

THE MISSING PUZZLE PIECE?

How Action Learning Can Help Solve the Dual Challenge of Talent Development and Talent Sourcing

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Becoming resourceful means making a lot of mistakes. It's an inherently creative process of trying, messing things up, learning, and trying again.

To win in the “war for talent”, companies can no longer rely on conventional recruitment methods that put emphasis on formal credentials. Action Learning, seems to be a rising trend that imparts knowledge and instills resourcefulness by immersing participants into the action of solving real-life real-time problems. Action Learning can become a talent sourcing solution of the future and help solve the puzzle of developing and managing talent.

The promise of Action Learning programs

In today's environment of increasing global competition the challenge for companies is to source talent efficiently and flexibly, hiring the best people ready to tackle real-life challenges right from the get-go, whenever the demand arises. Many agree that we are entering an era of the “war for talent” (Fishman, 1998; Dolan and Hayashi, 2013). Sheng (2013) has defined this war in the following words: *“Forget about currency wars. The dollar may rise, the yen may fall and the renminbi could be the next big currency. But what determines the value of the currency will be the quality of talent. Real value is not gold or GDP, but sheer human power”*. To win in this “war”, companies can no longer rely on conventional recruitment methods that put emphasis on formal credentials, but instead they need a way of selecting talent that can find actionable solutions to vital and complex, rising and novel problems.

Intensifying global competition also presents a challenge for educators: talent that schools develop needs to be highly applicable, allowing graduates to translate knowledge gained in the classroom into marketable skills that make them employable in increasingly competitive job markets. One of the real challenges of business educators is to teach students the skill of resourcefulness. Many agree that jobs in the future are likely to be less attached to institutions (many of which are troubled in one way or another), but will be entrepreneurial, varied beyond a conventional corporate career, and to include all manner of teaching, coaching, and work that can be loosely called “public engagement.” While business world's appetite for talent that combines sharp skills acquired at school with the necessary soft skills such as resourcefulness is growing, the real issue is whether resourcefulness can be taught. Academic institutions and especially the elite schools struggle to embed innovations and prepare their students for new opportunities. Becoming resourceful means making a lot of mistakes. It's an inherently creative process of trying, messing things up, learning, and trying again. On one hand, this sounds exactly like practicing music: try/learn. On the other hand, perfecting a piece of music for performance is also about learning not to make any mistakes.

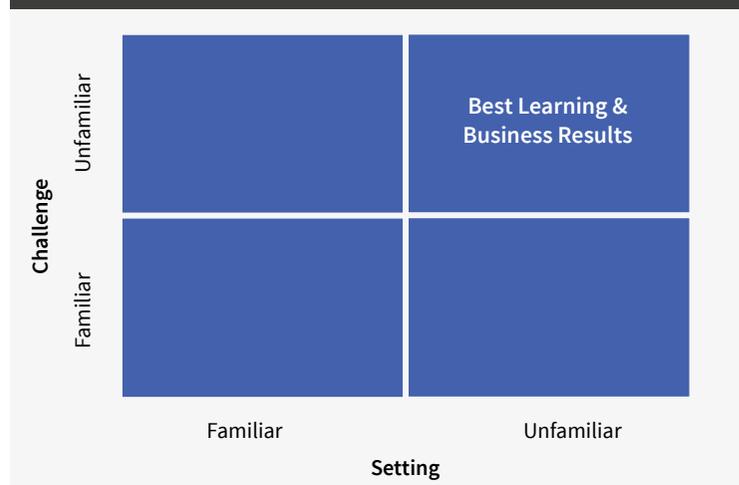
So, academic education itself, rather than any ancillary training, needs to be augmented if faculty want creativity and resourcefulness in their students to flourish.

Action Learning (hereafter AL), defined as “learning-to-learn by doing and from others who are also learning-to-learn by doing” seems to be a rising trend that imparts knowledge and instills resourcefulness by immersing participants into the action of solving real-life real-time problems. Thus, we argue that if properly managed, AL can be leveraged to successfully address the dual challenge of talent sourcing and talent development.

The value of learning through experience has been recognised by academics and companies alike. Companies have been creating AL programs aimed at developing capabilities of their employees. Educators have been striving to incorporate more “action components” (Fong, 2002) into curriculums in order to make the learning experience more practical and attractive to students, giving them the opportunity to solve real-time/real-world challenges. In the US, the National Business Education Association makes this approach explicit in its Policies Commission for Business and Economic Education Statement No. 98 published in 2016 (https://www.nbea.org/documents/PolicyStatement98_2016.pdf). Similarly, a recent survey by Telanto (2015) shows that the top 3 reasons for academic institutions to adopt AL program are: 1) to increase attractiveness of an institution to students, 2) differentiate from competitors, 3) and increase student satisfaction with their learning experience.

An in AL program, students’ energy is not wasted on solving mock or past problems (which is the core of the older concept of “case studies”) but focused on finding a solution to real companies’ problems, in real time. The effects and implications of participants’ work can be seen immediately and the level of creativity and pragmatism

FIGURE 1



of the solution is assessed by real practitioners. By bringing reality into the classroom, AL programs put students in an unfamiliar setting and provide them with unfamiliar challenges. Telanto survey indicates that both academic and corporate respondent perceive it as highly valuable: learning achieved from this combination is bound to be highly valuable and solutions created - highly innovative (see figure 1 above).

While the value of Action Learning is evident in both business and academia, it has not reached its full potential as a solution to pressing challenges of either for the absence of sound management processes and respective tools to support them efficiently. The impact of Action Learning, can be significantly enhanced and have by far a better synergy between the corporate world and academic institutions if several challenges are addressed.

Challenges of Action Learning as a solution for talent sourcing and talent development

1 Action Learning programs pursued by companies independently from academic institutions. Recognising the value of AL and driven by the need to cultivate employees

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who are able to tackle complex problems that require special learning and experience, a number of companies have developed sophisticated AL programs. Many of these programs are created and maintained within the walls of a company and, as a result, suffer from two kinds of inefficiencies: First, given that participants who get into these program have been already employed by the firm, the potential usage of AL as an effective mechanism for selection (as opposed to a development) of talent is not realised; companies miss on the opportunity to pre-view talent in action before contracting it through usual HR selection methods. This limits flexibility in the selection process and creates HR-related costs that could be avoided. Besides, very often companies end up duplicating the effort of talent selection that academic institutions are already performing.

The second major kind of inefficiency is that companies miss a broader perspective on the problems they face. While companies may have found ways to solve problems that “work”, they may be falling prey to “local maximum” solutions, i.e. solutions that can

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still be improved. By setting in such ways of finding solutions companies may develop a narrow view of problems and fail to identify “global maximum” solutions, i.e. solutions that provide superior results or are applicable to a wider variety of problems.

2 Limited learning achieved and exposure of participants to real-life problems. Because of limited involvement of companies with academic institutions and other relevant actors in AL programs, the former face the difficulty of achieving quality learning (as well as sourcing quality solutions to their problems) and the latter – the difficulty of sourcing quality problems for their students. AL programs run by companies often suffer from limited learning because of a restricted participation in these programs. At the same time, AL programs that schools run, often suffer from ad hoc participation of companies that provide exposure to problems of limited scope. As a result, such programs may not allow students to fully apply and develop their skills and talents because of the insufficient scale and complexity of challenges available.

3 Organisation, communication, coordination barriers and project management challenges.

In those cases where companies and academic institutions do manage to set up a successful AL partnership, they face the challenge of managing the collaboration. A crucial issue here is not so much coordination and project management difficulties as such, but organising an AL program using collaborative methods that bring the most value to participants. There are several reasons for why this can be challenging.

For one, managing the business-academia interface can be tricky. Since many routines, ways of communication, and workflows differ substantially between academic institutions and business firms, getting a joint project on the way can become a real problem. But especially when the number of participants and their diversity increases, different interfaces, modes of coordination, ways of organisation, and communication present a real challenge for joint AL programs.

Second, embedding AL programs in a broader business-academia network creates value for participants and opens opportunities for better problem-solving, but also increases demand on the project management system. Not only communication and interaction need to be managed in real time and maximum efficiency for an AL program to be successful, but more intricate and sensitive issues, such as: who has access to what kind of information at what point in time, and how to manage the confidentiality of the data provided, need to be addressed.

Finally, our experience shows that while many companies possess project management tools, it is not the case for the vast majority of the academic institutions. At the same time, most companies do not have technological or organisational tools that help them aggregate, visualise, track and manage their academic involvements. There is a lack of transparency and efficiency in identifying talent as well as the methodology for searching for novel ideas within their organisations and academic collaborations.

How to Enhance Talent Sourcing and Talent Development via Action Learning?

A solution is a term that is used frequently by software companies. In this case, we employ the term in order to render the concept of joint corporate-academia AL programs (i.e. firm-school programs) as an answer to the dual task of talent development and talent sourcing. In particular, we propose an AL solution based on the following 3 key premises:

1. The premise of partnership between business firms with academic institutions (firm-school partnership), for access to talent, synergistic learning, and “global maximum” solutions
2. The premise of embeddedness of an AL program in business networks, for reach, scope and expertise diversity in AL programs
3. The premise of employing a digital collaboration platform, for project management, process organisation, scale, and efficiency of AL programs

Firm-school partnership should be the core of AL programs aimed at tackling the dual challenge of talent sourcing and talent development. However, the full potential of AL can be brought out when this partnership is embedded in a broader network of relevant actors (a business network) and relies on a collaboration platform that facilitates nuanced and sophisticated AL program management.

A business network valuable for an AL program can include other companies and academic institutions, apart from those operating a given AL program, as well as independent innovation specialists, technology providers, consultants, project managers, and other organisations and individuals whose contribution can help advance AL programs. Embedding a firm-school partnership in a broader business community provides several distinct advantages. It allows participants to access necessary tools to complete projects, which helps to accelerate participants’



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Leading business schools have developed AL programs in the past years that vary in terms of content, scope, and management. MIT, for example has reached a collaboration agreement with 15 global business laboratories (see: <http://mitsloan.mit.edu/action-learning/about/>). ESADE, one of the leading global business schools located in Barcelona, Spain has developed the ALCP (Action Learning Consultancy Program). ESADE has started the program by taking advantage of its close ties with Creapolis, an Open & Cross Innovation Centre hosting over 70 start-ups and innovation units of established companies. The program capitalised on both physical proximity and institutional ties (ESADE Own 70% of ESADE-CREAPOLIS). Full Time MBA students participating in the ALCP program get a chance to learn how to assemble their own dream team and develop solution to real-life challenges that companies face by working in groups of 3-5 alongside company professionals and start-up founders. ALCP has become very popular amongst students and Creapolis companies, with both seeking participation in the program. Solutions reached within the three months activity have been fresh, creative, and pragmatic in over 80% of the cases, according to program evaluations. The program is now being expanded beyond the Creapolis site to involve companies in other regions of Spain and also in other countries (for a description and ALCP stakeholders see: <https://www.youtube.com/watch?v=BAC4Bsgu7hg>).



Today's business environment is characterised by greater specialisation of actors and greater dispersion of sources of innovation. New solutions can come from an R&D department of a global conglomerate or a dorm room where a couple of bright undergraduates tinker with the latest technology, as companies like Google or SnapChat demonstrate. To develop truly impactful and innovative solutions for real-life challenges, participants need to tap specialised pools of knowledge, access most relevant and appropriate technology, and learn implementation techniques that make their solutions viable. In the words of an ALCP program participant:

"My [AL program] client is a technology start-up, hence the project exposed me to an area very new to me... To successfully do the project, I had to cover a lot of ground in understanding the technology first and then open my mind to the outside world to explore the potential economical uses of the technology my client has."

For this reason too, an encompassing network of relevant actors can bring extraordinary value to participants as it provides access to specialised knowledge. The learning value of AL programs is enhanced when they are not limited to participants' application of their existing knowledge acquired in the classroom, but allows continued learning throughout such programs. This lets academic institutions to provide their students with an enhanced experience, compared not only to traditional classroom-based learning, but other AL programs as well. Because learning in an AL program is based on a particular problem that participants are solving it often involves acquiring specific knowledge that may not be part of the traditional academic curriculum.

For companies, besides providing a talent sourcing solution, an AL program based on firm-school collaboration embedded in a broader business network allows to obtain superior solutions for their challenges. According to Telanto Survey, lack of resources is cited by companies as the most prominent reason for engaging in innovative collaborations. In addition, companies' find that the best results for their challenges are achieved in collaborations in which multiple actors are involved (this was mentioned by

about 70% of respondents). Broader business network in which AL programs help address this challenge.

The Need to deploy a specialised collaborative platform to enhance AL effectiveness

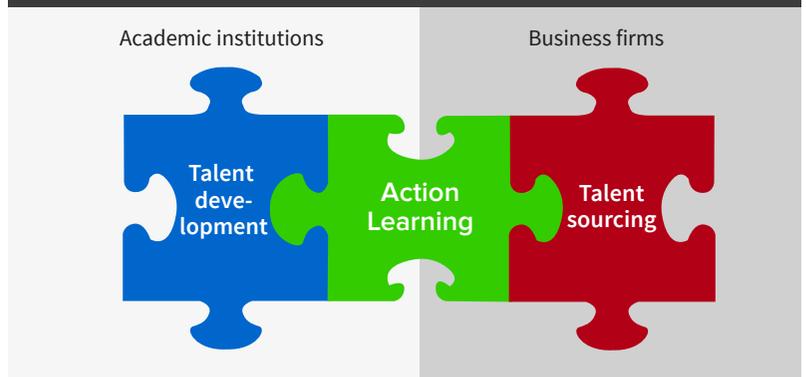
A collaboration platform that allows efficient access to diverse knowledge pools and a differentiated and nuanced project management can be a powerful underpinning of an AL program. A firm-school partnership embedded in an encompassing business network creates great value in itself. Combined with a collaboration platform, it can reach its full potential of a successful and vital AL program.

In particular, AL program participants need to be able to rely on state-of-the-art technological solutions to ensure dependability, access, and a high standard of information analysis and retrieval. For these reasons, for an AL program to be successful it needs to be based on a platform that permits effective organisation and coordination of AL projects. Several features of such a platform are especially valuable. A solution that fits the bill should allow to provide a flexible, efficient, and easy-to-operate interface for:

- supporting firm-school partnership in identifying important, critical and complex problems for an AL program
- organising, maintaining, and streamlining traditional and novel processes of coordination and communication among participants in an AL program
- supporting and developing a business network integral to an AL program
- incorporating proven, as well as emerging innovation management processes, such as crowdsourcing and crowd funding
- allowing novel talent management processes in conjunction with the goals and outcomes of an AL program
- providing academic institutions to track, monitor, and evaluate learning and talent development in an AL program

An example of a collaboration platform that incorporates many of these features is that developed by Telanto (see: www.telanto.com). The platform connects companies with academic

FIGURE 2



institutions by allowing the latter to publish “call for challenges” indicating the need for real-time/real world problems for a particular course alongside the involved student profiles. Enrolled companies, on the other hand can visualise “call for challenges” on the platform marketplace and submit their challenges. After challenges have been evaluated and selected by the academic institution, students can bid for their preferred challenges and start to collaborate and solve these real-time/real-world corporate problems, typically during a 60 to 90-day period in teams of 3-5 as part of their course. The entire collaboration from calling out for challenges to awarding solutions is tracked on a digital network and all those roles forming part of the AL program, such as program administrators, professors, corporate personnel, coaches and students engage, share, discuss, review and award the impact of the proposed solution.

Conclusion

Action Learning is proposed as a means to address the dual challenge of talent development (faced by academic institutions) and talent sourcing (faced by business companies). AL programs based on the 3 key premises outlined in this article allow companies to get the double benefit of previewing new talent in action, working on the very problems they would grapple with if hired, before they get hired. This provides companies with an excellent way to source talent as well as to obtain solutions for the pressing challenges they face.

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AL programs need to allow academic institutions to get access to real-world problems and experts to help teach their students to apply their newly learned knowledge and skills as well as obtain additional learning. Thus firm-school partnership needs to be further enhanced by building extensive business networks, in which participation of additional actors (i.e. other schools, other companies, independent experts, etc.) increases the scope of learning and talent sourcing possibilities (see figure 2 on previous page).

Finally, in order to successfully manage this complex new learning experience based on firm-school partnership and enmeshed in a diversified business network, utilisation of a contemporary, advanced, state-of-the-art collaboration platform is necessary. The role of such a platform is to organise AL processes, allow instant interventions when needed, scale operations up (or down), provide measurement and clear benchmarks to make the process efficient, dynamic and highly interactive.

When these elements of an AL program are created and executed well, AL can become a talent sourcing solution of the future and help solve the puzzle of developing and managing talent. 

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- The authors are affiliated with the Future of Work Unit at ESADE Business School in Barcelona –Spain. The FWC mission at ESADE is to detect and predicts paradigms, evolution and transformations connected with working in tomorrowland; respectfully, the FWC at ESADE develops concepts, methodologies and tools geared to educate people for succeeding in the future.
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