

## **A BUSINESS LED APPROACH TO OPEN LEARNING**

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### **Abstract**

#### **A business-led approach**

There is a trend throughout the world for organizations to invest predominately in development that will support their business goals and change. Organizations are also increasingly expecting individual members of their workforce to manage their own learning and commit a great proportion of their free time to company-led learning initiatives. Open Learning is seen by many organizations as an ideal vehicle for developing their people, so long as the development results in a competent work force and an improvement in business performance.

#### **A business led approach to open learning**

The Confederation of British Industry has recently predicted a lower growth in GDP for the United Kingdom in 1999, and manufacturing output is now at the lowest level since 1992. The UK's Trade Union Congress is also worried about the affect of the strong pound and is predicting job loses, particularly in manufacturing industries.

Throughout the world national economies are under pressure, and many countries that until recently have been applauded for their economic achievements and high growth rates have seen their currencies devalued and their economies plunged into recession.

In the USA, UK and Europe high share prices, even after the recent market fluctuations, are requiring companies to attain high returns in order to maintain Price Earnings Ratios. In the public sector there is increased pressure on organizations to continue to achieve greater efficiency, whilst improving the quality of the service they provide.

Everywhere organizations continue to de-layer, re-engineer, cut costs and apply what ever other methods are available to improve their bottom line.

Our experience working with a large number of corporate clients, including those operating in the Middle East and Asia, is there are a number of key factors that are critical to the take up and success of corporate based open learning based development programmes.

#### **Linkage to competences**

Linking people development to long term business need is an established concept, and many larger businesses are attempting to firmly link the development of their people to explicit business performance standards, and relevant national or international benchmarks. Competences are frequently used as a basis for business led development. Although widely used as an effective tool for individual development, there are far fewer examples where competences have been used successfully to drive improvements or change in organisation performance.

#### **Clear definition of need**

Being clear about the organisational need for learning is critical. Where generic such as those published by the Management Charter Initiative in the UK are designed to facilitate individual development across a broad spectrum of management skills and in their newly revised format, they provide an excellent basis for this. Achieving organisational change or more specific improvements often requires a tailored approach. It also requires systematic project planning to ensure that the development and assessment approach and processes become embedded through the organisation.

#### **Supporting the core business**

Organizations that report improvements in organisational performance have linked learning and competences closely with strategic priorities and have taken a forward look at where they are heading. Expanding

internationally, for example, may mean that managers need to develop knowledge and competence at managing multi-cultural teams and client bases. Systematically analyzing the core competences that will improve business performance in organizations is not easy particularly where the strategy is dynamic. Like any process, the competence framework and associated development processes must be able to flex to reflect organisational priorities.

Where one of the objectives of development is to provide participants with a qualification such as an Diploma in Management Studies, organizations increasingly wish to see firm links between the learning and assessment process, and business goals and competences

#### Keeping it simple and relevant

Making learning and competences real to managers and front line staff remains a major challenge. The most effective learning and competence frameworks are usually the simplest. They contain a manageable number of descriptors and competences – between six and ten – and are written in simple language that can be easily understood. A basic test is to ask a ‘naïve’ person to tell you what the descriptors and competences mean that he or she should be doing. The more complex and esoteric the descriptors and competences are, the harder they become to use.

#### Business-led projects and activities

Using competences and business led assignments helps focus development on the needs of the organisation as well as the individual. It is most successful when it becomes a partnership between individuals and line managers, with individuals taking ownership of their own development and line managers facilitating, supporting and coaching.

Heavy workplace pressures on both partners make this difficult to achieve in reality and frequently needs external facilitation by the HR department or external providers. Work based projects can be successfully used as a way of developing competence. Frequently they involved individuals carrying out improvement projects in their work area with the support of their line manager. They also form the basis for cross team working looking at strategic priorities, for example, the effect of the Internet on the distribution channels of an organisation.

A programme of open learning should support the projects. This means identifying the theories and techniques an individual needs to achieve competence and improve his performance. For example, ‘Managing Business Performance’, may mean that individuals need to develop project management and budgeting skills. They will carry out work based projects more effectively if they are given the opportunity to gain these skills first.

The buy-in and effective support of line managers and organisation-based mentors is paramount if high success rates are to be achieved, and learners are to be given the opportunity to apply their knowledge and skills in the workplace.

#### Designing material and support to meet the need

The learning materials and processes need to meet both the needs of the organisation and those of the individual. Increasingly in large multi-national organizations the company needs and culture is predominant and drives the learning objectives and competence specification, and the local culture influences the programme’s implementation.

In our case this is usual achieved through establishing partnerships with local based institution or individuals. Such partnerships are extremely successful so long as the client is happy with the arrangement, and that each party in the partnership is able to meet their expectations from the relationship. Sound business agreements, transparency and trust are the key ingredients to a successful relationship; that and the understanding that partners may be competitors one day, and vice-versa.

#### Using the right technology

Equally it is important to use technology that is relevant. We and our major competitors are all looking at the use of the internet, and we have tutors and students using it regularly to exchange ideas, discuss difficulties, transmit course work, exchange feedback and socialise. Financial Times Management is also a major producer and distributor of training videos and software.

However, we know that the key success in applying new technology is in selecting that which is appropriate to the needs of the client and the individual learners. It is much more common for us to match our training design to the client’s technical infrastructure, that to be able to build or modify the infrastructure so that it provides a better platform for delivery. However this is gradually changing, particularly where the development programme is likely to have high impact.

## **Linking HRD systems and processes**

An increasing trend in business requirement from development programmes is for the processes, including competences to be aligned with the HRD and personnel management processes of the organisation.

For example, by the use of:

- development planning tools that help people to measure their competence and plan their development
- coaching and mentoring by line managers and others in place to help individuals achieve their learning objectives and competence.
- job descriptions or job profiles that are matched to competences
- performance management systems that use the competences and support individual development
- clear criteria for human resources planning and career succession

## **Planning the Roll-out**

Any form of organisational change or development needs critical mass if it is to be successful. If a business-led approach to development is to be successful, it must be firmly embedded throughout the organisation. This needs systematic project planning. The sequencing of events and allocation of responsibilities are both particularly important. Line managers need coaching skills and ongoing support before they will be able to work alongside the HR department. The HRD systems need to be in place and ready to use but perhaps most importantly, there must be a communications plan.

Launching an open learning development programme is much like launching a new product. To be successful, organizations need to find ways of communicating the benefits to the target users. Branding has been successfully used by some organizations although it is important that it does not become labelled as just another company initiative. Some organizations prefer to use other labels such as high performance behaviours.

Every step of the process, from the initial research and analysis through to the piloting and launch, presents an opportunity to gain commitment and build demand within the organisation. Techniques used successfully by organizations include:

- broad consultation through focus groups and questionnaires with stakeholders
- publicising the successes and comments of pilot groups
- demonstration of commitment by senior managers through actions as well as talks
- identifying champions in each area of the business who will help to drive change
- qualitative and as the data builds, quantitative evaluation
- briefings and brochures which explain what competences mean and what the benefits will be
- ongoing communications through newsletters, team briefings etc.

Despite the measurement difficulties associated with organisational performance, a growing number of organizations are successfully using competences to help link business strategy and development. Those who have been successful have invested as much time and effort into the project management and communication processes (that ensure the approach is embedded through the organisation) as they have to develop the competence framework and HRD systems in the first place. This may mean that the process takes longer than originally envisaged but the long-term gains should be significantly greater.

## Case Studies

### Example 1: Banking On Success – Worldwide!

One of the world's major banks chose Financial Times Management as its partner for the design and delivery of a global management programme to be introduced in over 40 countries worldwide.

Standard Chartered Bank identified a need for a Business Leadership Programme as part of the Bank's ongoing commitment to employee training and development.

The programme, which has been specifically designed to reflect the Bank's core values of quality, multi-cultural awareness and customer focus in the workplace, will encompass generic management skills, address core competencies and deliver continuous improvement in service and performance standards.

Although accredited by Nottingham Trent University's Certificate and Diplomas in Management Studies, this is not an academic course, but rather a means of developing work-based skills for workplace applications. Successful participants will, however, be able to gain direct entry to a number of MBA programmes upon completion of the course. One of the central issues addressed by Standard Chartered Bank is a requirement for local delivery of consistently high training standards. As a multi-national organisation with offices in over 40 countries, the Bank is keen to develop a programme that can be 'rolled out' across its management staff worldwide. To achieve this, Financial Times Management has set up 'hubbing' arrangements for tutors and co-ordinators in key sites in Africa, the Far East and the UK. These 'hubs' provide the ground support necessary to the effective implementation of the programme and are expected to cascade down as the programme grows. In addition, telephone and EMail links have been established with assessment tutors in the UK to help participants form their own informal networks and, of course, to provide ongoing advice and assistance.

This comprehensive programme covers the following elements:

- Self-management
- Working with others
- Managing risk
- Managing performance
- Customers and markets
- Managing resources
- Problem-solving and decision-making
- Managing information systems
- Managing in a dynamic environment
- Team management and development

Participants are able to choose specific elements on a modular basis, rather than committing to the programme full-time.

### Case Study 2: British Gas

The British Gas Trading Management Programme is a dual award programme such that on completion successful candidates will receive:

- Certificate in Supervisory Management
- Vocational Qualification Level 3 in Management.

The programmes are aimed at a group of 200 – 300 Customer managers who are responsible for up to 25 customer service representatives.

### Accessibility

There are no formal entry requirements, but potential candidates and line managers benefit from participating in a “diagnostic” process using 360<sup>0</sup> competence assessment questionnaires, to highlight individual development needs and select project work in line with business objectives and development needs.

### Addressing individual and company needs

The programme integrates both individual and company specific development needs and business issue into the programme, whilst covering all generic competencies of MCI and institute of Management standards at level 3. Having completed the programme managers should be able to:

- Plan and implement change within their programmes
- Monitor, evaluate and improve customer service and quality standards
- Improve productivity, getting the maximum form the physical and human resources
- Become better at making and implementing decisions
- Motivate and manage the performance of a team, create effective working relationships, contribute to the development of teams/individuals, including mentoring
- Contribute fully to their organizations or department growth
- Develop personal skills which extend beyond the work content

### How does it work ?

Following the 360<sup>0</sup> diagnostic questionnaire, participant complete 8 work-based projects in line with business requirements to measurably improve performance. Each project is supported by a Skills Development Workshop, followed by a Project Planning Workshop and a range of workbooks.

### Business Benefits

Advantages for both the participant and the organisation include:

- Individual performance objectives are linked into key business objectives
- An efficient, more flexible, and job-related way of collating evidence for NVQs
- Work-based projects that are highly developmental for participants and generate immediate business benefits for the organisation
- Increased knowledge and understanding for participants leading to the development of “best practice” through workplace application
- Improved participant motivation
- Formative assessment is carried out during workshop days and summative assessment is carried out after each unit-linked project and at the end of the programme
- NVQ and Certificate in Supervisory Management (IM).

### **Case Study 3: Major International Retail Stores Group**

Financial Times Management and the Group have been working together for 5 years delivering competence training and development to a wide range of staff.

The Company is divided into six divisions. Each division covers a number of stores and has a number of training and development personnel as well operational and 'shop floor' managers. Financial Times Management has been working within these divisions delivering vocational qualifications in:

- Health and Safety
- Customer Services
- Management.

#### Positive Outcomes

To date 138 people have achieved their Health and Safety qualification, 16 their Customer Service award and 415 their Management VQ. Training and development on that scale, obviously needs a lot of co-ordination, organisation and review.

#### How Does it Work ?

Local based workshop tutors ensure that:

- the company's original objectives are being met (at organisational, divisional, store and individual level)
- quality standards are being adhered to
- workshops are running smoothly
- feedback and success rates from groups are monitored
- the candidates are being developed and that the course is relevant and stimulating
- assignments are marked; portfolios assessed etc.

#### A partnership

FTM works closely with divisional and store managers, the line managers, the head office training and development department and, obviously, the candidates themselves.

For each programme objectives and success criteria are agreed with the company. The programmes are designed to be challenging and developmental for the candidates whilst identifying business benefits.

The key to this approach is through using tailor made projects which translate the NVQ terminology into the company's language, ensuring the projects are motivational and developmental, identifying business benefits and allowing candidates to demonstrate competence.

Typically each programme consists of project management, liaison with key company staff, candidate and line manager briefings, tutor briefings, induction, open learning workbooks, development projects, project guidance and workplace application, workshops, client and tutor meetings.

This combination means that the performance of the programme is continuously assessed against the company's objectives and success criteria, identifying ways the service can be improved, understanding how the company's business changes and ensuring the programmes meet not only the candidates' needs but also those of the business.