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As chief learning officer for SAP, **Jenny Dearborn** is using analytics to ensure the company has the leaders it needs to remain on top of the industry.

BY SARAH FISTER GALE

SAP isn't the sexiest business on the block, but it certainly has a huge reach into enterprises around the world. Consider the facts: In 2015, the enterprise application software company posted more than €20 billion (about $22 billion) in revenues while serving nearly 300,000 customers in 190 countries. SAP is the fastest-growing company in scale at cloud computing, with 95 million subscribers, as well as the fastest-growing database vendor. Seventy-four percent of the world's transaction revenue touches a SAP system.

The infrastructure and talent needed to produce results at this global scale follow suit. Spread among offices in Europe, the Middle East, Asia-Pacific and the Americas, more than 76,000 employees call SAP their home away from home. To lead such a widespread, diverse group of employees and keep generating remarkable results, Walldorf, Germany-based SAP has made an investment in building highly effective transformational leadership development throughout the company. And it's up to Senior Vice President and Chief Learning Officer (CLO) Jenny Dearborn to design, align and drive SAP's leadership development across every department and in every country to enable a measurable, and remarkable, business impact.

Dearborn's efforts have garnered her and the company industry recognition, including being named the No. 1 performing corporate learning department in the world by *ELearning! Magazine*. But the true barometer of success, according to Dearborn, comes from the analytics she uses to measure the impact of the programs. "Data is power. Data is influence," she says. "Data is how you get stakeholders to listen to you, because you are finally talking about the things that are most important to them."

Learning the Value of Data

Dearborn figured out long ago that to prove the value of a project, what counts are metrics that prove meaningful results. As Americas CLO at Sun Microsystems, she showed a client the volume of learning her department had delivered and the satisfaction survey ratings it had received. He was unimpressed, Dearborn says. "He said, 'All this tells me is that you've spent a lot of time and money, but I don't know whether anything you've done has made any difference at all. So come back to me when you can connect your activity with results that I care about.'"

That moment in her career set her on a new path, searching for ways to demonstrate concrete connections between learning initiatives and

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strategic business results such as improved sales, reduced turnover and better customer satisfaction.

She first began to realize that vision in 2012, when she became CLO of the San Francisco-based software company SuccessFactors. "They had the connectivity and integrated data systems that would let me fine-tune analytics performance models," she says. "It was like working in an analytics lab."

Her team focused its efforts on solving key performance issues within SuccessFactors' sales team, which had a high attrition rate, slow time to quota and missed quotas among a large percentage of the staff. They began by developing algorithms to mine for the data that would allow them to hone SuccessFactors' recruiting, training and performance-management programs for the sales team. In less than a year, performance measures showed sales representative ramp-up time was down, the number of representatives meeting their quotas had tripled and overall sales-team attrition had declined by 80 percent.

The lessons learned at SuccessFactors would become a key driver behind the changes and programs Dearborn would implement at SAP. When Dearborn joined the company in 2014, its learning program lacked structure and integration. There was little use of data or analytics to make development decisions. So Dearborn made a proposal to SAP's leadership team: Let her take charge of the entire global learning function in the company and apply the lessons from SuccessFactors.

Taking the Lead

To produce quality growth strategy that engages employees at all levels, Dearborn first had to re-envision and restructure the way SAP taught. And that meant applying the slogan of the company to the way her office operated: Run Simple. She began by centralizing the leadership curriculum for the company's 7,600 managers in her own office. What were once separate learning groups became one federated group. Her team made the learning-technology experience, content taxonomy, instruction design philosophy and employee messaging the same across the board.

These changes immediately eliminated the redundancies of the existing system, in which each of SAP's global regions built its own version of the same leadership courses. She also established a group of mobile trainers to deliver leadership courses around the world, both cutting costs and eliminating the biggest time and cost barriers leaders cited for not participating.

Dearborn then made sure every development initiative linked to a strategic business goal—for example, improving employee satisfaction or reducing turnover in key roles—and established metrics to demonstrate results. Thanks to the remodel, Dearborn's team saw record engagement levels for leadership development—especially impressive considering most SAP executives had never participated in a single leadership development course.

The swell of interest has already helped the organization make significant strides toward a key strategic goal: 25 percent female leadership by 2017. While SAP is still early in the

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data-gathering phase, initial indicators are that the new leadership development program has helped female employees advance their careers. Sixty-six percent of female program graduates have had significant role changes since finishing the program, and the company's leadership was 23 percent female by late 2015. "It proves that the training has had a huge impact on development opportunities for women at SAP," Dearborn says.

Dearborn also helped implement a manager-assessment process that uses analytics to track how well managers contribute to company results. "We triangulate new-hire data with manager success data and employee turnover to create a kind of 'manager batting average,'" she says. These metrics also include data on a manager's perceived trustworthiness, how well he or she supports employee development and his or her rate of regrettable attrition.

"Tracking leadership metrics around quality and competency helps us find the bad-apple managers, as well as the ones who are wildly successful," she says. These rankings provide SAP with metrics to determine what teams are likely to outperform their peers in meeting key business goals. They can use that data to build training programs to close performance gaps.

The Other 90 Percent

Leaders aren't the only ones reaping the benefits of Dearborn's training revamp. Dearborn and her team have also reworked SAP's training curriculum for non-manager employees. They regularly meet with managers to discuss the specific business metrics

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they want to improve, and this helps managers figure out whether training is the answer. "Now we start with a business problem and use analytics at every step to identify gaps and measure results," she says.

For Dearborn, one of the key measures of success for this non-manager training comes from the annual survey, which asks employees whether SAP offers "development opportunities to reach your career goals."

"In just two years, our rating has gone up 13 percentage points," she says. "That's a big jump."

Along with tracking survey results and manager performance, Dearborn's use of analytics has also unearthed some unexpected insights. For example, the top 10 percent of SAP employees in North America based on performance ratings are also among the top promoters of SAP on social media. "It's another way to show how engaged, high-performing employees impact the business," she says.

These metrics are only the tip of the analytics iceberg. One of the big challenges with leadership programs, Dearborn says, is that it takes a year or more to see their business impacts, unlike sales training programs that deliver measurable results in a few months. That's why Dearborn plans to spend 2016 exploring the strategic impact of training on the indicators used to measure manager performance, including increased sales, improved customer service and higher loyalty ratings.

"That's what will impress the rest of the C-suite," she says. "And early indicators suggest we are heading in that direction." **IQ**