Introduction: Paradox in University-Based Executive Education

Top Executives Need: Knowledge, skills and insights to deal with complex, cross-functional, unstructured challenges and opportunities.

Business Schools Teach: Functional knowledge and skills, which are linear and structured.

Paradox: Broad enterprise-wide vs narrow & deep
Why the Paradox:

• The core of Business School Education is the MBA program for 28-year olds who are entering or reentering the work force. Their needs traditionally: Understand general management; but get a job in a large company by focusing on one or a limited set of business functions.

• Business School faculty typically are rewarded primarily for research which almost always in discipline-based.
Paradox → Opportunity!

• An underdeveloped emerging market exists for those business schools (ExecEd) that can provide top executives the knowledge and skills necessary to address complex, cross-functional, unstructured business themes (challenges & opportunities).

• While consultancies play in this arena, their focus is solutions, not imparting the knowledge and skills for executives to derive the solutions themselves.
Introduction: Dealing with Complexity

The Nature of “complexity” as it impacts top-management analysis and decision-making:

• During the 1980s, we came to realize that objectives were cumulative and not substitutable:
  – No longer, “Do you want it better, cheaper, or faster?”
  – Rather, “How do we make it better, cheaper, and faster?”
Executives understand increasingly that they can’t simply “hustle their way” through highly complex unstructured challenges.

Rather, they need “Critical/Creative” thinking skills to be certain amid the complexity that they are working on ‘the right’ problem [Think about the current world financial crisis: Is the problem Liquidity? Solvency? World currency values? Interest rate differentials? The stock market? Toxic sub-prime mortgages? Housing foreclosures? Viability of financial institutions? The real economy? Etc.]
Executives also need to learn how to collaborate more effectively.

Collaboration: Doing the set-up for others to perform more successfully. The difference between “Acting” and “Improvisation.” In Acting, the focus is on the one in the spotlight. In Improv, the one in the spotlight is setting up the next person for success. It’s all about ego/humility!
An Aside: Colloquium at Harvard on Changes in the MBA program

**The Challenge**: The real issues for HBS, Light continues, are found in the changing nature of business itself. It's more global, more technology dependent, and less hierarchical. Knowledge-based industries are overtaking older, more basic industries. And the pace of change is quickening. "So we have to understand how the world is changing and make sure we're preparing our students for the future," says Light.
An Aside: Colloquium at Harvard on Changes in the MBA program (Cont)

**The Solution**: Do more in the areas of globalization, experiential learning, and leadership development.

...How HBS teaches leadership has changed, too, evolving from narrowly focused industry- and discipline-based courses to more diverse, integrative courses that reflect real-world complexity.
“Complexity” and Exec Ed programs at MIT Sloan

• MIT Sloan Executive Education programs are at the forefront of equipping participants to deal with complexity by helping them learn and apply critical thinking skills, tools and frameworks

• Two examples of programs— ELIAS and IDEAS— are ‘cutting edge’ experiments for MIT Sloan
Complexity outside the Firm

Sectors need to learn how to collaborate more effectively to address Complex issues

Non Governmental Organizations

*Resource Scarcity
• Climate Change
• Floods
• Access to clean Water

Large Complex issues

Business

Government

Requires innovation, critical thinking + collaborative problem solving
Open Enrollment Program

ELIAS (Emerging Leaders Innovating Across Sectors)
Joint initiatives involving the sectors of business, government, and civic institutions
focused on leading profound systems innovation across organizational and national boundaries
Expected Outcomes

An enhanced capacity among participants to deal with the complexity of globalization and sustainable development through practical innovation

An ability to prototype cross-sector innovations that create value for the triple bottom-line—economy, environment, and society

Ever-growing network of leaders from three sectors that enhance and accelerate benefits to individual institutions
Cross-institutional peer shadowing and stakeholder interviews (thinking, reflecting)

Deep-Dive Journey and Retreat
- Total field immersion;
- Workshop for experience-sharing, deep reflection, and action project generation (generative learning)

Kick-off Dialogue (one on one)

Foundations of Globalization, Sustainability, Leadership (process, structure)

Sensemaking;
- Emerging themes;
- Deep-dive planning

Oxfam
MIT
SoL
invited:
Chinese Univ.
Chinese NGOs

The World Bank
UN Global Compact
invited:
UNICEF
Chinese GO

BASF
BP
Nissan
Unilever
invited:
Goldman Sachs
Saudi Aramco
PwC, Natura

Present Results
- Crystallize, synthesize, plan the way forward

Prototype Learning Lab
- Workshop on reviewing and advancing prototype initiatives

Prototype Formation
- Reconnect with internal stakeholders;
- Create sponsor commitment;
- Convene key players

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Outcomes from ELIAS

- Leadership Development program that focused on global water issues – collaboration between German govt, BASF and UN
- Indonesia Rice Farmers- Price Setting
- People’s Power – help low income communities to develop & generate income from renewable energy – collaboration between: MIT, Oxfam, BP and WWF
- IDEAS Indonesia Program (custom Exec Ed Program)
Outcomes of ELIAS IDEAS Indonesia Custom Program

Innovative Dynamics Education and Action for Sustainability

- Joint program with an NGO - United in Diversity/ MIT Sloan School of Management
- Project of 3 graduates from ELIAS Program
- Year Long
IDEAS -Foundation Week at MIT

- Otto Scharmer “Learning from the Future as it Emerges”
- Experiential Learning
- Workshop with IDEO
- Learning Journeys to local NGO’s
- Company visits to One Laptop Per Child
- Windows into MIT – New Civic Media, Department of Urban Studies and Planning
- Graphic Recording
Cross-institutional peer shadowing and stakeholder interviews (thinking, reflecting)

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Kick-off Dialogue (one on one)

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Present Results
- Crystallize, synthesize; plan the way forward Graduation June 2009

Civil Society

Governmental Agencies

Business

Sensemaking;
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Present Results
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MIT Sloan Management
<table>
<thead>
<tr>
<th>Date</th>
<th>Activity</th>
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</thead>
<tbody>
<tr>
<td>September 21</td>
<td>Sunday - Le Meriden</td>
</tr>
<tr>
<td>September 22</td>
<td>Monday - One Broadway</td>
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<tr>
<td>September 23</td>
<td>Tuesday - One Broadway, Jakarta, various locations around Boston &amp; IDEO</td>
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<tr>
<td>September 24</td>
<td>Wednesday - One Broadway &amp; 1 Cambridge Center</td>
</tr>
<tr>
<td>September 25</td>
<td>Thursday - One Broadway &amp; various locations around Boston</td>
</tr>
<tr>
<td>September 26</td>
<td>Friday - One Broadway</td>
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</tbody>
</table>

### September 21
- **Transportation from Le Meriden to class departure:** 7:30 from lobby
- **Breakfast:** 8:00 - 8:30

### September 22
- **Introduction:** 9:30 - 10:00
- **Four Types of Listening:**
  - Everyday Creativity
  - Conversation and Nonviolent Conflict
  - Multi-sector Innovation
- **Check In:** 8:00 - 8:30

### September 23
- **Check In:** 8:00 - 8:30
- **Guided Tour:** 12:00 - 1:15
- **MIT Guided Tour:**
  - Lunch: 12:00 - 1:15
  - Working Lunch: Media Lab: Innovation & Learning with Ellen Hume: 10:45 - 11:00

### September 24
- **Break:** 10:30 - 11:00
- **Nonviolent Conflict Resolution:** 8:30 - 10:30
- **Break:** 11:45 - 12:00
- **Corporate Social Responsibility:**
  - Field Visits to Local Sites cont.: 1:30 - 3:00
  - Free time to explore Boston: 3:00 - 3:15

### September 25
- **Break:** 3:30 - 3:30
- **Bringing to Life:**
  - At IDEO for experience discussion and dinner: 5:00 - 6:15
  - 1 laptop per child: 8:00 - 9:00
  - Le Meriden to dinner: 7:00 - 7:30

### September 26
- **Break:** 8:30 - 9:00
“Complexity” and ExecEd programs at the Olin Business School

Desired Features for a Senior Leadership Program:

• Address key business challenges (themes/platforms)
• Focus on individual leadership growth – link to performance management
• Lots of opportunities to practice/apply – experiential learning; capstone project
• “Red Thread” which integrates concepts
  (Continued)
“Complexity” and ExecEd programs at the Olin Business School

- High-impact leadership planning and development through a series of leadership assessments and exercises including a 360 degree CVF diagnostic
- Coaching and mentoring
- Team dynamics and learning for all of the participants as well as for multiple enrollees from the same organization
- Ongoing network of peers from a wide variety of organizations and industries
- Confidence to take on major new responsibilities
Dealing with Complexity for programs at the Olin Business School

Based on meetings with hundreds of senior executives, we found a series of complex themes and topics that frequently emerge when one asks top executives to list their 2-3 principal “hot-buttons”. These include:

- Driving organic, sustainable, profitable growth
- Developing a culture of innovation to help assure top line growth and operational excellence
- Winning in Global Markets
- Linking supply chain management with customer focus
- Growing leaders with the knowledge and skills to deal with complexity
Olin’s New Senior Leadership Program

1. Leading the High Performance Organization
2. Strategy, Organization and Value Creation
3. Competitive Advantage and Operational Excellence
4. Winning Globally
5. Growth and Innovation
Questions?