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Booklet, "Improving Employee Development: Perspectives from Research and Practice,"
72 pages

IMPROVING EMPLOYEE DEVELOPMENT:

Perspectives from Research and Practice

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Memo

To: John Schnur

From: Samuel Leiken

CC: Pam Tate

Date: June 24, 1998

Re: Follow up to June 19, 1998 meeting

I enjoyed meeting you and Allison face-to-face. I will make this brief because I want to get these enclosed materials out to you as I promised.

1. Draft Best Practices of College Business and Industry Centers

This is the report that CAEL originally wrote under contract with the Ohio Board of Regents. Business and Industry Centers are where the non-credit instruction and other services to business are located. Keep in mind that this is a draft and **cannot be distributed.**

2. Improving Employee Development: *Perspectives from Research and Practice*

This CAEL publication discusses ways employers can improve employees' skills and knowledge. Since you mentioned an interest in research as an element of the summit, this will give you an idea of the kind of research going on that combines adult learning theory with practical measures to improve work-based learning.

I have reviewed my notes on the interview with Des Moines Area Community College (DMACC). The director of Business and Industry Training is Larry S. Grubisich. He can be reached at (515) 965-7064, fax (515) 965-7022. E-mail is lsgrubisich@dmacc.cc.ia.us. His address is 2006 South Ankeny Boulevard, Ankeny, Iowa, 50021.

I think it would be a good idea to inquire whether there is a joint labor/management program somewhere in Iowa that the vice president could either visit or include in a roundtable. Perhaps someone on Morty Bahr's staff might help.

I will look forward to hearing from you once you have received this.

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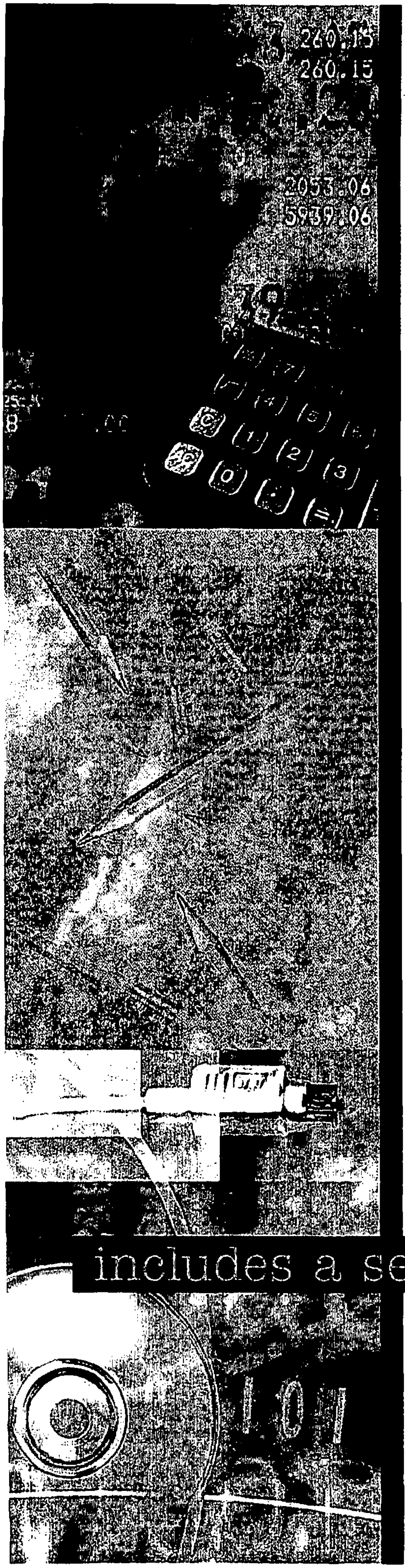
best practices



Best Practices of College Business and Industry Centers

A Self-Help Guide

college business and industry centers

includes a self-assessment tool

Council for Adult and Experiential Learning

by Ruth Barber and Rebecca Klein-Collins

ACKNOWLEDGEMENTS

This guide was developed by the Council for Adult and Experiential Learning (CAEL), a national leader in the field of adult learning and workforce development policy and practice. CAEL's principal researchers and authors of the report are Ruth Barber and Rebecca Klein-Collins, in consultation with Samuel Leiken and Mary Ann Pacelli.

This work was conducted as part of the High Performance Training Center Project, a project commissioned by the EnterpriseOhio Network and supported by the Ohio Board of Regents.

Special thanks go to:

- Melissa Fellure, Tina Musgrove, and Christopher Hartung-Ciccolini of CAEL;
- CAEL graduate interns John Thissen and Erika Melman;
- Elaine Gaertner of MHR and Associates, Inc., Davis Jenkins of the UIC Great Cities Institute, Kathy Hagler of the Technology Exchange Center, and Steven King of Penn State University; and
- Michael Taggart and Norman Singer of the Ohio Board of Regents.

Copies of this report may be purchased for $19.95 each plus $5.00 shipping and handling by contacting CAEL at the address below (an order form is included at the end of the report) or on the Internet at www.cael.org.

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TABLE OF CONTENTS

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Overview And Guidelines For Use

As the demands of competition and advancing technology on employers are increasing, so are the demands on and expectations of business and industry centers affiliated with colleges and universities. Corporate customers are requesting both customized training programs and a host of other services related to overall business performance improvement. In response, business and industry centers are striving to develop both training and non-training services designed to meet and to exceed customer expectations.

Achieving high performance means that business and industry centers need to improve their business performance and most importantly, their customer service. The challenge for business and industry centers is to leverage the strengths from their affiliation with colleges while keeping in touch with the market and meeting customer needs.

Use This Guide:

- to **benchmark the performance** of your center
- for **recommendations** on how colleges can support high performance in their centers
- for **ideas** on how to build productive center-college relationships
- **to plan topics** for conferences and workshops
- to **stimulate discussion** among stakeholders

The Council for Adult and Experiential Learning (CAEL) has prepared this guide to assist business and industry centers in understanding and applying best practices for high performance.

This guide was developed as a result of research CAEL conducted in 1997-1998 at the request of the EnterpriseOhio Network and the Ohio Board of Regents. The purpose of the research was to identify the individual and organizational performance factors that lead to increased revenue growth and service success in college business and industry centers. The methodology for the research project is described in the Appendix to this guide.

Our findings from this research were used to develop performance models and a self-assessment tool for centers and their colleges.

Key Findings

1. There are common practices among high performing centers.

Findings from our research – which drew on information from surveys, interviews, site visits and other studies – are presented in Section I of this guide. These findings provide many real-life examples of best practices that may give centers and their colleges ideas for how to implement new systems and processes themselves. These findings also form the basis for the models and the assessment tool that follow.

2. **There are many things that a center can do to improve its business performance and customer service.**

Section I also provides the *High Performance Model for Business and Industry Centers*, which offers guidelines for how a center can improve its performance. Section III provides the *Self-Assessment Checklist for Business and Industry Centers*, a tool for strategic planning.

3. **Many of the practices and procedures of colleges serve as barriers to centers' performance.**

Many centers are aware of best practices, but are constrained from carrying them out in their institutional environment. The policies and procedures of the college are powerful influences on the operations of a center - *and they are forces over which the center has no direct control.* In Section II, we present a discussion of the key institutional policies and procedures that inhibit centers' ability to meet the best practice guidelines

4. **In order for centers to overcome institutional barriers, colleges must act in ways that support center performance.**

Section II also presents the *Model of a Supportive College*, which provides guidelines for how a college can best support a center. Section IV discusses how state legislatures and boards of higher education can support business and industry centers.

USING THE PERFORMANCE MODELS

Although the models for centers and colleges are presented separately, these models are not intended to be used in isolation. The models should ideally be used and interpreted as parts of an integrated whole, where the center and the college work simultaneously and together on implementing the best practices in *both* models.

The Self-Assessment Tool provided in this guide will provide assistance to center and college leadership who are eager to get started on building a high performance center.

We hope that this guide will be helpful to centers and colleges working to implement best practices of high performance.

Terminology

The term "**center**" or "**business and industry center**" refers to any operation or unit of an academic college or university that provides training and related services to working individuals, businesses, industries and public sector organizations.

The term "**college**" refers to the educational institution with which the center is affiliated, including:

- technical colleges
- community colleges
- two-year regional campuses of 4- year universities
- 4-year universities

Section I: The Center

What Are The Characteristics Of High Performing Business And Industry Centers?

As business and industry centers have begun to play key roles in economic development activities, it has become increasingly important to provide support to centers and to build awareness of model practices and corporate partnerships. In short, we need to know what high performing centers look like and what they do.

Currently, there are many organizations that are committing significant resources to this endeavor. Organizations such as the League for Innovation in the Community College (LICC) and the National Coalition of Advanced Technology Centers (NCATC) have taken leadership roles in the effort to support centers. Many of their publications have highlighted best practices of business and industry centers. Also providing insight to this topic are ASTD's *Training and Development, Training,* other publications, government studies, and dissertations.

What Does This Study Contribute?

CAEL built on the existing research by visiting five centers that demonstrated excellence in some aspect(s)of serving the business community:

- Central Piedmont Community College, Corporate Training Center
- Des Moines Area Community College, Business and Industry Training
- Fox Valley Technical College, D. J. Bordini Center
- St. Louis Community College, Center for Business, Industry and Labor
- South Suburban College, Business and Career Institute

It is important to emphasize that these centers should not be considered the five highest performing centers in the country. Rather, these five centers met several high performance *and* demographic criteria.[1]

The findings of the site visits and how they expand our understanding of high performance in a business and industry center are presented below.

What Factors Support High Performance?

Common themes emerge from the literature and our site visits around what factors support the performance and effectiveness of business and industry centers. These themes can be loosely organized around the following topics:

- Service offerings of the centers

[1] For a complete explanation of how the site visit centers were chosen, please refer to the Appendix.

- Customer orientation
- Organizational structure and relationship to colleges
- Staffing of centers
- Operating as a business

In the following pages, we discuss each of the five topics in greater depth, looking at what researchers have found and what expert observers have reported, both in publications and in more informal conversations.

SERVICE OFFERINGS

Any business interested in improving its performance is naturally concerned about its products and services. The concern is whether the business provides services that successfully meet the needs of customers, both in terms of quality and scope.

A November 1997 article in *Training and Development* discusses the top trends for professionals in workplace learning and notes that the "rapid pace of change requires that workplace learning occur on a just-in-time, just-what's-needed and just-where-it's-needed basis" (Bassi et. al. 1997, 47). A work group of the Commission on Workforce and Community Development of the American Association of Community Colleges (AACC) similarly notes that key criteria for comprehensive workforce delivery models are:

- flexibility
- responsiveness
- cost-effectiveness
- accountability
- quality

The center must add real value to its corporate customers by offering a full-range of high quality services to companies and by being fast and flexible. Centers can do this by customizing training programs or by using advanced technology to aid or accelerate training. These customized approaches, however, must supplement and not replace credit and degree options for business and industry clients, since those individual rewards can be very important to companies and their employees.

In order to achieve high performance and meet customer expectations, centers will need to expand their use of technology.

The definition of "full-service provider," however, can go beyond merely training. For the purposes of economic development, being a full-service provider also means expanding service offerings to a variety of performance improvement services. Successful centers do not assume that training is the only possible, or best possible, solution to business performance problems. A company's performance improvement might best be served through job aids, TQM, or assistance with a reorganization.

One of the criteria used to choose centers for site visits was the range and type of services being offered by the center and whether the center had a formal process for identifying business needs. Most of the centers from which information was gathered offered a range of training services and a handful of non-training services such as assessments and curriculum design, yet very few acknowledged having formal processes for assessing business needs.

Best Practices

- **Broad range of training and non-training services**
- **Services related to performance improvement/business needs of the client**
- **Strategic use of partners and alliances**

One center that stood out in this area was St. Louis Community College's Center for Business, Industry and Labor. The center provides a broad range of both training and non-training services, including job aid design, job profiling, high performance workplace projects, Zig Ziglar, and most importantly, performance consulting. The focus of the center is not simply to provide training, but to provide performance improvement services to companies. All delivery staff are given instruction in performance consulting, identifying business problems, identifying the need for training, and the process for performance consulting at St. Louis.

In 1995, St. Louis developed a process for Front-End Analysis (FEA) with the help of researcher Dana Robinson. That process, because it is comprehensive and expensive, is not frequently conducted with customers. However, about 70 percent of the time, a shorter, more informal version is used to help companies think through their most important issues.

The center staff explains to the customer which problems are controlled by the company, which are controlled by the individual employee, and which can be solved using training solutions. St. Louis then helps the customer to implement both the training and the non-training solutions.

What really sets the St. Louis center apart is the extra value it adds by taking the time to assess a company's business needs and by evaluating the need for training versus other kinds of services.

The center staff makes an effort to help the business understand what can be addressed through training and how problems might be solved in other, often less expensive, ways. This approach avoids wasting the company's time by eliminating unnecessary training and by addressing the real problem more directly. Incidentally, this is an approach that is also expected to be increasingly used in corporate universities (Meister 1997).

Some centers may initially believe that the standards being set by St. Louis are not standards they can realistically be expected to meet. St. Louis, as a $14 million operation, has over one hundred full time staff, giving it much greater internal capacity than many centers. But the St. Louis model, where a comprehensive set of services are provided in-house, is not the only way that centers can meet a wide range of business performance needs. Centers can achieve these high performance strategies by leveraging the strengths of the college and other partners to provide full service opportunities to their customers.

Centers can expand the range of services they offer through partnerships and alliances.

Centers can – and do – approximate the St. Louis model by forming partnerships and alliances with other organizations

(Rosenfeld 1995, Stamps 1995, Jacobs and Teahan 1997, Westra 1997, Alfred and Carter 1997). Partnerships can be used not only to develop marketing and sales opportunities, but also to expand the range of services offered to the business community.

Many centers increase their delivery capacity by forming partnerships with the National Institute for Standards and Technology's (NIST) Manufacturing Extension Partnership Centers (MEPs): three of the five centers we visited had affiliations or partnerships with local MEPs.

Centers can use limited internal resources to focus on a relatively small number of core competencies in service delivery, yet ally with other organizations for formal needs assessments, specialized training programs, and non-training performance consulting. In a phone interview, Jim Jacobs, Associate Vice CEO of Macomb Community College, and an expert on "shadow colleges,"[2] noted that no center should try to do everything itself – a center can be effective as a "systems integrator" or intermediary for connecting businesses to other organizations and services.

Relationship to Customers

In a corporate setting, a key indicator of high performance is a focus on satisfying the needs of the customer. Similarly, a business and industry center can only claim to be playing an economic development role if it understands the needs of local business and industry and if the center has an orientation to serving those needs.

Customer service, flexibility in content and scheduling (in particular, offering services and training at the workplace), quick responses, quality of services, and accountability are all best practices for business and industry centers in the area of customer orientation (NCATC 1994 Benchmarking, Muse 1996, Stamps 1995, Banach 1994).

The centers we visited demonstrated several best practices in their orientation to customer needs. The majority of training is carried out at the customer's workplace: for example, St. Louis offered 90% at the workplace, South Suburban 80%, and Des Moines 70%. Another way centers demonstrated an orientation to the needs of the customer was by evaluating the services that were given to the customer. All the centers conducted some kind of customer satisfaction survey during and/or at the end of a training session (level 1 of the Kirkpatrick model) and four of the five occasionally used pre- and post-test evaluations (level 2). These evaluation results were then used by the centers to make mid-course corrections in a training process, and the results were used to monitor the overall quality of the instruction. Centers we visited also viewed repeat business as an indication of customer satisfaction.

[2] *The term "shadow college" was coined by Macomb Community College's CEO Albert Lorenzo to name the increasingly flexible and entrepreneurial programming options that are developing at the periphery of two-year institutions to serve the needs of their clients.*

The Kirkpatrick Evaluation Model identifies four levels of evaluation:

Level One: Are the participants satisfied?

Level Two: Did the participants learn what was intended?

Level Three: Do participants use what they learned on the job?

Level Four: Is there an impact on the business?

(Kirkpatrick 1975)

Evaluation of the training application (level 3) and evaluation of business results – or the return on the investment – (level 4) were rarely, if ever, conducted by any of the centers.

Understanding current customer needs is often achieved through front-end analyses, like the kind that St. Louis conducts for customers. However, for a center to meet the needs of the community it serves and for the center to sell its services effectively, it is important for center staff to understand the needs of *potential* customers as well.

Through the marketing process, a best practice center not only tells business and industry about the center, but the center can also learn about the companies in its service region and evaluate the environmental context of the area. This can help the center anticipate some of the issues (e.g., shortage of skilled labor, easy access to transportation/service routes, etc.) of its target market.

One center that demonstrated exemplary marketing practices was Central Piedmont. Its center was unique in that it had a well-researched marketing plan with a thorough understanding of the link between its information technology platform and marketing. Technology is used for recording of data and decision making. Telemarketing is conducted regularly with existing customers. Formal surveys, informal surveys, and sales input are used to gain insight to service quality. The center has contracted with an outside market research firm to do ongoing research on customer service and market needs. This constant circle of research and evaluation drives decisions on marketing strategy. Central Piedmont's ultimate goals are for market penetration for each product line and customer service standards.

At Central Piedmont, significant human and financial resources are also dedicated to the marketing process. The center has a dedicated marketing person who uses data to develop marketing strategies, who plans and works closely with the sales function, and who is responsible for the marketing plan and continuous implementation and improvement. A separate marketing meeting is scheduled each week with a cross-functional team that includes sales. The marketing plan includes regular direct marketing programs (mailings and telemarketing), linked to the sales efforts.

Best Practices

- **Orientation to customer needs**
- **Measuring impact and customer satisfaction for continuous improvement**
- **Understanding customer needs through sales and marketing processes**

The center has a formalized marketing budget, set at seven percent of sales. This budget level was developed through benchmarking in the industry. The marketing staff resource therefore has motivation to help increase sales through effective marketing because doing so will maintain and/or increase the marketing budget.

St. Louis also demonstrated several best practices in the area of marketing, particularly in tailoring new products and services to real business needs. St. Louis noted that one way it broke into the market was by recognizing that businesses were very weak in instructional design. By offering that service to businesses, St. Louis was able to market and sell its full range of services to businesses as well.

RELATIONSHIP TO THE COLLEGE

Business and industry centers are unique enterprises that are often bridging the gap between the business community and the academic community. These two worlds have differing value systems, differing timelines, and differing paces of operation. Neither world wants to change its values for the other, and neither believes it practical to change its operational systems for the other. Straddling these two worlds, and attempting to work with both, is the business and industry center.

Operating under these conditions can be the biggest challenge for a business and industry center and its director. Because circumstances vary greatly from center to center, finding the "right way" to operate to bridge the gap between the academic and the corporate worlds seems more like a delicate balancing act than an process that can be outlined with a formula.

Even so, a successful balancing act is not always possible. In some cases, the only relationship between the center and the college that will be tolerated is one of complete separation, while in others, complete integration can be effective.

College policies and practices can impose significant burdens on the operations of a business and industry center, and this makes the center's balancing act more difficult. These problems are discussed in Section II.

A delicate balancing act, rather than a formula

Nevertheless, there are several best practices related to how a center operates within a given organizational structure. These practices involve creating some degree of distance – or separateness – from the college.

One way to achieve separateness is for the center to be physically in a separate, dedicated unit – apart from the college (Johnson 1995, Stamps 1995). Having a separate location and separate facilities from the college is one way to put some distance between the center and the college.

Of the sites we visited, Fox Valley Technical College, Des Moines Area Community College and Central Piedmont all had separate facilities from the college. The Des Moines center was on campus but in its own building, Fox Valley's center was across the street from the main campus, and Central Piedmont was actually geographically removed from any of the college campuses – in an industrial park that had high visibility among local business and industry (Central Piedmont's location did require that it pay rent, unlike the other two centers).

The centers located in separate facilities reported that the separateness gives them more control over the facility. It enables the centers to keep a more business-like appearance. The separate facilities also give the centers more control over access and more flexibility for center-related business. In the case of Central Piedmont, a separate facility can also be used to bring the center in closer physical proximity to the companies it serves.

Best Practices

- **Separate unit from the college**
- **Different types of operating procedures**
- **Key connections with the college**
- **Sharing information and resources with the institution**

A second way to achieve separateness is for the center not to adopt the same operating procedures and practices as the college (Johnson 1995). Traditional instructional operations are structured to serve large numbers of individual students and, in the case of publicly-funded systems, to ensure strict accountability to public funding sources. Traditional procedures for billing and registration and course scheduling may be appropriate for serving large numbers of individual students with disparate interests in a rational way. They are not, however, the best way to serve employers who have an expectation of just-in-time, just-what-is-needed services.

Most centers we visited and surveyed reluctantly use the financial, registration, and purchasing systems of the college. One center noted that invoicing systems occasionally have to be done twice: one copy to satisfy college requirements, and the other to be sent to the customer. Having to play this dual role is not ideal, but it is a compromise solution that enables the center to maintain its alignment with the college while acting in concert with business and industry expectations.

One exemplary practice noted is at Fox Valley Technical College (Fox Valley). The college's information systems division was directed to create reports and registration systems specifically for use by the center, but linked to the college systems for college reporting purposes.

The Fox Valley center/college arrangement is an important example of how to establish a business-oriented process while maintaining close alignment with the college. Even though separateness is important, centers should still remain closely aligned with the college for support and assistance (Stamps 1995). In spite of the drawbacks of working with the procedures of a traditional instructional model, centers nevertheless benefit substantially from the college's local presence and reputation.

Benefits can also derive from alignment with the college through the sharing of information and resources between the center and the college. This integration is often in the form of the sharing of faculty (or lending faculty for specific projects/contracts) and professional development. Some centers even use part of their own budget surplus to train college faculty on the needs of manufacturers. A related best practice is simply the sharing of information, particularly about workplace practices and employer needs, between the center and the college.

Centers CAEL visited attempted these and other forms of integrated activities. The Fox Valley center takes advantage of the college's marketing systems, and the center and college have shared planning and fundraising activities.

St. Louis coordinates with the other units of the college, for example, in offering computer-based training and distance learning. Coordination ensures that there is no duplication of services. St. Louis coordinates with the college in general in the area of technology, specifically, in the development of an intranet and in serving on joint technology committees. St. Louis uses some college instructors and provides professional development for college faculty and staff. In addition, the college and St. Louis coordinate efforts on projects as well. In JTPA-funded programs, for example, St. Louis will conduct assessments, while the college provides the training and placement.

Strengthen the relationship by integrating activities

Similarly, South Suburban College's center has a partnership with the college in an Education-to-Careers program, and South Suburban coordinates with the college to provide distance learning opportunities to customers. St. Louis and South Suburban center staffs both regularly serve on college planning and other committees.

Because of the different ways of operating, the relationship between the center and the college can often be strained. Centers can experience difficulties if there is not a strong commitment from the college CEO or if the faculty does not have a clear understanding of the role the center plays in the mission of the college. One expression of the college's commitment to the center is through the reporting structure. If a center has a high standing with the college, the center director will report to a high level administrator - for example, the CEO or a vice president.

The center can use many strategies to fortify its relationship with the college. Integration activities, like those mentioned above, can be useful in forming a stronger partnership with the college.

Good internal marketing is also a useful strategy, as is practiced at both South Suburban and Central Piedmont. The South Suburban center regularly issues in-house newsletters to share with the rest of the college what the center is doing. This helps build constant awareness within the college for the center's activities, helping in the coordination of services and programs and also serving to build the internal reputation of the center. Informally, the center director is also able to promote the center through almost daily contact with the college's CEO.

STAFFING

As in any organization, staffing is a key influence on the performance of business and industry centers. One key indicator of center efficiency is employing staff with relatively unique skills that are appropriate for producing services for business (Johnson 1995). Professional development for permanent center staff can also be an important investment for centers to retain a core staff of trained individuals.

In addition, however, because centers are expected to provide such a wide range of specialized services, employing staff with specialized skills that meet every delivery need is almost impossible. The specific needs of customers differ by each industry, and needs of customers also change over time. Having comprehensive subject-matter expertise requires a different approach.

A best practice of business and industry centers is to keep a core staff of full-time regular employees for operations, administration, sales and marketing, and limited service delivery. As service contracts with customers are developed, expert consultants are retained on a project basis to deliver the training and/or other services.

Best practice centers have a regular pool of part-time delivery staff (sometimes pulling from both within and outside of the college) that are used as needed, thereby increasing the flexibility that the center can have in offering training and services whenever and however they are needed by a customer (Stamps 1995).

Some of the centers we visited made extensive use of contract employees. At Central Piedmont, approximately 80% of the training is delivered by consultants; at South Suburban and St. Louis centers, usage of consultants is around 60%. Des Moines and Fox Valley centers however, both reported that their consultant pool is primarily comprised of college faculty.

As noted in Section II, use of college faculty is often very difficult, given personnel policies of the college. However, Des Moines and Fox Valley centers have developed rather unique arrangements with their colleges. The colleges have established incentives for the faculty to take on additional work through the center. The faculty has the opportunity to earn more, and the center benefits from a readily available pool of expert instructors.

Best Practices

- **Effective use of professional development opportunities**
- **Well-trained, expert staff for service delivery**
- **Flexible staffing structure**

SIMILARITY TO HIGH PERFORMING BUSINESS

Earlier in this report, we noted the center's challenge of straddling the worlds of business and academia, and that in order for a business and industry center to successfully serve the needs of business, it needs to operate as much like a business as possible. For business and industry, high performance has been very well defined, and best practices are captured in the criteria for the Malcolm Baldrige Quality Awards:

- Leadership
- Information and Analysis
- Strategic Planning
- Human Resource Development and Management
- Process Management
- Business Results
- Customer Focus and Satisfaction

Other sections of this report have discussed Customer Focus and Satisfaction as well as Human Resource Development and Management. We have also discussed the importance of instituting systems and processes that make sense for the business of the center, rather than for the operations of a higher education institution.

Below we discuss the other best practices of running a business-like operation and their implications for business and industry centers.

Planning

A good business is one that doesn't let the market "happen" to it, but rather one that sets out to make good business results happen in the marketplace. Strong planning and organization is therefore vital for any business to be a high performer. Similarly, a business and industry center should have a plan outlining its strategic approach to doing business.

A business and industry center differs from a traditional business, however, in that its strategic planning must also be in alignment with that of the college. Examples of a high level of both strategic planning and linkage were identified at Des Moines and Fox Valley. Both centers had input to the colleges' strategic plans. The centers' plans were developed using the college plans as models. The colleges' plans clearly identified the roles and importance of the centers in their strategic plans and referenced or highlighted the centers' plans and strategies.

Fox Valley also stood out as a best practice center because, in addition to annual strategic plans, the center also developed marketing plans, a sales plan and projections, staff training plan, and annual business goals.

Information and Analysis

Effective strategic planning depends on the availability of accurate data and information. The management, analysis, and use of data and information are key to supporting overall business goals, managing processes effectively and maximizing performance improvement.

As a business entity, a center needs to establish reliable measurements of needed data and information – data that is aligned with key goals and objectives of the business. Examples of data to be analyzed can include:

- center service quality improvement indicators (customer satisfaction, customer retention)
- cost to revenue ratio
- relationships between service quality and operational performance indicators such as operating costs and revenues
- comparisons with competitors
- information on target markets

Once specific data needs are determined, the center needs to establish internal processes for managing, analyzing and using the data. Appropriate use of technology for data gathering and analysis is critical in order to help staff plan and forecast quickly, accurately and effectively.

A center needs to regularly review its performance and use the review findings in order to maximize its own performance improvement. Using information and data from past contracts and from the marketplace ties strategic planning and other management activities to what is actually going on in and around the center.

> **Best Practices**
>
> - **Strong planning**
> - **Information and analysis**
> - **Strong leadership**
> - **Process management**
> - **Expanding services**
> - **Growing revenue**
> - **Revenue well managed by the center for the center's needs**

Most of the centers visited through this study did use information such as previous year's revenue and previous year's enrollments in developing budgets and business goals. The St. Louis and Fox Valley centers were interested in using information and data to develop pricing structures that recover the real costs of delivering services; St. Louis was beginning the process of costing out both services and equipment (with depreciation) for that purpose. Central Piedmont used technology for information gathering and analysis primarily in the marketing function. In general, however, centers acknowledged that they needed to do more in this area.

▌Process Management

Managing business processes is another important criteria for high performance, and an increasingly important aspect of process management is flexibility. Flexibility refers to the ability to adapt quickly and effectively to changing requirements. Flexibility might mean rapid design and development of new services or the ability to produce a broad range of customized services. Flexibility also involves outsourcing, decision-making and partnering arrangements.

Excellence in process management requires definition and accountability of a process owner – one who owns the process and is responsible for implementation and improvement and accountable for the results.

Centers should have autonomy with customer-related processes for full accountability of results. Such processes as hiring, acquiring resources for services, billing and invoicing, and contracting are directly related to the successful outcome of the service delivery experience. Where centers must utilize college systems, college process owners should be identified to work with the center. Colleges should be held accountable for process success and outcomes related to center business issues.

St. Louis demonstrated a best practice by having documentation of its policies and procedures, so that all staff would clearly understand the preferred operating procedures of the center.

▌Business Results

Business results like growing revenues and expanding product and service lines are also important to a business and industry center. Strong business results were demonstrated by all the centers we visited. It should be noted, however, that strong business results can only be beneficial to the center if the center has some degree of control over the budget and expenditures. Here, many business and industry centers struggle because few are given full responsibility and control over their income. Many centers are required to turn over their revenue surplus to their colleges. Some are not afforded a revenue budget, but awarded a yearly expense budget. Direct management of revenue should allow for not only better accountability for the expenses and revenues, but also the re-investment of a portion of the resources to continue to develop as a business. This subject is discussed further in Section II.

Leadership

As part of this project, CAEL conducted an analysis on the competencies of a center director that contribute to high levels of organizational performance, using information from focus groups of Ohio center directors. On the following page is a competency model presenting the most important behaviors necessary for success of a business and industry center director. While this model drew its data from Ohio centers, many of its components will have applicability in other centers around the country. Relevant behaviors will differ from center to center depending on size, structure and other factors.

CORE COMPETENCIES OF A CENTER DIRECTOR

LEADERSHIP

Providing Direction

- Provides center with a clear sense of direction
- Takes charge, organizes resources and steers others towards successful task accomplishment

INTERPERSONAL

Stress Tolerance/Coping

- Remains calm, objective and in control in stressful, ambiguous, or changing situations
- Maintains a stable performance under pressure; accepts criticism without becoming defensive

Building and Maintaining Relationships

- Able to establish and maintain relationships with people at all levels (internal and external to the center and college)
- Builds ownership and support and exercises effective interpersonal influence through formal communication channels, informal networks, and alliances

ANALYTICAL

Problem Solving/Analysis

- Identifies problem and gathers data
- Breaks problem into component parts and differentiates key elements
- Makes accurate use of logic, and draws sound inferences from information available to arrive at an effective solution

Business Management

- Establishes clear priorities
- Schedules activities to ensure optimum use of time and resources
- Monitors performance against standards to achieve financial or non-financial work results

Objective Setting

- Produces detailed project plans in which desired results are clearly defined and action steps for achieving them efficiently and effectively are clearly specified

Decision Making

- Makes rational, realistic and sound judgments and decisions based on consideration of all the facts and alternatives available

BUSINESS AWARENESS

Organizational Awareness

- Has knowledge and experience of a range of different, inter-related functions
- Sees organizations as dynamic, political, economic, and social systems
- Takes account of all the different functions and their inter-relationships in developing strategies and plans

Strategic Perspective

- Takes a long term view
- Thinks beyond details to see overarching goals and results
- Entertains wide ranging possibilities in developing a vision for the future of the center

Commercial Orientation

- Knowledgeable about financial and commercial matters
- Focuses on costs, profits, markets, new business opportunities and activities which will bring the largest return

OPERATIONAL

Execution

- Drives projects along, gets results
- Ensures that key objectives are met

Customer Service Orientation

- Concerned to provide a prompt, efficient and personalized service to customers
- Ensures that customer needs are met

CENTER PERFORMANCE MODEL

In the previous section, we described the characteristics of high performing business and industry centers. Here we present a High Performance Model for Business and Industry Centers that is based upon these identified characteristics.

This center performance model presents a comprehensive list of performance outcomes demonstrated by a high performing center. The model is presented in two parts. The first part presents the performance outcomes related to the delivery of services and the second to center management and operations. Each performance outcome is followed by the key best practices that produce that performance outcome.

> **Performance Outcomes:**
> Desired operational results associated with high performance.
>
> **Best Practices:**
> Actions and policies that high performing centers exhibit in achieving performance outcomes.

This model represents a vision of a high performance center. The centers visited in this project demonstrated many of the performance outcomes, but no one center demonstrated them all. Rather than a description of what has been accomplished by any one center, the model presents an ideal as a way to help direct the strategic efforts of centers and their directors. *For core competencies of center directors, refer to page 16 of this report.*

THE IMPORTANT ROLE OF TECHNOLOGY

As corporate customers demand higher level and more extensive services from business and industry centers, extensive technology usage in both center management and service delivery will contribute to a center's success.

In the following performance model, the use of technology is not depicted as a performance outcome to be sought as an end in itself. Rather, it is a method or tactic to be used in achieving high performance in service delivery or center management and operations.

For example, the use of technological solutions such as computer and video-based options is a best practice for Developing and Maintaining a Full-Range of High-Impact Services to Customers. Another example is the use of technological solutions such as voice-mail and e-mail as a best practice in Promoting a Customer Orientation.

Although technology is not a singular performance outcome in the following model, its role in serving the needs of business and industry should not be under-emphasized. **Given the low-level usage of technology in many centers, technology is perhaps the single most important solution for performance improvement that centers can implement.** For that reason, technology-driven best practices are highlighted throughout the model.

Performance Outcome 1 Develop and Maintain a Full Range of High-Impact Services to Customers

Offer both training and non-training services in formats that are responsive to employer needs (especially performance improvement needs).

Best Practices

a. Identify center's current internal resources for training services
b. Identify and partner with other resources that provide training not available at the college or center
c. Provide credit and degree options where applicable
d. Develop a pool of resources for delivering non-training services
e. Use information on business and individual performance needs as well as current corporate training offerings to design and deliver services
f. Maintain a broad scope of internal and external service offerings
g. Identify and implement strategies that support workplace application of newly-acquired skills
h. Use technology to enhance access to and cost-effectiveness of services

Optimal Performance through Technological Solutions →

Performance Outcome 2 Systematically Approach the Sales and Marketing Process

Demonstrate effective sales techniques, strategies and systems. Identify strategies and relationships that increase the center's visibility and positive image in the business community.

Best Practices

a. Conduct an analysis of sales opportunities
b. Identify and document sales goals
c. Identify and track sales leads
d. Monitor sales cycle
e. Utilize a consultative selling approach
    - *Identify multiple buying influences*
    - *Identify sales objectives for each account*
    - *Approach sales calls strategically*
f. Maintain a sales organization
    - *Identify staff dedicated to the sales function*
    - *Increase business volume*
    - *Set team or individual goals for sales results*
    - *Provide incentives for reaching sales results*
    - *Conduct regular center sales meetings*
g. Develop an annual marketing plan

- *Conduct an environmental scan*
- *Conduct market research and identify target markets*
- *Conduct a competitive analysis*

h. Support the marketing effort with dedicated, expert staff
i. Employ a variety of advanced marketing methods
j. Monitor effectiveness of marketing materials
k. Use appropriate technology (e.g. web site, e-mail, fax, electronic databases) to facilitate the sales and marketing efforts

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Performance Outcome 3 Diagnose Customer Needs

Use a systematic process to determine appropriate training and non-training solutions.

Best Practices

a. With the client/client team, identify business needs and individual performance improvement needs underlying customer requests for services
   - *Contract for performance assessments when appropriate*
   - *Use multiple methods to gather data on business and performance needs*
   - *Analyze data to determine customer performance gaps and causes of those gaps*
b. Conduct client team briefings
   - *Report findings*
   - *Educate customers on performance improvement*
   - *Educate customers on how to identify needs in performance terms*
   - *Gain agreement on actions for addressing identified needs*

Performance Outcome 4 Promote a Customer Orientation

Promote, coordinate, and evaluate internal and external customer service.

Best Practices

a. Use information on business needs and the market to coordinate customer service
b. Develop and implement strategies to understand and anticipate the needs of customers
c. Evaluate and improve center performance using customer satisfaction data
d. Manage responses and follow-ups with customers to build relationships
e. Use appropriate technology (e.g., voice mail, e-mail) to maximize accessibility to customers

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Performance

Outcome 5 Measure the Impact of Programs and Services
Regularly assess the effectiveness of center offerings

Best Practices
a. Evaluate the impact of services on customer performance
b. Evaluate the impact of the training program on the individual
c. Use impact data to improve services and customer satisfaction

Performance
Outcome 6 Develop Strong Partnerships and Alliances
Proactively develop and maintain community and employer partnerships.

Best Practices
a. Develop partnerships with other service providers (including neighboring community colleges) to enhance service delivery
b. Develop partnerships with state agencies

PART II: CENTER MANAGEMENT AND OPERATIONS

Performance
Outcome 7 Optimize Center Financial Performance
Manage, monitor and maintain a fiscally responsible operation.

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Best Practices
a. Use financial data from budget strategically
   - *Identify dependable revenue streams and anchor clients*
   - *Use appropriate technology to track and analyze finances*
   - *Use appropriate technology to link with college financial data*
b. Develop a cost basis for pricing services
c. Develop creative methods for acquiring flexibility in and control over financial operations

Performance
Outcome 8 Manage Human Resources

Utilize appropriate staff for industry assignments. Monitor and adjust work flow, promote continuous development of staff, and optimize staffing patterns to facilitate the accomplishment of organizational plans and priorities.

Best Practices

a. Develop and continuously evaluate center's organizational structure to coincide with the center's overall performance improvement plans
b. Maintain a pool of talent for fluctuating service needs
c. Promote high staff performance
d. Provide staff development opportunities that advance center plans
   - *Maintain currency in the training and development field*
e. Maintain a work environment conducive to the well-being of staff
f. Continually evaluate and improve human resources planning

Performance
Outcome 9 Apply Strong Strategic and Organizational Planning

Utilize analysis and strategic forecasting as management tools. Participate in institutional strategic planning processes.

Best Practices

a. Use multiple data collection methods to gather information for strategic planning
b. Develop and monitor an annual strategic plan with input from the college
c. Participate in strategic and other planning for the college

Performance
Outcome 10 Maintain Responsive Operational Processes

Plan, design, maintain, and improve processes to support center operational goals

Best Practices

a. Identify and document all center processes
b. Define performance standards for all center processes
c. Measure the performance of processes against performance standards
d. Determine the need for new or improved processes
e. Use appropriate technology for the information, planning and service delivery needs of the center

Optimal Performance through Technological Solutions

Performance Outcome 11 Establish and Maintain Productive Relationship With the College

Work collaboratively with campus programs and staff and communicate the needs, value, activities and accomplishments of the center.

Best Practices

a. Develop and maintain mechanisms for communication with the CEO, faculty, administration and Board of the college
b. Coordinate services with campus programs and personnel
c. Proactively work with other departments, college administrators, and the college leadership to minimize barriers to high performance (*See College Support Model, Section II*)
d. Capitalize on the CEO and the Board as resources to promote the value and services of the center in the community
e. Market the center's achievements to other institutional departments

Performance Outcome 12 Demonstrate Strong Center Leadership

Design an effective organizational structure, manage the business, manage change effectively, and maintain currency in the training and development field.

Best Practices

a. Provide center staff with a clear sense of direction and a vision of the center's role in the college and the larger community
b. Establish and communicate high performance expectations
c. Regularly provide information to center staff on overall center performance
d. Set priorities for improvement initiatives

SECTION II: THE CENTER'S OPERATING ENVIRONMENT

THE BARRIERS TO OPERATIONAL SUCCESS

The environment within which business and industry centers operate plays a large role in determining their success at improving business performance and customer service. Functioning as a department of an academic institution can restrict centers to the traditional policies and procedures under which colleges operate. Designed to support the mechanics of educating students, these policies and procedures are frequently unsuitable for centers that need to operate like businesses.

WHAT POLICIES AND PROCEDURES AFFECT CENTERS?

High performing business and industry centers operate like any business, using defined business processes such as human resources, marketing, fiscal management, and service delivery that are designed to meet the needs of their customers. These processes determine not only the quality of services delivered but also how the customer feels about the experience of receiving these services. All of these processes involve other departments of the college in their execution and are driven by the policies and procedures of the college.

Supportive institutional policies enable centers to achieve high performance by contributing to the smooth running of the business processes. The most supportive collegiate policies and procedures give flexibility to centers in responding to customer needs. Other institutional policies, in contrast, can restrict centers from performing at the highest level. Some examples of the impact on center performance of supportive and inhibiting institutional policies are:

Effects of Supportive Policies:
- enhanced marketing efforts
- streamlined customer service
- operational funding
- budget flexibility
- staff retention
- revenue growth

Effects of Inhibiting Policies:
- time-consuming red tape
- slow response time to customers
- inability to make appropriate use of faculty
- inability to hire the most qualified staff
- inability to meet requirements of customer
- customer dissatisfaction

There are policies and procedures that are common obstacles for centers attempting to operate in a manner that demonstrates speed, flexibility and innovation. It is these obstacles that will be discussed in the following pages.

It should be noted that these obstacles are important *not* because they are merely inconvenient or time-consuming for the center, but because they impede the center's ability to attract, serve and retain customers.

HUMAN RESOURCES

Obstacle: Complex and time-consuming hiring process

The procedure for hiring staff is a significant barrier to achieving optimal performance in many business and industry centers. Creating or filling part-time or full-time positions within the center usually requires approval by the Board of Trustees of the college. Obtaining this approval can be a laborious and time-consuming process. Center directors must first submit a proposal to create a position, often one that must fit into an existing college job description.

> **Centers are understaffed and top candidates are lost.**

Once the position and funding have been approved, the director can begin the search for a qualified candidate. Adherence to this hiring procedure is inviolate despite the fact that many center directors are responsible for their own budgets and expenses. As a result, many centers remain understaffed, resulting in diminished ability to meet the service needs of the customer. In addition, understaffing affects the quality and scope of the sales and marketing processes.

Obstacle: Rigid salary scales

One important factor in achieving high performance is the ability of the center to hire and keep qualified personnel. Being limited to the existing pay structure of the college is a major obstacle to hiring qualified part-time and full-time staff. The salary scales for most colleges are not based on work experience but on academic credentials. Well-experienced trainers often find that business and industry centers cannot pay salaries as high as those that can be earned working for private corporations. Often, therefore, the center director must use less qualified personnel simply because they are the only ones who are willing to work for the salary offered. Exacerbating this problem is the fact that once the new employee has gained sufficient experience in the field, the likelihood that the employee will leave and seek higher pay elsewhere in the market increases greatly. The effect of being tied to an inflexible pay structure is that the centers are perennially staffed with less experienced and less qualified candidates, which limits the center's capacity. This is indeed problematic, given Stuart Rosenfeld's findings that, "The ability to hire and retain staff with industrial experience is perhaps the most important indicator of a successful program" (Rosenfeld 1995, 29).

> **Centers do not have the most experienced staff.**

Obstacle: Difficulty using faculty as trainers

Another significant barrier to optimal performance by the centers involves the use and availability of faculty as trainers. Presumably, one of the greatest benefits of being affiliated with the college is that the center has access to the wealth of knowledge that the faculty possesses. Unfortunately, there are pervasive policies and practices that limit and sometimes prevent the centers from fully utilizing this resource. In some cases, there are actual specified limits as to how many hours or courses faculty can teach in a given semester or quarter that prevent faculty members from taking on the additional work for the center. In other cases, there are seniority requirements that force directors to use certain faculty members that may not be the most qualified.

Centers are unable to take full advantage of the faculty resources at colleges.

It can sometimes be very difficult for the center staff to schedule training classes around the schedules of faculty. Often, customers want to schedule training over an entire week, weekend, or another concentrated block of time, to which it is usually impossible for faculty to adhere due to classes and scheduled office hours. Even if the center staff is able to coordinate faculty time and training time, faculty members are often unwilling to teach because the center cannot afford to pay them at their normal college rate for non-credit classes. These policies and practices on the part of the college make it exceedingly difficult for the center to make full use of the faculty.

SALES/MARKETING

Obstacle: Minimal institutional support in marketing centers

Sales and marketing are key components of a successful center. The most significant barrier to effective sales and marketing for these centers is the lack of resources dedicated to the effort. This includes a lack of personnel within the center as well as a lack of access to the resources of the college.

Most colleges have dedicated marketing and sales staff as well as marketing facilities. These resources are made available to the traditional academic departments. However, very little (if any) allocation of time or resources is made to the centers. Many directors reported that they were unable to make use of the college's staff or facilities to produce marketing literature. This severely hampers the ability of the centers to increase their visibility and recognition within the community. It also causes the center to overlap its efforts with those of the college and to spend money unnecessarily on services that the college could provide.

Centers have difficulty gaining visibility in the community.

Many directors pointed to a fundamental issue causing the persistence of this barrier in marketing and sales: although all of the colleges have adopted economic development as part of their missions, support of the center from the Board and faculty has not always followed. In other words, many faculty and Board members continue to feel that non-credit training should not be a priority for colleges. Supporting this conclusion by the directors is a 1993 survey of 748 community colleges in which the League for Innovation in the Community College found that 62.6% of centers found opposition or lack of support from faculty to be a minor or major obstacle in their performance (Doucette 1993, 15).

As the business and industry centers continue to expand into the field of workforce development, the quality of the sales and marketing efforts will largely determine the growth and scope of the centers. The absence of organizational support and participation on the part of the college slows down the rate at which a center will gain visibility in the community. In practical terms, it translates to a loss of money both in funds for duplicate services and in lost business.

Obstacle: Centers are expected to generate Full Time Equivalent (FTE) credit enrollments for colleges

Because core funding for colleges comes from the delivery of credit courses, colleges often place a premium on this type of delivery. However, the expectation that centers will generate credit FTEs for the college poses significant barriers to the competitive success of the centers.

> **Employers are dissuaded from being customers and the center has a diminished ability to market to business customers.**

First, this expectation places the general needs of the college ahead of the specific needs of the center's business customers, who often (though certainly not always) seek non-traditional and non-credit training options. This dichotomy between what the college and the customer are expecting makes it impossible for the center to serve the needs of both. By expecting credit FTE generation, the colleges are giving priority to one method of revenue generation (FTEs) over another (fee-for-service). This puts the center in the position of marketing potentially inappropriate business solutions to customers.

Second, in terms of revenue generation, delivering credit courses to customers is not always economically viable for centers because they are not able to charge as much as they can for non-credit courses. The charges for a credit class are specified by the college or the state and this level is often below what the centers can charge for customized training courses. In several informal conversations and focus groups, numerous directors expressed that offering credit training actually costs the center money.

For these reasons, the promotion of credit FTEs by the center does not consistently serve the interests of the center or the customer. In return for a small number of FTEs, these college policies lead to poor customer service and minimize the chance for the centers to be competitive in the market.

FISCAL MANAGEMENT

Obstacle: Lack of control over budget surplus for reinvestment and product development

The financial imperatives of the business and industry center are parallel in many cases to those of an academic department. The center needs constant upgrading and

> **Centers have difficulty keeping up with technology and innovation.**

reinvestment to keep on top of technological innovation and developments in the field. As corporate customers demand increasingly customized services, centers will need to make appropriate and cost-effective uses of technology in order to meet this demand.

In many cases, the entire budget surplus of a center must be returned to the college's general fund. Centers that have no control over budget surpluses are unable to reinvest any surplus back into the business. In order to invest money, the center director often must request funds from the college. This procedure affects the center adversely by slowing down and in some respects halting the growth and development of the center. Product research and development do not occur, making it difficult for the center to maintain market competitiveness.

SERVICE DELIVERY

The processes involved in service delivery for a business and industry center must be dominated by the concept of optimal customer service. The culture of the college, however, is based heavily on committee decision-making and is often incompatible with responsive customer service. New systems must be devised in order for centers to overcome the various obstacles to meeting business needs.

Obstacle: Centers' financial transactions are handled by the colleges

In financial transactions, the center's business customers must interact with the college business office, where there may be no particular contact or official who knows anything about the specific agreement or contract the customer has with the business and industry center. This can be not only confusing to the customer but also quite frustrating.

Since colleges may not have the flexibility to hand off the business office responsibilities, one compromise solution is for the center to play an intermediary role between the customer and the business office in order to facilitate the process. However, most center directors said that their dealings with the college office were no easier than their customers'.

Often the accounting and billing systems are geared towards a credit and student system. Although centers offer credit, they have employers as customers, not individual students, and offer non-credit courses. Small things can become major ordeals such as arranging for a customer to be billed at an interval other than that scheduled for students. Once again, difficulties may arise because the center needs unique services from the college office, but there is no one in the college office – or a reasonable system in place – to facilitate this process.

> **Centers cannot control the quality of customer service.**

The importance of aligning appropriate business processes at the college with the center's customers is demonstrated in the following example: At one center, a business customer wrote a check to pay for services and the check was forwarded to the business office. The check was returned to the center because the college office could not process the check without a student identification number. The software system used in the business office was incompatible with the type of work the center did.

A 1992 national survey of workforce training units revealed that this is a common problem nationwide: over 50% of the respondents reported that "business office accounting/budgeting practices" present an obstacle to meeting the needs of employers (Doucette 1993, 15).

Obstacle: Slow board approval of service contracts

After successfully negotiating contracts with customers, many directors do not have the authority to sign them, but must submit the contract to the college's board for approval. This process can take up to 60 days. Once approved, there may be further submissions such as requests to offer credit courses, the approval process for which can take several months.

For center directors, this process is absolutely unworkable in a business environment. As one director said, "The need for speed is paramount." Customers expect turnaround in a matter of days while colleges are responding in weeks or months.

Having to get board approval for everyday activities has very obvious and detrimental effects on the business of the center: the loss of time means a loss of customers, loss of money and the inability to meet time-sensitive customer needs.

In May 1996, the Commission on Workforce and Community Development reached this same conclusion when assessing institutional impacts on business and industry centers. Among its key findings: "The inability of some colleges to respond as rapidly and flexibly as necessary to meet training needs causes many businesses to consider other providers" (Miller 1996, 4).

Obstacle: Slow purchasing processes

The issues surrounding the system where centers must purchase goods through the college's procedures are similar to those involving the business office. In order to procure goods, the center must submit a request to the college. The approval and receipt of goods can take several months. When the center needs to upgrade systems or acquire goods for service delivery, a timeline of several months is excessive since the contract could be completed before the goods even arrive. The effect of this is that the center has a diminished capacity to operate.

Centers have difficulty acquiring necessary resources, resulting in diminished service delivery ability.

THE MODEL OF A SUPPORTIVE COLLEGE

The institutional policies and procedures detailed in the previous section interfere with a business and industry center's ability to implement best practices and to achieve optimal performance. Unlike other campus departments, centers generate revenue and serve corporate customers. Because of this unique role, business and industry centers require flexibility in operations or they will not achieve high performance or competitive success. In fact, as competition increases in the workforce development field the centers will not be able to remain viable in the marketplace if they are not actively supported by their colleges.

> **Without a supportive college, a center cannot achieve the high performance standards or remain viable in the marketplace.**

Supporting the centers is not about giving the centers absolute autonomy. It is about devising new systems, structures and positions so that the centers have the flexibility to operate as a business while leveraging the advantages of their affiliation with the colleges.

Given the barriers discussed in this report, the following list presents the key systemic components that supportive colleges must provide in order to enable their centers to perform at a high level. This list of best practices presents the crucial elements that the college leadership can implement in order to give the center the necessary flexibility for its business and customer service operations.

1. An Actively Supportive College CEO

The role that the CEO of the college plays in the business and industry center is the most important institutional factor determining success. The CEO can play a major role in eliminating or minimizing institutional barriers, particularly during the transition period when the center is moving toward high performance practices. Overall, the CEO needs to play three distinct roles: internal champion, external marketing agent, and process improvement leader.

Internal Champion

The position that the CEO takes with respect to the business and industry center largely determines the attitudes of the Board and the faculty. Often the college faculty and administration do not understand the value and purpose of the centers. The CEO has the ability to minimize this tension among the different parts of the college by clearly supporting and defining these issues for all college employees. This role will be particularly important while instituting other changes at the college which better support the center.

External Marketing Agent

The advocacy on the part of the CEO greatly determines how visible the center is within the community. The most supportive CEOs market the services of the center to community organizations. Some examples of activities designed to promote the center include monthly luncheons for local business executives, cross-divisional marketing committees including the CEO, center director and Board members, and presentations to local business groups.

▌Process Improvement Leader
During a transition to a high performing center, the CEO must be concerned with expediting and improving college processes that restrict the daily functioning of the center. One center director described a CEO who provided assistance almost on a daily basis, expediting Board approvals for contracts and internal approvals for purchasing supplies. Such assistance is not a replacement for instituting customer-friendly systems and processes, but it can be extremely helpful for serving immediate customer needs while those systems and processes are developed and implemented.

2. Campus Faculty and Staff Integrated into Center Activities

The most supportive college is one that actively encourages and facilitates the participation of faculty and staff in the center's activities. Faculty and staff participation improves the services and delivery of the center, creates more marketing opportunities for the center, and generates internal support for the center. Suggestions for specific ways to promote the integration of faculty and staff into the center's activities are:

- Include field experience as hiring criteria for new faculty.
- Enable and encourage faculty to participate in summer externships with local companies to gain workplace experience.
- Increase communication and coordination between the center and other departments.
- Institute college methods for making faculty available to teach more frequently, including more flexible schedules and removing departmental restrictions on seniority, number of courses and teaching hours.

At Fox Valley and Des Moines, faculty contracts are flexible with the expectation that faculty will provide a certain amount of time to the center each term. In turn, faculty is given additional pay and incentives to take on this work. The center is then responsible for going to academic departments as the first step in staffing service delivery.

3. A Center Director with Increased Strategic Authority

The most supportive colleges are those that give the center the flexibility to operate as a business within the academic environment. To achieve this, the college must invest greater authority in the center director. This will raise the importance of the center in the eyes of the college community and give the director the ability to meet the needs of the center's customers.

One method of accomplishing this is to have direct reporting from the center director to the CEO. In addition, the center director should be given the authority to sign contracts and hire staff for service delivery on behalf of the center.

4. A Center with Differentiated and Funded Core Positions

The supportive colleges must realize that supporting core positions in the business and industry centers is an investment. Based on the needs of the center, there must be a core, minimal investment if the center is going to thrive. In general, center directors do not have the time to fill all of the different functions necessary to the center's operations. The critical staff resources include administrative support, sales and marketing.

5. Hiring Policies That Are Specific to the Center's Operations.

In order to operate as a competitive vendor in the marketplace, the college must develop human resources policies that are unique to the center and that support its business practices and customer expectations. Center directors must have the flexibility to define job positions, hire the most qualified candidates in a timely manner, and offer competitive pay and salaries. As discussed above in relation to integrating faculty into the center's activities, efforts must also be made to minimize the restrictions on the use and appropriate selection of faculty as trainers.

6. A Designated Administrator at the College to Manage the Processes That Link the Corporate Community with the College's Business Office

Even when business-friendly policies and systems are implemented, the college needs a designated administrator to take responsibility for ensuring seamless service delivery between the center customers and the college business operations. This will directly address the poor customer service that results from college business offices that are not designed to serve the corporate community.

This administrator should serve as a process owner who ensures that fiscal processes that serve the corporate community have performance standards, are tracked, and are continuously improved. This will minimize much of the confusion and frustration that business and industry customers experience when dealing with the business offices at colleges.

7. A Joint Marketing Effort

A supportive college must coordinate the marketing efforts of the college and the center. The center needs to capitalize fully on the expertise of the college. This includes:

- Joint marketing strategies.
- A CEO of the college that actively markets the center.
- Allocation of resources to the center which could include funding a position and/or providing personnel and facilities for producing literature.

8. Budgetary policies that are specific to the center.

The college and center must negotiate a system where the center director has complete control over the center's budget as well as ownership of a pre-determined portion of the center's surplus, with the expectation that these centers will eventually be self-sufficient.

Examples of good budgetary policies were evidenced at St. Louis and Central Piedmont. Both centers have total budget control over revenues and expenses. The college does not require "profits" to be returned to them. Each director has discretion over spending profits for new development, capital expenditures such as new technology and staff development. Each can carry-over revenues into the next fiscal year for use as deemed necessary by the director.

One school has found a working compromise: the center has an expense budget and a variable delivery account. The director pays for all personnel and office expenses out of the fixed expense account, but then she has the freedom to spend what is in her variable account as needs dictate. If and when she overdraws on this account there are no penalties and the college replenishes the fund.

SECTION III: SELF-ASSESSMENT TOOL

The Self-Assessment Tool for Business and Industry Centers is a checklist that enables center staff to identify potential performance improvement areas, based on the performance model presented in this guide. By directly addressing each desired performance outcome from the performance model separately and assessing areas of strength ("yes" responses) and areas for improvement ("sometimes" and "no" responses), center staff will be able to identify opportunities for targeting their limited resources to those practices that are most likely to lead to high performance.

This strategic planning tool is organized according to the performance outcome categories from the model. Under each performance outcome is a list of questions to determine whether the center operates according to identified best practices. As a planning tool it identifies the specific actions that lead to the achievement of best practices.

How to Use This Tool

In using this tool, the first step is clear: read each question and respond "yes," "sometimes," or "no." After completion of the entire survey, the center staff can systematically look at each area of operation and assess the balance of "yes" and "no" responses in order to identify areas for improvement and areas of strength.

There is no formal scoring mechanism for this tool because it is not meant to be evaluative or comparative but strategic. Its purpose is (1) to identify appropriate areas where center staff can target resources, and (2) to provide specific, incremental suggestions for how to implement best practices. Once the checklist has been completed, there are several potential uses that are identified below.

For internal use by the center as a tool for continuous improvement and strategic planning. The checklist allows center staff and leadership to determine where they are performing well and where they need improvement. The tool also gives specific tactics to pursue in order to improve performance.

For collaboration between the campus and the center. The models and tools provide an objective manner in which to facilitate ongoing communication with the college. In addition, it can serve as a springboard for discussions on how to coordinate marketing, business office and other procedures with the college.

For use by business and industry center networks and community college organizations. After all centers have completed the Self-Assessment Tool, the collective information can be used to plan topics for annual conferences, to organize group discussions, to develop on-line study groups and in hiring consultants.

Many colleges offer services to business and industry through their Department of Continuing Education. Because these divisions are similar in many ways to a business and industry center, they may find parts of this tool valuable for instituting continuous improvement as well.

1. DEVELOP and maintain a full-range of high impact services to customers

	Yes ✓	Sometimes ✓	No ✓
1. Does the center define the objectives of training programs in terms of the identified business and individual performance needs of the customer?			
2. Does the center use examples and materials directly related to customer performance requirements in the content of training programs and evaluations?			
3. Does the center offer non-training services to customers?			
4. Does the center regularly recommend non-training solutions?			
5. Does the center partner with other providers to offer services that are not available at the college or center?			
6. Does the center offer credit and degree options?			
7. Does the center develop plans for specific actions to encourage the workplace application of skills?			
8. Does the center employ computer-based and distance learning technology?			
9. Does the center use technology to increase the cost-effectiveness and availability of services for customers?			

2. SYSTEMATICALLY approach the sales and marketing process

	Yes ✓	Sometimes ✓	No ✓
1. Does the center have a dedicated sales staff member?			
2. Does the center have a dedicated marketing staff member?			
3. Does the center collect data on win/loss ratio, type of business customer, project data (such as estimated dollar value vs. gross profit/loss), and an ideal customer profile?			
4. Does the center have a documented sales plan?			
5. Does the center identify and track sales leads using a sales database and a prospect list?			
6. Does the center use a consultative selling approach?			
7. Does the center have team and/or individual incentives for sales results?			
8. Is the business volume of the center increasing?			
9. Does the center have an annual written marketing plan?			
10. Does the center utilize advanced marketing methods?			
11. Does the center maintain a web site?			
12. Does the center research which marketing methods are most effective?			

3. DIAGNOSE customer needs

	Yes ✓	Sometimes ✓	No ✓
1. Does the center contract for performance assessments when appropriate?			
2. Does center staff redefine service requests in performance terms?			
3. Does the center use multiple data collection methods to gather information on business and performance needs?			
4. Does the center conduct formal or informal analysis of performance and causes for non-performance?			
5. Do center proposals for service identify the business and individual employee needs to be addressed?			
6. Do center proposals for service identify the expected business performance outcomes to be achieved by the service?			
7. Does the center conduct customer team briefings to report on findings and to educate customers on performance improvement?			
8. Does the center distribute materials and conduct presentations on performance improvement to customers?			

4. PROMOTE a customer orientation

	Yes ✓	Sometimes ✓	No ✓
1. Do the services of the center reflect the requirements, expectations and preferences of customers?			
2. Does the center monitor technological, competitive, economic and environmental factors that influence customers?			
3. Does center staff use strategies to understand service issues from the customer's perspective?			
4. Does the center use evaluation information to improve survey design and increase or decrease the importance of service features to customers?			
5. Does the center have a contact person or electronic network so that customers can comment, complain and seek information and assistance?			
6. Does the center have a process for following up on inquiries and on contracts that are either in-process or have been completed?			
7. Does the center train customer-contact employees in key knowledge of services, listening, solicitation of comments, and anticipating and handling problems?			
8. Does the center have a documented service history for every customer?			
9. Does the center have a system to measure satisfaction that includes participant evaluations, post-workshop surveys, sales calls, or informal conversations with customers?			
10. Does the center use feedback to change training midcourse?			
11. Does the center reply to customer requests, proposals and contracts in a timely manner?			

5. MEASURE the impact of programs and services	Yes ✓	Sometimes ✓	No ✓
1. Does the center use and document participant evaluations and conversations with the customer?			
2. Does the center measure the impact of services provided on the identified performance needs of the customer?			
3. Does the center offer ways for the company to measure its return on investment?			
4. Do trainees/students complete evaluations at the end of training?			
5. Does center staff administer pre and post-tests or performance demonstrations to determine what was learned?			
6. Do instructors receive impact data and make appropriate changes to training content and delivery?			
7. Does the center have a large incidence of repeat customers or referrals?			

6. DEVELOP strong partnerships and alliances

	Yes	Sometimes	No
1. Does the center have partners that offer capabilities or competencies that the center itself is unable to provide to its customers?			
2. Does the center solicit and receive training grants from the state?			
3. Does the center advise state and regional agencies on the design of industry training and assistance policies to the competitiveness of local companies?			

7. OPTIMIZE center financial performance

	Yes ✓	Sometimes ✓	No ✓
1. Does the center have a financial analysis and projection for the year?			
2. Does the center have long-term repeat customers?			
3. Does the center have its own budget?			
4. Does the center have an identified section of the budget for which heavy sales and marketing is not necessary?			
5. Does the center track costs and determine price based on comprehensive cost of delivery?			
6. Does the center continually expand its methods for raising funds, charging fees, paying staff and using consultants?			
7. Is the center able to reinvest a portion of its revenue into the development of new products and services?			
8. Does the center have control over any portion of its budget surplus?			
9. Does the center pursue opportunities to acquire flexibility and control over its budget?			
10. Does the center have a computerized accounting system?			

8. MANAGE human resources

	Yes	Sometimes	No
	✓	✓	✓
1. Does the center have human resources plans including performance goals in staff preparation and development, staff recruitment, compensation, promotion and benefits?			
2. Does the center have access to a pool of part-time consultants to meet fluctuating customer needs?			
3. Does the center have its own pay scale based on market value?			
4. Does the center director create opportunities and initiative for self-directed responsibility?			
5. Does the center have a compensation, promotion and recognition system that reinforces high performance?			
6. Does center staff participate in training and workshops that help to meet center and personal objectives?			
7. Does the center offer professional development opportunities to all staff?			
8. Does the center director ensure that the work environment is safe and healthful?			
9. Does the center director monitor staff-related and center performance data to adjust work flows and staffing patterns?			
10. Is the center able to locate and hire qualified individuals for service delivery?			

9. APPLY strong strategic and organizational planning

Question	Yes ✓	Sometimes ✓	No ✓
1. Does the center conduct extensive research on trends and events in the external environment?			
2. Does the center conduct internal performance audits using institutional research data and program information?			
3. Does the center have a planning committee of faculty, staff, board members, students and community residents?			
4. Does the center use listening sessions for community members, business, government and other providers?			
5. Does the center have a written strategic plan?			
6. Does the center update the strategic plan yearly?			
7. Does the center monitor its financial progress monthly?			
8. Is the center director on the planning committee for the college?			
9. Are members of the college faculty on the planning committee for the center?			

10. MAINTAIN responsive operational processes

	Yes ✓	Sometimes ✓	No ✓
1. Does the center have documentation for all processes from sales call to termination of contract?			
2. Does the center have designated staff assigned to each step of the process?			
3. Does the center conduct periodic reviews of process flow documentation?			
4. Does the center continually upgrade its systems?			
5. Does the center director provide training on system and other procedural changes within the center to affected staff?			
6. Does the center director communicate any changes and the reason for these changes directly to staff?			
7. Does the center director hold staff meetings at least once per month?			
8. Does the center use appropriate technology for the information, planning and service delivery needs of the center?			

11. ESTABLISH and maintain a productive relationship with the college	Yes ✓	Sometimes ✓	No ✓
1. Does the center director, vice-CEO and CEO of the college participate in verbal and written summary reports on at least a quarterly basis?			
2. Does the center director submit summary reports to the Board agenda or have scheduled reports to the Board?			
3. Do the CEO and vice-CEO of the college publicize the activities of the center?			
4. Do the center and college share facilities, instructors, curriculum, grant leads, and other resources?			
5. Does the center provide professional development for the college faculty?			
6. Does the CEO or campus dean of the college market the services of the center?			

12. DEMONSTRATE strong center leadership

	Yes ✓	Sometimes ✓	No ✓
1. Does the director provide center staff with a clear sense of direction and a vision of the center's role in the college and the larger community?			
2. Does the center director establish and communicate high performance expectations?			
3. Does the center director regularly provide information to center staff on overall center performance?			
4. Does the center have priorities for improvement actions?			

Section IV: Supportive State Level Policies

Centers and colleges must work jointly in order for centers to improve business and customer services. The models in this guide are intended to help a center and its college take steps toward making that happen in the context of their unique relationship.

We need also to recognize that outside of the center-college relationship, there are additional players whose policies have an impact on the success of any center. In addition to college policies, state policies and regulations also have an impact on the center's ability to operate at high performance. The state policies and regulations come from two sources: the state legislature and the state board that oversees higher education. The policies and procedures that emerge from the state significantly affect the processes and competitive success of the center in much the same way as the policies and procedures of the college.

The State Legislature

Since business and industry centers are seen by the directors as undercapitalized it is not surprising that the main issues for improved legislature support relate to increased funding. Several states visited during the site visit process had exceptional systems for economic development that provided extensive financial opportunities for the community colleges and their business and industry centers. Iowa and Missouri are two states that provide generous training support to businesses to support economic development.

In both states, businesses apply for state training aid through the community college, and the college designates the business and industry center as the lead unit for managing and administering these funds. As fiscal agents, the colleges receive 15% of the total contract. Companies are not obligated to use the center for services but because the centers have first-hand knowledge of the needs of the businesses and because the centers are aware of the opportunity to contract for the work, they are often able to deliver services on the contracts as well.

Additionally, in Iowa, the state provides further support for business and industry centers by reimbursing non-credit instruction. The reimbursement allows the centers to price competitively, offer the programs that are needed by the customer, and still receive additional funds to add to capacity and to develop new programs.

Iowa's Innovative Method of Financing

In the Iowa model, the training aid grant money is funded through a tax realignment program. The colleges issue local bonds to generate the total value of a training contract. The bonds are paid off using a percentage of the state withholding income tax for the new employees hired by the company. This financing arrangement covers a period not to exceed 10 years, as negotiated in the individual contracts.

THE STATE BOARD

There are two important roles that the state board charged with the oversight of higher education in the state can play.

The first is as an advocate of business and industry centers in the state legislature by promoting non-credit hour reimbursements and increased training grants to employers. The programs that are in place in Iowa and Missouri might serve as models for promotion in state legislatures across the country.

The second is as a facilitator of the progress and negotiation between the colleges and the centers. Specifically, the state board could and should play a primary role in encouraging the CEOs of colleges to embrace the concept of economic development and actively promote the achievement of competitive success in these centers. The state board should convene meetings of colleges' CEOs where they will be encouraged to identify vehicles for beginning the process of change necessary for the centers to grow and succeed.

Section V: Summary and Next Steps

This guide has outlined the characteristics of high performing business and industry centers as well as the many barriers that centers face in trying to reach a level of high performance. The High Performance Model, the Model of a Supportive College, and the Self-Assessment Tool have been provided in order to help centers and their colleges learn more about what each can do to help make their partnership a successful one that benefits the center, the college, and most of all, the local business community and its workforce.

State-level policy-makers also have a role to play in establishing a context for the relationship between centers and their colleges, and between centers and the local business community. Supportive state policies can be very effective in promoting business and industry centers and in advancing learning opportunities for working adults.

Business and industry centers play an important role in the support of local economies, yet they have the potential to play an even greater one. To truly excel in their economic development role, centers need to be proactive in managing their business, their clients, and their services. Because of their unique operating environment, they also need the freedom and the support of institutional and state policies to help make that possible.

Suggestions For Future Research

This project helped identify the many other areas where additional research would be instrumental in improving the effectiveness of business and industry centers in their communities. Some suggestions for future research are listed below.

Evaluate the performance of business and industry centers from the perspective of customers.

CAEL's study was based largely on the perspectives and information gained from center staff, and therefore, their perspectives are predominant throughout. However, by focusing primarily on the centers' perspectives, it was not possible to assess customer satisfaction in the nature of programs offered, the relevance of these programs, the quality of the programs, etc. Future researchers could enhance current knowledge about high performing centers by designing studies that gather customer feedback data to evaluate the quality of center programs and services. This could be a study that a state could conduct with all of its centers, or this could be conducted as a national competition among all business and industry centers.

Evaluate the role of business and industry centers in economic development

Centers interviewed in this project generally viewed the state simply as a source of funds. However, since the state and the centers share a mutual interest in the economic development of their regions, states can also serve as partners, involving the centers when new employers move to the state. Future research might examine the relationship between the state and the business and industry center in economic development activities. What best practices are there in promoting coordination between the state's and the center's economic development activities?

Expand the knowledge of the relationship between the business and industry center and its affiliated college.
CAEL's study identified several practices that both the center and the college can follow in order to maximize center performance. These suggestions were designed to focus on the EnterpriseOhio Network model, in which there is some degree of integration between the center and its college. Additional research might focus the investigation more sharply on the relationship between the center and the college in order to isolate the conditions under which different kinds of relationships can be successful. For example, among centers outside of Ohio, sometimes complete autonomy works very well, and in other cases, a more integrated approach is just as successful. Future research could attempt to answer the following: Under what conditions in the local employer market (local labor market, state legislative environment, local economy, reputation of the college, etc.) is complete autonomy (or another spot on the continuum) the best option? The questions driving future research should focus on identifying the conditions that make different organizational relationships work.

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APPENDIX: Methodology

In this study of college business and industry centers, the goals were to isolate the best practices of some of the highest performing centers in the country and to develop from those best practices a model for how other centers can best achieve the same level of success. These goals required us to:

- Identify some of the highest performing centers in the country
- Visit those centers to uncover the best practices that make the centers effective
- Examine how the operating environments (created by both college and state policies) of centers affect center performance
- Develop a Performance Model and Self-Assessment Tool based on best practices
- Examine what core competencies are important for a director of a high performing center

IDENTIFICATION OF HIGH PERFORMING CENTERS

An important question for us from the very beginning was: how to define high performance in an industry that as yet had no standard definition. To learn more about high performance practices, after all, we needed to learn from high performers. What, then, is a high performer among business and industry centers? How would we know one when we saw one?

There is not a large library of existing literature on the subject of college business and industry centers. There have been few studies that have surveyed college centers (and their customers), but, unlike the Peterson's guides for undergraduate and graduate educational programs, there is no annual ranking of the business and industry centers that clearly identifies the best performing centers. Several publications have presented case studies of model partnerships that have developed between college centers and their corporate customers. These case studies, however, generally do not go so far as to say that those centers are the best performing in the country.

How Did We Determine Which Centers to Visit?

To determine which centers to visit we used a number of different approaches. First, we noted which centers were mentioned in the literature as demonstrating best practices in serving the needs of business and industry; we also noted which centers were mentioned more than once. The next step was polling acknowledged experts on business and industry centers as well as national organizations that have expertise in this area. In addition to asking the experts about further resources, we asked them to name the centers that they believed were doing the best job at serving the needs of business and industry.

From these two main sources, we compiled a master list of 29 business and industry centers in North America from which we would choose five to visit. To determine those five, we clearly needed to know more about them on issues related to high performance. We developed a list of questions, based in large part on elements in the Malcolm Baldrige National Quality Criteria (the high performance model for business and industry) and on other surveys like the one used last year by the National Coalition of Advanced Technology Centers (NCATC). In deciding which questions to ask, we also kept in mind the economic development mission of many business and industry centers and the insight of the experts with whom we had spoken. The questions covered the following topics:

- Products and Services of the Center
- Human Resources
- Customers and Customer Base
- Center Resources and Revenue
- Results, Growth and Improvement
- Relationship to Parent Institution (i.e., the host institution)
- Mission of the Center

In addition to gathering information that would shed light on the existence of high performance practices, we also asked questions about the location of the center (rural, suburban or urban areas), about the type of host institution with which the center is affiliated (e.g., technical or community college), about the size of the center's staff and about annual revenue.

The questions were faxed to the 29 centers in July 1997. Centers were given the choice of responding via fax, e-mail, or by phone. Those who did not respond immediately were called and again invited to participate. Of the centers that were surveyed, CAEL received responses from 20 of the 29 for a response rate of 69%.

Which Centers Responded To The Survey?

1. Bevill Manufacturing Technology Center
2. Blackhawk College Business and Industry Center
3. Central Piedmont Community College Corporate Training Center
4. College of DuPage Business and Professional Institute
5. Cuyahoga Community College Business Community and Economic Development
6. De Anza College
7. Delta College Corporate Services
8. Des Moines Area Community College Center for Business and Industry Training
9. Durham Technical Community College
10. Fox Valley Technical College D.J. Bordini Center
11. Humber College Business and Industry Services
12. Johnson County Community College Business and Industry Institute
13. Kirkwood Community College HMTRI/Environmental Training Center
14. Lane Community College Business and Industry Services
15. Pitt Community College
16. Rio Salado College Corporate and Government Services
17. Rock Valley College Technology Center
18. Sinclair Community College AIM Center
19. St. Louis Community College Center for Business, Industry and Labor (CBIL)
20. South Suburban College Business and Career Institute

Which Centers Best Met Our Vision Of High Performance?

To determine which of the centers best met our vision of a high performing center - a center that excels in serving corporate customers in its service area - we focused on the information gathered in the areas of: products and services; customer and customer base; center resources and revenue; results, growth and improvement. Those we selected to visit would need to demonstrate that, similar to high performing businesses, they could exhibit responsiveness to customer needs while succeeding financially. We looked particularly for the following:

- the set of services offered
- a practice of assessing customer needs
- a practice of serving the needs of business and industry in the center's service region
- revenue coming from customer-paid contracts
- close relationship to customers
- interest in contributing to the economic development of the service area

Table 1: Centers Participating in Site Visits			
Name of Center	**Location**	**Type of Host institution**	**Size of Center**
Central Piedmont Community College	urban	comprehensive	small
Des Moines Area Community College	mixed	comprehensive	large
Fox Valley Technical College	mixed/rural	technical	small
St. Louis Community College	urban/suburban	comprehensive	large
South Suburban College	suburban	comprehensive	small

- a pattern of financial and service growth over the past three years
- degree of autonomy in business decisions

While looking at the business-related performance of the centers was important, we also recognized that these centers are not the same as businesses. They are affiliated, sometimes very closely, with post-secondary educational institutions. The nature of that relationship, therefore, also played a role in determining which of the centers to visit. We wanted to visit high performing centers that had very close relationships to the host institutions – where the host institution had considerable degree of control over the center's operations – as well as those high performing centers that were more autonomous. We were also interested in centers that operated in the presence of highly supportive public policies.

The five centers we chose to visit are listed in Table 1. It is important to emphasize that these should not be considered the five highest performing centers in the country. Rather, these five centers met several high performance criteria, and they represented a diverse universe of centers in terms of location, size and affiliated institution.

Which Centers Did We Visit?

Central Piedmont Community College Corporate Training Center (CTC)

The Corporate Training Center (CTC) is affiliated with Central Piedmont Community College, a comprehensive community college in North Carolina's community college system. Its service region includes both urban and suburban communities. The center occasionally offers its services outside the state. The CTC has 13 full-time and 75 part-time employees on staff, and operates with an annual budget of 1.8 million. In terms of training and curriculum development, the CTC offers Auto Cad, computer, and manufacturing/technical training. It also performs job profiling and Zenger Miller curriculum modules. The CTC serves 2600 clients annually. The state provides Focused Industrial Training Grants, an apprenticeship fund, and OJT training programs. These state initiatives allow the Center to work with small businesses and the manufacturing base in the area. The state also implemented a New and Expanding Industry Program that grants funds to new businesses seeking training and assistance.

Des Moines Area Community College Center for Business and Industry Training

The Center for Business and Industry Training is affiliated with Des Moines Area Community College, a comprehensive community college. The center has been in operation for 15 years, serving the urban and suburban communities surrounding Des Moines. The center operates with a staff of 11 full-time employees and an operating budget of half a million dollars. The primary training services that Des Moines offers are computer training and supervisory skills. The center also does consulting and technical service assistance in the form of network installation and shop floor layout. Zenger Miller curriculum modules are offered by the Center, as well as are WorkKeys job profiles and assessments. Des Moines serves approximately 150 clients annually. Ninety percent of the center's contract dollars are funded through the state's New Job Training Program and other publicly-funded programs.

Fox Valley Technical College D.J. Bordini Center

The D.J. Bordini Center is affiliated with Fox Valley Technical College, one of 16 technical colleges in Wisconsin. The center has been in operation for 14 years, serving both urban and suburban areas. It delivers training and technical assistance mostly in Wisconsin, but also has clients outside of the state and the country. The staff consists of 60 full-time and part-time employees who serve 920 business clients annually. The budget is provided by the Wisconsin Department of Commerce, which has a state matching grant system for companies for training. According to Fox Valley, its purpose is to build and maintain an effective workforce for communities through cost-effective training and technical assistance. Some of the specialized initiatives it offers are seminars and workshops aimed at small business needs, including grant-writing, human resource assessment programs, and certificate programs.

St. Louis Community College Center for Business, Industry and Labor

The Center for Business, Industry and Labor (CBIL) is affiliated with St. Louis Community College, the largest and oldest community college system in Missouri. CBIL has been in operation for 13 years, and serves a mix of suburban and urban clients. CBIL specializes in providing job aids, ISO, and leadership in terms of training, consulting, and products. CBIL also performs assessment services and Zig Ziglar training courses. The staff is composed of 125 full-time and 20 part-time trainers and consultants. CBIL assembles 50 customized programs per year and offers over 200 open classes with an annual operating budget of over $14 million. There are two state agencies that encourage the center's work with business and industry. The Department of Elementary and Secondary Education has a budget of $5million that it provides to companies for training purposes. The Department of Economic Development, Job Development and Training has an $11 million budget for training in the area of manufacturing. The stated mission of the center is to provide performance improvement services as requested.

South Suburban College Business and Career Institute

The Business and Career Institute is affiliated with South Suburban College, a comprehensive community college located in south suburban Chicagoland. The Institute has been in operation for six years and its mission is to estimate and provide the training and education needs of its community. The Business and Career Institute centers its training curriculum around computer training and supervisory skills. Network installation and shop floor layout are two primary areas of consulting and technical assistance. The Institute also performs ACT WorkKeys job profiles and assessments. Fourteen full-time and nine part-time employees, including consultants, make up the staff at South Suburban. The Institute serves approximately 125 business clients annually with an operating budget of 1.6 million. Many of South Suburban's clients can provide training subsidized by the Illinois Department of Commerce and Community Affairs and the Prairie State 2000 Authority. South Suburban has helped companies access this type of grant in order to provide them with training.

SITE VISITS

Site visits were conducted in day-long sessions with staff at the five centers. Prior to the site visits, we requested the following information from the center director:

- Organizational chart for the business and industry center
- Job descriptions for sales, marketing and delivery staff
- Job description for the center director
- Marketing materials
- Course catalogs for the business and industry center (if available)
- College catalog
- Marketing plan (if available)
- Strategic plan or business plan (if available)
- Annual reports or board presentations

What Did We Do During the Visits?

Most of the time at each center was spent with the center director. However, each site visit also included interviews with delivery staff, marketing/sales staff, and controller/accountant – where those positions existed.

The site visits were qualitative in approach, designed to gain detailed information on the best practices of these centers and to uncover barriers that prevent these centers from being more customer-focused and/or financially successful. The questions asked of the center staff were similar in many respects to those we had asked during the initial information-gathering stage. The interviews, however, went into much greater depth and also covered new topics. The entire interview process covered the following areas:

- Service Capacity
- Evaluation and Impact Measurement
- Customer Focus
- Planning
- Center Leadership
- Relationship with Host institution
- State System/Legislative Policies and Regulation
- Partnership Development and Alliances
- Human Resource Utilization
- Marketing and Sales
- Business and Industry Systems and Processes
- Financial and Business Management

DEVELOPMENT OF PERFORMANCE MODEL AND SELF-ASSESSMENT TOOL

The Performance Model and its Self-Assessment Tool were developed using information from the following sources:

- Review of existing literature: June 1997 – January 1998
- Phone interviews with experts in the field of business and industry centers: June - July 1997
- Focus groups with a subgroup of the EnterpriseOhio Network: January 1998
- Site visits to five high performing centers, chosen using the method above: September – October 1997

EXAMINING THE OPERATING ENVIRONMENT

In exploring what factors contribute to the high performance of a business and industry center, it became clear that there were forces from the host institution and the state that, outside of the center's control, played an important role in whether or not the center was able to implement high performance practices. It was therefore necessary for the project to identify and to assess the impact on centers of these institutional policies. Information contributing to the analysis of the impact of college and state policies on center performance was gathered as a part of all of the preceding activities: review of literature, phone interviews, focus groups, and site visits.

The first step was to ascertain from the centers what the policies and procedures were that affected their performance capabilities. The process began by summarizing and organizing the supportive and the restrictive policies and procedures that were uncovered during the five site visits. This information was then supplemented by a review of the literature on this topic, consisting mostly of case studies and national surveys of business and industry centers. In addition, we conducted two focus groups of center directors from the state of Ohio.

The last step in data gathering consisted of informal phone discussions with fifteen center directors during January 1998. The purpose of these discussions was to explicate certain issues that were found in the literature but that were not specifically addressed during the site visits, focus groups or surveys.

The center directors that were contacted were chosen based on their representation of three criteria:

- The level of perceived institutional control (highly controlled to not controlled)
- Location (rural, urban, or suburban)
- Type of institution (technical, community college, two year regional campus)

A list of the centers that were contacted is provided below:

- Central Ohio Technical College-Newark-Business and Industry Institute
- Cuyahoga Community College Corporate Services
- Delta Community College Corporate Services
- Edison State Community College Business and Industry Center
- Johnson County Community College Business and Industry Institute
- Kent State University -Trumbull-Workforce Development and Continuing Studies
- Lakeland Community College Center for Business and Industry
- Miami University -Hamilton- Business and Industry Center
- Ohio University -Chillicothe -Office of Continuing Education
- Ohio University- Zanesville- Office of Continuing Education
- Sinclair Community College Corporate and Community Services
- St. Louis Community College Center for Business, Industry and Labor (CBIL)
- Stark State College of Technology Corporate and Community Services Division
- Terra State Community College Community and Industrial Development
- University of Cincinnati Center for Human Resource Development

EXAMINING CORE COMPETENCIES OF A CENTER DIRECTOR

As part of its efforts to address center performance, the EnterpriseOhio Network also wanted to know more about the management of high performing business and industry centers. The project therefore includes the results of an analysis on competencies of a center leader that contribute to high levels of organizational performance.

For this project, we chose a modified version of the Customized Generic Model and Flexible Job Competency Model as methods to build a job competency model for center directors. The Customized Generic Model relies on the researchers' tentative identification of a universe of generic competencies that is researched and interpreted within the job and a larger organizational context. The Flexible Job Competency Model relies on using a variety of comprehensive information sources for inclusion into the research base.

We used a three-step process for data collection, identification and validation. First, in line with the Customized Generic Model Method, we identified the ASTD Models for Human Performance Improvement (HPI) as a generic Industry Model of related competencies (Rothwell, pg. 18-19). This competency model was designed to fit the needs of those in Human Performance Technology, the foundation of the delivery practices in a HPC. Rothwell has aligned a set of competencies with the various roles played by those in HPI.

We chose the 15 core competencies and 5 additional ones assigned to the Change Manager Role. Two focus groups were organized, inviting center directors from all 54 EnterpriseOhio Network centers to participate at one of two locations (Cleveland or Columbus). Each group reviewed the competencies and their definitions. Discussion focused on refining the definitions to meet the reality of their roles. Individuals then rated each competency on "how important is the competency for successful or exemplary job performance." The scale used was:

5. absolutely essential to success;
4. importance to success;
3. some importance to success;
2. little importance to success; and
1. no importance to success.

Averages were computed for each competency.

A second activity, using the Customized Generic Model Method, was the use of the Work Profiling System (WPS) by Saville and Holdsworth. This decision-support software defines and designs job roles and generates competency models. Using a prescribed questionnaire for managerial related jobs, the two center director groups identified the top ten job tasks and rated related activities by time and importance. The WPS system then links and defines competencies related to job performance through its expert database.

A third activity used was a modified Critical Incident exercise. The directors were asked to "Think of a time when you encountered your most difficult challenge in your role as Center Director." Then they answered the following questions:

- What was the situation? (Tell when it happened, who was involved [job titles only], what it was, and why it was so difficult.)
- What did you do to handle the situation?
- What happened as a result of what you did? What were the consequences of your actions?
- If you encountered the same situation again, how would you handle it?

Additionally, participants were asked: "What is the most common job challenge you face on a daily basis?"

- What is the situation?
- What do you do to handle the situation?
- What happens as a result of what you do? What are the typical consequences of your actions?

In evaluating the data there was a high level of consistency between the results of the WPS, HPI Model, and critical incidents. In addition, there seem to be links with the Performance Model, particularly in areas of partnership development, human resources management, an orientation to customers and strong leadership.