



THE VALUE OF EXECUTIVE EDUCATION

FOUR PATHWAYS TO IMPACT

By Professor Bettina Buechel – April 2013

IMD
Chemin de Bellerive 23
PO Box 915,
CH-1001 Lausanne
Switzerland

Tel: +41 21 618 01 11
Fax: +41 21 618 07 07
info@imd.org
www.imd.org

Only one in ten organizations evaluate the impact of executive education programs at the organizational level (Topping, 2005). The benefit of executive education is that it allows business leaders to focus on identifying and setting specific goals, encourages self-awareness and leadership development, provides a platform to facilitate networking and exchange among peers, and instigates for many a frame of reference change. Executive education remains one of the key means to achieve transformative change.

In order to better understand the process of achieving impact, we examined these key benefits by studying how participants perceived their growth in these areas as well as the processes that organizations use to measure impact over the long-term. In our interviews with participants and HR executives, we uncovered four pathways to impact.

Goal-setting

Different types of goals affect outcomes and generate impact, ranging from the individual, the team and the organization. Asking a team to complete a business plan for a new business development project, or individually developing an action plan to improve a leadership competency, are totally different goals; if these goals are not explicitly articulated as part of the executive education program, they might “fall under the table” and not receive the attention initially intended.

The more specific the needs assessment and the establishment of learning outcomes, the greater the likelihood is that they will be achieved. From an individual participant perspective, knowledge is frequently mentioned as a primarily short-term goal, yet personal development with self-leadership is more often seen as the more important outcome of an executive education program. Participants who had specific learning goals established as part of the executive education journey, usually part of a company process prior to the program, focused on those learning objectives when they discussed the outcome of the program.

Self-leadership

Individuals need to receive adequate feedback on their performance so that they can appreciate the progress they are making and evaluate actions and achieve goals. Well-constructed feedback allows them to move beyond self-management to self-leadership, which is characterized by intrinsic motivation and direction. Moreover, managers mastering self-leadership can foster the development of self-leadership in others. Therefore, we argue that self-leadership and its associated feedback loops provide a potent pathway to produce impact at the individual level, which can collectively translate into impact at the organizational level.

While actual impact of activities promoting the development of self-leadership may be difficult to establish, participants definitely report benefiting from those activities. Increased self-awareness about presentation and negotiation styles was also mentioned as impactful, in addition to the opportunity to receive feedback in a friendly setting.

From an organization perspective, gains in self-leadership were especially impactful when they were targeted at leadership competencies that the organization has to collectively achieve, e.g. customer-orientation, results-orientation or other competencies derived from the strategy.

Networking

Networking and maintaining the contacts established in programs is also an important perceived benefit from a participant perspective. While participants acknowledge that networking does not directly affect the way they work, many participants indicate that it enriches their understanding of the business and allows them to call upon others for help when needed.

Networking also allows participants to develop a common language with colleagues from the same company. Thus, networking activities appear to achieve organizational impact by facilitating knowledge sharing and connections beyond the program scope.

Frame of reference change

On the individual level, learning starts with frames of reference consisting of concepts and relationships (Weick, 1986), which allow individuals to make sense of their environment and to act within it (Barr, 1992). Organizational learning, however, is more than the sum of knowledge held by individuals; it requires a collective frame of reference change.

This so-called frame of reference change was apparent from participants describing their learning and takeaways from the course. Frequently, they described, in great detail, parts of the modules and what they learned from them, how relevant the course was to their work and the way they lead their teams.

From the participant interviews it became clear that the awareness and insight that things can be done differently was very beneficial for them. As such, we can note a frame of reference change at two levels. First, the participants are exposed to new models, allowing them to tackle business problems because they are equipped with more appropriate tools. Second, we find a shared awareness among participants that things can be done differently.

Conclusion

Many CEOs aspire to achieve a step change in performance. This can only be achieved if the capabilities of the organization are enhanced. Executive education with its four pathways – goal-setting, self-leadership, networking and frame of reference change - is a key means through which these aspirations of performance improvements can be achieved.

Bettina Buechel is professor of strategy and organization at IMD, where she is the co-director of Orchestrating Winning Performance, a global business program for individuals and teams, which will take place in Lausanne, Switzerland from June 23-28, 2013 and in Singapore from November 17-22, 2013.

Related Programs



ORCHESTRATING WINNING PERFORMANCE - <http://www.imd.org/owp> The global business program for individuals and teams

Program Directors Bettina Buechel and Dominique Turpin

- Get exposed to the latest management thinking and to practical and innovative solutions for your business
- Anticipate global business trends
- Boost your performance, broaden your perspectives and expand your global network
- Design the program that suits you