SMILE SHEETS ARE NOT ENOUGH:
GIVE LEADERSHIP DEVELOPMENT THE ANALYTICS EDGE

THE REGIS COMPANY

WHITE PAPER

TABLE OF
CONTENTS

INTRODUCTION

Learning and Development professionals are entrusted with the crucial mission of growing the future of organizations from the inside out.
In a resource-scarce environment, how can they create efficiencies, demonstrate their critical value, and drive business outcomes through Leadership Development?

This white paper will review how data analytics can transform Leadership Development – and the businesses where leaders learn and grow. After reading, you'll have a clear understanding of:

- How analytics confers three key benefits: leader development, talent management, and business optimization;

- How analytics works on three different levels: the learner/leader, the learning organization, and the business as a whole;

- The shortcomings of traditional learning measurement and how analytics can fill the gaps;

- The data maturity and analytics maturity scale; and,

- Where you can find the help you need to build a strong analytics practice in your learning and development organization.

AN INDUSTRY BEHIND THE CURVE

LEADERSHIP DEVELOPMENT HAS YET TO REALIZE THE TRANSFORMATIONAL POTENTIAL OF TECHNOLOGY

Digital transformation is advancing through the business landscape like a bullet train, replete with great opportunity (and notable challenges) across every facet of business. Curiously, Leadership Development has been slow to climb onboard. Shouldn't Learning and Development departments embrace data and technology to keep leaders ahead of the curve?

Of all the promises of the digital age, there is perhaps no opportunity of greater consequence to Leadership Development than analytics. Leveraging technology to deeply understand problems, uncover patterns, and improve systems, data analytics arms organizations with the power to develop better leaders, make better decisions, and achieve better outcomes.

DATA OVERLOAD AND THE LEADERSHIP SHORTFALL

In spite of the explosion of information, technology, and options that define our world, decision making remains a key global challenge. According to The Millennium Project's State of the Future 19.0 report (2017) – which compiles research from 500 scientists, academics, and business leaders in over 50 countries – one of the top 15 critical challenges of the next decade will be "global foresight and decision making." At the same time, technology is rapidly redefining the job market. The World Economic Forum reports that by 2022, four of the top ten emerging jobs will be centered around data analytics and intelligent computing.

It seems given a wealth of data and tools to manipulate it, leaders aren't quite sure what to do with it all. **How can Learning and Development organizations help close the global leadership shortfall?**

Leadership Development must harness the tools of the digital age to prepare leaders to excel in a time when effective leadership is more crucial (and more rare) than ever.

TOP 10 EMERGING JOBS IN 2022

1 Data Analysts and Scientists

2 AI and Machine Learning Specialists

3 General and Operations Managers

4 Software and Applications Developer

5 Sales and Marketing Professionals

6 Big Data Specialists

7 Digital Transformation Specialists

8 New Technology Specialists

9 Organizational Development Specialists

10 Information Technology Services

Source: World Economic Forum

LEADERSHIP SKILLS IN HIGH DEMAND

However, it's not just about data; it's also about what you do with data – or as former Google CIO Douglass Merrill puts it, "Big data isn't about bits, it's about talent."

World Economic Forum findings support this assessment. According to research, the skills growing most in demand center around leadership capabilities, including analytical thinking and innovation, active learning and learning strategies, creativity, originality, and initiative.

## THE NEED FOR ANALYTICS IN LEADERSHIP DEVELOPMENT

While sound leadership and decision making are skills in high demand, Leadership Development is lagging when it comes to leveraging tools of the digital age, like analytics reports and dashboards. Smile sheets and manually evaluated group activities typify most learning programs, resulting in solely qualitative or anecdotal accounts of progress that cannot be repeated or scaled. In fact, according to the 2017 Chief Learning Officer State of the Industry Report, only 14% of learning and development leaders said their learning function leverages technology to "collect, aggregate, integrate, and analyze data," and 34% are still manually collecting learning metrics. Both the experience and measurement evaluation of learning fall short in this paradigm.

Similarly, the same report found that less than half of organizations measure the impact of their learning and development initiatives on business performance.

In reality, learning programs should be the tip of the spear for leveraging the power of technology to create positive business outcomes. Organizations should look to their learning and development departments to anticipate learning needs and to help employees grow into the skills needed to command the digital age—using a befitting analytics toolkit.

Implementing analytics in Leadership Development not only drives repeatable, scalable, and impactful programs with real business and personal results, but it also allows learning professionals to identify gaps and trends, helping organizations stay ahead of the curve in our increasingly competitive world. **With so much evidence supporting the need for embracing data to make better leaders, why is Leadership Development slow to respond?**

CRITICAL HUMAN SKILLS IN FUTURE JOBS MARKET

TODAY - 2022
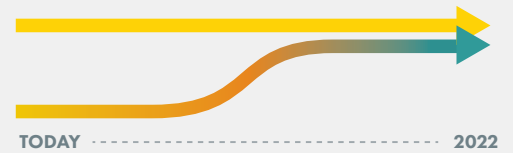
RETAIN OR INCREASE VALUE IN THE WORKPLACE

Creativity

Originality

Initiative

Critical thinking

Persuasion/negotiation

Attention to detail

Resilience

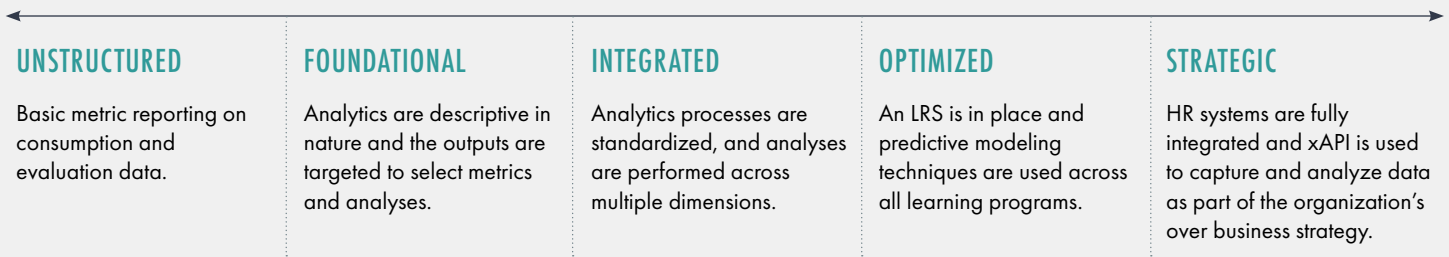Flexibility

Complex problem-solving

INCREASE SIGNIFICANTLY

Emotional intelligence

Leadership

Social influence

Service orientation

Source: World Economic Forum

ARE YOU USING ANALYTICS TO YOUR ADVANTAGE?
A MATURITY MODEL FOR DATA ANALYTICS

Few learning departments operate a mature analytics practice, in spite of the vast opportunity it provides to differentiate development departments, as well as people, products, and market value. Where does your organization fall in its use of data analytics?

UNSTRUCTURED	FOUNDATIONAL	INTEGRATED	OPTIMIZED	STRATEGIC
Basic metric reporting on consumption and evaluation data.	Analytics are descriptive in nature and the outputs are targeted to select metrics and analyses.	Analytics processes are standardized, and analyses are performed across multiple dimensions.	An LRS is in place and predictive modeling techniques are used across all learning programs.	HR systems are fully integrated and xAPI is used to capture and analyze data as part of the organization's over business strategy.

GET AHEAD OF THE CURVE WHILE YOU CAN

In spite of an abundance of data, only 26% of organizations report using technology and analytics effectively to manage and develop people, according to Deloitte's 2019 Global Human Capital Trends Report. Research from a Bersin by Deloitte study echoes the finding, reporting that an even narrower 10% say they "very effectively" use data and analytics to respond to pressing and evolving business needs. This constitutes a huge missed opportunity for businesses. As we'll see in this report, analytics not only help you measure human behavior and business outcomes, they can actually drive desired behaviors and outcomes.

While these numbers may paint a bleak outlook for Leadership Development at first glance, they in fact reveal an immense opportunity for differentiation. Learning and development departments that can rapidly and skillfully implement analytics in their programs stand to reap outsized benefits – in their organizations and in their markets at large.

26% **of organizations report using technology and analytics effectively to manage and develop people.**

WHERE THE OLD WAYS FALL SHORT

COMPARING TRADITIONAL MEASUREMENT OF LEADERSHIP DEVELOPMENT TO MEANINGFUL ANALYTICS

We can all relate to consuming something that's exceptionally interesting or clever, like an inspiring Ted Talk, yet has no lasting influence on our lives. This helps explain why even the most gratifying learning programs sometimes fall flat: failure to acknowledge what worked, why, and how to apply it in additional contexts. In other words, effective learning and development programs are defined by real and enduring – that is, measurable – impact.

LIMITATIONS OF TRADITIONAL MEASUREMENT

Leadership Development is notoriously difficult to measure. Normalizing data across both abstract and practical skills, emotional and rational dimensions, and classroom and field environments is no small feat – and traditional methods of measurement are simply not instrumented to be effective. Most commonly, learning measurement revolves around self-reported survey data, anecdotal feedback, or cumbersome, manually administered assessments. Although a step in the right direction, these data gathering techniques suffer from significant drawbacks. Manual evaluation is easily biased by test administrators, and human error can lead to inaccuracies in data entry. Smile sheets and testimonials rely on subjective participant feedback rather than objective measures of competency or improvement. The inherent bias of traditional measurement and failure to relate back to business priorities often motivate learning departments to abandon metric tracking altogether.

Additionally, this data is generally collected at a single point in time, prohibiting the evaluation of change over the learning journey. It is also extremely uncommon for learning organizations to look beyond data collected within the learning program to understand the impact of the learning experience in the real world. For these reasons, traditional measurement of Leadership Development is severely limited in its capacity to drive true business value.

> "The most valuable thing you can have as a leader is clear data."
>
> – **Ruth Porat**
> *CFO, Alphabet Inc. and Google*

TRADITIONAL MEASUREMENT	ANALYTICS-ENHANCED MEASUREMENT
Expensive	**Scalable**
Vulnerable to bias	**Accounts for bias**
Discrete	**Dynamic**
Point-in-time	**Longitudinal**
Qualitative	**Quantitative & qualitative**
Descriptive	**Insightful**
Limited context	**Robust context**

HOW DATA ANALYTICS SURPASSES TRADITIONAL MEASUREMENT

In contrast, analytics-enhanced measurement can reliably track changes over time and tie data to behavior and outcomes, helping organizations understand, improve, and even predict, their leaders' thinking, performance, and results.

Let's look at the learning journey with analytics to see how it works:

Before learning begins, leaders complete pre-tests that give a baseline of thinking, traits, and skills. Each answer is recorded digitally. This information is used to tailor learning to each leader's specific needs as well as establish a starting point to objectively measure change over time.

Then, during the learning program, responses in activities and simulations are digitally recorded and correlated with behavior in the field. This shows the learning evolution, as well as ties learning to real-world impacts, giving learning professionals a picture of improvement and if learning is effectively transferring to field performance. With this data, learning professionals may adjust programming to fill any identified gaps and improve experiences for future leaders.

Finally, post-assessments and feedback are digitally coded, giving an objective picture of improvement across the learning experience and proving the value of investment in learning.

In short, analytics lets technology do the hard work for you by gathering data through scalable, digital means and making sense of that data with insightful dashboards and readouts that go well beyond the capabilities of manually analyzed data. Traditional measurement is simply unequipped to build context, track change, and connect behavior to results in an efficient way. Even better, analytics empower you to surface sophisticated insights that are impossible with traditional measurement. What insights are possible with analytics?

FROM HINDSIGHT TO INSIGHT TO FORESIGHT

When done diligently, basic traditional measurement techniques can lead to descriptive data insights. In other words, they can describe trends and patterns by looking back at what happened. This information can help to inform what actions you should take in the future. But we all know that proactive is far better than reactive, right?

Advanced measurement using analytics goes beyond descriptive measures to optimize, forecast, and recommend. Far better than the simple pattern recognition of descriptive data, analytics can provide predictive insights and even prescriptive recommendations that account for complex interactions across data sets. With minimal human effort, this moves your organization from understanding what happened, to the ability to project what will happen and the wisdom to determine what to do next. What would your organization do with a crystal ball that helps develop people and accomplish strategic objectives?

DATA MATURITY SCALE

**FORESIGHT**
PRESCRIPTIVE

Prescriptive analytics goes beyond predicting future outcomes by also suggesting actions to benefit from the predictions and showing the implications of each decision option.

INSIGHT
PREDICTIVE

Predictive analytics is the use of data, statistical algorithms and machine learning techniques to identify the likelihood of future outcomes baed on historical data.

HINDSIGHT
DESCRIPTIVE

Descriptive analytics describes or summarizes features of a collection of information, allowing us to recognize patterns within a data set.
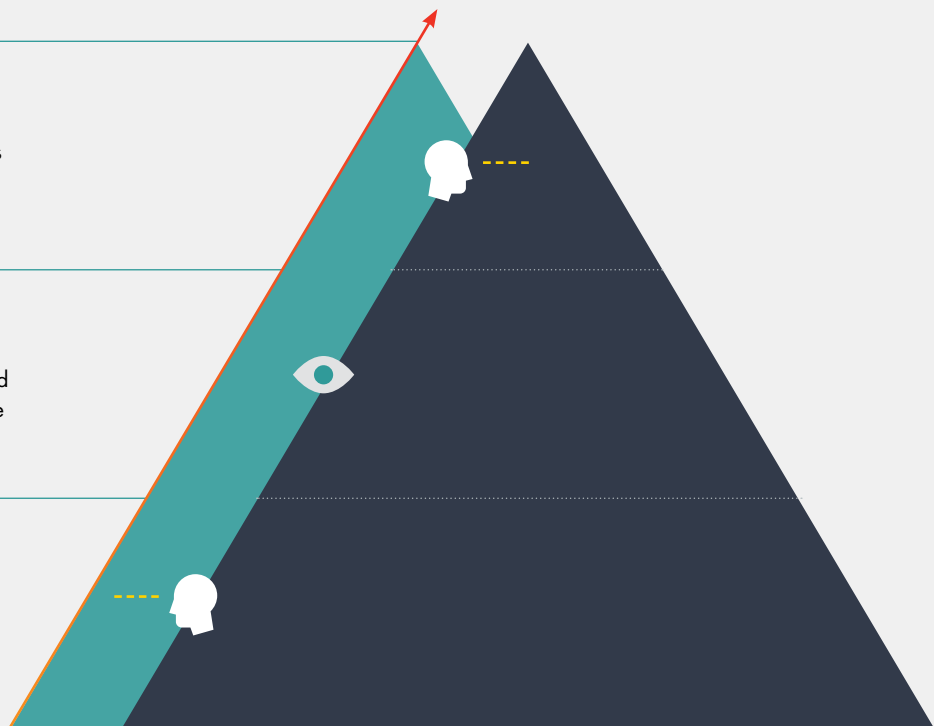
IMPACTS AND OUTCOMES OF ANALYTICS IN LEADERSHIP DEVELOPMENT

THE RIPPLE EFFECT OF ANALYTICS IN LEARNING

We've seen that analytics can deliver insights with efficiencies and precision that cannot be achieved using traditional measurement approaches. Now let's take a deeper look at how a robust analytics practice can benefit leaders and their organizations alike. At the end of this section, it should be clear that analytics can:

- Empower more efficient and impactful learning

- Help make organizations more attractive to current and potential employees

- Measurably contribute to the execution of overarching business objectives

But how exactly do intelligent analytics tools confer these benefits?

THE 3X3 OF ANALYTICS-ENHANCED LEADERSHIP DEVELOPMENT

Integrating analytics in Leadership Development drives three key benefits while working on three levels of organizational value. These benefits and rings of value interact to generate increasing returns across the business and its people. First, let's take a look at the three key benefits of analytics and the outcomes they produce. Then, we'll examine the three levels where value is delivered, how analytics create value, and the positive impacts of analytics-integrated learning.

**THE THREE KEY BENEFITS OF ANALYTICS IN LEADERSHIP DEVELOPMENT**
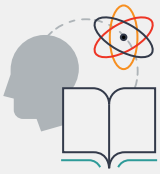
LEADER DEVELOPMENT

VALUE
Better Leaders through Personalized Learning

Analytics help leaders understand their strengths, target their weaknesses, track progress over time, and celebrate measurable improvement.

OUTCOME

- Optimal learning transfer
- Heightened investment in learning and performance
- Enhanced engagement and fulfillment
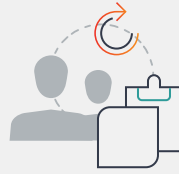
TALENT MANAGEMENT

VALUE
An Objective Basis for Decisions

Analytics put data behind succession models, performance management, and career paths. They also allow you to compare across candidates and predict who will perform well in each role.

OUTCOME

- Better alignment of employee value to role
- Clearer paths to growth
- Enhanced employee engagement and fulfillment

BUSINESS OPTIMIZATION

VALUE
The Bottom Line

Analytics show you the impact of learning on key performance indicators (KPIs), including how learning objectives have advanced business objectives. They also uncover gaps and blockers, helping you understand where processes and technology can be optimized.

OUTCOME

- Correlation of leadership development programs to real business outcomes
- Identification and elimination of environmental blockers
- Improved business processes

THE THREE ORGANIZATIONAL LEVELS WHERE ANALYTICS IN LEADERSHIP DEVELOPMENT DELIVERS OUTSIZED VALUE

INDIVIDUAL

VALUE
Personal Touch

Programs that leverage analytics are tailored, yet scalable, illuminating customized paths for advancement for each individual learner.

OUTCOME

- Improved self-awareness
- Mastery and retention of targeted skills
- Clear paths to internal advancement
- Higher levels of engagement and fulfillment

LEARNING ORGANIZATION

VALUE
Tactical Precision

Tools that aggregate, analyze, and interpret data help prioritize what skills and traits should be developed and where learning should be focused.

OUTCOME

- Easy identification of gaps in skills (in individuals and across teams or leadership levels)
- Scalable, repeatable paths for development

WHOLE BUSINESS

VALUE
Strategic Impact

Intelligent analytics reveal the thinking and behaviors that connect to business outcomes, and they help organizations understand if people are ready and able to execute strategic objectives.

OUTCOME

- Translation of learned skills to proven field performance
- Measurable improvements in business value
- Improved retention
- Easier recruitment
- Increased brand equity

THE COST OF OVERLOOKING ANALYTICS

Organizations that forgo the use of analytics in Leadership Development programming forfeit these benefits generated at every organizational level. Moreover, a different kind of ripple effect is likely to unfold: Not only will other organizations leapfrog laggards by incorporating data analytics, but without reliable measurement of trackable metrics, organizations will fail to develop talent, leading to ineffective leadership, poor decision making, conflict within and across teams, and employee attrition.

Can your business afford to leave analytics out of your Leadership Development equation?
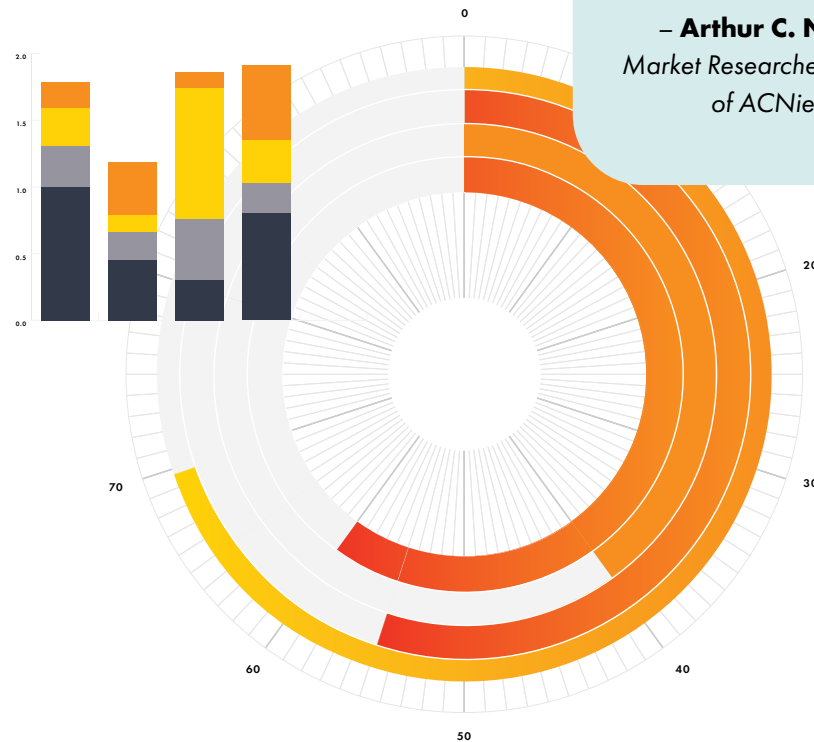
"The price of light is less than the cost of darkness."

– **Arthur C. Nielsen**
Market Researcher & Founder of ACNielsen

GET THE ADVANCED LEARNING INTELLIGENCE EDGE

FINDING THE RIGHT PARTNER AND PROGRAM TO EMPOWER YOUR LEARNING ORGANIZATION WITH ANALYTICS

Analytics can give your learning organization (and your business) a competitive edge. The time to capture the advantage is now, as competitors will surely follow close on your heels. For organizations looking to leapfrog challengers sooner rather than later, enlist the support of a Leadership Development partner that can inject sophisticated data analytics capabilities into your learning programming right away.

### GENERATE MEASURABLE RESULTS FROM LEARNING AND PERFORMANCE DATA NOW

At The Regis Company, Leadership Development offerings give organizations a critical headstart with Advanced Learning Intelligence™, a proprietary methodology designed to assess an organization's leaders while measuring the business impact resulting from their development.

Advanced Learning Intelligence™ (ALI) applies automated analytics to learning and performance data, creating valuable profiles of learners, leaders, and stakeholders. Whether from workshops, business simulations, facilitation or coaching, ALI generates valuable, timely insights about your people and your organization and informs where and how to invest your development budget.

Now that you understand the power of analytics-enhanced Leadership Development, it's wise to begin building your analytics practice right away. Although the task may seem daunting, enlisting the right Leadership Development partner can jumpstart your efforts and help you see results after just one program.
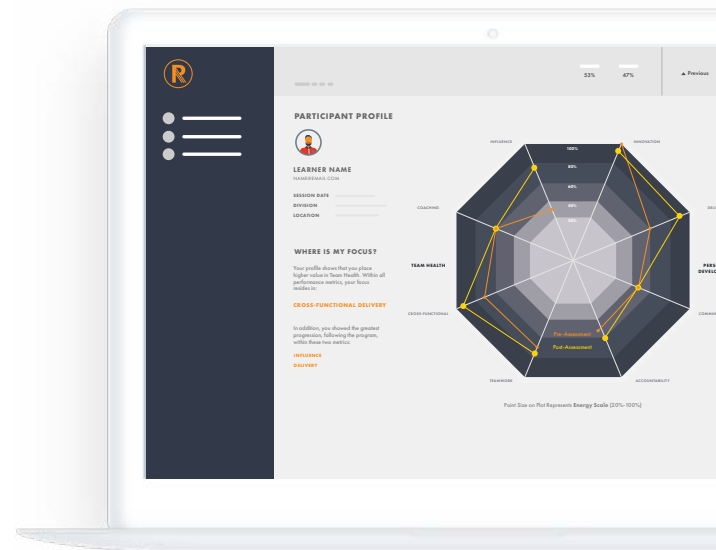
A REVOLUTIONARY APPROACH TO LEARNING

Part data-gathering exercise and part automated business-performance analytics suite, ALI is an essential component of every customized Regis Company learning program. Before a program begins, our experts use the Regis design approach to build an outcomes-focused roadmap that ties the organization's learning goals to existing conditions. Throughout the program, ALI dashboards and reports create a data-driven feedback loop that enables continuous improvement and measures learning program efficacy in real time. No matter if your focus is leader development, talent management, or business impact, ALI delivers meaningful insights to drive results.

SCHEDULE A MEETING NOW

ABOUT THE REGIS COMPANY

The Regis Company is the industry leader in creating personalized leadership development solutions across the world's most progressive organizations. Our targeted design methodology results in impactful and transformative learning experiences that enhance critical thinking skills, improve decision making, and build leadership capabilities for leaders at all levels. No matter where they are in their development journey, our award-winning solutions enable organizations to transform their leaders, drive change, and achieve business results. With extensive experience in more than 25 unique industries, The Regis Company has created and implemented hundreds of leading-edge programs across the globe.

TO LEARN MORE,
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