

PricewaterhouseCoopers is giving the Chicago Bulls a run for their money when it comes to three-peats. The professional services firm scored the top spot on the Training Top 125 for a record third year in a row. (A note of encouragement for the other Top 125 winners: PwC will be inducted into the Training Top 125 Top 10 Hall of Fame next year, so No. 1 is up for grabs in 2011.)

So, just how did PwC nail No. 1 again? For starters, it met and exceeded a hefty challenge in fiscal year 2009: cutting training costs by \$30 million while continuing to invest in the long-term development and retention of its people. Approaching this challenge as an opportunity to transform the curriculum actually resulted in a cost savings of \$57 million in fiscal year 2009. And that figure now is up to \$64 million, according to PwC Chief Learning Officer Tom Evans. “We were facing a difficult fiscal year (we run from July to June), and the firm was looking to save,” he explains. “In 2009, we started to figure out ways we could reduce our spending and introduce some different designs in how we approach the development of our people.”

NO SACRED COWS

Evans said he began by sitting down with PwC’s core leadership—which is the U.S. leadership team (USLT) and the line of service leaders—to talk about how the firm needed to continue its drive to take a more holistic approach to the way it develops its people. “When we did that, we had to

PricewaterhouseCoopers’ curriculum transformation initiative helps it claim No. 1 on the Training Top 125 for the third consecutive year. BY LORRI FREIFELD

**PWCC’S
3-PEAT**

PWC PHOTOS BY ARNOLD ADLER





CLOCKWISE, FROM MIDDLE:
PwC's Dennis Finn, U.S. and
Global Human Capital
Leader; Bob Moritz, U.S.
Chairman and Senior Partner;
and Tom Evans, Chief
Learning Officer.



PwC'S LEARNING & EDUCATION LEADERSHIP TEAM, FROM LEFT: Andrew Wolff, Corinna Snyder, Kathy Kavanagh, Joe Tria, Tom Evans, Candy Haynes, Allison Buonamassa, Keith Larson, and Jim Klee (not pictured: Dan Goepp).

look at the frames around how we coach, how we look at the formal training curriculum, and how we look at the aspects of the development that can occur while our people are at work,” Evans notes. “If we could balance those three drivers—with an underpinning that says ‘preserve our culture, embed our values, and embed the Four Behaviors of the PwC Experience (We Invest in Relationships, We Share and Collaborate, We Put Ourselves in Each Other’s Shoes, and We Enhance Quality)’—we felt we actually could save the firm some money.”

To accomplish this, the first premise was there would be no

KEY L&E EFFORTS IN FY'09

PricewaterhouseCoopers’ Learning & Education function aligned with the firm’s strategic business goals: strengthening core capabilities, driving technical expertise, and focusing on quality execution. Key efforts in fiscal year 2009 included:

- Reprioritizing the curriculum, deepening the partnership with Knowledge Management, and seeking on-the-job learning opportunities to enhance connectivity with the markets/business units.
- Replatforming fly-and-stay learning events into alternate modalities, resulting in a 71 percent increase in courses delivered via leading-edge learning technologies.
- Continuing to focus on core capabilities by embedding PwC’s Four Behaviors (We Invest in Relationships, We Share and Collaborate, We Put Ourselves in Each Other’s Shoes, and We Enhance Quality) into all training programs.

sacred cows. “Everything was on the table,” Evans says. “For everything Learning & Education (L&E) was working on, everything we were proud of and had significant allegiance to, we said we could offer certain other options.”

PwC’s business is organized around 19 markets, Evans explains. “Some programming that was historically done at a national single-site event was shifted so we could preserve those dollars for the firm. Rather than incurring costs on airfare, housing, food, and technology set-up, we were able to really invest in the quality of the educational experience at the market level.” As a result, L&E moved the core of the curriculum to a market level consistently.

The second piece of the initiative was advancing the use of enabling technologies such as virtual classrooms, self-study, etc.

“We used a concept called a think tank,” Evans says. “I took people who hadn’t been associated with the program and those who were wedded to it, and put them in a room with experts and said, ‘I want to see something different. I want to talk about options. This is a time we can be innovative and creative, so don’t hold back.’” Evans only had three requirements: “At the end of the day, we would choose options we felt were eminently doable; there would be a degree of disruption, but it would be manageable; and it would be financially feasible. So I couldn’t go down to Tampa and throw out our whole technology infrastructure and build a new one. I had to live with those constraints.”

The good news for Evans was that L&E has always been proactive when it comes to technology. “When the market became tight, we didn’t tell the firm, ‘We don’t have the infrastructure to make these changes,’” Evans says. “We’ve always invested in understanding the research side of technologies. So when the market did take a turn, we were able to say, ‘We’re here, we’re ready.’”

ENABLING TECHNOLOGIES

The end result: PwC advanced its use of training technology some 70 percent year over year, Evans says. Going into FY’09, e-learning comprised less than 20 percent of PwC’s curriculum, but by the end of FY’09, that number jumped to 35 percent.

For example, Advisory University (AU) was converted from a 4.5-day fly-and-stay program to a blended virtual conference. For the first time at PwC, the entire general session was done “live” and also simulcast via satellite to 2,100 individual laptops and more than 1,400 participants in group settings. The session featured firm leadership, guest speakers, and a partner panel



FROM LEFT:
PwC's Dennis Finn,
U.S. and Global Human
Capital Leader; Bob
Moritz, U.S. Chairman
and Senior Partner;
and Tom Evans,
Chief Learning Officer.

discussing new and relevant service offerings.

Following the general session, learners attended elective courses. Approximately 900-plus people attended a 4.5-day classroom session on Transform, Advisory's new business

transformation methodology. Another 2,600-plus learners selected from more than 30 virtual sessions (self-studies, Webcasts combined with small group exercises, and classroom and virtual classroom sessions).

Throughout AU, a program-specific microsite served as a virtual concierge for questions and suggestions and provided additional learner support, including registration information, materials, session schedules, links to a virtual knowledge fair/trade show, and communications/guidance for instructors. AU Tube, featuring learner-generated media, also was accessible via the microsite.

Preliminary results show the new AU program saved approximately \$7 million (60 percent), winning leadership support for another virtual conference next year. Other examples:

- Six core tax conferences and 15 tax specialist academies for 7,500-plus users were shifted to market-based and technology-enabled mediums in FY'10, yielding \$16.5 million (60 percent) in cost savings.
- Transaction Services: National conference electives (1,100 people) were shifted to LiveMeeting, resulting in \$3.2 million (85 percent) in cost savings.

FAST FACTS

- In FY'09, PwC held 9,552 virtual classroom sessions. Some 98,862 learners attended sessions, up 74 percent from FY'08. Virtual classroom specialists provide pre-session consultations, conduct comprehensive train-the-trainer sessions, and provide moderator support.
- In addition to purchasing more than 1,500 self-study programs, PwC increased internal development of self-studies by 54 percent, leveraging its rapid development tools/processes, and achieving 30 to 40 percent efficiency over industry benchmarks. Across PwC's global network of firms, 1.25 million-plus hours of self-studies were completed in FY'09; in the U.S. firm, 160,000-plus courses were completed, resulting in 250,000-plus CPE credits for partners/staff.
- PwC offers 185 on-demand e-learning courses on written/oral communications.
- In FY'09, more than 3,500 partners/staff participated in PwC's Global Mobility Program and were supported through the new Global Mobility e-learning tool, which provides technical retooling, language and cultural training, financial and relocation support, and mentoring.
- PwC invested \$2 million in developing/delivering a new national skills enhancement curriculum to 1,800-plus administrative professionals through 239 instructor-led sessions and 90-plus virtual and self-paced sessions.
- PwC IT professionals spend 40-plus hours in formal training programs encompassing more than 250 e-learning courses and 90 different instructor-led courses.
- In FY'09, PwC's six- to 12-month onboarding program reached 7,425 new joiners (see Best Practices on p. 102)

COMMUNICATING THE MESSAGE

Clearly, with savings like that, Evans didn't have a hard sell to get PwC leadership on board, but he did need a solid plan to communicate the changes to the rest of the firm.

"We got the buy-in from the executive leadership (USLT) immediately. The second step was to have the USLT members, coupled with my L&E leaders, deliver the message of how we were going to approach the execution of our L&E for the coming year," Evans says. "The message didn't say, 'This is good training philosophy, this is good training design.' Instead, it was about understanding the business climate we were in, the ability to stay strategically aligned with the development of our people, and to be consistent with our strategy to retain our people and avoid layoffs for as long as we felt we could. It also was a way for us to advance the paradigm around how we approach development by introducing these enabling technologies and also to achieve alignment between our market-based business model and our educational programs."

Evans says much of the conversation was about how they were going to execute it and check and double-check all the process and procedural points so L&E didn't create a negative experience for people—something the USLT was adamant about. Evans was pretty adamant, too, because, as he says,

“they all had my home number!” While he didn’t have to have too many conversations to convince people, Evans says some did have some first reactions that PwC’s culture is grounded in getting people together and what happens to the in-person networking without classroom training? “We made it clear that a shift to moving to enabling technologies wasn’t a message that we didn’t value classroom-based training or that it didn’t play a role,” he says. “In fact, it plays a very important role—just a different role now.”

As for how successful the new shift has been, the average effectiveness rating across FY’09 curriculum was 1.46 (on a 1-5 scale, with 1 being the highest), representing a 6.8 percent improvement over last year.

For organizations considering similar initiatives, Evans recommends an extra dose of preplanning, due diligence, thoroughness, and going back over your plans. Another thing to keep in mind: “While we saved a lot of money and our people had a seamless, positive experience, the workload for my team was up significantly,” Evans says. “When you have to script things, and include links that have to work, you have to sit down and think about what you write and how you write it, and write it consistently. So we introduced the use of microsites to work through the systems, and we invested more time in our virtual conferencing technologies.”

Evans did obtain leadership backing to leverage resources in specialized areas to support the execution of education and the new model. “We didn’t create new jobs, but we gave some of the folks in other firm infrastructure roles the opportunity to do something different in their job responsibilities,” he says. “It was a way to get an additional 48 heads into my functional unit by leveraging people across the firm.

LOOKING AHEAD

The last four or five years have been absorbed by Sarbanes-Oxley and other compliance-related regulations,


Evans says, “but now we’re shifting to a more competitive environment. So, much of our investment will be in training that focuses on business acumen; pursuit management; effective client interactions and communication; and building high-value, trust-based relationships—in other words, training that is linked to enabling our partners, managers, and people to grow the business.”

Evans adds that L&E will continue its focus on cultural dexterity and leadership development. “The world is getting smaller. In the world of work today, there is a focus on leadership—leading oneself, leading others, and leading teams. How we look at leadership development is going to be significant—recognizing that leadership is inclusive of global diversity and cultural dexterity.”

Globalization and the financial climate also often mean changes in leadership—sometimes swift and unexpected changes. This can pose challenges for training executives, particularly those who have managed to corral a seat at the C-suite table and obtain CEO buy-in fairly easily—as Evans has. In fact, PwC experienced some leadership changes from 2008, with Bob Moritz taking on the role of U.S. chairman and senior partner, and Dennis Finn named U.S. and Global Human Capital leader.

So how does Evans handle leadership change? “Alka-Seltzer,” he quips.

But he quickly turns serious. “I’ve always found you can’t be in this business if you approach it purely from the standpoint of the academic. In my world, you must have a business perspective and be able to understand business strategy and the outcomes related to that strategy and how they are achieved.

“It’s my responsibility,” he continues, “to ensure I’m never outside the sphere of understanding what’s going on in this business. I’m looking at generational, social, and cultural differences, and trying to create a model that achieves the outcome of the PwC Experience.” 

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