



SUMTOTAL
WHITE PAPER

Harnessing the Power of Informal Learning Technology

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Harnessing the Power of Informal Learning Technology

“80% of learning and knowledge transfer occurs through informal, tacit learning activities but only 20% of the budget spent on corporate learning is focused on informal learning activities.”

– *The Business Impact of Social Computing on Corporate Learning, Carol Rozwell, Gartner Research*

Today’s dynamic business environment is driving the need for experiential, on-the-job learning, because traditional learning does not always deliver results in uncertain situations. The progression to Web 2.0 technologies is making it easier than ever for businesses to unlock tacit knowledge and make it globally available. The rise of user-generated content on social networking sites, wikis, blogs and more has placed a wealth of informal knowledge at the fingertips of geographically dispersed employees. The problem, however, is that many companies are not yet tapping into these resources when it comes to corporate learning. Instead, they continue to rely on traditional mechanisms alone, devoting the majority of their budgets to instructor-led training (ILT) or courses delivered via learning management systems (LMS).

The result? Learning mode, location and timing all become obstinate barriers to employees who increasingly need fast access to experiential, on-the-job knowledge. In the end, learning needs are not being met.

Consider, for example, an employee in search of impromptu training before a sales presentation to a key prospect. On an obvious deadline, the employee cannot wait for the next ILT session—nor can he wade through thousands of documents on the company intranet to filter out the one or two quality reports that might prove useful. Even if the employee could access some relevant information in a reasonable time, he might be facing a unique customer situation that had never been encountered before. Ideally, the employee would like to gain insight from subject matter experts who are rated highly by other users. If he could identify those experts quickly, he could then refer to any specific course content they had generated, read their blogs, or engage in on-the-fly, online discussions that could further provide him with the tools and confidence he needs to be more effective. More importantly, after his successful customer presentation, the employee could return to an expert’s collaboration page and offer new insight about his experience and strategies—so the rest of the company’s sales force could benefit from what he had learned.

Clearly, although many companies are interested in applying informal learning strategies, most also need assistance in identifying appropriate usage scenarios and business advantages. In this paper, we offer a basic discussion of Web 2.0 technologies and the benefits of informal learning. In addition, we provide meaningful business cases that, as in the above scenario, illustrate how strategic informal learning initiatives can enhance collaboration, unlock valuable tacit knowledge, and drive improved performance throughout the company.

Web 2.0 shifts gears toward social learning

Web 1.0 was all about one-way interaction. Users were simply consumers of information, placing significant limitations on the speed, quality, relevance and cost of content generation. This was especially true in situations where, in order to be most effective, content needed to change dynamically with changes in business environment. The consumers of a course, for

example, were in no position to offer their interactive feedback or the knowledge derived from their real-world experiences.

Not surprisingly, many companies have found the Web 1.0 model leaves real subject matter experts hidden somewhere within an organization. Furthermore, this model regularly saddles businesses with overwhelmed content creation staff, outdated course content, and mundane courses that never touch on real-world scenarios. Frustrated employees attempting to gain tacit knowledge continually run into roadblocks.

Web 2.0, on the other hand, is all about user participation. Users can generate content themselves, or co-author content as part of a community. The contrast with Web 1.0 is very clear. Web 2.0 tools—such as Web conferencing, wikis, blogs, instant messaging, social networking, and social tagging and bookmarking—provide ways for employees to collaborate and benefit from each other's expertise. In fact, thanks to constant user feedback and insight from real-world examples, Web 2.0 content is rich, refined and up-to-date—in other words, ideal for use in corporate learning initiatives.



Informal learning drives valuable business benefits

With the advent of Web 2.0 technologies, growing companies are now exchanging a vast amount of knowledge—as much as 80 percent, according to Gartner Research—via informal communication. That's because deadlines and other performance requirements make it impractical for employees to wait on scheduled training courses. To keep up with the demand for informal knowledge transfer, companies need to implement self-paced, on-the-job learning activities that can help employees make an immediate impact on their job performance and deliver quick, measurable results. Moreover, they need to avoid the common challenges associated with pre-existing course content, including:

- Courseware that is outdated due to lack of bandwidth from the content team
- Course content that is not easily accessible or searchable, or that only a handful of subject matter experts even know exists
- Overabundant content that can make finding the best fit a daunting task
- Content that lacks the real-world examples and insight delivered through interaction with subject matter experts
- Content that fails to address “never seen before” situations, and that cannot give learners the confidence needed to perform in a highly uncertain environment

Unlike learning efforts focused on pre-built content, informal learning tools incorporate expert feedback and real-world community experiences to facilitate rapid learning and improved communication. Users gain in-context knowledge on the job, so they can deliver more measurable positive results. Additional key benefits of Web 2.0-based collaborative learning approaches include:

- **On-the-job learning while dealing with uncertainty.** Traditional codified learning objects don't work when employees encounter "never seen before" scenarios. For example, the financial credit crisis in September 2008 left many sales people stranded in the process of trying to close their quarter end deals to meet their quotas. They needed advice on tactics that would minimize the impact of this unprecedented situation. Those sales workers who could identify and reach out to experts, solicit feedback, share past experiences and collaborate were better able to learn on the job and successfully close deals
- **The ability to unlock valuable tacit knowledge.** Companies grow, merge with other companies, and reorganize into new organizational structures in order to adapt to rapid changes in the business. These processes often transform employee roles dramatically, forcing some specialists to become generalists and other generalists to become specialists. In the midst of these changes, the tacit knowledge of each employee is locked up thus impacting efficiency of peers. Informal learning tools—such as social networking, tagging, expert identification, expert rating, wikis and blogs—give users an easy way to seek out and tap into the tacit knowledge that keeps your organization moving
- **Rapid user-contributed learning.** Community-based content creation unclogs the bottleneck resulting from smaller content creation teams. That's because more subject matter experts are allowed to participate and offer feedback, either via discussion forums or blogs. In addition, with the help of collaboration tools, the user community can provide continual feedback on the effectiveness of the coursework and even update material using knowledge from their collective experiences. This type of shared ownership keeps course content fresh and relevant, while enriching it with proven, real-world experiences
- **Reduced cost of content creation.** Numerous examples across different industries clearly demonstrate that a small subset of domain experts is no match for the power of community-driven knowledge. Consider, for instance, the Open Source Linux Operating System Project, which continues to pool the collective expertise of thousands of contributors to update and improve one of the most powerful operating systems. Clearly, when an entire community and a number of subject matter experts are involved in contributing content, the cost of creating that content is cut dramatically, while the quality and breadth of the content becomes far superior

How informal learning solves common knowledge-transfer problems

Although Web 2.0 is certainly at the forefront of many business minds, some companies need help determining where and how to best apply the technologies to leverage social learning in conjunction with formal learning efforts. SumTotal has combined leading analyst research with feedback from our customers to identify key usage scenarios where early adopters have already succeeded in addressing many of today's common learning challenges. Examples include:

- **Blended formal & informal learning.** As part of a major product launch, a large software company wanted to provide a one-stop, holistic, yet targeted training session to several diverse audiences. In order to build interest ahead of its traditional courses, the company integrated social networking tools such as community blogs and wikis into its initiative. The company also leveraged the collaborative nature of these tools after the formal training programs were complete to allow designated experts to lead discussions and answer questions

- **On-demand learning.** Many companies are using social networking tools as a way to create content from the ground up, often leveraging a community of experts to tag, recommend and rate content that can jumpstart learning efforts on demand. In fact, many curriculums are being redesigned to incorporate expert feedback and ratings along with innovative simulation tools that facilitate near-real-time decision-making
- **Onboarding and training virtual workforces.** A large technology company with a dispersed virtual workforce implemented a supplemental onboarding program at the business-unit level to augment its corporate onboarding initiative. New employees were offered a blended learning program that combined eLearning and social software. Students collaborated using shared wiki pages, instant messenger, live Web meetings and profiling technologies to form valuable trusted relationships. Ultimately, this initiative allowed the virtual employees to make connections with their peers while learning how to best utilize corporate assets
- **Corporate engagement.** A large agricultural equipment company is building a strong corporate community by rolling out a Facebook-like directory, where employees can regularly update their job information, areas of interest and expertise. This corporate directory is becoming a knowledge-sharing warehouse that helps employees quickly find domain experts and accelerate learning
- **Recruiting.** By leveraging social networking tools that allow current and former employees to connect with each other and stay in touch, a large consulting company has created a huge talent pool that not only reflects assets available for recruiting, but also helps lure back former employees. Furthermore, the initiative has increased the goodwill among former employees, many of whom have gone to become ambassadors for the consulting company in their new organizations
- **Communities of practice.** A defense organization built several communities of practice (CoP) to bring together learning specialists, cross-functional domain experts, industry experts and researchers. Within these CoP, users now leverage informal learning tools to assist each other with ad hoc problem-solving, facilitate professional networking, and provide mutual support

Conclusion

The ability to leverage collaborative Web 2.0-based technologies to transfer tacit knowledge can greatly ease the process of managing employee learning and performance. When talent managers can unlock what employees know and make that information accessible to others within the company, they can spur collaboration and creativity. Combined with more traditional learning mechanisms, informal learning initiatives can harness the power of community to drive substantial improvements in business—including greater productivity, increased sales performance, reduced training costs higher employee engagement and retention.

To learn more about how SumTotal can work with you to help strengthen business performance, please visit our Web site at www.sumtotalsystems.com

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