



Paul Kearns defines a new role for a new type of learning professional and business partner.

Part 12: How learning consultants design and develop organisations

This final part of 'From trainer to learning consultant: an evolution' is devoted to probably the toughest area for a learning consultant (LC) to master – helping to design the organisation you actually work for. The aim here is to reach Stage 6 on the learning maturity scale covered in Part 1 of the series. By organisation design I mean a combination of designing the organisational structure, the business systems and business processes. The goal is to get every part of the organisation working as effectively as possible, in harmony.

Perhaps the way to recognise the importance of organisation design is best illustrated by reference to organisations that have obviously got it wrong. How about the railway industry in the UK? Whose brilliant idea was it to divorce the train operators from the track maintenance? Not only did this ensure that the two sides did not work together very well, but also, when delays started to mount, it was relatively easy for each side to blame the other. This never happened under British Rail because accountability stopped at the top of one unified organisation. Organisation design really is about the 'big picture'. These are matters of state.

Paul Kearns

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You might not previously have viewed it this way, but here are some more examples of big questions having to be asked in the public sector to ensure that organisations are designed for maximum effectiveness.

- What about the debates over more independence for NHS trusts and the introduction of foundation hospitals?
- Why do we have 43 separate police forces around the country instead of one? And will a new Serious Organised Crime Agency make a significant difference?
- What exactly is the Office of the Deputy Prime Minister? A serious attempt at building a new and coherent government department? Or just a sop to a senior politician whose ambition demands the largest department possible?

Of course, the need for organisational design is not just an issue in the public sector. The same types of questions are just as important in the private sector as well. For example, should your organisation concentrate on its core business and outsource everything else? Should a pharmaceutical business run its own R&D departments or just buy in its research from smaller, specialist drug discovery companies? Should a bank concentrate on retail or business customers? If the answer is 'Both', what is the best organisational configuration to do so? It is plain for all to see just how important this subject is, but of what relevance is it to an LC?

DESIGN BEFORE DEVELOPMENT

Many readers of this series will already be working in the area of organisation development, and the terms 'organisation design' and 'organisation development' are often confused – not least



because they both use the initials OD. So for the purpose of this article I will refer to organisation design as ODes and organisation development as ODev. This could, of course, be the source of some debate in itself. Indeed, I have taught on the organisation development course for one management school that specifically excludes any study of organisation design.

The main problem with this stance is that any LCs wanting to do ODev who wait for someone else to do the design for them might be waiting an awfully long time. They might also find that the design is not done very well because there might be no one in the organisation who has the requisite expertise. So let us look at the range of skills and knowledge that an LC has to master for what must be one of the most highly skilled jobs around.



Process mapping and analysis has to be **one of the most useful and powerful tools** an LC can learn

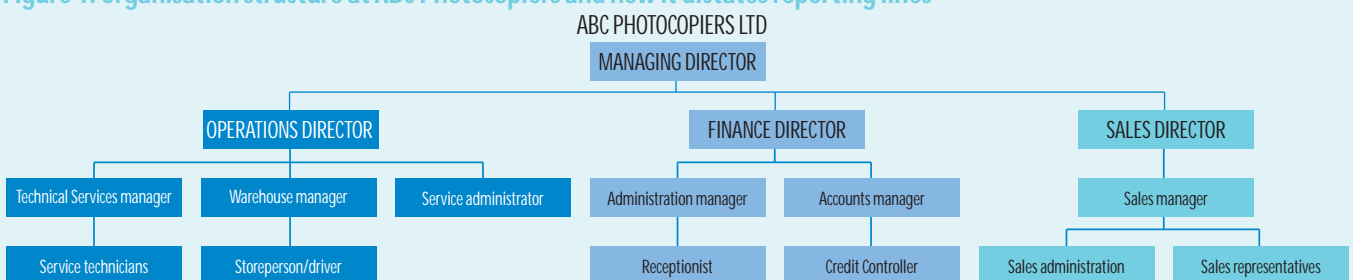
STRUCTURE AND PROCESS ANALYSIS

Trainers know that they should train employees according to their job or role descriptions. Usually, the job in question is dictated by two key factors:

- where the job sits within the overall structure, and
- what processes the job is part of.

This can be easily illustrated with reference to Figures 1 and 2. In Figure 1 we see a relatively simple organisation chart with three

Figure 1: Organisation structure at ABC Photocopiers and how it dictates reporting lines



➤ distinct departments or functions – Operations, Finance and Sales. Here the reporting lines are very clear and linear, and all employees can understand where they fit in and who they report to. This type of organisation is usually referred to as a typical ‘silo’ organisation, but this is not meant as a compliment. Strict silo organisations are those in which the different functions do not work together very well. Silo organisations tend to foster blame cultures when things go wrong.

The other main alternative is a matrix organisation in which the reporting lines may be more blurred and there are shared responsibilities in an attempt to foster greater cooperation and organisational cohesion.



Any organisation that is badly designed will inevitably mean that employees cannot perform at their best

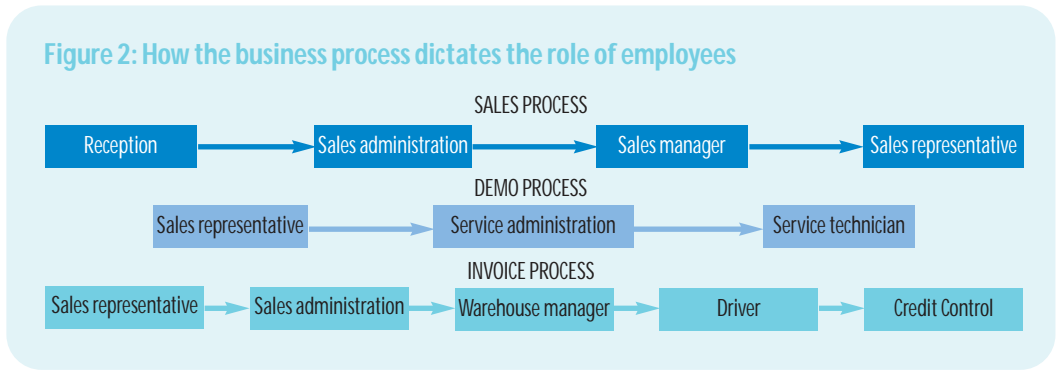
Now this is all very relevant and important background information, but what really matters to the LC is what each employee has to learn. One way to analyse this is to look at the various processes at work, as we can see in Figure 2. Here there are different processes for:

- sales, to ensure the company actually manages to sell its photocopiers
- demonstrations of photocopiers on customers’ premises to help the sales process, and
- invoicing, to make sure customers pay on time.

We will come to a detailed view of a process in Figure 3, but for now the simple question the LC asks is: how do the processes cut across the three different departments?

The sales process involves the receptionist (Finance department) and three members of the sales team. This immediately raises the question: why doesn’t the receptionist belong to the sales team? If s/he did, then her role might change significantly because she might not be available for some of the work required in finance and administration. Nevertheless, having the whole process in one department might mean that fewer mistakes are made and communication between the parties to the process flow would be made easier.

Figure 2: How the business process dictates the role of employees

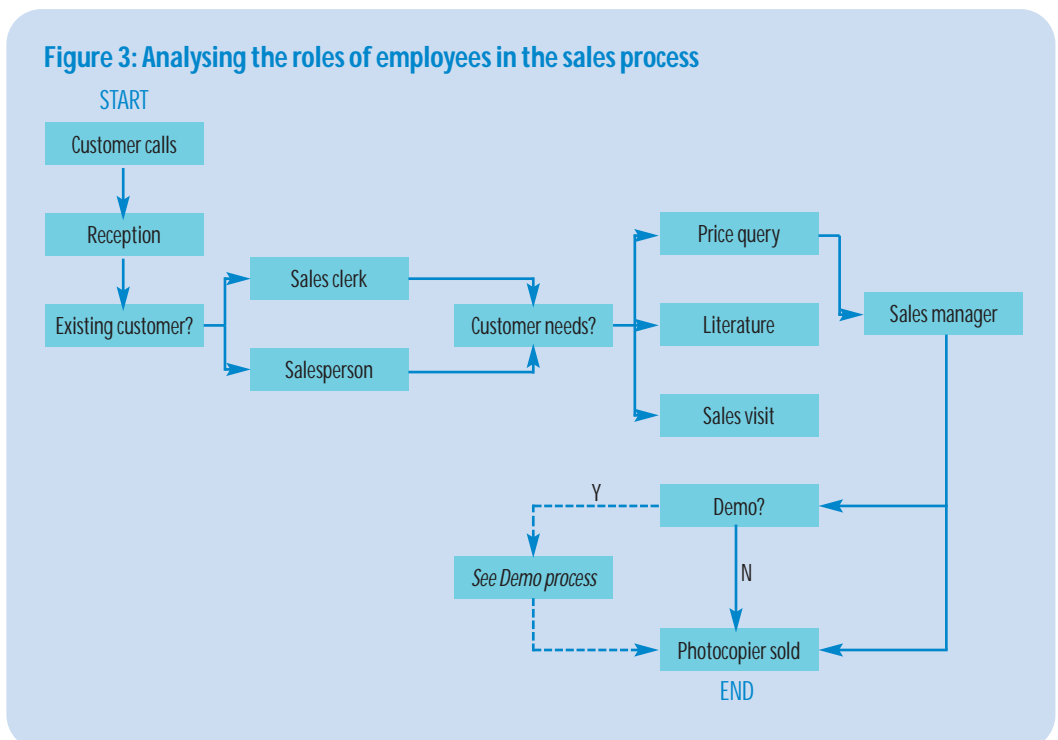


If we look briefly at the other two processes, similar questions need to be asked such as, who should actually carry out the demonstration: the sales representative or the service technician? An even more interesting question in the invoicing process is: why have a credit control function (in finance) when the sales representative could follow up his/her own customers’ delayed payments or bad debts? This would mean the sales representative takes greater care during the sales process to ensure customers can afford what they are buying, which should reduce the incidence of credit control problems and also make the business more efficient.

However, to resolve some of these organisational issues, the LC would have to undertake a more in-depth analysis by looking at the detailed steps and sequencing of the processes themselves. Figure 3 looks at just one of the processes – sales.

Process mapping and analysis has to be one of the most useful and powerful tools an LC can learn. In this example the process puts the receptionist right at the interface with the potential customer. Therefore, if the process stays as it is, the receptionist should be selected and developed for this very important particular role. The receptionist also plays a key part in the efficiency of the process by ensuring that, if the customer has an immediate query, s/he routes the call through to the right person in the sales team.

Figure 3: Analysing the roles of employees in the sales process



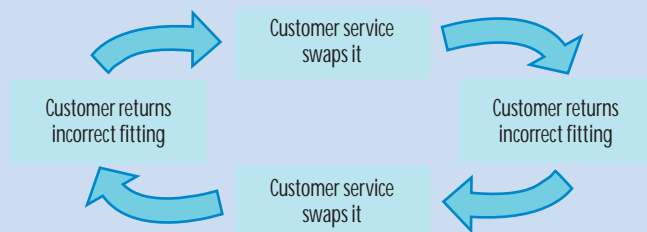
For the sake of brevity let us also focus on two other key aspects of this process analysis. First, if customers have a price query (for example, they may be looking for a significant discount) who has the authority and the ability to make the right decision? In this process it is the sales manager but there is no reason why a sales clerk, specifically selected and developed for this role, could not offer or refuse a discount depending on the circumstances.

The second issue goes back to the question we raised earlier about the demonstration process. In this example, if the customer asks for a demonstration, then a separate process, the 'demo process' has to be instigated by the Sales team, but this will be handled by the Operations team. This is where mistakes and delays can happen. There might also be problems with the presentation skills of the technician asked to carry out the demonstration.

But let us not forget why the LC needs to undertake this analysis. Any change in the structure, the process or even the relative responsibilities of the employees involved in the process will have a direct consequence on the role of each individual and therefore the learning and development they have to receive. A sales clerk who has to tell customers they cannot have a discount will need to say this very diplomatically and be ready to give any reasons if asked.

Any organisation that is badly designed will inevitably mean that employees cannot perform at their best. However, every organisation makes mistakes and the next critical aspect of organisation design is to ensure that the organisation is designed in such a way that it will soon learn from any mistakes it makes.

Figure 4: Why single loops don't help organisations to learn



LEARNING IN LOOPS

This brings us to the subject of learning loops – although we have already been here before in this series ... twice. In Part 2 we looked at the closed-loop feedback system called the PDCA (Plan, Do, Check, Act) cycle and in Part 4 we looked at the learning cycle, based on the same concept of closed loops. Now we need to add the final element on loops, which is the difference between single loops and double loops (and if you have never come across Chris Argyris's work, now is the time to seek it out.¹

LCs should aim to design organisations on the basis of double-loop thinking. A single loop occurs when a problem arises and only one variable is looked at as the likely cause of the problem. Double loops are those in which all the possible variables or causes are considered. As an example of what I mean consider this scenario based on my own experience of buying a light fitting from a large DIY chain.

The light fitting had only one screw hole for fixing it to a wall. It should have had two. So I returned it to the store and mentioned this odd defect to the customer service assistant. She was very pleasant and had no hesitation in offering me an exchange or a refund. So I supposed she had been well trained but only for a very limited role.

CASE STUDY: How roles, not design, change by default

An innovative healthcare company employed ex-nurses to act as its advisers to customers in the health sector. In the early days this role was primarily one of offering clinical guidance and advice on what the products could do and how to use them to best effect. The nurses recruited to these roles were never asked to engage in selling techniques, although their role and relationship with the customer was bound to have an influence on sales figures.

As the company developed over the years and the market matured, other competitors moved into their markets, which inevitably put greater pressure on the point of sale. The nurses even received bonuses on the sales achieved in their areas. But no one ever said to them that they were now regarded as sales people. As with most shifts in market conditions and company culture they happen by default, implicitly rather than explicitly.

I went out on the road with one of these ex-nurses at a time when the company was really feeling the pressure and it was soon very apparent to me that the role she used to have – offering guidance – was not really what customers wanted anymore. They knew everything they needed to know about the products and the regular visits they still received were unnecessary.

Here was a classic case of role shift. No one had stopped and looked at the very different role that was now required, with an obvious shift in emphasis from advising and guiding to selling. Re-designing the organisation not only required changing the sales process, it also required everyone being part of the sales team. When the re-design exercise was completed, the ex-nurse in question told me she had not been happy in her role for some time and now she understood why. She also did not want to be a salesperson, so left to continue elsewhere her preference for advisory work.

Nevertheless, I initially accepted the option of a straight exchange. This could be called a single loop, as shown in Figure 4, because if the next one I picked up had the same defect then I would just end up going around in circles. That is why it is not a closed loop: it does not reach a conclusion and thus does not have much use from a learning perspective.

In fact, when I picked up a replacement unit off the shelf I checked the contents only to find it did indeed have the same defect as the first one. So I mentioned this to the assistant, this time accepting a refund, and decided to buy a fitting elsewhere. However, she just put both boxes behind the counter. So the really important question here is: does this DIY company have a system for resolving this type of problem?

An effective system might have ensured that all existing stock would be checked for defects. Alternatively, as soon as one defect is found, the system might dictate that all products are returned to the supplier. But even these systems do not really constitute effective learning systems. They have to be based on the concept of double loops.



A single loop occurs when a problem arises and only one variable is looked at; double loops are those in which all the possible variables or causes are considered

A double-loop system does not take a simplistic view of a problem. It does not assume there is just one variable (the particular defect on this product); it looks at all the variables that might be involved. Consider the following questions.

- Had the DIY purchasing team incorrectly specified the product?
- Why don't Goods Inwards check that all products are correct?
- Does the supplier actually manufacture or just distribute these products?

- ▶ • What might have gone wrong at the manufacturing unit?
- Who designed the product?
- Was the fault in the design or the manufacture?
- What process does a customer return go through at the DIY store?
- Does anyone note the number of defective products? If so, is a detailed description of the defect included?

A double-loop system always checks for the root cause of a problem. Only when you get to the root cause can you decide whether and what training might help to solve the problem. Certainly, training the customer service assistant might help to stop the problem from happening again. However, if the root cause is the design of the product then the product designer must be brought into this particular loop.



All skills take time to develop fully, and trying new angles and perspectives is **part of the fun of learning**

So we have finally arrived at the end of this particular journey and we have come a long way in the last 12 months. If you have followed every article and tried out some of the ideas, tools and techniques, I am confident you will be much nearer to fulfilling the role of an LC. However, as the series title suggests, this has to be an evolution and that can take a considerable amount of time.

When you try out an idea for the first time – for example, having a more business-focused dialogue with a senior line manager – it might not go exactly according to plan. But don't let that worry you. All skills take time to develop fully, and trying new angles and perspectives is part of the fun of learning. More importantly, learning is often at its most exciting when you take a bit of a risk. Of course, we also know that learning itself is a never-ending journey and I cannot think of a better note on which to end this series – looking forward to even greater developments and a brighter future for all of us who want to become the consummate learning consultants in the profession. 📖

Reference

1. Chris Argyris, *On Organisational Learning*, Blackwell Publishers, 1999.

Action points on how learning consultants design and develop organisations

- Choose one business process in your organisation and try to map it. Start with the end (last step) of the process and then the first, and try to join up the two in a simple series of sequential steps.
- Stop and think about your organisation chart and look for any obvious areas in which there may be an in-built conflict with any department dependent on a particular employee in another.
- Think about what happens when your organisation makes a mistake or receives a customer complaint. Is the root cause resolved or is it a single loop?

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Part 2 – February: How learning consultants think and act strategically

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Part 5 – May: How learning consultants can use evaluation intelligently

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Part 7 – July: How learning consultants become consummate business analysts

Part 8 – August: How learning consultants become creative designers

Part 9 – September: How learning consultants deliver solutions

Part 10 – October: Why learning consultants are always consulted

Part 11 – November: Why learning consultants are business partners

Part 12 – December: How learning consultants design and develop organisations

Thanks to Paul for producing such a thought-provoking series for *Training Journal* during 2004. This complete series of articles will be available in one publication in January 2005.

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