



CORPORATE ACADEMIES

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Our research on Corporate Academies

Definition Corporate Academy:

A dedicated unit or initiative that aims to develop and sustain institutional and individual capabilities to deliver performance in line with the organization's strategy.

Our research

- 2015 survey:
 - 119 HR Executives/CLO's including 73 who have a Corporate Academy
- 2014 survey:
 - 1448 Executives

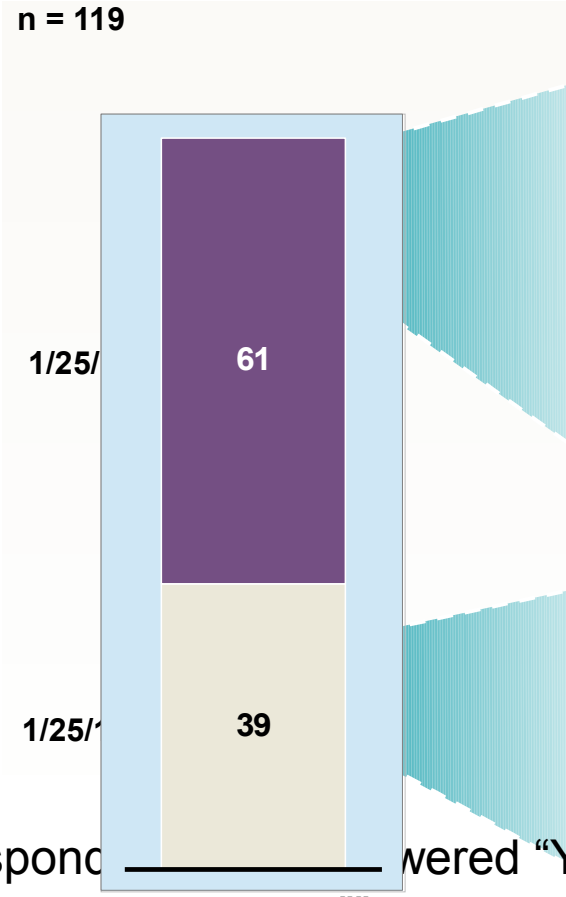
CLO interviews and site visits

A sample of participating organizations

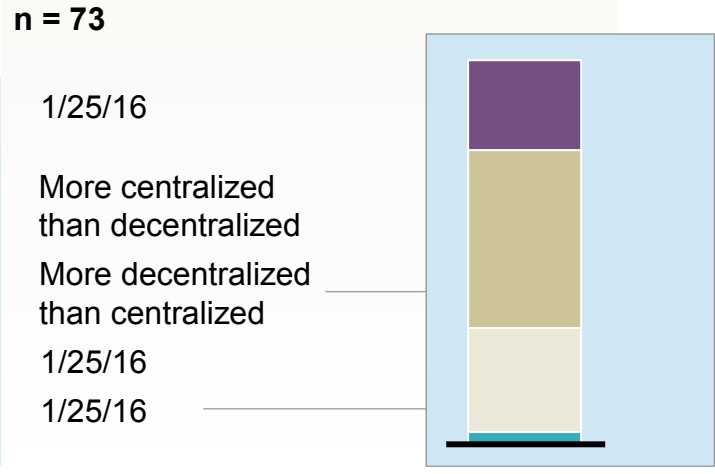


Most respondents have a corporate academy and the majority has these academies completely or mostly centralized

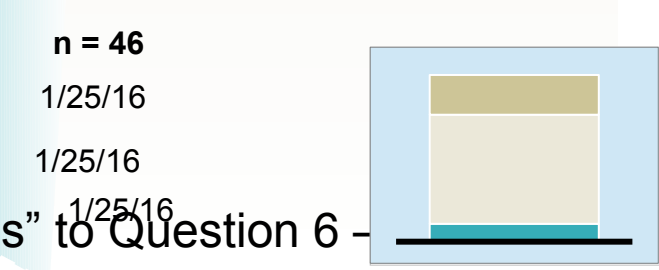
“Corporate academy” is present at your organization
(% of respondents)



Type of academy
(% of respondents¹)



Plans to set up academy
(% of respondents²)



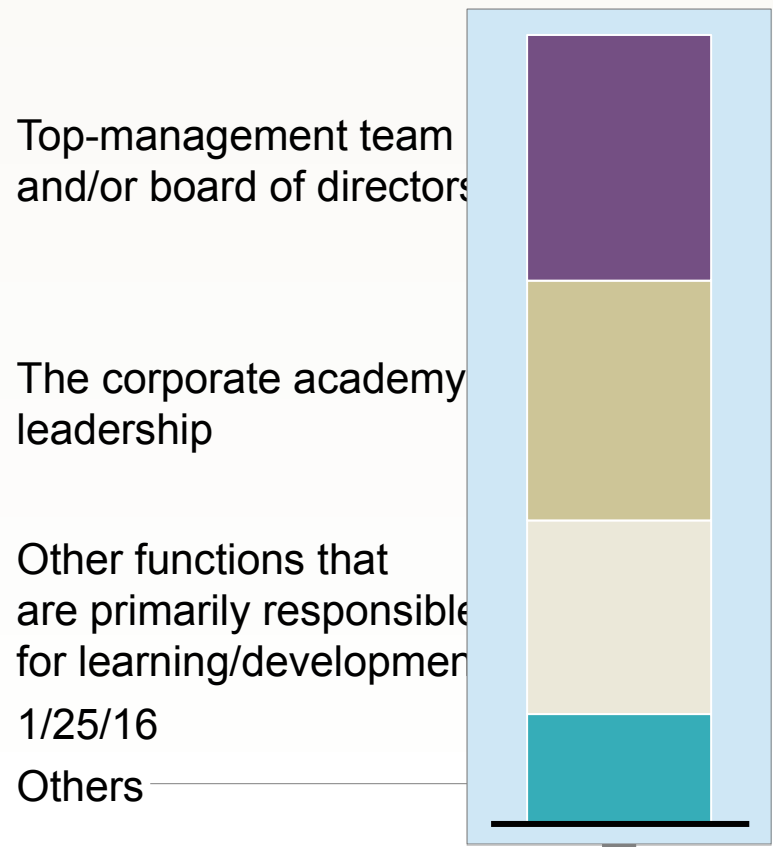
1 For respondents who answered “Yes” to Question 6 – “Does your organization have a “corporate academy”?”

2 For respondents who answered “no” to Question 6

51% of academies are governed and 59% is funded by top-management and/or board of directors

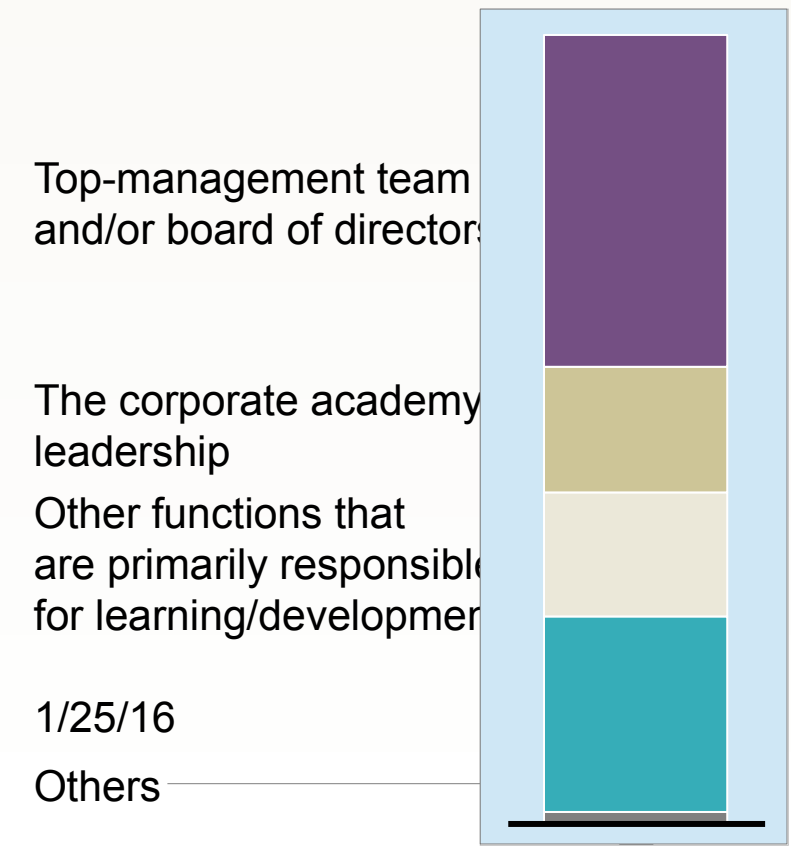
Corporate academy is governed by
(% of respondents who selected given option as one of their choices)

n = 73



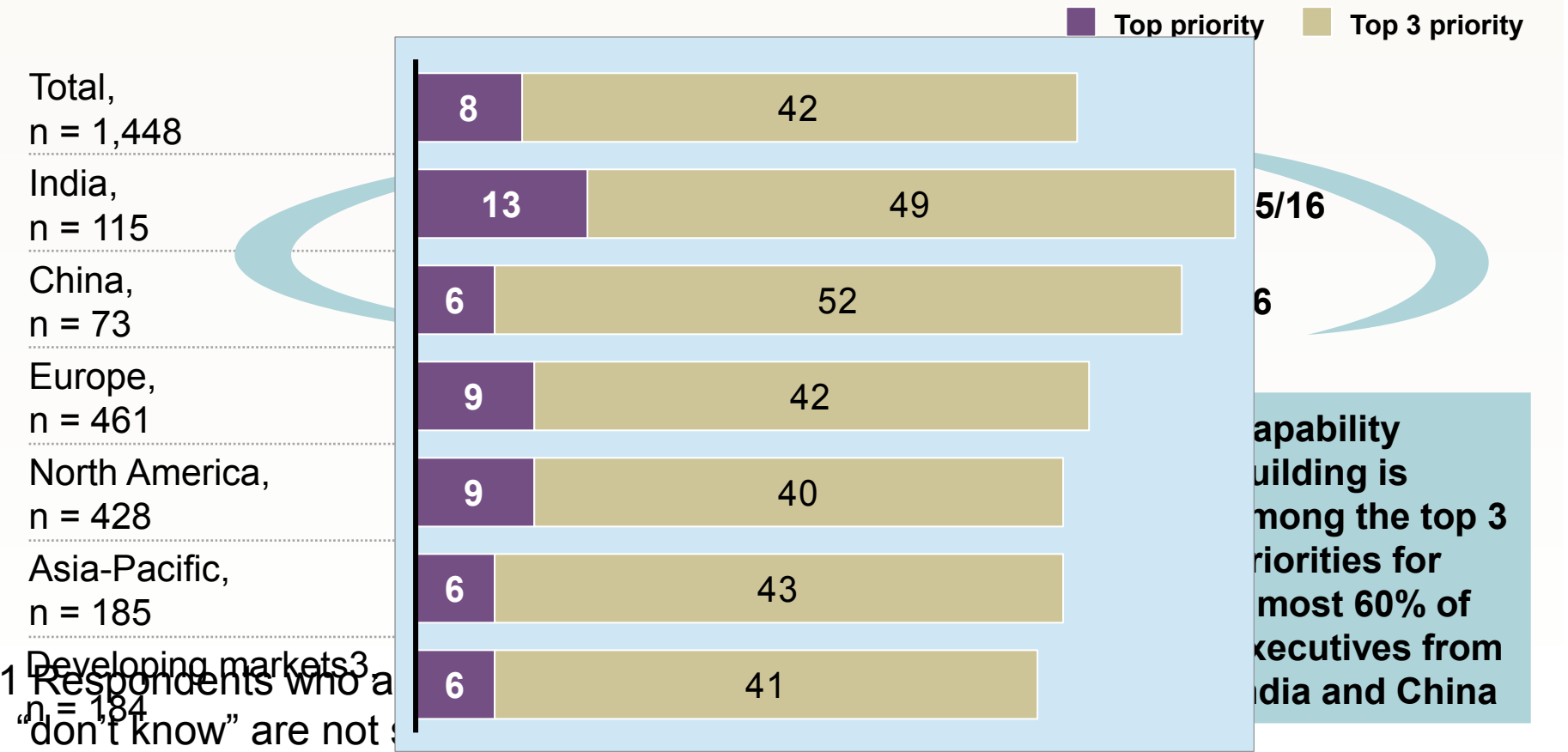
Corporate academy's operations are funded by
(% of respondents who selected option as one of their choices)

n = 73



Globally, half of executives rate capability building as one of their companies' top-three priorities

Where capability building² falls on organizations' strategic agendas
Percentage of respondents¹, by office location)



¹ Respondents who answered "don't know" are not included

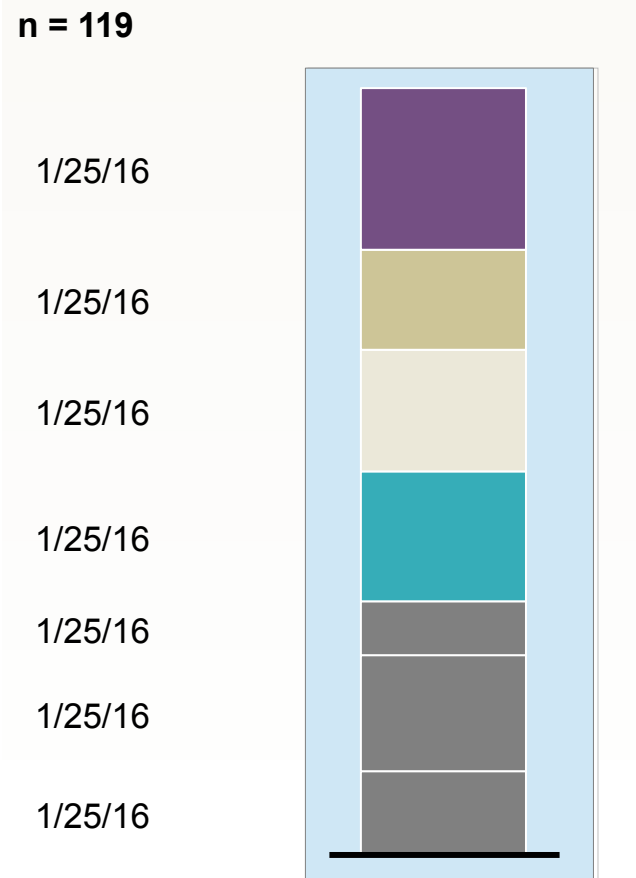
² Includes both institutional and individual capabilities

³ Includes Latin America

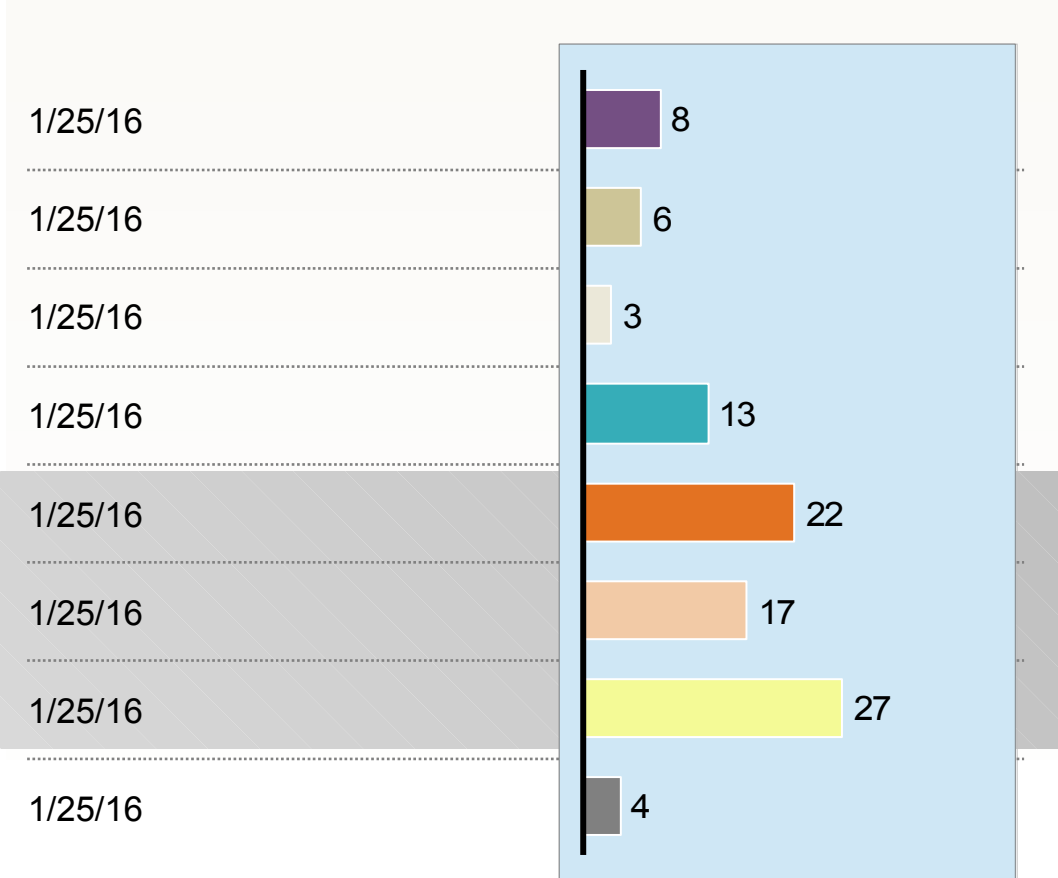
Capability building is among the top 3 priorities for most 60% of executives from India and China

In half of the respondent organizations, employees spent up to 30 hours learning in the last 12 months – 66% expect the spend to increase the number of learning hours in the future

Average time spent by employees on learning in last 12 months
(% of respondents)

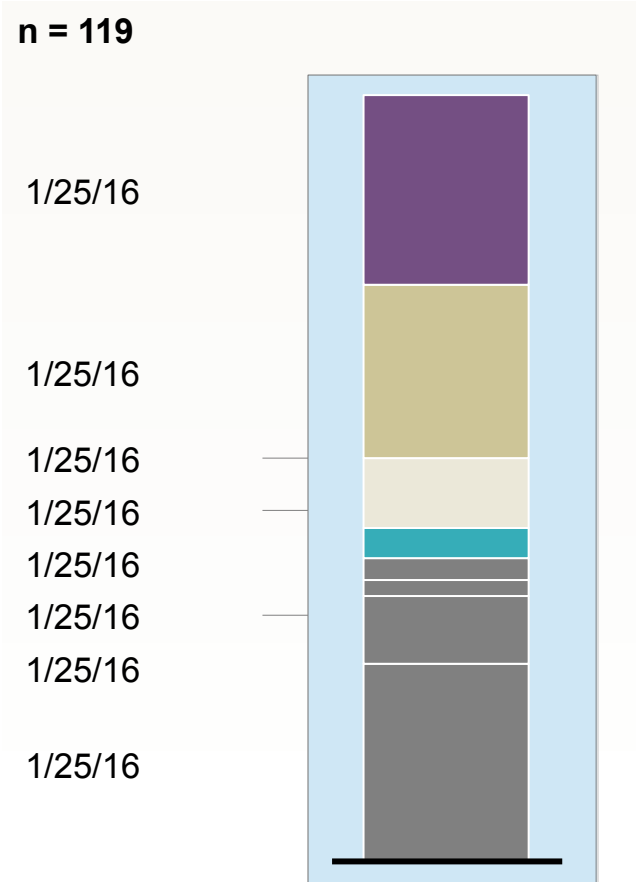


Expected change each year
(% of respondents)

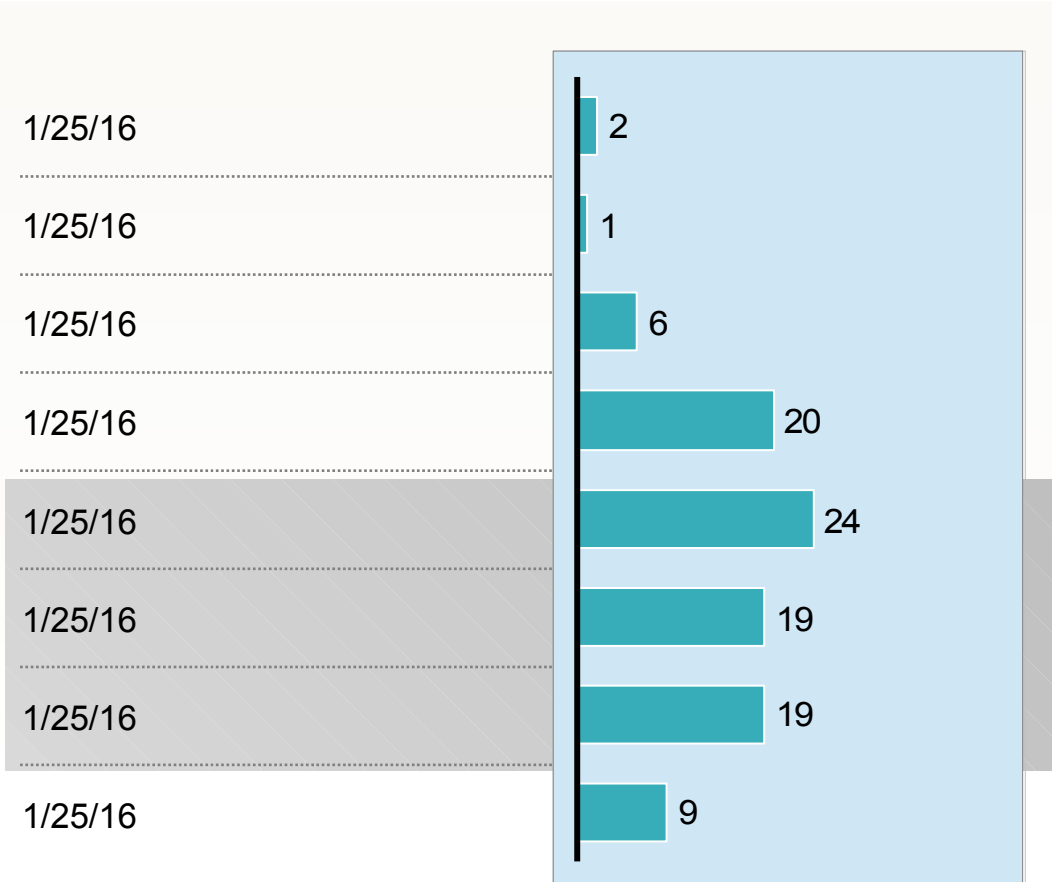


Most respondent organizations spent less than \$ 1,000 per employee on learning and development; 62% expects this spend to go up with at least 5%

Average spend/employee on learning & development in past 12 months (% of respondents)¹



Expected change of learning & development budget each year over next 3 years (% of respondents)

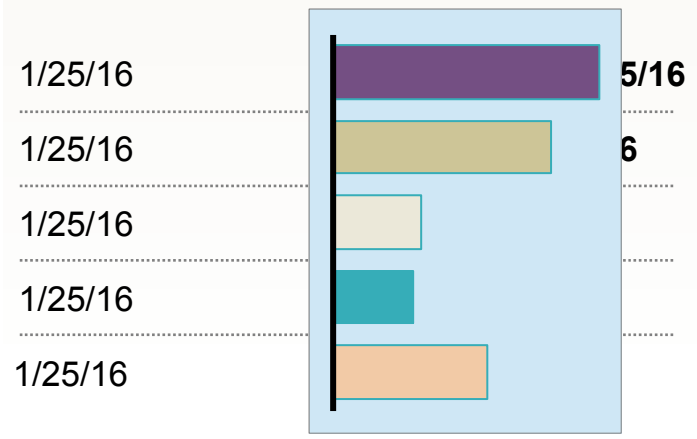


¹ Does not include Q3 on spend

Just 57% of Corporate Academies indicate to be fully aligned with the business priorities. Almost half (52%) tell us that their CA is effective in meeting business objectives

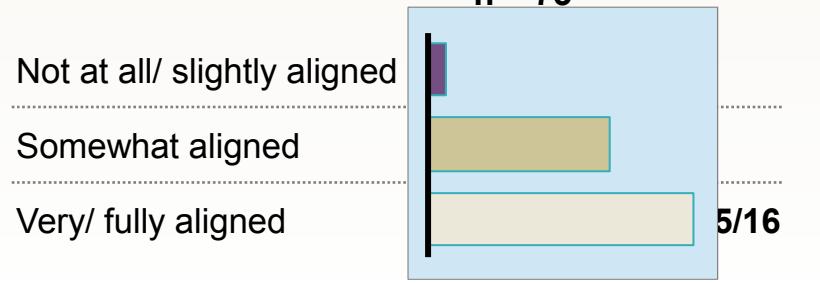
n = 119

Organization's main strategic objective
(% of respondents)

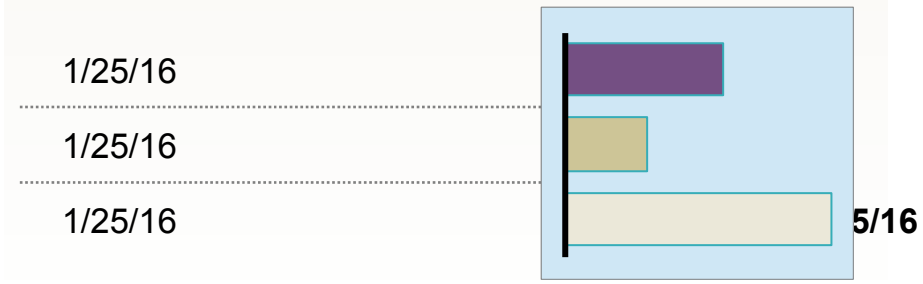


Corporate Academy alignment with business priorities
(% of respondents)

n = 73



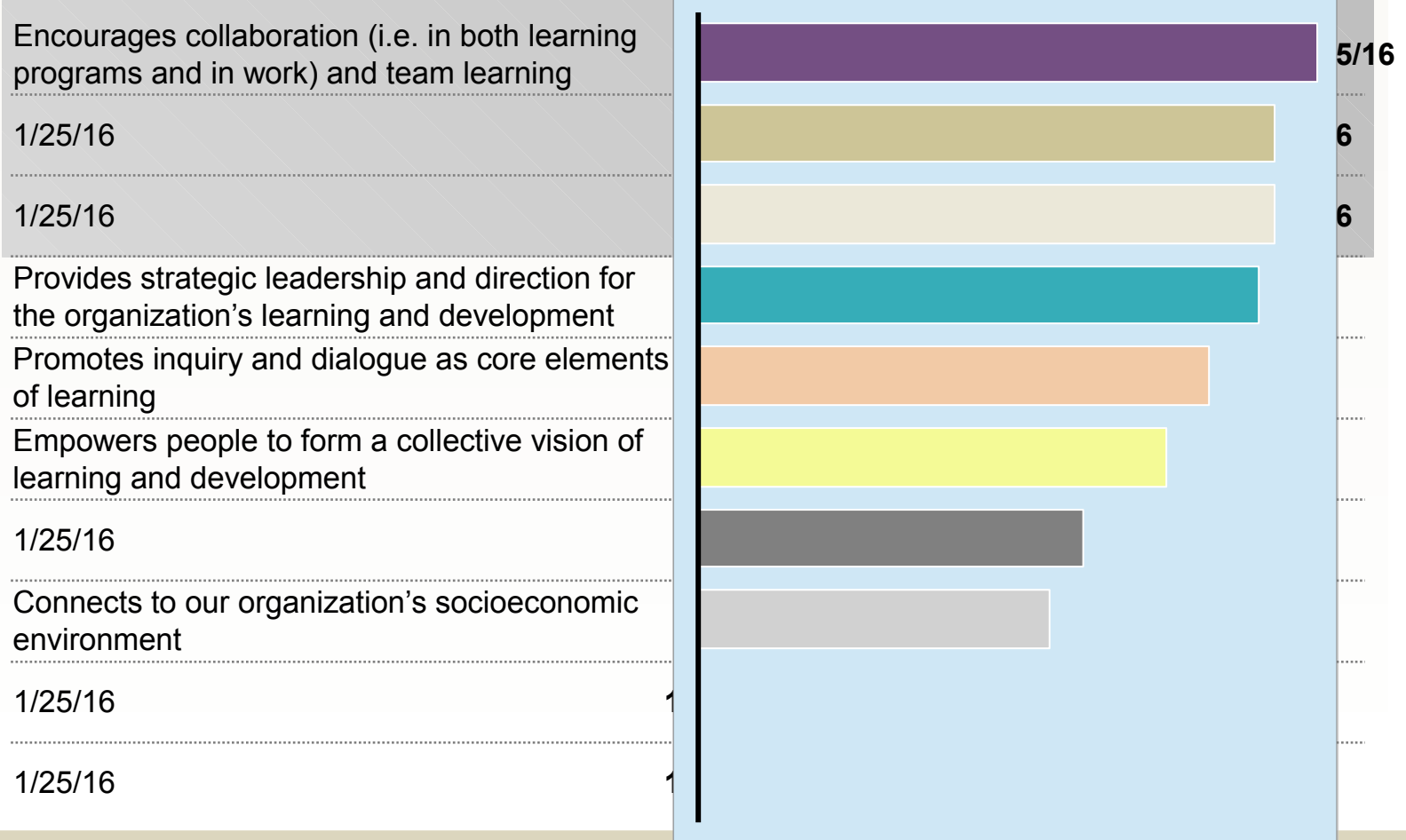
Corporate Academy effectiveness in enabling organization to meet business objectives
(% of respondents)



Scope: corporate academies are primarily aimed at encouraging collaboration, creating continuous learning opportunities and shared learning

Description of organization's corporate academy
(% of respondents who selected given option as one of their choices)

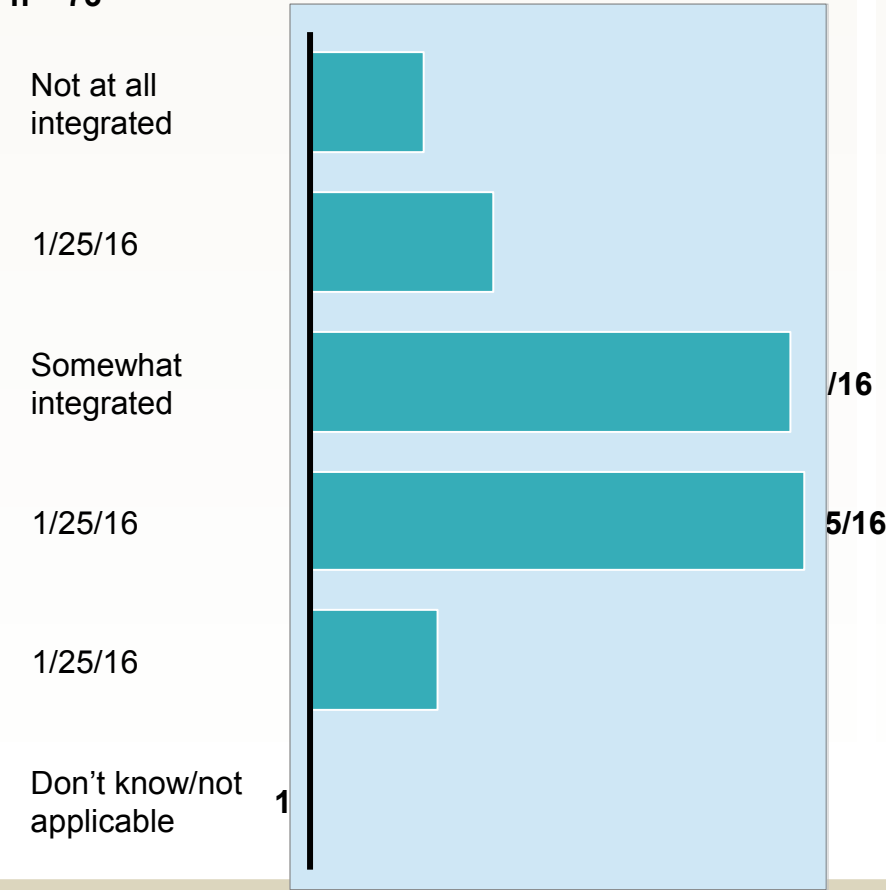
n = 73



Only a third (35%) of respondents indicate a high level of integration of L&D activities with other talent management processes and 27% use competency models always

[[q27] To which extent are your corporate academy's learning-and-development activities and outcomes integrated with other talent-management processes (e.g., personal development plans, performance appraisals)? (% of respondents)

n = 73



[[q28] To what extent, if at all, does your corporate academy use existing competency models as the base for its learning-and-development programs? (% of respondents)

n = 73

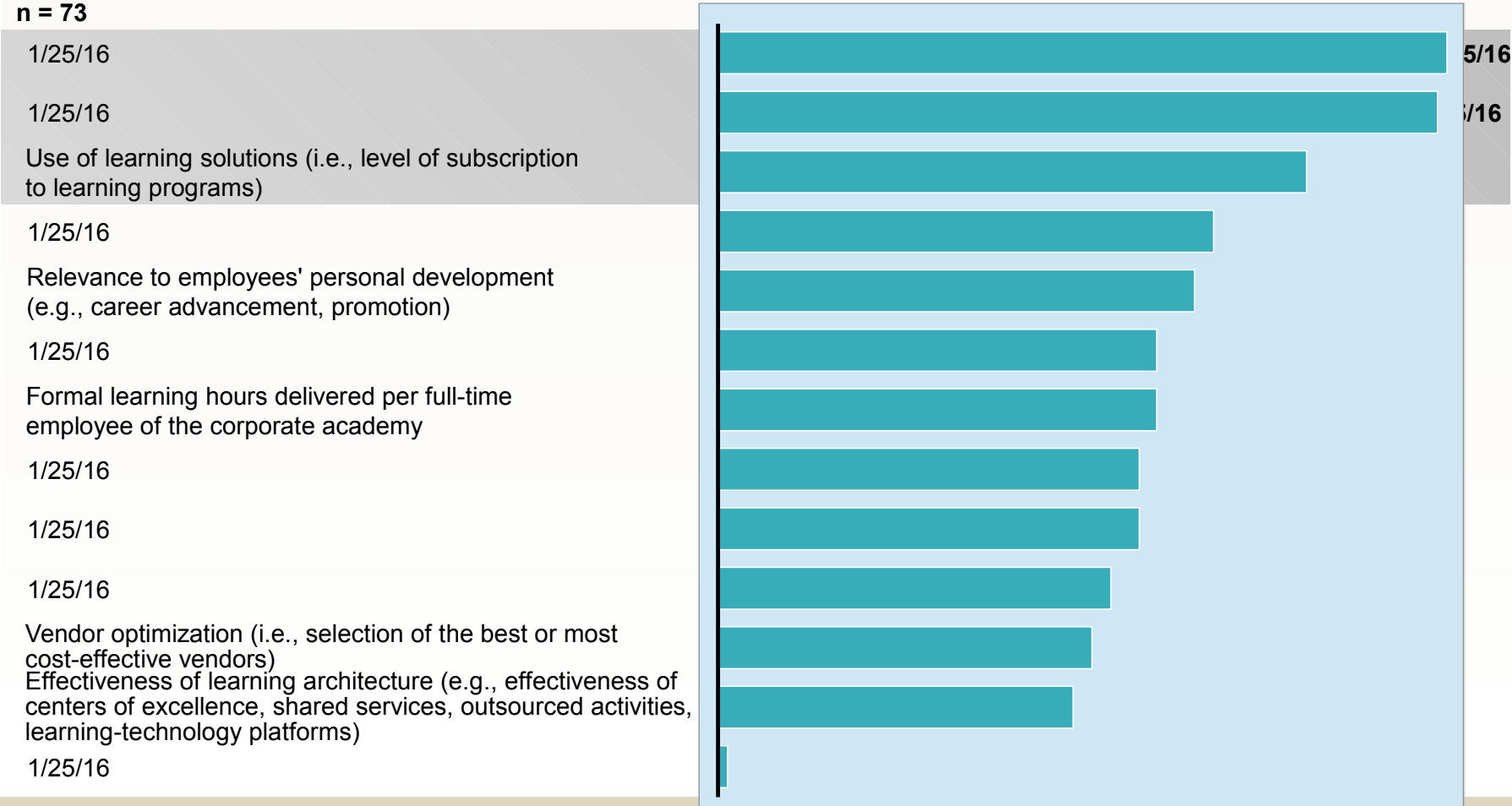


The effectiveness and efficiency of the corporate academy learning programs is mostly assessed by their relevance to business objectives, effectiveness and use of learning solutions

[q25] Which of the following measures does your organization use to assess the effectiveness and efficiency of its corporate academy?

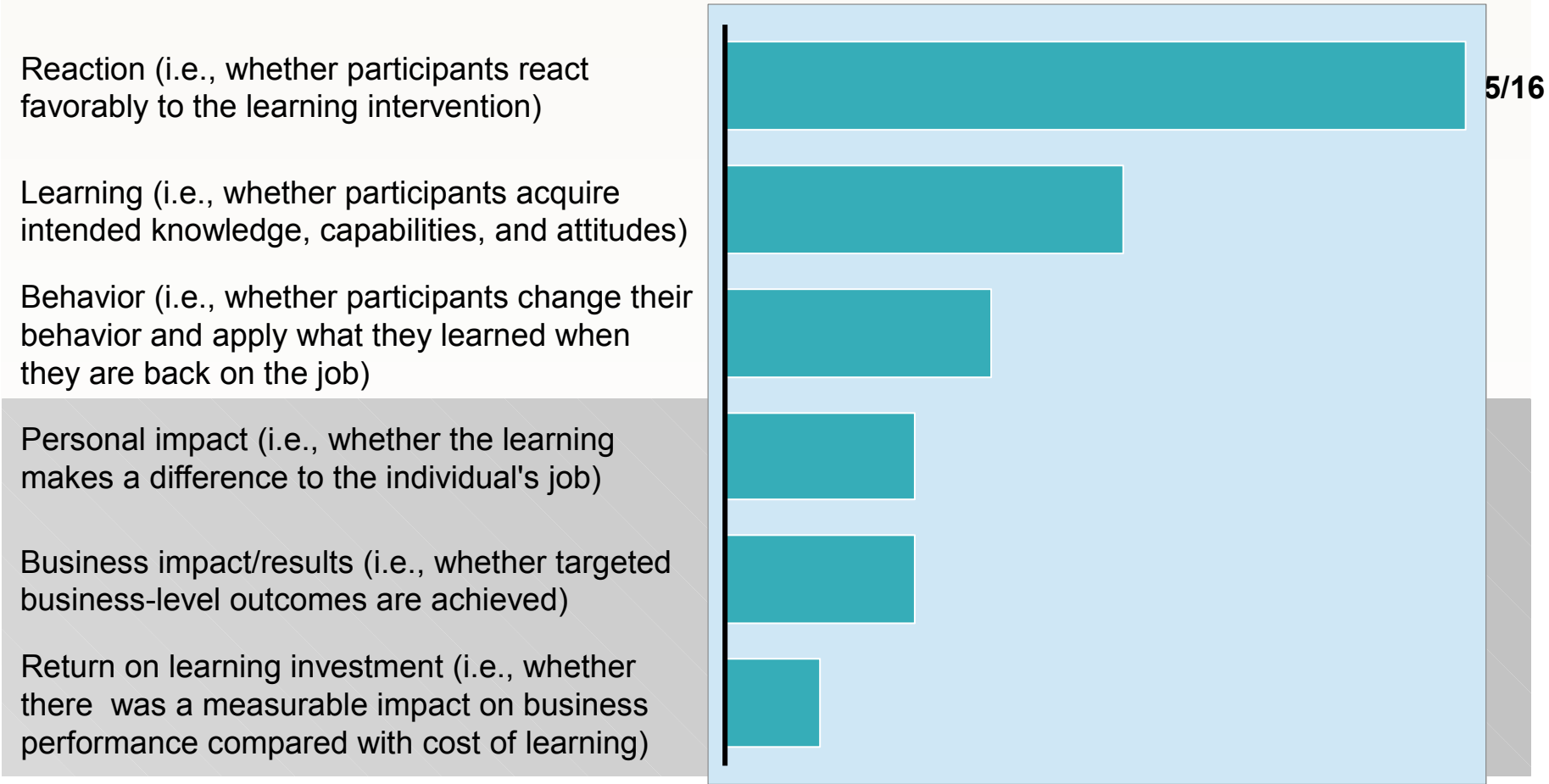
(% of respondents)

n = 73



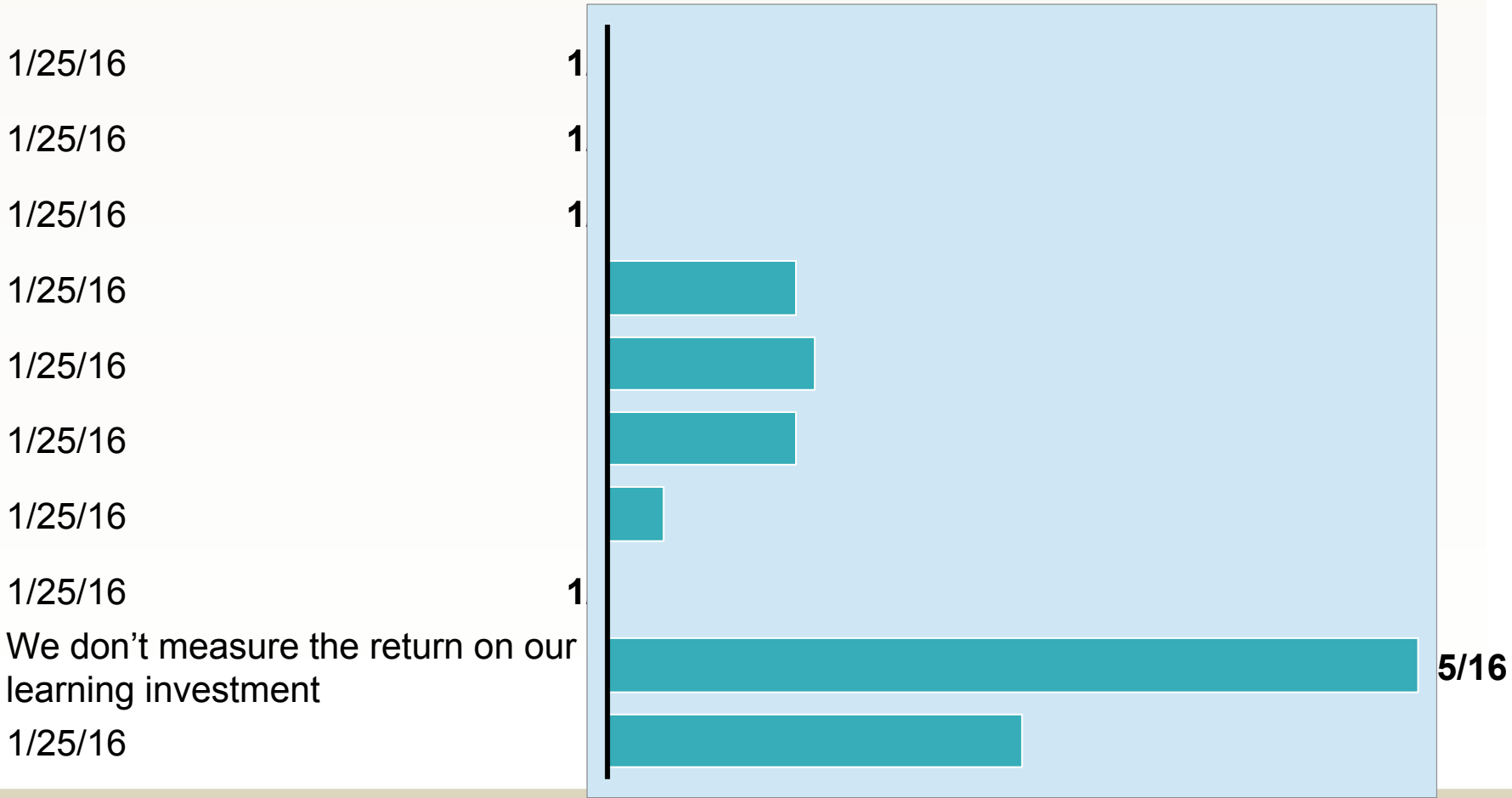
There is much potential to improve impact insights from learning programs: only 10% of the respondents measure impact on business

(When measuring the effectiveness of the corporate academy's learning outcomes, please indicate how your organization uses each of the following criteria.)
 (mean of respondents)



Most respondents (65%) do not measure Return on Learning Investments or don't know

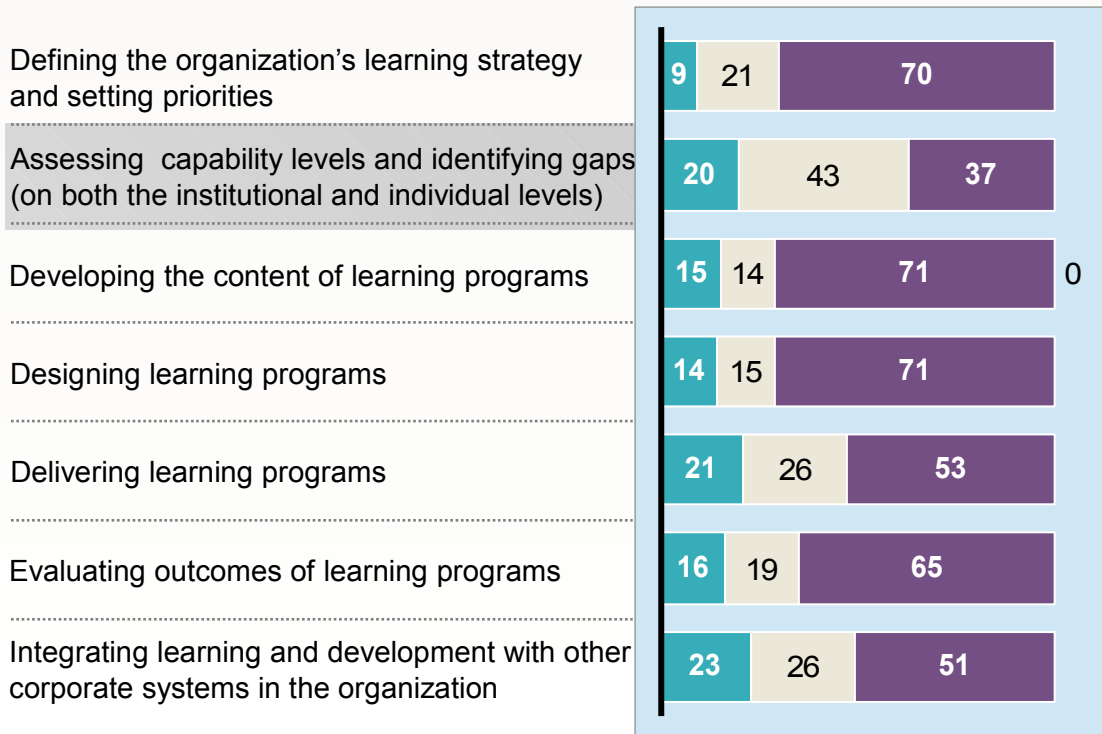
[q26] What has been your corporate academy's average return on learning investment each year over the past three years?
 (% of respondents)



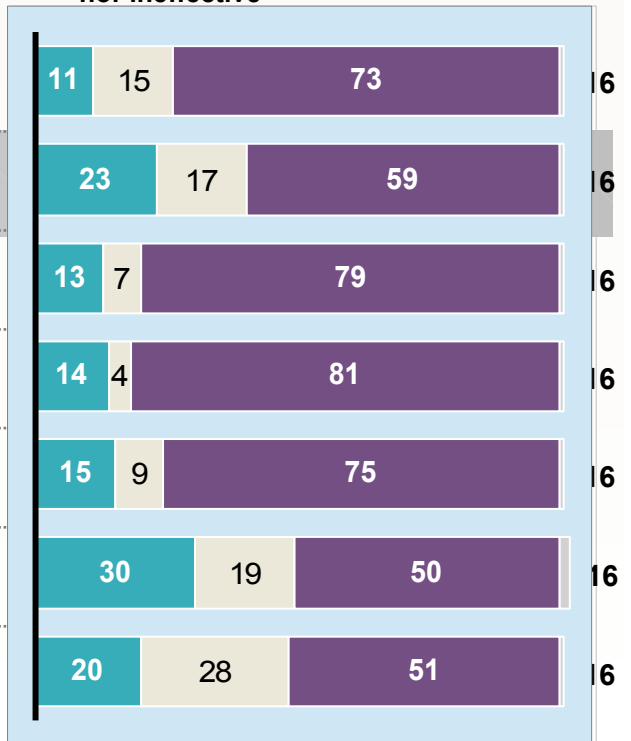
Only 59% of the respondents tell us that they are effective at assessing capability levels and identifying gaps

Extent of responsibility of corporate academy (% of respondents)

n = 73



Effectiveness of the activity in maintaining and improving capabilities (% of respondents)

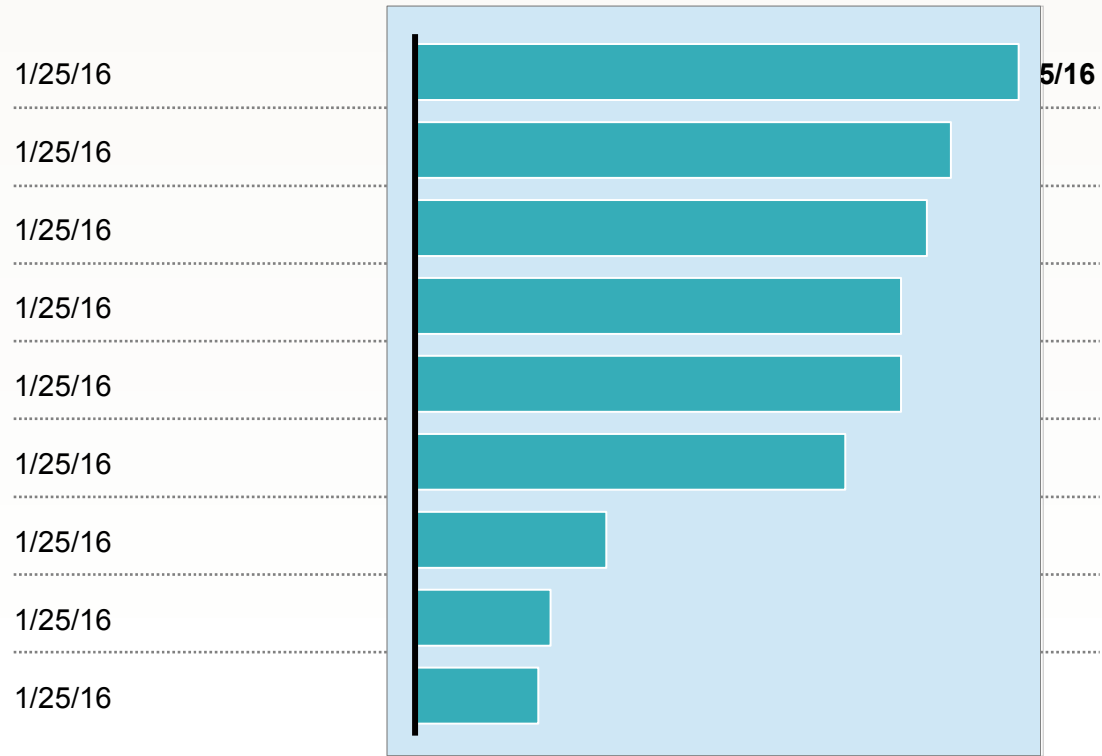


1 HR: Human Resources, BU: Business Unit

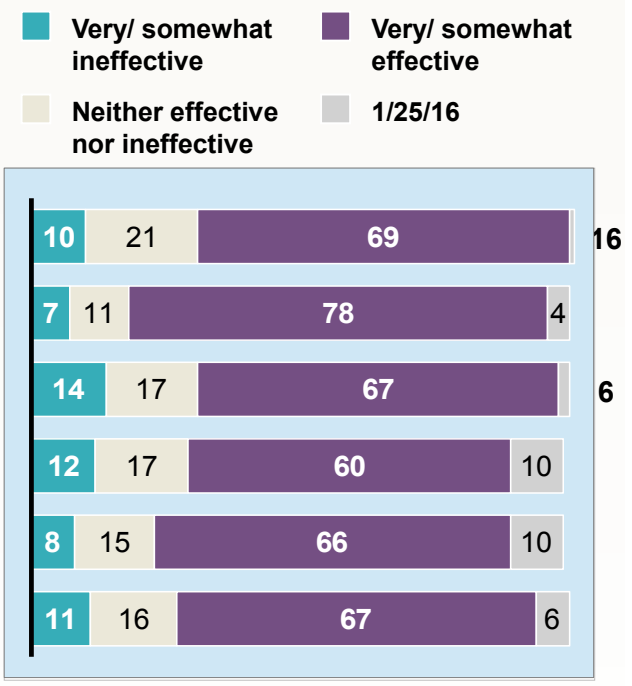
A quarter (26.5%) of programs are very/somewhat ineffective or neither effective or ineffective in preparing groups to drive business performance

Employee groups which have received training in last 12 months
(% of respondents)

n = 73



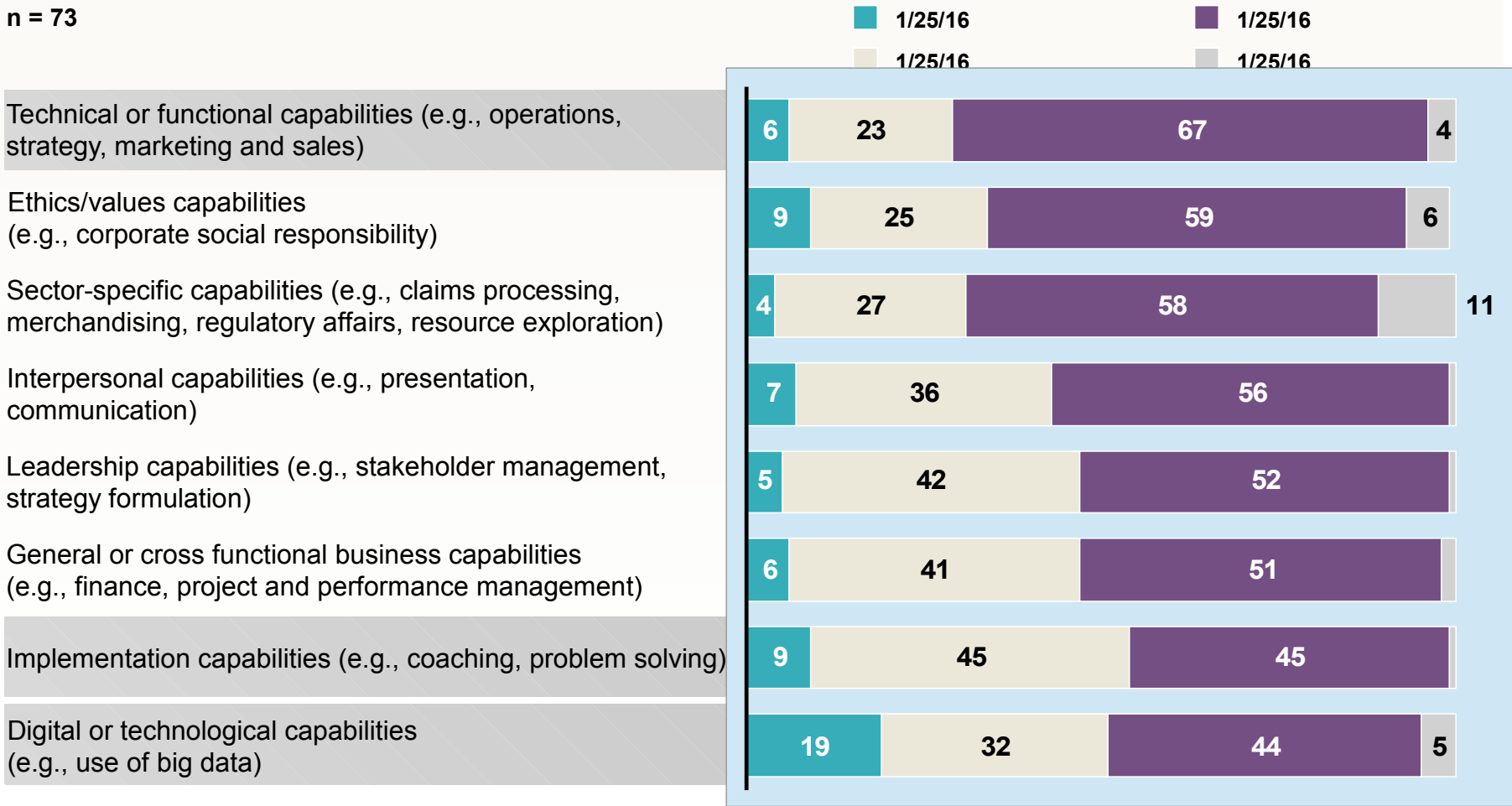
Effectiveness at preparing group to drive business performance
(% of respondents)



Most confidence is expressed in the quality of technical/functional proficiency, most room for improvement in digital and implementation capabilities

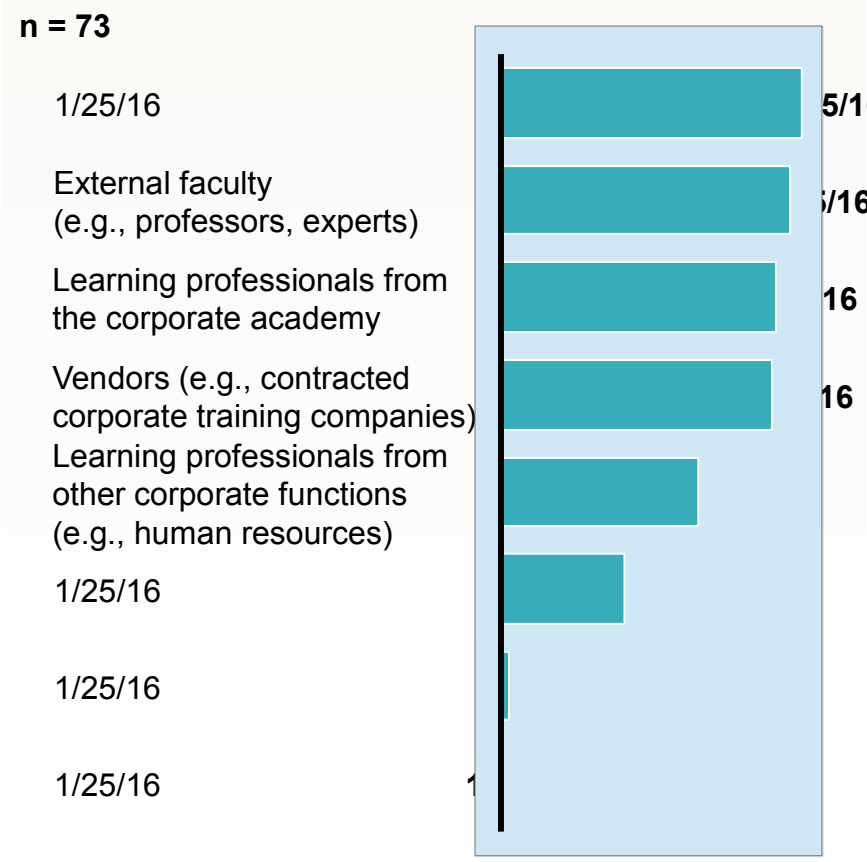
(Please rate your organization's proficiency level, relative to others in your industry, for each of the following types of capabilities.)
 (% of respondents)

n = 73

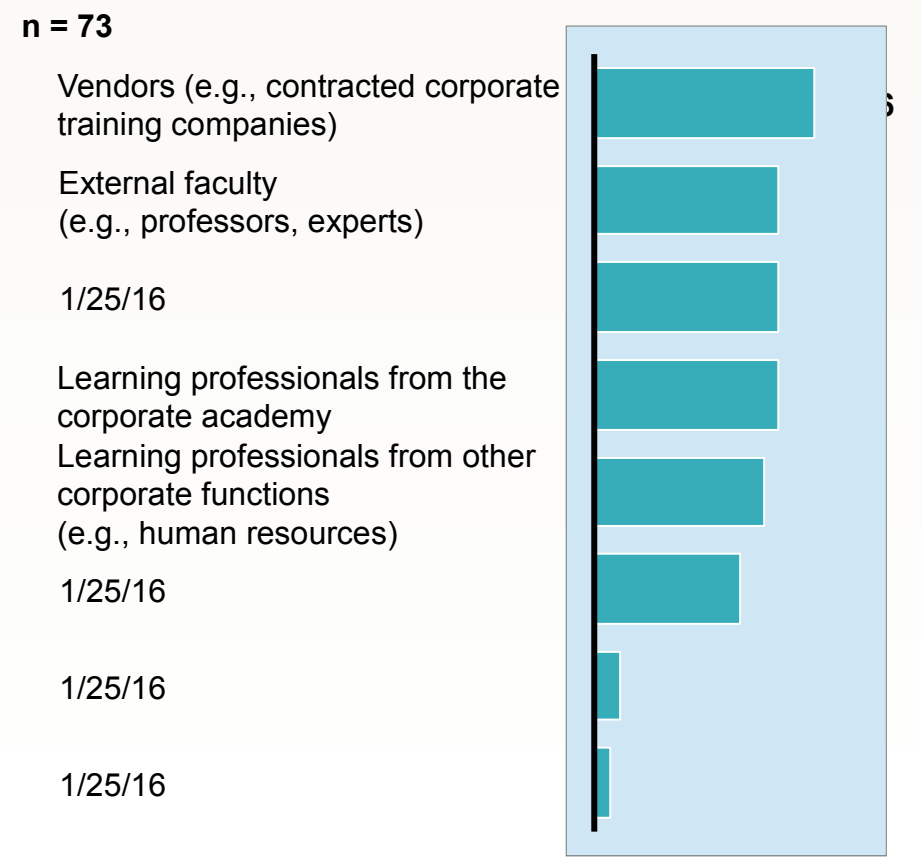


Leadership capability building is most often done by organizational leaders and external faculty; Technical skills by specialized Vendors

[q21] At your organization's corporate academy, who delivers learning programs to develop leadership capabilities?
 (% of respondents who selected given option as one of their choices)



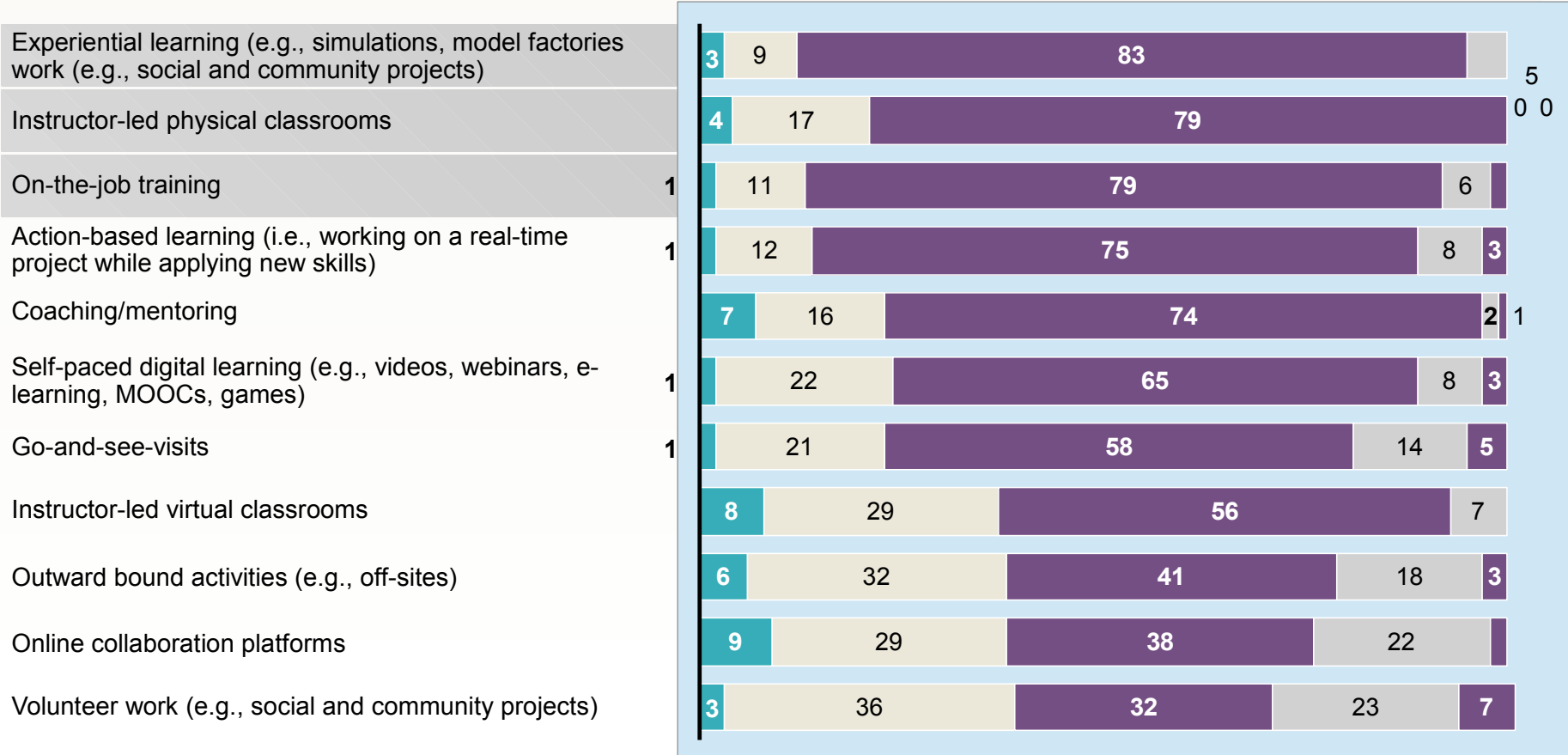
[q22] At your organization's corporate academy, who delivers learning programs to develop technical or functional capabilities?
 (% of respondents who selected option as one of their choices)



Experiential learning, instructor-led and on-the-job training are experienced as most effective

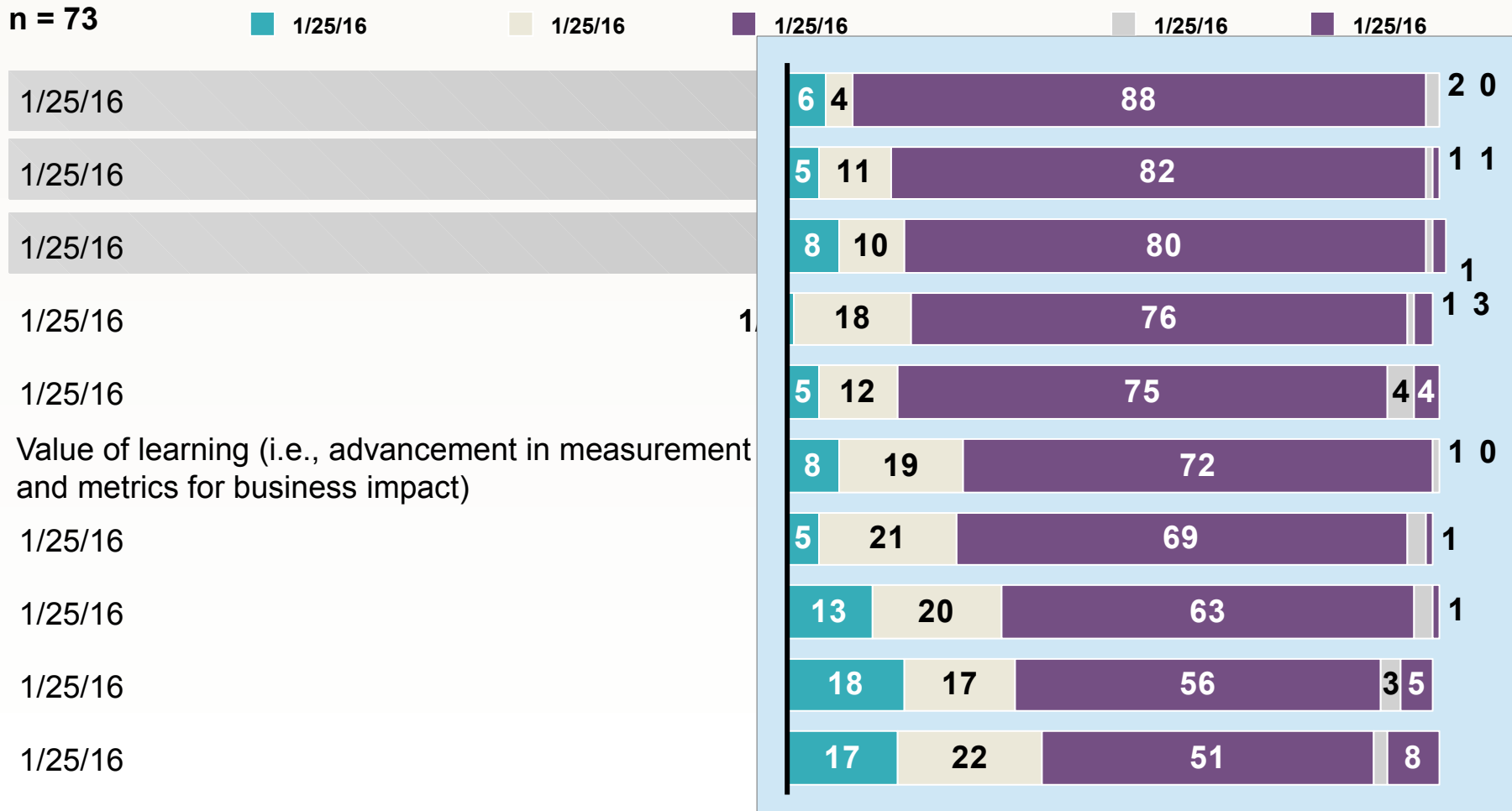
How effective, if at all, are each of the corporate academy's learning interventions at helping participants achieve their learning objectives (and ultimately improve business performance)?
 (% of respondents)

n = 73



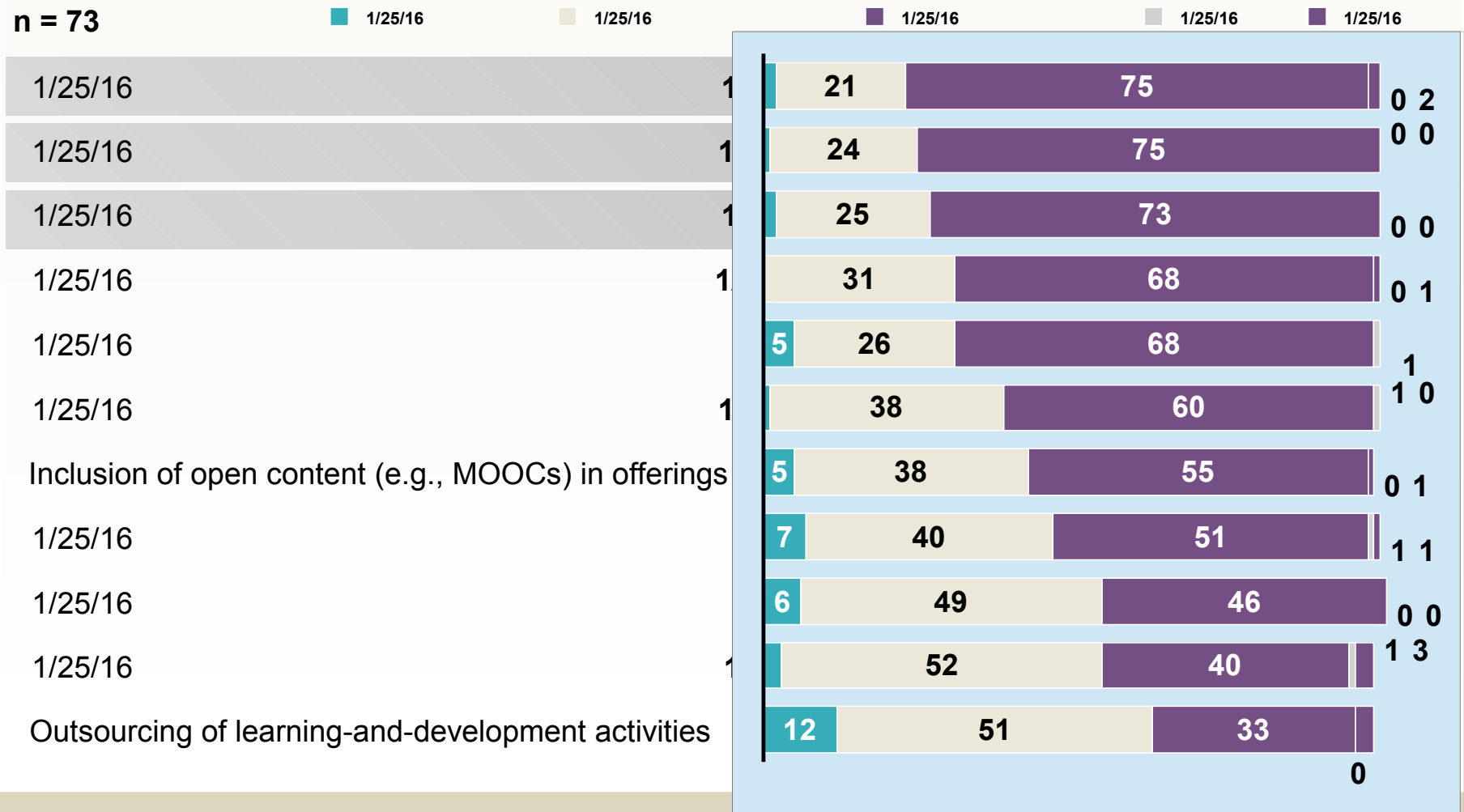
Digitization, innovation of learning design and solutions are expected to change the learning landscape most in the three years to come

(To what extent, if at all, do you expect each of the following trends to change corporate learning and development at your organization over the next three years?)
 (% of respondents)

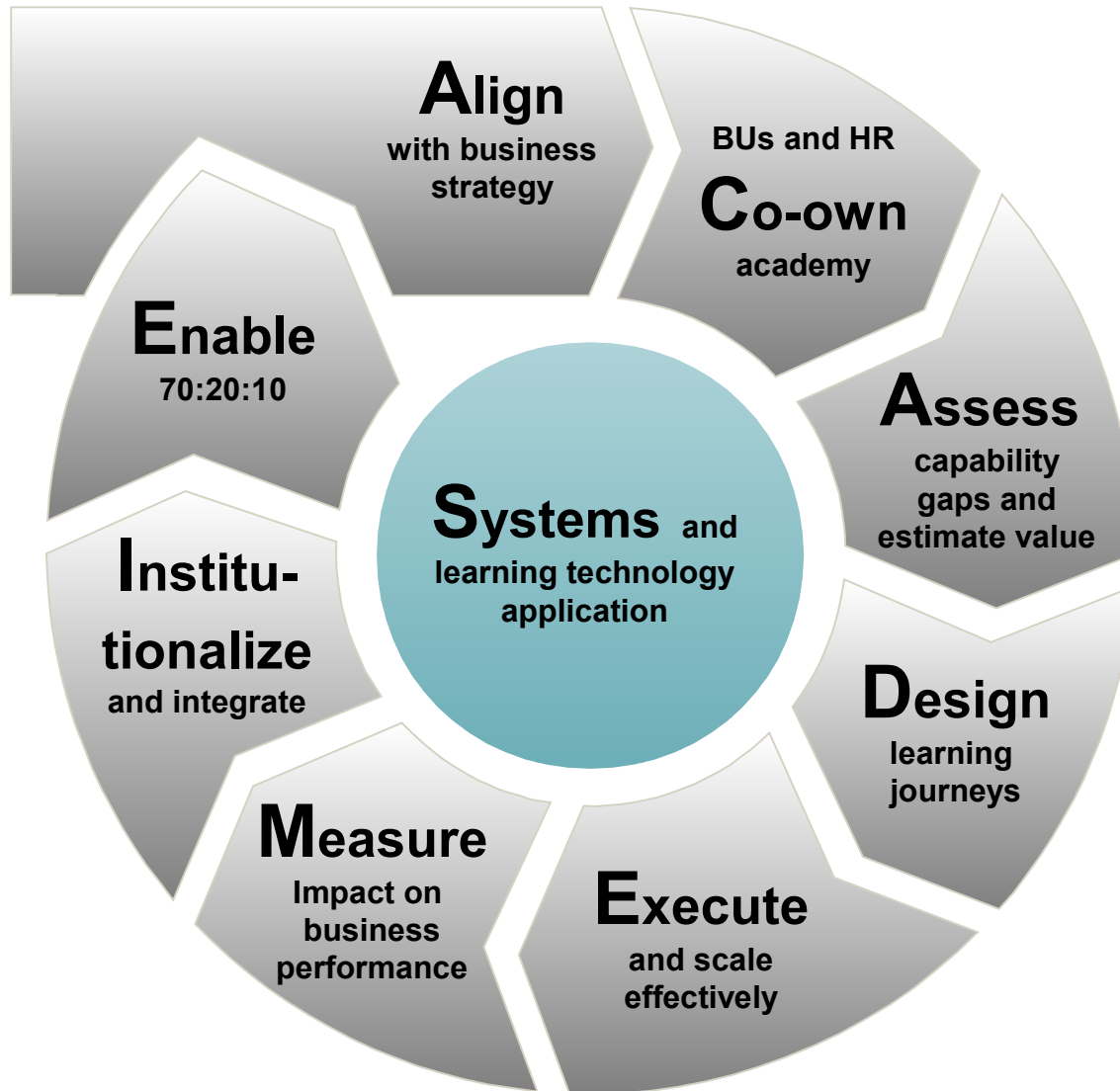


Blended learning, Mobile learning and informal learning are expected to be the most important trends for learning delivery in the next three years

(How important will each of the following trends be to your corporate academy's learning delivery and development of learning solutions over the next three years?)
 (% of respondents)



The Academies Framework



The ACADEMIES framework captures the core elements of effective corporate academies

- How can the learning architecture be more aligned so that it supports an integrated and enterprise wide learning technology architecture – including potential necessary links to other enterprise information systems?

S

- How can the current learning interventions be optimized between informal and formal learning interventions?

- How can on-the-job learning be more optimized by finding alternative learning interventions to formal ones?

E

- Do you / How do you integrate learning results into HR processes, e.g. for incentives, promotions etc.?
- What (other) activities do you undertake to institutionalize learning?

I

- Do you formally link learning program outcomes with subsequent performance at individual and business level?
- What kind of, if any, targets do you set for learning programs?
- What, if any, KPIs do you use to measure impact?
- How well are your learning programs meeting targets?
- What is your RoLI (return on learning investment)?
- How is impact reflected in the learning strategy?

M

- Who delivers the learning programs?
- How do you prepare and execute large-scale programs?

E

- Do you know which institutional capabilities contribute most to your organization's performance?
- How well is your learning & development strategy aligned with your business priorities?

A

- Who governs the corporate academy and decides on the learning & development strategy?
- Who operates the corporate academy?
- Who funds the corporate academy?
- What share of your annual revenue do you spend on the academy?
- Who decides focus/content/curriculum of the corporate academy?

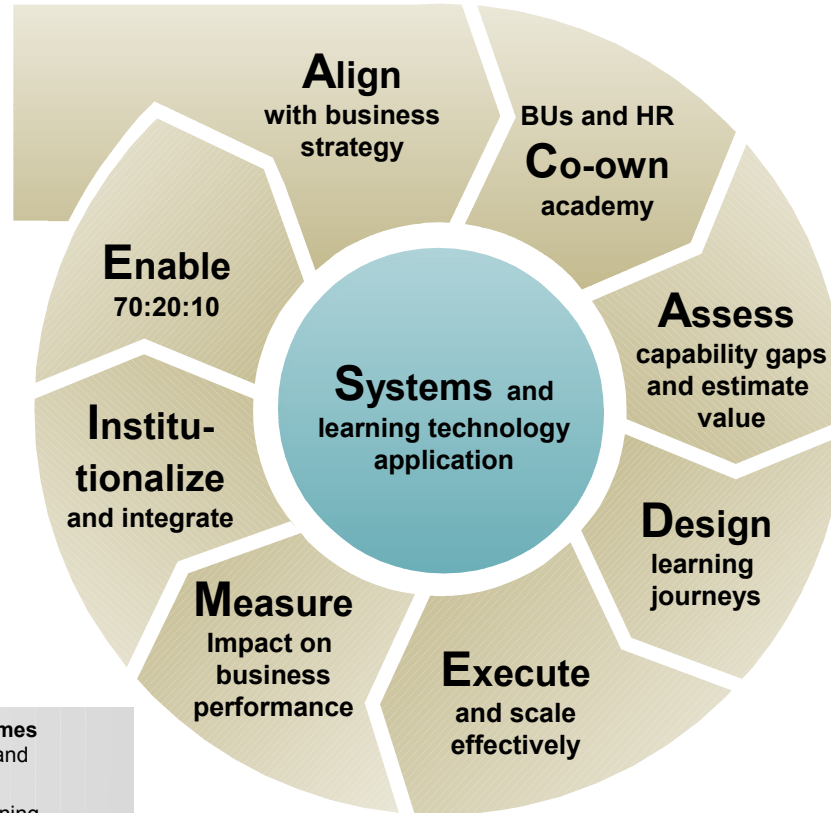
C

- Do you systematically assess institutional and individual capabilities and capability gaps as base for learning program design?
- How do you assess capability gaps?
- Do you have comprehensive competency models for assessing capabilities / developing learning journeys?
- Do you set targets for learning outcomes?

A

- Who designs the learning programs / learning journeys?
- What kind of learning interventions do you use?
- How effectively are you using these interventions?

D



Contents

- Back up – further reading



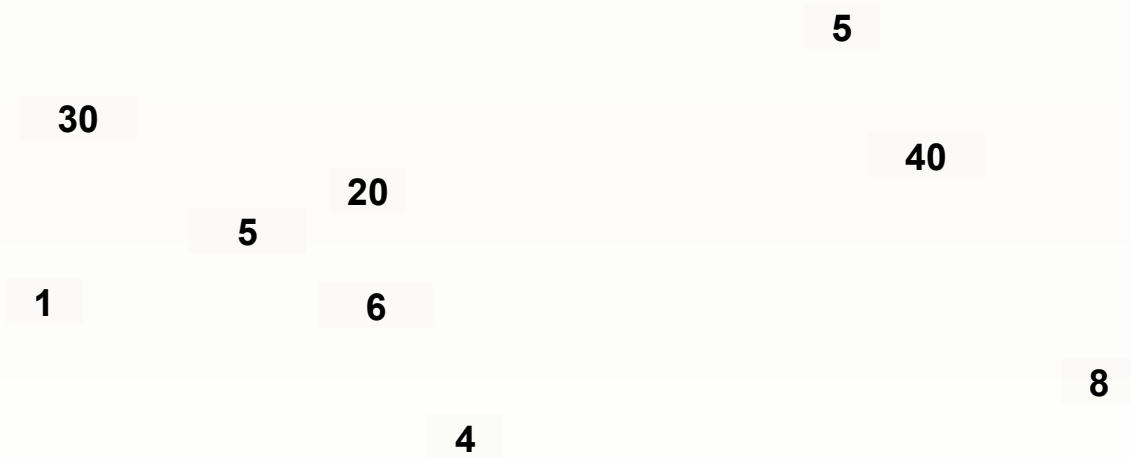
Responses to the 2015 Capability Building survey spanned the globe..

The online Corporate Academy Survey included 119+ executives from 23 countries, and 63 companies with revenues >\$1bn

XX - # of respondents

The 3rd Global survey on corporate academies¹ focuses on

- How effective corporate academies are at institutionalizing a company’s capability-building efforts and drive business performance
- What challenges corporate academies are facing, and how companies are overcoming them
- How current trends in learning and learning technology may shape the structures, program offerings, and delivery of corporate academies in the future

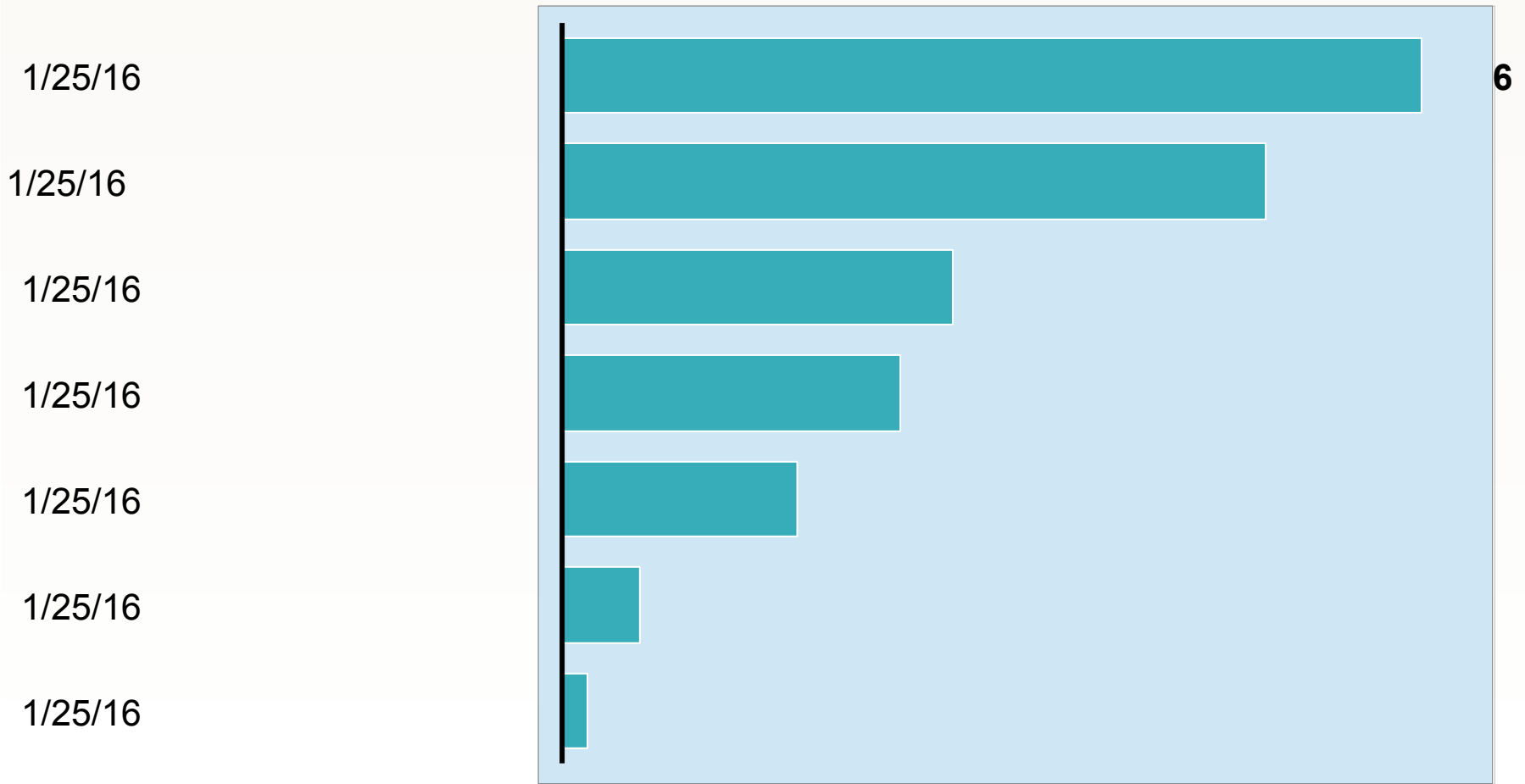


1 We define a corporate academy broadly as a dedicated unit or initiative that aims to develop and sustain institutional and individual capabilities to deliver performance in line with the organization’s strategy.

Profile of respondents

(To whom do you directly report?)
(% of respondents)

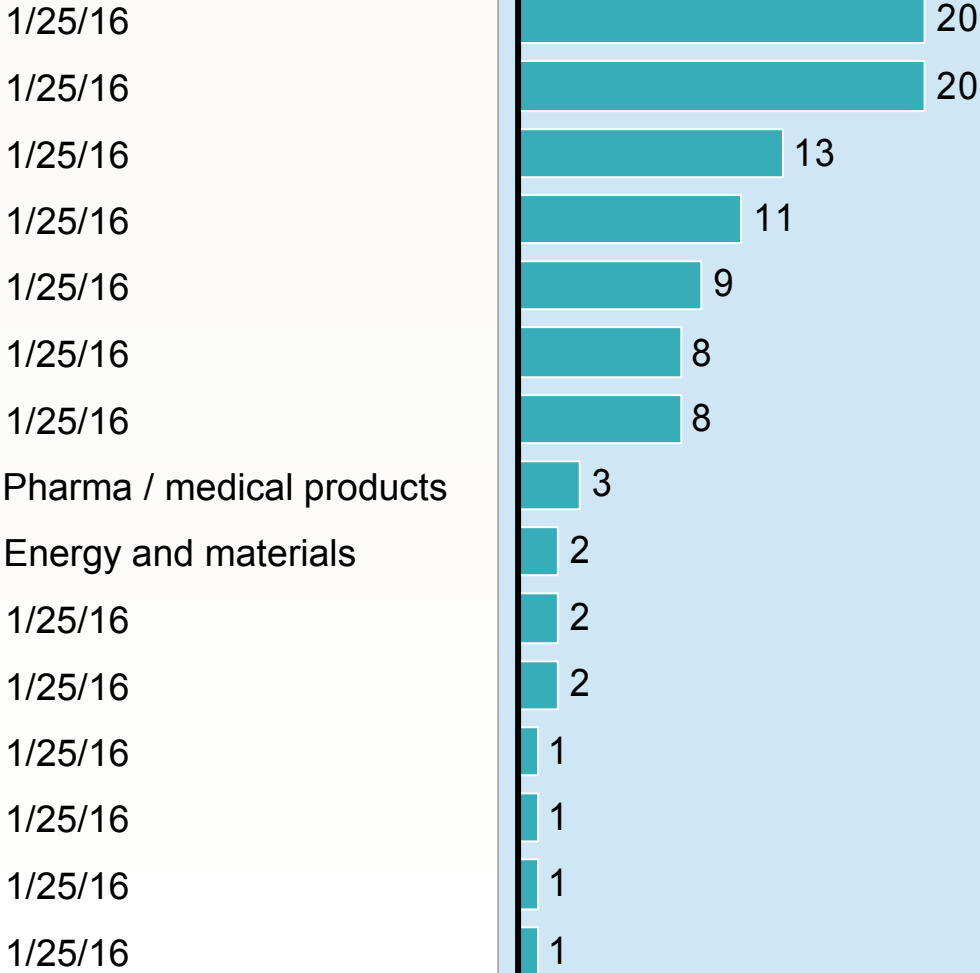
n = 73



... and the survey covered all major industries and job function

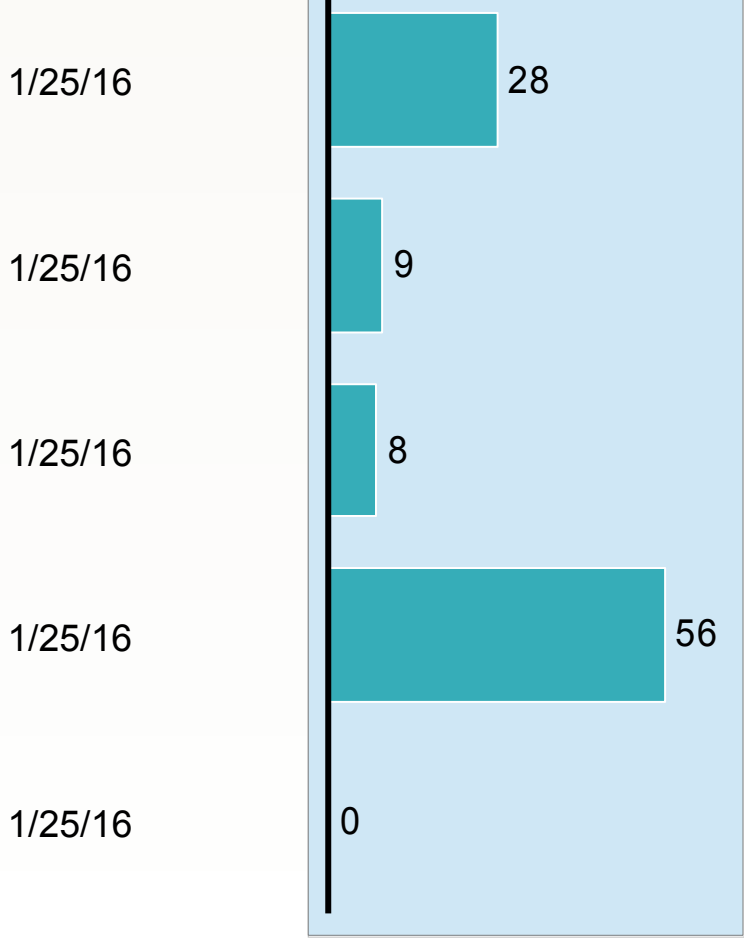
Industry classification...

n = 119; in graph % of total



... number of employees

n = 119; in graph % of total



>50% of respondent organizations (63) have revenue above 1bn USD

Annual revenue1

n = 119; in graph % of total

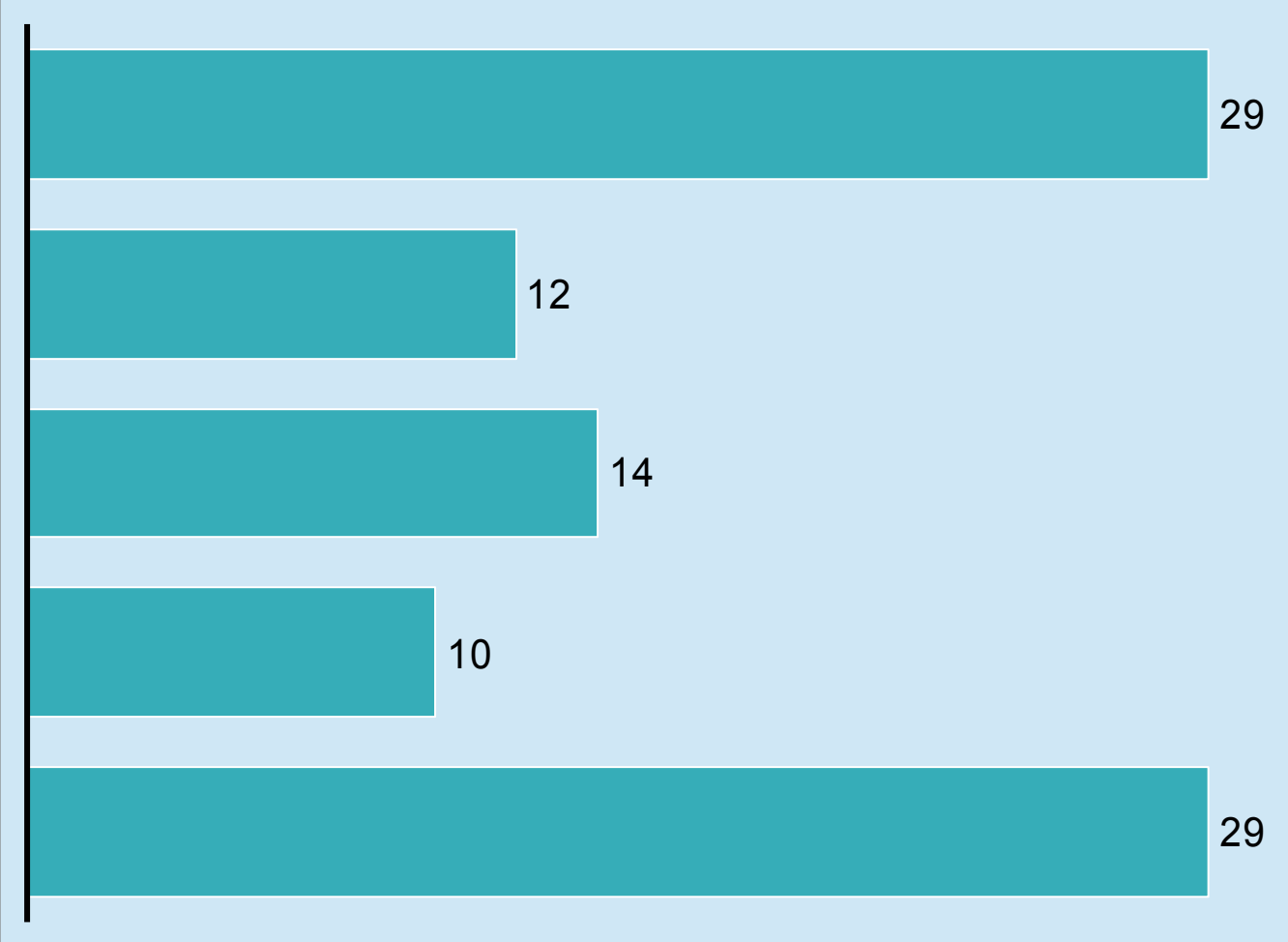
1/25/16

At least \$500 million but less than \$1 billion

At least \$1 billion but less than \$5 billion

At least \$5 billion but less than \$10 billion

1/25/16



16% responded 'don't know'



THANK YOU