

Innovative Corporate Learning

This page intentionally left blank

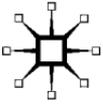
Innovative Corporate Learning

Excellent Management Development Practice in Europe

Martine Plompen



palgrave
macmillan



© Martine Plompen 2005

Softcover reprint of the hardcover 1st edition 2005 978-1-4039-9056-3

All rights reserved. No reproduction, copy or transmission of this publication may be made without written permission.

No paragraph of this publication may be reproduced, copied or transmitted save with written permission or in accordance with the provisions of the Copyright, Designs and Patents Act 1988, or under the terms of any licence permitting limited copying issued by the Copyright Licensing Agency, 90 Tottenham Court Road, London W1T 4LP.

Any person who does any unauthorised act in relation to this publication may be liable to criminal prosecution and civil claims for damages.

The author has asserted his right to be identified as the author of this work in accordance with the Copyright, Designs and Patents Act 1988.

First published 2005 by

PALGRAVE MACMILLAN

Houndmills, Basingstoke, Hampshire RG21 6XS and

175 Fifth Avenue, New York, N.Y. 10010

Companies and representatives throughout the world

PALGRAVE MACMILLAN is the global academic imprint of the Palgrave Macmillan division of St. Martin's Press, LLC and of Palgrave Macmillan Ltd. Macmillan® is a registered trademark in the United States, United Kingdom and other countries. Palgrave is a registered trademark in the European Union and other countries.

ISBN 978-1-349-54247-5

ISBN 978-0-230-28879-9 (eBook)

DOI 10.1057/9780230288799

This book is printed on paper suitable for recycling and made from fully managed and sustained forest sources.

A catalogue record for this book is available from the British Library.

Library of Congress Cataloging-in-Publication Data

Plompen, Martine, 1958—

Innovative corporate learning : excellent management development practice in Europe / by Martine Plompen.

p. cm.

Includes bibliographical references and index.

1. Organizational learning—Europe. 2. Executives—Training of—Europe. 3. Organizational behavior—Europe. I. Title.

HD58.82.P58 2005

658.4'038—dc22

2004062471

10 9 8 7 6 5 4 3 2 1
14 13 12 11 10 09 08 07 06 05

Contents

<i>List of Tables and Figures</i>	x
<i>Foreword: New Stakes for Managers: from Management to Leadership</i> Bruno Dufour	xii
<i>Preface and Acknowledgements</i>	xv
<i>Introduction</i>	xix
Part One The Challenges for Learning: Understanding the Art and the Science	1
Introduction	3
The competency of learning to learn	3
Changing demands	4
1 The Corporation of the Future	6
2 Enabling HR as a Strategic Partner	8
An expanded definition of HR: people management	9
Achieving strategic value through HR	10
3 The Art of Corporate Renewal	14
Responsibility	15
Bringing 'total self' to work	16
4 Growing Opportunities	18
5 Learning How? Learning Why?	20
Trends in executive development	21
Best-practice corporate learning in global companies	23
The management-development marketplace	26
Profile of new learning centres	27
Sustaining learning: how executives grow	29
Individual 'health checks'	30
Calculating benefits is a science as well as an art	31
Assessing strategic learning processes in organisations	32

Mentoring and coaching	34
The ideal profile: be curious	37
6 Challenging the Business-School Concept	42
7 Key Points	45
Part Two Tapping the Power of Collaboration: Partnering for Organisational Learning	47
Introduction	49
8 Best Practices in Corporate Education Alliances	50
9 Better Understanding the Process	52
Critical elements for providers	52
What does each partner bring?	56
10 Towards a Flat, Flexible Business School	57
11 Consortia Programmes	59
12 Key Points and Initiatives Profiled	61
AEA Alliance	61
BP Projects Academy	62
Cedep	63
CEMS	63
The Consortium for Executive Development, London Business School	64
Cranfield & British Aerospace: A diamond with many facets	64
EMBA-Global	65
EuroMBA	65
The European MBA	65
The international consortium MBA, Henley Management College	66
The International Management Programme	66
The IMD Learning Network	66
International Masters Programme in Practising Management (IMPM)	67
The International Entrepreneurship Centre (ICEVED)	68
IMM	69
OneMBA	69

Programme for International Managers in Europe (PRIME)	70
The Strategic Trans-national Executive Programme (STEP)	70
Sumaq alliance	71
Tomorrow's Leaders Research Group (TLRG)	71
TRIUM programme	72
The World Bank executive development programme	72
Part Three Corporate Learning Centres: Accelerating Strategic Change	75
Introduction Evolutions in Corporate Learning: Lessons Learned through CLIP	77
<i>Bruno Dufour</i>	
Blended learning, blended approach	78
Qualification of client/vendor	78
Providing integrated logistics	79
Talent supply chain	79
Time-cutting, reactivity, anticipation	80
HR as a strategic process flow	80
13 Key Challenges for Corporate Learning	83
Accelerating strategic culture change	86
Where are the boundaries of a corporate university?	86
What do the best corporate learning centres look like?	88
Life cycles of a corporate learning centre	89
14 Learning Partners	91
15 Measuring the Impact of Learning	93
Mechanisms for benchmarking	95
16 Developing a CU	96
Golden rules for developing a CU	96
17 Key Points	100
18 Organisations Profiled (Case Studies)	101
1 ABB University Switzerland	101
2 ABN AMRO Academy	104
3 Alcatel University (CLIP)	105
4 The Allianz Management Institute (CLIP)	108

5	ALSTOM Learning Institute	109
6	Barclays University	111
7	BP plc	113
8	DaimlerChrysler Services Academy	117
9	Deutsche Bank learning and development	120
10	EADS Corporate Business Academy	124
11	General Electric	126
12	General Motors University	128
13	Heineken University	131
14	ISVOR-Fiat	133
15	The Lufthansa School of Business	135
16	LVMH House	137
17	Novartis (CLIP)	139
18	Siemens Learning	140
19	ST University	146
20	Trilogy University	148
21	Union Bank of Switzerland (UBS)	150
22	Union Fenosa Corporate University (CLIP)	153
23	University for Lloyds TSB	156
24	Volkswagen Coaching	157
Part Four Nurturing Innovation: Unleashing the Power of Learning		161
Introduction		163
19	Individual Creativity	165
	The arts as an enabler	167
20	Organisational Creativity	170
	Identifying an innovative climate	172
	Assessing the climate for creativity	174
	Nurturing entrepreneurial creativity	175
21	Rules to Innovate By	177
	Measuring innovation: = 10:3:2	178
	What is it that stimulates internally created growth?	180
22	Building Idea Factories	182
	What managerial practices affect creativity?	182
	Unbottling from conventional containers	183
	Knowledge management as a catalyst for organisational learning	184

Dynamics in idea-management processes: if we knew what we know!	185
Rules of thumb to increase social capital	186
The way forward?	188
23 Key Points and Initiatives Profiled	189
Key points	189
3M: The 15 per cent solution for innovation	190
Accelerated Solutions Environment	191
The Bekaert Group: Create a stimulating environment for innovation	192
BMW: Developing global innovation capability	193
'Brainstore' – an idea factory in Biel, Switzerland	194
ESCADOR	195
Media Lab Europe – MLE	196
Nokia	196
Procter & Gamble	198
Polaroid Creativity Lab: 20 lessons learned	198
Shell: Game Changer process	199
Steps Role Play	200
<i>The Tempest</i> : Stories from Shakespeare – A tale of transformation	200
Conclusion: Crystal Ball Exercise in Corporate Learning	204
<i>Bruno Dufour</i>	
De-contenting whilst contextualising	205
<i>EFMD</i>	209
<i>References</i>	210
<i>Index</i>	217

List of Tables and Figures

Part One

1.1	The multiple 'I' organisation	6
1.2	3M global competency model	7
2.1	The future evolution in HR activities	11
5.1	Management-development approaches: evolution	22
5.2	Developing HR professionals and line managers	25
5.3	Avenues of learning	26
5.4	Learning how and learning why	29
5.5	Factors influencing the learning process	33
5.6	The EFMD corporate learning improvement process – CLIP	34
5.7	BP leadership competencies	39
5.8	Leadership competencies: the most common characteristics	40
6.1	Categorising executive learning initiatives	42

Part Two

9.1	Process of developing alliances	54
9.2	Top 5 success elements in alliances	55
12.1	CEMS Masters in International Management – programme structure	64

Part Three

III.1	Targets of corporate learning	81
13.1	Overview of CU launch dates	84
13.2	Drivers for establishing a corporate university	85
13.3	The variety of CU models	87
13.4	Key challenges for a corporate university	89
13.5	Life cycles of a corporate learning centre	90
16.1	The corporate university value chain	98
18.1	The virtual organisation of ABB University Switzerland	102
18.2	Alcatel University training delivery modes	107
18.3	The ALSTOM leadership programme	110
18.4	BU services	113
18.5	BP leadership talent pool	117

18.6	DaimlerChrysler Services Academy: translating strategy into human capabilities	118
18.7	DaimlerChrysler Services Academy online	119
18.8	Deutsche Bank: Learning & Development value chain	121
18.9	The Deutsche Bank Leadership Standards	123
18.10	EADS Corporate Business Academy – programmes	124
18.11	General Motors University: the 14 colleges	129
18.12	Novartis Learning Programmes	139
18.13	Siemens Management Learning Programme	141
18.14	Main building blocks of the Siemens Management Learning Programme	141
18.15	ST University: programmes and benefits	148
18.16	The three Trilogy universities	149
18.17	UBS Leadership Institute: value delivery system	152
18.18	UBS: Integrated Key Talent Management – overview	152
18.19	UCUF Intellectual Capital Management Model	155
18.20	Volkswagen Coaching: organisational units	159
18.21	AutoUni organisation	159

Part Four

IV.1	Innovation/creativity	164
20.1	Elements of an innovative climate	171
20.2	Aspects of creativity and innovation	174
20.3	Stages in the creative process	176
22.1	Idea practitioners: tips for bringing ideas to life	184
22.2	The ALUo concept	186
23.1	3M inventopreneur	191

Foreword: New Stakes for Managers: from Management to Leadership

Bruno Dufour

The roles and missions of managers have changed dramatically over the years and it is not by chance that the word 'leadership' is increasingly replacing 'management' in the executive education area.

Organisation charts show only a part of the actual organisation. 'Chaordic' was the word coined to indicate a biological complex system not matched by a pure lifeless skeleton and for managers to make things work, in such an environment, they require sophisticated skills more than just the mechanical.

We are all clients

Corporations are now less self-centred, and more client-focused. Information flows out-in rather than top-down. A real transfer of knowledge has occurred to the client on matters that were considered too sophisticated just a few years ago. Through the use of new technologies clients are skipping intermediaries; banking operations are one example. But the simple fact of buying in a hypermarket or on a website shows how much learning has taken place. Using a keyboard is now as essential as reading or writing.

And all of us 'westerners' have become this new sophisticated client.

We are all providers

Such behaviour occurs both outside as well as within office life. Today's demanding attitudes are reflected in our corporate environment, and it is a reciprocal exercise between colleagues. We have all become the 'king client' and at the same time the 'bullied provider'. In organisations, clients can be internal and above us, below us, aside us and also outside. The full-quality-service dogma is the new religion and everybody is constantly evaluating everybody (TQM, Six sigma, Balanced Score Card, permanent appraisal, 360°, assessment centres). All the constituencies

must be satisfied whatever, whoever, wherever, whenever they are. Obviously, this goes far beyond a managerial job focused just on operations. Orders do not necessarily come from bosses: it is not clear exactly where to go and what to do, but indications come from the integration of client needs. Too often, managers face controversial situations when there are clashes between what the organisation requires and what the clients need. Arbitrage becomes difficult, and pleasing everyone turns into a different political game which has little to do with the mastering of an expertise.

Deliver total satisfaction or bust. Being torn apart is not enough, new managers must also be able to develop a vision, a consensus and lead the way in the new corporate jungle.

Problems do not come nicely arranged by field area. They come in bundles, like the Gordian knot: crossing many corporate silos. As there are no Alexander the Greats to cut the knots, managers have to find solutions across boundaries.

Transaction skills become a main competence. Redefining procedures across functions takes time, energy and cost. Internal negotiations, inter-organisational marketing is the name of the new game, which many people would call politics. Turf wars can be disastrous in a company and enough examples show the very high cost: the digital camera was studied by more than 21 departments inside Kodak – no wonder it took some time to get through.

Designing and communicating the learning opportunities of a corporate university or corporate learning center offers similar complexities. Cross functional issues become metafunctional, and mix not only functions but additional issues that must be politically correct such as: diversity, corporate social responsibility, sustainability, global/local balance, and so on.

And the road to success goes through networking, because unless you have friends throughout the organisation you cannot reach a compromise. Interstitial management allows managers to find their ways round blocks or above canyons. Such networks are forged through past experiences in different departments or sessions and seminars within CU-CCL – which is one of the main deliverables and benefits of such an entity: getting people to know and trust each other across the company.

Management becomes meta-management, with lots of metaphors to explain what should be done. This explains why story telling, success stories, case studies have developed so strongly in executive life and education: parables must be used to ease understanding.

No wonder that new skills are needed

Oxymoron situations are an everyday experience and complexity and controversy cannot be taught as such. Another meta-level of understanding needs to be reached, mixing the rational mind with the emotional part of each of us.

Meta-managers must decipher the complex reality whilst decoding it, without simplifying too much. They act as coach, facilitator, internal consultant or expert for 'all' clients, be they boss or colleagues or employees, partners or customers. This explains the new trends in executive education, the need for communication skills, the new provision of internal coaching and consulting.

With total quality movements and process re-engineering, managers are becoming process redesigners, and project managers, functions for which few have had training. In redesigning the corporation, meta-managers are confronted with organisational development, change management. And again not all of them are familiar with anthropology or organisational behaviour. Cascading strategy and objectives along the levels of an organisation for a better implementation is not just a 'memo' operation. It requires lots of transactional or political skills much more sophisticated than motivating people and far beyond communication.

It is a tough exercise to agree and follow up on subordinates' objectives, when reality changes so often. What is more, due to restructuring, delayering and advanced technology, today's managers have fewer people to achieve a higher performance: often no secretary, no assistant. Leaders lead. Meta-managers are overstretched and overexposed in a sort of 'heroic' position that very few can maintain.

No wonder that new skills and attributes are needed. The two critical ones are: observation skills to better adapt and react, and courage not only to reach targets, but also to oppose insane or unethical decisions. There is little reward for such attitudes in yearly appraisals, no more, by the way, than for developing people or preparing potential managers for corporate missions. And when there is no reward, there is no delivery.

But let us not be abused by terminology. 'Leadership' is a nice way to say that things are becoming increasingly difficult. Supporting the development of managers and their organisations is an *efmd* mission. Executive education is one of the solutions. The new requirements call for innovations in the field, both from corporations and institutions.

Innovative Corporate Learning will hopefully bring new ideas, good practices and benchmarks for those that are concerned.

Preface and Acknowledgements

In today's interconnected world, people are the source of all competitive advantage. Against this background, many are recognising the importance of management development to shape their 'be different' capability. True value in management development comes from the way in which initiatives are aligned and blended. The people perspective is and has to be omnipresent. This report presents a framework for understanding the very wide variety of approaches to learning and gives guidance on how to create aligned environments. Greatest appreciation is expressed to everyone in the EFMD network who voluntarily or involuntarily contributed to this publication.

With over a hundred profiled initiatives, the objective of this book is to illustrate excellent practice in management development in Europe. It draws on the creative resources in the EFMD network and this real life information will help practitioners to implement strategic learning. Moreover, this publication very much implements Charles Handy's vision of EFMD to sustain the ongoing dialogue between theory and practice.

Corporate and academic experts from the EFMD network provide an insight into their organisations' approaches. The examples included are meant as an illustration. With such a variety of cooperation formulas, it is not the intention here to provide a directory. Moreover, the learning opportunities mentioned may be aimed at different organisational levels and may vary in focus from issue-based skills workshops to broad organisational development services.

For three decades, EFMD has been promoting excellence in European management development approaches. The findings emerging from such a privileged role have now been brought together into one comprehensive volume. This handbook is the ultimate professional guide, building on the expertise and experience of leading European organisations represented in the efmd network.

This 'report from the field' covers many examples from the best organisations in Europe to show how strategic learning can be implemented. It is about learning in the broadest sense. It is highly practical and accessible. The objective is to help readers to:

- Introduce new concepts for learning.
- Learn from the best organisations.
- Use short-cuts to build an aligned learning strategy.
- Establish the vital knowledge base to develop an excellent management development approach.

Readers can expect a goldmine of information from which to determine whether a certain initiative is right for their organisation and to decide on future plans and strategies.

The aim is to unveil opportunities to innovate learning, to achieve a perfect mix for the most efficient learning.

We here want to thank especially all those experts in the EFMD network, for sharing their expertise and insights. Without the EFMD members, compiling this report from the field would not have been possible. Nor would it have been possible without Bruno Dufour's support and advice.

Thank you!

Martine Plompen

Acknowledgements

A very special thank you goes to all the people in the corporate learning centres, who so kindly provided us with updated information. Without the people mentioned below, it would not have been possible to include so a rich diversity of corporate learning center profiles.

ABB University

Mr. Paul Lewis

ABN AMRO Academy

Mr. Raymond Madden

Alcatel University

Mr. Jan Ginneberge

The Allianz Management Institute

Mr. Peter Clist

Alstom Learning Institute

Mr. Gérard Soyer

Barclays University

Mr. Robin Blass

British Petroleum

Mr. Ann Ewing

Mr. Peter Callway

DaimlerChrysler Services Academy

Mr. Shlomo Ben-Hur

Deutsche Bank learning and development

Dr. Martin Möhrle

EADS Corporate Business Academy

Mr. Hervé Borensztein

General Electric

Mrs Linda Boff

General Motors University

Mrs Christiane Steinborn

Mr. Allan Mitchell

Heineken University

Mrs Saskia van Walsum

ISVOR FIAT

Mr. Osvaldo Busana

Mr. Rino Garbellano

The Lufthansa School of Business

Mr. Peter Brantzen

LVMH House

Mrs. Concetta Lanciaux

Novartis

Mr. Frank Waltmann

Siemens Learning

Mr. Vincent O'Neill

ST University

Mr. Gérard Mangin

Trilogy University

Mr. Eric Levine

UBS leadership centre

Mr. Michael Sweeney

Union Fenosa Corporate University

Mr. José Angel Fernandez Izard

Mr. Antonio Fuertes Zurita

University of Lloyds TSB

Mr. Stephen Mapp

Volkswagen Coaching

Mr. Wilfried Von Rath

The author and publisher have made every attempt to contact copyright-holders. If any have inadvertently been overlooked, the publisher will be pleased to make the necessary arrangement at the first opportunity.

Introduction

Organisations increasingly rely on intangible assets for competitive advantage. The key issue is to make maximum use of the available knowledge, learning ability and human talent because innovation, speed and flexibility are more important than ever. In this book, we provide provocative examples from well-known institutions. And we explore the actions taken by organisations that aim to increase their human capital to maximise knowledge-sharing and continuous learning.

Through the extensive case studies, a European roadmap emerges. This allows a better understanding of innovative cultures that enhance entrepreneurial creativity. This book will be primarily of interest to practitioners interested in the strategic delivery of learning. It allows them to:

- Discover opportunities to innovate learning
- Look behind the scenes and critically examine some of the world's leading approaches
- Recognise how to engage people for achieving excellence.

In an ideal organisational setting, learning processes, communities of practice and knowledge-management initiatives will all seamlessly operate in an innovative entrepreneurial culture where the people involved flourish and contribute to a constantly renewing organisation, an organisation that astonishes its customers and the community to which it belongs. With this book, we want to contribute to a deeper understanding of what it takes to build such an organisation.

Focusing on management development in the broad sense, separate parts of the book are dedicated to the art and science of learning, partnerships for organisational learning, corporate learning centres and innovation and creativity. Many rich examples illustrate the variety of approaches throughout Europe. Our observations confirm that the key lies in getting the relevant blend of initiatives and aligning it properly with the strategy. It matters less whether the label 'alliance' or 'learning centre' or 'idea factory' is more appropriate.

Most of the existing literature on organisational learning is academic and theoretical. With over a hundred real-life examples from the best

European organisations – both academic and corporate – we emphasise the application of life-changing learning. It is only thanks to the extensive expertise and experience in the efmd network that it has been possible to bring together this unique ‘testimony’. This book is aimed at those people who want to reflect, select and apply the best learning initiatives.

For each part, there is an analysis of the main issues to be considered. Part one provides an insight into the overall challenges for learning: implementing an expanded definition of human resource management (HRM), profiling the new learning centres, sustaining the learning, and so on.

Part two focuses on partnerships for organisational learning. Innovation in this field calls for a flexible provider working in a co-construction mode with one or several partners. But, what are the critical elements in such way of working? Again, it is the practical examples that provide a wealth of learning points.

Accelerating change in organisations through corporate learning centres is the focus of part three. Leading European companies show what the best corporate universities look like: where are the boundaries of a corporate university? how can one grow a corporate learning centre? how can we make it the organisations’ strategic innovator and initiator?

Part four has its focus on nurturing creativity and innovation. ‘New ideas’ being a key building block for corporate renewal, this chapter explores how to develop an innovative environment. Continuous organisational learning is enhanced by idea-management processes, through the use of arts, and through communities of practice; again a wealth of practical insights emerges from the cases provided.

The last word has not yet been said or written on organisational learning. Extensive learning has been achieved around the role of the individual, on clarifying the relationship between learning and change, on analysing the concept of learning and on creating ideal learning environments. It is to be expected, however, that the importance of learning will continue to increase both for individuals and organisations.

Learning is a treasure that will follow its owner everywhere.

Chinese proverb