THE EDUCATIONAL DIRECTION IN COMPANIES - CORPORATE SCENERY IN BRAZIL

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This study presents the differences between corporate education and training and development department. The objective is to indicate why corporate education has become popular and companies are interested in adopting it inside their workplace. It discusses the course of education inside organizations, and brings out the corporate scenery in Brazil. A deductive method was used in a bibliographical research due to data survey. The training and development department has been substituted by the corporate university, which focus on spreading the knowledge all over the company’s employees, clients and suppliers, aligning the educational procedures with the enterprise strategies. Although in small numbers, some Brazilian companies have created their corporate education units, and have achieved great results.

Keywords: Corporate Education, Training and Development, Brazil.
1. Introduction

The changes related to education are not simply in the names, Corporate Education, Corporate University, Continuing Education, etc., approaches or techniques regarding the exceeded Training & Development (T&D) system. Series of external tendencies are affecting the administration of the enterprises, specifically in the Human Resources area. In Brazil, this tendency is revealed as far as the organizations begin to realize the necessity of creating a culture that allows the change from the T&D systems to Corporate Education (CE) systems.

The increasing of the worldwide competition, initiated in the 1990’s, demanded companies to look for alternative ways to reach and keep competitiveness. One of them was review the role performed by Traditional T&D Department (FERNANDES, 2005). At present, it occurs a significant change of paradigm in the CE, which training the staff to acquire more qualification is not sufficient anymore. It is necessary to develop, in these personnel, an entirely new way of thinking and acting, assuring that they can be permanently able to perform their functions.

Thus, the globalization process transforms the professional qualification as a fundamental factor. The capital is not the most relevant nowadays, but the human resources the companies propose to assure their market share (BERNARDES, 2006).

It is also important that the involved people anticipate and be adapted to the changes of the market. This new culture includes everyone in the company, and it will be continuous, differently from the outdated T&D Department, which focused in the intern personnel only and with predetermined length of the courses.

The Corporate Universities are having a bigger highlight, because they arose with the objective of supplying the gap originated from the post-secondary education and to provide an agile and constant training for the companies, qualifying, motivating, and retaining professionals in the organizations (MEISTER, 1999).

The concept of Corporate University is not limited, necessarily, to the scope of the company. Corporate University begins with the preparation of the employees of a company, evolved for the service of the external public, suppliers, clients and franchises, and develops partnerships with institutions of higher education, colleges, and universities. In this sense, Corporate University cannot be confused with the institutions of higher education, because is does not operate with the knowledge amplitude and does not grant diploma (ALPERSTEDT, 2001).

In Brazil, some companies initiated their corporate education units about 20 years ago, but most of them have discovered the advantages of aligning the educational procedures with the enterprise strategies recently, according to MDIC/STI – (Ministério do Desenvolvimento, Indústria e Comércio / Secretaria de Tecnologia Industrial) - Brazilian Development, Industry and Commerce Ministry / Industrial Technology Office (2006).

The object of this study is to discuss the differences between Corporate Education and T&D department at workplaces showing that the previous ones represent new organizational culture to enterprises. Beyond the differences, it pictures the actual scenery of the Corporate Education in Brazil, presenting that companies have found strategy advantages after initiating their CE units.
2. Training and Development X Corporate Education

Present models of the Training areas simply coach people in the development of abilities for the work. It is the training and development (T&D) of basic functions. It has existed for a while, but it is usually directed to higher positions inside the company (EBOLI, 2004). Yet, as mentioned by Meister (1999), the T&D department consists in having an instructor concerned with increasing the employees’ professional qualifications.

It is periodical, instead of continuous skills acquisition. The competence (focused in the CE) is left aside, while the purpose of the training is the qualification.

The T&D has initial and finishing dates. The wide audience achieves learning through hearing, in a tactical scope with reactive focus, according to Meister (1999). Corporate Education can be understood as being the assembly of practices structured by a company with the purpose of promoting the continued education, the professional improvement of qualification, and the corporate learning.

The same way, CE can be defined as the act of learning, permitting the worker to assimilate new acquisitions, new competences and new attitudes and everything that helps the personal growth, to develop and to be adapted to the demands of the market.

Those corporations who have shifted their focus from employee training to employee education because of the emergence of the knowledge economy develop corporate universities. The phrase "knowledge economy" expresses that these corporations have recognized their responsibility to provide employees education that can evolve with changing business needs in order to foster the business' sustained success. Many corporations believe that through continued employee education, or the Corporate Education, they can achieve strategic goals and performance improvement (MEISTER, 1998).

The previous author states that the CE is like a fortress and representative element of the Organizational Knowledge Management to create and maintain competitive advantages, inspired in a permanent training and an exceptional performance.

As so, the objective of any Corporate Education program is the increase of the core labor skills and the intellectual capital.

Yet, Corporate University is a people development system guided by the management of people by competences (EBOLI, 2004).

Marquez (2002), observes that the mission of the Corporate University consists of forming and developing the human talents in the business management, promoting the generation, assimilation, diffusion and application of the organizational knowledge management, by means of continuous and active learning.

The tendency to adopt Corporate University, as an improvement over the traditional T&D, within organizations has earned distinction recently, because of individual competence emphases and the competitiveness of the global market.

3. Methodological Considerations

Once the present study relates a theoretical deepening on Corporate Education in Brazil, the data try to interpret and comprehend the reality. According to technical procedures (GIL, 1999), a bibliographical research was done due to the data survey over sites, magazines, articles, thesis and searched books.

The empiric data showed on it was prepared by the MDIC/STI (2006), which used a national
sample of 41 organizations. A questionnaire was solicited to 80 enterprises involved with Corporate Education, and 51 of them returned it (63.8%), but 10 companies (12.5%) were not considered on this study because of the large number of unanswered questions or evident inconsistency answers. It was done from April to May, 2006. The opportunity to avoid some of the questions was given to the respondents, and it is the reason for the incomplete amount of percentage in some items of the questionnaire.

According to the Brazilian Development, Industry and Commerce Ministry (2006), the definition for the 80-universe company becomes difficult due to the own concept of CE, which not always develop convergent understandings. There is a comprehension that some 100 enterprises in Brazil at present possess a corporate education unit (AGUIAR, 2006), but this questionnaire was restrained to the organizations whose activities of CE have contributed for the attainment of the strategic objectives of the company.

4. Scenery of Corporate Education in Brazil

The MDIC/STI has developed a research within the Brazilian companies that have used CE aligned with their strategic objectives. They created a questionnaire to check the scenery of the Corporate Education in Brazil.

According to the main business area, the indication of the companies is as in table 1 below.

<table>
<thead>
<tr>
<th>Area</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services</td>
<td>16</td>
<td>39.02</td>
</tr>
<tr>
<td>Industry</td>
<td>11</td>
<td>26.83</td>
</tr>
<tr>
<td>Government</td>
<td>6</td>
<td>14.63</td>
</tr>
<tr>
<td>Other Activities</td>
<td>4</td>
<td>9.76</td>
</tr>
<tr>
<td>Commerce</td>
<td>2</td>
<td>4.88</td>
</tr>
<tr>
<td>Third Sector</td>
<td>2</td>
<td>4.88</td>
</tr>
</tbody>
</table>

Source: MDIC/STI (2006)

Table 1 – Characterization of the responding organizations

Among the organizations that operate CE units, it is possible to be seen on table 1 the similarity in numbers between the Service companies (16) and the Industry and Commerce ones (11 + 2 = 13). Another point was observed by the size of the responding enterprises. According to the research, 92.7% of the companies are considered large ones, and only 7.3% are in the medium size.

The system used to determine the sizes of the businesses was described by SEBRAE – Serviço Brasileiro de Apoio às Micros e Pequenas Empresas (Brazilian Micro and Small Enterprises Support Services). Large companies must contain over 499 employees for industry and at least 100 employees for services and commerce; medium ones must have from 100 to 499 employees for industry and from 50 to 99 employees for services and commerce. So, the majority of the Corporate Education units are still used by large organizations, especially because the costs of maintenance.

As part of the questionnaire, the information about the year of the implantation of the CE was informed by the organizations. Figure 1 shows the increase of CE units created in the last years in Brazil. One of the companies did not answer the year of creation of its CE unit, so 40 enterprises are seen on the figure below.
The analysis of the data shows that about 50% of the registered initiative was held between 2000 and 2006, meaning that the structure of the CE is a recent phenomenon in Brazil.

In agreement with Eboli (2004), the Corporate University appears in the end of the 20th century as the sector of bigger growth in the higher education. Moreover, it is the fastest growing segment of the adult education market, according to Meister (1998). This author also states that, although “corporate university” term has been used for at least 40 years, since General Electric launched in Crotonville in 1955, the true outbreak of interest in the creation of a Corporate University, as strategic complement of the T&D management of the organization officials, occurred in the end of the 1980’s worldwide.

It seems that the Brazilian companies have not manifested interest on the contributions that the CE can bring to the business strategy, but most of the ones that have adopted it, have done it within this new millennium.

It was also asked about the stage of development of CE inside the organization. The answers could be chosen from 6 different levels, and only one of them should be enough to determine the actual stage of CE development inside the company.

<table>
<thead>
<tr>
<th>Development Stage of CE Activities</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning stage, for effective initiation in the near future</td>
<td>3</td>
<td>7.3</td>
</tr>
<tr>
<td>Activities initiated, structure and consolidation phase</td>
<td>4</td>
<td>9.7</td>
</tr>
<tr>
<td>Activities turned to the capacitating of operational collaborators</td>
<td>1</td>
<td>2.4</td>
</tr>
<tr>
<td>Activities turned to the capacitating of operational collaborators as well as medium management level (tactical level)</td>
<td>4</td>
<td>9.7</td>
</tr>
<tr>
<td>Consolidated activities turned to the capacitating of the whole organization in the operational, tactical and strategic level</td>
<td>13</td>
<td>31.7</td>
</tr>
<tr>
<td>Consolidated activities turned to the capacitating of the whole organization in the operational, tactical and strategic level, as well</td>
<td>16</td>
<td>39</td>
</tr>
</tbody>
</table>

Figure 1 – Accumulated numbers of CE units from 1985 to 2006
as activities to the clients, suppliers and community

Source: MDIC/STI (2006)

Table 2 – Development Stage of CE Activities in the Organizations

Table 2 indicates those levels as well as the percentage of the amount of enterprises in each stage. From the total described in the inquiry, some 70% of the organizations demonstrated a consolidated stage of development.

It can also be observed that 16 companies include their CE practices throughout the whole stakeholders, including the community where it is inserted. As Eboli (2004) reports, a concept of CE is to develop the intern and extern competence, including family, clients, suppliers, commercial partners and community.

The research asked, in the sequence, on the responsibility for the formation of the contents on corporate education. They were asked to indicate the level of importance (3 = the most important; 0 = the least important) from a list of 5 possible alternatives. The results are observed in table 3.

<table>
<thead>
<tr>
<th>Responsibility for the Elaboration of the Contents</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collaborators of the company</td>
<td>2.27</td>
</tr>
<tr>
<td>Partnership with hired institutions and collaborators of the company</td>
<td>2.05</td>
</tr>
<tr>
<td>Consulting Enterprises with expertise in specific contents creation</td>
<td>2.02</td>
</tr>
<tr>
<td>Educational Institutions hired to create specific contents on several levels</td>
<td>1.90</td>
</tr>
<tr>
<td>Consulting Enterprises with expertise in Distance Education</td>
<td>1.37</td>
</tr>
<tr>
<td>Others</td>
<td>1 citation</td>
</tr>
</tbody>
</table>

Source: MDIC/STI (2006)

Table 3 – Responsibility for the Elaboration of the CE Contents

Emphasis was dedicated to the companies’ collaborators, who received the highest importance degree on preparing the CE contents. As stated by Eboli (2004), one of the projects of Corporate Education is to motivate and stimulate the collaborators’ talents.

Similar results are seen on managers from presence and distance activities, as partnerships with educational institutions and collaborators, consulting enterprises specialized in creating specific contents, and educational institutions specialized in elaboration of specific contents on different levels.

The importance on companies with expertise in distance education is considered medium, in spite of the comments of Meister (1999), who has mentioned that the CE migrated from the model of “classrooms” to learning at any time and any place. The author states that until the end of last century, the Corporate University existed mainly as a campus. At present, the classroom is losing importance faced with a trial of learning whose main objective is to identify and disseminate knowledge by all the organization. Organizations are transforming their corporate classroom into infrastructure of corporate learning, developing means of leverage news opportunities, entering in new global markets, creating deeper relationships...
with the clients and stimulating the organization for a better future.

In the next topic, a critical issue was to determine the observations on the results after adopting the corporate education within the organization. All the 41 companies answered this question, attributing “3” for the most important and “0” for the least important or results not noticed (TABLE 4).

<table>
<thead>
<tr>
<th>Reached Results</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>More attentive teams to the adoption of new management practices</td>
<td>2.51</td>
</tr>
<tr>
<td>Facilitated the achievement of the company planning goals</td>
<td>2.29</td>
</tr>
<tr>
<td>Favored the organizational competitive</td>
<td>2.22</td>
</tr>
<tr>
<td>Facilitated the integration of team work, increasing the collaborators satisfaction</td>
<td>2.17</td>
</tr>
<tr>
<td>Competence acquisition in technician areas (compatible qualification not available)</td>
<td>2.12</td>
</tr>
<tr>
<td>Facilitated the partnerships with technical and academic entities</td>
<td>2.02</td>
</tr>
<tr>
<td>Facilitated the innovation processes (product, process, management)</td>
<td>1.80</td>
</tr>
<tr>
<td>Improved the institutional image/Organizational marketing</td>
<td>1.73</td>
</tr>
<tr>
<td>Improved the management and commercial performance</td>
<td>1.71</td>
</tr>
<tr>
<td>Achieved the social objective of the company</td>
<td>1.61</td>
</tr>
<tr>
<td>Made the strategic reorientation possible on the productive process</td>
<td>1.37</td>
</tr>
<tr>
<td>Facilitated the use of intellectual capital to sell services to other companies</td>
<td>1.07</td>
</tr>
<tr>
<td>Decreased the employees’ rotation and the cost of recruiting and selection</td>
<td>1.02</td>
</tr>
<tr>
<td>Facilitated the integration activities on the market, with exportation increase</td>
<td>0.68</td>
</tr>
</tbody>
</table>

Source: MDIC/STI (2006)

Table 4 – Reached Results after the Implantation of the CE

It is possible to determine the interpretation of this question on three categories from the results effectively noticed after the implementation of the corporate education activities.

− The significantly noticed results - Teams became attentive to the demands originated from the adoption of the new management practices; Facilitated the achievement of the company planning goals; Favored the organizational competitive; Facilitated the integration of team work, increasing the collaborators satisfaction; and Competence acquisition in technician areas which the company did not have compatible qualification.

− The partially noticed results - Facilitated the partnerships with technical and academic entities; Facilitated the innovation processes (product, process, management); Improved the institutional image/Organizational marketing; and Improved the management and commercial performance.

− The little noticed results - Achieved the social objective of the company; Made the strategic reorientation possible on the productive process; Facilitated the use of intellectual capital to sell services to other companies; Decreased the employees’ rotation and the cost of recruiting and selection; and Facilitated the integration activities on the globalized market, with exportation increase.

Some organizations invest on corporate education and stimulate their employees to improve their personal skills, motivating them towards production and the company success. The more
prepared their staff are, the better for strategic decisions and for fast changes, if necessary. It is seen on the results above that the highest score was attributed to the quality of the adjusted teams on shifting from inadequate to new forms of management practices.

In addition, according to Eboli (2004) the result of the CE is to improve the competitiveness of the companies, not only the individual competence. Table 4 demonstrates that the other top scores show the facilitation to achieve the company goals and favoring the competitive of the organization.

The companies in Brazil, after adopting the CE, have found positive results, as the ones described in the literature. In comparing the T&D department and the CE unit or Corporate University, a major topic that emerges is the one of lifelong learning approach for the individual. It is through developing proactive focus on the staff and helping them reach the highest potential that Brazilian companies are achieving their strategic goals with motivated collaborators and are succeeding in the global market with a better competitive performance.

5. Final Considerations

Enterprises that adopt Corporate Education focus on employee competencies and ensure their competitive state and success. Those companies have improved employee satisfaction, since this new organizational culture benefit them in more ways than simply learn specific skills, or improve their job tasks performance. They also acquire abilities that can be carried through their professional career, turning them into better and more prepared employees for the future market.

The CE unit differs from the T&D Department, because it acts with a strategic and broader vision and advances to determined questions. In this sense, it is going to be permanent and deep, linking itself to the business of the company, and attending to the different organizational levels. Thus, the CE promotes the productivity and lucrative development and prepares professionals for the activities of management regarding the market needs.

Furthermore, it is clear that the traditional T&D of employees focuses in the past, trying to solve organizations problems, and directing the learning into basic abilities. It is restricted to intern employees, mostly occupying a high position inside the organization. The Corporate Education, on the other hand, focuses the future and its goal is to reach the competence of the organizations entire staff, including their suppliers, clients, and employees.

The Corporate University has been replacing the outdated T&D Department, which besides the name, has presented structure differences. It promotes the completely organizational knowledge management and the assimilation of the new educational culture within the companies, through a continuous and proactive learning.

Corporate Universities focus on employee’s competencies and achieve their mission of developing educational programs properly connected to the business objectives and organizational strategy, and disseminate the corporate culture.

The scenery in Brazil, analyzed in this paper, showed that currently large companies are investing in CE, perhaps due to the cost of maintenance. This hypothesis could be a topic for a further study. Even though, it is clear that an increasing number of organizations are considering it recently.

Most of the respondent companies indicated consolidated CE activities turned to the capacitating of the whole organization in the operational, tactical, and strategic level, noticing that almost half of those provide activities to their clients, suppliers, and the community as
well.

The principal advantages of CE are, pointed by the respondent companies in Brazil, the flexibility of the teams to adapt to a new management practice and to integrate among themselves; the easiness of objective achievement; the benefit of an improved organizational competitiveness; the progress of the collaborators satisfaction and the competence acquisition.

Finally, Brazilian organizations have acted toward education. Instead of waiting for the formal institutions fulfill their functions of preparing new professionals for the market, the enterprises, through Corporate Education, became responsible for the preparation and improvement of their own professionals, transforming the organizational culture, catering competitive advantages for themselves and satisfaction for their staff.

References


