

[Relevance²]

**Learning organizations are leading organizations.
You have a huge impact on the learning—
and thus the success—of your organization.
That's being recognized at the highest levels.
Organizations should be begging for your services,
but making that happen is up to you.
So, let's get them begging.**

By Tony Bingham

THE 20TH CENTURY IS HISTORY, and a difficult era for business is, for the most part, behind us. Starting with a boom that few had predicted, the previous decade ended with many of the business world's greatest organizations struggling to stay alive. A number of them failed.

Cost cutting and right-sizing was in vogue. Most companies spent the past few years cutting plants, people, and processes. No doubt many organizations are healthier—financially—because of their commitment to reducing expenses. But those same companies may now be risking their futures by ignoring the need to prepare staff for the next wave of leadership focus—growth—and neglecting to “right skill” their employees to meet that renewed challenge.

“On-demand” usurped “on-time” as a basic business mantra. But many businesses find themselves ill-equipped to grow because the skills required to meet the demand for growth, innovation, and competitiveness are in short supply in their organizations. Whether addressing a skills gap or just a lack of capability, workplace learning professionals are increasingly asked to play a key role in

moving their organizations forward. Developing the flexible and adaptable workforce required of today's more agile business environment has become one of the biggest challenges the profession has ever faced.

“The current market economy places a premium on innovation, new business models, and new ways of organizing work,” wrote IBM's Tony O'Driscoll and Paula Birki in a May 2004 *Learning Circuits* article. “It is facilitated by an information-rich ecosystem that enables the majority of our daily work activities. In this transparent and globally interconnected economy, organizations or individuals who cannot change as fast as the economic environment within which they operate are destined to regress to a mean of mediocrity.”

The C-level view

“Welcome back to the top line” reads a headline in “Your Turn,” IBM's 2004 global study of CEOs, which signaled a major change in focus for chief executives. IBM notes that four out of five CEOs now believe that revenue growth is the most important path to organizational success. The IBM study suggests

that responsiveness is the new competence: “CEOs recognize that growth and differentiation require major change,” the study explains, “yet deficiencies in skills and capabilities ... seriously threaten the growth agenda.”

Even companies that are aware of the need for workforce redevelopment may not know what to do about it. A survey of 300 finance, operations, and HR executives by Convergys in 2004 found that nearly two-thirds of them admitted to an increasing demand for a flexible workforce. Despite that awareness, the research showed that many companies can't retain key talent, don't have methods in place to identify skilled employees, and aren't providing enough training and development for their most strategic employees.

Added to that, the study suggests that the ability to mobilize the workforce to meet business demands with speed, precision, and agility remains an elusive goal. When asked to describe their companies' ability to reallocate people to projects across lines of business or teams, over 45 percent of respondents rated their companies as rigid, while only 16 percent rated their companies as flexible.

According to the Convergys study, 80 percent of senior executives emphasized the need to focus on retention and development of their strategic employees and most skilled talent. As a striking contrast, less than 20 percent of those surveyed rated their companies as highly proficient at either retention or development.

Compounding the inability of many companies to right skill their employees quickly is a looming flood of retirements ahead in public and private organizations. Some 35 percent of the federal workforce will be eligible to retire by 2006. The Employment Policy Founda-

tion, a not-for-profit group that focuses on workforce trends, predicts that by 2008, there will be 4.6 million jobs going unfilled in the United States for lack of skilled workers. A full 64 percent of respondents to a recent ASTD poll say there is a skills gap in their organizations right now and almost 20 percent say there will be one within the next year.

Relevance and results

To be relevant, the workplace learning and performance professional must be able to prove that the learning initiatives of the organization are driving meaningful results. Organizations that merely measure the quantity or the dollar amount of their learning activities miss the boat. It's not just how much you do or how much you spend; it's how you leverage the investment by generating results and communicating their impact.

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WLP professionals will be expected to take the lead in bridging the skills gap. That may prove to be the biggest challenge of all. Organizational growth and transformation in the next five years will be wholly dependent on having the right people in the right seats. From giant technology companies to local manufacturing plants, organizations that are not right skilled—those lacking fully engaged and properly developed employees based on the organization's priorities—will lose ground and miss opportunities.

If the training function ever was a cul-de-sac, removed from the day-to-day business realities of the organization, it certainly is not today. In the current economic climate, the role of the WLP professional is critically relevant. The challenge will be delivering on that upgraded expectation.

What is the cost of admission to the executive office? Business acumen. WLP professionals who don't develop business skills and organizational knowledge are destined to be rolled over. Like any key player in the enterprise, the learning professional must demonstrate a high level of contribution by clearly articulating his or her contribution to innovation, growth, and transformation.

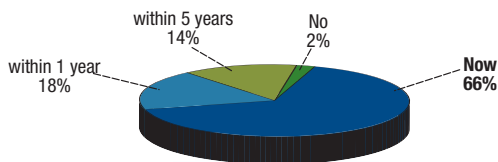
A Brookings Institution analysis of S&P 500 companies, plus data from the *Balanced Scorecard* by Robert S. Kaplan and David P. Norton, showed that during the course of 20 years—from 1982 to 2002—intangible assets came to dominate balance sheets. In 2002, intangibles such as human capital made up 85 percent of companies' assets. WLP professionals have the opportunity to make a great impact on the intangible assets of an organization—the organization's largest and most important assets. We must be leaders, not bystanders, in the management and development of employee potential.

Proving its value

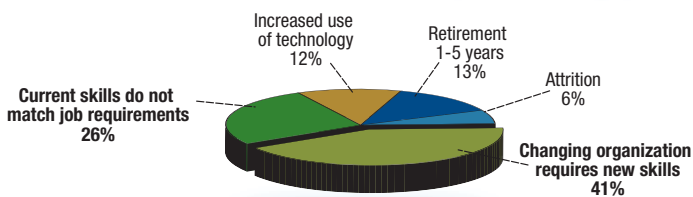
The issue of relevance has plagued the training profession for decades. Caught between management's demand to meet business needs and a strong concern for the people in organizations, the training function has long struggled to prove its value.

Our time is now. We pleaded to be a part of the strategic team impacting organizational success, and senior management is listening. As O'Driscoll and Briki remind us in their *Learning Circuits* article, "In the enterprise of the future, work and learning become synonymous. Without the ability to innovate and adapt on an ongoing basis, enterprises simply go into retrograde. At the heart of the capacity to innovate and adapt is the ability to learn"

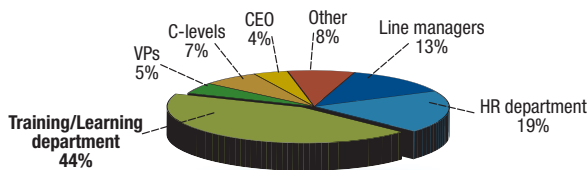
Is there a skills gap in your organization or do you anticipate that it's coming?



Main reason for current or anticipated skills gap?



Who is taking the lead to address the skills gap?



SOURCE/ASTD Website online poll, January/February 2005

No one will automatically bestow credibility and relevance on a profession unless it proves its worth. That's the reality of every profession from medicine to accounting to education. You cannot simply assert that you are relevant;

you must prove it day after day, result after result.

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What to Do and How to Get It Done

Be a leader in right skilling the organization. Workplace learning and performance practitioners must get in front of the skills gap by understanding the organization's strategic direction, identifying the competencies required to reach it, determining and filling the gap, and measuring and communicating the results. Data from a recent ASTD online poll shows that 41 percent of organizations are experiencing a skills gap because of changes in the organization. Organizations will keep changing; our job is to develop the workforce so that it can adapt to those changes on-demand.

Be a leader in talent retention and recruitment. Senior leadership is highly concerned about retaining and attracting key talent. By understanding where the organization is headed, we can assess the future talent needs and create learning and acquisition maps to ensure that the right skills at the right time are available.

Develop and enhance business acumen. Organizations should strive for and measure the quantifiable results of their learning initiatives. It's not just how much you spend; it's how you leverage the investment and show results.

Business acumen is a key competency for all WLP professionals. It's the foundational skill that can earn the proverbial seat at the table and establish learning and performance practitioners' credibility throughout the organization.

- Focus on delivering results, not on counting activities.
- Measure results in terms that are consistent with business goals.
- Report results in business speak, not trainer talk.

Benchmark your organization against best practices. To be the best, you have to understand the best. Seek out best practices and compare your progress against them. If you are a best practice, share your

knowledge and be recognized through ASTD's BEST and Excellence in Practice award programs.

Some other tools available from ASTD are

- Benchmarking—allows survey respondents to compare their best practices to an aggregate of other companies' responses
- Workplace Learning and Performance Scorecard (late 2005)—provides a broad set of metrics for professionals to use to show value in their organizations
- State of the Industry Report—provides an annual review of organizational trends in workplace learning and development.

Demonstrate your professionalism with a credential and a commitment to lifelong learning. Practitioners are demonstrating increased professionalism and substantiating their professional status and relevance with credentials such as certification. Check your competencies against standards such as the ASTD Competency Model using the soon-to-be-available self-assessment tool. But, don't stop there. Act on the gaps, and show your comprehension and real-life skills by earning your certification.

Stay abreast of new technology for learning and access to information. Technology has dramatically changed and improved learning. Keep close to technological advances by leveraging the skills of your chief information officer, the supplier community (through such venues as conferences, Webinars, and demo sessions), and your professional association.

Take action. Leverage the resources provided by ASTD and its community, apply what you learn and what you know, measure the results, and communicate your success in correlation with your organization's success. Clearly demonstrating your contributions will have your organization begging for more!