The Platform Model for Executive Learning (short version)

Introduction

Traditionally, the world of customized executive education for senior managers has been dominated by top-tier business schools that are generally positioned in the top twenty-five of rankings conducted by organizations such as the *Financial Times* and *Business Week*. More recently we have seen the emergence of a new customized executive education model – what can be termed the 'Platform Model' - that is being leveraged by some of the world's largest corporations. The Platform Model brings together two specific groups – intellectual free agents and corporate clients – through the platform intermediary. This model is driven by a changing client demand for return on investment (ROI), and builds on the growing number of intellectual free agents who need and desire to collaborate openly with other individuals and institutions. These free agents are empowered by easy-access technology that enables them to gather intellectual capital and collaborate at low cost.

The proprietary model (based on in house concepts and resources) that provided uniqueness for top tier Business Schools over the last decades, may well become their Achilles heal in the coming years. We observe the emergence of platform intermediaries which embody some key characterics for delivering executive learning in the future: a platform intermediary at the heart of an associated network of intellectual free agents represents a *boundaryless* organization, which drives *deadlines*, responsibilities and activities without necessarily *owning* the client relationship, which creates *multiplicative effects*, through the *sharing* of intellectual capital between peers in a *collaborative* environment. These characteristics are not the exclusive domain of Platform Intermediaries, but they are increasingly valued by executive education buyers. This development potentially creates a disruptive effect in the market, as the Platform Model has low entry barriers and can easily be multiplied. The emergence of the platform model will require top-tier business schools to re-evaluate their approach. The implications reach beyond the executive education world to all professional services where intelligent networks of independent, clever people co-creating solutions with clients, could be their main future competitors.

Drivers of the Platform Model - Changing Client Demand

In recent years client demand has evolved around demonstrating the ROI of executive learning (rather than education) through the enhancement of the practical skills of executives and the implementation of tangible business results. The requirement to prove ROI has led to a much closer involvement of clients in the design of programs and generally a higher level of sophistication amongst clients. They know what creates a real impact and they will demand it regardless of departmental or institutional domains.

This increasing sophistication of client demand pushes the world of customized executive learning to customize and innovate beyond the boundaries of a single institution. The client may request different providers to work together, previous consultants' work to be integrated or sustained, or certain professionals to be included in the offering because of their know-how, skill or relationship with the company. Concurrently we have observed clients asking to integrate divergent management disciplines, research areas, and learning methodologies. Increasingly the skills of open collaboration and innovation have become differentiating capabilities of a customized executive education provider; in practice these capabilities can hardly be attributed to a single institution.

Clients have also become familiar with the benefits of working with professional practices outside the academic domain. They recognize that their executives' development needs cover the physical, emotional and spiritual well being as well as the intellectual strengths of executives. In order to meet these demands a broad range of professionals from literature, the performing arts, media, wellness and sports bring expertise to cover the physical, emotional and spiritual learning needs. Clients understand that "non-academic" program elements can create a high impact, if they are well integrated in the overall design and linked to the academic contribution. The role of the platform intermediary is to bring entirely different worlds, mindsets and people together and ensure that everyone involved can translate their profession to the business world and understands their role in the overall programme.

Finally, in a difficult economic climate clients have become cognoscente of the costs of management development. One former Director of customized programs at a top-tier business school says: "companies buy business schools for two reasons – brains and brands". "Brains" refer to the intellectual expertise within the school's academic faculty, while "brand" represents the peace of mind for HR professionals in buying a 'trusted' vendor – as well as the associated brand benefits for participants of having attended a top-tier

management school. In the platform model companies buy the time and resource of all professionals involved plus a fee for the organization and the platform. It is a transparent model without the overhead burdens of buildings, support staff, libraries, systems and infrastructure. This means that the Platform model has the potential to offer a competitive price/quality ratio when compared to top-tier business schools.

The Dilemma for Business Schools

The primary task of a business school is to further academic management knowledge through rigorous research. Academic faculty spend the majority of their time doing this research with the aim to get the results published in academic journals and make their mark on how businesses can be best led, grown and competitive advantage can be created. Educating the world through teaching these research outcomes on degree programs and to management practitioners in executive education programs, is the secondary part of their mission.

Top-tier business schools typically draw from their *internal* faculty pool for the teaching of executive education programs, with the belief that academic faculty best understand the latest insights and are best placed to explain these insights to an executive audience. Indeed, one of the main differentiators communicated by top-tier business schools in the market for executive education for custom programs has been the leading edge research of their core faculty. Not surprisingly, most business schools are strict with regard to who can teach on executive education programs, with many top-tier institutions all but forbidding the use of external faculty and especially non-academics (ie. non-PhD qualified consultants or practitioners).

Academic faculty at top-tier business schools typically monopolize the 'intellectual' design of executive education programs. This approach can be limiting for a number of reasons: academic faculty are experts in a specific management discipline and often tend to frame client issues through their own field of interest; academic faculty can guard their content expertise and be reluctant to collaborate in sharing their material with other faculty on a program, making integrated design difficult; research-oriented academics tend to rely more traditional learning approaches such as lectures and case studies, and; formally trained academics

can be dismissive of learning approaches that have not been academically validated, which can be rather limiting when integrating approaches.

Some business schools have taken the path of more open collaboration, with Duke University's off-shoot Duke CE probably the most widely recognized in this respect. But the vast majority of business schools are still grappling with proprietary approaches more appropriate for the industrial era than the 21st century knowledge economy.

The Platform Model

Platform intermediaries build client relationships by becoming trusted advisors, and act as open gateways to introduce corporations to a linked network of professionals. These organizations can be small such as – Netherlands based Executive Learning Partnership and '*the* **world** *we* **work** In' or substantially bigger: such as London-based Duke CE. The Platform Model for executive learning recognizes the existence of what has become a two-sided network, entailing a triangular set of market relationships. On one side of this network are the individuals and firms that possess specialist skills and expertise, and on the other side are organizational clients seeking learning solutions. The need for these two groups—the network's "sides"—to interact with each other efficiently has created the opportunity for the emergence of intermediaries – what technology-based industries commonly call *platform providers*. The *Platform* embodies an *architecture* —a design for services, and infrastructure facilitating network users' interactions—all at low-delivered cost. In technology-based industries the platform also provides a set of *rules;* that is, the protocols, rights, and pricing terms that govern transactions. But in the executive learning setting, we use the term *guiding philosophy* rather than *rules*.
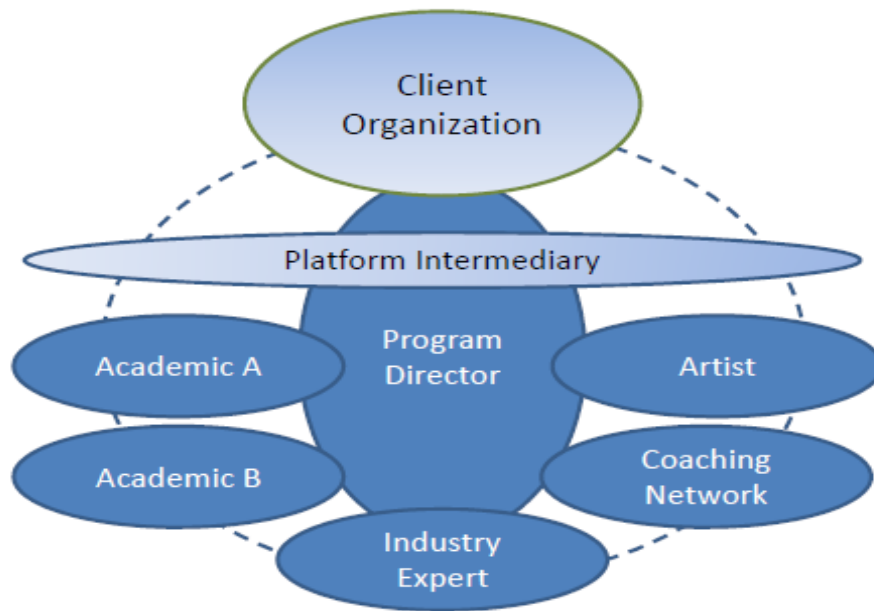
The design for services transforms executive education into executive learning: the architecture ensures that all design, development and delivery activities are aimed at the participants of the programme, rather than faculty teaching or facilitating the programme. Therefore the designs focuses on outcomes and learning processes rather than business/academic content. Furthermore the platform ensures that all programmes are sourced by faculty who are interested in the clients business reality and show a willingness to collaborate with other faculty to create an integrated programme. Finally all people involved from the platform realize that learning comes from facilitated action learning which participants are given the concepts, tools and skills to apply in real business challenges, rather than a form of classroom-based, case study led knowledge transfer.

Guiding philosophy

Ultimately many of the tangible building blocks of a more traditional organization such as the buildings, the physical infrastructure, the systems and the job contracts have been replaced by intangible pillars like trust, relationships, collaboration and agility and quality of execution. These pillars are solely dependent on the capabilities and commitment of the professionals involved – it relies not upon "locking-in" clever people through formal contracts and formal performance measurement tools, but rather "locking-on" people through a deeper sense of commitment, reciprocity and shared purpose. In this sense all the professionals

are viewed as clients rather than resources. The ability to accelerate change and transform organizations must be reflected in the transformation of all professionals involved.

The platform model is underpinned by independence, and the role of the intermediary between the two sides of the network is to be impartial and authentic. The approach is solutions oriented and focused on achieving the best outcomes for clients *and* partners. A prerequisite is that the platform "creates an environment in which…clever people can thrive" (2007, Goffee & Jones). The possibility that people will thrive is enhanced if the platform can link the professionals directly to their commitment, their development and values. The underpinning core values of this organizing model are trust, transparency and continuous learning.

Limitations of the Platform Model

Successful platform intermediaries excel at what Ghoshal (1999) called: "managing the intangibles: people, process and purpose". The Platform Model strengths (speed, entrepreneurship, agility and passion) are based on these pillars. Simultaneously it also shows the limitations of the Platform Model:

People: Relationships and (virtual) collaboration are the cornerstones of each team working on a client project. The subtle difference between real open collaboration and 'going through the motions' is sometimes hard to detect. Yet 'going through the motions' clearly is not good enough. The Platform Model is built upon working with professionals who are usually self aware, (overly) confident and deeply uncertain and anxious to deliver good performance, and do at least as well as their peers on the program. Client expectations, participant evaluations and the free agent status may add to this insecurity. In order to deliver excellent programs all these anxieties need to be overcome individually as well as a team. It requires careful relationship building, continuous encouragement and mutual feedback.

Process: Excellent programs rely on clear and well run support processes executed by colleagues often in the early phases in their careers. The collaboration between faculty and program coordinators is as crucial as between faculty and the result of anything less than flawless teamwork is immediately visible in the delivery of the program. Since the platform members are involved in various different networks with different procedures, it requires an extra effort to get them to understand the administrative processes, focus attention on building a relationship with coordinators and adhering to these processes.

Purpose: With distributed leadership, open boundaries and little management in place, all the emphasis in the platform is focused on creating immediate outcomes for clients. As all professionals are paid on a per diem basis, it is a challenge to get people involved in the longer term continuity of the platform. Creating rituals, a brand and meaning beyond today's work is complicated by the fact that many are dispersed around the globe. The moments of togetherness, celebration and loss are rarely shared by the whole community, whilst we know how powerful these

are to build community. Can we really talk about community here? Are we entering new eras of community building?

Conclusions

It has been our aim to describe an emerging model for delivering customized executive learning programs, which is gaining significance in the world of management development. The continuing proliferation of intermediaries that bring together free agents and clients to deliver customized executive learning programs will pose an increasing challenge to the dominance of the proprietary model of most top-tier graduate management schools. Especially, in these dire economic times, the platform model has the potential to outbid the top-tier Business Schools and gain a foothold so that they can firmly establish themselves in the market for executive learning. They may then establish what the Business Schools' current advantage is: a brand that makes them a trusted advisor and provider of services. This could potentially be a disruptive development for B-schools.

This article aims to stimulate debate in executive learning organizations about how to respond to changing client demand. The implications may reach well beyond executive learning to all professional service firms where value is created through integrating professional services into customized solutions such as consultancy, accountancy, medical services and law firms.

Textbox 1 – Case study: How the Platform model works in practice

ARCADIS NV, a global engineering company in the areas of infrastructure, environment, and buildings with 13.500 people, 11 operational companies active in more than 70 countries, realized it was time to change its Advanced Management Program (AMP) which was preparing high potentials for top 100 positions. The program was well received by participants, the faculty involved had a good relationship with the board and yet the program was not meeting expectations anymore. Too few program alumni actually made the step into the top 100. The leadership component had too little impact and generally the program had too little emphasis on application and impact. The business school and faculty came primarily from the Netherlands, which was raising concern from the newly acquired international subsidiary companies. The company had become much more international over the last nine years with 26 acquisitions abroad. This needed to be reflected in the top 100 program.

The client engaged with the Director of an executive learning platform intermediary. His suggestion to the client was to schedule a design day as a real life assessment with a clear output: a new design for the AMP. The Director of the Platform Intermediary reasoned that ARCADIS would be better positioned to make an informed decision about a their potential executive learning partner after a joint work experience.

During the design day the client and a potential faculty team from five different nationalities and countries designed the new AMP outputs and the design of the first module using teleconference and face to face sessions. The team led by a Program Director started to develop the program. Each of the faculty and facilitators prepared their own learning methods and materials, with the Program Director and Client ensuring that development work was well integrated. Most communication was done virtually. This collaboration led to three customized assignments used as real life projects during the program.

The program was well received, and the projects led to ideas about the branding and positioning of a newly acquired US operating company, as well as ideas to integrate the environmental sustainability trend more practically in the firm's business offering.

Textbox 2 – Comparing the Business School and Platform Model for Executive Learning

Compare and contrast easily creates 'archetypes'. This textbox paints the 'black and white' picture of the two models. Many organizations display features of both models.

Dimension	Business School	Platform Model
Reputation	Brand as quality guarantee	Track record of professionals and intermediary referrals as quality guarantee
Boundaries	Clear institutional boundaries	Immediate access to professionals
Purpose	Primary aim is research	Primary aim is a program with impact
Starting point	Academic content led	Broad range of perspectives and professionals included underpinned by academic insight
Orientation	Teaching, faculty orientation	Facilitation, participant and result orientation
Connections	Connecting disciplines	Integrating holistic learning experience
Collaboration	Collaboration has no incentive	Multiplicative effects of open collaboration
Proposition	Leading edge knowledge & 'right' answers	Further strategy execution and people development
Ownership	Proprietary	Shared

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