

Developing **Leaders**

Quarterly

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Insights from Ashridge, Columbia, Cranfield, Darden,
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Customized Executive Education with Impact

A Conversation with Dr Markus Frank, Director and Head of Customized Learning at the Executive School (ES-HSG), University of St. Gallen

By Roddy Millar

In his role as Head of Customized Learning, Dr Markus Frank, has a unique perspective on the complex interplay between individual learning and organizational capability improvement. This perspective is perhaps not just shaped by his 12 years as a Director at the Executive School at University of St Gallen in Switzerland, but also tempered by his extra-curricula experiences on the golf course. For when not at work Markus Frank brings his knowledge of mental resilience and personal development to top level golf competition where, in 2017, he was the European Golf Association's Senior Champion.

The University of St. Gallen, Executive School (ES-HSG), while serving a global client base, is very much rooted in the DACH region – Germany (D), Austria (A), Switzerland (CH) – the technologically advanced powerhouse in which it sits, and the client organizations the school works with, from ABB to Porsche, already amongst the most sophisticated and advanced in the world, expect the very best in executive development.

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A director of ES-HSG since 2006, Frank, has witnessed significant changes not only in the content and delivery of executive education but also in its aims and objectives as dictated by the needs of clients.

“The change I see from the client is that it’s very much a commercial rationale. It’s an investment,” says Frank. “It’s very results driven.” Whereas in earlier years focus was more on developing the best talents and keeping these people in the organization, which is still valid, now programs need to achieve measurable business outcomes. “You need to demonstrate tangible results and visible impact... changes in the practises, in the behaviour, in the way people run their businesses. So it’s very much about impact.”

In the context of custom programs, there is an opportunity now not only to develop the skills and competencies of the senior people in organizations, but at the same time to develop the culture and the strategy of the organization as a whole.

“In the environment we live in right now with all this insecurity in the political field, market disruption, and technological revolution, and our much more networked economy causing more complexity, leads to a point that organizations look for company development initiatives – that we called in the former times custom programs – as a true investment aimed at coming up with results in changed behaviour, increased capabilities and better practises,” says Frank.

This presents a big challenge in terms of measuring the return on this investment, and the challenge in assessing what is really achieved through a learning initiative is as individual as the initiative itself. It depends so much on the client and their ways of assessing changes and impact.

Some companies are very numbers driven and try to measure if the learning has improved how many of the people progress within the company, that can be measured through HR related KPIs around promotion and talent management, or their business results or EBIT margins.

In other organizations people go more by gut reaction, looking more at the softer side –people can tell if somebody does improve and does change – and the best people to make this assessment, the same people that can facilitate real progress, are colleagues and peers. Furthermore, says Frank “In order to come to an honest assessment of improvements and changes, you need a certain culture in the company. You need a culture of trust and a culture of mutual respect and also a culture that is able to deal with failure.” This is important because, at times when companies are looking for the School to help foster transformative innovations – maybe involving lean start-up techniques – as Frank points out “Innovation requires the courage to fail in programs, but then learn from the new insights when back at the workplace - which in our geographies is not so common.”

Measurement also depends on the aims of the program. If the focus of the program is on the development of individuals, there will be a pre-program 360° personal assessment, and then after a certain lapse of time, a post program assessment that takes into account the evaluation of managers, colleagues and even clients – on an individual level.



If the focus of the program is on the business level, enabling the company in terms of change, innovation and transformation, an action learning approach is usually applied, focusing on very concrete and specific projects or performance improvement initiatives for the company. When program participants work on these projects/initiatives they usually present the results to the board and the most positive outcome is if the company decides to continue the initiative. The big challenge for the action learning approach is not so much one of measurement, as the outcomes are clear, but one of resources and availability of participants. The project assignments invariably come on top of what the people in the program do anyway in the organization and at times this can be too much leading to postponements and complicated logistical issues. But when the whole set up works the result are very good.

The reason most companies come to St Gallen for a custom program is to make a bold move that builds a solid platform for further growth, particularly in the context of being ready for a digital future. Others may come to enable their senior leaders to deal with VUCA. Either reason presents “fantastic opportunities”, through ambidextrous leadership, to make the best out of current business models on the one hand and on the other to innovate new business models and to transform the whole business culture.

Ambidexterity resonates very much in every industry, in companies large and small but particularly in complex multi-business companies. And as Frank observes, “Being able to lead with both hands is a good way to frame the leadership challenge – a way that is understood by almost every board and company.”

Companies come to St. Gallen because, as Frank puts it, “Closeness to practise is part of our DNA. We are a research-based institution, with many of our research centres set up like labs for companies – for example Bosch, which is one of the biggest suppliers for the automotive industry or Audi, one of the automotive companies.”



This closeness to practice, already built at the research stage, enables ES-HSG to bridge the gap from the insights that you get from research through to a broader transformative business impact. “You try to frame it and phrase learning in a way that practitioners understand. And right from the start, try to identify relevant issues that we want to focus on in our research. And then, we add our capabilities, our competence in designing let’s say, transfer mechanisms and learning settings that are proven, and that are able to translate these insights into tangible outcomes.”

For example, one of the research centres has an ‘internet of things’ lab, that is working on new smart products and services based on machine learning technologies that will open whole new market opportunities. And the school is working with Bosch to help them develop business models in terms of new services for completely new kinds of approaches to market.

Although ES-HSG is regularly acquiring new clients from around the world, the enduring, long-term relationships it has with many

of its clients is clearly very powerful and engenders a level of trust that underpins its collaborative approach. “That we have many clients who stay with us, once having done a program or learning initiative, and don’t just repeat what we’ve started, but are open to start new programs and initiatives in different topic areas, is, I think, a proof and a strong indication,” says Frank.

In many cases though, where companies have some crucial reason to do a custom program ES-HSG has to pitch against competitors. Its USP in these instances is threefold: first its foundation in the DACH region – with its profound understanding of the ‘German mindset’, enabling the school to deliver really cutting-edge technical content – which is important because companies today look for specialised knowledge and expertise based on sound research; secondly there is ES-HSG’s up-to-date and very innovative didactical methodology and logical approach to learning; then the third ingredient is the trusting client/school relationship which allows “a kind of safety in terms of how we talk, how we act, and how we deal with problems and challenges and so on.”

This third element of ‘culture fit’ is critical. Part of the impact of participating in a custom program is not so much just the content but the opportunity to have access to structured thinking and conversation time with people who are very knowledgeable, and a space away from the normal work environment and its incessant interruptions and crises.

In the end, for companies engaged in these learning initiatives the “perception – how they see themselves” in these times of transformation is key and requires serious reflection. “The wheels are turning faster and faster. But it’s not just about running faster,” says Frank, “you have to do things differently and see what you have to hold onto and what to let go of. You have to think ‘Have I ever stopped and asked myself how I do that and if that’s the best way?’”

A successful program speaks to this ‘perception’ in a way which is carefully prepared and is structured and helps participants to meet people who are knowledgeable and understand their situation and challenges and help them to reflect on what they do and challenge their thinking and practises. “This is really appreciated. Let’s say this is the philosophical side to the whole thing. If we can help people and organizations find time where they can exchange and reflect on their thinking, their practises, how they decide and so on, this is really something that is most motivating for us and very, very helpful for them.”

This in itself presents a challenge, because creating an environment which allows transformative conversations and thinking space to occur is rarely valued by results-driven clients before they have experienced it. To meet this challenge Frank says “We try to draw every possible register. Everything that helps to raise the awareness of the importance of this aspect of learning. For example, we do video interviews with our people, the CEOs, or participants of programs; we bring together people who make this experience with others who might be interested and are looking for such kind of insights and learning experiences.”

If the first hidden benefit companies get from custom programs is that creative space to have these conversations, the second one that clients appreciate is the opportunity to connect people across the organization who would not otherwise be interacting with each other. Many companies are aware of this opportunity and are looking for a setting which facilitates this, getting to know and networking with other people in the company. Even a space for constructive ‘peer consulting’.

“First you have to prove as an academic provider that you have the content and the methods that can really bring people into a mode that is receptive to changing and learning and then, once you’re there, you can start to bring in new formats that usually, right from a cold start, the company would not have been ready for. You need to create that relationship and trust,” says Frank.

With this understanding of the power of learning through conversation and reflection ES-HSG has taken on a further challenge in that it aims to keep a sense of the level of learning through reflection going after the program. One of its solutions to this has been to run a series of alumni events, bringing together people from different years. Where there have been recurring programs, different cohorts from different years, who went through the program are then brought together. For example, a very large healthcare company started a program in 2012, the first alumni event was in 2015, and the second in 2017 and the experience was “fantastic.” A large automotive company holds regular annual alumni events to bring people together from different years.

Preparation for these events is very carefully discussed with the Management Board in terms of setting a stage to discuss alumni experiences based on what they took out of the programs and what they have subsequently implemented. Events are then often set up in a peer-consulting format, where people in the company who have a burning issue or a challenge, in terms of a transformation or a change program project, are asked to bring these to the event so they get some peer-consulting.

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ES-HSG orchestrates the events, bringing in facilitators or even faculty to offer a refresher or add a new perspective on a topic that was worked on during the original program, working closely with the client's L&D people to surface interesting cases that can be presented and discussed at the event.

“The big advantage if you do it after two, three, four cohorts have run through the program is that these people really know what we're talking about. They share the same knowledge. They have experienced and worked on simulations and applied the same tools and methods so this is solid robust common ground to build on,” says Frank.

This alumni initiative is a powerful way to cement the benefits of custom learning within organizations. It not only offers a great inter-company networking space but by introducing the peer-consulting aspect it allows colleagues who have been through the program to engage with other people in the organization to do the teaching and the learning. As with the program itself it is a great way that individual learning is being harnessed by ES-HSG to improve organizational capability.

Frank is a big believer in the continued interaction with participants after the formal program ends. He knows that great results come not just from continuous preparation and expert coaching, but as every golfer knows the extra distance comes from a well-executed follow-through. The development initiatives that suddenly stop at the end of the program, will have as much impact as a swing that stops at the moment the ball is hit. The post-program engagement is a critical part of the process to ensure improved performance is achieved.

Developing Leaders looks at the critical confluence between the provision of executive education and the real everyday needs of organizations to strengthen their management teams, their corporate performance, and their leadership.

The publication presents the latest thinking and most recent developments in executive education provision and leadership development, worldwide, what it is achieving and which are the best models for success, sharing the experience and expertise of top leaders and world class educators.

Developing Leaders is published in both hardcopy and online 'page turning' format. The quarterly magazine complements the IEDP.com website - the definitive resource for executive developers worldwide.

