

CASE STUDY:

Assumption Life

The 70/20/10 Rule of Learning

In 2001, Assumption Life was struggling with low employee satisfaction related to training and development. Employees were unmotivated by the performance management system. The learning program offered at the time was not developing the skills needed for the company and its employees to excel.

The Human Resources (HR) Department oversaw a modest training budget of \$20,000-\$50,000 per year, and was not seeing much of a return on this investment. With few opportunities to learn, employees ultimately developed skills that they did not necessarily need for their job.

Key Features to Success

Today, due in part 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.

Assumption Life sought to ensure that the learning program would produce a return on investment for both the company and the learner by keeping costs down and learning from each other rather than paying for external training. The new approach to learning would follow

a 70/20/10 ratio, where 70 percent of learning occurs through informal, on-the-job methods that include modeling, practice and exposure; 20 percent is through more focused learning, supported through coaching and/or mentoring; and the final 10 percent is through external training when required as a last resort.



The company also sought to make learning relevant by assessing the competencies that need to be developed in an individual and figuring out how that will be achieved and making learning part of a person's job and tying it to their performance objectives.

What Works

The HR Department invested in software to develop e-learning modules for specific skills needed by their employees. These 15-20 minute modules offer relevant training and practice exercises. The company also invested time to develop orientation and learner profiles for each

position and level in the company. These outline the tasks and the competencies required to perform these tasks. Where gaps exist, employees and their supervisors create a learning plan on the best way to develop the skills and how the skills will be integrated into the workplace.

Wherever learning occurs, Assumption Life follows up 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. "It would be nice to train everyone, but you have to justify it. It has to be tied directly to core competencies, and then to the position and then finally to performance"

Key Results

- Annual employee satisfaction surveys on training and development show improved ratings in the 80s.
- In 2011, the employee turnover rate was less than 5%. The lower turnover rate allows HR to focus on employee satisfaction and career development.
- Employees are developing the skills and knowledge they need in their jobs and for the company to succeed.