

Chapter 1

Strategic Learning

The cost of training in North American companies exceeds \$60 billion per year (Blanchard & Thacker, 2004, p.4). That's an estimate of direct costs in North America. The estimates approach a quarter of a trillion dollars (\$250,000,000,000) when indirect costs and opportunity costs are considered worldwide.

Understandably, senior executives are concerned about ROI (return on investment) on these massive investments. Many executives are not convinced that the benefits of training exceed the costs. Even professional trainers themselves acknowledge "the results achieved from training, in its traditional sense, are unsatisfactory" (Robinson & Robinson, 1998, p.4).

The traditional "order-taker" trainer will not survive in the 21st century. An order-taker trainer follows this practice model:

1. wait for the phone ring
2. take an order for a workshop (for example, "communication")
3. pull the "canned" workshop off the shelf
4. schedule a time and place for delivery
5. deliver the same old "dog-and-pony show" as promised

Clearly, this is not an appropriate or effective model for "strategic partnering" with senior management. This model

completely ignores the unique needs of the organization.

In recent years, I have spent a considerable amount of time helping internal consultants (in-house professionals) develop more perceived value for their organizational roles. I have been teaching these in-house professionals, including trainers, consulting skills such as Process Consulting, Performance Consulting, and Active Inquiry.

The need to develop consulting skills will continue to grow. Trainers, as well as other in-house professionals, must grow beyond "order-takers" to internal consultants with high perceived value in strategic decision making. The traditional trainer must evolve into an organizational learning and performance consultant, or risk being outsourced.

The Evolution of the Field

The field is evolving from "training men" (the term used in the 1940s) toward a profession of organizational learning and performance consultants. The ASTD (American Society for Training & Development), with its 70,000 members, has evolved as well. The terminology in ASTD's mission statement has changed from training to training & development, to human resource development, to

workplace learning & performance.

The creation of the ISPI (International Society for Performance Improvement) has encouraged practitioners to reconsider their contribution to organizational performance. The consideration of performance issues has led to valuable discussion about how to become strategic business partners.

Traditional T&D practitioners (trainers) who have focused on developing "platform skills" to make training "fun" are now having a hard time finding work. Corporations are no longer interested in trainers leading "happy sessions."

Corporations are now looking for organizational learning (OL) experts who can serve as partners in strategic decision making. Yes, OL consultants may still do some training in workshop settings. But today, OL consultants are called upon to serve senior management in organization-wide attempts to improve performance and effectiveness.

Today, OL consultants are expected to have expertise in adult learning theory, methods to promote self-directed learning, usage of learning and development agreements, knowledge capture, knowledge transfer, management and professional development, expatriate training and support, corporate universities,

consulting services, and what I call "strategic learning." Don't be overwhelmed by the previous sentence. We will cover all of these topics in this book.

Purpose of This Book

The purpose of this book is to provide practitioners and executives with an overview of the emerging practices in the field of organizational learning. The material covered in this book is critical for both practitioners and executives.

I am a practitioner writing to other "practitioners": *independent consultants* (OL consultants and trainers) who work for a fee, *in-house consultants* (OL consultants and trainers) who work for a salary, and *students* (future OL consultants and trainers).

I am also writing to executives who allocate large amounts of organizational resources to OL and training. Before becoming an OL consultant and trainer myself, I was a buyer of consulting and training.

In my work as a senior executive, I was willing to spend large amounts of money to get the advice we needed to make strategic decisions about organizational learning and

performance. Unfortunately, it was difficult to find OL consultants who could assist us in strategic decision making.

Consultant/Facilitator Viewpoint

Organizational Learning (OL) practitioners specialize in developing "learning organizations." OL takes a "big picture" approach to learning and change. OL practitioners hope to create and maintain an atmosphere that fosters continuous acquisition and dissemination of knowledge throughout the organization. Virtually all businesses today, not just high-tech companies, must be continuously learning (and changing) to stay competitive.

The literature on organizational learning speaks of individuals learning new KSAs (knowledge, skills, and attitudes) for the benefit of the organization. For the organization to benefit, the new learning must be "captured" and made available to all organizational members (Beitler, 2000).

PRACTICE LOG 1.1 - "My History with Change Efforts"

I started my career with an international management consulting firm. As a CPA, I was initially assigned to auditing and accounting engagements. While I clearly saw the importance of

this work, I did not find it to be very fulfilling. I didn't feel that I was making an impact on the organization's future effectiveness.

Eventually, I had the opportunity to work in the firm's MAS (management advisory services) practice with a variety of clients of different sizes in different industries. I found this "big picture" work to be much more interesting. Developing strategic plans and reorganizing the structures of entire organizations was quite exciting.

But, eventually I began to question the effectiveness of these grandiose plans. Was anything really improving? Clearly, there was little change in the financial statements. In many cases, the financial statements actually looked worse. In fact, the only changes I saw in many client organizations were increases in employee complaints about management, and longings for the "good ole days." Was there a problem with the MAS approach? What about the people issues?

After several years of practicing the MAS approach at the management consulting firm, I spent ten years as a senior vice president in banking. During this time, I was responsible for the training and development programs. We developed "good" programs,

but it was difficult to see the contribution to the organization's bottom-line.

Finally, after many years of frustration as both consultant/facilitator and manager/leader of learning and change efforts, I developed a systematic strategy-driven approach to organizational learning. I want to share that approach with you in this book.

Strategic Learning

The first step for the OL consultant is to be sure the organization has a well-crafted strategic plan that clearly communicates how senior management intends to fulfill the organization's mission. Frequently, the organization has a vague mission and/or an unrealistic strategic plan. In these cases, the OL consultant should recommend a strategic planning session with the senior management team.

Only after the organization has a well-crafted, well-communicated strategic plan, can the OL consultant determine if the current organizational structure, culture, and human processes will support the organization's strategy. Invariably, attempts to implement even the best-crafted strategy will fail,

if the organization's structure, culture, and human processes are not supportive.

In my book entitled "Strategic Organizational Change" (Beitler, 2003), I offered the following model, called "Targets for Change."

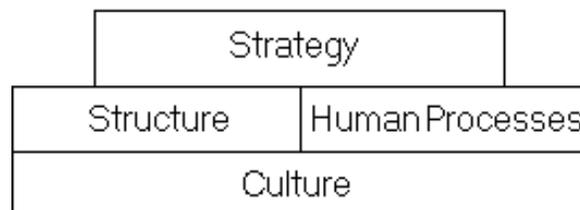


FIGURE 1.1

In that book, I discussed a step-by-step process in which Organizational Change (OC) consultants could diagnose four different types of organizational problems (or opportunities). Then I offered a variety of alternative interventions for each type of diagnosed problem, (or opportunity).

Since writing that book, I have been frequently asked "what type of organizational change is organizational learning?" Organizational learning problems (and opportunities) require a combination of human process changes and organizational culture

changes. Like any other organizational change efforts, organizational learning activities and programs (interventions) need to be driven by the organization's strategic plan.

"Strategic learning" is learning that is focused on helping the organization fulfill its strategic plan.

Growing Need for OL Consultants

As the world we live in becomes more and more competitive, the need for OL consultants to facilitate organizational learning will continue to grow. Senior management must depend on OL consultants to maximize the organization's investment of money, time, and other resources to build its human capital into a sustainable competitive advantage.

OL consultants must become experts in the use of traditional training, self-directed learning, learning agreements, knowledge capture and transfer, management and professional development, expatriate training and support, corporate universities, and general consulting skills. The future looks bright for this new breed of professional.

This book will provide an overview of emerging practice in

organizational learning. This book will serve as a reference book for both practitioners and executives.

Let's get started by looking at the foundational theories and concepts that support successful OL practice in Chapter 2. (Even more experienced practitioners should find this to be a helpful review.)

References

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