***Action learning: How Organizations Grow Leaders While Improving
Financial Growth***

Case Study

A large automotive retail organization realized the need for developing their leaders and to develop a talent management pool. In addition, they were experiencing economic threats from the competition and needed to plan for possible downward trends. They identified a group of senior managers to participant in the program to in contribute to and support transformational change around solving critical business challenges

A group of consultants identified an Action Learning Model to help the client address it's business challenges. Action Learning offers participants skill development and growth on five levels – 1) Organizational, 2) Business, 3) Leadership, 4) Team, and 5) Interpersonal.   Learning is a combination of collective knowledge, skills and experienced balanced with and learning when needed.

To ensure success, the Corporate VP of OD and Training Manager, the consultant met with the Regional VP and their HR and Training Managers to design the program, identify participants, select business challenges and determine measurable goals. The goal was to address the emerging competition by improving sales and the profit margin, develop stronger leaders throughout the region, and identify a successor for the VP by 2005.

The Regional VP identified a team of 12 leaders to participant in the seven-month program. The leadership team was scheduled to meet two days each month to work on business challenges while developing leadership skills. During the month, the team worked on their projects and came to the meeting prepared to report their progress.

In the May 2004, the Leadership team attended a two-day kick off session to learn more about Action Learning and to learn some of the Action Learning tools and techniques. The leadership team was divided the group into four teams and assigned each team a project.   Each team was assigned an Action Learning Coach. Coaches provide meeting facilitation, learning, coaching and feedback to help the team. They offer Action Learning tools such as dialogue, reflection, contracting, affinity diagramming, appreciative inquiry, feedback, listening to help team member's work together cooperatively.   AL coaches provide just-in-time learning when the team indicated a need for skill development. A 360-feedback assessment was completed to identify individual development needs.   Each participant received feedback and created a development plan. They received

coaching and feedback during each meeting from peers and Action Learning Coaches.

At the end of the program each team realized exceptional results. Overall the profit margin increased 5% over the planned budget; commercial sales increased substantially; shrink and payroll cost decreased. As a result of working as a team to share best practices with other District Managers, each district improved their numbers. In addition, employee commitment, buy-in and performance improved.

The District Managers transferred Action Learning directly back to the 37 stores. DM's coached their direct reports on using action learning tools and process. They asked questions and listened to suggestions, coached and trained others, set goals and expectations.

As a result of the Action Learning experience, the District Managers increased their leadership effectiveness to achieve the Regional VP's vision to improve the talent pool for succession planning, to improve the bottom line results, increase sales and to improve the region's ability to respond changes in the local environment.

What is Action Learning?

"The Action Learning Process works on five levels. It helps organizations respond to major business problems and opportunities, and it develops key people so that they have the capacity to lead organizations in desired strategic directions."

Action learning brings together small groups of participants with the following intentions:

- To work on organizational/individual issues/challenges. This is most effective when the commitment is *voluntary*.

- To work on real problems. Situations in which *"I am part of the problem and the problem is part of me."*

- To work together to check individual perceptions, clarify (and render more manageable) the issue and explore alternatives for action.

- To take action in the light of new insight. Begin to change the situation.

- Bring an account of the consequences back to the group for further shared reflection.

- To focus on learning, not only about the issue being tackled but also on what is being learned about oneself. This is essential to turn developing understanding into learning that can be transferred to other situations.

- To be aware of group processes and develop effective ways of working together.

- To provide the balance of support and challenge that enables each person to manage themselves and others more effectively.

- Each group is provided with a facilitator (coach) whose role is to help individuals and the group to identify and develop the necessary skills.

Leadership development is essentially a process of self-development. By skillfully blending customized learning, with multi-rater 360-degree feedback, peer feedback, team dialogue and reflection, after-action-reviews, and various self-report inventories, AL coaches help individuals become clear about their strengths and opportunities for improvement.
AL coaches assist business teams in clarifying team goals, roles, processes, and relationships; by developing a clear measure of accountability; and by offering coaching and just-in-time learning to support competency development.

AL coaches meet frequently with individuals and teams in one-on-one coaching sessions. During these coaching sessions, AL Coaches ensure that individuals or teams work on meaningful, personal development plans. Continued follow-up is provided via phone calls, e-mails, and follow-up evaluations support the continued development process.

Background

About the Author:

Nancy L. Zentis, Ph.D. is the CEO of HRTalentPRo, an OD consulting firm specializing in Talent Management. She consults with organizations to custom design Talent Management Programs to meet their specific needs. She has implemented Succession Planning, 360 Feedback Assessment, Competency Development, Mentoring, Performance Coaching, and Tracking High Potential Growth in many leading organizations. HRTalentpro recently launched its flexible, affordable on-line database program to help clients manage, administer, and track talent. Nancy is a frequent contributor to ASTD's OD Journal. She can be reached at nancy.zentis@hrtalentpro.com

Nancy has provided clients with Leadership Development and Team Development Programs for over 25 years. Her client list represents major global corporations and non-profits organizations. Nancy Leadership Development programs impact performance results and ROI on five levels – organizational culture, business results, leadership, team and individual performance.

Her clients rely on us to coach their leadership teams when they face critical challenges such as implementing sustainable change initiatives, creating collaborative strategic plans for process improvement, preparing leaders for succession planning, developing high potential leaders, building collaborative project teams, improving business results and solving critical business challenges.

Nancy's Team of AL Coaches partner with the clients to design, development, and delivery of team and leadership development programs that result in a shared commitment to performance results.