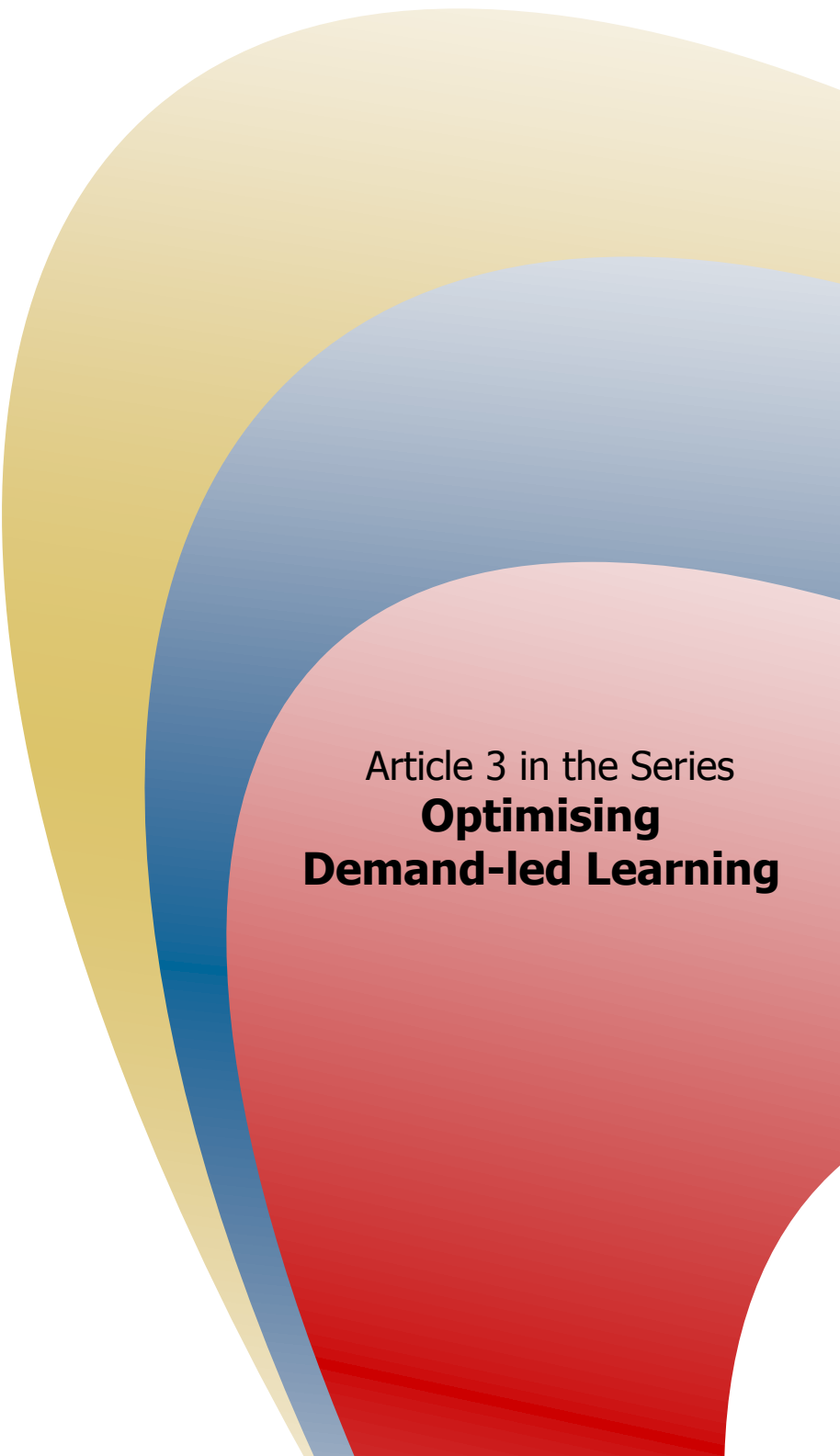


Strategic Directions in the Management of the Corporate University Paradigm

Richard Dealtry



Article 3 in the Series
**Optimising
Demand-led Learning**

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Abstract

This article sets the scene for the exploration of corporate and company developments in the field of the corporate university and related development paradigms. It identifies the driving forces promoting the growth in corporate universities, corporate business schools and other similar styles of intellectual asset management.

There are many emergent issues and differences concerning in the style, scope and culture of the emergent management programmes and as a consequence some important changes could occur in the nature of the corporate relationship with providers in the traditional intellectual supply chain.

This article acknowledges the evolutionary stage of these developments and engages with the main subject areas as a platform for a methodology in examining future developments.

Keywords

corporate university
virtual university
action research
academic rigour
premium rate knowledge
intellectual partnerships
intellectual capital
intellectual equity
strategic change

corporate business school
action learning
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The Status Quo

During the last decade the Corporate University (CU) idea as an important strategic development platform has taken a firm hold in the USA in particular and there are now more than 1600 corporate universities listed. And globally there are an increasing number.

For many of these companies the move to a CU mode is a direct reflection on the escalating intellectual challenge that they face in scientific innovation and technological development. In other companies, raising the CU flag is almost a cosmetic event with a simple re-labelling of current training programmes. Whilst other companies are much more radical in their approach involving the introduction of more diverse dynamic management programmes and explicit intellectual cultures across broad areas of their organisation.

This article is a commentary on the diversity of the CU as a strategic development paradigm in the area of management development.

It is based upon extensive research into these trends and first hand experience in managing the evolution of Corporate University development platforms.

Rationale

Many companies do not set out with a view to becoming a corporate university. The truth more probably is that they originally set out with an objective of developing 'learning organisation' capabilities. Many have now entered the critical stage of re-positioning their developments in a much specific and more strategic context - that of a corporate university or corporate business school. The principal driver is the increasingly visible connection between a company's market value and the quality of its intellectual equity represented by its management.

It is clear that there will be no simple 'cookie cutter' solution in making this transition. However, by describing some of our more important observations on current developments it will be possible to provide insights into the dynamics of these developments and hence enlighten the managerial approach that is appropriate for a successful outcome.

Our starting point it is to make some comments on the motivations that are shaping the design and management of a CU.

- The first point is that of ownership. The corporate university is a company-driven initiative. They own it and they know that intellectual capital management is now far too important to be largely delegated.

- There is the opportunity through the CU concept to bring into being a major enterprise integrating development platform behind the strategic vision that will combine personal and group development processes to produce well directed top performing managers in all functions and at all levels in the organisation
- There are now readily available well tried and proven development processes for the holistic development of real managers on-line with real business situations, by which means they can achieve real added value results; a quantum shift from pedagogical to andragogical processes.
- This a cash capital intensive area of investment and it has to demonstrate relevance and return on investment, as do all other business activities

Allied to these motivations there is a coincidence of a number of important organisational, investor and intellectual supply chain issues that are accelerating the emergence of the CU function, including:-

- The increasingly sophisticated level of the knowledge base in companies and the emergent role of the knowledge worker. The main strands of achieving competitive advantage have at last been properly identified as intellectual focus, new learning and speed of know-how application.
- The need for connected and results-based learning at the centre of gravity of business development as responsibility for effective action in real time moves further into the ranks of front line management.
- Growing visibility of the relationship between intellectual capital and shareholder goodwill value is now an open vista. Internet company stocks have raced ahead on the securities markets, highlighting what is really valued by investors. This is not as atypical as we imagine as we frequently we see substantial rises in stock values based simply upon the acquisition of new management.
- The changing decision base for developmental change in organisations.
- CIT technology impacts on the scope and access for learning opportunities are so prolific and geographical insensitive that learners can cherry pick and choose their knowledge sources. The age of the free market in learning and knowledge acquisition bringing new opportunities every day.
- There is also concern about the lack of innovation and the dilution of academic rigour by some external providers of management qualification programmes both at undergraduate and postgraduate levels.
- Companies that are engaged in global business often need diverse and timely solutions for different marketplaces and there are limits to single source providers' ability to meet their needs.

Under these combined pressures there has been a growing realisation by company management that they can no longer delegate major elements of this key strategic responsibility to outside institutions and simply hope for the best. They are looking to innovate their own solutions. They have had to start thinking about intellectual asset management as a strategic platform.

Management Education - Paradigm Differences

At this point it is of value to reflect briefly on some of the differences in management education between the traditional or classic style of management qualification education and the emergent company or corporate approach. The comparison provides an understanding of the shape and style of the current emergent alternatives in CU styled companies and not necessarily what we may be moving from and to, as current qualification programme styles are valued by many companies and will continue to have a significant role to play in the underpinning of corporate programme portfolios.

These differences between the two approaches are expressed both in terms of processes and outcomes:-

<u>CLASSIC</u>	< >	<u>CORPORATE</u>
Selection of students	< >	Assessment of potential
Single ticket qualification - the Pass/Fail syndrome	< >	Lifelong learning and continuing professional development
Passive curriculum	< >	A dynamic curriculum (a structured -unstructured process
Marking regime orientation	< >	Application and harvesting of emergent premium rate knowledge
Specific academic focus and academic rigour	< >	Encouragement in the application of free intelligence around best business practice (joined up thinking and action) - ultimately managing and owning own learning
'Student sole trader'	< >	Balancing the payback for the company and the student

Generally these are not inter-dependent processes and exist and prosper as separate processes. The main debate is about what one process can offer the other in different applications.

We do not intend that these differences in educational or learning parametrics should be looked upon as a rigid framework for making comparisons of relative merit as there are a number of variations and combinations of these that are influencing both the shape and style of programme design. These hybrid programmes attempt to bridge these differences but, there are issues concerning the consequences of these programme tracks on the fundamental integrity of the two mainstream approaches.

We will probably find that many of the issues around the corporate university will centre on this particular area.

On the CU side there is, however, a strong preference for the type of learning process that is most favoured.

Current CU Preferences

The core processes that are being selected for many CU management programmes are action learning and action research based but, whilst these provide important process dynamics they are only two strands in a potential cocktail of development strands that are being combined together. Others strands include distributed learning solutions, electronic facilitation, forum and meeting places, etc. combining together to produce a synthesis of good learning practice appropriate to the learning outcomes.

Curriculum designs have a number of processes in them in order to satisfy all needs, particularly with respect to the integration of acquired knowledge and new learning in the programmes so that they become corporately powerful and have a strong strategic or 'need to learn' orientation.

Modality of the CU Programme Processes

In the more sophisticated CU applications the architecture combines many features to include:- best management practice sessions, personal and group development skills workshops, a social process for social bonding, career modelling and management sessions, a networked but flexible programme infrastructure, core management disciplines sessions and live case assignments*, organisational research assignments* and dissertation or main projects*

** competency and/or academically assessed*

"thesis combined
with anti thesis
produces a
synthesis of new
management
knowledge."

All these events and processes are brought together to produce a progressive and powerful learning environment that provides the opportunity for holistic management development. One manager caught the process dynamics in a comment made in a critical review of managerial learning.

Learning objectives and outcomes are also being redefined in a more real time 'need to learn' context, some examples are:-

- Learning to master the complexity of the business world by sharing, comparing and contrasting experiential learning
- Being intellectually alert to the internal and external environment - attaining high level skills in reading and righting company dynamics
- Becoming quick adapters in acquiring new knowledge and new learning - the essential part of the change management process
- Demonstrating sustainable good judgement
- Enhancing decision making capabilities

And these objectives have consequences for the way in which we have traditionally defined management competency regime.

There are, however, some important observations on the choice of action learning as the core process in the application of the CU strategic paradigm:-

Firstly, there is generally a lack of understanding of how to achieve the full intellectual potential of this educational paradigm

Secondly, there is a shortage of people with real skills in delivering this process

Thirdly, the acquisition of really professional life-long learning skills is a much more lengthy process than is generally realised and needs to be carefully managed as it takes each manager time to assimilate personal nuances into an effective quality learning process. Simply presenting people with a diagnostic profile and learning opportunities is not sufficient.

Our experience shows that when delivered properly, action research and action learning processes engender very high levels of intellectual capability that combine high levels of both academic excellence and top level business intelligence. Arriving at a good balance between the two is a tug-of-war which all CU programme designers need to be aware.

Emergent Knowledge and Competitive Advantage

The CU programmes should, to fulfil their promise, include a time series of carefully structured live assignments in each programme. As these assignments deal progressively with real problems, ideas and issues in all the managerial disciplines: human resource management, marketing management, operations management, financial management, organisation development, strategic development, and so on, their outputs represent a series of learning and knowledge mosaics on the state of development in many different areas of the business and are the core dynamic of what is called the Project Process.

The programme participants are of course the central players in the Project Process acting as internal consultants or agents of change. It is through their interaction with the wider organisation in researching their assignments, in seeking advice from the management infrastructure and subsequently in presenting their ideas and solutions to management that the centrifuging of new learning and new knowledge seeps into the wider organisation.

This is a tremendously interesting area for research, as it furthers our developmental thinking concerning the enhancement of internal intellectual partnerships across the organisation and how they can become more effective - partnerships with a purpose.

This is an essential development in the age of *the knowledge worker* and ties in very closely with the integration of other parallel development initiatives.

Companies are now in the process of extending their understanding of this knowledge harvesting process by applying searchable electronic knowledge management data bases that accumulate all the assignment and project outputs from these programmes. This facility provides them with a valuable real time data and information resource for both cross sectional research and longitudinal research into the effectiveness of the programme and project processes thereby offering insights into how they can enhance the design of future programmes.

Our conclusion on these developments is self evident - that new learning uncovers competitive advantage and it should be disseminated as quickly as possible throughout the business.

Selection and Management of Intellectual Partnerships

The intellectual supply chain is changing rapidly in some of the providing institutions and also within companies so that there are many opportunities for new relationships locally and now globally. However CU management have the following practical advice:-

Prepare clear specifications of requirements and performance levels.

Know your providers' resources, capabilities and previous experience.

Ensure that the people who you make partnership agreements with are the same people who will deliver!

There is also considerable scope for relationship modelling starting with the basic premises that will generate new perspectives. This can be achieved by defining the order of risk and complexity inherent in these collaborations, partnerships and alliances.

One analysis suggests in an ascending order of 'complexity' and 'risk' collaborative intellectual partnership and alliances projects may involve:-

- exchanges of information
- experience sharing and consultancy
- collaboration on development through research projects
- adaptation and evaluation of learning media and materials
- establishing APL and APEL methodologies
- establishment of credit transfer arrangements
- the creation of new management structures both within and between/among the partners/institutions

We are now seriously concerned in the design of partnerships and alliances at the upper end of this complexity and risk scale which may engage with, from time to time, some or all of the relationship interfaces mentioned above.

Engaging with the Full Concept

It is our aim to obtain a clear and full articulation of this strategic platform. To do that, we must not be driven by fashion or technology. It is our intention to recognise that there is a fundamental reconstruction going-on in the way in which we manage and do business and the CU could have an important role in that change. In all such major changes through history, however, it has been shown that no one branch of life can progress profitably without the others.

- in taking action
- in philosophy
- in organisation
- in technology
- in our spiritual understanding

all aspects must be considered.

Today's emphasis on technology indicates that it is trying to by-pass the others with the predictable outcomes that we are all too familiar with. Certainly, technology has the power to facilitate more efficient business systems and processes, but developing and changing behaviours in the individual, in groups and in organisations is much more complex; it involves all the branches of life.

There is therefore, from our experience, a great deal more to the CU and intellectual asset management transition than the partial concept of virtuality. And we advise, therefore, on the outset of this journey to look at all these branches when designing your processes for the development of the intellectual equity in your area of management.

References

Based upon original Presentation Papers by Richard Dealtry at the European Conference on Building and Managing Corporate Universities, September 1999, and the Corporate University 2000 Conference, February 2000. An abridged version was also published in "The Learner", newsletter of the European Consortium for the Learning Organisation (ECLO).

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