Strategic HRD and the role of Learning Business Partnership

Sabine Seufert and Christoph Meier say there is still some way to go before HR professionals really become strategic business partners.

In their seminal book *The HR Value Proposition* (2005), Ulrich and Brockbank made a strong statement that human resources (HR) practices need to create value in the eyes of key stakeholder groups: investors; customers; line managers; and employees. For them, the key elements for value creation by HR are: knowing external and business realities; serving external and internal stakeholders; crafting HR practices; building HR resources; and ensuring HR professionalism.

Ulrich and Brockbank also discuss different roles for HR professionals (see Figure 1) and have placed the role of HR as "strategic (business) partner" firmly on the agenda.

The HR role as "strategic (business) partner" is focused on assisting (partnering with) line managers in order to achieve line business goals and it entails:

1. crafting strategies related to customer requirements and alignment of line resources to meet these requirements
2. alignment of HR systems to help achieve business line goals
3. diagnosing problems and implementing change
4. advising and coaching line leaders and general facilitation
5. disseminating learning and ideas across the organisation

(Ulrich & Brockbank 2005, p. 212-3).

Strategic human resource development and Learning Business Partnership

More closely focused on the learning function than Ulrich and Brockbank is the work on "strategic human resource development" (SHRD) initiated by Garavan (1991) and taken up by others (for example, McCracken / Wallace 2000, Wang 2011).



> *The key elements for value creation by HR are: knowing external and business realities; serving external and internal stakeholders; crafting HR practices; building HR resources; and ensuring HR professionalism*

FIGURE 1:
ROLES FOR HR PROFESSIONALS
(ADAPTED FROM ULRICH & BROCKBANK 2005, 200-216)

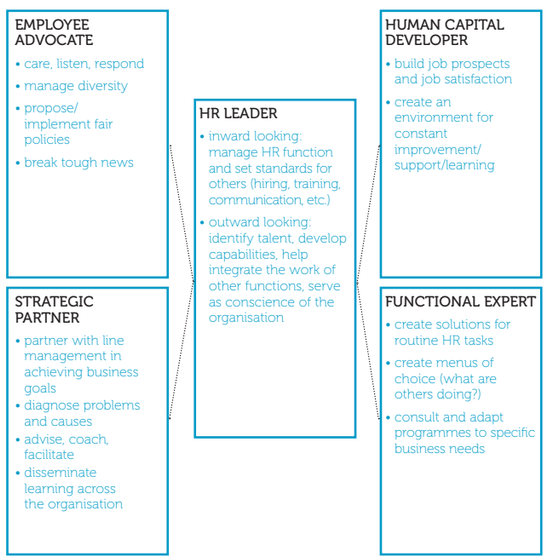
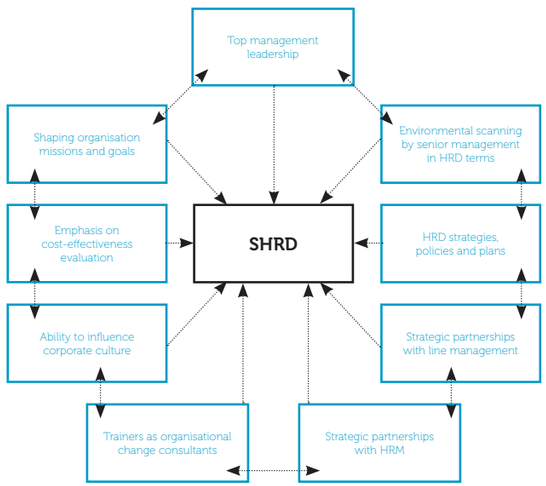


FIGURE 2:
ELEMENTS OF SHRD IN THE EVALUATION INSTRUMENT
DEVELOPED BY LEE (1996)



SHRD is about the management of training, development and professional education interventions so as to achieve the objectives of the organisation. It is concerned with the management of employee learning in the long term, keeping in mind the explicit corporate and business strategies (cf Garavan, 1991, p17). The elements of this approach are represented in Figure 2 and can be understood as an "operationalisation" of Learning Business Partnership.

The elements represented in Figure 2 have been operationalised as elements of an evaluation tool for SHRD initially developed by Lee (1996) and further developed by Wang (2011).

According to this instrument, features of SHRD are, among others, training and development (T&D) needs assessments, written T&D plans, integration of training with business strategy, with recruitment and selection, with performance appraisals, and with retention measures as well as training and learning representing processes of strategy formulation.

Empirical results derived from the scil research on learning and development

Empirical results on the L&D model

In the context of a one-year innovation circle on future-oriented learning and development, in 2012 the Swiss Centre for Innovations in Learning (scil) applied the evaluation model developed by Lee / Wang to a panel of nine partners representing the learning functions of Airbus, Allianz, AXA Winterthur, Bayer Business Services, Bundesamt für Statistik (Schweiz), Deutsche Telekom Training, Die Schweizerische Post, Helsana Versicherungen and Swisscom. The results are presented in Tables 1 and 2.

The results of this research indicate that most of the partners in this innovation circle are positioned at level four on the scale proposed by Lee and Wang: training is a means of implementing corporate strategy and achieving change. In two cases, the learning and development (L&D) function can be considered to operate at a level where it also helps shape corporate strategy.

Strategic HRD and the role of Learning Business Partnership

TABLE 1:
RESULTS OF THE EVALUATION OF SHRD CARRIED OUT WITH NINE PARTNERS BY SCIL IN 2012

L&D ARCHITECTURE	CASE 1	CASE 2	CASE 3	CASE 4	CASE 5	CASE 6	CASE 7	CASE 8	CASE 9	TOTAL
1) L& D Needs Assessment	1	2	2	2	1	2	2	2	1	15
2) Written training and development plans	2	1	2	1	1	2	1	2	1	13
3) Stable Training Budget	2	2	2	1	1	2	1	2	1	14
4) On-the-job Training	1	2	2	2	2	2	2	2	2	17
5) Off-the-job Training	2	2	2	2	2	2	2	2	2	18
6) Mangement Development	1	2	2	2	2	2	2	2	2	17
7) Training evaluation with emphasis on effective evaluation	1	1	2	2	0	2	0	1	1	10
8) Interpretating results for further training modifications	2	1	2	2	1	2	1	1	1	13
9) Integrating L&D with business stratregies	2	1	0	1	1	2	1	2	1	11
10) Integrating L&D with performance appraisals	2	1	0	1	1	1	0	2	1	9
11) Integrating L&D with recruitment and selection	1	0	0	0	0	1	0	1	0	3
12) Integrating L&D with incentive systems, talent management	0	0	0	1	0	1	0	1	1	4
13) Expanded Trainer roles (as "change agents")	0	1	2	1	1	1	1	0	1	8
14) Strategic partnerships with line management	1	1	2	1	2	1	1	1	1	11
15) Top Management Support	1	1	1	1	2	2	1	2	1	12
16) All levels of management taking proactive role in organisational learning	2	2	1	1	1	1	0	1	0	9
17) Training and learning shape strategies	1	0	0	1	0	1	1	1	0	5
18) Training and learning are processes of strategy formulation	1	1	0	0	1	0	1	1	1	6
19) Support learning as part of organisational culture	2	1	0	1	0	1	0	2	2	9
20) Environmental scanning, trend watching and best practice analysis	2	1	0	1	0	2	1	1	1	9
TOTAL evaluation scores	**27**	**23**	**22**	**24**	**19**	**30**	**18**	**29**	**21**	**213**
LEVEL	**4**	**4**	**4**	**4**	**3/4**	**5**	**3**	**5**	**4**	

Values that can be given at each category:) = "no such practice"; 1 = "having such practice but not regularly conducted"; 2 = "yes and constant"

TABLE 2:
SCORES AND LEVELS FOR THE EVALUATION OF SHRD

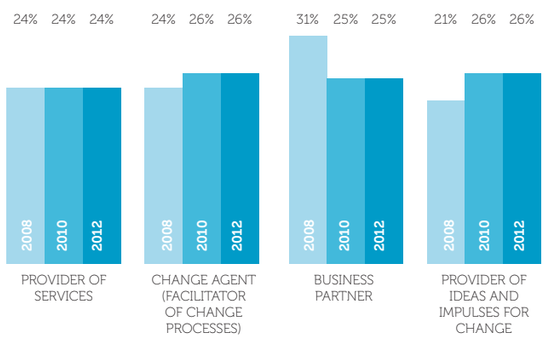
SCORES	STRATEGIC	LEARNING & DEVELOPMENT MODEL PROPOSED BY LEE (1996) & WANG (2011)
0–7	Level 1	No systematic training
8–12	Level 2	Isolated training
13–18	Level 3	Training integrated with operational management
19–27	Level 4	Training is the means of implementing corporate strategy and achieving change
28–35	Level 5	Training and learning possibilities help to shape strategy
36–40	Level 6	Training and learning are processes through which strategy is formulated

TABLE 3:
TOP TEN TOPICS FOR TRAINING MANAGEMENT IN THE SCIL TREND STUDY 2012
(DIESNER / SEUFERT 2013)

RANKING	ASPECT	DOMAIN	SCORE*
1	Align the qualification of staff proactively with corporate strategy	Strategy	1.32
2	Design learning and educational activities support transfer (eg setting personal learning goals, action plans, follow-ups)	Pedagogy	1.38
3	Consider current trends and developments when further developing services	Strategy	1.43
3	Foster learning support through managers / executives	Culture	1.43
5	Improve interdisciplinary competencies of employees	Pedagogy	1.55
6	Use managers/executives in educational processes as coaches, mentors, or multipliers of learning-oriented values, expectations and attitudes	Culture	1.59
7	Involvement of learning and development in implementing strategy after defining strategy-/planning processes	Strategy	1.63
8	Intensify quality development and quality management	Economy	1.64
9	Improve the pedagogical quality of learning services / offerings	Pedagogy	1.65
10	Align learning activities to a competency model	Pedagogy	1.66
	Further develop the culture of learning through targeted initiatives	Culture	1.66

**1 = highly relevant; 4 = not relevant*

FIGURE 3:
"WHAT IS THE ROLE OF CORPORATE L&D IN THE FUTURE?"
RESULTS FROM 2008 TO 2012 (DIESNER / SEUFERT 2013)



These results are based on a very narrowly defined target group. A much larger target group is addressed by the trend studies on issues in managing learning and development that have been carried out by scil since 2005.

The scil trend studies on learning and development

Scil has been conducting empirical research on trends and challenges in educational management since 2005. The framework underlying this research focuses on six aspects of educational management: strategy; didactics; organisation; culture (of learning); technology; and economy.

The experts interviewed on the basis of a standardised questionnaire are recruited on the basis of theoretical sampling for the following criteria: representation of businesses from different industries; representation of different sizes of businesses; decision makers in corporate learning and development; experts on innovative areas in L&D.

The experts are asked to rate both the importance of specific items and also to estimate the time frame for realisation.

In the most recent study, completed at the end of 2012 (Diesner/Seufert 2013), 150 experts, mostly from Germany (49%) and Switzerland (44%), participated. The respondents were mostly business leaders (12%), leaders of T&D (39%), and learning professionals /programme managers (43%).

Businesses ranging from fewer than 100 to more than 100,000 employees are fairly evenly represented (the largest slice being made up of businesses with 1,000 to 5,000 employees). A wide range of industries is represented, with the largest group of experts coming from the financial services industry.

The top ten topics for training managers revealed by the survey are shown in Table 3). The area ranked most highly in terms of its importance/ relevance is the proactive alignment of staff qualification with corporate strategy, an aspect that is closely related to the concept of strategic business partner as defined by Ulrich & Brockbank.

Strategic HRD and the role of Learning Business Partnership

ABOUT THE AUTHORS

Prof Dr Sabine Seufert is Executive Director of the Swiss Centre for Innovations in Learning (scil), University of St Gallen, St Gallen, Switzerland.

Dr Christoph Meier is Project Manager and Consultant at University of St Gallen/scil.

The investigation of strategic aspects of the management of the L&D function in the scil trend study also covers the role that the L&D function should take on in the future.

The following roles were presented for selection:

- provider of services (ie training and personal development)
- change agent and facilitator of change processes throughout the organisation
- business partner
- provider of ideas and impulses for change (ie innovator)

The experts were asked to distribute 100 points across four roles – service provider, change agent / facilitator of change processes, business partner, generator of ideas innovator – according to their personal perception of relevance. As this question was included in the trend studies in 2008, 2010 and 2012, it is now possible to compare results for the last few years. (See Figure 3.)

The results indicate that in the perception of the experts interviewed, corporate L&D is an "all-rounder", a function that takes up a range of roles within the company/corporation: service provider; change agent; business partner; innovator.

While in 2008 the role of "business partner" received the highest rating in terms of relevance by 2010 and 2012 the four roles were given almost equal importance. This nearly equal rating of all four roles now appears to be fairly stable. This suggests that, for the time being, the definition of the role of corporate L&D is dealt with and the focus is on further professionalisation of these four roles.



"Trainers also need to take on a more extended role that comprises not only the planning and delivery of training but the delivery of recognisable results to a business unit

The field for action

So what can we derive from all this regarding SHRD and Learning Business Partnership (LBP)?

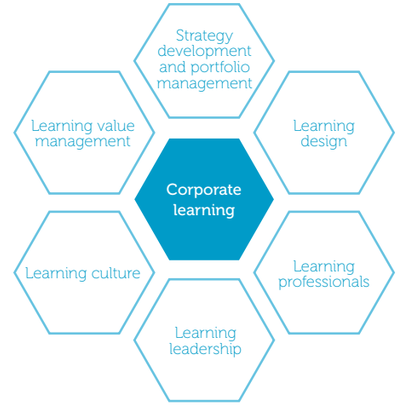
First, SHRD and LBP entail a multitude of activities including not only assessing learning needs, writing up development plans, and conducting and evaluating training but also integrating L&D with business strategies, with performance appraisals, with recruitment/selection and with talent management.

Second, SHRD and LBP entail intensive networking and stakeholder management – with line managers, with other HR teams and with top management.

It also makes sense to differentiate the domain controlled by L&D from the domains where co-operation with other units is necessary.

In the first domain, a highly relevant area for improvement is environmental scanning and dealing with new trends in a systematic way (cf the item ranked in third place in the 2012 trend study, Table 3).

FIGURE 4:
THE FIELD OF ACTION IN THE DOMAIN OF CORPORATE LEARNING



Another area for development concerns the portfolio of services offered by the L&D function in addition to training – for example initiatives that further develop the culture of learning and the context conditions for learning (cf the item ranked in tenth place above).

Trainers also need to take on a more extended role that comprises not only the planning and delivery of training but the delivery of recognisable results to a business unit. This entails an increased concern for needs assessment and for contracting with line managers. This also means increased involvement in the transfer of learning to the workplace and in the determination of change in the workplace.

In a more general vein, what is required of L&D in order to fulfil a LBP role is the adequate management of the portfolio of services, the provision of effective learning designs, the development of learning professionals, the involvement of business leaders in development activities, the further development of the culture of learning and the demonstration of the value provided (cf Figure 4).

However, the field for action also comprises areas where L&D is required to co-operate with other units. An important element here, for example, is to better integrate L&D with other HR units, in particular, recruitment and selection, performance appraisal and talent management.

gf

REFERENCES

Diesner, I, & Seufert, S (2013) Trendstudie 2012. *Herausforderungen für das Bildungsmanagement in Unternehmen St Gallen:* Swiss Centre for Innovations in Learning (SCIL), University of St Gallen

Garavan, T N (1991) Strategic Human Resource Development *International Journal of Manpower,* 12(6), 21–34

McCracken, M, & Wallace, M (2000) Towards a redefinition of strategic HRD *Journal of European Industrial Training, 24(5), 281–190*

Ulrich, D, & Brockbank, W (2005) The HR Value Proposition Boston, MA: Harvard Business School Press

Wang, Y. (Molly). (2011). An Evaluation Tool for Strategic Training and Development: Application in Chinese High Star-Rated Hotels. *Journal of Teaching in Travel & Tourism*, 11(3), 304–319.