

The Future of L&D



2006 – 2010

A “BLUE PRINT” FOR CHANGE
Discussion Paper for Senior Management

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Introduction :

At the end of 2006 many L&D professionals will be having their annual performance reviews. Difficult topics will be discussed such as “Restructuring”, and “Outsourcing” as well as answering questions like :-

Q: “What measured value did the training team bring to the business ?”

Q : “ Should we keep the training department or outsource it ?”

Q : “ What added value did training / L&D give the business last year ?”

Q : “ The credibility and reputation of the L&D Dept is low ! Why ?”

Q : “ Do they understand the business and the issues we are facing ?”

Q: “ How much did L&D Cost the company last year ?”

This paper aims to help Senior Management and the L&D team define more clearly their performance expectations of each other to ensure the L&D team and its activity is more closely aligned with the corporate strategy, the needs of the business and the people who work there. The suggestions presented in this paper are intended to create debate and discussion. The only certainty I can give you is that if you do continue to run your L&D function the same next year – you will get the same result ! Mediocrity and Sameness will not make you a competitive business - Continuous Improvement through change is not an option – it is now mandatory.

This paper includes research and comment from several leading experts in L&D as well as case studies and comments from organisations such as Sony and Reuters. Next year will be challenging, there will be increased competition and a reduction in the investment and spend in L&D. This will affect many training organisations. To stay in business Chief Execs must clearly understand their cost base, their market and what the competition is doing well and what they can do better - this is the agenda for L&D. As quoted in the Times (Sept '06) success will depend on effective leadership and direction, this leader must work with and be passionate about L&D.

Executive 1 Page Summary : Key Ideas 2006-2010

- Learning and Development will focus around three key areas :
1). Knowledge Management. 2). Performance Management. 3). Behavioural Change.
- Trainers will need to up-skill and become business transformation consultants capable of working across the business, understanding key processes, metrics and business drivers.
- Traditional training departments will reduce in size – justified and measured by their cost, efficiency and effectiveness in adding value to the business.
- Training and L&D professionals will migrate from the CIPD to the CMI/IMC. L&D Will change its reporting relationship away from reporting to the HR Directorate towards the Operational and Strategic Management Directorate.
- Performance management issues and skill gaps will not be passed to L&D / HR but owned by the line management.
- Off site – didactic delivery will reduce incrementally. E.learning will increase alongside web chat rooms and telephone coaching .
- Training departments will become digital hubs – providing and transmitting synchronous and asynchronous learning modules on demand.
- The traditional delivery model incorporating PowerPoint, course books and handouts will reduce – being replaced by PDA's, MP3, Pod Casts and Web Chat.
- Out of course date notes, plagiarised models and suffocating delegates with PowerPoint slides will not be tolerated. Training organisations that pass off copyrighted material as their own will continue to be prosecuted. On line support and up to date e.support material will become the norm.
- L&D will engage closer with the supply chain – training not just internal but external suppliers and customers – (See PC World example).
- A new role of knowledge management and intellectual property manager will be created. This person will ensure any original material is protected and properly stored. No infringement of copyright occurs that could expose the company to litigation and all material is formatted correctly, is current, accessible and transmittable on demand.
- New skills will be required in managing the L&D function such as multi media management, problem solving and consulting (IMC), IT Data storage, media presentation creating audio and video recordings. In addition live web cam management and directing similar to a TV studio.
- Reporting to operational management, L&D will become cross functionally literate – conversant with the clients processes, problems and performance targets. In partnership L&D will take on accountability for making / creating measured improvement.
- L&D will be measured in terms of ROI, performance gap and added value created. Interventions will not necessarily involve training or L&D Programmes – it could include process redesign, review of recruitment, new technology, restructure.
- Demand for experiential training linked to leadership programmes, project management, CSR and graduate development will increase.

“100 Best Companies to Work For ! ” (Times 09/06)

The key to achieving a successful strategy and any goal in life is leadership. Whether it involves leading yourself or others – Strong Leadership in a business will engage with L&D and understand the role and benefit it brings to the business.

In practise this means : “Inspiring people to come up with better ways of doing things to keep ahead of the competition”. The top tips published by the Times include :

- Listen to your employees.
- Act on what your staff tell you.
- Trust your workforce – delegate important jobs to them.
- Trust fellow senior employees.
- Formulate clear company strategy linked to values.
- Live the values yourself.
- Place the company first.
- Keep meetings to a minimum.
- Communicate decisions arrived at such meetings to all staff.
- Make sure everyone knows who is responsible for what.

Q : Why have an L&D Department ?

Each year this question is asked. The answer is straightforward : “To develop the people so they can increase the competitive advantage and value of the business !”. If any L&D or training activity does not achieve this then it is inefficient and ineffective. The next four years (2006-2010) will all be about performance. Only those companies that perform, deliver results and exceed shareholders or the customers expectations will survive !

Two key drivers for L&D in 2007 will be the need for productivity and efficiency. This means achieving the development / learning objectives not in a week, not in a day or 4 hours but in minutes ! You might gasp but this is already being achieved through e. learning.

According to research in the USA magazine Balance Learning and Training, their blended learning survey of 2004 identified many organisations are seeking to reduce participant time away from the workplace by 50% and have only 30% of their training delivered by instructors by the end of 2007.

Head of Global Learning at Reuters – Charles Jennings identifies that in the near future trainers will need to become performance consultants – able to diagnose the cause of a problem, exploring who has ownership and be capable of facilitating a solution. This solution might have nothing to do with training but relates to : Not paying enough, not recruiting the right quality, process being wrong, objectives being unrealistic, not enough resources etc. The challenge facing business in 2006 -2010 is the role, responsibility and accountability managers will have to develop their people and that any problem around developing their people or managing their performance is their problem – not the training managers problem.

Jennings makes the point that the training manager and the training function is not simply a fulfilment service delivering training on demand to line managers – in 2006-2010 training managers must help facilitate line managers to identify the root cause analysis of the problem, measurement of the size, scale and cost of the problem and most essentially the ownership and urgency to address it.

According to Alison Hollas, Head of L&D at NTL Telewest, Training Managers need to be more aware of two key criteria :

- 1) Outputs : “What” people do – hard performance measures.
- 2) Outcomes : “How” they do it – Competencies and behaviours.

Environmental Scanning : Impact Analysis

To identify the strategic way forward for 2007-2010 it is imperative that the L&D function carries out a review of the environment they operate in. This will identify what are the drivers of change, what impact or risk these drivers could have on their business and on L&D’s role in the business.

There are many headings or drivers of change and each one affects different sectors of business in different ways. When L&D has identified and discussed the drivers – L&D needs to assign each challenge or threat a probability score to identify likelihood, priority and action. Those threats with high probability or likelihood scores will need special attention. L&D must analyse the consequence and impact the threat will have on the business if it happens – identifying what can they do to mitigate or reduce it. Listed below are some examples which UK L&D teams might face over the next 4 years :

Political.

- Change of Prime Minister – political leadership.
- Diversity issues – National / International identity.
- Influx of migrants owing to EEC membership.
- Workforce growing in volume : Employment / Min Wage.
- Political differentiation.
- Political direction.
- Political loyalty : US, Europe, UK, Political Party , UK People.
- Government investment in L&D.
- Learning de-centralised to communities.
- Communities taking ownership and responsibility for learning centres.

Economic.

- Tax free incentives to train / develop in UK or overseas.
- Expansion of EEC Community. Competition / pricing / Location.
- Expand training and communication beyond staff to include customers, partners and general members of the public. (PC World).
- Cost of sending trainers and delegates on external courses.
- Training being more cost effectively if delivered in Eastern European capitals.
- Digital and mobile Communication becoming cheaper.

Social.

- Increased customer service level expectations eg : Wanting L&D to match call centre opening hours 7/24.
- Expectation of up to date information – accessible via the www.
- Keyboard text replacing handwriting skills.
- Bio-metric identification linked to personal database. Keeping records of all micro activity during work time.
- Multi channel replacing single channel communication.
- Learning being replaced with communication.
- National thinking being replaced by Global perspectives.

- Specific being replaced with general – less is more.
- Structured training being replaced with unstructured – JIT Solutions.
- Trainers being replaced by Consultants that improve performance.
- Work life balance – shorter periods of learning but more frequent.
- The delegates decide What ? When and How not the trainer.
- Training becoming menu driven.
- Companies taking more interest in corporate social responsibility.
- Key issues : Data storage, security / theft and analysis.
- Profiling and bio analysis becoming more acceptable.
- Community and Commercial Learning joint projects.
- Language : Trainers having to train in a variety of languages.

Technology.

- Increased preference of text messages over e-mails. 85 % of text messages are read by the recipient versus only 20% of emails.
- Mobile phone / PDA becoming a repository for knowledge management.
- Mobile phone / PDA taking over from desk top PC / workstations.
- More L&D / Training being delivered using accessible multi media solutions.
- Process control becoming integral to our lives eg: If pollution, the weather or traffic is bad then staff will be advised not to attempt travelling but to stay at home – pick up the L&D Programme from the Digital Learning Channel.
- Human micro activity and performance measurement and data will be more available.(eg :Micro Chips in wheelie bins for rubbish).
- CCTV and digital imaging will record more activity real time – This will identify efficiency savings. (See Case Study S.M.E.D).
- Innovation, automation, creativity will be key skills for competitive advantage.
- Digital studios will replace training rooms.

- L&D will merge with knowledge management and performance measurement to create the term “Performance Support”.
- All “Support ” activity will show an ROI based on pre & post performance data. (See “State Street” Case Study : EPSS – Electronic Performance Support System linked to learning culture).

Legal.

- Impact of discrimination legislation – learning difficulties.
- Impact of working time directive – travel to and from venues.
- Contract law and sales of goods act – guarantees of training giving ROI.
- Copyright and Intellectual Property Theft.
- Impact of Work and Families Bill 2006
- Employment Equality (Age) Regulations 2006.

Environmental

- Cost and pollution of transporting delegates and trainers to off site programmes.
- Amount of paper used in handbooks.
- Lack of recycled material in the training notes.

Product Led or Market Driven ?

Many L&D organisations and training departments offer two options :

- a) Public Courses : A fantastic brochure offering all sorts of modular training workshops for all your needs sold at discount prices – buy one get one free etc.
- b) Bespoke Solution. “We will identify your needs and create an original solution !” Quite often it is recycled material plagiarised from another source. The evidence is found when another company logo or example is left in the final print copy given to the new client.

2010 will require less emphasis on the product and more on delivering a solution. Specific targets agreed before the training takes place – the training organisation having to offer guarantees on making sustainable or noticeable

behaviour and business improvement. A change in performance will be expected as a contractual term. The impact of this will affect invoicing and general business terms and conditions. If training does create improved performance then the L&D provider will not be able to invoice – guarantees and refunds will be expected by the customer. The training must do what it says on the tin and the cost must be recovered from the created added value.

Business and Customer Expectations :

Phones for U set up the Yarnfield Training Academy – the key issue they wanted to address was “Being responsive to business needs and making it happen !”. More efficient processes and better alignment to business needs – consultants get more variety in their work. Shelley Latham managed to train 3,000 people in 350 stores in 6 weeks – helping reduce an attrition rate by half.

Many large / global organisations (eg : Sony / Reuters) want to reduce training costs without compromising on the quality of their training. The delegates do not want to spend days away because nobody is covering their absence. Instead they prefer workshops of shorter duration and greater frequency – consecutive half day sessions ideally a “Just In Time” approach. In addition many delegates work in different geographic locations and remote learning is the only solution.

The L&D Workforce.

To deliver training on a clients site, at a hotel or on a clients premises is not the most cost effective or efficient use of labour. Sony proved this with their trainers spending 30% of their time on the road travelling to and from venues. As a result of creating a digital multimedia delivery centre – sixty percent of the training staff have been re-deployed i.e. 3 trainers instead of 9. All training is delivered in a synchronous “Live Delivery ” mode .

In the future L&D Professionals will have to work across functions. Rather than be accredited to the CIPD they will have to develop with other institutes such as the Inst of Mgt Consulting or the Chartered Management Institute. They will need to become consultants not just trainers and be capable of understanding and solving their customers problems across the business. The new L&D Consultant will be a transformational specialist with a wider more eclectic knowledge of business processes – able to create and be a catalyst for change that leads to measured performance improvement. It may well be the case to restructure the reporting line for L&D to work with operational directors who know the issues and problems rather than report to an HR Director who is not accountable for operational performance.

Several training providers still adopt a one stop - linear approach to delivery. With an over reliance on Power Point – insulting peoples intelligence by simply reading out the material on the slides – these organisations will disappear. So often their slides have not been updated, they lack original thought and imagination no to mention ignorance of peoples individual learning styles.

Currently many organisations allow their staff to stop work, travel for a day to another location – stay in a hotel and then sit through a highly didactic delivery that has little or no connection with the reality of the problems faced in staff members workplace.

According to Remmits – “Learning providers must guard against formalising informal learning – reproducing the formal learning techniques they are familiar with”. The end user is learning in a variety on new and informal ways – internet, blogs, instant messaging – the L&D community must embrace these methods.

Delivery needs to be :

- Simple / Accessible : Pod casts, iPOD's, MP3 Players, DVD's,
- Scalable : Large numbers at the same time.
- Flexible. – Can be easily updated..
- Quality – Challenging / Personalised / Professional / Quality
- Transferable and directly relevant to workplace.
- Demonstrate ROI : Assessed / Evaluated / Linked to performance.
- Interconnected – Career Frameworks, Competencies.
- Motivating : Certification, recognition, reward, credits.
- Fun and challenging : Simulations / Gaming.
- Digital : Transmittable through all media sources.
- Upgradeable – Linked to the advent of new technology.
- Linked to business performance metrics and targets.
- Owned – by the delegate, their manager and the business.
- Measured and fully evaluated.

According to Schooley at IBM – “We need a better way of searching for the answer we want that goes hand in hand with this integration of working and learning.!

According to Whitney examples of good delivery include the training connected with ERP packages like SAP and People Soft – when you have a problem – a pop up window explains what you must do – you then apply the knowledge and move on.

A key problem is that when Institutes like the Industrial Society and the CIPD designed the “Train the Trainer” it had a mindset and stereo type view of a workforce that attended lectures, went to school or college and was taught in a didactic manner. The audience of today is very different and their attention span, style of learning and appreciation of technology and expectation of training is different to the standards defined in the CIPD Train the Trainer Programme. Delegates do not want hours or days listening to a presentation – they want it in minutes ! Currently very few if any books or literature sources identify this need. The state of technology still involves some “Train the Trainer Programmes” using DVD or VHS video play back giving feedback on mannerisms and voice rather than content and technology.

Learning Resources.

IBM Consulting identified that workers frequently need to find and apply knowledge from a location or source that is often too complex. They identified three problems with intellectual property or knowledge :-

- 1) Out of Date : Expired – not taking into account today’s circumstances.
- 2) Out of Reach : In someone’s head, obscure database, in a co-workers hard drive, in a “POD” or similar repository.
- 3) Out of Touch : Not relevant for the individual worker or the task at hand.

What delegates need & want is knowledge on demand – the right information or knowledge when and where they need it in a format that is useable.

What delegates don’t want is another “going home present” ring binder to put on the shelf that is not formatted to their needs. Supporting the need to change is the environmental issue of how much wasted paper is produced – the inefficient time spent creating hard copies and the inflexible format that is obsolete as soon as the ink dries.

IBM Identifies that “Delegates that can use the most up to date knowledge will separate the market leaders from the competition !” IBM recommends one solution of keep training material up to date is to have a database of subject matter experts or “SME’s”. These people would be available 24/7 like a call centre contact via the PC desktop or via instant messaging. This is already

available in crude form using MSN Chat. The SME becomes the help desk providing instant advice when needed.

Personal Digital Assistants or PDA's are a solution. Each delegate has a PDA which links up with an interactive repository of data – if they have a question seeking more knowledge or a training need the PDA will have the most up to date answer.

The ability to supply the most up to date knowledge that can be updated and used “just in time” is what will differentiate the training providers in the year 2010.

Have you attended a workshop and seen the same model, same Powerpoint slides used in another session – but they have been sold to you as a new course, a new concept with a new price ?

Some trainers argue it is their job is to present the material. They do not have the time or inclination to originate or research new ideas, concepts or publish new papers. The training provider maintains an intranet full of handbooks, slides and material which they call their intellectual property. On closer inspection it appears to be an electronic dumping ground for old handouts, unlawfully stored models written by authors such as Belbin M, Honey P, Adair J and Blanchard K. Nobody checks the contents – it is not indexed, it is out of date and few, if any managers know of their liability and that of their organisation for breaches of copyright.

Human Interaction versus remote technology

Technology and computers can take learning so far. From personal experience gained through working with several clearing banks in the UK - coaching and mentoring their middle management has added significant value and ROI to the business and their personal lives. Virtual coaching can be done over a distance using real time chat such as MSN Chat or using a structured conference call. I have had most success with the latter. Using POW WOW conference call facility (1p per minute!) I have coached managers across the UK – with as little as 1 hour per month they have all benefited and made great improvements (See research paper on LINK Coaching model).

The US division of Sony Electronics Inc adopted a virtual classroom application. Within 12 months 100% of its product repair courses were delivered this way – resulting in a reduction of yearly training costs by two-thirds. It eliminated training related travel for trainers and technicians. Distributed product updates to the network even faster than before. the key to success was Centra Software.

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