

Duke CE sees opportunity in a downturn

Christopher Mason

In times of economic turmoil, corporate training programmes can fall victim to cost-saving measures.

However, a partnership between Toronto-based Sun Life Financial and Duke Corporate Education, in North Carolina, is seeking to debunk the notion that a company can afford to trim training costs in a challenging economy.

In fact, Sun Life is investing more than ever in management education. The global insurance and financial services provider hopes its four-year, \$15m (€10.2m, £9.2m) training commitment will give it an edge over those who have cut or delayed training investments during the downturn.

In Duke CE, Sun Life sought a partner to help the company position itself to expand in North American markets and seek further growth opportunities in emerging markets.

The programme brings in a mix of Duke faculty and Sun Life executives to run a two-stream course for management from around the globe. Rather than putting the programme on hold in a difficult economy, the company has committed itself to focusing management on how to find opportunities in a financial downturn.

The weak economy is forcing companies to innovate and Sun Life is no different. Its training partnership with Duke CE brings Sun Life's leadership together in person and in virtual settings to discuss the issues they face.

Louise McLaren, senior vice-president and chief human resources officer at Sun Life, and other senior staff, such as Cathryn Klassen, vice-president leadership and talent development, worked together with Duke to develop a programme that will allow the company to focus on the road ahead while also assessing Sun Life's talent.

Among the sessions being run, Donald Stewart, chief executive, leads a discussion on the company's strategy in the economic downturn. Much of the focus is on building an understanding of what will be the needs of customers, existing and potential, once the economy bounces back.

"All of that is being put into the realities of today," says Ms McLaren.

The face of executive training is changing rapidly as nearly every sector scrambles to understand and adapt to the drastic shift in market and consumer behaviour.

Many discussions focus on positioning companies. Consumers are likely to display substantially altered preferences and tendencies as a result of their experiences in a recession.

Those who sit on the sidelines during this period risk losing their competitive edge when the economy regains its footing, says Karen Boylston, managing director at Duke CE. "It's a really critical time for this type of investment and I think those who make that commitment will realise it when the downturn comes to an end."

Sun Life and Duke CE have designed a programme that first builds an executive-wide understanding of the company's strategic plan and then examines its practical application through discussions led by Duke faculty, Sun Life's top executives and input from Sun Life units around the world to identify issues and opportunities.

Often, business units in one corner of the company find the solution to their problem already exists elsewhere in the group and these sessions are meant to bring them together.

Participants spend a week in class and take part in web chats involving employees worldwide, discussing practical applications of their lessons. They also meet Mr Stewart to discuss what they are learning and how it fits into the company's strategy.

By the end of the programme, which began in February, some 2,500 employees will have gone through the sessions. The company's leaders hope that bringing together so many executives will help them develop contacts within the company that will benefit Sun Life in years to come.

Although the current economic climate hastened the need for such a programme, the notion first arose a few years ago when Sun Life decentralised its corporate structure.

The move put greater emphasis on the enterprise of its executives, which led to talks with Duke CE about a strategy to develop management skills that reflect the shape of the company. In moving to an enterprise-driven structure, the courses also help Sun Life identify talent to strengthen the company as it emerges from a struggling economy.

This is Sun Life's most comprehensive venture into executive education. Prior training programmes were largely targeted at specific, immediate needs or shortfalls of part of the company. This time, Sun Life hopes it is in the midst of a strategy that will change the outlook of the company and its leaders.

Message of confidence

For Mary De Paoli, Sun Life's decision to invest in executive education in the current economic downturn means as much to her as the skills she has learnt in the classroom.

The gesture of a company investing in its employees while surrounded by industry-wide news of cuts sends a message to the employees that they are valued and will be equipped to come out of the recession stronger, she says.

"It gave me a real sense of confidence that the company felt it was an appropriate investment," adds Ms De Paoli, Sun Life's chief marketing officer and senior vice-president and a 10-year veteran of the company based in Toronto.

Innovation is key to working in a weak economy and Ms De Paoli says that makes it important for staff to discuss what they are seeing and thinking to bring out new ideas key to the company's performance.

"It's against the backdrop of a fairly deep recession and one we probably won't see again in our lifetimes," Ms De Paoli says.

Such thinking turns a distraction – the struggling economy – into a learning opportunity to discuss ideas and innovations that are more difficult to see or introduce when times are good, she says. The impact of that approach can be difficult to measure, but it can refocus managers on moving the organisation forward rather than dwelling on any damage done by a faltering economy.

Ms De Paoli attended the first four days of classes focusing on Sun Life's strategic plan. This was followed by the second half of her executive training stream, which looks at practical applications of the company's plan.

"[In the past] we'd have live discussions that were interesting, but when you got back to your role a week later it was very difficult to make a bridge between the theoretical and the practical."

She adds the programme will show "how we can apply the plan across our business so we can operate much more effectively as an international organisation rather than as a collection of individual business units".

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