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# The Expertise Economy

How the Smartest Companies Use Learning to Engage, Compete and Succeed

Kelly Palmer and David Blake • THE EXPERTISE ECONOMY by Kelly Palmer & David Blake. Summarized by arrangement with Nicholas Brealey Publishing. Copyright © 2018 Kelly Palmer & David Blake • 256 pages

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Human Resources / Learning & Development

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## Take-Aways

- Organizations should commit to lifelong, continual, self-directed employee learning.
- As a company, create a “learning culture” that supports self-directed learning and employees’ pursuit of corporate and career goals.
- Connect employee work and learning to a larger shared purpose.
- Grant your employees the autonomy and trust to learn what, when, where and how they prefer.
- Encourage peer learning by enabling people to learn from and teach each other.
- Value skills, not degrees. Focus on employees’ skills and abilities, not on how they got them. Reskilling and upskilling your workforce is crucial to staying relevant.
- Provide tools that help employees discover their aspirations so they can take responsibility for their learning and careers.
- Choose learning technologies wisely but embrace them.
- Build a “learning ecosystem” employees can access anywhere, anytime.
- Your learning ecosystem should collect data to use to improve learning.

## Recommendation

Kelly Palmer and David Blake explain that today's leaders should focus on skills as part of their business strategies. They must support self-directed and peer learning by investing in practices and technologies that empower employees to manage their own learning and career goals. Workplace learning has changed in leading organizations and among top employees. With near unlimited, often free and frequently high-quality learning available – everywhere and anytime – active learners no longer need to wait for corporate training. Education has to change; Palmer and Blake, executives at the education technology company Degreed, show you how. With the caveat that the book also promotes their firm, *getAbstract* recommends this indispensable leaders' guide to modern workforce development to executives, managers, teachers, learners and even parents.

## Summary

### Workplace Learning Must Evolve

Many companies remain structured – both in their organization and mindset – to address last century's challenges, even as digitization and technology quicken the pace of change and alter the composition of work. Indeed, nothing has changed more dramatically in recent decades than work itself. The complexity of business combined with an inexorable need to innovate, require increasingly greater and more specific skills. This demand has given rise to an “expertise economy” in which firms face near-unprecedented challenges attracting and retaining the right people to compete and thrive.

*“In the expertise economy, it's not important how you gain your expertise, just that you did.”*

To meet this challenge, leaders must adopt modern, talent-oriented practices among their primary and direct responsibilities, including a revamped approach to workforce development. Learning must evolve from a top-down, one-size-fits-all emphasis to a self-directed, personalized endeavor supported by the company and modern technologies. The best learning organizations avoid standard training. Leading organizations nurture a culture of continual learning that supports self-directed learners in constantly acquiring new skills and abilities – anytime, anywhere. Smart managers align staff development to corporate goals and employee career aspirations.

*“Think about how to become outstanding at your purpose. No matter what job or role you have, your purpose makes you feel incredible and fulfilled; it's the one thing that is sustainable.”*

Companies can no longer hire college graduates assuming they have the skills and knowledge they need. Firms can't expect to deliver lectures or slide presentations and expect anyone to learn. When an employee needs to gain knowledge or change a behavior, don't present or create a live or online lecture. Generic, lecture courses frustrate and bore most people. Don't send everyone to a class just because one person made a mistake or needs a skill. Build “learning ecosystems” that house your firm's learning assets: formal, informal, original, free, social or licensed. Foster a learning culture with “curated content” and tools that

facilitate learning on demand and in flexible formats. A learning ecosystem incorporates collaborative tools to leverage peer-to-peer learning. Start exploring the potential of machine learning to provide personalized, “adaptive learning” to employees and to track and analyze learning data at an individual level.

## Motivating Learners

As a leader, engage people’s natural curiosity and their intrinsic desire for knowledge and skills. Optimize learning and motivate learners by delivering knowledge at the right time, on the right topic and in the right medium and by mapping it to each learner’s needs, career interests and abilities. People learn best when they believe in their ability to learn. Employees learn well from their peers. Give them the autonomy to learn what they need and want, when and where they wish. Gear training to add real, applicable skills. People want autonomy and flexible work. They will engage with your firm and stay with it if you offer a self-selected, well-defined career path and provide corporate support to pursue it.

## Employee Purpose

Organizations that offer purposeful work attract better talent. People who are inspired by serving others and contributing to a shared mission are more valuable than those motivated by prestige and high pay. Seek purpose-driven, talented employees with “growth mind-sets” who believe they can learn new things and who embrace the opportunities and risks to do so. Employees obsessed with status tend to have a “fixed mind-set”: They won’t risk trying to learn new things for fear of failure.

*“Even the best universities are increasingly failing to prepare students with the skills they need to meet companies’ hiring requirements.”*

A growth mind-set, desire and perseverance or “grit” are essential ingredients of successful learning. Firms with growth mind-set leaders are more likely to believe in and support continual learning. To identify lifelong learners in interviews, ask people what they learned in the past few months. Those with growth mind-sets will have immediate answers.

*“Employees largely forget most of what they learned and rarely apply classroom knowledge to their work on the job.”*

Everyone needs autonomy, mastery and connectedness to thrive at work. Let your employees direct their own development based on where they want to go in their careers and the gaps they need to fill. Encourage people to learn more, especially by reading. Establish “active learning,” which features continual “learning loops” consisting of gathering knowledge and then practicing it, followed by feedback and reflection. Take quiet time to reflect on what you’ve learned.

## The Importance of Culture

Great 21st-century talent cultures need leaders and employees who share knowledge and exercise altruism and inclusion. Such cultures use communication, fairness, respect and collaboration to build trust. In a positive culture that inspires learning, learners become advocates for your firm, leading to faster, better talent acquisition and retention. Employees identify with, defend and champion a strong culture. Top

talent, especially younger people, will trade income for a healthy working culture with opportunities to learn and grow. “Millennials, on average, would be willing to forgo almost \$8,000 in salary to work in a culture that fits their values.” As it welcomes learners, your culture should screen out those who aren’t a good fit. Zappos has a pay-to-quit policy to encourage poor cultural fits to leave. In a strong culture, leaders make sure that everything the organization decides and does aligns with its foundational values, purpose and mission.

## Building a Learning Culture

Emphasize self-directed and flexible learning geared to the firm’s needs and employee career goals. Treat employees like adults. Command-and-control management techniques don’t work in an “expertise economy.” Give employees creative autonomy. Support employees as they learn; conduct regular checks to make sure they stay on track. No two people share the same skills or skills gaps, knowledge, and career goals. When personalized learning aligns with ambition, people learn. Where work was once routine, it now requires critical thinking and creative problem solving.

*“For personalized learning to work, the learner must be the person driving the goal.”*

The most lasting learning comes from experience, yet many employers value academic degrees and credentials over lifelong learning. Rethink prejudices you may hold about credentials. A college degree doesn’t trump the skills gained through work and informal learning. Make skills and abilities the “currency” of your talent management processes. Encourage people to build and maintain skills portfolios. For example, they should include reports they’ve written, code they’ve created, and even videos of them presenting or using their skills.

*“In times of change, learners inherit the Earth, while the learned find themselves beautifully equipped for a world that no longer exists.” (American philosopher Eric Hoffer)*

This gives the company knowledge of the skills it can muster. As the Net Promoter Score is a common framework for assessing customer satisfaction, the “Skills Quotient” (SQ) is a common, nonproprietary framework firms can use to measure the skills of their individuals, teams and workforce. As part of moving talent management to the C-suite, it enables CEOs to answer for their company’s skills and to track progress in this area. To stay up with digital transformation, they must be able to account for employees’ skills and their need to “reskill” and “upskill.” Knowing your firm’s skills portfolio helps you make more informed decisions about who’s best for which roles, promotions or inclusion in the succession pool. It also lets you fill more jobs internally, boosting engagement and retention.

## Self-Directed Learning

Most of today’s learners thrive independently through self-directed and hands-on learning. Adult learners want to control their learning, including deciding what to learn. They need support, permission and tools and, in most cases, will benefit from a mentor or coach.

*“Companies and their CEOs are all in the midst of digital transformation and realize that reskilling and upskilling their workforce is a matter of staying relevant.”*

Hire people who exhibit curiosity and an eagerness to learn. Seek those who demonstrate “learning agility.” Having 1,000 self-directed, agile learners means having 1,000 minds focused on what your firm needs to succeed. Self-directed learners personalize learning by seeking content and experiences. They define the skills they need. They might find an online course or a MOOC – perhaps from an Ivy League university or taught by a renowned professor. They might read a book, talk to subject-matter experts and watch TED Talks. They will practice new skills and knowledge on the job and get feedback. They repeat this learning loop many times and through many avenues to achieve mastery. Self-directed learners learn more and save the firm enormous costs. For example, eBay launched a new learning credo for all its global employees, making each person responsible for his or her own career growth. eBay supports self-directed learners in four ways:

1. **“Career exploration”** – Employees consider their career aspirations. They use an exploration tool that queries them about their interests, strengths and values.
2. **“Learning and skill building”** – Employees use self- and peer-assessments to identify gaps in their skills and knowledge. They build personal learning plans.
3. **“Applying new skills on the job”** – Employees access an internal jobs marketplace where they can find opportunities for jobs and projects that allow them to use knowledge gained from self-directed learning and develop skills they practice on the job.
4. **“Communicating career success stories”** – Employees enter their learning experiences and reflections into a company-wide skills database that anyone in the firm can access.

*“The only sustainable competitive advantage is an organization’s ability to learn faster than the competition.” (systems scientist Peter Senge)*

Organizations support learners by curating and providing content. Many sources offer free instruction. Organizations also can license “learning libraries” including micro courses, book summaries, videos and full degree programs covering thousands of topics. Some offer micro courses concentrated on single areas of study. Leading firms adopt digital learning strategies and create unique learning ecosystems to fit their needs. Using flexible learning platforms, they integrate assets – videos, online courses, articles, books, blogs, paid content libraries, and the like – into digital platforms available anywhere, anytime and on any device. Put all your learning content on one platform so you can collect and analyze user data to know what and how employees learn in order to refine your system further. Encourage employees to learn from and teach each other. Facilitate learning sessions with robust discussions, idea-sharing and constructive feedback about learning needs. Peer-to-peer learning fosters altruism and knowledge sharing. Peers who teach one another cement their own learning while developing social skills, emotional intelligence, self-awareness and critical thinking. Give self-directed learners time, access, coaching and cultural permission to learn. In a learning culture, leaders encourage people to access YouTube and other learning sources on the job and expect learners to take quiet time to reflect. Continual learning hedges against having to restructure and revitalize the workforce every few years to keep up with change. CEOs should be “education evangelists.”

*“When human intelligence is augmented with machines and technology, we get the best of both worlds. It doesn’t have to be an either/or proposition.”*

Forward-thinking firms give employees career-path technologies at the start of learning. Employees can calculate the skills and knowledge gaps between where their career is and where they hope to go. Integrate career-path tools with digital learning platform that includes the firm’s potential assignments or new jobs so people can see what formal and informal learning they need for advancement.

## Learning Analytics

Learning executives must measure how people learn and when and what they learn. Today’s learning platforms provide learners with corporate and external content. Having this data helps you see what engages learners, their level of immersion in learning and their outcomes. It lets you calculate an accurate return on your investment in learning. With analytics, you can operate your learning organization more like a business and make wiser investments. Analysis can build the credibility of your learning activities with your CEO, CFO and other executives. Combine learning data with workforce planning and performance management data. Such cross-analyses provide deeper insight into the skills your firm needs and reveal the gaps it must close with hiring and development. Performance assessments and talent reviews tell you what managers need and anticipate needing. External labor market research will reveal potential upcoming shortages in talent and skills within your industry, both locally and globally.

## Artificial Intelligence

As artificial intelligence (AI) improves, machine learning algorithms eventually will provide adaptive learning that creates curated content and personalized learning paths based on a learner’s past consumption and preference. This real-time adjustment of content – tailored specifically to each person and delivered in the right form at the right time – will revolutionize learning at all levels, even enabling self-directed learning in grade school. In time, artificial intelligence will shake almost every industry to its core. Machines can surpass humans in pattern recognition, predictions and mathematics, but humans will remain unmatched in empathy and emotional intelligence. When combined, machine and human abilities will lead to as yet unimaginable new discoveries and ideas.

## About the Authors

Formerly the chief learning officer at LinkedIn, **Kelly Palmer** is now part of the executive team at Degreed, an education technology company where **David Blake** is co-founder and executive chairman. *getAbstract* has a content partnership with Degreed.



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