

Assumption Life: The 70/20/10 Rule Of Learning

Language	English
Provider	Assumption Life
Location	Atlantic Canada
Highlights	A company transforms a stale training program into an engaging learning program that drives organizational performance.
Overview	<p>Assumption Life was originally founded in Massachusetts in 1903 as la Société l'Assomption to offer financial services to the Acadian communities in the Maritimes and New England. In 1913, Assumption Life moved its head office to Moncton, New Brunswick, where the company remains headquartered to this day. Assumption Life has grown over the years to be a significant yet modest sized player in the Canadian financial services sector. Today, Assumption offers a full range of insurance products, financial services and mortgage loans, to customers across the country. It currently holds 75,000 insurance policies and manages assets worth \$1.5 billion.</p> <p>Ten years ago, the company was struggling with low employee satisfaction. Employees were unmotivated by the performance management system. The learning program on offer at the time was not contributing to the development of the skills that would allow the company and its employees to excel.</p> <p>At the time, the Human Resources (HR) Department oversaw a modest training budget of between \$20-50,000 a year. The HR department was not seeing much of a return on this investment. Employees had few opportunities to learn except for stale courses developing generic skills such as Introduction to Microsoft Excel. Yet, because they were the only courses available, employees would take them and ultimately develop skills that they did not necessarily need for their job. The HR department now relates that the courses were a kind of “shopping list” without any real strategic vision. Work-related learning at Assumption Life was not cost-effective and it was not producing any tangible result. The HR Department knew they could do better.</p> <p>Today in part due to a new approach to work-related learning, Assumption Life is seen as an employer of choice and was recognized as one of the 100 Best Places to Work in Canada in 2010 and as the 5th Best Place to Work in Atlantic Canada.</p>
Issues Targeted	<p>HR sought to change its approach to learning. They sought to ensure that the learning program would produce a return on the investment for both the company and the learner. Specifically, they wanted to:</p> <ul style="list-style-type: none"> •keep costs down by learning from each other rather than paying for external training. The new approach to learning would follow a 70/20/10 ratio, where 70 per cent of learning occurs through informal, on-the-job methods that include modeling, practice and exposure; 20 per cent is through more focused learning,

	<p>supported through coaching and/or mentoring; and the final 10 per cent is through external training when required as a last resort.</p> <ul style="list-style-type: none"> •make learning relevant by getting away from off-the-shelf training and toward learning that was focused and relevant to that required in a given position. The emphasis was to be placed on assessing the competencies that need to be developed in an individual and figuring out how that will be achieved. •make learning part of a person’s job and tie it their performance objectives by setting defined learning goals and then measuring progress towards those goals. For each position the learning required was to be assessed, addressed and measured in both qualitative and quantitative ways.
<p>Key Features</p>	<p>The first significant step towards this new approach happened when the company invested a modest \$300 in software. With this new software, the HR Department was able to develop and deliver e-learning practices for employees. This has turned into a real boon as they have since developed 25 e-learning modules to develop certain skills among staff. Since each only takes about 20 minutes to complete at a time convenient to the learner, employees can develop work-related skills whenever they have a few free moments. Each module ends with a small test to verify that the person has developed the skills and knowledge covered in the module. Since the e-learning modules are developed in-house, they are customized to be relevant to the needs of the company.</p> <p>The second and most important step occurred three years ago. The HR Department invested considerable amounts of time in developing orientation and learning profiles for each position and level in the company (approximately 175 in all).</p> <ul style="list-style-type: none"> •The orientation profiles define the tasks for which each position is responsible. With the orientation profiles, people who move into new positions (either from within the organization or from outside) have a ready-made guide to their new position, its responsibilities, and expectations. •The learning profiles are half-page descriptions that outline the competencies required to perform the expected tasks. They learning profiles list the specific skills and knowledge that each worker either must have to perform the job, or must be able and willing to develop in a timely fashion. They also provide information about how each competency will be measured. <p>The aim of the orientation and learning profiles are to get a new person up-to-speed as quickly as possible. According to the HR Department, when a person starts at a job, they want to get to work right away, but are often faced with roadblocks as the supervisor is unaware of their new employees’ skill-sets. With these tools, supervisors know what their new employees need to develop and what they are able to do right away. It leads to a positive first impression of the employee for the supervisor and vice versa. These profiles help the employee, the</p>

	<p>supervisor and the company by getting employees productive as soon as possible.</p> <p>Together, with the support of HR, the employees' skills are assessed against the level of competency required. Where gaps exist, employees and their supervisors together make a plan on the best way to develop the needed skills. For each employee a learning plan is developed that sets out exactly how the skills will be developed including scheduling coaching sessions and update meetings. They must understand and agree on how to transfer the skills in an acceptable time. The employee and supervisor must sign-off on the learning plan they have developed.</p> <p>Not only do the learning plans establish how the skills are to be developed, but they often also cover how the skills are to be integrated into the workplace. The learning program at Assumption emphasizes that people need not only to develop the skills but the confidence required to apply them on the job successfully. The HR department, supervisors and employees are always looking for ways for employees to try out their new skills and knowledge in a positive, low risk environment, for instance by instructing others on what they have learned.</p> <p>Following through on the learning plan and developing the skills required for their position are the responsibility of both employee and supervisor, and is tied to the employee's performance objectives. If the employee fails to develop the competency to the level required, it becomes a performance issue and employees and their supervisors are held accountable. They both must decide on the next steps to address the issue, which may include more involvement from the supervisor in the form of coaching or finding external training.</p> <p>When training is required, often the first source is through a training provider specific to the insurance industry, LOMA Canada. LOMA offers correspondence courses that lead to certification. Employees are encouraged to participate in these self-study courses on their own time and/or during off hours. Courses cover a spectrum of topics relevant to the insurance and financial services worker, including courses on the insurance business and on specific software packages. In some cases, the company recognizes the certification achievement with raises or bonuses.</p> <p>Wherever learning occurs, the HR department follows up with the learner to assess the impact of the learning. They look for evidence that the employee has developed the required competencies and the degree to which they are able to implement the learning on the job. The HR department conducts these assessments through both formal and informal meetings. Formal ones are scheduled as part of the learning profile. As soon as an employee starts in a position, they will receive meeting requests for 6, 20 and 26 weeks to discuss where they are at relative to expectations. HR also employs questionnaires to evaluate the progress of the learner in a more standardized manner.</p>
Key Results	<p>There is a strong belief at Assumption Life that organizations need to measure the outcomes of their learning. For them it may be "nice and train everyone, but you</p>

	<p>have to justify it, It has to be tied directly to core competencies, and then to the position and then finally to performance.”</p> <p>As a result, Assumption Life invests considerable effort in measuring the impacts of their learning program. The HR Department regularly tracks learners’ progress through informal chats and formal meetings. In a more formal way, they also use balanced scorecards (a tool that measures the performance of employees in executing their assigned tasks from financial and customer service perspectives) to assess the impact of their learning on the learner and their supervisor. They report that they are not quite able yet to measure the return on investment, but are working towards that goal for their performance metrics.</p> <p>They also conduct annual employee satisfaction surveys, which are used to gauge employees’ and supervisors’ perceptions on the learning program and on their overall satisfaction with the company and its activities. They have seen employee satisfaction ratings in the 30s and 40s per cents a decade ago replaced by scores in the 80s today, a change the company attributes in part to the new approach to learning.</p> <p>As a result of these positive impacts, their employee turnover rate is now less than five per cent. This in itself is a huge benefit to the company, and the HR Department in particular. With a high turnover rate, the HR Department would be “constantly spinning their wheels in recruiting and on boarding” and attempts to develop the skills and knowledge of employees would get lost – which would lead to more turnover. Their low turnover rate allows HR to focus on employee satisfaction and career development. But most of all, the learning program at Assumption Life now ensures that employees are developing the skills and knowledge they need in their jobs and for the company to succeed.</p>
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Sectors	Financial Services
Projects	Effective Work-related Learning in SMEs
Sponsors	Business: medium sized (between 100 and 499 employees)
Target Audiences	Workers
Initiative Types	Practice

<p>Initiative Type Details</p>	<p>The approach of Assumption Life to learning is innovative in its development of a learning profile for each position and level within the company. Although this was a considerable investment of time and effort on behalf of the company, it is now seeing the fruits of that labour. It is also innovative by emphasizing the importance of implementing learning on the job in a phased manner. Finally, the learning program was innovative in how they reduced their reliance on training and emphasize informal learning.</p>
<p>Partnerships</p>	<p>When training is required, often the first source is through a training provider specific to the insurance industry, LOMA Canada. LOMA offers correspondence courses that lead to certification. Employees are encouraged to participate in these self-study courses on their own time and/or during off hours. Courses cover a spectrum of topics relevant to the insurance and financial services worker, including courses on the insurance business and on specific products and business lines. When a certification (minimum of two courses) is obtained, the company recognizes the certification achievement with bonuses in a recognition celebration attended by all employees as well as the Board of Directors.</p>
<p>Stakeholder Involvement</p>	<p>Originally the learning budget for the organization was between \$20-50,000 a year. The new learning program at Assumption Life seeks to keep these costs down, while increasing the benefits. Today, training fees are considered as a last option after more cost-effective means of developing required skills have proven insufficient. As mentioned, the e-learning program was started with an initial investment of only \$300 (plus employee time) and has proven to be a very cost-effective investment.</p> <p>The most substantial investment into the learning program at Assumption is time. The HR Department has already invested considerable time in developing the orientation and learning profiles, but with those now in place the investment to maintain that system through regular updates will be manageable. However, there is the ongoing investment of time by the HR Department, supervisors and employees to set out learning plans and review their progress to their objectives at regular intervals.</p>
<p>Challenges</p>	<p>The key challenge for Assumption Life is getting management, supervisors and employees to commit the amount of time and effort required. The HR Department believes that this challenge is best addressed by demonstrating the value of the learning program in enhancing employee satisfaction, and making employees more productive more quickly. In doing so, employees may recognize that investments of time and effort now can produce benefits for them and the organization over time.</p>
<p>Sources</p>	<p>This summary was prepared for the Centre for Workplace Skills by the Conference Board of Canada. While the Centre for Workplace Skills, project advisory committee, and reviewers provided input, The Conference Board of Canada is solely responsible for the contents of this document, including any errors or omissions. Neither the authors nor The Conference Board of Canada accept liability resulting from the use or misuse of the information found within this report.</p>

	<p>Assumption Life, "History". Online www.assomption.ca/English/index/dynamic.cfm?id=101 (Accessed May 2, 2011).</p> <p>Rachelle Gagnon. Interview with Derek Hughes. April 13, 2011.</p> <p>According to Mediacorp Canada's listing of the top 100 best places to work. Online www.assomption.ca/english/press/details.cfm?id=180 (accessed May 2, 2011).</p>
<p>Conclusion</p>	<p>The learning program at Assumption Life is a compelling illustration of the role that evaluation can play in a learning program. The HR Department at the company has set clearly defined goals for each position and then ensures that progress towards these goals is measured formally and informally. Other SMEs questioning whether evaluation is worth the effort need look no further than the approach taken by Assumption Life and how it helps gain the support of supervisors and senior management.</p> <p>Assumption Life is also an interesting case where the work-related learning is relevant to the job and cost-effective to the company. Assumption Life shows how learning that was not particularly beneficial to the company can be revamped into an activity that drives organizational performance on an ongoing basis. Assumption Life can serve as an example for HR departments in other organizations of how to revamp their learning programs.</p>