



ComReal Management Ensures Leadership Continuity

ComReal Management, a Japanese commercial real estate management company successfully employed the Predictive Learning Analytics™ (PLA) methodology to reduce the amount of scrap learning associated with their CEO directed and highly visible leadership development training program.

BACKGROUND The CEO of ComReal Management recognized that over the next several years the members of his senior executive leadership team would all be retiring and that their replacements would have to come from the company's current mid-level manager group. The CEO also recognized that the preparation of the mid-level manager group for these senior leadership positions needed to start now and not after they assumed their new role.

THE CHALLENGE The long-term success of any company depends on the continued upskilling and reskilling of its employees. Advances in technology, the development of new products and services and the opening of new markets also play an essential role in company sustainability, but none of these can succeed without the contributions from company employees. This reality combined with the impending ComReal Management senior leadership team turnover made preparing the mid-level manager group for their future roles a top priority. Also, it was clear that training would play a critical role in the preparation process when the CEO directed the HR department to implement a leadership development program for the mid-level manager group. With so much riding on the success of the training, the HR department recognized that they could not afford to get it wrong.

THE SOLUTION To address this challenge, the ComReal Management HR department contracted with Three Mind, an established Japanese human resource training company, to design and deliver a leadership development program for the mid-level manager group. Three Mind, recognizing that training transfer would be of utmost importance, then contracted with Phillips Associates to use the PLA methodology to pinpoint any underlying causes of scrap learning associated with the leadership development program so that targeted corrective actions could be taken to mitigate or eliminate the causes and maximize training transfer.

PLA IN ACTION Twenty-nine mid-level managers participated in the leadership development program which was delivered over three days with a month and a half between sessions 1 and 2 and sessions 2 and 3.

Participant Survey

Immediately following the program, participants completed a twelve-item questionnaire measuring the presence of three research-based components and twelve research-based factors all known to contribute to training transfer. Data collected from the survey was used to calculate the following three sets of scores:

- **Learner Application Index™ (LAI) Scores**
LAI scores predict which participants are “Most Likely” to apply, “At Risk” of not applying and “Least Likely” to apply what they learned in the leadership development program back on the job.
- **Manager Training Support Index™ (MTSI) Scores**
MTSI scores predict which managers of the learners are likely to do a “good” or a “poor” job of supporting the leadership training.
- **Training Transfer Component Index™ (TTCI) scores.**
TTCI scores assess the contribution to training transfer made by three research-based training transfer components. The three components, Learning Program Design, Learner Attributes, and Learner Work Environment, also have a multiplicative relationship so that if any one of them is deficient, training transfer will suffer.

Focus Groups

Thirty-days post-program, additional data were collected from 26 of the original 29 program participants, through use of a series of focus groups, to calculate the amount of scrap learning associated with the leadership development program and to identify obstacles to training transfer.

During the focus group sessions, participants answered



two questions regarding their use of the material taught in the program:

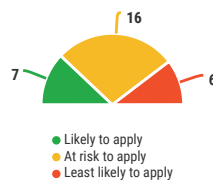
- 1) “What percent of the material taught in the leadership development program are you applying back on the job?” and
- 2) “How confident are you that your estimate is accurate where 0 = no confidence and 100 = complete confidence?”

A third question also was posed to those participants who reported that they weren’t applying 100% of what they learned in the program back on the job to identify the obstacles that prevented them from using what they learned.

- 3) “Earlier you indicated that you weren’t applying 100% of the leadership development program material back on the job. What obstacles prevented you from applying everything you learned?”

WHAT COMREAL MANAGEMENT LEARNED FROM PLA

LAI: The LAI score data predicted 22 participants to be “at risk” and “least likely” to apply what they learned back on the job. With this information, Three Mind and the ComReal HR staff could target those participants for a series of reinforcement activities to help move them into the “most likely” to apply category.



MTSI: The MTSI score data predicted that two of the three managers were likely to do a good job of supporting the training, and one manager was likely to do a poor job. With this information, the ComReal HR staff could provide the manager expected to do a poor job with help and support in improving their approach to supporting the leadership development program.



TTCI: The TTCI data showed that the Learning Program Design component, was contributing significantly more to training transfer than either the Learner Attributes or the Learner



Work Environment components. With this information, Three Mind and the ComReal HR staff knew exactly where to target their corrective actions to increase training transfer.

Scrap Learning Baseline Percentage Score

Results obtained from the first two focus group questions were used to calculate Best Case, Most Likely Case and Worst Case scrap learning scores. The results for ComReal indicated that there likely was between 44% and 64% scrap learning associated with the leadership development program, which aligns with industry averages and represents a significant potential waste of time and money.



Obstacles to Training Transfer

The barriers to training transfer identified with the third focus group question were organized according to common themes and patterns, and seven different categories emerged. Four of the categories were personal in nature and had to do with the participants themselves, and three were organizational in nature. For Three Mind and ComReal, the data clearly showed that the most frequently mentioned obstacle was that participants encountered various personal reasons that prevented them from applying what they learned back on the job. Tied for the second most commonly mentioned obstacles were participant workload and the organizational culture.

Scrap Learning Recalculation

Following implementation of several corrective actions to mitigate or eliminate the underlying causes of scrap learning, another round of focus groups was held to see if the actions had improved training transfer. Twenty-three of the 26 participants who participated in the initial focus group sessions provided data, and the results showed that scrap learning had decreased from 44% to 32% in the best case and from 64% to 59% in the worst case. Further analysis of these differences found that there was a very high probability (89%) that the reduction in scrap learning was due to the corrective actions taken by Three Mind and the ComReal HR staff, based on PLA findings — and not due to chance.

For an in-depth version of this case, contact Ken Phillips and request the full study.

For more information about Predictive Learning Analytics™, download the PLA ebook and PLA articles from: www.phillipsassociates.com.

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