



You Have A Seat At The Table. Now What?

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Companies that made the jump to appoint a CLO in the 1990s could not have imagined how complex, multidimensional and business-relevant the role would become over the next 15 years. CLOs are finally getting the visibility they have so long coveted. But the question becomes, "If you have a seat at the table, on what do you focus?"

Recently, I had the opportunity to speak with Wei-Li Chong, Ann Taylor Stores Corp. vice president of organizational effectiveness. Chong, in his job since 2003, leads a new function at Ann Taylor in which learning and development has gone from being reactive and "old-school human resources" to being business-relevant and focused on improving store results.

His journey to becoming a change agent for Ann Taylor started with a simple goal: Prove the impact of talent development investments in hard business terms. Chong shifted his focus from traditional learning and competency-based models to talent management of mission-critical employees.

In the case of Ann Taylor, the focus was on store managers and district managers "with most potential to improve performance." Here are lessons to consider as you map out your strategy for 2007:

Hire for Business Acumen: In the case of Ann Taylor, most of the organizational effectiveness staff have relevant experience from the field and corporate business functions. That means they understand the metrics used to measure profitability. If you cannot build a department of former business managers, then make training in business acumen a mandate for high performance. Also, measure your impact using the same metrics as the other business leaders around the table. If you need to create a metric to prove value, you might not receive the credibility you deserve.

Start Where You Have Sponsorship: Chong began by partnering with the director of stores for the Ann Taylor division, who truly understood the value of investment in the workplace. Over time, this partnership became the poster child for proving the value of talent development.

Identify Which Employees Have the Greatest Impact on the Business: Influencing sales is

the responsibility of store managers and district sales managers. Hence, these are Ann Taylor's mission-critical workers. Chong selected 11 associates at the store-manager and district-manager level as having "the greatest potential to accelerate performance."

Design a "Business-Oriented" Leadership Development Program: At Ann Taylor, a program known as Accelerated Leadership Program (ALP), was used to weave real-world experiences into a formal learning program. For example, the participants went through accountability exercises and individual performance coaching to help them understand how to align values and actions in the store to positively influence net sales.

Create a Pilot Test/Control to Validate Impact of Investment in Talent: The ALP had a simple value proposition: "Based on the investment of this leadership program, the 11 selected associates will be able to accelerate the performance of their stores and districts. The performance of these 11 associates will be compared to the rest of the field leaders in that division who did not receive this type of talent development."

The only agreed-upon metric was "Return on Visit," which measures how in-store traffic is converted into sales. This business metric added to the power of the results because "both the training metric and business metric were one and the same."

The results were stunning — 11 store managers who were part of ALP were all underperforming at the start of the program (they were selected based upon their potential), but they soon outpaced the rest of the division. In fact, Ann Taylor estimates that if all the stores managers performed at the level of these 11 managers, the division would achieve an additional \$33.5 million increase in net sales.

As a CLO, it is crucial to identify the types of metrics that senior executives already use and then focus on understanding these in depth and incorporating them into your overall value proposition. At the end of the day, you build credibility and a "seat at the table" by aligning your measure of success to that of your CEO and executive staff. ■

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