Learning & Development: Seeking A Renewed Focus?

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This White Paper forms the latest in the Lancaster Series on Performance-led HR. In the previous paper we analysed the Talent Management function - this paper asks whether the time has come for there to be a renewed focus on the Learning & Development (L&D) function.

We identified the need for this White Paper a year ago, when, provocatively, we asked the question “Has L&D become the forgotten function?” Once a major HR directorate that was a focal area for major strategic HR developments, did it become sidelined in an era of forced separation between transactional and strategic activity? Did the attention given to Talent subvert attention from the function? We raised these deliberate provocations because our other work on Business Model change, on fundamental changes in Organisation Design capability needed by HR functions, and on the need to offer an engaging employment relationship in a time of austerity, all suggested that Learning and Development, when couched under the broader challenge of renewing and strengthening Organisational Capability, would seem to be a central endeavor for HR functions over the next few years.

So, in this report we have examined the structural logics – past and present – that have shaped decisions about the positioning of the L&D function in a dozen organisations. We use this analysis to identify the macro factors that seem to have the greatest influence on these logics. We then pick up the micro – or within function – factors (principally those to do with technical developments in the delivery of L&D) that are likely to have the greatest influence as we move forward. In looking at these developments it becomes clear that HR Directors have much discretion over how they choose to link L&D activities to other centres of excellence in their function. We use the notion of Constellations of centres of expertise – or ecosystems – to explain four dominant patterns or choices that seem to exist. Beginning the paper with a quick resume of the main professional dialogues, debates and trends surrounding L&D functions, we finally draw conclusions about whether L&D ever did become a forgotten function, and what its central role in the future should look like.

In many organisations attention to L&D seems to have been superceded by that given to Talent Management. L&D became caught up in the outsourcing/ e-enabled or transactional debate, or has been seen as a decentralised capability to be embedded in business divisions. However, in a number of organisations the Talent Management function is being restructured, in many cases leading to lighter levels of central resource, greater global co-ordination, or devolvement into embedded line structures within business divisions.
What should be the development path for the L&D function?

The paper focuses on the following four questions:

1. What have been the key drivers behind the current focus/positioning of the L&D function?
2. What is the changing status, role, emphasis and organisational positioning of L&D functions?
3. How has the core focus of L&D adapted to current challenges/debates: links to key theories and views from the professional bodies?
4. What are the links between L&D and Talent Management, and L&D and other core HR functions?

It builds an evidence base as to what has been happening with the function, and given the current agenda of high levels of business change, how it should now be positioned. We make extensive use of quotes to evidence the arguments and positions taken, but summarise the arguments in each section by noting the headline issue, the strategic imperatives and the bottom-line choices faced.

We have interviewed 16 L&D professionals drawn from 12 firms covering a diverse range of sectors:

- large international banking and financial services company
- global professional services firm
- international financial services group
- provider of risk, savings and investment management products
- financial services group covering retail banking, savings and insurance
- defence services manufacturing and engineering firm
- nuclear decommissioning, reprocessing, waste management and fuel manufacturer
- strategic regulator
- multinational and petrochemicals firm
- manufacturer of industrial products
- multinational nutrition, health and wellness company
- a national government civil service

We have also interviewed expert advisors in the CIPD and have reviewed the professional literature on the L&D function. We have interpreted the main messages through the Special Interest Groups that the Centre co-ordinates, drawing upon L&D and Talent management specialists. Finally, as Lancaster University Management School has an international reputation in the field of learning, we have interviewed three of its leading academics in the area, Professors John Burgoyne, Mark Easterby-Smith and Vivien Hodgson.
2. The Professional Challenges and Debates

“The consulting world, having to sell services and solutions, needs must paint pictures. Analysing the adjectives used to accompany the proposed strategies, structures, people, technology, operations, partners, programmes and costs of the current and aspired L&D worlds tells us much… but will the adjectives fit the prescribed solutions?”

Professional Challenges And Debates

Headline issue:
Has the structural positioning of the L&D function delivered the desired individual learning, organisational capability, and performance outcomes?

Strategic imperative:
How can L&D best be delivered as an end-to-end process?
What is the best structural positioning of L&D activity within the HR function to enable this?
How will this improve the alignment of L&D strategies with overall business strategy, governance models that ensure close fit between both strategies, and focus investments in areas that have greatest business impact?
How will L&D functions move beyond current concern about compliance and what learning gets completed, to the design of smart learning solutions?

Bottom-line choices:
Should L&D be a cost centre, or should it generate its own financial resources as a profit centre?
Who should be responsible for corporate co-ordination: L&D specialists, other parts of the HR function, senior line executives, external strategic advisors?
If L&D acts as a consultancy function, what should the balance be between the co-ordinating centre and the decentralised outposts in strategic business units?
If it is a devolved line-managed function, how is the L&D vision and strategy to be aligned with overall HR and business goals, do arrangements ensure that L&D practitioners have the requisite competence, commitment and discretionary powers?
Does the organisational culture give active support to learning and development by employees?
What position should L&D functions negotiate for themselves in the use of cyberspace?
How will the business benefit of new learning platforms be articulated?
Where will the skills be resourced within HR, if not from ICT departments?
The Picture From Previous Studies

Asking questions about the position of the L&D function inside organisations is not new. From the middle of the last decade, developments in technology and changes being made in the HR delivery model opened up the possibility for a shift on focus within the function. Over the last seven to eight years, then, we have seen an evolution in thinking. We begin, as always, with a quick tour through what has been said about L&D, and why.

Six or seven years ago, there was a well established trend to reshape the L&D function through the use of outsourcing, service centres, competence centres and various external partners. Already there was a view that in too many cases devolution was not working very well and handing L&D over to the line was a risky business.

For the Rosemary Harrison, L&D must be seen as an organisational process\(^1\) that forms part of multi-faceted field of study. The activity of an L&D function is shaped by external factors such as the vocational educational and training and school system context of the country in hand, but also on important internal choices. In 2005, she offered the following tentative collection of roles for L&D specialists, in broad level of seniority starting from the top, as:

- a knowledge architect (advising on learning and development processes to aid knowledge creation, sharing and transfer)
- a brand manager (shaping and maintaining a consistent brand image for all L&D activity, and manager of L&D resources)
- a commercial lead (creating revenue streams from the organisation’s L&D processes and selling them to internal and external customers)
- a professional advisor (business partner aiming to achieve value-adding solutions);
- a learning specialist (expert specialist in the design, delivery and evaluation of learning events and processes).

Our research will show that the top three roles are broadly still deficient in organisations, with the last few years having been about coping with the professional advisor versus learning specialist divide.

By 2008 researchers, on behalf of practitioners, were trying to identify future scenarios for the L&D function. A project for the Institute of Employment Studies led by Paul Fairhurst\(^2\), looking towards 2020, clustered 36 L&D trends into three future scenarios, lying across two axis of:

- developments being either corporate versus government driven, and
- either job versus whole life focused.
Three Future Scenarios For L&D: Institute of Employment Studies

1. **L&D is queen**: the impact of learning is clear, learning and well-being seen as important for organisations, shifting age and values base within organisations, more sophisticated employee segmentation to identify individual development needs, blurring of work-life boundaries, organisations take an interest in peoples’ lives, learners more skilled in using resources, technology and community resources, with resultant learning for whole life approach.

   *Boundary between L&D and Organisation Development functions blurs even more, with combined function being very powerful.*

2. **Organisational necessity**: tough outlook in the economy, high competition, with learning seen as a cost to contain, and focus only on immediate job relevance. The emphasis will be on low cost programmes to plug skills gaps, transactional mentality (what will I get for my money?), limited sense of future investment, just-in-time systems providing short technology based interventions via mobile media, virtual presence even for face-to-face delivery, and use of simulations and business games.

   L&D functions become adept at shifting learning into an employee responsibility and to monitoring employee investments.

3. **National learning**: UK plc struggling in global leagues, hanging on to first-league labour capability, government drives the learning and well-being agenda, shift towards a gross national well-being as well as traditional GDP approach gains traction, but companies reluctant to invest. Organisations operate on a contractor model, high growth of contractors and temporary associations, organisations look only for skills that fit their brand. Employment brokers and occupational guilds broker in services, managing learning populations.

   *L&D functions become proficient in developing new sets of skill and capability and cohesions out of a contract-based labour pool.*

Follow up work by IES in 2009 inside the Civil Aviation Authority (CAA), Department for Work & Pensions (DWP), Legal & General (L&G) and Rolls-Royce found that organisations were at different stages in their journey, and had different requirements to change their L&D skillsets, but the three core skillsets were business understanding, technical L&D skills and consulting or business partnering skills.

This innovative project created a typology that is useful in that for many it reflects the political and cultural realities of their particular organisation.
Our research will show that:

- The three scenarios represent different stances to the delivery of certain skills, or different stances taken to different talent groups. So, some organisations may see all three situations within different activity streams inside their own function.
- You could just as well use a JIT technology-driven delivery system in the more positive investment scenario rather than just in a cost-constrained one,
- The many technical developments, when developed in parallel with more traditional L&D, can prove expensive and require new skills investment within cost-strapped L&D functions
- Organisations are not sophisticated enough (or foolish enough?) to build new capabilities from a contractualised temporary workforce, so will keep more talent and development in-house than the above suggests.

So the 36 trends blur across scenarios. However, it is an effective way of summarising a package of trends that it seems have changed little in the last four years.

In the world of consulting and corporate development, the topic of L&D featured much at this time. By 2008 commentators were beginning to ask questions about the best organisational positioning for the L&D function. Ian Cunningham4 of Brighton University was noting that:

“… We now seem to be in a new era where the L&D function is at something of a crossroads. The new roads can be articulated as these: be part of HR; be a stand-alone function; merge L&D and OD; and have OD as an overarching function covering all of HR and L&D along with change management and even strategy work”.

At the same time PA Consulting was arguing that three business processes have to be integrated for effective development of people capability: business planning of capability (people and skills), learning and development management, and individual assessment and development, observing that it was rare for organisations to manage these as an end-to-end process:

“… Traditionally L&D departments have been transactional support functions that supply a range of courses that satisfy requests for support from the business. However, the business is increasingly looking for learning support that fits the requirements of knowledge workers – embedded in day-to-day activity, supporting development of professional networks and ultimately ensuring that the business has the knowledge and skills to deliver the business plan”
**General Trends In L&D Provision**

In 2009 a survey study by *Future Think* found that managers – not only L&D specialists - felt that the influence of L&D in the organisation was expanding, their learning offerings would grow, online learning was set to take centre stage, the majority of learning would become collaborative, and would be delivered in short timescales using micro-modules to provide more focused learning. This would require significant change in course design and presentation, a move beyond current primary offerings of mainly foundational skills, and the need to embrace more blended learning (i.e. combining different learning methods).

By 2010, based on 160 responses mainly from HR and L&D practitioners, the Henley Business School *Corporate Learning Priorities Survey* found that 67% of respondents felt that managers needed skills to manage the aftermath of change wrought by the financial crisis, and although significant attention was being given again to leadership development, the traditional business school call for attention to skills such as creativity, innovation, sustainability and strategic customer management did not even make the top five priorities. Leadership development delivery was shifting towards more experiential learning opportunities – backed up by the use of recent, relevant research and case studies: ‘Star’ faculty were of less concern than substantial content.

The 2012 Price Waterhouse Coopers *Global Learning and Development Benchmarking Study* reaffirmed that organisations were still trying to align L&D strategies with overall business strategy, align governance models to ensure close fit between both strategies, focus investments in areas that have greatest business impact, improve relationships between L&D and the line. Key trends included the following:

- The ratio between ‘technical'/role-based and developmental training varies from 70:30 to 80:20 – most organisations accept this as the ‘right’ ratio
- The trend is towards the development of ‘blended’ learning solutions
- There is a growing recognition that learning methods differ between regions – many are now reducing their reliance on e-learning
- There is, and has been, extensive investment in, and use of, learning management systems to track and record training
- L&D is typically working in partnership with HR business partners or Organisational Development managers to identify learning needs
- Technical training sits separately within operations and focuses on compliance and technical skills development.
- L&D is becoming more focused on building skills in leadership and people manager capability; client relationship management; managing remotely and cross-culturally; and initiatives to increase the mobility and agility of the organisation’s talent.
They argued that the L&D structures needed to shift from the still traditional situation where learning resources are distributed across business divisions, geographies and/or functional groups to drive delivery that supports individual unit requirements, with learning investments funded by the individual business unit budgets that the training supports, to a “high-performance” world in which the structure is a centralized shared service learning organisation, utilising ‘centres of excellence’ to operationalise the learning strategy and plan learning investments and assure economies of scale and process standardisation in serving business needs.

The consulting world, having to sell services and solutions, needs must paint pictures of the current and desired state of affairs. Analysing the adjectives used to accompany the proposed strategies, structures, people, technology, operations, partners, programmes and costs of the current and aspired L&D worlds, as we have done from one offering below, tells us much.

**Does The Cap Fit?**

The “traditional” world is described as: distributed, solid, non-integrated, decentralised, manually-intensive, pre-identified, prescribed

The “high-performance” world is described as: nimble, measurable, successful, adaptable, effective, efficient, tech savvy, culturally dexterous, integrated, timely, virtual, best-in-class, custom-designed, just-in-time, planned, managed, holistic, standardised, economic.

The future has lots of adjectives. It sounds nicer doesn’t it? We all recognise the adjectives, but will the adjectives fit the prescribed solutions? And will such solutions really deliver performance?

**Our research will show that:**

- The adjectives do not always fit easily together – for example standardised and economic worlds may not always be nimble, successful, holistic and adaptable. Just-in-time might be deemed efficient, but not always effective when it comes to building sustainable capabilities.
- What is a high-performance for one organisation, will not generalise into high-performance for another. Bespoke L&D structures will be the order of the day – but this means being clear about how best to bundle L&D with the constellation of functions that surround it.
Views From The Professional Bodies

Ultimately, “only learners learn”, so we not only must think about the position of organisations and governments around these debates, but also that of employees. The CIPD’s annual survey of learners at work, run now since 2005, has tracked the employee experience. It documents the continued shift away from the attention to training (instructor-led content-based interventions leading to changes in behavior) to learning (defined as a self-directed work-based process leading to increased adaptive capacity). But it also shows remarkable stability in the views of the workforce 9.

- There continues to remain inequality of training provision
- The role of line managers in learning is increasing as responsibility continues to be devolved
- Despite much hype about different learning styles across the generations, there are no important differences found in attitudes to learning by age. Younger workers have the same preferences as older workers.
- All employees prefer to be shown in practice how to do things, with learning via books and articles, and via the internet, being the least favoured delivery method by 25% and 21% respectively of employees

“… Learner preferences also raise important questions about the potential contribution of e-learning at a time when Web 2.0/social networking is receiving much attention. Although many learners receive new training through this route, it still has to find favour with them” [John McGurk, CIPD Advisor LTD].

The CIPD however sees a [slow] transition from the current relatively limited use of e-learning, to deeper and more widespread acceptance, and argues that this will:

- have professional implications and
- will create new quality and performance issues.

At the moment concerns are about compliance and problems with what actually gets completed. However, there is now discussion about “smart learning”. As mobile learning becomes much more easy through the use of smart phones and smart tablets, coupled with Cloud computing, learning provision becomes much more capable of being scaled-up or scaled-down.

There is a view now that a lot of the models we use to think about, and conceptualise learning, and how people develop their skills of learning, are becoming outdated and tired:

“… A lot of the emergent science of learning - neuroscience and cognitive science - and things going on in economics and behavioural science - L&D professionals just don’t seem to be aware of. It isn’t part of a lexicon for discussion, but it needs to be”. [John McGurk, CIPD Advisor LTD].
The CIPD is working on a programme of material that will give practitioners well-sourced “chunks of reliable information” provided by expert writers, such that when dealing with issues such as the most relevant developments in things like neuroscience and cognitive science, it will avoid invoking levels of complexity beyond most people’s ability to delve into.

**Brave New World?**

In the summer of 2011 the CIPD looked at emerging trends in e-learning and identified a range of problems in terms of low completion rates, poor user experience, and limited effectiveness due to an over-focus on the economic benefits. Much e-learning effort was focused around compliance issues where the cost of poor training can be considerable.

In 2012 they went on to look at how the integration of related technologies – such as social media, virtual learning environments and smartphone technology – might alleviate this situation. They argue, drawing on the ideas of Larry Johnson and colleagues from the Hewlett-Packard sponsored Horizon project (an international body of experts in education, technology, business, and other fields), that there are two sorts of future developments.

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**Two Sets Of Future Developments: the CIPD view**

There is an “adjacent possible” set of learning platform technologies such as forums, wikis, webinars, podcasts and blogs. The use of social media coupled with easily searchable knowledge bases using mass storage cloud computing offers a content-light but potentially context-rich way of stimulating learning activity, it is argued.

There is an “emergent possible” set of developments involving the use of artificial intelligence and machine-based learning, more knowledge-sharing made possible by the fusion of technologies, and a new focus on the learning environment using ideas from game-based learning.

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Medium-term, then:

- Current innovations using artificial intelligence in further and higher education might work their way into practical applications for L&D functions in the form of improved learning compliance through the setting of questions to capture learning, or coaching being driven by “intelligent” agents which “learn” various scenarios.
- Opportunities might exist for better capture and exploitation of corporate learning capitalising on distributed intelligence.
- The use of techniques to capture attention and engage learners in more immersive experiences
The latter development of gamification leads some to some to say that it can be used positively – using ideas about progression, achievement and rewards, cascading information, countdown, levels and quest - but others to say that it leads to “dumbing down” of capability, destroying deep and critical thinking and creating poorer cognitive development.

**Back To Today’s Reality**

The CIPD has been tracking L&D practices since 1998 through its annual surveys. The latest 2012 Learning and Talent Development Survey Report\(^1\), drawing on the views of 766 L&D specialists, 16% of whom were the Head of L&D, notes that the current environment – one of recession and rebalancing of corporate strategy – is having a significant impact on L&D functions:

- Over a third of organisations face reduced budgets and resources this year.
- Median annual training spend has fallen from £350 per employee in 2011 to £276 in 2012.
- Only 10% of organisations expect L&D budgets to increase next year.
- L&D professionals continue to see in-house programmes and coaching as the most effective practices – 47% see the need to better integrate coaching with performance management and organisational development as the most expected organisational change.
- 40% expect greater responsibility to be devolved to line managers and learners
- 39% expect more linkage of L&D to performance management and organisation development activity.
- The advance of e-learning is still limited – only 11% of organisations see it as the most effective practice – and a third of public sector organisations but only 20% of private organisations expect greater use of it in the next two years.
- For 72% of organisations there remains a deficit of management and leadership skills, for 65% this deficit is at senior management level and for 85% it is at line manager and supervisor level.

**Raising Questions About The Future Positioning of L&D Functions**

Reflecting some of our previous work on innovation (see the White Paper *The Innovation Imperative: Charting the Territory for HR*), the CIPD believe that the need to focus on underlying performance drivers such as innovation creates an opportunity for HR to fuse L&D, OD and change management, creating a new focal point for the effectiveness of L&D.

Interviewed for this research, John McGurk, CIPD Advisor on LTD argues we are in an age of both promise and peril. There is a shift taking place towards L&D functions becoming an integrator of learning, talent and talent development- what he calls the trinity of effectiveness.
An Interview with John McGurk, CIPD Advisor on LTD

L&D people can obsess about things such as the size of their budgets and the size of their head count. Obviously that’s important. A lot of L&D practitioners got shell shocked by the recession and could hear the repeated mantra about how L&D is always the first thing to get cut. But this is easier said than done. You can challenge the need for L&D to go that way by arguing the need for increased capability. We are actually giving people more responsibility but we are not increasing their bandwidth to deal with it. Increasing capability is where L&D needs to be. L&D functions should not be about people just delivering the things that they have always done, the leadership competencies and the very detailed tactical and operational training. Such activity is to be expected, but a much more strategic contribution is possible. I am often amazed at how much disconnect there is between an L&D function and what is going on in the organisation design, the change programmes, all of which need to be integrated. Once you help L&D people to understand the need to connect those three, you get a much better vision of what they need to do.

The problem is that a lot of L&D professionals do not feel comfortable with such a remit for L&D, because they have not yet developed the capability in that area.

In this White Paper we ground such aspirations for the role of L&D in the reality of their current strategies and their structural positioning within the HR function.
3. The Macro Factors Behind The Changing Role and Status of the L&D Function

“The centre of gravity within HR functions is once more beginning to shift and clearly there a slow re-profiling of the capability in L&D functions beginning to happen again”

Macro Drivers of Change in L&D

Headline issue:
The centre of gravity between HR functions is once more beginning to shift and L&D needs to be given a new charter within this new set of relationships between centres of excellence

Strategic imperatives:
Having honed the level of skill within L&D functions through years of rationalisation, how will the re-balanced skills now be capitalised upon?

How will you leverage the function’s activity base (increase the function’s range of activities with the same or indeed less resource)?

How have improvements to the function’s “speed to market” (getting to more learners in a shorter period of time) been delivered?

Once basic issues of efficiency and effectiveness were dealt with, how is attention being shifted towards learning and design and the download and transfer of knowledge?

How is the L&D strategy to be aligned to business strategy and key customer/client expectations of organisational capability?

What is the strategic thinking about the segmentation of, and differentiated development for, different talent segments and learning populations?

Has there been a bypassing of HR business partners and poor strategic prioritisation by the line, or, has the dispersal of resources to business partners led to a diminution of power, or shift of power over L&D, such that large scale and strategic L&D are now impeded?

How has a more holistic set of responsibilities been brought back to the centre?

What does this say about the governance model, control over syllabus, demarcation between external transactional activity and internal professional L&D capability - the capability to translate business strategy into a learning curriculum, the ability to carry out diagnostics and co-create/design the right L&D intervention?
Bottom-line choices:
In order to cement the renewed attention and power being given to L&D, investments have to be made in the professionalism, consistency and quality of interventions

Is the outsourcing of even high level strategic interventions and leadership programmes possible, or is this to remain a core part of the culture?

How is the payback from L&D to be cast in the organisation? How it enables talent to do their job? As part of an engagement and retention strategy and employee expectation?

Embedding core skills such as change management and leadership into the line?

Building business agility in the face of new business models?

In this section we look at a number of macro level factors that we believe have led to:

• A move away from widely spread L&D activity within divisions/businesses towards greater central control with the remit tending to pass decisively to HR.
• Much more business/business model focused approaches to L&D.
• More informed choices being made between external or internal suppliers.
• The notion, in some instances, of the Global Classroom.

We begin, however, by reminding ourselves of the general positioning of the L&D function.

When We Were Fab

There was a time when every young HR grad, after two or three years with the IR department, wanted to go into L&D, where they thought there was scope for a lot of capability and creativity. The HR or Personnel Director would often look to this big L&D head to shape a people strategy. The CEO had said to the HR Director that we need an overall and long-term people strategy as part of the business plan, and 15 years ago it was quite often the L&D Director to whom that would be delegated. They were seen as being responsible for the biggest capital resource in an organisation and the L&D offering was about making available the mandatory training provision, core skills around leadership development, and then more bespoke learning for those seen as key talent.

Those days seemed to disappear, and Talent or Organisational Development, Design and Effectiveness became the magnet for more creative HR talent. To the opening challenge of this paper, that L&D might have been overlooked in recent years and in need of renewed strategising, because attention has been directed elsewhere, for the majority of interviewees, this would be to overstate the situation:

“… I was laughing [at the idea L&D might be the forgotten function]. I think it has become a friend to everyone, but like the third cousin. Everybody is confused about what its real relationship is. A lot of people say they are doing OD and then layering in development.”
So it has fallen by the wayside. The irony is it is the easiest area to ‘tick off the boxes’ and do a very superficial solution in terms of giving people access to training, getting into providing more content to people at point of access” [Head of Talent and Learning, Financial Services 2]

“… I don’t recognise [the view that] the L&D function has become less powerful over that period of time. When I first joined (Energy Case Study) L&D was very de-centralised. An individual line manager could organise whatever they wanted to do… with sort of consultants helping them …and developing training that was specific to their needs. Now its much more centralised… the Group has brought a lot more decision making centrally, taken much greater ownership within the HR function, brought in a greater sense of professionalism, much greater consistency of approach and pedagogy, more efficiency in terms of contractor management, and managing things globally wherever possible” [Energy L&D Director].

From a local operating company perspective, the trade off has been a perceived sense of loss of control and decision making over L&D, in return for ensuring greater professionalism and consistency across the Group and an increase in the quality of L&D activity.

**Time For A Renewed Charter For L&D: Professional Services**

The Professional Services Organisation believes there is now strong support for the view that the time has come for L&D to be given a renewed focus and charter. It has been spending a lot of time explaining to clients and internal people that “the time for L&D has finally come”. Companies are trying to do more with less and cannot rely on recruitment to the same extent. They have to figure out what to do with the workforce they have. L&D is changing to become all about developing capability - but capability for a purpose, capability to support new business models. They surveyed 3000 of their clients across several countries. 24% of them are looking to implement new business models in the next couple of years. Capability development is going to be a big focus for them.

However, if the time has come to revisit L&D strategies again, we have to accept this is happening when the centre of gravity within HR functions is once more beginning to shift and clearly a slow re-profiling of the capability in L&D functions is beginning to happen again:

“… You get people who are very good facilitators and transactional trainers - they can impart knowledge and skills and frameworks in a structured classroom environment and can get good energy around that. [But] What I’m seeing is a lack of really strong thinkers and [intellect]… what we should be doing is thinking long term about our people development strategy, not just about short term bursts of courses... [We need] to have people who can deal with ambiguity, able to dissect that ambiguity and think about the deep and meaningful trends within the business, piece them together into a meaningful strategy. This isn’t just a tactical plan - let’s do these two or three programmes - it is an all-encompassing strategy. How do we galvanise the business towards this direction?” [L&D Director]
How happy are L&D directors with the capability of their function? We found that many functions felt they had improved the standing and capability of the function, but there was a sense that there is now a need to re-balance the level of capability.

We now outline the most important Macro drivers that have influenced the positioning of L&D functions. We have identified ten key developments:

1. Changes In The Size, Scope And Systemisation Of The L&D Function
2. Shifts In Procurement
3. To Outsource Or Not
4. The Centralisation Or Decentralisation of L&D
5. Managing A Process Of Controlled Recentralisation
6. A Centre Of Expertise Or A Transactional Approach
7. Living In Regulated And Unregulated Worlds
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Changes In The Size, Scope And Systemisation Of The L&D Function

Before we paint too rosy a picture of the power of L&D functions in the past, we must ground ourselves in the different sector realities.

Evolutionary Change: National Government Civil Service

In the public sector, L&D functions have been on an evolutionary path, from HR departments that were still really personnel departments, historically set up for training rather than Learning and Development, with training focused around either the mandatory training that exists in organisations, or very prescriptive training in niche areas such as ICT development or computer skills. L&D was not tied into a holistic approach to HR, nor linked to the performance of an individual. It was not used as something to be leveraged to make an impact on individual performance, team performance or organisational performance.

It then evolved into a departmental approach where there would be money existing in departments to bring in specialist training development from external sources. HR was still seen as a transactional function, relatively unconnected to the strategic business jacket or to the direction of the organisation. However, this is now shifting – both at local and at a national level. There has been a large offering available in the organisation, from both the corporate centre in HR and also from within divisions, for expert development. Such offerings have been based around individual requirements, and team requirements and so
therefore not always connected through to organisational requirements, the people strategy or a strategic business direction. This is the next challenge.

Changes are happening at a different rate across public service and across national government. There are also different pockets of excellence across local authorities and across services such as the police and the health service. Whereas people may think the L&D function is managing with less, the new programme for Government talks about delivery outcomes and reductions in spend, these do not automatically mean there will be a change in the landscape around L&D. The offering will be more targeted to ensure individual team and organisational achievement and drive business support. L&D acts as a reward in the organisation. Whilst there may be some reduction in the number of courses or learning interventions, they are intended to be better matched to the organisation’s identity, purpose and strategic direction. The L&D function is thinking about how it can get better at what it offers the organisation’s Talent and how L&D helps talent do their job. So instead of taking L&D off the agenda, the changes mean that it has been put on the agenda as something that can drive and support where national government needs to go with the organisation.

It is difficult to sort out changes in the size of the function, from its level of systemization, its portfolio and scope of activity, and from the level of investment per employee head. In general, across organisations, budgets have dipped and demand has increased for offerings now made available around leadership development, managing change, organisational development, because the ability to access such development in their own organisations has become more restricted.

Managing Complex Changes: Manufacturer of Industrial Products

The Manufacturer of Industrial Products feels the changes its L&D function has faced have been complex. Three people in the Centre effectively replaced 15 people distributed across the business who had been involved in L&D. The organisation was very decentralised and fragmented, and has been through a 5-year implementation plan to harmonise the business. Throughout this change, the L&D function has been very good at negotiating greater spend per head – which has gone up - but there are less resources to manage it. The changes in L&D are seen as very positive, but are difficult to manage. As part of a general business-wide re-organisation, the L&D function was able to look at the technology they had. This has allowed them to co-ordinate and process an increased amount of training with a reduced number of people in the function. The increased systemisation of L&D has, in successive waves, seen the linkage of L&D to the PDR
system, better scheduling, then a more holistic LMS system that replaced the parts of the PDR system that link to training requests and scheduling. The function has developed systems to enable it to deal with the reduced headcount and to be able to harmonise the training.

All of the above sorts of changes to the delivery of L&D, however, are in the context of a sharper eye on the need for payback from the function:

“... If we’re saying we are in the top ten percent in terms of L&D spend in the UK then we equally need to be saying we are in the top ten percent of performance” [National Government Civil Service Organisation Development and L&D Director]

“... Can we get more efficient and effective? Yes we can. We will see the numbers come down as we shift from providing learning to enabling learning… once you have the systems and processes in place, and different technologies to help enable that, you will need an efficient model of where you need to build things internally. The accountability will go the individual and line manager, but in a way that makes things easier”. [Financial Services 1, L&D Director].

“... The number of people working in L&D has remained stable but they have now got different roles. The budgets have decreased by between 15-20% because the organisation can do things more efficiently”. [Professional Services Interviewee]

**Shifts In Procurement**

Although, as will be outlined next, there are some very important drivers of change in L&D, for most functions, given the now fairly long-standing history of rationalisation and attention to costs. Most organisations have now for several years been consolidating their preferred supplier lists, working with procurement to hone down the number of training providers, getting these providers onto standard terms and conditions, linking them into the Learning Management System (LMS) so that they suppliers can provide more administrative support, and from a cost perspective, carrying out some heavy negotiations with providers over service cost.

Changes in procurement, then, represent the starting point:

“... a lot of times its really just about cost reduction - they see duplication of learning or suppliers across different divisions – procurement is all over us. They see the same supplier in multiple divisions with different rates and contractual arrangements, which drives them mad. Then the other factors take hold, so people realise that this can actually help them deliver on new business model and provide quality development – we want to give something back to employees - blah, blah, blah - but it often starts with the financial market”. [Professional Services Interviewee 2]
To Outsource Or Not?

The next challenge has been to deal with the question of transactionalisation and whether or what to outsource or not from the L&D function.

For example, the Manufacturing and Engineering organisation had a strong outsourced model. Much of the training administration, management of the supplier base and training and L&D was provided through the outsourced partner. Each internal business had an external learning professional, who in turn had an interface with the internal HR function and line management. The role of the learning professional was to supply individuals who were efficiently skilled and qualified, and to identify, diagnose, design and deliver training interventions with third parties, which would build capability in the organisation. With 12 business divisions, and 13 functions (each with their own learning curricula and competences) set in a highly matriced business structure, and global leadership competencies segmented by level in the organisation (executive, line manager, professional, early career), this meant that the L&D function managed a complex set of interfaces. In such circumstances the L&D delivery model needs to be underwritten by:

- A clear demarcation between external transactional activity and internal professional L&D capability (the capability to translate business strategy into a learning curriculum, the ability to carry out diagnostics and co-create/design the right L&D intervention)
- High levels of standardisation and
- Mechanisms to drive efficiency and rationalisation of curricula.

Shifts in the L&D delivery model in turn now require the transformation of Talent Management, Performance Management and Organisation Development.

We examine different ways of configuring these functions in the last chapter.

Decisions as to which aspects of L&D could be treated as transactional and capable of outsourcing, or are best treated as internal capabilities comes with the challenge of being clear about what represents real added value. Many HR functions, having developed through Centres of Expertise and Shared Services, have had to create cost models that could be offered to the business so that it had a choice of using internal or external providers. This can often create perverse outcomes as the cost of the internal resource still has to be carried by the business. In practice, organisations have encouraging an internal market for L&D services. Most HR functions have had to manage these tensions and decide the best blend of strategic but efficient investments in the corporate L&D function.

In the research we observed the notion that you could outsource training administration, basic training courses, through to mid level training courses, and there is also the possibility - on the horizon for some organisations - of even outsourcing the use external higher level consultants for big strategic interventions and leadership programmes. For most large employers, high-level leadership development has to be seen as part of their culture, and outsourcing will be very limited.
“... How do you ensure that you’re not just adding to the L&D function and actually understanding where’s the value add that you have so that you’re not just continually building up more and more people in the team? It is saying these are the services we provide, this is the cost of these services. It becomes much more commercial, so you might then compete with the external supplier” [Financial Services 1, L&D Director].

“... We have a mix of both. Depending about the plate of services you were offering we would have a mix of in-sourcing or outsourcing, across the businesses we would support. When we would outsource it we would look at the cost structure, have preferred supplier lists to get the best rate from the market with the best suppliers from the market, because for certain things it just does not make sense to build up that capability in-house... For insourcing, where is our USP? Has it become knowledge of the business? Have we internal capacity, can we rotate support?... It all depends on your committed services and the type of businesses you are supporting” [Professional Services L&D Director].

“... We have got a pretty big centre of scale operation. In the training administration we’ve stripped out all non-value added activity for management roles and put it into our centre of scale. We have got pretty efficient [on] the cost of outsourcing L&D versus in sourcing... but we have taken the view that [whilst] we outsource some programmes, we keep direct ownership of the material direction. What’s really important to us is the culture we are trying to evolve with our development structures and to be clear about the expectations people have when they come on a programme. It is going to be a [organisation name] led programme, or its certainly got that look and feel to it” [Food Products and Brand Company, L&D Director].

The Centralisation Or Decentralisation of L&D?

In many organisations there has been a changing boundary between those L&D activities that come under the remit of a central or divisional L&D function (that forms part of an HR function) and those activities which might be, or have been, embedded in the line or line management. Organisations might have various technical institutes that are line-embedded. There can be a different philosophy within the L&D community between people who come from a line or operations background, and those who would be traditional human resource development, or pure learning minded people. They can be very different and are driven by quite different assumptions.

In the 2012 Learning and Talent Development Survey the CIPD found that only 11% of organisations expected further centralisation of L&D as a function14.
However, we found that this follows a period in which there has been a recent recentralisation – suggesting that the recentralisation [with some notable exceptions] may now be complete. Organisations have been moving more L&D activity under the remit of centralised functions:

“… We have moved away from [decentralised learning institutes]. We looked at the reasons for having those. In most cases it was because there was a need for specific technical learning and development. What we found is that there were heavy silos, not efficient; some great best practices but not shared at all; duplicate development because of those silos; sometimes amateurish leadership learning and development. The reason for us to move away is embedded in our governance models. We have a steering group model at global and regional level with business leaders. Different technical programmes each have business sponsors creating a strong connection with business and line managers. The L&D function is about coordinating that – we’ve actually professionalised the function”. [Professional Services Global Head of Learning]

“… Technical learning was carried out within the various business divisions by the line, broadly to help front line people in operational areas or branches to do their job, and take them from induction through to role competence, in line with technical competences and professional qualifications. The corporate HR function was only really concerned with leadership and management learning products, focused on behavioural competencies, at key bridges such as first line and executive level”. [Financial Services 1].

“… There was an emergence of a Learning and Development function across the business, more aligned with the HR space… driven by the need for efficiency. You had multiple teams in different businesses, a mix of in-sourced or outsourced, and duplication of activity”.

[Professional Services Global Head of Learning]

Once basic issues of efficiency and effectiveness were dealt with, attention began to shift towards two things:

- learning and design and
- the download and transfer of knowledge.

Managing Controlled Re-centralisation

However, a clear finding from the research is that the preference for centralised or decentralised control over L&D has been evolving. There has been a process of Controlled Recentralisation. This may now be complete, so future centralisation may be more limited, but changes in recent years have been important.

In some HR functions, the dispersal of resources to business partners led to a diminution of power, or shift of power over L&D, such that large scale and strategic L&D could be impeded. We outline two example changes in structure that have now reversed this problem.
Bringing Power And A Holistic Set Of Responsibilities Back To The Centre: Food Products And Brand Company

Three years ago the organisation had devolved L&D budgets in six training teams, covering key business operations in areas such as sales and factory operations. The HR function came to the conclusion that decentralisation had led to problems, notably: a proliferation of courses, that caused proliferation of suppliers, who were not using the organisation’s overhead or technical resources. Strategic decision making about how to take development activity forward was not aligned with the overall business philosophy and company strategy. The HR function came to the view that when it had let go of the power centrally, the L&D community had lost a sense of purpose in the organisation. They had dispersed the responsibility and money into the business units and functions, but felt that it was becoming difficult to drive through what were now-needed company-wide initiatives.

The organisation has a strategy based on creating shared value. It is blending its scientific and R&D expertise with the provision of consumer information, a strategy that brings about the need for more co-ordination between horizontal and cross-business projects that address current customer concerns as well as anticipate future consumer trends. A response was needed to this, and what was also seen as a technical revolution, through which people’s roles across all functions had become more systems and process orientated, and more commercially orientated. As the function moved away from efficiency it started to think about how it could use people as a differentiator. If it was going to use people as a differentiator, then it needed to put some more money, effort and focus behind this new way of operating.

The organisation made the decision to consolidate all of their training and L&D activity into one centralised function, part of a centre of expertise that is linked to Organisational Effectiveness – forcing a link between L&D and the organisational capabilities also considered to be important.

By bringing together the functional and leadership development activity, they were able to take out 25% of their budget - both in terms of people and training spend - by putting everybody together, and without any loss of service. The motive for change was still driven by a need for efficiency, but also made legitimate by the realisation that in their sector, the business model being pursued had brought new organisational capabilities to the fore.
The money was taken away from the business units and the functions and put it into one place, with the purpose of making L&D more efficient, taking cost out the system, but more importantly enabling alignment of direction of their development agenda. In addition to economies of scale, it felt the changes delivered two other benefits:

- Cross fertilisation of techniques within the team and
- Heightened business focus.

The central L&D team were no longer considered to be in an ivory tower, but were seen as really understanding what was going on in different functions and parts of the business. The changes also helped create the same look and feel for L&D, removing competition between learning drives, which had resulted in a sense of confusion and lack of compliance with the people they were trying to engage.

Tackling Strategic Prioritisation and By-passed HR Business Partners: Financial Services 2

In Financial Services 2 organisation the L&D team is being re-centralised. The organisation is having to change their organisational capabilities. This brings the need to rethink the overall learning curriculum again. The centre currently manages the core curriculum, and provides induction, core skills, management development and e-learning, but they operate directly to the business and 50% of the delivery is external, used as a supplement to the central offerings. However, the organisation found that the traditional model created several issues:

- A bypassing of HR business partners
- Poor strategic prioritisation

The way the business accessed L&D was via the intranet or email into the inbox. The HRBPs are supported by a formal network of line managers in each business area, but informally the HRBPs feel they are by-passed and so disconnected Consequently there was no signposting of learning either to individuals or businesses, no differentiation of development within the leadership employee segment, a lot of non-value adding activity, the pursuit of pet projects and suppliers, inefficient supplier sourcing and risks associated with quality assurance. In essence, the L&D function provided a well-intentioned but inappropriate “we must try and help” response from the Centre: “…It was not wisely sourced. We were leaking money and we had limited know how” [Financial Services 2 L&D Director]
The organisation moved away from a more transactional approach to L&D. It is broadly pursuing a 3-Box HR delivery model, and has just created a new L&D centre of expertise. However, there is a clear logic behind the power relationships within the model. The COE must align behind the HRBPs. The HRBP is responsible to link into the COE for individual L&D needs, to diagnose and to translate L&D needs at the business strategy and planning level.

The new model relies strongly on three new structural adjustments:

- Relationship managers,
- Learning Boards and
- The return of a Curriculum manager.

To avoid the issue of HRBPs being by-passing, the organisation introduced additional resource into each business division in the guise of a Relationship Manager. This role has two purposes:

1) To provide advanced involvement and
2) To get into the front-end issues of culture and OD support, rather than the product-end and learning delivery.

Relationship managers are L&D experts, but being are aligned with each business division, must deal with a network of people and escalate L&D issues. They broker, key account manage and co-partner with the HRBPs. They have a foot “in two canoes”. They need to be in accord with the HRBPs in terms of providing the resourcing for them, but they may go it alone or work with their support. They must always work through the HRBPs, keep HRBPs in the loop and make sure there are no surprises for them.

In order to overcome the functionally-based nature of L&D operations, and give renewed attention to the relative priority of different parts of the curriculum, the organisation has introduced a Learning Board that brings together the needs of management development, professional development, risk and regulation and service excellence. Each area of the business has a business director who identifies the context, content and learning materials needed. The Board is chaired by the HR Director and makes hard commercial decisions on how to share the budget across business boards. It also sets governance and quality assurance.

Finally, as organisations move back from higher levels of outsourced provision, the old role of Curriculum manager has returned to shape the increased internal resources for learning design. This was an old role that had been lost with outsourcing. By delivering a core curriculum internally the organisation is increasing the internal resources for learning design and will only go outside for skills that it does not want on its books.
The recentralisation of L&D has in some instances been driven by more prosaic reasons – such as the need to tidy up and bring order to previously un-coordinated activity.

“... Prior to the recent changes, the function was very fragmented and disjointed. L&D was dealt with in different ways in different parts of the business. We had to bring more co-ordination towards the Centre. The driver behind the centralisation was a re-organisation of the business, which in turn was driven by the need for harmonisation and cost savings across acquired businesses”. [Learning and Development Manager, Manufacturer of Industrial Products]

In Financial Services organisation the L&D function now sits within the HR function, but within a decentralised model. At Group level there is an L&D centre of expertise (COE). Each business division has its own HR team with the L&D manager being one of that team. The Group COE handles core learning systems, interactions with professional institutes, whilst the divisional L&D functions handle the actual development of interventions and business understanding.

In the Professional Services organisation, as part of a new L&D strategy and operating model, the organisation has a series of regional L&D structures that are mainly responsible for delivery. These form part of a matrix with a global business unit that deals with learning technology, learning content and people operations.

Within the Strategic Regulator, the last two years a restructuring brought Learning and Development, Performance Management and Talent Management together under the Head of Organisational Development. This new constellation of functions in turn works much with business planning and quality.

“... Prior to this the L&D and the Organisational Development side didn’t really have a profile in the organisation. There had been a number of initiatives that had started and all seemed to fall away... there was a view in the organisation that Talent Management and the Learning and Development side were not really making any inroads or gaining any traction, the focus of people was just purely booking training but no real linkages into what the organisation was looking for”. [Head of Organisation Development, Strategic Regulator].

In the first instance the performance management and talent management processes were refreshed. The performance management process had created few linkages between the corporate objectives and how these were translated down to objectives at an individual level. It resulted in several functions competing against each other trying to achieve similar roles. A range of developments took place. Calibration panels were used to bring more fairness into the performance management system across functions, a 9 Box model was used for the identification of talent.
Counter Processes: De-Centralisation In The Nuclear Industry

Set against the overall trend for controlled re-centralisation, and perhaps reflecting the strong operational cultures and direct regulatory influence in the sector, the Nuclear Processing organisation has a central training function, with other training resource, that has recently been devolved out and embedded within business divisions. Prior to this the function was centralised, but it was not meeting the needs of the business. It was focused on mandatory training but plant specific training was not being met. There was a dotted line reporting back to the Centre with regular training manager forums held.

The view taken was that a central focus on behavioural skills, development and management of external training contracts and training networks meant that the centralised function had lost sight of the quality of technical training, which in turn affected the quality of plant operations and plant maintenance. The organisation dismantled what had been a classic Learning and Development organisation, in which Training and Development and Talent Management were together managed under one lead as a single department. It was felt that the previous training structure had drifted too far away from the plant. It was realised that the core issue was a real need to improve the quality of operational technical training. This required a more decentralized approach.

A Centre Of Expertise Or A Transactional Approach

With the above examples of controlled re-centralisation has come the need for clearer thinking about what should remain more transactional activity, and what should be the nature and focus of the centre of expertise.

In our last White Paper on Talent Management: Time to Question The Tablets of Stone, we observed a trend of putting specialists from a previously established centre of expertise into each business division – more devolved HR management but still operating to a centralised HR model. In looking at L&D functions, we could see a similar trend in several organisations.

In the National Government Civil Service organisation the Director in charge of L&D has a dual role of managing L&D for the organisation and access to a managed service contract, making the function more able to advise people around mandatory training, and provide advice, guidance, and support.

“… It is different depending on where you are. Across Health for example, they’ve had an organisation, the National Leadership and Innovation Agency for Healthcare, who have had a great role around the L&D function in relation to service improvement, leadership, and organisational development… They certainly retain and keep that Centre
of Excellence feel. In respect of Organisations like Public Sector Management Wales we place ourselves in the market as a Centre of Excellence predominantly around Leadership and Management Development”. [National Government Civil Service Organisation Development and L&D Director]

An important development in this process of controlled recentralisation is the abandonment of stark partitions between strategic (centre of expertise) and transactional (outsourced or operational) activity.

**Nuanced Logics Around the Strategic Versus Transactional Demarcation: Food Products and Brand Organisation**

Rather than try to apply a strict strategic versus transactional activity logic to what the new centre of expertise did, the Food products and brand organisation, in creating a new centre of expertise, used a more nuanced logic. It realised there were some transactional activities involved, but splitting those activities and putting them into the central service centre used for transactional and scaled activity did not seem efficient from a team management point of view. They used a career pathing logic. They did not feel they would get the right people in the team if they pulled out all of the transactional activity. They worked out the L&D team in which about 30% were working on transactional training. Within some of the functional roles there would need to be roles that were strategic on one hand and transactional on the other.

This “looser” combination of strategic and transactional activity can be made possible by more strategic thinking about, segmentation of, and differentiated development for different talent segments and learning populations. In the more strategic activity they were involved in, where the activity sits between L&D and what they called Organisation Capabilities – they started to differentiate development across key populations – noting that for example graduates needed a different level of new development versus what we were doing with their high potential asset. They felt that as they were getting better at putting people into talent boxes (on the typical performance vs potential matrix), and with the recognition that they had done a lot of work looking at who has potential, they were now in a position to to elevate key talent and accelerate them through their career a lot quicker than we have done previously.
Living In Regulated And Unregulated Worlds

Much of the thinking around what is seen as transactional, and must be given more strategic oversight, is a product of the regulatory environment. Of course, even transactional training around safety actually has strategic importance from a risk perspective. However, the way in which such L&D may be delivered can be handled by, or situated within, other functions than just L&D.

For example, in the Energy organisation, regulatory influence is indirect. For them, such external influence is around the need for training assurance, in key areas such as Process safety, and this focus is built into the values and culture of the organisation. The influence is indirect in that it has shaped the levels of training investment that goes into certain job groups, but regulatory influence would not be seen to be shaping the way the L&D function operates or is structured.

An indirect influence is also experienced in the Strategic Regulator, through its use of models of management competence from various institutional bodies, such as CIPD, Institute of Project Management and Institute of Accountants

"... We sit over businesses that are highly regulated. We are ourselves. We are working through the senior managers in the organisation and the professional bodies to look at tests and how fit for purpose the professional bodies competency models are". [Head of Organisation Development, Strategic Regulator].

The organisation is looking at the possibility of aligning ourselves with professional bodies competency models across the business and using these holistically (directional and to provide diversity) rather than design an internal competency model that implies standardisation. The regulatory context however has only had a limited impact on some L&D business.

"... The regulatory side is quite transactional and one dimensional. It has no deep cultural or behavioural impacts... but the risk and regulatory learning element is pretty much what has kept the e-learning part of our delivery alive. They have to run these courses, they are forced to do it, offer single sign-ons, just to get into it. People like it, but their hunger for curiosity is not there. [it means] we have some “serial learners” – a small number of people who do a lot of activity" [Financial Services 2 L&D Director]

Hiving Off Responsibilities In The Manufacturer of Industrial Products

For the Manufacturer of Industrial Products Health and Safety is the dominant regulatory concern. However, such training has been hived off from direct L&D responsibility. The function has been split so that all Health and Safety training now comes under the responsibility of a separate Health and Safety function. The organisation is currently in
the process of updating all of its training matrices. It has a requirement for some of its roles to be regulated to meet competency targets. The targets they are working to are set externally, and within this the competency requirement is agreed as part of an industry-wide remit. Where roles do not fit within the framework, then the L&D functions works with the professional bodies. As part of that exercise it is expanding the remit to include all roles, so that all with now have some proof of competence requirement within them, with the exception of office based roles. Most of this will relate to the Health and Safety function, but some relate to HR from a skills perspective. The impact has been to create more formalised approaches to qualification. The organisation has become more focused on the requirement for competency proof. In their industry, proof of competency is very much worked around the old NVQ system – now the Qualification and Credit Framework. The “how” people demonstrate competence is linked to the performance management and development reviews.

However, in a number of sectors, there is a much more direct regulatory influence on the delivery of L&D that has to be accommodated, for example in industries such as financial services, professional services, nuclear processing or pharmaceuticals. The experience of the nuclear industry shows is that often there are multiple regulatory levers that HR can use to reinforce the need for issues it has long seen as important.

Using Regulatory Signals To Reshape Internal L&D Agendas: Nuclear Processing

In the Nuclear Processing organisation the delivery of mandated training has a dominant impact. Activity on the technical side is covered by Training, whilst the behavioural side of training – such as presentation skills, assertiveness - is outsourced. Whereas on the regulatory side, all the courses around being able to get onto plants are done in-house. You are not allowed onto plants until you have gone through certain training. The challenge is to make sure that from a safety point of view, people have the required skills knowledge and experience as they progress in their role.

There is direct regulation from The Nuclear Decommissioning Authority (NDA) does not regulate the Site License Companies, but has a contractual model which competes out their ownership. The Office of Nuclear Regulation (OFR) – the UK equivalent has an indirect but influential pressure from institutions such as the World Association of Nuclear Operators (WANO) and the Institution of Nuclear Power Operators (INPO). It is a requirement of a commercial nuclear power station in the USA that it builds training
programmes for its operators, maintainers and engineers who support plants, which comply with a series of INPO standards and objectives.

Core and fundamental training for a plant operator is defined by very prescriptive documents - even down to some of the basic maths, physics and chemistry involved. Even quite junior operators on a plant have to understand and know the fundamentals associated with what they are doing, what can go wrong, why does the organisation do things in one way and not another; and if they undertake the task incorrectly what things can happen.

In such environments, the key has been to use the regulatory signals to shape choices about the internal L&D logics. The key agenda item for the executives at the moment is the improvement of leadership skill and capability. A lot of this focus has come from WANO, who audit nuclear estates to ensure they are sharing best practice and meeting the standards required by the nuclear industry. Over many years WANO feedback to the industry has said that leadership capability is not at the level that it should be. The organisation has taken that feedback on board. The current focus on improving site performance made it timely and legitimate to respond to these signals, and to focus on the development of three key leadership behaviours.

There is a view, even in companies that had luxuriant L&D functions, that in the 1990’s the L&D function was slightly self-indulgent, doing lots of trendy and creative things that were great to do, whereas now there is a much closer need to align L&D with the business requirement. Even where there may not be direct regulatory pressure, L&D has had to take a more “complete” view of business performance.

“...Absolutely, I think L&D has become very aligned with the business focus and also, to a large extent, the need to assure. In our industry people are competent and have done the required training in order to be able to operate things that have a process safety implication. There is a much greater need, not just to make people competent, but also to be able to assure their complete performance”. [Energy L&D Director].

In the Manufacturing and Engineering organisation the regulated split operates as follows:

“... L&D is either mandated because its required by law or its required because its part of our corporate responsibility or policy framework, or there is the core element which helps you perform your job. Then there is an elective element which helps you drive your career aspiration and career path, and where the learning assets, whether they’re e-learning, face to face, reading or video, are integrated and aligned to the level that is appropriate for you as a user of the service”. [Manufacturing & Engineering L&D Director].
In this organisation L&D therefore covers a range of regulated or standards-driven activity, such as ensuring that they create a safe working environment Health and Safety, through to having a licence to operate nuclear site safety certificates and demonstrating the meeting of a number of international standards on manufacturing excellence that allows them to carry out nationally-based activity which cannot be done anywhere else in the world.

Establishing Strategic Governance Processes

This need for a more holistic and complete view of performance has in turn raised the importance once more of strategic governance processes for L&D.

With the process of re-centralisation noted above comes the need for effective governance and oversight of the overall syllabus, investments and performance of L&D - a need to ensure that the learning and training portfolio is based on business requirement. This may be done either by:

- Sophisticated business forecasting and linkage of L&D to such planning, or
- Governance boards

Strategic Governance of L&D At The Energy Organisation

In the Energy organisation, each of the businesses has a Learning Manager responsible for identifying a portfolio of activity required as specific to that business. For everything else there is a centralised group called Enterprise Learning, which looks at generic needs outside any one business – such as Leadership Development, Personal Development, and Lean Learning. Each business determines the portfolios it wishes by engaging with the Business Leadership Team to identify what that need is, identifying possible solutions, checking whether that need is not already serviced elsewhere or can be leveraged internally, before getting approval is given to go outside. There is a very robust process whereby an entire Global business will review its learning requirements on an annual basis. This is overseen by senior leadership, and looks at what the business priorities are, how the learning priorities meet those business priorities, and what investments are needed to make to ensure the learning requirement. The role of L&D is considered to be more focused and strategic now, having previously been more operational.

The Learning Manager of the individual business has a solid line report to the HR Executive Vice President of that particular business, and a dotted line report into the overall governing body for learning. Because there is a double line, they can make certain decisions at their discretion, but they would need to have a significant activity, such as identifying a totally new area or portfolio, to get the approval of the Business Line, the HR in the Business Line, and the Global Learning Centre of Expertise.
Responding To Business Model Change

But it has not all been just about outsourcing, reduced size, increased scope, broadened portfolio, and increased systemisation of the function.

In a number of organisations, there have been shifts in the business model that have acted as significant drivers of change in their L&D model. In the Financial Services 2 organisation, for example, the response to the global financial services crisis brought together the following four drivers:

- Regulators began to shift from a rules-based approach to one that required evidence that people were not only trained to competent levels, but also behaved in ways that created fair customer outcomes,
- Organisations need to be assured that staff can be trained in multiple systems and processes without there being any disruption to customer service,
- Rapid development of new business models meant that organisations began to see L&D as a way of mobilising their workforces, improving general business agility, and embedding change management and leadership disciplines in lower levels of the hierarchy
- Employees began to expect to see development opportunities relevant to their future career, which meant that employers see L&D as part of an engagement strategy, with implications for employer brand, and attraction of the brand in the market place.

In Financial Services 2 organisation, whilst the basic business model has not changed, because the retail financial services industry is undergoing a fundamental transformation as one of the biggest demographic waves in history transitions out of the workforce and into active retirement, the realignment in its brands, investment and risk management skills, product innovation and distribution networks has brought about the need to re-focus on the learning curriculum and prioritise learning investments.

In the Strategic Regulator change in the broader industry structure was reflected in internal change and a new set of priorities for L&D:

“… We went through a restructure and came up with a different operating model and effective processes around these. We’ve applied a lot of that work internally, making sure that everyone was up to speed with the revised processes and revised way of working”. [Head of Organisation Development, Strategic Regulator].

The Professional Services organisation is facing three different drivers behind their recent shift in L&D strategy:

- The need for “a strong correlation” between their global business strategy and the L&D strategy i.e. client expectations that the organisation can build capability in different geographical markets and ensure the same service provision and quality level in any geography
• A change in the future roles needed and the development necessities for their people

• The need for a stronger efficiency orientation and better organisational alignment (which typically includes factors such as reducing the number of learning management systems in use, moving to more blended learning delivery, clearer governance and better procurement)

As organisations are prioritising managing and retaining the right people in the organisation, this points to L&D as a key way of giving talented people, not just high potential leaders, but people with critical skills, a purpose - making sure they stay by investing in them.

“… What better way to invest in people than through training and/or learning experience; not just a course but really thinking more probingly around what corporate learning there could be … That is the first piece. Just knowing what you’ve got and who can flex and then from there its then saying, how do we re-badge people, re-tool people, especially in the technical space. This is becoming a painful awareness for people who lead [organisations] where the people assets are really critical”. [Professional Services Interviewee 2]

In this context, Professional Service providers think that L&D will become increasingly involved in the assessment of people, to understand which people have the intellectual stretch to learn new capabilities.

### When Transferring Capability Is Part Of The Business Model:
The Manufacturing And Engineering Organisation

In the Manufacturing and Engineering organisation rapid globalisation of the business has been the primary driver of change in L&D. In this organisation there is a strong internal technical training requirement but also the need for significant external technical transfer capability to help or build in major client organisations. The role of the L&D Director was focused 80% on the UK and 20% globally. In the last four months the role has switched to 80% global and 20% UK. This switch is in part driven by the business strategy and how the firm is organised to deliver to its customers.

However, in this organisation capability transfer is also an important element of its business model. This brings with it a strong capability development requirement and organising logic. When the organisation does business with its customers, they want the firm to build indigenous capability. It serves a roles in building engineering capability for the nation - everything from early careers, education liaison through to qualifying engineers, apprenticeships and higher apprenticeships into professional bodies and standards, whether its mechanical engineering, electrical engineering, programme management or finance. This is managed through strong functional development and involvement in workforce planning.
In turn, this brings the need for a significant knowledge transfer and training requirement. The L&D function also serves a role as in selling significant know-how, almost working like a consulting firm or professional service, needing to be able to transfer knowledge into client organisations. This requires multiple L&D capabilities – ranging from things that the organisation has to deliver itself, the provision of shared access to or common content in various technical programmes, direct delivery to other customers and countries, or delivery through partnerships. This is not seen as an either/or situation. It starts with the firm working out which critical skills they need to be successful in each market, and then understanding how it can bring each critical capability into service in its major operating markets. This experience and insight is in turn part of the support package that they use to work with clients. This type of business model means that L&D activity compliments their advanced manufacturing and starts moving the function – and whole firm - into a service mentality.

Within the Nuclear industry the biggest changes at site level have stemmed from change in the ownership structure – with new parent bodies and companies. Depending on the site, different consortia, in turn reflecting parent organisations of different nationality and scale – bring their own cultures, standards and expectations for all HR functions, including L&D. This impacts L&D in two ways. Both training and leadership are seen as key work streams under the integrated change management, leading to a high focus on it, with board level sponsorship and scrutiny – lots of pressure – but L&D and Training are clearly on the political agenda.

Building Organisational Capability: An Interview with Professor Mark Easterby-Smith, Lancaster University Management School

You are known for work on two issues relevant to knowledge and information management, mainly in aerospace and defence organisations, and also work on organisational learning in general across several settings – such as the problem of being able to locate new ideas and incorporate them into the organisation’s processes (which academics call absorptive capacity\textsuperscript{15}) and, from a strategic perspective, how organisations learn to use their capabilities to competitive advantage.

Why should L&D professionals think about these issues?

Actually, in all of these research projects with managers you find you have virtually no contact with HR people! They do not have much of a role in dealing with these issues. It is just not on their radar. There is a subset of the HR community which is L&D aware –
and they are supportive – but a large group have had different careers. When we work with people on the inside looking in they find that sometimes they are supported by HR and sometimes they are not.

So what can those who work more strategically learn from your work? What can organisations do to improve their ability to acquire new ideas and absorb them?

We have looked at the need for organisations to appreciate and acquire knowledge from the outside world, and from the other organisations they may now have to collaborate with – how you innovate across networks or transfer knowledge across alliances. We did a study in three organisations – an internet business, a hospital trust and a multinational chemical company. In all instances two issues were under-valued – power and learning across organisational boundaries. Power and politics shaped learning much – discrete political acts by self-interested people or groups impacting external attention, or systemic problems such as prevailing (but wrong) assumptions active throughout the whole system impacting internal attention. Boundaries also had to be managed – some boundaries are more permeable than others. In the hospital trust professionals had strong links to medical colleges, hospitals and other units – learning was embedded in the professionals and not the organisation. The multinational tried – unsuccessfully – to control the flow of knowledge to outside competitors. Learning needs you to facilitate transactions across these boundaries.

Why are organisational capabilities so important?

We look at this through links to senior managers at the top of organisations and examining their strategies. There has been intense interest in what we call dynamic capabilities – originally defined 15 years ago by David Teece and colleagues 16 as the firm’s ability to integrate, build and reconfigure internal and external competences to address rapidly changing environments. The debate is driven by economists – and asks whether you create these capabilities by redistributing resources in a flexible way to fit the new business model, or whether the core of these capabilities is in complex and intangible organisational routines. When we looked at four companies we could see they were all dynamic in comparison to their sector but they were doing it in very different ways. What you do is dependent on what your history is (path dependency). Some had a top and bottom strategy – with the top executives closely connected to the market-facing bottom of the organisation, ideas hitting the Board in two hours and implemented within half a day. A lot is about ability at the top and political skills – changing the way the organisation is perceived and setting frameworks within which other things can happen. Other firms with creativity sessions for line operatives fed back into R&D. Researchers have since looked at what constitutes such abilities, how they can be recognised and how they get created 17.
There is also a downside to capabilities – when organisations over generalise from the past things they thought were their very strengths can in fact create corporate rigidities – misfits between wider company policies and local practices - and a reluctance to evolve the necessary systems, products and orientations. Our research on over 30 firms adjusting to overseas markets such as China shows four rigidities to avoid – mindset, strategic, operational and – yes - HRM. Volkswagen for example underperformed in China for many years, whilst General Motors, Toyota and Honda all surged ahead. HRM rigidity occurs when organisations stick with an HRM system for too long – misplaced persistence – but persistence which no longer is a virtue. For example, Motorola and Microsoft exercised high command and control making it hard for local talent to breathe, limiting their success. To overcome rigidities you have to take an organisation development perspective to learning. An L&D function should have a role in this.

The Return Of Skills Shortages And Strategic Workforce Planning

Sometimes, the business model dictates certain core competences, and the need to service these shapes important parts of the L&D offering, important enough to be associated with the development of Learning Academies. Such Academies have a mixed record in terms of their long-term survivability, and can suffer the fate of other isolated L&D activities, unless deeply woven into core business processes.

The L&D function at the Manufacturing and Engineering organisation for a long time was dominated by the need to ensure Project Management capability. More recently the central importance of lean management across its supply chain saw it establish a Lean Learning Academy to embed Lean leadership principles and methodology into the company. Such academies in turn may be pooled together at national level and across employers, such as the national skills academies created in manufacturing aimed at strengthening the UK skills base. The agenda then is one of building functional excellence, providing frameworks for discussing core capabilities in the organisation (often negotiated into the organisation design and mapped into job families), signaling career development for employees, and establishing collaborative forums or knowledge exchanges as a medium for informal learning.

At the Energy organisation such generic capabilities have been pulled into a series of learning academies. Often linked to professional body accreditation, they serve to foster competence development both in internal skills pools and in the wider industry. Often their role is to demonstrate capability to customers, suppliers and employees. They also take a more holistic approach, such as developing co-created suites of learning events (often with networks of universities), co-ordinating mentoring within the skill pool, fostering community engagement,
learning on-the-job and career growth, as well as assessment and accreditation. One such example at the Energy organisation is project engineering competence:

“… We have put together a Project Academy, which addresses not just training but also in-role development and mentorship - a holistic approach. We have since also put together a Commercial Academy along the same lines, which is about bringing excellence around our deal making capability … certainly Technical Learning is extremely important because for [a specific regional] stream business… being the most innovative is a strategic priority is important and spans across the technical professions?” [Energy L&D Director].

A similar kind of approach is being taken in the various technical disciplines, using a Portfolio Manager for the technical discipline, making sure not only that the learning solutions are there, but the alignment of activity across training and development. Similar models are being used for Technical or Graduate Development Programmes, making sure that everything they do in the first few years follows a certain logic, and that they have achieved a certain level before they move on from the programme.

At the Manufacturer of Industrial Products, the issue was a gap in developing their junior managers. After a process of acquisition, but waves of rationalization triggered by the financial crisis, they found they did not have managers developed sufficiently to promote to the next level. They spent 18 months trying proactively to get the business to buy into a revised management development programme for junior managers and a workshop linked to employee engagement, making limited headway, to then find the case was made for them by supportive data emerging from within the business:

“… The engagement piece was required partly because it was getting higher profile generally, but also we had been through so much change, harmonisation, reduction in workforce, there was very much a need to focus on the positive for the future rather the negatives of the past. To drive these two areas forward, we had the results of the global survey highlighted that these two areas needed improving, and acted as a catalyst for the business to say L&D have got it right and have got a solution here. It gave us a head start in the rest of the business outside the UK. The CEO said we were identifying issues out in the business and responding to them”. [Learning and Development Manager, Manufacturer of Industrial Products].

Strategic workforce planning also has a strong aligning influence within the nuclear industry. Manpower planning has to look ahead through a five year plan and a longer term year plan.

“….We know we have plants that will reduce over the next few years; we know what that scale is, we know what the skills will be, when we look at external recruitment we know what skills we are going to need and when, and what we need to retrain. There is a big focus on that at the moment. So that also sets my agenda. For example, project
management is huge at the moment. We are upskilling project managers to have qualifications; and accelerating people through Specialist Talent Pools”. [Head of Talent and Resource, Nuclear Site]

Is strategic workforce planning something that is now taking precedence and having an overall shaping influences on the architecture of what is done under L&D and talent in this industry?

“… I think it is. What we are trying to do is being joined up again. Rather than just run the figures each year, we are doing things with that data… looking at how many graduates do we need, what disciplines do we need. Thinking 10 years hence about what skills, what development, what training, how quickly do I have to accelerate them through to be able to meet the business needs in 5 year’s time. That’s what I mean by its setting my agenda”. [Head of Talent and Resource, Nuclear Site]
4. The Micro Drivers Behind The Current Positioning of L&D

“Given the shifts in L&D delivery mechanisms that we now see, is this changing the sorts of skills and capabilities that the L&D function itself needs? For organisations in the vanguard of these developments, the answer is yes”

Micro Drivers of Change in L&D

**Headline issue:**
As L&D delivery mechanisms shift such that functions become the enablers of content, rather than the designers of content, is this changing the sorts of skills and capabilities that the L&D function itself needs?

**Strategic imperatives:**
Can the e-enablement of L&D activity be used to create quicker deployment, at lower cost, and with greater functionality - building platforms for rapid and consistent deployment of programmes?

How can new technologies be used wisely to disseminate more information and encourage better ways of learning?

Are the learning interventions designed using new media matched by a culture of self-learning?

Have developments with Web 2.0 and social media been matched by investments in new in-house L&D technical knowledge, or the use of more effective cross-functional deployment of technology skills?

Have the ownership and control issues that flow from the use of delivery mechanisms and social media that cut work and home life been understood?

Is there a dark side to networked learning? Have sufficient investments been made to avoid the pitfalls?

**Bottom-line choices:**
What is the business benefit to exploration of the use of technology to bring training and learning more to where people are, rather than having people come to where the learning is?

When do boundaries need to be established to control or structure the learning environment, to manage what people are learning and what they are doing in this learning?

When should the learner structure this for themselves? Who owns the intellectual property? Who owns the liabilities?
Will HR grow the L&D empire again, or as L&D says it needs new people and skills, will it be efficient investment? Will skills be replicated in different divisions across the organisation?

The macro trends outlined in the previous section have led to a number of internal developments in L&D functions, broadly driven by the need to either:

- Leverage the function’s activity base (increasing the function’s range of activities with the same or indeed less resource)
- Improve the function’s “speed to market” (getting to more learners in a shorter period of time)

We now outline the most important Micro drivers that have influenced the positioning of L&D functions. We have identified seven key developments:

1. The e-Enablement Of Provision For Quick Deployment Of Learning
2. Learning Management Systems
3. The growth of Web 2.0 And Social Media
4. The Shift From Designers To Enablers Of Content
5. Understanding the new Employee Behaviours And Responsibilities
6. The Alignment Of Knowledge Management And Collaboration Strategies
7. Business Impact Beyond Blended Learning

The e-Enablement Of Provision For Quick Deployment Of Learning

At a micro-level, each organisation tends to face its own set of factors that are driving change in its L&D function. However, the growth of a more centralised approach to L&D noted in the previous section has naturally raised a follow-on set of needs and questions:

- Can you draw upon new technologies to disseminate more information and develop new ways of learning?
- Can you design learning interventions in different ways by using new media?

However, our research shows that much more thought needs to be given to appropriate ‘Blending’ of e-learning with face to face or classroom development in terms of intervention design. There are also significant issues involved in the greater use of Webinars and Social Media.

For most organisations, before they explore e-enablement more fully, the first challenge has been to ensure that they can move to a single learning management system (LMS).
Initially more prevalent in the educational sector, a Learning Management System may be developed into virtual learning environments (VLEs). These may allow instructors to manage users and learning paths, their use of interactive features such as threaded discussions, discussion forums and video conferencing, then learning instructor interests such as messaging, notification, assessment and testing, and web-based or blended course delivery.

The e-enablement of L&D activity is in general intended to create quicker deployment, at lower cost, and with greater functionality. However, for the Professional Services organisation, we need to beware over-hyping the impact:

“… We have carefully looked at what it can do, what it can’t it do. There was a lot of hype in e-learning 15 years ago that said there won’t be any classroom training any more – everything will be e-learning… [in reality] we are going to a new balance and new mix of blended learning. A virtual class of technology is an important pillar in that mix, which is why we have implemented it. It’s good for providing knowledge content and programmes that are longer than 90 minutes. We can deliver across the board - to the smaller countries who haven’t got L&D resources can now use this virtual classroom or across regions rather than countries. We have moved to a strategy where basically we develop 80% standardised content and we hand that over to regions and countries. There are three questions they have to answer; do I want to translate; do I want to add something because it lands better because of that, and do I use internal or external delivery resources for my formal learning?” [Professional Services Global Head of Learning].

Developments in the use of virtual classrooms have then been more about delivery – the ability to deliver just in time and across board, to control travel costs, to benchmark and buy licences. They are about building a platform for rapid and consistent deployment of those programmes that are appropriate to deliver via this mechanism.

“… Learning Technology is actually the backbone. But we had fragmented technology and no consistency of support. It was not state of the art, nor enabling our ambitions in terms of effectiveness and efficiency. We are now moving to a global LMS. We have implemented a global virtual classroom, a global learning content management system (LCMS), and a 360 tool, a far more consistent enabling technology as a foundation for what we are doing in other areas”. [Financial Services 1 L&D Director].

“… Whilst there are still elements of face to face we have started to use more roundabout ways, webinars that allow us to reach much more people and do sessions; allowing them to have an online chat with each other or with the person or unit facilitating the session, engaging people and putting them into different chat rooms and break out sessions, developing Apps and getting them to various [mobile phones and tablet devices]”. [Financial Services 1 L&D Director].
From the receiving end, learners have often seen their organisation undertake a significant change over the last two or three years where they have set up mainly virtual learning centres or corporate universities. The interactions become more face to face the higher up the learning product you move, generally because of the leadership requirements around this.

“… Generally there is an online course catalogue and depending on your level, you’re given career paths and shown what learning to do at what stage. So it’s become much more complete. Then that allows you to bring in new skills and opportunities for people to learn, depending on what stage they are. To be honest, in [this organisation] we don’t have people typically who stay around for 10-15 years. It’s unusual. But what you do get along the way is the training and that is invaluable to people. So we are in a slightly unusual setting in that people are really hungry to learn because they know that it will help them get on fast in their jobs”. [Senior Manager]

In all of this, it is evident that the pace of development will be slow, and in any event will be very dependent on the need to first develop a culture of self-learning:

“… We want to experiment with this round the edges, but it is really sort of like pushing water up hill… it’s something we haven’t really capitalised on as an opportunity. But [it is also] something you can only move forward on if your culture and your business is ready to go down that route. We have experimented a couple of times but most people want face to face, somebody in [the organisation] there. The custom is having somebody -like their boss - on a course to talk through some of the development” [Food products and brand company L&D Director].

A Learning Management Systems Approach

Where compliance training is important, we found that the use of Learning Management Systems (LMS) has had a significant impact. With organisations needing to be able to report on what they have done and spent, how many people they have trained, how many people are certified or qualified, there has been considerable development of the more static elements of a LMS.

More broadly, these software applications are used to plan, sequence content, structure, implement and assess learning processes. They vary in sophistication and application, and may be used just administrate, document, track and report on training programs, content and events. They may be used to enable the distribution and co-ordination of learning content through automation, the enablement of self-service and self-guidance, consolidation and personalisation of content, management of workflow, and support for standards and accreditation.

The LMS in turn may be linked to performance management systems, and used in relation to appraisal and development needs, skills- and learning-gap analysis, and succession planning.

To many L&D practitioners, however, an LMS approach stands in stark contrast to one based on Web 2.0 and Social Media.
Web 2.0 And Social Media

Web 2.0 approaches create platforms for information sharing, collaborations and user-centred creation and design of learning material. The tools that are typically used under the Web 2.0 label include social media (internet-based applications based on the creation and exchange of user-generated content) such as social networking sites, blogs, wikis, as well as video sharing sites.

In order to suit and emulate learners’ normal habits, organisations are trialing corporate Facebook type connections and learning clouds that make it easier:

- for employees to collaborate, take part in social learning, professional networks and communities of practice,
- to create new learning content through blogs, wikis, podcasts, content tagging, expertise location, and
- to preserve organisational memory.

This expansion of e-enabled support in turn has led to two developments:

1. the need for new in-house technical knowledge and more effective cross-functional development
2. the use of delivery mechanisms that cut across work and home life, raising questions about the boundaries between the two.

“… It gives people another string to their bow, especially those who use social media in their home life… We’ve started to see more work with our colleagues in technology; understanding how we can do this, and either use external expertise or develop in-house capability… it is a motivator, led to an appetite to get involved and be innovative in testing new things”. [Financial Services 1 L&D Director].

The use of delivery mechanisms and social media that cut across work and home life, raises questions about the boundaries between the two. These become much more opaque, and raise questions about ownership and control over the learning environment now.

- Do learners access (corporate) learning during work hours, as part of their work role, or
- Will they learn to their own life agenda?

“… The acceptability of this, and how people access learning, is becoming much more roundabout… there is almost no boundary between work and home life where people have access to this” [Financial Services 1 L&D Director].

“… People are starting to teach communities. As well as having your traditional learning management system, linked to career management, you have communities of practice being established on an informal basis where people are knowledge sharing… You start to get a much stronger shift into the informal learning space just by creating the opportunity for people to do that”. [Professional Services Global Head of Learning].
In one organisation trailing the use of Apps, they are used in three ways:

1. Follow ups to a learning intervention, broadening access out to different “layers” of sites that provide basic information, and access to broader communities of practice.
2. Awareness-building material, for example enhancing leadership models with provision of additional guidance, support tools that lay out different options for development, provide feedback and progress checks
3. Process confirmation, where learners can record information, and the L&D function can check for process alignment and behavioural reinforcement.

As technologies gather more information to help structure the learning process, a number of questions will need answering:

- When do boundaries need to be established to control or structure the learning environment, to manage what people are learning and what they are doing in this learning?
- When should the learner structure this for themselves?
- Who owns the intellectual property?
- Who owns the liabilities?

Before we go overboard about this development, it is important to caution that:

“... There is still a need to have formal L&D. It is making sure we don’t throw the baby out of the bath water. Whilst we are doing all this good stuff there is still a need for us to remember that there will always be that requirement for formal and we need to be able to deliver to both... The challenge will be how do you get your basics as efficient as possible to allow you to get much more effective at the new activities as they become more integrated”. [Financial services 1 L&D Director].

Within the HR function the Nuclear Processing organisation has created its own web team, changing the delivery of several programmes so that people do not have to be off site as much for training. But there are of course limitations to collaborative learning, especially in sectors where security or risk is a significant issue. In the nuclear sector, it is known as the “where is the plutonium” problem… some things you just don’t want shared! So, on the use of social media and collaborative learning, the position would be:

“... Not really, because of the security aspect. We are trying to get communities, so we’ve got one community that looks at knowledge management, we have knowledge management representatives around the business. They are a community that share best practice, but that’s the limit”. [Head of Talent and Resource, Nuclear Site]
Small Scale Movement Away From Person and Location-led L&D

The predicted move to a lot of virtual distance provision and open centre learning, as against traditional classroom, never really occurred as effectively as it might have been thought 10 or 15 years ago. Open learning (and self-access learning) as ideas focus on the physical resources and contexts for learning, in dedicated areas containing learning materials and equipment, from which learners can choose according to their needs. The open learning centre movement was for example a major focus at Rover in the 1990s and then later at BAE. More recently it has been picked up in relation to content creation and sharing for open educational resources, using digital assets, often supported by social media, in ways that do not involve intellectual property or formalised accreditation.

Returning to the early experimentation with corporate open learning centres, the concept seemed to be that you open a very glamorous open learning centre on various sites and you put staff in there, and almost like the film Field of Dreams, they will come!

There is much more exploration of the use of technology as a way of bringing training and learning more to where people are, rather than having people come to where the learning is. It is however much more targeted and small-scale:

“… one of the things that I think is “trendy” now in learning is how to use technology to bring training to life and to be able to deploy training in a more cost effective way. That’s an area of quite some focus now, through simulations, advanced simulators, putting course materials on iPads, dialing people into conference calls rather than having people attend formal learning programmes”. [Energy L&D Director].

“… we have a whole [L&D professional] who is focused on mobile learning. This is a big emerging space for us… There is a big focus on e-learning – not the boring PowerPoint presentations with a voice over - but moving beyond that… people are getting into gaming, more interaction, competition in terms of quizzes at the end, you know, really testing people. There is a lot more functionality now because the technology solutions themselves have advanced as well”. [Professional Services Interviewee 2]

Within the Talent space many recruitment processes and company websites have started to pursue principals of gamification to make them more interesting and to entice potential candidates into accessing more information.

As noted in the opening sections, the e-enabled interfaces that are being used for L&D delivery now seem to be copying this principal.

“…) the organisations who will win out are the ones who make learning fun, easy and interactive… [talking about an impressive example they have seen] … its mostly all online; its user created; they allow people to create their own content, they don’t care if its perfectly organised or not, which can drive an L&D person crazy. It’s really interesting how they’re just allowing it to live and then by using measures of who takes up learning they know what to actually formalise”. [Professional Services Interviewee 2]
Whilst some organisations are exploring the possibilities of moving away from location and person-lead development activity, or at least de-centralising provision, for most interviewees, the shift is still limited and sporadic:

“… I think a lot of people would recognise the limitations of e-learning and its ability to create the effect that you’re looking for. One of the things, for example, that the technical guys do is instead of flying either a whole class of people in from [a country] into [the HQ] they send six subject matter experts the other way. They will have one person go to the country and have a classroom but then have the SME experts get involved in a virtual way”. [Energy L&D Director].

**Networked Learning: The Shadow Side**

*An Interview with Professor Vivien Hodgson, Lancaster University Management School*

Vivien Hodgson is an expert in networked learning and the use of Information-Society-Technologies (IST) to enhance continued education. She argues that the importance of networked learning has become ubiquitous, and there is often a misplaced and utopian view of collaboration based forms of participation in online connections between learners and resources - it is seen as unquestionably good and emancipating. Whilst it can be very effective as a means of learning, there is a shadow side to participation in learning often hidden to employees or the designers of interventions such as L&D specialists, where unintended consequences, such as control and domination take over communication and the trajectory of group learning. Her research examines the behaviours, practices and outcomes within networked learning communities. It explores how the adherence to community norms can undermine the desired outcome – that of learning. “It is not enough to simply create a space that allows everyone to speak and assert the need to listen”. Why? Networked learning needs to be accompanied by degrees of discomfort to encourage constructive levels of “reflexivity” (a low level of reflexivity results in an individual being shaped largely by their environment, or ‘society’, whereas a high level is defined by an individual shaping their own norms, tastes, politics, desires). What are the messages for L&D specialists when designing networked learning interventions? “… One of the dangers of online discussions is that none of us can ‘deny’ we said what we said – it is there in black and white – yet normally things we say are not seen as black and white in terms of the meaning we intend or the construction we want people to put on what we said”. The problem is this. “…The ideal of participation itself can become understood in rather inflexible and dogmatic ways, and it can lead to subtle use of power by individuals or the group over the learning space. Group identities come into
being through actions, practices, speech acts that demonstrate a belief in some kind of shared values – failure to follow this course can lead to exclusion from the group. There are often things the community cannot acknowledge about itself”. Does this mean then that participation is a bad way of learning? “No, but interventions have to address the need for participation, without allowing the imperative for participation to become a form of tyranny”. Learning communities only work when the reflexivity is accompanied by supportive behaviours, shared esprit de corps, and overriding of habits of inclusion and exclusion. This is not a form of learning that can be designed on the cheap.

The Shift From Designers To Enablers Of Content: Push To Pull

Given these sorts of shifts in L&D delivery mechanisms that we now see, is this changing the sorts of skills and capabilities that the L&D function itself needs? For organisations in the vanguard of this, the answer is yes. They argue that they need people with IT capability and the knowledge of the things that can be done with social media, but they also need to have people who understand about how to manage these more collective and interactive ways of learning.

BT’s Dare2Share initiative

There are a number of leading examples of innovative learning programmes, and L&D Directors who have become known as Learning Architects. The former Director of Learning at British Telecom, Peter Butler, was known for telling his L&D people that their role was to be the facilitators and challengers of the learning. He also argued that the emphasis in L&D is shifting from pushing information at people to providing resources from which they can pull as the need arises. The organisational challenge is that this will require search capabilities as extensive and powerful as Google’s, and accessing material beyond the confines of a learning management system. BT, as a technology company, spend over £70 million a year on training. They used a Learning Council to develop learning plans aligned with the strategic direction of each business. Their Dare2Share programme, which used Accenture’s YouTube Podcasting kit for Sharepoint, became a well known example of the pioneering use of social (peer) learning, the use of resources such as videos that got engineers to teach other engineers how to do things such as fault find, in the form of podcasts, discussion threads, blogs, RSS feeds and other traditional knowledge assets such as documents, courses and portals. Around 3-5% of employees contributed learning content – seen as the expected norm.
These developments are raising a series of important questions:

- Do all organisations want this new re-profiled capability to be in-house?
- Or is it a shared resource with other internal functions?
- Will it change the balance between what will be outsourced or taken in-house?

A Hard Skill To Fill: Learning From Within The Professional Services Firm

What becomes immediately apparent when you observe firms undertaking these transformations is that a lot of learning partners and consultants, in other words the Business Partner that interfaces with customers are very used to designing and delivering training courses - what they have been trained to do - but the people who can consult with the customers and understand what their real requirements are, and then translate that into the right learning, represent a very rare skill.

In the Professional Services organisation learning content is thought of as involving formal and more creative aspects. It uses creative design principles for its L&D content. Formal learning solutions are moving to a three-tier approach. There is a spectrum. First, high-end leadership and talent programmes with a collective and sometimes an individual dimension to them. In the middle they have an increasingly standardised curriculum, whether its technical, induction risk, or skills based. At the other end of the spectrum they are moving to what they call a Web Shop, where they have e-learning, global catalogues, and performance support tools that can assess and support development on a 24/7.

In advising on these developments to client organisations, however, they find that organisations making the shift to being enablers of content have struggled to fill these roles, or have found skilled people in very odd places. They are a new breed. In the labour market there are people who are creating this new kind of L&D identity. Most of them come from the business. They are not L&D people at all, but have been able to badge themselves as L&D experts.

As always a new capability like this becomes important; an internal function it wants to grow the L&D empire may inevitably say they need some of these people because it would be inefficient for the skill to be replicated in different divisions across organisation. When you “clean out” L&D to get rid of duplicative work, immediately that means that the L&D people in the divisions who were doing very low level training course design get moved to a central pool of design resource, or they get made redundant because they do not have the skills to survive across multiple skill areas in a central pool.
Many companies are struggling with what the balance should be. They have been very dependant on external suppliers to do a lot of this for them. External suppliers are often supportive because they are filling skills firms do not have, they get to create beautiful custom courses, and it is a lucrative business. Outsourcing will mainly be around learning administration – such as scheduling, logistics, and recording.

However: "… As L&D functions wake up and realise that they are sitting on a goldmine and an ability to really influence the business, I think you will see more of that upfront consulting to move in-house. It is pushing them down the value chain of learning”.

This shift is in turn is leading to yet another role shift for L&D functions. The function starts to become an enabler, a consultant, and has to then ask if there are common needs in this informal activity:

"… How do you then label and start to track what is happening and see if there is a real development intervention that needs to be established?” [Financial Services 1 L&D Director].

There is a trend towards self-creation of learning content by groups or communities inside the organisation, or across other organisations. This use of social media can however vary from being relatively passive to very active. A passive example is:

"… We have got an increased use of social media as part of our 70 20 10 base line for our global learning strategy. Within that you need social media, so we use them, but currently they are not providing a lot of new content; what they are used for in a lot of cases is as a follow-up to or a starter for formal learning interventions. We offer social media so people get into contact and keep into contact with one another in order to stimulate learning”. [Financial Services 1 L&D Director].

A more active use includes the following:

"… It can work in a different way. When I was Chief Learning Officer for [a global automobile firm] I implemented the social media in order for communities to generate solutions… if you had a new car and came to the dealer with a problem, which we hadn’t trained people on, technicians started sharing challenges and solutions with each other. We facilitated that from the L&D perspective and it generated new content”. [L&D Director].

In summary, there has been an explosion of the usual conference and blog attention given to the use of Web 2.0 and social learning tools, and the popular attention given by L&D professionals to innovative models.

Innovative though such models are, mortal human beings still have to cope with traditional problems of information overload (the volume of incoming information and the variety of sources), the duplication of information, and the development of trust in the providers of information.

This leads us into the issue of new employee behaviours and responsibilities.
New Employee Behaviours And Responsibilities?

Once you start to talk about L&D being more group based, and informal communities become more and more possible – what level of control over the creation of their own content will be afforded? Will organisations have to begin to make this a part of the role, if not the responsibility, of employees to do this? In turn, this will mean drawing upon their passion, interest, and willingness to do this. Organisations are moving into a world where content can be created without them having to necessarily formally contract over the creation of that content.

“… There are some very advanced organisations, but most companies are way behind that. They haven’t even got control of their own story internally, so to allow them even to interact [with learners] is nirvana - they would like do get to the point where employees do that. We [in HR] are on our way to doing that because we have Business Schools [within functions such as] People and Change Talent, and OD. L&D is not telling us what content to have so we create the content, and are teaching our own people what that content should be if they want to educate the rest of the organisation”. [Professional Services Interviewee 2].

“… Some people are quite happy using Facebook and media like Twitter, and using time where learning is not a defined course…. But we are really struggling to get take up where they can work a little bit more to define their own content… I think as people balance priorities when it’s on an e-learning type activity it often gets reprioritized to the bottom of the pile”. [Head of Organisation Development, Strategic Regulator].

The Professional services organisation is at a stage of evolution where their Centres of Expertise, enabled through technology, are now creating their own expertise and disseminating this.

The next question that flows from this, then, is whether organisations are now going above and beyond what they might previously have been doing by picking up general capability and learning style in their assessment centres, to thinking about who, or which parts of the organisation, have got the ability to make the stretch to what may be a totally new way of operating for them?

“…Every place is struggling at different levels. Some of them have pockets of excellence, this is a word that keeps coming up over and over again, where they have some division with really good people in them who seem to understand how to translate these new business requirements into actual learning requirements. But it’s very person-to-person specific. That seems to be where we are right now”. [Professional Services Interviewee 2].

The Alignment Of Collaborative Learning Strategies

There have then been parallels in the area of knowledge management. Research into technical communities of practice, initially unresourced and unstructured, has shown how their development, when led by energetic “spiders in the centre of the web”, created learning agendas, insights and trajectories that eventually became recognised and internalised by the formal organisation. Being sensitive to these initiatives, however, is generally not something central L&D
functions can achieve – it is the L&D people embedded in business divisions who see these communities.

“… As a learning community, we have been integral in seeing these things coming forward and going out to other organisations that have done this to understand their learning about how this is going to change L&D can add value”. [Energy L&D Director]

“… As L&D has become more influenced by technology, and with the advent of the internet, we have more discerning consumers of information who want to make their own minds up on stuff rather than listen to [the expert]. A lot of companies have not quite cracked whether it is community-based learning and allowing people to learn from themselves and from each other rather than from the corporation saying ‘we think you should be in this community’”. [Head of Talent and Learning, Financial Services 2]

Many organisations have looked to global technology firms who by the very nature of their own technologies and workforce, have understood some of the implications of what this means.

### From Informal to Formal L&D: The Professional Services Firm

The Professional Services organisation believes that the L&D function needs to allow facilitated informal learning – and knowledge management - to take its course.

Having initially centralised and developed more oversight of L&D, as the growth in informal learning happens, it is starting to have some specific design teams with real expertise distributed around the business. From this, they believe the next step is to start to ask whether the organisation should have multiple design teams, and where you should centralise or roll up audience size, at least to country level.

To help them understand their own internal learning markets, they developed a learning performance consultancy and set of diagnostics to provide line of sight to what is happening in particular informal learning spaces, to help learners grasp when important needs are coming up, and how to then carry out a more formal intervention.

The diagnostics tend to include internal customer surveys, the use of a business partnering model, and better commercial data on the cost of delivering learning services. The model allows the L&D function to move from the informal exchanges to situations when formal learning and more structured learning designs are needed. Once there is enough subject matter expertise to be able to add value, then once more, the initial decentralisation and embeddedness in each area of subject matter expertise may lead to more formal questions about efficiency and effectiveness of L&D delivery.
This implies that organisations need at some stage to have a high level strategy or policy that helps guide its people through how to deal with these issues. Three elements become important:

1. The learning strategy: the vision; the strategic priorities that have to be met; where the organisation is going in relation to capabilities; why they are bothering to teach people and help them to learn; what is the objective of this

2. How the organisation allows people to act with regard to learning: a menu for people to draw upon; expectations about where they should take the lead; expectations around user creative content

3. A partnership strategy: whom the organisation will partner with to be able to achieve its vision.

**Business Impact Beyond Blended Learning**

In summary, we should not overstate the opportunities that these new learning media represent. Our interviewees were very clear that the ongoing challenge for most L&D functions remains one of how to make the learning activity "live with everyday behaviour" and be "an everyday occurrence".

"… It has not really moved beyond that… it is about making L&D easy for them, and intuitive". [Head of Talent and Learning, Financial Services 2]

This need to embed L&D in turn had led to more emphasis being placed on:

- Coaching of learners
- Shaping of line manager behaviour so that they bring the best out of their teams
- Use of stretching performance management objectives and development plans that can only be met through learning activity.

The need and a desire to be able to measure the business impact has always been the holy grail of learning - to have the links between what is happened in the Learning programme and what value is being added in the role.

"… We’ve talked to quite a lot of external companies and business schools in the contracting process for new learning programmes, and we asked about their experience in in-role development. Many of them said this is something that we have been thinking about and we know its really important, but actually we really haven’t done anything yet; we couldn’t show you a programme where we’ve really connected this up in a way that goes beyond the classic five modules, with some modules done when the person is at home and others face to face modules. The blended learning thing."
But no one has gone beyond that into having people take business problems, work them live in a programme, and then take them back in and try something different. That kind of thing seems to unchartered territory. I was interested in the fact that so many companies seemed to be conscious that this was actually the new direction. A lot of companies were trying to go in and were finding it was somewhat not ahead of the curve, but they would be thinking about partners with us, and how we could do that more effectively. That’s where the next kind of frontier is in terms of learning*.

[Energy L&D Director].

“… You can identify strategic capability gaps and do all those interesting things. It is not difficult to get those things done. It is getting to the behavioural things that tie this in, whereby people see this as a natural part of their job”. [Head of Talent and Learning, Financial Services 2]
5. The Structural Options: L&D Function As Part Of A Constellation of COEs

“... It becomes increasingly difficult to separate out the L&D functional agenda without managing its interfaces to and from these related functions. We found at least four variant structural options being pursued”

**Structural Options for L&D**

**Headline issue:**
Corporate L&D functions have for many years been thinned out and tasked with doing more with less. This now seems to have stabilised. Renewed attention is now being given to the function.

**Strategic imperatives:**
Is there a need to pull back from outsourcing and the treatment of much of L&D as transactional in nature, and to once more take control of the overall syllabus and to link L&D more to strategic capability building?

Having created more centralised oversight, what dedicated support needs to be given to line businesses to enable more strategic direction of learning resource? What decision making needs to be placed within corporate HR?

As centres of expertise of all kinds continue to be thinned out, but more dedicated support is being given to HR Business Partners, how should HR Directors “weave” their centres of expertise together in new ways

How can they create an eco-system that embeds L&D functions in a range of important cross-COE relationships?

**Bottom-line choices:**
What is the best balance between business relevance and controlled re-centralisation?

The latest 2012 CIPD survey on L&D notes that

“...It appears that organisations are taking a more holistic and joined-up approach to learning and development, performance and organisational development, recognising the clear links between these elements of organisational success”

Our research supports this contention. However, we show that there are very different paths being followed by organisations in trying to achieve these more holistic HR management. We explore the nature of the different constellations of functions that are being used to navigate a way towards more holistic management.
The L&D function itself seems to be embedded – depending on the organisation – within a “constellation of related functions”. We use the analogy of a “constellation” to signal the growing importance of some new interfaces between previously separate COEs and functions. The word constellation means different things. In astronomy it is a formation, or configuration, of stars or planets by which we may navigate. In common parlance it is a group of ideas felt to be related, a fixed pattern of individual elements functioning in a related way, a gathering of brilliant or famous people or ideas with similar eccentricities, attitudes and inclinations.

Returning to the initial challenge of whether L&D has become “the forgotten function” – as we noted in the Introduction, the answer is clearly no. Looking across the case studies we have examined, at a high level there are generally closer links between L&D and Talent, with frequent linkages of these two to Performance Management systems, made more possible by the development of Learning Management Systems.

From our research, it is also clear that it becomes increasingly difficult to separate out the L&D functional agenda without managing its interfaces to and from these related functions. We found at least three variant structural options being pursued.

We see the development path of the L&D function being an example of some of the traditional COEs in HR functions not being dismantled as such, but being reconfigured, because people start to see different ways of joining them up and different ways of managing that joining up process.

This starts to take away a requirement to have separate silos in these historically separate centres - another reason why individual and siloed Centres of Expertise can be limiting to HR strategy.

The constellation reflects where the HR function feels it should be getting to. By joining up all these elements it starts to throw out some activities and sees where its gaps are in terms of any internal processes that it may have.

This reconfiguration, from our research, seems to be triggered by major change programmes, when attention to the HR systems and processes shows up how one COE feeds the other.

However, L&D functions seem to form part of several different such constellations. We lay out four optional configurations for how they are being joined up:

2. L&D - Performance Management Constellation
3. L&D – Organisational Effectiveness Constellation
4. Collaborative L&D Delivery
### L&D – Talent Management Constellation

#### Advantages
- Opportunity to re-market or refresh a changed leadership model (where Talent may take a prime role in the constellation), or new capabilities and skills gaps (where L&D may take a prime role)
- Suits those organisations where talent are expecting the employer to pay more attention to their “whole career” management, and for whom learning opportunities serve a strong motivational/differentiation and retention incentive

#### Implications
- A number of HR processes and systems will need to integrated and re-ordered
- Requires a clear view as to the primacy (or not) of the component functions
- Requires strong link between L&D and in-role development to avoid this
- Opportunities for joint conversations across the two agendas
- Enables a stronger link into resourcing and strategic workforce planning thinking
- Moves talent functions beyond a focus just on high potentials, towards other critical skills groups

#### Potential blindspots/ weaknesses
- May be limited to power plays, and a renewed but short-lived refresh of leadership development
- Requires more idiosyncratic shaping of the roles that talent undertake to build development paths in
- Difficult bridge to forge given the different educational backgrounds and outlooks of L&D and Talent professionals – requires strong mandates from HR Directors to overcome this

At the moment Leadership Development, for a number of organisations, has become a hot topic again, because, as we found in our White Paper on Talent Management: Time to Question The Tablets of Stone, many organisations are refreshing their leadership models.

A number of organisations are therefore linking L&D more closely with Talent, particularly where the Talent director or head had been given responsibility for senior leadership development programmes. We have observed that where there is a power struggle, it tends to centre around the blue ribband of leadership development- those who own leadership development tend to own the high potentials of the organisation and therefore may perceive privy access to resources and investment.

So potentially you start to see a coming together of these functions. Where then does L&D sit within this?
Changing The Eco System Surrounding L&D At The Energy Organisation

The Energy organisation has carried out a large amount of research in the last 18 months to look at what other companies are doing around the provision of their Leadership Development. They have refreshed the capabilities that they seek from leaders. Three things have been done:

- The leadership capabilities themselves were refreshed.
- They changed how they were going to embed those capabilities, principally through more personal and passionate involvement from existing leaders,
- They developed what they called a more integrated eco system of talent processes and learning programmes, focusing more on the key piece of in-role development.

They came to the view that because their previous course provision and HR processes were good, leaders had to some extent been let off the hook of the need to develop other leaders. They identified the need to better “integrate and order” their HR business processes in such a way that they drive their new leadership capabilities. This is seen as the key lever to reinvigorate the whole approach to Leadership Development.

Learning programmes accelerate the development that people do in-role, so in redesigning their programmes, they are trying to make stronger links with the in-role responsibilities and activities much more explicit. The new logic runs from appointments, through talent conversations - being explicit about the kind of capabilities they are trying to build.

This is reflected in the linkages between Centres of Expertise. They recognised that for leadership development, Talent Management is prime. But those working on leadership development all sit in Learning. It is an area where all the professionals work very closely together, and work across the organisational boundaries to ensure that its all coherent.

They are creating what they call an “eco system”, tying up the different processes in a much more integrated way, one of the opportunities they identified was a broken link between the conversations that were happening around what jobs people should do next and what programmes people should do. Those were previously two entirely disconnected conversations.

They are starting to link these up so that the Talent conversations are looking at what can be done in order to help support and get these capabilities, shape the roles that people need to do, identifying the learning programme which accelerates their development once in that role, and making explicit connection between the talent conversations and the in-role development and bespoke learning programmes.
Similarly, in Financial Services 2 organisation:

“… That is exactly what we’ve started to see. You’ve got a set of expertise. The whole Talent management expertise gets the linkage into your whole resourcing strategies. Whether that is your operational day to day demand for staff, or into strategic workforce planning, you have a much more thorough understanding of identifying these both at organisational level and at individual level. So in the Centre of Expertise, if I can put it that way, at group level, there is sort of resourcing and learning, leadership and talent focus now altogether under the one COE”. [Financial Services 1 L&D Director].

They are seeing renewed integration between L&D and Talent Management.

“… Over history we were seen as very different and never the two shall meet… but that was never the way that individuals or line managers saw it. We are now starting to see a more integrated approach. Are we there yet, no, but it is the course of direction we are hitting on”. [Financial Services 1 L&D Director].

There has been a move to see Talent not just as a process and choice of who would go to the highest potential, towards saying it is about career management.

“… As organisations look at role profiles, they see talent as being much more about capabilities and development options… Whether that be a L&D intervention, a secondment, or a project opportunity, we have to join L&D and Talent up for the end user… then you have your resourcing and all the information you’ve collect through resourcing to then feed that into your Learning and Development and career piece. So that you have this whole roundabout, with a portal where people can have a one-stop shop. It just makes it joined up. You’re then able to share data and all that good stuff, instead of just chasing activity”. [Financial Services 1 L&D Director].

It depends, of course, whether Talent or L&D take a prime role in the constellation.

If career management and refreshed leadership models are the drive, then Talent may be a prime partner.

However, in some instances, L&D is not the poor relation to a dominant Talent function, but the owner of the Talent agenda.

In the Professional Services organisation under the L&D centre of expertise comes leadership development and talent development. Their logic was as follows:

“…In many organisations [if Talent and L&D are] positioned separately you run a risk. From the start I had the opportunity to re-shape the organisation and I would say Talent is actually part of our Learning and Development strategy …Our bigger proposition is that we said this is about workforce planning - making sure that we’ve got the right people equipped with the right skills. Under that proposition, we believe we need to focus on the leadership group [defined as the top 3-5% of talent]; we believe we need to focus on [the wider] talent group [through succession planning and programmes] and then the broader employee population. So [leadership and talent development] were the
two specific groups that were singled out that require attention. There is a lot to be said for them acting under one umbrella”. [Professional Services Global Head of Learning].

In the Professional Services organisation, if you are an emerging leader you are seen to need some special learning. If you are already a Partner, there is a need for different interactions for different stages of that career. You do not just become a Partner and flatten out, so there are a number of progressions within that grade. By moving L&D towards a more generic interest – careers - it becomes a way of making the argument for greater integration

“…That’s how we done it here and it’s worked very well. Within [Professional Services organisation] and all the L&D transformation that has gone on there has been a much stronger link with Talent. So, for instance, if we know what the different grades of Talent are within the firm, then we know what type of learning they should be exposed to. So the link is now much stronger than it ever has been, and in a way getting certain kinds of learning is something that you earn, that you merit”. [Professional Services Interviewee 2]

Talent is also subsumed under L&D in the Manufacturer of Industrial Products. In particular, it is the challenge of skills gaps, and the need to resource industrial skills, that leads to this link:

“…Our primary focus is on skills, management development and talent … Because we have aged significantly and have slimmed down the workforce, we can see that we are going to have some key skill and knowledge gaps in the future. It is a double-edged sword. We need to ensure we have a tranche of people coming up to fill future management gaps. This is reinforcing the need for talent programmes internally, but also better use of external learning resource. We are looking at industry-wide higher apprenticeships and university collaborations to get progress on identifying and developing future leaders. [Learning and Development Manager, Manufacturer of Industrial Products].

If organisations start to focus more on retained talent and they start to look at the things that can differentiate such talent, then it is obvious that they will see a common management need and logic to view L&D through the lens of people’s careers. Many L&D offerings are linked to career structures. But then the Talent Director has also got some responsibility for movement through careers - as they include high potentials in their sights, or other critical skill groups.

Despite the logic for a strengthening of the L&D-Talent axis, this is not as easy as the integration logic might imply.

Although there may be pressures or trends that would say that you need more integrated management across those functional areas, it is not an easy bridge to forge:

“… Well the problem is the organisation. We have struggled with this, but we had to get it right. But I have seen other companies, where getting those two kinds of people to join up is really hard”. [Professional Services Interviewee 2]
Why?

“… Because a lot of Talent people typically have more psychology backgrounds - occupational psychologists - and they are not much the team leader type. They don’t tend to come from the business; they have only done Talent-like roles. Whereas L&D people - often a lot of them started out in the business and then moved into HR roles. So they are allergic to HR and anything that sounds too fluffy… Putting these two together is a nightmare sometimes… the only way that’s going to happen is the HR Director has to put the foot down and say we have to join!”. [Professional Services Interviewee 2]

There are similar tensions within academic circles. A lot of people who work in the Human Resource Development area, specialists in Organisational Learning, see Human Resource Management as being a sub-set of what they do, whereas many HRM academics see it the other way round.

Regardless, as there becomes more overlap between the L&D space and the Career space – not only is Talent management a linking logic – but L&D is also seen more in the context of a reward.

**L&D - Performance Management Constellation**

**L&D – Performance Management Constellation**

**Advantages**
- Can help tighten up and reinforce the need to offer meaningful progression for non-elite but high-potential staff
- Can help send or bring political attention to the need to demonstrate performance benefits from investments in L&D
- Useful in contexts where proof of learning has to be demonstrated

**Implications**
- Generally only successful where training activities are already embedded with operational functions, freeing up attention to the Development side of Performance management
- Requires consensus that there are generic/ historic performance weaknesses that can only be addressed through learning
- Can be used to capitalise on some powerful functionalities within a Learning Management System

**Potential blindspots/ weaknesses**
- If framed too much within the context of regulatory requirements, may suffer the same lack of regard as given to many appraisal systems
- May limit attention to the more easily identified technical, behavioural or competency based training
In a number of sectors, particularly those facing different change management priorities, or subject to strong regulation such as in the nuclear industry, L&D forms part of a different constellation. Many organisations now have much better performance development data, and better control over such data, and have forged links between L&D and Performance Development as a result.

### L&D – Performance Management Constellation

In the Nuclear Processing organisation all the employee development processes - performance management, succession planning, talent identification and growth, and assessment centres – come under Talent Management, which reports to HR. What used to be Employee Training and Development was split off into a Training Function and an HR function, although both sit under the HR Director. Although learning activity structurally comes under a Talent umbrella, with training as a separate function, the learning agenda in process terms is driven very much through tight alignment with performance management.

The end goal is expressed as the right people, right place, right training, right competency. The L&D agenda is all around what is it that the organisation needs in the business for the future. Performance Management underpins absolutely everything. The organisation needs to ensure that it is getting the most out of its employees and is progressing those identified as potential. All of this is done through a Performance Management Agreement process. This is used to identify any training, whether that is technical, behavioural or competency based training.

Leadership is used as the aligning theme for most of the functional activity – with a new Leadership Academy. Leadership, however, is seen in the context of performance, integrated change, with investments justified by predicted efficiencies.

The organisation has an Integrated Change Programme – through which the whole site is looking at how it can be more efficient in seven streams - areas such as leadership, commercial, nuclear safety, project management. Under the leadership stream they are making sure everything they do is aligned, assessing and developing against leadership competencies, and aligning this with coaching, training, assessment centre activity.

In many organisations, then, the LMS has served to forge this bridge from L&D to performance development, mainly via the greater functionality it provides, such as multi-rater assessment, or via the development discussions inherent in performance management:

“…It is purely for development purposes and not for review purposes. It is to understand what peoples’ capabilities are [and if they are] growing - are our learning programmes working? …We talk about performance development rather than performance
management, where people formulate their goals, have a personal development plan and then link to the LMS where people can see how they can develop; which interventions are available for them”. [Professional Services Global Head of Learning].

Business stakeholders increasingly want proof of learning, especially in the context of new business models. HR functions are having to tie several processes together and break down some of the potential silos that we might have created in their structures:

“… If the capabilities are critical delivering on that new model they need to have some sort of end point to say, yes these people now have these skills and they are able to do them well and we are getting business results… You’ve been through the whole cottage industry of measuring things that are very difficult to measure and that hasn’t worked…. So how are we going to get to greater levels of learning? It is something we are still playing with but we think it is going to be a combination of metrics and a also based on how good your performance management process is”. [Professional Services Interviewee 2].

When the training requirement has come solely from the PDR process, then from a performance management perspective, more importance is given to what employees need from a training and learning perspective. However, grey areas often remain:

“… But we have taken some of that away from them by developing the training matrices. Where the grey area is in management development – the communication skills, the assertiveness – this is up to the manager to identify this. It is not transactional training, it is a call by the manager under performance management”. [Learning and Development Manager, Manufacturer of Industrial Products].

L&D – Organisational Effectiveness Constellation

Advantages
- Particularly important where new business models are being pursued, or where market conditions create the need for new capabilities
- The label of OE enables linkages to be forged across various components such as organisation design and development, resourcing, talent and L&D
- Broader OE label can move L&D into more novel ways of thinking about the outcomes and the organising logics – eg. employee value proposition, engagement, brand etc

Implications
- Moves L&D away from its own models and frameworks into a broader business context without the need to embed L&D in the line
• This is a very broad set of functions – requires very clear and differentiated handoffs from one component function to the other

**Potential blindspots/ weaknesses**

• Structural behaviours can get in the way of the desired constellations and handovers between component functions

A third constellation can be seen when L&D is seen as part of Organisational effectiveness. For example, the *Food products and brand company* takes the view that there are three linked needs: Resourcing, Talent and Capability Building (the L&D function forms part of an Organisational Effectiveness COE). They see a pragmatic flow of connections that are needed:

• Resourcing looks at who does the organisation need to get in, what are the skill gaps, where do they source these from, and then develops the resourcing plan.

• Talent management then looks at who in the organisation are ascribed as talent, how does the organisation define potential, and how do they get the business units to workforce plan to see what talent and skills gaps they will have in the future.

• L&D then pick up the question of how the organisation develops people once they know what talent box they are in, or when they come into the organisation. It has a holistic role to put all of the issues together.

**Building An Organisation Development Umbrella for L&D: Financial Services 2**

Where L&D comes under an organisation effectiveness umbrella, it can then trigger a broader thought process about the repositioning of the function. At *Financial Services 2 organisation*, the Organisation Development Director has responsibility for Organisation Design, Talent and Senior Resourcing, and Learning. Talent Management used to be a separate HR function but this created silos and friction such that structural behaviours got in the way. The Organisation development context brought back a sense of commercial drive without the need for L&D to be embedded in operational businesses.

They believed that L&D has got too wrapped up in its own theory and practice, and that by adding advice and guidance at the strategic stage, this naturally showed how L&D needed to change its shape. Indeed, this was how talent got itself into the mix.

The particular combination of functions that they pursued introduced the need for important handoffs. Sometimes the teams have not got complete clarity of where responsibility finishes and where responsibility starts. These had to be worked through. They took the view that the handoffs were about how the units worked together.
towards common aims, and were not about power struggles over who has got the biggest and best team. Such debates destabilise the HR delivery model.

A new and interesting logic in how component HR functions may be tied together around learning developed because of these hand-offs. This logic was based on an employee value proposition, brand, engagement and learning axis.

Why did this new axis of connections for L&D come about? The organisation had moved towards the e-enablement of engagement and internal communications – the functionality of the intranet had brought these two drivers together. Communication was being put out in ways that were all about the brand. This repositioning of the business required extensive use of internal communications, and as consideration was given to the new learning curriculum and the new corporate identity programme, activity was being driven by HR and not e-learning. This activity created more harmony between the areas.

The interface with front-end colleagues was handled through internal communications. This sat in HR, and not in marketing, which made it easier to see why e-learning should go together. People could see a connection between “what the deal is” and “what is there to support them in terms of learning”. Once they linked learning to the business objectives, they were able to create the new functional linkages that were deemed necessary.

Within the National Government, L&D sits within a shared responsibility for Organisation Development. Far from being forgotten, the function has received renewed focus. Moreover, the organisational effectiveness agenda is now seen across all stakeholder organisations:

“... No it isn’t a forgotten function, because the exposure is hard, and by its position [as part of OD] there has been over the last year and a half a review of the process and the offering around how we run Government L&D, to improve that, change it, make it fit for purpose and to match it to where we think we’re going organisationally; bring in this element of how does it drive performance management and how does it support our people strategy”. [National Government Civil Service Organisation Development and L&D Director]
In the public sector too, the linkage of L&D to an Organisational Effectiveness strategy also brings about the use of Employee Engagement thinking. This is partially driven by the context in which the public sector is operating: less money; fewer resources; and a workforce that, in a recessionary environment, is being made more static. As the public sector is driven by a need to retain people, it also has to think more broadly about the L&D challenge:

- How can you make sure that you are not just making an offering to your Talent, but that you are also making an offering to the people who are in the middle who might be very good, but who need a different kind of development?
- How are you managing the people who perhaps are not performing, but equally are not going anywhere, because the opportunities are less?”

Recently a Leadership Forum was set up to engage every Senior Civil Servant and Senior Managers inside Government. These events set out the L&D strategy for the organisation. This has been linked to a Fit for the Future campaign, which forms part of a People Strategy Engagement Plan. The public sector, therefore, is:

“... facilitating a more cohesive way of working by thinking about your wider people engagement strategy; think then about your L&D strategy, your Talent strategy, and the offerings within those underpin that” [National Government Civil Service Organisation

Beyond the Learning Organisation

An Interview with Professor John Burgoyne, Lancaster University Management School

John Burgoyne is known for his work on the learning organisation; corporate management development; the nature of management, knowledge and competence; and theories of learning. His latest work looks at corporate management development - what do and should work organisations do about management development and how should this be embodied in roles and practices? Do you agree with the proposition that L&D has been at risk of becoming a forgotten function? “… It would be too strong to say that a lot of L&D activity has been forgotten, but much of it certainly seems to get lost in the operational backwaters. Interestingly, universities and large private sector organisations spend about the same on L&D. But Universities spend most money on formal training and development activities. I am not saying that is not important or valuable, but it is maintenance. Developing new strategies, then implementing those, and investing in talent working on big projects using the context-sensitive trinity of coaching, mentoring and action learning”. How have you arrived at
your current views about learning? You have come to the view that leadership is of central importance to learning? Why? “… In the late 1980s and early 1990s we branded the idea of The Learning Organisation\textsuperscript{25}. That drew attention, also through the work of people like Peter Senge\textsuperscript{26}, to the reality that learning had to be an organisation-wide idea. The learning organisation, despite being about organisations as a whole, and probably because of the ‘learning’ word, was largely taken up in the HR function, and knowledge management, probably because of a confusion between knowledge and information, was largely taken up in the IT function In the middle and late 1990’s knowledge management took over from learning organisation as possibly the leading idea in business transformation. Because of the confusion between knowledge and information, the IT gang got involved, and low and behold they concluded we have to study the process of knowing – an organisation-wide idea -and not just having knowledge. Then, at a simplistic level, we realised by the late 1990s that in knowledge industries, the means of production belongs to the worker, not to the organisation. Knowledge workers need leadership, rather than management. Leadership is dealing with the boundary between order and chaos/complexity, from the chaos/complexity side – management is the other way round. Both are concerned with finding and implementing viable new activities, and disposing of old ones as they become non-viable\textsuperscript{27}. So, leadership has a chicken-and-egg relationship with strategy, which is what makes it different from any other form of development in organisations, the logic for which can start with the strategy and analysis of how any other role or job helps implement it, and the skills involved. Leadership involves the skills in implementing the current strategy but also those involved in developing the next one\textsuperscript{28}. Interestingly, the idea of a learning organisation seems to me to be coming back, but sometimes under the label of building ‘dynamic capability’”.

Does it matter where you position your capability development activity? “… To a degree it does. In the best case studies, managers spend around a third of their time coaching, mentoring and developing. That is not instead of their being an L&D function, it is in addition to it. You need senior management to understand and support what a function does, but you need specialists to advise on the necessary infrastructure”.

Where should the expertise reside? “… In the great majority of cases leadership development seems to be located in HR, but in a small number of cases they were in a separate organisation development unit reporting directly to the Board or equivalent. There may be a trend towards the latter. What do organisations do under the label of organisation development, which is sometimes located in HR and sometimes entirely separate from it? This is because L&D can be seen as part of strategy implementation for senior management and leadership. OD has its hard side (restructuring) and soft side (dealing with the people issues in making this work), and is often partially outsourced to consultants”.


Where should the leadership development investment be applied? Where is the capability that matters in organisations that L&D functions need to focus on? “… It depends on the business model, but you need a balance of investments across four situations. If you look at budgets, there is a 2x2 matrix. You have centralized leadership (leadership by the few) and distributed leadership (leadership by the many) on the top axis, and then developing human capital (leadership as the total of individual capacities such as skills, competencies and behaviours) versus social capital (leadership as the property of collective culture, with capability developed through through networks, connections, who you need to know) on the side axis”.

Why is it important to spread the investment around? “… Most of the leadership development budget is spent on top heroic managers and the up-and-coming managers who will succeed them. Other people think that distributed leadership means the bottom quadrant – individual capability but by the many. In the NHS they put 150,000 people through a programme called Leadership At The Point Of Care, which the evaluation studies showed worked very well. Tesco has a slogan which says the most important kind of leadership is that that serves our customers. But you need the culture to surround this. So you also need institutional arrangements – and structures – that handle and integrate all four quadrants. Our research has shown that there are clear performance benefits of integrating management/leadership development with management/leadership career management – empirically proven with hard data”.

Collaborative L&D Delivery

The Cross-Organisational L&D Constellation

Advantages
- Can help disparate groups of stakeholders use limited resources, or leverage small pockets of resource, to create high-value learning offerings
- Useful in creating expert capability across distributed networks

Implications
- Requires there to be common learning needs and performance pressures that are still relevant across different regional, cultural and organisational boundaries
- Can serve as an integrating mechanism – or problem solving community – that raises the need for new content delivery

Potential blindspots/ weaknesses
- There needs to be more than just the desire of distributed partners to share content/ reduce costs to make the content relevant and fit for purpose
Developments in the public sector are signaling a fourth potential structural option – that of cross-organisational structures for L&D. Much of the recent change in HR delivery in the public sector is borne out of a necessity. In some parts of the country there is a large public service sector, undergoing significant reform.

In one of our future White Papers we shall be looking at the growth of Cross-Organisational Delivery of HR, and the challenges this is bringing. In the public sector, this has already become a pragmatic reality.

### Providing L&D Across Organisational Boundaries: National Governments

In Wales there are a large number of decentralised stakeholders who have L&D interests. For example, there are 7 integrated Local Health Boards, responsible for all health care services (these have replaced the former 22 Local Health Boards and 7 NHS Trusts). There are 21 Local Authority Boards, and there are Local Service Boards (LSBs) where the leaders of local public and third sector organisations come together to take collective action to ensure public services are effective and citizen focussed. Cross-organisation delivery now becomes important. Pockets of financial resource are available for some expertise development, but the various public sector organisations are not necessarily all building L&D functions within their organisation as Centres of Excellence. This creates the opportunity to build expert capability across a more distributed network.

For example, a successful Managing Change programme was run through a collaborative network in North Wales across six Local Authorities: They had to work more collectively and collaboratively, and therefore look at all of the resources, including how their L&D might underpin the programme. The question was how could they collectively learn across the organisations involved? The theme this year is Managing beyond the frontier, which is focused on how best to deliver results and still achieve excellence within a working context where a lot of change is going on, some people are leaving, and others are remaining static.

This shifts the focus for the desired L&D outcomes. Given existing skills gap within component organisations, the imperative is to become better at managing change collectively. This raises the need to create new and collaborative language, and the ability to work collaboratively to deliver outcomes across our regional and cultural boundaries. Pan-organisational delivery, and structures that enable this, becomes important.

The response, then, across national governments and the public sector, has been to look at the L&D offering and to consider if it is fit for purpose and capable of underpinning a people strategy for Government. They are looking inside and across national...
governments, to consider the use of a blended mix of L&D provision, and reviewing the offering. What might be offered in collaboration with from Managed Service providers and then partners across the Public Services, Whitehall at National Government level (for example around the Civil Service Learning Portal), and from Industry Groups?

Dealing With The Politics of L&D Positioning Within New Constellations

However, we do not believe that it is as easy as choosing one of these constellations to align the L&D architecture over another. We use the nuclear sector to signal two important points:

1. There are rarely single integrating logics at play - but rather competing logics that HR needs to work through.

2. The closer HR gets to the business (or the closer the business gets into people), the more that the logic of the business and the culture of its operating core may serve to condition thinking about the bottom line to functional alignment.

As to competing logics, let us use one of the above examples to exemplify the power of the operating core over any thinking about the different possible configurations.

We said above that in the nuclear industry there is a strong performance, efficiency and leadership logic that influences how the L&D architecture might be aligned. And there is. But given the importance in this sector of strategic workforce planning, the performance and leadership influence on the HR architecture sits side by side with another: When asked if the way they have brought together some of the functional responsibilities under Talent and under L&D has been helpful in responding to the strategic workforce planning drive, the answer is:

“… I think what we have is lots of different processes. We tend to work in our own silos across sites. The focus on the integrated change programme is that …you can see the journey, you can see the end vision and what are the steps we need in Talent, within HR, within Training, to support the business to get to that end vision. We are actually using all of the processes and aligning them”. [Head of Talent and Resource, Nuclear Site]
As to the reality of the operating core, this is something that must leave a strong cultural imprint on thoughts about L&D – consider the following world and how it might shape thinking about L&D structures - one could imagine a similar influence in the armed services or other risk-based sectors:

“… We have a facility down with the training team that is almost a replication of the plant. Before you even step on to the plant you go through what’s it like to go into the change room, go through the bore, go through radioactivity etc.. So you are in a safe environment, but we can trigger certain things to see how you react before you even get on to plant - using simulation as a training tool - an absolutely fantastic facility… We are looking at changing the assessment process for current team leaders, changing some of that to e-learning, a mixture of on-plant e-learning and minimum classroom, but one of the things we’ve said is that at the assessment centre, we put them in this facility and test them in more of a real life scenario”. [Head of Talent and Resource, Nuclear Site]

Often it is only a handful of people who often can see the total organisational consequence of a new business model and therefore understand some of the new priorities and issues for learning, and perhaps see the need for, or take responsibility for, shaping the learning that takes place in the organisation.

What is clear from our research is that there is a new process of “bundling together” of strategically important and powerful Centres of Excellence taking place – captured in our notion of Constellations.

However, engineering these new Constellations is not easy. Group HR Directors can be faced with a difficult balancing act. On the one hand they can look to the business, top team, the strategy and the politics and see one solution, or they may look to their functional leads who may be seeing some other way of re-aligning functions. Getting the need to align L&D in different ways is not always understood or done because of the other complexities it can create. Re-alignment is not always as easy as we think.

“… Often times unfortunately you get a very operational people who just sees this as too complicated, too political to deal with. I have never seen such political projects. I have done two of these [transformations] now. Both of them have been rocked with politics between Group and Division. In one example once the HR Director realised that it is politically difficult, they just retreated from the whole thing and left their L&D people just hanging – they all had to leave the company”. [Professional Services Interviewee 2].

“… A big mistake a lot of Heads of L&D or Heads of HR make is that they try to bring together different [professional logics]. This goes back to the type of people who are attracted to L&D positions. They tend to be really independently minded and are used to being the ones who advise others. So being put upon by Group level is just an anathema to them. Really, really difficult. This is why these transformations are so hard to make happen”. [Professional Services Interviewee 2].
“Constellations is the term we coin to capture the various options available to position L&D organisationally. We outline four potential constellations... We sense that the actual constellation or configuration that an organisation chooses may well result from past organisational history and culture as well as being influenced, in reality, by organisational politics.”

In our concluding section of the White Paper we have attempted to focus upon what we regard as the major findings from the research, including those conclusions that cut across both macro and micro issues, and that will be of major interest to HR practitioners as well as senior managers responsible for non-HR organisational activities. Some of the views that were gathered in our research were surprising—but pleasantly so. Clearly much thought was being given to the role and contribution of L&D to organisational effectiveness, with L&D perceived as making a significant contribution to successful business strategies. Our initial, intuitive, judgement that L&D was the forgotten HR function was a little flawed!

Our key conclusions are:

1. **The “Forgotten” Function** possibility seems to have been partially erroneous. However, our research has revealed that despite many organisations re-evaluating the contribution of L&D, particularly in the recession environment of the present time, there is still much soul searching taking place about many L&D issues, with perhaps what could be described as “confusion” about how some of those issues will ultimately be managed - “Blending”, structural configuration of L&D, in or out sourcing, and centralisation or not. For many the lack of HR alignment creates its own confusion sometimes exacerbated by the use of Business Partners and overlapping responsibilities which in turn confuses the business rather than supporting it. This is compounded by continually changing the language used to describe the roles HR plays;

2. **The Renewed Importance** of L&D is flagged by a majority of respondents. The argument articulated can be summarised as a reaction to the recession on behalf of many organisations being a heightened awareness of new skills being required by all employees but particularly those required by managers and leaders. Many respondents perceive that many organisations are aware of strategic capability gaps, in terms of their managers, that require tailored L&D solutions. Part of the renewed interest in L&D includes a level of reflection by many HR practitioners regarding the wisdom of the decision by many organisations to segregate, or indeed outsource, transactional elements of L&D from the more creative design elements. Did this sort of move really add value is a question that a number are asking;

3. **Business Relevant L&D** is absolutely crucial. References were made to a tendency of past L&D teams to be a little indulgent when developing L&D portfolios - often focussed upon optimising creativity rather than concentrating upon the requirements of the present and future business model. As part of this issue respondents articulated the importance of developing business effective L&D as part of a core retention strategy by demonstrating relevant investment in people. Some respondents outlined the presence of sophisticated monitoring systems to ensure that business relevance;
4. **Dispersed to Centralised** L&D seems to be a common phenomena. Respondents tended to associate dispersed L&D structures with issues of duplication, excessive use of external consultants, self-indulgence by both L&D and client managers, and, predictably, to L&D over-staffing. Perhaps more importantly a move to greater centralisation facilitated a move to bring greater focus to overall linkage of L&D to strategic capability. Linked to this tendency towards centralisation was a desire to move L&D closer to other HR team members, particularly Business Partners, OD and Talent;

5. “**Blending**” became a new term in our HR vocabulary. It signifies the crucial debate that many organisations are undertaking about the balance that needs to exist when designing learning strategies between the application of e-learning, the use of social media and instructor led/classroom learning. This is a potentially high cost area for organisations so the need to attain optimum balance is crucial. Respondents generally believed that the increased use of learning technology will bring long term economic benefits and facilitate one uniform message of learning to be communicated.

We also noted that respondents who worked for more globally structured organisations were enthusiastic about the potential for developing the “global classroom”. However, organisations who had launched open learning centres in the 1990s were rather sanguine about their overall success;

6. **Constellations** was the term we coined to capture the various options available to position L&D organisationally. We outline four potential constellations in the White Paper. Clearly, it would appear that L&D and Talent are moving closer together, and these two activities, in turn, are frequently configured closely to Leadership Development. We sense that the actual constellation or configuration that an organisation chooses may well result from past organisational history and culture as well as being influenced, in reality, by organisational politics.

7. **L&D Team Capability** was an issue raised by a number of respondents, with hints that some L&D teams were unchanging and unchanged in nature! Many respondents felt the pattern of capability needed to change particularly in terms of the crucial issues linked to effective Blending and the need to allow ‘learners’ to develop freely and in the new directions dictated by changing strategic capability requirements.

8. **Shrinking Budgets and Regulated Training** are clearly not always interlinked but a majority of respondents felt that L&D budgets were and would continue to shrink. This shrinkage is particularly problematic for those organisations burdened with compulsory regulated training.
Endnotes


14 CIPD/ Cornerstone (2012)


23 The Dare2Share project at BT podcast can be viewed at: http://www.youtube.com/watch?v=gtVYkEdGtf0


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