Development of Corporate University

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The development of Corporate University is necessary because many companies seek to expand sales and overall revenue, only to realize a decrease in margin because of a failure to focus and improve internal processes and organizational development through appropriate strategic planning to achieve the desire results. This model will ensure proper development of the most effective and efficient system internally, so Corporate can accurately achieve the customer service, production and delivery that customers are expecting to truly expanding Corporate market share, increase revenue, expand margins and increase Corporate influence in the industry.

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Executive Summary

This plan sets forth the business case for creating a corporate university (a Corporate University), based on the premise that corporate universities are the current best practice for systematically building human capital – a key capability for adaptive, innovative, knowledge-based organizations. The feature that distinguishes it is the alignment of key learning programs so they actively support the strategic interests of the business.

A Corporate University philosophy will pull together all learning in an organization by managing education as a business initiative. Many companies have many separate training initiatives in very silo departments that would be valuable across the company as a whole, but other departments are not even aware of those training initiatives. Corporate University would create very goals and long-term strategic plans from a macroeconomic view. This plan would be proactive by focusing on meeting Corporate' corporate objectives through an organizational development viewpoint. Most importantly, Corporate University's activities would be directly linked to business goals. Its purpose would be to provide company-related business education for individuals affiliated with the business and to foster a shared company vision.

Over ninety percent of Fortune 1000 companies now have some type of Corporate University. The end result is that companies with efficient and effective corporate universities show measurable improvements to the bottom line in shareholder return, productivity and customer satisfaction. Why is this? Prior to developing the corporate university, these companies spent millions of dollars on various programs: Six Sigma, LEAN, Myers-Briggs, Dale Carnegie and more. The end result was little change in the corporate environment because traditional training is factionalized, department specific and unmanageable from an overall corporate directive. The companies, most famously, General Electric, realized the Corporate University is the best way to working through Six Sigma, LEAN, Myers-Briggs and other programs and ensuring proper follow-up, implementation and correct organizational change to meet the overall corporate goals of such programs; otherwise, implementation of these programs and the success thereof, will be sporadic.

Therefore, it is recommended that Corporate International create a Corporate University to maximize the future potential of their employees, increase customer satisfaction, increase revenue and decrease expenses through proper process improvement.

What Create a Corporate University - Corporate University?

The Corporate University is a portal within a company through which all education takes place. Corporate universities link an organization's strategies to the learning goals of its audiences. It functions as the umbrella for a company's total educational requirements – for employees and the entire business chain, including customers and suppliers.

How is a Corporate University different from a traditional company training department? By nature of the way each operates. Training departments tend to deliver training in a fragmented, decentralized way – and it is usually reactionary. Training departments usually offer a wide array of open enrollment courses, but with different departments participating sporadically based on their own "perceived" needs.

A Corporate University philosophy is very different from this, pulling together all learning in an organization by managing education as a business initiative. It has clear goals and long-term strategic plans. It is proactive. Most importantly, Corporate University's activities would be directly linked to business goals. Its purpose would be to provide company-related business education for individuals affiliated with the business and to foster a shared company vision.

A corporate university also differs in scope, educating not just employees but people throughout the company's "value chain," such as suppliers and customers. Although successful companies have always carried on with a corporate vision of how the future would be, corporate universities have become the means through which that vision is shared with others.

There are several reasons why Corporate should establish their own corporate university:

1. It can enhance productivity, profits and global competitiveness as works apply their education to the marketplace.
2. It can provide added incentives for employees to stay where they are rather than leave for a rival company or even another company.
3. It could become a profit center, offering courses to the public, other companies and Corporate customers for a fee and bring additional prestige to Corporate.

Best Practice

The "best practice" of creating a Corporate University can shape the culture of Corporate by fostering leadership, creative thinking, and problem solving. Corporate universities are designed to provide employees with practical business knowledge, managerial competence, and task-oriented education – all aimed at making Corporate more competitive.

Corporate Universities are a growing trend. In 1993, corporate universities existed in only 400 companies. By 2001, this number increased to almost 2,000. There are currently more than 2,600 corporate universities in the United States alone. The ever-changing nature of the job market and contact increases in needed skills is the driving force behind the development of corporate universities. The most successful employers realize the need to invest corporate resources in maintaining the skills of their employees. Establishing a Corporate University is one of the best ways to manage employee development as a needed business function.

In 1927, General Motors was the first company in North America to develop its own educational division. It was a novel idea that soon caught on with other firms, although the focus for much of the twentieth century was just on grooming future managers.

The modern incarnation of the corporate university began in 1961 with McDonald's "Hamburger University," a facility designed to prepare McDonald's executives and franchisees for running a fast-food restaurant. The idea behind Hamburger University was simple: to retain a sense of company unity through instilling corporate values and teaching basic business skills to all employees. In this way, the corporate university played a direct role in helping expand McDonald's influence worldwide.

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Plan to develop a Corporate University

Several steps would be needed to truly develop a successful Corporate University. Here are there recommended steps needed to create a successful Corporate University:

Step 1 – Obtain management buy-in and work with management to create a long-term education vision.

The overall process of starting a Corporate University is a collaborative one. Involvement of all levels of management at Corporate is required to share in the vision of the future. It is important to get all management onboard with the types of changes that will occur with the creation of a Corporate University. So, it is important to communicate this vision to the entire organization and keep on communicating it. Once management buy-in is obtained, it is important to let all employees know about future plans for Corporate University and get them excited about it.

Step 2 – Link the proposed training strategy with corporate business goals.

The end result of Corporate University is to make Corporate more profitable, increase margin, escalate process improvement, increase staff development, improve customer satisfaction and improve overall organizational development. So, alignment with corporate objectives is critical. Starting with the overall business objective for each fiscal year, develop a strategy to align skills with such corporate goals and objectives. Traditionally, the relationship between training and specific business goals has been weak. Companies invest thousands of dollars in training programs without an exact plan of implementation or focus on change management. This is management through osmosis, give employees training and magically, we will improve the bottom line or achieve business goals. Aligning Corporate' business initiatives with an annual training and global implementation plan is essential in creating a successful Corporate University program; and more importantly, allows for our employees and customers to be successful.

Step 3 – Decide on the best delivery method.

Technology has enabled training to be delivered in a number of different ways from video-based to e-learning to traditional classroom setting. Sometimes, traditional classroom-based training is the best and most cost effective method – sometimes not. The best approach is to offer a blended approach that offers a curriculum that meets Corporate' overall business goals.

Step 4 – Partner for maximum results.

Partnering with outside sources of education is a great way to get the most out of Corporate training dollars to create dynamic training program. Calling on assistance from local community colleges, universities, trade associations and others can open the door to innovative educational solutions. Best Practice example, a large Call Center and their local Community College teamed up to create an Associate's degree program in customer service – benefiting both the company and the college.

Step 5 – Prepare a funding strategy and budget.

Because funding a Corporate University can be costly upon startup, best practice says to develop a strategy to become self-funding or even a profit center for Corporate. This can be done by setting up training programs like a traditional university and charging tuition to clients as a "fee for service" strategy. Corporate can also corporate all training materials and offer Corporate University training programs to other companies in other industries as an additional course of revenue. However, if Corporate University is done correctly, it will pay for itself many times over in increased profits, more effective and efficient process, employee morale and more.

Application of Corporate University

Corporate University would be created with two main audiences in mind: internal employees and external customers. This is necessary because many companies seek to expand sales and overall revenue, only to realize a decrease in margin because of a failure to focus on internal process and organizational development through strategic planning. This model will ensure proper development of the most effective and efficient system internally, so Corporate can properly achieve the customer service, production and delivery that customers are expecting to truly expanding Corporate market share and influence in the industry.

The overall importance of employee training has a wide-range of solutions. Many employees have be doing the same processes for ten, twenty and even thirty years with little change. Some new process initiatives have been put into place, but many times, employees adapt the new initiative to what they are currently doing; rather than, utilizing change management and adapting their behavior and processes to the new initiatives. So, extra focus must be spent on employees to ensure they are best equipped with the current skillset required in today's industry be confident they can be successful with any and all change management initiatives.

A Corporate University will offer a curriculum designed to support major change initiatives, serve to align staff development with business goals and improve the ROI associated with training investments. Corporate universities help create the conditions for strategic agility and innovation in a knowledge economy. Successful corporate universities have senior management support and oversight to assure corporate goals and training align; appropriate technologies to assure and measure transfer and retention of knowledge and skills; and a well-documented organizational plan for execution. Companies with efficient and effective corporate universities show measurable improvements in the bottom line in shareholder return, productivity, and customer satisfaction.

It is recommended that Corporate University focus on internal employee training through the following six areas:

1. **Organizational Development**
2. **Strategic Planning**
3. **Staff Development**
4. **Sales Training**
5. **Customer Service Training**
6. **Leadership Development**

So, Let's Get Started

Step 1 – Obtain management buy-in and work with management to create a long-term education vision.

Step 2 – Link the proposed training strategy with corporate business goals.

Step 3 – Decide on the best delivery method.

Step 4 – Partner for maximum results.

Step 5 – Prepare a funding strategy and budget.

Step 6 – Start Development of site and prepare business to become a Culture of Learning.