

Journal of Organizational Engineering

A Journal of the Organizational
Engineering Institute
Volume 3 / Number 1
March 2002

joe

High Level, Large Scale Organizational Engineering

Dr. Richard E. Daly, Ph.D.

Abstract

Organizational Engineering can make a large difference in a short amount of time. This article describes the application of OE to a rapidly growing, 4,300-person financial services firm. Within 15 months the Learning function had moved from obscurity to recognition by Training Magazine as the third best Training and Development function in the United States.

In addition to national recognition, the firm acknowledged the function's contribution by elevating its leader to participation in the policy making Executive Committee. The appointment of a Chief Learning Officer for the firm provided further recognition of outstanding achievement.

HIGH LEVEL, LARGE SCALE ORGANIZATIONAL ENGINEERING

Dr. Richard E. Daly, Ph.D.

Introduction

The opportunity to transform an organization over a short period of time does not happen often. Organization is usually seen as a key success factor but tends to be viewed with an almost academic purity. Advertising programs, R&D efforts and new production facilities get high level, intense interest. Organization initiatives usually do not acquire this momentum. Rather, they seem to be seen as something of a "hygiene" factor—things that must be taken care of but that are not action motivators (Friderik Herzberg, 1959).

This article shows that organizations can be addressed on a large scale over a short period of time. Intensive strategies rapidly applied can yield permanent gains. Speed and intensity can combine to create a momentum that propels even higher levels of tangible result. The article offers a demonstration of the value of Organizational Engineering in producing large scale, visible results of a significant nature.

The Company

The subject firm finances automobiles for people with troubled credit histories. Employment had increased over 44%, income grew by 94% and sales improved by 60% in 2001. The firm placed 68th in Fortune's list of the 100 fastest growing companies.

A complex organizational structure is used to produce these results. The firm has over 250 offices across North America. These offices connect with more than 16,000 car dealers who offer the firm's financing. The chain ends with about 800,000 car-buying customers.

The firm operates under intense scrutiny. It is listed on the New York Stock Exchange and has about 84 million shares outstanding. The daily trading volume is about 3% of outstanding shares. This makes the company an active stock that quickly "feels" Wall Street judgments of its financial performance.

This is a picture of a complex, rapidly growing organization. Its status as "a firm to watch" magnifies the strains of fast growth. These forces wear on employees who must manage the strain while posting performance gains. This is a challenging environment for all involved.

The Prelude

Senior management had grown with the company. Many members were involved at the firm's inception in 1991. They had professionally developed while moving through positions within the firm. The structure of the firm grew around the proprietary financial systems that lie at the core of the business. The executives and systems had combined to create an organic synergy.

The CEO of the firm came out of banking while the Chairman of the Board rose from a financial management background. Other senior executives had origins in similar financial incubators. This financial orientation combined with the systems and the executives to create the core values of the firm.

Senior management had fashioned an exceptional organization. It produced high value returns for its stakeholders over a long period. However, growth in size and complexity had begun to stretch the organization's human capacities.

Little, often unconnected, issues began to surface in day to day operations. While easily handled, their repetitive nature caught management's attention. Rather than wait for underlying issues to become self-evident, senior management launched an investigation to discover what was going on.

The initiative involved separate but coordinated efforts. Management was confident that the firms' structure was appropriate to its mission. Any problems were most likely in relationships. The norms, practices and expectations within and between organizational units were probable sources. The first initiative involved commissioning an external consultant to assess these cultural items.

While the cultural assessment was underway, the Executive Committee decided to calibrate the firm's cultural compass—the principals that underlie the firm's operations.

When the firm was smaller, these principals could be refined in executive interactions. The growth in firm size suggested that informal methods might no longer be fully trustworthy. It was time to assess these common standards to see if they still fit the business.

The Executive Committee appointed an internal group to pull together the understandings that acted as the firm's compass. The group returned with four words that summarized the cultural foundations of the firm (see Table 1).

The completion of the cultural survey and the specification of the compass happened at about the same time. Just as the CEO had expected, surface "cracks" had begun to appear. Investments in people were uneven. Those investments that were occurring narrowly focused on technical activities. Internal information exchange was clogging within hierarchical levels and between functions. Finally, innovation was becoming more difficult as the firm grew in size and complexity.

The two studies confirmed that the firm's cultural values were sound. However, realizing them in practice was becoming difficult. This was not due to malicious intent. Rather it was the result of simple growth in size and complexity. Action was needed to realign the firm with its foundational cornerstones.

At this point, I left a successful consulting practice to join the company. The 10 years of consulting experience had given me "hands on" exposure to the newest technologies. These would prove useful in addressing the issues the studies had identified, as would the variety of functions a consultant services. However, most importantly the consulting experience provided a "Rolodex" full of names. The capabilities of these people were known first hand. This was to be an important part of the success of the organizational strategy.

In the corporate arena, experience as a Sr. Vice President of Human Resources for a Fortune 500 telecommunications firm would also prove important. The protocols of a major firm were familiar turf. No time was needed to climb a learning curve of how to navigate at high levels. In addition, working in a public company was well understood and missteps were unlikely.

At this point in the process management was in place. The identification of the issues needing attention was complete. An existing work group was available. Only organization, direction and energy were needed to resolve the problems.

Assembling the Staff

The Learning & Performance group was an established organizational unit. Group members were young, well educated and committed. If eagerness, sincerity and work ethic were sufficient, there would have been few problems to address. However, work enthusiasm and knowledge are sometimes not enough.

Individual operating executives had come to dictate a large number of group activities. Forward momentum was lost in the disjointed demands generated by varying local needs. Rapid growth had left few options. Everybody, executives and the staff alike, were attempting to "cover the bases" as they saw them.

TABLE 1
CULTURAL FOUNDATIONS

Integrity	A quality of being honest and adhering to strong moral principles.
Investment	A willingness to make expenditures in dollars, effort and commitment in areas that produce beneficial results for all involved.
Innovation	A recognition that the world is constantly changing and that new opportunities are the norm and not the exception. Capturing the gains and benefits of these opportunities by affirmative action were expected at all levels and in all areas of the firm.
Information	The generation and distribution of knowledge about current conditions appeared to be an insatiable need.

The overall sense of the group was one of fire fighting. Everyone was working feverishly to keep small fires from becoming big ones. To the credit of all involved, the "fires" had remained under control. Unfortunately, uncoordinated actions driven by different perspectives insured that the fires kept burning.

For example, local executives were most concerned with technical skills. What escaped their attention was that the "soft-skills" were the glue that held the "hard-skill" capacities together. As the firm grew in size and complexity the exposure to a collapse due to shortfalls in soft-skills increased.

These exposures are not easy to see. Soft-skill failures tend to diffuse over many measurement categories. This makes them hard to "pin down." When failures occur, it is easy to interpret them as individual shortcomings. The fact that they are just an absence of a learned skill escapes attention. By dismissing soft-skills in favor of the hard variety, the ground was unknowingly being prepared for an ultimate collapse.

Finally, the distribution of talent was irregular. Individual operating executives had created training functions within their groups. This was appropriate at earlier growth stages. Then, the quick deployment of operating skills was vital. Soft-skills could be learned through personal exposure on the job.

As long as the firm stayed small, everything worked. Hard-skills were emphasized, soft-skills were acquired informally, operating management stayed interested and Learning & Performance's inefficiency did not matter much. However, as the firm grew the risk exposure steadily increased.

The first step in reducing risk was a consolidation of Learning and Performance. Collecting staffs from operating locations could help relieve the "firefighting" syndrome. The massing of resources could help remedy soft-skill shortfalls. This made a lot of sense. However, as might be expected, some operating executives were hesitant to relin-

quish control.

Legitimate issues were involved in this reluctance. Some operating units had infused their groups with local responsibilities. Often these did not fit in a corporate function. Other groups had committed their units to programs that might be disrupted if group control was transferred. The issue being confronted was how to overcome the reticence while protecting corporate interests.

An aggressive stance aimed at gaining control of the staffs would have been a wrong course. Management time would have been required and tension would be inevitable. A managerial "sixth sense" suggested that a more subdued strategy was in order. The right strategy was to set up conditions that would cause the operating executives to voluntarily transfer the training components of their staff by their own choice.

Approaching the transfer issue on a performance basis offered itself as a viable option. If the consolidation strategy had real value, that value should be visible to all involved—including to the reluctant executives. If we were as good as we believed, the performance of our assets would set a new standard. The reluctant executives would either have to improve their performance or transfer the assets. In either case, the firm would win.

A performance based strategy turned out to be the right option. Initial programs produced highly visible results across the corporation. Everyone could see the standard had shifted. The benefits arising from the new approach could not be denied. Without prompting, the transfer of training assets from operating areas began to happen. The executives did this at their own speed. They did it in a manner that covered their own bases. Everybody won.

The consolidation provided a base of human assets with which to work. The next step was to define a strategy to deploy these assets across the firm. That strategy had to create benefit for all of the constituencies involved.

The Vision

As the consolidation proceeded, it became clear that the different training groups had diverse perceptions of their role within the firm. At one end, some viewed their charter narrowly and took a "little red schoolhouse" approach. At the other end, some took an expansive view and saw themselves as consultants.

In effect, the consolidation had collected a "microcosm" of the firm. Each person carried a unique understanding of their mission, distinct expectations and different norms that they applied in conducting their affairs. The consolidation had physically created a single orchestra. However, the creation of the sheet music needed to coordinate the instruments in that orchestra had yet to be written. This was the next challenge.

The first task was to lay a foundation for the creation of a team. Organizational Engineering teaches that only two conditions are needed for team formation—"common purpose and common destiny" (Salton, 1996; 2000). All that was needed was (1) to create an end state (i.e., common purpose) that everyone could find attractive and (2) show people how personal, positive benefits will accrue when the overall goal was realized (i.e., common destiny).

Put crudely, what was needed was a big, sloppy, attractive target that would be understood by and aspired to by all involved. A goal of becoming a "world class" training facility had this kind of face value appeal. It has no specific definition (e.g., exactly what is "world class?") and so is easy to adjust to be able to accommodate everyone.

Becoming "world class" is inherently desirable. It implies a position at the top of a hierarchy. Everyone participating in the group shares in the function's position and thereby benefits when that position improves. The goal met the criteria of common purpose and common destiny. Thus, the goal of reaching "world class" status became the vision providing directional guidance for the group.

A vision is necessary but not sufficient. It does no good unless it is widely shared. Thus, becoming a "world class" training group had to become a virtual mantra. Continually repeating it had the effect of creating mild but real social pressures. Expectations were being set within the group. Outsiders learned of the goal and began adding some good-natured pressure.

Answering the question of "are you world class yet" required some kind of standard. A metric lends tangibility to a goal. Specifically, a listing of the firm in the top 100 training groups could serve as evidence that "world class" status had been achieved. The challenge of gaining a position in the top 100 list made the world class goal "real." Achievement could now be objectively determined.

The vision defined a purpose to which all could subscribe. Achieving the vision carried a promise of positive benefits to all involved. The next step was to define a common technology that could bind disparate efforts under a central and intelligible theme.

The Technology

Senior Management's interest in an area is a two-sided coin. On one side, attention and resources become available. On the other side, management expects that the problems will be resolved. The technology selected had to work the first time and every time.

In other words, the key to success was not fancy words or clever concepts. Management was not likely to accept explanations in place of achievements. What was needed were tangible results delivered quickly and in high volume. This required an integrated technology where every component complements and magnifies the effects of others. In other words, trying to assemble unrelated training materials just to "do" something would not work at the high levels at which the group was now operating.

Organizational Engineering offered the only overarching framework into which any valid technology could fit. All training involves human information processing and thus falls in the Organizational Engineering framework.

Organizational Engineering (OE) also provides users with immediate returns. On one level, it can help people realize personal best performance. Each strategic style has advantages in certain areas and exposures in others. Knowing what these are and how to leverage them reliably improves outcomes.

OE also acts as a bridging agent between subjects. It transports insights from one area to another. For example, learning that you are a Reactive Stimulator in a conflict resolu-

tion class gives insights directly relevant to you in team building. Things just "fit together" better.

OE can even be used to improve the training itself. Knowing that people sharing a strategic style populate a class could cause an instructor to modify a course. For example, a Hypothetical Analyzers cluster would suggest the need for explaining the "why" of content. Larger numbers of Logical Processors would argue for more time focusing on "how" the content can be applied.

A most direct use of OE is in creating and guiding groups. OE's analysis are accurate and predictive of group behavior. The ability to predict outcomes allows the previewing of results. In effect, the performance of human groups can be "engineered" into the exact form needed to meet any particular objective.

These factors strongly argued for the selection of OE technology for company-wide use. TwoPerson, TeamAnalysis and LeaderAnalysis reports could be used to capture immediate and highly visible performance gains.

"Off the shelf" training programs complement this strategy. They provide a vehicle to meet specific development needs. For example, courses can draw on OE to explain how tension can be inadvertently generated in groups. The course can then go on to show different strategies to convert tension into forward momentum. Everything works together.

A broad and attractive vision was now in place. A consistent technology able to deliver that vision was ready. It only remained to deploy assets and to begin accumulating the gains.

Deployment Strategy

Senior management attention and continuing rapid growth meant that action rather than planning was the immediate need. Translating the vision into results had to happen in the shortest possible time.

The first initiatives centered on expanding training resources. Key staff members earned Organizational Engineering certification. This gave the group consulting as well as training capacities.

Intense instruction by expert level consultants upgraded general staff skills. New training programs increased the scope of content offerings. This initial effort created a cadre of people who had a common basic skill set.

At this point, the "Rolodex" of people with high level professional skills became vital. Knowing who to call meant consistently high quality outcomes. This contrasts with hiring a "name" firm. There only the general skill of the firm is relied upon. The quality of the actual person delivering the product is usually unknown. A personal relationship also meant that the consultants tended to be accommodating. This was useful for the next stage of the strategy—skill transfer.

The overall plan was to combine existing staff and external talent wherever possible. The experienced talent served as trainers and mentors for the younger in-house staff.

"Name" consulting firms usually discourage this kind of knowledge sharing. They typically attempt to create a perpetual dependency. Our aim was to transfer knowledge to in-house staff. The people in the "Rolodex" could be depended on to support this effort.

For example, one consultant had worked with me over a number of years. He had Level III Organizational Engineering Certification. He also had demonstrated competence in a number of programs that the firm needed. In addition, his credentials were operational as well as academic. I had seen him actually handle difficult situations.

Like many of the other "Rolodex" contacts, this firm (Resources Solutions Inc.) was amenable to sharing their expertise. Their competitive strategy rests on a command of new ideas, options and opportunities. This was a more attractive "calling card" than the perpetual dependency methods of the larger firms.

This consultant and others like him became the vehicle used to "jump start" the in-house talent. They also became the backups available to handle unique, difficult or overload situations.

With the vision set, the technology in place, and the human assets ready, it was only left to launch the effort. The deployment was very aggressive. As fast as the talent became available, it was committed to the various parts of the organization.

Technical education continued even while introducing soft-skills training. This compounded the stress on both trainers and learners. However, there was no choice. The company continued to grow and the new people needed technical training to do their jobs. In addition, the executives who had put their faith in our stewardship of the function had to be protected.

The combination of solidifying the training organization, "catching up" on the soft-skills training and providing continued technical training was a taxing load. Resources were stretched to a breaking point on a consistent basis. However, no attempt was made to relax the schedule. Rather, a taxing workload was part of the overall strategy.

The results of the deployment effort unfolded in a predictable fashion. The large-scale effort had created a critical mass of learners. As they talked to each other they reinforced their common learning experience. As they talked to others who had yet to be exposed to the learning events, they created a positive motivation for future learning experiences. Effectively, success was breeding success.

The critical mass also fortified the training effort itself. Executives to whom the learners reported began to hear of the success. They saw the positive benefits in their own organizations. This increased the management support for the effort. Assembling courses became easier and the employee motivation grew stronger.

The deployment strategy was designed to be "insensitive" and imposed strain on all involved. However, it yielded multiple benefits that were otherwise unobtainable.

The first benefit is that a large number of people quickly received training. Training is the reason for the existence of the Learning and Performance group. Satisfying the need was a matter of responsibility and honor.

Success in this area also kept the "cracks" the CEO had identified from spreading. A

lenient approach would have compounded the difficulty. An unrelenting effort was the right course.

Another benefit of the rigorous schedule worked to the advantage of the Learning and Performance group itself. The intensity of the effort created a common, emotionally intense bonding experience. This helped to forge the group into a single entity. The phenomenon is the same as experienced by soldiers sharing a common, intense wartime experience. Conventional "ropes" courses attempt to create mild versions of this same phenomenon. In this case, we were able to create team bonding while producing value rather than paying a fee for a course others taught.

The delivery strategy strengthened the existing Learning and Performance staff. It infused knowledge from outside by association with expert consultants. At the conclusion of the effort, Learning and Performance had emerged with a demonstrated "world class" operational capacity. In the minds of the participants, they had met one of the criteria in the vision.

The aggressive deployment strategy guided by a vision and supported by an OE technology had accomplished its objective. Learners now had a common language and a common experience on which to draw. This directly strengthened the "information" element of the firm's cultural foundations. The speed and scale of deployment had demonstrated to all involved that the "investment" component of the cultural foundations was still in place. Even without regard to content, the deployment strategy had strengthened two of the four cultural foundations of the firm.

Developmental Strategy

The vision guiding the training effort implied that the company was to become a leader in the field of adult education. The deployment strategy provided an operational foundation for achieving this leadership role. It had shown that Learning and Performance execution was equal to that of the best in the field. What remained was to show that we were able to develop the new tools that would place us on the forefront of knowledge.

The deployment strategy had revealed a vulnerability within training. Theories of adult learning all assume a "one size fits all" approach. The theories provided no guidance that was sensitive to a subject being taught or to the people learning it. In effect, current theories would argue that teaching brain surgeons tumor extraction is exactly the same as teaching welfare mothers how to approach a job interview. The theories were silly but were all that was available. This was an opportunity to make an original contribution.

Organizational Engineering teaches that people process information in different ways. Learning is a form of information processing and different people should respond to different methods. However, no process was available to translate the insights of human information processing explicitly to instructional design.

The creation of a theory of knowledge transfer was clearly something that would be of immediate value to the firm. It would also be a contribution to the larger body of knowledge available to the world. Dr. Gary Salton, the creator of Organizational Engineering, and Mr. Jeffrey McClain joined in the effort to create this new knowledge. This initiative

was later to evolve into a book on the subject.

A division of labor allowed the theory and the book to quickly develop. Dr. Salton, built and tested the theory using Organizational Engineering as a foundation. I provided access to data as well as making contributions to the theory. Mr. McClain provided data from outside sources as well as auditing the predicted outcomes. Working together, all of the principals documented their discoveries in a book expected to be available in 2003

The knowledge captured in the book provides benefits for the firm. First, course design and conduct reflect the new knowledge making training more effective and efficient. Secondly, creating the new knowledge within the firm added to Learning and Performances' credentials. It was a "world class" contender in thought as well as practice. The ball had been moved forward.

Another opportunity to advance knowledge was found in the firm's cultural foundations. Innovation is a pillar upon which the firm had been built. When the firm was smaller, informal methods were an effective strategy. The company had now reached a size where innovation was becoming more difficult. Changes did not "fit in" as easily as they had before the firm began to grow and prosper.

Learning and Performance addressed innovation by creating a new system. The system incorporated a staged gateway process to insure that initiatives are fully considered. Approvals were made local and positioned as low as possible in the firm. A control system made initiatives transparent as well as providing both motivation and coordination.

The system is unique in that it uses teams at every stage. Teams contribute to and control the progress of submissions. The teams themselves are "engineered" to produce exactly the outcome needed at a particular stage in the process. Organizational Engineering technology again provides the thread that runs through all the company's undertakings.

A third major initiative involved a thrust in the e-learning arena. The large number of distributed facilities (over 250 locations) makes the availability of on-line courses a necessity. These facilities are the points for accessing the 16,000 dealerships who offer the company's financing products.

The individuals manning these distributed facilities are essential to the customer satisfaction goal that drives the firm's success. They had to have training at least equal to that available anywhere in the firm. E-learning is a way to deliver it.

While the e-learning initiatives were not "groundbreaking", they did establish that the company's held a strong position in this area of training. In-house Learning and Performance staff were able to incorporate "off the shelf" technology to produce highly visible, cost effective learning opportunities. Distributing these through the firm's Intranet system reinforced the momentum that was being generated on multiple fronts.

A final initiative involved a unique approach to process improvement. A cross-functional, multi-level team was chartered to identify and analyze all automated processes involving hand-offs between departments. The team used socio-technical systems analysis, project management and organizational change management as a guiding paradigm.

The experimental team showed that a group of ordinary employees using this new

approach could analyze complex processes. They could apply this analysis to generate improved solutions in both the technical and social systems. ROI analysis showed savings over a seven-year period to be in the \$10M range (on a fully loaded investment of \$250,000).

Initiatives involving the creation of new knowledge and new development techniques happened at the same time that staff development and large-scale deployment were underway. This helped insure that a stream of visible, tangible results never stopped. The effect was a forward momentum that appeared undeniable and unstoppable.

A sense of momentum was essential. The intensity of the workload could leave an inkling of staff exploitation. The developmental initiatives gave the staff a sense that the group was "really going somewhere." Things may be bad, but because of what was happening, they would be getting better in the future.

Developmental initiatives were also essential in establishing a feeling of participation in a "world class" firm. Advances were swirling around at a phenomenal rate. Everywhere anyone looked there was new, innovative activity. This condition gave rise to an almost palpable feeling of transformation to world class status.

Management Support

Organizational Engineering was used on a broad and deep scale from the onset. Hundreds of TeamAnalysis and LeaderAnalysis were run from the highest corporate levels and the lowest. They were used at headquarters and at remote locations. The extent of this use gave clear evidence that the technology was not a local "fluke." Rather, it had truly general applicability and merited attention.

The technology was not only widely applicable, but it had a major impact when it was applied in real situations. The predictive accuracy and practical value of the reports it generated contributed to an executive level momentum. Senior Management gained increasing confidence in both the technology and the people administering it.

Interest intensified as early successes began to accumulate and compound. Interest was magnified as field executives began reporting improvements as a result of using the technology. The non-judgmental character of Organizational Engineering solidified this interest. Finally, everything that was being done fit within the cultural pillars of integrity, investment, innovation and information.

"World class" status requires that a function be able to operate effectively at high organizational levels. Members of senior management are powerful people. They access different information streams, operate in diverse functional structures and have unique strategic style preferences. Points of tension are inevitable under these circumstances.

The Learning and Performance function was invited to help senior management resolve these issues as they arose. Over time management began to understand that the points of tension were not "problems" to be eliminated. Rather, they are natural accompaniments of any complex activity. With this insight, management began to see the firm as a system of tensions. Managing these tensions, not "fixing" them, was the goal of management.

With this insight, management had "crossed the Rubicon." They had taken their place among those with the deepest understanding of organizational issues. Cooperation and conflict are simply behaviors—not judgmental categories. Both can work to the benefit of a firm. Senior management now had a better managerial focus with which to work.

The value of the intense approach is attested to by my appointment to the company's Executive Committee. Aside of the Board of Directors, this is the highest level group in the firm. An invitation to participate in these deliberations testifies to the value of the engineered approach. The ability to consistently deliver predictable results with engineering precision is an admission ticket for participation at the highest levels.

Delivering consistent, high level results also brought other rewards. The appointment to the position of Executive Vice President gave both personal and group recognition that the status of the function had been elevated. The value of the learning function was even more explicitly acknowledged by the creation of the title of Chief Learning Officer.

Goal Achievement

The success of the intense deployment program, the developmental initiatives and management involvement began to interact. Success bred success. The staff had acquired the new knowledge they had been offered. They became increasingly confident in their ability to deploy it in field settings. Consultants remained available but their involvement declined. What had been a furious activity level had now become a standard pace.

Training assets increased in strength but decreased in cost. The intense deployment strategy substantially reduced the "over hang" of past training omissions. Training was no longer "catch-up" but rather the "normal" transactions of a vibrant, growing corporation.

The wide scale deployment of new knowledge also reduced the demand for specialized training. For example, interview training meant that people joining the firm tended to be more suitable. There was now less of a "mess" for Learning and Performance to clean up. Success breeds success.

The vision of a world class firm constantly adjusting to meet changing conditions also lead to cost containment strategies. Cost consists of out of pocket expenditures and the time demands placed on employees by Learning and Performance technologies.

For example, the firm signed up for unlimited use of the Organizational Engineering technology. The database of prior results was now available for reuse. A complete TeamAnalysis requires no more than a few mouse clicks to generate. The fixed contracted price means that there is no longer a concern about the cost of individual analysis. Issues and opportunities could be discharged faster and with less effort.

The development initiatives also began to bear fruit. The continuity given by the human information-processing viewpoint had a compounding effect. Things "hung together" better. The strategic styles had become general "themes" that lent insight into all of the subjects to which they were exposed.

E-learning initiatives also "clicked in". People were being trained faster since they no longer had to wait for classes to be assembled on a particular subject. Expenses are minimized since travel is avoided and participation could be scheduled to better fit workloads.

The average level of training across the corporation began to improve and organizational performance began to track that progress.

Finally, senior management's continuing interest and increasing faith in the function meant that human assets are increasingly considered as a component in corporate strategy decisions. These assets were always valued but now they were a "piece of the machine". This translates into a strong organization whose capacity to grow further actually increases rather than decreases with size.

Effectively, the orchestration of the assets and initiatives created an upward spiral. The more that was done, the more that could be done. This was recognized in January 2002 with a phone call that informed us that the firm had placed among Training Magazine's top five Training and Development groups in the United States.

We had targeted the Top 100. We actually placed in the top three, a position vastly exceeding expectations. The fact that this had been accomplished in only 15 months was literally without parallel in anyone's experience. This was, in effect, the external evidence that Learning and Performance had achieved the "World-Class" status it had targeted.

An important observation on the achievement of the goal is that it is not one-dimensional. Both the firm and the profession recognized Learning and Performance's achievement. Everyone associated with the effort has the right to be proud of their contribution.

Conclusion

The achievements cited in this article are a testimony of the power of combining internal human assets, proven training content and experienced external talent within Organizational Engineering's solid, self-reinforcing framework. The strategy lends itself to fast, widespread deployment. This, in turn, can create a critical mass that can serve as a positive feedback mechanism. This feedback folds upon itself to create an upward spiral of ever increasing energy levels.

A lesson to be learned from this firm's achievement is that "world class" status need not take a long time to attain. Provisioning the right ingredients, mixing them in the right proportions, applying the right amount of heat at the right time produces predictable results. If this is done on a large enough scale, an entire organization can be moved almost overnight.

The firm's next step is to equip itself to accommodate even more growth while retaining the culture that it prizes. As with most things, scale matters. The recipe that worked with 4,000 people will probably not work when it has 20,000.

However, the ingredients will remain the same. Only proportions, timing and "heat" will change. The tools, measurements and strategies now imbedded in the company will insure that these issues will be successfully addressed as they arise.

Author

Dr. Richard J. Daly is Executive Vice President and Chief Learning Officer for AmeriCredit Corporation. He received his Doctorate in Organizational Behavior from the University of California, Berkley and has taught at UCLA, UC-Berkley and other universities. Dr. Daly can be reached at his office in Fort Worth, TX at 817-302-7295.

Bibliography

Herzberg, F., B. Mausner dan B.Synderman (1959). The Motivation To Work. New York: John Wiley & Son Inc.

Salton, Gary J. (1996). Organizational Engineering: A new method of creating high performance human structures. Ann Arbor: Professional Communications.

Salton, Gary J. (2000) Managers Guide to Organizational Engineering. Amherst: HRD Press.

(C) 2002, Organizational Engineering Institute. All rights reserved

Organizational Engineering Institute
101 Nickels Arcade
Ann Arbor, MI 48104

Phone: 734-662-0052
Fax: 734-662-0838
E-Mail: OEInstitute@aol.com

ISSN: 1531-0566