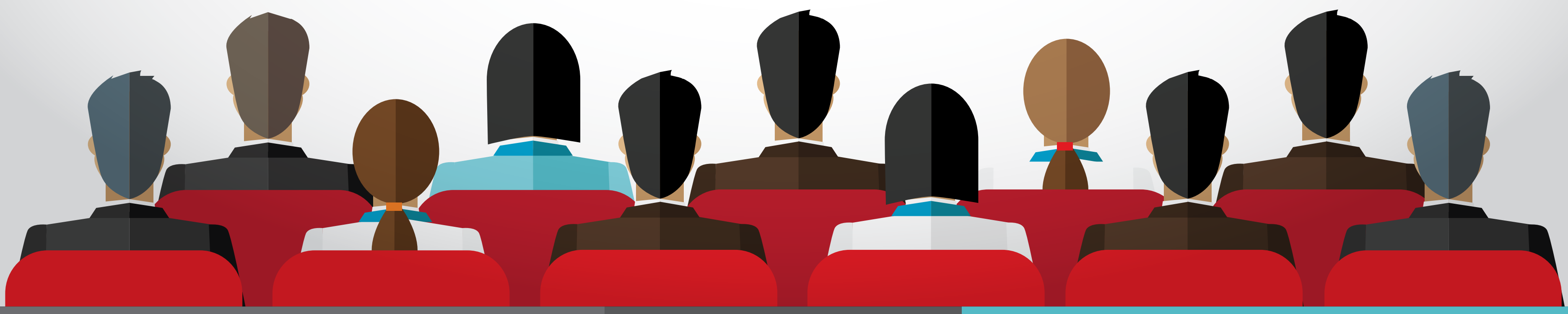
Speaking ROI

A UNIVERSAL LANGUAGE ALIGNING LEARNING WITH THE C-SUITE

There's a reason businesses continue to invest in learning and talent management; executives reasonably assume that these programs will deliver important strategic benefits across their global operations. Yet, a recent study by the Financial Times shows that fewer than half (47%) of management teams are satisfied with the corporate learning in which their organizations are currently investing.

The cause: One major disconnect. Talent Management is often run as a separate pillar of the business with its own language, set of metrics and schedules/timeframes. Leveraging our insights from the best practice programs and key metrics built into client projects serving nearly one million learners globally, this infographic is the final step of our three-part series on "Measuring What Matters in L&D."

This infographic seeks to break down silos by comparing / contrasting business and learning metrics; and provides the terminology needed to speak the same language as line of business leaders.



common KPIs C-SUITE

- NPI
- NPS
- EBIT
- Churn Rate
- Cycle Times
- Defect Rates
- Time to Market
- Sales Revenue
- Turnover Costs

common GROUND

- Employee Proficiency
- Retention Rates
- Improved Quality of Hire
- Culture
- Reduced Skills Gap
- Cost Savings
- Competitive Disruption

common KPIs L&D

- Effective Onboarding
- Adoption rates
- Qualitative Stories
- Time to Competence
- Employee Engagement & Motivation
- Employee Satisfaction Rates
- Certification Rates

KEY TERMS FOR YOUR VOCABULARY

Churn: Also known as the rate of attrition, the churn rate is the percentage of customers of a business or subscribers to a service who discontinue within a given time period. For a company to expand its clientele, its growth rate, as measured by the number of new customers, must exceed its churn rate.

Cycle Time: The period required to complete one cycle of an operation; or to complete a function, job or task from start to finish. Cycle time is used in differentiating total duration of a process from its run time.

EBIT: earnings before interest and taxes. To calculate EBIT, subtract your expenses (interest and taxes) from your sales revenue.

NPI Time and Cost: New Product Introduction (NPI) is a staged process that translates a market need into a sales-ready product. Failing to plan NPI effectively could lead to significant costs. **Research suggests 50% of new products fail to meet their objectives; 70% of NPI projects take longer than expected; and 33% of new products fail at launch.**

NPS: Net Promoter Score. Widely adopted by more than two-thirds of Fortune 1000 companies, NPS is management tool used to gauge the loyalty of a company's customer relationships. Customers are surveyed on a single question: The likelihood of recommending the company or brand to a friend or colleague.