

WHEN IS EXECUTIVE EDUCATION RIGHT FOR YOUR COMPANY?

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An executive education program can offer new frameworks, tools and approaches to a specific business challenge, as well as provide knowledge to solve issues in the longer term. Executive education can benefit all types of businesses, from nonprofit organizations to large financial institutions, from small start-ups to multinational corporations.

In every case, however, a company must create an appropriate set of expectations for employees attending executive education programs: for example, what the employee should bring back to the workplace after completing the program, and how their new expertise and skill set can impact their future within the organization.

In that light, executive education can be used as a tool to groom new leaders in at least two important ways. First, the executive attending the program will, in many instances, learn how to enhance his/her leadership and management skills. But in addition, those who, in the interim, have assumed the program participant's responsibilities in the workplace may need the opportunity to advance their standing with the company. Both groups need close attention when the program concludes: the "charged up" program participant needs acknowledgement and praise, as do employees who may believe, rightly so, that their responsibilities can now be expanded.

Executive education can play an important role within a company and should be considered as much more than a fringe benefit for employees. It can be an integral component of individual and organizational success. Within this framework, however, it is important to recognize that the selection process—who attends a program—cannot be viewed as an implied, and unintended, reward. Chief learning officers and others who determine who attends executive education programs must be aware that these decisions are not taken lightly by employees and can have significant effects on employee morale.

In the broadest sense, companies send employees to executive education programs for three main reasons:

- To learn the latest innovations from a top university's thought leadership
- To acquire best practices
- To help them change—organizationally, professionally or personally
- To learn from other participants in other industries

Let's take a moment to examine each of these reasons, in brief.

Latest Innovations

In the best executive education programs, faculty will encourage participants to examine issues from many angles: political, economic, cultural, ethical. Imagine a think tank for executives, where discussion is open and candid, and participants can express their ideas, problems and possible solutions freely, without concern about immediate judgment.

Within this type of environment, faculty can introduce results of their research, expose participants to the latest trends in key business issues and, ultimately, provide them an opportunity to view their work and their organization from a different perspective. In turn, faculty take information and insights provided to them by participants, and continue their research.

This give-and-take atmosphere continues the conversation outside the classroom and into the workplace as well as university scholarship.

Best Practices

Faculty will guide the program's direction toward an ultimate convergence on best practices: this goal should be clear from the outset. But participants learn equally well from each other and, indeed, the interaction among participants often takes center stage in the best executive education programs. Taking advantage of the experience and knowledge of the participants, class sessions usually are divided into small groups that meet to discuss case studies and real-world situations, often focusing on challenges within their own companies.

Through these interactive teaching methods and by careful curriculum design, executives acquire not only the latest theory, but also theory translated into best practices.

In many programs, participants come from all parts of the world, demonstrating that the global economy is real and that diversity and cross-cultural communication are pressing issues. With opportunities for discussion and listening to other points of view, the classroom truly becomes a living laboratory that can foster new ways of thinking about, and approaching, business, professional and personal challenges.

Change: Organizationally, Professionally, Personally

One of the most difficult business situations that executives can face is to guide people through change. In an executive education program, participants have the opportunity to study and practice different change-implementation plans.

What sets executive education apart, however, is not just its curriculum offerings—such as change management—but its focus on underscoring the need for professional and personal growth. In a rapidly changing business environment, professionals need to be given time to pause and reflect. That is where executive education can play an important

role: participants experience renewed perspectives on both their careers and themselves as human beings, not just as businesspeople. The words “life-changing” are heard often at the completion of these programs.

What Is Executive Education’s Return on Investment?

The question for many companies remains, is executive education worth the tuition and other costs? And what impact does it have on the individual’s and organization’s success? Each individual company must devise its own method to evaluate a program’s effectiveness and, in turn, determine how it will spend its resources allocated for education.

Even more importantly, however, is the notion that companies must actually take the time to conduct this evaluation. It cannot be taken lightly, for even if executive education’s value is well established, a company’s goal must be to find the training and education that is best for their business challenges, their executives and their short- and long-term goals.

According to an August 2006 article in *HR Management*, executive education is estimated to be a US \$800 million business. While it may be difficult to measure the business impact immediately, clearly the long-term benefits of executive education can be tremendous. To quote *HR Management*, “Being able to promote and develop staff from within is a valuable asset at a firm’s disposal. As well as this, education builds up the individual business skills, which can be passed on to the next generation of up-and-coming executives.”

While some benefits of executive education are tangible—new ways of pursuing strategy or financial decision making, for instance—it can sometimes be the intangibles that have the most lasting impact and return on investment: the goodwill generated, the dedication renewed, and the personal and professional development that can play out long after the program ends.

Before, During and After An Executive Education Program

- **Before an employee attends an executive education program**, remember to set expectations and manage the perception of executive education as non-cash compensation.
- **While the executive is away from the office**, encourage participant’s direct reports to step up formally, to aid succession—and reward them for their willingness to take on more responsibility.
- **When the executive returns from a program**, it is important to ensure that expectations are met and that the participant is provided with new challenges. Facilitate ways to bring the learning back to the workplace, including sponsoring a session where the participant can teach others what he/she has learned.