The Leaders Speak: Corporate University Research Takeaways

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The Research

Literature Review

Interviews
- 11 CU Leaders
- 6 Trend Spotters
- 4 Continents

Surveys
- 66 Respondents
- 5 Continents
- 3 Weeks
Mark Allen estimates that there are over 10,000 corporate universities globally, and 4,000 in the United States alone.
Possibilities

- Even with a conservative budget of $100,000 per corporate university, it’s a $400M - $1B market.

- More than 80% of the corporate university leaders surveyed use at least one business school for their custom programs.
Overview

- Corporate Universities 101
- Corporate University Leaders & Their Preferences
- Trend Spotter Observations
- Group Identification of Strategies
Corporate University 101: Definition

Mark Allen:

“an educational entity that is a strategic tool designed to assist its parent organization in achieving its mission by conducting activities that cultivate individual and organizational learning, knowledge, and wisdom.”
Corporate University 101: Why form a corporate university?

- New business model
- Marketplace responsiveness
- Regulatory concerns
- Congressional mandate
- Lack of required skillsets among employees
- Talent Management/Retention
- Cost containment (centralization)
Corporate University 101:
Learner Populations
Corporate University 101:

Every corporate university has different goals, functions and desired outcomes.
Corporate University 101:

Funding

- Line item from corporate headquarters, capital appropriation processes, or line of business support

- Usually do not have Profit and Loss responsibilities
Corporate University 101:

Governance

- Advisory Board – internal and external members, who generally meet quarterly.
- Business Unit Leaders
- Leader - Single individual, not necessarily c-suite.
The CU Leader Network

• Tight network.
• Visit each other’s sites.
• Consult regarding processes and procedures.
• Meet at conferences (CLO Conference) and other industry associations.
• Sit on boards with each other.
• Learn about each other’s work through industry awards and articles.
• Share vendor evaluations.
“My reputation is my brand. If I don’t think I can be successful, I won’t take on the initiative.”
More often than not, senior corporate university leaders come to their posts from the front lines of business. As a result, they do not always have specific backgrounds in Learning and Development, and may hire external vendors (or recruit new hires) to supplement their knowledge.
The most commonly shared advanced degree attained by corporate university leaders surveyed is the MBA. Business schools are familiar entities.
## Selection Criteria Rankings

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<th>Ranking</th>
<th>Open Enrollment</th>
<th>Custom Programs</th>
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<td>1</td>
<td>Design of Program</td>
<td>Alignment with Org ‘l Culture</td>
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<td>2</td>
<td>Alignment with Org ‘l Culture</td>
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<td>3</td>
<td>School Reputation</td>
<td>Price</td>
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<td>5</td>
<td>Proof of ROI</td>
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<td>6</td>
<td>Location</td>
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<td>7</td>
<td>Length</td>
<td>Relationship with School</td>
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Corporate university leaders currently seek custom programs more often than open enrollment programs.
CU Leader Voices: Customization

- Stop calling 'custom education' programs that are made up of existing modules, only re-arranging them together to 'customize'.

- There must be a willingness to understand specific industries instead of assuming one size fits all.

- (They) need to add value to current strategic challenges instead of focusing on available programs from the business school (sometimes too rigid...).
CU Leader Voices: Design

- Design, duration and content are defined together with us. Schools that are not able or willing to adapt to our expectations are rejected from the selection process.
- Alignment with specific capability gaps mapping to business strategy--this is top priority.
- There needs to be an openness to program co-creation
- There is an increased emphasis on coaching and mentoring to get full implementation of learnings.
CU Leader Voices: Geography

- We’re looking at XX School as a potential vendor... All of our employees have to pass through their local airport to get to headquarters, so we might as well do it there!
- We sometimes need to build capacity in the region to ensure that we have a prepared workforce, so we work with the schools in the area.
- Local professors teach a lot of people in our industry, so they are more familiar with our lingo and culture.
- It doesn’t hurt that they’re right in our backyard!
CU Leader Voices: Relationships

- The key leader met the Executive Education Dean at an open enrollment program a few years ago. I believe the relationship began then...

- We really had no choice as to what school to use... All our key leaders were alumni of the chosen school!

- We donated a large sum to that institution... We really have to at least speak with them to find out if we could use what they have...
From the Survey...

What would you like to see from a business school executive education division that would be potentially beneficial to your corporate university?
What they’d like to see...

Can colleges think about future skill gaps (technology), so we (the corporate u’s) are not struggling?
What they’d like to see...

Greater links into my organization, not just with the students in the programs. Bring ideas, research and innovation into my organization to help improve business performance.

Awards for programs undertaken.
What they’d like to see...

B-schools should focus on business. The relationship will grow stronger as those institutions focus less on academia, and more on driving solid business outcomes, and developing business leaders.

Business development individuals as well as faculty need to do their homework, so they know what questions to ask... This cannot be overemphasized.
Business schools’ exec ed divisions need to become more of a consulting business. For example, when trying to do a custom program with one school it came down to the professor that created the program deciding how they wanted to treat the content from a licensing standpoint. So even though I was dealing with the business person during the negotiation at the end the professor who created the program was the one I had to really negotiate with.

The way they are set up is not anything like a real education services business and it puts more on us to have to navigate it.
New Ideas, New Projects: Throughout the University

- EMBA’s for employees - $1 million for 100 EMBAs.
- Non-monetary information exchange (i.e., evaluation text mining)
- Reciprocal credit-granting arrangements.
- Open Houses
- Faculty in Residence
- Coaching, add-on programs
Trend Spotter
Observations
Trend Spotter Observations

- There is much to be learned from corporate universities, who, among other things, are often savvier users of technology than executive education divisions.

- “We need to get into the consulting business – they’ve gotten into ours!” Need to reduce clients’ “consultant dependence”
Trend Spotter Observations

- Important topics for corporate universities to address moving forward will be operating in matrixed and global environments, innovation, and agility.

- Many corporate universities now will not embark on a program unless there is a clear business outcome that it is attempting to drive and that outcome has to be quantifiable and measurable.
Best Practices in Business Development: Turning Kirkpatrick On Its Head

Results
What results are you hoping to see from this intervention?
How will you know that these results have been achieved?
Who needs to behave differently in order to see these results?

Behavior
Who are the right people?
How do they need to behave?
How will you know they're behaving that way?

Learning
Is it a skills gap getting in the way of these behaviors?

Reaction
What are the necessary skills to have in order to change behavior?
Questions?
Specific Strategies

1. Leverage geographic advantages
2. Tap into other departments’ relationships
3. Determine a content niche
4. Become customer centric
5. Do your due diligence when meeting with clients/corporate universities.
6. Develop relationships with a corporate university, without monetary exchange
7. Promote mutual learning with client partners
8. Executive Education as Consultancy
9. Begin with the end in mind
Invitation
“The best time to plant a tree is 20 years ago. The second best is now.”
- Chinese proverb
Thank You!

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