D1

DEFINE OUTCOMES IN BUSINESS TERMS

Management must always, in every decision and action, put economic performance first. It can only justify its existence and its authority by the economic results it produces. There may be great non-economic results: the happiness of the members of the enterprise, the contribution to the welfare or culture of the community, etc. Yet management has failed if it fails to produce economic results. . . . It has failed if it does not improve, or at least maintain, the wealth-producing capacity of the economic resources entrusted to it.

—Peter Drucker

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IN AN EVERMORE performance-driven world, corporate education is increasingly being asked to define, commit to, and then deliver relevant business outcomes. Fred Harburg, senior vice president of leadership and management development at Fidelity Investments, put it this way: "We are not in the business of providing classes, learning tools, or even learning itself. We are in the business of facilitating improved business results" (Harburg, 2004, p. 21).

The "finish line" for learning and development has been redefined. It is no longer enough to deliver highly rated and well-attended programs; learning and development's job is not complete until learning has been converted into results that matter to the business. The new finish line is results; and the only way to know whether it has been reached is to agree in advance on the definition of success. Thus, the first and critical discipline practiced by breakthrough learning and development organizations is that they clearly define, in partnership with business leaders, the desired outcomes in business terms.

In this chapter we underscore the importance of shifting the emphasis from learning outcomes to business outcomes and provide guidance for making this transition. Topics include

- Beginning with the end in mind
- Avoiding common pitfalls
- Mapping the impact
- Picking the right problem
- Managing expectations
- Besting the competition
- Action points for learning and line leaders

BEGIN WITH THE END IN MIND

Corporate learning and development initiatives should always be a means to an end. The "end" will vary according to the nature and drivers of the business, its needs, and its environment. But the essential goal will always be to improve the performance of the business. More effective leadership, best-of-class customer service, accelerated product development, enhanced teamwork, greater employee retention, and so forth all contribute ultimately to a company's financial health and performance. Ultimately, companies invest in learning and development to improve their ability to win in an increasingly competitive global marketplace.

Truly effective interventions, then, begin with the end in mind: the objectives of the business. Business results must be the touchstone for learning and development efforts, the "true north" against which programs are designed, implemented, and measured. Any other organizing principle is likely to get the initiative off course, as David Campbell put it: "If you don't know where you are going, you will probably end up someplace else" (Campbell, 1974). Berry Gordy, founder of Motown Records, said it this way: "People ask me, 'where did I go wrong?' My answer is always the same: Probably at the beginning."

That learning and development programs should be designed with the end in mind hardly seems like a revelation. Yet our experience suggests that it is difficult to accomplish well; it requires fixity of purpose and true collaboration between learning and line leadership.

Sony Electronics is a great example of the value of such collaboration. Sony uses a Talent Management Council that comprises both line and learning leaders to ensure firm linkage between learning and business objectives (see Case Study: Sony Electronics). The result has been greater strategic alliance, better programs, and deeper understanding of the value of learning and development.

Case Study: Sony Electronics—Linking Development to Business Results

Sony is a global leader in the discovery, development, and production of electronic components and entertainment and has more than 150,000 employees. Sony Electronics in the United States uses talent management councils to firmly link development programs to business needs and to ensure execution of learning transfer objectives.

The talent management councils were created three years ago to take talent management and leadership development far beyond typical succession planning. Sony recognized that to continue to prosper in a highly competitive and rapidly changing market, it had to increase its overall leadership pool, introduce new leadership ideas and skills, and increase its bench strength.

The senior talent management council comprises the president's direct reports, the senior-most leaders in the company. It is responsible for selecting high-potential leaders and guiding leadership development strategy. A junior council includes directors and vice presidents from Sony's pool of top talent.

According to Debby Swanson, national director, talent and organizational development, "At the start of each cycle, we talk to the talent management council, we review the current business objectives and the direction we are trying to take the company. Senior managers prioritize the business capabilities required to meet the business objectives. We then identify the leadership competencies that align with these business capabilities. There are also common culture issues that we focus on, like breaking down silos. These are also woven into the design of our programs; for example, having small cross-functional learning groups stay together to work on their goals."

The councils serve not only to ensure linkage between business objectives and learning but also as faculty in the development programs. Council members also play a critical role as the business reviewers of results reported by participants three months after the residential portion of the program. Their involvement ensures accountability for execution of learning transfer objectives and critical assessment of the results.

After three months of on-the-job follow-through and application, participants in leadership programs meet for a teleconference of one to one and one-half hours with a member of the talent management council. The teleconference includes

- A business update from the senior leader
- An update about the program from one of the learning leaders
- An analysis of the execution phase of the program based on data in the follow-through management system (*Friday5s*®) that includes which team had done what, which individuals completed all their updates, overall participation, and so forth
- A presentation by each team on their learning over time and their accomplishments, including full-year estimates of value created as a result

"Knowing that one of the senior talent management council managers will be on the call with an eye on their final results puts pressure on accountability and helps ensure that participants execute their objectives. The other huge benefit is that these calls allow members of the talent management council to hear directly what people are doing differently on the job. It has been very powerful," said Swanson.

"In the Executive Leadership Program, participants are asked to estimate the annual value created as a result of the program. We tally these and we show the results of what they have done as a group and for the program as a whole. They are self-reported estimates, not hard metrics, but when we have been challenged by one of the senior managers we say: 'These are your people and this is what they are saying.'

"And once the talent management council participates in a call and really hears the stories behind the numbers, they no longer question it. An example is one of our senior VPs who was attending a session in which one of the participants projected $300 million in value. If I had presented it, I might have been challenged, but when he heard the story first-hand, he said, 'Well, I can see how that could be even more.'"

Jody Grawey, manager, talent and organizational development, pointed out that there is value even in the absence of hard numbers: "For much of the leadership curriculum, we don't have hard metrics. Many of the reports are more anecdotal, but the teleconferences still serve to give the talent management council insights about where the investment in learning is going, what actual changes people make on the job, and the influence that participants in this program have on the business. We have received nothing but encouraging feedback from talent management council members about their experiences in the wrap-up sessions and how enlightening it has been for them to really see what happens and the results that can be produced."

Swanson agreed: "The wrap-up sessions appear, on the surface, to be entirely for the participants, but our other objective is to educate the senior people on the value of learning. It is very powerful when they hear real business stories from people who are in their business units—the actual things that people have done and why they think it has had this impact: 'Here is what I am doing. Here is what I tried. Here is what I accomplished.'

"I am starting to see that aligning learning and leadership development with business objectives is not as big a gap as it used to be in the minds of the business leaders. I attribute this to their participation on this council and hearing the kind of impact development can produce."

IN BUSINESS TERMS

Throughout this discussion, we will repeatedly emphasize that outcomes need to be defined in "business terms." Does that mean that the objectives of every program must be expressed in dollars and cents? Ultimately, yes.

Drucker's famous dictum with which we began this chapter is uncompromising: management's responsibility is to ensure that *every* investment a company makes yields a return because business is, in the end, about financial return. Even corporate philanthropy reflects business aims; good community relations, positive reputation, and enhanced employee loyalty contribute to the organization's value.

Training in leadership, ethics, diversity, and so forth are laudable in their own right, but they must also pay dividends in terms of lower operating costs, greater productivity, enhanced innovation, and improved consumer confidence. Programs that help participants improve their personal performance pay dividends in greater job satisfaction, motivation, and retention. Ultimately, every training initiative must produce a positive financial return, directly or indirectly; it is the only acceptable justification for investment by a for-profit business. That may strike some as crass and mercenary, but we are convinced that the ability to define and deliver business benefits is the only way for learning and development to prove its value and demonstrate that cutting the training budget ultimately hurts the bottom line.

Business Terms Include More than Just Finance

Defining results in business terms, however, does not require explicitly quantifying financial returns for every program. As we shall discuss in D6, the chapter on documenting results, such analysis is not always necessary or cost-effective. If a clear causal link has already been accepted between certain behaviors (for example, better coaching of subordinates) and financial returns (lower employment costs as a result of greater retention), then it is sufficient to promise and measure an increase in the desired behaviors.

When we say "in business terms," we mean *verifiable outcomes of relevance to the business* of the organization. We mean designing a program that will result in "subordinates receiving more frequent and more effective coaching" (for example) as opposed to "participants will learn coaching skills." The former is concrete, measurable, and linked to business needs. The latter, "learn coaching skills," could be measured, but that misses the point. The issue is not whether new skills are learned, but whether they are *used* in a way that benefits the organization. "[N]ew skills and knowledge alone do not add value; they must be applied, then nurtured until improved performance can be counted on consistently to produce an important job result" (Brinkerhoff and Apking, 2001, p. 6). A program that will increase customer satisfaction scores is worthy of investment; a program that delivers only attendee satisfaction is not.

Learning and development's task is complete only when learning has been transferred and applied in a way that produces results; the measure of its success is in *business terms*. "Effective training occurs when it is fully transferred and when performance achieves or exceeds business goals" (Wall & White, 1997, p. 169).

Linking Business and Learning Strategy at Honeywell

Honeywell is a leading global technology and manufacturing company with more than 100,000 employees worldwide. Linking learning and development initiatives tightly to the needs of the businesses is vital in Honeywell's highly competitive and rapidly evolving markets. Therefore, Honeywell uses an ongoing, multifaceted approach to ensure strategic impact of its learning and development efforts (Magee, interview):

1. *The management resources review process is used to identify common needs across the corporation and within specific management bands.* Honeywell has a robust process for assessment

of talent (management resources review process) that includes data from performance reviews as well as 360-degree feedback. The learning and development group leadership reviews these data annually to develop a hierarchy of needs across the company, as well as needs specific to particular management levels, functions, and regions. Especially important in this regard are the data that compare employees' strengths and weaknesses on the twelve core Honeywell behaviors.

2. *Learning is integrated into the strategic planning process.* The learning and development organization has visibility to the strategic plans of each of the businesses, their key objectives—growth, profitability, and so forth—and the major challenges to achieving them. The chief learning officer (CLO) and his team ensure that the learning and development strategy is aligned with the business strategy. They have face-to-face meetings with each of the business presidents to validate that what learning and development is offering continues to meet the strategic needs of the business.
3. *The CLO works directly with the CEO and senior management team to support new initiatives.* The chief learning officer has direct insight into the major initiatives of the chief executive officer (CEO) and his team and works to ensure that learning initiatives are designed, piloted, revised, and in place to support the business needs being addressed. A current example would be all of the learning and development needed to support the Honeywell Operating System initiative, a standardized way of doing work at the manufacturing level.
4. *Leaders teach.* "Leaders as teachers" is a core value at Honeywell. Senior leaders participate regularly as instructors and mentors in learning programs. Their deep knowledge and immediate credibility not only greatly enhance programs, but their participation also provides them with first-hand knowledge of the program objectives and what is being taught. This serves as a continuous check that learning and development is addressing the most important business needs.

AVOID PITFALLS

That outcomes should be defined in advance and linked to business outcomes is hardly a new idea. Brinkerhoff called it "the fundamental logic of training" (Brinkerhoff, 1987); it is discussed in every textbook of educational design; its merits are extolled at training and management conferences. Yet in our consulting practice, we continue to encounter programs that miss the point, despite the efforts of professional, experienced, well-intentioned design teams (Exhibit D1.1). How does this happen?

Exhibit D1.1. A Bad Example.

A major corporation recently consulted us about increasing the impact of a soon to be launched management development program.

We asked: "How will the company benefit by having someone attend the program? What will participants do differently as a consequence that will improve business results?"

There was an awkward silence.

The chief of learning turned to the program director. The program director deferred to the designer. "That's a good question," they all said. But no one had the answer.

They had a detailed plan—practically to the minute—of what was going to happen during the course. They knew which leadership models they were going to use. They had purchased a custom simulation and hired big name speakers. They had a list of learning objectives—what knowledge participants would acquire—but no one could explain how these were linked to the business of the business. They were about to launch the program to hundreds of mid- and upper-level managers, but no one responsible for putting it together could explain the key business drivers or how attendance would increase productivity, generate new revenue, or otherwise create value for the company.

This was a smart, dedicated, hard-working and talented team, yet they had fallen into the trap of focusing so hard on the how that they had lost sight of the why. Their experience suggests just how easy this is to do and why learning and line leaders alike must keep coming back to the business rationale—defining the intended outcomes in business terms.

Our experience suggests that there are five key pitfalls that must be avoided:

- Action without analysis ("We need a program")
- Confusion between means and ends
- Laudable intent
- No line leader input
- "Training results cannot be measured"

Action Without Analysis ("We Need a Program")

When the goal of having a program is defined as "having a program," the initiative is in trouble from the start. The problem typically begins when someone in upper management decrees that the company needs to have a program on some particular topic. Ideally, the impetus is a real business need, such as insufficient bench strength in the leadership ranks or a changing environment that demands a new strategy. But programs also spring from causes that are less results-driven, such as a business book extolling the latest theory, a consultant, a competitor's program (especially if it attracted media attention), or a pointed question from the board ("What are we doing to accelerate innovation?").

Whatever the inciting event, the assignment gets passed down the line as, "Put together a program on X." Well-meaning subordinates set in motion a whole series of events to fill the order. Experts are consulted; vendors are vetted; leadership models are debated. After the expenditure of much energy, a "custom" curriculum is designed; logistics are planned; speakers are hired. The only detail that has been overlooked is the business driver: What results are we expected beyond "having a program"? The program becomes an end in itself; success is defined as the number of attendees among the target audience and whether they enjoyed the process (as reflected on end-of-course evaluations).

The higher in the organization that the idea for the program originated, the less likely it will be challenged. "Having a program" will become an unquestioned organizational imperative. Jack Welch is reported to have said that one of the problems with being CEO is that "you ask for a cup of coffee and they go out and buy Colombia."

If the CEO wants a program, what human resources or organizational development staff member is going to have the temerity to ask: "Why?" or "What's the payoff for the company?" Yet those are exactly the kinds of questions that must be asked if learning and development is going to succeed. As Susan Burnett put it: "When I was being interviewed, the CEO said, 'I want Merchant University.' And I said: 'Why?' If I had not had that conversation, I would not know." (See From the Top: Susan Burnett.)

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From the Top: Susan Burnett, The Gap, on Defining Business Outcomes

When Susan Burnett became senior vice president of talent and development for Gap, Inc. she got some good news. "I came in on the day they were finalizing the budget and sat down with my new boss.

She showed me the budget and she said, 'Hey, I have some good news for you. The learning team got six million dollars in incremental funds to produce Merchant University, Design Academy, and a new on-boarding process.' I said, 'OK, cool, six million dollars, that is great. But why does the business need these programs? What business results are we supposed to produce for Gap, Inc?'

"And so I interviewed people, talked to managers. I am voraciously interested in how the business works and how we make money—always have been. It comes from years of line management. So here was the perfect opportunity. I was a new leader, in a new business, and I needed to really understand the drivers for success.

"I learned about Gap's business strategies for growth, operations, and people. As I talked with the executive team and their leadership teams, I learned that Gap's transformation would come from building new leadership capabilities in our people and new organizational capabilities in product development, supply chain, and IT. I learned that the merchant job was central to our brand's success, and that Gap had invented the role of the merchant in the late 1980s, evolving from buyer to merchant leader. I also saw that the current reengineering of the product pipeline would require the reinvention of the merchant role again. And I learned that turnover of our new employees and our key merchant talent was industry leading and unacceptable.

"I was so excited that my learning organization would have the opportunity to make a big difference in achieving Gap's business objectives. We could stem the new employee turnover tide with an awesome hiring to on-boarding process that improved productivity and performance in the first ninety days. We could accelerate understanding of the new merchant role, the new concept to customer pipeline, and build the new merchant general management capabilities desperately needed by our business."

Then she discovered the bad news. The learning team was not connected to the priorities of the business. They were not working on the right issues, but they were working hard to produce legacy programs. They had not had the opportunity to be connected to the business strategies and core changes the new leadership was driving.

"I got a proposal for Merchant U that wasn't connected to the transformation the business needed for success. I also saw that they didn't have the critical business relationships and connections that would get them the information they needed. They were working directly with the merchants, the folks who were the target for the changes. It was a recipe for failure."

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The stronger the command-and-control culture of a company, the more likely everyone will exert best efforts to create a program without ever stopping to ask, "Why?" The result will be a learning initiative that lacks grassroots support. Line managers will grumble among themselves about the cost or wasted time, but most will go along in order to save their powder for bigger battles. A conspiracy of silence develops; the discussions of the program will all take place in what Connolly and Rianoshek (2002) call "pretense" mode—everyone saying the right things but no one addressing the real concerns. And the poor learning organization—having done its best to fulfill what it thought it was asked to do—will not understand why its contribution is not valued as highly as the management rhetoric should suggest.

Programs created for the sake of "having a program" are doomed to failure. Line managers and learning leaders must work together to create a climate in which it is acceptable to challenge the premise of proposed programs and in which the only acceptable rationale for learning and development initiatives is a legitimate business need.

Confusion Between Means and Ends

Just as "having a program" is inadequate as a rationale, "having given a program" is inadequate as an outcome. Many corporate learning and development departments still report the number of people taught, hours of instruction, and number of courses offered as though these were results. Learning management systems have contributed to the problem by making it easier to collect, generate, slice and dice these data, and turn them into PowerPoint® slides. But such statistics are measures of *activity*—not *productivity.* They are, as we shall see, measures of inputs, not outputs.

The well-known human resources consultant, Dave Ulrich, related a meeting he had with the chairman and top human resources leaders from a large bank. "The training person said that 80 percent of employees have done at least forty hours in classes. The chairman said, 'Congratulations.' I said, 'You're talking about the activities you're doing. The question is, What are you delivering?'" (quoted in Hammonds, 2005).

The real goal of learning and development—and the standard against which it will increasingly be measured—is the extent to which it contributes to a company's prosperity and competitiveness. That requires understanding the business drivers and designing for and measuring against them. The *activities* involved—courses, hours, instructors, coaching, action learning, and all the rest—are the *means* to an end, not the end itself.

Confusing means with ends is hardly peculiar to learning and development. In any initiative, it is easy to become so focused on activities that the original purpose is lost. "Having lost sight of our objectives, we redoubled our efforts." Activities are seductive; they are concrete, quantifiable, and easy to measure. But Bordonaro points out the danger of "paying disproportionate attention to the measurable simply because it is measurable" (2005, p. 214).

Writing about corporate change initiatives, Schaffer and Thomson (1992) said: "At the heart of these programs, which we call 'activity centered,' is a fundamentally flawed logic that confuses ends with means, process with outcomes." A focus on activity rather than results leads to a situation in which "[t]he performance improvement efforts of many companies have as much impact on operational and financial results as a ceremonial rain dance has on the weather" (p. 2).

The fault is management's. As the comic character Pogo said: "We have met the enemy and he is us." For years, learning and development organizations have been treated as pure cost centers rather than contributors to productivity. The result has been undue emphasis on efficiency (cost containment) rather than efficacy (cost benefit), on activity (programs or hours of training) as opposed to results (increased sales, greater efficiency, higher retention). Training departments, consultants, and vendors do not promise specific results because they haven't had to. As long as companies are willing to pay for activity, only a fool would offer more.

This is in stark contrast to the standards for line departments. If a sales manager requests funds to increase the size of the sales force, he or she must be able to demonstrate how this will be translated into more *sales,* not merely more sales calls. A sales manager is measured and rewarded for achieving the promised increase in revenue, not merely increasing the size of the sales force, even if that is an enabling intermediary milestone.

Line management and learning leaders must work together to ensure that learning departments are held accountable for demonstrating a return on investment, that they are subjected to the same rigorous scrutiny to which a well-run business subjects its line operations, and that they are recognized and rewarded for producing results. It is a manifest disservice to both learning leaders and shareholders to use a lower standard to evaluate educational programs than other business processes.

Laudable Intent

A third pitfall for learning and development programs occurs when they are positioned on the moral high ground. Challenging the value of leadership development, six sigma training, or a diversity program is akin to questioning the value of motherhood, patriotism, or equality. Managers who value their careers are reluctant to challenge programs with laudable intent.

The result is that learning and development initiatives on politically correct topics are not subjected to the same kind of rigorous examination and debate as other expenditures of comparable magnitude. The debate about a marketing program is rarely about whether more sales are good—that goes without saying. The debate is about whether the proposed plan is the best possible approach and whether it is likely to deliver the promised results. Likewise, debate about a proposed training program in leadership, diversity, total quality, or other laudable objective should be about whether the proposed process, objectives, and metrics have a high probability of delivering the desired results. Such debate has nothing to do with the merit of the objective, which is a given. To maximize the effectiveness of their organizations and programs, learning leaders should welcome debate about the best means of achieving laudable intents and should work with line leaders to encourage it.

No Line Leader Input

We continue to be surprised by the number of major programs, in otherwise well-managed companies, that are developed entirely within the human resource or training organization and go forward with little or no input from line leaders. Although it is true that human resources, organizational development, and learning organizations have deep expertise in their respective disciplines, they are not the consumers of the program or directly accountable for the bottom line. Their perspective on the business is different from that of line leaders; they have less hands-on experience managing hard business metrics. If they consult only among themselves, they may design a program with strong learning objectives but only weak links to key business measures.

In their book, *Performance Consulting,* Robinson and Robinson (1996) underscore the importance of aligning people strategies with business goals. They argue that learning professionals must transform themselves from traditional trainers to performance consultants. "Someone in the role of Performance Consultant thinks in terms of what people must *do* if business goals are to be achieved. This is different from the traditional training process of focusing on what people must *learn*" (p. 10, emphasis in original).

From the Top: Al Vicere, Pennsylvania State University, on Business Links and Sponsorship

Al Vicere is Executive Education Professor of Strategic Leadership at Penn State University and president of Vicere Associates, Inc. He has worked with top leadership teams and development programs in the world's leading companies. When he was asked to think of a program that he was really proud of and that was producing results, he thought immediately of 3M. He stressed the importance of active senior sponsorship, linking learning to strategy, and thinking systemically about change.

"From the outset, the CEO, Jim McNerney, really believed in learning and development as a pathway to change. There is a staff of people who are extremely competent and understand learning processes. Between that staff and McNerney with his excitement, they now have an entire senior leadership team who have made the learning process a platform for change. They have embedded it into the organizational processes of their culture."

Vicere acknowledged that "it certainly helps when you have a CEO who gets it and who understands the power of learning," but the key was McNerney's visible and active support that went far beyond words: "Not just putting people in a room, communicating a message, and hoping it sticks. But really communicating with people, engaging them in an active process where they can see and experience how learning is used to start to frame the next stages of the organization's evolution. Not only did he have the perspective, but the teams that were put in charge of designing the initiative were in constant touch with him. He wanted not just to be 'briefed' as they say, but to talk about the process, look at some alternatives, generate ideas.

"The next success factor was the internal team at 3M who put the process together. It was a diverse team of people who were open to the idea of linking the learning platform to the strategy. They were very, very open to the idea of looking at the strategy and learning systemically. 'Let's build the initiative around the strategy. Let's link the initiative tightly to the workplace so that it is not just words, but a set of practices. Let's make sure that people recognize that the skills that they are practicing are actually the skills they will need to achieve the business metrics. And let's make sure that they see that achieving the metrics is critical to success, rewards and advancements.'

"The third success factor was that team was smart enough to know that a team of people from HR cannot create a platform like this. It has to be embedded in the operating management of the firm. So the team spent an enormous amount of time interacting with senior management in 3M, bouncing ideas off them and engaging them in the process. As an example, in the Accelerated Leadership Development program 75 to 80 percent of the teaching was done by 3M executives.

"The last big meta-piece is that the learning in all of the initiatives is very, very relevant to the strategy, to 3M's strategic imperatives. It is abundantly clear where the company is trying to go and that learning is directly tied to getting there."

The business impact and importance of the resulting model were independently confirmed in a recent article in the *Harvard Business Review,* "Turning Great Strategy into Great Performance": "Soon after he became CEO of 3M, Jim McNerney and his top team spent 18 months hashing out a new leadership model for the company. Challenging debates among members of the top team led to agreement on six 'leadership attributes'—namely, the ability to 'chart the course,' 'energize and inspire others,' 'demonstrate ethics, integrity and compliance,' 'deliver results,' 'raise the bar,' and 'innovate resourcefully.' 3M's leadership agreed that these six attributes were essential for the company to become skilled at execution and known for accountability. *Today, the leaders credit this model with helping 3M to sustain and even improve its consistently strong performance*" (Mankins & Steele, 2005, p. 72, emphasis added).

Programs that are clearly linked to business strategies and that have support from senior line leaders can have profound and long-lasting impact on company performance (see From the Top: Al Vicere).

One way to ensure line leader input is to create a steering committee of both business and learning leaders to provide oversight and insight to key development programs. At Sony, for example, senior business leaders serve on Sony's Talent Management Council, which helps design and evaluate Sony's Integrated Leadership Curriculum. An executive from the council attends the virtual wrap-up session in which participants report the business impact of working on their leadership goals. The involvement of senior leadership in not only the design process but also the ongoing rollout ensures that the program has legitimacy and remains focused on business outcomes. A side benefit is that senior leaders hear first-hand the impact it is having.

Scott Saslow, writing about best practices in executive education, summarized the benefits of forming an advisory board as follows: "Senior executives, from multiple business units and corporate functions, should regularly meet and provide input on what needs to be done (and win implicit buy-in in the process). They will help push programs through the approval and budgeting process and provide timely and accurate feedback on program effectiveness. Educational programs will carry significant weight if they are supported by the advisory board and board support will increase the credibility of the entire executive education function" (Saslow, 2005, p. 45).

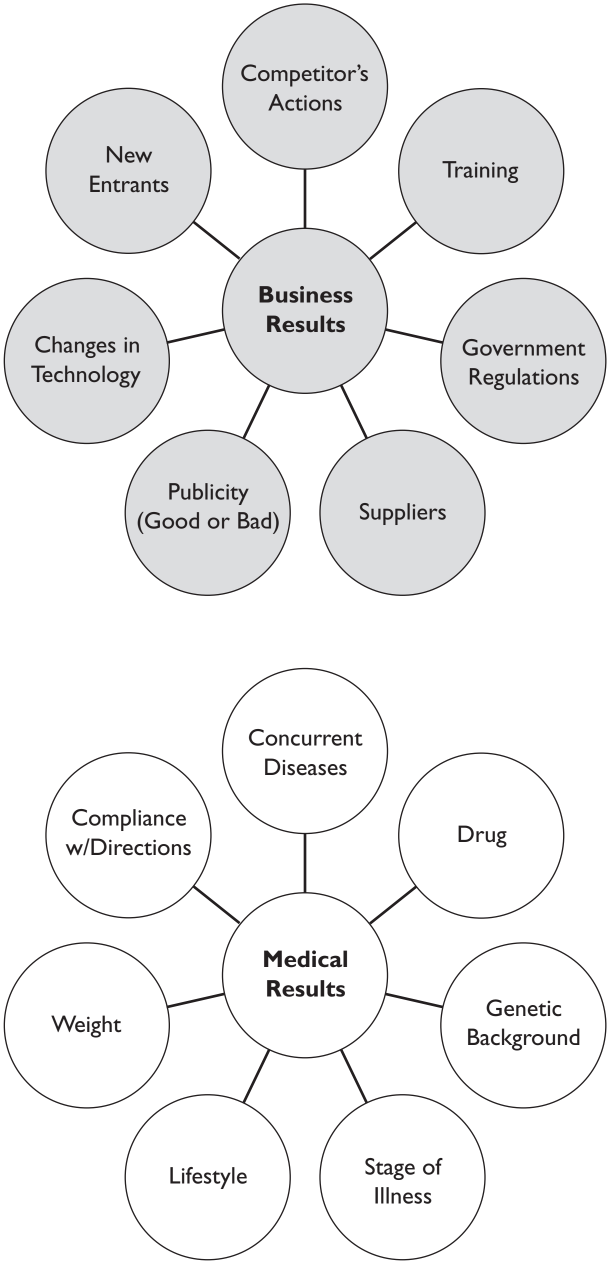
"Training Results Cannot Be Measured"

A frequent excuse for failing to define the expected results of learning and development is that "it cannot be measured." We do not deny that it is difficult to isolate and quantify the specific contribution of training. Many factors influence business results: overall economic climate, success of marketing, competitors' actions, new market entrants, even the weather. But those factors also confound the evaluation of sales, marketing, and other business activities, which are nevertheless held accountable for delivering on their promises.

That something is difficult to measure with precision, or that it is influenced by numerous extraneous factors, is no excuse for not defining objectives. When a pharmaceutical company develops a new drug, it must specify the drug's claims—what it supposedly treats or cures. The company must provide the Food and Drug Administration with a plan to prove beyond a reasonable doubt that the drug does, in fact, what it claims to do. Data must be obtained from real patients. But the effect of the drug in real patients is influenced by many other factors—lifestyle, concurrent diseases, stage of illness, and genetic background. Patients may not have even taken it according to directions (Figure D1.1), and the outcome may be quite hard to measure. No matter. If a company wants the rights to market a drug, it has to design and execute an evaluation scheme that unequivocally documents the drug's benefits in spite of these difficulties.

Before the FDA was established, drug producers were allowed to make whatever claims they wanted. The result was the "snake oil salesman," who sold extravagant claims for quack remedies to the gullible for whatever ailed them. It is precisely to avoid promulgating unsupported remedies that the "Standards for Educational and Psychological Testing" were prepared by a committee of the American Educational

Figure D1.1. Many Factors Besides Training Affect Business Results, Just as Many Factors Besides a Drug Affect the Medical Outcome in a Patient. Nevertheless, Both Can and Must Be Measured.



Research Association, American Psychological Association, and the National Council on Measurement in Education (1996).The standards require that measures (and by inference, human resource programs based on these measures) be reliable and valid predictors of the value to individuals and organizations. The difficulty of reliably defining and measuring the outcome of educational programs is acknowledged, but difficulty does not provide an exemption from the standards.

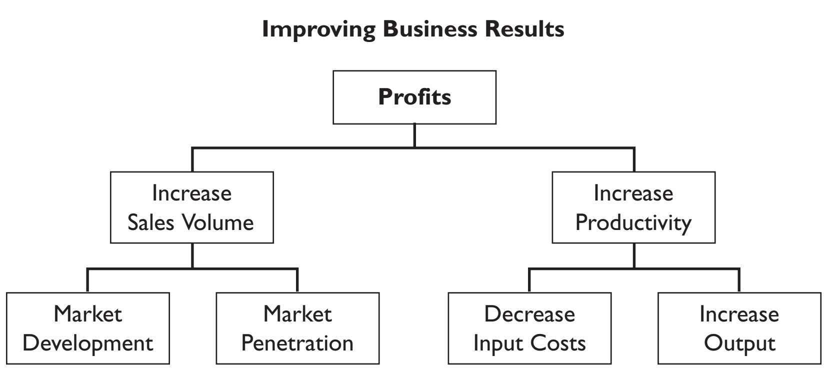
"[E]xperience with several CEOs and top teams and regular discussions with their advisors convince me that the rejection of measures in learning fundamentally is a dead end. Measurement is an integral part of human endeavor, and its power can't be cancelled out by high-sounding sentiment" (Bordonaro, 2005, p. 229). To claim that the effects of learning and development cannot be measured is wrong-headed and potentially dangerous; if the positive effects of learning and development cannot be measured, then presumably neither can the negative effects of reducing or eliminating it. Failure to measure outcomes no doubt contributes to the fact that training budgets are among the first to be cut in periods of belt tightening.

The discipline of defining outcomes in business terms is an important safeguard against this pitfall because it defines in advance the measures of success that matter to management.

MAP THE IMPACT

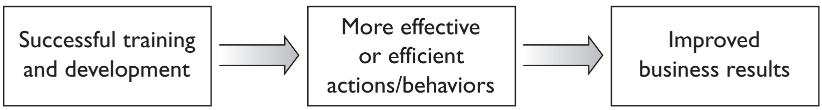
Ultimately, there are only two ways to increase profitability (the ultimate measure of corporate performance): (1) increase revenue; (2) reduce the cost of producing goods and services (Figure D1.2).

Figure D1.2. Pathways to Improving Business Results.



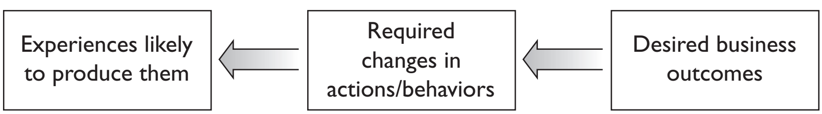
For learning and development programs to add value, they must contribute to one or both of these pathways by helping employees take better, more effective, or more efficient actions on the job. Improved actions and changed behaviors must necessarily precede business impact—and therefore will be evident first (Figure D1.3).

Figure D1.3. Learning and Development Produces Results Through New and More Effective Behaviors of the Participants.



Because the flow of causality is from left to right, from training to behaviors to results (Figure D1.3), learning and development programs must be planned in the opposite direction, from desired results to the behaviors required to produce them to the sorts of exercises and experiences needed to create the capability for action (Figure D1.4).

Figure D1.4. Learning and Development Programs Should Be Designed Beginning with the Desired Business Outcomes and the Changes in Behavior Required to Produce Them.

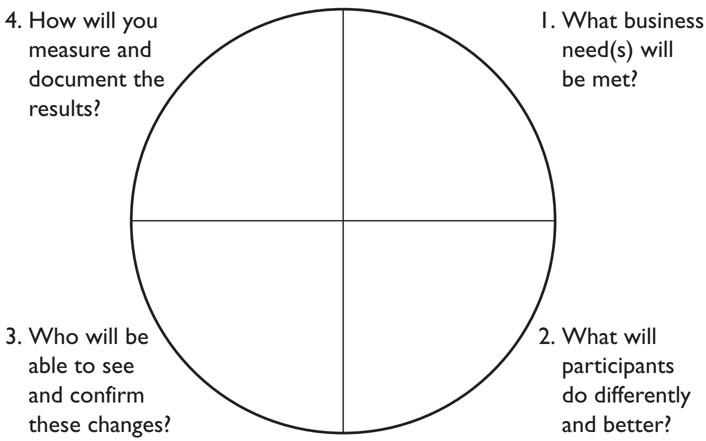


Impact Mapping

Brinkerhoff developed the concept of *impact mapping* as a powerful tool for ensuring linkage between learning initiatives and the ultimate goals of the business (Brinkerhoff & Gill, 1994; Brinkerhoff & Apking, 2001). The three core elements of impact maps are capability, performance, and results: "[I]f we learn how to do something, we have the capability to perform in a new way. For value to occur, we have to change our behavior and use the new capability in performance. Further, our performance must be aimed at worthwhile results" (Brinkerhoff & Apking, 2001, p. 63).

We have found the planning tool in Figure D1.5 helpful in guiding the discussion between line leaders and learning providers to map the desired impact. It begins by asking managers to define the business needs that will be met if the course is a success; in other words, how will value be created? The second question helps translate these overall goals to what, specifically, participants need to do better or differently following the program to achieve the business results. The third question gets at process measurement. That is, what will be the early indicators that the program is working? The final question is important because it defines the scorecard by which success will be judged.

Figure D1.5. A Tool for Helping Line Leaders and Learning Providers Reach a Common Understanding of the Required Outcomes.



Use the input from interviews with line leaders and discussions with the advisory council, steering committee, and other stakeholders to construct an impact map that makes explicit the links between capabilities (specific skills and knowledge) and the ultimate objective: improved business results (Figure D1.6). Share this impact map with the key stakeholders and revise as necessary. Begin planning the actual developmental experiences only after consensus has been reached on the outcomes, the capabilities, and the performance needed to achieve them.

Human Performance Technology

The International Society for Performance Improvement (ISPI) has defined human performance technology (HPT) as a systematic approach to solve practical problems of performance by the individuals and groups in organizations. They have defined a set of governing principles that

Figure D1.6. Two Examples of Impact Maps That Relate Capabilities to Be Developed to Performance and Overall Business Objectives. Note That at This Point, Neither Is Concerned with *How* the Capabilities Are to Be Developed, yet Both Immediately Suggest Intermediate and Ultimate Measures for Results.

Target Population	*Capability Needed*	*On-the-Job Performance*	*Work Unit Result*	*Overall Business Objectives*
District sales manager	How and when to coach for greatest benefit	Uses coaching language and techniques when interacting with sales representatives	Increased sales performance by reps Lower turnover	Growth Improved profitability

Target Population	*Capability Needed*	*On-the-Job Performance*	*Work Unit Result*	*Overall Business Objectives*
Newly promoted supervisors	Ability to recognize developmental level and adjust leadership style for maximum benefit	Use concepts and methods of situational leadership	Greater unit productivity Greater job satisfaction Lower turnover	Improved profitability Greater management bench strength

reinforce the importance of clearly defining desired outcomes and performance gaps before designing interventions:

- Focus on outcomes.
- Be systematic in the assessment of the need or opportunity.
- Be systematic in the analysis of the work and workplace to identify the cause of factors that limit performance.

"The HPT process begins with a comparison of the present and the desired levels of individual and organizational performance to identify the performance gap. A cause analysis is then done to determine what impact the work environment (information, resources, and incentives) and the people are having on performance. Once the performance gap and the causes have been determined, the appropriate interventions are designed and developed" (ISPI, n.d.).

PICK THE RIGHT PROBLEM

In most fields of human endeavor, half the solution is defining the right problem. The key to maximizing the return on learning and development is to pick the right need to address. Which improvement target offers the greatest potential for return is very much situation-specific. It depends on a company's history, environment, market, competitors, product life cycle, and cost structure. Moreover, circumstances change over time, so the most pressing need of a prior year may no longer be the best current investment. Corporate educators must continually scan the environment, reassess their offerings, and adjust to changing needs just as product development, sales, and marketing leaders must.

Picking the right problems and delivering the right solutions require ongoing dialogue between general managers and educators that is characterized by open-minded questioning, active listening, and a real interest and passion for the business.

Discover the Highest-Value Needs

Successful companies invest substantial time and effort to discover their customers' most important unmet needs. In *The Innovator's Solution,* Christensen and Raynor (2003) explain: "When customers become aware of a job that they need to get done in their lives, they look around for a product or service that they can 'hire' to get the job done." Therefore, "companies that target their products at the *circumstances* in which customers find themselves, rather than the *customers* themselves, are those that can launch predictably successful products" (p. 75).

In effect, line organizations "hire" learning and development to do a job they need done. The better the learning and development group understands the *circumstances* that line managers face—the business ends they are trying to achieve—the better they will be at delivering solutions that produce valuable results. Learning and development organizations must invest more in market research to be certain they continue to discover and address the highest-value needs.

Put a Price on It

The impact of learning and development in business is ultimately measured in financial terms. It makes sense, therefore, to target programs to opportunities with the greatest potential for payback. Spencer (2001) recommends developing a business case for each proposed intervention to ensure that it has sufficient potential to merit the effort. The steps are to calculate the overall value of the opportunity by analyzing the difference between the value of average and above-average performance, estimate the percentage of the performance variance that training can affect and the likely magnitude of that impact, and use these to project an expected economic value added and return on investment from the proposed program.

Spencer (2001) used this approach to evaluate the expected benefits and return on investment for a program designed to enhance emotional intelligence of branch managers in a multinational technology company. Using company financial records, he showed that the profitability of branch managers who were performing one standard deviation above the mean was $1.7 million better than average performance. Thus, even if the training program improved performance just a fraction of a standard deviation, it had enormous potential for return. Based on this analysis, the program was approved, implemented, and evaluated. Although the actual impact was smaller than projected, it still produced a very strong return on investment.

This technique can be used to estimate the probable value of proposed programs. Depending on the nature and complexity of the job, employees whose performance is one standard deviation better than average produce up to one and a half times more value than average performers. The specific values of differences in performance for many different job types have been researched and published. These can be used to adduce the relative value of different training proposals.

Do Your Market Research

How does a company decide which customer needs offer the most attractive opportunity for its products and services? Market research. Multiple sources of data are consulted. Studies, interviews, and focus groups are conducted to understand what customers want, what they are willing to pay, how they will judge success, and how they should be segmented and targeted.

Defining customer needs for a learning and development initiative should be less rigorous than defining customer needs for a new automobile or laptop computer. Many of the same techniques should be used. Since most key customers for learning and development are internal, the needs analysis should be faster and less expensive to conduct than for a consumer product, but for a major program it should be no less thorough.

Do Your Homework

There are two key sources of information from which to identify the most valuable training interventions: "explicit" knowledge contained in business plans and reports, and the tacit knowledge of leaders, managers, and employees. Both will be needed to make an informed decision. Program designers and teams should begin by reviewing all of the available written information before taking busy managers' time for interviews or focus groups.

There are three reasons for this. First, it demonstrates respect for others' time and the pressures they face. You should never waste a manager's time asking him or her to go over things you could have easily read for yourself. Second, you will be afforded more respect—and probably more time—if it is clear that you have done your homework and have generated ideas of your own. Third, with the business plan as background, you will be able to ask more intelligent and penetrating questions and thus reach a deeper level of understanding than if you simply show up and ask to be enlightened.

Get a copy of the business unit's plan and read it carefully. Review any other relevant company documents, such as a strategic plan, consultant's report, and competitive analysis. Read actively with an inquisitive mind. What is the business unit trying to accomplish? What are their key objectives and initiatives for the year? What do they list as the competitive threats or downside scenarios? What keeps them up at night worrying? Where could an effective training or development program reduce the risk and improve the likelihood or magnitude of the success?

Once you have reviewed the available documents and formulated ideas about key needs, it is time to get out and speak with line leaders. The goal is to elucidate and understand their greatest unmet needs, their pain and frustrations. What are the causes of suboptimal performance that education could resolve? Where are there inefficiencies or inconsistencies that waste significant amounts of time and money? These are the problems to attack first. Suggested interview guidelines are given in Exhibit D1.2.

Avoid the temptation to interview only other learning leaders or the heads of human resources; the information you gather will be insufficient. However well-informed and well-intentioned they may be, they are one step removed from the action. You have to talk to the people who are in the arena, the people whose careers depend on delivering results. If learning and development can achieve real alignment with the

Exhibit D1.2. Interview Guidelines for Discovering Business Needs.

Preparation

- Do your homework; read the relevant business plans, reports, and related materials.
- Schedule your interview with the business leader in advance; state the objective and time required.
- Know what you want to get out of the interview before you begin.

The Interview

- Follow the classic sales opening: meet and greet, state the value, propose an agenda, check for agreement.
- Start on time and end on time.
- Use open questions, check for understanding by restating, and probe for the deeper issues.
- Summarize what you understood from reading the plan and check for understanding: "From what I was able to read, it seems like the most important things you are trying to accomplish are. . . . What have I missed?"
- Ask for help in identifying the links among overall business goals, the specific objectives of the person or unit, what performance looks like, and what capabilities are needed to achieve them.
- Identify the main gaps between current and desired performance. Are there areas in which people lack key skills or capabilities that will make it difficult to achieve the objectives? What one improvement in terms of people's skills or behaviors would most help achieve the objectives?

Follow-up

- Immediately following the interview, summarize what you heard very succinctly in writing.
- Construct and enclose an impact map; it is an excellent way to set out your understanding of the linkages between the results desired and the capabilities needed to support them.
- Send a thank-you note to the person you interviewed and include a copy of your summary ("Thank you very much for your time. I found our discussion very helpful and enlightening. I have attached a brief summary of the key points. Please let me know if I missed or misunderstood anything").
- The purpose is fourfold:
  1. Summarizing your notes will encourage you to reflect on what you have learned and better cement it in your memory.
  2. The document will be a useful reference as the planning process proceeds.
  3. Your summary acknowledges that you valued the person's time and input.
  4. Finally, sharing your summary with the person you interviewed provides him or her with the opportunity to correct any oversights or misunderstandings, which will help you create a superior solution.

needs of the business and help line leaders deliver results, it will have strong support, even in the face of financial exigencies (see From the Top: Ray Vigil).

From the Top: Ray Vigil, Chief Learning Officer, Humana, Inc.
Ray Vigil is the chief learning officer for Humana, Inc. Health care is a rapidly changing industry that places unprecedented demands on its leaders. Skills and approaches that were successful in the past are no longer adequate; new leadership competencies and insights are needed. Vigil explains how the leadership development strategy must be an integral part of the overall business strategy and how it must begin with the end in mind. Because these conditions have been met at Humana, the Leadership Institute is viewed by the top management as an important enterprisewide tool with tremendous positive business impact.

"The CEO wanted to take a very traditional company and move to a consumer-centric point of view, approaching problems and the industry very differently, so that we produced competitive advantage by a disruptive change strategy in the way we go to market. But historically, leaders in health care have not had the same kind of leadership development focus that other industries have had. So, the big challenge we had initially was how to take a management team that had been successful with very traditional functional skills and get them to realize that they needed to embrace a very different vision; they had to develop the capability to work across the enterprise, not just in their function.

"Our CEO had been working with the senior leadership team to develop an enlightened view and a strategy for becoming a consumer-centric company. While leaders understood the strategy intellectually, they were having difficulty understanding what they had to *do differently.*

"Most people would say, 'Gee, if you understand something, it ought to be obvious that you take action on it.' But I think it is a very big challenge for people to *execute* a strategy that is very different from the mindset and skills that brought them success in the past.

"From the beginning, when our CEO said, 'I know I need a chief learning officer,' I interpreted that to mean that he had a business strategy that was going to require a great deal of change leadership, and he needed a learning strategy to complement the business strategy. I was able to convince my team that we needed to think about what we were doing in a strategic sense. We needed to really drill down on where the CEO wanted to take the business and what it was going to take to get us there. What did the future state look like?

How do you implement and execute that strategy with the human capital we have?

"We devised something we called the touch-point program to identify the key intersections, the key leverage points with the organization that could make a difference. We identified the key stakeholders and made them part of the design team. They helped us design the whole process, including the evaluation and after-action review. When it came time to implement, everybody was shocked that there was such great acceptance, but that was because we had identified the key leverage points and through the touch-point campaign had incorporated their interests and thinking into the program. Because we started with an outcome of use and what the end state was supposed to look like, we were able to integrate all the pieces into a coherent strategy and an integrated experience for the participants."

APPLY MARKETING PRINCIPLES

Most likely, market research on learning needs will discover a target-rich environment—a large number of situations in which learning and development could contribute to the success of the enterprise. By no means should all of these be pursued. Learning and development organizations need to pick their targets carefully. No enterprise has sufficient resources to pursue every market opportunity; no learning and development group can take on all the potential teaching opportunities. The more limited your resources, the more important it is to target your efforts where they will produce the greatest return.

Segment and Target

Targeting educational efforts is analogous to targeting marketing campaigns. Successful marketers understand that all customers are not created equal. Customers' circumstances differ, their needs differ, as do their definitions of quality, willingness to pay, and how much it costs to serve them.

Marketers divide potential customers into *segments* according to what kind of product, service, or offer it takes to satisfy their needs. For example, the circumstances of a young family with children are very different from those of a successful executive with an "empty nest." As a result, the features that the young family values (is willing and able to pay for) in a car will be very different from the features sought by the corporate executive with grown children. The executive is unlikely to be in the market for a seven-seat minivan with juice-box holders, and the young family isn't going to buy an expensive, red, two-seat convertible.

Groups of customers that share similar circumstances, needs, and perceptions of value constitute a market segment; those with different needs and values form a different segment. Every market has multiple segments; no one product or service can satisfy them all. The key to success is to target the most attractive market segments with an offer that matches their circumstances and needs. Attractive segments are those who are large enough to support the organization's ambition, need the product or services, and perceive sufficient value to overcome the price barrier.

Customers who place little value on the product or service, are expensive to reach, impossible to satisfy, or unable to pay are unattractive segments and should be avoided. Trying to capture 100 percent of potential customers results in a Pyrrhic victory; the cost of winning some customers is so great as to be worse than a loss.

Learning and development needs to segment its potential customers by circumstance, need, value perceived, and ability to pay in the same way that the marketing department segments the company's customers. Picking the right problem means targeting finite resources where learning and development has the best opportunity to make a significant contribution. It means saying "no" to lesser opportunities and being prepared to defend the selection criteria—another place in which a joint advisory council or steering committee can be invaluable.

Is Training the Answer?

Not every problem is amenable to training. Indeed, as Senge (1990) showed in *The Fifth Discipline,* most business problems are system problems and require systemic approaches. One of the most common reasons that training fails to deliver satisfactory business results is that the problem was not a training issue in the first place (Phillips & Phillips, 2002). If the productivity of customer support personnel is low because the customer support software is slow and unreliable, no amount of training will noticeably improve the situation; better results will be achieved by expending resources to upgrade the software, equipment, or both. If, on the other hand, productivity is low because individuals do not know how to use the software efficiently or take advantage of shortcuts, the right training can produce a significant improvement.

Even when training is clearly *part* of the solution, it is rarely *all* of the solution. In the next chapter (D2), we will consider the criticality of designing the complete experience, which includes the systems and environmental factors that affect the success or failure of a program to deliver its objectives. Because learning and development is increasingly being held accountable for return on investment, it must work with line management to understand and optimize *all* of the factors that contribute to success and it must eschew assignments in which training is not the best answer.

MANAGE EXPECTATIONS

People buy products on the promise of desired outcomes. People do not buy quarter-inch drills; they buy the expectation of making quarter-inch holes. Management doesn't (or shouldn't) buy courses; they buy the expectation of improved performance. Whether or not they are satisfied with their purchase depends on the relationship between their expectations and the actual outcome. Therefore, learning and development organizations need to manage the expectations of their customers to ensure that expectations are in line with what can be realistically delivered.

Exactly the same level of performance will produce delight in one customer whose expectations were low and dissatisfaction in another whose expectations were high. Consider your own reaction to exactly the same meal if it were served to you in a modest diner for $9.95 or in the Plaza for $49.95. In the first case you would be delighted; in the latter, disappointed.

Those who decide how much to invest in learning and development will do so based on their anticipation of the value it will deliver. As with the restaurant example above, the greater the cost, the higher the expectation and the greater the benefit required for the purchasers to feel they have gotten their money's worth. The challenge for learning and development—as for anyone selling a product—is to promise enough to get the order but not so much that it cannot be delivered. And the best way to find the right balance is to agree in advance on the measures of success.

Agree on What Defines Success

Sporting events are fun to watch because everyone knows the rules, how points are scored, and what "winning" means. No one would pay to attend a football game if the rules for scoring were decided after the game was over or winning was based on which team enjoyed the game more. Likewise, learning and development can never truly claim success if the goalposts are not defined, fixed in position, and agreed to in advance. Management and the learning organization need to work together to define the "Conditions of Satisfaction" (see Exhibit D1.3).

Exhibit D1.3. Conditions of Satisfaction.

Richard Leider is a consultant and award-winning coauthor of *Whistle While You Work* and *Claiming Your Place at the Fire*. When asked about the importance of defining objectives, he said: "We teach leaders how to create what we call COS—conditions of satisfaction.

"What are your conditions of satisfaction? What is it that we are supposed to do differently after this and by when? What is it that you want delivered by when? Or created by when? You could call it accountability, but when leaders lead, they are customers. For leadership development, the line leader is a customer. She makes a request, she puts out certain conditions of satisfaction. And so this whole notion of leader as customer translates into the training, and therefore the follow-up practice; leaders have certain conditions of satisfaction for training.

"So often leaders are not clear about their conditions of satisfaction. There is a certain language and a certain rigor that leaders need to learn in order for meetings and training and transactions to be effective. It really clears up all that murkiness. You could say it is common sense; well, the fact is—look where the breakdowns are."

A good commission plan drives sales behavior because it spells out how salespeople can increase their financial success. Contracts include specified performance levels to avoid future disagreement about deliverables. In drug development, the evidence required to support a specific claim is agreed upon with the FDA *in advance* of clinical studies. Management by objectives is effective when individuals meet with their manager to define goals that are specific, measurable, achievable, relevant, time-bound, and agreed to in advance.

The objectives for a learning and development initiative should be no different. The promised results *and the way in which they will be measured* should be agreed to as part of the design, not as an afterthought. Only then do those responsible for implementation have the opportunity to excel.

Best the Competition

For companies to succeed, they need to ensure that the products and services they deliver provide more value for the money than the competitors'. For learning and development, the alternatives include not only other providers and delivery systems but also the lowest-cost and most serious competitor of all: "non-use," that is, no training at all. Learning and development organizations must demonstrate that they deliver substantially more value than no training at all, or it will continue to be the competitor of choice in times of fiscal restraint.

Case Study: British Broadcasting Company

When Nigel Paine took over as the director of training for the BBC, he discovered that the company was investing £1.5 million a year in executive education of one sort or another. But when he searched all the available records, he could find no evidence of return on investment (Paige, 2003). People who attended such programs did not necessarily advance more quickly, stay with the firm longer, or generate more business value. There seemed to be no rationale for why some employees were sent to training programs and others not, no explicit expectations of what would be gained, no follow-through. Therefore, he placed a moratorium on all educational spending.

Needless to say, there was a great hue and cry among providers, both internal and external. But no one, however, could present evidence that their solution provided more value than the alternative of doing nothing. One and a half million pounds is real money, even for a corporation the size of the BBC. An investment of that magnitude will and should be scrutinized. Management has a fiduciary responsibility to be sure that an investment in learning and development is the best possible use of the money and that it could not be more profitably deployed elsewhere.

This is a key point with respect to the first discipline of defining outcomes: learning and development programs compete for resources not only with alternative educational providers and formats, but also with other departments and other uses for the money. Canceling a £1.5 million expenditure, for example, drops £1.5 million straight to the bottom line. Learning and development leaders are at task to show how shareholders are better served by investing the £1.5 million in learning and development rather than having it reported as profit and paid out as dividends. To do that, learning and development must concentrate on issues and needs with the highest potential payout, define the outcomes in business terms, and develop a clear "line of sight" between the program, the capabilities participants will gain, the new behaviors they will practice, and the results these will produce.

SUMMARY

The first, crucial, and frequently overlooked step in successful learning and development is to define expected results in business terms. The most successful programs begin by identifying the highest value needs of the business that training can address. They define the outcomes that can be expected from an educational program and communicate them to the key stakeholders in the language of business. They agree in advance on the measures of success and then design the program and follow-through environment to overdeliver on the promise.

If this first critical discipline is skipped—if program designers fail to define expected results in business terms—no amount of effort in subsequent stages will fully compensate; the future of the program, and perhaps the company itself, will be at risk.

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ACTION POINTS

For Learning Leaders

- Never offer a program simply because you were asked to offer a program.
- Always ask, *Why? What is the benefit to the company?*
  - If you do not clearly understand the business need and the linkage between the training and filling the need, you cannot possibly design an effective intervention.
  - Stand your ground when you do not believe training is the solution or when training will fail unless accompanied by concomitant changes in systems, rewards, and so forth. Use the power of your expertise.
- Read and understand the business plan. Be proactive in identifying areas in which learning and development could contribute.
  - Test your ideas with discerning line leaders. Make them your allies.
- Once you have decided to address an appropriate need with training, negotiate a clear "contract" with management that specifies *in advance* the objectives, methods, and how success will be measured.
- Review all the programs for which your group is responsible to be sure each has a set of objectives that are credibly linked to business imperatives.

- Be proactive in managing the training portfolio; propose to management realignment or even reduction of resources if appropriate.

For Line Leaders

- Review the key learning and development initiatives in the business unit for which you are responsible.
  - Are they clearly aligned with the most pressing needs of the business?
  - Are there critical needs that are not being addressed?
  - Are time and resources being spent on worthwhile but lesser-value issues?
- If you conclude that the current learning and development initiatives are not aligned with the most important needs of your business, you and the learning leader share the responsibility for ensuring that they are.
- Write down the business need that you would really like to see learning and development address and the results you want. Then schedule a discussion with the head of learning and development.
- Ask whether it is possible to address your needs with training. (Keep in mind that many issues in business are systems or process issues that cannot be solved by training or can be solved more quickly and less expensively in other ways. If the head of your learning organization is any good, he or she will tell you whether it is realistic to try to achieve the results you want through training.)
- Work through Figure D1.5 with the head of learning and development.
  - Agree on the behavioral changes that are needed to achieve your objective and how they can be assessed.
  - Ask learning and development to propose a plan for achieving these results and review it critically, using the 6Ds as a framework.
  - If necessary, rebalance your learning and development portfolio to redirect resources to the initiatives with the greatest potential payoff.