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HUMAN CAPITAL MAGAZINE
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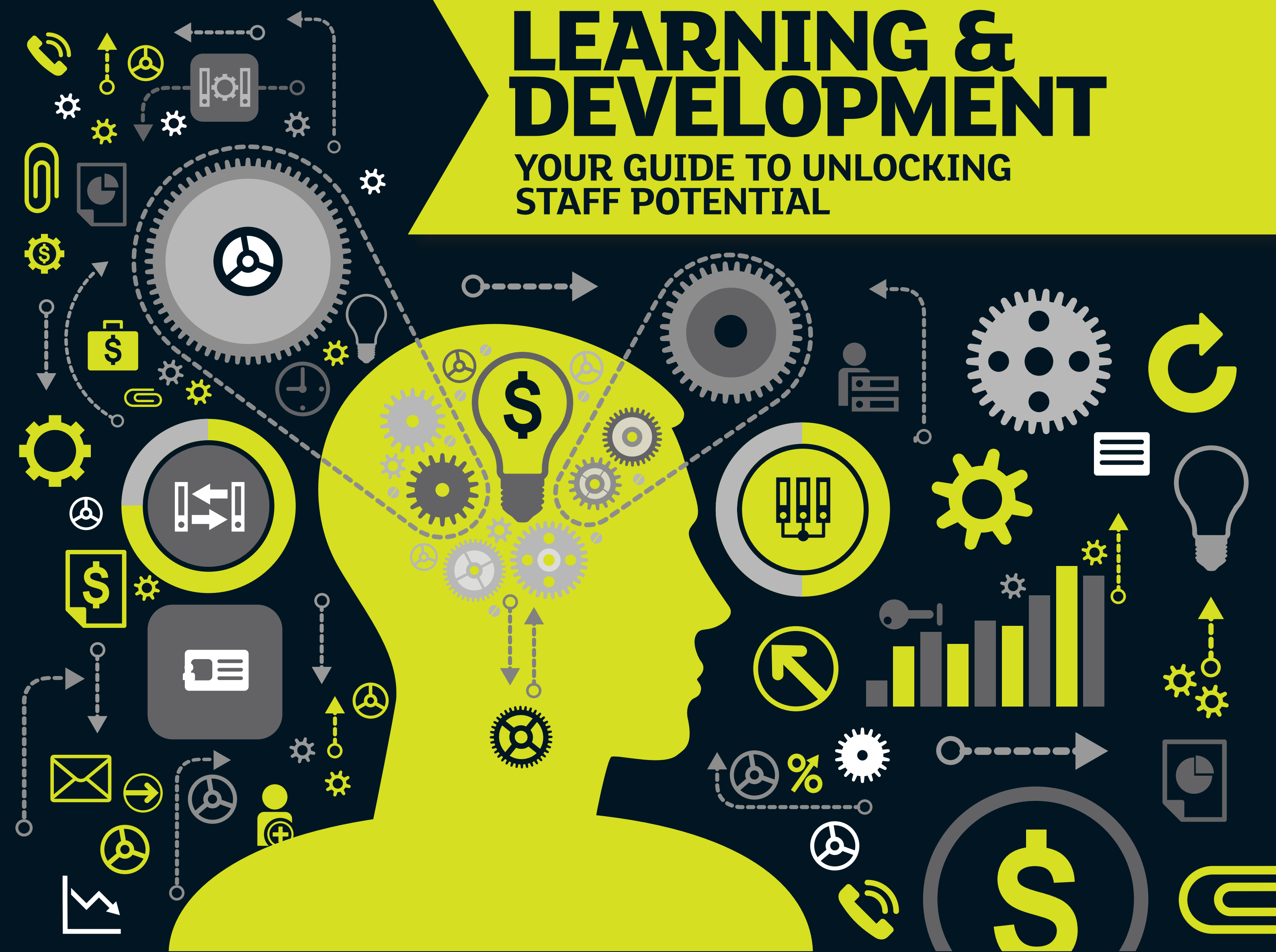
SPECIAL REPORT

LEARNING & DEVELOPMENT

YOUR GUIDE TO UNLOCKING STAFF POTENTIAL



ROI OF L&D
An accountant's view

LEADERSHIP DEVELOPMENT
Focus on the introverts

UPSKILLING
Strength through soft skills

LEARNING TRANSFER
From the classroom to the office

Special Report – Learning & development

L&D: Strength from within

From coping with the rapid pace of change to keeping high performing employees engaged, the benefits of investing in staff development are many and varied. In this special report,* Human Capital *looks at key L&D strategies

Anyone with any doubt as to the placement of L&D high on corporate agendas need look no further than a telling soundbite by Richard Riley, former Secretary of Education in the Clinton administration. Riley is on record saying that the top five jobs today did not exist five years ago. Further, the top five jobs in 2016 don't yet exist. Tim Legge, CEO of Learning Seat, confirms it's "absolutely true".

"Twenty or 30 years ago, employers hired people based on an assessment of whether they had the experience to do the job; today the jobs we are desperately trying to fill are the ones that didn't exist only a few years ago, so finding someone with experience is really not an option," he says.

Today, these roles are being filled by people who employers believe have the capability to learn how to do the job; they are knowledge workers.

"This makes the L&D function more critical to business success than it has ever been," Legge says. "What tools and resources are we going to provide these knowledge workers to facilitate their development? What learning strategies are we going to put in place to accelerate their productivity? And perhaps most critically, how can we leverage the use of technology to deliver these strategies?"

The 2011 National Learning & Development Index (NLDI) – a collaborative effort between AHRI, The Australian Institute of Training & Development and Learning Seat – partly answers these questions. It provides insights into how Australian companies handle the L&D function, what methods are being used, who's making the decisions and how ROI is being assessed.

The report canvassed the opinions of 1,164 people, predominantly from HR or L&D-related backgrounds.

Legge notes that the most striking aspect of the results was the vast opportunity it exposed for further improvement – particularly the opportunity for L&D to become a strategic, forward-thinking tool. For example, the report highlighted that the performance review process is the primary driver for L&D activities. "Performance reviews are clearly an important driver of training activity, but they are a lagging indicator – in most cases, a 12-month lag. The primary driver of L&D initiatives should be the goals and strategy of the business. What skills and capabilities are we going to need to get us where we have decided to go? Let's develop those in our people."

PLUGGING THE SKILLS GAP

This concept of 'grow your own talent' is slowly gaining traction as companies struggle with the skills shortage. In the annual Australian Institute of Management's 'Australia's Skills Gap' report, 77% of organisations were found to have a skills gap. Of those organisations that have avoided a skills gap, the most nominated reason why they had done so was 'a strong commitment to training and development'. Similarly, for those organisations with a skills gap, 'training and development' was named as the number one solution to fix the problem.

Forty-five per cent of respondents said leadership was the biggest skills gap in their organisations. The next highest ranked skills gaps were: 'process and project management skills' (39%); 'technical and industry specific skills' (35%); 'communication/interpersonal skills' (34%); and 'managerial' (32%).

BUDGETS, RESPONSIBILITY AND ROI

Despite these general insights, it appears that assessing the L&D needs of specific organisations is a messy, haphazard affair. The NLDI indicates that few organisations conduct skills audits or assessments of core skills required by the organisation. As suggested by Legge, in addition to the performance review process (92.3%), it's self-initiated interventions (75.2%) and compliance requirements (75.3%) that determine the L&D activities for an employee – not quite the proactive approach required to drive business results.

Just 45.26% believe that strategy is a strong driver of the allocation of L&D budgets, with the remainder taking the view that strategy impacts moderately on L&D budgets or it plays no part at all.

"The reality is that most organisations don't really do L&D assessment," Legge adds.

Mark Sexty, director, Upskilled, says the disconnect between L&D initiatives and business strategy is clear to see: when organisations are 'training for training sake' there is little or no time spent looking at the overall business strategy and the benefits that can flow from this. However, when organisations are more focused on

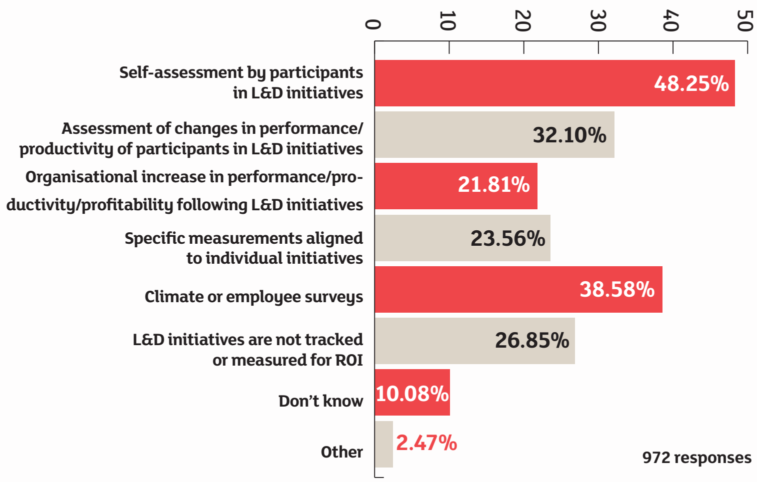
Table 1

What types of L&D activities are provided by your organisation?*

OPTION	COUNT	PER CENT
Funding of formal education	800	80.2%
Mentoring	610	61.2%
Coaching	617	61.9%
In-house training	948	95.1%
E-learning	683	68.5%
Membership of professional associations	660	66.2%
Leadership development	796	79.8%
Traineeships	494	49.5%
Induction	873	87.6%
Apprenticeships	277	27.8%
Individual development/career planning	632	63.4%
Secondment	392	39.3%
Graduate programs	410	41.1%
Other	40	4.0%

997 responses – respondents could select as many as apply

Measuring ROI from L&D activities*

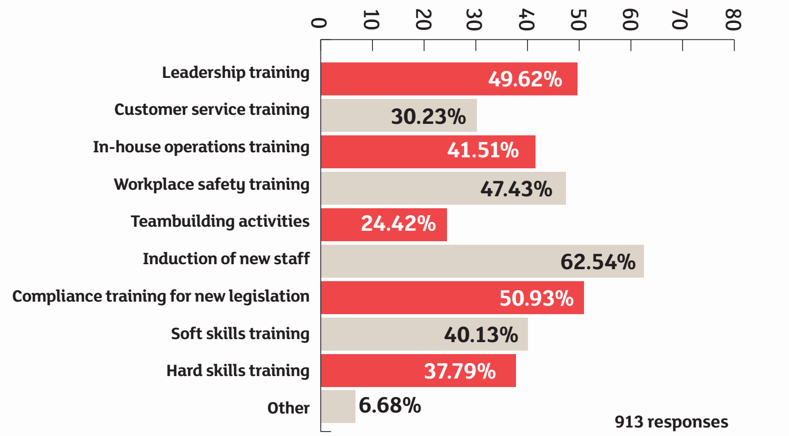


*Source: 2011 National Learning & Development Index, by AHRI, The Australian Institute of Training & Development and Learning Seat

Special Report – Learning & development

L&D activities that have made a ROI

(ie, contributed to revenue or prevented loss of revenue)*



The NLDI survey indicates that over half of all L&D sits within the HR function. Legge notes that this shouldn't necessarily be an impediment to quality outcomes but often it can be.

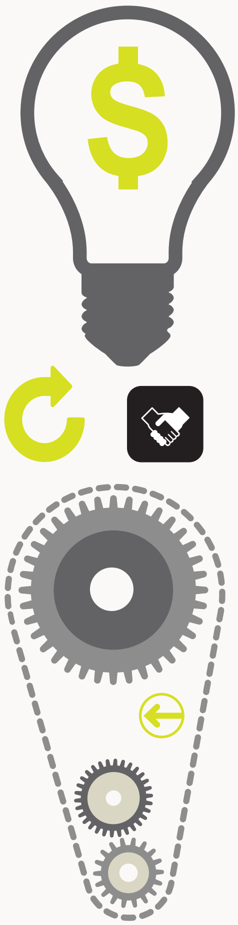
"The HR function is often dominated by management of cost and risk – negotiating EBAs, managing compliance, managing poor performance, etc. If companies are not careful, these activities can often divert attention away from L&D," explains Legge.

The tricky question of ROI of L&D is a further problem, and may be a key influencer of the types of learning interventions being used. According to the survey, some senior executives view initiatives such as teambuilding and soft skills as ineffective.

"I think part of this is because it is so difficult to demonstrate an ROI on these types of initiatives," Legge says. "My perception is that views like these are gradually changing. Even the hardest of CFOs understand that there are some investments that we know will deliver positive results – even if they are hard to measure."

In nearly half the surveyed organisations, L&D budgets are determined by CEOs (42.74%), a quarter by HR managers (26.51%), and around one in 10 each by L&D managers (14.72%) and line managers (11.69%). Apart from the determination of budgets, CEOs exercise little direct responsibility for activity within the L&D function.

Another related issue is learner response to L&D initiatives. Three-quarters of the respondents (75.1%) reported that employee satisfaction with L&D activities is measured by individual feedback forms. Other methods used are informal discussion (57.89%), the performance management process (52.87%) and as a part of general climate surveys (50.72%). In only 7.17% of cases is employee satisfaction not measured at all.



training for 'measurable outcomes' with the aim of driving a ROI, the links to the business strategy are more easily connected.

"You start to see more of an integrated business approach and a true focus on workforce development in their approach to training," he says. "Training is seen as a facilitator to increased productivity, staff retention and increased customer service, as well as a way to improve or change the overall culture of a company. Then training really becomes part of the strategy."

It's informative to look at best practice companies. ANZ Bank, for example, has a business-specific set of competencies with clear levels of attainment and clear definitions attached around each – and critically the competency framework has been designed to align with the bank's business strategy. Job descriptions have a sub-set of these competencies allocated to each role. Then the capability of each employee versus the competence is recorded on the Learning Management System. This provides the L&D team with a complete picture of the capabilities in which the employees are strong, and the areas that require focus.

Sexty says that some sectors are more proactive than others, especially when it comes to supervisor or management roles. These sectors include technology, manufacturing, mining and construction. "Within these organisations, the majority of their staff in supervisor and managerial roles have come up through the ranks," he says. "These employees have great product knowledge, are technologically proficient and understand the processes of their organisation. What they generally lack, though, are the 'soft skills' and 'people skills' that are required for the role."

OPTIONS

So what are the most popular types of L&D activity? The top four include: in-house training (95.1%); induction (87.6%); funding of formal education (80.2%); and leadership development (79.8%) – see chart on page 23 for other types of L&D activities reported.

The elephant in the room must be e-learning (cited by 68.5%). Uptake of e-learning globally is occurring at a significant rate, and Legge says there are a number of reasons for this.

"The improvement in learning technologies and online instructional design – one of those jobs that didn't exist five years ago – mean the learning experience that is being delivered to learners has improved dramatically. Moreover, the types of learning that can be taught in an online modality is improving all the time. For example, we are starting to see effective e-learning solutions in areas such as sales and emotional intelligence – areas that five years ago we would not have considered putting online," says Legge.

FUTURE TRENDS

As technology changes so, too, do learner expectations. Social learning and mobile learning are the two areas to keep an eye on. The concept of social learning – the acquisition of competence via informal, social means (rather than formal structured learning) – has been around for many years. But for L&D professionals, the absence of tools and resources to facilitate, encourage and measure its effectiveness has left it out of their scope. Almost overnight these tools have arrived.

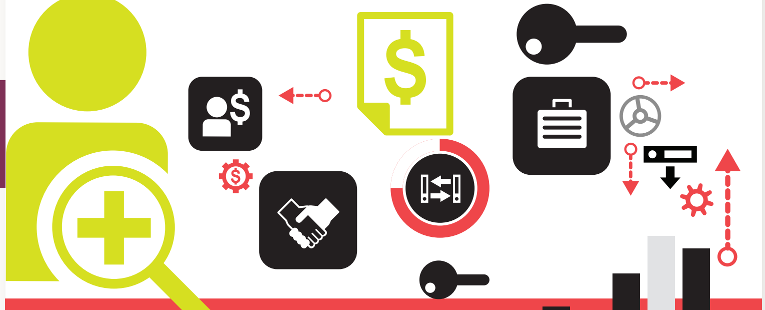
"By and large, the L&D community is struggling with how to tackle social learning," says Legge. "Many of the professionals I talk to are overwhelmed [by the increasing prominence of these tools] and don't know where to start. Moreover, there is often resistance at the senior executive level in making these tools available based on a perception that they are distractions from work rather than tools for work."

The big challenge for L&D practitioners lies with educating their executives that they need to get on board. For Gen Y and Gen Z in particular, social media technologies are integral to how they operate. "Failure to embrace social learning is not just a lost opportunity for L&D, it is a big cross against your employer brand," Legge adds.

Mobile learning is a similar story. The advent of new technologies (tablets and smart phones) brings into scope the obligation for employers to provide learning interventions for employees wherever they are and whatever they are doing.

For Legge, the key is designing these interventions to fit the employee's context and not just to make current offerings available on the new technologies. He cites a study from 2009/10 run by IBM and Columbia University that highlights this point. IBM wanted to know how they could make better use of smart phone technology for their 25,000 smart phone-ready employees. They created a range of learning interventions including access to over 10,000 professional development courses. Across every division and every geographic region, IBM found identical results. No one used the courses. In fact, they only used two of the interventions on offer: performance support and access to late breaking information. When they were out of the office their primary concern was helping customers and doing their jobs – in that context, their professional development took a back seat.

"Whatever the environment or methodology, organisations need to be driving outcome-based learning with measurable results. Without this, they are falling into the trap of 'training for training sake'," Sexty concludes. HC



Career development: A 5-step program

Step 1:
Formalise your career development approach

An essential step in taking a systemic approach to careers is to create a formal career development program. Depending on the needs of the organisation, this could take a variety of forms, but certain features are universally applicable. A distinction must first be drawn between the accountabilities of the organisation and those of employees.

Step 2:
Conduct a skills vs needs inventory

Organisations must undertake a rigorous analysis of present workforce skills and future talent needs. Creating an inventory of present skills and future needs is important for giving proper direction to individual development. Development cannot succeed for the individual, let alone for the organisation, unless it is strategically oriented towards achieving larger business goals. Employees who develop capabilities of little relevance to their job or organisation won't have an active part to play in the organisation's success.

Step 3:
Initiate meaningful career discussions

Organisations must also take the lead in initiating and facilitating meaningful career discussions, providing an essential step in empowering employees to drive their own development. Research suggests that career discussions between employees and immediate managers are rare. Skilling and equipping managers to have regular, meaningful, career coaching conversations with employees is a foundational step in a systemic approach to careers. Just as important is holding managers accountable for conducting those career conversations.

Step 4:
Make employees accountable for career discovery process

A successful L&D program cannot rely on the organisation alone. With guidance, support and tools from their organisation, employees must be held accountable for engaging in a process of career discovery. This process should involve three phases: self-discovery, organisational discovery, and career discovery.

Step 5:
Articulate ROI

There are several ways to measure the effectiveness of a career development program. Below are some most common ROI measurements organisations can use:

- decreased recruitment and onboarding costs
- increased productivity
- improved quality of career development plans
- increase in internally-filled roles
- higher engagement levels
- decreased absenteeism and presenteeism
- minimising attrition of high potentials

Special Report – Case study: Hilton

Lifelong learning

With several industry accolades under its belt for outstanding training initiatives, Hilton Hotels of Australia has put L&D on top of its corporate agenda. Human Capital talks to Richard Todd, regional director of human resources at Hilton Worldwide, about their initiatives

***Human Capital*: How does Hilton keep track of the training needs and skills gaps within its workforce?**

Richard Todd: Hilton identifies training needs and skills gaps at various times in the employment cycle. Each new team member that joins the Hilton team is provided with a job skills check list, specific to their position, which provides the road map to mastering their new position. When reviewing these requirements with their manager during the onboarding process, a plan is set in place to fill the skills and competency gaps as soon as possible and usually within the first three months of employment.

Prior to the completion of the qualifying period, the team member attends a formal meeting with their manager to review their current performance and capability in the role. This often identifies immediate and longer term skills, development needs and, as a consequence, a capability development plan is put into place.

In addition to daily recognition and feedback, a formal Annual Performance Review is conducted to assess individuals' ability to achieve pre-agreed performance and development goals, as well as assess the ability to demonstrate specific competency behaviours. An outcome of the annual performance review process is an agreed performance development plan, which identifies training needs and skill development activities.

If a team member has mastered the skills in their role, and are aiming for career progression to the next level, we identify what skills gaps exist between the current and target position and start preparing for the next opportunity – potentially leading to a promotion. Promotion often means more responsibility and a new skill set. For the promotion to be a success, training needs and skills gaps are identified and mapped against the relevant Hilton learning program to upskill the team member as soon as possible.

As part of our annual business plan preparation, each of our hotels conduct a training needs analysis and audit of mandatory brand training programs, which have been conducted against the various departments, to map out potential skills gaps and training needs. This also assists with ensuring we allocate the right level of funding to meet the hotel team's development needs.

***HC:* Can you outline where and how Hilton requires special focused training initiatives?**

RT: We are constantly assessing our performance based on identified performance indicators – including our guest experience. If we see a drop in any of these measures we assess if this is training-related before implementing a focused training initiative.

An example of this type of initiative is the implementation of a new learning program called 'Make it Right'. The program has been designed to empower our team to rectify any experience that does not meet our guests' expectations. It's a scenario-based learning program, which requires the team to select from various resolutions and link their choices to a potential guest rating of the experience.

We make sure that our team members are provided with opportunities to obtain the knowledge and skills to do their jobs effectively today, and to continue to develop themselves for tomorrow.

***HC:* What sort of metrics or analytics do you look at to be sure your L&D initiatives are hitting the mark?**

RT: Each of our learning initiatives has a ROI identified and these vary depending on the program. For example; it might be an increase in a department or hotels SALT scores [Service And Loyalty Tracking], or a specific measure associated with our Team Member Engagement Survey or turnover metric.

One of our newest learning initiatives, designed to retain high performing talent has two clear measurements:

- The level of competence participant leaders have to conduct an effective career conversation. This level is measured both prior to and after the learning and then it is compared.
- The number of participants who had a structured career plan. This number is measured both prior to and after the training and then compared.

***HC:* Do you believe social media and new technology will impact on the way people learn in the workplace?**

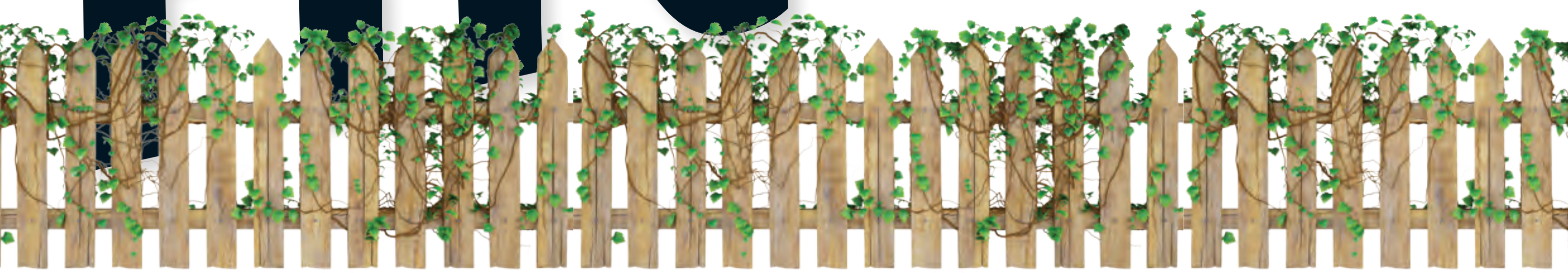
RT: Technology is certainly allowing our team members to better manage their individual learning needs at their own pace and in their own time. Using technology we are able to deliver consistent learning content 24 hours a day, seven days a week to meet each of our hotel departments operating hours and learning requirements.

Conceptual knowledge, compliance training and systems-based learning topics have proved to be good content to deliver through technology-based learning systems. Hilton Worldwide has an established online university (HWU), which is comprised of five virtual colleges, each sponsored by a Hilton Worldwide executive committee member. The colleges collectively offer more than 2,500 courses and the curriculum includes general content for all team members as well as tailored content for specific audiences. HWU courses are delivered in a variety of ways including e-learning, webinars, e-books, articles, classroom training, and recommendations for on-the-job development experiences, social learning and apps.

We are striving to make use of the latest advancements in technology, including iPads, mobile devices and social networks, to bring learning to team members across the globe in ways that are quick, relevant, engaging and easy to access. E-learning courses are available to any team member who has an interest in online learning. Currently a wide variety of courses are available in French, Spanish, German, Chinese, Turkish, Italian and Dutch. HC

Special Report – ROI of L&D

HR from the other side of the fence



With HR increasingly expected to speak 'the language of business', how effective are your budget and ROI conversations with the CFO?* Adrian Smith *– an accountant himself – provides some insights into how to measure the ROI of your L&D initiatives

How many times have you wrestled with how to justify to yourself and the accountants of the world your L&D spend or even why individual programs have merit and justify the investment in them? If you are like us, the answer is probably a lot!

Well, we thought it was time to work with the enemy and sat down with our CFO to nut out how best to establish a method of calculating ROI on L&D that could assist a client in managing their considerable spend for a leadership program. The result looks like this: Refer to Table 1

This model was specifically developed to apply to a formal training program, but with some minor changes can apply to any other learning intervention.

It looks quite simple, which for an accountant and a spreadsheet is a novelty, but let's look at the components.

Table 1

BASE DATA	
• Attendees	
• Average salary	
• Annual turnover of this cohort	
PROGRAM COSTS	
• Development costs	
• Delivery and facilitation costs	
• Administration costs	
TOTAL COSTS/INVESTMENT	A
PROGRAM BENEFITS	
• Employment costs - Savings from increased retention	
• Behaviour change/improved performance in the role	
TOTAL PROGRAM BENEFITS	B
ROI	

BASE DATA

This information needs to be collected prior to the commencement of the program as it is the baseline data from which changes and improvements are measured. It should be available from any reasonable HR system. If not, then careful estimates should suffice.

PROGRAM COSTS

Again, these are quite straightforward, particularly the development and program delivery costs; however, administrative support often gets forgotten, so it may require some work by the accountants to calculate these.

PROGRAM BENEFITS

It's no surprise that this area is harder to define and measure than program costs; however, our CFO is comfortable that benefits should accrue in two distinct areas – employment costs, and some bottom line impact.

We are of the opinion that whilst there are a number of employee benefits – including improved attraction strategies and Employer of Choice opportunities, improved performance management and training efficiencies – the main measurable benefit in employment costs are generated from greater employee engagement and therefore retention. This can be measured in the longer term through statistical data from staff attending these types of programs. However, when looking at specific programs in the short term, then using employee opinion surveys and asking specific questions about intention to stay will provide useful insights and the data to inform these calculations.

In relation to behaviour change/improved performance in the role, the opportunity exists to track this by measurable performance changes against relevant KPIs. Just like hard statistics on retention data, it may take some time for these benefits to work through into hard results, but if behaviour changes are measured through some survey mechanisms (360-degree survey, manager's report, etc) it is possible to very quickly identify quantifiable benefits as the average behaviour change measured should drive equivalent value gains from each person's salary.

Now let's plug in some hypothetical data (which broadly reflects work we have been doing with our client). Refer to Table 2

Whilst this is a reasonably significant program which means that development costs are amortised over a large cohort of participants, the impact of the program is to show a very positive ROI that easily meets the investment criteria of most organisations, particularly as the return takes place in months rather than years. Also, the ROI would be even higher if subsequent years' productivity improvements were also accounted for in the calculation.

CAN I APPLY THIS TO A PLANNING DOCUMENT?

The obvious, easiest way of running these calculations is to allow time for longer-term benefits to accrue and be measured through actual retention rates and KPI improvements. In the more immediate period after the program, say 2–3 months, we are confident that well-constructed and targeted surveys will also give great insights into the measurable benefits of the program – the ROI.

It is not appropriate to seek significant L&D funds without this type of calculation and validation; however, it is not so easy to do any ROI calculations before the event as they require a number of informed assumptions.

When looking at the employee costs calculation when considering new programs it would not be unreasonable to anticipate even a modest 20% reduction in annual turnover. This can then be applied to the number of people in the cohort, historical turnover rates, and a calculated (by the accountants, again) cost of replacement based on annual salary. If this cost of replacement is not available or easily attained then general research data may be required. This often comes in at about 30% of annual salary costs, and for senior staff – as in the example above – the figure could be much higher than this.

When estimating productivity improvements, it is best, if possible, to refer to similar programs run within the organisation – or if this is not available then general research data may have to be used. It is worth noting, however, that as shown in the example above, a small improvement in productivity or outputs does go a long way towards generating a very positive ROI for L&D that should satisfy even the toughest accountants!

Table 2

BASE DATA		
• Attendees	240	3-day program with 20 attendees per program
• Average salary	$145,000	Including on costs
• Annual turnover	17%	Based on last 12 months' (estimated) data
PROGRAM COSTS		
• Development costs	$48,000	
• Delivery, facilities and facilitation costs	$355,000	
• Administration costs	$70,000	
TOTAL COSTS/INVESTMENT	**$503,000**	
PROGRAM BENEFITS		
• Employment costs – Savings from increased retention	$354,000	Based on 20% reduction in annual turnover and replacement costs of 30% on annual salary
• Behaviour change/improved performance in the role	$418,000	1.2% – based on the anticipated average behaviour change measured from post-program surveys which drives equivalent value gains from a person's overall salary
TOTAL PROGRAM BENEFITS	**$772,000**	
ROI	**53.38%**	

A WORD OF WARNING

The calculations in the model are really quite simple. The very basis of the model and therefore its accuracy, usability and credibility, is the inputs to the benefits section. It will be critical to work with key stakeholders, including education providers, organisational leaders and finance staff to ensure that actual data is used wherever possible.

In reality, the first few times the model is run you may well have to rely on estimates and general market research; however, as you build up an internal database of results achieved, the accuracy and reliability of input figures will grow exponentially – again, satisfying even the most hard-nosed accountants! HC

Adrian Smith is a principal of Talent Mondial Australia (and an accountant) and can be contacted at adriansmith@talentmondial.com.au

Special Report – Learning transfer

DON'T DROP THE BALL

Best practice in learning transfer

With only 15–20% of the learning investments that organisations make actually resulting in work performance change, what can be done to improve matters?* Julie Pigdon *outlines the essentials to become a learning organisation

The ability of organisations to learn and improve faster than their competitors is thought by many as the only sustainable competitive advantage in the business world of the 21st century. The bottom line is becoming critically dependent on people working well together.

However, becoming a learning organisation is a complex and elusive apparition, requiring simultaneous involvement and commitment from the trainer, the learner, the workplace and the organisation. Only about 15–20% of the learning investments that organisations make actually result in work performance change (*2009 Wilson Learning Worldwide Research Report*). This, of course, means that 80–85% of the learning investments organisations make have no effect at all.

This statistic is well understood by the L&D profession, as is the theory of learning transfer. The research seems to imply, in general, that training works when the:

- trainee is ready and motivated to learn
- training is aligned with organisational goals and designed for learning transfer
- workplace is supportive and encouraging, in terms of realistic opportunity to practice the learning and receive constructive feedback

Achieving this is harder than it may seem. However, there are many effective techniques and tools available to enhance the learning transfer from OD programs. One that is widely recognised is the appropriate use of psychometric profiling, as it gives the learner and their manager something tangible and objective to refer to in the workplace when required, once the program is complete. When strategically and consistently applied, psychometrics also give you a common workplace language, which helps minimise misunderstandings, misinterpretations and conflict at work that often snowball into bigger issues if not dealt with proactively.

Valid psychometrics and 360-degree feedback tools further enhance learning transfer by providing objective data for you to benchmark, measure and monitor performance improvement over time.

It is this data which will help you calculate your ROI and secure senior management support – this is pivotal to becoming a learning organisation.

TIPS FOR BEST PRACTICE

TMS hosted five complimentary forums for the OD community Australia-wide in February 2012. The purpose of these forums was to facilitate a TMS community of practice and to collect techniques and tips on how to improve the rate of learning transfer from OD programs.

The techniques most commonly agreed upon include:

1. Aligning training with organisational goals

This was seen as crucial by most OD practitioners. Without the training contributing to organisational success in real terms, you will not get the ongoing senior management support required to resource your programs, and your ROI will be negligible.

Some steps to achieving this include:

- Questioning the premise for the program – why have it in the first place (appreciative and evaluative enquiry can be employed here)? What is the initial issue? Is training the solution? What type of training is the best solution?
- Prioritise business imperatives and select the right type of training for each, if training is the solution. Cost effectively plan, implement, and measure and monitor training according to business imperatives. Factor in foreseeable problems and issues.
- Evaluate as specifically, objectively and quantifiably as possible the impact the right training will have (ie, reduced error rate, reduced costs due to increased productivity, increased efficiency due to improved communication, etc)
- Do a cost benefit analysis
- Gather relevant data for ROI analysis and continuous improvement
- Know what success looks like – have measurable, objective KPIs in place

2. Using real life problems or simulations in your workshops

This makes it far easier for learning transfer to take hold, as the conceptual leap from the workshop to the workplace is so small. Furthermore, using real life problems makes it far more likely to gain senior management backing for your programs, supervisor support back in the workplace, and motivation to apply the learning. As a general rule, the more relevant the training to the real workplace environment, the more likely that learning transfer will occur.

3. Implementing a coaching/mentoring system after the training is complete

This strategy was also mentioned at each forum as a way for keeping learning on the agenda. Also acknowledged was a coaching program for supervisors, to enhance skill levels whilst fostering understanding of and empathy for the learner.

Supervisors can be coached to:

- provide frequent, encouraging and constructive feedback as learners try out their new skills
- see mistakes as learning opportunities
- acquire and model new skills or behaviours in their own work, to lead by example

Interactions in the workplace that encourage participation and collaboration will also enrich learning transfer, because learning consolidation involves a high level of social interaction, where learning goals are shared, experiences discussed, problems solved and ways of doing things demonstrated. Indeed, in some programs, participants may learn more from each other than from the trainer. This is especially true if the trainee is motivated, open and ready to learn, focused discussions are encouraged, and the training is meaningful to them. Choosing the right trainee for the right training at the right time is critical to the learning transfer process.

> "As a general rule, the more **relevant** the **training** to the real **workplace environment,** the more likely that learning **transfer** will **occur**"
>
> – JULIE PIGDON

4. Allowing the opportunity to practise in the workplace

The opportunity and need to apply knowledge and skills immediately to trainees' jobs has been repeatedly emphasised as pivotal to effective learning transfer (Ford et al., 1992; Lim, 2000, 2001). The 70/20/10 formula states that 70% of learning occurs from real life and on-the-job experiences, tasks and problem solving. Factoring in the opportunity to practise is imperative for any effective, sustainable learning and development plan.

CONCLUSION

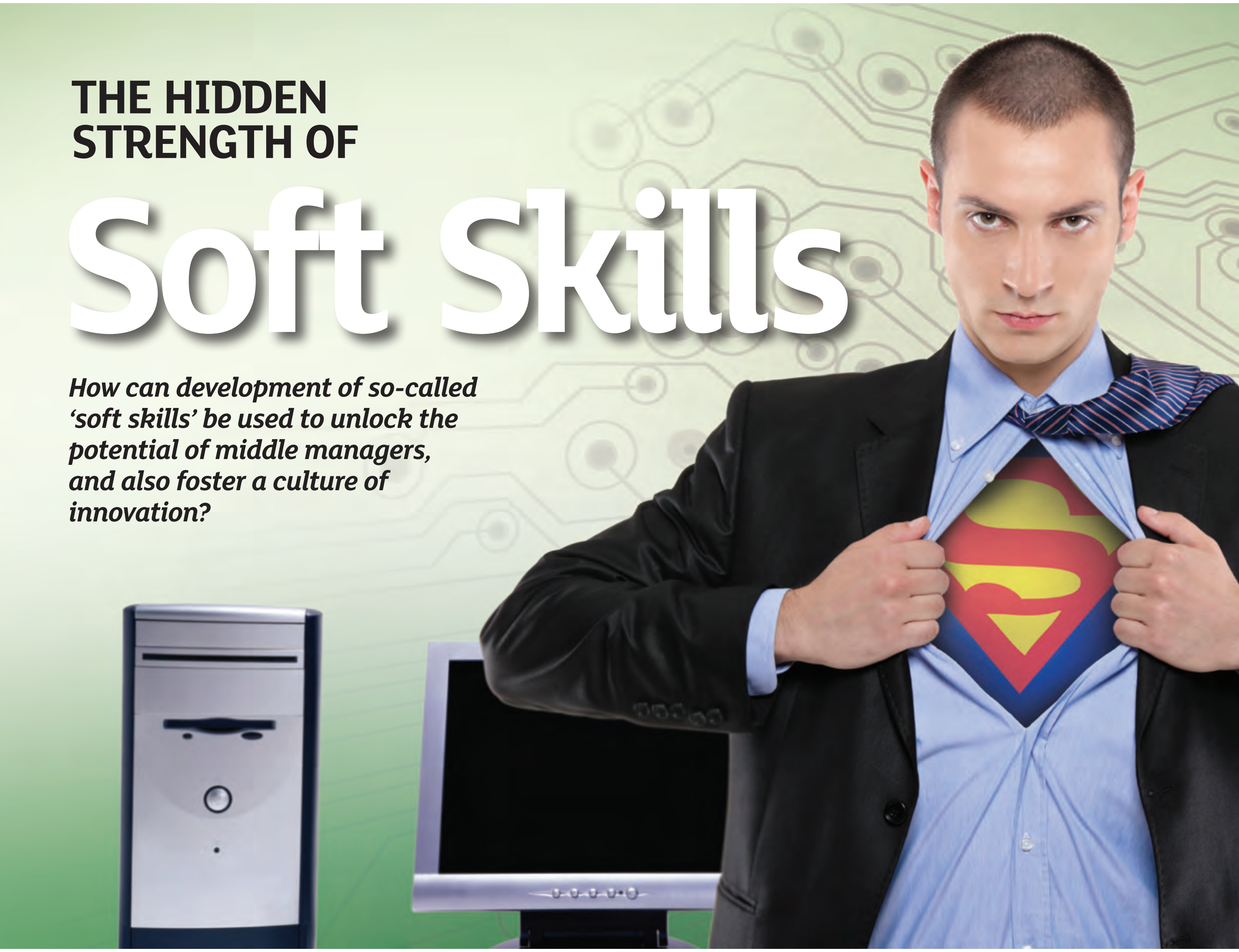
In summary, a strategy for learning transfer within an organisation is multi-layered; there are numerous techniques and tools at your disposal. Our forum discussions revealed the techniques used by the Australian OD community for keeping learning on the agenda and also demonstrated their commitment to continual improvement. HC

Julie Pigdon is the business development manager at TMS. For further information visit tmsoz.com

Special Report – Soft skills

THE HIDDEN STRENGTH OF Soft Skills

How can development of so-called 'soft skills' be used to unlock the potential of middle managers, and also foster a culture of innovation?



Technical competencies often get the job done, but soft skills – such as good work ethics, emotional intelligence and the ability to communicate effectively – can make a more lasting impression, setting a business apart from its competitors.

As business becomes more social, soft skills are becoming increasingly important to help enhance relationships, performance and add value to work.

RE-ENGAGING THE 'FORGOTTEN FOLK'

While employees at all levels of business benefit from soft skills development, it is the middle managers – traditionally the 'forgotten folk' in the corporate hierarchy – who stand to benefit most. They play a crucial role in delivering results, supervising and engaging the bulk of the workforce – yet they also experience excessive stress, disengagement and a high degree of attrition as a result.

As companies shift their business strategies to remain competitive, mid-level leaders are the ones executing corporate mandates and agendas and making bottom-line decisions about cost, quality and efficiency for companies every day. "Middle management is the most important part of a company's workforce as they are the ones who actually get the work done," says Vishal Nagda from Lodha Group.

Yet more often than not, middle managers are caught under pressure between delivering strategic objectives set by senior executives and managing line managers. “They live in an ‘in-between’ world where they get criticism from employees for not being attentive to their needs, or investing time in helping them perform and grow; and at the same time, face pressure from their leaders to deliver on stretched goals with limited resources in an environment of uncertainty,” says Mira Gajraj Mohan from Towers Watson.

While they can also be first in line when organisations look to reduce their head count, Ben Willmott from the Chartered Institute of Personnel and Development (CIPD) says it is also important to remember the crucial role these managers play in managing change, translating the objectives of senior managers into actions, and motivating others.

BETTER SOLUTIONS, DIFFERENT THINKING

How can organisations unlock the potential of their middle managers, and enhance ‘soft skills’ across the board? Part of the solution may be to rethink the concept of ‘soft skills’, suggests Sandra Banister, director of The Leadership Circle Asia Pacific.

She cites two examples of why a rethink is required: Perhaps the employee has had a fresh perspective on an issue in a meeting, but didn’t feel comfortable bringing it up; alternatively, perhaps an employee has thought of a different approach to streamline multiple work processes, but the suggestion wasn’t heard.

Banister says that traditionally these approaches have been considered ‘soft skills’ that would sit uncomfortably in the fast-paced, hard-nosed corporate sphere. But now, in an increasingly complex business environment, new approaches are required to find better solutions to problems. “One of the ways we can do this is by tapping into and nurturing a softer quality of mind in the workplace,” she says.

CHAOS REQUIRES CREATIVITY

Faced with an increasing rate of change and surrounded by constant flux, we are hyper-connected, required to master multiple operating systems and processes, and expected to become more efficient.

In order to succeed, the old rules and ways of interacting with colleagues and clients are becoming less and less relevant. Instead, we need to innovate, to be creative in our approach and to use our intuition, otherwise known as developing soft skills.

“By definition, the hard skills we see as key business attributes are the specific, teachable abilities that can be measured,” says Banister. “Hard skills require a certain level of intellect, an ability to analyse and explain things clearly, as well as qualifying a person to do their job.”

Examples of hard skills can be as basic as our ability to type and do equations, but includes our ability to use computer software and find solutions to problems. It also encompasses formal qualifications in any given industry, such as accounting, marketing or project management.

On the other hand, we need well-developed soft skills to create a balance between the two. This is because simply analysing the situation will no longer achieve the best results, so we need to innovate, be creative, think differently and use intuition at work.

Banister says that, as early as the mid-1980s, authors such as Peters and Waterman (*In Search of Excellence*) suggested that modern leaders’ over-dependence on analytic thought and quantitative analysis was a principal cause for the loss of worldwide pre-eminence, as reflected in stagnating productivity, obsolete machinery, and inferior but more expensive products.

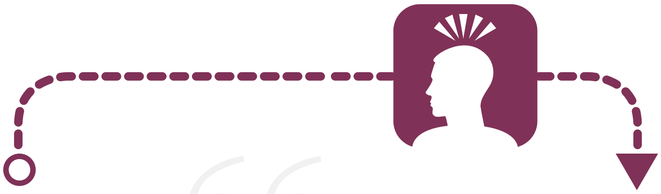
“Examples of softer qualities of mind include our attitudes towards others, our willingness to try new things

FURTHER TIPS TO INSPIRE MIDDLE MANAGERS

Towers Watson has the following recommendations for improving middle managers’ engagement and performance:

- Refocus rewards away from personal production and towards team production and team member growth and development goals.
- Reconfigure jobs to allow more time to focus on people.
- Equip managers better to be more effective at identifying and responding to individual employee differences.
- Inform managers about the employee learning opportunities available (eg, build more and better sources of information into the manager self-service portal, enable them to design projects and assignments to suit individual team members).
- Be more effective at delivering informal rewards (eg, recognition).
- Give managers more control to encourage innovation in how work gets done in their work groups.

Special Report – Soft skills



> It's about becoming more **conscious** of your thoughts and actions in the workplace and **remembering** that everyone has a helpful **viewpoint** to try and understand
>
> – SANDRA BANISTER

in different ways, observation and intuition, and our ability to reflect and understand an issue before providing an answer," Banister adds.

Soft skills are not taught as part of our education and are not easily measured. To date, our ability to develop this attribute has been reliant on an individual's personality. However, with daily practise and by being conscious about thoughts and actions, it is possible to develop softer qualities of mind in the workplace.

Banister outlines five soft skills for the workplace, and how to develop them in yourself and others:

1. FOCUS ON YOURSELF

A. What is it? This is about being more perceptive to how you think and act towards others.
B. When to use it. As much as possible. By being aware of your actions and reactions, you'll become more sensitive to your environment and will understand how well you interact with others.
C. How to develop it. Integrated 360-degree feedback tools such as those offered by The Leadership Circle (visit theleadershipcircle.com) offer a world-first approach that shows how others perceive you and where to make changes to your own interpersonal and leadership style. You can develop this ability yourself, by reflecting on each day, how your actions and thoughts have been received by colleagues as well as impacted upon others, and different approaches you could make to affect the outcome.

2. ACTIVE LISTENING

A. What is it? This is when we focus on actively hearing the message being communicated and understanding the question, rather than providing a fast answer.
B. When to use it. In meetings, on the phone or whenever talking to business contacts you can practise active listening to increase the effectiveness of your conversations at work.
C. How to develop it. Be sure to ask questions to clarify what is being said. You may also want to paraphrase to show you understand the other person, such as, "so, you're saying that in order for this project to get to the next stage, you need me to find new ways of communicating with our stakeholders before the end of the week." Practise this technique at the end of a meeting, by getting everyone to agree on the decisions taken and actions required.

3. OBSERVE

A. What is it? To see the big picture, you need to observe others as well as be able to synthesise a number of ideas into a single concept.
B. When to use it. Show genuine interest in your colleagues in the lift each morning and evening. Another good opportunity is to observe during meetings, when individual personalities are on display and people can clash due to differing perspectives and poor communication.
C. How to develop it. Be aware of how others feel around you by monitoring your body language as well as how people relate to your own actions, thoughts and ideas. Try to understand your colleagues as individuals who are making sense of their world – and how their treatment makes you feel as well as how you may impact on their experience. If you wish, you can talk to a colleague to try and understand their perspective better.

4. BE FLEXIBLE

A. What is it? This is our ability to see multiple points of view rather than being fixated on a particular process, and being willing to try new things in different ways.
B. When to use it. Try using this skill in a tense situation and you will be surprised with the results. In your performance appraisal, for instance, your manager might be pleased to find that you can suggest new approaches responding to their feedback. And if you have reached an impasse with a client, a non-traditional but creative attitude can help clear the obstruction.
C. How to develop it. Keep in mind that everyone has a

helpful viewpoint – there are no right or wrong answers. Remember that you, too, are a work-in-progress, and while you are trying to make sense of your own behaviours and those of others, you are by no means the authority on every topic – we learn constantly from those around us.

5. BE ORIGINAL

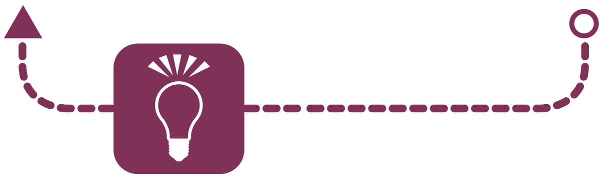
A. What is it? This is when you can use your imagination to find non-conformist solutions to problems, see outside the box, and can synthesise multiple ideas into a single concept.
B. When to use it. The opportunities are endless! You may find systems improvements in your day-to-day tasks, encourage fresh perspectives during a brainstorm session, or want to communicate your ideas around enhancing the culture of your organisation.
C. How to develop it. Try and find new ways to approach a topic. Ask curious questions at a meeting or draw a mind map of ideas you've identified during a brainstorm session. Often, by slowing down to think, new possibilities will become apparent. Once you can see these opportunities, your next challenge is to bring them to life for your colleagues by talking about them with clarity and vision.

A MORE CONSCIOUS YOU

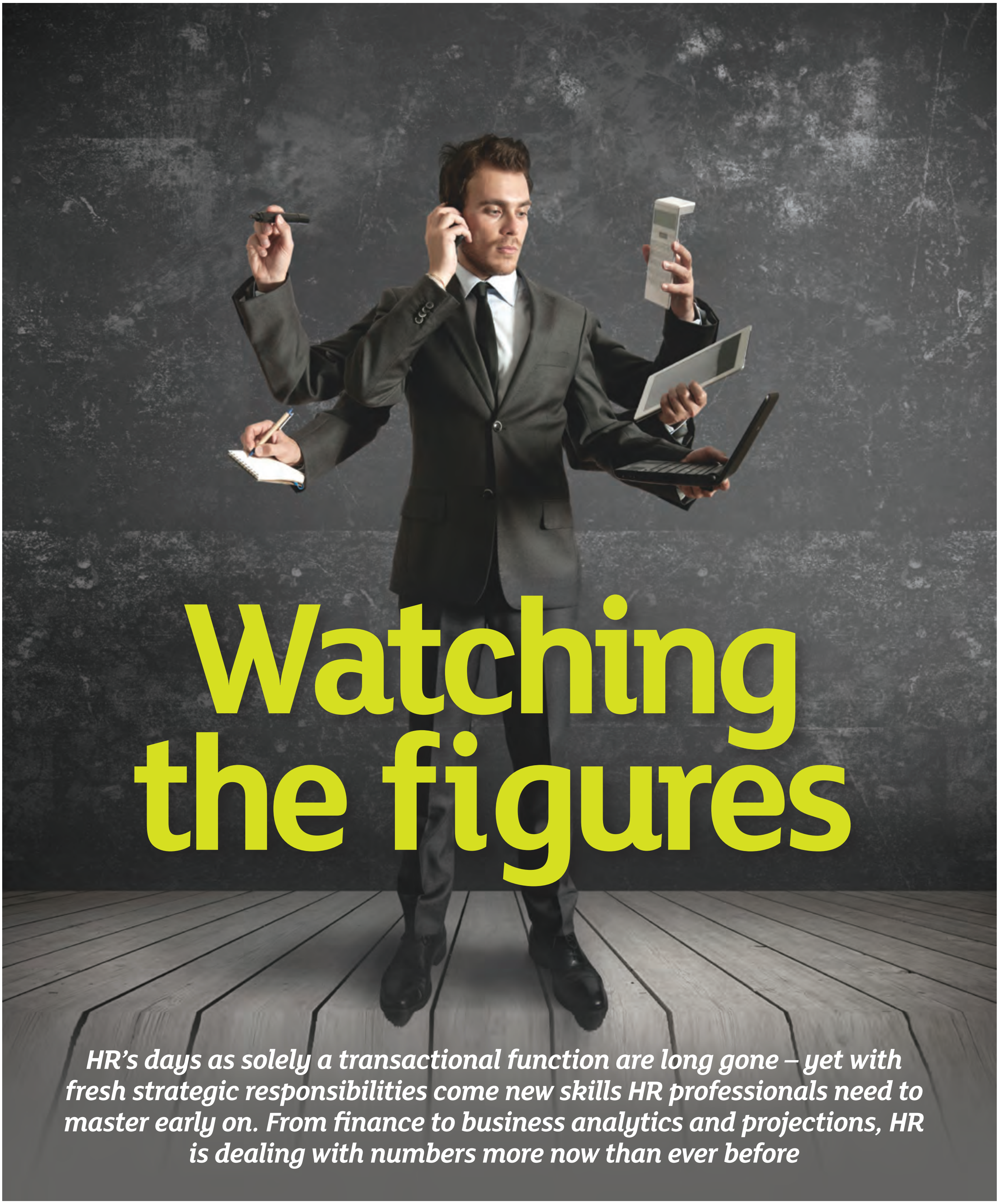
"Whether you choose to actively practise one or all of these softer qualities of mind, it's about becoming more conscious of your thoughts and actions in the workplace and remembering that everyone has a helpful viewpoint to try and understand," Banister says.

Just a few changes to your interpersonal style and you can begin to chart corresponding changes in your colleagues. Innovation and creativity will help build better working relationships with your managers, peers, clients and business partners, and add value too.

If you want to succeed in an increasingly complex business world, taking these steps towards developing your soft skills will help provide a good balance to your hard skills, putting you on the path towards more evolved leadership. HC



Special Report – Essential HR skills



Watching the figures

HR's days as solely a transactional function are long gone – yet with fresh strategic responsibilities come new skills HR professionals need to master early on. From finance to business analytics and projections, HR is dealing with numbers more now than ever before

The evolution of HR continues. More and more professionals in the field of people management are taking on strategic roles – in both multinational and local Australian organisations. They are taking seats in boardrooms and C-suites and are being asked to contribute to overall business strategy and direction. That's great news for the function and profession, but it's also a great responsibility – one that requires a new and different skill set.

HR professionals in those roles, and those aspiring to them, can't simply bring their experience in people management and believe that will be sufficient. They now need to speak the language of business, and that means understanding its other functions, including the ins and outs of finance and logistics – to name just two. They also need to have the same cost-benefit analysis skills as their colleagues when it comes to building rationales for different strategy options.

NEW ROLE, NEW TOOLKIT

The elevation to strategic positions has naturally created a new role and responsibility for those directly affected. But Sumeet Salwan, vice president of HR, Southwest Asia and Australasia, Unilever, says the evolution also creates greater responsibilities for professionals at all levels of the HR food chain. "It's equally true everywhere," he tells *Human Capital*.

Of all the 'new' HR needs, it is the need to "become bilingual" that stands out most – but that's not bilingual in the traditional sense. "The ability to understand business and the language of business is crucial," Salwan explains, describing the concept alternatively as "profit and loss language".

Salwan says the ability to understand the value chain of business is essential for anyone hoping to be involved in that process. "You need to understand what makes money and how, before you support or drive strategy," he points out.

There has been an increase in opportunities for HR to exhibit its strategic contribution in recent years, especially in the areas of M&As, downsizing, rapid expansion, globalisation and the aggressive talent war. Still, there is work to be done in terms of HR digesting business intelligence and translating that into opportunities for the business to capitalise on or provide alerts to avoid obstacles.

As revealed in *Human Capital*'s remuneration review (issue 10.9), hot jobs in HR (reflecting in-demand skills), include talent management (thanks to demand for flexible labour strategies), HR governance, risk and control, HR shared services, change management and strategic resourcing. Tying it all together is business analytics.

Emma Hogan, director of human resources at Foxtel, told *HCTV* that as a matter of course, HR should know in-depth about the people issues: what your data is telling you, what your turnover statistics are, what your talent retention plan is, what your succession rate is, remuneration costings, compensation claims, and so on.

"All those sorts of things form the basis of what we do, but, more important than that, it's the cultural work, establishing ourselves for the next phase: what structures we'll have, what governance frameworks we'll have. Those sorts of discussions are happening all the time."

Hogan adds her role as HRD is not so much about the 'doing' but rather about the planning and due diligence beforehand. The next phase is where buy-in from the team is obtained, and "everybody starts to evolve those plans and the rest of the team gets involved in the actual doing," she says.

Toronto-based business consultant Donald Cooper, lists some simple but powerful tools HR can take on in order to move ahead. Most importantly, he argues the "mathematics of profitability" is the biggest stepping stone. This refers to the simple addition, subtraction, multiplication and division of key figures to determine what makes money and what doesn't. He says it's often very simple calculations but they are still misunderstood in business. "HR needs to understand how a 5% increase in prices could translate to an 80, 90 or 100% increase in the bottom line," he tells *Human Capital*.

He also lists skills in marketing and leadership as essential for any HR professional looking to add real value to their business.

FURTHER AHEAD

Developing these skills throughout the majority of the profession in Australasia is a natural step in the evolution of the function – but it's also a vital one, Salwan says, if the profession is to truly reach its potential. He hopes to see a future in which HR is not just a supporter and executer of business strategy, but a major driver of it.

HR is still a relative newcomer to many boards and C-suite decision making committees – and it's often more passive as a result. But Salwan urges professionals in this category to take a leaf out of the books of other specialist players at that table. "Everybody there drives the choices [of the business] because of their unique understanding of their function," he says. "Hence the person who understands people should be the driver of the strategy, not just an enabler."

This is already happening in some organisations, but it won't change overnight for the majority where it's not yet occurring. "You can't simply pick it up when you are 45 years old," Salwan says. "It has to be part of your DNA from the word go."

BRIDGING THE GAP

The answer is likely to be a renewed emphasis on HR training in both traditional areas and broader business

THE SKILLS YOU NEED

As HR seeks more exposure and responsibility at the top end of business, it's essential to have the skills to follow through. Can you:

Read and understand a balance sheet?

Calculate the 'mathematics of profitability'?

Problem solve with limited resources or finance?

Present a position in a language your non-HR colleagues understand?

Foresee opportunities and obstacles?

Special Report – Essential HR skills

What do you do for professional development?

I did my post-grad qualifications a number of years ago, so in terms of how I keep ahead now is through networking forums – keeping connected with other HR directors, attending conferences. I do find that my executive team – not all but some – I would turn to for coaching around the business side of things because, increasingly, HR has moved from an operational focus and perception of what HR is, to a much more strategic function.

– Lisa Christy, director of HR, SAP Australia/New Zealand

I read a lot and I have a couple of targeted networking groups. But the important one for me is I established a mentor outside the HR field. It was important to have a mentor who has operated at executive level but in operational roles rather than pure HR roles. They provide broader business perspective. It helps to keep it real. Whatever is going to go out to the business is going to add value but is also articulated in a business language rather than an HR language.

– Ian Flemington, general manager – human resources, Canon

I think people are starting to understand that to develop yourself you don't need to attend a university course. There are a number of things, including seminars, or simply networking with other HR professionals in other organisations and understanding what is working for them. And we provide HR with stretch assignments, with the ability to lead global projects, and learn. You get to experience what it's like to work in other parts of the business.

– John Francois, HR director, APAC, McAfee

management practices.

Hogan – whose team picked up 'Best HR team' at the Australian HR Awards in 2011 – says she strives to combine a mix of skills and backgrounds in her team members. Nearly everyone in her team, she adds, has done more than one role in their career at Foxtel.

"They have moved sideways or onwards or upwards or, if some people have gone into business, others have gone out of business and into our team. I think mixing up the skills and empowering them to do their roles and grow and develop is really key to the retention of the team. It's key to the development of the team but also key to the success of the business."

The HR team members have been exposed to these other parts of business, so can bring those insights to the table in other circumstances.

"We have all of our HR business partners sit in the business with the client group they're looking after. They sit on the leadership team of each business, and I don't think you'd be as effective if you didn't do that."

Hogan herself sits on the executive and "has been far more effective while I've been sitting there than I was able to be before". She believes HR's presence is crucial – being up to speed with what the business issues are and really understanding what the business is trying to deliver, for the whole company, let alone each of the business partners.

"They might be working on a restructure, or they might be looking at an area the business needs to improve upon and always thinking, 'well, how are our people going to fit around that?' I just think if you're not sitting with the business and you're not working with them every day you're not understanding what their core issues are and it makes it impossible to do the job."

She notes 40–50% of her team has delivered the company's leadership program. even though it's not their role, because they get to see a cross-section of the company. "They get to remember what we're all doing, what our principles are – and it keeps everyone aligned. Developing skills and empowering people to learn and to grow has always been the key. That would be the approach I would take in any other organisation too."

Hogan adds, for personal development, nothing beats networking, both through professional HR networking entities like TalkPoint, and through her own contacts. "I've got a really good network. I'm often picking up the phone to other HRDs saying 'I'm dealing with this issue, what did you do? Or, 'can you give me any information?' I've stayed fairly proactive as a member of our industry." HC

Special Report – Student case study

Case study – knowledge is strength

Human Capital talks to Justin Field, talent and capability program manager (Asia Pacific) at Oracle, about his decision to combine his Master of Organisational Development and Strategic HRM with an MBA from the University of New England

***Human Capital*: Can you briefly outline where you are at in your career and why you have opted to return to post-grad study?**

Justin Field: I have had successful careers in both consulting and software design; however, in 2009 I made the decision to embark on my third career choice, HR. I opted to return to post-grad study because I believe it's important to have that as a baseline qualification. My experience indicated that if I wanted to be taken seriously in my profession and operate at the highest level, I needed to have a Masters under my belt. Post-grad study has given me a solid grounding for my career, particularly in learning and development and organisational development.

***HC*: You have already completed a Master of Organisational Development and Strategic HRM. Can you outline how and why you made that choice for your post-grad study?**

JF: I chose to study the Master of Organisational Development and Strategic HRM as the course offers content that fits well with my career goals and my current role at Oracle.

I wasn't interested in pursuing the IR side of HR so I liked the fact that the University of New England course offered papers that suited me and my needs and that I could be more specific when choosing my papers.

It really helps to have education assistance from your organisation and this is something that I was particularly grateful for at Oracle. Both my employer and manager were extremely supportive in my decision to up-skill which really helped me with my post-grad study.

***HC*: How did you find the course content at UNE? Did you find the subjects undertaken were relevant to your current work (or perhaps for your future work)?**

JF: I wasn't comfortable committing to domestic on-campus study and the University of New England offered a flexible Distance Learning experience which made it much easier to manage my current work commitments. As long as you stick to your timetable, Distance Learning is a very convenient way to manage work and study and there is always constant access to your lecturers if you need it.

The University of New England course has a great reputation and provides immediate insight into areas that are critical for my role: change management, communications management, organisational behaviour, and executive leadership are all areas that immediately add value to an organisation.

The theoretical background in executive leadership and processes of management increased my self-awareness as it helped me understand who I wanted to be as a leader, allowing me to develop my personal style and how I could reflect that in my behaviour as a leader.

In addition to this, my study of accounting, economics and strategic management gave me the experience to better understand the positions of those in executive positions in my workplace. I was able to speak their language and gain better awareness of the business at a more strategic level.

***HC*: You are now undertaking an MBA and are aiming to complete a dissertation related to OD and leadership. Can you tell us briefly about your MBA studies and how you believe an MBA will help your career in HR?**

JF: I'm currently investigating my own organisational dissertation which is helping to add value and insight to my studies so far. I chose to undertake an MBA to give me a really solid background in business, HR and organisational development. The MBA is extremely useful for my career in HR as it will give me the skills to contribute and add value at a higher level in a way that is beneficial to the business and more specifically, to effectively articulate the bottom line results of HR and leadership and development.

***HC*: Any advice to other HR professionals looking to return to study?**

JF: There are three key things that HR professionals should take into account before returning to study.

Firstly, choose an institution that appeals to you – it's important that you feel comfortable where you're studying.

Secondly, don't overlook studying by distance – you need to have discipline but ultimately, online interaction is just as good and allows for greater flexibility.

Thirdly, a post-grad study provides a great opportunity to learn from and network with other HR professionals at a similar life stage. Personally, I found attending the weekend schools offered by the University of New England an excellent place to network with like-minded people. HC

Special Report – Executive education

Have online MBA's come of age?

Should online MBAs be given the same weighting as those obtained through bricks-and-mortar institutions when it comes to candidate selection?

While not every university in Australia offers entirely online learning options for gaining a Master of Business Administration (MBA), simply Googling 'MBA' returns hundreds of options for studying the degree online. Faced with a candidate's CV, are online MBAs worth the same as one studied in a classroom?

According to the latest *QS TopMBA.com applicant survey*, in 2008 just 4.4% of prospective MBA students were primarily interested in distance learning and online MBA programs. The figure has now increased to 15.6 % in 2012. While opinions vary as greatly as the number of study choices available as to the worth of online MBAs, for one recruitment expert, online MBAs are not inferior. Instead, it's up to the candidate to articulate their learning, applications, and its relevance to the role for which they're applying. Employers and HR must also probe the candidate on their perceived ROI. "Businesses and employers will be looking at particular courses and practical case studies they've completed. Provided they're able to articulate what they've achieved and demonstrate their work, I can't see it [an online MBA] would be an issue," says Adam Kolokotsas from Randstad.

AN INEVITABLE SHIFT?

Kolokotsas adds, in the online world in which we all now live, education and learning has caught up, and many people find an online MBA is the only option for further study in their time-poor lives. What's more, many online programs create social groups for students to get together to complete projects. "It's important to note online learning is very good at creating social groups and many proactively organise for their students to get together to work collaboratively, as would be the case in a traditional classroom setting, so they are bridging the gap," Kolokotsas says.

Yet bricks-and-mortar universities aren't sold on the idea. Amanda Pyman, director of the MBA program at Monash University in Melbourne, says they do not currently offer online MBAs. Technology is used as part of a blended learning approach, but the program remains classroom-based. "We have what we call a cohort experience, which means students complete all of their MBA units with a group of like-minded students," Pyman says. She elaborates their reasons are principally around the notion of collaboration, networking, and interaction in the classroom with people from different backgrounds – the sort of socialisation aspects that are the opportunities Pyman maintains can't be achieved with an online MBA.

Malcolm Kinns, head of college at Edinburgh Business School (the largest MBA provider in the world, according to *Financial Times* listings in 2012), concedes the online MBA doesn't offer the opportunity to build relationships in a classroom environment, but maintains it does allow for collaboration and peer-to-peer relationship building in a number of ways.

Any **discerning** employer would seek to determine the experience, the **academic performance** of the employee, and what value that MBA can add

Top 10 tips for distance learning success

1. **BECOME FAMILIAR AND READY WITH COURSE MATERIALS.** Familiarise yourself with programs used for the course and purchase books listed in your first reading lists.

2. **SET A STUDY SCHEDULE AND STICK TO IT.** This will help you keep up with the pace, meet deadlines and, ultimately, succeed.

3. **CREATE A WORKSPACE.** Make a clutter-free, comfortable space with adequate light. Make this space your learning space and nothing else.

4. **SET GOALS.** And meet them. Your first goal may just be to organise your workload and that's a great place to start, but set even bigger goals for yourself as you move on.

5. **CONTACT YOUR INSTRUCTOR REGULARLY.** Keep in touch with your instructor and regularly contact him or her with any questions that you may have.

6. **TAKE PRACTICE EXAMS.** Time yourself while taking practice exams so you know whether or not you are assessing an exam within the allotted time.

7. **MAKE OR JOIN A STUDY GROUP.** Many distance learning online programs can link you up with your classmates, which can be worthwhile, both academically and socially.

8. **REWARD YOURSELF.** Always having something to look forward to will most likely help you stay dedicated

Source: www.topuniversities.com

"The Edinburgh Business School program has thousands of students studying around the globe. The opportunities for interaction are both broader and more varied than those that happen in the classroom and also reflect the more prevalent forms of communication we tend to find in the business world of today," he says.

There are several mechanisms for students to network and collaborate within the EBS MBA, ranging from formal discussion boards, to faculty blogs and direct interaction with students and lecturers. "Students are always afforded the option to ask faculty for direction and input, as well as encouraged to share and develop their ideas as a group," Kinns says.

Kinns adds EBS is constantly looking at new ways to make learning more flexible and accessible – for example with mobile learning. However, he says the core principles of quality, accessibility and flexibility, "remain core to everything we do".

Indeed, although EBS entry standards are just as rigorous as other providers around the world, there is a slight difference. EBS provides students with the option of completing subjects that lead to meeting the entry criteria, while also contributing toward the completion of the MBA. "A typical EBS student is aged 35-45, actively employed, and looking to formalise and enhance their practical knowledge," says Kinns. "The flexibility of the course reflects the EBS philosophy of recognising talent who haven't necessarily followed the typical path of MBA students."

TRUE VALUE

In reviewing a resume listing an online MBA, or in discussing it during the interview stage, the experts agree on one thing – HR and line managers should unpack the value of the MBA to the candidate.

"For me, the important question is not really whether it's listed on their CV, but that any discerning employer would seek to determine the experience, the academic performance of the prospective employee and, ultimately, what value that MBA can add," Pyman says.

Accreditation is a key factor in probing online MBAs, and Professor Newton Campos, director of admissions, blended programs, at IE Business School, says some recruiters still see distance MBAs as a little bit questionable.

"However, we are seeing companies now, in particularly hi-tech, internet and innovative companies, who prefer students from our blended MBA, rather than the face-to-face programs.

"They [employers] say, 'these are the kind of people I need and have the skills I need. They have proven their ability to be with family, to work and study at the same time'.

"Attitudes are changing and the number of such companies is increasing."

Kinns agrees, and says employers now consider key traits of online students – such as self-motivation – as a bonus when considering graduates from reputable institutions. HC

Special Report – Leadership development

Leading & following

A leader requires followers. So why is all the focus given over to leadership and leading, with no mention of followers?* Dr Hilary Armstrong *looks to right the imbalance

Most of us want to be leaders. Leadership is snazzy, even sexy. We hear that Gen Ys want leadership now (or a month after they land a job), and that climbing upwards in an organisation is the only way to be a successful human being.

Our culture spends millions per annum researching the role of leader, but we spend little effort or money on leadership's essential role-mate, the follower.

Being a follower is definitely not sexy.

Most agree that leading is a role rather than just a position and that it exists at all levels of an organisation and can be occupied by anyone. But following is also a role and can be occupied by anyone – in fact, it is by the majority of people in an organisation. Yet we do not hear about it.

There is an abundance of leadership 'role marketing' in job titles that have sprung up at all levels of an organisation. There are executive leaders, senior leaders, department leaders, people leaders, area leaders and team leaders. The word 'follower' does not exist in any job title. However, it is present – and describes everyone else in the organisation (as well as all the people in the leadership roles).

WHY MIGHT THIS MATTER?

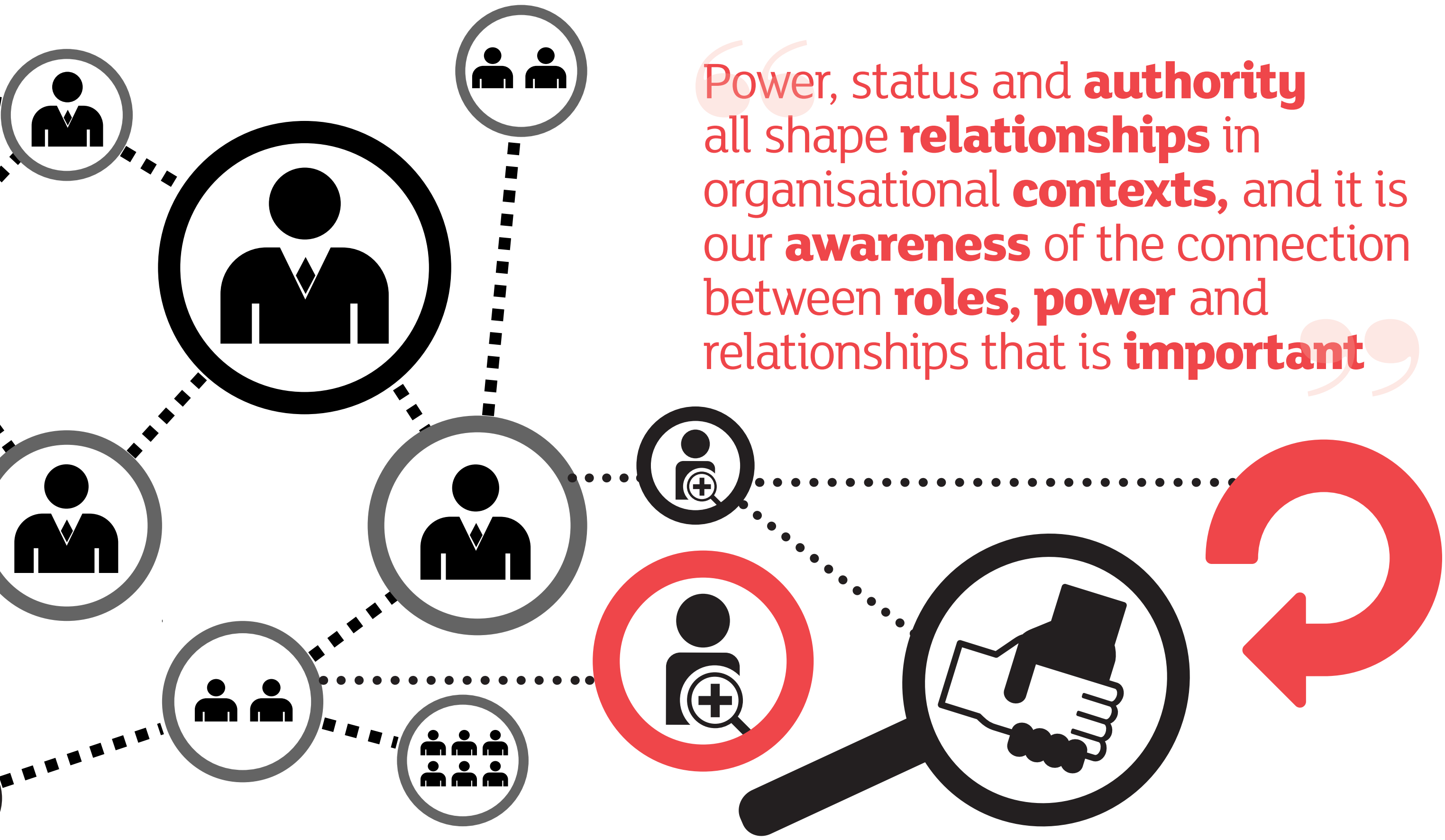
It matters because it disguises the authority assigned to people when they accept a leadership role, and particularly how this authority shapes relationships. Think of being in the context of an organisational meeting, when the CEO comes into a room. The CEO is treated differently to an Executive Assistant who walks in. This difference (or deference) shapes the conversation practices and outcomes of the meeting.

Likewise, the physical environment shapes the relationship; for example, the 'C' suite positioned at the top of the building with the view, or open plan spaces designed carefully around leaders sitting near the window; the same in learning environments with a teacher standing at the front of the room. This is neither good nor bad unless we are unaware of it, because without awareness of the authority that a title gives, a leader may perpetuate unproductive relations with people they are meant to lead.

Power, status and authority all shape relationships in organisational contexts, and it is our awareness of the connection between roles, power and relationships that is important.

Many people use their leadership role and its status for the good of others. They are the effective leaders, the ones who are aware that their success as a leader depends on their follower's success.

More often people given leadership roles are unconscious of the role difference, the entitlements that a leadership role gives them. They are the ones who are



> Power, status and **authority** all shape **relationships** in organisational **contexts,** and it is our **awareness** of the connection between **roles, power** and relationships that is **important**

blind to the reality that their success depends on the success of their followers; who are unaware of their status and the privileges that accompany it, who forget the inescapable relationship between leader and follower.

They are the ones who are likely to lead cultures of underground conversations, disengagement and disillusionment.

THE ROLE OF A FOLLOWER

You may have heard the phrase ‘influencing up’ as a euphemism used by people in a follower role to indicate the presence of a dysfunctional leader. Many people feel powerless in the face of a dysfunctional leader (in fact, it is one of the main reasons for changing jobs).

They experience themselves, rightly or wrongly, as having no voice. Martin Luther King once said, “the problem of the age is not the strident voices of the bad people but the appalling silence of the good people”. There is a helpless silence that many people feel when they perceive unethical practices being perpetrated by a leader who also has the power over their employment and career.

There is a lot of research into effective leadership. An effective leader is authentic, inspirational, mindful, relational, strategic, has drive, expertise and a results orientation. So then, what are the characteristics of an effective follower?

Successful ‘influencing up’ means the courage to speak up in the face of destructive behaviours, taken for granted custom and practice, or a clash of values. It can also lead to the courage to make personal choices about staying in or leaving a role.

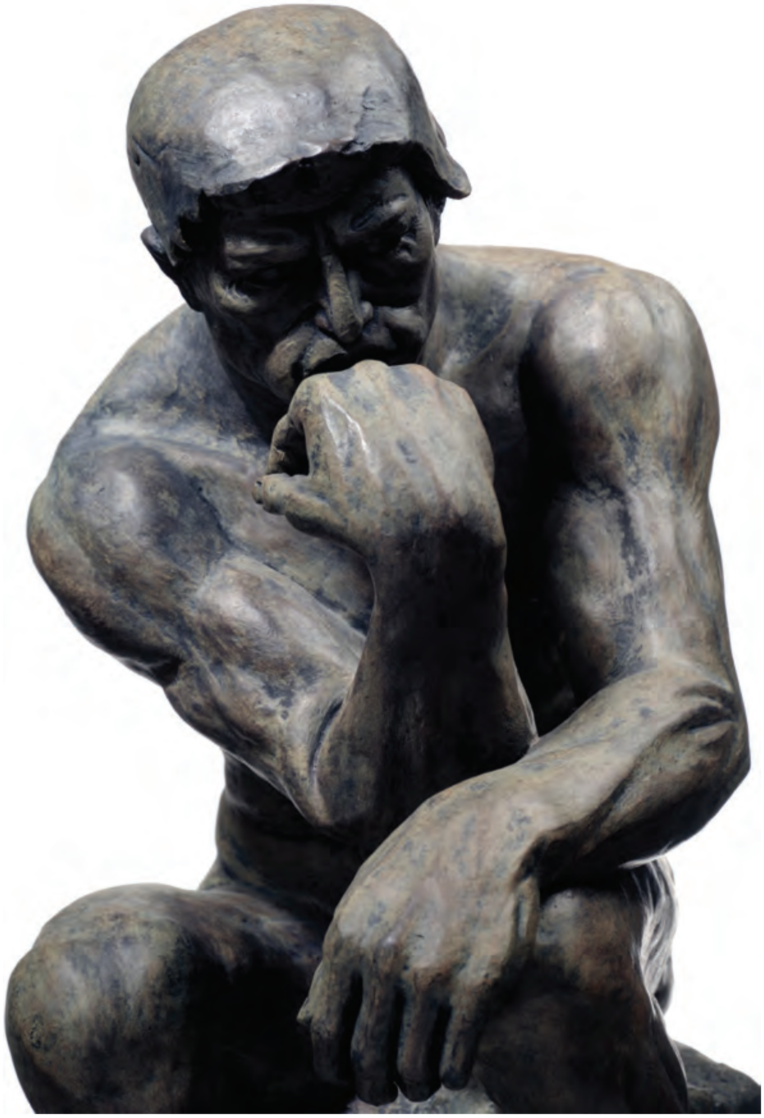
An effective follower requires the wisdom to know when to take a risk or not, when to speak and when to remain silent; to have the self-discipline to come to work, do the job and feel satisfied at the end of the day – even in the face of difficulties, knowing that one’s identity, value and success is not necessarily shaped by work. Importantly it involves having the ego-strength to not confuse one’s personal value with one’s aspiration and ability to climb the organisational ladder.

We are all leaders and followers and there is much to be gained from recognising the inescapable relationship of these two roles. Loyalty and humility, quiet determination and diligence as well as acting with grace in the face of other’s seniority, are all characteristics that an ineffective leader might think about next time they are put in the role of follower.

This would give them the much-needed capacity as a leader to walk in their followers’ shoes, to remember that leadership is essentially a role that is in the service of their followers – and that their success ultimately depends on this. HC

Dr Hilary Armstrong is director of education at the Institute of Executive Coaching. For further information visit iecoaching.com

Special Report – Leadership development



THE INTROVERTED LEADER

Not every great leader is an extrovert.* Human Capital *examines the strengths and weaknesses of 'introverts' and discovers how HR can support their growth and development

Extroverted employees who speak up, take ownership and give direction to others are often earmarked for future leadership roles. Yet many successful business leaders, such as Bill Gates and Warren Buffett, are known for their introverted personalities. How can people with these introverted personality traits be developed?

PLAYING TO STRENGTHS

Introverted leaders can be more effective than their more extroverted 'louder' cousins in certain circumstances, according to business school academics Adam Grant, Francesca Gino and David Hoffman in their paper, *Reversing the Extroverted Leadership Advantage: The Role of Employee Proactivity*, published in the *Academy of Management Journal*. According to their research, extroverted leaders are more successful when leading passive employees. Introverted leaders, on the other hand, do well in an environment filled with proactive employees as they are better at listening and including employee feedback in decision-making.

Introverts are known to lead with a quiet calm and are masters at bringing out the best performance in others. They improve the thinking of people around them – literally improving the way their brains process information – without telling anyone what to do. "They think before they speak which is so critical in this day of knee-jerk reactions," says Dr Jennifer Kahnweiler, international speaker, author and executive coach. They are also able to build trust through one-on-one conversations, she adds. "Their considered responses convey depth versus breadth."

Such leaders also offer a sense of stability that can be an asset to an organisation, suggests Pushp Deep Gupta, managing principal, Korn/Ferry International Leadership and Talent Consulting. "They are able to get the organisation to elevate the level of thinking, especially to consider potential downsides to risky strategies and bets that it makes."

Whereas extroverted leaders sometimes go overboard by rallying the troops and 'over believing' their own point of views and stories, introverted leaders process data and information in a relatively slow and deliberate way.

KNOW THY WEAKNESSES

Introverted leaders face some unique challenges at the workplace due to their personality traits. For example, they typically would do less well on what many call the 'Organisational Positioning' cluster of leadership competencies, such as presentation skills and political savvy, says Gupta. "They might not be able to put their point of view strongly enough in organisations, which means that their true potential might remain untapped."

According to Gupta, introverts might lose out in the 'race' to the top in organisations, given that extroverted leaders might be 'able to talk the needed talk'. Introverted leaders might also come across as being aloof and insular in the way that they interact with others, sending out unintended impressions, which again might stand in the way of their overall effectiveness and progress.

Introverted leaders are more susceptible to people exhaustion, and benefit from having some time out to recharge their batteries, says Kahnweiler. Negative impressions from not revealing much on their faces, underselling themselves, and work overload from not speaking up when they are overextended are some of the other issues that may arise.

It appears the problem lies not just within organisations but also with society as a whole. Shaun McCarthy, CEO, Human Synergistics, says society – and especially organisations – reward the wrong thing. Citing David Rock's book *Quiet Leadership*, McCarthy says society reinforces extroversion, "but when you look at most of the creative ideas, the revolutionary breakthroughs, they were made by introverts".

People who present as an introvert, McCarthy says, tend to be overlooked for promotion or be seen as somehow less successful in their field. "Whereas if you're good at extroverting yourself, you will succeed," he says.

"We rule with the wrong thing; we reward people who are very good at networking, very good at creating relationships, good at ensuring they look good, but actually in terms of their levels of consciousness, and their impact on others, they might be missing the mark."

SUPPORTING THEIR GROWTH AND DEVELOPMENT

Leonie Curtis-Kempnich, director of training and course development at Leadership Success, suggests that to redress the imbalance, current leaders need to correctly identify talent within the business based on more than just the person that sells themselves, by focusing on those individuals who have the right skills, attitudes and behaviour to be highly effective in a given role.

"The key to doing this effectively is for those in leadership positions to really take the time to get to know their people so they can more readily identify: a) those more introverted personalities who may be interested in leadership roles; and b) of all those interested who may be the most suitable," she says.

Despite the traits that differentiate introverts from extroverts, Curtis-Kempnich believes the foundation for effectively leading people starts with high emotional intelligence (EQ), as opposed to an individual being extroverted or introverted. "High emotional intelligence means the leader has a real awareness and insight into their own and others' emotions and drivers. A leader with high emotional intelligence is able to change their behaviour to suit the situation and the people involved," she says.

Therefore, a first step is to identify those introverted leaders who wish to progress their leadership skills; then provide an overview of the importance of EQ and identify those who possess it, or who are willing to develop it.

Curtis-Kempnich suggests this can be done by identifying who of these potential leaders is prepared and able to be open-minded and willing enough to take on the learning of new concepts and accept honest constructive feedback on current practice; and then use this to reflect on their current practice in order to work out their development opportunities. "This identification might come through observation, coaching, mentoring performance reviews and feedback from other relevant stakeholders in the business," she says.

It is worthwhile for organisations to pause and listen to the introverts in their midst, says Kahnweiler. "Ask them questions, solicit their input on key decisions, and don't rely on talking as the only tool of communication. Introverts appreciate having time to reflect on a problem or issue, so try connecting with them through writing."

During meetings, encourage balanced participation so that introverts have an opportunity to speak up, says Kahnweiler. Setting an agenda before the meeting also enables them to prepare in advance.

Organisations can also help introverted leaders to develop their situational awareness, so that they can assess the levels of extroversion needed for different situations – again, the EQ element is critical. "Introverted leaders need to find forums which are different from those tapped by extroverted leaders, to ensure that they can articulate their points of view and opinions," Gupta says.

Curtis-Kempnich notes the danger of a one-size-fits-all approach to leadership identification and development is that everyone brings different strengths and weaknesses to the table. "However, in all cases the development of leadership skills must start with an individual's willingness to know themselves and their own strengths and weaknesses for development efforts to become meaningful and relevant," she says. HC

Understanding introverts

Seeking solitude
Introverts prefer quiet, private spaces at the workplace and enjoy managing projects on their own, or with a small and trusted group

Thinking first and talking later
Introverts are good listeners and like to think before they speak

Digging deeper
Introverts prefer depth over breadth, and like digging deep into an issue before moving on to another one

Staying calm and collected
Unlike extroverts, introverts are quiet and reserved, and do not desire to be the centre of attention

Special Report – Case study: NetApp

Case study – L&D culture is king

Being recognised as a Great Place to Work with a top ranking for the past five years is no mean feat. Kim Nixon, human resources manager, NetApp Australia and New Zealand, outlines the role L&D has played in business success

Human Capital: What L&D benefits does NetApp offer employees?

Kim Nixon: Company culture is important at NetApp, and part of this is ensuring employees benefit from a wealth of training to help them in their roles.

NetApp is a provider of data storage solutions, a highly technical field of technology, so it's necessary to offer a broad range of L&D resources for our staff. This is why L&D begins as soon as a new employee comes onboard. We provide a comprehensive induction program, to make sure every employee understands our products and solutions.

As a global company, we are able to benefit from a myriad of global L&D resources. These can be both face-to-face and virtual. Instructor-led training sessions, operated both locally and in the US, are one of the cornerstones of our broader L&D program. Any employee can attend any session they wish, which allows them to broaden their view of the company, and help them to understand different areas of our business.

We also offer employees an almost unlimited online learning portal, which includes resources to help with both technology and product knowledge, as well as 'soft skills' such as teamwork and effective communication.

A key element of the NetApp culture is our commitment to keeping employees in the loop about current developments in the company and the industry. To achieve this, we developed our 'Insight' training program, which is targeted towards our technical employees and business partners, and provides an outline of industry developments.

We also offer an annual 'Foresight' training event for highly technical staff from within the company globally. This helps keep our employees abreast of future product direction, and enables them to bring this knowledge back to share within the local field.

_HC_: Would you support an employee undertaking tertiary study?

KN: We absolutely support our employees undertaking tertiary study in conjunction with their work. Motivation and enthusiasm are at the centre of our culture, and tertiary study helps to enrich this culture by stimulating and inspiring employees.

Several of our employees are currently completing MBA programs, and we support their ambition to do so by providing US$5,000 pa towards their studies.

_HC_: How do you assess the training/educational needs of employees in the first instance?

KN: The training and educational needs of individuals and teams are reviewed on an ongoing basis through regular informal meetings with management. We encourage management to regularly meet with staff in order to track their development continually rather than limiting this to once per year.

We also assess the development of our employees on an annual basis through formal performance reviews. We believe the process of formally reviewing staff is an important way to monitor their growth, and identify any areas where training could be of value for them.

_HC_: Do you believe L&D can be used to unlock innovation in employees?

KN: Definitely, and this is extremely important for a company like NetApp.

Within the company, there are many specialised roles that allow employees to focus their learning on a core area of interest within technology.

This forms part of their broader career path, and is great for employee satisfaction, but it also becomes critical

> Several of our **employees** are completing **MBA programs**, and we support them by providing **US$5,000** pa for their studies
> – KIM NIXON

in what we are able to deliver to customers. Because our staff are highly competent in their specialist areas, they are able to think outside the box and provide more creative solutions to our customers.

A great example of these qualities in action has been our work for ING DIRECT's 'Bank in a Box' solution. To develop a cutting-edge data storage solution for ING DIRECT, we worked collaboratively with our partner organisations and ING DIRECT to understand their company and their IT needs. The world-leading solution we developed gave ING DIRECT a strong competitive edge in their business. HC