

What Next?

10 Questions for CLOs

BY BRIAN KLAPPER

While some companies remain gripped in a cost-cutting mentality, an increasing number of organizations are thinking about innovation, creativity and growth. Here is a checklist for CLOs designing learning strategies that will position their companies to take advantage of economic recovery.



The speed, length and magnitude of the global recession have staggered many companies, and senior executives have struggled to adapt their time-tested strategies to the economic realities of the environment in which we now live. As companies slowly shift their focus from fighting the recession to getting the most from the recovery, an effective CLO must help keep the organization focused on the future.

To gain deeper insight into these issues, in June 2009, The Klapper Institute surveyed 226 corporate managers across North America. Their replies offer insight into how executives view the crisis and how they are planning to respond to the recovery. From the survey results and extensive personal interviews, The Klapper Institute developed 10 questions all CLOs should be asking themselves and their executive colleagues as the recovery approaches.

1. Are you exhibiting — on a daily basis — the essential behaviors to contribute to your company's recovery and growth?

Much has changed over the past year, including the way in which leaders interact with their organizations. However, as executives look to the future, there is a pretty clear consensus that there are several key behavioral elements that must be demonstrated to lead organizations to prosperity.

The Klapper Institute survey assessed how senior managers approached leadership during the past 12 months and whether they expected that approach to change during the next two years. Respondents generally indicated that during the crisis they found themselves focusing on short-term objectives, opportunities for “quick wins” and cost-reduction opportunities. Interestingly, nearly all realized that these behaviors only marginally helped them manage through the downturn and would not likely position their companies for a prosperous future.

The kinds of leadership behavior that executives say they will try to exhibit over the next 24 months will encourage innovation, creativity and growth. Specifically, executives from companies emerging from the recession should be focused on behaviors that:

- Inspire others by developing and reinforcing powerful messages about senior management's vision for the organization and how each employee can play an important role in achieving its success.
- Drive innovation and creativity by challenging assumptions, encouraging risk taking and pursuing controlled failure.
- Clearly define expectations and offer significant rewards for success.
- Thoughtfully and systematically engage the key influencers throughout the organization to encourage input into program development.
- Transform themselves and others through role-modeling desired mindsets and actions.

2. Are you doing everything possible to help employees embrace change?

Former U.S. Army Chief of Staff General Eric Shinseki once stated, “If you don't like change, you will like irrelevance even less.” As the economic recovery leads to growth, teaching employees to manage, and ideally embrace, change has come to the forefront of responsibilities for the chief learning officer.

The CLO can play an enormously powerful role by developing programs to accelerate the change process. Far too often, these change programs are developed in isolation or brought in as a discreet product by an outside agency. And far too often, they fail to deliver on the promises made. For a change program to be successful, learning must be linked with doing to change the way in which people work. At the end of the day, the success or failure of a new initiative is dependent less on the content of the initiative and more on the employees' willingness to embrace the change.

3. Are you doing all you can to ensure your workforce is sufficiently nimble to take advantage of rapidly shifting market conditions?

The Klapper Institute survey asked respondents whether the economic crisis would cause significant foundational change in their industry over the next 24 months. Nearly 60 percent of all respondents said they expected “significant change” to their industry as a result of the crisis, versus only 18 percent of respon-

dents who didn't anticipate major changes. As Avon CEO Andrea Jung recently commented, "The going-in assumption is that this is a new world order — we need to run the business as if that's the case."

The implications for the chief learning officer are clear: enterprise learning is moving to the forefront of business strategy, and the mandate to deliver programs that result in a fast, flexible, well-trained organization is critical. Because companies must have the capabilities in place to meet rapidly changing market needs, enterprise learning has now moved well beyond its former status as a support capability and has become central to any company's business strat-

As with other business disciplines, learning must be represented by well-defined processes supported by performance targets and indicators.

egy. Since the range of possible futures confronting business is great, companies that nurture flexibility, awareness and resiliency are significantly more likely to thrive in a period of post-recession growth.

4. Are the learning strategies you have traditionally employed optimally suited for the rapid pace of the new economy?

So many of the formal training classes and ubiquitous e-learning programs simply do not deliver an acceptable ROI. Most formal learning — even with updated e-learning platforms — remains based on antiquated models that were designed for efficiency, not effectiveness. Dumping knowledge followed up by a test will not result in the meaningful behavior change that is essential for true learning to occur. Learning here means insights into customers' unmet, unspecified needs; enlightened experimentation; scientific problem solving; and rapid piloting. In essence, this means building an organization that has innovation coursing through its veins. The good news here: In most cases, the innovation required to meet a new marketplace need exists somewhere in

the organization; the greatest challenge is finding it and harnessing it.

5. Are you helping your organization build an adaptive culture?

Volumes of research suggest that regardless of industry, a company's culture, not its leadership or structure, is the single biggest deterrent in creating a nimble organization. Previous research from The Klapper Institute has found that leading organizations foster an environment that encourages ongoing refreshment in daily operations. As a result, these companies develop an adaptive culture that views change as normal part of everyday operations.

By viewing change as an ongoing part of normal business, rather than an episodic event, an organization creates a culture that supports and motivates the kinds of behaviors required to be more nimble, viewing challenges as opportunities rather than barriers and looking beyond the way things have always been done to the way things could potentially be done. As a result, adaptive organizations tend to enjoy great employee and customer loyalty, clear labor cost advantages, front-line ownership for business results and a culture of "the best serving the best."

The challenge for the chief learning officer is to weave together the most critical components to create an adaptive culture that will enable the organization to thrive in uncertain times. The CLO should be fostering a collaborative approach across the enterprise and promoting continuous learning among the workforce, with particular emphasis on active learning over passive, classroom-based approaches. CLOs should also be extracting relevant front-line experiences through advanced knowledge management tools and moving them into learning programs and knowledge bases that quickly get the best knowledge and experience to the entire organization.

6. Are you utilizing innovative scalable learning strategies to do more with less or the same budget?

Teresa Roche, Agilent Technologies' CLO, has repeatedly said that "more dollars does not translate into more impactful development." She believes the traditional measures of learning impact (e.g., percent of payroll allocated to training, total number of training hours) are antiquated. Last fall, as Roche and her team watched the economy begin its downward tilt, they quickly revamped an already planned next-generation

leadership program, shifting it from a high-cost, face-to-face event that would bring in people from around the world to a regional event that used webcams and low-cost collaboration tools such as Skype to bring teams together virtually. That focus and flexibility has allowed her learning organization to weather the economic downturn and maintain its role as a core contributor to business success. “We constantly prioritize,” she said. “When people make it an either-or, like you either invest in development or you don’t, that’s the wrong way to approach it. The challenge is how do you keep doing effective programs but find ways to have that impact differently?”

7. Do your initiatives encourage idea generation?

Productive ideation is the consistent generation of ideas, for both products and services that can be converted into growth. The CLO can play an essential role in developing programs to tap into the latent ideas that exist throughout every organization — but far too often fail to see the light of day. In some organizations, the ideas are plentiful, but they are buried under layers of bureaucracy that keep them from surfacing. They generally tend to exist closest to the customers — and therefore farther away from corporate headquarters, making them difficult to spot.

8. Are you doing everything possible to effectively train your future leaders?

Career development efforts in large corporations are too often limited to programs that target high potentials and future leaders. This approach is shortsighted. In the knowledge economy, the skills demanded of employees at all levels are constantly being redefined. To deal successfully with that reality, talent-powered organizations invest in developing the capabilities of all employees, with a particular focus on accelerating the development of skills and workforces that are most clearly linked to business strategy. As Roche said, the focus is on “roles impacting strategy and roles impacted by strategy.”

9. Are you creating accountability for business results?

For many CLOs, creating accountability for the business results that emerge from learning initiatives remains an ongoing challenge. Leading CLOs use the following strategy to generate clear accountability for their work in a growth environment:

A clear statement of mission and strategic direction: CLOs use learning as a platform to support ambitious growth and profitability objectives. Creating a business discipline for enterprisewide learning begins with a precise understanding of learning’s role in the overall corporate strategy.

A formal, accountability-based learning infra-

structure with clear empirical objectives and milestones: As with other business disciplines, learning must be represented by well-defined processes supported by performance targets and indicators. Too many organizations do not view learning as a process and, as a result, fail to utilize objective outcome-based measures to evaluate their success.

Dedicated budgets and resources: Organizations should invest in learning with the expectation of measurable results. A dedicated budget is a critical component of success in learning. This doesn’t mean that all the learning efforts should be centralized, but there does need to be an adequate level of resources to fund the learning infrastructure.

Repeatable, accessible tools and capabilities: Organizations should provide the processes, structures, tools and training necessary to deliver effective enterprise learning. If senior executives expect to achieve repeatable and ongoing improvements in business performance, the learning discipline needs to be supported by tools, capabilities and resources that are accessible across the organization.

10. Have you remained vigilant on internal marketing?

For many CLOs, particularly when emerging from a recession, the tension between learning and performance is palpable. Clearly, CLOs must drive value by focusing on issues such as business alignment, managing resources, innovation, customer service and ROI. The challenge is the need to show value to the organization that financial analysts and business leaders can understand and appreciate, while responding to the need for learning versus performance. As Gene Brown, CLO of ZirMed said, “Internal marketing is so much more than internal promotion and thoughtful communication — we must demonstrate value through business results.”

Regardless of the industry they are in and a company’s competitive position, now is the time to act decisively to position for growth. The Klapper Institute’s top 10 list requires little capital investment. Rather, behavioral change, innovation, ideation and creativity are the common themes woven throughout the list. CLOs need to face the tough decisions and not let budget reductions prevent them from seeing the opportunities that permeate the organization. Think openly. Act decisively. Nobody can predict with certainty when the broader economy will recover, but a thoughtful CLO can most assuredly help accelerate his or her company’s recovery. **CLO**

Brian Klapper is president of management consulting, education and research firm The Klapper Institute. He can be reached at editor@clomedia.com.