
Developing a corporate learning strategy

Colin Coulson-Thomas

The author

Colin Coulson-Thomas is a Professor at Luton Business School, Luton, and a Chairman of ASK Europe plc, Cotoco Ltd and Adaptation Ltd, Cambridgeshire, UK.

Keywords

Corporate strategy, Knowledge management, Learning

Abstract

Corporate learning is at a crossroads. Existing courses and facilities are nearing the end of their useful lives, and there are new learning approaches and technologies to consider. A survey of the corporate learning plans and priorities of 69 organisations suggests there is widespread confusion and a lack of direction. Many courses are excessively general and fail to address particular requirements. The focus is overwhelmingly internal and on organisational needs. Individual aspirations and the requirements of customers and business partners are being overlooked. Existing information and knowledge are being shared, but training and development activities are contributing little to the creation and exploitation of new knowledge and intellectual capital. Opportunities for collaboration are being missed. In many companies training and development remain a cost although they could provide the basis for generating new income streams and become a significant business in their own right.

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The excessively general approaches to training and development employed by many organisations fail to address urgent and specific requirements according to a recent investigation of corporate learning plans and priorities. The two-year study involved corporate visits, reviews of training strategies, and interviews with individuals responsible for the training and development of over 460,000 people in 69 organisations (Coulson-Thomas, 1999a).

For many of the committed and hardworking individuals visited, the questions posed were timely. Reviews of many of the corporate programmes considered and most of the facilities inspected are long overdue. Trainers and developers also face the challenge of assessing the relevance of a new generation of learning approaches and technologies for particular contexts and requirements. The investigating team encountered widespread confusion and a lack of corporate direction. This could reflect the bewildering variety of options, and the tentative nature of many corporate strategies in areas such as e-business.

Articles that have already appeared in *Industrial and Commercial Training* examined two specific areas of deficiency identified by the resulting research report (Coulson-Thomas, 1999a), namely the failure to:

- (1) develop intrapreneurs (Coulson-Thomas, 1999b); and
- (2) equip people to win business in competitive situations (Coulson-Thomas, 2000a).

This article examines some further conclusions of the research, and considers the responsibility of the training community for additional areas of omission, as well as those already considered. Overall, the findings suggest that many training and development strategies are in urgent need of a fundamental review.

Many of those interviewed appeared uncertain as to their future contribution, and were experiencing difficulties in justifying new generations of training programmes. Some were also uncertain about their personal futures, and speculated as to whether in a “virtual” or e-business world there will be a continuing need for their courses, programmes, competencies and capabilities. The “stand-alone” education, training and development activities for which they are responsible are generally not embedded in business critical processes and ways of

working. Hence, expenditure on them is viewed, and is being treated, as a cost that is incurred in order to achieve some other purpose. Such activities may therefore be vulnerable to “cutbacks”.

Many general training courses also appear to be considered “non-core” activities, and possible candidates for “outsourcing”, rather than strategic activities in their own right and a vital investment in the creation of knowledge, intellectual capital and value for customers. Most of the training courses examined were primarily, or exclusively, concerned with the sharing of current and ageing information and knowledge. These training inputs are not leading to the creation of new knowledge and its packaging as intellectual capital for subsequent exploitation.

Knowledge management

“Knowledge management” was not a high priority for most of those interviewed. Despite the number of conference events and journal articles devoted to the topic, many were unfamiliar with the term. Most of the training and development professionals met are giving inadequate attention to the encouragement and support of the creation, sharing and application of knowledge and understanding. In the main, people attending events, or otherwise participating in training activities, are still expected to be passive recipients of whatever is provided.

The working environment within many of the corporate cultures observed is both a significant cost and a constraint on innovation and creativity. The physical and social contexts observed greatly inhibit the spontaneous creation of new knowledge, value and enterprises. “Human resource” professionals need to engage rather than merely comment. They must work much more closely with information technology specialists, business unit teams, and facilities managers to allow both reflection and interaction, and provide more flexible working and learning spaces. Organisations need to become incubators of fresh intrapreneurial activity, and better enable their people to develop additional intellectual capital (Coulson-Thomas, 1999c).

Passivity in the rapidly changing situation found in many markets, and merely importing and sharing existing information, knowledge

and understanding, is a recipe for being overtaken by events and, ultimately, if the practice continues, terminal decline. Astute business leaders tend not to employ “me-too” approaches. They endeavour to avoid playing “catch-up” according to yesterday’s rules. Instead, they are energetic creators, imaginative innovators and restless explorers. They actively invent new games, establish new markets, introduce new ways of working and learning, and generally push back the boundaries of what is possible in order to deliver greater value to their customers.

A few explicit knowledge management initiatives were encountered. However, they appear to have been conceived, and they now seem to operate, quite independently of trainers and developers. In some companies urgent action to stimulate the creation of new knowledge is required. Staff in many of the organisations examined would benefit from specific training and development to make them more effective at research and the application and exploitation of its results.

Knowledge entrepreneurship

According to the European Commission, the information society is now the “biggest industry in Europe”, and it is growing significantly faster than the rest of the economy. “Know-how” constitutes an increasing proportion of the value of end goods and services. Yet, most of the commercial organisations that were examined lack both general managers and professional specialists who fully appreciate the extent to which education, learning, training and updating are rapidly becoming global markets in their own right. They are among the most exciting of contemporary business opportunities.

Education, training and development should be perceived by more corporate trainers as a source of incremental external revenues. In many situations and contexts, there are significant learning opportunities and many possibilities for moving up the value chain by building up the know-how content of whatever is provided. There is enormous potential for income generation, higher margins and knowledge entrepreneurship (Coulson-Thomas, 2000b).

Opportunities abound for many of the companies that were visited to introduce new

knowledge-based services. The report based on the investigation identifies no fewer than 25 separate categories of offerings based on packaging and providing learning-related services (Coulson-Thomas, 1999a). Although there were honourable exceptions, almost all of them are being ignored by almost all of those interviewed.

In some cases, the incremental revenues that could be generated from new offerings have the potential to dwarf an existing operation. Yet information and knowledge entrepreneurship appears a “no go” area for most members of the training community. They wait in the wings while others venture forth. There is a particularly pressing need for information, knowledge and learning entrepreneurs among those responsible for training and development.

Business development

Reference has already been made to the fact that far too little of “the training budget” is devoted to the critically important areas of business development and entrepreneurship. In only one of the organisations surveyed was a programme observed to be in place to equip people to be more successful at winning business in competitive bid situations. In none of them does there appear to be any development activity which is explicitly devoted to the encouragement of enterprise and the support of entrepreneurship.

With more business being put out to competitive tender, and customers expecting more imaginative and bespoke responses to their individual requirements, these deficiencies need to be addressed urgently. The omissions encountered are disturbing, given that relevant exercises, courses and learning materials have been developed (Coulson-Thomas, 1999b and 2000b), including a toolkit for use in competitive bidding (Bartram, 1999), while guidance is available on how to equip bid teams with the skills they may require (Kennedy, 1999).

Although the training community has devoted considerable attention within peer discussions to “empowerment” and “self-managed teams”, this does not appear to have led to much in the way of specific action to equip people to conceive of, launch and build new ventures, either as internal intrapreneurs or external business partners. The primary

emphasis in the case of courses, programmes and initiatives examined appears to be on encouraging the exercise of more discretion within an existing operation.

Inadequate attention is also being paid to building relationships with key decision makers in strategic customers, suppliers and business partners. The support of “partnering” is a pressing requirement for many companies from the perspective of both selling (Hurcomb, 1998) and buying (FitzGerald, 1999), yet most corporate trainers are simply not addressing the distinct changes of attitudes, skills and approach that are required to achieve explicit “win-win” outcomes for all of the parties involved. In this area, almost all of them are missing an opportunity to make a very significant contribution, while the majority of them may actually be compounding the problem by continuing to offer courses that are counterproductive (Hurcomb, 1998).

Collaboration and the e-business revolution

The perspectives of many of those interviewed do not embrace the e-business revolution which is transforming “stand-alone” companies into networks of relationships that operate globally. Contractors, suppliers, customers, and business and supply chain partners can all have development needs which could, and in many cases should, be addressed. In some cases these are recognised. The report provides case studies of programmes that are either open to supply chain partners, or developed exclusively for them (Coulson-Thomas, 1999a). However, among the organisations participating in the survey, the emphasis is overwhelmingly upon the internal training and development of employed staff.

In some sectors, competition is increasingly between consortia, or networks, of collaborating partners. As greater use is made of outsourcing, and there is more of a focus upon core competencies, value is increasingly being delivered by supply chains rather than individual companies. Hence, the importance of learning and shared learning along and across supply and value chains. Examples of successful value chain collaboration can be obtained from the Web site of the Awards for Innovation in e-Business (www.awards.abfl.co.uk). Checklists are also available to help trainers identify how e-business can be used to support new

relationships with customers, and the competencies required to implement these (Stone, 1999).

With so much of their training budgets devoted to general courses in “teamwork” and “leadership”, it is surprising that so little of the latter is being displayed in the area of cooperation with other organisations. Most of the major organisations examined face similar problems and challenges, and yet many of those who were interviewed wrestle in isolation with issues such as how to select the most relevant learning technology, or bring down the “costs per head” of education, training and development activities. Opportunities for collaboration, joint action and specialisation on the basis of comparative advantage which might provide acceptable solutions or alternatives are being missed. More effort needs to be devoted to joint planning, joint appointments and resource sharing.

Individual and corporate objectives

So much effort is being devoted to the achievement of corporate objectives, that important aspirations of individuals are being largely overlooked in the majority of the organisations that were examined. The absence of initiatives to encourage and support enterprise and entrepreneurship has already been remarked on. Within many companies significant numbers of people would like to secure greater control over their lives, in order to have a more balanced lifestyle and achieve greater personal fulfilment (Coulson-Thomas, 1999c).

Putting more emphasis on the encouragement and support of innovation and entrepreneurship can, as was pointed out in one of the earlier articles (Coulson-Thomas, 1999b), further the achievement of both individual and corporate objectives. Many of the organisations examined should devote greater effort to the establishment of new ventures for delivering value to customers in which the individuals employed by them, or associated with them, could also have a stake.

Issue monitoring and management

Overall, those responsible for corporate learning need to connect and become more

immersed in the realities of what is happening within the corporate business environment. Many of them appear to be detached observers on the sidelines, albeit interested and thoughtful ones, rather than involved participants. They are failing to link or associate external trends with their own responsibilities and identify contributions which they could make to the achievement of corporate strategy.

Reference has been made to two areas, namely e-business and knowledge management, in which interest has grown rapidly in recent years. However, by allowing both of these to fall unchallenged into the hands of the IT community, many human resources (HR) professionals are missing a historic opportunity to make a strategic contribution to the achievement of priority corporate objectives.

In relation to e-business, much more than a Web site is required if a new operation is to be successful. Yet, corporate trainers in many organisations are not doing anything to develop the attitudes, approaches and understanding needed to provide effective and rapid fulfilment of electronic orders. As a consequence, examples abound of small companies and sector “outsiders” being the first to establish Internet-based ventures (www.awards.abfl.co.uk).

In the case of knowledge management, vendors of tools for capturing, structuring and managing existing knowledge may or may not help to build the know-how and capabilities needed to operate in a rapidly changing business environment. Flows of new insights, discoveries and breakthroughs, the dynamics of the creation and application of pertinent knowledge, are the key issues, rather than the management of a current stock of information, knowledge or understanding which might or might not be relevant, either to individual aspirations and customer requirements, or to corporate objectives (Coulson-Thomas, 1997).

Corporate learning strategy needs to reflect what is desired, occurring and possible. HR professionals with training and development responsibilities should examine what is happening in terms of social, economic, political, business and technological trends and examine their impacts on both customers and corporate employers in order to assess the implications and consequences for their own roles and responsibilities. The impacts should

be prioritised and the specific contributions which trainers and developers could make identified, scoped and costed. When determining appropriate responses, every effort should be made to work with appropriate internal and external collaborators in order to maximise the benefits obtained from available resources.

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Further information

Further information on the Developing a Corporate Learning Strategy research project can be obtained. Tel: +44 (0)1234 328448; Fax: +44 (0)1234 357231; E-mail: polycypubs@kbnet.co.uk