



Measuring a CoachingOurselves' Social Learning Intervention



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HR professionals may be reluctant to implement initiatives that have an unclear ROI. Ken Senda and Kentaro Iijima provide their insights on peer coaching success – and its financial return – at Fujitsu Social Science Laboratory.

Social learning is one of the most exciting ways of developing leadership. At its heart, social learning occurs when members of an organization get together to develop their skills and understanding. CoachingOurselves' social learning program follows this format: 4-6 people – some of whom might be leaders in the community – meet for 90 minutes twice a month to discuss and reflect on their leadership practices around specific management themes.

Social learning is characterized by personalized and emergent learning, where every participant learns what they need to learn at the time they need to learn it. The learning needs cannot be "assessed" in advance, they must be discovered by the participants as their understanding evolves and they discover new and relevant questions.

Why Social Learning is So Hard to Measure

The effectiveness of learning programs is notoriously hard to measure and this is doubly so for social learning programs, such as CoachingOurselves because of its unique characteristics. For example, in traditional classroom training it's possible to set out specific learning objectives; after the program you could test leaders on whether they remembered the key points. With CoachingOurselves' social learning, there are no specific learning objectives rather the goal is to pull out insights relevant to the organization based on the participants' own experiences with the issue being discussed. This flexible approach has a more direct impact on the business than asking people to learn and then (hopefully) find a way to apply pre-determined lessons—but how on earth do you measure specific outcomes when you can't know what those outcomes are in advance?

This is further complicated because learning about a particular topic like accountability is only one of the goals of social learning. A second goal is a better understanding of the other leaders in the group and of their work. People involved in CoachingOurselves make comments like “We’ve worked in the same organization for years, but I never truly understood what you did until we started having these sessions.” It’s easy to see how that’s valuable, but again how do you measure that?

Finally, CoachingOurselves drives trust amongst the team. That trust is of enormous value, it could justify social learning on its own, but its quality and contribution is even harder to assess.

Where the Answer to Measuring Leadership Initiatives Lies

The best measure of a leadership development initiative is not whether an individual has learned a number of facts, but if the learning has an impact on business results and significant decisions. If we are serious about this, we have to accept that this best measure of a leadership development initiative (i.e. business impact) can only be applied if:

- The program has a long duration (two years or more), sufficient for hard-to-grasp concepts and challenging insights to emerge, be discussed, and socialized in the management community;
- A significant percentage of the management population of the organization participates in the program

These conditions are not common, so a chance to measure results when these conditions are met should be treasured. This article presents just such a case.

A Remarkable Case of Measuring Social Learning at Fujitsu SSL

Fujitsu SSL, headquartered in Kawasaki, Japan was set up in 1972 as one of the center firms of the Fujitsu group. It has 1,160 employees and posted revenue of 26.2 billion yen in 2015 (approximately US\$240 million). It provides system integration and IT solutions to large organizations.

A critical business issue is seamless operations between the Solutions and Systems Integration sides of the business. Any seasoned managers know that reasonable cooperation across silos in large organizations (let alone ‘seamless’ operations) is extraordinarily difficult. However, if Fujitsu SSL could achieve superb cross-functional communication, it would drive the growth of revenue and profits.

The day-to-day communication and alignment between Solutions and Systems is powered by the central core of middle managers. In order to improve the capability of this group, create a friendly working environment, and build cooperative, cross-functional communication, Fujitsu SSL adopted a novel form of leadership training: a social learning program.¹

The social learning program chosen was CoachingOurselves, one of the leading innovators in the space, based in Montreal, Canada. The learning intervention was delivered by the Tokyo-based, J-Feel consultancy—a long time partner of the CoachingOurselves organization. In this program, participants (i.e. the middle managers) were engaged in the weekly learning sessions, each of which

¹<Note: there is a major sub-plot around the role of female managers, however for the purposes of this article we are better just to focus on the single core business issue of driving growth through better management regardless of gender>

lasted approximately 90 minutes. There was a total of 30 sessions over a period of 9 months. Sessions covered management topics such as “Management Styles”, “Dialogue” and “Decision Making in Groups”.

At first, participants found it difficult to prepare for the “Management Happenings” –a short discussion at the start of each session that links the lessons learned to what happened in the organization in the previous week—but participants mastered this as they continuously participated in the program. In fact, this aspect of social learning proved so valuable that even after the program was completed managers still gathered together several times a year to share “Management Happenings”.

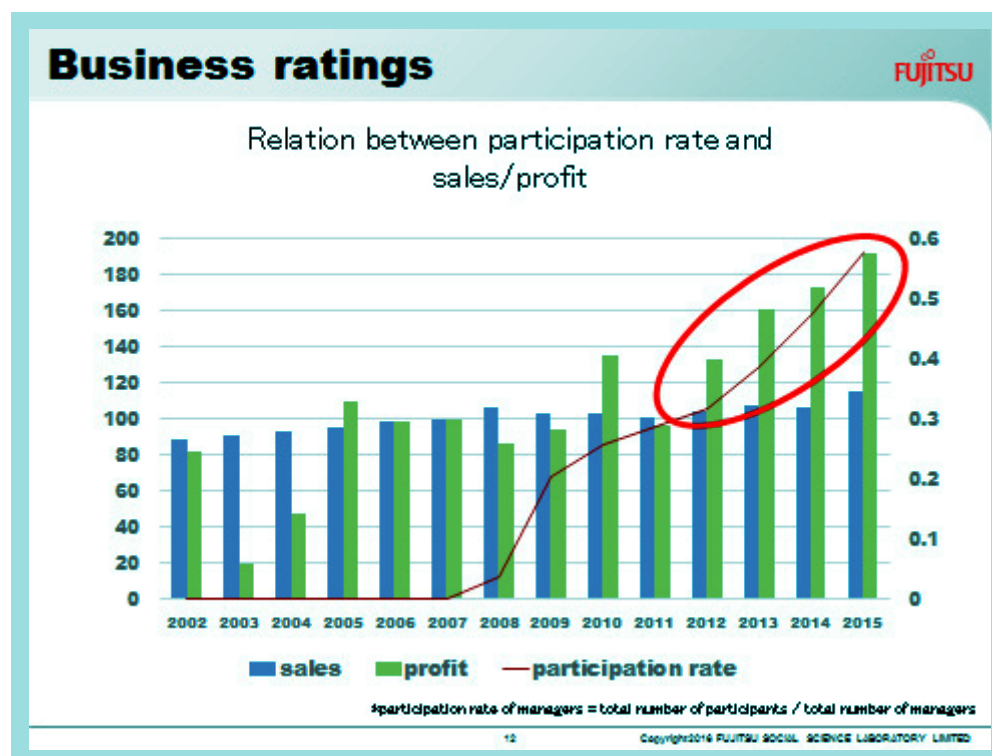
A Remarkable Case of Measuring Social Learning at Fujitsu SSL

It is easy to create leadership development programs that sound good; it's more difficult to have an impact on the business, and more difficult still to demonstrate the impact. Fujitsu SSL took the admirable step of seeking evidence to answer the question, “All things considered, does the evidence lead us to believe social learning is highly effective or does the evidence lead us to conclude that it is probably ineffective?”

Hypothesis 1: Greater participation in the program is positively related to greater sales and profits

Since the program ran for a long time and involved many managers, it was possible to hold it accountable for achieving the ultimate business goal: greater sales and profits. While one can never prove beyond doubt that any one intervention was a causal factor in business outcomes, the evidence can certainly tilt our confidence in the intervention one way or the other.

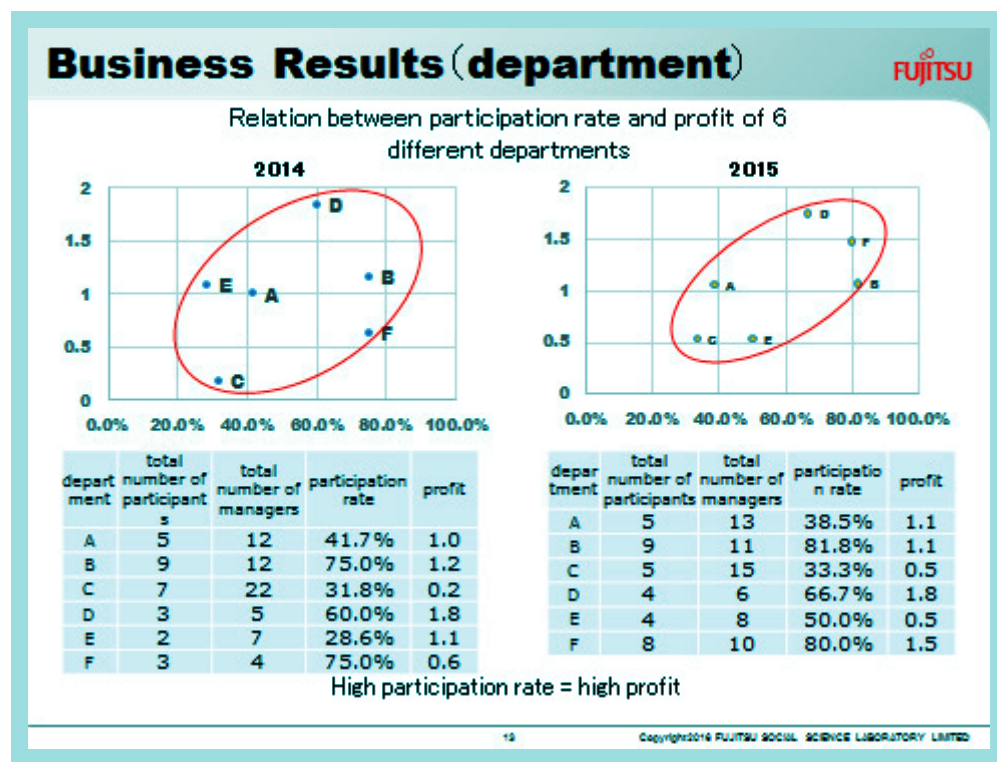
Here is the first part of the data to shed light on the hypothesis:



This graph indicates the relation between participation rate and sales/profit. Participation rate indicates the proportion of managers who completed the program; the count therefore begins in 2008, one year after the launch of the CoachingOurselves program in 2007.

The polygonal line (red) shows the participation rate of middle managers, which increased more than 50% by 2015. The blue and green bar graphs are sales and profit respectively (for comparison, the rate in 2007 is set as 100%). The green bar graph indicates profits raised up to 30% in 2012 as the participation rate went up. Moreover, the profits in 2015 raised up to 190% more than the profits in 2007. (Note: 2011 was a remarkable year, the Japanese economy was in recession by Great East Japan Earthquake.)

Here is the second part of the data:



It is always better to look at multiple cases, not overall company sales/profits. Fujitsu SSL did that by looking at business results in a number of different departments. The above graph indicates the relation between the participation rate and profits of six different departments. The participation rate for each department varies from 30% to 80%. The profit of department A in 2014 is set as 1 for comparison.

As can be seen from the graph, as the participation rate goes up the profit rate rises.

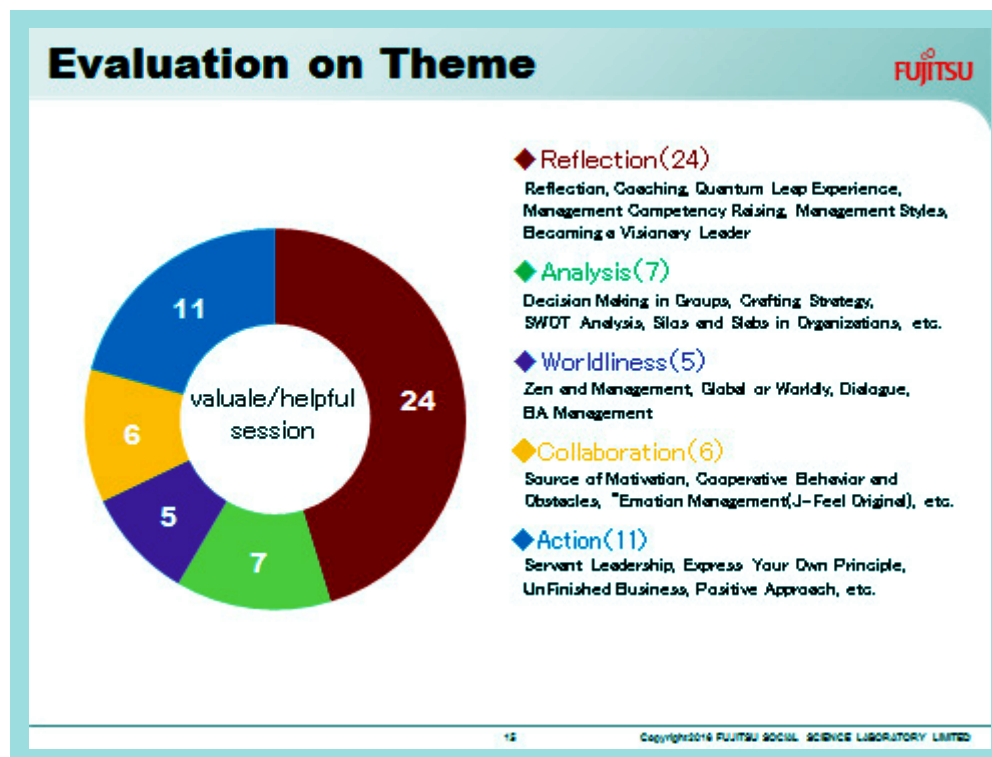
Correlation does not prove causation, but given that there is a reasonable causal mechanism (the business needs cooperation across silos to generate profits □ we provide a program aimed at increasing cooperation across the silos □ profits go up) the evidence tilts towards the conclusion

that social learning is having a positive impact. The business question is whether, given the weight of evidence, Fujitsu SSL is better off with the program than without it—this first set of data suggests the program is worthwhile.

Hypothesis 2: The social learning program was one important cause of the organization's success and the business results could not be fully accounted for by other factors.

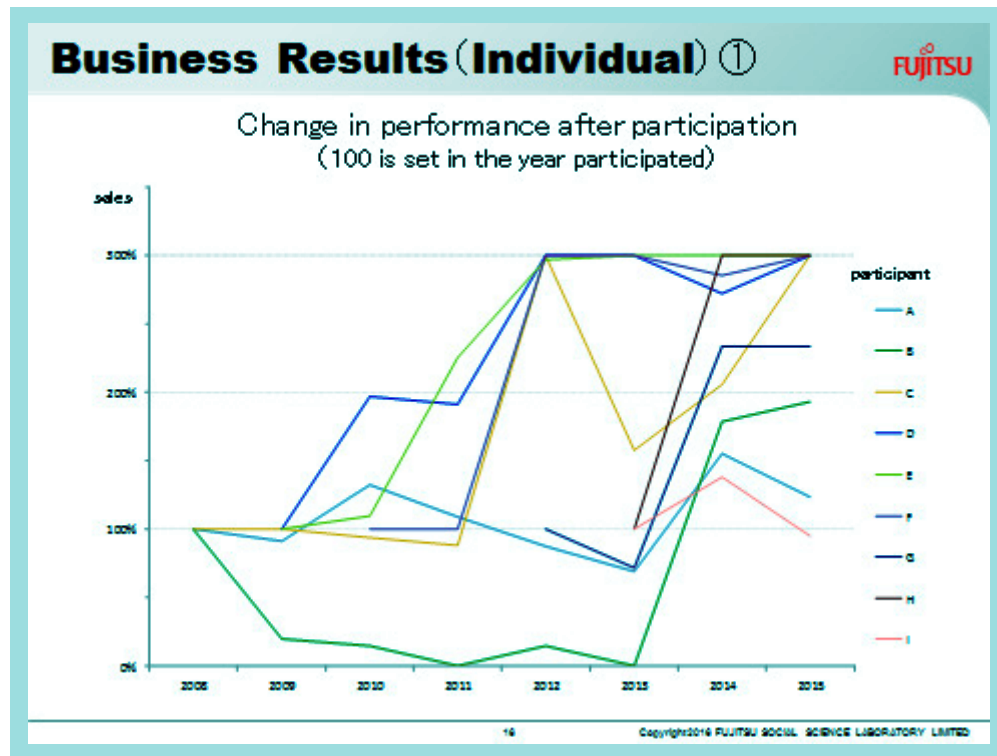
Was there perhaps something else going on to explain the increase in profit/revenue and that in fact the social learning was inconsequential? This is a difficult question, but to get some insight into the hypothesis Fujitsu interviewed the managers as to whether the program was impactful.

Here is the first part of the data to shed light on the hypothesis:



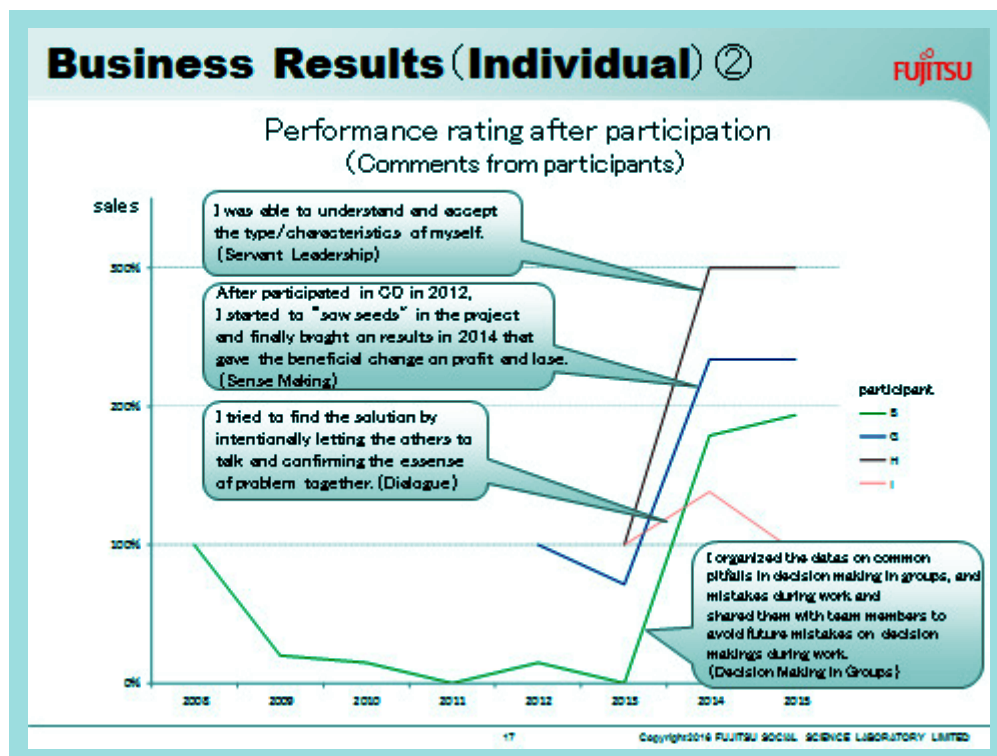
The survey had a relatively small sample size (24 managers) and surveys are not highly accurate instruments for assessing the true value of a learning program. Nonetheless, if managers had given low ratings then that would have lent weight against the hypothesis that the program had value in driving business results. Given the positive ratings, this is a small piece of evidence leaning towards the conclusion that the business success was indeed partly the result of the program and not simply the result of other factors.

Here is the second part of the data:



This line graph indicates the managerial achievement of each participant (A to I). Fujitsu SSL focused on the change in business benefit in each year (the year they participated in CoachingOurselves is set as 100). Participation was correlated with improved performance at an individual level.

This next graph provides more detail by showing individual comments:



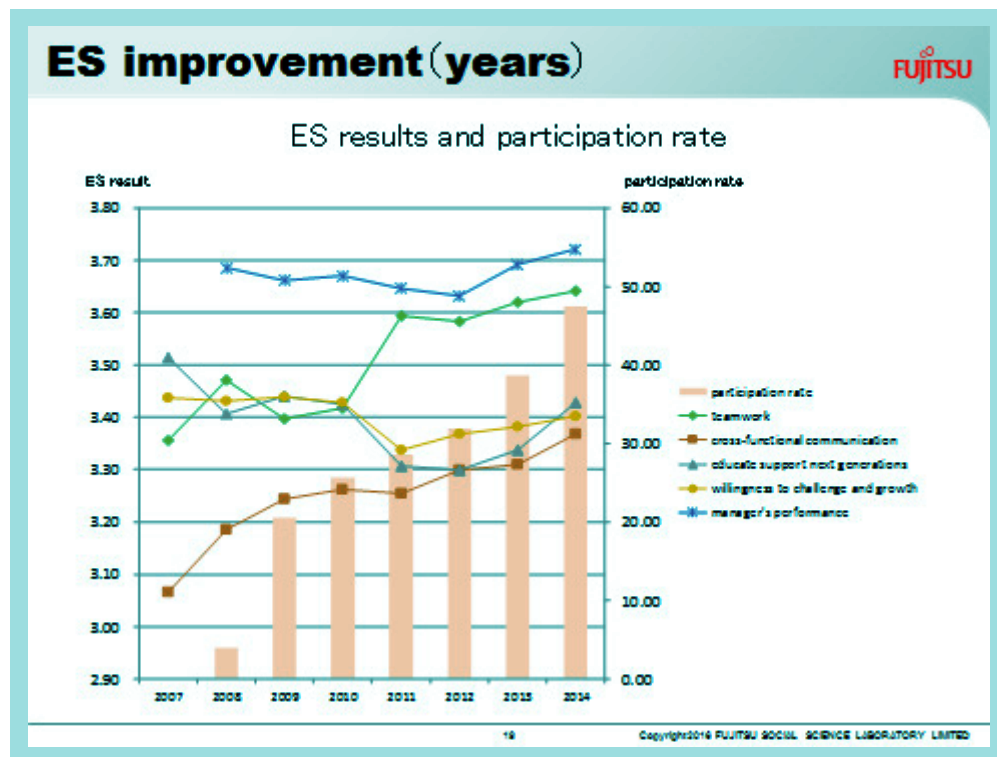
Business is a living thing. It cannot go smoothly at all times. You cannot always see the outcome right away. Nevertheless, the data supports the hypothesis that the learning program did have an impact on results. The comments of the participants supported this conclusion; one of the comments was that they intentionally incorporated the management methods that they learned in CoachingOurselves and it boosted their sales. Others reported that topics like “Leading with Humility”, “Time to Dialogue”, and “Decision Making in Groups” played a major role in accelerating innovative change.

Hypothesis 3: The program had a positive impact on employee engagement.

While there is some causal distance between a management learning program and profits, there is a more direct causal connection between management training and employee engagement. Fujitsu SSL hypothesized that an effective social learning program for leaders would lead to increased employee engagement (and that this would be one of the intermediate variables affecting profitability).

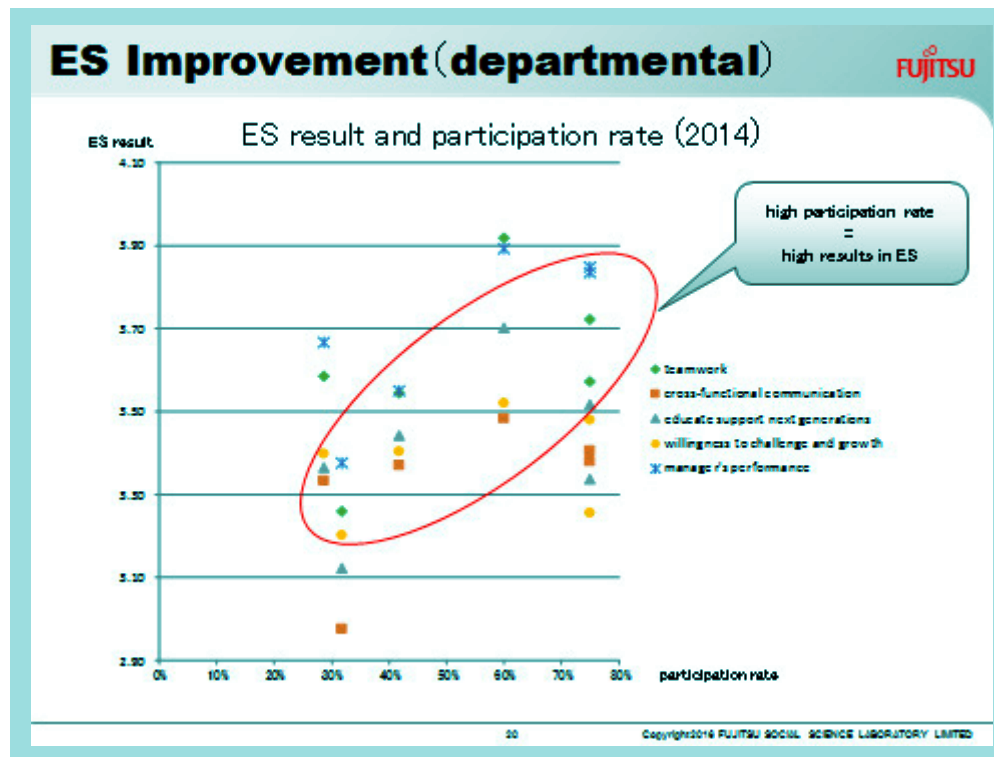
In the Fujitsu group, an Employee Satisfaction (ES) survey is conducted every year. It is an anonymous survey done by employees, including those who are in managerial positions. The response rate in SSL is 99% as it became one of the routine events. The company analyzed the relation between the satisfaction of employees and the innovative changes in management based on the result of the ES.

Here is the first part of the data:



In this graph, the polygonal line indicates the result of ES and the bar line indicates the participation rate in the social learning program. The red line, the ES measure of “cross-functional communication”, and the green line, “team work”, went up along with the participation rate. It is evident that “Reflection and Dialogue”, which was evaluated highly by the managers, was put into practice in their workplace. Also, the blue line, “Manager’s Performance” increased since 2012. However, “Willingness to Challenge and Growth” and “Educate/Support Next Generations” don’t seem to depend on the participation rate. Different tactics must be considered to improve these issues (possibly addressed by selecting different ‘topics’ in the CoachingOurselves program).

Here is the second part of the data:



This graph depicts the results of the ES and the performance of six different departments. It can clearly be seen that the higher the participation rate, the higher the satisfaction rate with management, teamwork, and cross-functional communication. It can be expected that if the participation rates of all the lower departments rise, then the satisfaction rate would also rise and lack of alignment associated with organizational ‘silos and slabs’ would be avoided.

Looking back at the past nine years it can be seen that where the participation rate exceeded 30% there was a change in sales profits. If it exceeded 50%, then the ES results improved.

This ES data leans very strongly towards supporting the hypothesis that the social learning initiative led to improvements in various elements of employee engagement; from there it’s not a big leap to presume this would have an impact on business results.

Aggregating the Research to Guide Action

The fundamental question a business needs to answer is whether social learning is worth investing in relative to the alternatives. This work by Fujitsu SSL provides a rare case where good data was gathered to assess whether the learning initiative was or was not having an impact. The weight of evidence indicates it is having a significant impact.

Those with an interest in how to assess when correlation implies causation, the practical principles are outlined in 1965 by Austin Hill, explained in this article: <https://statswithcats.wordpress.com/2015/01/01/how-to-tell-if-correlation-implies-causation/> . By Hill's criteria, Fujitsu's evidence is strong.

The Future

Since the inception of CoachingOurselves, sessions were restricted to middle managers. Fujitsu SSL is currently expanding the program to early-stage managers (in the second year of their managerial roles), selected female leaders, and leaders of particular business sectors.

About CoachingOurselves

CoachingOurselves is the world leader in peer-group coaching. The company, founded in 2007 by Henry Mintzberg and Phil LeNir, is based on Mintzberg's reflective learning pedagogy. The CoachingOurselves leadership development method builds community, stimulates the exchange of perspectives, and encourages team cohesion. Managers learn from and coach each other using 90-minute self-directed, reflective discussion modules authored by some of the world's leading business thinkers. This creates self-developing organizations while building a culture of learning and collaboration. CoachingOurselves has a library of over 80 peer-group coaching modules and is used by over 20,000 managers in 8 languages around the world.