To Protect and Improve

Too often T&D/ Learning/ Knowledge Management clients, managers and practitioners are too gung ho to build and buy and deploy “content” without an eye towards the business rationale for doing so.

Here are eight “things to think about” when contemplating an Investment in ISD (Instructional Systems Design) efforts to produce or purchase “content” and how to avoid a negative ROI...to protect AND improve the enterprise...

Blanketing versus targeting ISD efforts – Too often the focus is on providing T&D opportunities for everyone. By not getting aligned with the enterprise leadership and working on specific, critical strategic and operational needs of the customers and leadership stakeholders, and facing together the tough decisions regarding priorities and resource allocations, ISD efforts and resources are often wasted on low-value projects, with little chance for significant ROI for the shareholders.

Performance Impact – performance is often understood in the most generic terms, perhaps driven by a generic competency model, which is true enough on the surface, but won’t get most people to superior performance levels. Generic models cause ISD’ers to create generic products, with little chance at real impact back on-the-job. Communications skills, presentation skills, or problem solving skills apply very differently for shop floor workers, their bosses, the sales force, the process engineers, the ISD’ers, and the company lawyers and accountants. One-size-fits-all products don’t have a prayer of impact compared to targeted content (with perhaps some shareable components/objects). The costs for not improving reuse capability due to how T&D gets designed; and to do so without “watering” the content down to some vanilla extract that again, doesn’t duly impact performance, are...
ISD Investments - Always a Business Decision

(Continued from page 1)

also significant and can result in significant additional costs to the enterprise. Imagine if your car didn’t share any components with the cars built by your manufacturer; you wouldn’t be able to afford it because their cost to produce it would be significantly higher. Remember the “platform” design approach that helped save Chrysler in the 1980s? If not, Google it.

Development – the costs for developing content are artificially too high due to a lack of available, or reluctance to use, standard but flexible ISD rules, tools, and templates, and to employ a rationale content reuse strategy and approach. The end result can be an inventory of redundant content that will cause higher “first costs” than necessary and will lead to higher “life-cycle costs,” some of which are explained next.

Inventory – the costs for storing and retrieving content are too high due to lack of a rational, logical “Dewey decimal system” for products and their subassemblies, much like the bar coding SKU (stock keeping unit) schemes in place everywhere in our daily, personal lives. If content exists within your current, total product line, can anyone find it quickly for reuse or maintenance?

Administration – the costs are too high for communications/marketing, registration, scheduling (for those T&D products needing to be scheduled), or ordering (for those T&D products that need to be ordered) because the product line of T&D for any target audience is overlapped, gapped, and a mess in general, and it is hard to present as a unified system of instruction.

Deployment – the costs to deploy the T&D are often too high given the probable returns; and recently when the cheaper, total “e” learning strategy has failed to produce results (for the buyers) we now find ourselves back to a better, more blended approach, that still too often focuses on low-hanging fruit content that won’t move performance levels higher at an adequate ROI level.

Maintenance – the de-centralized ISD systems and processes that typically exist, including the lack of design rules and tools, and the lack of a rationale inventory scheme, will drive up the costs for keeping content up-to-date.

These 8 issues greatly impact the “life-cycle costs” for ISD products: T&D/learning products/knowledge products (which we most often refer to collectively as T&D). And those life cycle costs greatly impacts the I in your ROI calculations.

Note: our lead article in this issue presents one method for determining the R in ROI so that you can take a more realist view of ROI.

Until the Fall issue...have a great Summer. Cheers!
Margo Murray, CPT

“...let’s define *mentoring* as the deliberate pairing of two people with different skills and experiences with the objective of almost always transferring those skills and experiences both ways.”

www.mentors-mmha.com

-source: ISPI PX May 2006

Dale Brethower, PhD

“When a performance innovation is not based on fundamental principles of human learning, motivation, and performance, or connected to business needs, it will become a fad and pass into history.”

dalebrethower@earthlink.net

-source: ISPI PX July 2004
Calculating the Costs-of-Non-Conformance to Help Determine the R in ROI
By Guy W. Wallace, CPT

Take a Business Orientation vs. a Learning Orientation
To get a training/learning/KMS program funded, you need to state in business terms what the program’s “investments” will cost and what it will “return” in terms of risk mitigation and/or improved performance at the bottom line.

If you and your colleagues have ever lamented over your management’s failure to fund the training efforts adequately, you should stop to consider whether or not you have been using business terms familiar to management or training terms familiar to you.

We in training tend to speak in our jargon, and then we complain when no one will listen to us. We need to learn how to sell our training products and services from a business perspective. We need to learn to think and speak in the language of business, using terms like “ROI”—return on investment. We need to be business champions first and training champions second.

Management does not have unlimited resources, but it will spend resources on training projects for which the ROI is greater than the ROI for other potential investments.

CONC
An old quality concept popularized by quality expert Phillip B. Crosby in the 1970s, is the cost of nonconformance (CONC).

To determine the CONC, a business must look at what it costs the organization

- If its performance does not conform to standard
- To be less than perfect
- To have any defects

The CONC is the dollar value of the difference between 100 percent perform-

(Continued on page 5)
ance proficiency and the current proficiency level. To the advocates of performance technology expert Thomas F. Gilbert, CONC is the same as the PIP—performance improvement potential.

I suggest that you begin to use quality, productivity, and financial terms rather than performance technology terms when talking to or selling to your customers or management. Performance technology already embraces all of the same concepts—it just uses different labels. But we have to translate our concepts, methods, tools, and results into the familiar business language of our customers, which might vary from customer to customer.

To use the financial concept of ROI, you need to calculate the Investment costs necessary to bring performance in line with standards or goals, where the CONC gets as close to zero as practical. Only with both figures available is the ROI calculable.

**ROI**

To determine the return on investment for a training or performance improvement project intended to minimize or eliminate the costs of nonconformance, you must look at the current performance. These questions will help you to focus:

- Where is the current performance now?
- How much can it realistically be improved?
- What is the difference between the current value of performance and potential value of performance (the equivalent of the return, the PIP, or the CONC)?
- How much will it cost to fix?

These figures allow you to forecast what the investments will be and the return on those investment in dollars will be and what the ROI percentage (see Figure 1 on the right) will turn out to be.

**Calculating the Potential Value of Performance**

In its most simplistic view, calculating a CONC value requires the following

\[
\text{ROI} \% = \frac{\Delta \text{Performance} - \text{Investment Cost}}{\text{Investment Cost}}
\]

or

\[
\frac{\text{Return} - \text{Investment Cost}}{\text{Investment Cost}}
\]

or

\[
\frac{\text{PIP} - \text{Investment Cost}}{\text{Investment Cost}}
\]

or finally

\[
\frac{\text{CONC} - \text{Investment Cost}}{\text{Investment Cost}}
\]

Figure 1

(Continued on page 6)
Calculating the Costs-of-Non-Conformance to Help Determine the R in ROI

(Continued from page 5)

Two elements:

- Knowing the potential value of performance
- Knowing the actual value of performance

The net difference is the CONC, as shown in Figure 2.

\[
\text{CONC} = \text{Potential Value} - \text{Actual Value}
\]

Figure 2

Some jobs are easier to quantify than others because they have a singular focus or a highly repetitive set of tasks. With these jobs, it is easy to assign a dollar value to the difference between the actual and potential performance. For example, salespeople generate revenues in dollars; widget assembly workers produce a number of widgets at a fairly definable labor, materials, and overhead cost.

Many jobs however, have too many variables that make it difficult to measure and assign a dollar value to the performance. These jobs could include secretaries, design engineers, and material expediters. They are all problematic when it comes to establishing the performance’s dollar amount.

When potential value of performance is extremely difficult to determine because of the number of variables or the lack of measurement systems data, you could use the cost of that performance as the benchmark—the labor dollars it currently costs to perform.

Example: If we have a workforce of 100 workers, each earning $35,000 per year, our potential value is $3.5 million. This figure represents what it currently costs the organization for the “potential” of having 100 percent performance conforming to standards. In most companies, there is only a slight difference between what top performers and average performers earn. The cost or value of the potential 100 percent job proficiency approximately equals the performers’ total wages. In our example, we have 100 performers earning a total of $3.5 million (see Figure 3). That’s the cost to your management of perform-

(Continued on page 7)
ance. That’s also our benchmark: the Potential Value.

If your organization pays for performance and the better performers get paid more for their superior contributions, your calculations would be more complex. But the benchmark for comparison will still equal the sum total wages for the entire group of performers.

Calculating the Actual Value of Performance
But what are we getting for our $3.5 million? Are we getting full value—100 percent job proficiency? Or is some performance proficiency slipping through the cracks? What is the actual value received for the cost of performance? What if our target audience performers were on average only 60 percent proficient or were more spread out?

What is the CONC then worth to us?

To calculate the actual value of performance, multiply the number of performers by the average salary, but this time, multiply by the average actual proficiency level (see Figure 3 above). In this case, our actual value of performance is $2.1 million.

Calculating the CONC
The CONC is calculated by subtracting the actual performance value (AV) from the potential performance value (PV) as shown in Figure 4 on the next page. In this case, the CONC is $1.4 million annually. That’s $1.4 million left on the “performance table,” so to speak.

If your training could get everyone to perform at the 100 percent level, $1.4 million would be the return to be compared against the investment required to make that happen.

(Continued on page 8)
Calculating the Costs-of-Non-Conformance to Help Determine the R in ROI

(Continued from page 7)

If 100 percent seems too unrealistic, consider the results if your training can get everyone to average 75 percent, 80 percent, or 90 percent. You would still contribute $525,000, $700,000, or $1.05 million, respectively, to the corporate bottom line. That’s the resulting “return” to the organization. We will calculate the ROI percentage later using that figure as the “R” in ROI.

Although calculating the cost of nonconformance by using salaries as the benchmark can identify training’s potential contributions, it does not begin to capture all the other additional costs that less-than-standard performance might cause, such as

- Scrap/waste
- Extended or rework labor
- Extended or rework machine/equipment operating and maintenance costs
- Schedule slippages
- Lost opportunity for other work

The larger your audience, the greater potential CONC. These are numbers that can get your management’s attention.

(Continued on page 10)
The PACT Processes for T&D/ Learning/ Knowledge Management

CAD is a gated, “systems engineering/architectural” ISD Process for the design of a comprehensive curriculum for one or more critical target audiences.

MCD is a gated, “new product development” ISD Process, using a modular, platform design approach for one or several instructional products.

IAD is a gated, “new product component development” ISD Process, using a modular, platform design approach for developing instructional components.

Guy W. Wallace, CPT
EPPIC Inc. President
Author of the PACT Processes

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EPPIC Inc.
Achieve Peak Performance
to protect and improve the enterprise
Calculating the Costs-of-Non-Conformance to Help Determine the R in ROI

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Complex Situations
The example we used above to calculate the CONC was simple—one type of performer earning the same salary and performing at approximately the same level. What do you do when several types of performers are earning varied amounts of money and performing at different proficiency levels? Charts like the one in Figure 5 will help answer this question. This chart segregates the employees in the target population into ten different levels of proficiency. Of course, this may be too many. Four or five levels may suffice. Questions to consider include the following:

▪ How many job levels or classifications do you want to have for the proficiency of performance?
▪ Are ten levels, 10 percent through 100 percent, too many or too few?
▪ Could you use smaller increments of 25 percent—four levels of 100 percent, 75 percent, 50 percent, and 25 percent?

See figure 5 on the next page. Try four or five levels, but in any event, management has to agree with the segmentation scheme. Ask them to choose.

Your goal is to make it understandable to your management. Be careful. Determining how much your organization is really getting for its salary dollars is a potential political powder keg. Reputations and careers can be at stake. Move cautiously. It will be easier if your organization has had or is expecting a major change in the business that has or will create this CONC situation. Fewer people might then be fearful of being blamed.

Of course, if the organization has accepted a project champion involved in your project from outside your training organization (i.e., a client desiring the project), you can follow their lead.

Calculating ROI
To determine the potential ROI for your training project, you need

1. The CONC
2. An estimate of the total training investment cost

(Continued on page 11)
This will allow you to forecast what the return will be on the investment. The ROI formula using the CONC is given in Figure 1 on the page 5.

Top management can compare this ROI percentage to the ROI opportunities elsewhere to determine where to spend their limited financial and labor re-

sources. Other data you should have are

- An acceptable percentage return for your enterprise
- The kinds of returns your management is achieving lately

Of course, other factors need to be considered in deciding to allocate re-

sources. How much assurance you offer that you can achieve the return you
Calculating the Costs-of-Non-Conformance to Help Determine the R in ROI

(Continued from page 11)

describe is something management should take into consideration.

Your next step is to package and present the data for making that decision.

The Business Case
The business case is your formal case for training. Call it anything you like, but if you can’t prove it here, you have no business asking the organization for the resources. A business case for training should include sections detailing the

- Project purpose and goals
- Project background and need
- Problem to be solved or opportunity statement
- CONC calculation
- Solution alternatives and recommended actions
- Recommendations for implementing the solution and budget
- ROI calculation(s)

Try to get a copy or outline of a business case that has been used within your organization. Product and service management groups found in marketing areas may be a good source.

Management Buy-In
Now that you’ve got your ROI, what is the best way to get the organization to agree with your forecasts?

Who has to believe it? The people you’re trying to sell—your management. How can you make it believable? Have them help generate the figures that go into the calculation.

If they don’t like the end result, let them change the figures again and again until it becomes something they can believe, explain, support, and defend. The absolutely correct equation, variables, and identified values carry little weight if management will not buy in.

And if their answer does not create a go-ahead for your project, you should probably look elsewhere for training to contribute. Maybe there really is a better or more strategic way to use your limited corporate resources.

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Summary
Training should never be done simply for the sake of doing training, even where you clearly can identify the need for it. It may cost more to provide than it can ever return to the business. The organization may have better opportunities elsewhere to improve productivity or product or service quality (both internally and externally) and thus contribute to its financial viability and stability.

Don’t be a training champion. Be a business champion! To do that, you need to be able to speak the language of business and ROI.

An earlier version of this article was published by Guy W. Wallace in ASTD’s Technical & Skills Training magazine (May/June 1991) entitled: “Costing out a Training Project”

(Continued from page 12)
John Stolter, Performance Innovations, Inc. said,

“The PACT Processes embody the fundamental principles of instructional technology.

More importantly, the PACT Processes have a built-in project management scheme that makes it easy to use and easy to track and communicate progress.

Finally, the processes also enable the customer to make key business decisions along the way, never assuming that training is the only answer.

In short, the PACT Processes are ISD, project management, and ROI business decision-making all rolled into one rich, easy-to-use process.”

- 1998

See Guy W. Wallace’s chapter in the new 3rd edition of the Handbook of Human Performance Technology:

**Modeling Mastery Performance And Systematically Deriving The Enablers For Performance Improvement**

Order online at: [http://he-cda.wiley.com](http://he-cda.wiley.com)
From: 1998-1999

Situation: Bandag, my client in 1998, was the world leader in truck tire retreading, operating a global franchise network of over 1400 dealers. They still are the world leader.

In 1998 they wanted to adopt the Synchronous Flow concept and techniques from one of the hot business books at the time: The Goal, by Elliott Goldratt. They wished to develop a custom approach to Synchronous Flow and teach it to their franchisees’ owners and manufacturing operations managers in a workshop setting where plenty of practice with feedback would be available for this radical departure from "business as usual."

Response: I conducted a combined MCD analysis/design meeting using a group meeting with the customer and key SMEs and Master Performers. After a formal review of that data with upper management I did the detailed design “Instructional Activity Specs” myself.

After making minor updates to the design details the client SMEs and I jointly developed a four-day classroom/workshop experience - designed to teach the attendees the Material Flow concepts, and the use of the MF tools and operations management techniques we custom created for the franchisee’s specific applications in their retreading business operations.

We also covered approaches, techniques and training methods to help them back-at-the-franchise both sell and implement the new “Material Flow” process.

Results: The early results were spectacular! One of the first franchise “shops” whose management went through the workshop set the benchmark - after only the first day into implementation they were up and running at full speed using the new Material Flow process and they produced 30 percent more product at a 20 percent cost savings!!! The first day!!! Talk about ROI!!!

Results for some dealers have been similar, but only those that sustained the effort usually due to strong owner support. My client recently reported that too many dealers simply backslide because owners aren’t comfortable with the change required in their managing differently as an owner.

Old habits die hard, etc.
Implementing Training and Performance Improvement Interventions
By John Swinney, CPT

Open
Back in the years when I still wore a training hat, I used to hear a lot about something called “transfer of training.” Serious professional training folks would describe this almost link between training, specifically in a classroom setting, and the ability of trained people to do something when they got back to the real job.

There appeared to be a certain reverence for this highly sought after, but difficult to achieve state. Too often, we would see examples of “good” training that didn’t result in improved performance, or if it did, it was often only a temporary improvement. Many of my colleagues and many gurus at ISPI and other organizations had ideas about how to engineer this transfer; fewer had success stories.

Several years ago, I was charged with developing an implementation process for a massive change effort at a large corporation. The company was making a substantial investment and wanted to ensure that it achieved the appropriate business results. After significant pondering, discussions with colleagues and more than a few sleepless nights, the following concepts began to emerge.

- Implementing training – or any performance improvement intervention – was dependent more on the receiving system – the post training environment, -- than it was the design of the intervention. (Consider Geary Rummler’s oft repeated quote: “Put a good performer in a bad system, and the system will win every time.”)
- If done appropriately, there would be a ton of data from the analysis phase that would help identify factors that had to be managed for successful implementation.
- The key variable in successful implementation or transfer was NOT management support, it was management participation! (Support was too often just a misnomer for lip service – managers had to have an active role in the process.)

A concept began to emerge around five key factors that needed to be addressed in the environment to make implementation successful. The five factors were expectations, feedback, tools and resources, consequences and

(Continued on page 17)
Figure 1: An Implementation Model - Issues to consider while designing the implementation process

(skill/knowledge. Figure 1 shows a list of some of the items that need to be addressed for each of these factors.

Figure 2 on page 18 shows an example of a matrix based on this concept. This example has been developed to define roles for key people involved in supporting the change. Note that roles are defined for people involved in terms of things they would need to do before, during and after the intervention. The example in this case, was a company-wide supervisory training system designed to teach over 2000 managers and supervisors basic management concepts and process.

One caveat regarding this matrix: it’s relatively easy for a staff person or team to develop these basic roles to help sustain results from training or some other performance improvement intervention. However, you’re more likely to get the participation you want if the key players are involved in designing the process. In this example, the consultant had a straw model in mind, but would meet with a given vice president or manager to get their input into actions they could take. In almost all cases, the people consulted added an additional twist or came up with ideas the consultant had not considered. The result was improvement to the process – and ownership from

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Implementing Training and Performance Improvement Interventions

The line managers who had a stake in seeing results.

(Continued from page 17)

The matrix serves as a spec sheet for getting the input to actually designing an implementation process. It was found that a cross-functional process map was a useful tool for actually designing the process that would need to be followed over time so that all involved were clear about their roles. Figure

(Continued on page 19)
Once the initial implementation design is complete, the work shifts to making sure all of the participants involved in supporting the process:

Understand their roles and know when they will be expected to perform and have the needed tools and resources they will need. Often at this pre-implementation phase, you may encounter the need to augment the process with some kind of administration or record keeping process.

In the examples illustrated, field trainers had the most complex role in follow-up and coaching managers and supervisors after training. They worked with the consultants to come up with a simple record keeping process printed on a manila folder. Each folder corresponded to a particular training group for which that trainer was responsible (due to the intensity of the practice during training, the maximum class size was limited to nine).

The chart on the folder corresponded to key events the field trainer would address during the follow-up phase of the project. During follow-up evaluation (Continued on page 20)
Implementing Training and Performance Improvement Interventions

with selected participants and their managers well after the implementation cycle had ended, many respondents indicated that the thoroughness of field trainer follow-up was a key in helping them permanently implement skills learned during the initial training event.

Summary
Transfer of training is not a magical event; it is instead based on good analysis and some leg work. The implementation process described in this article is essentially a tool for making sure that the working environment is receptive to and supportive of the performance improvement intervention.

It is the author's sincere belief that the best intervention design in the world will not survive a poor implementation plan, but that a well designed implementation process will produce measurable results from even a basic intervention.

In the example described in this article, the model was used to develop the implementation strategy for a program involving over 2000 supervisors and managers at over 600 locations. 92% of people who completed the program demonstrated skill use and measurable results. Based on early returns, sr. management did not feel the need to do a complete ROI analysis for the entire project system wide. One major terminal, however, reported improvements in productivity and cost reduction in one quarter that justified the cost of system wide implementation for the first year of operation.

Since its original design, the author has used this model for several successful change events. Some of that later work has evolved the following general steps for building the design. While this is certainly no guarantee of successful implementation or “transfer or training,” the author would suggest that it might help you improve the odds.

J>

(Continued on page 21)
General Steps for Designing an Implementation System

(not necessarily a linear process)

1. Identify target results
   Who is the target population? Under what conditions will they be expected to perform? What results are expected? How should success be measured?

2. Identify potential obstacles
   What conditions in the environment could interfere with desired performance? Who are the stakeholders/owners of the required performance? Who will benefit if performance improves? Who are the key influencers of the target population? The performance requirements? Do the influencers agree that this performance is desired? Who influences the influencers?

3. Identify expectations
   For members of the target population. For supervisors or influencers of the target population. For key members of the organizational hierarchy.

4. Identify feedback and reinforcement (sources of and recipients of)
   For members of the target population. For supervisors or influencers of the target population. For key members of the organizational hierarchy. Systemic (more powerful and effective if it is a built-in part of the work environment instead of a separate function).

5. Identify skill and knowledge issues
   For target population. For key influencers (e.g., a management seminar on how to get the most of a new training program for subordinates).

6. Complete the Implementation Planning Matrix (depending upon complexity, it may be appropriate to complete one matrix for before, during and after the intervention).

7. Map the implementation process (Cross functional process description; include all influencers and support functions).

8. Get buy-in and commitment to the process from key players
   Modify as needed. Use the language of the business, not HPT. Not necessarily a discrete step – “selling” the concept should start as early as step 2 to get ideas from key players and influencers about what they could do or recommend to make things work.

9. Test the process
   Alpha – internal; using other team members. Beta – using various members of the target population or extended target population. Pilot – stand alone – as it would be expected to work in the real world.

10. Revise as needed

11. Monitor the system

By John Swinney
Part 1 Recap
In part 1 Don explained the Power of Operational Values and Practices and in part 2 he provides examples...

Examples of Operational Values
The following examples are some of operational values of a client organization. This company had previously listed a series of “aspirational values” that senior management had generated but which had had little or no effect on the company culture. The operational values were “criterion referenced,” that is they were determined by asking people what we need to do to deliver results using the methodology described earlier.

Our Operational Values
If we are to continue to thrive and grow as a business, the way we conduct ourselves must be aligned with what it takes for business success. Our operational values are described below; following the descriptions, they are further defined in terms of actual behavioral practices that people need to demonstrate in their working relationships.

Values for a Professional Services Culture

Client Focus

- We keep abreast of client needs and priorities.
- We see meeting the needs of the business and client as far more important as conforming to bureaucratic or administrative requirements.
- We demonstrate respect for our clients and avoid “bad mouthing” them in our office.
- We view establishing a positive working relationship with clients as a top priority.
- We seek ongoing feedback from clients on our performance.

(Continued on page 23)
What others have said about:

**T&D Systems View**

“[T&D] Systems View explains why the T&D function must be managed as a total system: to meet the challenges of a rapidly changing marketplace. The book shows, in detail, what must be managed competently for a T&D manager to ensure that learning happens by design rather than by chance. The best T&D managers manage the system components described in the book, though probably not as well as they will after studying and thinking through how to fill in the weak or missing components.”

—Dale Brethower, Ph.D.
Professor Emeritus of Psychology
Western Michigan University

“Whether you are new in the training business or an 'old hand,' this book will provide you with as much guidance as you need to get the job done.

Guy has provided material that leaves 'no stone unturned.' yet there is sufficient flexibility for application in all training organizations. Well thought out.

Many fresh ideas along with solid reminders of things we knew we should do, but we have, somehow, let go by the wayside.”

—Charline A. Wells
Programs Manager – Corporate Training
Sandia National Laboratories

“At first glance, T&D Systems View paints a formidable picture of the ideal business-driven training and development organization. Then, it dawns on you that, intentionally or not, formally or informally, you're already doing these things. The question Guy Wallace raises is, 'How well?' If I were a CEO, this is how I would look at my training and development function.”

—John Swinney
Bandag, Inc.

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(Continued from page 22)

**Integrity**

- We are willing to be held accountable for our performance.
- We act in ways that visibly support the values of the organization.
- We work with people fairly to avoid “winning” at the expense of others and to make sure everyone is fairly dealt with.
- We strive to do the right thing for the client, the company and our fellow employees.
- We respect and are willing to rely on the professional competence of others in the company.

(Continued on page 24)
THE STRATEGY-CULTURE GAP

(Continued from page 23)

Agility
- We are willing to admit when we made a wrong decision, and take action to correct it.
- We are willing to make difficult decisions, when necessary.
- We experiment with new ways of doing things, and seek opportunities to improve.
- We are willing to make significant change in the way we do things, to provide better value to the client.
- Our decisions are based on business priorities and evidence of effectiveness, rather than on personal or political considerations.

Trust
- We strive to deliver on all our commitments.
- We keep confidences.
- We let people know as soon as possible if something will prevent us from meeting a commitment.
- We assure that the information and advice we give others is accurate or is qualified.
- We avoid overloading ourselves to such an extent that we fail to deliver on our commitments.

Initiative
- We look for alternate ways to deal with problems when our path seems blocked.
- We concentrate more on how to avoid problems in the future than on trying to determine who is at fault.
- We keep up with changes in technology and business applications.
- We demonstrate a sense of urgency and energy to achieve quality results.

(Continued on page 25)
We are willing to take reasonable risks and accept new challenges.

Relationships
- We feel free to raise any issues or concerns we may have, and expect a considered reply from those with whom we work.
- We respond constructively and non-defensively when others disagree with our views.
- We recognize the value of work in collaboration with others, rather than solely as individual contributors.
- We provide information openly without “hidden agendas.”
- We listen as carefully to views that we disagree with as to those that support our own.

As one reads through the previous list their relevance to the business results becomes obvious hence there is little need to sell them to the employees. They are clearly what we need to do to win! The question now is to what extent are we living these values?

Follow on action
Once these operational values and practices were determined, they were published on their web site and an orientation to the operational values and their importance to becoming a more successful business was given to all employees.

The practices were then used to create an assessment survey. Each employing evaluated the extent to which they thought people in their unit were demonstrating these practices. The data was then collected and analyzed by work unit and given to supervisors in a workshop setting so they could consider what they could do to raise the scores in each of their own sections. The important factor here is to get supervisors to recognize that changing the culture by aligning it around the operational practices is a key part of their job.

A modified form of the assessment instrument was prepared for managers. Each manager designated six people who he felt could give honest feedback on the extent to which he demonstrated these operational practices. These people then filled out an online survey rating that manager.

Then in a workshop the managers were given their individual feedback and an opportunity to work out a plan of action for each of the practices that the
data indicated that they needed to improve. Then they were given the feedback from the entire organization broken down by functional areas. Managers in functional teams looked at the data and determined what they could do to support increases in the critical practices identified.

**Reconciling Aspirational and Operational values**

It would be ideal if we just had one set of values or at least one major set of operational values and a second probably smaller set of aspirational values. As we said earlier, there is usually an overlap between the two sets and so if we can reconcile this, it would be to our advantage.

The best way is to start is with the operational values. If we first determine those, we can try to extend their meaning into more inspirational terms. This can be done sometimes by putting in additional wording upfront for example in the operational values above we added additional wording in the introduction to enhance their aspirational aspect as follows

**Our Operational Values**

**Focus on Customers**

“Retaining satisfied customers is Job One.”

We keep in close touch with our customers; we continue to learn about their needs and wants; we test our decisions and actions for their impact on customers; we deliver on our brand promise of value and character.

**Create Value**

“We work at being first-rate business people to provide first-rate business value.”

We look at our work in terms of how it benefits our customers, our company, our people, and all who have a stake in our business success; we continually look for better ways to maximize those benefits and manage for the good of our clients.

**Demonstrate Respect**

“Valuing the contribution of others and recognizing different viewpoints.”

We approach everyone with whom we work with the assumption that
they have responsible intentions and can make a positive contribution; when differences arise we look first for ways to gain from them.

These three samples indicate what we did to increase the inspirational level of each operational value. First we developed a “slogan” that could be easily remembered and then we summarized the value by examining the nature and purpose of the operational value in more detail.

When we were completed this company’s management felt we had pretty much covered what they came up with in their discussions of aspirational values during their away day. There was only one which did not come out of the operational value assessment which they felt they needed and so that was added as an aspirational value with no accompanying practices indicated. That value was:

We take a global view

Our success requires us to be responsive to a global marketplace. While we cannot be all things to all people, we can and must be in a position to provide a solid array of information and telecommunications products and services that address changing Marketplace needs.

We must monitor trends in the technology and the global marketplace to anticipate customer needs and requests. We strive to be at the leading edge in new data services and to be the organization that is sought out as a source of innovative and practical solutions as business needs change.

A Final Note

Our goal is organizational alignment. Just as we must be sure that our goals – processes- and tasks are well aligned to produce results on the strategic side of management, it is just as true that the cultural side consisting of values-practices- and behaviors should be aligned to achieve desired business results. The importance of a clear set of operational values with a defined set of practices allowing the organization to measure its cultural alignment, focused on results, is as important as having process measures.

Research indicates that investing in the creation of an appropriate culture can produce one of the most powerful returns on investment an organization can make. Information Technology has had a significant impact on productivity and Human Performance Technology promises just as much or perhaps even a greater impact in the future.
A Stroke is a medical emergency.

Know these warning signs of stroke and teach them to others…every second counts!

- Sudden numbness or weakness of the face, arm or leg, especially on one side of the body
- Sudden confusion, trouble speaking or understanding
- Sudden trouble seeing in one or both eyes
- Sudden trouble walking, dizziness, loss of balance or coordination
- Sudden, severe headache with no known cause

In the USA

call 9-1-1 immediately

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How do I make my own Personal Clock?
Go to www.timeanddate.com and click on Personal World Clock and follow the simple directions! There are other functions that you might find helpful, such as a Calendar for countries that you might visit and want to know the dates of their holidays and other observances. See below.

Example:
Personal World Clock
and a portion of the Calendar
for India
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Experience — doesn’t come quickly.

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Project Overviews for each project are available at www.eppic.biz

Guy W. Wallace has been in the T&D field since 1979 and a training and performance improvement consultant since 1982. His clients over the years have included over 40 Fortune 500 firms, plus NASA, NAVAIR, NAVSEA, and several non-US firms: BP, Novacor, Opel, and Siemens.

He has analyzed and designed/ developed training and development for almost every type of business function and process. He is the author of three books, several chapters, and more than 50 articles. He has presented more than 50 times at international conferences and local chapters of ISPI, ASTD, and at IEEE, Lakewood Conferences, ABA, the Conference on Nuclear Training and Education, and at the Midwest Nuclear Training Association.

He has served on the ISPI Board of Directors as the Treasurer on the Executive Committee (1999–2001) and later as the President-Elect for 2002-2003, and President for 2003-2004.

Guy’s professional biography was listed in Marquis’ Who’s Who in America in 2001. He was designated a CPT — a Certified Performance Technologist in 2002.
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