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The Impact Measurement Framework: An Update for the Measurement of Informal Learning

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In 2006, we first published the Impact Measurement Framework – a practical, easy-to-use model for the measurement of corporate training. This Framework (see Figure 1) was developed after many years of research, and it gives organizations a clear and actionable set of measures to use in the measurement of any training program[1].

In the intervening years, the training industry has evolved significantly and most training programs now include many elements of informal learning. Our definition of informal learning and our Enterprise Learning Framework[2] describe informal learning as a combination of "formally designed" programs, as well as on-demand, social and embedded learning activities. In this research bulletin, we update the Impact Measurement Framework to include new measures that will help you to understand these new areas of the training program.

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1 For a more detailed explanation of the Impact Measurement Framework, how it compares with the Phillips ROI model and examples of how to implement this measurement strategy, please see, *The Training Measurement Book: Best Practices, Proven Methodologies, and Practical Approaches*, Josh Bersin / Pfeiffer, 2008. Also available at www.bersin.com.

2 For more information, *The Enterprise Learning Framework: A Modern Approach to Corporate Training*, Bersin & Associates / Josh Bersin and David Mallon, April 2009. Available to research members at www.bersin.com/library.

Figure 1: Bersin & Associates Impact Measurement Framework® – The Original

Source: *Bersin & Associates, 2006.*

This Bersin & Associates Framework has now been widely used in hundreds of organizations, and we provide consulting services to help you design and implement it at your company. Tools, like KnowledgeAdvisors Metrics That Matter®, now automate some of the measures, making it easier than ever to use.

The Original Classic Impact Measurement Model

The original model (see Figure 1) was developed to help training managers and executives measure all the critical elements that make a training program successful. Specifically, the measures work as follows.

1. Satisfaction

Organizations measure satisfaction to understand how well the training program met the anecdotal and personal needs of the audience. Much research shows that adults learn when the learning conditions are enjoyable, relaxing and give time for reflection. A measure of program and event satisfaction lets you understand if the content, instructor, delivery technology, facilities, written materials and other learning elements were easy to absorb by the learner. While not the most scientific of measures, learner satisfaction is actually one of the most powerful because it gives you direct feedback on very specific parts of the training. We recommend your satisfaction measures be consistent across all instructor-led training (ILT) programs, all e-learning programs and across all performance support programs – so that you can easily compare elements from program to program. Examples are included in our *High-Impact Learning Measurement*® research[3].

2. Learning

The purpose of training is to teach people, so of course we want to measure learning. In a corporate setting, however, learning is not always an easy measure to capture. If we are teaching a complex topic, like management, leadership or sales, what is it we expect people to "learn?" We can develop a set of learning objectives and a test of those objectives – and this will help us to assess how well the learners absorbed the material. But, in reality, most training programs are attempting to build skills, capabilities, new thinking patterns and new problem-solving techniques, so that the most powerful "learning" measures are measured on the job. Our research finds that only about 45 percent of all training programs attempt to use rigorous testing, so this is a more "optional" measure, depending on your objectives.

KEY POINT

In reality, most training programs are attempting to build skills, capabilities, new thinking patterns and new problem-solving techniques, so that the most powerful "learning" measures are measured on the job.

Today, most LMSs and delivery platforms have embedded assessment tools, so we highly recommend the use of some form of assessment – simply as a way of engaging learners and making sure that you have delivered your core learning objectives. In reality, the ROI of training goes far beyond learning objectives because you are developing an employee's ability to solve problems. Simulation-based programs often measure learning far better than assessments.

3. Adoption

This simple but important measure helps you measure program utilization. How many people attended? How long did they stay? What percent did they complete? How many hours did they spend? No

3 For more information, *High-Impact Learning Measurement: Best Practices, Models, and Business-Driven Solutions for the Measurement and Evaluation of Corporate Training*, Bersin & Associates / Josh Bersin, November 2006. Available to research members at www.bersin.com/library or for purchase at www.bersin.com/measurement.

training program can succeed if the learner does not come, leaves early or rushes through without taking time to absorb the material. Adoption measures are particularly important in e-learning and other forms of self-study training because, without them, you have almost no idea how much value is being delivered. Modern LMSs can easily measure adoption and completion rates for e-learning, as well as capture and store adoption rates for the use of supporting materials and classroom training. Companies can use SCORM[4] technology to track the adoption of PDFs, and even PowerPoint and rapid e-learning materials.

4. Utility

KEY POINT

Measuring "utility" gives you a more useful measure of the actual ROI of a program – and gives you a new dimension to understand how you can make a program more practical, more targeted or more experiential.

We created the "utility" measure to indicate the "value of the training as perceived by the learner and learner's manager." A class might be fun and enjoyable, for example *(and scores high in satisfaction)*, but actually be quite unimportant and irrelevant to an employee's actual job. Utility is usually measured by asking questions, like "how highly would you recommend this course to your peers?" or "how well would you recommend this course to other members of your team?"

Utility can be measured with a few questions *(and interviews of learners and their managers)* – and it adds an important element of "ROI" to the traditional Kirkpatrick measures[5]. It also helps you to understand if you have the "right people" in the "right courses." You might actually have an excellent course for financial professionals that is very useful for accounts payable clerks, but not very useful for accounts receivable clerks. While you may have clearly identified the target audience when the program was created, you might find later that satisfaction levels are directly related to the participants' actual roles, their managers, their locations or other factors. Measuring "utility" gives you a more useful measure of the actual ROI of a program – and gives you a new dimension to understand how you can make a program more practical, more targeted or more experiential.

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[4] "Sharable Content Object Reference Model" (SCORM) is a set of specifications for course content that produces reusable learning objects.

[5] Donald Kirkpatrick's four-level Measurement Model has been widely published in many articles and its terminology is well-known to most training professionals. The original model was published in *Training and Development Handbook*, R. L. Craig, McGraw-Hill, 1976.

KEY POINT

Efficiency is often measured in dollars per hour of development, dollars per hour of delivery and the burdened cost of fixed investments.

5. Efficiency

Ultimately, all training programs are an expense *(except for customer training, which generates revenue)*. So, despite the strategic nature of the program, we want to find ways to train people at the lowest possible cost. Cost includes the cost of development, the cost of infrastructure (fixed costs, such as LMSs, classrooms, buildings, et al) and the variable costs of delivery. Delivery costs can include everything from instructors' salaries to coffee to materials – and should ideally also include the cost of an attendee's travel and time away from work. If a two-day course has utility level X and a three-day course has utility level Y, can you tell if the extra day was worth it? In most cases, it is not – but you can only answer this question if you really understand the efficiency (or cost) of the program.

Efficiency is often measured in dollars per hour of development, dollars per hour of delivery and the burdened cost of fixed investments (e.g., take the annual cost of your LMS and divide it by the total number of hours you deliver). I personally believe we owe it to ourselves and our leaders to continuously measure efficiency, and always look for ways to drive down the cost of development and delivery. The training industry is constantly innovating new ways to build and deliver content, so this will force you to always look for better tools, more focused consultants and new ways of delivering more information to more people at a lower cost.

KEY POINT

Our research over the years has shown that the most important measure of all is alignment.

6. Alignment

Our research over the years has shown that the most important measure of all is alignment. It really does not matter how well you train your employees how to do something if there is something more important for them to learn. This is a glib statement. In reality, it is very difficult to manage the vast portfolio of training that an organization demands. Your job is to constantly go through a process of "portfolio management," so that you can redeploy resources to the most urgent and timely programs, and let the less important ones starve or stay in maintenance.

Our Training Investment Model[6] is an excellent, easy-to-use tool to help you make these decisions.

In the context of measuring individual programs, you can standardize the measurement of alignment by adding measures like:

- Level of buyoff on the program by executive management;
- Learner's assessment of strategic value to the organization;
- Manager's assessment of strategic value to the organization;
- Output of potential ROI from the performance consulting process; and,
- Anecdotal conversations with learners and managers about the strategic value of the program.

7. Attainment

KEY POINT

You must adequately understand the customer's direct needs – and you must consider these demands as sacrosanct.

This measure refers to the "attainment of customer objectives." As Six Sigma[7] teaches us, no internal program is of value unless it reflects the "voice of the customer." If the customer is happy, we must assume that we did our job. In this area, it is important for you to adequately understand the customer's direct needs (e.g., the course must be completed by May 31, the course cannot be longer than one day, the course must teach people how to avoid breaking the following equipment, et al) – and you must consider these demands as sacrosanct.

By specifically taking these measures and breaking them out from your other measurement areas, you reserve a very specific "voice of the customer" measure – which you can then use to drive your organization to capture customer needs, reflect these needs in the program and attain these goals.

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[6] For more information, *The Training Investment Model: How to Allocate Training Investments for Optimum Business Impact*, Bersin & Associates / Josh Bersin, November 21, 2008. Available to research members at www.bersin.com/library.

[7] "Six Sigma" is a rigorous, focused, high-impact process that uses proven quality principles and techniques to reduce process variance. For more information on Six Sigma, please visit www.sixsigma.com, which offers articles and easy-to-read examples of how to apply Six Sigma to any business process.

KEY POINT

We want to measure the individual and organizational outcomes from training. Ideally, if we do a good job of performance consulting, we will change the performance of the team by improving the performance of individuals.

8. - 9. Achievement of Individual and Organizational Performance Objectives

Finally and most importantly of all, we want to try to measure the individual and organizational outcomes from training. In some sense, we must remember that all "organizational performance" is really comprised of "individual performance" – so, ideally, if we do a good job of performance consulting, we will change the performance of the team by improving the performance of individuals.

What we measure here are broad things, like improvement in revenue per employee, reduction in error rates, improvement in retention, reduction in grievances, and ultimately revenue and profit. Our experience in the measurement of hundreds of programs shows that you can never guarantee that a positive outcome is 100 percent due to training – but you can easily tell what impact training likely had by looking at before and after results, isolating groups that went to training and comparing them to other groups, and actually interviewing teams that went through training to see how well they feel they have performed. These types of measures must be done regularly to help you stay "true to course" – because, ultimately, training is simply a tool to improve performance and only by clearly understanding what "performance" means can we make sure the program is carefully designed well.

This model has been in the marketplace for nearly six years now, and thousands of companies have used it to implement actionable and practical measurement programs for training. But since it was developed in 2005 and 2006, it never truly integrated the concepts of formal training.

How do we measure all the "informal" elements of training? How do we understand the ROI and impact of these more ad-hoc and "undersigned" parts of the environment?

Update on the Model for Informal Learning

Over the last five years, Bersin & Associates has developed a widely recognized framework for informal learning. This framework identifies that, in addition to formally designed programs (such as ILT or e-learning), there are three types of "informal learning" which we can adopt.

1. Learning On-Demand

Here we include the wide variety of references, job-aids, online videos, podcasts, books, articles and other type of supplementary materials which aid in an employee's learning or job performance. These items may or may not be in electronic form.

2. Social Learning

With social learning, we include the wide variety of online and in-person social experiences which include the use of collaboration systems, blogs, wikis, social networks, question-and-answer databases, group projects and discussions, and even coaching programs.

3. Embedded Learning

Embedded learning encompasses all of the institutionalized processes that drive learning in a tacit way – such as customer advisory boards, rotational assignments, development planning conversations and employee feedback.

Let us assume that you fully understand all of these types of learning elements and decide to measure all this "informal stuff." *How do you do it?*

KEY POINT

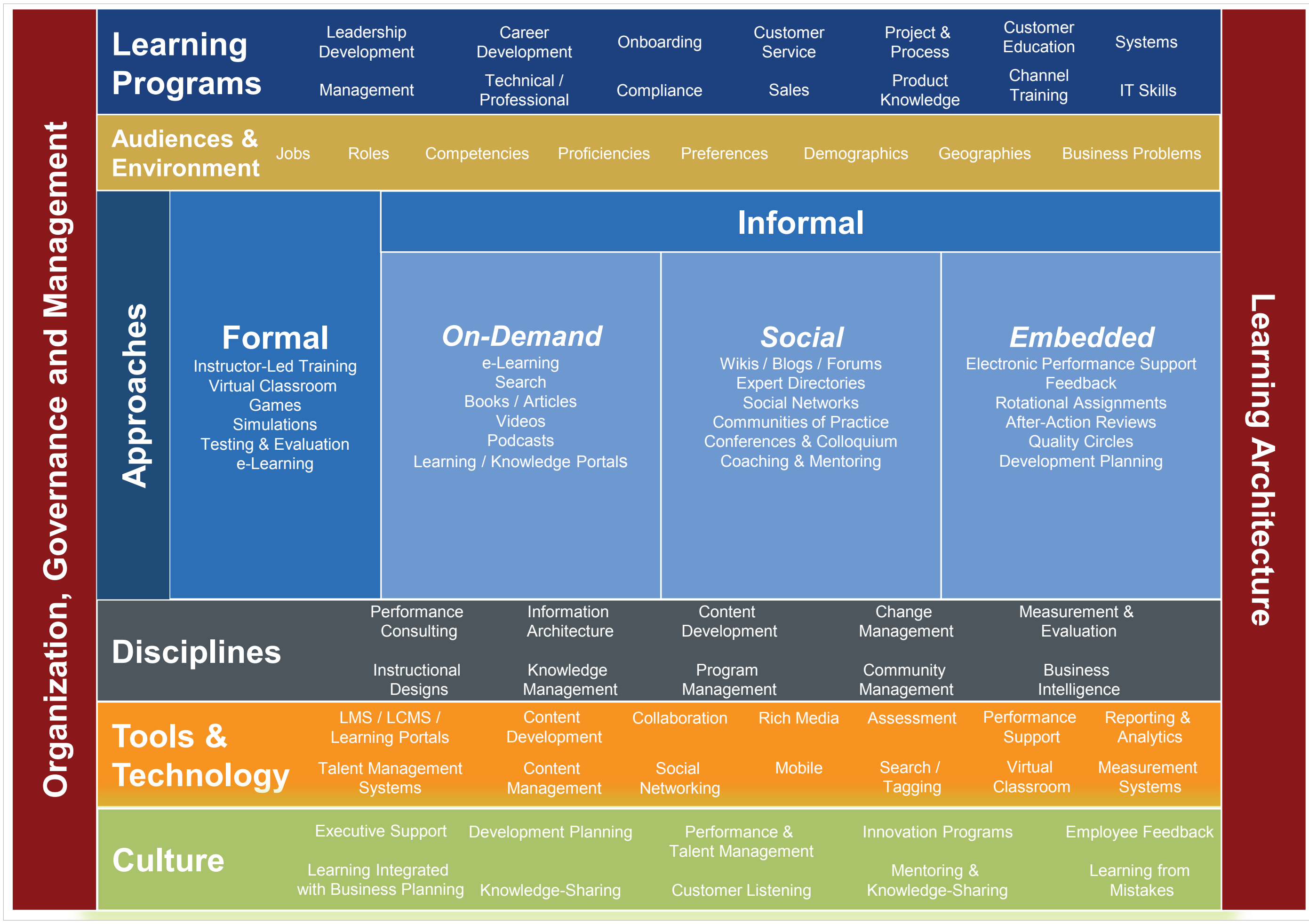
Our research over the last few years has shown that today many companies still do not fully understand the power of informal learning.

Our research over the last few years has shown that today many companies still do not fully understand the power of informal learning; they attempt to measure these elements, so that they can cost-justify their existence. In reality, this is a silly exercise *(because our research proves definitively that employee knowledge-sharing and collaboration are two of the most important elements of organizational performance)*, but it is a real need, nonetheless. In the next section, I discuss three ways to measure informal learning that will give you both actionable information *(information you can use to improve the program)*, as well as real ROI data.

Update on the Model for Informal Learning

While we hate to confuse an already-confusing topic, what we did was add three additional elements to our Impact Measurement Framework – contribution, feedback and activity.

Figure 2: The Informal Learning Model – Enterprise Learning Framework



Source: *Bersin & Associates, 2011.*

1. Contribution

The first and probably most important measure of the effectiveness of informal learning is how widely and deeply people are contributing content. Let us suppose, for example, that you decide to create a "knowledge-sharing" portal to supplement your new-hire training program. Employees are asked to contribute their own experiences and findings about how to best become integrated into the company. One of the most important measures of success here would be levels of contribution, as follows.

- How many people are contributing content?
- What percent of the total audience is contributing content?
- How frequently are people adding content?
- What are the demographics of the people who are adding content?

These types of measures will immediately tell you how well the system is adding value. If content is being added, then employees feel empowered and enabled to share information. They must find the system easy to use – and they must feel comfortable interacting with their peers. If, on the other hand, very few people are adding content, then your informal learning environment is failing in one of many possible ways, as follows.

- You have not clearly provided guidelines on what they can or should contribute.
- Your system is hard to use.
- Your management culture does not promote sharing and feedback (*read our research, High-Impact Learning Culture®*[8] *for more details on this critically important topic)*.
- The program itself is intimidating or perhaps too difficult to elicit feedback, or maybe misaligned.
- The learners do not understand who else is in the environment and why they should collaborate.
- You have not adequately marketed or clarified the need for contributions by learners.

KEY POINT

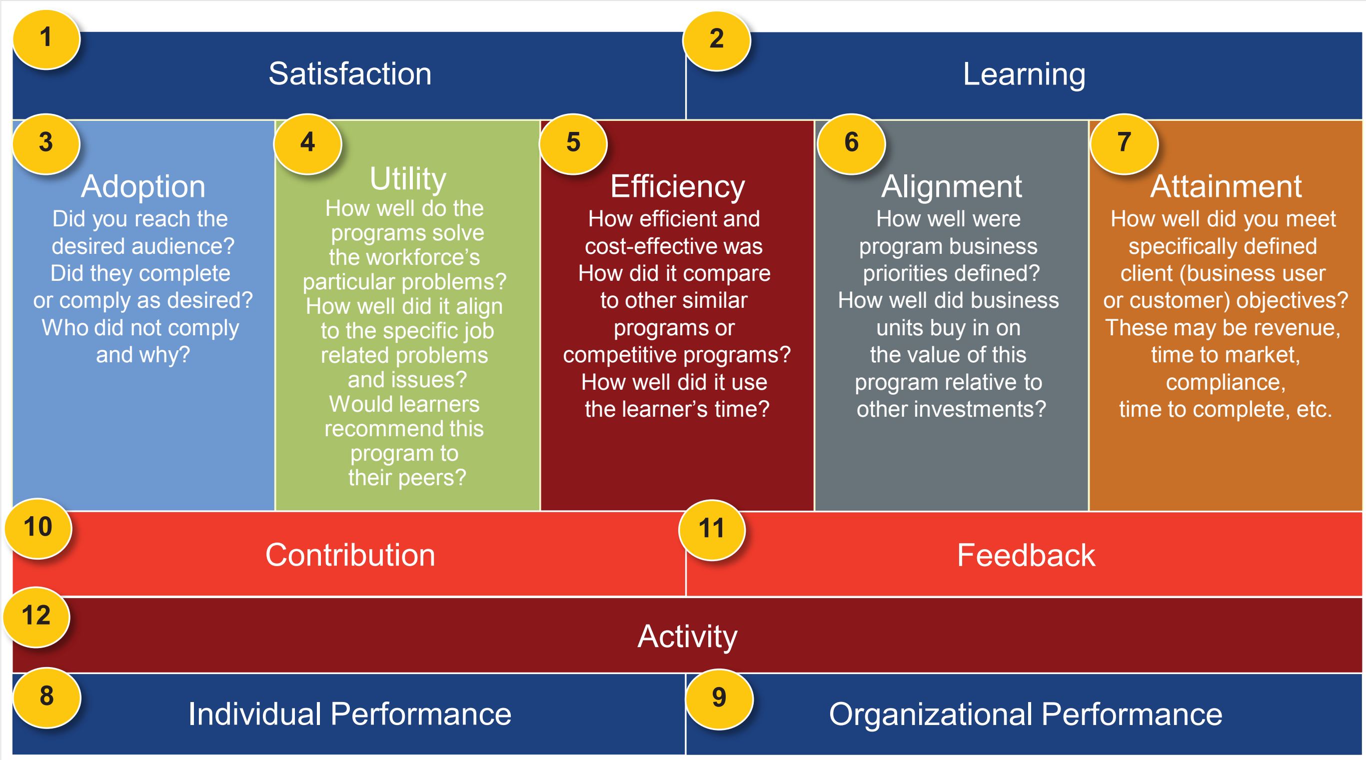
As simple as it sounds, one of the first and most important things to measure is "who is contributing and why."

As simple as it sounds, one of the first and most important things to measure is "who is contributing and why." If you find that one group is active and others are not, this is a good opportunity for detective work.

Many engineering and technical organizations find a very active informal learning network taking place among technical professionals, but little or

[8] For more information, *High-Impact Learning Culture: The 40 Best Practices for Creating an Empowered Enterprise*, Bersin & Associates / David Mallon, June 2010. Available to research members atwww.bersin.com/library.

Figure 3: Bersin & Associates Impact Measurement Framework® – With Informal Measures Added



Source: *Bersin & Associates, 2011.*

no such informal learning taking place among salespeople. This is often both a cultural and technical problem. Salespeople are paid to deliver revenue, not to help others – so you should consider your rewards structure, and whether or not it actually incents informal learning. Informal learning of this type also requires typing and writing skills – salespeople may dislike typing and writing, and just might rather contribute verbally or in person.

KEY POINT

You should make it very easy for people to provide feedback – and make this feedback public.

2. Feedback

The second way to measure informal learning elements is by enabling the now-famous, five-star rating system. As companies like Amazon.com, eBay, YouTube and thousands of others have found, we can rapidly determine how successful or popular something is by letting people easily rate it. You should make it very easy for people to provide feedback – and make this feedback public. Let employees add open comments to materials, so that you and they can understand why something is useful and why it is not.

KEY POINT

Easy-to-use sharing portals have proven to be wildly successful in developing new content, empowering employees to help each other, and creating a "feedback-rich" and highly dynamic learning experience.

Unlike the public Internet, your internal informal learning environment should not let employees remain anonymous. This means that, when employees provide feedback, they are reflecting not only their own personal opinions, but on their personal values, as well. This prevents employees from randomly rating things high or low, and it encourages employees to think carefully as they offer feedback. Ultimately, as the "wisdom of crowds" has proven, this feedback loop provides tremendously important learning. It lets you get out from the middle of the workforce learning environment and enables employees to teach each other.

Case in Point

Companies (like British Telecom, NetworkAppliance, Intel and The Cheesecake Factory) now offer employees open, easy-to-use sharing portals through which they can upload videos, audios and documents that show others how they have solved various problems. Such environments have proven to be wildly successful in developing new content, empowering employees to help each other, and creating a "feedback-rich" and highly dynamic learning experience.

You can measure various elements, such as:

- Volume of feedback provided;
- Percent of positive and negative feedback;
- Percent of feedback distributed by audience type;
- Areas in which feedback is high or low; and,
- Types of feedback.

Trust us – opening up this type of system will do good things for your organization. In addition, you can measure its effectiveness and value by measuring the volume, level and distribution of feedback.

3. Activity

Finally, since informal learning is by definition "not designed," the actual elements that we offer people are optional. What we must measure, then, is how frequently they are actually used. How many people downloaded a certain PDF and how frequently? How often does an individual use or view a certain tool or assessment? In some sense, "activity" is an updated measure of "adoption" – but realigned for informal learning.

KEY POINT

In our research library, for example, we carefully track the download history of all research members, which tells us what research is the most interesting and useful – and perhaps what research was hard to find or of a lesser value.

In our research library, for example, we carefully track the download history of all research members across all reports. We track their activity by time of day, by topic and by research type. This tells us what research is the most interesting and useful – and perhaps what research was hard to find or of a lesser value.

While activity will not necessarily tell you the ROI of an informal learning element, it will implicitly tell you how useful (utility), valuable (aligned) and convenient it is. If you adopt individual development plans (IDPs), you certainly want to track the number and percent of employees who have IDPs, and then the level of activity toward completion of them. If you implement after-action reviews, you want to measure the attendance at these events, as well as the frequency and regularity of these events.

So, in the informal learning area, while activity may seem tactical, it is often one of the most important measures we have. You should put in place the software and systems that can help you track and measure activity on a regular and granular basis.

How Do You Measure the ROI of an Informal Learning Program?

Finally, let us address the burning question that we hear from many organizations – how do I measure the ROI of a new, incremental, informal learning program?

Our research leads us to suggest three different answers, each of which is important.

1. Find Places in Which Informal Learning Is Already Taking Place.

Before you set out on a major project to compute the financial return on a set of job-aids of collaborative environments, look around for places in which it is already happening. In nearly every company, there are workgroups which have already adopted sharing, job-aids, knowledge databases, lists of experts and other forms of informal learning. Take some time to seek out these job-aids and listen to the people who are using them – they will give you highly valuable anecdotal information about how much time, money and effort these have saved. This information should be used to create a "model" that you can repeat – and these people will stand up and help you cost-justify investments for a broader or enterprisewide implementation.

KEY POINT

Take some time to seek out these job-aids and listen to the people who are using them – they will give you highly valuable anecdotal information about how much time, money and effort these have saved.

Good places to look include technical support, customer service, engineering, research, maintenance, repair, and other technical or highly operational workgroups.

2. Understand Why You Are Being Asked for ROI.

Who is asking for ROI and why? In many cases, the underlying reason you are being asked about ROI is fear – fear of the unknown. The cost of social and informal learning is often near zero *(there are a wide variety of free and public domain knowledge-sharing and informal learning environments)*, so the real "cost" that people worry about is the loss of control by legal, management or L&D itself.

Has anyone asked about the ROI of using the telephone at work – probably not because we consider it an essential communications tool. Before you set out to build an ROI model, make sure you understand what costs and risks you are being asked to overcome.

3. Look at Existing Measures in Your Workplace That Are Hidden Costs Today.

Informal learning is usually not cost-justified by helping people "learn better" – but more often by helping people save time, reduce errors, improve teamwork, and ultimately improve employee engagement and retention.

KEY POINT

Informal learning is usually not cost-justified by helping people "learn better" – but more often by helping people save time, reduce errors, improve teamwork, and ultimately improve employee engagement and retention.

Imagine, for example, that you are trying to improve your customer service training program – and are in the middle of developing a highly blended program which teaches customer service agents how to process transactions, interact with customers under a variety of conditions and implement your service culture. During the performance consulting process, ask managers questions such as the following.

- How long does it take for service reps to find the information they need?
- What kinds of problems do they encounter that we may not predict will happen?
- What are the scenarios that hold them back from achieving success which may not be actual "learning" problems?
- What information and news do they need to do their jobs well?

You will find that, in every operational *(and even leadership)* environment, there are a wide variety of well-known problems which simply cannot be solved by formal training. These are problems that are informational in nature, might be rapidly changing, require deep expertise on the part of the employee and, in fact, are best-handled by experts, not the training department. Once you have a list of these challenges, you will find that they simply do not fall into the typical "learning objectives" in a formal course.

In addition, you will find that one of the most important things you do have to teach in most environments is "how an individual can seek out and find a solution to a problem" – which is not specifically addressed in this class. Where does an individual go for help? What process and methods should they use to solve a new and unique problem? These "second-loop" learning problems exist in all training situations – and what you will find is that they are common, difficult to solve and have a huge cost.

The answer to many of these problems is an informal learning solution. A simple "expertise directory" or series of online job-aids might be the best possible solution. Once these problems are clearly articulated by your business customers, you will no longer be asked to "cost-justify" a social or collaborative learning environment.

Bottom Line

KEY POINT

Our research has shown that, in today's highly connected environment, employees of all ages understand the power of informal networking and learning on-demand.

Our research has shown that, in today's highly connected environment, employees of all ages understand the power of informal networking and learning on-demand. While your organization might have legal or compliance challenges which prevent the open sharing of information, more and more companies are finding that they can relax these standards as long as guidelines are clear and internal systems are protected. Even email *(which is ubiquitous today)* can be considered an "informal learning" tool – so why would an organization be afraid of a knowledge-sharing portal or open discussion database?

Concluding Thoughts

The problem of training measurement will be with us for a long time to come. The models presented here are based on practical, real-world experiences which we have learned in talking with hundreds of successful organizations. If you have developed a measurement strategy, program or technique that you would like to share, we welcome your feedback and contributions.

The Bersin & Associates Membership Program

This document is part of the Bersin & Associates Research Library. Our research is provided exclusively to organizational members of the Bersin & Associates Research Program. Member organizations have access to the largest library of learning and talent management related research available. In addition, members also receive a variety of products and services to enable talent-related transformation within their organizations, including:

- **Research** – Access to an extensive selection of research reports, such as methodologies, process models and frameworks, and comprehensive industry studies and case studies;
- **Benchmarking** – These services cover a wide spectrum of HR and L&D metrics, customized by industry and company size;
- **Tools** – Comprehensive tools for HR and L&D professionals, including tools for benchmarking, vendor and system selection, program design, program implementation, change management and measurement;
- **Analyst Support** – Via telephone or email, our advisory services are supported by expert industry analysts who conduct our research;
- **Strategic Advisory Services** – Expert support for custom-tailored projects;
- **Member Roundtables®** – A place where you can connect with other peers and industry leaders to discuss and learn about the latest industry trends and best practices; and,
- **IMPACT® Conference: *The Business Of Talent*** – Attendance at special sessions of our annual, best-practices IMPACT® conference.
- **Workshops** – Bersin & Associates analysts and advisors conduct onsite workshops on a wide range of topics to educate, inform and inspire HR and L&D professionals and leaders.

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