

# WHAT ARE THE JOBS TO BE DONE IN THE FUTURE OF EXECUTIVE EDUCATION?

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UNICON Research Report

2021

## **UNICON POSITIONING STATEMENT**

### **UNICON – The International University Consortium for Executive Education**

UNICON is a global consortium of business-school-based executive education organizations. It's primary activities include conferences, research, benchmarking, sharing of best practices, staff development, recruitment/job postings, information-sharing, and extensive networking among members, all centered on the business and practice of business-school-based executive education. UNICON is a diverse organization, with representation from over 100 schools. In addition to size and geography, schools are diversified by the expertise, reputation and strength of their faculty, the types and size of their customers, and increasingly the breadth and depth of their executive education portfolios. The ability to represent many perspectives in executive education is a great strength of UNICON and a source of continued learning and vitality in the field. This diversity of views and interests also means that there is no single "UNICON perspective" on its commissioned research topics, including no single perspective on the future of business education – an area which this report ably addresses. The interpretations and perspectives expressed in this report are those of the researchers, professionals who are deeply familiar with the business education field and the needs and objectives of its stakeholders.

### **The UNICON Research Committee**

The UNICON Research Committee advises the UNICON Board of Directors on research priorities, cultivates a network of research resources and manages the overall research pipeline and projects. The Research Committee is made up of volunteers from UNICON's member organizations.

### **UNICON Research Report: What are the Jobs to be Done in the Future of Executive Education?**

UNICON sponsored this research initiative that was conducted by Tom Ryan. The result is: the market is not compassionate: clients choose the provider that best meets their needs in this increasingly competitive environment. Schools should be continually asking themselves how well their business model and learning approach for executive education is suited to provide solutions to their target clients' 'job to be done' - and continually building human capability needed to be client-centric and solutions-oriented.

# WHAT ARE THE JOBS TO BE DONE IN THE FUTURE OF EXECUTIVE EDUCATION?

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## Executive Summary

As we emerge from the pandemic, individuals and organisations reflect on the new skills needed in the changed world. Looking at the new jobs to be done, they search for ways to match a newly required skill and capability set. Traditionally, university-based Executive Education has been the address to go to. However, surveys suggest that a substantial number of businesses find university-based executive education does not fully meet their needs - in particular, failing to demonstrate an understanding of what clients really need and their job to be done. Competitors in the executive learning space have designed services and built business models on a more client-centric approach, delivering better solutions to clients' needs. There are structural factors that can prevent universities from being entirely customer centric and solutions-focused, but there are things that a business school's Executive Education leadership can do.

One of the most important antidotes to the lack of customer-centricity is to hire and develop people with the perspective and skills to help the client meet that job to be done. This includes both professional staff and faculty.

## Introduction

Innovations in the market for executive education are challenging the value creation process/ chain of the university-based organisations UNICON represents, bringing both opportunities and threats.

The paper summarises recent surveys that suggests that university-based executive education providers are not always the preferred provider and some of the reasons why. It then explores a number of innovative business models that offer alternative learning solutions to organisations' 'job to be done', contrasting them with the typical business model at business schools, to identify reasons why they have been welcomed by the market. It moves to consider how the institutional context in which schools exist can place limitations on their ability to be solutions providers before finishing with some practical suggestions on how schools can better meet their clients' needs.

UNICON sees this paper as the first of a series addressing the topic of business model innovation in non-degree executive education. We aim to investigate ways in which university based executive education can keep its competitive advantage, using academic robustness to create valuable insights for organizations and individuals – and pivot towards more customer-centric approaches. Learning about innovative business models provides an opportunity to learn from our competitors. The impact of changes in the competitive landscape will vary by school, and each school needs to develop its own unique response, grounded in the reality of its own context.

## Our Clients' Perspective

The approach is not new, and there is hardly any service organisation that does not claim to be customer-centric. And yet - the reported perception by clients as shown below indicates room for improvement.

In their HBR article Know Your Customers' "Jobs to Be Done"<sup>1</sup>, Clayton Christensen and his co-authors observed that "Successful innovations help consumers to solve problems—to make the progress they need to, while addressing any anxieties or inertia that might be holding them back." This is no less true for organisations, and applies to the learning & development needs of organisations. 'Job to be done' can include, for example, ensuring a pipeline of outstanding management talent, achieving a significant change in organisation culture or increasing profits by building specific skills in a specific group of employees.

In his March 2021 presentation for UNICON "Why Companies Don't Use Business Schools" Andrew Crisp asked two key questions and shared his survey findings, as follows:

Question	Findings
How do businesses choose a provider to work with?	<ul style="list-style-type: none"> <li>• Reputation of the provider (32%)</li> <li>• Ability to create content clearly related to my business needs and challenges (29%)</li> <li>• Staff with a deep understanding of our business sector (27%)</li> <li>• Learning that enables staff to have an impact at work (28%)</li> <li>• Least important was cost of provision which was ranked 10, 11 or 12 by 41% of respondents</li> </ul>
What reasons do businesses give for not using business schools?	<ul style="list-style-type: none"> <li>• Other providers offer programs which better meet our development needs (33%)</li> <li>• Business schools are too theoretical and not sufficiently abreast of the real-world challenges we face (31%)</li> <li>• Business schools don't have the specific expertise we are seeking (29%)</li> <li>• We have not seen any real impact back in the workplace after investing in a business school program (27%)</li> </ul>

Organisations are looking for providers that understand their needs and deliver solutions with impact. At least one-third of respondents to the 2021 Crisp survey indicate that other providers perform better than business schools on these criteria.

The 2021 survey<sup>2</sup> of over 350 chief learning officers from around the world conducted by the Financial Times in partnership with UNICON and others provides further insights into clients' criteria in choosing providers.



This is further evidence that the research-based and empirical knowledge many business school put at the centre of our offering to clients is less important to them than the ability to deliver solutions to needs through customisation. The FT noted that nearly three-quarters of responding companies plan to use non-university training partners, reinforcing Andrew Crisp’s findings. Taken together, this suggests we can and must do better in meeting the needs of our clients.

## Business Models for Executive Education

To compare and contrast the dominant design for face-to-face executive education operations at university-based providers with some notable 21st century approaches adopted by alternative providers, I have used the business model canvas<sup>3</sup>. The canvas allows us to understand the components of the different business models, as captured in the standard template:

<b>Key Partners</b>	<b>Key Activities</b>	<b>Value Proposition</b>	<b>Client Relationships</b>	<b>Client Segments</b>
	<b>Key Resources</b>		<b>Channels</b>	
<b>Cost Structure</b>			<b>Revenue Streams</b>	

Examples of representative business models are shown in exhibits at the end of the paper:

1. University-based executive education: custom and open enrolment programmes delivered in concentrated blocks of time - with faculty and the school campus at the core of the offering
2. Variation: client-centric business model focused on delivering solutions through custom programmes only and without the constraints of having its own faculty and campus by using the resources of other business schools - Duke CE<sup>4</sup>
3. Variation: partnering with a firm from outside the industry to deliver custom programmes only - Headspring (FT|IE CLA)<sup>5</sup>, a joint-venture of The Financial Times and a Spanish business school offering the insights of journalists as a complement to faculty drawn from IE and twelve partner business schools and learning organisations around the world
4. Variation: global strategy consulting company - McKinsey Academy<sup>6</sup> leveraging the firm's reputation, corporate client connections and intellectual property with a focus on results for clients
5. Variation: talent development consulting firm - Korn Ferry<sup>7</sup> adding a learning and development capability to its portfolio of services and leveraging its database and intellectual property

In the discussion of these business model approaches, I have used the following acronyms:

- CSP refers to custom or company specific programmes. OEP refers to open enrolment programmes.
- B2B refers to relationships with organisations including businesses, governmental and third sector who commission CSPs or send employees on OEPs.
- B2C refers to relationships with individual participants who choose programmes.
- F2F means face-to-face.

## University-Based Executive Education Business Model

A single canvas cannot be much more than food for thought to re-think and reflect on the established business model at the more than 100 UNICON members. In the words of Professor Michael Hay, "There is more than one way to be a successful business school". Individual schools frame and make strategic choices on a variety of parameters that reflect their unique context and objectives.

For example, schools differ in the clients and participants they target, in the learning methodologies they employ, in the locations where they deliver, in the extent to which they use external associates to deliver content and in who is responsible for client relationships. Despite these variations, there are elements of a dominant design with own faculty and the school campus(es) at the core of a business model that offers both Custom / Company Specific Programmes and Open Enrolment Programmes. Of course, even before the pandemic schools had changed their choices within this dominant design over the years, opening new campuses and adopting new learning methodologies. As campuses remained closed due to the pandemic, the competitive advantage of location and (a spectacular)

campus fell aside, and made the need for offering customer-centric solutions even more prevalent.

Most, if not all schools adopted new learning methodologies. However, this generalised model serves as a starting point to consider some of the significant changes to the high level model adopted by innovators.

## Insights From These New Business Models

Duke Corporate Education was one of the first to build a business model around their customer-first vision and spun out of Duke University's Fuqua School of Business in 2000. It saw an opportunity to create an innovative business model that would deliver a differentiated value proposition to the B2B market: highly client-focused; offering solutions to the client organisation's needs; drawing on the most relevant academics and contributors from any source; delivered anywhere in the world (80 countries at 2021). Duke CE has been consistently ranked by the Financial Times as one of the top providers of custom programmes. It now claims to have had more than 250,000 participants on more than 8,000 programmes. With the Duke CE model offering only custom programmes it made the decision to not offer the benefits of open programmes. Duke CE also took the view that having its own faculty and campus can be a barrier to meeting clients' needs. In launching an executive education provider that competed directly against business schools but without three assumed core elements of the established business model - open programmes, own faculty and campus - it effectively took a red pen to the established canvas. While no provider has simply replicated the Duke CE model, it has probably led some schools to adapt within the dominant design by delivering more programmes off-campus and by including a broader range of contributors.

Over a decade later, Headspring / FT | IE Corporate Learning Alliance was created in 2014 to meet a perceived gap in the market. Five years after its inception, CEO Gustaf Nordbäck, said in 2019: 'We strongly believe that the HR and Learning & Development communities are being under-served by traditional executive education providers.'<sup>8</sup> Headspring has partnered with multiple schools around the world to give access to a greater number and variety of faculty, reflecting the Duke CE view that the faculty of a single school are unlikely to be able to meet the needs of all clients. This partnership arrangement also gives the venture access to multiple campuses around the world, and the ability to deliver programmes in more than one language. The inclusion of journalists from one of world's leading business newspapers (The Financial Times), can address clients' concerns that business school faculty 'are not sufficiently abreast of the real world challenges', cited in the Andrew Crisp study. Like Duke CE, Headspring offers only custom programmes. IE continues to offer open enrolment programmes outside the joint venture. Headspring is not included in the Financial Times rankings because of the obvious conflict of interest.

These two model innovations have come from challenging the dominant design. Duke CE could be summarised as 'no faculty, no campus, no problem'. Headspring is the result of transferring an existing CSP business to a joint venture with a provider of different but



complementary expertise. However, both remaining fundamentally based on faculty expertise as a key source of value to clients and participants.

The other two model innovations come from established professional services firms moving into the provision of executive development which can be seen as a natural fit with their desire to deliver solutions to their clients' 'job to be done'. McKinsey's business model is focused on application and results with scale, leveraging its existing client relationships, intellectual property and global reach. While McKinsey is a general management consulting firm, Korn Ferry is an organisation consultancy with a narrower range of expertise. It uses its accumulated data on people performance and intellectual property to benchmark where an organisation is compared to where it wants / needs to be, before proposing and delivering solutions to address the gap. It is worth remembering that for such firms, executive education is part of a broader portfolio of services designed to meet the needs of clients. These two firms are representative of other firms from similar backgrounds that have entered the market for executive education. The Bain Academy promises to collaborate with clients to deliver "results that stick" through customised learning experiences led by Bain experts who combine deep domain knowledge with real-world perspectives<sup>9</sup>. BCG say that what they offer is 'not leadership development training; it's targeted executive coaching that changes how people show up and lead every day at work'<sup>10</sup>. The Big 4 now also executive education services. At pwc, Duke CE founding CEO Blair Sheppard now serves as Global Leader, Strategy and Leadership for the network<sup>11</sup>.

These firms are typically large and global, which gives them strength in depth for programme design and delivery that is not easily matched by many schools. McKinsey boasts of "hundreds of learning design and delivery consultants, instructional designers, program managers, operations experts, and change facilitators worldwide". It is also notable that the intellectual property belongs to the firm, rather than to individuals as is generally the case in the academic world. Staff can access and deliver content regardless of where in the firm it is developed. Because these firms and their consultants are actively working on key client issues, they can claim greater real world relevance compared to many business school academics and access to 'best practice'. These firms focus on custom programmes, although some do offer a few open programmes.

## Our Conclusions

The entry of 'non-university' firms into the market for executive education suggests that the sector is still economically attractive. The creation of new, more customer-centric business models suggests that doing things differently could be very attractive to potential clients and participants. The fact that competitors have endured demonstrates that some clients have preferred their new value propositions, for at least some of their learning and development needs.

The four innovative business models we illustrate in this paper share a focus on providing client-centric relationship management and delivering meaningful solutions with real world

application to the learning & development needs of organisations globally drawing on a broad range of expertise and learning approaches.

A firm is a solutions provider only when its clients see it as such. One conclusion from the above analysis is that there is an issue of perception: organisations do not properly understand the capabilities of schools – which suggests that a job to be done for schools is to better demonstrate that they deliver solutions with impact. The other (and non-exclusive) conclusion from the emergence and success of the new business models is that business schools have still room for improvement when it comes to customer-centricity. Too often university-based executive education can be seen as being “supplier-driven” rather than solutions providers. The subtle but crucial difference between the two approaches is possibly best demonstrated by the following example.

A business school was approached by the commercial banking arm of one of the UK’s top banks to run a corporate finance programme for their relationship management team. Discussions with the co-heads of the business revealed that they wanted to improve the team’s understanding of their client CFO’s agenda which would strengthen the relationship. It would also allow the relationship managers to identify ways in which the bank’s products and services could meet the clients stated and unstated needs, generating more business. The bank’s job to be done was increasing revenue and profits. A school with a producer mind-set would have simply replicated existing corporate finance programmes, whereas a solutions provider would look for ways to ensure the programme did result in increased revenue to the bank, including incorporating non-finance elements.

We need to adapt our executive education activities in response to the needs of our clients and the value proposition of new providers by adopting a solutions provider mind-set and making necessary organisational changes.

## **Institutional Context**

In reflecting on these innovators and contrasting their business models with the dominant design of university-based executive education, it is important to consider institutional context. Most UNICON member schools are part of universities, which has a number of implications. The schools benefit from the reputation, connections, scale and resources of the parent university, but that relationship may place limitations on their choices: their charitable status can prohibit undertaking ‘commercial’ activities such as move towards consulting; university standards may restrict who can be recruited and promoted on an academic track; some key leadership roles may be restricted to career academics. Independent academic institutions such as IMD or INSEAD may have greater freedom of action to stay close to the customer.

Most schools (and their associated universities) are non-profit entities that rely on tuitions, donors and historic endowments for funding. As a result, there is often an expectation that executive education will generate an economic surplus that supports other school activities. This can hinder investment in executive education operations. At the same time, the university’s charitable status may impose restrictions on the activities it can undertake. In

contrast, many of the new entrants to the executive education market are commercial organisations, some of them backed with private equity, with different objectives and constraints.

Business schools recruit as junior faculty people with a proven interest and competence in rigorous academic research which they further develop. Consulting firms seek to hire people who want to help organisations solve business issues – and then invest in their ability to do so. Early career success in a consulting firm comes from delivering value to clients and working well with others within the firm and within client organisations. Later career success depends on the ability to sell that value to clients. In contrast, early tenure-track career progress in an academic setting depends on publishing research done alone or with a handful of writing partners, with much of the work done in an individual office behind a closed door. As competition to get papers published in respected journals has increased, it may be pushing academics to focus on increasingly arcane topics of interest primarily to other academics in the same field. It is not obvious that business schools' approach to tenure track recruitment and development is designed to produce people effective in executive education.

The relationship between schools and their faculty differs from commercial organisations. At business schools, faculty typically own their intellectual property. Indeed, many business schools market open programmes on the basis of the reputation of a 'guru' who shares the insights from their current publication. In consulting firms, intellectual property belongs to the firm. This distinction has implications for who can and will deliver what content. Subject to approval, anyone in the consulting firm can deliver any of its content where they have relevant expertise. In contrast, faculty are not always willing to deliver content developed by others or to allow others to deliver their content. This is compounded by the culture and practice in many if not most universities that discourages faculty from moving into other disciplines from a research and teaching perspective. This can limit the ability of the school to meet the needs of clients. At the same time, faculty at most schools are free to work privately with what may be competing organisations (such as Duke CE). It is difficult to imagine McKinsey allowing a partner to work privately for say BCG.

Rankings also play a role in the strategic options open to business schools because of the attention paid to them by a variety of stakeholders. To do well on any ranking, a school must ensure it understands the ranking criteria and make choices that will lead to better scores. For example, the Financial Times criteria for custom programmes include the number of international clients, the number of overseas programmes and the number of partner schools and faculty diversity. A school that chooses to focus on meeting the needs of national clients by delivering programmes in-country without involving other schools may be valued as a solutions provider by those clients but fail to achieve a strong ranking. This conflict can influence the strategic choices the school makes. An excessive focus on rankings of business school providers can also blind schools to the existence of competitors from outside this group, such as consulting firms. Schools might usefully exercise a degree of scepticism when it comes to rankings, and educate their stakeholders on their shortcomings and potential unintended consequences.

## Building Schools' Capability As a Solutions Provider

As noted earlier, schools need to be seen more often by clients as the solution to 'the job to be done'. However, the institutional context within which most UNICON member schools operate can impose restrictions on their ability to become a compelling solutions provider. Overcoming these barriers is not a simple or quick process.

While considering how to overcome those barriers, there are things a school can do more easily to unleash its ability to better provide solutions to at least some of the needs of its target clients.

As a starting point, a school might usefully consider "do we know what we know?" Leaders in the executive education operation can ask each member of faculty currently engaged in the delivery of executive education programmes three questions: what audience should we put you in front of? What would you tell them? What would they get from it and how would it help them?

The next issue to explore is the people who provide the interface between client and faculty. Do they understand clients' 'job to be done'? Are they capable of using the faculty answers to the above questions together with other learning approaches to develop programmes that meet the client's needs? Are they incentivised and motivated to do so? Are they open to new ways of addressing client needs, or do they prefer people and approaches that have proven successful in the past? Are they 'rainmakers' capable of converting a client's 'job to be done' (whether clearly articulated or merely hinted at) into a solution for the client and business for the school? Are they 'order-takers' capable of responding to a request-for-proposal using tried and tested approaches, but nothing more? Or are they administrators, capable of maintaining existing programmes, but never winning new ones?

A school might also ask if it has hidden executive education talent amongst the faculty not currently involved by asking such people the "do we know what we know" questions. This can identify those with the potential to become valued contributors when supported with an appropriate development process.

Based on this understanding of its own capabilities, the school can identify gaps that it needs to address to provide solutions its target clients will value. It can then consider if they can be addressed through a network of associates or through partnering with other schools, institutions or organisations.

Schools may wish to trial this on a limited basis as a 'management experiment' before fully committing to it.

While these suggestions have been framed in the context of custom programmes, they also apply to the design of open enrolment programmes and how clients are guided toward those that best meet their needs. This 'job to be done' and solutions mind-set should also be reflected in digitally supported programmes, which are the theme of another paper. The ability to deliver content virtually or in an asynchronous online form can enable schools to make better use of their capability and to provide solutions to our clients' jobs to be done.

While many schools have already built this capability, there may be further opportunities to exploit the potential of new technology.

## **Summary**

The market is not compassionate: clients choose the provider that best meets their needs in this increasingly competitive environment. Schools should be continually asking themselves how well their business model and learning approach for executive education is suited to provide solutions to their target clients' 'job to be done' - and continually building human capability needed to be client-centric and solutions-oriented.

**APPENDIX.** The following Business Model Canvases provide more depth and detail for the approaches described in this paper for traditional UBEE, Duke CE, Headspring/FT, McKinsey and Korn Ferry.

## Exhibit 1 – University-based Executive Education on Campus Face-to-Face (F2F)

The business model of the executive education operations of UNICON member schools share many features, creating what may usefully be considered as a dominant design, although there are differences in the details as discussed later.

<b>Key Partners</b> <ul style="list-style-type: none"> <li>Individual associates and small businesses (such as developers of simulations) who contribute to programme design and delivery – and to client relationship management</li> <li>Accommodation and catering providers</li> <li>Partnerships and joint ventures with university and non-university partners including professional service firms</li> </ul>	<b>Key Activities</b> <ul style="list-style-type: none"> <li>CSP: pitching for new programmes; design; delivery, relationship management</li> <li>OEP: designing new programmes; marketing to B2B and B2C clients (existing and potential); delivery, relationship</li> <li>CSP and OEP design may inform each other</li> <li>Developing faculty and contributors – content, ability to deliver, profile</li> </ul>	<b>Value Proposition</b> <ul style="list-style-type: none"> <li>Programmes that address specific learning and development needs – and provide other benefits – delivered in blocks of several days or weeks – to groups of c 20 – 60</li> <li>Emphasise faculty and research – sometimes complemented with coaching and action-based learning</li> <li>CSP – a turn-key solution including customised programme design, content, delivery, administration, facilities</li> <li>OEP – an appropriate mix of participants from other functions, industries or geographies that enhances learning experience</li> <li>Impact (and possibly ROI)</li> <li>Brand / status</li> </ul>	<b>Client Relationships</b> <ul style="list-style-type: none"> <li>B2B: covering both CSP and OEP – may be integrated or independent; dealing with multiple touch points in same client; nature of relationship may be preferred partner, trusted provider or transactional; staff - rainmakers, order-takers or administrators; team may include professionals, faculty and / or associates</li> <li>B2C: some guidance on programme selection; largely transactional; referrals</li> </ul>	<b>Client Segments</b> <ul style="list-style-type: none"> <li>B2B: organisations that commission CSP or send employees on OEP</li> <li>B2C: Individual participants who choose OEP – whether funded by themselves or by their employer</li> <li>Participants segmented by career role (e.g. HR vs. sales), stage of career, academic achievement, language ability, location, ability to pay</li> <li>Clients can be segmented by location depending where school is willing and able to deliver programmes</li> </ul>
	<b>Key Resources</b> <ul style="list-style-type: none"> <li>Faculty</li> <li>Associates who act as programme directors, content contributors, facilitators and coaches; programme managers responsible for logistics</li> <li>Range of learning methodologies</li> <li>Campus: Lecture rooms, seminar / breakout rooms, catering, accommodation (owned or contracted); campus(es)</li> <li>Knowledge management system</li> <li>Learning management system</li> </ul>		<b>Channels</b> <ul style="list-style-type: none"> <li>Benefits from and contributes to the broader reputation of the school</li> <li>Direct relations with B2B and B2C clients are the norm – with greater person to person contact on B2B and more reliance on digital connection for B2C</li> <li>Intermediaries for marketing and admissions management</li> <li>Rankings as an opportunity to promote the school and an ‘order qualifier’ that gets the school listed for consideration</li> </ul>	

<p><b>Cost Structure</b></p> <ul style="list-style-type: none"> <li>• Campus and LMS costs substantially fixed – shared with degree programme</li> <li>• Own faculty cost may be substantially fixed – and allocated based on teaching load where exec ed programmes are part of that load – but may be variable if faculty work is outside teaching load and</li> <li>• Marketing, sales and client relationship management has fixed element (including share of school marketing wide costs), plus variable costs related to marketing of individual OEP and winning / maintaining CSP relationships</li> <li>• Executive education is expected to generate economic contribution to wider school (and university)</li> </ul>	<p><b>Revenue Streams</b></p> <ul style="list-style-type: none"> <li>• CSP: revenue comprises design fees on set-up, daily fee per group (which may flex with group size), possibly accommodation and catering charges; costs are largely known when programme is designed so programme profitability is relatively certain</li> <li>• OEP: revenue comprises programme fee per participant, possibly accommodation charges; substantial fixed costs need to be covered by per participant fees creating a risk of loss is break-even point is not reached</li> <li>• From business development / sales perspective: CSP is lumpy – an occasional big win from multiple opportunities; OEP more like a machine signing up new participants every day</li> </ul>
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## Exhibit 2 – Duke CE

Duke Corporate Education was launched in 2000 with an innovative business model to deliver a differentiated value proposition to the B2B market: solutions to the client’s needs, drawing on the most relevant academics and contributors from any source, delivered anywhere in the world.

<p><b>Key Partners</b></p> <ul style="list-style-type: none"> <li>• Network of individual associates and small businesses who contribute to programme design and delivery – and to client relationship management (1,500 at June 2021)</li> <li>• Accommodation and catering providers</li> </ul>	<p><b>Key Activities</b></p> <ul style="list-style-type: none"> <li>• Pitching for new programmes; design; delivery, relationship management</li> </ul>	<p><b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>• Programmes that address specific learning and development needs – and provide other benefits – delivered in blocks of several days or weeks – to groups of c 20 – 60</li> <li>• A turn-key solution including programme design, content, delivery, administration, facilities</li> <li>• Impact (and possibly ROI)</li> </ul>	<p><b>Client Relationships</b></p> <ul style="list-style-type: none"> <li>• B2B: dealing with multiple touch points in same client; relationship may be preferred partner, trusted provider or transactional; staff - rainmakers, order-takers or administrators</li> </ul>	<p><b>Client Segments</b></p> <ul style="list-style-type: none"> <li>• B2B – global and at multiple levels within client organisations</li> </ul>
	<p><b>Key Resources</b></p> <ul style="list-style-type: none"> <li>• Own staff (101 at June 2021): organisational development, leadership development and human capital experts; academics and educators; instructional / curricular designers; and people who combine experience in business, education and technology</li> <li>• Associate and knowledge management system</li> <li>• Learning management system</li> </ul>		<p><b>Channels</b></p> <ul style="list-style-type: none"> <li>• Direct relations with B2B clients</li> <li>• Rankings</li> </ul>	



**Cost Structure**

- Fixed costs are limited to relationship management staff and offices – largely fixed except for costs related to bidding for programmes
- Four offices: Durham, USA; London, UK; Singapore; Johannesburg, South Africa
- Most programme delivery costs are incremental including faculty / other delivery personnel and facilities – and established on programme design

**Revenue Streams**

- Design fees on set-up, daily fee per group (which may flex with group size), possibly accommodation and catering charges

### Exhibit 3 – Headspring / FT | IE Corporate Learning Alliance

Headspring was founded in 2015 as a joint venture of the London-based Financial Times and IE Business School of Spain to offer custom programmes. IE no longer offers custom programmes outside this venture but does offer open enrolment programmes. Headspring claims that in 2019, it delivered more than 200 programmes totalling 500+ delivery days to almost 35,000 participants.

<p><b>Key Partners</b></p> <ul style="list-style-type: none"> <li>12 leading business schools and learning organisations in Europe, Asia, North and South America – that continue to run their own programmes</li> </ul>	<p><b>Key Activities</b></p> <ul style="list-style-type: none"> <li>Design jams with Headspring and client staff to co-create custom programmes against desired business and learning outcomes</li> <li>Design and tailoring of online programmes - 'pre-designed solutions'</li> </ul>	<p><b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>Custom programmes</li> <li>'Pre-designed solutions' – existing online programmes tailored for specific clients</li> <li>Influential FT journalists offer a perspective on the events shaping the business world and an inquisitive approach</li> <li>Faculty from IE and partner schools</li> <li>Expertise in three areas: leadership development; purpose and sustainability; digital transformation and innovation</li> <li>Worldwide delivery (30+ countries)</li> <li>Delivering in Arabic, English, French, German, Mandarin, Portuguese and Spanish</li> </ul>	<p><b>Client Relationships</b></p> <ul style="list-style-type: none"> <li>Relationship with 200+ corporates around the world</li> </ul>	<p><b>Client Segments</b></p> <ul style="list-style-type: none"> <li>B2B – customised and tailored programmes</li> <li>B2C – not served</li> </ul>
<p><b>Cost Structure</b></p> <ul style="list-style-type: none"> <li>Fixed costs - offices and staff in relationship management, programme design and administration</li> <li>Variable costs - programme specific costs including FT journalists, faculty, other contributors, learning space</li> </ul>	<p><b>Key Resources</b></p> <ul style="list-style-type: none"> <li>200+ FT journalists</li> <li>500+ academics</li> <li>Staff: relationship management, learning design</li> <li>New, state of the art learning space in Madrid</li> <li>Access to IE Business School and Financial Times' facilities</li> </ul>		<p><b>Channels</b></p> <ul style="list-style-type: none"> <li>Direct</li> <li>Offices in London and Madrid</li> <li>Team of 10 client relationship directors with country or regional focus</li> <li>Web site in both English and Spanish</li> </ul>	
		<p><b>Revenue Streams</b></p> <ul style="list-style-type: none"> <li>Programme fees</li> </ul>		

## Exhibit 4 – McKinsey Academy

McKinsey Academy was created in 2013 as the firm’s capability building centre of excellence to help organizations build capabilities at scale to drive change, focusing on building capabilities that enable strong leadership teams, enterprise-wide transformations, and performance improvements. It claims to have delivered more than 400 programmes which have been attended by more than 250,000 client participants (an average of 625 per programme) and that more than 100,000 leaders have gone through leadership coaching programmes.

<p><b>Key Partners</b></p> <ul style="list-style-type: none"> <li>External experts from industry and academia to complement own staff</li> <li>University-based executive education schools</li> </ul>	<p><b>Key Activities</b></p> <ul style="list-style-type: none"> <li>Diagnostics: understanding client’s needs</li> <li>Designing intervention – the programme and related support</li> <li>Programme and related support delivery</li> </ul>	<p><b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>Using McKinsey’s deep understanding of clients’ business objectives and organizational contexts to create capability building programs that directly tie to drivers of value</li> <li>Programmes cover: transformative leadership mindsets and capabilities; enterprise-wide transformation through capability building; marketing and sales capabilities to sustain above-market growth; excellence across the operations value chain; capabilities needed to realize digital aspirations</li> <li>Techniques including digital and virtual programs, expert and peer coaching, on-the-job observation and feedback, reflection exercises, and simulations</li> </ul>	<p><b>Client Relationships</b></p> <ul style="list-style-type: none"> <li>Multiple points of contact between client and McKinsey across both organisations</li> </ul>	<p><b>Client Segments</b></p> <ul style="list-style-type: none"> <li>Traditional McKinsey client base of larger organisations including corporate, government and NGO</li> <li>B2B – CSP and ‘by invitation’ executive events / programmes for peer leaders from multiple organisations at critical points in their careers</li> <li>Entire organization from the top team to middle management to front-line employees</li> </ul>
<p><b>Cost Structure</b></p> <ul style="list-style-type: none"> <li>Substantially fixed, consistent with remainder of firm</li> </ul>		<p><b>Revenue Streams</b></p> <ul style="list-style-type: none"> <li>Fees for consultant time and for pre-designed content</li> </ul>		

## Exhibit 5 – Korn Ferry

Korn Ferry is an organisation consultancy that complements its offerings on organisation strategy (structure, people and processes), assessment and succession and talent acquisition with leadership & professional development services that reflect that organisational focus. The canvas below focus on those activities linked to face-to-face programme activities.

<p><b>Key Partners</b></p> <ul style="list-style-type: none"> <li>• Duke CE – Adaptive Strategy Execution programme</li> <li>• Cleveland Clinic – coaching, training and consulting to healthcare leaders</li> <li>• Universities and individual academics</li> </ul>	<p><b>Key Activities</b></p> <ul style="list-style-type: none"> <li>• Investment in knowledge – especially data</li> <li>• Development of programme components that can be customised</li> </ul>	<p><b>Value Proposition</b></p> <ul style="list-style-type: none"> <li>• Integrated assessment, development, and coaching</li> <li>• Training and certification for HR professionals</li> <li>• “Hyper-personal” leadership coaching</li> <li>• Personalized professional development journeys delivered digitally at scale in three areas: maximising sales performance, shaping customer experience or improving project performance</li> <li>• Face-to-face (including virtual) programmes for specific audiences within a client organisation</li> </ul>	<p><b>Client Relationships</b></p> <ul style="list-style-type: none"> <li>• Relationship with leaders and organisations from executive search and organisational consultancy assignments</li> </ul>	<p><b>Client Segments</b></p> <ul style="list-style-type: none"> <li>• B2B – worldwide - multiple levels within client organisations</li> <li>• B2C at C-suite level</li> </ul>
<p><b>Key Resources</b></p> <ul style="list-style-type: none"> <li>• Korn Ferry Intelligence Cloud leverages market intelligence and Korn Ferry owned data to provide insights, recommend actions and deliver scalable learning journeys</li> <li>• Own professionals</li> </ul>			<p><b>Channels</b></p> <ul style="list-style-type: none"> <li>• 90 offices worldwide</li> <li>• Supporting and benefitting from existing relationships across the broad organisational consulting offering</li> </ul>	
<p><b>Cost Structure</b></p> <ul style="list-style-type: none"> <li>• Substantially fixed through people and office</li> <li>• Investment in knowledge and IP</li> </ul>			<p><b>Revenue Streams</b></p> <ul style="list-style-type: none"> <li>• Fees for services – that reflect the variety of services offered.</li> </ul>	

## Notes / references

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