



# Four ways to use learning and development to support business strategy

By Michael Carman

Learning and development (L&D) are at their most potent when they help organisations achieve their goals, whether that means increased sales and profits, improvements in technical quality or enhanced health care.

Strategies are the means by which organisations attempt to achieve these goals, and L&D can be used to support these strategies, as well as forming strategies in their own right. Here are four ways to use L&D to support business strategy.

## 1. Ensure L&D objectives align with corporate objectives

It sounds so obvious, yet is so often overlooked: training and learning objectives should be in sync with what a business or organisation aims to accomplish, that is, its corporate objectives. Too often, L&D programs run to their own agenda or are ad hoc affairs, thus missing a tremendous opportunity to assist in achieving organisational objectives. It also means that the organisation's efforts are split and diffused, leading to inefficiency and loss of impact.

It stands to reason that if a training needs analysis is carried out, it should occur in the context of the organisation's own goals. Anything else runs the risk not only of dissipating organisational resources, but of creating inertia or confusion as training aims to achieve goals that differ from those of the organisation as a whole.

As a side note, it is worth pointing out that the more clearly and crisply defined the organisation's objectives, the easier it will be for L&D to support it. A corporate objective "to be customer focused" does not give as much guidance when framing L&D objectives as "improve staff presentation and responsiveness to clients in our service centres and call centre". The improved prospects associated with clear objectives places the onus on senior management to think through and crisply articulate what the organisation is aiming for.

## 2. Capture corporate objectives in individual performance agreements

In the same way that L&D objectives should reflect corporate objectives, individual performance accountability mechanisms should likewise reflect corporate objectives. This is so that the individual's and organisation's efforts pull in the same direction.

The L&D implication here is that the individual's development and performance needs can be evaluated and discussed in the context of what the organisation is trying to achieve. In effect this is one means by which L&D objectives align with corporate objectives.

## 3. Use L&D to enhance performance drivers

A critical means of getting to grips with organisational performance and of making strategies more effective is to understand the key drivers of performance. These are the areas that a business or organisation needs to focus on to boost performance. It's one thing to say that an organisation must be competitive; it's another altogether to unpack those factors that underpin competitiveness, and to systematically target efforts toward their improvement.

An example of drivers for a retail business might include reliability and responsiveness of suppliers, well-targeted marketing efforts, and staff who understand the needs of customers. For a capital-intensive utility, key drivers might be the efficiency and scope of the maintenance regime, safety and risk processes, and investment for growth and scale economies.

For the retail business it may be found that L&D can be used to improve staff capability in managing deliveries and inventory; crafting clear value propositions and offers in marketing collateral; or enhancing phone skills for call centre staff. For the utility, L&D might optimise the scheduling of maintenance works; improve safety

awareness around hazardous chemicals; or sensitise staff to best practices in investment planning.

Performance drivers will often be identified through strategic or business planning efforts, and provide 'hooks' for L&D. Having an understanding of performance drivers is a good place to start when developing L&D plans and training needs analyses, and the latter can form the basis of effective business strategies. This leads to seeing the strategic import of L&D itself.

#### 4. L&D as a strategic objective in its own right

L&D is a critical factor of competitiveness in knowledge-based industries. Skill and human capability represent a major form of capital in these industries, and in businesses where there is substantial knowledge content embedded at some point in the value chain.

Differentiation is at the heart of strategic endeavour and having a skilled and responsive workforce can be the differentiating factor enhancing a company or organisation's prospects for commercial success or high performance.

A great example of this was GE's concerted effort to invest in human capital under Jack Welch, who was Chairman and CEO between 1981 and 2001. This was part of an explicit strategy to de-commoditise GE's businesses by moving towards high value-added technology and service add-ons.

GE's market value rose from US\$14 billion when Welch took the helm, to US\$410 billion at the time of his retirement, and the investment in human capital was one arm of the success of this strategy.

#### Taking it forwards

Enhancing a workforce's capability can be a powerful element in improving

organisational performance. What is required is some focused thinking and planning to ensure training goals support the organisation's goals, so that the full impact of L&D can be realised. ■

Michael Carman is a consultant specialising in strategy, performance improvement and problem solving. Web: [www.mcarmanconsulting.yolasite.com](http://www.mcarmanconsulting.yolasite.com)

#### WHAT DO YOU THINK?

TDA welcomes your views. If you have some thoughts about this article, or any article that appears in TDA, please share them with readers by sending your feedback to [editor@aitd.com.au](mailto:editor@aitd.com.au). Responses sent to the editor are considered available for publication and may be edited for length and clarity.

UTS:BUSINESS



## EXECUTIVE CERTIFICATE IN POSITIVE PSYCHOLOGY COACHING

Positive psychology is one of the most exciting areas of personal and professional development in the corporate world.

Happiness is a serious business; it affects performance which affects productivity, and ultimately, a business' bottom line.

Program leader Dr Timothy Sharp, Adjunct Professor at UTS:Business, says the ability to have fun at work and the extent to which people derive meaning and purpose from their employment, will naturally lead to an increase in talent, productivity and general happiness.

*"Dr Tim Sharp taught powerful strategies that were incredibly relevant to me and the organisation in which I work. Just as importantly, Tim's teaching style combined academic rigour with lots of fun, and he did a tremendous job of facilitating a diverse group with different and challenging agendas."* – Director, PricewaterhouseCoopers, Australia

This is the first program of its type in Australia, and is particularly beneficial for:

- > HR and L&D professionals
- > Managers and team leaders
- > Aspiring and established coaches
- > Psychologists and counsellors
- > Teachers or educators
- > Change agents.

This course is provided by UTS:Executive Development, providing flexible, intensive programs for managers and organisations.

**DATES:** 3 full days: Wednesday 21 July – Friday 23 July 2010 inclusive  
**TIME:** 9am – 5pm  
**LOCATION:** MELBOURNE

**TO REGISTER OR FOR FURTHER INFORMATION**  
 02 9514 3504  
[executive.development@uts.edu.au](mailto:executive.development@uts.edu.au)  
[business.uts.edu.au/edu](http://business.uts.edu.au/edu)



UTS CRICOS PROVIDER CODE 00099F UTS334BUS