

UniSA Strategic Partnerships Newsletter Winter 2008

Adopting a Strategic Approach to Corporate Education

While undertaking research for my PhD it became apparent that organisations invest between 2 per cent and 6 per cent of payroll on employee education, training and development, with the average investment around 3.5 to 4 per cent of payroll.

Increasingly we hear that organisations are seeking ways to measure return on investment from their education and training expenditure. Among the interesting findings from my PhD research was the fact that only 59.5 per cent of respondents actually link their corporate education programs to specific corporate goals for organisation development.

A number of research studies over the past seven years find the most effective corporate education programs are those that are aligned with the achievement of specific corporate goals. Therefore, a good starting point for any executive seeking to measure the return on investment from their education and training expenditure is to ensure there is a purpose to all education programs, the right people are selected for the programs and the learning outcomes from the programs are aligned with the future direction and aspirations of the organisation.

Interestingly, participants in my research indicate that 75 per cent of private companies link their education and training programs to corporate goals in contrast to only 55 per cent of public companies.

Futhermore, while the research finds almost 60 per cent of organisations link their corporate education programs to corporate goals, only 45 per cent actually have a documented plan for managing and developing their corporate education program. Once again, private companies appear to perform better than public companies in this regard, with 56 per cent of private companies compared to 44 per cent of public companies that indicated they have a documented plan.

The old adage that if a plan is not written down, then it is not really a plan might apply here. Therefore, as industry continues to increase expenditure on corporate education and employee development, the most effective means of measuring return on investment is to align the corporate education program with the achievement of corporate goals, and develop a documented plan that includes:

- the corporate goal/s
- the role and purpose of the corporate education program aligned with the corporate goal/s
- the proposed corporate education program and key learning outcomes
- the number and organisational level of participants
- the capabilities and competences expected of participant as a result of completing the program: both quantitative and qualitative

It is also important after a program is completed to review and measure the learning outcomes against the corporate goal. This could be immediately after a program concludes and, ideally, six months and 12 months later to measure the level of knowledge retention from a corporate education program.

If you would like more information about this research please contact me by email:
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PhD Conferred

As Director of Strategic Partnerships, I am proud to announce that my PhD was conferred by the University of South Australia Council on 17 April, 2008. Leading the team in UniSA's Strategic Partnerships unit and achieving a PhD for my research and thesis on The Strategic Management of University-Corporate Education Partnerships, demonstrates the depth of knowledge and experience UniSA has in the development and delivery of corporate education programs in partnership with industry.

Lindsay Ryan – Director, UniSA Strategic Partnerships

Program Update

The Principles of Lean Thinking program continues to go from strength to strength and is generating regular enquiries from around Australia, as well as from Adelaide. In one of the recent programs we had a participant from Tasmania join the Adelaide program and benefit from the exposure to other ways of operating, different operating contexts and different industry experiences.

We recently completed another two programs in the Principles of Lean Thinking involving 28 people from the automotive components industry, manufacturing, services and three South Australian Government Departments – Services SA, Environment Protection and Health. This diversity of participants reflects the growing recognition of the importance of lean thinking in industry and the application of the principles across such diverse industry sectors.

The Principles of Lean Thinking is a 10 day program delivered in Australia through a strategic partnership between the University of South Australia and the Lean Enterprise Research Centre (LERC) at Cardiff Business School. Professor Peter Hines, Director of LERC, leads the program and is supported in the delivery by other academics and practitioners from Cardiff and progressively we are integrating local lecturers into the program to provide local case studies to complement the cases and leading-edge research from the United Kingdom and Europe. The recent deliveries of the program included Gary Griffiths from Cardiff, co-author with Professor Peter Hines, of the book: Staying Lean, as well as some of our local lecturers.

The next Principles of Lean Thinking program commences Monday September 1, 2008. Participants completing the 10 day program and a 3,000 word lean implementation strategy assignment receive a Certificate of Completion. As well, participants can apply to receive credit for one course in the UniSA Master of Management program and partial credit in the MBA program. For more information, please contact: Robert.lloyd@unisa.edu.au or Lindsay.ryan@unisa.edu.au

FROM THE JOURNALS

Lee-Kelley, L, Blackman, D and Hurst, J (2007) An Exploration of the Relationship Between Learning Organisations and the Retention of Knowledge Workers, *The Learning Organisation*, Emerald Publishing, Volume 14, Number 3, pages 204-221

Lee-Kelley et al suggest that as industry evolves in relation to the 'knowledge economy', the role of knowledge workers in an organisation become increasingly important as a source of competitive advantage. Ultimately what differentiates one organisation from another will be the way they manage the employer-employee relationship, as unlike the traditional business model, knowledge workers can leave an organisation at any time and remove that key asset. Increasingly, the assets of an organisation are not the plant and equipment but the intellectual property, the ideas generated by the employees and the capabilities of employees.

The authors claim managers need to establish processes that can assist in enhancing job satisfaction and reduce employee turnover, and the subsequent loss of valuable knowledge. Job satisfaction is a common measure of an employee's attitude of overall acceptance, contentment and enjoyment of their work. According to Lee-Kelley et al, a number of research studies support the observation that low job satisfaction can result in employees leaving the organisation. Interestingly, knowledge workers are motivated more by the intrinsic challenge of the work, rather than the financial rewards associated with the job, as well as opportunities to learn and apply their knowledge. This is significantly more important to knowledge workers than to ordinary workers.

Lee-Kelley et al find that 95 per cent of knowledge workers responding to their research regard challenge as important or very important to their job satisfaction. There is also a strong correlation between personal mastery of their job and the challenge knowledge workers require. As such, the authors suggest knowledge workers need to be supported to develop their skills, work on challenging tasks and be allowed to implement new ideas. In return, these employees are motivated to understand what is happening across their organisation, how they fit into the organisation and how their work contributes to the success of the organisation.

The research also finds that job satisfaction may be boosted by the alignment of the organisation and individual's personal visions, as having a common vision can assist in increasing the understanding of why employees are promoted and rewarded. Employees

sharing the organisation vision often have a personal interest in achieving that vision. The authors claim that a shared vision is likely to result in employees wanting to do things which are good for them and the organisation to achieve the vision. This is linked to the knowledge worker's personal mastery of their job where they see their role and value within their organisation is relevant and appreciated and, as a result, strive to improve themselves and their contribution to their organisation.

An important message for human resource managers and senior executives, according to Lee-Kelley et al, is to recognise that while knowledge workers often work independently, they still need to be recognised for their achievements if they are to remain content. Although reward and promotion is not a high priority, formal and public recognition for their contribution is important.

Lee-Kelley et al find a recurring theme in their research is the need for knowledge workers to understand their role within the organisation and to feel their work is relevant and of value and to be recognised for what they do.

Lindsay Ryan – Director, UniSA Strategic Partnerships