

CORPORATE UNIVERSITIES

Organizations constantly need to adapt themselves to stay aligned with an ever-changing and increasingly complex environment. *Corporate Universities* puts "smart learning" at the forefront, with strategies to secure alignment between organization and environment, which need both speed of learning and learning in the right direction. Across the globe, corporate universities have emerged as vehicles of such strategy-driven learning.

Corporate Universities bridges the gap between the disciplines of strategic management and corporate learning, combining general strategy with the concept of corporate universities, which, to date, has predominantly been an HR topic. Readers will find new concepts, as well as generic corporate university strategies to link corporate strategy to organizational learning. In-depth cases show how corporate universities are used to renew, transform, and optimize strategy and include important lessons learned by corporate university executives, from both small and global companies, as well as governmental organizations across different industries.

Written for academics in strategy, HRD, and organizational behavior disciplines, as well as practicing managers alike, *Corporate Universities* is the first book that offers a consistent set of concepts, frameworks, and cases to integrate general strategy with organizational learning.

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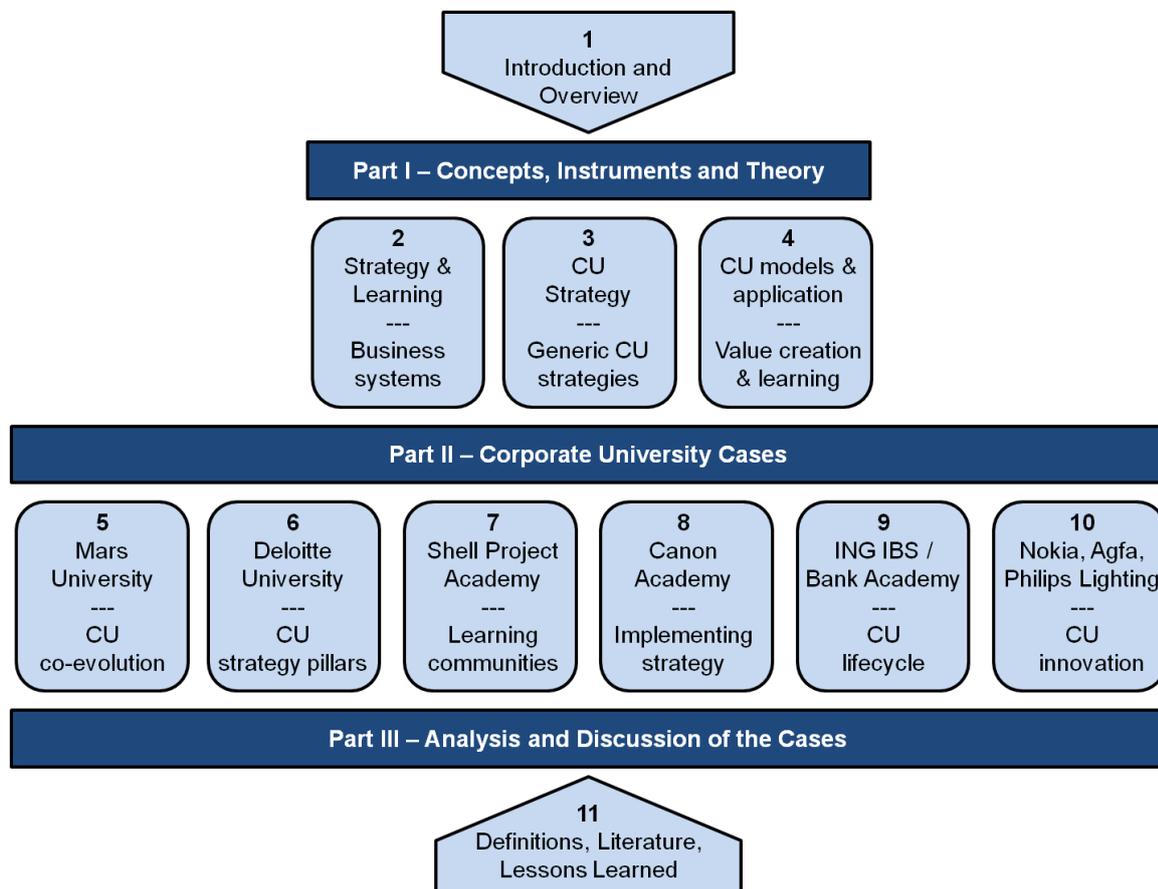
Corporate Universities: Drivers of the learning organization

Why this book

The academic and management literature published on the strategic role of corporate universities in organizations is yet scarce. In contrast, thousands of corporate universities worldwide form a rich source of research data for scholars, and an important source of experience and "*practices worth sharing*" for practitioners. It would be a shame if all this were to remain unknown and unshared.

Book overview

Each chapter in this book revolves around the strategic role of corporate universities. The figure below provides a first impression of the chapters and their focus. Next, a summary of each chapter is provided.



Chapter 2 - Strategy as a Continuous Learning Process

Every organization needs to find answers to the ultimate strategic challenge of continuous adaptation to stay in tune with the environment. This chapter frames the endeavor of continuous adaptation in a sleek approach based on systems thinking. A case about the development of the Metropolitan Opera in New York City from a local opera house to an

international business is used to unveil how strategy and learning come together. The chapter also discusses the connection between strategic change and learning, introducing the concepts of "*learning as usual*" and "*exceptional learning*". This chapter makes it clear that strategy needs learning.

Chapter 3 - Corporate University Strategy

This chapter sheds light on the connections that link corporate university strategy with business strategy. The underlying logic is that corporate universities are supposed to play a significant role in the renewal, implementation, or optimization of strategy in their organizations. The imperative of continuous alignment is combined with the fundamental strategic notion that the long-term success of organizations depends on the ability both to exploit current capabilities and to explore fundamentally new competencies. Building on this exploitation- exploration strategy dichotomy (and the need for transformation to move from one to the other), then adding international research outcomes, three generic corporate university strategies are constructed and worked out to reveal their distinctive business system characteristics. The resulting School (exploitation), College (transformation), and Academy (exploration) strategies underpin the development of consistent and focused business systems for corporate universities.

Chapter 4 - Corporate University Value Creation and Learning Formats

To stay focused, it is important for corporate universities to have a general strategy, but it takes more than that to ensure that organizational learning is heading in the right direction. Corporate university strategies need to be tailored for specific learning needs and opportunities in the organization. The two key questions are: What value does the corporate university need to create? Which learning formats need to be deployed? Two instruments are introduced here to explore those questions in more detail: the Value Creation Menu and the Learning Formats Model. The Value Creation Menu covers choices pertaining to the dimensions of organizational and individual learning, and to value creation achieved by the expansion of competences and relationships. The Learning Formats Model builds upon the work of David Kolb (1984) on experiential learning, and it features an inventory of the most important learning formats seen at corporate universities. The two instruments are applied in-depth to the corporate universities of Ahold (a retail company), Heineken (known for their export beer), and TNT (postal and parcel services). Moreover, a range of international examples are used to highlight the value creation focus of corporate universities in companies such as Kenya Airways, Pertamina, VolkerWessels, IHC Merwede, RWS, CRH, Haniel, Deloitte, Mars, Disney, and Apple.

Chapter 5 - Mars University: Raising the Bar

The chapter on strategic renewal and transformation at Mars Inc., a private, family-owned company operating in the global food, pet food, and confectionary industries, opens the series of six cases regarding the strategic role of corporate universities. The Mars University case revolves around the interplay between corporate strategy and corporate university evolution, denoted as co-evolution. The chapter describes how Mars University has moved from an internationally decentralized ad hoc training operation to a globally unified driver of learning

that fulfills the role of a key enabler of strategy. It is safe to say that, along the way, the corporate university has been successful in seizing senior management attention. Mars University is a multi-unit corporate university offering a broad range of programs. One unit that draws special attention is the Customized Learning Group – the innovation arm of the corporate university with the task to address new business challenges that go beyond the learning solutions provided by the Mars University curriculum. The momentum and leadership capability which this corporate university has been building up over almost a decade is increasingly turning organizational learning within Mars from one of support for change to that of a driver of change.

Chapter 6 - Deloitte University: Developing As One

Deloitte is one of the largest professional service firms in the world, and it is comprised of 200,000 professionals working in independent firms located all around the world. Learning and leadership development are considered crucial to make the "As One Strategy" of the company work. With this in mind, Deloitte University (established in 2011 after a US\$300 million investment by the US member firms) has transformed learning across the entire Deloitte organization. Virtually all thinkable learning formats are deployed to enable professionals at all levels to connect, share their thoughts, and to identify and capitalize on new ideas and approaches. The curriculum of the university is comprehensive, covering technical, industry, and professional tracks. One of the compelling characteristics of Deloitte University, as described in the chapter, is that program decisions are based on extensive collaboration with large groups of highly autonomous stakeholders throughout the company. It seems that the relatively young corporate university has just begun to realize the full potential of corporate learning for Deloitte.

Chapter 7 - Shell Project Academy: Developing a Learning Community

The Shell Project Academy has become a source of inspiration for a range of corporate universities within the international oil and gas industry. The lessons learned in establishing the corporate university, however, are relevant to a much broader audience. The Shell Project Academy aims to take the Shell capability in (complex) project management to a world class level with an accredited program. Project management, a cross-disciplinary function that permeates the entire corporation, is of crucial importance to companies like Shell, as it is a determining factor in obtaining access to new oil and gas reserves in the world. The chapter on the Shell Project Academy describes, quite in detail, why the corporate university was established, the design of a comprehensive program, its costs and performance levels, and the governance structure for balanced "ownership" of the corporate university. Moreover, it is explained how a Project Management Community is built and sustained as a cornerstone of corporate learning. The community is one of the five complementary components of the Shell Project Academy program, also known as the SPA Pentagon. This Pentagon forms a tightly integrated organizational learning system with important synergy effects between the different components.

Chapter 8 - Canon Academy: Accelerating Transformation

The chapter on Canon Academy in Europe provides a detailed view of the vital role that a corporate university can play in strategy implementation. Canon, the Japanese company primarily known for its cameras, copiers and printers, is in the process of transforming itself into an integrated imaging hardware, software and services company. The Canon Academy is pivotal in cascading the strategy from a corporate level to further specified strategies and their implementation in regional and local markets. Examples from the Canon printing business and the consumer imaging market describe how corporate learning is used to drive strategy implementation. A common thread is that the corporate university brings the relevant people together and engages with them in a process of finding out what the people at Canon need to learn to make a given strategy work. Strategy interpretation, specification, and implementation are part of the process. The corporate university staff members have regular and direct contact with senior management to stay in close touch with the business needs and to drive organizational learning.

Chapter 9 - Corporate University Strategy Renewal at ING

The lifecycle of the ING Business School (later ING Bank Academy) is captured in this exemplary chapter on corporate university evolution, decline, and possible revival. Attention is paid to the effects of the worldwide financial crisis which took hold in 2008 on corporate learning at ING Group (later ING Bank). The ING Business School lifecycle covers 15 years, including the early years (1998–2002), the era of growth and expansion (2003–2008), the turmoil due to the financial crisis (2009–2011), and the aftermath up to 2013. The four different eras stand for profound changes in the strategic role of the corporate university in response and anticipation of corporate strategy renewal. One of the changes that does catch the eye is the shift from push (mandatory courses) to a pull (business demand-driven) approach to corporate learning in the expansion era of the corporate university. In the turmoil era, a remarkable shift is made from a stable, course-based approach to short-cycle, customized leadership and implementation projects. Strategic renewal – following a gradual path, but being revolutionary in more recent years – is the common thread of this chapter.

Chapter 10 – Bringing Speed to Knowledge: A Dean's Journey

This chapter traces the professional life of Stefaan van Hooydonk as a corporate university dean, covering sixteen years, four countries, and six organizations. That track shows how the corporate universities of Nokia (in China and later also global), Agfa HealthCare, and Philips Lighting have enhanced their strategic impact through new ways to reach economies of scale and scope, getting people to "*want to learn*" instead of "*having to learn*" – and particularly in the case of Philips Lighting University, the paradigm shift they have experienced in organizational learning. Special attention is paid to the issue of creating pull and output control with a smart certification system, and some lines are spent on the question why Philips Lighting University is doing away with its learning management system (LMS) rather than honing it. The chapter also touches on new approaches that were pioneered to make informal learning and performance support work for Philips Lighting, for instance with the creation of "flash communities" of sales people across different geographical regions.

Chapter 11 - Corporate University Definitions, Literature & Lessons Learned

The final chapter of this book treats definitions and developments in the corporate university literature. The boundaries of the corporate university concept are explored with examples from two large firms and one small company with global presence: IKEA, FrieslandCampina, and Ducati. Moreover, key lessons are derived from analyzing, comparing and contrasting the six in-depth cases in the book. The lessons learned cover the deployment of generic strategies, and the issues of strategy specificity, the corporate university profile in the organization, and tracking performance. Finally, an agenda for future research is presented.

Reading tips

- Readers who are curious about what *state-of-the-art business strategy* is about, how it works, or who want to explore the business strategy idiom, may find it best to start with chapter 2. This chapter also clarifies the connection between strategy and learning.
- For readers interested in *corporate university strategy formation*, chapters 3 and 4 provide a good read. The trichotomy of generic school, college, and academy strategies in chapter 3 supplies the foundation for clear strategic choices when envisioning the future strategic role of a corporate university. The instruments provided in chapter 4 help to specify corporate university ambitions in terms of value creation for the parent organization, and to select appropriate learning formats.
- Chapters 5 to 10 are recommended as a source of inspiration for readers interested in *real-life cases on the strategic role of corporate universities*.
- For an overview of the most important *insights from this book, strategic issues for corporate universities, and an agenda for future research*, read chapter 11.

Corporate Universities offers a foundation for leaders, executives, scholars, and advisors to structurally develop, utilize and share knowledge on the strategic role of corporate universities in organizations.

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Martyn is active in research, executive education and consulting about strategy, organizational learning and leadership. The essence of his work is to help people and their organizations to become more effective in strategy optimization, implementation and renewal through learning.

Since 2001, his research has been focused on the crossroads of strategic management and organizational learning, resulting in articles, cases and books, including the *Corporate Universities: Drivers of the learning organization* published by Routledge in 2014.

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