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## **Achieving Corporate Learning Excellence**

*Global Networks, Global Perspectives and Global Talent  
Discussions on the Development of Human Capital in Agribusiness<sup>1</sup>*

Martijn F. L. Rademakers

*Managing Director, Center for Strategy & Leadership and Executive Fellow, Rotterdam School of  
Management, Erasmus University Rotterdam, Burgemeester Oudlaan 50, Rotterdam 3062 PA, The Netherlands*

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### **Abstract**

Fast and smart learning is required for companies to stay attuned and secure competitive strength in the marketplace. In addition, companies mastering corporate learning excellence are highly attractive to talents wanting to gain, build, and share their knowledge and experience to help solve strategic questions. Leaders in the global food and agribusiness industry should seize the opportunity of using corporate learning as a strategic weapon. Companies need it, Talents expect it.

**Keywords:** Strategy, corporate universities, exceptional learning

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Corresponding author: Tel: +31.0.10-2179120

Email: M. F. L. Rademakers: [m.rademakers@c4sl.eu](mailto:m.rademakers@c4sl.eu)

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## **Introduction**

Companies in the food and agribusiness need to organize both faster and smarter organizational learning to stay aligned with a business environment that becomes more complex by the day. Forces driving complexity are gaining strength. For instance, technology-driven developments accelerate at an unprecedented pace. Hundreds of millions of people now have access to an abundance of information, connections, software, and computing power that only large companies could afford just a couple of years ago. As a result, talented people need companies to create a living less and less (Hinssen 2010), while, in contrast, companies need them more than ever to create value. This holds particularly true for companies in the global food and agribusiness, which are searching for answers to complex problems posed by a growing scarcity of critical resources such as food, energy and water.

Securing access to talented people, now and in the future, is more important than ever to companies in many industries and countries around the world. Food and agribusiness companies, however, often are at a disadvantage in the battle for talent compared to firms from seemingly more appealing industries such as high-tech, cosmetics, and fashion. Hence, for good reasons, leaders of food and agribusiness companies see two key questions emerging on their strategic agendas. Firstly, given the rising complexity of our business environment, how can we bring the adaptive capabilities of our company to the next level? Secondly, given the battle for talent, how can we be attractive to the people we need to make our company excel in the long run? These two questions are closely related to each other. Companies that fail to seize the opportunity to simultaneously enhance their adaptive capabilities and attract talent risk losing their competitive strength.

## **The Rise of Corporate Learning**

Ongoing adaptation to a dynamic and complex business environment requires organizational learning, whilst learning opportunities for individuals are important to attract, develop and retain talent. As a result, corporate learning is increasingly seen as the key to unlock answers to strategic challenges. Corporate learning involves creating, acquiring and deploying capabilities (know-how, skills and attitude) aimed to renew, implement and optimize strategy. In other words, the art of strategy is related to the act of learning. Companies excelling in corporate learning have an edge over their competitors through superior adaptive capabilities and being attractive to top talent in the labor market. The best examples come from outside the food and agribusiness and include industry leaders such as Google and Apple from the USA and IKEA from Europe. These companies attract even more talent than they can ever absorb. In tune, companies around the world are stepping up their investments in corporate learning. As a result, having a corporate university/academy (an organizational unit to drive corporate learning at a strategic level – not a re-labeled training department) is becoming the norm to excel, rather than the exception.

Despite the worst economic downturn since decades, the investments in corporate learning are growing – also in the international food and agribusiness. Not only large, publicly listed companies in the global food industry such as Nestlé, Coca-Cola, Heineken, McDonald's, Unilever, ConAgra Foods, Burger King, 7Eleven, and Ahold now have their own corporate university. Corporate universities are also becoming widespread among governmental and nonprofit organizations (such as ministries, municipalities and water management companies). Increasing numbers of privately held and family-owned companies in the food and agribusiness also have institutionalized corporate learning by establishing their own corporate university, including McCain (Canada), IKEA Foods (Sweden), Schwan (USA) and Yoshinoya (Japan). Many others are planning to establish one.

### *Learning Faster and Smarter*

The concept of corporate learning is rooted in the body of knowledge on learning organizations, combining strategic management and human resource development. In the 1990s, the idea of the learning organization

was embraced by many CEOs and HRD professionals worldwide. The underlying reasoning is that *‘the ability to learn faster than your competitors may be the only sustainable competitive advantage.’*<sup>2</sup> That reasoning is still valid. However, speed only is no longer sufficient for companies in the food and agribusiness. Apart from learning faster, learning smarter has become a key success factor as well. In other words, fast learning deliberately attuned to strategic renewal, transformation and optimization is required to keep companies suited to their dynamic environments. It is in this area that corporate universities have emerged to drive corporate learning. They are established on top management request and with a clear strategic vision in mind.

### *Learning: as Usual, Exceptional, or Transformational?*

For companies to stay attuned to their environment, they need to innovate, implement and optimize strategy. These three different strategy modes call for different corporate learning types: learning-as-usual, exceptional learning, and transformational learning.

Optimization of a current strategy calls for learning-as-usual, such as professional development (Meyer 2012) and skills training to get the best from the (current) organization. Corporate universities attuned to optimization strategies tend to stress relatively stable course curriculums and catalogues. Business schools and universities are often involved as suppliers of professional development. In addition, at most companies, learning-as-usual involves company-specific knowledge transfer, ranging from technology (Toyota), scripts (Disney) to company culture (Apple).

In contrast, strategies geared to find and create new business and organizational models (i.e., strategy innovation) benefit from ‘exceptional learning’ (Meyer 2012). Corporate universities focusing on exceptional learning drive programs aimed at crossing organizational and disciplinary boundaries. More often than not, professionals from outside the company are involved to break down barriers such as routines and silo thinking. Companies such as the international dairy company FrieslandCampina, for instance, seek to make exceptional learning work by opening up to the outside world through forms of crowd sourcing.

The third and last corporate learning type is ‘transformational learning.’ New strategies must first be implemented. This requires ‘transformational learning’ (Senge 1990; Floyd and Lane 2000). New strategy implementation often includes the complexity of changing the organization structure, culture, competencies, and leadership styles. The globally operating oil company, Shell, for instance, established a corporate university to achieve just that. Realizing that transformational learning is a very different ball game than learning-as-usual, companies tend to turn to established business schools to develop tailored in-company programs.

For companies to take full advantage of corporate learning, it is of great importance to establish the right mix of learning-as-usual, exceptional learning, and transformational learning to make their strategy work.

## **Achieving Corporate Learning Excellence**

Companies in the food and agribusiness need to seize the opportunity to get more from cross-fertilizing strategy and learning. Fast and smart learning is required for a company to secure competitive strength in the marketplace and to be attractive to talented people. The general picture, however, is that other industries are well ahead of the food and agribusiness sector when it comes to corporate learning excellence. This puts the food and agribusiness sector as a whole at a disadvantage in the battle for talent required to cope with the strategic challenges ahead. Leaders in the food and agribusiness industry around the world should seize the opportunity to use corporate learning excellence as a strategic weapon. It is the path towards being favored by talented people wanting to gain, build, and share their valuable knowledge and experience to solve strategic questions. The food and agribusiness industry is far too important and faces too many challenges to leave corporate learning excellence to other industries.

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<sup>2</sup> Arie de Geus (Head of Planning at Royal Dutch Shell in the 1990s) in *The Fifth Discipline* by Peter Senge (1990).

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