

“Using Learning as a Strategic Bridge to Drive Transformative Change”

THE CHIEF LEARNING OFFICER'S IMPERATIVE AT SAP

Featuring interviews with:

Jenny Dearborn
Senior Vice President and Chief Learning Officer
SAP

Sharon Ruddock
Chief Learning Officer
SAP Global Customer Organization





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CLOs Provide Governance and Standards, Not “Command and Control”

The role of Chief Learning Officer (CLO) is one that’s been rising in importance ever since Jack Welch established the position, hiring Steve Kerr, at GE in the 1990s. But it’s also one that’s become increasingly complex in an era where global companies are relentlessly evolving their business models; acquiring and partnering companies to extend their offerings; and taking solutions to market in weeks, not years.

According to **Jenny Dearborn, CLO of SAP**, the role of this C-suite leader is “not necessarily responding to what the business says it needs tomorrow, but using expertise and professionalism as a business consultant to answer these questions: Where is the industry going? Our customers? The market? Our products? How is the customer buying cycle different? As a CLO, I analyze the macroeconomic trends in industry and work with CEO Bill McDermott and his direct staff to understand how the company is evolving and how the workforce needs to change and adapt to meet those needs three to five years out.”

CLOs Oversee an Array of Critical Functions

Josh Bersin, a Deloitte thought leader, states that today’s CLO must understand the requirements of business-critical positions across global enterprise; help build the capabilities of current and emerging leaders; drive strategic change; leverage big data to develop and fine-tune

enterprise learning platforms and report on employee skills and gaps; and recruit, manage, and motivate high-skills employees.¹ Thus, the CLO is a “Chief Officer” for a wide array of essential enterprise-wide functions. While C-suite peers are typically firm supporters of the CLO’s mandate and importance, sometimes the CLO needs to educate other internal clients about this critical function and how it differs from the training organization of yore.

So how do CLOs meet this growing challenge? According to Dearborn, CLOs need to make sure they’re holding the right conversations with the right players; create overarching guidance for all to follow; and loosen their grip, pushing out responsibility for developing learning solutions to business units, teams, and even employees themselves. “It’s not about command and control anymore,” said Dearborn, in her speech with **Kerry Brown, Vice President of Enablement**, at SAP’s 2013 SAPPHERE conference. “Everyone’s a teacher, everyone’s a learner, and there’s this flat sharing and collaboration of knowledge and information.”²

Ensuring Equal Access to Key Resources

CLOs also are arbiters of learning equity. This can mean empowering diverse populations with the tools and resources they need to succeed. But it also means that every employee, regardless of his or her business unit, gets the same professional development opportunities. Dearborn explains that departments involved in direct revenue-generating activities, such as Sharon Ruddock’s sales organization, have always had significant budgets for education and professional development, while employees in units like finance and human resources often have been

Driving Learning for Business-Critical Functions

At large companies, the CLO responsibility may be shared. As SAP's CLO, Jenny Dearborn sets strategy, standards, and governance for the company's 65,000-member workforce, while **Sharon Ruddock** serves as **CLO for the organization's 26,000 salespeople**. The two work separately but collaboratively to ensure that everyone is acquiring the knowledge and skills they need to drive towards enterprise goals and best-in-class results.

Ruddock heads learning for sales, because it is a business-critical function that is continuously changing. According to Ruddock, SAP has hundreds of products that are being constantly improved. So her team helps both new hires and the existing sales field force stay up-to-date on these offerings and evolve their skills to position and sell the company's technology solutions to customers. "So that is something our sales force is challenged to keep up with. The technology is changing, the approach to learning is changing, so everything in my world is changing all the time," says Ruddock. One new strategy for keeping the sales team current on SAP solutions and how they

deliver value is a live 24-hour event that's online, gamified, and experiential — and tracks top learners' scores on a leaderboard. Some 16,000 employees attended the most recent event.

Ruddock leverages blended learning and new technologies to empower the sales force. Classroom training still has a role for intensive courses, such as Challenger Selling, while Virtual Live Classrooms serve as "mini-MOOCs." These online classes feature a 1:25 teacher-to-student ratio and are used to teach soft skills, such as negotiation, in a format that promotes interactivity and enables employees to learn in "snippets," on the go or at their own convenience, without detracting from their day-to-day responsibilities. This social, mobile approach to learning has proven successful with the sales organization, with more than 7,000 employees participating each year.

SAP identifies emerging high potential talent for sales and pre-sales role with SAP Academy—a nine-month recruiting, training, and mentoring program that starts in the university. SAP pre-sales candidates need to possess STEM

backgrounds, but also require business acumen to understand how SAP solutions solve industry challenges, reduce costs, and enable customers to capitalize on new opportunities. In addition, the program teaches soft skills such as active listening, presentation, design thinking, and negotiation. Possessing STEM skills, a strong EQ, flexibility, and intellectual curiosity is absolutely essential to succeed in SAP's competitive sales culture, according to Ruddock. The program gives young Millennials the tools to chart their own success, providing experiential learning, competitions, immediate access to customers, and opportunities for community engagement.

"How do we make learning part of the cultural DNA and take advantage of all the different ways and opportunities to learn? It's an opportunity and a challenge, but largely it's an opportunity," says Ruddock.

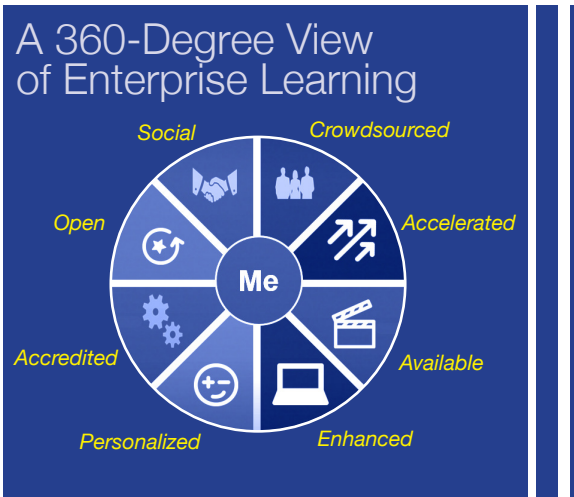
given short shrift. Today's CLOs are charged with leveling the playing field. At SAP, funds earmarked for learning go into one centrally managed fund, and all content and resources are made available to each member of the global workforce at no cost. "We're aiming to be more democratic by giving everyone access to knowledge that can help them improve their performance and advance," says Dearborn.

Training Gives Way to Self-Directed Learning

While there will always be a place for classroom learning, CLOs have increasingly abandoned the

old model of "push" training in favor of creating "pull" platforms and tools that enable employees to drive their own learning. Societal trends, such as employees' digital wizardry, constant connectivity, and social sharing inclinations are mashing up against technology innovations to enable new ways of learning. In today's companies, employees use massive open online courses (MOOCs) and on-demand training to acquire new skills, leverage collaboration tools to share knowledge and crowdsource content, and benefit from big data's ability to personalize resources and professional development opportunities for them.

While these trends are empowering individual users, not everyone is on board with the new



Source: Kerry Brown, SAP.

model of enterprise learning. Dearborn says CEO Bill McDermott and his direct staff have bought into employee empowerment, but some internal clients still ask, “Why isn’t someone teaching a class on this?” I try to explain that learning that’s social, mobile, experiential, or gamified touches the part of the brain where motivation is.”

These types of conversations will likely decrease as new learning models take hold and young Millennials join the workforce en masse. SAP, like many other companies, will soon go through a big shift, pivoting from a Gen X-centric organization, where the average employee’s age is 43, to one where Millennials rule the empire.

Enterprise Learning Is at an Inflection Point

Dearborn points to different changes that are occurring in this brave new world. Formerly home-schooled students and digital natives enter the work world expecting that they’ll have freedom and efficacy to meet enterprise and role-based learning objectives. Workers of all ages demand that enterprise technologies are easy and intuitive to use, mirroring the way they use platforms and apps in their personal lives. Boomers and Millennials are finding that they are equals when it comes to sharing knowledge and skills. Unconventional workers such as autistic individuals are being given a chance to succeed in

corporate jobs they previously wouldn’t have had access to. And young workers are winning early leadership opportunities, when they show native talent for solving complex problems, heading teams, or directing businesses.

At SAP, employees can craft their own approaches to meeting competencies and standards. “Pursuing what your instincts tell you about your individual needs is a better predictor of success than any system dictating a particular path. And that’s really hard for some CLOs and companies to get their heads around,” says Dearborn.

Adopting this approach empowers workers. Not only is engagement and concept retention higher, employees create solutions and approaches that can be leveraged by others, reducing the total cost of ownership for enterprises. In this way of thinking, it’s both all for one, and one for all.

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- Jenny Dearborn
SAP

While CLOs can open the door to a world of enterprise learning, employees need manager support to walk through that door and take full advantage of the opportunities they’re afforded. Not only do managers authorize time for learning

and development, but they serve as champions for new skills, following with their staff to make sure they put new behaviors and talent to work. “Managers and leaders at every level need to assume the responsibility to educate, inform, guide, and develop their staff and teams. To get to a place where managers feel that sense of accountability, we start by modeling it at the top,” states Dearborn. SAP CEO Bill McDermott and his executive team all teach online classes on leadership topics, modeling behaviors they want line managers to emulate. In addition, manager performance reviews include team learning requirements, to ensure that corporate mandates translate to ongoing action.

Big Data Helps Employees Succeed

Learning leaders are collecting data and analyzing and measuring employee performance. SAP uses 110 to 140 variables enterprise-wide to develop predictive models of employee performance. Big data enables SAP to identify top performers, as

well as at-risk employees. The goal is not to trap staffers in a corporate gotcha, but instead to help them succeed. “We have to support people who are on the edge instead of waiting to see if they fail – by then it’s almost too late,” says Dearborn. “So we look for those early indicators of performance so that you can intervene and try to get to a place where every employee is achieving at their optimal level. Basically, every employee comes in and wants to do their best. They want to be fantastic, and they can’t if something is broken in the system.”

“The learning community is unique,” Dearborn concludes. “There is this strong sense of advancing the greater good of the industry, of changing the world. It’s about how computers and humans interact. It’s about harnessing the behavioral sciences and technology and catching this wave. It’s incredibly exciting.” As CLOs at SAP, Dearborn and Ruddock are not only witnessing an epic era of relentless change— they’re driving one of the world’s leading companies into a new future.



Endnotes

1. Josh Bersin, “*Today’s World-Class Chief Learning Officer*,” Bersin by Deloitte, May 31, 2012. <http://www.bersin.com/blog/post/Todays-World-Class-Chief-Learning-Officer.aspx>.
2. Kerry Brown, VP, Enablement and Jenny Dearborn, CLO, SAP, “*Learning at the Speed of Change*,” Speech, SAPPHIRE NOW conference, June 3-5, 2014, <http://events.sap.com/sapphireNOW/en/session/9536>.