

DEVELOPMENT OF CORPORATE UNIVERSITY

BY JAMES M. ROMAN, PHD (ABD), MBA



RATIONALE

- **WHY CORPORATE UNIVERSITY?**

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.

- **HOW?**

THIS MODEL WILL ENSURE PROPER DEVELOPMENT OF THE MOST EFFECTIVE AND EFFICIENT SYSTEM INTERNALLY THROUGH STRATEGIC PLANNING USING PROPER ORGANIZATIONAL DEVELOPMENT.

- **WHAT IS THE END RESULT?**

CORPORATE WILL BE ABLE TO 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.

“REGULAR” TRAINING VS. CORPORATE UNIVERSITY

“REGULAR” TRAINING

- DEPARTMENT OR PROJECT FOCUS
- MICRO & SHORT-TERM GOALS (GET THE TASK DONE)
- FRAGMENTED
- DECENTRALIZED
- REACTIONARY
- SPORADIC BASED ON “PERCEIVED” NEED
- LITTLE LEADERSHIP SUPPORT
- SEEN AS “NECESSARY EVIL” BY CUSTOMERS AND EMPLOYEES

Corporate University

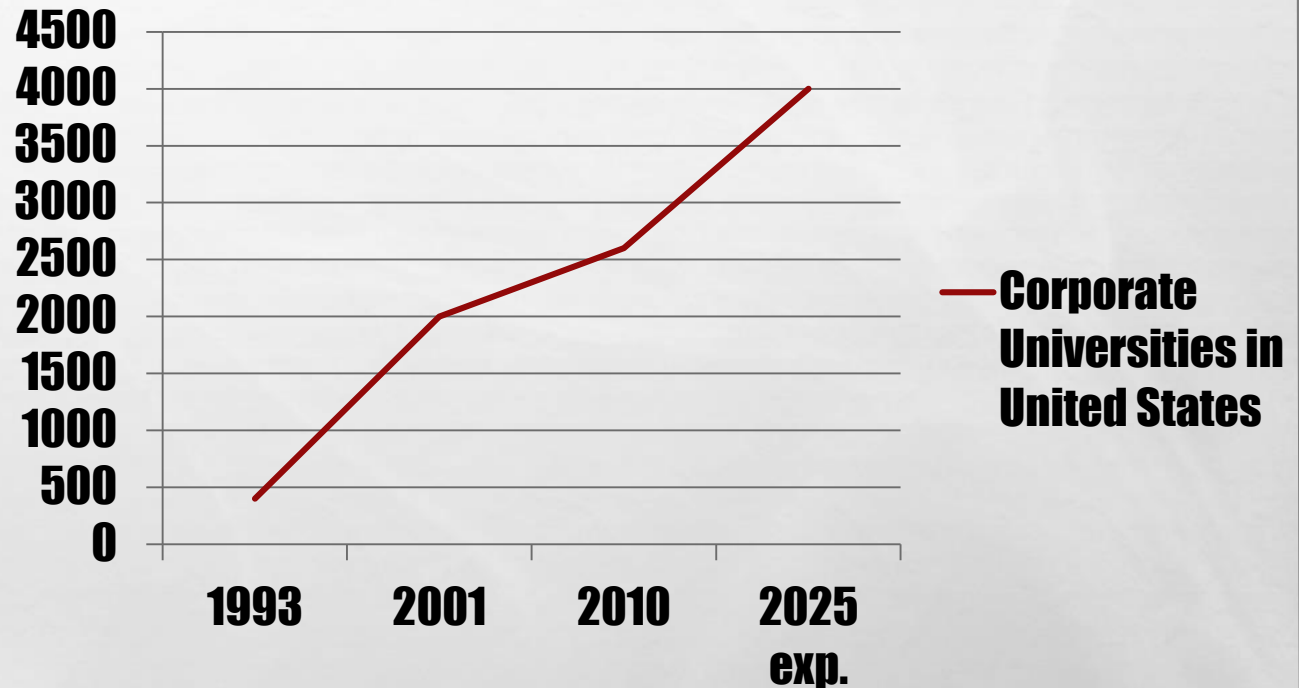
- COMPANY-WIDE
- MACRO FOCUSED WITH LONG-TERM GOALS (PROCESS IMPROVEMENT)
- MANAGEMENT OF EDUCATION AS A BUSINESS INITIATIVE
- PROACTIVE
- STRATEGIC
- DIRECTLY LINKED TO BUSINESS GOALS
- SHARED COMPANY VISION
- ADDS VALUE TO CUSTOMERS AND EMPLOYEES

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.

BEST PRACTICE

Corporate Universities in United States

**Over 90% of Fortune
1,000 companies 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.

FOCUS OF CORPORATE UNIVERSITY

- **INTERNAL EMPLOYEE TRAINING**
 - **ORGANIZATIONAL DEVELOPMENT AS CHANGE AGENT**
 - **STRATEGIC PLANNING ON CORPORATE SCALE**
 - **STAFF DEVELOPMENT**
 - **SALES TRAINING – SHIFT FROM PRODUCT SELLING TO CONSULTATIVE SELLING**
 - **CUSTOMER SERVICE TRAINING FOR ALL EMPLOYEES**
 - **LEADERSHIP DEVELOPMENT**
 - **SUCCESSION PLANNING**
- **EXTERNAL CUSTOMER TRAINING**
 - **MANAGEMENT OF CUSTOMER EXPECTATIONS**
 - **CORPORATE BECOMES VALUED INDUSTRY PARTNER, NOT JUST VENDOR**
 - **CUTTING EDGE INDUSTRY DATA AND TRENDS**
 - **CONTINUING EDUCATION REQUIREMENTS, WHERE APPLICABLE**

STEPS NEEDED

- **MANAGEMENT BUY-IN ON ALL LEVELS.**
- **TRAINING STRATEGY ALIGNED WITH BUSINESS GOALS.**
- **IMPROVEMENT OF OVERALL TRAINING PLAN.**
- **SEEKING OF DELIVERY PARTNERSHIPS.**
- **DEVELOPMENT OF FUNDING STRATEGY AND BUDGETARY.**

BENCHMARKED RESULTS

- **A FORTUNE 500 INSURANCE COMPANY SAW ITS NEW AGENT SUCCESS RATE INCREASED FROM 39% TO 75%, AND ITS NEW AGENT PRODUCTIVITY INCREASED 38%. DISTRICT PRODUCTIVITY INCREASED 27% OVER NON-PARTICIPATING DISTRICTS.**
- **A GLOBAL MANUFACTURING/HIGH-TECH FIRM ESTIMATES TIME SAVED IN SELLING, SUPPORTING AND SERVICING PRODUCTS AT 132 HOURS PER PERSON FOR A TOTAL SAVINGS OF \$66 MILLION (US) PER YEAR, AND COSTS SAVED BY MOVING TO E-LEARNING STRATEGIES WAS \$74 MILLION (US) IN 2004.**
- **A GLOBAL MANUFACTURING FIRM ATTRIBUTED \$1.4 BILLION (US) SAVINGS TO THE BOTTOM LINE AFTER TWO YEARS OF TEACHING SIX SIGMA IN THE CORPORATE UNIVERSITY. OVER THE TRADITIONAL TRAINING USING SIX SIGMA, THIS FIRM SAW THE CORRELATION AND POWER OF TARGETING THE INVESTMENT IN PEOPLE TO A SPECIFIC BUSINESS OBJECTIVE, RATHER THAN INDIVIDUAL PROFESSIONAL SKILLS. IN OTHER WORDS, IT WAS IMPLEMENTED AND WORK BETTER WITH THE CORPORATE UNIVERSITY.**