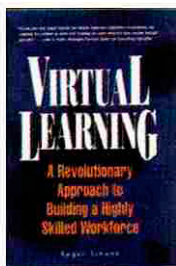


**VIRTUAL LEARNING:  
A REVOLUTIONARY  
APPROACH TO BUILDING A  
HIGHLY SKILLED WORKFORCE**

BY ROGER SCHANK



Let me start by saying that this was one of the most absorbing books that I've read this year. Schank's writing style, theories, and insight into learning are bold and thought-provoking. His book provides a well-needed and refreshing perspective on the future of training and the profession. Schank says he wrote it to help a cross-section of readers including CEOs, managers, and HRD professionals understand how to "train employees more effectively and capitalize on multimedia-based tools."

*Virtual Learning* poses some controversial questions about how we learn and acquire knowledge. For example, in chapter 1, Schank examines what he calls "bad training practices" and suggests ways to reevaluate them. He claims that at most companies, training is delivered using the

education model. That means lecture and memorization instead of learning by doing.

Schank recognizes that some of what he advocates will be resisted by managers and traditional trainers. Their resistance is linked, in part, to fears that training will take too long and cost too much, not be effective, and resist measurement. They will only be able to embrace Schank's suggested training techniques if they accept that when learning isn't fun it's not learning and that what's fun is *doing*. Despite significant evidence supporting the effectiveness of learning by doing, most organizations still invest the bulk of their training budgets in lecture-and-memorize methods.

Schank offers advice on how to get started with virtual learning. Step 1 is to think of a job in your organization that requires well-defined, tangible skills. Then, figure out your most pressing training issues. Last, gather stories, which are the "golden nuggets of organizational knowledge." Such stories can be used to create "corporate memories—collections of stories told by company experts easily accessed through computer systems."

Schank introduces case studies from such well-known organizations as Boston Chicken, Andersen Consulting, Target, and Ameritech to show how virtual learning works. At Andersen, new managers use simulations to learn about performance evaluation processes. At Boston Chicken, trainees practice ringing up orders on a simulated cash register.

The simulations that Schank recommends give users a number of options about how to proceed and are made to look and feel like real-life interactions. He says, "Traditional training that insists on right and wrong answers disempowers the individual—it robs people of their decision-making ability." Schank covers both computer and live simulations, and the benefits and drawbacks of each.

In "Rules to Learn By," Schank offers 10 "rules" that can guide companies' thinking and training. Here are a few of them.

- ▶ People remember best what they feel most.

- ▶ Deliver training just-in-time (or when a learner has just failed and really needs help).

- ▶ Learners will teach themselves better than the world's best trainer or highest-paid motivational speaker.

- ▶ Memorization without corresponding experience is worthless.

- ▶ Training should open with a bang.

The book includes in-depth case studies from Bennigans, Target, Andersen Consulting, and others. For example, it tells how Diamond Technology, a growing consulting firm, implemented face-to-face, goal-based scenarios to help employees learn about reengineering. The course developers kept these concepts in mind while creating the course:

- ▶ Develop a detailed scenario.

- ▶ Create the scenarios with failure in mind.

- ▶ Motivate learners with a compelling goal.

- ▶ Use credible actors.

- ▶ Monitor, provide feedback, and tinker with scenarios.

"Diamond's objectives for the role-playing scenarios weren't just skill acquisition. As a young, fast-growing firm, the leaders wanted to build a tight-knit culture and saw an opportunity to do so through their training. Risk-taking, celebrating failure, creating unique solutions, client communication, and program management (to orchestrate change) were cultural principles Diamond wanted to imbue," says Schank.

The book includes such information as how to build a realistic simulation and how to gather stories for effective virtual learning scenarios. In "How to Start Your Own Training Revolution," Schank suggests ways to convert traditional training to virtual training. For example, he suggests that you begin by phasing out such "passivities" as classroom lectures, multiple-choice tests, and distance learning in which the lecture is delivered via satellite.

Schank speculates about how people will learn in the future. He bases his predictions on his experience as

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the director of the Institute for the Learning Sciences at Northwestern University and on his experiences in the field. In addition to looking at the changes sweeping the training field, he looks at how the trainer's role is evolving.

Says Schank, "Training people aren't dooming themselves by embracing virtual learning (in fact, they would doom themselves by rejecting

it, because their competitors will embrace it and create superior training). Trainers will, however, find themselves taking on a different role within the organization. Trainers as the business counterpart to school teachers will soon be an outmoded concept."

He states that training managers will be responsible for acquiring the right courses, making sure that the right people take the right courses,

and modifying those courses to fit the designs of an organization.

"Shaping software to fit changing business requirements, services, and products will be a highly prized skill, and the training people who master that skill will be extraordinarily valuable."

Schank concludes with his take on what's driving what he calls "the electronic future." He asks, "When companies are no longer able to sell on brand loyalty, quality, or price, what's left? In a world of parity products, where does one get an edge? From knowledge, of course." Trainers, says Schank, can be the trailblazers in the knowledge revolution and thus secure their place among the most invaluable members of any organization.

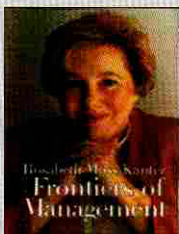
**Bottom line:** An indispensable addition to every trainer's bookshelf and a riveting look at the future of learning.

*Virtual Learning: A Revolutionary Approach to Building a Highly Skilled Workforce*, by Roger Schank. 185 pp. New York: McGraw-Hill, 212.337.5951. US\$24.95.

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## ADDITIONAL READING

### Hardback

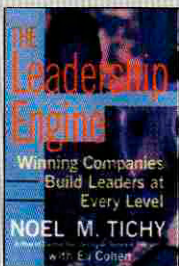


*Rosabeth Moss Kanter on the Frontiers of Management*, by Rosabeth Moss Kanter. 320 pp. Boston: Harvard Business School Publishing, 617.495.6947. \$29.95.

The book is a collection of Kanter's teachings and insight gleaned from her two decades as a Harvard Business School professor and best-selling author. The book's six sections cover today's most relevant topics: strategy, innovation, global trends, leadership for change, strategic alliances, compensation systems, community responsibility, and customer focus.

Kanter is considered at the forefront of management thinking and practice and a leading figure in the "attack on organizational rigidities, boundaries, and top-down traditions."

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*The Leadership Engine: Winning Companies Build Leaders at Every Level*, by Noel M. Tichy with Eli Cohen. 320 pp. New York: HarperBusiness, 212.207.7708. \$26.

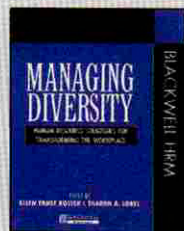
The book explains how individuals, in both the corporate and entrepreneurial sectors, must lead through learning. Winning companies win because they have good leaders who nurture the development of other leaders at all levels of an organization, according to Tichy.

The book has profiles of winning

leaders, such as Andy Grove of Intel; Gary Wendt, CEO of GE Capital; and Roger Enrico, CEO of PepsiCo. For example, Larry Bossidy, CEO of AlliedSignal, launched his organization's success with a simple idea: to shift the company's main focus away from acquiring as many companies as possible to providing shareholders with consistently better returns. Since Bossidy put forth that winning idea, the company's total return to investors has been more than 500 percent.

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### Paperback



*Managing Diversity: Human Resource Strategies for Transforming the Workplace*, edited by Ellen Ernst Kossek and Sharon A. Lobel. 466 pp. United Kingdom: Blackwell Publishers, 44.0.1865.791100. US\$34.95.

The book examines in detail how

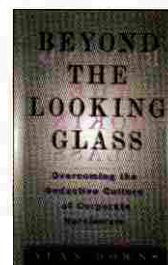
specific HRD functions can be modified to support workforce diversity. It includes essays by experts, researchers, and academics in the HRD field. Part 1, for example, looks at recruiting and selecting a diverse workforce. Part 2, *Developing and Motivating a Changing Workforce*, includes information about mentoring, performance appraisal, and demographic diversity, and the role of training in a changing workplace and workforce.

Part 3 looks at emerging topics in diversity management, such as managing disability-based diversity. Finally, in part 4, the essays focus on linking diversity to organizational strategy.

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## BEYOND THE LOOKING GLASS

BY ALAN DOWNS



"As the 20th century draws to a close, the grand old institutions of commerce are being transformed at a speed and degree never seen before. Ostensibly made to solve

fundamental and persistent problems, these changes have failed to produce their guarantee: a more efficient and productive enterprise. The sad fact is that many corporations are limping into the millennium with a dazzling facelift and a morbid prognosis."

So begins *Beyond the Looking Glass*, a book that explores the ills plaguing many American corporations. Downs describes such ailments as low morale and workaholicism in detail and offers suggestions for curing them.

Downs uses the Greek myth of Narcissus to illustrate his theory of growing corporate malaise. He says that most companies suffer from corporate

narcissism, which is an "obsession with the image of success." Downs believes that narcissistic managers are the primary cause of "violence to the corporate soul" because to them, winning is all that matters.

"To the corporate narcissist, the universe revolves around one thing: profit. Forget social responsibility. Forget caring for employees. Forget the environment. Condemn whatever and whoever stands between you and profit."

Downs paints a gloomy and decaying picture, and often relies on hyperbole to drive home his message. But for all of his grandiose language, Downs does illuminate some dysfunctional and potentially disastrous behavior taking place within corporate walls.

Take the story of Jack, an employee who climbs the corporate ladder, sparing no one. Given a small, yet visible, project, he begins to focus not on the quality of the project but on how it will look to upper management. In the process, he overworks his staff and takes credit for their efforts.

Jack's fatal flaw, says Downs, is that he desperately needs to appear successful. "He was more committed to his personal quest for reward and validation than to the well-being of the company or his staff. Maintaining an image of success was paramount in everything he did."

Throughout the book, Downs uses characters similar to Jack to emphasize his points. His portrait of the typical narcissist is distressing and perhaps somewhat exaggerated. It's as though Downs created his theory and then came up with examples to support it.

"The narcissist's plight is a tragic one. It is painful to the narcissist and equally caustic for those who must operate within his world. Once the narcissist enters the organization and attains a position of power, he can spread his poison throughout every aspect of the business."

Downs looks at the management style of a narcissist and details some common characteristics to watch for. They include

- ▶ workaholism
- ▶ loyalty to the company
- ▶ the use of resources for his or her own advantage

- ▶ the need for power
- ▶ manipulation of others.

Once narcissism infiltrates an organization, it can dominate its culture. Typically, a narcissistic organization is made up of a few powerful narcissists who control the corporate agenda,

■ ***"To the corporate narcissist, the universe revolves around one thing: profit. Forget social responsibility. Forget caring for employees. Forget the environment. Condemn whatever and whoever stands between you and profit."*** ■

says Downs. Financially troubled organizations are particularly susceptible. The most damaging effect of a narcissist on an organization, says Downs, is the destruction of the corporate mission, which is the "moral justification for spending one's career working for a particular company, and a source of personal pride and conviction" for many employees.

Another telltale sign of rampant corporate narcissism is the trend toward greed. That can be seen in the unprecedented rise in executive salaries. In 1980, the average CEO paycheck was \$624,996. That's 42 times the pay of the average worker. By 1996, says Downs, that gap had risen by a multiplier of 141. For example, when AT&T's chairman Robert Allen laid off 40,000 workers, he was awarded a stock option package that increased his compensation by 143 percent.

It is not until chapter 7 that Downs finally explores some of the solutions to corporate narcissism.

The first step is to change an environment that allows narcissists to thrive, he says. That can be accomplished by examining what Elise Walton calls "organizational identity and

self-awareness." That means that within an organization, there needs to be a "confident and collective knowledge of what the organization does best." This, says Downs, makes an organization less vulnerable to people who are interested only in personal gain.

Once that step is accomplished, managers must ensure that core competencies remain central to their organization's identity. Here are the key areas that must be addressed:

- ▶ the hiring and promotion of employees
- ▶ continuous learning and training
- ▶ performance evaluation and management
- ▶ honest communication.

Training is one of the most powerful techniques for driving core competence throughout an organization, notes Downs. He tells the story of Mervyn's Department Stores, which created Mervyn's University, a corporate training initiative that helped to turn around the 45-year-old retailer.

MU is a collection of experientially-based training programs, which include the program, an Area Manager in Training. Trainees are led through training modules on performance management, leadership, and merchandise presentation. The 10-week program includes both on-the-job and classroom instruction.

"The program instills a strong sense of collective ownership in the company and makes the organization's culture resistant to those who would abuse it for personal gain."

Downs ends on a positive note by saying that corporate narcissism can be lessened and even eradicated through careful and decisive interventions at all levels.

Alan Downs is a management consultant who specializes in strategic human resources planning.

**Bottom line:** An exhaustive trip into the heart of the corporate world that may leave you with some tools for tackling corporate narcissism.

*Beyond the Looking Glass*, by Alan Downs. 222 pp. New York: Amacom, 212.903.8315. US\$24.95.

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Send books to **Books**, Training & Development, 1640 King St., Box 1443, Alexandria, VA 22313-2043.