
Watch out

• In 2012, the For-Profit Universities world was growing.
• This will mean more competition for you.

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Questions
Need some help? Let me know.

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