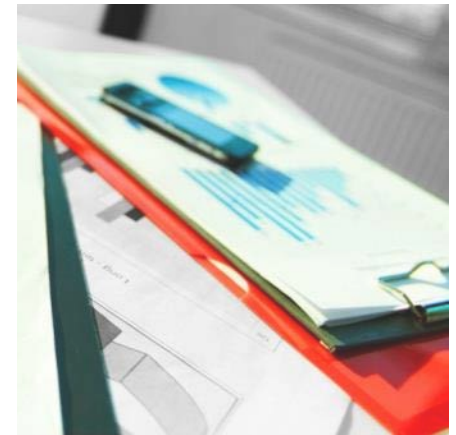


Are Corporate Universities About to Become Extinct?

*Session 5B: 10.30-11.30 am
Thursday, February 22*



CTR
Center for Talent Reporting

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A Discussion

- ❖ What is a corporate university?
- ❖ How is it different from a traditional training department?
- ❖ What is changing?
- ❖ What does this mean for corporate universities?



What Are the Characteristics of a Corporate University?



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What Are the Characteristics of a Corporate University?



- Responsible for all or nearly all of the learning in the organization
 - » Global reach for a global company, national reach for a national company
- Strategically aligned to the business needs of the organization
- High-level governance, like a board of governors
- Run like a business with a focus on costs and efficiency, sometimes a profit center
- Leaders often engaged as teachers

Contrast with Traditional Training Departments (from Jeanne Meister 1998)



- Training Department
 - » Reactive
 - » Fragmented & decentralized
 - » Little management buy-in
 - » No corporate governance
 - » Physical presence (a building)
 - » Reliance on ILT
 - » Operates as a staff function
 - » Focus on improving job skills
 - » Focus on employees
 - » Mostly course catalog
- Corporate University
 - » Proactive
 - » Cohesive & centralized
 - » Significant management buy-in
 - » Corporate governance
 - » On demand, anywhere, anyplace
 - » Use other modalities as well
 - » Operates as a business unit
 - » Focus on improving performance
 - » Focus on value chain
 - » More focused learning as well as course catalog



- Corporate universities began in the late 1980s
 - » Although corporate colleges existed in the 50s granting degrees
 - » About 400 by 1988 and 1000 by 1998
 - » Reflecting a need to tie learning more closely to business needs and exert more control over it. Also to provide skills not being taught at university
- Early “big names”
 - » GE’s Crotonville 1955
 - Focused on leadership and later management
 - » Motorola about 1985
- I visited GE, Motorola, IBM and Nestle in 2000

Today

- Thousands of corporate universities
- Many training organizations call themselves a corporate university.
 - » Many do not meet the criteria
- Some prefer not to use the name but do meet the criteria
 - » Too academic sounding, name reinforces concept of passive learning through a large catalogue of courses

What Is Changing?



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What Is Changing?



- Move toward employee directed learning
- Move toward personalized learning
 - » Shorter, just in time
- More learning outside the traditional LMS
- More focus on employee engagement for performance, talent acquisition and retention
- Move away from strategically aligned learning
- Move away from proactive, company directed learning

Implications for the Future of the Corporate University



- What if corporate universities revert to content curators focused primarily on providing employees what they want?
 - » Some have recently proclaimed that this is their new mission
 - » They no longer seek to align to business goals
 - » Instead they are developing new means to discover what employees want and how they can best meet those needs
 - » Focus is on curating largely outside content for their employees
- Doesn't this sound like an updated version of the traditional training department from the 1970s?
 - » Passive, unaligned, focused on the course catalog

Implications for the Future of the Corporate University



- If new mission is content curation, there is a significant risk that aggregators will appear
 - » Specializing in content curation
 - » At massive scale
 - » At much lower cost
 - » With platforms allowing easy access for employees anywhere, anytime
 - » Will be superior in every way to what the corporate university can offer
- What then will be the need for a corporate university?
 - » Compliance, basic skills training?

Where Do We Go from Here?



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My Recommendation



- Hold to the original concept of a corporate university
 - » Proactive, aligned learning with strong corporate governance to address critical business needs with company-directed learning
- Plus take advantage of personalized learning and new content outside the LMS to provide employees with more and better learning opportunities to support their personal development
 - » To better prepare for future positions
 - » To hone their organizational and business skills (writing, speaking, teaming, etc.)
 - » For personal growth not directly related to business needs

My Recommendation



- Basically, address both business and HR needs
- If aggregators do come to dominate the personal content market, and if they meet all the needs of employees for general learning, then the corporate university would focus solely on meeting the business needs
- In this scenario, the corporate universities that abandoned their business focus will become extinct