
DE-LAYERED TRAINING AND DEVELOPMENT

Fads, fashions, and flavours of the month

A new "consumerized", fashion-based industry has emerged. Its products are no longer seen as luxury durable goods but as throw-away commodities. Suppliers "re-invent" themselves regularly, and make vast profits by convincing customers of the need to upgrade time and again. In America alone, it is a \$10 billion/year industry. Some of its biggest names are based in Silicon Valley, and cultivate an image of being slightly crazy.

No, it is not the computer industry. It is the Management Re-structuring industry. A quarter of American firms have undergone 3 or more episodes of downsizing or re-structuring in the past 5 years.

"An indicator of managerial panic is the consumption rate and shelf life of business fads." *Richard T. Pascale*

In the UK, the pace of change is less frantic, but it is not always easy to distinguish between strategic thinking and dedicated following of fashion. 70% of engineering companies have experienced major re-structuring or "re-engineering" in the past 3 years - usually associated with de-layering, flatter organisations, reduced numbers, and flexible multi-discipline teams. Everywhere there is talk of partnering or alliances.

Downsizing - or corporate anorexia?

"Downsizing can have a devastating impact on company morale, and on its ability to handle growth in demand. American companies are already complaining about labour shortages. Rehiring old workers is often impossible ... Training new recruits is expensive... Some downsized workers who have set up small businesses are now having the delicious experience of holding former employers to ransom." *The Economist*

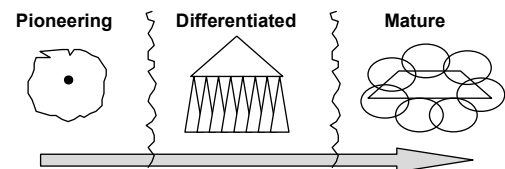
Of course, the gurus have more success in reflecting fashions than they have in predicting which companies or management techniques will be successful in future. People Express and Atari are forgotten.

"Excellent" companies decline or fall. IBM is famous for enlightened personnel policies - and for the biggest losses in corporate history.

Just when people are getting used to "neutron bomb re-engineering that leaves only the buildings standing", there are signs that the fashion is moving from chaos back towards control.

The more things change, the more they stay the same

25 years ago, the Nederlands Paedagogisch Instituut published an organisation development model, based on learning theory. It describes 3 phases, from pioneering, through differentiation (scientific management - separate functions, pyramid structure), to "maturity" and integration. Making the transition between phases is usually traumatic - in other words, a time of crisis.



The characteristics of the "third phase" are remarkably similar to currently fashionable thinking - customer focus, devolved decision-making, teamwork, innovation, process analysis. Perhaps the destination is not in contention. Some firms just get stuck in a loop in the crisis of transition between the second and third phases, and end up supporting the Management Re-structuring business rather than their own.

Competence is critical

Effective training and development strategies during and after re-structuring can help firms break out of the loop and head for the destination, not get lost on an everlasting circular journey. To produce *real* change they need:

- a sharp focus on *values* and *competences* that really matter for the business
- ruthless *prioritisation* based on criticality (safety, commercial, or both)
- no-fuss *competence*-based approaches that clarify new roles and accountability
- *continuous* learning, *flexible* skilling, and *personal* responsibility for development
- *just-in-time* training - short, sharp interventions, cheap and cheerful, and timed to fit company (not supplier) requirements
- frequent *review* and updating

"The job of a future-watching company is not to release a single world-beating product, but to nurture the sort of competences that will help it dominate a market." *G. Hamel & C.K. Prahalad*

This means breaking traditional mindsets about how training is planned, controlled, and delivered. Sacred cows of the second phase may need to be slain along the way. It needs different sorts of trainer skills - and it needs to cross the boundaries between client, main contractor, subcontractor, and labour-only personnel.

Training for the future: Focused, Fast, Flexible, and Fit-for-purpose
