

# MODELS OF CORPORATE EDUCATION IN THE UNITED STATES OF AMERICA

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## ABSTRACT

*This paper analyzes the socio-economic determinants of the development of corporate education in the conditions of social changes, philosophical foundations of corporate education as an integral part of adult education, determines the methodological approaches to its analysis, reveals theoretical principles, raises the concept of the research, elucidates the features of the development of corporate education in developed countries of the world. Modern models of corporate education were singled out; interconnection and mutual influence of corporate culture and corporate training was found; the role of social partnership in the functioning and management of corporate education in the USA was defined.*

**Keywords:** Digital Learning, Insourced Model, Outsourced Model, Hybrid Model, Learning Customization.

**JEL Classifications:** M5, Q2

## INTRODUCTION

The processes of globalization, informatization, integration and internationalization of the economy, business and education, building of a knowledge society lead to the transition to a new economy—a knowledge-based economy, become the most important challenges and encourage the search for new approaches to the development of human resources as a necessary condition for the competitiveness of organizations and sustainable economic growth of society as a whole. In this context, corporate education becomes an important component of adult education. That is why the developed economies are paying a lot of attention and implementing state support for the development of corporate education as a component of continuing vocational education for adults (Bodnarchuk et al., 2019).

However, corporate education in Ukraine develops unsystematically due to the slow progress of economic reforms, imperfection of the regulatory framework, lack of financial capabilities of companies in the context of the economic crisis, lack of awareness of the role and capabilities of corporate education, etc. (Drobyazko et al., 2019) This objectively determines the expediency of comprehension and creative use of progressive ideas of foreign, in particular, the American experience of building a corporate education system. The United States of America is a country that has achieved leadership in the global economy, intensive development and

worldwide recognition of corporate education, and has the widest network of corporate universities in the world, and a high level of competitiveness and efficiency of companies that provide corporate training.

## REVIEW OF PREVIOUS STUDIES

A powerful incentive for companies to train their employees is the need in adaptation to changes due to globalization processes, the emergence of new competitors in the market, reducing the life cycle of products, etc. Under such conditions, there is a need for companies to introduce new business strategies that lead to mergers and acquisitions, restructuring, capitalization, or, conversely, reduction in capitals of companies (Jankov & Caref, 2017).

Requirements for employees who must ensure high quality customer service and the efficiency of the company and, accordingly, assume responsibility for their career and professional development become more severe (Kimmons et al., 2017). In response to this, and given the lack of guarantees of employment from employers, employees expect, among other things, the opportunities for them to study and improve their skills, which extend their prospects for employment in other companies (Livingstone, 2018).

Despite the economic problems and the reduction of budgets for the educational needs of workers, American companies are aware that it is impossible to get out of the crisis without training personnel (Long, 2018). As a result, organizations continue to train personnel, saving money and expanding the contingent of students through the dissemination of electronic, in particular mobile, learning technologies (Tetiana et al., 2018).

## METHODS

The methodological base for the study includes: philosophical statements of the cognitive theory of the unity of general and the particular, logical and historical, theory and practice; dialectical principles of scientism, objectivity, systemicity, historicism, integrity; the idea of humanistic understanding of man as the highest value of society as an active subject of professional activity; conceptual provisions of pedagogical comparative studies; philosophical, pedagogical, psychological ideas and provisions on the advanced development of modern education, the continuity of professional education of adults, the management of personal and professional development of personnel.

## RESULTS AND DISCUSSIONS

The theoretical foundations of corporate education in the United States are characterized by multidimensional, polyconceptual, integration of philosophical and pedagogical, economic, sociological, psychological ideas, theories and concepts, in particular, the concept of a society of knowledge, concept of lifelong education, theory of human capital, theory of the firm, concept of human resources management ("*Model of conformity*", "*Harvard model*"), theory of the organization learning, concept of organizational development, concept of knowledge management, psychological theories (motivation theory, needs theory, Gestalt theory, and theory of expectations), target orientation theory, theory of goal setting, and andragogy theory. These theories and concepts became the basis for the functioning and development of corporate education in the United States (Sabat et al., 2019).

In the developed countries of the world, the considerable attention is paid to the development of corporate education both at the state level and at the organizational level. The American and Japanese models of corporate education are distinguished. For the American model of corporate education that is used in Canada, Australia, the United Kingdom and other European countries, there is a more narrow-oriented vocational training of personnel. The basis of the Japanese model of corporate education is the moral quality of personnel and loyalty to the company, and the main task of corporate education in this model is to upgrade the skills of personnel in order to ensure its high mobility.

According to the content analysis, there are three modern models of corporate education in the United States:

An insourced model, in which the organization has staff members responsible for the development of curriculums and courses and the training of employees, and orders only a very small part of the training services from external educational providers (Williamson, 2018);

An outsourced model, in which an organization, with only a small team of managers responsible for training, buys most of the necessary educational services at one or more providers that are almost completely involved in the planning, development and implementation of all learning activities for it (Yamashita, 2018);

Hybrid model, in which the organization carries out part of its core educational activities internally, and partly with the involvement of outsiders (Tetiana et al., 2018). So, the company seeks to use the strengths of third-party suppliers, realizing that it cannot provide educational services at the required level, since, as a rule, it is not an educational organization. For example, the development of a curriculum can be an internal function, and the development of courses can be transferred to outsourcing. The teaching can be done using internal systems and resources (for example, on the basis of web-resources), while the training and advanced training of managerial staff is entirely carried out by an external provider.

The particular importance in the functioning of the corporate education system in the United States belongs to a social partnership between universities, business entities and government, which, in the context of the global knowledge economy, has become widespread and has gone beyond the traditional funding of individual research projects.

The most common forms of social partnership between education and business are the entry of managers of industry and business into the board of trustees of educational institutions; assisting university professors in development and teaching curricula in corporations; provide corporations with the necessary equipment for higher education institutions that provide training for enterprises using the latest technology; practice and internship of students and their further employment in corporations; business collaboration and universities and colleges in conducting research on business subsidies; employee training programs, etc.

In the United States, from the point of view of procedural tendencies, we draw a distinction from the trend of learning customization. The content of education is constantly changing in line with the rapidly changing demands of organizations and their employees. On the one hand, there is a need to provide general-purpose programs that are necessary for all employees of the company. On the other hand, the main priority for companies is narrow-oriented specialized programs that are needed to increase the efficiency of employees.

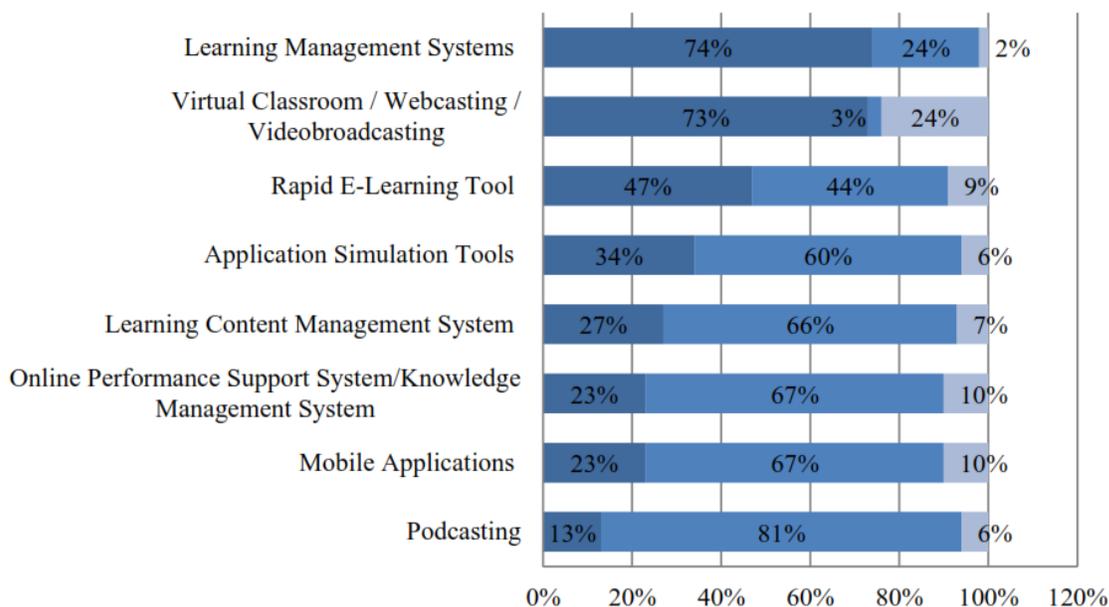
The main content-procedural tendency is the tendency of variability. It concerns, first of all, the diversity of training programs that are extremely diversified and can be aimed at both the professional development of senior executives and improvement of the skills of each employee, and diversified training of suppliers and customers of the company.

The emergence of this trend is also the growing variety of forms and methods of learning (both traditional and innovative), and use of various e-learning technologies that allow the optimal combination of classroom and off-classroom learning activities.

Another important content-process trend is the tendency for technology learning (widespread use of e-learning, including the latest mobile and cloud technologies, virtual instructor-led training), which we consider expedient to consider in more detail. Due to technologization, there is a constant decrease in the percentage of hours of traditional classroom training.

The on-line technologies are used least in training programs for new employees (46%), interpersonal skills training (50%) and training of managers (57%) (Figure 1).

The content-procedural tendencies we distinguished also have a tendency of dynamism, which is directly related to the development of technologies. It gives the preference to innovative forms and methods of teaching over traditional ones, distance learning over full-time one, and non-formal learning over formal one. The emergence of this trend is also an increase in the role of informal learning, primarily due to the fact that employees devote more and more time to self-learning, for example, through social networks and groups (Twitter, Facebook, LinkedIn, YouTube, Chat/Messaging, Educational and business blogs), searching for information on the Internet and Intranet, mutual learning with colleagues, in the process of which they together expand their knowledge and skills, teach each other, work together to find solutions to problems that arise in the workplace.



**FIGURE 1**

**THE MOST COMMONLY USED TECHNOLOGIES IN US CORPORATE TRAINING IN 2017 ARE COMPUTER TECHNOLOGIES (AUTHOR'S CALCULATIONS BASED ON (TRAINING INDUSTRY REPORT, 2016))**

The results of our study are confirmed by the following studies. As we have noted, in the United States, as well as in other developed countries, the backwardness of classical higher education from the pace of development and the needs of the economy has become an important problem in the middle of the last century, and consequently new non-classical, practical-oriented forms of education emerged which were implemented on two levels. The most progressive US

universities began to direct their research activities to meet the real practical needs of the economy and thus became research universities, on the other hand, business corporations assumed responsibility for training personnel in order to provide employees with the required qualifications (Hilorme et al., 2019).

## CONCLUSION

So, an analysis of the current state of corporate education in the United States shows that companies invest more and more in training employees, trying to maximally bring training to market requirements, at the same time giving it a proactive character. The use of computer technology in education is rapidly spreading, the share of informational education increases, and its context is intensified. Companies provide educational services to their employees on a continuous basis and widely use external providers for this.

Organizational and functional tendencies are: the tendency of capitalization of corporate education in the United States is aimed at increase in investments in training and development of company personnel, which are considered to be most effective for increase of the company's competitiveness, have a significant economic and social effect; the tendency of institutionalization is caused by the intensification of the creation of corporate universities, corporate centers, which are part of the structure of corporations; the tendency of diversification regarding the diversity of management models and functioning of corporate education systems, types of providers, in particular, the use of external outsourcing educational services from external providers by companies.

Among the content-procedural tendencies, authors have distinguished the following ones: the tendency of learning customization aimed at ensuring the correspondence of curriculum content to the rapidly changing requirements of organizations and their employees; the tendency of variability concerning the diversity of curricula, forms and teaching methods; the tendency of technologization due to the wide use of ICT in the learning process, in particular digital technologies (digital learning); the tendency of dynamism that gives preference to innovative forms and methods of learning over traditional ones, non-formal learning over formal one, and distance learning over the full-time one.

## RECOMMENDATIONS

Based on American experience, we consider it advisable to recommend changes to the laws and regulations on personnel development, which provide for a gradual, at least partial, transfer of the system of advance training and retraining of employees to the corporate level. It is also important to develop and consolidate at the legislative level mechanisms for confirming the results of informal vocational training of employees, which will facilitate the process of institutionalization of corporate education in Ukraine. In addition, we believe that the US experience can be useful in the process of creation of state-owned mechanisms for encouraging the formation of an effective system of social partnership between the business sector, the educational sector and public administration.

It is also important to create a system for stimulation of the development of corporate education by the state, which should include mechanisms for encouraging citizens to life-long learning and employers to provide educational opportunities for their employees.

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