The Social Imperative in Workforce Skills Development

Creating a social learning environment

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90%

of organizations do not have all the skills they need to be successful[3]

25%

increase in employee productivity using social technologies[5]

Today's changing workforce dynamics, economic challenges and technological advances are placing immense pressure on business leaders to turn their focus to people – their most valuable asset – in order to remain competitive. Organizations that engage their people and empower them with social technology can recognize significant competitive differentiation and market leadership. A recent study found companies can achieve up to 60% increase in margins in industries such as consumer packaged goods by leveraging social business technologies to connect more effectively with customers.[1]

An IBM study of more than 700 CHROs revealed that business leaders are focused on three priorities:

- Cultivating creative leaders

- Mobilizing for speed and flexibility to address market changes

- Capitalizing on collective intelligence[2]

But the dynamics of the modern workforce are making it difficult for companies to achieve these objectives and to find and keep talented workers. A full 90% of organizations do not have all the skills they need to be successful.[3]

And despite the high unemployment rates in many countries, more than 65% of global leaders cite "talent and leadership shortages" as their #1 business challenge.[4]

Leaders must look within their organizations to improve employee engagement, unlock lost productivity and develop the skills of their existing base. According to a McKinsey study, organizations can achieve up to 20-25% increase in the productivity of knowledge workers using social technologies.[5]

Using social technologies, organizations can develop a workforce development program where employees can develop skills on the job by collaborating with experts and sharing tacit knowledge. Organizations that develop a social learning program will improve employee engagement, reduce attrition and decrease the amount of time employees waste searching for expertise and information.

The Social Imperative in Workforce Skills Development

Everywhere we look, we see new evidence that our hyper-connected environment fundamentally changes how people engage with each other. Digital, social and mobile spheres are quickly converging – connecting customers, employees and partners to organizations and to each other. As a result, employees are beginning to be empowered as part of open, less rigidly controlled organizations.[6]

The demographics of the workforce are also changing. According to the US Census Bureau, 47% of U.S. employees will be those born after 1977 by the end of 2013.[7]

Since members of the millennial generation will soon bear responsibility for moving organizations toward successful outcomes, it is important to understand their particular capabilities, expectations and needs. It is also important to anticipate opportunities to capitalize on the differing perspectives that will inevitably emerge from divergent but overlapping generational viewpoints.[8]

For example, today's workers do not expect to retire in their current organization. According to a Mercer study, the number of employees who were "seriously considering leaving" their employers grew from 23% in 2005 to 32% in 2010.[9] Potentially, an entire workforce could turn over in three years, significantly draining an organization of its knowledge base.

To reduce defections, improve engagement and capitalize on collective intelligence to build skills, organizations must adapt their systems and polices to reflect the needs of the changing workforce. Social technologies can provide significant benefits in the area of learning and skills development and solve the growing skills crisis organizations face. According to McKinsey, the use of social technologies can reduce time employees spend searching for people and company information by 35%.[10]

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of U.S. employees will be those born after 1977 by the end of 2013[7]

32%
of employees are planning on leaving their employer versus **19%** five years earlier[9]

# How Do Social and Learning Come Together to Solve the Skills Problem?

35%

reduction in time spent searching for sales content for AMD's sales teams[11]

By incorporating social technologies into a workforce development program, organizations can quickly and dramatically improve the skills of employees, creating a global forum for ongoing enablement and development. Employees can get instant answers from experts, train with peers in a virtual auditorium and refresh their knowledge anywhere and anytime with "snack-sized learning on the go." Social learning communities create a virtual water cooler, where the tacit knowledge of experts is surfaced and retained as a valuable company asset.

By capturing and capitalizing on the collective intelligence in the organization, corporate knowledge is always current and globally consistent and is enriched with expert sourced content. In a social learning environment, organizations benefit from a unified talent record where each employee's skills are inventoried to make it easy to match the right people with the right jobs and careers. And social and predictive analytics identify resource and skills gaps, reduce compliance risks and provide targeted, prescriptive skills roadmaps to rapidly and affordably develop a well-skilled workforce.

Social learning delivers measurable results. AMD reduced the time sales staff spent searching for content from 8.5 hours per week to 5.5 hours per week.[11] And Best-in-Class organizations are 93% more likely to have social learning as part of their formal learning strategy, 94% more likely to leverage user created video content, and 119% more likely to utilize mobile learning solutions.[12]

Figure 4: Prevalence of Mobile, Social, and Video Learning
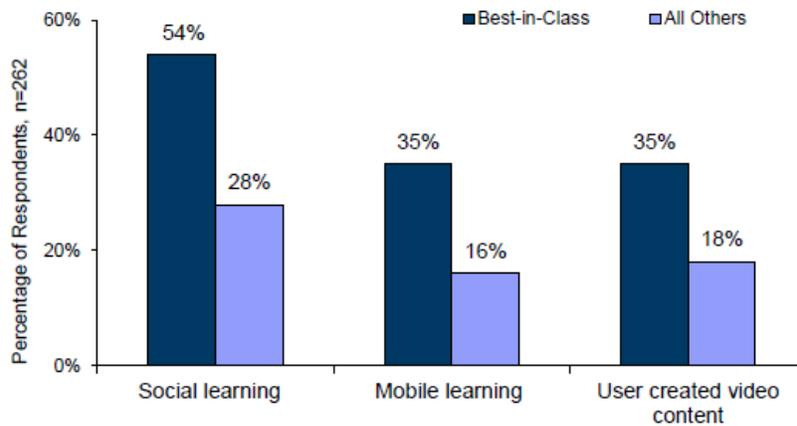

Source: Aberdeen Group, October 2012

Social learning helps organizations solve cross-organizational and cultural problems. Here are a few problems they consistently cite:

- High turnover and time constraints prevent the organization from maintaining a high skill level.
- Employees are underutilized because organizations don't have a good understanding of skills and skills gaps.
- It takes new employees a long time to become productive.
- The speed of business is accelerating and it's difficult to stay ahead of the change.
- The costs associated with employee training are high.
- Some job functions require employees to retain a high level of knowledge/information to excel.
- Learning experiences and resources are inconsistent across the company and they don't leverage the best that an organization can provide.
- Expertise and collective intelligence are not utilized to elevate the entire organization's skill level.
- The tacit knowledge of employees is not shared and retained; intellectual property is at risk.
- Varying generational, organizational and job family differences require a variety of learning methods.
- Continual learning is not a priority.

But despite the benefits and the need to build skills from within, many organizations face significant hurdles implementing a social learning and skills development program, among them the ability to reinforce formal learning on the job and linking learning programs to actual business results.[13]

Figure 1: Challenges to Executing Learning Strategy

Source: Aberdeen Group, October 2012
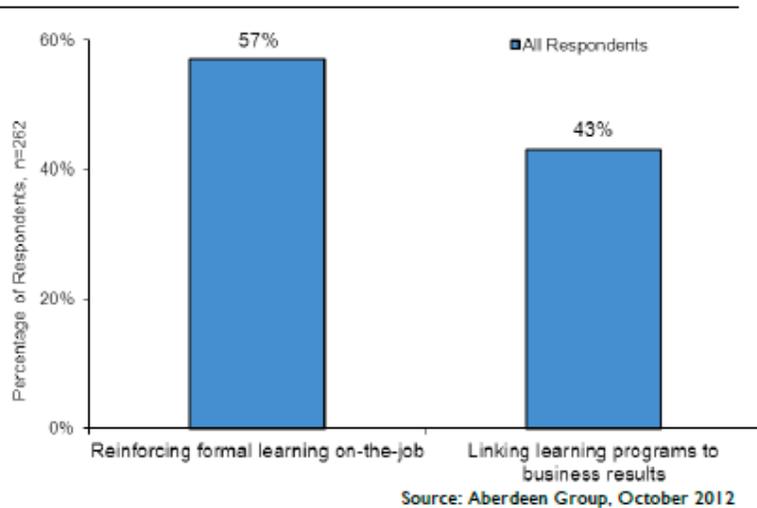
And when it comes to their own education, the emerging workforce (college students) still prefers traditional classrooms. Only 26 percent of students in an IBM college study said that online education is more valuable than the classroom.[14]

Role of online versus classroom education
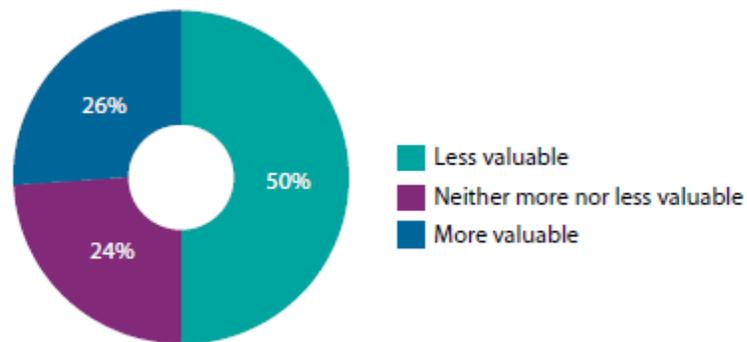
When it comes to education, students prefer classroom education over online education.   Source: IBM, 2012

Implementing a Successful Social Learning Program

To be successful, organizations must develop a social learning strategy which overcomes cultural barriers, employee skepticism and resistance to change. The strategy must also include success metrics which demonstrate real value for the organization, such as faster product development. Social learning is ultimately a workforce development strategy to improve business.

At its core, social learning can be defined as an exchange of information and ideas, supplemented by interaction with a personal or professional network of collaborators. Therefore, a social learning program must provide employees with immediate access to relevant content and access to seasoned experts who can impart their wisdom. In addition to content and experts, a social learning program requires the use of social technology to allow employees to collaborate in natural ways that are part of their typical daily business routines.

The core components of a social learning solution include:

- Social networks
- Wikis, blogs and forums
- Expert directories and expertise location
- Content libraries with content ranked for relevance
- Shared communities of interest
- Online coaching & mentoring

Gamification is also becoming an important element in social learning because it provides a realistic simulated environment where players can develop and test their business skills and learn complex subjects involving multiple roles and relationships. It is also proving to be an effective way to reach Millennial employees.

Social learning is ultimately a workforce development strategy to improve business.

Recommended Actions

Listed below are recommendations to improve your skills development program with social learning strategies.

Behavior and culture changes

- Blend social learning into formal learning; add class exercises, follow-up training and instructor "office hours" to your social network.
- Empower and encourage employees to create their own communities where they can document and share their expertise and lessons learned. Reward active employees.
- Make sure your solution attracts Millennials to Baby Boomers. Pilot with a group of influencers.
- Rethink learning design – how you will present information to gain maximum exposure, comprehension and retention.

Technology improvements

- Establish online communities that make it easy to capture the tacit knowledge of your workforce.
- Use gamification programs and services to improve participation and retention.
- Inventory your skills and match employees and experts to the right communities.
- Allow employees to rank content and experts.
- Make content easy to develop by adopting templates that are easy to use and readily accessible to everyone.
- Make it effortless for teams to share and forward links.
- Explore visual media using simple screen capture recording products to create short video and audio clips.
- Develop or buy mobile apps that allow employees to easily access and enrich your social networks and content libraries.

Content strategies

- Use social networks as the "knowledge network" enabling employees to self direct their learning.
- Enrich content libraries with timely and mandatory compliance-related training to stimulate participation.
- Develop bite-sized content that can be consumed instantly.

Summary

The rise of social media dramatically and positively affects an organization's ability to improve every area of the business, from sales and support to product development. A social learning program, even in a rudimentary form, will help organizations capitalize on their collective intelligence by connecting the right people to improve skills, stimulate engagement, improve morale and increase employee retention.

About the Author

David Leaser is a senior manager in the IBM Software Group. Mr. Leaser has written a number of IBM white papers, including "The Value of Training" and "The Value of E-Learning." If you have any questions about this document, please contact Mr. Leaser at david_leaser@us.ibm.com.

For More Information

To learn more about how training and skills development can help you generate revenue, improve productivity and save costs, please visit http://www.ibm.com/training.

"I believe the real difference between success and failure in a corporation can very often be traced to the question of how well the organization brings out the great energies and talents of its people."

~ Thomas Watson, Jr., IBM CEO, 1952-1971

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End Notes

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