

The Three Prototypes of Corporate Universities

*Corporate Universities can—and should—be typed according to their mission.
Is yours a reinforcer, change manager or shaper?*

By Anthony J. Fresina, Ph.D.

Corporations such as Wal-Mart, Federal Express, Motorola and Disney excel, in part, because they are focused. Their focus is built on economic and other models—models that help capture critical assumptions about the company, its environment and its strategies for succeeding in that environment. That our premier corporations have such models or frameworks has become conventional wisdom. Wal-Mart has a perspective or framework for dealing with its vendors; Federal Express for thinking about logistics; Disney regarding business synergies.

The *development* of an organization and its people is at least as important as the organization's business strategies; some would argue more so. Fail to develop the people and the strategies remain bright ideas that might have been.

Yet, how many directors of corporate universities can articulate the models that give direction and shape to their development investments? Better yet, how many CEOs and other senior executives can speak to those models and, therefore, to the assumptions behind investments in develop-

ment? Eighteen plus years of working at the executive level in our nation's premier corporations suggest to us that the answer is: few corporate university directors, and even fewer CEOs and senior managers, can speak to those underlying models. Most senior managers cannot substantively discuss the corporation's development strategies which, in turn, inhibits their ability to explore not only the strengths of a developmental investment, but also its weaknesses; not merely its promises, but also its risks.

One way to shape and facilitate such a discussion of your corporation's development strategy is to employ the "Three Prototypes of Corporate Universities Model." The model is an outgrowth of our firm's work with *Fortune 200* corporations and their creation of their internal "universities."

The three prototypes address mission or purpose. They are deceptively simple. In a nutshell, the prototypes and their purposes are:

- Prototype I**—To reinforce and perpetuate the corporate university
- Prototype II**—To manage change
- Prototype III**—To drive and shape

Prototype I: Reinforce and Perpetuate

When a corporation has what it believes is a winning formula, it strives to ensure that the formula is followed. In such a corporation, the role of the university is often one of reinforcing and perpetuating that winning formula. Federal Express and Disney are two notable examples of Prototype I training and development efforts: corporate universities which have, as their pri-

mary purpose, reinforcement and perpetuation of the Federal Express and Disney ways.

At Federal Express, Steve Nielsen, Managing Director of the Leadership Institute, offers an extensive curriculum where employees at all levels are taught by "Preceptors," or "those who do the job best."

Since 1984 the Leadership Institute has offered courses and experiences that "reflect the culture, values and philosophies unique to Federal Express." Our belief that the Federal Express Leadership Institute is a notable example of a Prototype I university should, in no way, suggest that the Institute is not evolving and changing as required by the corporation and its changing business reality. To the contrary, the Leadership Institute regularly refines and evolves its curriculum—but always toward the primary purpose of introducing, reinforcing and perpetuating what is currently believed to be the "right way" at Federal Express.

Disney has been benchmarked perhaps more than any Prototype I corporate university. A recent and notable example is the extensive coverage of Disney University in *Corporate University Review* (May/June 1996), which brought to life the role of Disney University in perpetuating the "magic and the secrets."

We are not suggesting that Disney and Federal Express never deal with "change" or emerging business issues in their training and development initiatives. However, the primary purpose of Disney University and the Federal Express Leadership Institute is to reinforce the operational excellence

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that is so central to each corporation's success. If these training and development entities do nothing else, they reinforce and perpetuate the corporation's proven practices and introduce and quickly embed the new and refined.

Prototype II: Manage Change

When a corporation believes that its practices, systems, policies, strategies or even underlying values need to be adjusted, it sometimes turns to its corporate university to help implement those changes. A corporate university that has, as its primary mission, assisting with or even leading the management of change is a Prototype II endeavor.

In Prototype II the direction and nature of the change (the "answer") has most likely been determined elsewhere. Perhaps the CEO has decided the organization must become more customer oriented. Or the operating committee has targeted new levels of cost containment and operational efficiency. Maybe the CFO has spearheaded a push toward different measures of profitability, cost measurement or overall valuation. The list of solutions, answers and initiatives discovered or initiated by senior management is nearly endless.

In such instances, a Prototype II corporate university is understandably and appropriately created or charged with the mission of supporting the change—over to the new solution—to the envisioned future.

The methodologies of a Prototype II, in the traditional language of our profession, are aimed at unfreezing, introducing/moving and then re-freezing. The university is attempting to help the target population think about and eventually let go of perspectives and beliefs that are no longer thought to serve them or the corporation well.

Once "dysfunctional" or outmoded beliefs are discredited or discarded, the Prototype II corporate university can introduce new insights or practices thought to be more appropriate for the current or near-future reality.

All of the above is wasted if these new practices or beliefs aren't reinforced and "frozen" into the collective mindset of the target population.

To accomplish all of the above, there is a heavy reliance on teaching and/or exploring the context of change: why is it necessary? Understanding context helps ensure that one can let go of old ways and not only understand, but truly embrace, the new.

Two exceptional examples of corporations with Prototype II training and development strategies are Amoco and Knight-Ridder.

At Amoco, Bill Clover utilizes a variety of interventions to help manage Amoco's change efforts. Perhaps most notable is the Amoco Learning Center led by Harold Hillman where, every twelve to eighteen months, Amoco's top 3,500-4,000 managers spend the better part of a week carefully considering the changing realities of their industry and the values, strategies and practices that are likely to be successful in their future. The Amoco Learning Center represents an intense effort at harnessing education to assist in the management of change.

Knight-Ridder, Inc., the Miami-based newspaper, media and financial information corporation, has a long-standing tradition of leveraging training and education. At first that effort was primarily Prototype I, aimed at important skill-building throughout both the editorial and business sides of the corporation. In approximately the last ten years, under the leadership of Rob Reed, Director of Training, Knight-Ridder has made a major and quite successful shift to Prototype II training and development.

Using a variety of interventions and educational initiatives, Rob's team has helped their executives aggressively explore the changing context of the newspaper, media and financial information industries. The learning methodologies have been rich and varied and the pace often intense. At times, Knight-Ridder's training and development initiatives have been Prototype III in spirit, process and out-

come. The result appears to have been a substantial contribution to the corporation's evolution and change.

Prototype III: Drive and Shape

Every once in a while a corporation takes the bold step of commissioning its corporate university to become a Prototype III force for the organization. Utilizing our rather strict or "ideal" description, our data suggest that this does not happen often.

The purpose of the Prototype III corporate university is to be a primary force for driving and shaping the corporation. It is, we believe, an inspired yet risky utilization of the training and development function. It happens, seemingly, only when senior management understands that a properly conceptualized, supported and executed corporate university is, in all likelihood, the strongest forum in the organization for helping to shape and give direction to not only significant organization change but, occasionally, even to the business itself.

When a corporation's leadership believes that the answers to the future of the corporation can best be discovered by harnessing the collective wisdom of the management team or even of the larger organization, then one of the primary conditions for a Prototype III university is present.

A drive-and-shape Prototype III corporate university is actively, aggressively and regularly engaged in the exploration of new possible contexts and resulting future directions for the corporation—not sometimes and not by accident. Its charter presupposes few, if any, answers. Its mission demands that "learners" explore the ambiguous, the uncomfortable and the unknown.

In a true Prototype III university the staffing, budgets and processes are squarely lined up with these missions and charters. There is no mistaking what business the university is about. There are, we believe, relatively few examples of true Prototype III corporate universities. They include the frequently referenced and benchmarked Motorola, GE and, more recently, the intentions and charter of Lincoln

National Corporation's Center for Breakthrough Business.

Motorola has deservedly received considerable attention for and coverage of its Motorola University. In his 17 plus years as head of that organization, Bill Wiggenhorn has directed a broad range of learning initiatives across nearly every business function and organizational unit. Many of those initiatives have been directed at contributing to the exploration and creation of Motorola's future. And, while training and development at Motorola has developed and implemented a great number of Prototype I and Prototype II learning initiatives, it stands out for its path-cutting endeavors at the Prototype III level, which include the Senior Executive Programs, the various functional institutes, and globally-focused action learning initiatives.

CU's: Ideal "Driving and Shaping" Forums

It is perfectly logical to ask, "Why entrust the driving and shaping of a business to its corporate university?," for this is hardly the traditional role of education in the vast majority of corporations. While space does not allow exploration of the rationale in depth, there are a few key factors worth considering.

More than ever before, "driving and shaping" requires exploration. It

necessitates, in the first instance, a willingness to let go of the past; in the second instance, an ability to look truthfully and fully at the emerging future; and in the third instance, the courage and freedom to explore what could and/or must be for the future. A properly conceptualized, supported and executed corporate university, more than any other forum in the organization, offers the ideal environment for each of the above. When boldly pursued the corporate university is:

1. a "safe house" or laboratory for:
2. questioning, wondering, exploring and,
3. perhaps most importantly, *challenging*
4. with a critical mass of externally- and internally-focused data, while
5. receiving experienced process support.

Yes, corporations could create these conditions in other departments or functions. But how often does this happen? When it does, there is less imperative to look to a Prototype III corporate university for such leadership. When it doesn't, the track records and benchmarks of the few Prototype III corporate universities are available for consideration.

Are the Prototypes Mutually Exclusive?

Talk with Steve Nielsen at Federal Express or read his Leadership Institute's literature and you'll note ample references to organization change. Even though we believe Federal Express is primarily a Prototype I, (Reinforce and Perpetuate) corporate university, Steve is correct. Visit with Bill Clover or Harold Hillman at Amoco and you'll hear more than a few examples of how Amoco's Management Learning Center squarely addresses emerging business issues (Prototype III behavior). Yet we see Amoco as primarily a Prototype II, helping with the management of organization change. But again, Bill Clover and Harold Hillman are correct.

To put our seemingly rigid categorizations in perspective:

1. The prototypes are ideal types (stated in the extreme for purposes of clarity)
2. The prototypes speak to the primary mission of the university, not to the occasional—even if intended—special outcome
3. Dedication to one prototype does not preclude occasional excursions into another
4. In practice, the greatest value of the Three Prototypes Model may be in the conscious, proactive blending of developmental strategies from two or more of its elements

Indeed, the pursuit of Prototype II almost always includes a good deal of Prototype I activity. And Prototype III inevitably incorporates both I and II.

Discipline and Art

One way to utilize the three prototypes is to select one of them as your corporation's model, and then discipline yourself and your university team to hold, with few exceptions, to that charter.

The benefits to this approach include making your work simpler, cleaner, better understood, more effi-

A Few 'Prototype III' Tests

You are probably **not** engaged in Prototype III activity if:

- More often than not, the purpose of a learning initiative is to help participants understand the rationale behind an answer they've been given
- The primary skill set of your staff is:
 - instruction/delivery and/or
 - managing change projects, but not
 - facilitation of open, exploratory business discussions
- The outputs of your learning initiatives consistently fade into the background
- Everyone is consistently comfortable and happy with your university's offerings.
(Prototype III sometimes resides on the uncomfortable edge.)

cient and, if you've selected the "right" prototype for your corporation, more effective.

There are also risks associated with selecting one prototype and holding to it. Perhaps most obvious is the risk of oversimplification. Few corporations have needs that consistently line up with only one prototype.

We counsel our clients to consider combining the discipline of a primary prototype with the art of selectively borrowing from each of the other two. This is no easy task.

The "artistry" of selecting and blending from among the three can quickly deteriorate into a dangerous lack of discipline. Without the disciplined pursuit of a primary prototype, life can easily become muddled and ineffective.

We've witnessed the following results from a lack of discipline in holding to a primary prototype:

- a. Confused customers and sponsors

- b. Resource dilution—budgets:

Lack of sufficient funds in the direction of any one prototype to achieve critical mass.

- c. Resource dilution—staffing:

Our experience argues strongly that each of the three prototypes requires a different staffing configuration.

Try to do all three without a primary prototype as your guiding light, and you risk a form of staffing mayhem even if you have a substantial university budget.

What Difference Does It Make?

An organization that has a winning formula should probably focus the majority of its corporate university's energy on perpetuating that winning formula (Prototype I). Why mess with success just because something else may be perceived to be sexier?

When the leadership of a corporation has a strong sense of where the organization should go and how it

should change to get there, the corporation is probably doing itself and its shareholders a favor by actively supporting a strong Prototype II university. It is unfair, if not dangerous, to seriously engage in Prototype III behavior in such a corporation where the answers have already been determined.

A company in the midst of a dynamic and changing industry that wants its collective leadership to give shape to and deeply own its future should consider taking on the risks and costs associated with a Prototype III corporate university.

Selecting the right prototype for your corporate university makes an enormous difference. It is the equivalent of choosing the right business strategy. It is your *development strategy*.