



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

## Part 2: How learning consultants think and act strategically

In Part 1 of this series, which explained the learning maturity scale, we explored various stages in the evolution of organisations and the role of the training functions that serve them. At the bottom end of this scale we saw how a totally reactive training function would only provide a relatively low value administration service. At the top end, though, there is an opportunity for learning consultants (LCs) to work strategically as organisation design and development consultants. This means developing organisational maturity to the stage where it really makes the most of every learning opportunity,

### Paul Kearns

Paul is director of the PWL consultancy specialising in HR and learning strategies that are directly linked to strategic business measures using evaluation and return on investment (ROI) methods. He is the author of several books on training and HR including *Maximising your ROI In Training*, which uses a new approach to evaluation as a basis for all learning and development interventions. He also presents Master Workshops on Evaluation and ROI for *Training Journal*. Paul can be contacted on +44 (0) 117 914 6984 or at paulkearns@blueyonder.co.uk

simultaneously adding value and developing employees to their full potential.

As this article is about strategy, the complete picture, you may think it should be the last in the series. You may also think that the maturity scale shows a natural sequence of evolution from one end to the other, as trainers develop both themselves and their role (see also my article about becoming more anticipative rather than reactive in the May 2003 issue of *Training Journal*).<sup>1</sup> On the contrary, strategy always comes first and has to be top down, not bottom up. Strategy requires leadership, and LCs, therefore, need to establish their strategic credentials as soon as they can. They need to understand what a learning strategy is and how it is totally different from what most organisations refer to as their training 'strategy'.

Although Table 1 (see page 43) provides a definition, the distinction between the two terms may still not be crystal clear, so what difference does it make in practice? Well, let us just take 'problem solving' as one discrete area. A training strategy might lead to running a whole series of training programmes on problem-solving skills or even a large initiative to introduce Six Sigma.<sup>2</sup> On the other hand, a learning strategy will ensure that:

- any problem-solving discipline is seen by the board as part of a wider strategy
- creating an environment where problem solving can work will be just as important as running the programme, if not more so



- the potential benefits (for example, likely cost savings or turnaround times) will be identified in advance with clear financial implications in terms of monetary benefits
- the business strategists will take these ongoing cost savings and other improvements into account when planning the future direction of the business
- the learning strategy therefore becomes totally integrated with the business strategy; in fact the business strategy (for example, cost leadership) could even depend on it
- everyone is allowed to admit they have problems and make mistakes without fear of retribution
- a system of feedback loops (see page 43) is set up to ensure that problems are correctly identified and resolved
- the *root causes* of problems are identified and arrangements are in place for everyone involved to work together to resolve the problem; this means working across functional boundaries
- a Knowledge Management (KM) environment is created to ensure the same problem, once resolved, does not occur again elsewhere in the organisation
- regular reporting to the board takes place on progress (or lack of it) so that it can inform future business decisions.

Hopefully, this illustrates very clearly that there is a world of difference between a training strategy and a learning strategy. It also reveals the breadth of role required of an LC. So how do you move towards producing such a learning strategy?

#### DEVELOPING STRATEGIC THINKING

True strategists are few and far between; it is a rare talent indeed. Very few business leaders even exhibit a mastery of the art of strategy. This presents a problem for LCs: if their chief executive officer (CEO) is not thinking strategically, how can they? If no one really knows what the future holds, how can anyone decide what the organisation needs to learn?



It is amazing how much professional kudos you can achieve just by **announcing your strategic plans**

Whether LCs themselves are brilliant strategists or not they can certainly develop some skills in thinking and acting strategically. One of the best ways to illustrate this is by looking at what an LC can do when the organisation is desperately trying to cut costs. The conventional belief is that cutting costs is bound to have a beneficial impact on the bottom line. Yet we all know that cutting costs so often just means 'cutting corners'. A cost-cutting strategy should ensure service levels or product quality do not deteriorate to such an extent that you sell less, producing a worse bottom-line result.

So what part can the LC play? The most obvious place to start is to ask for a copy of your organisation's strategic plan. As a guide, this must be a document that looks more than three years into the

► future; anything shorter than three years usually qualifies as a business plan. Next, look at what is meant to happen to costs over the next five years. Are the costs meant to stay in line with current production or service levels? Or is your organisation trying to improve its cost base year on year? If it is not planning to reduce costs, do senior managers think they can continue to stay in business and make an acceptable margin with such costs?

This is a simple way of turning an operational question into a strategic discussion and a strategic LC will then ask how any cost reductions are going to be achieved? Will it be new technology, capital investment, economies of scale or possibly learning? Every competitor of yours can buy in the same technology. Just telling managers to make cuts might work for a year or two, but what do they do when all the fat in the system has been removed?

Managers cannot micro-manage cost reductions when they are not involved in the day-to-day detail of what is happening at the 'coalface'. Maybe getting all employees involved in the search for cost savings is the only way forward. But that would require a strategy to ensure you had the right sort of people, with the right attitude, level of motivation and capability. Even then it could only work if



The reason the PDCA cycle is so brilliant is because it is so powerful

all employees learn the necessary techniques and follow a system of continuous improvements in costs.

In essence, the simplest way to start thinking strategically is to think long term and ask simple questions about where you are now, where you want to be and how you are going to get there. Sending people on training courses that are not part of a wider strategy could be regarded as simplistic with less chance of adding much value. Moreover, the better the learning strategy the more value added by the learning team themselves.

Incidentally, you only need one person to produce such a strategy but that person has to get buy-in from the senior management team and have the total support of the ultimate authority, the CEO, to make the strategy work.

**GETTING BOARD LEVEL SUPPORT**

Getting that first foot in the strategic door is quite a challenge. In theory, to do it properly would mean having the whole issue of

organisational learning on the agenda at board level. This would have to be driven by someone who knows what s/he is doing, not just another director given the 'training remit'. There also has to be a key business sponsor of the learning strategy, such as the operations director – although preferably the CEO – who must give it total commitment.

Now, we could go into a great deal more detail here about this theoretical approach but already this is starting to sound unrealistic. I have met many heads of learning and development from large, multinational organisations who tell me they have a learning strategy. When I ask them who 'owns' it, they tell me they do. In one particular case the CEO specifically gave complete responsibility to the head of learning for developing and implementing a learning strategy. That CEO obviously does not understand what a learning strategy is, and if the CEO does not understand it then it does not have much chance of success. Strategies mean change and change usually means resistance to change. When the going gets tough the support of the CEO could be paramount.

The problem with textbook approaches to strategy is the chicken-and-egg issue. How can you introduce a learning strategy to a CEO or a board of directors if the organisation is only at Stage 2 or even Stage 3 on the Learning Maturity Scale? It is too great a leap. They have to start seeing and experiencing the power, and potential value, of a learning strategy before they will give the requisite level of commitment. So let us now look at a more pragmatic real-world approach if you are to have any chance of success.

**STRATEGIC STRATEGIES!**

An alternative approach is to have a *strategy* to introduce a learning strategy. This is not as daft as it sounds. In effect you can practise your strategic skills before they have to be used on the real thing. LCs have to aim to shake up the organisation so do not shy away from sparking off some reactions. You should already have undertaken an assessment of organisational maturity and this should provide you with an objective view of the challenges ahead – especially any senior managers who are particularly 'immature' on learning matters. Only you will know what the circumstances are in your organisation.

When you know who your allies are you need to get across a very clear message to managers that 'learning' is a very different concept to training. To the LC 'learning' always means *applied* learning, not time spent in the classroom or even test scores on an e-learning module. Furthermore, you have to convince the power players that learning is an investment, not a cost or an overhead. You should never allow a manager to refer to training as an expense or, worse still, 'expensive'. There is no such thing as expensive learning; it either is or isn't a sound investment, regardless of its price.

Over time these ideas will start to stick if you keep reiterating them at every opportunity. You can also send a shot across the bows of the finance function by asking them to start finding somewhere in the accounts to show future returns on learning investment. This will be in preparation for when you have learned how to calculate ROI (which will be covered in Part 5 of this series, and which is touched on in 'Action points' on page 44). It is amazing how much professional kudos you can achieve just by announcing your strategic plans. It shows you mean business and are clear what direction you want organisational learning to take.

However, the biggest and most durable strategic impact will probably come when you introduce the PDCA (Plan, Do, Check, Act) cycle.

**Table 1: Training strategies and learning strategies – their definitions**

**TRAINING STRATEGY**

The phrase 'training strategy' is often a bit of a misnomer because it just describes a training plan. Usually, it follows the business strategy and, although directly linked to it, is limited by the thinking behind the business plan in terms of timescale and breadth. In effect, training plans support the organisation while strategies lead them.

**LEARNING STRATEGY**

A learning strategy looks further into the future and is one way of dealing with the unknown and the unknowable. It aims to ensure that the organisation and its employees learn more quickly than their competitors, thereby providing a competitive advantage in its own right. Learning, unlike training, is not 'done' to people; it should happen in a way that makes it totally integrated with the way the organisation works. Moreover, line managers have to understand and be totally involved with a learning strategy, because they will have to ensure it happens.

## CASE STUDY: Toyota keeps its strategy really simple

Toyota has the highest market value of any car company in the world and yet it is not the biggest in terms of vehicle production. The company must therefore have been doing something strategically to gain such a huge competitive advantage.

Toyota has been using the PDCA system for more than 40 years and still uses it today in its factories. All employees understand it and know how to use it.

Toyota's business, HR and learning strategies are totally intertwined. The PDCA system is just one part of the complete package. Yet it underpins everything else the organisation does, including its Kaizen philosophy and the other Total Quality Management (TQM) techniques it uses. That is why the PDCA is such a strategic tool.

The reason PDCA works so well for Toyota is because it fits the organisational culture. It has become a part of its management fabric. Everyone who joins Toyota is imbued with this culture, but they are also taught the techniques.

Toyota is the only organisation I have come across that can claim to be currently at Stage 5 on the learning maturity scale and still progressing towards Stage 6. It is a true example of what we might start to call a learning organisation.

## THE PDCA CYCLE

'So what is the PDCA cycle?' I hear you ask. 'And why would anyone want to use it?' Even those already well acquainted with PDCA should resist the temptation to skip this section because it is probably the simplest, yet most practical and effective, model ever developed for continuous improvement. Although usually attributed to W Edwards Deming,<sup>3</sup> the quality guru, it was around before him and can be traced back at least 75 years to Walter Andrew Shewhart,<sup>4</sup> who called it the 'new way' for management. Yet it is basically just common sense, which makes it very appealing.

What this cycle says is that measurement of a problem is the starting point for resolving it (for example, how many complaints do we get?). Only when you measure can you start to *plan* to improve the situation (that is, reduce complaints by 10 per cent). Whatever you actually *do* (for example, analyse the causes of complaints), the *check* stage (otherwise known as 'evaluation' in learning circles) says you should check that the solution is working (in other words, have the number of complaints gone down?). Whether it appears to be solving the problem or not (let us assume complaints actually increase) the *act* stage says you must act on the results you get. Good results should reinforce what you are doing; poor results should make you devise a different *plan* (for example, by making someone completely responsible for complaint resolution). It is so simple but absolutely brilliant. A touch of genius.

For those of you who have already heard of the PDCA cycle the obvious question to ask is are you using it and if not, why not? Could it be that you never saw what it had to offer? Or could it be that whenever you tried to introduce it you never got very far with it? That would not be surprising. The reason the PDCA cycle is so brilliant is because it is so powerful. Too powerful, in fact, for most organisations; it is almost too hot to handle unless you really know how to use it effectively. Look closely at Figure 1.

Powerful tools in the wrong hands can be dangerous. LCs need to understand there is much more to the PDCA than four simple steps. For a start, it perfectly mirrors David A Kolb's learning model.<sup>5</sup> Put the two together and, immediately, learning and organisational improvement become one and the same, synonymous and simultaneous. But that is just the start. These cycles are iterative.

You are meant to keep going around the cycle again and again, learning more and more, improving each time. As time moves on the measures are not so easy to spot (for example, you are now dealing with really obscure complaints) and the problems are more difficult to resolve, so the organisation has to move up to a higher plane of learning.

Unless you can 'sell' the strategic advantages of learning it will never be part of the organisation's strategy

The PDCA cycle is also known as a closed loop system and there are two crucial learning concepts in this single phrase that all strategic LCs have to master:

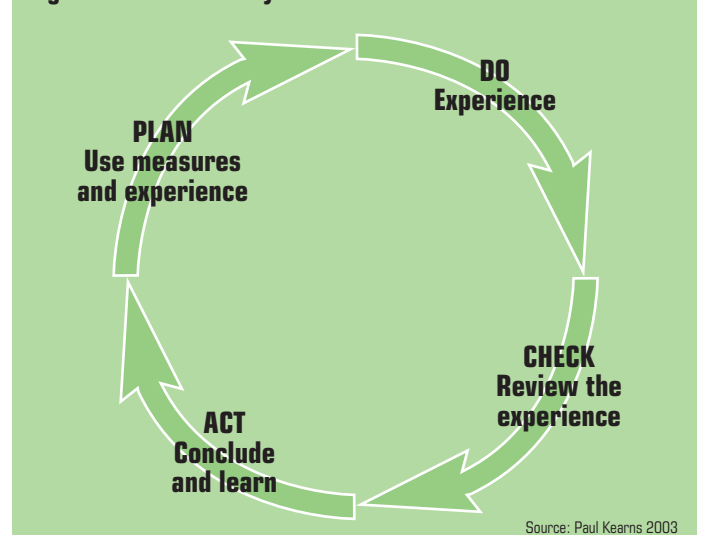
- 'closing the loop' means always having to go back and check that your training is working, and
- 'system' means making sure that what you plan to happen actually happens.

In other words, if you want to make sure people learn how to improve you have to have a system that makes that happen. So if a sales training programme is designed to improve sales, the PDCA loop will feed back to you whether sales are improving as planned, or not. Another important point about the PDCA, often misunderstood, is that negative feedback (that is, when things don't go according to plan) is as important as positive feedback. Negative feedback allows us to learn from our mistakes. But to accept the negative you need a very open, not-seeking-to-blame culture – and they are very rare indeed. That is why one of the first, key strategic tasks for the LC is to start building such an environment. Installing the PDCA is the start of your strategic learning system.

## STRATEGIES AND SYSTEMS

Learning strategies depend on effective learning systems, and therefore strategy and systems go hand-in-hand. A national transport strategy would not be much use without road, rail and air traffic control systems. So the key lesson for an LC who wants to be strategic is to get a feedback loop system in place as soon as possible. Without it your organisation is not learning from its successes, never mind its mistakes. ▶

Figure 1: The PDCA cycle



➤ Interestingly, many organisations that have failed to establish a PDCA system are nevertheless already using other models such as the European Foundation for Quality Management (EFQM) excellence model or a balanced scorecard approach. However, these could both be regarded as very sophisticated approaches and one wonders whether managers really understand them in enough depth to get the best out of them. My own advice to organisations is quite stark – if you cannot make the PDCA work for you, there is little chance of capitalising on what these other models have to offer. If an LC wins this argument, s/he can fundamentally change the way the organisation operates.

It is probably wise, therefore, to introduce your PDCA system into a well-controlled environment first (see ‘Action points’, above right). The PDCA should not get in the way of either of the other models referred to because they are both predicated on the principle of measures and planning. Success with a PDCA system should help to reinforce any other systems you plan to introduce. The establishment of an effective PDCA system is a necessary indicator of an organisation at Stage 4 on the learning



Strategy is a tough subject and only LCs with **real determination** will make it happen

maturity scale and it will set them on the road towards Stages 5 and 6.

Before we leave the subject of strategy it is worth pointing out that if you think introducing such systems involves only minor changes you could be surprised by the reaction you get – especially if you do not currently manage all training expenditure. Learning strategists can command a premium because it is a difficult job. LCs should expect to have to overcome many hurdles. Whatever resistance you may meet, though, standing your ground on this will send some very strong signals and start to change perceptions. This will improve your own credibility in the long run. Look at this way: if *you* don't take learning this seriously why should anyone else? Moreover, unless you can ‘sell’ the strategic advantages of learning it will never be part of the organisation's strategy.

Strategy is a tough subject and only LCs with real determination will make it happen. That's why they need to develop an attitude to do this, a subject we will cover next month in Part 3. ●

**Reference**

1. Paul Kearns, 'Learn to anticipate learning: studying an approach', *Training Journal*, May 2003, pp. 10-14.
2. Six Sigma is a management philosophy developed by Motorola that emphasizes setting extremely high objectives, collecting data, and analyzing results to a fine degree as a way to reduce defects in products and services. The philosophy behind Six Sigma is that if you measure how many defects are in a process, you can figure out how to systematically eliminate them and get as close to perfection as possible. Visit [http://whatis.techtarget.com/definition/0,,sid9\\_gci763122,00.html](http://whatis.techtarget.com/definition/0,,sid9_gci763122,00.html) to find out more.
3. W Edwards Deming, American consultant and academic, 1900-1993.
4. Walter Andrew Shewhart, American statistician, 1891-1967.
5. David A Kolb, *Experiential Learning: Experience as the Source of Learning and Development*, Prentice Hall, 1983.

**Action points on learning strategy**

- Set up a PDCA experiment by asking a friendly manager to take his or her team through the cycle looking at one measure (for example, rework hours, complaints, process times). Explain to the team how to use PDCA and emphasise that it is about learning. Learning how things went wrong is as useful as learning from success.
- Look further than existing plans; ask a senior manager what his (or her) best guess is about what the future holds and how he might get there? Ask him if he can get there without people learning new ways of working.
- Go and have a chat with your friendly finance director to ask for the 'training' budget to be given a new heading of 'learning investment'. Furthermore, the responsibility for this investment should be placed solely in the hands of the learning experts – that is, you as the LC – not line managers. If the policy needs to change to allow for this, then so be it; it sends a clear strategic signal.
- Make one or two bold moves to show you mean business. For example, mention that you are going to stop measuring training days and average training cost per head because they do not measure learning or anything meaningful or of any use. Also, include a short PDCA session on one of your next training programmes.

**WHAT THIS REST OF THIS SERIES COVERS**

- Part 3 ~ March:  
The attitude of LCs
- Part 4 ~ April:  
How LCs become proficient 'cyclists'
- Part 5 ~ May:  
How LCs can use evaluation intelligently
- Part 6 ~ June:  
How LCs become performance managers
- Part 7 ~ July:  
How LCs become consummate business analysts
- Part 8 ~ August:  
How LCs become creative designers
- Part 9 ~ September:  
How LCs deliver solutions
- Part 10 ~ October:  
Why LCs are always consulted
- Part 11 ~ November:  
Why LCs are business partners
- Part 12 ~ December:  
How LCs design and develop organisations

To obtain Part 1 of this series, which appeared in the January 2004 issue of *Training Journal*, contact *Training Journal* on +44 (0) 1353 654877, at [contact@trainingjournal.com](mailto:contact@trainingjournal.com) or visit [www.trainingjournal.com](http://www.trainingjournal.com)