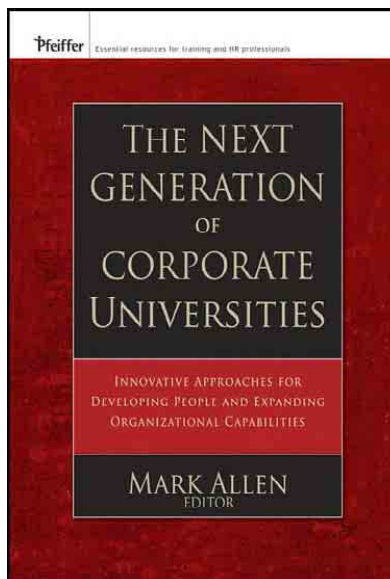


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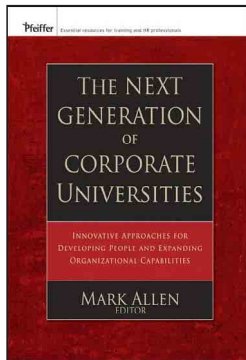


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The Next Generation of Corporate Universities

Innovative Approaches for Developing People and Expanding Organizational Capabilities

by Mark Allen (Editor)
Pfeiffer © 2007
432 pages

Focus

Leadership & Management
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IT, Production & Logistics
Career Development
Small Business
Economics & Politics
Industries
Intercultural Management
Concepts & Trends

Take-Aways

- Corporate universities are strategic, organizational-development departments.
- Many corporate universities exist within nonprofits and government agencies.
- The corporate university offers training and education, but its mission goes beyond teaching to “wisdom management.”
- The university’s purpose is to achieve the organization’s strategic goals, change its culture and shape employee behavior.
- Branding enhances your corporate university’s stature and profile.
- Assessing training is hard, but, corporate universities must be accountable.
- Measure how much your training results in behavioral change and improved output.
- Corporate-university programs must engage students, whether online, in a classroom or in a “blended-learning” solutions.
- Many corporate universities now offer mentoring, leadership coaching, and “learning-by-doing” programs and apprenticeships.
- Innovative programs include career path management and succession management.

Rating (10 is best)

Overall	Applicability	Innovation	Style
7	7	8	5

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Relevance

What You Will Learn

In this Abstract, you will learn: 1) Why organizations have corporate universities; 2) How corporate universities serve companies, nonprofits and governmental entities; 3) How to program your corporate university; and 4) How a corporate university can shape organizational culture and employee behavior.

Recommendation

Corporate universities have an identity problem. Many serve nonbusiness-related organizations, and so aren't exactly corporate. None fit the profile of ordinary academic universities. But other than those small inconsistencies, they are doing just fine. In 1993, some 400 corporate universities were in operation. By 2001, this grew to 2,000. The real corporate university is more than a training department on steroids. Its mission is developing its organization's next generation of leaders, shaping corporate culture and changing employee behavior. Famous examples include McDonald's Hamburger University in Illinois, and Disney's universities in Florida and California. Some corporate universities are quite large. The Defense Acquisitions University at the U.S. Department of Defense employs 550 faculty and staff members. Caterpillar, Inc.'s university has 100 staff members. Expert Mark Allen and other essay writers provide valuable, if jargon-burdened, advice on organizing and administering modern corporate universities. Allen planned this book for chief learning officers, corporate-university professionals, and training and instruction design professionals. GE's Jack Welch and McDonald's Ray Kroc saw the corporate university as the ideal way to develop employees, instill loyalty and improve productivity. If those are your goals as well, *getAbstract* recommends this informative book.

Abstract

"Learning should be strategic, purposeful, deliberate and connected to organizational missions."

"Wisdom management is a planned and systematic process by which an organization manages how the employees...apply their knowledge and skills [to] benefit the organization."

Beyond Tactical Training

What differentiates a standard training department from a "next generation" (1990s and later) corporate university? A training department focuses on operational goals and is essentially tactical: "Here is how we do this." A corporate university is strategic. Its mission is to develop employees, expand the organization's capabilities and help achieve its strategic goals. The classroom is just a site, not the pivot point of the learning process, which extends throughout the organization. Corporate universities provide valid "work-stretch activities," including assignments that help employees grow. For example, leadership development programs might include participation in professional organizations and trade associations. Corporate universities are "business enablers, and catalysts for performance and relationship enhancement." They bring managers aboard as mentors and talent developers, not only as talent employers.

Many large companies have corporate universities, but so do many smaller companies, nonprofit organizations, and federal, state and municipal governments and government agencies. Global corporations often have corporate universities with worldwide scope. Take Satyam Computer Services, an information technology company headquartered in Hyderabad, India, with operations in China, Australia, the U.S., Canada, the U.K., Malaysia, Japan, Singapore and Hungary. The firm's corporate university, the Satyam Computer Services Limited's School of Leadership, focuses on identifying "global

“Part of the reason for the dismissal of knowledge management is that many organizations misfired when they first tried to implement it.”

“E-learning has frequently not lived up to its potential of helping people learn and helping organizations achieve better results.”

“A coaching initiative must not only deliver value; it must be seen as delivering value.”

“Corporate universities with global responsibility must meet the learning and development needs of all constituents throughout the world.”

competencies,” and meeting the needs of citizens worldwide, who must nimbly adapt to and competently deal with a vast array of business arrangements and situations.

On the smaller side, Enclos Corp., which builds window systems and curtain walls, has fewer than 500 employees, but it has a corporate university with two staff members. Before the company opened its university, employees accumulated knowledge and mastered numerous complex skills on the job. The company’s leaders decided that this approach was too hit-and-miss. To meet the firm’s goals of reducing development and training time, and expanding to 900 well-trained employees, they established Enclos’ formal corporate university. The company recruited expert staffers and outside professionals to teach specific work skills. Given a relatively small budget, Enclos’ corporate university focuses on teaching primary tasks and squeezing value out of every dollar. Since face-to-face instruction is critical in its industry, the university minimizes online training.

In the world of nonprofits, the corporate university for United Jewish Communities (UJC) is the Mandel Center for Leadership Excellence. The center delivers numerous educational services to UJC employees, including the development of management and professional skills. The Mandel Center teaches about Jewish culture, values, ethical issues and philanthropy, as well as the Israeli-Arab conflict. It offers distance learning, and provides online course registration and related services, as well as onsite educational programming.

Corporate universities are becoming increasingly popular among governmental institutions. The governing authority in Chesterfield County, Virginia, established Chesterfield University as an outgrowth of its “Total Quality Improvement (TQI) initiative,” which included an earlier corporate university program in conjunction with a local community college. Officials determined how to handle the university’s funding, planning and practices by calling upon similar programs at Motorola, Santa Barbara County in California and the Tennessee Valley Authority, among others. Chesterfield University offers career development, education and training.

Whether in companies, nonprofits or agencies, corporate universities require attention-getting branding and strong support from the top. Consider the exalted stature of Motorola University or GE’s Crotonville facility. Corporate educators widely respect those brands. To establish a meaningful brand for your program, define its primary traits. How do managers, employees and stakeholders view it? What is your vision? Think of your brand as a promise and then fulfill it.

The Big-Picture Approach

The best practices for corporate universities include coaching, using internal experts as teachers, supplying specialized consultants to business units and inviting business community input on learning objectives. In the big-picture approach, learning and development activities provide a competitive advantage. Organizations with successful corporate universities are proactive, not reactive. They focus on strategies for learning, not on temporary training. They want to go beyond building the skills of individuals to developing their overall organizations, beyond providing classes to creating solutions. A corporate university proves that a company values leadership as much as business processes, or even its products and services. Ethics is an area of growing importance for corporate universities. Many organizations now charge their corporate universities with providing strategies and solutions that address potential or real ethical gaps.

“Caterpillar University’s strategy is simple: Focus on connecting people, not on content.”

“Branding is the act of burning with a hot iron, the act of stigmatizing, the act of marking.”

“Succession planning goes beyond identifying candidates; it also entails developing people.”

“We don’t value workers for what they know; we value people for what they know how to do.”

Being Accountable

Corporate universities welcome accountability, including robust evaluation. How else can your organization ensure that its university provides proper value? Of course, learning is not always easy to evaluate. Indeed, some professionals contend that it is nearly impossible to measure. But in a world where bottom-line expectations rule, organizations increasingly demand that all of their departments must meet measurable standards. Companies often base training evaluation on such measurables as production units, sales and sales expenses, response times for orders and rate of errors, but “learning transfer” is a major challenge. The problem is that people do not apply up to 90% of the knowledge they acquire in training. Yet, gauging the degree of practical learning transfer and the results trainees achieve is an accepted way to assess the efficacy of a training program. Many organizations now set aside 3% to 5% of their development and learning budgets for measurement and evaluation.

Delivering University Services

What is the best way for a corporate university to provide services? Many professionals would answer: classroom learning, e-learning or “blended learning,” a combination of the two. But this is actually the wrong question. It switches the focus away from what you should teach and what students should learn to what mechanics you should use. When you turn on your car, you don’t worry about how your engine works; your focus is getting somewhere. Similarly, corporate university leaders must focus on the information they want to provide and what it can accomplish, more than on the method or style of teaching.

The fact is that each of these learning modes has some drawbacks. Take e-learning. When the Internet became popular, many organizations quickly switched to online learning sessions simply by converting their teaching materials to Web-based formats. Unfortunately, this did nothing to engage students. Indeed, it turned many of them against pursuing often dry educational experiences. Before online classes, training at least got them away from their desks for a while – but no more. With traditional classroom learning, instructors knew their students were present and they could ask questions. But with e-learning, education takes place on the students’ desktops. Teachers have no way to assess the trainees’ level of interaction with the materials. Is the staffer paying attention or surfing the Web? Blended learning is not much better. The typical approach is to offer some classroom training and then to put extra material online. Students rarely find this terribly enticing.

Instead of these standard approaches, focus on “splendid learning.” This teaching format emphasizes student engagement, not whether materials are online or offline. It focuses on setting up situations that facilitate “learning by doing,” such as “mentored apprenticeships.” The university’s job is to ensure that the educational experience is as real as possible and that students are excited.

To move toward this approach, you may need to redesign your curriculum. Put students in charge of this process. This may sound absurd to most educators and learning designers, but if the curriculum doesn’t motivate students, they will not learn. Involving them in curriculum design is very motivating. To proceed, provide real-life projects students can pursue together. As closely as possible, simulate the day-to-day challenges that they experience on the job. This enables students to learn from each other. Plato, one of history’s greatest teachers, believed that people learn when they do. This principle is as valid today as it was 2,600 years ago.

“One of the most important and often overlooked aspects of organizational change is culture change.”

“Organizational cultures...outlast everyone: the individuals in them, the managers and leaders who grapple with them, and the corporate universities that continue to throw simplistic and ineffective training at complex and culturally grounded problems.”

Nonstandard Functions

The corporate university can shape a company’s culture, that is, “effect sustainable change in the DNA of the organization.” The university is more than a “training agency”; it is how the organization expresses itself to its employees. Focus on clearly communicating your strategy and culture as well as on training. Evaluate your culture, consider the most desirable changes and devise methods to implement these changes during learning activities.

Many corporate universities develop mentoring programs that offer numerous educational and cultural benefits. The executives and supervisors who perform as mentors develop valuable coaching skills they can also use with their direct reports. Mentoring sends a clear signal that the organization is fully committed to its employees’ career development. Mentoring is extremely cost-effective; the primary expense is the time of the participants. Corporate universities often also provide leadership coaching, an outreach effort that can enhance productivity, increase employee satisfaction, and improve retention and teamwork. Research indicates that leadership-coaching programs “deliver 500% to 700%” return on investment.

“Career path management” is another new direction for many corporate universities. This program tries to align the organization’s strategic staffing requirements with individual employees’ specific development goals. Many companies insist that their corporate universities link curricula to pivotal career paths to ensure that the organization will have the executives and employees it needs in the future. This strategy directly ties the corporate university to the organization’s long-term needs.

Succession management is another new corporate-university function. This program targets high-potential candidates within the organization for customized leadership training. Organizations need an orderly succession of new leaders to sustain their operations, and such programs fit well under the overall “corporate-university umbrella.”

However, an organization’s learning activities do not have to take place strictly within the confines of its corporate university. Caterpillar University developed the Caterpillar Knowledge Network to deliver services to more than 4,000 “communities of practice” throughout the corporation. These communities offer training focused on specific activities as well as information exchanges in response to member requests. For example, a member might post a question, such as, “We are having a problem with drive-shaft life. Does anybody else have this problem?” A typical response might be, “We used to have the same problem until we changed the type of grease. Try using...”

Adopt the same approach at your corporate university. Understand that delivering a laundry list of training and educational experiences is not your purpose. Your mission is to enhance the organization’s “wisdom management.” This involves far more than learning. It extends to changing corporate culture and employee behavior. A corporate university that does not link learning with behavioral change has lost its way. Determine your organization’s primary developmental requirements. Then provide your employees with the skills and knowledge they need to carry out this facet of organizational development. That is the corporate university’s reason for being.

About the Author

Mark Allen, Ph.D., author, consultant and speaker, is an international authority on corporate universities and nontraditional higher education.