

Powerful Profitable Conversations in Action

Sector – Transport

Leadership that Really Makes a Difference –
Putting Learning into Practice and Measuring the Added Value



The Current Situation

The client had set an ambitious strategic agenda, and it was clear that they needed to shift from an operationally focused organisation into one which was absolutely customer focused. The strategic goals placed significant emphasis on improved performance, improved quality of service, increased customer satisfaction and revenue growth. Existing employee engagement data and an initial Investors in People assessment also confirmed that enabling leaders with the skills to unlock discretionary effort would be crucial to delivering the strategic goals.

An existing leadership programme (Structured Leadership Programme) was delivering knowledge, skills and behavioural training to first and second line managers. However, the organisation came to the view that external oversight or endorsement of the programme would ensure that what was on offer was a high quality programme that reflected innovative thinking and the latest research in leadership and would assist in demonstrably showing the added value of the leadership community following this year long programme.

The critical factor for the organisation was to have a process that placed great emphasis on the learner being able to go back to the workplace and using the learning from the leadership programme provide evidence of their learning in relation to positively impacting on both the organisational culture and the bottom line; developing the capacity and capability of direct reports and responding to rapid shifts in the environment by understanding how to manage change and respond to resistance.

Our Proposal

- The Houston Exchange, specialists in Leadership development, and are also accredited Associates with Edinburgh Napier University. This relationship was a crucial element in creating a programme with eternal endorsement. Our proposal included that The Houston Exchange:
 - To be the bridge between the organisation and the University in aligning the existing internal programme to meet endorsement standards.
 - Review the content, structure and learning approach of the internal development programme.
 - Define learning outcomes for the training modules against which learner learning will ultimately be measured. Ensuring that these were aligned with the strategic goals. (This would be done in conjunction with the Head of L&D, providing transfer of learning.)
 - To design an extension to the existing programme which would comprise of individual and group coaching, leading to a practice based initiative which would be the vehicle for evidencing application of learning into the business and measuring the added value.
 - Endorse the quality of the programme via Edinburgh Napier University.
 - Create a process which would allow the organisation to measure the application of learning in the workplace and tie this in with criteria for attaining the “Certificate in Leadership Excellence” endorsed by Edinburgh Napier University.
 - Deliver the coaching element of the programme using Kantors’s Theory of Structural Dynamics as a vehicle for connecting with and creating new understandings between facilitators and learners to enhance the learning experience.
 - Support the organisation in measuring the ROI from the programme.

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What We Designed

Based on the client needs we decided to utilize the relationship between The Houston Exchange and Napier University which shaped the programme's intense focus on putting learning into practice, and offered learners challenge and external perspective in conjunction with a learning coach approach to support the transition of learning into action.

We designed an endorsement process which was underpinned using the following principles:

- Workshop content based on leading and emerging thinking in management and leadership theory.
- Module design and delivery to be a mix of process, policy, and leadership behaviours, aiming to give learners a high awareness of their individual learning, leadership, and influencing styles.
- Facilitators to model leadership behaviour that accommodates and integrates individual differences, views and perspectives from every learner, thereby creating a container of trust within each learning group.
- Coaching to be provided to everyone in addition to attending modules - learners to receive individual coaching three months into the programme, with three group coaching sessions across the life cycle of the programme.
- Learning to be supported by deeper more meaningful conversations with line management via pre- module learning plans, post-module action plans, and managerial testimony.
- Learning to be supported and sustained by development of reflective practice evidenced by completion of learning journals, and practical application of learning in the workplace brought to life in a formal presentation at the end of the programme.
- Learners rewarded by an endorsement of their learning by Edinburgh Napier University resulting in the Certificate of Excellence in Leadership.

In addition supporting materials were created:

- Managerial and Learner Guide
- Templates to support Pre and post module conversations
- Template for Learning Journal entries
- Story Board Process to shape workplace initiative to be used for an assessment process

A critical part of this process is the involvement of the Line Manager in creating the opportunity for the Learner to put into practice what has been learned, and in providing support and feedback. The Coach and the University's role is to support the Learner in applying and reflecting on their newly gained skills and experience, and to assess and endorse their practical application of that learning to add value to themselves, their team, and the business.

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What We Measured

The programme included mechanisms that measured engagement, learning, application and implementation, business impact and return on investment.

Engagement - Learner satisfaction survey responses measured engagement throughout the programme, relating to content, materials, methodologies and facilities. These responses were then measured against design principles and standards, and we have amended the timing and content of some elements of the programme in response to this feedback.

Learning - One element of our endorsement process was to check and test for new knowledge, skills, attitudes and the confidence to apply them in the workplace. This was done by encouraging Line Managers to have conversations with learners to identify knowledge and skills gaps prior to attending workshop modules. Pre and post learning reflections are part of the Practice Based Learning Process. Workshop content and exercises also reflect real life scenario / simulations.

Application and Implementation - This was measured through the encouragement of post module conversations with Line Managers, who help set up learning experiences in the workplace after which learners completed a compulsory Learning Journal.

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Business Impact and ROI

Our focus on putting learning into practice has created a programme that has exceeded our expectations in respect of ROI. Design and Delivery costs of the programme included internal and external trainer delivery, learning coach support from Houston Exchange, and endorsement by Edinburgh Napier University. The total cost over the Programme duration (2012 to 2015) for 23 cohorts with an average class size of 12 was £480,000.

Given our focus on providing learners with skills in making change that had measureable impact, it was important that we measure the impact of the programme. We have taken a two strand approach to calculating return on investment, firstly by looking at the impact on engagement, and secondly by investigating the benefits delivered as a result of the changes implemented by learners as part of their PBL portfolio.

Employee Engagement

Research (Human Capital Institute) suggests that an improvement in engagement delivers an increase in the value returned by staff, and that can be measured as a % of their salary. The model states that: fully engaged employees return 120% of their salary in value, engaged employees return 100%, somewhat disengaged employees return 80%, and disengaged employees return 60%.

This model was used to estimate the value of the increase in engagement from leadership behaviour changes resulting from the SLP. Based on the latest engagement data (2012 and 2013) we have calculated the increase in value returned. We have done this by calculating the full increase in value returned over the period, and then weighting it to reflect the impact of leadership. The Hay McBer model shows leadership behaviour accounts for up to 60% of climate, and we used this percentage to give us a value returned due to leadership behaviour due to the SLP. These results show an increase in value returned in 2013 over 2012 of £1.3m.

• We assessed the benefits (savings and revenue increases) delivered by a sample (10%) of learners on the SLP. We then assumed that the benefits delivered by learners who have completed the programme will be at least 25% of the sample average; resulting in an estimated value of £6,900 per learner and a total value across all learners of £893,000 for 2015. Based on this value, the ROI for the programme based on the total costs over the duration of the programme and the estimated benefits for just 2015 is 87%.

“This Programme has transformed the mindset and behaviour of our leaders, and delivered tangible benefits to the business. I’m so proud of the contribution made by everyone involved in the programme”

HR Director