learning blueprint

CAREER AND LEADERSHIP DEVELOPMENT

Align Skills and Strategy With Capability Academies

They help executives develop the business-critical capabilities necessary for companies to thrive in a dynamic digital landscape.

BY SANDRA LOUGHLIN

The digital revolution is upending business. Changes in customer expectations and rapid advances in technology and data are creating an inflection point in virtually every industry. To adapt, everyone in the company—from executives to frontline staff—needs to develop technical, professional, and individual capabilities in areas ranging from the cloud and agile methodologies to integrated talent ecosystems.

A capability academy, a term Josh Bersin coined, represents an exciting new approach to corporate training. While there are many types of capability academies, I focus here on enabling executives to lead digital transformation, because it is a crucial—even existential—issue for many organizations.

What it is

Capability academies are designed to develop the broad competencies necessary for modern companies to succeed. They are structured, immersive learning programs that are social; aligned to strategy; and result in demonstrable, tangible business outcomes.

Imagine a four-month learning experience that involves 40 hours of online content on topics critical to business strategy, cohorts of 12 to 15 participants, six on-the-job activities

with feedback from a mentor, weekly live sessions with colleagues and experts, and baseline and final performance-based assessments with results communicated to program leaders. That is an example of a capability academy.

Why it works

Capabilities differ meaningfully from corporate training's traditional focus of technical and functional skills. Skills are tactics that have relatively well-defined processes or steps and operate under generally fixed constraints in predictable environments.

In contrast, capabilities are strategic and messy. They represent an ever-changing constellation of knowledge, skills, mindsets, and ways of working combined with a deep understanding of one's industry, business strategy, and organizational culture. Capabilities emphasize a set of critical concepts that don't map neatly to obvious if-then situations—one must look below the surface, understand hidden dimensions, and correctly select the best concept or concepts to respond. That makes capabilities more durable and transferable yet much harder to implement and extremely difficult to practice.

Leading digital transformation is even more complex and best described as a metacapability. It requires mastery, synthesis, and

CHECKLIST

Establishing a Capability Academy

✓ Align topics to strategy and ensure active sponsorship and engagement from business leaders.

✓ Develop or tailor content to reflect the industry, company, and role.

prioritization of many capabilities that are often mutually dependent. Complicating things further, there is no one path to digitization, but there are many ways to get it wrong.

Capability academies work because they are designed with those realities in mind. The approach, structure, and activities match the depth of learning required for companies to achieve business outcomes and navigate a digital playing field.

Guidelines

Finding success with capabilities academies requires following these tenets.

Invest in appropriate content. Work with senior leaders to determine which critical capabilities underly the organization's strategy. Seek out or develop tailored material that teaches technical and leadership imperatives from the perspective of key decision making and vertical oversight. Topics may include setting and refining tech strategy, balancing insourced and outsourced talent, selecting and tracking impact metrics, and asking the right questions of their teams.

Blend internal and external perspectives. Business-critical capabilities require integrating knowledge and skills with an understanding of industry and technology trends and a realistic assessment of the company's affordances and challenges. To achieve that broad perspective, leverage internal thought leaders and external industry and technology experts.

Consider requiring engagement. Busy employees juggle many emails and put out fires every day, so it's hard for them to prioritize learning, even when they recognize the benefits. The most successful capabilities academies deftly blend intrinsic and extrinsic motivation—including mandating active

RESOURCES

Bersin, J. 2019. "The Capability Academy: Where Corporate Training Is Going." Enterprise Learning, Oct. 5. joshbersin .com/2019/10/the -capability-academy -where-corporate -training-is-going.

Bersin, J., and S. Kinney. 2020. "The Big Reset: Building Capabilities for the Resilient Organization." Podcast. NovoEd. novoed.com/ resources/podcasts/ the-big-reset-building -capabilities-for-the -resilient-organization.

EPAM. n.d. "Empowering Insurance Executives to Lead Digital Transformation." epam.com/our-work/ case-studies/empower ing-insurance-exec utives-to-lead-digital -transformation.

participation when appropriate—to support and persuade employees to learn deeply.

Digital leadership academies need additional ingredients to be successful. Tailor content to an executive audience and the industry to prevent it from being academic, too technical, or irrelevant. Because much of leading transformation requires rethinking existing resources, processes, and technologies, the academy should include external experts and frequently prompt reflection and perspective sharing. Finally, ask leaders to identify enablers and barriers to implementing their digital strategy and to develop concrete action plans to move forward.

Results

Capability academies, especially leadership academies, have the potential to dramatically reshape companies. However, there is not a simple line between academies and immediate business performance. Performance is the result of many variables, and capabilities require time to implement.

That said, you should see immediate, tangible outcomes of digital leadership academies, such as leaders with a common lexicon and understanding of strategic digital imperatives, increased individual knowledge and higher confidence to implement a digital strategy.

Within a year, additional outcomes emerge, including a unified approach to managing organizational change, reorientation around high-quality metrics, more collaboration across divisions and teams, and accelerated implementation of digital transformation initiatives.

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- ✓ Routinely prompt leaders to assess the organization through the lens of the content and identify implementation opportunities and challenges.

- ✓ Incorporate authentic activities and assessments aligned to participants' roles.

- ✓ Measure program return on investment using high-fidelity individual assessments and leading indicators of business impact.

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