

Reorganizing to Deliver Effective Learning Solutions

Bank One Corporation, the nation's sixth largest bank holding company, employs 73,500 people worldwide, including close to 16,000 in the Chicago area. Bank One is the largest Visa credit card issuer, the third largest bank lender to small businesses, a retail market leader serving 7.2 million households, and one of the top 25 managers of mutual funds. Operating more than 1,800 banking centers and a nationwide network of ATMs, Bank One offers a full range of financial services to consumers, corporations and small businesses.

Often overlooked in the assessment of the quality and extent of an organization's training and education offerings are the changes in infrastructure required to effect significant improvements in these on-the-ground activities. The transformation of Bank One's infrastructure provides a useful lesson about the benefits of careful planning and the importance of a proper infrastructure.

In 2000, newly hired CEO Jamie Dimon approached Bank One's education managers with a challenge: reduce training expenses by \$20 million and, in the same process, make training and education more effective. To understand the magnitude of this task, explained Judy Albers, First VP and Manager of National Learning Resources, "Just look at the numbers: in 1999, we had 61 education units, 800 training professionals and spent \$108 million on their salaries plus external vendor expenses. Today, we have less than 10 education units, 700 education professionals and spend \$75 million, and we definitely became more effective in the process."

Today, Bank One operates a streamlined learning infrastructure guided by an Educational Planning Group and facilitated by HR's National Learning Resources department. They have ushered in a strategy-driven, comprehensive learning system with effective reporting capabilities and significantly reduced costs. They have also sharpened the link between learning

and business goals by providing more customized training in-house and using innovative technologies to put critical information and knowledge "at the fingertips of employees."

Reorganizing Learning Resources

The groundwork for reorganizing the training and education programs was laid in 1998, when education managers began collaborating in an informal group, facilitated by Albers, called the Education Exchange. "We recognized plenty of 'big company' behavior," she said. "No strategy. No coordination. Training units reported into business units that were generally not interested in sharing resources or sacrificing some of their needs for the good of the company. In 2000, when our new CEO made it clear that we were to start behaving like one company, education managers had a head start."

The meetings helped build a network for the education managers to share information and resources and led to some collaborative initiatives. "This is where I really give our management credit for dedicating a small team to facilitate and support this work across lines of business. Volunteers were willing to participate, but someone needed to coordinate their work," reported Albers.

COMPANY STATS

Name	Bank One
Industry	Financial
Number of Employees	73,500 total, 16,000 in Chicago region
Location	Headquartered in Chicago
Product/Service	Banking and financial services
Revenues	\$15.8 billion
Assets	\$260 billion
Year Founded	Bank One was created in 1998, with the merger of First Chicago NBD Corporation and Banc One Corporation.
Ownership	Public
Web Address	www.bankone.com

A key issue was what should be centralized and handled on a corporate level and what training and education efforts should remain more or less decentralized. All the education managers agreed on the need "to use technology for learning" and that this was the one area where individual education units did not have enough expertise or resources. "Integrating technology into learning and education required a centralized, corporate solution, and they were willing to contribute their sweat equity to creating Bank One University."

Bank One University, launched in early 2000, was designed to enable each training unit to share the learning management system infrastructure, while maintaining its own "space" within the University. Each business line has its own college and, within those colleges, the business units have schools for specific functions within their businesses, such as products, sales, and service. "This 'granularized' approach allows each business unit to serve its individual constituency group exactly as it deems fit, while it maximizes the potential for sharing learning objects across all of the training units," explained Albers.

In late 2000, education managers also conducted a thorough four-month audit of training practices, in which numerous teams reviewed curriculum, delivery, and overall effectiveness. The audit resulted in a number of changes. To guide learning activities, the Education Exchange, a relatively loose group of education managers, was replaced by a more streamlined Education Planning Group made up of a head of education from each business line, representatives from corporate HR and technology/operations, and Albers, who now heads HR's National Learning Resources department, continuing in her role as facilitator.

The New Infrastructure

Bank One now has almost completed implementing an organizational infrastructure consisting of six major units that are aligned with its four core business lines: Commercial, Retail, Credit Cards, and

Investment Management. Human Resources and Technology/Operations work together on organizational and curriculum issues. Within each business line, there are one or two training directors that report to the Senior HR Manager or to the Senior Operations Director.

HR's National Learning Group has about 50 of the bank's 700 full-time equivalent staff dedicated to education and performance improvement. This new infrastructure within HR includes a unique feature rarely found in other firms: an internal 10-person instructional design team that develops and customizes courses. In addition, the bank has a team of 25 instructors who teach core curriculum courses, such as managerial and professional development, and a certificate in management program. Similarly, the business training units have increased their internal instructional design staff. According to one education manager: "A few years ago our costs were sky high because most of our training was delivered by outside vendors who were contracted by education units that weren't communicating with each other." In addition to cost savings, designing the training in-house has led to better learning opportunities for employees because it is focused, performance-based instruction that is much more aligned with business objectives.

Bank One University: Strategic Use of Technology

Bank One University is a comprehensive learning management system that enables employees, via the bank's intranet, to take online courses, enroll in classroom courses, track their progress, and access just-in-time information, all from work or home. This virtual university also provides comprehensive reports for management. Several key learning principles guided the development of Bank One University.

- ♦ Learners should be in charge of their own learning.
- ♦ Training is more than an event with a distinct beginning and end.

- ♦ Technology is not a "shrink-wrap panacea" for every problem.
- ♦ No single-delivery method is a 100 percent solution.
- ♦ Collaboration and knowledge management are critical to learning.
- ♦ Performance is enhanced by access to accurate information.

Bank One strongly believes that training and education are both a necessary and an effective method to improve performance, which is why employees at all levels can access an abundance of learning opportunities. However, the firm also understands that training has its limits. What is learned fades with disuse and may be outdated by changes in systems and products. To maximize performance, employees must have access to information at the exact time they need it (just-in-time) and in the right amount or focus (just-enough). For this reason, Bank One University's e-learning strategy is to support performance support systems that integrate learning with work, while also providing access to classroom and online training courses.

Leveraging technology to deliver consistent learning efficiently is not just a strategic or cost-reduction requirement but an absolute necessity, because Bank One's workforce is spread out across the world and almost 25,000 people are hired annually,

"A company's success is built on the foundation of employee excellence. At Bank One, we are committed to continually investing in the education and development of our employees. Our goal is to be the best financial services company, and it's our workforce that gives us the edge over competitors."

*Jamie Dimon,
CEO, Bank One*

a gigantic training and orientation enterprise in itself.

While it is continually evolving, Bank One University presently offers 1,600 courses, including about 700 classroom courses, 750 online training courses, and 150 courses using PlaceWare, a virtual meeting tool. About 100 of the online courses were

internally developed; the rest are currently provided by vendors. Since the learning menu was put up, users have increased from 4,000 to 50,000—which is almost identical to the number of employees with computers on their desks. Course user ratio is now about 75 percent classroom, 25 percent online. Bank One educators believe that online training will never be able to—nor should it—totally replace classroom training.

A recent bank-wide systems conversion provides a very clear example of Bank One University's advantages. "Bank training units with the most expertise in designing online training developed 90 separate learning objects for different aspects of the new operating system," explained Albers, "and basically, all of the objects could be shared and combined in different ways to meet the needs of particular audiences." In addition to saving millions of dollars, the result was more than 70 courses teaching users the new system for tracking deposits and customer information.

The Commercial Banking Development (CBD) program for new college recruits is an interesting example of a blended learning solution of traditional classroom training, informal learning, e-learning, and other learning environments. The CBD program is designed to develop careers by combining intensive training and education with two to four six-month rotational assignments in key Commercial Banking areas. Functioning as banking analysts, in addition to day-to-day tasks, participants improve their quantitative skills by analyzing customer financial data and their analytical skills by developing comprehensive economic scenarios for customers. Education modules include: Introductory Credit Education, a six-week program orienting new analysts to the bank's credit culture and the skills and duties of the analyst's position; Credit Camp, a one-week, off-site retreat where participants learn from banking professionals and analysts in an informal setting; Banker Development Series, a multi-session program that helps analysts understand the relationships among different functional areas of the bank,

identify cross-selling opportunities, and share best practices; and Foundational Seminars, courses and activities designed to develop and sharpen such skills and traits as leadership, professional presence, oral and written communication, and selling and negotiation.

While most training and education is voluntary, it is strongly encouraged by managers, who continually emphasize that learning and growth within the company are linked. Many company managers are engaged in training and education activities, primarily for their own development but also because they believe that the most powerful way to get this message across to employees is by example.

Developing a Supply of Leaders

To develop a supply of leaders, recent college graduates with leadership potential are selected through a structured talent review process for the Bank One Scholars program. The program combines a top-level graduate business education, provided tuition-free, with on-the-job training. While rotating through the Bank's primary business units in six-month stints, Bank One Scholars attend evening classes at the University of Chicago or Northwestern University. In addition, they receive classroom training in credit, bank accounting, and risk management as well as participate in a mentoring program with a senior manager and a peer mentor. The Bank sees great value in potential leaders networking with one another, building relationships that will last through their careers with the company. "The Scholars program has a great structure to it," said Bank One Scholar Melissa Schudt. "It includes monthly lunches with senior bank managers, special dinners, and division rotations."

For new hires with MBAs and work experience, the First Leader development program consists of two six-month rotations, and assignment to high visibility projects.

SAIL, the Strategic Advancement of Innovative Leaders development program, includes five core and two elective rotations and leadership training.

For current managers with higher leadership potential, the Bank also offers a series of management and leadership development experiences. The series starts with a customized management certificate program.

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Judy Albers, First VP, Manager of National Learning Resources, Bank One

This blended learning solution begins with a 360-degree feedback evaluation and includes management classroom curriculum and e-mail discussion groups with peers and mentors. This year, about 1,500 employees will earn this certification.

Employees who work over 20 hours can access tuition reimbursement benefits for Associate's, Bachelor's, and Master's degree programs. The Bank reimburses 80 percent to an annual maximum of \$1,500.

Assessing Impact

As a result of Bank One's transformed system, HR is now able to accurately report on training activities and expenses to senior management.

Thus far, the company has saved more than \$30 million over two years by streamlining education units and developing and offering instruction (both online and in classroom settings) in-house, instead of contracting with outside vendors. The cost of the management certificate program, for example, was dramatically reduced from \$2,500 per employee to only \$300. The use of online vendor courses, instead of instructor-

led classroom courses as prerequisites for a business banking course saved an estimated \$50,000 in direct costs over 18 months and an additional \$600,000 in employee salaries for time saved by using the online courses. One department's elimination of a paper training catalog and schedule that went online saved \$53,000.

Bank One now employs a measurement specialist and an advisory team to address evaluation issues across the corporation. This group is working to develop an efficient measurement system and is adopting the "Return on Expectations" approach. This

Bank One spends \$75 million on training and education annually, and employs 700 educational managers, instructional designers, and learning consultants. This means there is approximately one education FTE per 110 employees, compared to the industry average, which can go as high as 150. While education managers believe they are only beginning to be able to measure and evaluate learning efforts consistently across the organization, they feel they have made great strides and have already received some recognition.

In assessing more than 800 companies, *Training* magazine ranked Bank One 17th,

the top-rated bank, in its 2002 "Training Top 100." One of the bank's units won an both American Society for Training and Development Excellence Award and a Workforce Optima Award for providing a 300 percent return on investment in career development efforts.

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COMPANY SNAPSHOT

STRATEGY USED	PARTICIPANTS			
	Management/ Supervisors	Technical/ Professional	Frontline Workers	Part-time Workers
Tuition assistance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
On-site workshops and training	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Financial support for attending off-site classes, seminars, workshops and conferences	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Training/education on company time (on- or off-site)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Online learning	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Individual Development Plans linked to performance evaluations	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Career counseling	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Formal mentoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Job shadowing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

approach first documents what participants expect to be the impact of their learning activity (lower turnover, increased sales, decreased errors, etc), and then, some time after the activity, compares those expectations to their perceptions of actual changes. This kind of evaluation is statistically valid and can be easily accomplished at relatively low cost, because most of the surveying can be accomplished online.