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What are corporate academies?

How are they structured and why have one?

In a context of <u>digitalization of business</u>, the corporate academies represent the tangible sign of the evolution that involves the role of training. All the big companies have one and the medium-sized companies are trying to equip themselves. But what exactly are the academies and how were they born?

In the first half of the twentieth century, few companies became aware of the central role that training can play in the company. The first corporate academies were founded by General Motors (1927) and General Electric (1955) in New York. General Electric had conceived what it called Corporate University as a department aimed at providing technical training for all employees, while the General Electric Academy proposed to centralize the training process in a specific physical location. However, the Corporate Universities are viewed with suspicion by the HR professionals themselves anchored to traditional models of corporate training: in the post-war period one could not imagine how many and which technological innovations would have followed one another since the 80s / 90s.

In fact, it is precisely in the last two decades of the twentieth century that there will be an exponential growth in the number of the Academy (in 1980 there were 400, in 1990 they became 1600 and nowadays there are over 4000) and will spread late in Europe (think that in Italy the first Academy is founded by Eni in 2001 and currently there are about 200 Academies in the European continent). Only after 2000 did the Academy begin to take on more "current" appearances. It is precisely in that decade that we are witnessing an exponential development of technology that transforms the world into a series of connections in which knowledge is available quickly and at low cost "The telematic revolution brings people together and cohabitation [...], allows them to work together on common projects going beyond borders and continents "(F. Galimberti 2017). At the same time, in the corporate world, a process of cultural and organizational evolution takes place that focuses not so much on tangible production processes, but as an intangible and acceptable resource: knowledge.

In this context the organization becomes <u>learning organization</u> and the Academy shows its full potential: "It is no longer sufficient to provide a catalog of training courses" (Allen 2010). The modern academies will launch a new concept of training: no longer understood as a catalog of one-shot courses mainly focused on mandatory training, technical or managerial and aimed at solving training gaps, but as a place, physical and virtual, aimed at continuous production and sharing of knowledge that helps to achieve the company's business objectives and to create value and employability.

There is currently no univocal model for defining and presenting the structure and purpose of an Academy. Each of them was born from specific and different business needs, but we try to identify the points that unite them.

What are the Academy?

The definitions present in existing literature are different and capture different fundamental aspects of the Academy: for example the link with business strategy, external customer orientation and no longer just to employees, attention to change processes in the company. Some highlight the innovation aspect of the Academy (that is, the explication of the strong link with the context of transformation within which it is situated), but the reference to new technologies is missing: the learning organization operates actively in a digital and technological context, therefore the way to produce knowledge also passes through technological innovation. All this is possible thanks to the development of platforms and tools with which to share ideas and projects in real time and from different parts of the world and access online training courses.

In light of all this, the definition that could be proposed could be: "The corporate Academy is the fulcrum of the Learning Organization. it is a physical and virtual place in which people are not only recipients of training interventions, but (through new digital technologies) also and above all active subjects of the development and sharing of skills and abilities, of the diffusion of the corporate culture and of the continuous innovation of processes in order to contribute to the pursuit of the corporate mission, guaranteeing sustainability and social responsibility in the territory ".

How are the academies structured?

Is the Academy like a traditional training department? Ideally, no, it is more of a real business unit, precisely because it is not conceived as a pure cost center, but as a value producer.

As a Business Unit, the ideal Academy model should have a formal level:

- its own organization chart, slim and with only one hierarchical level;
- a mixed governance system, that is composed partly of members external to the company;
- its own **mission and vision** aligned with those of the company;
- defined objectives based on a process of continuous enhancement of professional skills, in harmony with the corporate culture.

In Italy there are virtuous cases in which the Academy has these characteristics: in Her Academy and in Landi Renzo, for example, all four characteristics are present.

It is precisely in mixed governance that we find one of the fundamental aspects of the Academy: the link with the academic and research world. By its nature the Academy cannot exempt itself from the dialogue with the traditional centers of knowledge production: universities, schools and research centers. How? Through projects such as business games for undergraduates connected to projects actually in place in the reference company, training projects for school / work alternation, real recognized masters and, above all, III level apprenticeships (so-called industrial doctorates).

In the last few paragraphs we have defined the Academy as a physical and virtual place. What do you mean? Every company in which an Academy is present finds a precise physical location for it. For example, UNICA, the Academy of the Unipol SAI group, is based in a historic building in the province of Bologna, Landi Renzo has a school built ad hoc next to the company's headquarters. This is because, as a Business Unit, within the Academy it is possible not only to provide courses included in employee growth paths, but also to offer training courses for external suppliers or customers and to organize conferences on topics of interest to the territory. Illy Coffee University started from "a purely technical basic course" to open up "to a broader vision: the relationship with producers, the relationship with sustainability and therefore more scientific, biological, even transformation details" (Bellavista 2016), offering 16 courses for external customers.

The Academy is also a virtual and digital place: knowledge passes mainly through sharing platforms, apps with which you can manage your training path from any device and / or interact on the forums and communities of the company intranet, making also a considered use of the social network. The use of social networks in the Academy still has some obstacles to overcome, first and foremost cultural: social media may not only be tools for distraction from work, but also means of sharing best practices and corporate values to the outside, with a view to employer branding.

Why do we need the Academy?

- The Academies create employability through the continuous training with which the person has the possibility to develop highly spendable skills and value is superior only to the technical skills useful for the achievement of short-term business objectives;
- Through collaboration programs with universities, schools and research centers, it attracts young talents and spreads corporate culture and values to the outside;
- Through the attention dedicated to the person, to the growth of his all-round professionalism, the engagement increases and allows the company to effectively overcome any change management processes.
- It can foster growth and sustainability by promoting projects whose implementation can also involve companies and the territory in partnership.

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