

# The Great Leadership and Management Development Conspiracy

**Robert Terry** says organisations, trainers and learners collude to maintain the *status quo* in training that demonstrates no organisational benefit

**W**hy, when everybody knows that leadership and management development (LMD) is unlikely to produce measurable improvement in workplace performance, are CEOs apparently content to spend more than \$40bn each year on it?

It's inconceivable that operations directors would be allowed to spend so heavily unless they could build a strong business case in support of the planned investment, demonstrating reduced costs and improved productivity. IT directors would be expected to provide a powerful cost benefit analysis before being given the green light for new systems. Even marketing directors, with their well-documented difficulties in predicting sales growth in response to advertising and promotions, would be shown the door unless they could evidence their prospective expenditure with forecasts of sales based on empirical studies of previous campaigns.

So why are CEOs seemingly happy to approve expenditure on LMD on the basis of little more than a belief that 'some training is needed'? Why are HR directors prepared to champion the cause of one supplier over another, when neither is able to offer any evidence or guarantee that the planned activity will work? And why is no-one talking about what looks on the face of it like a shocking dereliction of governance?

Before we get into hypothesis, let's start with the facts. There is very little proof that LMD delivers improved workplace performance. There is a fair amount of anecdotal evidence that it does produce other beneficial effects (such as employee motivation, engagement and alignment with senior management) but data to prove a causal relationship is hard to find.

Professor Chris Mabey at the Birmingham Business School notes that, while there has been a great deal of high quality research into the links between LMD



and organisational performance, it has tended to use so-called 'instrumental' indicators such as 'hours training received' or the existence of formal needs assessment processes. This tells us little about the quality of the training provided and the impact of that quality on performance.

Furthermore, Mabey cites difficulties in the time lag between the programme or intervention and the measurement of its effectiveness. Short-term impact is often invisible and it can take years for measurable benefits to feed through, further discouraging attempts to prove a link.

Given that LMD interventions are often expensive, time consuming and high profile, there is an understandable concern to prove that they deliver organisational benefits. But empirical support is not definitive, tends to be

quantitative ('how much') rather than qualitative ('how good'), and focuses on indirect influences on performance rather than causal relationships.

So, in the absence of reliable hard evidence that it can do what it says, what prevents the enormous industry that has grown up to satisfy this market from collapsing under the weight of justifiable criticism? It may be a little far-fetched to describe it as a 'conspiracy' of silence, but the emperor would appear to have very few clothes on and no-one seems to want to mention it.

So where does the blame for this indifference lie? There are five parties, and they are all playing their part in 'The Great Leadership and Management Development Conspiracy'.

### The participant

When in doubt, blame the customer! Every year, hundreds of thousands of managers attend workshops, briefings and programmes. One report suggested that public sector managers attend an average of 17 days training a year.

As anyone involved in the delivery side of the industry will tell you, many participants arrive at the training venue having been inadequately briefed, having failed to complete preparatory work and without a clear sense of why they are there. Many resent being forced to attend and complain bitterly that they are too busy to take the requisite time out of the office. But as long as the trainers remember their lines and don't embarrass them by being incompetent, they will play along, reserving their most plangent criticism for the venue – which gives you some sense of where their focus may lie.

They offer their passive co-operation in exchange for an unwritten



contract, a central condition of which is that they are there to *learn*, not to change their behaviour. Learning is something that they have mastered in their lifetime – first at school, then later at university or college and, finally, in the workplace – as part of their functional or technical development. Learning is part of their routine and, as we all know, routine is pleasurable.

But the purpose of LMD is – or *should* be – to improve an individual's workplace performance, not to make him smarter. 'Smarter people' are a noble, and even desirable, by-product but they are not the objective. The only means by which LMD can lead to improvement in workplace performance is if the managers subsequently change their behaviour. And change is uncomfortable.

When confronted by the requirement to do things differently and better in the workplace, as opposed to just learn something on a training programme, the unwritten contract starts to fall apart. The hard work of behaviour change starts when participants return to work and, perhaps not surprisingly, that's when the momentum built up on the programme falters. Within days of their return, action plans are shelved, learning sets are cancelled and commitments are forgotten.

According to celebrated psychotherapist James Prochaska, as few as 4 per cent of us are capable of self-changing. An overwhelming 96 per cent of us actually *need* a complex package of support and encouragement *in the workplace* if we are to have any realistic chance of turning new knowledge or skills acquired on a training programme into improved workplace performance.

In the absence of an infrastructure – provided by the commissioners of LMD programmes and by which

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learning can be applied in the workplace – participants will duck the discomfort of change and, with understandable relief, maintain their silence.

### The training providers

Much of that which is served up in the name of LMD is designed around a 3,000-year-old pedagogic model called 'teaching'. It is familiar to educators and learners alike, cheap to run, easy to organise and – insofar as it won't facilitate change in behaviour for the overwhelming majority of people – doesn't work.

The educational model is, however, tenacious in its grip on the training industry. In a report produced by the *Financial Times* in May 2008, business schools were criticised for their unwillingness to customise their faculty-based programmes, which were seen to be driven more by the desire to undertake research and write books rather than the desire to meet customer needs. Their reluctance to provide customised solutions to the need for improved performance in organisations was seen to stem from the fact that they are first and foremost purveyors of knowledge, not facilitators of behavioural change.

In the name of fairness, it should be said that very many people *do* benefit directly from participation in learning – just not necessarily the organisations that are paying for it. The Learning

and Skills Council reported that, while organisations that funded training for their staff did not typically see a measurable return on their investment, participants *did* gain from the experience through an enhancement of their life chances.

Training providers are too often wedded to an educational model that can only provide half the answer to the performance improvement question. In 1992, Broad and Newstrom in their classic *Transfer of Training* showed that training designers typically placed themselves at the centre of the solution, in spite of the fact that it is the learner's line manager who is most important in generating the 'transfer and application effects' that convert learning into improved workplace performance. It would seem that trainers start with a mental model of themselves and work outwards, exhausting their imagination when they are not involved.

The 'Sage on the Stage' mindset that pervades most training design pays scant regard to the importance of the line manager. It prefers instead to believe that where training fails to deliver the promised organisational benefits, the cause must lie in the structure or content of the programme, the quality of the trainers, or even the venue. And so begins the search for the latest guru, a more recent book, a different psychometric and a more comfortable hotel. Their belief is that if they just look a little harder, the 'magic bullet' is out there and all will be well.

Until such time as training providers can see beyond the classroom door to a 'finishing line' many months ahead – where learning has been transferred and applied in the workplace and performance has been measurably improved – they too will keep their counsel, and gratefully accept the opportunities that come their way. (If there's one point to be made in training providers defence, bear in mind that they

can sell only those solutions that buyers will agree to buy. Speaking of whom ...)

### The training buyer

Is the buyer a victim of the conspiracy or a fellow-traveller? On the face of it, they are in a position to change the rules of the game but choose not to. Or are they? Who *is* calling the shots?

Most buyers will recount experiences in which the boss has decided that 'we need some training', or the director of business transformation has demanded a change programme, or the newly-appointed HR director wants to reinvigorate the leadership development programme. No clear business outcomes, no behavioural objectives and certainly no patience. The initiative must be designed, implemented and evaluated in six months, nine at most; not enough time for participants to begin to demonstrate changed behaviours, let alone for that change to have an impact on workplace performance.

Professor Mabey estimates that the time lag between an LMD intervention and the measurability of any organisational performance improvement is four years. Business sponsors want results and they want them now, but they are pretty unhelpful when it comes to specifying precisely what results they want. In the absence of any willingness to wait until the real indicators of effectiveness start to move, the buyer is obliged to measure what is available. And this is unlikely to demonstrate anything other than that the programme took place and some people enjoyed it.

As a direct consequence of this failure to capture meaningful measures of effectiveness, buyers have little or nothing to fight their corner with when they come under pressure to reduce costs. It's difficult to argue that a two-day workshop will deliver less value than a five-day event if the five-day event has never been properly evaluated. How can it be

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argued with any reasonable hope of success that a half-day briefing will achieve nothing but a series of one-day events supported by executive coaching will transform the business – especially if no evidence either way can be tabled?

When confronted by the choice between two apparently equally effective solutions (according to the 'evidence'), cost becomes the loudest voice in the room.

So there sits the buyer surrounded by too many providers, all professing to have the answer. His decision is often dictated by executive sponsors who know they want something, can't quite put their finger on what it might look like, but insist that it must be completed within the year for half the budget that would be needed to mount something even passably effective. Little wonder they choose the easy, if ultimately self-defeating, option – get their colleagues in procurement to negotiate another 5 per cent discount from their favourite suppliers and reluctantly take up their position in the conspiracy.

### The line manager

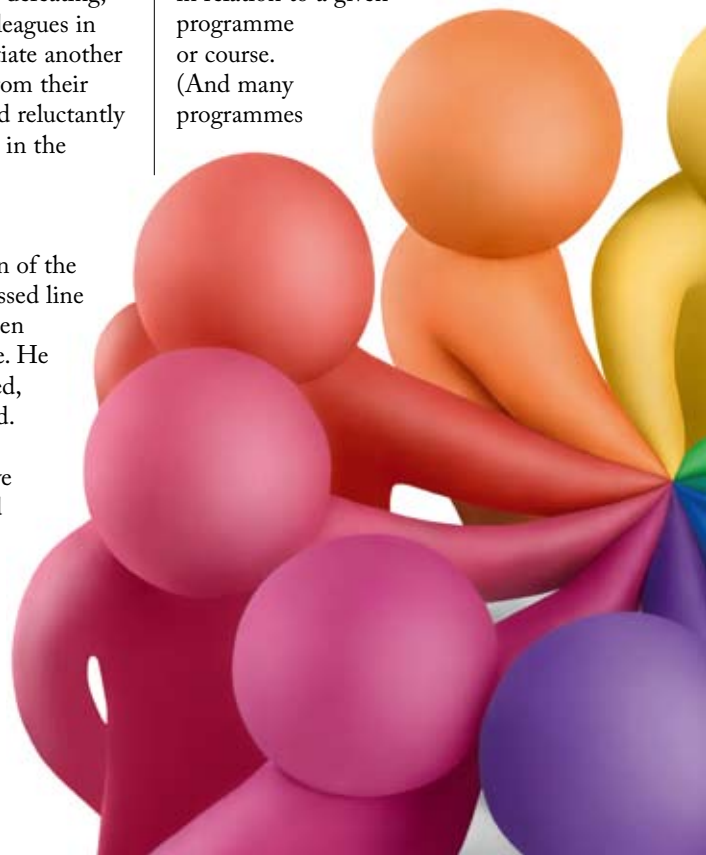
Unsung hero or villain of the piece? The sorely-pressed line manager has never been under greater pressure. He has been re-engineered, 'Lean'd and 'TQM'ed. He works 24/7 in the digital highway, a slave to his BlackBerry and addicted to his inbox. He has had his responsibilities expanded and his resources slashed, and still the boss

wants more. And in the back of his mind, there is the lurking guilt that he is completely ignoring his people.

He knows he should be setting clear expectations of performance and behaviour, providing a constant flow of praise and constructive feedback, coaching at every turn and dealing courageously with those occasional lapses from grace to which even the most diligent colleague is prone. In and amongst all of this, he is also expected to be the principal agent for behavioural change in his team.

As Broad and Newstrom ably demonstrated, the line manager is the single most important individual – more so even than the learner themselves – in ensuring that new learning is transferred and applied in the workplace. The line manager *is* the difference between success and failure for an LMD intervention.

But we've already seen that training providers largely ignore line managers when designing interventions; only a tiny percentage of evaluation strategies measure the extent to which they fulfil their responsibilities in relation to a given programme or course. (And many programmes



deliberately seek to avoid involving them to save costs.)

In the last 15 years, the percentage of line managers that discuss development priorities and programme outcomes with participants about to attend one of our public programmes has fallen each year. It now sits at a depressing 12 per cent.

Similarly, the number of line managers actively engaged in follow-through activities – programme de-brief, giving feedback, practising new skills, monitoring progress against development goals, providing encouragement and support when attempts to change behaviour don't work – has fallen sharply in the last five years.

So are they part of the conspiracy? It's hard to know but one thing is certain: until such time as organisations acknowledge the critical role that they could play in making LMD truly effective and reward them accordingly, they will continue to exercise their legitimate self-interest and invest their energies in those activities that their organisations **do** value.

### The organisation

In his excellent book *Roadmap to Strategic HR*, Ralph

Christensen makes the sensible point that human resource strategies are more effective when they are aligned.

L&D interventions designed to encourage the nurturing behaviours that are often publicly espoused by organisations, for example, are less effective when there are incentives in place that pull managers into task-focused behaviours. Short-termism leads to the use of expensive recruitment strategies to overcome skills gaps, rather than relying on L&D allied to careful succession planning and internal promotion.

And current accounting practice is seriously unhelpful. At the moment, in denial of the oft-repeated but largely ignored maxim 'our people are our most important asset', staff are treated for financial reporting purposes in exactly the same way as we treat stationery, heat and light or any other consumable – all of the costs associated with people are 'expensed' in the year in which they are incurred.

Serious commentators like Michael Echols at Bellevue University have researched the processes by which organisations make 'human capital investment decisions' and he concludes that the current situation is 'sub-optimal' and won't improve until such time as accounting rules are changed to formalise the concept of 'human assets' and permit their capitalisation on the balance sheet – including training that purports to enhance the value of that asset. (Interestingly this is precisely what now happens in football, where highly-prized players' contracts are depreciated over the life of the contract just like any other tangible asset.)

Senior executive endorsement has been identified by numerous studies as one of the most influential factors in driving high returns on investment in management and leadership. Yet senior managers are often the

first to excuse themselves from important programmes, citing pressure of work or omniscience as the reasons. Either pretext serves to undermine the *casus belli* of any serious development initiative and provides precedent for others seeking to avoid what too many managers see as impertinent or inconvenient.

Given the amorphous nature of many organisations, it's often hard to identify which precise individuals are actively involved in the conspiracy, but it may be the case that all are complicit in a mindset that values the *status quo* above any putative gains that could be earned from a change.

So there we have it. Five conspirators, each providing mute endorsement for the others. Each serving to perpetuate an untenable squandering of scarce organisational resources. In the grand scheme of global conspiracy theories, LMD might not appear to offer fertile ground for the over-heated imaginations of those writers that would otherwise while away their days musing on the 'New World Order', the 'Death of Princess Diana' or the 'Roswell Incident'. But on closer inspection, there is at least as much evidence to support its existence as there is behind 'The Majestic 12' or 'The Illuminati'.

It remains to be seen whether, like other conspiracy theories that have preceded it, 'The Great Leadership and Management Development Conspiracy' will be dismissed as the febrile ramblings of a few misguided individuals or a welcome addition to a long overdue debate that must be had if our industry is to mature into the performance improvement partner that our colleagues in operations, sales and marketing, finance and IT really need. ■

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