The Learning Optimization Model

A world-class continuous improvement measurement solution designed by the Learning Industry for the Learning Industry.

In March of 2019, several leading learning organizations and experts decided it was time to **better demonstrate learning's value and optimize its impact.**

Other industries developed continuous improvement measurement solutions decades ago and created tremendous shareholder value. Jack Welch made Six Sigma famous by declaring that it created billions of dollars in shareholder value simply by reducing waste in the manufacturing process and increasing productivity, quality and customer satisfaction. Today, virtually all successful manufacturing organizations use a continuous improvement measurement solution.

Over the past several decades, as the service sector has grown dramatically, the Talent Development Process has become arguably more important than the Manufacturing Process. It is now time for Talent Development to have its own continuous improvement process and create billions of dollars for its shareholders.

Why Does the Learning Optimization Model Matter?

- ✓ According to recent research by Harvard Business Review and McKinsey, most corporate learning organizations are not able to demonstrate measurable value or sufficiently meet the needs of employees or managers.

- ✓ Other industries have created continuous improvement methodologies such as Six Sigma, Lean and Net Promoter System to mitigate waste and improve productivity.

- ✓ EY research suggests implementing an effective continuous improvement model can increase productivity by 5% to 15%.

- ✓ It's time the Learning Industry had its own continuous improvement model.

- ✓ The Learning Optimization Model is the first continuous improvement model designed by the Learning Industry for the Learning Industry

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In March of 2020, the Learning Optimization Model was completed and is now ready for industry-wide adoption. Like any successful industry model, it will take years to reach its peak in value, but early adopters are likely to gain significant competitive advantages. **Wouldn't your CEO like to see 5% to 15% additional growth in employee productivity?**

The following organizations and experts agreed to work together to create the Learning Optimization Model:

How was the Learning Optimization Model Created?

In March 2019, 25 leading learning organizations and experts agreed to work together to create the Learning Optimization Model.

CO-CHAIRS:

Kent Barnett, Performitiv   Nick Bontis, Human Capital Data Scientist

✓ Aaron's	✓ DAU	✓ KPMG	✓ New Horizons
✓ Allstate	✓ Deloitte	✓ Lincoln Financial	✓ Performitiv
✓ American Airlines	✓ Grainger	✓ PwC	✓ PowerSpeaking
✓ Banker's Life	✓ Guardian Life	✓ Apply Synergies	✓ ROI Institute
✓ Booz Allen Hamilton	✓ Huntington Bank	✓ I4cp	
✓ Cigna	✓ JetBlue	✓ Kevin Yates	

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Net Promoter System (NPS) is another example of a continuous improvement measurement model. The vast majority of the Global 2000 use NPS to continually improve the Customer Experience Process. NPS is much easier to deploy than Six Sigma. **The Learning Optimization Model leverages the core components of NPS in order to simplify its use while still creating significant value.**
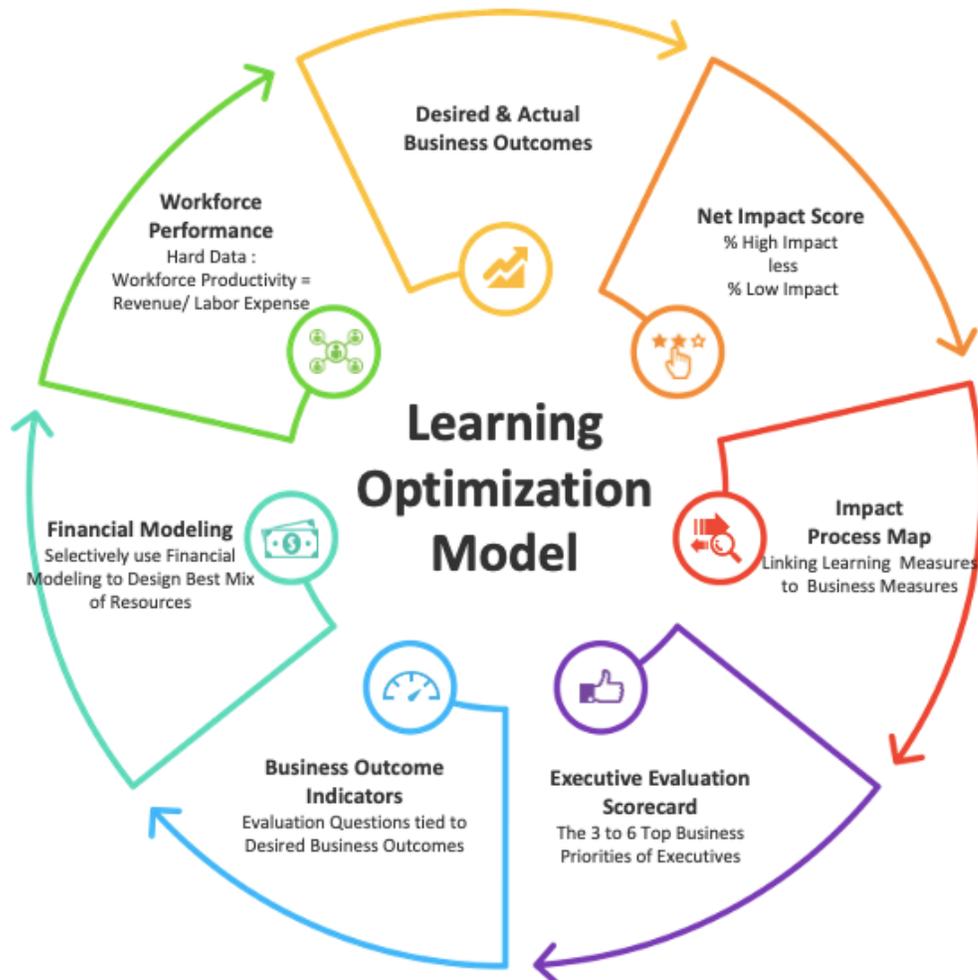
The Learning Optimization Model has six primary components:

- **Net Impact Score** – Utilizes Impact Ratings, which are valid and reliable **predictors of impact** that can be benchmarked across organizations, programs, and modalities.

- **Impact Process Map** – The 19 measures that learning can manage or influence to **improve impact** and **reduce waste.**

- **Workforce Performance** – **Hard data** that can be benchmarked across industries, organizations, and business units.

- **Executive Evaluation Scorecard** – The **top 3 to 6 business priorities** based on executive feedback turned into learning evaluation questions.

- **Business Outcome Indicator** – A conditional question tied to a **specific desired business outcome** of a strategic program.

- **Financial Modeling** – Selectively used to determine the optimal mix of resources when designing an expensive and strategic learning program.

By tracking, reporting, and analyzing Workforce Performance, Impact Ratings, Impact Optimization Maps, Executive Evaluation Scorecards, Business Outcome Indicators, Financial Modeling, and desired Business Results, one can more effectively tell the story of Learning's value to the business.

If you are interested in learning more about the Learning Optimization Model, please email Kent Barnett at kent.barnett@performitiv.com.