

Reinventing Leadership Development



A Towards Maturity Benchmark Report

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An Executive Summary of this report is available for download from:

<http://www.towardsmaturity.org/leadership> and
http://lmmatters.com/docs/Reinventing_Leadership_Development_Executive_Summary.pdf

Foreword by Martin Baker of LMMatters

According to various research studies, summarised in the Harvard Business Press book *Leadership Brand*, up to 45% of organisational performance is due to differences in executive leadership; while returns to shareholders for firms with top talent is 22% higher than those rated as having average talent.¹

These and other studies suggest that leadership behavior can make a significant and measurable difference. The difference can be seen in strategy execution, talent management, financial performance, innovation... and much more.

It is therefore hardly surprising to find that leadership and management development has never been more at the 'centre stage' of Learning and Development within organisations.

According to the CBI's Ready to Grow report², more firms than ever before recognise that improving leadership and management skills is essential for future business success. More significantly, the same report highlights that more than two thirds of organisations questioned are looking for more targeted and cost effective training....Enter e-learning stage left.

In the distant past, e-learning had a - probably deserved - bad press, with a process driven, tick box approach, and little thought about engaging the people that matter the most – the end users. But in the more than 20 years that I have been working in the industry I have seen such phenomenal change, both in approach, delivery and results, that I'm not even sure that the term e-learning is still appropriate.

The 70:20:10 Princeton University theory of Learning and Development states that 70% of learning occurs on the job, including skills acquired in a training program, or from feedback applied to a real situation. The immediacy of modern online leadership and management development takes account of this.

In fact, 'learning' online can be such an integral part of 'doing' that managers who learn to solve challenges in this way may not consider this traditional 'training' (now considered by many to be an out dated word and concept anyway) at all.

Anecdotal evidence tells us that this approach works. But surprisingly, before this study there has been little or no research into the effectiveness of online leadership and management development - despite the fact that according to previous research by Towards Maturity, 50% of all leadership and management programmes are now e-enabled. So we're thrilled to be able to support this independent research, to start to address this gap.

¹ **Leadership Brand**, by David Ulrich and Norm Smallwood (Harvard Business Press, 2007)

² **CBI Ready to Grow** - <http://educationandskills.cbi.org.uk/uploaded/2010-cbi-edi-ready-to-grow-business-priorities-for%20education-and-skills.pdf>

Technology-led leadership and management development is of course a great way to deliver 'more for less' – the L&D mantra of our times – but it is so much more than that, and can have a direct effect on business results.

At LMMatters we are interested in finding cost effective solutions to the challenges that our clients face, we want to know what 'success will look like' for them, and work closely to meet these goals. e-learning as a term may not even be mentioned! But it is undoubtedly learning technologies that are enabling leaders and managers to access knowledge immediately, effectively and seamlessly, where and when they need it.

I'd personally like to thank everyone who contributed to this study - the answers here will make us all more efficient and effective, as well as better prepared to meet the demands of our leaders as learners in the coming years.

Martin Baker, CEO, LMMatters

1 Introduction

Nurturing great leadership skills is critical to the success of all organisations. However, in a bid to save both time and money, innovative online leadership and management development programmes have become increasingly popular - but how effective are they? Leadership and management training continues to be a high priority and, increasingly, organisations are considering more cost effective learning technologies as part of their learning and development approach.

The *Ready to Grow*³ report from the CBI in 2010 highlights the priorities facing business in this area. More firms in 2010 (48%) than 2009 (39%) say improving leadership and management skills is essential for future success, and this is even more important in the public sector (73%). The same report also highlights that over two thirds of organisations are looking for more targeted and cost effective routes for training. The CBI's 2011 *Building for Growth*⁴ report shows that the demand for leadership skills isn't going away – in 2011 far more businesses expect to increase the number of jobs that need leadership and management skills (71%) than expect a reduction (6%). These skills are not readily available as the Institute of Directors' *Shackled by the Skills Crunch Report*⁵ shows, with leadership and management skills at the top of the list for organisations reporting skills gaps in their current staff.

As a result, leadership and management training continues to be a high priority and increasingly organisations are including learning technologies in the development of programmes as they explore cost effective means of addressing a critical skills shortage. In 2008 the Chartered Management Institute's *Learning at Work* report⁶ found that new media is now growing in popularity with managers and points to how technology can be introduced into the blend. Since then, an increasing proportion of leadership development programmes are now e-enabled (50% compared to just 34% in 2008⁷).

Our research investigates new approaches to learning that are being adopted for leadership development programmes and the impact that they are having on business performance.

This report looks at:

- What are the drivers behind the use of learning technologies for leadership development in 2011?
- What new technologies are being used in leadership development programmes and how are they being used?
- What is the impact of new technology on the delivery of these programmes?
- What are the barriers to change and how are these being overcome?
- What implementation approaches are working well – and what can be improved?

³ CBI – Learning to Grow - <http://highereducation.cbi.org.uk/uploaded/2010-cbi-edi-ready-to-grow-business-priorities-for%20education-and-skills.pdf>

⁴ CBI – Building for Growth May 2011 <http://educationandskills.cbi.org.uk/uploaded/20110509-building-for-growth.pdf>

⁵ IOD – Shackled by the skills crunch - http://www.iod.com/MainWebSite/Resources/Document/shackled_by_the_skills_crunch_1012.pdf

⁶ CMI Learning at work report - www.managers.org.uk/evolution

⁷ 2010-11 Towards Maturity Benchmark Study www.towardsmaturity.org/2010benchmark

The aim of the research is to help all participants and the industry as a whole understand the opportunity and improve the impact of learning technologies for leadership development programmes in the workplace.

Definition

For the purpose of this study we define the term e-learning and/or learning technologies as: *“The use of any technology across the learning process, including skills diagnostics, learning delivery, support, management (of learners and content), informal and formal learning.”*

This independent study has been carried out by Towards Maturity, a not for profit benchmarking practice, and builds on its benchmark research over the last seven years with 1200 organisations. This in-depth study has been sponsored by LMMatters.

2 Methodology and profile of respondents

Individuals responsible for implementing leadership development programmes in the workplace were invited to take part in an online survey - which was developed in association with a number of independent industry experts. Our thanks go to Ian Myson (Chartered Management Institute), Nigel Paine (nigelpaine.com), Charles Jennings (Duntroun Associates), Clive Shepherd (Onlignment) and Joan Keevil (Designs on Learning) for their input to the survey questions.

Data was collected during April and May 2011.

More than 180 organisations from across the UK took part in the research. Where there is more than one respondent from an organisation, any numeric values are averaged to give a single value for the organisation.

The invitations to participate were distributed by a number of organisations with an interest in leadership development.

Throughout the report a number of comparisons of implementation activity are made with participants who contributed to the 2010-11 Towards Maturity Benchmark investigating broader use and impact of learning technologies in the workplace. Comparisons in this study are made against the:

- The benchmark average – average response across the full sample of 400 participants;
- The benchmark top quartile – organisations that are in the top quartile of organisations reporting the most benefits as measured by the Towards Maturity Index (www.towardsmaturity.org/static/towards-maturity-index).

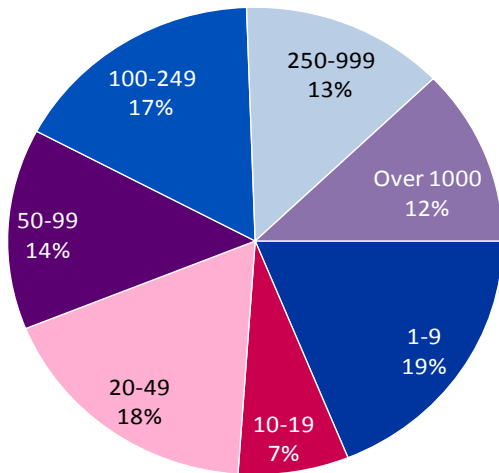
2.1 Company size and location

This report predominantly represents the views of larger organisations working with staff spread across regions and nations. The majority of respondents were from the private sector (58%), although a significant number of responses were received from those in the public sector (33%) and not-for-profit sector (10%), allowing us to present an analysis by sector.

Participants are spread across a number of geographic locations.

- 31% of respondents answered from the perspective of a multinational company operation, including 22 companies with over 1000 learners on leadership development programmes
- 53% operate from multiple locations within the UK
- 16% operate from a single location - including 19% of companies with fewer than 10 staff on their leadership programme

Figure 1 Number on Leadership programmes



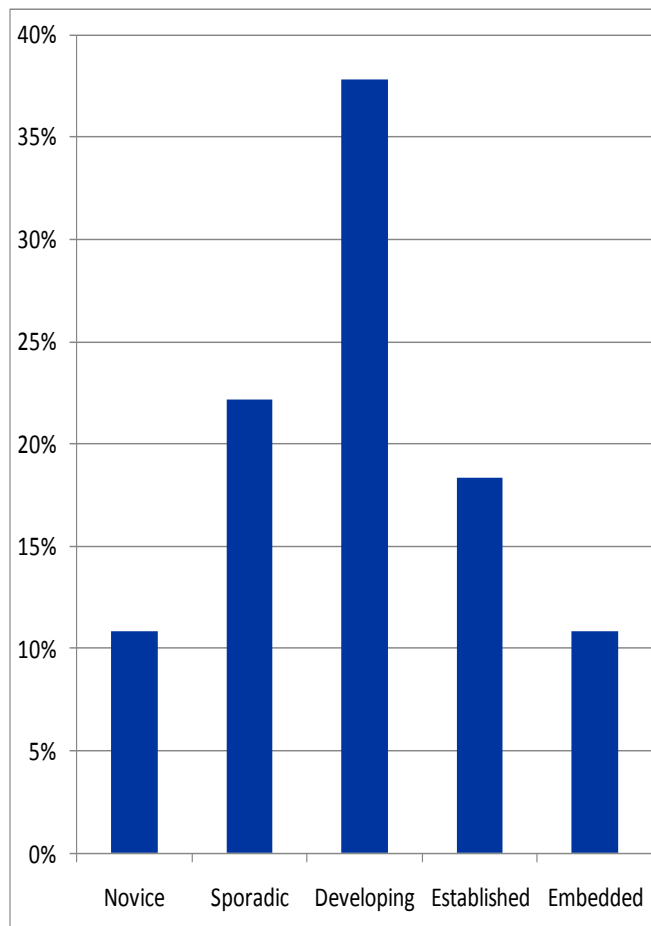
This study represents leadership development programmes delivered to more than 35,000 leaders and managers

2.2 e-learning maturity

Towards Maturity research has consistently shown that those organisations that are more mature in their use of learning technologies are able to report greater impact on their organisational goals – delivering greater volumes of learning, at lower cost and with better results as they gain more experience in implementing learning technology solutions. Respondents had a range of experience, from those considering themselves as ‘novice’ users of learning technologies, to those with learning technologies thoroughly embedded in all aspects of their organisation learning culture.

The majority of companies described themselves as ‘Developing and coordinating’ their use of learning technologies.

Twenty respondents felt that learning technologies were ‘Embedded’ in every aspect of their company.



3 Articulating the benefits

What benefits are organisations looking to achieve from the use of learning technologies in their leadership development programmes?

Four out of five organisations are investing in leadership development programmes to help them lead change and improve performance.

More than 70% invest in order to improve employee engagement and overall alignment to organisational objectives. More than 50% are investing to prepare their organisation for the future, through talent management and succession planning (see Table 1).

Table 1 Primary organisational drivers for leadership development activities

Driver	% Seeking benefit
More effective leadership of change	85%
Improved performance management	82%
Increased alignment to organisational objectives	73%
Increased employee engagement	73%
Improved talent management	57%
Improved succession planning	53%

Towards Maturity's 2010 Benchmark shows that the use of technology in leadership development is increasing - so what additional benefits are businesses seeking?

Four out of five organisations are introducing learning technologies into the mix in order to:

- Improve efficiency (saving time and cost);
- Improve productivity (through sharing of good practice between managers, reducing time to competency and ensuring faster application of learning back in the workplace);
- Increase agility (in terms of increasing speed of engagement and responding to changing business needs).

Over three quarters of organisations are also looking to decrease time to competency.

"We are looking to increase the span of the programme making it more than one-off short events."

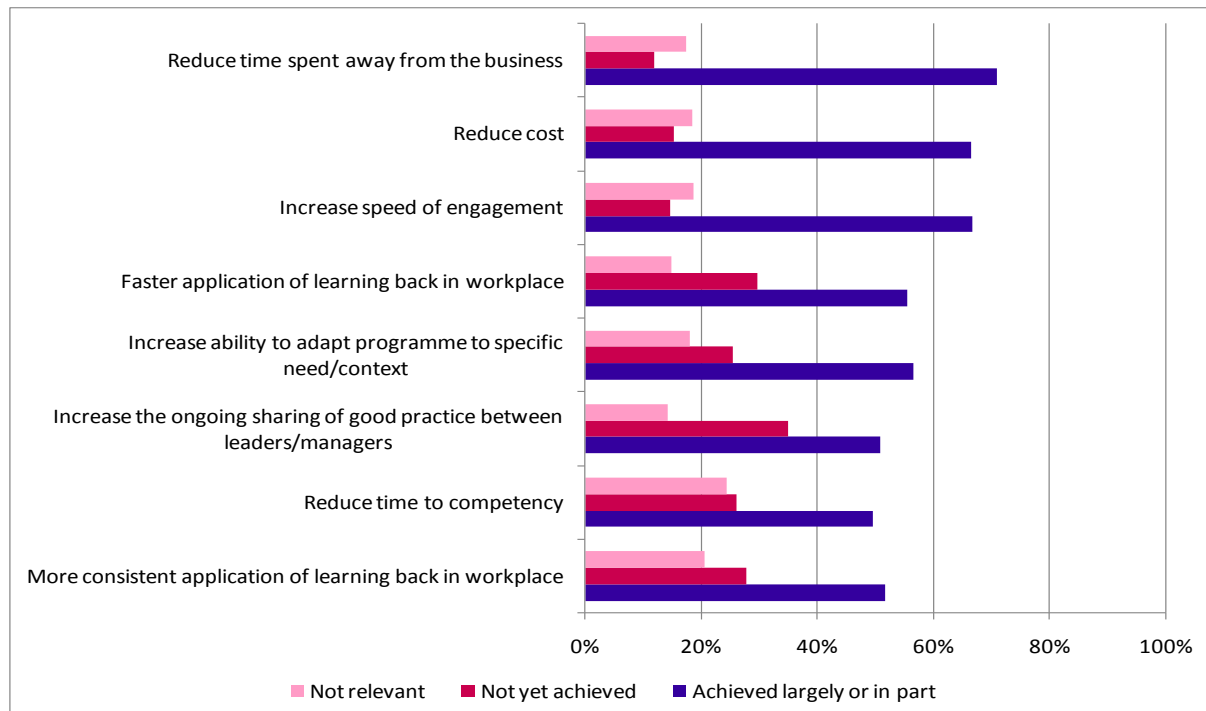
"Learning technologies help us to increase access to additional knowledge/theories/articles"

The following benefits have been reported by those seeking them:

- 4 out of 5 report that they are reducing cost, increasing the speed of engagement with learning and reducing time spent away from the business;

- 2 out of 3 believe that technology is helping to deliver a more consistent and faster application of learning back into the workplace, is reducing time to competency and is increasing adaptability;
- 3 out of 5 organisations looking to improve sharing of good practice amongst managers report that this is indeed happening.

Figure 2 Benefits reported by programme designers through the use of learning technologies



We also asked the benchmark participants about the benefits that their managers reported back to them. The top benefits most likely to be reported by some or all managers that are specifically attributed to the use of learning technologies are:

1. Reduce time spent away from the business (62%)
2. Increased sharing of good practice by leaders/managers (53%)
3. Reduce time to competency (48%)
4. Increase the ability to adapt programmes to specific needs or contexts (47%)
5. Faster application of learning back in the workplace (45%)
6. Reduce training costs (43%)
7. Increased speed of engagement (43%)
8. More consistent application of learning (39%)

As one delegate responded:

“We are looking for better integration between directorates as a result of mixed directorate cohorts.”

3.1 Quantifying the benefits

We looked at two Key Performance Indicators that illustrate the positive impact that many are making on their business efficiency through the implementation of learning technologies. The following table outlines how the sample compares with the benchmark averages from previous studies. It shows that whilst the use of technologies in leadership learning is having an impact, there is still potential for further increases in efficiency moving forward as a result of improved implementation processes.

Indicator	Average for leadership sample	Benchmark Average	Benchmark Top Quartile
Cost saved	16.4%	18%	20.7%
Reduction in study time	14.8%	22%	27%

Despite the fact that many expect technology to deliver benefits, few organisations are specifically measuring the impact of learning technologies directly on those key areas and instead rely on estimates. We asked a series of questions to understand if these benefits could be quantified.

To simplify the response, we asked respondents to rate improvements as greater than 15% improvement, less than 15% improvement, no change or not measured or not relevant.

Fewer than 50% of the participants were able to answer this question but for those that did the answers were aggregated to provide a conservative estimate of improvement which could then be compared with our benchmark average. Although the improvements noted are conservative estimates, over one third of companies were realising tangible improvements as a result of implementing learning technologies

The participants highlight that that learning technologies have contributed to an:

- 8% increase in qualifications or certifications;
- 8% improvement in their current measures of learner satisfaction/engagement;
- 9% improvement in the reach of learning.

These levels of benefit are in line with the benchmark average for qualifications and improvement in learner satisfaction but whilst the improvement in the reach of learning is significant, this is less than the overall benchmark average of 13%.

3.2 The knock-on effect

An analysis of data collected in the Towards Maturity general benchmarking research in 2010 sheds more light on the knock-on effect of e-enabled leadership development. This study considered the effectiveness of learning technologies across the whole organisation and showed that when top leaders use learning technologies in their own development there is a direct correlation with reported business and staff performance.

We found that when there is strong agreement that top leaders are using and promoting learning technologies within their organisation, Towards Maturity Benchmark Key Performance Indicators showed a significant improvement:

- The Staff Impact Indicator (that looks at reported overall staff satisfaction and engagement) increases from 3.88 to 5.02;
- The Business Impact Indicator (that considers all aspects of business performance including efficiency and productivity improvement) increases from 4.95 to 5.05;
- The average Towards Maturity Index (mapping effective practices within a business) increases from 48.46 to 62.69.

Generally, when leadership learning is e-enabled, organisations are enabling more of their overall formal learning with technology (37% up from 23% across all organisations), and realising greater reductions in time to competency and cost reductions. When top leaders are using learning technologies, organisations report an overall:

- 37% increase in the proportion of staff using learning technologies;
- 12% increase in the volume of technology enabled learning that is delivered;
- 19% greater cost reduction.

4 It's all in the blend

How is technology influencing leadership development in 2011?

Organisations are using a broad mix of approaches for their leadership development programmes. Across the sample participants reported that on average, 58% of their leadership development interventions are currently delivered face to face, 29% combine face to face with technology and 14% are delivered via learning technologies alone.

In analysing the mix of learning approaches of the participants in more detail, we draw on Clive Shepherd's broad definition of blended learning in his book 'The New Learning Architects'⁸ :

*'A blended learning solution combines educational and training **methods** within different social contexts for learning (self study, one to one, group) with the aim of increasing learning effectiveness. It may also mix the learning **media** used to deliver the solution (face to face, online, offline) as a way to optimise the efficiency of the solution'.*

He goes on to say that *'these choices are made in response to particular learning requirements, audience characteristics and practical constraints and opportunities'.*

So what learning **methods** are being offered in the leadership development learning blend?

4.1 Learning methods

We asked about a number of learning methods that are used within leadership development and, based on Clive Shepherd's contextual model of learning methods, found that there is a broad mix of methods being used. Face to face methods - such as formal workshops and non-formal coaching – are the most likely to be used.

Table 2 Types of learning methods most likely to be used in leadership development

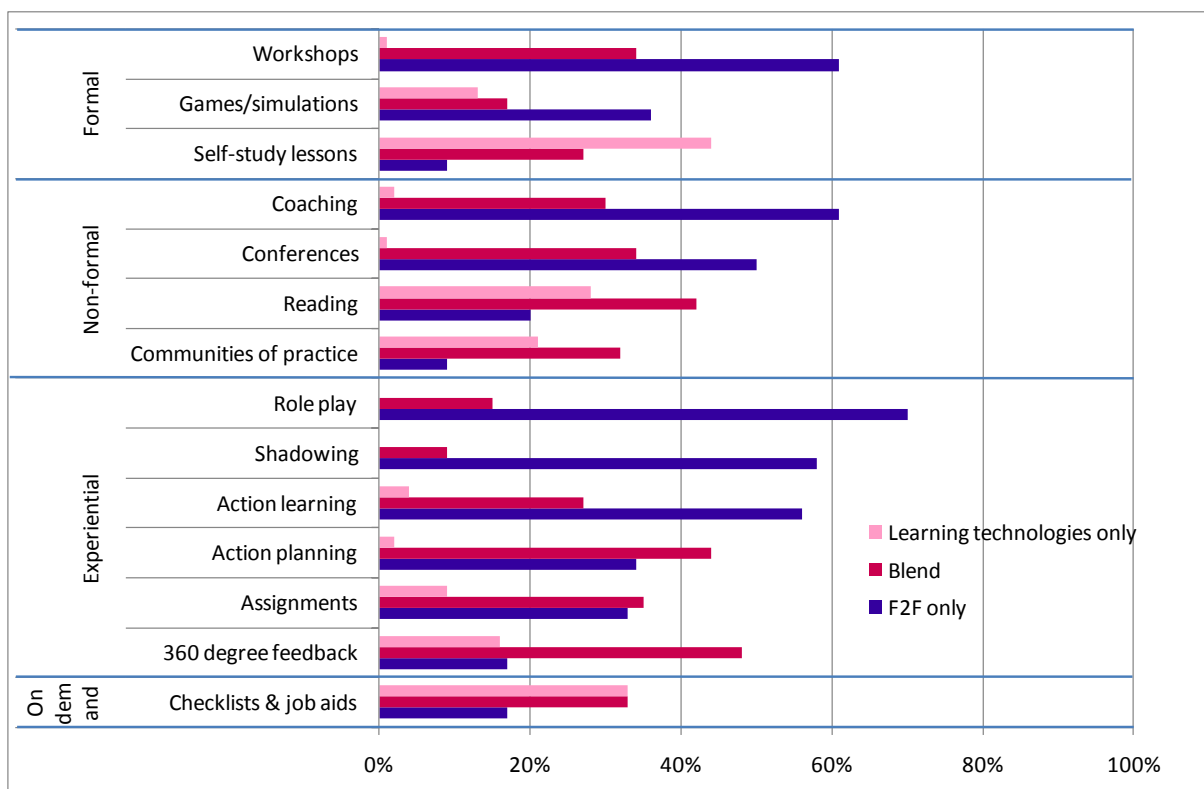
Category	Learning Method	% of sample using methods (regardless of media)
Formal <i>(learning to do something in a structured setting)</i>	Workshops	96%
	Self-study lessons	80%
	Games/simulations	66%
Non-formal <i>(learning to do something 'just in case', not part of a formal programme but learning for the future)</i>	Coaching	93%
	Reading	90%
	Conferences	85%
	Communities of practice	62%
On demand <i>(learning to do something 'just in time')</i>	Checklists & job aids	82%
Experiential	Action learning	87%

⁸ <http://onlignment.com/thenewlearningarchitect/>

Category	Learning Method	% of sample using methods (regardless of media)
Experiential <i>(learning from experience in the workplace)</i>	Role play	85%
	360 degree feedback	81%
	Action planning	81%
	Assignments	77%
	Shadowing	67%

Figure 3 highlights the organisations that are using these methods in either a purely face to face environment, as part of a ‘blended’ programme or via technology alone.

Figure 3 Extent to which learning methods are e-enabled



It is clear that the choice for learners is no longer simply between classroom and self study methods. Equally, the ‘blend’ is no longer just about the ‘e-learning sandwich’ where participants are required to take a prerequisite e-learning course prior to attending the classroom, and then revisit the e-learning for refresher training. Here we see that different learning methods are increasingly being e-enabled and blended using learning technologies:

- Formal learning - no longer just about the classroom or just e-learning content. For example, whilst workshops are predominantly face to face, more than 30% are being enabled by technology. Self study training is not just being delivered as stand alone, 10% of organisations are included it an integral part of face to face programmes;

- Non-formal learning – learners increasingly have access to communities of practice with a third offering these to managers on a stand alone basis and a third embedding communities with a blended approach. 60% of coaching is taking place face to face but 30% blend both technology and face to face to support the coaching process;
- Experiential learning – although role play remains the most popular learning method used by 70% of organisations, the experience is no longer delivered purely face to face with 15% using a mix of media. Overall a high percentage of experiential learning is now blended and e-enabled;
- On-the job or on demand learning is most likely to be used in blended learning solutions and stand-alone learning technologies.

We asked respondents to comment on what they find is working well in their leadership programmes:

“Having a variety of approaches to learning has worked well and increased access”

“Coaching for senior executives and managers has worked well. The use of e-tools as part of communications workshop has worked well in establishing preferred communication styles within teams. 360 feedback works well when used as part of a programme.” (NHS Direct)

However, many are finding that managers are still looking for traditional forms of learning:

“Despite an increase of available e-learning, face to face requests for training have increased.” (Cornwall & Isle of Scilly Primary Care Trust)

“Technical ‘hard’ training delivered on line has worked well but there is reluctance towards online leadership / management training.”

4.2 Selecting delivery media

If a significant range of learning **methods** are now being e-enabled, what **media** are being used to deliver the solutions and is the mix of media expected to change?

Currently the top delivery media and tools used in leadership training are:

- Video conferencing/virtual presence (71%);
- Learning management systems (70%);
- Other online resources such as eBooks and eJournals (63%);
- Diagnostic tools (63%).

Organisations are looking to increase the online resources available for on-demand learning. They currently use a mix of ‘off-the-shelf’ and custom-made e-learning content, but the proportion of in-house and customised development is expected to increase. Typically media might be used in a range of different delivery methods, they have been categorised in Table 4 below in areas that they are predominantly used.

Table 3 Delivery media in use and planned over the next 2 years

Category	Technology/media	Used	Used and plan to use more	Not used	Planned in two years
Formal	Virtual classroom	14%	32%	31%	23%
Formal	Immersive learning environments eg serious games and simulations	16%	19%	51%	14%
Non-formal	Podcasts	18%	28%	35%	20%
Non-formal	Video conferencing/Virtual presence	38%	33%	19%	10%
Non-formal	e-learning courses - custom made	39%	21%	18%	21%
Non-formal	e-learning courses – ‘off-the-shelf’	48%	11%	27%	15%
On-demand	Mobile devices to deliver content	16%	16%	42%	27%
On-demand	Video content (best practice within our organisation)	21%	28%	38%	14%
On-demand	External social networking or peer-to-peer sites (eg FaceBook, LinkedIn, Twitter)	24%	23%	47%	6%
On-demand	In-house social media	26%	23%	31%	20%
On-demand	Dedicated online resources for leadership eg Harvard ManageMentor, ILM, LearningZone, CMI	34%	23%	32%	11%
On-demand	Video content (best practice outside our organisation)	33%	22%	34%	11%
On-demand	Internal/enterprise-wide information services such as SharePoint	34%	21%	31%	14%
On-demand	Other online resources eg eBooks, eJournals	41%	22%	24%	13%
Experiential	Diagnostic tools	31%	32%	30%	7%

To support administration across the programmes 49% are using learning management systems (either integrated with HR or standalone), 21% are using and plan to use them more and 16% are planning to introduce them in the next two years.

In our analysis of the methods we found that workshops have a high focus on face to face delivery, but this is potentially an area of shift in the future, with 50% of organisations expecting to introduce or increase their use of virtual classrooms .

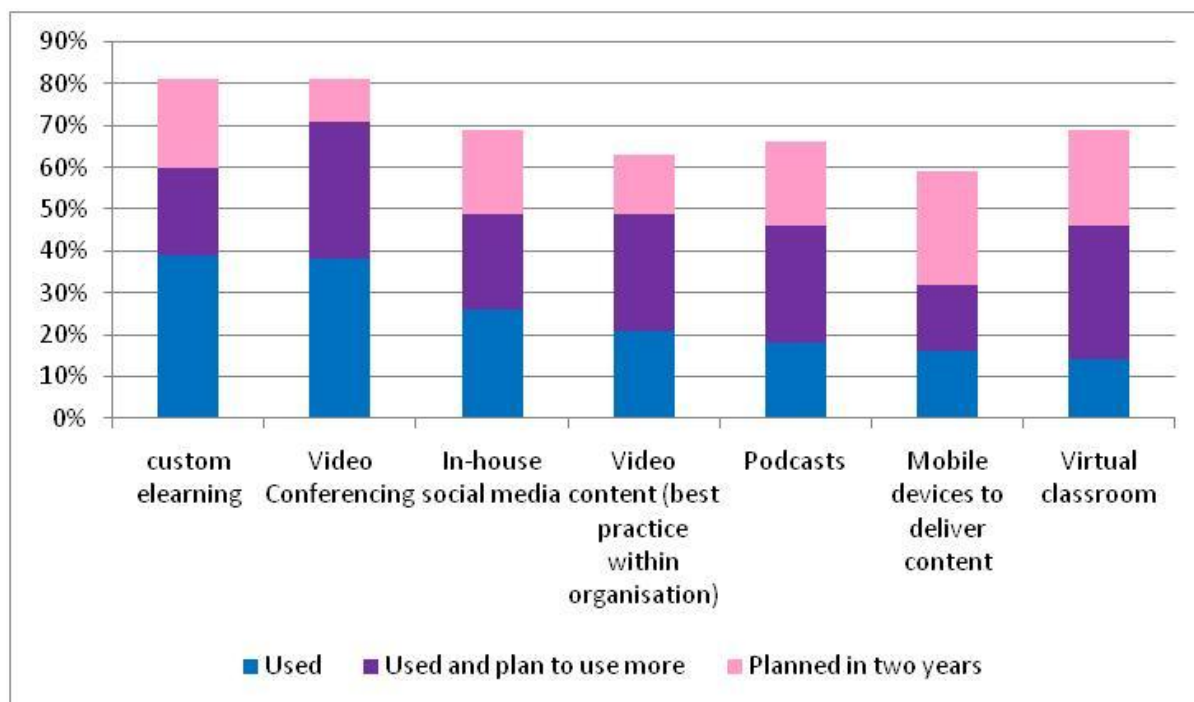
The use of video conferencing (which can potentially be used in a wide range of non-formal and on-demand development activities, from action learning, sharing of good practices or online conferences) is also expected to increase - in 2 years time it is predicted that they will be in use in more than 80% of organisations.

Within the next 2 years, the top tools and technologies are predicted to be:

- Learning management systems (84%);
- Custom-made e-learning courses (82%);
- Video conferencing/virtual presence (81%).

Organisations are also looking to increase the flexibility of their learning provision and to extend access to a wider audience. Figure 4 outlines the media with the highest overall growth expectations in this study:

Figure 4 - Media with highest growth expectations



Mobile learning is being used by 31% of organisations for ‘just-in-time’ job support to give job aids and access to online information sources. Within the next 2 years this is predicted to rise to 58%. The current benchmark value across all sectors for using mobile learning is 36%.

Approximately half of respondents are using in-house or external **social media** sites (the current benchmark value is also 49%). Whilst there is a modest increase anticipated in the growth of use of external sites, a greater number of organisations are planning their own in-house social media which again can be used to share good practices.

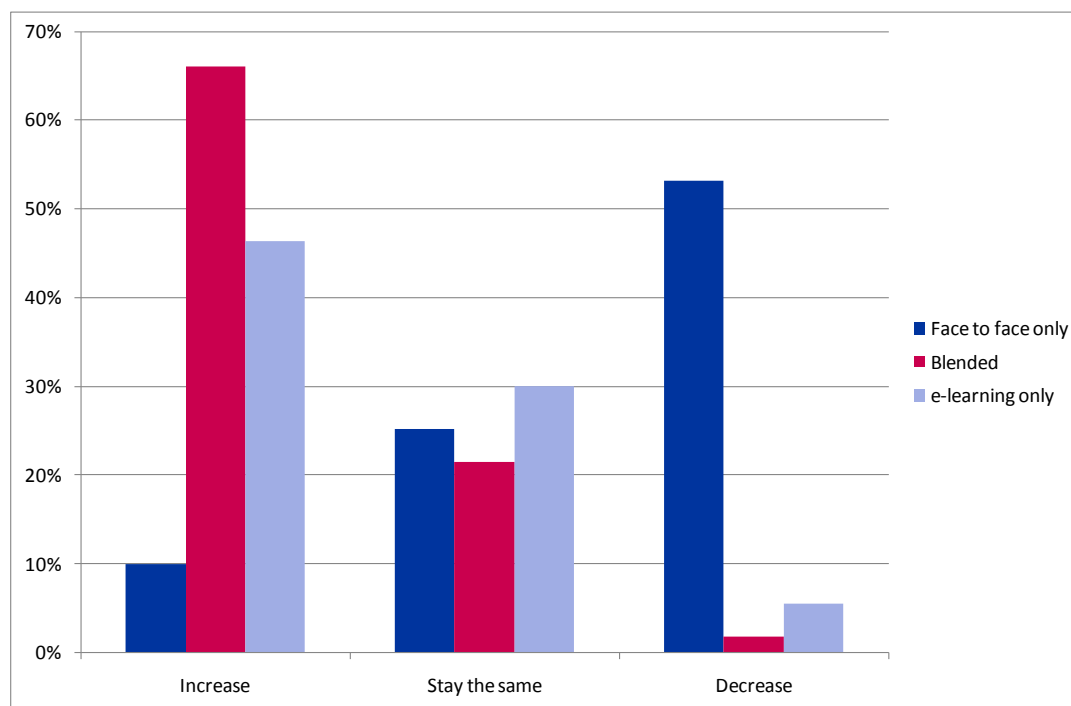
There is also an increased expectation to use **video** within leadership training, both to capture examples of best practice within the organisation and to demonstrate and share best practice from others.

Specialised resources, such as those provided by Harvard Business Publishing, CMI and others and the dedicated online sources for management and leadership are used in 57% of organisations, with a further 11% planning to increase their use.

4.3 Future trends

Organisations are predicting that they will decrease the proportion of face to face training over the next 2 years, with a corresponding increase in blended learning and technology-enabled learning.

Figure 5 Predicted change in learning methods over the next 2 years



NB. The respondents may be biased towards those that offer e-enabled leadership programmes.

Interestingly, of the 18 respondents offering solely face to face leadership training, 7 of them are not planning to introduce learning technologies into the mix within the next two years.

“We have not used e-learning for leadership and management training, although parallel to this is one exception - 360 degree feedback - but this is for the whole workforce. Our managers would not do any of the courses - mandatory attendance at a face-to-face classroom is the only way to get them to participate.”

4.4 Budgets for learning technologies

Three out of 10 organisations have seen their budget for leadership and development increase over the last two years, and the same number anticipate further increase over the next two years. Only 1 in 4 have seen a decrease in overall budget in this area.

An average of 27.1% of the learning and development budget (for those who responded) is spent on learning technologies. Six out of 10 organisations anticipate that the proportion allocated to learning technologies will also continue to increase.

In figures 6 and 7 below, the blue columns indicate the changes from two years previously and the red columns indicate the predicted change in budget over the next 2 years.

Figure 6 Change in overall training budget

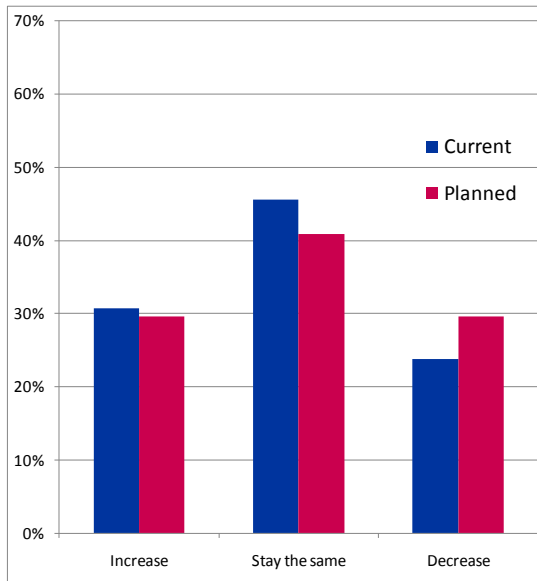
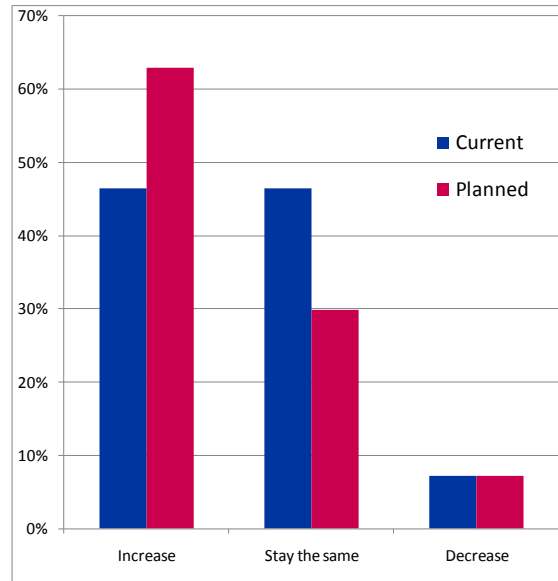


Figure 7 Change in % allocated to e-learning



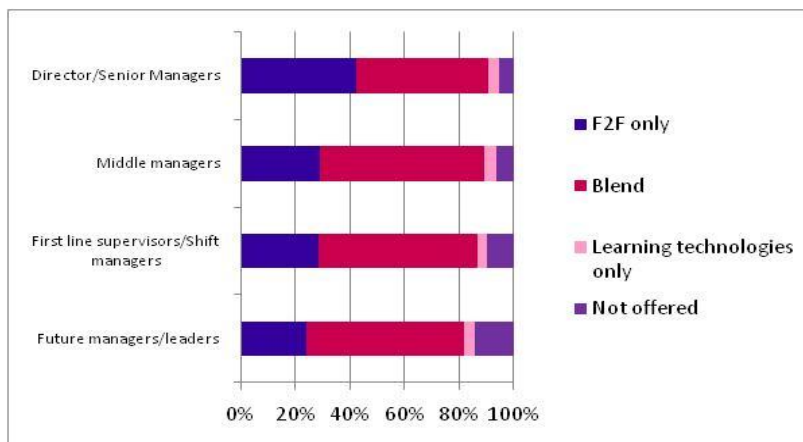
5 Leaders as learners

What learning services are being offered to leaders and managers?

In this study we considered leadership development offerings for 4 different audiences:

- Existing directors and senior managers;
- Middle managers;
- First line supervisors/ shift managers;
- Future managers.

Figure 8 Programme delivery by audience



Three out of 5 organisations are now offering a blended learning approach to support their middle managers, first line supervisors and future leaders. Whilst classroom training alone is more likely to be chosen for directors and senior managers, still 49% of senior director programmes are delivered using a blend of classroom and technology. Less than 5% of respondents are offering learning technologies alone to these audiences.

5.1 Learner preference

When it comes to learning media, what are the audience preferences?

It was beyond the scope of this study to investigate specific approaches for each audience; however, given the proportion of blended learning in use, we investigated audience preferences for learning media.

The following 4 tables indicate the top 5 preferences for different audiences. In each case it should be noted that these are the *perceptions* of preferences noted by learning and development professionals responding to the online survey rather than manager's directly. The numbers reflect the audience preference as a percentage of the organisations that offer that medium within their programme, not the total sample.

Table 4 Senior leader preferences

Category	Delivery media	% of respondents citing method as most used/preferred media
On-demand	Paper	58%
On-demand	Dedicated online resources for leadership (eg Harvard ManageMentor, ILM LearningZone, CMI)	45%
On-demand	Mobile devices to deliver content	38%
Non-formal	Video Conferencing/Virtual Presence	32%
Formal	Classroom	29%

Table 5 Middle manager preferences

Category	Delivery media	% of respondents citing method as most used/preferred media
On-demand	Mobile devices to deliver content	68%
Formal	Immersive learning environments (eg serious games and simulations)	49%
On-demand	Video content (best practice outside our organisation)	41%
On-demand	Dedicated online resources for leadership	40%
Non-formal	Podcasts	37%

Table 6 First line manager/team leader preferences

Category	Delivery media	% of respondents citing method as most used/preferred media
Non-formal	e-learning courses – ‘off-the-shelf’	60%
Formal	Virtual classroom	46%
On-demand	In-house social media	40%
On-demand	Video content (best practice outside our organisation)	36%
On-demand	Video content (best practice within our organisation)	34%

Table 7- Future manager preferences

Category	Delivery media	% of respondents citing method as most used/preferred media
On-demand	External social networking or peer-to-peer sites (eg FaceBook, LinkedIn, Twitter)	39%
On-demand	Mobile devices to deliver content	38%
Formal	Immersive learning environments	32%
Non-formal	Podcasts	29%
On-demand	In-house social media	26%

Across the audiences, on-demand and non-formal methods predominate in perceived preferences for leadership and management training. The data also reflect the level and nature of content that each group focuses on. For directors and senior leaders, the top media preferred and used is traditional on-demand, paper-based learning materials (58%); for middle managers, mobile devices to deliver content came out top (68%). This group also make most use of immersive learning environments, video content and podcasts, many of these media provide an on-demand service to support time-starved managers at this level. For first line managers or team leaders looking for general skills, ‘off-the-shelf’ e-learning courses proved to be the most used or preferred, possibly providing general principles for potential career progression; and for future leaders, the preference was for external social networking or peer-to-peer sites.

It is clear that even when developing a blended learning solution, one size does not fit all and the importance of understanding learner preferences before committing to design should not be underestimated if organisations are looking to increase adoption and impact.

Considerations for learning design in the future

Three out of 5 organisations are using bespoke e-learning content which is widely appreciated by all audiences (see Appendix 1) but does not make it into the ‘top 5’ list for any audience. Media such as the classroom and virtual conferencing are also used extensively and yet only make it into the top 5 list for senior directors.

Adding different media options may open up additional opportunities for engagement for example:

- Mobile devices to deliver content are in the top 5 preferences for directors, middle managers and future managers but only currently used by 31% of the sample;
- Immersive learning environments and podcasts - in the top 5 media preferences for middle managers and future managers but only in use by 35% of the whole sample;
- Podcasts, which are relatively inexpensive to produce, are also in the top 5 media preferences for middle managers and future managers but only in use by 46% of the whole sample;
- Dedicated online resources for leadership are again in the top 5 preferences for directors and middle managers but only in use by 57% of the sample;
- Video content (sharing best practices outside of the organisation) are in the top 5 preferences for middle managers and team supervisors but only in use by 55% of the audience.

Appendix 1 provides a full table of audience preferences.

5.2 Developing careers

Given the importance of leadership skills for future business success, what formal skills programmes are being offered?

In previous benchmarks, we have found that organisations that support career aspirations and personal job goals with learning technologies are more likely to engage staff and report results. So to what extent do formal leadership development programmes support qualifications and career progression?

The four topics most frequently offered in formal leadership development programmes are:

- Leadership and/or management (offered by 97% of respondents);
- Coaching and mentoring (92%);
- Project management (84%);
- Personnel management (79%).

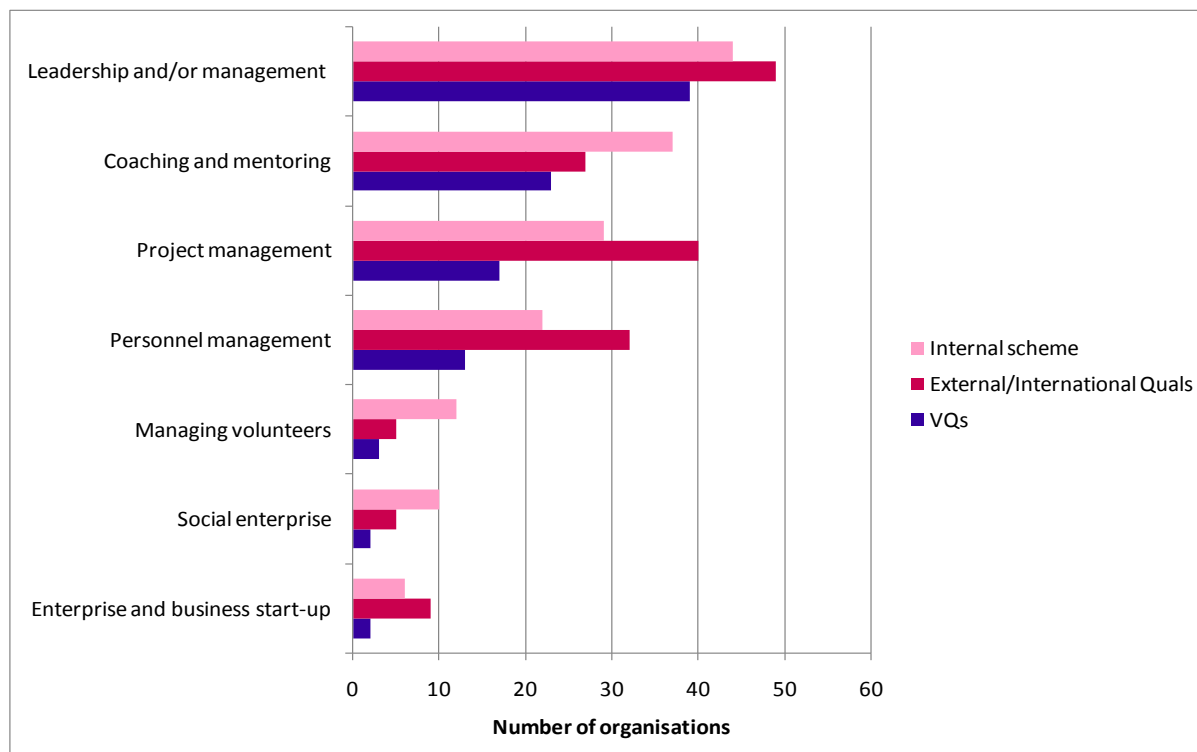
These topics are also the most likely to lead to formal certification or accreditation. Many organisations across the private, public and not for profit sectors also offer their own internal schemes for certification - particularly for leadership or management programmes.

However, there is a greater propensity to offer programmes leading to National Vocational Qualifications or MBAs in the public sector. Many organisations support more than one scheme:

- 55% of public sector respondents offer NVQs in one or more subjects (vs. 29% in the private sector);
- 73% of public sector respondents offer MBAs or internally recognised qualifications in one or more subject areas (vs. 51% in the private sector).

The initial review indicated that both face-to-face skills delivery and e-enabled delivery were being used to support qualifications in some shape or form: neither delivery method was more likely than another to support qualification programmes.

Figure 9 Programmes leading to certification or accredited qualifications



Most organisations are linking their leadership development programme, or some aspect of it, to some form of qualification.

- 56% of respondents offer MBA or other external, internally-recognised qualifications;
- 29% are using Leadership and Management NVQ/SVQ's;
- 53% have their own internal certification schemes (27% for coaching and mentoring programmes).

In addition, many organisations mandate aspects of their leadership development programmes for career progression.

- 22% mandate leadership and/or management (14% of public sector and 28% of private sector organisations);
- 17% mandate qualifications in personnel management;
- 13% mandate qualifications in project management.

Few organisations are including programmes in enterprise/business start-up (33%), social enterprise (34%) or managing volunteers (34%) and these topics are unlikely to be assessed or lead to any form of certification.

In the general benchmark only 22% agree that career aspirations and job goals are supported, clearly more focus is given to this in leadership and management training than in other areas.

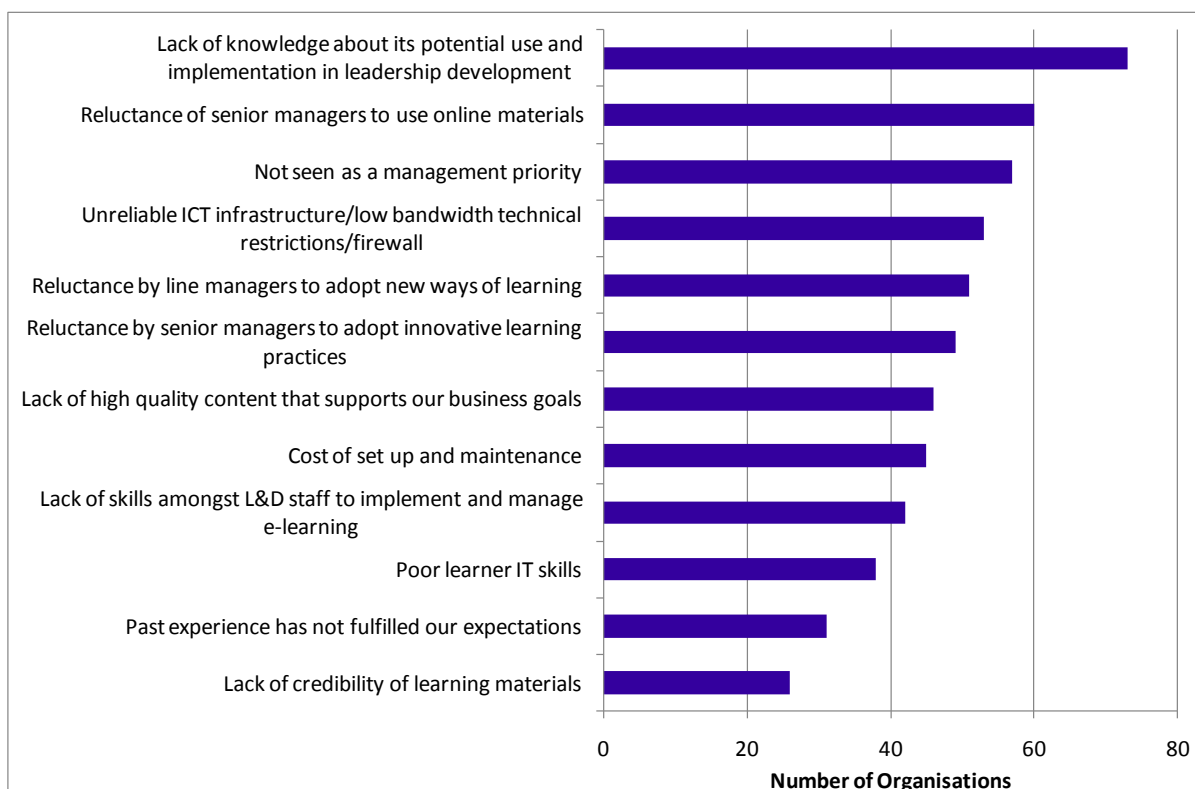
6 Barriers to successful e-learning adoption

The top barriers to implementation of learning technologies for leadership development are:

1. Lack of knowledge about its potential use and implementation (65%)
2. Reluctance by senior managers to use online material (54%)
3. Not seen as a management priority (51%)
4. Unreliable ICT infrastructure/technical restrictions/firewall/low bandwidth (47%)
5. Reluctance by line managers to adopt new ways of learning (46%)

Whilst senior and line managers were reluctant to use and to promote e-learning, learning and development staff were generally more willing to innovate in this area than the 2010 benchmark revealed across all training areas.

Figure 10 Barriers to implementation of learning technologies



However, there are cultural factors within organisations that are holding back the widespread adoption of learning technologies for leadership development:

“There is a cultural bias towards classroom training. It is difficult to overcome the reluctance of many managers to spend time e-reading etc.” (Mott MacDonald Group Ltd)

“Moving the organisation from a training to a learning culture” (RNLI)

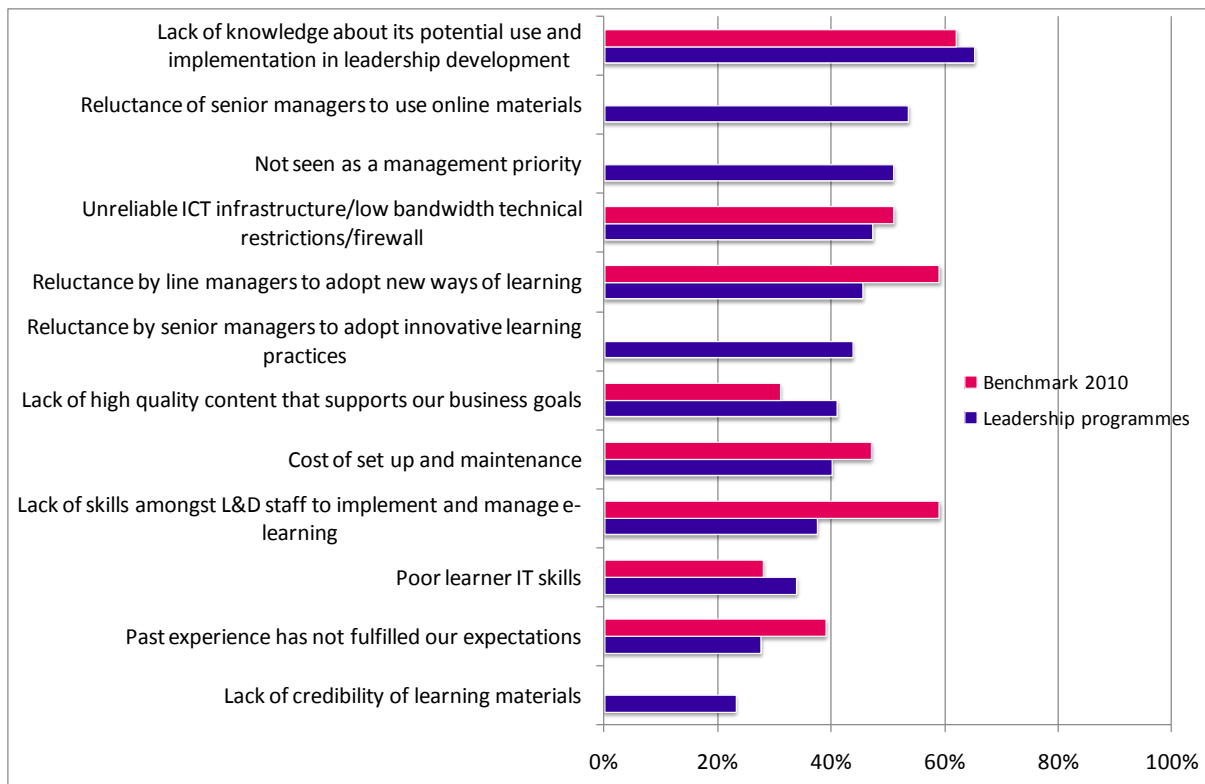
“There is a general lack of reliable evidence that e-learning is an effective medium for “soft” skills training”

“Off the shelf e-learning won't engage managers, it tends to be dull and uninspiring - but that's true whatever the topic.” (Unum)

“Never underestimate the likely lack of IT confidence, or the prevalence of what you may consider to be out of date technology, and make sure that you test for both before you launch.” (Croft Management Centre)

When we compare the barriers reported with current benchmark 2010 values (where available) we conclude that there is good quality material available for leadership development and that managers have confidence in it. Training staff are also more likely to have the required skills to implement and manage e-learning programmes.

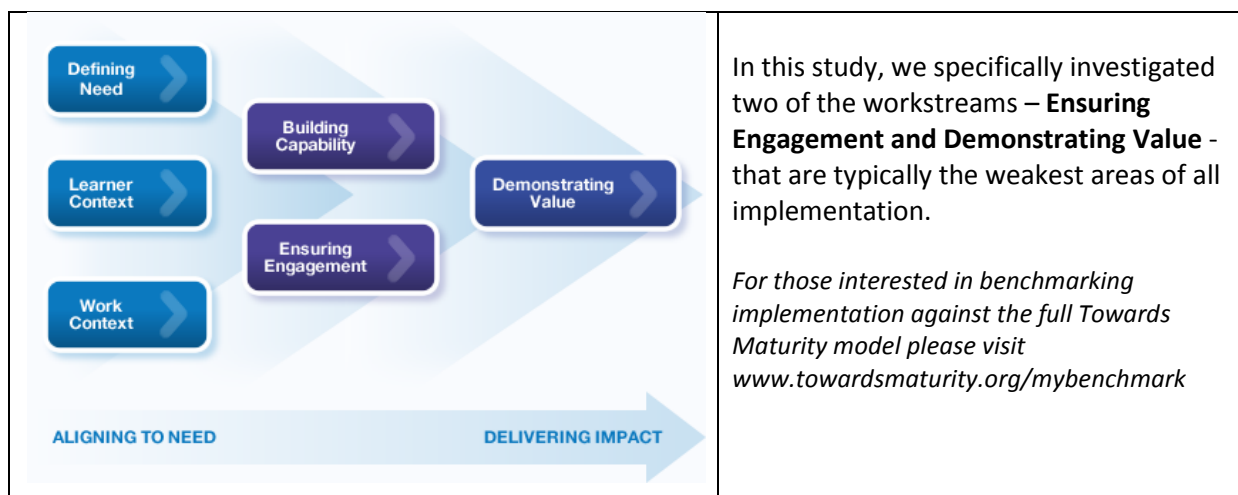
Figure 11 Barriers reported for leadership training compared with those reported across all training



7 Improving the impact of e-enabled leadership development programmes

Given the increased investment in technology, what can be learned for improving implementation and results?

Over the years, Towards Maturity has identified six work-streams of implementation behaviour that influence ongoing success:



7.1 Ensuring Engagement

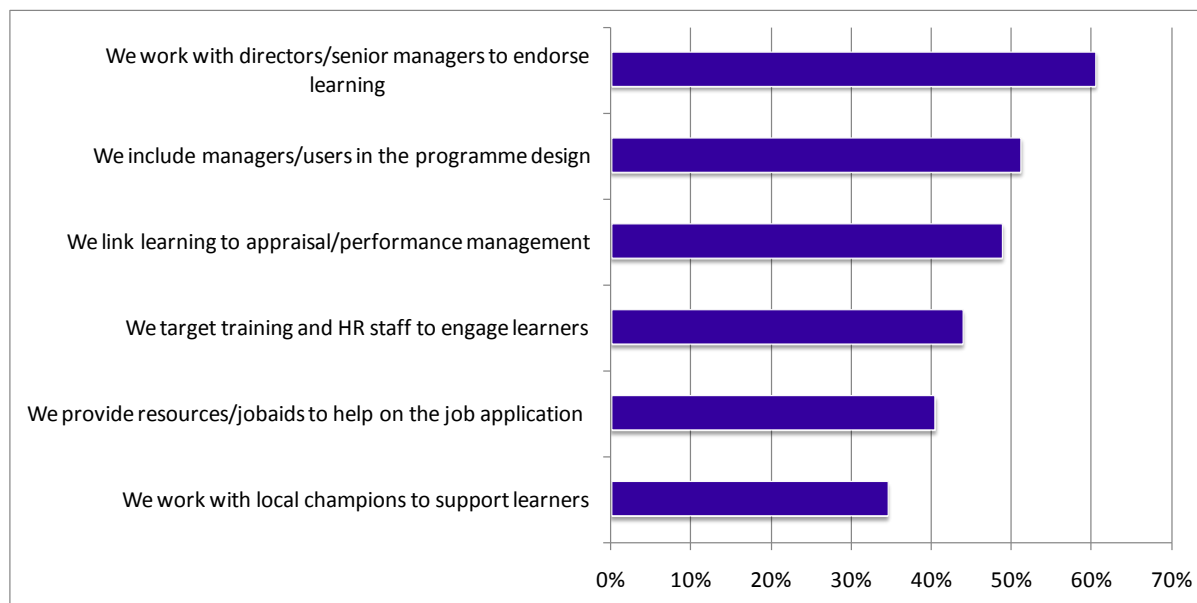
Previous studies have indicated that there are 5 key areas within this workstream that have a significant impact on learner engagement with technology-enabled learning:

1. Engaging with top leaders and managers – in the design, promotion and endorsement of learning technologies
2. Engaging learning and development professionals as stakeholders
3. Management of the cultural changes that accompany innovative approaches
4. Empowering learners to take control of their own development
5. Supporting learners throughout the learning process.

When organisations focus on ensuring engagement, the results on both business performance and the impact on the staff are dramatic. The Towards Maturity Index (TMI) provides a single, composite measure of the impact that learning technologies are having on organisational performance. The Benchmark 2010 research - with more than 400 organisations - found that the TMI rose to 67.66 for organisations scoring highly in the Ensuring Engagement workstream from a benchmark average of 48.46. The single factor that made the greatest difference was when top leaders and managers were fully engaged with learning technologies – both through their endorsement of technology-enabled programmes for others and in their own use of technology-enabled learning for personal development.

The figure overleaf considers 5 individual action areas within the ensuring engagement work stream that correlate to business results and highlights the extent to which they are being implemented within this sample.

Figure 12 Ensuring engagement



Compared with previous studies we found a higher degree of engagement from leaders and managers with technology than in the overall benchmark studies.

Engaging with top leaders and managers

- 60% work with Senior Managers to endorse learning (compared to an average 29% of other organisations in the 2010 benchmark).
- 51% involve managers in the design process for the programme (compared to 28% for the 2010 benchmark value).

However there is still a real challenge to be overcome in encouraging leaders and managers to use and *be seen to be using* e-learning. The barriers are most pronounced amongst line and middle managers.

“Engagement with line managers is still a challenge but learners themselves really embrace e-learning. We need to do some more work around engaging line managers who see it as too time consuming to deal with e-learning.” (Yorkshire Ambulance Service)

One way to perhaps address this might be to increase linking learning to appraisal/performance management objectives (49% do this for management and leadership development compared with 64% from other studies).

Supporting learners

- 35% work with local champions to support learners (compared with 28% of general benchmark participants).

Programme designers in leadership development are twice as likely to provide resources/job aids to help managers apply their knowledge and skills in the workplace (40% agree that they do this, compared to 19% of general benchmark participants). Given the media preferences of learners discussed earlier, this is still an area of potential improvement to increase engagement.

Learning and development professionals as stakeholders

44% target local training and HR staff to engage users. Part of the challenge lies in the lack of skills amongst L&D staff to implement and manage technology in learning which is still reported by 2 out of 5 respondents. This is lower than the benchmark average (59%) but is still a concern for many and a frequently reported barrier in this study. Investing in the skills of learning and development staff in this area remains a strong recommendation.

“Management trainers feel that with the interactive nature of subject areas, (it is) difficult to use a rigid training provision that does not allow interaction”

What is working well?

When we asked respondents what was working well in their organisations, comments included:

“Coaching staff after courses are completed. Getting manager buy-in before staff are enrolled”

“Involving the team in the proposed training activity. Internal buy in prior to roll out. Assigning individual development to the learning aims of the courses”

“The cost effectiveness of e-learning is not always appreciated or utilised if staff are given the option. The change in culture has to be endorsed from senior management.”

“By making some 'e' learning mandatory this has ensured take-up to try other e-learning courses.”

“Use of innovative and different ways of engaging learners.”

We also asked respondents to comment on the lessons learned that might help others:

“Engage learners in identifying learning needs and designing learning pathways”

“Get employees involved at the very first draft stage of learning being devised to maximise engagement”

“Engage learners by giving them access to career development e-learning rather than traditional statutory and mandatory learning”.

“Develop a process whereby skills can be evaluated in the workplace or have champions available to provide extra support after workshops; reinforce the learning with follow ups at their workplace/station”

“Ensure help via phone or email is always on hand for technical queries i.e. what to do if passwords have been forgotten or log-in difficulties.”

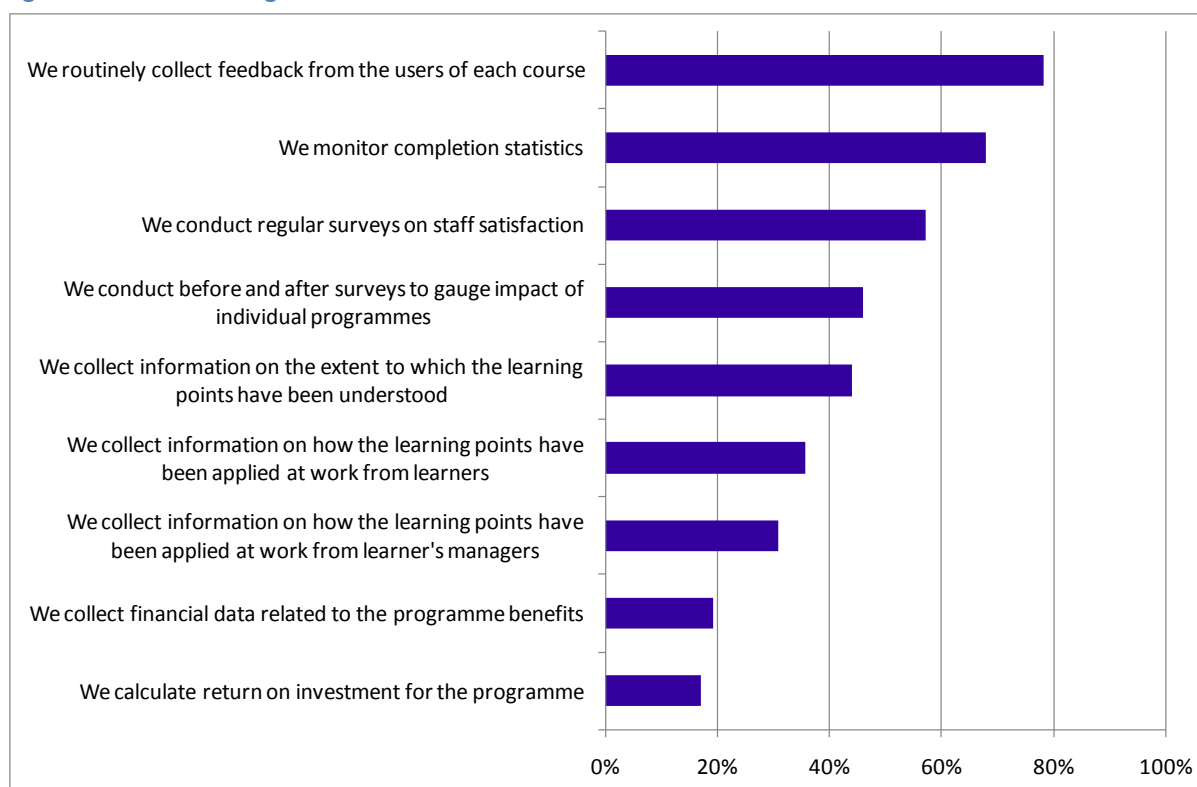
7.2 Demonstrating Value

Organisations that focus on activities that involve gathering feedback, measurement of benefits and ongoing communication of results are increasing the take-up and adoption of learning technologies and realising the greatest impact from their use.

As organisations mature in their use of learning technologies, they are increasingly likely to gather feedback from the business, going beyond the ‘happy sheet’ to measuring effectiveness in terms of business metrics and communicating the benefits back to key stakeholders.

The figure below considers a number of action areas within the Demonstrating Value work stream and highlights the extent to which they are being implemented within this sample.

Figure 13 Demonstrating value



Most organisations in this study are recording course registrations, course completions, course assessment results (where applicable) and qualification outcomes (where applicable). 78% record learner satisfaction at the end of the course and 68% record course completions. Whilst this may help demonstrate acceptance of new learning media, it does not demonstrate the value they are bringing to the business.

Measuring effectiveness

We found that considerably fewer organisations are following up on how the learning points in the programmes have been applied in the workplace:

- 36% collect information from their *learners*;
- 31% collect information from the *managers* of these learners.

Fewer still are collecting financial data related to programme benefits, or calculating Return on Investment for their leadership programmes.

“What has worked well is using “e” to simulate new business scenarios and creating communities in the workplace. Tracking improvements and the cost benefit have not worked so well.”

Communicating benefits

Communicating benefits back into the business to stimulate ongoing engagement isn't a priority – only 2 out of 5 organisations ensure that there is a communication plan in place for all key stakeholders. However more than 3 times as many organisations collect individual success stories and communicate them to others in leadership development than average (35% agreed they did this in this study compared with 9% in the general benchmark). This approach would help to address the following concern that was expressed:

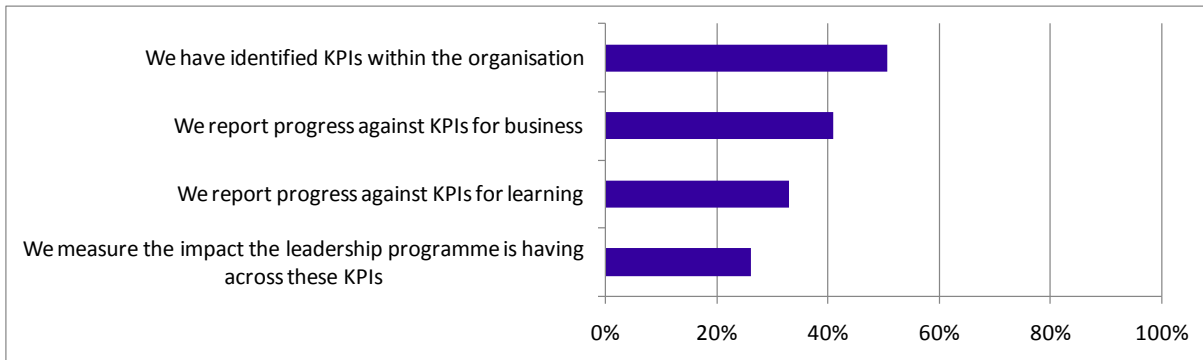
“Some areas have progressed much further than others in this area. However, lessons learned are generally not shared and there is little co-ordinated visibility of the activity going on.”

Using Key Performance indicators

Previous Towards Maturity benchmarks have shown that setting measurable targets for technology enabled learning with the business up front directly influences the results delivered. When it comes to leadership development programmes:

- 51% of participants identify Key Performance Indicators within the organisation;
- but only 26% measure the impact the programme is having against Key Performance Indicators.

Figure 14 Measuring and referencing Key Performance Indicators



Senior managers want to impact the business rather than have ROI (Return on Investment) worked out. Perception of success is more important than actual cause-and-effect proof of business impact. ROE (Return on Expectation) is better than ROI.” (Mott MacDonald Group Ltd)

Despite all companies using learning management systems, only 56% of respondents set specific KPIs for e-learning adoption. The most referenced KPIs for learning technologies included:

Table 8 - Common learning technology performance indicators

Learner statistics	Pass/completion rates	Feedback reports	Manager performance	Time and cost savings
Course participation /attendance rate Percentage of employees going through the programme Number using e-learning vs. total population	Numbers gaining accreditation/score Percentage of e-learning Pass rate Final assessment of each e-learning course Course achievement	Improved 360 degree feedback results Learner feedback Manager feedback Customer feedback	Impact on performance ratings Number of internal promotions Staff retention and morale	Reduction in time spent away from the business Cost of training Increase in revenue/income

Over half of participants correlate these learning KPIs back to performance indicators around employee engagement and staff satisfaction. One in 5 link back to recruitment and absenteeism indicators.

Other areas monitored by one or 2 organisations include: staff turnover; reduction in sickness absence; percentage of knowledge transfer; reduction on carbon footprint and sales or financial performance. However generally, despite the economic importance of these skills, the fact still remains that half do not set clear business goals nor measure against them.

“Leadership capability update training needs to be mapped to tracked KPIs to ensure uptake.”

“Develop a strategy for the use of LT for Leadership development and implement this with an action plan linked to institutional KPIs and appraisal, with a budget and an institutional team ready, expert and willing to take this forward. Invest in this programme by having very high quality materials (e.g. Harvard) and desirable qualifications that staff can achieve in a steady, realistic and measurable way, reporting regularly on successes and monitoring to act to improve any weaknesses. Take this forward using a detailed and well resourced marketing plan and ensure that it is sanctioned and passionately driven from the top by key advocates who are trail blazers for success.” (University of Greenwich)

Whilst there is more alignment to business goals and measurement with leadership development programmes compared to the benchmark in general, there is still some way to go.

8 Conclusions

Leadership development programmes have benefitted over the years from a wealth of online resources, books, journals and off-the-shelf course content. These have increasingly moved into the blend that now reflects today’s modern leadership development programmes.

This new approach is delivering efficiencies and increased business agility to an audience who’s skill is critical to the ongoing success of UK plc.

One blend does not fit all

Organisations are increasingly looking to harness technology for learning, and to blend a variety of learning methods and delivery media as appropriate for their audience. Many managers express that they still prefer to rely on face-to-face and more ‘traditional’ methods of learning delivery, yet this study highlights that when exposed to new media, the preference for pure classroom training diminishes.

If the priority is to engage leaders in implementing change, it is important to get the right blend for the right audience. Senior directors and future leaders may have different preferences – the most obvious difference is paper over social media. But leaders at all levels share an appetite for on demand and non-formal interventions that fit with fast paced business life.

The challenges for learning professionals

Future leaders, assumed to be ‘digital natives’, are keen to embrace new media - including social media: other managers are expressing preferences for mobile learning and on demand services. This presents a number of challenges to traditional leadership development trainers. Besides the cultural, technological and intellectual property issues, Web 2.0 tools transform learners into active users, creating and adding to the collective understanding. This shift raises a number of questions:

- Should organisations develop ‘structured’ e-learning content in-house or rely on external sources, increasingly available under open licensing arrangements?
- Should they set up and support in-house social networks and communities of practice, or rely on rapidly developing third party provision?
- What skills will be needed to move into this new space?

For many providers of leadership training, the quality of the learning experience is a key differentiator in the marketplace. Whilst client organisations increasingly utilise ‘context-specific’ experiential methods such as action learning, role play and work shadowing, these are proving to be the more challenging to support using learning technologies.

Traditional methods such as formal face-to-face classroom training remain high in the preferences of senior managers, fostering growing criticism that learning and development staff lack the necessary skills to develop, implement and manage high quality e-enabled learning experiences. Whilst some staff are clearly aware of the theory underpinning personalised learning, this is not always reflected in their practice.

Implementation practices to drive success

This research points clearly to an expected increase in the proportion of e-learning, the breadth of delivery media used and the proportion of training budget to be allocated to learning technologies in the near future. It is noted at the same time that increasing the proportion of innovative approaches, new media and user-generated content preferred by future leaders will contribute to lowering costs for IT infrastructure and software.

In leadership development, perhaps more than in any other field, it becomes of paramount importance to gain buy-in from leaders and managers – themselves the learners and beneficiaries of the programme. The study shows that, compared to other benchmarks, engagement strategies are currently strong which will continue to encourage adoption at senior levels. As managers embrace the benefits of technology enabled learning for themselves, it will have a knock-on effect on general learning culture and adoption

However, this optimism for change amongst L&D professionals in this study is not underpinned by a robust approach to demonstrating and reporting the benefits of technology-enabled learning for leadership development.

Appendix – Audience preferences for delivery media

Error! Reference source not found. below highlights the top 5 preferences for each audience included in the tables above to support programme design.

Table 9 Audience preferences for delivery media compared

Delivery media	Senior leaders	Middle managers	First line team leaders	Future leaders	Total % of sample
Virtual classroom	12%	32%	46%	18%	46%
Immersive learning environments	24%	49%	30%	32%	35%
Classroom	29%	33%	31%	8%	
Video Conferencing/Virtual Presence	32%	22%	13%	8%	71%
e-learning courses - custom made	27%	30%	33%	12%	61%
e-learning courses – ‘off-the-shelf’	13%	25%	60%	15%	58%
Podcasts	22%	37%	22%	29%	46%
Other online resources eg eBooks, eJournals	25%	35%	25%	7%	63%
Dedicated online resources for leadership	45%	40%	22%	7%	57%
Video content (best practice outside our organisation)	22%	41%	36%	5%	55%
Internal/Enterprise-wide information services	17%	31%	29%	17%	55%
Video content (best practice within our organisation)	19%	34%	34%	13%	49%
In-house social media	15%	23%	40%	26%	49%
External social networking or peer-to-peer sites	14%	24%	22%	39%	47%
Mobile devices to deliver content	38%	68%	24%	38%	31%
Paper based resources	58%	32%	7%	3%	

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Towards Maturity's benchmarking practice provides independent advice and support in applying learning innovation to accelerate business performance. Uniquely among research-based organisations in this space, Towards Maturity leverages the wealth of data provided by its ongoing benchmark survey – an internationally recognised, vendor neutral, longitudinal study based on the input of over 1200 organisations and 3000 learners since 2003. This benchmark powers an authoritative standard of measurement, the *Towards Maturity Index*.

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