case study: AMerican Express

## Learning Programs in the American Express Learning Network

American Express (AmEx), a company with operations around the world, was founded in 1850 to provide freight forwarding and delivery services. Since then AmEx has evolved into a global financial services company, perhaps best known for its American Express charge card.[[1]](#footnote-1) With about 65,000 employees worldwide,[[2]](#footnote-2) enhancing the performance capabilities of employees is an important concern at AmEx, and this concern is addressed through the activities of the American Express Learning Network (AELN). Jeanette Harrison, vice president of AELN, explains the importance of superior employee performance in the financial services industry. She says, “[a]nytime you’re touching your own money—let alone anyone else’s—you want control and compliance to be top of mind. That includes privacy of data, data integrity and ensuring appropriate adherence to all regulations and legislation. That has always been fundamental to the learning network’s curriculum.”[[3]](#footnote-3)

How does AELN go about fostering learning and promoting superior performance among its employees? Examination of AELN’s programs for customer service training and leadership development provides some answers.

Customer Service Training

The stated mission of AELN is to “ready all those who serve”—a mission that is very close to the “approximately 15,000 customer-care professionals within the company’s Service Delivery Network, which is responsible for assisting card members and merchants with needs ranging from processing new accounts to card remittance.”[[4]](#footnote-4)

According to Harrison, AELN’s VP, the initial learning for customer-care employees focuses on ensuring that “everyone has a solid understanding of how they introduce themselves, how they ensure the appropriate privacy and security levels for all of our customers and how they proceed into the interaction.”[[5]](#footnote-5) Harrison explains further that employees’ interaction with customers is about solving problems, whether it’s a customer’s question, a request for a replacement credit card, a request for information, or some other issue. Consequently, customer service learning is oriented toward training scenarios that involve problem resolution.[[6]](#footnote-6)

AELN provides both technical training and soft skills training. Technical training focuses on learning the specific job, how to use different software applications, and how to process forms, among other skills. Soft skills training addresses such topics as customer care principles, speaking and listening skills, dispute resolution, and others.[[7]](#footnote-7)

In summarizing the desired outcomes of AELN’s customer service training, Harrison emphasizes, “We’re not looking for service—we’re looking for extraordinary service.”[[8]](#footnote-8)

Leadership Development

Leadership development is another important learning and performance management responsibility of AELN. In an effort to discover the most effective method of developing leaders for American Express, AELN implemented a new model of leadership development across the entire AmEx organization in 2006, but did so experimenting with three different training venues. One group of trainees (or learners) experienced only online delivery of learning materials, and these were studied through self-direction without any supporting events like peer discussion, formal meetings, or talks by senior organizational leaders. Another group of learners experienced traditional classroom training without any support of online materials or other formal events. The third group of learners experienced a blended learning approach that combined classroom or Web-based interaction with senior leaders, self-directed online learning, and encouragement of discussion among learners.[[9]](#footnote-9)

In evaluating the three different approaches, AELN assessed employee training responses—called learner responses—at six different levels. Level 1 measured learner reaction, wherein the trainees indicated the level of satisfaction they had with the learning experience. Level 2 focused on learner knowledge, or an assessment of the acquisition of new knowledge and skills. Level 3 addressed the learners’ behavior by evaluating their observed improvement in leadership skills three months after the training sessions. Level 4 targeted the business impact of the training on the learners in terms of improved productivity of the learners’ direct reports (i.e., those people for whom the learner has immediate supervisory responsibility). Level 5 targeted return on investment (ROI) via a cost/benefit analysis of the sales productivity of a learner’s direct reports relative to the cost of the learner’s training. Level 6 focused on assessing the transfer climate, or the extent to which the leadership training actually would be applied and sustained on the job.[[10]](#footnote-10)

Assessments at levels 1 and 2 were based upon the learner’s self-report; at levels 3 and 4 the assessments were conducted via self-report from the learners and reports from the learners’ supervisor and direct reports; at level 5 it was based upon objective data; and at level 6 the evaluation was carried out through on-the-job observations. For levels 1 and 2 all three modes of delivery were rated extremely high—an average of 4.5 on a 5.0 scale. For level 3, “high improvement” was achieved by 51 percent of the blended learning participants versus 42 percent for those experiencing instructor-led delivery and 32 percent for online delivery. At Level 4, the direct reports of “high improvement leaders” indicated an average 42 percent increase in productivity, with similar results across the three learning venues. For Level 5, the ROI was 923 percent for online learning, 972 percent for instructor-led learning, and 1,599 percent for blended learning. At Level 6, the blended learning approach was more effective due to its creation of higher leader involvement.[[11]](#footnote-11) Clearly, blended learning has the upper hand in AELN’s leadership development program.

*The Jeanette Harrison Learning Philosophy*

Whether it is customer service training or leadership development, Jeanette Harrison’s learning philosophy is infused into the learning and performance management programs of the AELN. And what is her learning philosophy? “Learning literally changes lives, and not just in the workplace. My hope is that what we do in the classroom is not only changing the lives of those we interact with at work on a day-to-day basis, but also their families, neighbors and communities. I really believe education is the road to a better life.”[[12]](#footnote-12)

**Discussion Questions:**

1. What applications of learning theory and goal-setting theory do you see in AELN’s customer service training program?
2. What applications of learning theory and goal-setting theory do you see in AELN’s leadership development program?
3. Using relevant concepts from Chapter 6, explain why you think the blended learning approach to leadership development turned out to be the superior training venue.
4. Do you agree or disagree with Jeanette Harrison’s learning philosophy that the effects of learning within a business organization should change lives both within and outside the workplace? Explain the reasoning behind your answer.

1. Anonymous, “Our Story—About American Express,” American Express Web Site, http://home3.americanexpress.com/corp/os/history.asp (accessed July 10, 2009). [↑](#footnote-ref-1)
2. R. Hill, “Analysis for the American Express Learning Network (AELN),” (November 3, 2008), http://www.robertphill.com/portfolio/media/artifacts/AELN\_analysis.pdf (accessed July 9, 2009): 2. [↑](#footnote-ref-2)
3. B. Summerfield, “American Express’ Jeanette Harrison: Learning as a Service,” www.clomedia.com⎢Chief Learning Officer (March 2008): 28. [↑](#footnote-ref-3)
4. Ibid., 26. [↑](#footnote-ref-4)
5. Ibid., 28. [↑](#footnote-ref-5)
6. Ibid. [↑](#footnote-ref-6)
7. Hill, “Analysis for the American Express Learning Network,” 2. [↑](#footnote-ref-7)
8. Summerfield, “American Express’ Jeanette Harrison,” 26. [↑](#footnote-ref-8)
9. Hill, “Analysis for the American Express Learning Network,” p. 6; B. Howells, “Blended Learning? That’ll do nicely…,” *Human Capital Management* (May/June 2008), http://www.humancapitalmanagement.org/pdf/Resource%20Management%20-%20Leadership%20Development%20-%20Case%20Study.pdf (accessed July 10, 2009); Simba Information, “AMEX Finds Manager Support Trumps Delivery in Sustaining Performance Improvement,” *Corporate Training & Development Advisor* 11(19) (September 29, 2006): 3. [↑](#footnote-ref-9)
10. Howells, “Blended Learning?”; Simba Information, “AMEX Finds,” 3. [↑](#footnote-ref-10)
11. Howells, “Blended Learning?”; Simba Information, “AMEX Finds,” 3. [↑](#footnote-ref-11)
12. Summerfield, “American Express’ Jeanette Harrison,” 28. [↑](#footnote-ref-12)