Investigating Emerging Practices in Executive Program Evaluation

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In today's constrained economic environment where all corporate spending is scrutinized, chief learning officers report that budgets for leadership and executive development are now subject to the same financial rigor as any business project. Investments in executive education must be able to demonstrate effectiveness and impact as corporations utilize executive education as a vehicle to facilitate strategic growth and change.

As Yorks, Beechler and Ciporen (2007) note, while the need for comprehensive assessment of management and executive development programs is widely agreed upon, it is rarely carried out. Their exhaustive review of the literature found very few reports of research studies attempting to assess the impact of development programs over time. They list a number of obstacles to conducting such studies.

First, the learning from such programs is complex and difficult to assess abstractly. Second, the measurement of impact in executive education is highly dependent on utilization of learning back in the workplace. From a quasi-experimental design perspective, workplace contexts are very diverse and non-standardized and it is difficult, if not impossible, to establish a control group. Therefore, assessments of impact have been limited to qualitative measures such as self-reports and managers' reports collected in follow-up interviews or surveys.

Despite the small number of research studies, the ability to evaluate the impact of executive programs, especially custom executive programs, has become increasingly important to client firms. Companies that traditionally have turned to university-based executive education for the development of their senior leaders are demanding greater knowledge and expertise around the issue of program evaluation. While not necessarily focused on measures of ROI, clients are interested in knowing the range of both

quantitative and qualitative measures available to them to assess the impact of a major development initiative.

This study sought to investigate emerging practices in program evaluation, primarily focusing on custom executive programs. The objectives of this study were to:
- explore current approaches to executive program evaluation by university and non-university providers
- enhance university directors' knowledge of the field of program evaluation
- share best practices and new approaches.

Interview Methods

The authors conducted a survey of UNICON member schools on their current practices in program evaluation as well as perceptions of their custom program client needs in this area. The authors also conducted telephone and/or face-to-face interviews with senior HR executives of client firms and senior consultants. In addition, the authors reviewed relevant articles from publications such as *The Academy of Management Learning & Education Journal (AMLE), Chief Learning Officer*, *Journal of Management Education,* as well as a sample of relevant provider websites.

UNICON Member Survey Responses

An invitation to participate in a brief web-based survey on current practices in executive program evaluation was sent to all UNICON schools. The 45 schools that responded represented a diversity of program sizes and locations.[2]

Three specific assumptions were tested with survey results sometimes confirming prior beliefs and sometimes shedding new light on conventional wisdom.

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[2] 60% of the 45 respondents were from schools with annual revenues from non-degreed executive education of $7m or less, 33% had revenues between $8m and $29m, and 7% had revenues of $30m or higher. 58% of the respondents were from U.S.-based schools and 42 % were located outside the U.S. The complete survey results have been posted on the UNICON website.

Assumption #1: A constrained economic environment has led UNICON member schools to experience an increased demand for ways to evaluate the impact of executive programs. This assumption was not as strongly supported as we expected. While 19 (42%) schools reported an increase in the number of clients asking for ways to evaluate business impact, 24 (53%) schools reported that there was no noticeable change in the past two years (pre-2008 economic downturn).

Assumption #2: The ability to measure the impact of custom executive programs has become an important selling point in talking to prospective clients. This assumption was strongly supported. 73% of the schools agreed or strongly agreed that a school's ability to measure impact is an important selling point in early conversations with prospective clients. Clearly, the ability to assess the impact of a program provides clients with useful information that enables them to make appropriate decisions and take effective action.

Assumption #3: For a proposal to be accepted by a client today, it must describe sound metrics for evaluating the impact of the program. This assumption received the most varied responses. While 34% (15) of the schools agreed with the statement, 39% (17 schools) were ambivalent in that they neither agreed nor disagreed with the statement. Some objected to the terminology "sound metrics." One respondent wrote, "Quantifiable measurement is gone, that died in the '90s for my clients. I hope we are still not talking about measuring ROI." Another said, "We are developing ideas for evaluation which take into account not only content, outcomes and methodology, but also the context in which the development occurs."

On the other hand, tracking business results and revenue growth were important measures to other respondents. "We track business results at 3, 6, and 12 month intervals in programs with projects," noted one respondent. Another reported, "Competency attainment, cost reductions, innovations delivered, revenue enhanced, are all important measures."

The survey results were echoed in our interviews with non-university providers as well.

"To believe that no assessment of the impact of learning is possible is to chicken out. Organizations need to design programs and projects so that they do move key levers in the organization."

> Derek Schrader
> Truepoint

"The better the learning function is anchored in the culture and value system of the organization, the less will be the focus on and requirement for numbers-based justification for learning."

> Roland Deiser
> European Corporate Learning Forum

"The individual employee and their manager must own the responsibility for linking behavioral change (from executive education programs) to performance improvement and business results. The learning function can lay out the process but cannot control it."

> Frank Waltmann
> Novartis

A Field in Transition

Based on the results of the survey as well as our interviews, it appears that in the last ten years, the field of program evaluation has transitioned from being an isolated post-program activity focused solely on quantifiable ROI measures, to one that includes multiple measures, both quantitative and qualitative. Once almost exclusively influenced by the Kirkpatrick (1994) approach which contends that the best evaluations are those that measure ROI, many in the field today contend that ROI is not necessarily what the client wants or needs, nor is it the best approach to answering the organization's evaluative questions. Measuring the financial effect of coaching or enhanced leadership behaviors has proven difficult to accomplish in any valid or credible way.

Both university and non-university providers are finding it more productive to integrate program evaluation in a systemic way into the program design process. As Yorks, et. al., (2007) argue, "The advantage of conceptualizing program assessment in terms of an integral part of the program design is that it places emphasis on the value of 'learning' as the focal point of the process linking program design and content with assessment."

One consultant we interviewed, Jon Fay of WilsonAlan, suggested, "One way we think about this is as a portfolio of measures." As Figure 1 suggests, there are multiple evaluation measures that can be used that range from quantitative to qualitative ones. The key is to understand the client need and match the evaluation measure to client need and client interest.
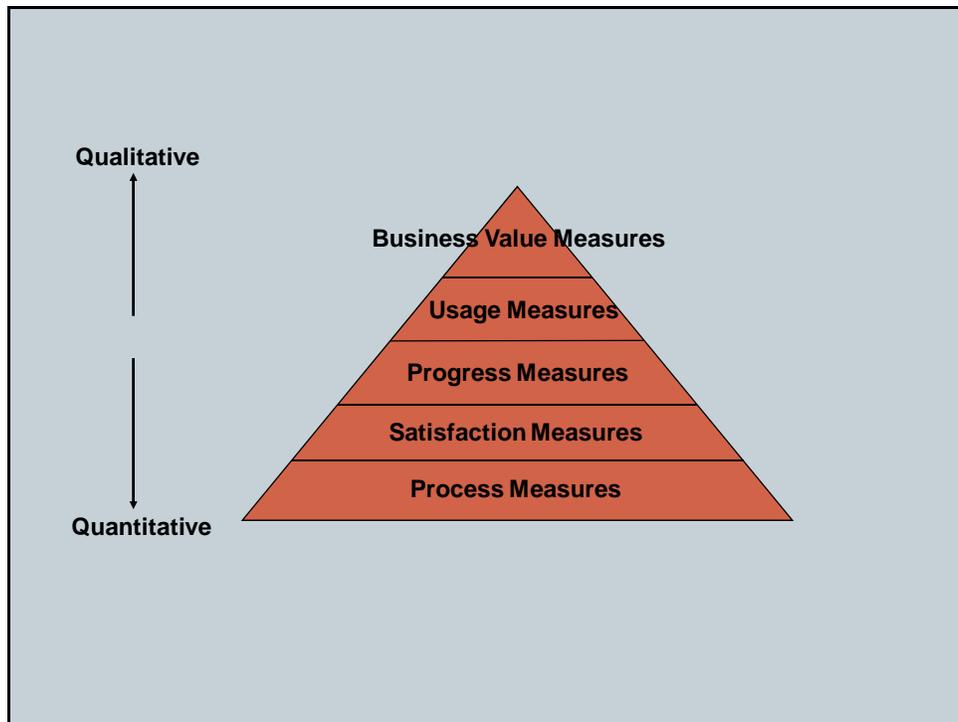

Figure 1 (with permission Jon Fay, WilsonAlan)

The following paragraphs describe each of the measures.

Process Measures

These are the kind of measures that are usually reported by HR to senior management. Examples are: number of people participating in a program, cost per person, days per year, total investment in development at different levels of the organization, etc. These measures are usually not very exciting to talk about, but many times uncover anomalies, like large differences in spending in one part of the organization, or on a particular level of managers. Process measures are useful in answering the question, "Are we investing in the right people?"

Satisfaction Measures

These are end of the program "smile" sheets used by most schools as well as other providers. Satisfaction measures answer the question, "Did we focus on the right areas, was the program seen as valuable?" Another use of satisfaction measures is to survey people who report to the person who attended the program. Typical questions might include, "Are things clearer within your unit? Do you feel you have a better understanding of the unit's goals and objectives? Do you have a better sense of how your work contributes to the goals and objectives?"

Progress Measures

These measures focus on top-down ratings. Are bosses seeing a difference in people who have been to the program? Who has been promoted, who has dead-ended? However, in the absence of a matched sample control group, these measures cannot claim validity or reliability. While useful in gauging perceptions of impact within a company, these are qualitative measures.

Usage Measures

These are specific examples of how frameworks or content from a program have been taken up and are now used in internal management presentations or presentations to the board. They provide evidence that the business is adopting a concept or framework taught in a program, and that it is now part of the internal lexicon of the business.

Business Value Measures

These measures come closest to measuring business impact in a qualitative way. They refer to ideas implemented as a result of a program or from action-learning projects started during a program. These ideas have been taken up and acted on by the organization and are now embedded in the organization as viable business ventures, e.g. establishing an on-shore business in China.

Alternative Measures

While the portfolio of evaluation measures illustrated in the above hierarchy provides a useful framework in talking with clients, a number of alternative measures were cited in interviews with schools, consultants and senior HR executives.

Net Promoter Score

This is a quantitative scoring system popularized by Fred Reicheld of Bain Consulting in his book *The Ultimate Question* and *Harvard Business Review* article "The One Number You Need to Grow."

In this approach, the key question is "How likely is it that you would recommend [this program/learning intervention] to a friend or colleague?" Answering on a 10-point scale, "promoters" respond with a rating of 9 or 10, "passives" 7 or 8, and "detractors" 0-6. The percentage of detractors is subtracted from the percentage of promoters to obtain a Net Promoter Score (NPS).

It is a high bar: typical companies, according to Reicheld, average an NPS of just 16% while companies with the most enthusiastic customer referrals receive net promoter scores of 75 to more than 80%. NPS was mentioned explicitly by one experienced consultant we interviewed who said this evaluation yardstick "helps clarify our value and always keeps us on our toes."

Company Buzz

Another qualitative measure mentioned by client executives and consultants can best be described as company "buzz". Corporate learning professionals and executive education providers need to listen carefully for anecdotal feedback such as:

> *"I got a lot out of the program and want my peers to attend as well."*

> *"I would never have met [Joe] except through this program, and we are now working together on [Project A] because of our personal connection."*

> *"We effectively applied [the professor's] framework at our last strategic planning meeting."*

> *"The [XYZ] case has become a shorthand/vocabulary for us to talk about certain issues with the whole management team."*

Comments such as these suggest strongly that participants are recommending the learning experience to others (akin to Net Promoter Score), see value in the networking with others, find theoretical frameworks relevant to their work, and/or are developing a common language with peers leading to effective action.

Measures of Personal Reputation

One of the most intriguing new developments in program evaluation is driven by the advent of peer-to-peer and Web 2.0 forms of corporate learning. In this new world, value is measured in "page hits, clicks and downloads, the frequency of an individual's contributions to informal learning resources and their value, and feedback, the number of comments and corrections to informal learning resources and user ratings." (Bersin, 2010).

According to Karie Willyerd, former Chief Learning Officer at Sun Microsystems, the Sun Learning Exchange, pictured in Figure 2, is a good example of this new approach. Are your contributions to the learning of others valued? How are they rated and how frequently are they tagged? Is your personal reputation growing? This is an environment in which the company has successfully, in Karie's words, "drafted an army of volunteers," where every employee can be both a teacher and a learner.

Figure 2 (Source: Karie Willyerd, Sun Microsystems)

While much of this innovation in self-directed learning and co-creation of content is starting at and targeting lower organizational levels, these new approaches will certainly come to upper levels of management and to the delivery of executive programs as younger generations of workers move into senior positions.

Examples from Schools

In addition to the many useful examples of evaluation measures provided by consultants and senior HR executives, we also looked for examples from UNICON member schools.

Wharton

Wharton was one of the first schools that systematically moved the evaluation process beyond the end-of-the-program smile sheets and tried to measure the transfer and

application of the ideas. In the Wharton model, pictured in Figure 3, participants identify three actions they plan to take in the next 6-9 months based on what they learned during the program. These action items are entered into a computer-based program excluding any confidential information. The system generates an email once a month asking each participant to note their progress on their actions items and to report any obstacles they are facing and any other commentary they would like to add. At the end of six months, Wharton aggregates the data and sends a report to the sponsor of the program. The report includes the number of actions that were taken, any obstacles encountered, and summaries of key actions that had been completed.

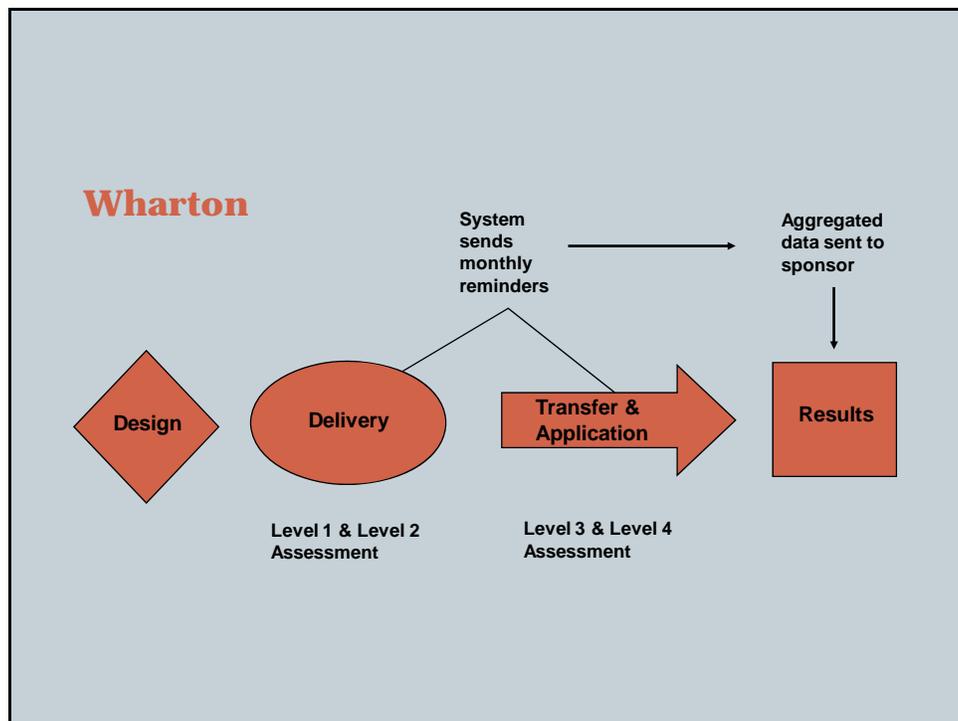Figure 3

Gordon Institute of Business Science (GIBS)

GIBS provides a good example of a school and its client measuring the bottom-line value of action learning projects compared with program cost to calculate ROI (see Figure 4). In a program designed to develop high potential managers with 5-10 years of work experience, each participant agreed with their manager on an Individual Improvement

Project (IIP) that would deliver efficiencies, cost savings, quality or productivity improvements in their immediate area of work. Groups of participants also developed Business Improvement Projects (BIP), overseen by a senior line manager and focused on delivering value to the company. Together the IIPs and BIPs were shown to generate a return of 19 times program cost, with IIPs returning 16.4x cost vs. BIPs returning 2.6x cost because the IIPs were easier to implement. While not quantified, intangible ROI (sustainable development contributions, retention, promotions, and transfers) were also assessed qualitatively as another important source of return, beyond the calculated ROI.
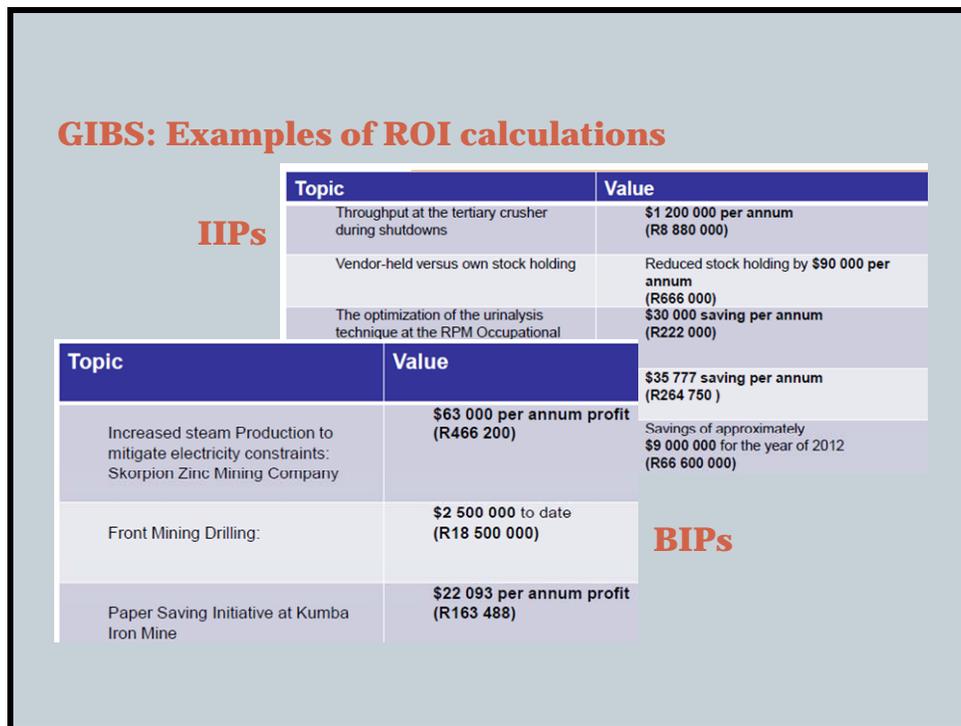

GIBS: Examples of ROI calculations

IIPs

Topic	Value
Throughput at the tertiary crusher during shutdowns	$1 200 000 per annum (R8 880 000)
Vendor-held versus own stock holding	Reduced stock holding by $90 000 per annum (R666 000)
The optimization of the urinalysis technique at the RPM Occupational	$30 000 saving per annum (R222 000)
	$35 777 saving per annum (R264 750)

Topic	Value
Increased steam Production to mitigate electricity constraints: Skorpion Zinc Mining Company	$63 000 per annum profit (R466 200)
	Savings of approximately $9 000 000 for the year of 2012 (R66 600 000)
Front Mining Drilling:	$2 500 000 to date (R18 500 000)
Paper Saving Initiative at Kumba Iron Mine	$22 093 per annum profit (R163 488)

BIPs

Figure 4

Duke CE

Duke CE focuses on "Design to Outcome." As indicated in the five-step process pictured in Figure 5, early design conversations (Step 1) need to be clear regarding what the client is trying to achieve. Duke CE then works with the client (Steps 2-5) to refine their objectives to reflect desired outcome levels.
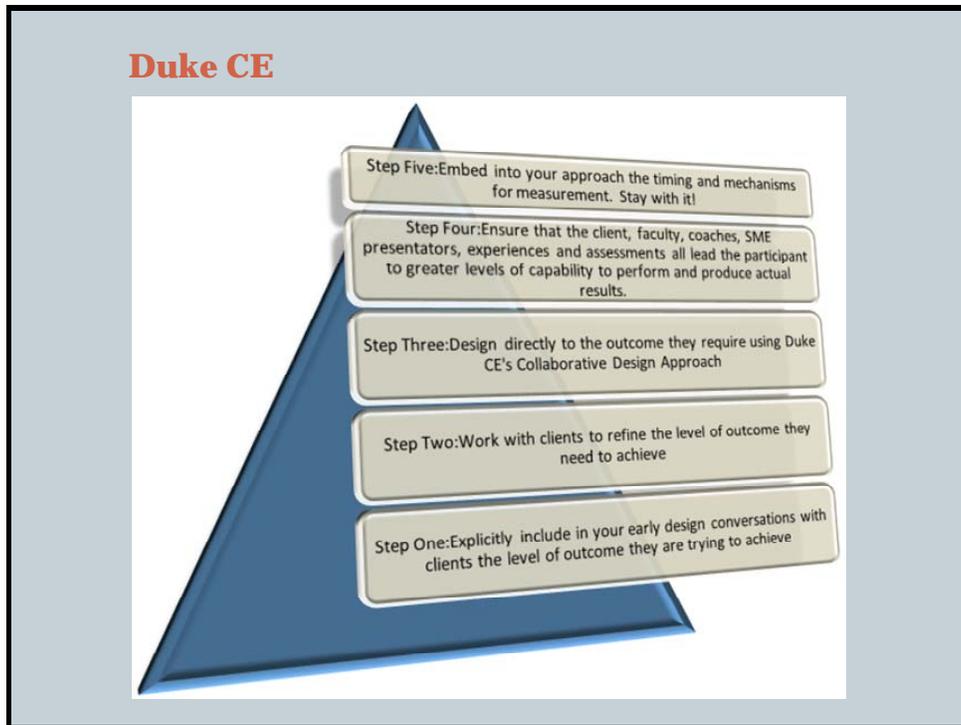
Figure 5

The table below illustrates how Duke CE refines outcome statements so that they are consistent with what the client needs to achieve and are compatible with Kirkpatrick's four levels of assessment.

Kirkpatrick's Four Levels	Outcome Level - Examples (adapted from Duke CE)
Reaction and planned action learning	Understanding alternative approaches to innovation (learning)
Application and implementation	Application of an approach to innovation in their working group (application)
Business impact	Three viable new approaches to increasing penetration in Asian markets (business impact)
ROI	Improved penetration in Asian markets as the result of the approach implemented (quantifiable return)

Useful Frameworks and Models

Perspectives from the field of practice and case examples are a necessary but not sufficient approach to an investigation of emerging practices in program evaluation. MIT Professor Kurt Lewin famously observed that "there is nothing so practical as a good theory," and in that spirit, we suggest four models that can serve as useful "lenses" or frameworks to view the world of learning and evaluation and to take practical action.

These models place the discussion of program evaluation into a broader context, linking learning with strategic change and innovation (Deiser), connecting evaluation back to program design (Yorks, et.al.), providing a systems framework for the evaluation process (Russ-Eft and Preskill), and taking us into a future, Web 2.0-enabled world.

Deiser: Expanding the Paradigm of Learning

Roland Deiser (2009) posits that the traditional paradigm of learning focuses only on individual qualification, is in the domain of the HR function, and happens remote from the business as a mechanistic transaction between teacher and student. As shown in the Figure 6, an expanded paradigm of learning encompasses:

- Learning embedded in practice to a much greater extent,
- Contributions to learning that move beyond the personal to the organizational and strategic level, and
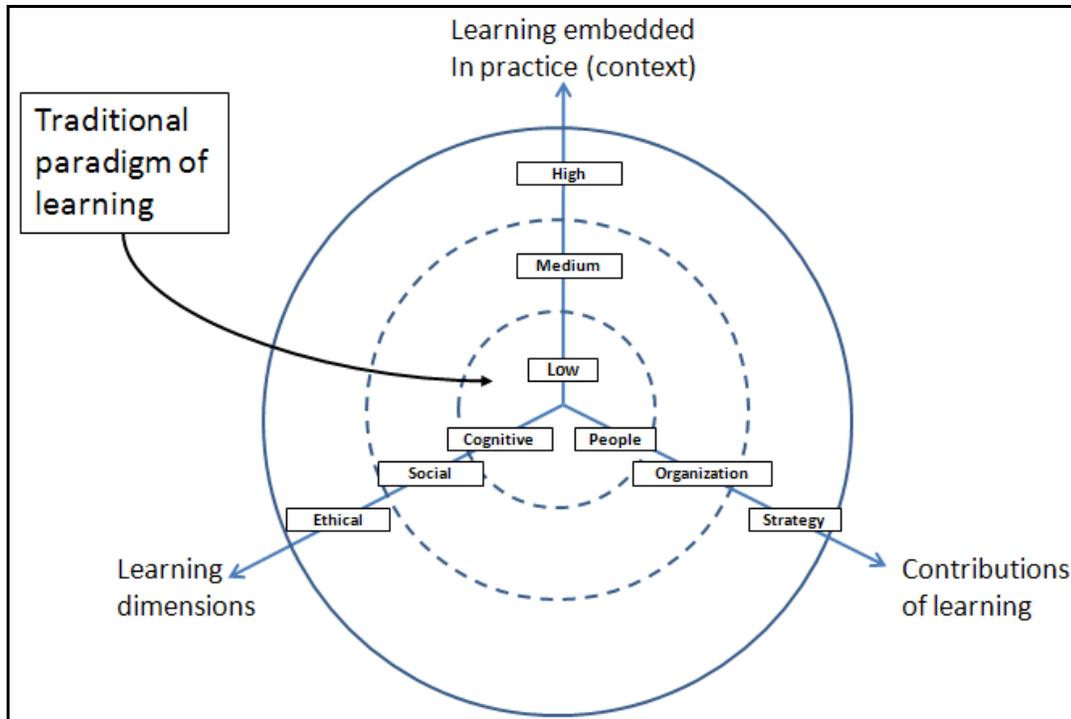- Ethical, social, and political dimensions

Figure 6 (Source: Roland Deiser, 2009*)*

While the three dimensions are shown separately on this chart for analytical purposes, they actually happen concurrently in every holistic learning process. In parallel, the evaluation of breakthrough corporate learning initiatives also needs to proceed in a multidimensional fashion.

Yorks, et.al.: Linking Program Design and Assessment
Yorks, Beechler and Ciporen (2007) present a framework that extends the boundaries of the program, giving increased attention to pre- and post-program activities (see Figure 7). In a 5-year research study, they demonstrate how connections between learner-focused practices that begin 8 weeks prior to the residential program and continue 18 months after the program both facilitated and reinforced participant learning in an open-enrollment executive program.
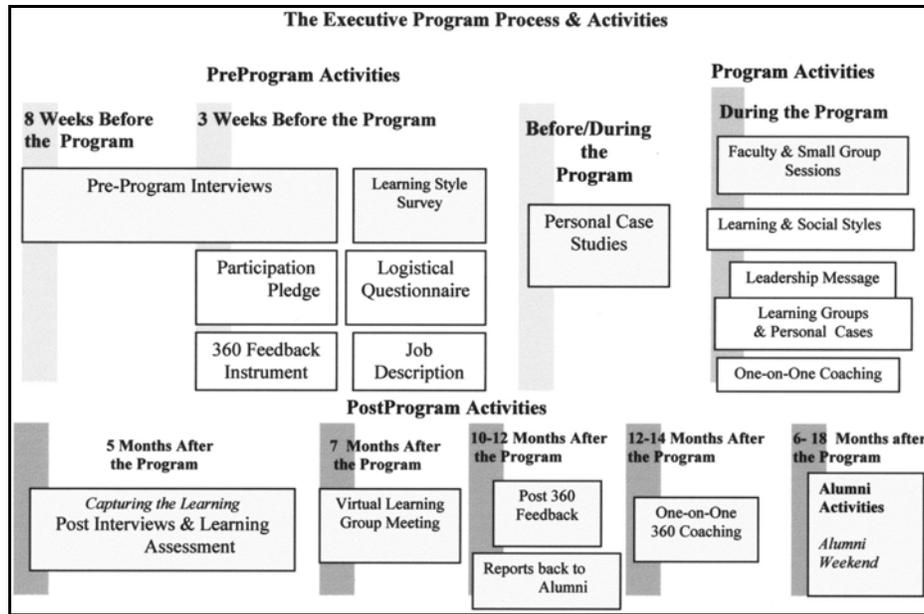
The Executive Program Process & Activities

PreProgram Activities

8 Weeks Before the Program | **3 Weeks Before the Program**

Pre-Program Interviews

Learning Style Survey

Participation Pledge

Logistical Questionnaire

360 Feedback Instrument

Job Description

Before/During the Program

Personal Case Studies

Program Activities

During the Program

Faculty & Small Group Sessions

Learning & Social Styles

Leadership Message

Learning Groups & Personal Cases

One-on-One Coaching

PostProgram Activities

5 Months After the Program

Capturing the Learning Post Interviews & Learning Assessment

7 Months After the Program

Virtual Learning Group Meeting

10-12 Months After the Program

Post 360 Feedback

Reports back to Alumni

12-14 Months After the Program

One-on-One 360 Coaching

6- 18 Months after the Program

Alumni Activities

Alumni Weekend

Figure 7 (Source: Yorks et al., 2007)

Acknowledging that the weak link in open enrollment programs is their lack of control over the organization's receptiveness to the transfer of learning, the study sought to provide an added degree of structure to reinforce the learning and facilitate learning transfer. This led the authors to develop a conceptual framework that aligns with what they describe as a core learning value chain of program design, participant learning, participant performance and organizational impact. The authors suggest that, "by positioning the post-program assessment as a continuation of the pre-program interviews and the learning practices developed during the program, the assessment process has the potential for encouraging application of program concepts and frameworks back in the 'real world'."

They conclude that, "designing programs with an integrated assessment process can create ongoing learning for both program faculty and participants and increase the power of executive education to influence individual and organizational performance."

Russ-Eft and Preskill: A Systems Framework for Evaluation
Another useful framework presented by Darlene Russ-Eft and Hallie Preskill (2005)

places program evaluation within a systems framework. As pictured in Figure 8, the framework includes the external environment (e.g., competition, customer, technology) in which the organization operates, its vision, mission and strategic goals, as well as the organization's internal infrastructure (e.g., leadership, systems & structure, communication processes).
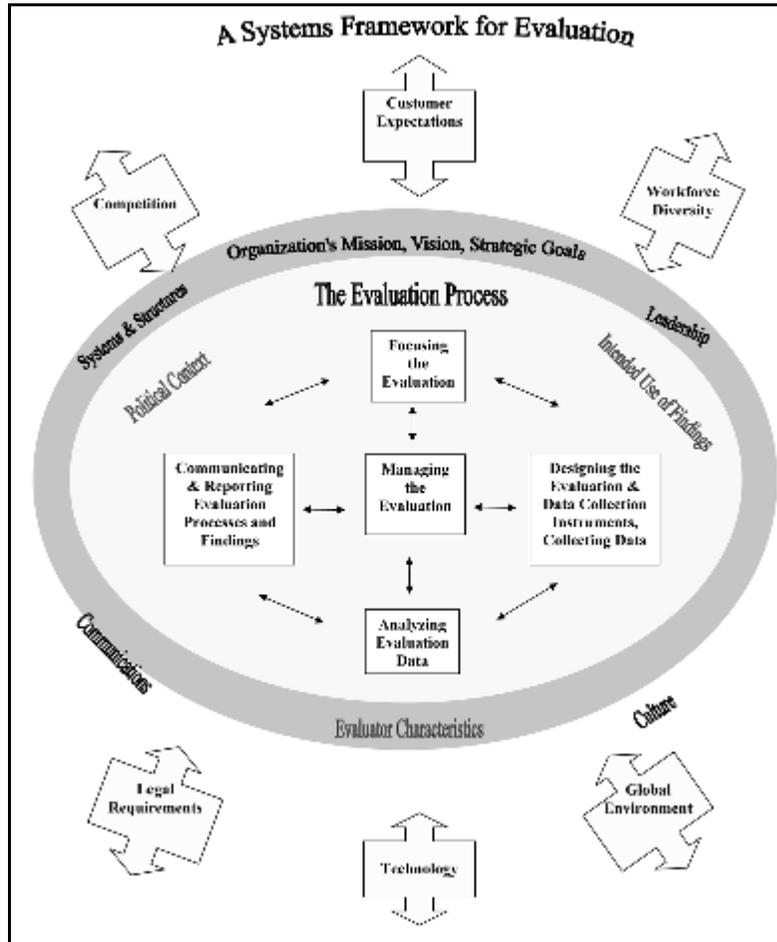

Figure 8 (Source: Russ-Eft, D., Preskill, H. 2005)

The value of having a systems perspective is that it places the evaluation process within the larger context of the organization so that it is not an add-on activity but one aligned with the organization's strategic goals and processes.

In focusing on the evaluation itself, they emphasize the importance of developing a common understanding of what the program is attempting to achieve and what expectations all the stakeholders have for its effect both immediate and long-term. Russ-Eft and Preskill maintain that, "organizational leaders who quickly assume ROI is the best and sometimes only worthwhile evaluation approach often change their assumptions and expectations about their information needs…" when participating in a more systemic process.

Meister and Willyerd: Learning in a Web 2.0 World
In Meister and Willyerd's view, traditional learning has been based on building competencies through formal programs that are created and managed in a top-down fashion. Web 2.0 social media platforms allow and encourage learners to create and manage their own content in a just-in-time, on-the-job context.

The framework pictured in Figure 9, suggests a movement towards more learning occurring in peer-to-peer communities of practice that are organic, emergent, and definitely not controlled only by HR or senior executives. In this world, evaluation of impact is much more about who is contributing and who notices and values these contributions.
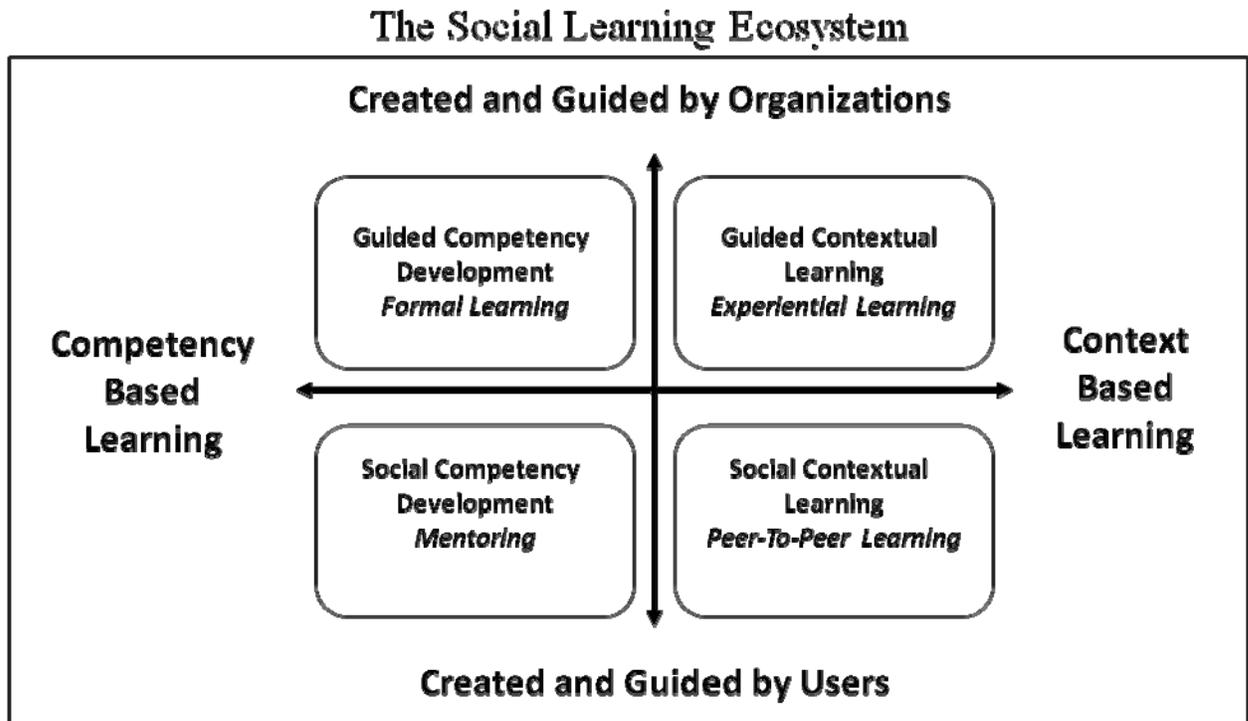
The Social Learning Ecosystem

Created and Guided by Organizations

	Guided Competency Development *Formal Learning*	Guided Contextual Learning *Experiential Learning*	
Competency Based Learning			**Context Based Learning**
	Social Competency Development *Mentoring*	Social Contextual Learning *Peer-To-Peer Learning*	

Created and Guided by Users

Figure 9 (Source: Meister, J. and Willyerd, K. 2010)

Conclusions

Increasingly, organizations are asking for ways to evaluate the effectiveness of executive programs. Unfortunately, few research studies on evaluation appear in the literature due to the difficulty of meeting experimental design requirements. Despite this lack of empirical research, clients continue to seek greater knowledge and expertise from providers of executive education on the topic of program evaluation.

This study sought to investigate emerging practices in the field of management and executive program evaluation through a survey of UNICON member schools and interviews with executives of client firms and senior consultants. The authors also reviewed relevant articles from practitioner-oriented publications.

Taken together, responses from the UNICON member survey as well as our interviews provide evidence that there has been a transition in recent years away from a singular focus on quantitative ROI measures to ones utilizing multiple measures, both quantitative

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and qualitative. Many contend that solely pursuing an ROI measure may not be the best approach to evaluation, nor necessarily what the client wants or needs. As custom executive programs become more integrated with the key strategic issues of the firm, qualitative measures that focus on the transfer of learning into business outcomes provide tangible evidence of program impact.

A second and related transition in program evaluation is away from evaluation as an isolated, post-program activity to an integral part of the program design process. As providers become more knowledgeable about multiple evaluation measures, they can present these options in conversations with clients. These discussions, early in the design process, can facilitate a better understanding of client needs. The practice of designing to outcomes further embeds evaluation as an integral part of the program design process.

In addition to advances in the practices of program assessment, a number of new models/frameworks have appeared in the management literature. These models alter the context of what and how learning is measured as well as the relationship between assessment and learning. In an expanded paradigm of learning, program design and program assessment become elements in a larger learning system that is aligned more closely with the firm's strategic business processes. Our ability to expand the portfolio of evaluation measures and move beyond an exclusive focus on ROI, has opened up the field of program assessment and forged a closer link between evaluation and design.

Today however, social learning networks are challenging our existing models of learning and development as well as our current practices of program evaluation. With the advent of online social learning communities, the value of corporate learning will more and more be measured in page clicks, downloads, and user ratings. The task ahead for both university and non-university providers is to facilitate these rapidly emerging communities of practice, and foster new forms of knowledge sharing and learning that lead to more effective organizations, more innovative products and services, and growing profitability.

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