

ARGYLE EXECUTIVE FORUMSM

2012 Argyle Conversations

Thursday, July 19, 2012

Featuring:

Rommin Adl
Executive Vice President
BTS USA, Inc.

Interviewed by:

Jason Redlus
Managing Partner
Argyle Executive Forum

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Rommin Adl: Mr. Adl is an executive vice president and global partner at BTS USA, Inc. He is responsible for implementing sales processes and marketing strategies throughout the BTS Group and is a board member of BTS Interactive and the BTS Leadership Development Practice.

Most recently, Mr. Adl was president and CEO of Strategic Management Group, Inc. (SMG) in Philadelphia, PA. Mr. Adl was responsible for the turnaround and successful integration of SMG into BTS. Prior to SMG, Mr. Adl was senior vice president for the Eastern Region of BTS USA, Inc. He has been with BTS for over 18 years in the roles of senior consultant, seminar leader, project leader and account executive. He has worked with a broad base of BTS clients, including Aetna, AT&T, Chubb, ExxonMobil, Fannie Mae, GlaxoSmithKline, Honeywell, Humana, Swisscom Mobile, Time Warner, Tyco International and many others.

Prior to BTS, Mr. Adl was the owner of a management consulting company that focused on strategy issues. He was a member of the MBA Enterprise Corp in Budapest, Hungary, where he acted as a management consultant to emerging companies. Mr. Adl's experience prior to business school was on Wall Street, where he worked for Merrill Lynch on the New York Stock Exchange.

Mr. Adl received his MBA from New York University's Stern School of Business and his undergraduate degree in economics from Middlebury College in Vermont.

Jason Redlus: Jason is Argyle Executive Forum's managing member and founder. Argyle Executive Forum is a professional services firm that convenes and connects business leaders from highly targeted business-to-business communities for strategic collaboration and business development.

Over 40,000 executives participate in one or several of Argyle Executive Forum's communities, with over 700 new members joining every month. Prior to forming Argyle Executive Forum, Jason launched the private-equity business effort for Capital IQ. Capital IQ was acquired by Standard & Poor's in 2004. Prior to Capital IQ, Jason was an investment banker focused on middle-market M&A and LBO transactions. He holds a Bachelor of Science degree from Cornell and an MBA from Harvard Business School.

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On Thursday, July 19, 2012, Rommin Adl, Executive Vice President, BTS USA, Inc., and Jason Redlus, Managing Partner, Argyle Executive Forum, discussed training techniques that engage learners and managers to ensure that strategies and objectives are understood, retained and applied in the workforce to maximize the success of the business. They particularly focused on the importance of leader engagement throughout the learning process and transforming the training experience into a blended journey involving experiential tools to develop and practice new skills.

JASON REDLUS: Can you give us a little bit of background on what BTS does, its history and your role there?

ROMMIN ADL: BTS is a global strategy implementation firm. We specialize in helping companies implement strategy with a particular focus on human capital. We use business simulations and experiential learning tools to engage people and immerse them in the strategy so that they have a deep knowledge, confidence and skills to make that strategy a reality. We are also the leader in leveraging experiential learning to develop capability in the areas of business acumen, leadership and sales.

I'm a partner at BTS, and I run global marketing and engage in business development for the company.

Can you give an example of a business simulation that BTS uses? Is there a client engagement that would help illustrate what you do?

Companies often leverage business simulations when they're going through a strategic transformation and the senior leaders want their employees to understand what the strategy is, why it's important and how people can impact it. We bring teams of consultants in with us and work very closely with the senior leadership team to understand the business and their new strategy, and we develop a training initiative centered on a custom-built simulation of the client's business. Then we put groups of managers through the simulation so that they can experience running their business from the higher-level perspective. As they do it, they learn to see the value of the strategy and practice implementing it, identifying the best practices themselves. Ultimately, they take ownership of the strategy and bring that knowledge and experience back to their jobs.

Do you work very much with the learning and development [L&D] leaders?

Yes. We are often brought in by senior executives, line leaders and L&D leaders. Ultimately, we work very closely with the client L&D organization in the customization and deployment of these programs.

So you have quite a bird's-eye view of the top-of-mind issues for these L&D professionals, whether they're provoked by a potential strategy change or come up in a general way as they do their daily work. Are there any particular questions you're often asked that are key challenges for the L&D leaders or that you anticipate they will have in the next 12 to 24 months?

L&D professionals often struggle in making their training initiatives effective, ensuring that they strongly impact the company's bottom line. Studies have found that most training in corporate settings is not particularly effective. In fact, professor and expert training evaluator Dr. Robert O. Brinkerhoff has published studies that show that only 15 to 20 percent of all corporate training initiatives actually lead to on-the-job application. In other words, 80 to 85 percent of people who go through training don't apply what they have learned to their jobs.

Many L&D leaders ask us if there is a more effective way of training people. We've identified—through both our research and our experience over the last 25 years—five key challenges that our clients tend to face that must be overcome in order for training to be effective.

The primary challenge with which many companies struggle is leader engagement. Many large organizations struggle to educate their leaders on what their direct reports will go through in a training program, and that's a real failing. Managers need to be actively engaged in the process. Before a leader sends a manager to a training program, they need to have a conversation so that the manager can understand why they're going to the training in the first place. They need to be able to understand how it will ultimately drive the company's business results. Expectations for the learners should be set up-front so that, once they've gone through the training, they can reasonably be held accountable for applying what they've learned to their jobs.

The second challenge is that a lot of companies tend not to do enough customization of their training, especially in leadership development. Companies have tended to focus on generic skill building. This can be problematic when it comes to applying new skills to the specific work employees do in their jobs.

The third challenge we see in a lot of companies is that they rely on very traditional ways of delivering training: lecturing, reading case studies, bringing in professionals to talk about theory. That traditional view of training has

many limitations. Research has shown that the traditional lecture/reading technique leads to very low levels of retention. If people don't retain the information, they won't be able to apply it when they get back to their jobs.

Another area where a lot of training organizations struggle is in measuring the impact of the training. There's often no process in place to measure the results and ensure that it has a positive impact on the business.

The fifth common challenge we see in companies is that many L&D leaders struggle with scaling training globally. They struggle with providing an experience that is consistent across the globe while allowing for some localization to reflect cultural norms and other factors.

What are some of your ideas for solving those challenges?

Number one, we recommend having a strong process for engaging the leader of the learner upfront. We focus on creating a line of sight in the learning process to the ultimate business objectives and then developing the skills and behaviors needed to execute the company's business strategy so that learners have the ability to go back to work and do what needs to be done.

The second part of the solution is customization. Training should be tailored to the client's business and their strategic challenges so that trainees will know exactly how to apply what they've learned to their jobs.

We've also found that effective training methods involve a lot of practice. By engaging people in business simulations and other experiential tools, learners are able to practice new skills in a meaningful way. It's like learning to ride a bike: you don't learn to ride a bike by reading about it; you have to get on the bike and try it out, maybe make some mistakes, and do it again and again until you're proficient. Learning new skills is done in much the same way. You have to practice at it.

A strong results focus is another part of the solution. It's important to get people to focus on applying what they've learned and then measure it. Our learning interventions over the years have consistently delivered a 10-12 time return on investment. Additionally, we focus our results measurement process on gaining insights on how to make the learning intervention even more effective for future audiences.

Finally, training needs to be scaled globally. You have to come up with something that can be deployed across the globe and, at the same time, allow for some localization to reflect different cultural norms and local ways of

doing business. That's a very important component. It is key to have tools that work across geographies, which experiential learning really does, and a strong global footprint of designers and delivery resources.

You clearly have a framework that proves the effectiveness of the training. How do you use that framework to help clients through the training process?

We've found that, first and foremost, learning should be a journey. There should be a well thought-out progression for a learner to go through over time that is bookended by the involvement of the leader. Up front, the leader needs to ensure that the learner has clear expectations of the training process and why it's important, and at the end there needs to be a process for holding the learners accountable to apply what they've learned. We help our clients figure out how to manage that process and stay involved.

For the learners, we hold a series of classroom-based experiences that leverage business simulations and experiential learning tools so that people can practice the skills in a fun and meaningful way. We also use a series of web-based and virtual modules that help to sustain and build on the training and allow for the practice of additional skills.

So that's our model: heavy leader engagement and a blended learning and execution journey. It's a process that continues to build over time and allows learners to acquire knowledge, practice those skills, and then come back for more knowledge until they're proficient and ready to go to the next level in the organization. Some of our clients have taken this journey over a two- to three-month period, and we have a client right now that's talking about doing a two-year experience. So it varies from organization to organization.

What do you consider to be the opportunities or challenges with the upcoming generation? What are some of the approaches you use to engage them?

Generation Y learners are used to learning and communicating in very different ways than older generations. Technology is a key component in the way they interact. They're very computer-savvy, and they do a lot more gaming than other generations. So we've tried to focus on building elements of that into our training. We use simulations quite frequently, and simulations have elements of gaming built into them. Competition, in particular, is a key element of our focus, and frankly, that plays well across all levels of an organization. From senior executives to frontline managers, when you put them in a situation where they can have some friendly

competition with their peers, they become very actively engaged. It's an enriching experience for them. So the tools and techniques we use play well across different generations of learners. This next generation is just more comfortable with technology and using the modalities we offer.

Let's talk a little more about the results of using the process.

When the learning and execution journey is executed effectively and comprehensively, we've found that the impact of our training is significantly higher than traditional event-based training. For example, in a BTS program involving 150 people, 80 percent of those participants had heavy leader engagement throughout the process, and over 70 percent of those participants applied what they'd learned in the program back to their jobs. That's a very high percentage—about 250 percent higher than the traditional level of application—so we've seen significant behavior changes and on-the-job action.

You've emphasized that leader engagement is highly important. When you use the term "leader," do you mean a leader overlooking the training in their unit, or do you mean the leader in HR engaged in the training? What's your pitch to the leader? The L&D department of the organization can only do so much, and at some point they'll need a buy-in from the business unit. Where does the HR department start and stop in this process, and what is the nature of your partnership with the business unit?

That's a great question. Usually, when we talk about "the leader," we mean the manager of the unit. So if I'm a supervisor, I would report to my mid-level manager. That's the person who would be involved as a leader in the training.

We find that different companies have different levels of senior leadership support for the development of talent in the organization. In one client organization, we found that their commitment to training was very strong. They embraced leadership development as the glue that would enable their strategy to be executed successfully, and they enlisted a thousand mid-level leaders into their two-day frontline managers program. They did that for a couple of reasons. One reason was that they wanted to build the skills of their mid-level managers, in which they'd under-invested in the past. They also really wanted their mid-level managers to lead the training further down into the organization. We certified about 150 of those mid-level managers, who then facilitated the program for the next 2,000 frontline managers.

Other clients may be on more of a middle ground, where there will be a shorter session to engage their leaders in the process—maybe half a day long—and the mid-level managers will be immersed in an accelerated version of the program for the same purpose. However, in most companies, we find that we can only get an hour or so of the mid-level manager's time to set the context for what the program's about, walk them through some components of it and establish their leadership role in the process. It just depends on the organization and their commitment to leadership development.

Is there any industry data about that? What industry do you think, in terms of the adoption curve, is the flag bearer of best practices?

This is a gross generalization, of course, but I would say that companies with a high-knowledge worker concentration tend to lead the way. Large professional services firms and organizations with a lot of engineers and scientists tend to invest heavily in capability development. They spend a lot of money on it and take it very seriously.

In companies with a lower knowledge focus, as in some retail and ad agency organizations, you tend not to find quite as much willingness to invest because it's a very thin-margin type of business. We also don't see a huge amount of interest in talent development in businesses that are very focused on billable hours—the legal profession, for example—because they're focused on getting people out there, billing for hours worked, and don't have the time to commit to it.

Do you see any differences between L&D within the functional areas of the business? How does the marketing department differ in their approach from the finance department or the IT department? Is it more focused on training the consultants, or do you see functional issues with L&D?

I can't comment on that very deeply, but there are some functions that tend to invest pretty heavily. We do quite a bit of work at the corporate level, which spans across all of the different business units. Within specific business units, we present broad programs that address all functions within it. We also do a lot of work at the sales level. Sales organizations tend to invest quite a bit in developing leadership as well as core selling capability.

I have observed a trend in which companies are moving away from open-enrollment curriculum types of programs. In the past, some clients offered 200 or 300 programs on an open-enrollment basis from which

employees could choose to build up basic skills, but we've seen that business leaders tend not to send people to those anymore, especially when budgets tighten. So it's a little problematic to run them. They also tend not to have the cohesion offered by a learning and execution journey, where it's really well thought-out and planned in advance with an element of leader engagement. The results of the journey are much stronger. So a lot of businesses are cutting back on curriculum completely and instead offer targeted programs for the various trends in the leadership pipeline.

What are the most likely scenarios that will result in your phone ringing when someone needs help? And can you walk us through how you train your own employees, both the installed employee population and onboarding employees?

The number-one source of inquiries is usually a C-level executive who is struggling to get people excited about and aligned to the execution of their strategy. The second most common source is an L&D professional looking either to fill gaps in their current curriculum and learning environment or to do things more efficiently and effectively.

As far as developing our own company consultants, we take this very seriously and invest heavily. We have all consultants go through a series of online courses we've developed to build their core skills in finance, project management and other areas from the time that they're on-boarded and throughout their careers with us. We also have a curriculum of programs around the globe in each of our different disciplines. We have account management programs, programs geared toward developing programs, delivery skills programs and leadership programs. There are different levels in each, and within each of those areas we have a deep portfolio that leverages customized programs built specifically for ourselves as well as some of our more standard programs. This year, we're implementing a boot camp in which we'll have a class of consultants from across our global offices go through the fundamentals of the way we conduct our client engagements. We're a knowledge work-based company that's all about the knowledge and skills of our people, so we want to make sure that our employees are highly trained and have all the tools they need.

Do you have someone who fulfills the chief learning officer role in your own business?

Yes, our head of talent manages those programs with the involvement of a number of our senior partners. We have heavy leadership involvement in all of our programs. ■