# 1 The weight of history: an introduction

The traditional way to begin a story or book, at least in many European languages, is with the phrase 'once upon a time'. As starts go, it's not a bad one. Yet in thinking about the first words of this book, it occurred to me that I couldn't begin this way, as this opening is usually paired with the equally traditional ending of '… and they all lived happily ever after'. And quite frankly, I am not sure that corporate learning will.

This book, then, is about corporate learning and about what organisations need to do to make it work. Like so many stories, it is a tale of desire and frustration, of good intentions and misplaced actions. Whether it will be a tragedy or just a drama remains to be seen, but it begins with a crisis and, indeed, it is this crisis that makes me fervently believe that this tale needs telling.

In 2004 a well-publicised survey found that only 17 per cent of business leaders reported being 'very satisfied' with the performance of their learning functions.[1] In the intervening period, there has been no shortage of books, articles and opinions about how to rectify the situation. Yet nothing much seems to have changed because in early 2012 another survey found that more than half of line managers believe that employee performance would not change if the company's learning function were eliminated. That is pretty damning. It would be nice if we could dismiss this as 'just one survey', but the reality is that over the past ten years research has repeatedly shown that the proportion of business leaders who report being satisfied with their learning function's performance has steadfastly remained around 20 per cent.[2]

In my work with some of the world's top learning and business leaders, I see this dissatisfaction on a daily basis. And I see its

1

impact in the frustrations of learning leaders that their budgets are always the first to be cut, that they are struggling for their function to be seen as a strategic one, and that their department is continually being restructured and repositioned in the organisation. This scenario is cause for concern in its own right, but it gets worse. Fuelled by downturn-driven budgetary pressures and apprehension about the efficacy of learning interventions, demand for evidence of the impact and value of learning is growing fast.[3] In fact, demonstrating the value of learning is *the* number one challenge reported by learning executives today.[4] So a lack of progress in improving and proving the impact of learning is suddenly meeting both heightened and hardened expectations. Something needs to change and it needs to change fast, because the stark reality is that for the past decade we appear as a profession generally to have been coming up short, and with attention on us like never before, it looks as if we will not be able to continue doing so for much longer without losing what remains of our credibility.

So I was compelled to write this book by worry and concern. And what worries me most is not so much the obvious poor standing of corporate learning as a profession, but two other related issues. The first is the apparent lack of progress in improving our standing, despite significant amounts of effort and activity. There is little doubt that the past ten years have witnessed big changes in the practice of corporate learning, that things are and have been developing. Indeed, the journals are full of case studies of genuinely fascinating, innovative and apparently excellent practice. But what intrigues and really worries me is that the apparent lack of progress comes in spite of all this activity. It is not that things have not been happening or changing, it is that any changes have either not been the right ones or have not been enough. Not only do we need to change something, but whatever we do must also be different from and better than what we've tried up to now.

The second cause of my worry relates to the finding that today's learning leaders persistently report their top challenge to be

demonstrating the value of their work. I share their concern on this point: demonstrating value *is* a challenge and one that we will look at later in the book. But I am surprised that it comes out as *the* number one concern. My fear is that this finding reveals an assumption that lurks in the background of our profession – the idea that there is nothing wrong with what we are doing at present, that we are already adding value, and that the consistently miserable satisfaction ratings from business leaders are somehow not a fair reflection of what we do. It is as if the issues we face are skin-deep, challenges of presentation and political positioning more than the substance of our work.

I could not disagree more. I am certain that the learning profession can, and often does, add value. I have seen and been involved in pieces of work that have made a difference to organisations. Yet I also believe that our poor standing as a profession is not just about presentation. The stark, harsh and painful reality is that something we are doing is not working. Top to toe, something is wrong and it is going to take more than a change in how we present and position ourselves to put things right.

So we have a crisis, and a big one at that. But it is not all doom and gloom. This book is born of hope, too, because as skill shortages and decreasing opportunities to achieve competitive advantage drive businesses to look internally, learning leaders have the attention of their organisations like never before. We may be under greater pressure to deliver, but we also have the stage and the opportunity to put things right. Indeed, there is already a seismic shift occurring, as the corporate learning function strives to move from being a responsive service function to an agenda-setting, value-producing enterprise.[5] Whether it will succeed remains to be seen.

In this book I lay out what I believe needs to happen for the corporate learning function to successfully make this transition and gain a seat at the strategic table. It is an accumulation of my experience of delivering learning, my observations of others doing so, and the many dialogues I have conducted with learning professionals

around the world. It is my answers to the questions of what the learn-
ing function should change now, how exactly it can go about doing
so, and – critically – why the changes in the profession over the past
decade have not produced any lasting, visible improvement. I begin
by addressing this last question and look at an example of a Big Idea
that captured people's imaginations, was widely seen as capable of
fundamentally transforming the field of corporate learning and yet,
ultimately, failed to do so.

### A BIG BANG WITH LITTLE IMPACT

The years immediately after the Second World War may have been
hard economically, but they were boom times for theorists and
researchers. One of the ideas that emerged just before the war was
systems theory, which had the grand aim of trying to identify gen-
eral rules that could explain the behaviour of all the different types
of systems in every field of science. After the war, one of the out-
growths of this thinking was the field of cybernetics: the study of
how things (both mechanical and biological) process information,
react to information and change because of it. Inspired by these
ideas, people began applying them to organisations during the 1950s
and 1960s with the goal of trying to help organisations work more
effectively as systems.

    One of the leading lights in this movement was Donald Schön.
His highly influential book, *Beyond the Stable State*, published in
1973, popularised the idea that the modern world is constantly chan-
ging and that if systems are to be effective they have to be flexible
and able to adapt to meet the ever-changing demands of this envir-
onment. In Schön's view, *organisational learning* was the key pro-
cess that enabled this flexibility and adaptation; for businesses to be
successful, they needed to be able to learn.

    Over the course of the next decade, Schön, in partnership
with Chris Argyris, went on to explore how organisational learn-
ing could be made to happen. Yet the person who really took this
on and whose name is perhaps most associated with the idea, is

Peter Senge. In 1990 Senge published his seminal book *The Fifth Discipline: The Art and Practice of the Learning Organisation*. In it, he proposed five conditions for learning: an understanding of the ways people interpret events and structure their thinking; the possibility of effective team learning; the capacity to build a shared vision of where the organisation wants to go; the personal mastery of individuals within the organisation in growing their self-awareness and ability to develop; and the ability to see issues holistically, to think systemically and to understand the connections between all the parts of a system. Senge argued that effective organisational learning only happens when these five conditions all occur together, resulting in what he called *generative learning*: learning that enables organisations not only to adapt to their environment but also to change and innovate in proactive anticipation of it.

The Big Idea that Schön, Argyris and Senge envisaged together was an ideal state – the *learning organisation* – that they believed all businesses should strive towards. It was a state in which organisations continuously learnt and purposefully transformed themselves and in which learning was *the* key competency required for sustaining competitive advantage.

It is important to understand how radical these ideas were. From a traditional viewpoint, learning was planned and delivered through formal programmes, with the objective of achieving predefined outcomes, such as the acquisition of a specific skill or piece of knowledge. In the new worldview, though, learning was a spontaneous, ongoing process that was embedded in unplanned everyday activities; its objective was to promote the process of learning itself, rather than specific intended outcomes. It was a heady idea, seeming to promise an entirely new approach not only to learning but also – with its emphasis on open, democratic collaboration – to the entire social structure of the business. Schön and Senge saw themselves as pragmatic idealists and always positioned themselves as practitioners rather than theorists, but there was nonetheless a

crusading belief in the possibility they raised of a transformed corporate world.

In the early 1990s, being a learning organisation became the desired status throughout the corporate United States. Like ripples on a pond, the concepts of the new worldview spread out, generating further discussion and ideas as they went. Much of this discussion was pragmatic, for instance on how exactly to integrate the learning occurring in individuals into some kind of broader pattern of knowledge of value to the organisation. One step in this direction was the rise of knowledge management in the early 1990s. A barely used phrase before this time, it became commonplace in the latter part of the decade as organisations began to focus on how knowledge was created, retained and disseminated, in an effort to ensure organisational learning occurred and to boost intellectual capital and innovation. Some companies even went as far as creating a knowledge management function within their corporate HR or Group Strategy department.

And yet, despite all the advantages, the revolution faltered and the era of the learning organisation failed to appear. There was, for sure, no shortage of case studies of organisations achieving elements of the ideal, but overall, corporate learning as a discipline failed to change, or at least it did not change enough. For all the promise of the ideas, their practical application within organisations was limited. This is not to say that they had no impact at all. Many of the ideas from this period underpin the way we currently understand and approach corporate learning. There is still widespread agreement that learning can be one of the keys to corporate survival and success and to maintaining competitive advantage. The distinctions between individual learning and organisational learning remain as crucial as ever, as does the core challenge of finding ways to link the two. And the importance of a systemic approach has likewise remained, as evidenced by the increased interweaving of learning with culture change initiatives.

But the promise and compelling excitement of the learning organisation ultimately failed to transform the business of learning. The reasons for this failure are our main interest here, and there were three main ones. First, the concepts of the learning organisation by and large failed to materialise into actual operational systems, processes and practices: there was a lack of easily implementable mechanisms to bring it to life. It is an irony that an approach that set so much store by systems thinking failed to embody itself in the structures and systems of the corporate world, and thus remained a floating, disembodied ideal. Second, the approach was so resolutely focused on driving learning processes, rather than outcomes, that it was difficult to clearly link its objectives to organisations' priorities and strategic agendas. At a time when a focus on short-term results, cost-cutting and restructuring was all the rage, this was a fatal flaw.

Finally, while the logic of the learning organisation was pointing in one direction, the reality of the political and economic environments was leading in another. With the end of the Cold War and the relaxing of global trade barriers, globalisation became a dominant factor in corporate life and thus corporate learning. Corporate universities emerged in companies around the globe and the focus shifted to coordinating and standardising. While these trends were not in themselves inherently oppositional to the ideals of the learning organisation, they led to the emergence of central coordinating learning units whose activities were very different to these ideals. These new units were integrated into businesses' operating processes, had close links to executive decision-making bodies and, in the best cases, existed explicitly to support the strategic priorities of the organisation. It marked the rise of the modern corporate learning function, a far cry from the ideal of the learning organisation.

Although there was nothing inherently wrong with the ideals of the learning organisation, they did not make sense in the environment in which they existed and they were not sufficiently grounded

to help learning leaders understand what to do to take them forward. I believe that their day may still come, but it is not today because many of the same challenges persist.

## TWO LESSONS FROM HISTORY

The lesson we can learn from this exemplar of promise and failure is that the change corporate learning needs to make, the solution it needs to find to its current woes, has to be viable in the current corporate context. For a change to make a difference, it must first fit in.

So what environment does it need to fit in with? There is of course no single common global environment, but certain trends do stand out. For starters, we work with a hard focus on outcomes, with metrics being used more than ever before to guide organisations' decision-making. We face growing talent strain, with demand for talent increasing and supply decreasing. By 2020, India will be the only net exporter of talent in the world. Phrases such as 'talent intelligence' and 'talent analytics' are becoming popular, as businesses redouble their efforts to find, grow and accelerate the development of the capability of their people. Leaner, matrixed organisations are increasingly the norm and as organisations continue to be de-layered, it is the middle that is squeezed, with managers reporting higher levels of stress and less time to manage their people. Product life cycles are growing shorter. 'Strategic alignment' is a phrase seemingly never far from people's lips. Technology is changing how we work and learn. And we are changing, too: generational shifts in how we work and what we expect from work are being heralded and may even materialise.

This is the world we live in. This is the world in which changes we make to improve the impact of corporate learning have to make sense and add value. So our solutions to the crisis facing corporate learning should speak not only to the issues and challenges in the way corporate learning goes about its work but also to the external challenges that businesses are facing. The bar is high, and reaching

it will not be easy because we – like the proponents of the learning organisation – begin with one foot stuck firmly to the floor. For corporate learning, like all things, is laden with history, with hidden assumptions, ideas and concepts that originate from bygone days and may or may not fit our times. These historical assumptions and traditions impact both how others see corporate learning and how corporate learning sees itself: what it understands its role to be, and the ways in which it seeks to fulfil this role.

Take, for example, the very word 'learning'. It conjures up a traditional, academic view that tends to involve talking and thinking about learning as either the accumulation of knowledge or the acquisition of skills. This sounds reasonable enough. Yet the element that provides value to organisations – the *application* of the knowledge or the skill – is missing. As I explain later in the book, I believe that in this sense corporate learning is not and should not be about learning at all; rather it is about behaviour change and performance improvement. This does not mean that the acquisition of skills and knowledge is not important but that, ultimately, this is not the goal of corporate learning, not what it is about.

So we are weighed down by history, betrayed by the very language we use to describe what we are trying to do. The challenge that corporate learning faces in solving its current crisis is not merely to produce an environmentally sensitive and embedded solution that makes sense in its time. It is not just to produce something practical and easily implementable. The challenge is also to develop an understanding of the way in which our history channels our thinking and renders us prone to certain biases, so that we can adopt a fresher, more objective perspective. To move forward, we need to escape the weight of history.

### ABOUT THIS BOOK

These, then, are the criteria that we as learning professionals must use to test the solutions I propose in this book: our litmus test for success. They must be environmentally sensitive, easily

implementable and as free from historical bias as possible. In the remaining chapters, I cover the seven key activities that comprise corporate learning. I explore the challenges involved, explain how practice has – or has not – changed over the years, and make clear recommendations about how corporate learning needs to adapt to deal with the crisis it faces. Chapter 2 focuses on strategically aligning corporate learning, on how to construct a strategically focused, centrally positioned corporate learning function that is capable of adding real value to the organisation. Chapter 3 looks at how we develop corporate learning solutions, and Chapter 4 explores how they can best be delivered, looking in particular at the impact of the changing technological environment on what we do. Chapter 5 focuses on resourcing the corporate learning function, on how the roles of learning professionals are changing and need to change further, and on the options available to organisations for resourcing learning, including outsourcing. Chapter 6 addresses how to demonstrate and report the value of corporate learning, tackling the thorny and persistently problematic issue of evaluation. Chapter 7 looks at the branding and positioning of corporate learning, and Chapter 8 focuses on governance and what we have to do to make sure that, once back on track, we stay there. The book concludes, in Chapter 9, by proposing a way forward.

Going through these seven components, I show how and why corporate learning needs to change in *all* of them. And make no bones about it, to achieve the transformation required will be an incredibly difficult task. Many of the proposed changes are small evolutions, yet taken together they amount to nothing short of a revolution. The aim is to create a tipping point, a point at which corporate learning will be fundamentally altered and able as a result to improve its standing and achieve the seat it desires, and should have, at the corporate strategic table.

Although I have some strong views on particular things that need to change and how they should change, for the most part I do not present a detailed, prescriptive account of exactly what learning