Growing a Viable LMS Governance Model

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Few organizations of any size have successfully centralized all learning and development under one corporate, enterprisewide learning department. Much of learning is a direct function of the business and is therefore managed in a decentralized learning model.

What is governance?
It is a way to structure decision making through the diverse insights and talents of the organization’s most experienced professionals to think, decide and respond.

In the most common model, some learning is developed and delivered at an enterprisewide corporate level (e.g., leadership development and new-hire training), and individual business units and departments develop other learning.

This decentralized model creates a unique challenge for the selection, deployment and management of an enterprisewide learning management system (LMS).

As a result of the decentralized nature of the learning function, LMS decision making is either distributed across far-flung learning managers with little to no communication, or it falls to the corporate learning department alone. Either model can be disastrous.

Two trends are driving organizations to implement an enterprisewide LMS:
• The desire to integrate learning and development with other talent management processes such as performance and succession management.
• The increased focus on the measurement of learning to understand enterprise spending and, more important, learning’s impact on business results.

One of the critical success factors in the journey toward an enterprise LMS is the creation of an explicit structure for LMS governance.

So, what is governance? It is a way to structure decision making through the diverse insights and talents of the organization’s most experienced professionals to think, decide and respond. With each decision, a purposeful council prioritizes initiatives and balances both strategic and operational needs and communicates priorities to the organization.

Why LMS Governance?
The first question to ask: Does the learning organization really need a governance model? Decision making is a key element of corporate management, as it is with most aspects of running an organization. Just as the application of effective corporate governance can provide a framework for making thoughtful and consistent corporate decisions, the same relationship exists between an LMS governance framework and making thoughtful and consistent learning and development decisions.

Decision making can be difficult without formal structures in place to support the complexity of an LMS project. A major source of complexity in these projects is the number of choices that must be made because of highly decentralized business processes, disparate learning stakeholders, complex vendor relationships and redundant technologies that might be in use.

With a growing number of companies implementing enterprise LMSs and other learning technologies, organizations often come to the realization that remaining completely decentralized is counterproductive to the return they sought from their technology investment.

The implementation of an enterprise LMS often drives increased centralization of the entire organizational learning function. The question for many organizations then becomes,
“How can we organize ourselves to make good decisions around our learning programs and the technologies that support them?”

The answer is LMS governance. It is an important part of the success of any LMS implementation, from the planning stage of the project through implementation and into the ongoing maintenance and further evolution of the LMS. Often, these LMS governance structures mature into fully functioning learning governance structures that oversee all aspects of organizational learning.

The characteristics of effective LMS governance models are:

- **Business focus**: Get the right people making decisions about learning across the enterprise.
- **Transparency**: True corporate-level visibility into learning.
- **Flexibility**: Rapid response capability to changing business priorities, creating a nimble model.
- **Impartiality**: Independent status increases perception that learning priorities and standards support all groups fairly, creating a credible model.
- **Economical**: Leveraging best practices to maximize return on investment in learning.

**Growing Your Model as Your Needs Grow**

Depending on the size of your organization and your level of centralization of learning functions, you might move toward any of the three general governance models: federated, centralized or blended. Each has its own advantages and disadvantages.

1. **Federated**: The federated style of governance heavily relies on local decision making for delivering most aspects of learning.
   - Federated models typically provide more learning autonomy to the line of business to effect changes and institute policies.
   - Federated models rely on small corporate teams to identify and coordinate enterprisewide learning and development initiatives while enabling individual learning units within the lines of business to deliver the actual events.

2. **Centralized**: The centralized style of governance relies on economies of scale derived from a shared-services approach to learning delivery.
   - Centralized models result in the reduction of overall learning costs throughout the enterprise because of a cooperative sharing of costs across larger organizations.
   - Centralized models also allow learning to influence the broadest set of individuals because funding and impact can take place in areas where it has not occurred previously.
   - The centralized model also might result in increased bureaucracy, diminished responsiveness and disconnect from business issues and challenges.

3. **Blended**: The blended style of governance provides a combination of best practices, relying on both centralized shared services and decentralized administration of learning delivery.
   - Blended models result in a hybrid version of operational efficiencies, as well as optimized learning delivery embedded within the lines of business.
   - Blended models tend to be adopted by mature learning organizations, which have effectively overcome the obstacles of governance, shared services and process automation. This evolves into a business development, service-oriented consulting and in-sourcing model of operational costs and chargeback finances.
   - The blended model can present challenges to companies without standardized processes, dynamic business leaders and focused learning organizations. Many enterprises struggle to achieve this nirvana while they vacillate between...
in practice:

Governing Associate Development at Luxottica Retail

Mike Brennan

Luxottica Retail has more than 35,000 employees across its 5,000 North American retail locations. You probably haven’t heard of Luxottica Retail, but there is a very good chance you have been in a Luxottica retail store, which include LensCrafters, Pearle Vision, Sears Optical, Target Optical, B.J.’s Optical and Sunglass Hut.

These brands are autonomous by design, but they share Luxottica Retail’s collective mission of being the best at helping the world see through the distribution of high-quality prescription glasses and sunglasses.

They also share corporate resources and services, including learning and development. The learning and development organization (which reports to HR) employs a blended governance model, and design and development resources reside at Luxottica Retail headquarters in Mason, Ohio.

The company’s field training organization, which reports to the associate vice president of learning and talent management, is made up of trainers who are spread across the country. Some are embedded in a single brand, and others are responsible for delivering enterprise-wide programs to associates in all brands.

Luxottica Retail invests in a wide variety of learning and development opportunities that support both its business initiatives and the associates involved in their execution. These investments include front-line, experiential programs and a collaborative, intensive curriculum specifically designed to help leaders make Luxottica Retail a better place to work and shop.

Although successful in the past, the sheer size, geographic distribution and diversity of Luxottica Retail’s workforce has pushed the company’s current training capacity to its limits. Therefore, the company plans to centralize some of its learning functions through standardized processes that will be enabled by several technology components, including a learning management system.

Luxottica Retail will realize several benefits from centralization and technology enablement:

- A standard access point for associates to learning and development.
- Greater transparency through reporting.
- Role-based distribution of the most up-to-date materials.
- Increasing Web-based delivery of self-paced modules and virtual communities to better address the growing digital native contingent of its workforce.
- Greater operational efficiency for the learning and development function.

Learning and development is not considered in a vacuum at Luxottica Retail — it is regarded as a single, critical function integrated with other talent management functions designed to enrich associates professionally and make them more productive.

Therefore, the company’s LMS implementation will be guided by a single director of talent management working under a newly formed executive talent board. This board is made up of both HR and non-HR executives to ensure alignment with business objectives.

In addition, the director of talent management will administer a talent management steering committee responsible for ensuring unified, collective efforts and decision making of all the HR functional owners. The learning and development organization will be represented on the committee by a senior manager from both the field and corporate headquarters.

Moving forward, Luxottica Retail anticipates the automated administration and blended-learning delivery its LMS enables will result in more shared services. Responsibilities for both developing e-learning and generating reports that matter to the business will reside in the company’s corporate headquarters.

Much of the design input for content and reports, however, will come from Luxottica Retail’s field trainers. The LMS will automate many administrative tasks for these trainers, which will allow them to consult business leaders across brands and provide hands-on coaching to associates.

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the federated and centralized model. Strong governance experience and leadership are needed to institute this model effectively.

Although no organization will fit neatly into a ready-made governance model, most organizations begin at the federated end of the spectrum and gradually move toward a more centralized approach over time. Within the broader governance models listed above are specific roles and structures with decision-making responsibilities.

Structures to Consider
Some roles and structures that organizations have used effectively include:

1. Executive Sponsor (CLO, vice president of learning)

Key governance responsibilities:

- Primary spokesperson for learning and development initiatives.
- Represents the perspective and interests of executive management.
- Inherently understands the needs and challenges of each line of business.
- Provides leadership and guidance to the director of learning and development.
- Develops business plans for learning and development initiatives.

2. Learning Council

Key governance responsibilities:

- Includes executive sponsor as a member.
- Foremost strategic resource for all enterprise learning initiatives, processes, standards and budgets.
- Represents a cross-section of stakeholder organizations to align with enterprise goals.
- Responsible for defining and measuring the success of learning practices throughout the organization.
- Provides strategic oversight for tools, technology and business processes offered to lines of business.
- Defines policies, procedures and action plans to achieve learning success and repeatable best practices.
• Owns the global communication required to implement and sustain learning results throughout the organization.

3. LMS Implementation Steering Committee
Key governance responsibilities:
• Ongoing guidance for implementation team (e.g., project scoping, configuration considerations, planning issues, project resourcing).
• Provide communication channel to/from the lines of business regarding implementation.
• Surfacing and resolving problems and conflicts related to implementation.
• Assigning responsibility and ensuring accountable actions.

4. Learning Content Steering Committee
Key governance responsibilities:
• Made up of content experts from across the organization who are responsible for the definition of content standards, including content format, style, structure and integration method.
• Responsible for standards regarding metadata and naming conventions such as program names, catalog descriptions, course titles and other names that require a consistent format across the enterprise.
• Responsible for documenting and sharing content development best practices.
• Responsible for consolidating redundant internally and externally developed learning content.

5. Learning Technology Steering Committee
Key governance responsibilities:
• Responsible for the ongoing coordination of tools, processes and technologies that support learning initiatives (i.e., LCMS, virtual classroom, authoring tools).
• Responsible for tool standardization, consolidation or elimination of redundant tools.
• Responsible for evaluating business cases for new learning technologies.

6. Learning Budget Steering Committee
Key governance responsibilities:
• Responsible for the review, management and authorization of enterprise-wide learning budgets.
• Responsible for the shared services budgeted for the LMS, content (purchased and developed), tools and technology.

In many organizations, the learning function is, understandably, still operating in autonomous functions in various business units. Low levels of information and process sharing lead to significant duplication of effort.

For example, there can be multiple executive development programs, each with disparate entry, participation and requirements. It’s almost impossible to estimate how much money is spent on investments in learning without manual reconciliation, and there’s often no consistent measure to assess learning’s relevance and effectiveness in the context of business requirements.

A critical driver of success is how effectively and consistently companies can develop critical resources. Clearly defined processes for business planning enables LMS council and committee members to assess the urgency, business alignment and impact of proposed learning initiatives.

Regardless of which governance model best suits your organization, an LMS governance structure will enable your organization to clarify and prioritize learning initiatives and investments, as well as leverage LMS technologies effectively. Additionally, it will enable your organization to not only validate “what is important and why” but also organize and articulate how you’ll get those important things done.