37 Virtual Corporate Universities

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Summary. The creation of virtual corporate universities not only supports more flexible training and the development of human resources within companies. Rather, it is developing into a strategic concept for putting the paradigm of lifelong learning into practice. In the future, virtual corporate universities will be institutions of knowledge logistics and thus be of great importance to companies. Linked with this are new areas of responsibility, such as knowledge editing, knowledge services and the coaching of learning. Internet-based E-learning applications are an ideal software instrument for the process-oriented support of knowledge logistics. They give employees the functionality they need to organize and maintain different virtual project teams and supply them with the necessary knowledge. Web-based training, virtual cases and strategic online dialogs are assembled to build new knowledge and education products. This chapter presents concepts and solutions for the introduction and management of virtual corporate universities.

37.1 From Information Society to Knowledge Society

The knowledge conveyed within the framework of corporate training and continuing professional education is subject to ever more rapid changes. In many specialized fields, it is assumed that subject matter knowledge is completely renewed every six to ten years, with the trend pointing to ever shorter cycles. This is making it more and more difficult for corporations to keep pace with new developments. In some sectors, the innovation cycles are already so short that traditional training schemes are no longer suitable, since the time needed to implement the scheme would exceed the innovation cycle. Learning is thus undergoing a shift from learning on a just-in-case basis to learning on demand (lifelong learning). As a manifestation of this, it is estimated that 69% of corporations are anticipating an increased need for continuing staff training (Hochschulrektorenkonferenz, 1996). The reasons for this are not only the globalization and ever shorter shelf-life of knowledge but also the shift from the Taylorist division of labor to a broader qualification of the workforce (Dürand, 1997, p. 179).

These rapid developments entail new challenges for corporations with respect to in-house training and human resources development. Globally operating companies must ensure their employees have state-of-the-art knowledge in all areas in order...
to make sure that corporate strategies are uniformly implemented throughout the world. Only a carefully directed information and knowledge transfer, which must also be individually tailored to the employees’ needs, can guarantee innovation, speed and profitability (Müller, 1999). This knowledge transfer can succeed with the help of knowledge management concepts which systematically tap the existing knowledge within the organization and make it available on a target group-specific basis. This, in recent years much propagated approach, has led to greater problem awareness in dealing with knowledge as a resource. With the introduction of in-company knowledge management responsibility functions, such as chief knowledge officers, and the development of knowledge management-specific information systems, it seems this topic has firmly established itself in the corporate environment.

Another aspect is the question as to what knowledge is currently not available in companies that will be needed in the future, and how these knowledge deficits can be overcome. This is a classical task of continuing education or corporate human resources development. Information technologies assume a special role in this context, especially from the point of view of organizing these human resources development tasks as efficiently as possible. Leveraging them will make it possible to overcome the former chasm between education and career, working and learning. E-learning is one of the breakthrough strategies in corporate e-business and human resources concepts.

In future, we will no longer be able to so strictly separate what is part of our everyday work and what is uncoupled learning. An intermingling is taking place. The imparting of knowledge will be integrated in day-to-day work by means of Internet technologies. This gives us the opportunity to really speak of a ‘learning’ organization. (Scheer, 1999, p. 111 [authors’ translation])

Against this background, more and more companies have started to build up their own (virtual) corporate universities and online academies for their executives and employees. In Germany, for example, this includes companies such as DaimlerChrysler, Deutsche Lufthansa, Bertelsmann, Deutsche Bank, Metallgesellschaft, Merck and SAP. One strategy in use is that of forming learning alliances with business schools such Harvard, Insead or IMD on the basis of long-term learning alliances (Kraemer & Müller, 1999). Small and medium-sized enterprises are also increasingly investing in E-learning. Companies such as Festo or Kaeser Kompressoren are among the pioneers in the use of E-learning. There is a general trend towards networked Internet-based E-learning solutions for the SME sector in which the activities are coordinated under one roof in order to keep down the investment costs for the individual SMEs.

Differing institutional organization structures make it possible to depict individual and organizational learning for different target groups and different business models such as online academies or virtual corporate universities. E-Learning strategies are often implemented by leveraging Web-based E-learning solutions, with employees accessing via the Internet course materials offered by private-sector content providers or freely available learning resources, for example from the university