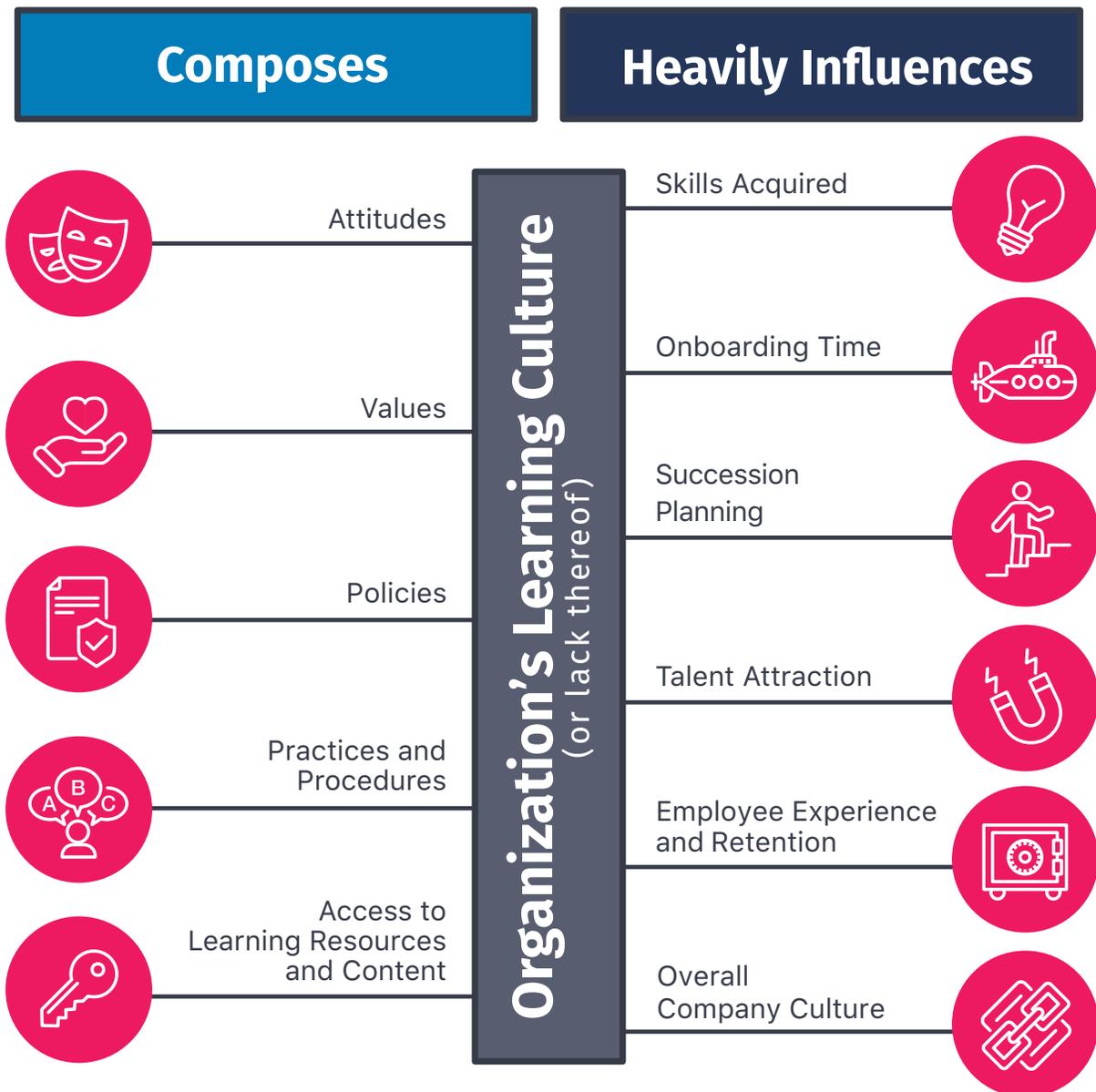




# Ten Benefits of a True Learning Culture

## What is a Learning Culture?

A learning culture is a set of organizational values, processes, and practices that encourage employees — and the organization as a whole — to continuously learn and add new skills. An organization with a true learning culture improves employee morale, reduces turnover, attracts better talent, fosters innovation, creates more effective teams, and is generally more productive. After discussing these benefits, let's review the seven basic steps for forming an intentional learning culture.



## Moving from a Training Culture to a Learning Culture

Most HR and learning professionals aim to build organizations that value learning. But many companies do not have a true learning culture. At best, they have what one would call a “training culture.”

What’s the difference? In a training culture, performance problems are tended to with training. The challenge, from this point of view, is getting good content, delivering it efficiently, and tracking completions. Much less attention is paid to the context surrounding training, such as employee and management attitudes, engagement, and so on. Training is largely centralized and instructor-led, and measures success in terms of delivery.

Although employees might still receive formal training, they are encouraged to **learn on their own** as needed.



A learning culture, on the other hand, focuses more on workplace outcomes than on attendance at training events. Although employees might still receive formal training, they are encouraged to develop a thirst for ongoing learning and empowered to learn on their own and discover new skills outside of what's required for them to do their current job.

The focus is no longer on finding ways to deliver content efficiently, but rather on finding ways to make content relevant to the demands of the job, the current workplace, and the long-term goals of the company. Learning becomes more readily accessible, learner-driven, and measured in terms of job productivity, employee retention, culture change, and more.

The old training culture is no longer sufficient to meet the demands of modern organizations. In today’s workplaces, information gets updated and changed at a rapid pace, and employees need instant access to the best, most relevant content available.

They cannot wait for a single event or training for this to happen. At the same time, employees need to be encouraged to obtain not only the skills they need now, but the skills they will need in the future.

A learning culture, on the other hand, can handle these challenges. Instilling a learning culture sets the tone for the entire “learning ecosystem.”

# Learning Culture Defines the Learning Ecosystem

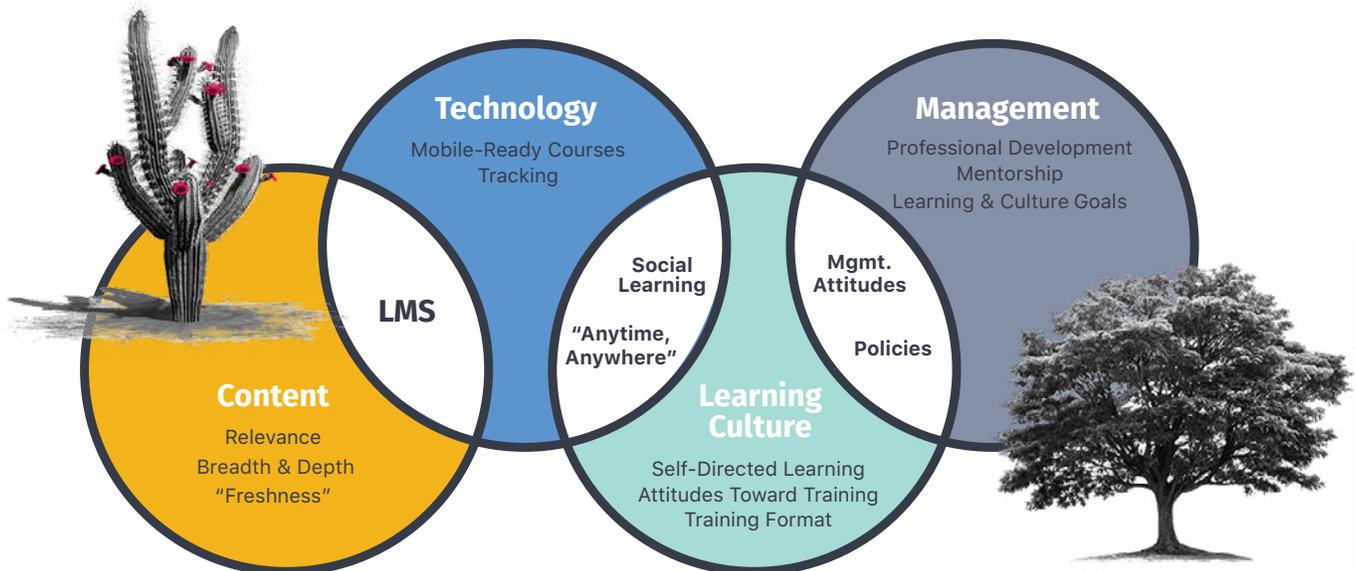
A learning ecosystem is the total web of learning resources surrounding an individual within a specific context. It includes not only content, but content management systems/ learning management systems, coaches and mentors, events, and even the places and times when learning occurs. In essence, it is the overall structure in which all learning takes place.

How does an organization's learning culture fit into this picture? The learning culture provides a set of organizational values, processes, and practices that shape the overall learning ecosystem. Just as a real ecosystem is shaped, over time, by the actions of the people and things in it, a learning ecosystem is shaped over time

by the actions of the people in it and the technologies and outside partners invited in.

Every organization has values, processes, and practices when it comes to learning—even if that practice is to do nothing at all. This means that organizations are left with two choices when it comes to learning culture: They can be intentional about it, or they can pray for a happy accident...

In other words: It is critically important for organizations to form and foster a learning culture, and to do so in an intentional, strategic way. Here are the benefits to organizations that intentionally build a learning culture:



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## Benefit 1:

### Learning Cultures

#### Engage Employees and Improve Morale

Employees respond better, and are more engaged, when they feel that their employer is investing in them. Building a learning culture shows employees they are valued and gives them the confidence to do the job well. As a result, morale and motivation increase.

This is especially true of millennials, who now make up a significant proportion of the employee pool. Recent numbers from Gallup found that 87% of millennials rated “professional or career growth and development opportunities” as important to them in a job. The same report found that only 39% reported having learned something new in the past 30 days that they could use to do their jobs better.

In fact, organizations are struggling to build morale by providing professional development across the board. One recent survey of 2,000 employees, conducted by [jobapplicationcenter.com](http://jobapplicationcenter.com), found that 18% of respondents do not feel confident that their employer will take care of them. Only 22% felt confident or very confident. In other words, today’s workers are not at all convinced that their companies are looking out for them. And yet, one of the easiest ways to generate that sentiment is to invest in employees and their professional development.

And if that’s not enough to convince you, consider this: 58% of workers turn to company-sponsored skills training to deal with stress at work. So, if nothing else, having the right learning culture can help your employees better deal with the demands of the workplace, keeping engagement and morale high.



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## Benefit 2:

### Organizations with Learning Cultures Reduce Turnover, Save on Hiring Costs

A survey done last year by Express Employment Professionals found that a whopping 40% of employees who leave their companies do so because of “lack of advancement/opportunity.” If there are few avenues for learning and progression, employees easily feel “stuck” and begin looking for new opportunities elsewhere.

That turnover is very costly. Estimates vary, but direct costs of recruiting a new replacement usually amount to more than \$7,000 by themselves, with indirect costs bringing this up to as much as 50% of that employee’s annual salary. (The direct costs include money and time spent finding, assessing, and training a replacement, while indirect costs factor in things like lost worker productivity, legal fees, negative impact on employee morale, negative impact on clients, and so on.)

Of course, a large chunk of those indirect costs stems from onboarding and training. Those training dollars would be much better spent giving existing employees new skills, rather than getting new employees “up to speed.”

A true learning culture, then, helps companies retain their best talent and avoid the costs associated with constant turnover.

They also tend to build good talent pipelines that prepare employees for the “next step” in their journey with a company. By developing talent and promoting from within, organizations avoid costly searches for talent down the road.



A true learning culture, then, helps companies **retain their best talent** and avoid the costs associated with **constant turnover.**

## Benefit 3: Learning Cultures Attract Better Talent

Even if an organization minimizes turnover, it will still need to hire talent at some point. This is especially true if the company is growing rapidly and creating new positions. In these cases, new hires must hit the ground running, getting up to speed quickly.

The problem for most organizations is that those “A-players” are usually employed elsewhere —perhaps even with a competitor. They are passive candidates, not actively searching for a new position. The challenge is not so much finding and vetting the right candidates, but finding ways to entice the right candidates away from the security of their current position.

Interestingly, Deloitte did a study where they collected information from Glassdoor.com, a website where employees can anonymously rate their employers. Combing through data from 2.2 million employees, they found that, more than any other factor, a company’s culture and values contributed most to its reputation as a prospective place of employment. In fact, culture and values were almost five times more predictive of whether another employee would recommend working at a prospective employer.

The second-most-important factor? Career opportunities.

In a true learning culture, employees are empowered to seek out the skills they need and pursue opportunities as they arise. This can be a powerful force for attracting talent to your organization. In fact, your current employees will become your best champions, encouraging others to come work at your company.



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## Benefit 4:

### Companies with Learning Cultures Instill a Growth Mindset

Dr. Carol Dweck, a research psychologist at Stanford University, found that individuals with a growth mindset—people who enjoy challenges, strive to learn, and uncover ways to develop new skills—work harder, perform better, and adapt to change more easily than those with a “fixed” mindset.

Dr. Dweck's book *Mindset: New Psychology of Success* discusses the idea of a growth mindset and how it can make the difference between those who are successful, and those who are not. Importantly, Dweck emphasizes that a mindset is not something you are stuck with but rather something you can choose, learn, and develop.

A learning culture is a great way to foster that development and thereby help create successful employees.

Dweck's work has been extended and shown to apply to entire organizations as well. True, an organization cannot literally have a “mindset” in the way a person does. But its culture can mirror and foster a mindset in individuals. When an organization's culture mirrors the kinds of beliefs and attitudes found in a growth mindset, employees feel more connected and valued, are more prepared to handle change, and welcome increased innovation.



A learning culture is a great way to foster that development and thereby help **create successful employees.**

## Benefit 5:

### Learning Cultures Tend to Have More Self-Directed Learners

Companies with traditional training cultures often want centralized learning solutions that they can control. In practice, this often translates to “training events” where instructors choose the content and guide learning.

This is counter to the way most people learn best. For example, YouTube now has hundreds of channels devoted specifically to DIY projects and repair videos. The billions of viewers who flock to those videos are not taking formal courses in electronics,

welding, laptop repair, or similar areas—they are simply learning new skills one video at a time.

For this reason, companies with true learning cultures are encouraging self-directed learning so their employees can access useful content as needed, when needed.

This kind of on-the-job, just-in-time learning has several benefits for organizations:



**It empowers employees to find relevant content, just when needed.**

One survey by Elucidat found that when companies allow self-directed learning, 52% of employees accessed content right at the point of need. This could occur on their phone, during the commute, or after hours.



**It can accommodate different learning needs easily.**

Employees can engage and re-engage with content whenever and wherever it works best for their schedules, boosting completion and retention rates.



**It helps to identify high-potential employees.**

Employees that take to self-directed learning show initiative and are candidates for further training and promotion, supporting succession planning.



**It improves communication within teams... and across silos.**

There is a critical need in today's workplace to communicate across silos and in teams with diverse talents and backgrounds. When employees have the opportunity to explore topics not tied to their specific roles, they learn how to “talk the talk” of other departments, making them better team members overall.

**That said, the right resources have to be in place to allow this kind of self-directed learning—platform-independent content and mobile-ready learning management systems, for example.**

## Benefit 6:

### A Learning Culture Prepares Organizations for Change

Change is a fact of life for today's businesses. When change comes, new skills will be needed—and it is difficult, if not impossible, to know in advance which specific skills will be needed.

When new skills are needed, what's the most cost-effective way to get them? Training on the job is one way. This can include one-time training efforts to teach a specific, practical skill, as well as more sustained efforts to prepare employees for future promotion. (Promoting talent from within has another benefit: Internal candidates know the business and the company culture better, making onboarding less strenuous.) Of course, having fresh, updated content is critical to making sure that the right skills are put in place, such as conflict management or transformational leadership.

Technology shifts put a strain on employee skill sets as well. As technology improves, employees need to learn new tools, or be retrained on new devices, new software and mobile apps, and new social media sites (or the new features of existing ones.)

Because tech skills vary from individual to individual, and comfort levels with technology even more so, individualized learning often works better than traditional classroom settings. A good learning culture encourages employees to learn these new tools in a self-directed way.



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## Benefit 7:

### Learning Cultures Better Foster Innovation and Creativity

Learning is not just a matter of passively accumulating existing information. As employees absorb information, they will begin to see new connections and patterns. They might even get ideas for fresh products and processes, and dare to try new things.

This isn't just the stuff of inspirational posters. A study from Bersin by Deloitte found that companies with high-impact learning cultures are 32% more likely to be first-to-market with an innovative product or service. They also have a 26% better track record for delivering quality products, and an overall 34% better response rate to customer needs.

In fact, many businesses are now striving to create "cultures of open innovation" where new, outside-the-box ideas are not only heard, but given support by leadership.

Innovation does not happen simply by piling on more content. It takes a commitment to learning, and an approach that empowers and encourages employees to learn as much as they can, voice new ideas, try new things, and act on constructive feedback. These are cultural elements.



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## Benefit 8:

### Learning Cultures Create Opportunities for Collaboration and Social Learning

Just as today's learners are more self-directed, they are also more likely to turn to their peers and social networks for information and insight. Companies that foster a learning culture allow and enable this kind of social learning.

What does this social learning actually look like? It can take many forms.

These informal learning channels can be so rich in information that some companies are starting to build social learning tools right into their LMS. This allows employees to see what their friends, peers, and coworkers are learning, commenting on, and recommending. This can motivate them to learn new topics and recommend others themselves. Friendly competition, in the form of leaderboards, knowledge sharing, and training reinforcement quizzes, encourages employees to up their game when it comes to their self-directed learning.

There are a number of case studies showing that social learning initiatives' payoff is growing. For example, Harvard Business School saw a huge leap in engagement by adding social learning to their online courses. Student questions were answered by other students 75% of the time.

In another example, Marriott Hotels found that their traditional training methods were untenable as they expanded globally.

The company rolled out a social platform that increased learning and decreased user questions over eight global call centers. Users also began using the platform for recognition as well as learning.

Social learning only works, however, if you have a learning culture in place, empowering employees with the right kinds of tools. These tools should help them direct their learning efforts without distraction.



Reading short articles or statistics being shared on Facebook or Twitter



Reaching out with a question or request on LinkedIn or Quora



Observing the opinions of others in a forum or on a bulletin board



Receiving mentoring from a supervisor or coworker



Engaging in informal conversations, online or in-person

## Benefit 9:

### Companies with Learning Cultures Have Better Teamwork and Communication

Quite often, projects are delayed or over budget because of communication errors. Many of these errors occur because different departments “speak different languages.” Not literally, of course. But every department has its own lingo, focused on the tasks it needs to do. Confusions arise when, for example, sales has to work with marketing. Or marketing has to work with IT. Or when HR has to work with legal, etc...

As mentioned above with self-directed learning, employees will communicate better if they have the opportunity to learn the lingo of other departments. For example, a sales manager might take an introductory course in marketing, or an administrator might learn Excel to better communicate with the CFO’s team during budget time. Sometimes, simply understanding the basics

of another field of expertise is enough to be able to communicate with experts more efficiently.

Communication also relies on “soft skills.” Many employees do not know the most effective ways to collaborate, convey information, or express their opinions in a fair, but clear way. In companies with strong learning cultures, employees are more likely to seek out help with these soft skills.

Neither “cross-silo” learning nor development of soft skills typically happen on their own unless there is a strong learning culture in place. But when it is in place, it does not matter whether the learning is instructor-led or self-directed. Employees are receptive to information that can make them better team members.

Employees are receptive to information can make them **better team members.**



## Benefit 10:

### Businesses With a Learning Culture Are Clearly More Successful

Good training, by itself, already has a large ROI. (We've often shared the statistics from Accenture showing that for every dollar invested in training, companies received \$4.53 in return — a 353% ROI.)

Still, this statistic does not show that investing in building a learning culture by itself will net a greater return. Part of the problem is that most organizations do not have a true learning culture—only 1 in 10, by some estimates.

Making things even more difficult, many of the benefits of a true learning culture are hard to measure. For example, how does one measure an organization's readiness to tackle change? Or the quality of its cross-silo communication?

All that said, an older study from Bersin by Deloitte found that companies with strong learning cultures tend to significantly outperform their peers in many ways.

One does not need to look at the precise stats, though, to know that companies with great learning cultures do better. Learning culture is the key difference that let Apple take away the mobile market from Nokia, and that let Google take away the search and online advertising market from...well, everyone.



# 32%

more likely to be first to market with an innovative product or service.

# 26%

better track record for delivering quality products.

# 37%

greater employee productivity.

# 17%

more likely to be market share leader.

For every dollar invested in training, companies received **\$4.53 in return (353% ROI).**

## Best Practices for Building a Learning Culture

Building a new “culture” in any organization is a real challenge. But, as they say, most things that are hard to do are, in the end, worth it. As we have seen above, just about every quality of an organization that corporate leadership is seeking these days—ability to handle change, innovation, engagement, and more—can be fostered by a learning culture.

So how do you get started?

Here, we present you with the seven basics.

1

### **Make learning part of the bigger picture.**

Learning, talent management, and company growth should all go hand-in-hand. Put learning in the larger business context, and understand why it is a priority.

2

### **Get management buy-in.**

Management should understand how learning is part of the bigger picture, too. Make sure they have the information they need. Managers should formally or informally imply permission to all employees to participate in the learning culture.

3

### **Start with the training you have...**

Make existing required training activities interesting, useful, and entertaining for learners. The more you do this, the more training will be used—and talked about.

4

### **...and supplement with new resources.**

People are always curious about new technology. Encourage learning with online content, short videos, or mobile apps and websites.

5

### **Make the case for self-directed learning.**

Not only is it the trend in learning generally, but as we outlined above, it has several advantages for businesses.

6

### **Think access.**

Can employees access content at home? On the road? On their mobile devices? When can they access it? Start getting people used to the idea that learning is continuous, not just a special event.

7

### **Make learning an organizational habit.**

Institutionalize learning by incorporating incentives into every learning process and training program. Make expectations known and follow up consistently.

## Further Reading

On having a "growth mindset":

["The Power of Believing You Can Improve"](#)

Growing a learning culture:

["10 Steps For Growing Your Learning Culture"](#)

HSI white paper on the four most common types of learning culture:

["The Four Types of Learning Cultures"](#)

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