

A Recipe for Success: Building a Corporate University



One of the major initiatives for corporations in 2014 is to create a Corporate University. Which means, that if this is a priority for your organization, you'll want to understand the nine steps needed for building a successful Corporate U. However, before we jump in, we should first discuss what a Corporate University is. Is it to combine all learning activities under one umbrella? Is it to create a "cool" name for activities that are already taking place? Or is it to be a

member of the approximately 3700 Corporate Universities that are estimated to be in existence? I don't think so. According to Mark Allen in *The Corporate University Handbook*, a Corporate University is "an educational entity that is a strategic tool designed to assist its parent organization in achieving its mission by conducting activities that cultivate both individual and organizational learning, knowledge and wisdom."

Simply put, it's about developing employees to improve employee and organizational performance to achieve organizational results. If we use this definition as the backbone for creating a Corporate U, we can easily define nine steps for success.

Steps for Creating a Corporate U.

- Support
- Funding
- Learning Needs by Audience
- Technology
- Communication
- Vision, Strategy, Goals
- Audience
- Supplier Selection
- Measurement

Support

Since the existence of a Corporate U is to be the strategic tool to assist the corporation to achieve its mission, your first step will be to get leadership support. Leadership support should come from a cross functional group of executives that will become the Governing Body for the Corporate U.

Vision, Strategy, Goals

The Governing Body will help define the mission and vision of the Corporate U. They will help ensure there is a clear connection between the University's mission and goals with the organizational outcomes. Here are a couple of sample goals that support the mission and vision of the organization:

- Support the company culture, build employee loyalty, create a sense of belonging to a company
- Maximize the return on investment in development
- Improve employee performance
- Increase employee retention
- Start and support change in the organization

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Funding

The next step to a successful Corporate University is funding. Funding covers two components: How much to spend and where the funding will come from. When considering how much to spend, think of both development hours and money invested.

According to the American Society for Training and Development (ASTD), companies are investing an average of 15.6 hours of training per employee. ASTD recognizes the BEST organizations every year—those organizations that provide metrics and evidence of strong links between learning activities and business results that are strategically important to the company (BEST stands for Building talent, Enterprise-wide, Supported by the organization's leaders, fostering a Thorough learning culture).

One of the common factors of those BEST learning organizations is the amount of training they provide to employees every year. ASTD's 2011 report on BEST award winners shows the average amount of training provided per employee per year is 56 learning hours.

This is a significant investment and may not be right for your organization, however, your Governing Body should help figure out the right investment in terms of hours and/or money invested.

Now, where does the budget come from? Companies tackle investment in two ways, either they create a corporate budget or they receive allocations from business units or department budgets. To determine the best funding method for your organization, discuss funding with your Governing Board and determine the advantages and disadvantages of each method.

Audience

Determining the audience, or who will be using the University, is perhaps one of the most critical steps. Will it be all employees, leaders, or customer facing employees? Maybe there is a roll out plan that starts with the leaders, and then cascades to all employees. Being clear about who will be using the University is important for the next step.

Learning Needs by Audience

Once the Corporate University audience is identified, the learning needs for each audience need to be determined, as well as how to meet the learning needs. Make sure you consider both short and long term organizational goals so that your learners have time to build required skills.

Ensuring that learning efforts are closely tied to the business strategy, is considered a Best in Class process according to The Aberdeen Group in a newly released study titled: Newbies to New Leaders: Closing the Critical Skill Gaps with Learning.

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Identifying the Learning Needs by Audience has six distinct steps:

- Identify skills and competencies required—to meet organizational short and long term goals
- Current performance—measure current employee performance on required skills and competencies
- Gap Analysis—determine gaps
- Prioritize gaps—for each skill or competency
- Create plan to meet gaps—the plan contains the learning solutions and time frames
- Continue assessing needs—to ensure that the development is working and your learners will be ready to meet organizational goals

Supplier Search

Now that you have identified the learning needs for each audience, you should select your suppliers for the following development options:

- Instructor led courses
- Coaching
- Certifications
- Mentor Programs
- Online courses
- Assessments
- Job Shadowing

When selecting your suppliers, make sure there is a tight match with what you are looking to accomplish. Have the supplier show you how each of their deliverables support your learning needs for each audience. Ask the supplier to map their courses, coaching, and mentoring to the outcomes of your learning needs. In addition, your assessment providers should measure your organization's competencies rather than a different competency model. Aligning what you purchase from your suppliers to what you are looking to accomplish is one of the most important aspects to any successful Corporate University.

Now consider one of the hardest aspects of creating a Corporate University—most suppliers want to sell you what they have to offer or how they have “packaged” or “bundled” their offerings, versus sell you what you need. For example, one of the largest e-learning courseware providers knows exactly which of their courses are best sellers, and thus bundle those courses with less purchased courses and will only sell them as a package. As a buyer, you should not spend your budget on courses that will not drive your organizational results. It is a waste of money and is not needed. There are vendors who will map their courses to your learning objectives, and will only sell you the selection of courses you need.

Technology

Investing in a Learning Management System (LMS) can help you keep track of your learners' needs and the training your learners complete. Additionally, it is a delivery system for your online courses, virtual courses, and assessments. There are hundreds of LMS vendors.

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To find the right vendor for you, you'll want to identify your requirements. Identifying your requirements can be a daunting process, yet to help you do this, check out this free LMS RFP template that can help you identify the features you need and want:

<http://elearninfo247.com/2013/07/31/debut-my-lms-rfp-template-the-only-one-you-will-ever-need-a-gain/>

With that said, a LMS is not for everyone. If it is not for you, you will need to think about how you will keep track of who needs what training, as well as the completion of the training.

Measurement

Measurement is one of the most overlooked aspects of building a Corporate U; that is you must determine how you will measure its success. If you don't measure your progress, how will you know if your University is successful? How will you justify the company's continued investment in it?

Here are a few ways to measure success:

● Progress against stated goals

Progress is probably the first place to start. It is easy to measure progress and results, which can typically be seen in a few months, and certainly within the first year. For instance, if one of your goals is to identify the learning objectives for all Corporate University audiences, and then source learning vendors to meet those needs, you can show your progress and success in completing this goal.

● Individual performance improvement

This may be the second measure you put in place, as it requires more time investment. Here is why. In year one, you measure employee performance and show performance gaps. These gaps are translated into learning needs. A vendor is selected, and the employee completes the required training. Now the employee needs to apply this training on the job and practice the new skill to become proficient. It is reasonable to say that the earliest you are going to see performance improvement is by year two's annual performance review.

● Succession management

This is an excellent measure. A common measure is having at least one "ready now" successor for each position. Depending on where you start with "ready now" successors, and how far you have to go, you will know whether you are ready to add this measure in year two or three or beyond.

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● Corporate measures

Measuring the success of a Corporate University using corporate measures such as sales per employee is sophisticated. According to the Aberdeen Group, best in class organizations quantify their learning by such measures, which means this is something that should be added in time.

● Communications

The roll out and constant communication of the Corporate U is important. To launch the Corporate U, have the Governing Board show the linkage between the company strategy and the mission of the University. To support the initial efforts, show this alignment on a regular basis. Communicate your progress and be sure to communicate your successes.

In Summary

Many organizations give their Corporate Universities clever names and create University logos. While this is encouraged to promote the University brand, it is not the starting point but rather comes at the end of the process.

However, if you can include these nine steps when you embark on creating a Corporate University, you will find your University to be more successful, and thus is better able to support the organization's goals and strategy more effectively and efficiently.

