



Designing Results-Oriented Leadership Development Programmes

Two often-overlooked elements have a significant impact on both individual leaders and organisations.

Normally, in business, one wouldn't make a large investment without an idea of how to gauge its results. Not so with leadership development programmes.

In the United States alone, companies spent **more than \$24 billion** on leadership and management training in 2013. Many graduates do go on to become successful senior leaders. However, there is no proven method to assess how much, if any, of their success was due to the programme. Since only rising stars are invited to attend leadership development programmes, you could argue that their careers would have turned out the same without any training.

Much of the confusion stems from the fraught designation "leader". Leaders are judged by their inner and outer qualities, and leadership development is geared towards nurturing both. Companies are increasingly aware that leadership is as much about how one thinks and feels as it is about tangible business outcomes. Yet how the former and the latter interact to enable leadership success remains largely a mystery. For both companies and learning providers, this creates a lot of guesswork when it comes to designing a curriculum.

Our forthcoming **research paper** (co-authored by

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Schon Beechler of INSEAD and Jaume Hugas of ESADE Business School) studies how various aspects of leadership development programmes affect participants both individually (i.e. their knowledge, behaviour and attitudes) and organisationally (i.e. their contributions to the company). While there is no universal formula for cultivating leadership, our paper suggests some specific ways for companies to maximise the impact of their current programmes.

The key factors

Our research had two stages. First, we conducted a focus group involving ten managers from Spanish multinationals expanding into Latin America. The participants, who had all attended a leadership development programme, were asked to identify the most impactful features of their programme and explain their choices, as well as to share any concerns they might have about particular curriculum elements.

The insights collected during the focus group were used to inform the second stage of our research, a quantitative survey that was emailed to 107 leadership development alumni. Our analysis of the survey results found statistical confirmation for a number of commonly held assumptions about leadership development. For example, programme

content that was aligned with firm strategy indeed appeared to have greater organisational impact, as did programmes whose preliminary stages included training needs assessments for participants.

As for the impact on participants as individuals, we found that personalised post-course follow-up made a noticeable difference. One-on-one mentoring, in particular, seemed to improve the process of converting lessons learnt during the programme into meaningful changes in knowledge, behaviour and attitude.

In addition to the variables that were related to either individual or organisational outcomes, some variables affected both types of outcomes (more on these below). On a broader level, there is evidence of a low-to-moderate correlation between the two types. This finding may go towards refuting detractors who claim that it is a waste of time and resources to invest in training leaders who may end up leaving the firm anyway. Our data suggest a modest but clear bump in results for organisations that invest in leadership development, provided the programmes are effective.

The two “must-haves”

Two variables in particular strongly impacted both individual and organisational outcomes. The first is the degree to which different aspects of leadership development programmes were evaluated. The second is the number of company directors involved in participant selection.

Too often, programme evaluations are imprecise and unhelpfully constructed. Participants will be asked, for example, to record how they felt about an instructor’s classroom performance as a whole, regardless of that instructor’s strengths and weaknesses. Our survey analysis indicates that a more granular approach would garner more positive results for the programme overall. Each module should be audited on its own, in tandem with course delivery rather than as an afterthought.

Additionally, evaluations should be geared towards assessing impact, not impressions. Rather than asking how a participant felt about the programme, evaluations should determine whether a specific module offered useful takeaways. Only then can feedback be channeled into productive, targeted improvements.

It is crucial that top managers be involved in the design and delivery of leadership development programmes, despite the difficulties of securing their highly sought-after time and attention. Senior executives are invaluable repositories of organisational knowledge, though they themselves may be unaware of it. If they can be persuaded to

share their wealth of expertise with learning providers, the resulting programmes will be far more enriching for participants. Our experiences with corporate clients have proven this time and time again. Ideally, three to five executives should be included in the process, each representing different business areas so as to provide a well-rounded array of expert knowledge.

How to lure top managers

Our focus group participants named executive involvement as one of the most critical ingredients of leadership development but also one of the most elusive. It appears, then, that companies are knowingly settling for less by leaving leadership development programmes largely in the hands of HR or learning departments. This could be due to a politically expedient desire to seek the path of least resistance, or intimidation at the prospect of soliciting executive advice.

In our work with corporate clients, we find that executives are more willing to collaborate with us when there is something in it for them. As an initial overture, we offer them guest speaking opportunities, preferably at their own company. They may have attended a leadership development programme in the past, but participating as an educator is an entirely different experience. Giving them a platform—and a taste of the spotlight—often starts them down the path to complete co-ownership.

Once you have executives’ attention, you must sustain it over the long term. We regularly send out email newsletters containing leadership information and articles to participating executives. Also, we convene annual business seminars featuring top experts, to which we invite executives we have worked with in the past.

Money isn’t everything

In sum, our research should caution companies against off-the-shelf approaches to leadership development. Just as R&D investments would be considered wasted if they generated cookie-cutter products, investments in leadership development pay off most when programmes are customised to organisational needs and their outcomes are constantly monitored. Along with financial investments, organisations must be prepared to devote a corresponding amount of intangible resources.

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