

The Evolving Role of the CLO

Strategic focus for 2009 • BY JOSH BERSIN



Josh Bersin is the principal and founder of Bersin & Associates, with more than 25 years of experience in corporate solutions, training and e-learning. He can be reached at editor@clomedia.com.

This year is shaping up to be the most challenging year for business in decades. Organizations are laser-focused on cost reduction, organizational restructuring and efficiency.

Research for Bersin & Associates' "Corporate Learning Factbook" found that corporate L&D spending fell by 11 percent last year, the largest drop in 10 years. This year, learning leaders must take a similar approach within their own departments and prioritize efforts and resources on programs and initiatives that deliver immediate business impact.

Here are a few examples of what high-impact CLOs are focusing on in today's business environment.

Centralization and Rationalization of Investments

In good times, training programs and staff tend to organically expand throughout the organization. Business units, sales teams, manufacturing operations and corporate functions each buy and build development programs to meet specific and unique needs. This leads to the anarchy model: many programs, systems and contracts, many of which are underutilized and provide overlapping solutions.

In today's climate, smart organizations are rationalizing and centralizing services and tools using the federated learning model. At Pfizer, for example, the corporate L&D team is embarking on a bold new strategy to build a federated learning model that integrates major L&D investments in sales, research, manufacturing and leadership across the enterprise.

This model enables the company to save money and build an integrated, enterprise-wide learning strategy.

Refocus on Strategic Business Initiatives

No industry segment is unaffected by the economic slowdown. Consider Kaiser Permanente, one of the country's most successful insurance and health care providers. Kaiser has more than 160,000 employees and runs one of the nation's largest networks of health care service facilities, insurance operations and physicians and service providers.

In the company's ever-increasing efforts to reduce cost, the CEO and top management understand that today's high cost of health care can only be reduced by focusing on disease prevention, not just operational cost reduction. The company's marketing campaign, Thrive, is widely recognized in California as one of the

company's most successful outreach efforts.

Behind this program is a major change in the role and capabilities of every service delivery professional at Kaiser. Rather than focusing on providing high-quality, efficient care at the time of medical need, the company must find ways to intervene and teach patients how to be healthy in advance. This means rethinking the roles of supervisors, nurses, outreach programs and the insurance products themselves.

Kaiser's CLO, who reports to the senior vice president of HR, realizes this initiative will demand tremendous change in skills, focus and processes throughout the company. One of his 2009 strategies is to re-engineer the company's supervisory training programs to help managers and leaders rethink their roles in the context of preventive care and wellness.

Build Modern, Integrated Capability Models

Another example of today's business-focused L&D strategies is the development of new, modern capability models. Dell and British Telecom are going through business changes that demand an integrated approach to leadership development. They are responding to a down economy by building new capability models.

Capability models provide an overall view of the skills, competencies and informational needs for critical job families. By creating these models, companies can more rapidly shift L&D investments, rationalize spending and reduce costs according to business requirements. Capability models can help answer questions such as: Should we continue to spend hundreds of thousands of dollars on project management training? Should we centralize IT and technical development programs? Which programs must we maintain, and which can we cut? What employee audiences require greatest investments?

Three Themes: Alignment, Integration and Impact

Ultimately, the L&D profession will benefit from today's economic challenges. We must be laser-focused on program alignment, integration of disparate L&D investments, and on the prioritization of programs that deliver immediate business value.

Look at 2009 as your opportunity to elevate the role of corporate learning to new heights by delivering cost savings, greater business impact and transformational support to meet today's economic challenges. **CLO**