

Building Business Acumen

Learning Advisor Master Class Series

Session 1

27 January 2017

CEB Learning & Development Leadership Council





**Why Do I
Need Business
Acumen?**

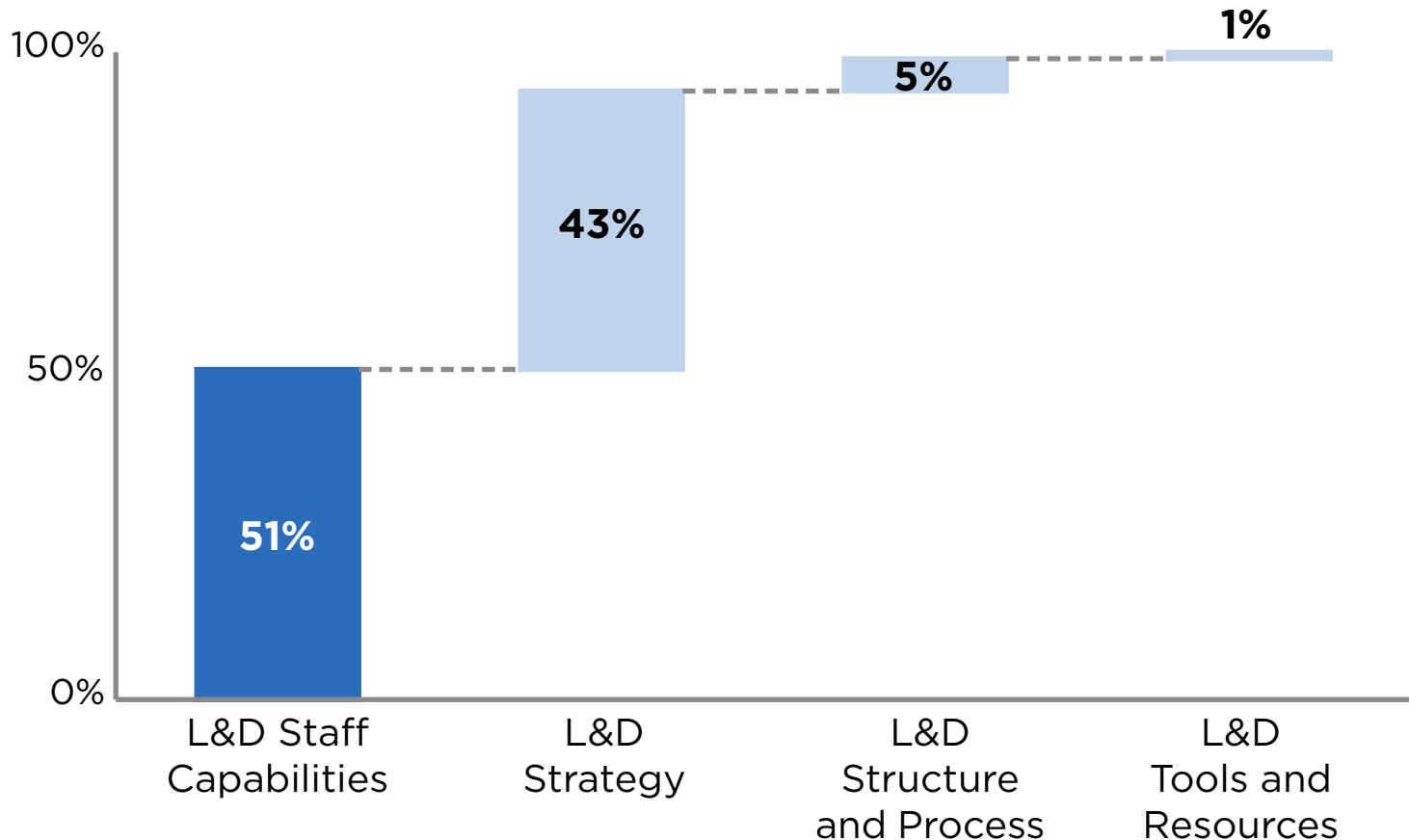
**What Does
Business
Acumen Look
Like?**

**How Do I
Build Business
Acumen?**

**How Do I
Use Business
Acumen?**

Capabilities Most Critical to L&D's Impact

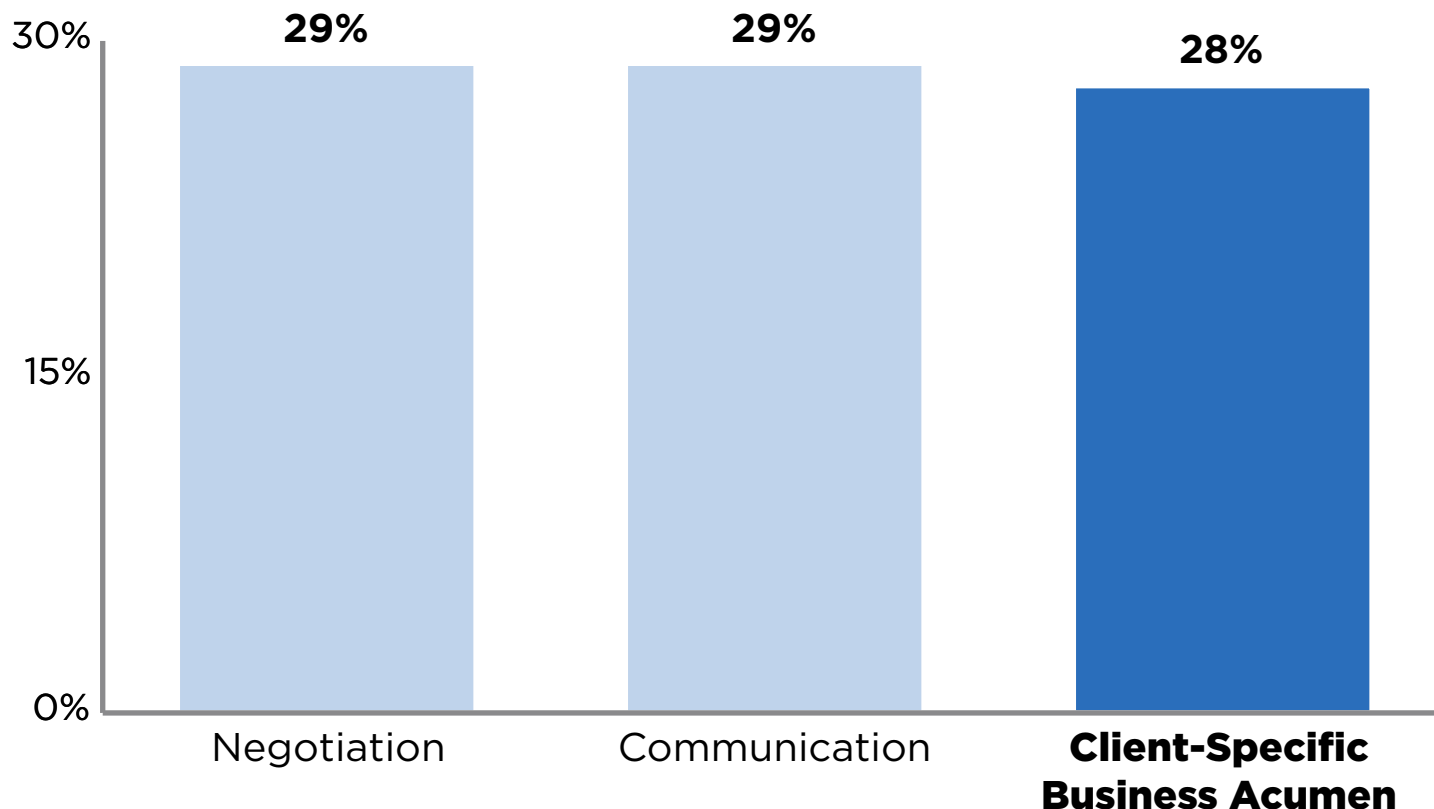
Relative Impact of L&D Function Enablers on Line Leader Achievement of Business Goals



Source: CEB L&D Team Capabilities Survey; CEB analysis.

Business Acumen a Key Capability

Impact of Learning Advisor Capabilities on L&D Staff Performance^a

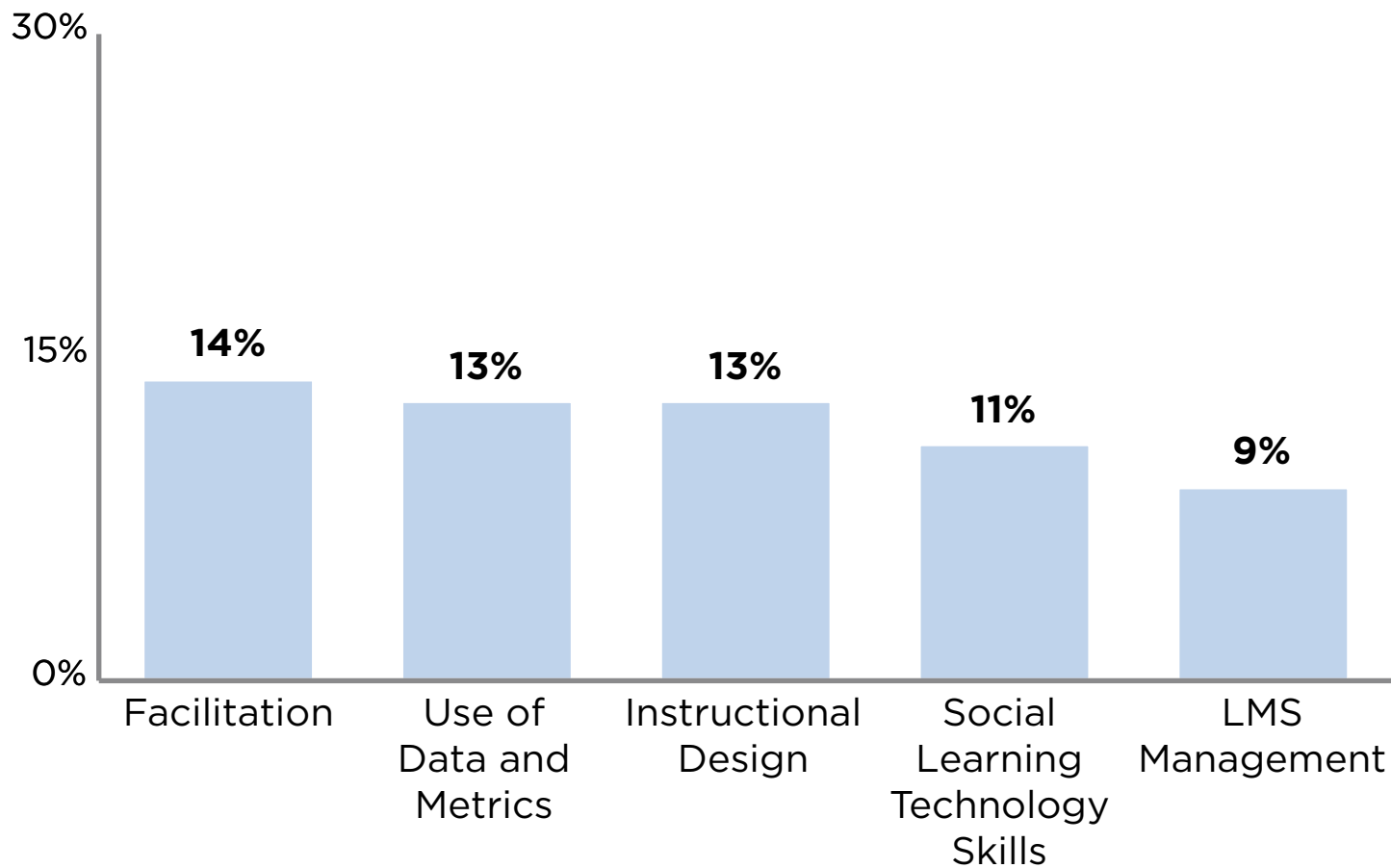


Source: CEB L&D Team Capabilities Survey; CEB analysis.

^a Each bar represents a statistical estimate of the maximum impact each capability can have on L&D staff performance. The maximum impact is calculated by measuring the predicted difference in L&D staff performance between the lowest and highest effectiveness at each capability. The impact of each capability is modeled separately.

Business Acumen a Key Capability

Impact of Learning Advisor Capabilities on L&D Staff Performance^a



Source: CEB L&D Team Capabilities Survey; CEB analysis.

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Learning Advisors
impact business outcomes
by leveraging their L&D
and business expertise to
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The Learning Advisor Model

Current State

Building Capabilities

- *Informing* decision making
- Executing *L&D processes effectively*
- Driving *for line satisfaction*

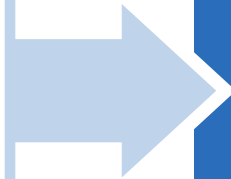
Source: CEB analysis.

The Learning Advisor Model

Current State

Building Capabilities

- *Informing* decision making
- Executing *L&D processes effectively*
- Driving for *line satisfaction*



Desired State

Influencing the Business

- *Challenging* decision making
- Using day-to-day *activities for influence*
- Driving for *business impact*

Source: CEB analysis.

The Learning Advisor Model

“Traditional” L&D Expertise

**L&D Terrain
Knowledge**

**L&D
Process
Skills**

“Emerging” Business Expertise

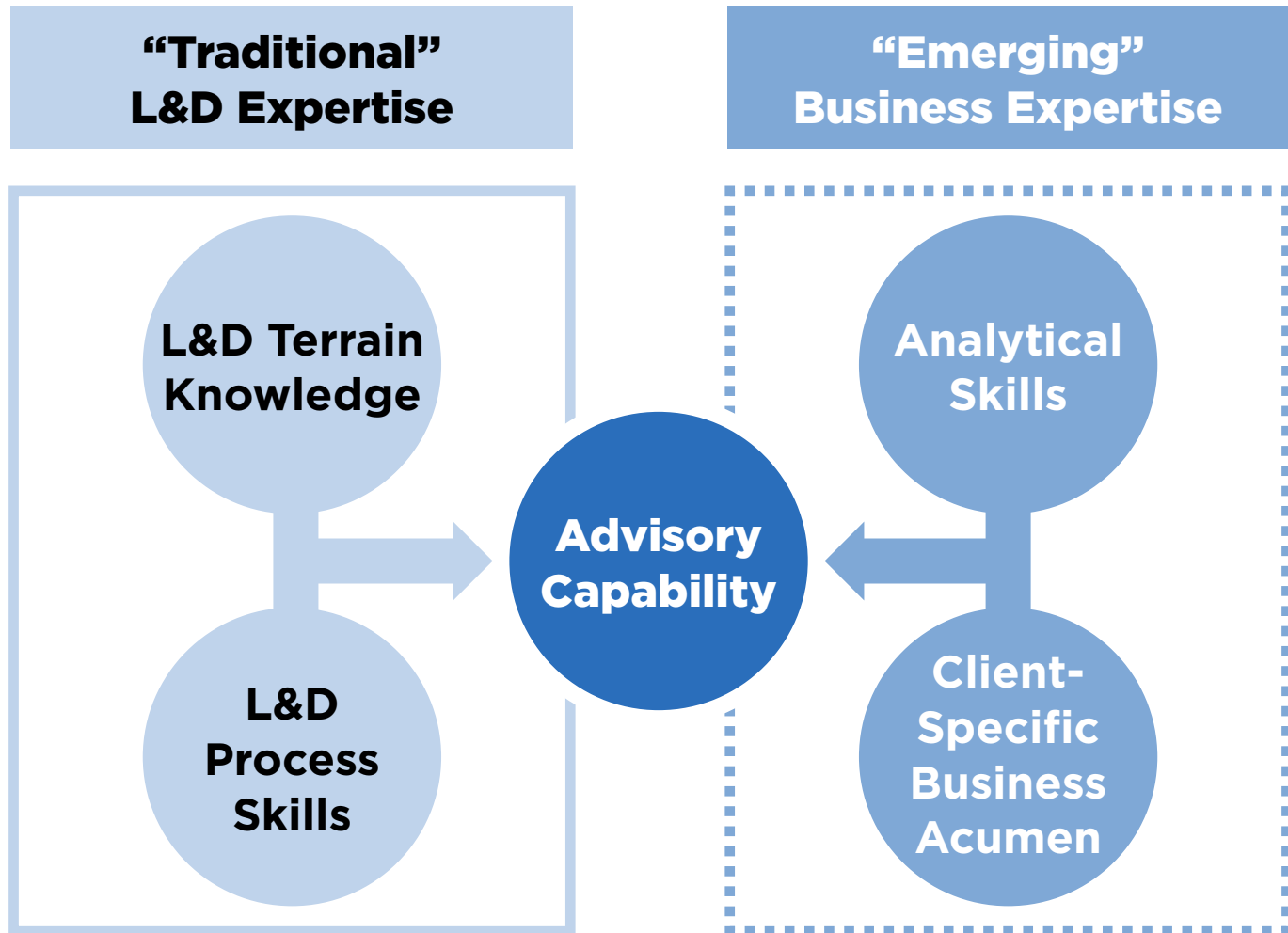
**Analytical
Skills**

**Client-
Specific
Business
Acumen**

Source: CEB analysis.

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The Learning Advisor Model



Source: CEB analysis.

A Scarce Resource

Just **24%** of L&D
staff qualify as
Learning Advisors.

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Assessing Your Business Acumen

Q1

Can you identify an economic, political, social or population trend that is influencing your organization's performance?

Yes

No

Assessing Your Business Acumen

Q1

Q2

Do you know the roles of the major divisions across your organization?

Yes

No

Assessing Your Business Acumen

Q1

Q2

Q3

Do you know your organization's key goals for the future, as well as those of your line partners' business units?

Yes

No

Assessing Your Business Acumen

Q1

Q2

Q3

Q4

Do you know what the head of the business unit you support thinks L&D needs to do to play a role in reaching key business goals?

Yes

No

Assessing Your Business Acumen

Q1

Q2

Q3

Q4

Q5

Can you identify the major risks your organization and line partners' business units face to achieving its key goals?

Yes

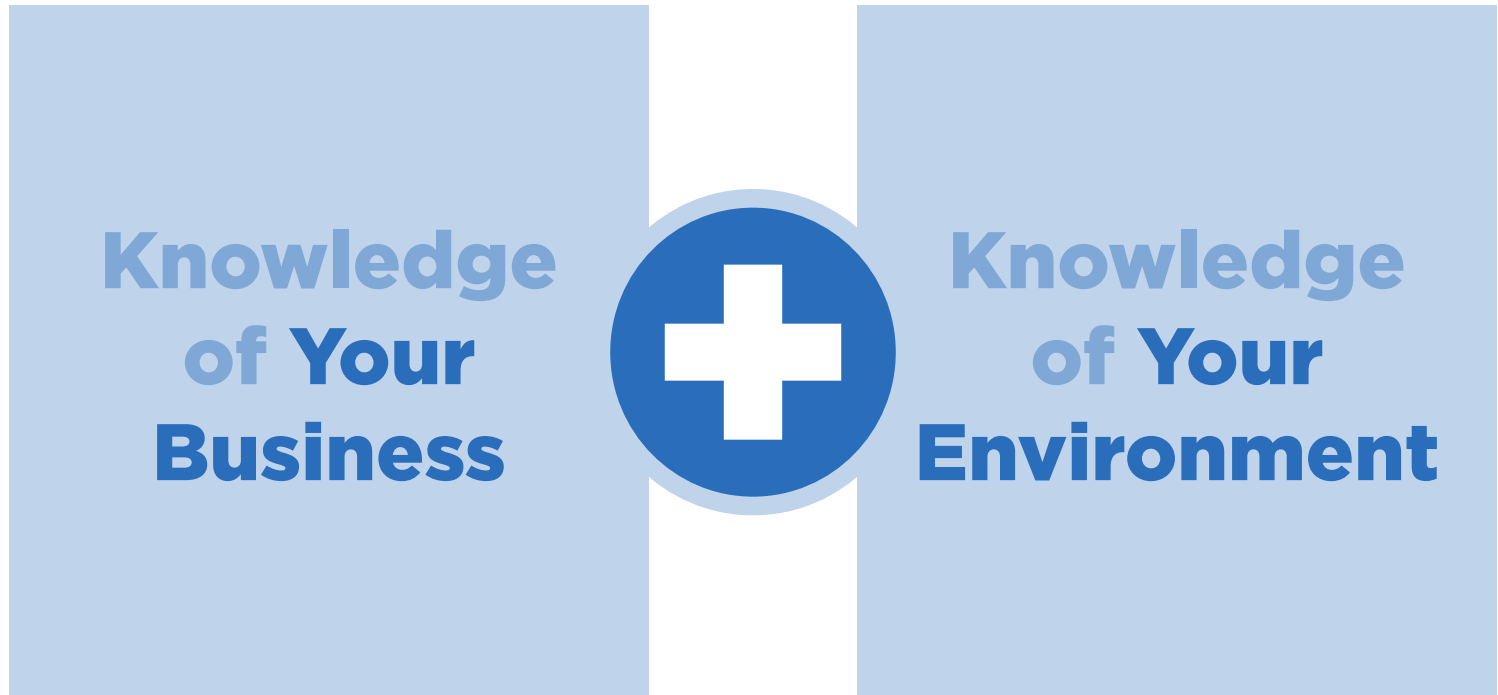
No

Result

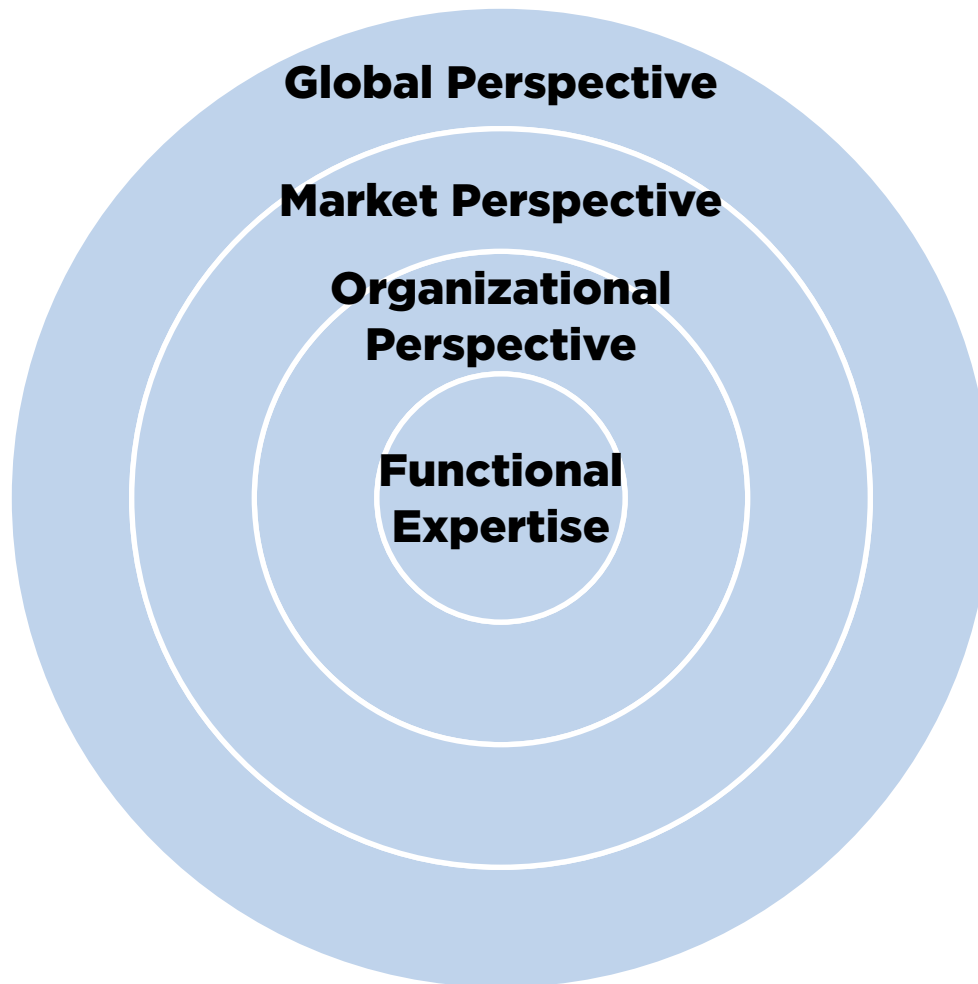
If you selected **“NO”** for many of these questions, then **let's get started.**

Business Acumen Is...

Breaking Down Business Acumen



Breaking Down Business Acumen



Source: CEB analysis.

Get to Know Your Business...

Knowing Your Business



Model



Operations

Knowing your business model enables you to identify critical skills to develop, understand business leader and manager priorities, and surface shared capability needs across your organization.

1. What **products and services** does your organization offer?
2. Is your **customer base** unique or differentiated in any way that allows the business to thrive?
3. What are your major **cost categories, sources of revenue, and customer segments** for the organization?
4. What are the **roles of major divisions** across the organization?

Knowing Your Business



Model



Operations

Knowing your operations enables you to communicate in the “language” of your business and increase your capacity to influence decision making.

1. How does your organization/client **produce, sell, and market its products or services?**
2. How does your organization/client **coordinate with suppliers and manage its supply chain?**
3. What are the **processes** your organization uses to get work done?
4. What is your client’s **management style?** Does it match the organization’s more broadly?

Knowing Your Business



Instructions

Answer the questions listed for both the business overall as well as the specific line partner(s) you support and advise.

KNOWING YOUR BUSINESS



Answer the questions listed for both the business overall as well as the specific line partner(s) you support and advise.

Business Model and Operations

Question	The General Business	Line Partner(s)
1. What components of your organization's business model/operations create a marketplace advantage (products/services, customers, supply chain)? How?		
2. How are the products and services at your organization changing?		
3. What are the greatest opportunities for L&D to add value ?		



Please refer to **page 2** in your workbook.

Get to Know Your Environment...

Knowing Your Environment



Competition



Strategy

Knowing your competition enables you to identify potential external influences in the market that could affect your organization's development needs.

1. Who are your organization's **competitors**?
2. What are the **key trends** happening in the industry your organization competes?
3. How are your organization's **competitors similar and different compared to your organization**?

Knowing Your Environment



Competition



Strategy

Knowing your strategy enables you to identify the skills your business will need in the future in order to anticipate demand for specific learning solutions.

1. What are your organization's and **client's top 3-5 goals** and how do they **intend to reach them**?
2. How have your organization's goals **changed** over the last three years?
3. For your client, what are the **major risks** to achieving key business goals? For the organization as a whole?
4. What **political, social, technological, economic, population, or resource trends** could influence your organization's strategy?

Knowing Your Environment



Instructions

Answer the questions listed for both the business overall as well as the specific line partner(s) you support and advise.

KNOWING YOUR ENVIRONMENT



Answer the questions listed for both the business overall as well as the specific line partner(s) you support and advise.

Competition and Strategy

Question	The General Business	Line Partner(s)
1. Who are your organization's key competitors ?		
2. What are your organization's top 3-5 goals for the future?		
3. What external factors (political, social, geological, economic) are currently influencing your organization's business strategy?		



Please refer to **page 3** in your workbook.

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**What Does
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**How Do I
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The Answers Are Sitting Right Next to You

What They Offer

Line Leaders

- **View into the industry**
- **First-hand experience operating a business**

HRBPs

- Talent-oriented view into the business
- Knowledge of interpersonal dynamics in the business

Your Manager

- Knowledge about how to be convincing in your organization
- Transparency into broader business goals that impact L&D

Your Colleagues

- Different experiences with the business
- Tactics for building rapport with line leaders and employees

Senior Management

- Examples of organizational culture
- Communication regarding the future of the business

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What You Might Ask Them



The Answers Are Sitting Right Next to You

	What They Offer	What You Might Ask Them
Line Leaders	<ul style="list-style-type: none">■ View into the industry■ First-hand experience operating a business	“What are your major cost categories and sources of revenue?”
HRBPs	<ul style="list-style-type: none">■ Talent-oriented view into the business■ Knowledge of interpersonal dynamics in the business	“Where are there capability gaps in your business unit given the business unit’s future goals?”
Your Manager	<ul style="list-style-type: none">■ Knowledge about how to be convincing in your organization■ Transparency into broader business goals that impact L&D	“How does the L&D strategy align with business priorities?”
Your Colleagues	<ul style="list-style-type: none">■ Different experiences with the business■ Tactics for building rapport with line leaders and employees	“What are the products and services of the businesses your work with? Let’s compare.”
Senior Management	<ul style="list-style-type: none">■ Examples of organizational culture■ Communication regarding the future of the business	“What are the key goals and risks for the company over the next few years?”

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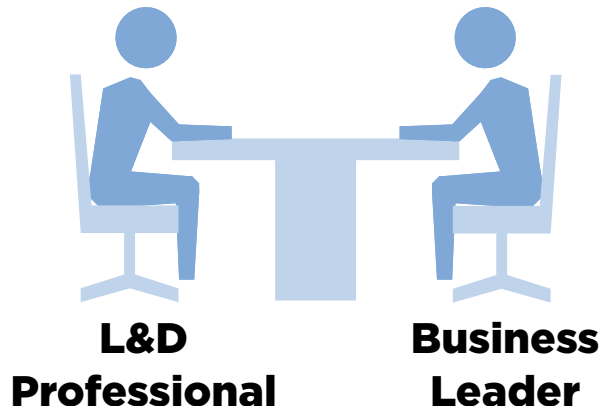
**How Do I
Use Business
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Applying Business Acumen to Needs Analysis

“Who are the learners, and what skills do they need to develop?”

“Software developers—they mostly need to learn to better communicate across locations.”

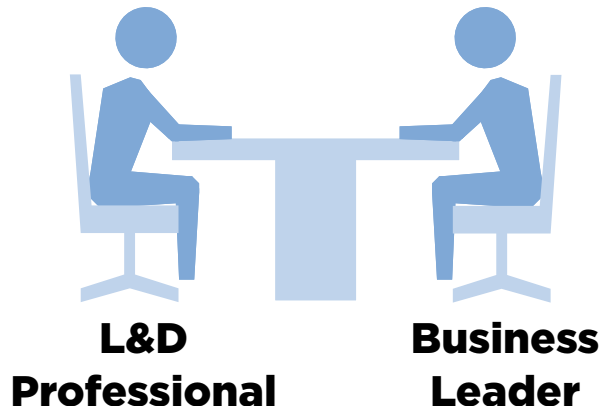


Applying Business Acumen to Needs Analysis

The Traditional Approach

“How quickly do we need to build out a program for them?”

“Preferably in the next six months, particularly given how we are increasing our global footprint.”

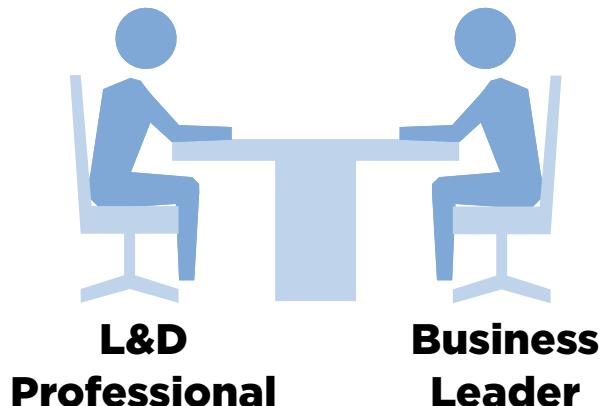


Applying Business Acumen to Needs Analysis

The Learning Advisor Approach

“That makes sense given how we are expanding global operations. Since we are also expanding our product lines into new markets, we should probably incorporate cultural awareness into the training.”

“That sounds terrific. Do you think we can do this in six months?”



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Building and Applying Your Business Acumen: Action Plan



Instructions

Use the steps to identify how you can gain and apply business acumen in the near future.

BUILDING AND APPLYING YOUR BUSINESS ACUMEN: ACTION PLAN



Use the following steps to identify how you can gain and apply business acumen in the near future.

STEP 1: Identify key stakeholders in your network		STEP 2: Write down questions you can ask them
Roles	Names	Questions
Line Leaders		
HRBPs		
Your Manager		
Your Colleagues		
Senior Management		
Other _____		



Please refer to **page 4** in your workbook.

Building and Applying Your Business Acumen: Action Plan



Instructions

Use the steps to identify how you can gain and apply business acumen in the near future.

BUILDING AND APPLYING YOUR BUSINESS ACUMEN: ACTION PLAN



Use the following steps to identify how you can gain and apply business acumen in the near future.

STEP 3: Identify Opportunities to Apply Business Acumen

Review your calendar, and identify 2–3 opportunities (e.g., needs analysis conversations) where you can demonstrate and apply your improved business acumen.

Opportunity	Date	People Involved	Purpose of Conversation
Meeting	27 February	Ameer Jamison, HRBP for Procurement	Discuss future skills gaps in procurement function

STEP 4: Practice with Colleagues

For each of the opportunities identified above, find a colleague with whom you can role play and practice applying business acumen. Afterwards, ask for feedback on how effective you were at influencing the conversation with general as well as client-specific business acumen.

Opportunity	Notes for Improvement



Please refer to **page 5** in your workbook.

A Framework for Member Conversations

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