



MIXED BAG ON CAPITOL HILL

Congress fails to complete some key legislation that affects workplace learning and performance professionals.

By Kermit Kaleba

Inside **Intelligence**:

Many high-performing employees fail in management positions / Resolutions for working professionals	14
Turnover plagues Chinese employers	16
Cognitive activities keep memory sharp/ Training videos offer executive strategies	18
Performance metrics for BEST companies	19

The first session of the 110th United States Congress was something of a mixed bag for the workplace learning and performance profession.

On the one hand, Congress made significant progress on legislation to reauthorize higher education programs, to provide job training assistance for workers dislocated by foreign trade, and to boost science and engineering education and research.

But it failed to pass, or even introduce, legislation to renew the nation's public workforce system and to reauthorize elementary and secondary education programs under the No Child Left Behind Act. With a national election on the horizon, it is possible that legislative activity will slow to a crawl in 2008, leaving unfinished business for the next Congress to undertake.

In August 2007, Congress passed the America COMPETES Act, a significant

measure designed to increase investment in research and education in the science, technology, engineering, and math (STEM) fields. The legislation requires the President to establish a Council on Innovation and Competitiveness, which would be responsible for developing a comprehensive agenda to enhance U.S. competitiveness.

In addition, the bill reauthorizes the National Science Foundation and the National Institute of Standards and Technology through 2010, and provides significant investments in research and education programs throughout the federal government.

On October 31, 2007, the House of Representatives passed legislation to reauthorize and expand the federal Trade Adjustment Assistance (TAA) program, which currently provides job training, healthcare, and other benefits to manufacturing workers who lose their jobs due to imports or offshoring. The bill expands eligibility to workers in the service and government sectors, and makes it easier for all workers to be certified as eligible for benefits.

The Senate has not yet acted on a similar bill, introduced by Senator Max Baucus (D-MT), but action is anticipated in early 2008. The Bush administration has expressed dissatisfaction with the House bill, citing added costs, but it is unclear whether the president would veto the final bill.

The House also appears to be making progress toward reauthorization of the Higher Education Act, which covers financial assistance for colleges and students. The House Education and Labor Committee unanimously approved a measure to extend the law for five years, setting the stage for smooth passage on the House floor. The Senate passed its bill last July, and it is likely that final legislation could emerge early this year. The president has not indicated whether he would sign the measure, but has not threatened a veto.

The relatively swift advance of higher education legislation comes in the absence of other needed action. Senator Edward Kennedy (D-MA)

THE FORGOTTEN MIDDLE

Congress passed legislation in 2007 that will expand access to higher education and increase the number of undergraduate and graduate students pursuing science and engineering degrees.

But according to a new report released by the Workforce Alliance, this focus on developing the high-skilled workforce has led policymakers to ignore an important segment of the workforce: middle-skill workers.

In "America's Forgotten Middle Skill Jobs," economists Harry Holzer and Robert Lerman point out that middle-skill workers comprise nearly half of the workforce in the United States and argue that demand for such employees will remain strong in the foreseeable future. The authors suggest that demographic and educational changes in the coming decade will have a significant impact on the supply of middle-skill workers and forecast that employers will find it increasingly difficult to fill these gaps.

Holzer and Lerman define middle-skill jobs as positions requiring education and training beyond high school, but less than a bachelor's degree. Examples of middle-skill occupations include aircraft and heavy equipment mechanics, healthcare technicians, and construction specialists such as electricians and plumbers. The authors project that the percentage of middle-skill workers will grow more slowly than the percentage of workers with four-year college degrees or higher, which may further exacerbate skills gaps in key sectors of the economy.

To counter these trends, the authors argue that the United States needs to increase investment in alternative education and training to ensure that employers are able to fill middle-skilled positions.

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and Representative George Miller (D-CA), chairs of the key Senate and House Committees, respectively, have both floated draft language to renew programs under the No Child Left Behind Act. Strong resistance from both parties, however, has led both chambers to delay action until at least 2008.

In addition, neither the House nor the Senate has introduced bills to extend the Workforce Investment Act, which governs federally-supported job training, employment assistance, and adult education programs.

The law has not been reauthorized since it expired in 2003, and even the appropriations process has been unkind to WIA. The spending bill for the Department of Labor, which administers the program, included a \$245 million cut for adult, dislocated worker, and youth training programs. While the president vetoed the measure, prospects for renewing and expanding the program look dim for 2008.

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New Year's Resolutions

With the arrival of a new year, Adecco USA, an employment consultancy, explored what professional resolutions American workers are making. Here are a few of the top findings:

- Work-life balance topped the list, followed by getting a raise and being more productive.
- Respondents also had some suggested resolutions for their bosses, specifically giving better feedback and being more responsive.
- Respondents still plan on staying put at their current jobs. The majority of participants report that they have not updated their résumés in the past three months, do not plan on looking for a new job this year, and are not aiming for a promotion.

"With the financial and housing markets experiencing such a volatile year in 2007, it's no surprise to us that people are looking for stability and consistency in their work lives," said Bernadette Kenny, chief career officer of Adecco. "We hope that more people do strike the right balance of work and life next year, and that more employers recognize that helping people strike a better balance can lead to a more productive, loyal, and responsive employee."

If you don't have enough resolutions already, Kenny advises harried professionals to respect and protect their private time. Employees rush to attend office meetings on time and should protect their private time with the same vigor. If exercising, spending time with family, or spending time alone is important, people need to make realistic appointments and keep them. Employees should inform managers and co-workers what their most important engagements outside of the workplace are so that they can help maintain those boundaries too.

The Perils of High Performance

IN MANAGEMENT, SOMETIMES THE ONES WITH THE GREATEST POTENTIAL ARE THE ONES MOST LIKELY TO FAIL.

Traits that made managers effective at the staff level, such as self-reliance, determination, and extreme confidence, often prove to be a potent mix at the supervisory level.

A recent study by Personnel Decisions International, a Minneapolis-based consultancy, found that 27 percent of leaders who are considered high-

potential employees are also considered a high risk for demotion, dismissal, or performance below expectations. The study classified this volatile group as being a high risk for "derailment."

"I was surprised to see that high of a percentage," says David Peterson, the organization's senior vice president of coaching services.

The agency evaluated about 500 mid-level managers and surveyed their bosses about the managers' likelihood for promotion. One-fifth of the group was designated as a "high potential" for future success. Those earmarked for derailment were the 27 percent among the standouts who were most likely to fail after being promoted.

"Sometimes leaders don't learn the right lessons at lower levels," Peterson says. "They are used to getting results individually and may not know how to listen to a team. The rules of the game change, but nobody explains that to them. The message is, 'You're great, keep doing what you're doing.'"

Peterson points out that many of the so-called "derailers" were viewed as strong candidates for successful management, but because of the lack of coaching, feedback, and mentoring inside an organization, the once-promising candidates encounter trouble. Corrective action is only suggested when the manager stumbles.

He attributes some of the struggles of newly promoted managers to the elimination of management layers in organizations. High-performing individuals are often asked to take a big jump by managing even larger pools of employees.

Peterson is working with one client who works in the retail sector, a field with a typically flat management structure. The manager was promoted from a position supervising 15 people to the chief technology officer supervising 5,000 people.

"There's no place in the organization to manage 100 people," he says. "In the past you could go from managing 15 to 50 to 100 people," Peterson says. "It was easier to learn lessons," he says. "Now there are no intermediate steps."



Michael Laff

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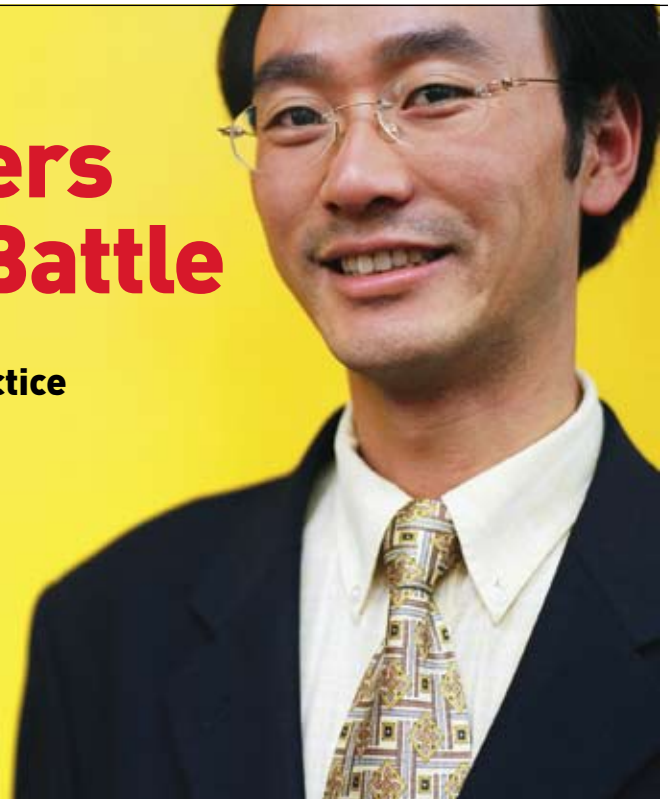
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Chinese Employers Fight Retention Battle

Job-hopping has become an accepted practice among Chinese workers.

A recent online survey by the Society for Human Resource Management (SHRM) and Development Dimensions International (DDI) revealed that Chinese employees are shortening their tenure with organizations.



Of the 862 employees surveyed for *Employee Retention in China, 2006–2007*, 25 percent had already had three or more jobs in their career. Twenty percent of those surveyed expected to leave their positions in the next year.

“Turnover in China continues to be a problem,” says Rich Wellins, senior vice president of DDI. “There doesn’t seem to be an end in sight.”

Of the 215 human resource professionals surveyed, 38 percent say that turnover has increased in the last 12 to 18 months. Most employees are not expected to stay at the company more than two years.

“Job hopping has become a culture for Chinese workers,” Wellins says.

High-level leaders indicated that they were the most likely—not the least likely—to leave their organizations within the next year. Survey data revealed that leaders felt less loyalty to their companies and were less likely to continue to work at their current organizations over the next five years. They also were less likely to feel that they had a good manager, great company leadership, or a creative or fun place to work.

“There are definitely enough people in the workforce, but there is a shortage

of skilled people, especially at the leadership level,” Wellins says. “The growth of the economy in China is outpacing the growth of skilled talent. I don’t see this trend changing in the next five to eight years.”

The report also shed some light on why employees stay or leave, and what organizations can do to stop talent from walking out the door. The survey finds a huge disconnect between employees and HR professionals about the reasons why employees leave the workplace.

Both employees and HR professionals agree that lack of growth and developmental opportunities and the availability of better career opportunities elsewhere are the two major reasons why employees leave.

In addition, both groups ranked insufficient compensation third. HR professionals reported that because of regional salary differences between China’s coastal and inland cities, competitors offer higher salaries in an effort to lure employees to their companies.

However, employees and HR professionals couldn’t agree on some of the other major drivers for leaving. HR overlooked the importance of interesting work, placing it 14th on a

list of retention drivers while employees ranked it fourth on the list. On the other hand, only 6 percent of employees cited a poor relationship with their manager as a reason for leaving compared to 39 percent of HR professionals.

Three of the top four retention drivers are directly related to leadership. Employees are more likely to stay with an organization if they have a good manager or boss, were recognized for individual contributions, and had great company leadership.

“This just shows that organizations are in a position to temper that turnover,” Wellins says. “I believe these factors or drivers are the same in any other workforce in the world.”

DDI and SHRM recommend the following actions to curb the turnover problem in China.

Select the right people. Ensuring that candidates are the right fit for the job, the organization, and the leader reduces the probability of employee dissatisfaction after being hired. In addition to evaluating candidates’ skills, experience, and knowledge, organizations need to take steps to understand candidates’ expectations

and match them with what the organization can reasonably provide.

Improve managers' leadership skills. In this study, having a good manager was more important to employee retention than any other single work factor. Skills such as handling poor performance or conflict are essential for new and experienced managers if they are to be effective leaders.

Examine retention factors more closely. Outsourcing exit interviews to neutral third parties can help uncover employee dissatisfaction that is not in personnel records or apparent to observers. Scheduling regular discussions with current employees and using surveys and interviews will help organizations understand the issues and meet employee expectations before it's too late.

Don't take higher-level employees for granted. Turnover of key managers can be among an organization's most expensive and disruptive situations. Unfortunately, higher-level leaders—highly pursued and less committed than other employees—are exceptionally vulnerable to poaching in China. Focused efforts on understanding and meeting the needs of these key employees should be high priorities.

Use the most effective retention methods, not the most popular. Organizations are trying a wide range of retention methods, but frequency of use doesn't always produce the greatest value. Targeted retention objectives and programs, including career-planning services, should be used more often. At the same time, organizations should reevaluate their investments in less valuable approaches, such as team building and nonfinancial rewards.

Don't stop with compensation. Although it's important for organizations to remain competitive with rapidly rising salaries, compensation was much less of a retention driver than intangible factors such as having opportunities for accomplishment, being recognized for individual contributions, and having a good manager. Organizations should focus most of their resources on employees' primary retention drivers, including opportunities for development and advancement.






Focus retention strategies on your unique situation. To deal with turnover effectively, organizations need a precise understanding of employees' expectations and what matters most to them personally. The right retention strategy is the one that best fits each organization's circumstances and the nature of its employees.

Paula Ketter

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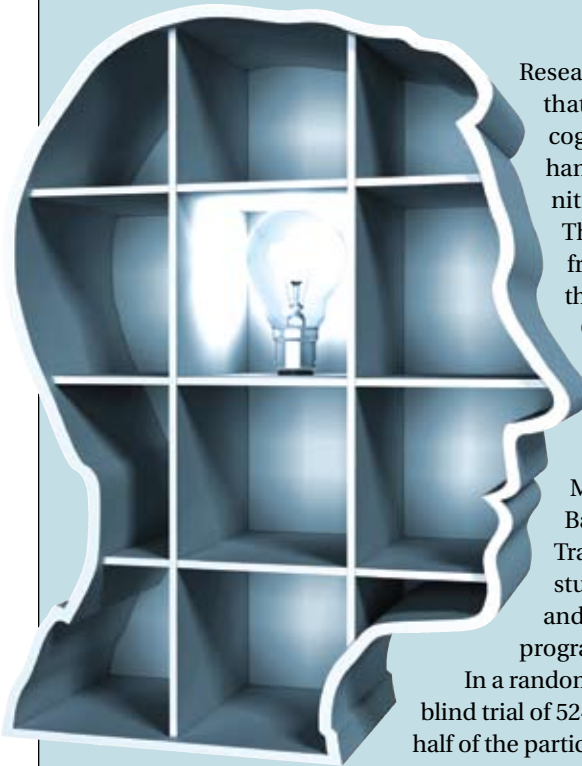
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Cognitive Decline Need Not Be Part of Aging



Researchers recently revealed that doing properly designed cognitive activities can enhance memory and other cognitive abilities as you get older. The research, led by scientists from the Mayo Clinic and the University of Southern California, was presented at the 60th Annual Meeting of the Gerontological Society of America.

Improvement in Memory with Plasticity-Based Adaptive Cognitive Training was the largest study ever done on aging and cognitive training using a program available to the public.

In a randomized, controlled, double-blind trial of 524 healthy adults 65 and over, half of the participants completed up to 40 hours of the computer-based Posit Science Brain Fitness Program, while the other half completed up to 40 hours of a computer-based educational training program.

The group that completed the brain fitness program increased their auditory processing speed by 131 percent, turned their memory clocks back 10 years, and reported positive changes in their everyday lives, such as remembering a shopping list without having to write it down or hearing conversations in noisy restaurants more clearly.

This program uses sessions that test the range of frequencies common in human speech, how humans perceive and remember subtle differences in sounds, and how well people remember complex instructions. This program builds a participant's memory and processing speed.

"In a way, the Brain Fitness Program taught me how to learn. Because I used the program, I now really understand how my own brain works. As a teacher it is wonderful to have the additional insight," says JoAnn Baird in a company testimonial.

Paula Ketter

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CEOs Deliver Training Initiatives Via Videos

A new website, CorpU TV is taking advantage of the YouTube phenomenon by offering short interviews with CEOs on various strategic learning initiatives.

Most of the interview subjects are prominent executives or training leaders at Fortune 500 companies or industry notables such as JetBlue, HSBC Bank, Staples, and Caterpillar. Some 60 video clip interviews are currently available. Corporate University Xchange, a research and consulting agency based in Harrisburg, Pennsylvania, operates the site that went live in November.

Matt Lippincott, marketing director for the company, says organizations were selected based upon their recognized success in particular areas.

"JetBlue has the secret to success in an industry where others have failed," Lippincott says, adding that the CEO interviews will remain available to the public. He anticipates the number of interviews will reach 100 this month.

"We chose Fortune 500 companies because they have the funding for a well-run training organization," Lippincott says. "Smaller companies don't have a significant training budget, and they don't have dedicated training employees."

The clips typically run three to five minutes and cover a range of topics, including succession planning, coaching, localized learning, and sales training. JetBlue CEO Dave Barger, for one, discusses how leaders should maintain visibility among staff and customers.

Some longer interviews with executives are broken into segments based on topic. CorpU TV is free of commercialization that plagues many video sites. While shying away from advertising, Lippincott says that sponsors might be sought out, but only if they blend with the overall function of the site.

Michael Laff

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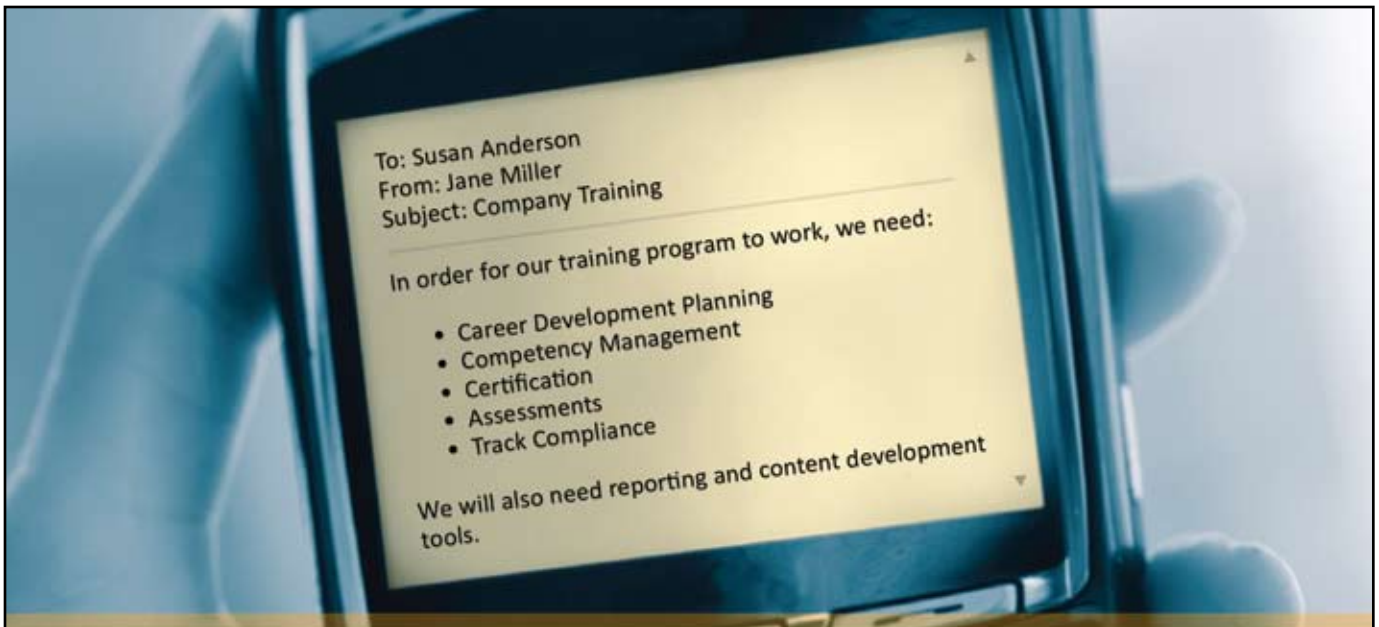
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Source: ASTD 2007 State of the Industry Report



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