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Learning's Role in Executive Development

*Review of Findings
June 4, 2008*

ASTD 2008 International Conference & Exposition

Session W205


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Study Focus

Determine the strategic and tactical approaches to executive development by corporate learning:

- establish the precise demands for executive development within organizations
- identify types of approaches that the learning function and HR have undertaken to cultivate new executives

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Key Findings

- Executive development tends to be the domain of the “big kids on the block”
- Executive development doesn’t come cheap
- Surprising drivers and practices?
- Lessons learned: champions, follow-up

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Methodology

- ASTD, with sponsorship from Booz Allen Hamilton, conducted a 31-item online survey (Feb/March 2008)
- 397 WLP-focused respondents
- 18 in-depth interviews with senior learning executives

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Survey Respondents

- 76% were organizational directors, vice-presidents, or C-level
- Average FTEs per org was 35,218
 - 27% had fewer than 1,000 employees
 - 25% had more than 25,000 employees
- 87% had headquarters in North America
- 52% multinational or global in scope

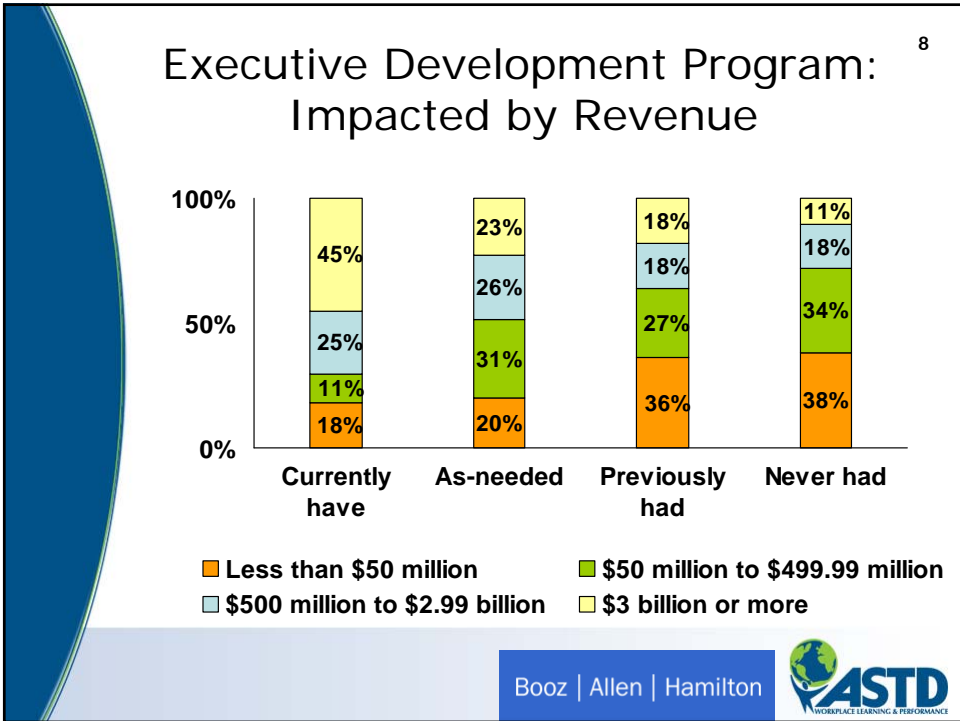
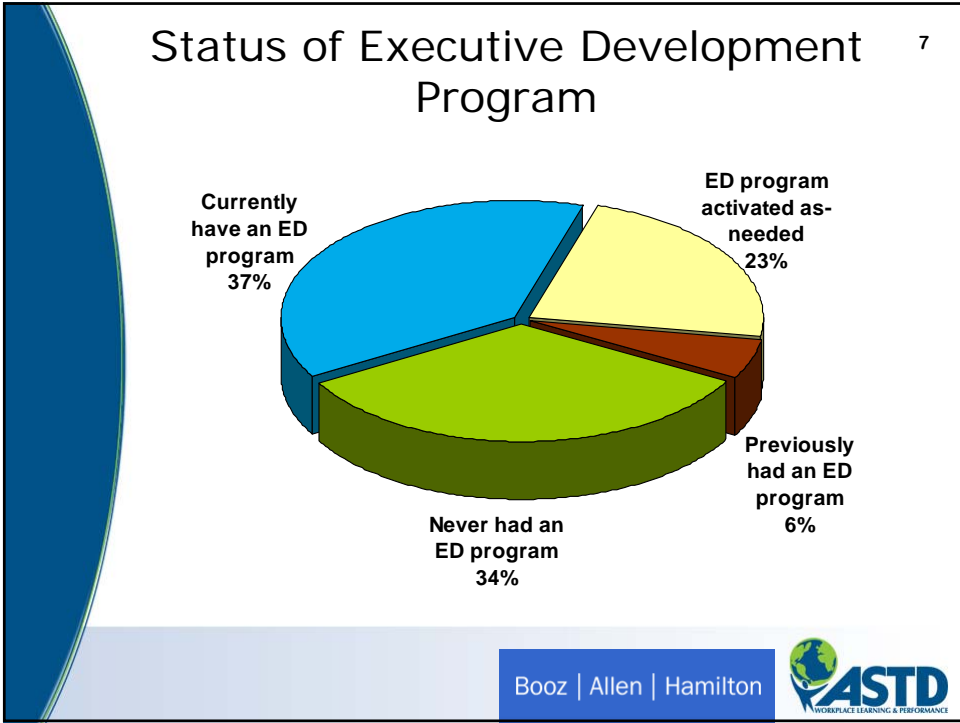
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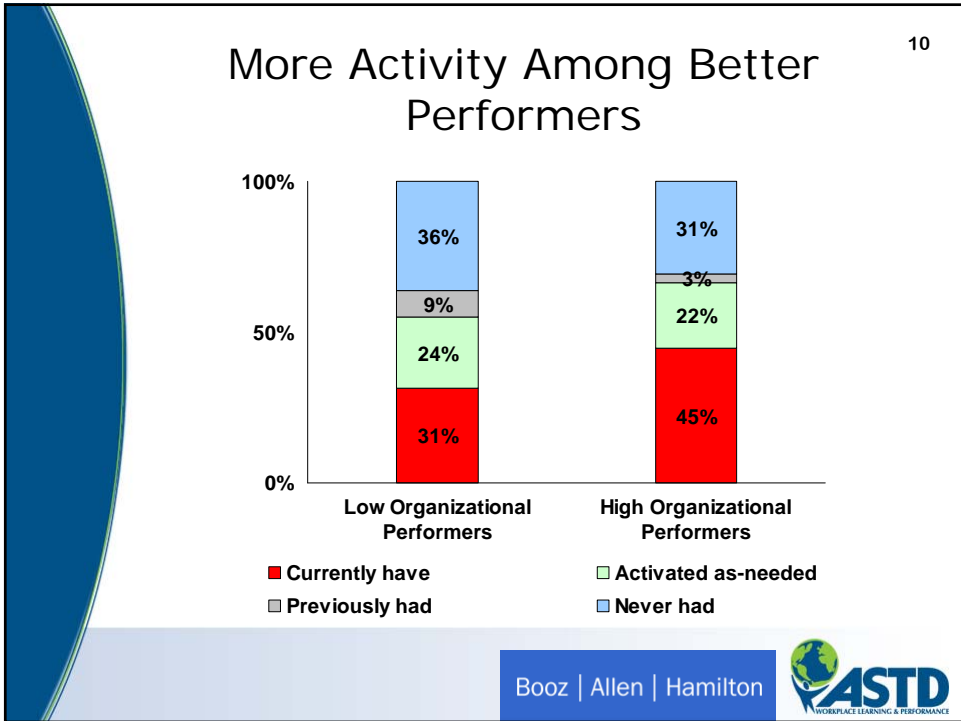
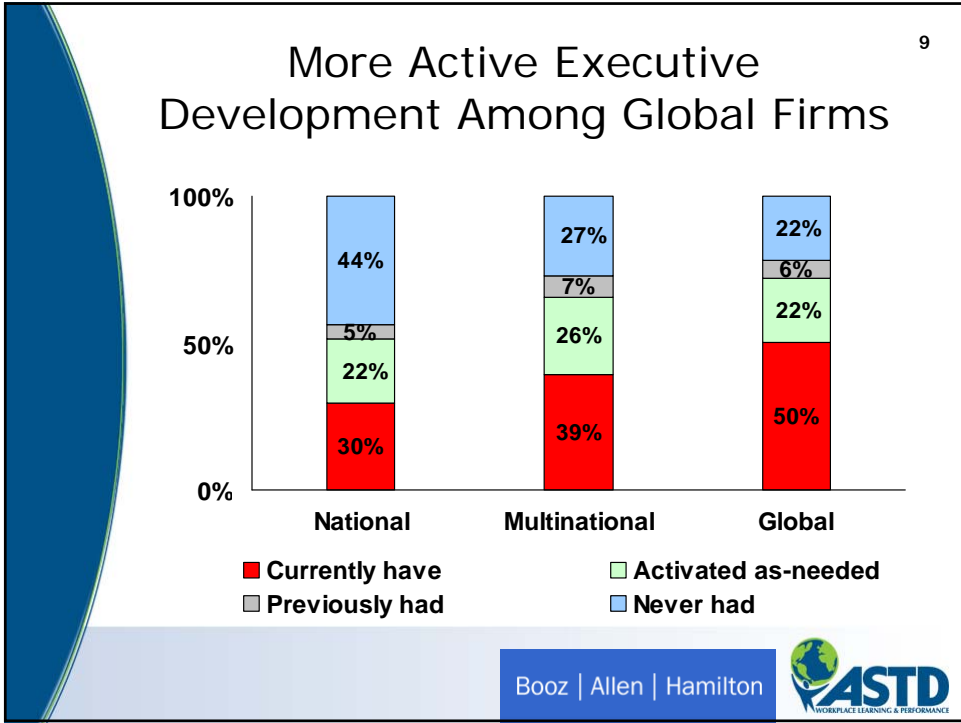
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What types of organizations have more active executive development?

Demographic Analysis

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The cost of executive development

Spending Patterns

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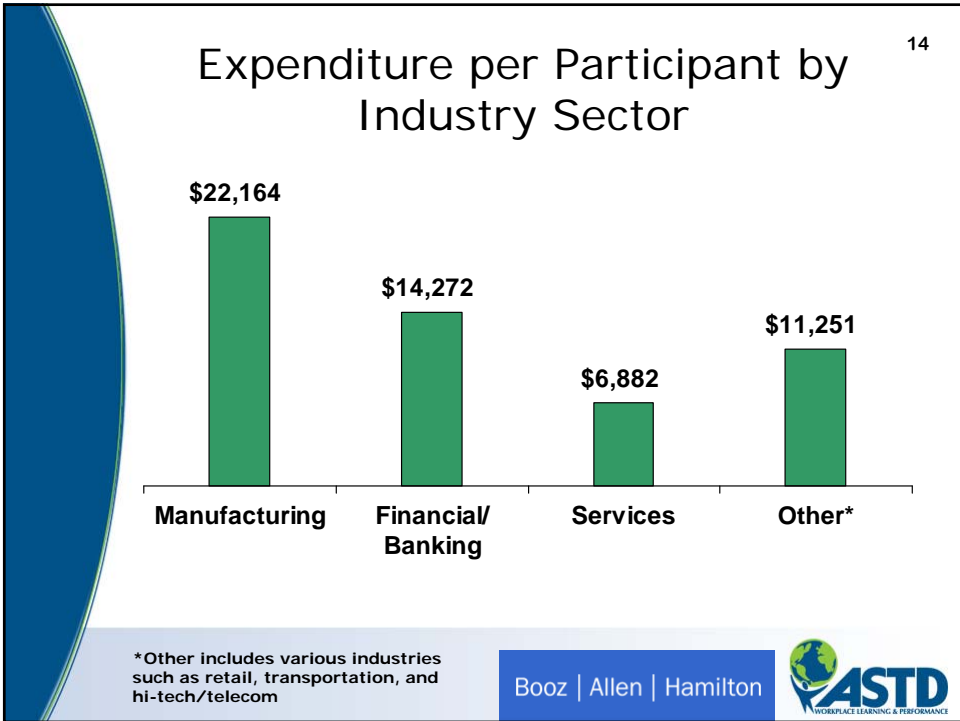
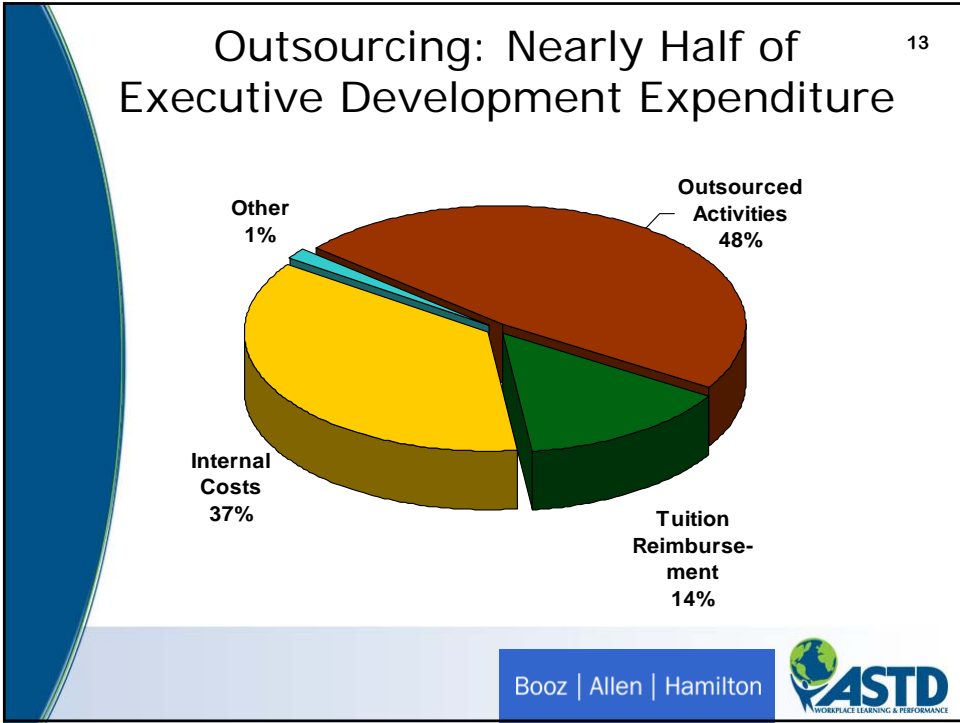
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Executive Development Expenditure

<u>2007 Executive Development Figure</u>	<u>Average</u>	<u>Median</u>
Participants as a Percentage of Overall Workforce	3.49%	0.76%
Organizational Expenditure	\$713,377	\$132,500
Expenditure per Participant	\$12,370	\$7,059

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Two Types of Active Programs

	“Heavy”	“Light”
Spending (<i>per participant</i>)	\$14,887	\$5,411
% Workforce	4.6%	2.5%
Outsourcing	61%	49%
Organizational Performance Index	3.95	3.56
Operations	Global or Multinational	National
Revenue	Larger (billions)	Smaller (millions)

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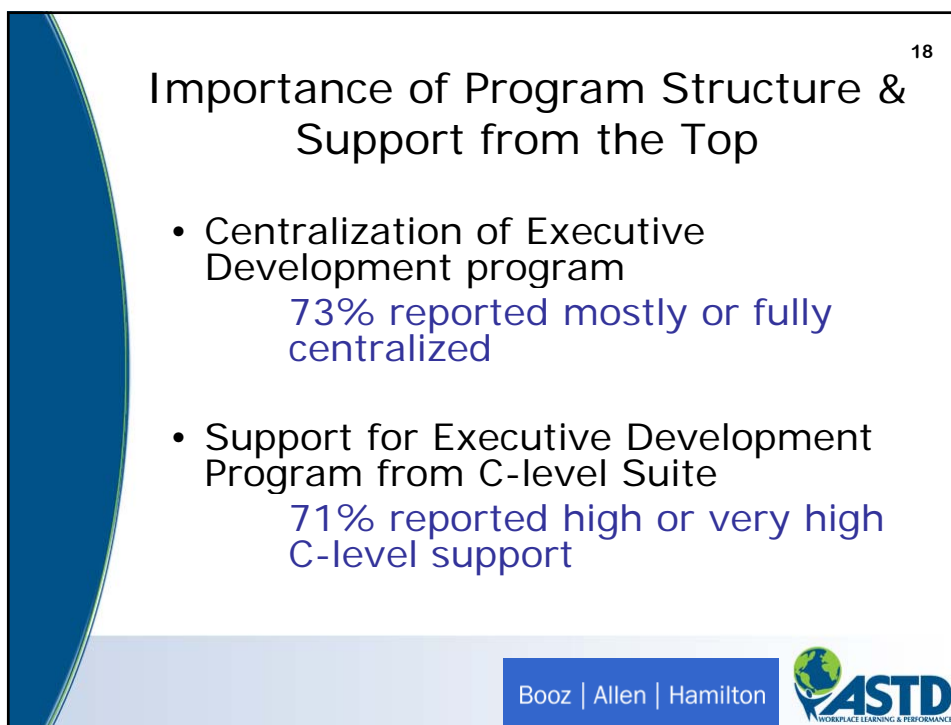
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What are the expectations for
the organization and the
individual learner?

Objectives for Executive Development

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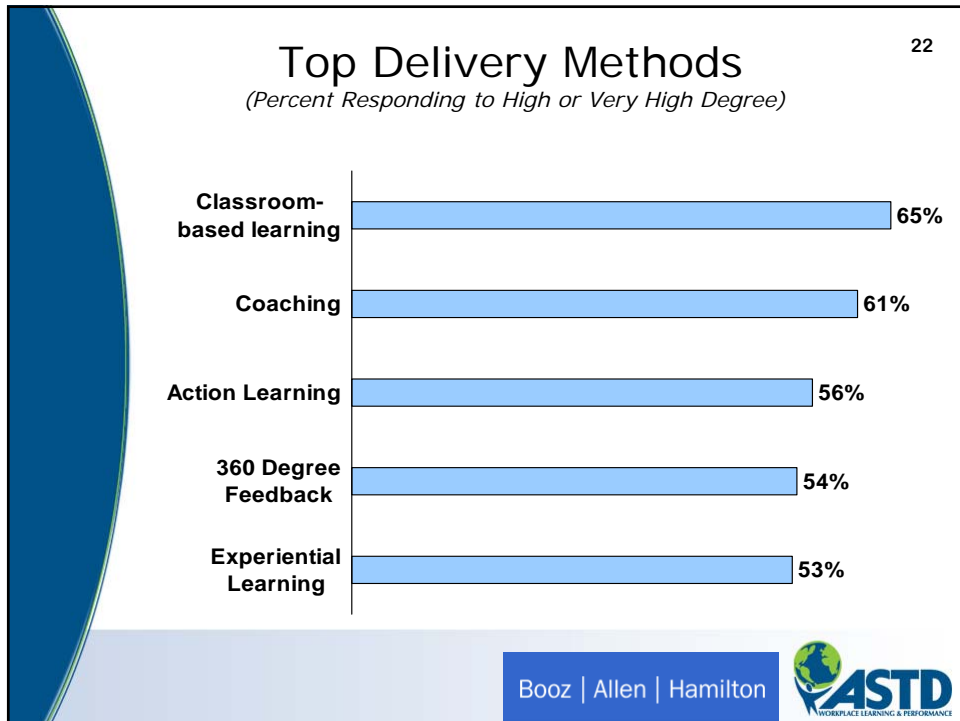
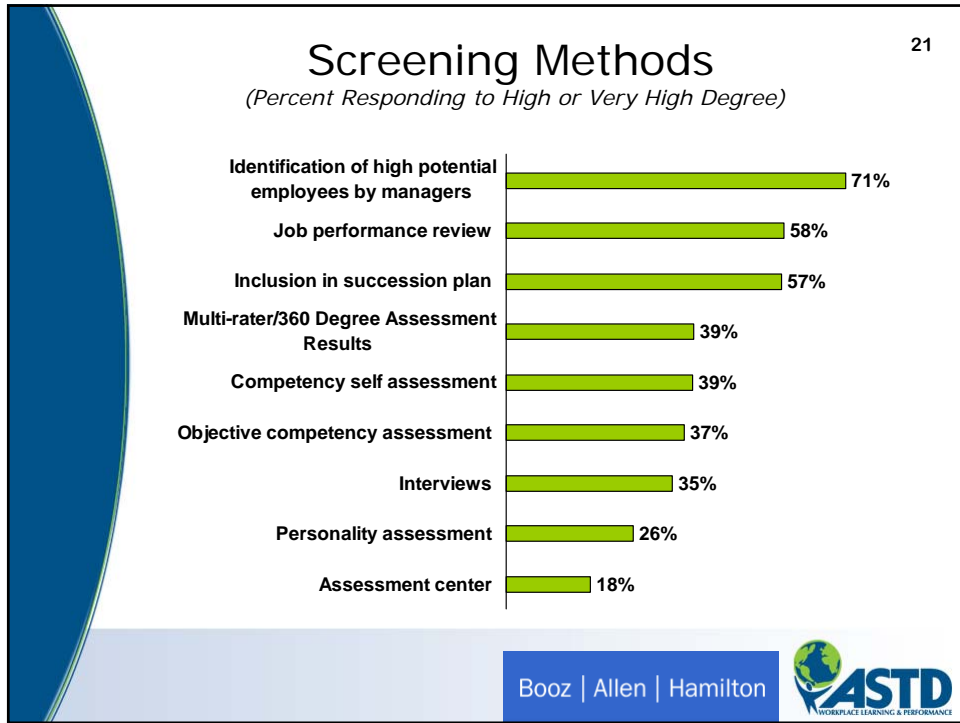


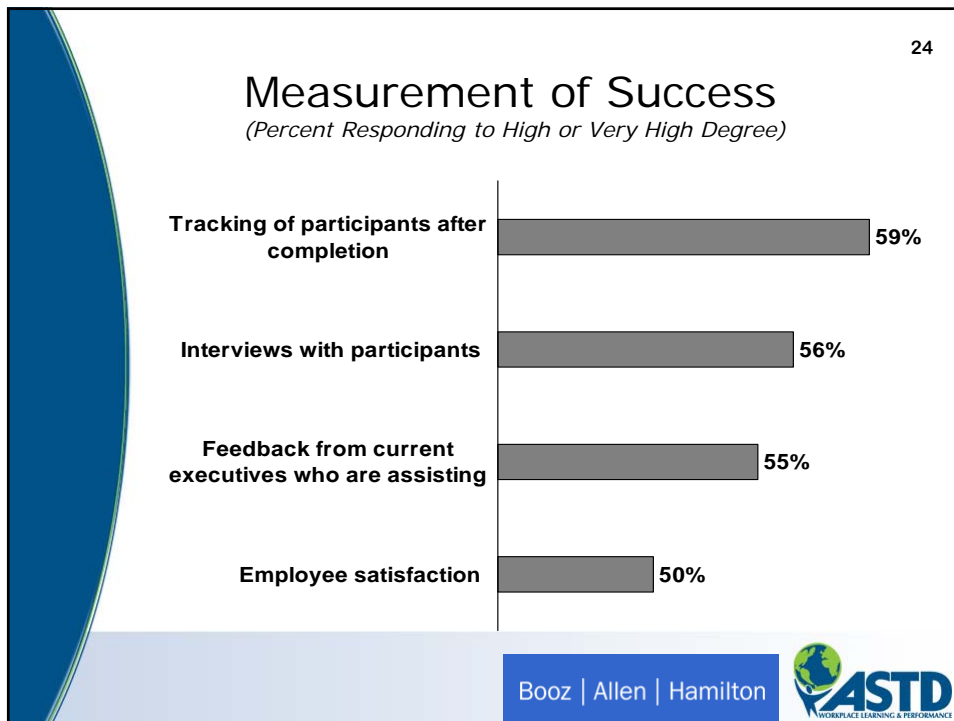
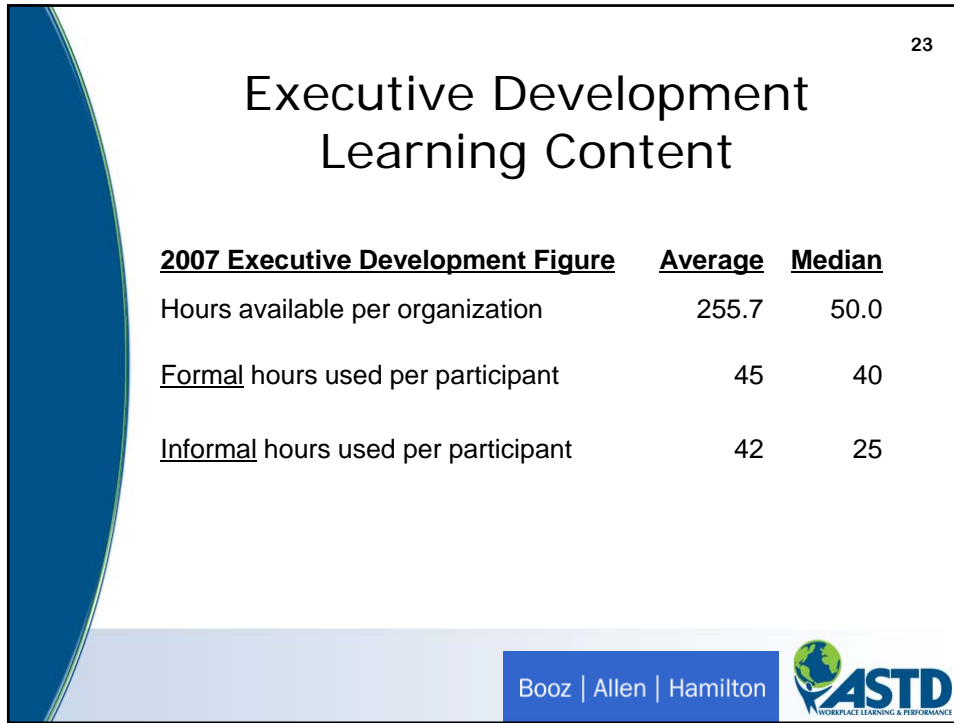
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How is executive development administered?

Practices

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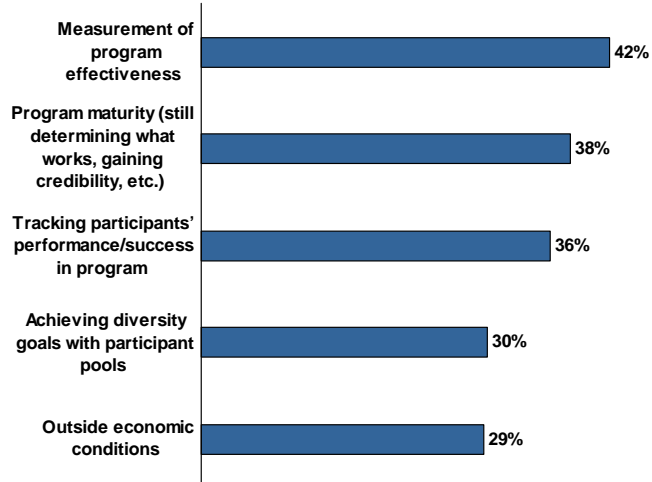


What were some of the major challenges identified by respondents?

Key Lessons Learned

Top Challenges with Executive Dev.

(Percent Responding to High or Very High Degree)



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Lessons Learned from Open-Ended Responses

- Strong need for a “Champion”
- Design & Development Issues—
Linkage to Organization Mission
- Follow-up is critical

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Conclusions

- Most heavy investment in executive development from large, global firms
- Although expensive, executive development associated with better organizational performance
- Need to get commitment from the top
- Strong informal component
- What happens when they’re “developed?”

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