
Developing future leaders at Hyundai Motor Company through blended learning

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Abstract

This article describes how Hyundai Motor Company is successfully developing its high-potential managers in Korea through an innovative blended learning program. Since 2003, Hyundai has worked in partnership with Educasia to integrate instructor-led online learning into a program that was previously conducted entirely in the classroom. As a result, Hyundai has been able to deliver an expanded learning curriculum in a more efficient and engaging way to help 150 future Hyundai leaders each year to build a broad range of management and business skills.

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Background

In 2002, Hyundai Motor Company (“HMC”) launched a new internal education program called the Future Global Leader Program. The program was designed to help high-performing junior managers develop the skills and knowledge to prepare them for becoming future leaders at HMC. The program was focused on building specialized expertise in five strategic fields:

- (1) Human resources.
- (2) Finance and accounting.
- (3) Marketing.
- (4) Operations management.
- (5) Technology management.

HMC set a goal of developing 900 future leaders through this program over a period of five years.

First year (2002) program overview

The program was launched for the first time in March of 2002, and included a class of 115 junior managers. The program consisted of five specialized tracks focused on the strategic fields identified by HMC. In this first year, the program was designed as a purely “offline” program. The program was ten months long, and consisted of weekly classes conducted on Friday and Saturday every week at local universities in Korea. Classes consisted of lectures and discussions, led by university professors, on key topics in each of the specialized fields.

After the completion of the 2002 program, HMC conducted surveys and focus group interviews with participants. Among the feedback received from participants, some key themes emerged:

- The need for a common “foundation skills” curriculum – because participants in the program came from varied backgrounds and job roles, there was a wide variance in the knowledge and skills of participants in each of the classes. Hence, participants felt there was a need for a common curriculum at the beginning of the program that could provide all participants with a shared understanding of core business skills and language. This, many believed, would enable all participants to more effectively progress through the specialized curriculum and actively contribute to class activities and discussion.
- Difficulty in balancing work and learning schedules – many participants (and their colleagues at work) also felt that the program placed a heavy burden on their work schedules. Having to commute to classes and



be away from the office for two days each week was difficult, especially over a period of ten months. Participants and company managers suggested that the program should be made more flexible and time efficient.

- The need for more real-world experiences and activities – participants also felt in general that the program was too theory-oriented. Many wanted to include more activities that would help them link what they were learning to their actual company situations and challenges. They also wanted more opportunities to experience and interact with other companies and markets during the program.

Second year (2003) program introduction: transitioning to blended learning

Based on the feedback received from participants, HMC set out to change and improve the program for 2003. The key changes included:

- The program was expanded to include a common “business foundation” curriculum at the beginning of the program. Participants would now take this common curriculum together before progressing to the more advanced, specialized tracks.
- To make this expanded curriculum possible without significantly increasing the financial cost of the program and the time required for participants to be away from the office, HMC decided to change to a blended learning approach. HMC partnered with Educasia, a provider of blended learning solutions, to integrate online courses into the program. Starting in 2003, online learning was used to conduct the “foundation skills” curriculum and the introductory segment of the specialized curricula.
- Because some of the concept-focused learning was now addressed through online courses, the offline classes were modified to focus more on richer learning activities and projects. In 2003, HMC included a real-world action learning project as well as an overseas benchmarking trip into the offline curriculum.

In March of 2003, the Future Leader Program was re-launched in the new blended learning format. Approximately 150 junior managers participated in the 2003 program. In total, the program duration remained at ten months. However the total number of learning hours was increased from 300 to 400, enabled by the use of the blended learning model.

The first three months of the program were focused on common business “foundation” skills and introductory concepts in each of the

specialized fields. This stage of the program was conducted primarily through online courses that were facilitated by trained instructors. These courses had flexible schedules, allowing participants to learn at preferred times during the day and week. Two scheduled “offline” workshops were also included during this stage.

After this stage, the remaining seven months of the program were focused on more advanced learning and application of topics in the specialized tracks. This stage was conducted “offline” in the university classes. This again consisted largely of class lectures and discussion, but also included an extensive action-learning project, as well as an overseas benchmarking trip to Beijing.

Blended learning design

For the remainder of this article, we will focus our attention on the design and implementation of the initial three-month stage of this program (shown on the left-hand side of Figure 1), where online learning was used for the first time. This three-month phase consisted of:

- An up-front orientation session (half a day), conducted on-site at HMC headquarters. The orientation session included welcoming remarks from HMC executives and the HR team, and was designed to communicate the program’s objectives, as well as acquaint participants with the schedule, guidelines, and tips on how to progress through the online courses.
- A six-week online learning period, focused on “business foundation” topics (finance, accounting, marketing, strategy and operations). Course activities consisted of reviewing online content, lessons and case materials, completing case task assignments and submitting to course instructors for review and feedback, and participating in (asynchronous) online discussion with classmates and instructors.
- A one-day offline session at HMC headquarters, consisting of a detailed assessment test, and a half-day lecture and workshop. The assessment test was in multiple-choice format, and was designed to evaluate participants’ understanding of the concepts learned during the five-week online learning period. The workshop and lecture focused on providing participants with an introduction to the topics to be addressed in the next phase of online learning.
- A five-week online learning period, focused on introductory topics and concepts in each of the participants’ specialized tracks. Once

Figure 1 2003 program design overview

2003 Program Design Overview (blended)

“Business Foundations”		HR Strategy
		Marketing
		Accounting & Finance
		Operations Management
		Technology Management

Duration:	<ul style="list-style-type: none"> • 3 months (100 hours) 	<ul style="list-style-type: none"> • 7 months (300 hours)
Primary medium:	<ul style="list-style-type: none"> • Online 	<ul style="list-style-type: none"> • Offline
Class time	<ul style="list-style-type: none"> • Flexible, with scheduled deadlines 	<ul style="list-style-type: none"> • Fridays and Saturdays (all day)
Location	<ul style="list-style-type: none"> • Anywhere 	<ul style="list-style-type: none"> • University campuses
Other	<ul style="list-style-type: none"> • 2 offline sessions 	<ul style="list-style-type: none"> • Action-learning project • Overseas benchmarking trip

again, this online learning experience was facilitated by dedicated instructors, and required participants to review course materials and lessons, submit case assignments, and participate in online class discussion.

Together, these activities were designed to provide participants with a common foundation of general business knowledge and skills, as well as an introduction to core concepts in their respective specialized tracks.

Blended learning operation

HMC and Educasia anticipated that there would be some unique challenges related to implementing the online-intensive phase of this program. In particular, we were concerned about how to address the low levels of student motivation and engagement typically associated with online learning. For this program, we set an ambitious goal of having 100 percent of participants completing all courses and demonstrating a satisfactory level of mastery of concepts and skills addressed during courses in this phase. To achieve this goal, we decided to take a careful approach to operating and supporting these courses.

Periodic offline sessions to support online learning

As described earlier, although this three-month phase consisted mostly of online learning activities, two offline sessions were also included. These offline sessions served to re-enforce and support the learning and community that was taking place online. A key role of these offline sessions was to provide opportunities for participants to get together in a face-to-face environment, so they could interact and get to know one another better, as well as strengthen their connection to the program, each other, and their instructors.

Structured course schedule and “road-map”

For the online learning experience, we wanted to provide participants with the flexibility to learn at times and locations convenient to them. However, we did not want to provide a completely self-paced, unstructured experience. Instead, we operated the online learning courses based on a structured course schedule and roadmap, which included deadlines each week for the submission of course assignments and discussion activities. Participants were required to meet these deadlines in order to successfully pass each course. This helped to ensure that participants were making continuous progress in their courses (and not procrastinating indefinitely), and that they were moving along at a similar pace with others in the class – which allowed for continuous discussion on common topics throughout the courses.

Close student support

A program support team provided consistent, continuous outbound and inbound support to participants. Progress and activity of participants (log-in activity, assignment submissions, discussion participation) was tracked on a daily basis by the support team through Educasia's learning management system. Information from this system was then used to send personalized, daily outbound communications to students, which included reminders on upcoming due dates, announcements of new discussion topics, or updates on overall class progress. These outbound communications took place through a mix of channels and media, including phone calls, e-mails, text messages, and postings on the program Web site. In addition, the support team was available by e-mail and phone to address any problems or inquiries participants had during the program.

Active instructor and peer interactions

To combat the potential isolation that participants can feel during online learning, we ensured that each course included rich, active interactions among participants and with instructors. For each course, participants were grouped into workgroups of 15-20 classmates. Each workgroup was assigned to a dedicated Educasia instructor. The instructors had expertise and practical experience in their respective fields, and underwent training on how to facilitate effective online learning experiences. During each course, instructors evaluated and provided feedback on participants' task assignments, provided personal coaching and mentoring via e-mail, and facilitated online discussion among workgroup participants. Through this approach, participants typically interacted with their instructor and peers on a daily basis.

Diverse tools for evaluation

Quantitative evaluation tools such as multiple-choice tests were used together with qualitative assessments (task assignments, quality of contribution to course discussion) at various points throughout this phase of the program. This helped provide us with a balanced picture of how well participants were learning course concepts, and enabled us to flag when certain participants were struggling. The varied assessments also helped to ensure that participants were sufficiently motivated to participate in all aspects of the learning experience – reviewing course materials, completing assignments, and participating in class discussion.

Results of blended learning program

Ninety-eight percent of the class of participants in 2003 successfully completed and passed the online courses in the first three-month phase of the program. This compares to 94 percent of participants who completed the subsequent offline learning courses conducted at the universities.

After the completion of the 2003 program, we conducted follow-up surveys with the participants. Some of the results of the survey are shown in Table I.

Incorporating online learning into the 2003 Future Leader Program enabled us to effectively expand the program curriculum in a way that minimized both the additional financial costs of the program and the additional indirect costs of requiring participants to spend more time away from the office. We were able to expand the curriculum by more than 30 percent compared to 2002 (in terms of learning hours and content), without requiring participants to spend more time outside the office commuting to classes. In addition, although HMC incurred additional financial costs in adding the online courses, this additional cost was significantly less (over US\$400,000) than that which would have been incurred had HMC simply expanded its offline class curriculum.

Challenges and areas for improvement

Although the implementation of a blended learning curriculum in the 2003 HMC Future Leader program was successful in several ways, there remain areas for improvement and challenges to be addressed for future programs.

Table I Summary of survey results for 2004 program

	Satisfaction scores (scale of 1-5)	
	Online courses	Offline courses
Overall satisfaction with courses	4.1	4.5
Satisfaction with instructors	4.0	3.9
Satisfaction with course support	3.9	3.9
<i>Other survey results (percent)</i>		
Percentage of respondents who felt that:		
"The program was effective for developing future leaders"		96
"The program will be useful in improving job performance"		82
"The online courses provided a good foundation and better prepared me for the [offline] curriculum"		86 ^a
Note: ^a 42 per cent strongly agreed		

Finding the optimal mix of online and offline

Based on surveys and interviews conducted after the program, we found that participants tend to vary in their preference for and comfort with online versus offline learning. Some participants seem to be very comfortable with online learning, and value the convenience and flexibility that online learning offers them. However, other participants seem to be uncomfortable with or averse to online learning, and may strongly prefer offline classes or learning activities. So, striking an ideal balance in the mix of online and offline learning used within a particular program is challenging. Perhaps one solution may lie in providing learners with a choice of learning methodologies (online or offline) that can best suit their preferences, styles, and schedules. However, this may add additional complexity and costs.

Creating seamless alignment and links between online and offline learning

In 2003, we made an effort to align the curricula and content of the online and offline courses. However, there were still overlaps and inconsistencies in the online and offline curricula. Some course concepts were repeated needlessly, and some common topics were addressed in different, inconsistent ways in the online and

offline courses. Since different parties were responsible for conducting the offline and online courses for this program (local universities for offline courses, Educasia for online courses), it was difficult to achieve complete consistency in the respective curricula. This underscores the importance of ensuring close coordination and collaboration between providers in the early phases of designing the program.

Addressing the additional burden placed on learners

Although the blended learning approach generated cost efficiencies and improvements in the 2003 Future Leader program, it also placed a greater burden on the individual participants. For example, although the use of online courses saved participants from having to leave the office to attend classes, it also forced students to find alternative times – often after working hours or on weekends – to complete their online course activities. This is one of the reasons that course satisfaction scores given by participants for the online courses were lower than those for the offline courses. How to help participants cope with or minimize this additional burden is a challenge that we will continue to face when implementing online learning programs in the future.