

# Twelve Success Factors For Corporate Universities

By Jack J. Phillips, PhD

This article explores the factors that sustain a corporate university as a viable part of the business. These factors are developed from an analysis of a variety of corporate universities and are based on our work in three major areas:

- For more than a decade, we have helped organizations bring accountability to learning solutions, measuring the success of solutions and identifying the causes of success and failure.
- We have conducted reviews of corporate universities to help executives gain a better understanding of what is and what is not working.
- We have been involved in several benchmarking studies, including a major study on the impact of a corporate university, which was facilitated by the American Productivity and Quality Center.

The following success factors are offered as benchmark data on the key strategies for corporate universities to thrive on a long-term basis.

## **Clarify Role and Strategy**

Corporate universities are created for different purposes. Some are developed to bring fresh life to the old training and development department. Others are designed to bring change and embrace a variety of new strategies and initiatives. Still others are meant to sustain a successful and effective culture. Disney University, one of the oldest corporate universities, was created to sustain a culture created by Walt Disney.

Whatever the reason, the specific role of the corporate university needs to be clarified so the organization recognizes its purpose, mission, vision, values and strategic focus. More importantly, the strategic plan must clearly connect and link to organizational strategy. Sometimes there is confusion as to the products and services provided by a corporate university when compared to other learning units. When there are unclear expectations, roles and objectives, the corporate university is perceived as just another channel for training and not a strategic player in the organization game.

## **Always Have a Champion**

As with any major change process or highly visible entity, the corporate university should have a visible, high-level champion. The champion is an executive or top administrator who is willing to support the corporate university in achieving its mission. This support includes providing input into the strategy, communicating the strategy and, when necessary, bringing less supportive members of the upper echelon into the field. Without this true champion who can influence genuine support from other

This article originally appeared in *CLO Magazine*, January 2004

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managers and executives, long-term sustainability is difficult. During the development and growth of Motorola University in the 1980s and 1990s, the champion was the Motorola CEO, Robert Galvin. Since Galvin's departure, Motorola University has all but disappeared and is now outsourced.

### Establish Proper Governance

This issue is more difficult to address if the corporate university has been in existence for some time. In the early stages of development, corporate university leadership must decide on reporting relationships and the operating board. Should it report to HR, the COO, a marketing executive, the CFO or the CEO? Because traditional training and development is perceived as part of HR, the corporate university often reports directly to the human resources function. However, it may be more appropriate for the corporate university to report to a higher-level executive to provide more visibility.

The second issue involves the direction or overall governance through a board of advisors, trustees or directors. While a board can sometimes be created to demonstrate perceived support, it is more important to have a board that can actually provide input.

### Align With Business Needs

The programs, solutions and services of the corporate university must be aligned with the business. This alignment is developed during the initial analysis leading to the implementation of the learning solution. The analysis ensures that a business need can be met with the solution. Appropriate performance analyses develop the connection between the business need and the learning solution. If this alignment is not made, it is difficult to connect the corporate university to business value and ultimately show the success of the university. Figure 1 shows the sequence of steps in the analysis.

Figure 1: Linking Needs, Objectives and Evaluation



Adapted from "The Human Resources Scorecard: Measuring the Return on Investment," by Jack J. Phillips, Ron Stone and Patricia P. Phillips.

### Address Performance Improvement

Closely related to the alignment issue is the process of addressing non-training/non-learning solutions. When a request for a learning solution is made, how the corporate university addresses the issue is extremely important, though it often creates a variety of problems. For example, corporate universities are often perceived as learning providers, offering a specific type of solution for a need. In reality, the need may be better addressed with a non-learning solution. In most cases, the corporate

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university does not have a charter to offer a mix of solutions. Some corporate universities attempt to utilize a results-based approach, exploring the non-training issues, and then hand off potential solutions to other providers.

### **Pursue a Variety of Learning-Transfer Strategies**

One of the disappointments for learning organizations is the limited transfer of learning to the job. This problem often stems from dysfunctional processes in work environments that inhibit transfer of learning into workplace performance.

Creating a variety of practices to enhance the transfer of learning can help overcome this challenge. The process usually begins with analysis of the work environment as new learning initiatives are undertaken. This analysis can translate into design issues, delivery processes and even appropriate communications to the participants in learning solutions. A variety of stakeholders must understand their role and take necessary action to support the transfer of learning. Saturn Corp.'s corporate university involves up to 11 stakeholder groups to determine if the learning-transfer process is successful.

### **Develop Partnerships With Key Executives**

The corporate university exists at the pleasure of the management team. While corporate universities may have initial support from top executives, a critical group of managers are those in the middle—those who allocate resources, provide funding, allow individuals to participate in programs and generally support the corporate university concept.

Too often, corporate university staff members shun operating managers—particularly those at middle to upper levels. They prefer to operate in their isolated roles, developing programs to meet specific learning needs. The challenge, therefore, is to develop positive relationships so that they can work effectively to help resolve issues and business problems confronting this key group, even when managers do not want to partner.

### **Manage the Corporate University as a Business**

The corporate university has an operating budget just as other functions in the organization. Fiscal management is just as important as delivering a variety of world-class programs. Top executives seek accountability and responsibility from every department head, not just those in sales and operation. Operating within the budget, delivering programs efficiently, managing vendor relationships productively and ensuring that the function provides excellent customer service to all parties is an important aspect of running the corporate university. This also includes allocating the appropriate resources to analysis, design, development, implementation and evaluation, and streamlining the “make versus buy” decision

### **Demonstrate the Value of the Corporate University**

Top executives are asking corporate universities to thoroughly demonstrate their value to the organization. A typical approach is to develop a corporate university scorecard, showing the value of all programs using qualitative and quantitative data. The challenge is to move beyond the traditional approach of counting “inputs”—such as the number of people served, the number of hours, costs, etc.—to show the contribution in terms of application, impact and occasional ROI studies. An effective

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evaluation system allows a micro-level scorecard to be developed around each program, even if only reaction is measured, and to roll up the data to a macro-level scorecard, showing the contribution of the corporate university on a weekly, monthly, quarterly or annual basis (or even instantaneously).

### **Stay Relevant to the Customer**

Corporate university leaders must avoid becoming out of touch with the customer. Corporate university clients need content delivered locally, with products and services that are relevant to the participants' and the organization's needs. Programs need to be unique and customized, using "just in time," "just enough" and "just for me" as a guide. While this is difficult, it is achievable with today's technology and modular formats.

### **Involve Managers and Specialists in the Learning Cycle**

The higher the level of executive involvement, the more the corporate university appears to be a part of the organization. Managers should be involved in all phases of the learning process, with some serving in active roles, such as facilitating programs or in review and advisory roles. Jack Welch, former CEO of General Electric, is a classic role model for this level of involvement. For years, he devoted several days each month to work at GE's management institute. This effort not only enriched the programs, but also provided the impetus for other executives to become involved. The key point is to get executives and managers involved without consuming much of their time.

### **Market the Corporate University in a Strategic and Subtle Way**

Every entity needs marketing and branding for visibility, acceptance and success, and a corporate university is no different. Marketing communicates the purpose, role, scope and success. Branding is important so that the internal stakeholders understand what the corporate university represents. A consistent and subtle approach is needed. Problems can surface when marketing too much, turning off managers or even participants, or when marketing too little, choosing instead to be the organization's best-kept secret. A balance between the two extremes is necessary.

### **Final Thoughts**

Corporate universities can be a driving force in an organization. They can add value, drive change and contribute to the growth and development of the overall enterprise, but only if the corporate university is connected to the business, relevant, managed in a productive, efficient manner and valuable to the organization. The success factors identified in this article are review points to judge the success of the corporate university and provide the impetus for sustained improvement, change and growth.

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