AN INVESTIGATION INTO THE MAJOR FACTORS THAT INFLUENCE THE SELECTION OF A CUSTOM EXECUTIVE EDUCATION PROVIDER

A Thesis in
Workforce Education and Development

by

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ABSTRACT

Understanding client needs and interests, and doing so in an ever-changing and rapidly evolving marketplace, is essential for any business. The field of executive education is no exception. University-based, general audience executive education programs have been a mainstay of the executive and leadership development process for over 50 years, and play an increasingly important role within organizations. Evaluations and judgments are routinely made about providers, with decisions based upon a variety of factors and desired outcomes. In an increasingly competitive marketplace, executive education providers with a clear understanding of the decision-making and selection processes employed by clients will prove most successful in their efforts.

Research regarding the selection of custom executive education providers was conspicuously absent. Therefore, the significance of this study lies in its contribution of knowledge regarding specific factors that influence the selection of a partner or provider of custom executive education as well as the role of universities within this industry. This study sought to explore client investment in custom executive education, identify and rank the key factors that influence provider selection, and explore the role of universities in executive development. Utilizing an on-line survey process and follow-up telephone interviews, the study targeted Fortune 500 companies and sought the opinions of key decision makers in executive education and development in their respective organizations.

Study findings suggest that university-based executive education is alive and well, and remains a vital resource for professional development within many Fortune 500
organizations. The study validates prior predictions that the growth trend for custom executive education programs would continue, accompanied by increasing levels of investment. Of note and concern, however, is the continued growth in prominence of for-profit consulting organizations in the marketplace.

Study participants reported that universities are most valued for their breadth and depth of content expertise, research insights into best practices and alternative strategies, program design, teaching experience, expertise in learning methodologies, and flexible, cost-effective solutions. Alternatively, universities are often viewed as impractical, providing academic perspective without corporate experience.

The study reflects a continuing redefinition of executive education and executive development. Market demand is shifting from education, to education with consultation to supporting implementation, to an evolving era of assessment and consultation with education as a by-product based upon deep partner relationships. For some providers, a new business model may be needed, including the ability to build and maintain consulting relationships and conduct organizational assessments of corporate strategy, leadership challenges, and culture, with efforts resulting in true custom program design based upon client needs.
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DEDICATION

In Loving Memory,

David James Spearly
February 8, 2005
Chapter 1

Introduction

University-based, general audience executive education programs have been a mainstream of the executive and leadership development process for over 50 years. As recently as the 1980s, executive education still consisted primarily of university-based programs or seminars offered by specialized training organizations. Participants in these programs learned the latest theory and techniques for effective management largely through case studies and listening to classroom lectures by notable academics. For the most part, it was the university faculty who decided the academic content.

Executive education and leadership development will continue to play an increasingly important role within organizations, but future initiatives will be focused on the marketplace, driven by applied research, rooted in partnerships, and measured by contributions to growth and the success of corporate clients. A number of significant trends will shape the future of executive education. Among them is a shift in emphasis towards custom designed, strategic programs.

Historical Perspective

Recent years have seen a steady growth in programs that are tailored to individual companies or consortiums of companies. Many companies have been enlisting the support of universities to develop, deliver and administer company-specific executive
education programs (Conger & Xin, 2000; Vicere, 1990). For executive education providers, growth will be fueled by a distinct shift in demand from open enrollment to custom or customized programs. This shift is being driven by a number of factors, including increased global competition, technological change, a broader role for managers, and the involvement of top management in planning and teaching executive education. At the same time, a healthy climate for executive education has sparked more competition and the industry is starting to see the beginnings of a shake-out (Gloecker, 2005).

For the first time since the dot-com bust, executive education is experiencing something of a boom with both open enrollment and custom programs registering double-digit growth (Gloecker, 2005). Growth for custom programs is expected to continue, but successful executive education providers will need a thorough understanding of external opportunities, internal capabilities, and the overall possibilities for developing competitive advantage. Participation is also expected to continue to increase, reaching deeper into organizations. A recent study by the Human Resources Planning Society (HRPS) indicates a desire for “fast and deep” change within organizations. Programs are expected to continue to decrease in length, with diminishing interest in long-term, external general management programs.

For organizations seeking executive education, there is decreasing interest in traditional off-the-shelf programs. The advantage of custom programs is that they allow for an emphasis on organizational problem solving closely aligned to the corporate strategy and provide tools and techniques that can be immediately employed within the
organization. The focus becomes educating the employee within the context of the organization.

Statement of the Problem

While much is known about the value of executive education, both with regard to the development of individuals as well as organizations (Bolt, 1993a, 1993d; Conger & Benjamin, 1990; Conger & Xin, 2000; Crottey & Soule, 1997; Dierk & Saslow, 2005; Fulmer & Vicere, 1995; Meister, 1998; Saslow, 2004), little was known about the selection process used by key decision makers when choosing a custom executive education partner. Each of these previous studies provided valuable insight into the field of executive education and development, identifying and examining trends within the field, and helped to shape the practice. But, absent from the literature was any evidence of research into the factors that influence decisions and lead to the selection of a partner/provider of custom executive education. In fact, after an extensive search of the literature, this researcher found only a single chapter (Vicere & Fulmer, 1998) that related directly to the key selection criteria associated with the process of selecting custom executive education programs. The Vicere and Fulmer study, along with each of the aforementioned studies, is reviewed in chapter 2 of this thesis.

Understanding customer needs and interests and doing so in an ever-changing and rapidly evolving marketplace is essential for any business (Fingar, Kumar & Sharma, 1999). Throughout history, markets have always re-created themselves, shifting the economic fortunes of those present at the creation. The field of executive education is no exception. Deans and managing directors of university-based executive education...
programs share this problem with all others who have a product or service to sell: customer identification (Schrader, 1985). For the director with a portfolio of open enrollment programs, the problem is manifested in this question: Who decides which program an executive will attend? The attendant question is, does the individual participant, the personnel/HR department, or someone else decide? Even more fundamental is this question: who decides that one will attend any program? This problem is intensified when considering the selection of custom executive education alternatives.

Executive education providers will employ various marketing and selling techniques to garner the attention of the consumer companies. Companies will continue to seek universities and specialized providers to design and deliver custom executive education programs. Evaluations and judgments will be made about universities and providers and decisions will be made based upon a variety of factors and desired outcomes. With an increasingly competitive marketplace, executive education providers with a clear understanding of the selection and related decision-making processes employed by these consumers, as well as knowledge of the key selection factors that distinguish one provider from another, will prove most successful in their marketing efforts and resultant client relationships. Further, the results of this study will help client organizations stay ahead of the competition by assisting them in better planning and utilizing resources; directing organizations to needed resources; understanding significant trends for executive development and how have they changed; and helping an organization benchmark its activities against others.
Purpose of the Study

The purpose of this research study was to explore investment in custom executive education, identify and rank the key factors that influence provider selection related to the decision to invest, and explore the role of universities in custom executive education programs. More specifically, the purpose of the study was to:

1. Explore how and why client organizations selected to participate in the study invest in custom executive education.

2. Explore how client organizations selected to participate in the study identify and evaluate custom executive education providers.

3. Identify and rank, in order of value, the factors and program features that influence the selection of a specific provider of custom executive education by client organizations selected to participate in the study.

4. Explore the role university-based executive educations providers can play in supporting the overall custom executive education needs of client organizations selected to participate in the study.

Research Questions

The following research questions were examined in this study:

1. How do client organizations invest in custom executive education programs?

2. What are the critical capabilities that a client organization attempts to address when selecting a provider of custom executive education programs?
3. What preferred learning methodologies are used in custom executive education programs?

4. What key topics are most frequently included in custom executive education programs?

5. Is a formal process employed by client organizations in identifying and selecting providers of custom executive education programs?

6. What key factors does a client organization consider when selecting a provider of custom executive education programs?

7. Are client organizations satisfied with their selections and resultant outcomes?

8. How can university-based executive education providers help client organizations develop key capabilities through custom executive education programs?

Significance of the Study

As mentioned earlier, there is a conspicuous lack of research regarding the selection criteria and related factors that influence the selection of a partner/provider of custom executive education. Therefore, the significance of this study lies in its contribution of knowledge about specific factors that influence the selection of a partner/provider for custom executive education. While this study was based upon the research previously conducted by Vicere (1997), it incorporated an important addition: a follow-up interview methodology that was used to probe for a deeper understanding of the selection factors. Through an online assessment and follow-up interviews, this study attempted to collect data that would provide insight, from potential FORTUNE 500
clients, into the process of evaluating and selecting executive education providers. This study, as a result, addressed this important and fundamental element missing from the previous research studies.

Further, this study attempted to define an effective process of interaction among executive education providers and clientele. By focusing on those factors deemed most influential and program features most desirable, executive education providers will increase their likelihood of success through more effective and efficient marketing and selling custom programs.

Study results will potentially benefit several audiences. Providers of custom executive education will gain insight into the selection process employed by consumers of their programs and services and the key factors that influence decisions. Consumers will benefit from an understanding of the selection processes employed by other companies or organizations during the evaluation of said programs. Researchers will have the opportunity to use the study results to formulate and implement research agendas to further examine the selection process and the relationship among selection criteria and desired outcomes.

Although the preceding examples of potential study benefits are not exhaustive, they do present some suggested audience uses of the study results.

Limitations

The major limitation of this study was the fact that the number of participating organizations was limited to a fraction of the overall consumers of custom executive
education programs provided by universities and specialized training providers. Consequently, the study does not represent a cross-section of all consumers of custom executive programs. Thus, it will not be possible to generalize the results of the study to all companies that participate in or may seek custom executive education programs.

Definition of Terms

A variety of terms were used in this study. For purposes of clarification and consistency, the following definitions are provided:

Executives: Executives are “those individuals who are heads of functional areas within organizations, general managers, and/or the active policy makers of the firm. These individuals are often referred to as ‘upper-middle’ or ‘senior-level’ managers” (Vicere, 1989, p. xii).

Executive development: “Executive development is the process through which executives develop and enhance their abilities to provide . . . leadership” (Vicere, 1989, p. xii). Coordinated on-the-job experiences have traditionally been the primary component of a well designed executive development process (Vicere, 1989).

Executive education: Executive education is a “part of the executive development process in which perspective is added to an executive’s work experience and on the job training” (Vicere, 1989, p. xii). In this setting, executives are encouraged to reflect on their skills, ideas and values as well as their management styles, and consider alternative strategies and approaches to problem solving.
Open enrollment: Typically offered by a university business school, open enrollment programs are open to participants from different companies or organizations, cultures and environments (Vicere, 1989, p. xii).

Custom: A custom program implies an activity or intervention developed specifically for a client or organization, focused on goals, needs, or issues specific to that organization. Often referred to as “in-company” executive education programs (Vicere, 1989), the literature “characterizes these programs as efforts aimed at developing consistent organizational character or culture, establishing and implementing organizational strategies and directions, and improving communications and encouraging teamwork across the organization” (Vicere, 1989, p. xiii).

Action learning: Action learning is an intense learning technique used extensively in training (Keys & Bleiken, 1994). “Action learning is usually organized by assigning projects to team members who then share their projects as real cases to be analyzed” by the group, and combines on-the-job project learning, team and interpersonal relations, and case analysis (Keys & Bleiken, 1994).

Conceptual Framework

A conceptual framework explains, either graphically or in narrative form, the main things to be studied – the key factors, constructs or variables – and the presumed relationship among them (Miles & Huberman, 1994). The conceptual framework selected for this study was drawn from the work of Ellen Day and Hiram C. Barksdale, Jr. (1992). In their 1992 study of how firms select professional services, Day and Barksdale
identified four key factors that underlie the decision-making process used by organizations selecting professional services (see Figure 1-1). Although their study focused on a particular segment of professional services firms, i.e., archetectural and engineering firms, their findings are consistent with research conducted for other types of professional services by Cagley and Roberts (1984) and discussions in general about the marketing and professional services by Gelb, Gelb, and Smith (1988).

Day and Barksdale asserted that the implications of their study were generalizable across a broader range of professional service offerings to business clients. This study sought to test the findings of Day and Barksdale as they apply to the field of executive education and in particular the process of selecting a provider/partner for custom executive education programs and services. The factors identified by Day and Barksdale provided a starting point for coding data collected during this study.

Chapter Summary

This chapter provided an introduction to the study. Historical perspective and a statement of the problem that was studied and the reason for conducting the study were noted. Research questions were presented along with a description of the significance of the study. Limitations, definitions of terms, and a conceptual framework were presented. A review of the literature is presented in chapter 2.
Experience, Expertise, Competence
- Management competence
- Reputation of firm
- Client oriented
- Visible and active principals
- Originality, innovativeness based upon previous projects
- Qualifications of personnel, team
- Technical ability of design team
- Staff capabilities

Contractual/Administrative Conformance
- Workload, overcommitted
- Competitive fee
- Can meet schedule
- Efficiency

Understanding Client’s Needs and Interests
- Creativity
- Knowledge of project beyond RFP
- Understanding client’s project and standards

Interaction, Relationship, Communication
- Good presentation
- Ability to work as a team
- Listens
- Chemistry, rapport
- Trust, integrity

*Figure 1-1.* Key factors that underlie the decision-making process used by organizations selecting professional services (adapted from Day & Barksdale, 1992).
Chapter 2
Review of Literature

This chapter presents the findings of an extensive literature review on the topic of executive education. This broad examination of the literature is constructed to provide context and perspective to the reader and is organized into three main parts. The chapter begins with a review of seven relevant topics in executive education: a) history, recent trends and growth, b) purpose and value of executive education, c) providers and partnerships, d) open enrollment versus custom programs, e) classroom methodologies, f) program design and content, and g) and information technology. Since the purpose of this research study was to explore not only investment in custom executive education, but to also identify and rank the key factors that influence provider selection related to the decision to invest, in the second main part of this chapter a review of the literature focuses on related decision-making processes and selection criteria. The final portion of the chapter provides a summary of the research and discusses implications for further research.

Relevant Topics in Executive Education

History, Recent Trends and Growth

Executive training, increasingly interwoven with strategic planning, is the fuel that powers management to move along its strategic roadmap (Saslow, 2004). Executive
education focuses on the development of managers and executives at senior levels within an organization (Crotty & Soule, 1997), and dates as far back as the late nineteenth and early twentieth centuries. Traditional university offerings include MBA degrees and various non-degree or informal executive education and professional development courses of varying lengths and content. Today, executive education includes a broad range of university-based and comparable in-company program options. Executive MBA (EMBA) degrees and, more recently, company-specific, custom-tailored programs have evolved from the more traditional university approaches. Many organizations have established in-house educational centers known as corporate universities to train managers in a format similar to the university approach.

Executive education began as an outgrowth of the MBA and in turn to provide advanced management training to highly motivated and experienced managers (Crotty & Soule, 1997). Companies rely on university-based programs to develop executives in general management, specific functional areas such as marketing or finance, and broader policy-related issues. In addition, in-house courses can be used to train executives in more narrowly focused, technical business issues. Historically the basic focus behind executive education and development programs, whether university-based or in-house, has been on the individual development of an executive in new technologies and practices, for improved performance on current assignments, and in preparation for future positions. While these past practices still have a significant role in today’s business world, companies are increasingly using executive programs to make critical organizational changes.
The history of non-degree executive education is rooted in the Harvard Business School’s Second World War production courses designed to provide older managers with the skills necessary to allow them to move from civilian roles to war production capabilities. Following the Second World War, these special war-production training courses were transformed to give older, experienced managers, those who had not previously pursued an MBA, a broad-based functional education for their civilian roles (Crotty & Soule, 1997).

To ensure that individuals were a proper fit within programs and that company goals were attained, coordinators of university executive education programs worked closely with the companies. Non-degree executive development programs were usually highly concentrated in time commitment and intense in format. They typically took place at an in-residence facility to ensure the absence of the distractions found in both the home and office. The university programs became very popular with many companies, while others used their own in-house training or employed outside consulting agencies to train their executives. Some believed the universities’ standardized offerings often did not reach a sufficiently large group of managers dealing with the same business and cultural issues (O’Reilly, 1993). A few companies – GE, IBM and Motorola – provided their own versions of what the universities offered, but with more of an emphasis on company interests. Nevertheless, universities provided the two significant advantages: strong functional competence and the broad perspectives of a diversified corporate clientele.

Most companies seemed content at the time to leave the broad-based issues to the universities while covering the more company-specific subjects through in-house training. The General Electric Company established the Management Development
Institute in 1956 to effect changes needed within the company following the Second World War and to ensure that GE would remain a leader in the industry (Tichy, 1988). Reasons cited for offering its own 13-week advanced management program included the large number of participants to be trained, cost, and the need to incorporate company specifics into the program. The fundamental approach to GE’s Management Development Center did not differ from what universities were doing; it focused on the cognitive understanding and development of individuals with some skill development as well.

One obvious benefit to the in-house approach is financial. For the same investment, companies can send a larger number of managers to their own in-house programs as can attend university-based programs. The curriculum can be tailored to the current needs of the company, new functional approaches can be introduced, policy changes can be discussed, and solutions to current corporate problems can be probed. Participants have the opportunity to network with managers from other divisions of the company to gain an appreciation of what other units are doing, to make contacts for future reference, and to have a sense of sharing the same culture, values and business issues. Of concern, however, is that the in-house approach does not always offer the varied exposure to the broad range of functional subjects that can be provided by universities. Short technical seminars tend to dominate in-house offerings at the expense of critical business issues affecting the company.

Up until the 1980s, development of executives remained primarily the responsibility of university-based programs or in-house corporate universities. Participants learned the latest theory and techniques for effective management largely by
studying cases and listening to classroom lectures by noted academics. University faculty who offered courses on strategy and functional skills such as finance or marketing decided on the training content. Many programs essentially were abridged MBAs. For the attending executive, the experience itself was seen as both a reward and as preparation for their promotion to senior levels (Crotty & Soule, 1997).

A problem for both the GE model and universities is transference of knowledge back to the job. The more traditional approach to executive education, with its prepackaged courses and emphasis on theoretical approaches to functional and policy areas, has become increasingly peripheral to what is urgently needed by companies. For all of their past successes, university programs were primarily aimed at developing managers as individuals to support organizational goals (Bolt, 1993a), whereas companies are now looking to executive education to help change the whole organization and its culture through managers who will be leaders of such change (O’Reilly, 1993).

Now, executive education is undergoing a gradual but radical transformation (Conger & Xin, 2000). Programs operating today are far more innovative, learner-centered, and relevant to immediate company needs. This fundamental shift was evident in the early 1980s and accelerated in the 1990s (Crotty & Soule, 1997). In this new century, executive education has the potential to play an even greater role as an essential lever to facilitate strategic change. Executive programs will no longer simply be a reward for high potential executives or a chance to renew an individual’s knowledge base, but are increasingly used as opportunities to recast the global views of executive teams and to align organizations to new directions (Conger & Xin, 2000). In 2005, BusinessWeek, recognizing the shift in the market for custom executive education and desired client-
outcomes, considered and ranked programs skilled in transforming midlevel managers into instruments of change among their winners (Gloecker, 2005).

Open enrollments programs typically range from a few days to a few weeks and are the one-size-fits-all approach to executive education. Subjects typically include strategy, leadership, finance, or marketing management. Custom and customized programs provide clients with tailored assistance in solving specific problems or challenges. This could include anything from succession planning to global expansion (Gloecker, 2005). Customized executive education programs serve the needs of both business and education (Meister, 1998). For companies, custom and customized offerings meet the need to infuse the curriculum with their own corporate culture, provide the opportunity to introduce company-specific case studies, and emphasize a common language for jobs across the organization. For universities, they bring in large amounts of revenue. In fact, the customized executive education programs are growing far faster than the open enrollment segment. In 1998, Albert A. Vicere, a former Associate Dean of Executive Education in Penn State University’s Smeal College of Business Administration, estimated that of the $3 billion American companies were spending each year on university-delivered executive education programs, custom or customized offerings accounted for about 40% and was growing much faster than the open enrollment segment (Meister, 1998).

The effects of global competition and evolving corporate needs are the two most significant trends in executive education (Crotty & Soule, 1997). The future of executive education is being shaped by the new challenges brought about by fierce global competition, rapid advances in technology, waves of mergers and acquisitions, a growing
emphasis on cost cutting, and the popularity of alliances and partnerships. Topics such as globalization, employee diversity, alliances, organizational learning, and e-commerce, which were standard fare in 2000, were largely absent 10 years earlier. Simultaneously, there had been a growing realization that education could actually be turned into interventions capable of building key organizational competencies. As a result, educational programs have moved from being university-based and standardized to in-company and customized. The content focus has also shifted from functional knowledge to subjects such as leadership and organizational change; programs changed from teacher-centered to learner-centered, and from general case studies to real-life problems faced by the company (Conger & Benjamin, 1999; Stopper, 1998; Vicere, 1998).

Global competition will continue to affect corporate America, making companies more demanding consumers of executive programs with an international focus. Training will need to delve into the cultures of different countries and present ideas on how to obtain new opportunities in foreign markets. In addition, with competitive threats from all over the world, specific knowledge will be required regarding what an organization must do to survive in today’s globally competitive environment.

A 1993 survey of executive education trends by Executive Development Associates pointed to several crucial factors with implications for executive education that needed to be addressed and would likely continue with greater force in the future. These included stressing the customer and implementing organizational change to create winning business strategies. Executive education programs would need to increasingly solicit feedback from customers on how to provide them with the best possible value. The globally competitive business environment, the resultant need to increase productivity,
and a variety of other factors affecting organizations have made corporate change a major concern, both now and in the future.

The market for the MBA degree is expected to continue to be significant, although the number of older MBA candidates is likely to decline with alternative forms of executive education substituting. The same is true for non-degree executive programs. They will continue to serve a need and, as more and more managers receive either MBA or EMBA degrees, non-degree demand is likely to decline further. All three programs – MBA, EMBA, and non-degree executive – arose to fill market niches but, as each market has matured, new approaches become necessary (Crotty & Soule, 1997).

Crotty and Soule (1997) point out that one way universities can soften declines in enrollment is to export MBA, EMBA and non-degree executive programs abroad, either in cooperative arrangements with other institutions or by setting up subsidiaries overseas. While not a new phenomenon, the movement has burgeoned recently and promises to grow more significantly in the future. In contrast, an analysis conducted by Vicere (Vicere, 1998) found an evolving market for executive education and development with “projections for increased levels of activity and expenditures on executive education and development” (p. 540).

Vicere predicted a critical redefinition of the field of executive education and development in 1998. He noted that when he began to track trends in 1982, executive education was dominated by a small core of university business schools that held claims to what was at that time a well-defined corporate audience – high potential and senior executives who were being sent to once-in-a-lifetime experiences designed to broaden their thinking and build their self-confidence. Today, the field is wide open; participants
come from throughout the organization, companies view development as an arm of strategy implementation, and lifelong education and development are the norm. "Executive education and development," seems old fashioned and out of touch. The focus today is much better described as 'leadership and organizational development,' with participants coming from throughout the organization and enhances business performance as the fundamental purpose of the activity" (Vicere, 1998, p. 542).

Leading organizational change is likely to continue to be a central theme for the vast majority of executive education initiatives through the first decade of the 21st century, driven by the continued acceleration of technological change, rapid product commodization, and the presence of important global competitors (Celestino, 1999; Crotty & Soule, 1997).

Purpose and Value of Executive Education

Conger and Xin’s (2000) survey of executive education trends among member organizations of the International Consortium for Executive Development Research (ICEDR), cosponsored by the ICEDR and the Leadership Institute at the University of Southern California, found that executive education was changing, and that numerous forces were causing a transformation in not only its delivery, but also its purpose. Based upon their observations and in-depth conversations with officers of executive education and development and vice presidents of human resources, their research instrument consisted of six major components: the purposes of executive education, methods used in executive education, trainers of executive education, assessment procedures for executive
education, company support and reward systems, and future trends and challenges in executive education. These specific components were selected from focus group interviews with the ICEDR membership. The survey instrument was pre-tested with three non-ICEDR organizations of comparable size and was modified based on that trial run. After modification, the final survey has 73 Likert-type scale questions and 10 open-ended questions.

In 1997, Conger and Xin sent surveys to senior managers in charge of corporate executive education and development via priority mail. Respondents were asked to return the survey to the researchers directly via mail or fax. Of the 47 ICEDR member companies, 25 responded to the survey, for a response rate of 53%. Firms represented a wide variety of industries, from automobiles to consumer products to electronics to mining to pharmaceuticals. All firms were multinational. The typical respondent held a senior-level position (vice president or managing director) in the human resource management function, with direct responsibilities for executive education and development.

Because this was a company-level exploratory study with a relatively small sample size, Conger and Xin used descriptive statistics to help their audience understand the data. What they found was that a strong majority of respondents held that the executive education programs in their organization were designed to enhance overall leadership and change management effectiveness. Based on information gathered in their survey and prior research in the field of executive education, Conger and Xin described shifts in six areas within corporate educational initiatives: learning needs, learning
content, pedagogy, participant mixes, instruction, and organizational integrating mechanisms.

Conger and Xin found that a “shift toward a more strategic focus in executive education came through loud and clear” in their survey (p. 77). Responses to questions relating to the purpose and focus of executive education indicated a strong emphasis on preparing executives to deal with strategic issues and change management. Further, they found that “executive education has moved away from its traditional role of providing general or functional knowledge to its newer role as a lever for orchestrating organizational change” (p. 77).

Conger and Xin’s arguments about the purpose of executive education programs were supported by their research findings. Executive education is a potential tool that can help in aligning their organizations toward strategic imperatives. Executive education is no longer targeted as simply beneficial to an individual but instead adds value to the organization as the key beneficiary. Conger and Xin identified three objectives they felt should guide executive education: building awareness and support for strategic transitions, facilitating large-scale organizational change necessary to realize new strategic directions, and building depth of leadership talent.

Other items in Conger and Xin’s study receiving strong support as the main purpose of executive education included implementing new strategic and organizational imperatives (76%); instilling and socializing vision, mission, and values of the corporation (72%); and facilitating career transition of senior managers to executive roles (60%).
The Conger and Xin findings were further supported by a 2004 assessment of leadership development in European organizations conducted by the Danish Leadership Institute (DIEU) and the Institute of Executive Development. Utilizing a variety of quantitative and qualitative questions, this study of 51 corporations queried leadership development professionals at large European-based companies. The study’s authors determined that development professionals no longer train leaders to have a well-rounded set of skills; they develop leaders to achieve business results. The researchers further found organizations taking a proactive approach to leadership development and recognized that these efforts are not just a tool to help organizations develop strategy, but rather a process by which they can develop strategy in the first place.

There is ample reason for the growing corporate emphasis on education and development (Vicere, 1998). Organizations faced unprecedented changes in the previous decade brought about by trends such as globalization, the technology revolution, downsizing, and re-engineering. Vicere found that “the most critical competencies companies were attempting to develop through ongoing executive education and leadership development initiatives were strategic thinking/visioning, change management, leadership, teamwork, communication, performance management, customer orientation, global perspective/mindset, and decision making. Those capabilities contrast with the capabilities perceived as most critical five years into the future: adaptability/flexibility, global perspective/mindset, strategic thinking/visioning, leadership, communication, change management, ability to learn, teamwork, customer orientation, business acumen” (p. 529) Vicere’s research indicated a changing view of leadership away from active change management in a time of transition, toward ongoing
change management through the creation and stewardship of more flexible, networked organizational cultures.

What Vicere found reflects the continued evolution of leadership development as a tool for implementing organization-wide change and transformation. In addition, it reflects the changing nature of organizational structures in which leadership roles are less related to hierarchical level and more related to project or assignment responsibilities. Vicere found that companies “used in-company programs primarily for the purposes of developing culture, contributing to the competitive capability of the firm, creating a forum for dialogue and debate, developing specific skills among the leadership team, and broadening participant perspectives” (p. 533) The audience for executive development now extends throughout the organization, fueling much of the projected growth in the field. The new, emerging leadership competencies indicated in his research – flexibility/adaptability, ability to learn, business acumen – are significant. They reflect the critical competencies of leaders in the new, flat, networked, and global organization.

Providers and Partnerships

In 1999. Business Week’s annual executive education survey sought to identify the most effective providers of executive education. Nearly 60% of those surveyed said that consultants were best, while only 39% of respondents said the same of business schools. This was a dramatic statement by companies that were increasingly looking at the bottom-line results out of their educational spending (as they would any other
investment). This sentiment forced some business schools to act like consultants (Reingold, Schneider, & Capell, 1999).

Increasingly, schools and individuals looking to strengthen footholds in executive education and specialty areas were placed in direct competition with corporate training programs and corporate universities. Education was evolving into a business commodity with learners perceived as consumers; the result was an increasingly competitive business education market (Krapels, Ryan, & Lane, 1998). “As the pace of change increases with the introduction of deregulation, competition pressures and technological advances, corporations will increasingly become the “chief educators” of the workforce” (Meister, 1998, p. 20).

While the business community has traditionally invested significant sums of money in local schools and universities, much of this investment has been piecemeal. Companies have recruited college graduates, depended on higher education to carry out basic research, reimbursed employees for college tuition, and sent managers to university-run executive education open enrollment programs. While these piecemeal efforts endured, businesses became frustrated by their inability to increase on-the-job performance in the workplace (Meister, 1998).

Many companies do help their best and brightest to pursue higher business education, but there’s a growing trend toward homegrown schools and corporate universities (Anonymous, 2000). In response, a growing number of schools, including Duke University and the University of Pennsylvania’s Wharton School, recently have formed partnerships with private industry to form for-profit competition in the arena of executive education (Meyers, 2000). Duke University’s Fuqua School spun off its client-
based executive education department into a profit-making company (Bradshaw, 2000). In doing so, Duke hoped to meet customers’ needs and make money for the university. Fuqua made its name in developing management programs for specific clients. The new company, Duke Corporate Education, brought together Fuqua’s customized executive education portfolio, the school’s consultancy business set up to advise clients specifically on distance-learning issues, and the technology base of the school. Open enrollment programs remained within the remit of the Fuqua School.

The logic behind the new company was to provide affordable layers of teaching, allowing Fuqua to scale up its teaching. At the top would be the traditional model, Duke faculty, teaching directors and senior managers. The next level would be skilled and qualified teachers providing instruction with high content material at a lower price. The third level would be on-line learning with good facilitators and packaged courses that could be accessed on demand. In 2000, the chief executive of newly formed Duke Corporate Education, Inc. boasted that it would gross more than $100 million per year within two years.

That windfall never materialized. Within two years Duke CE was laying off 25% of its staff and reorganizing (Forelle, 2002). But, by 2003, Duke CE was the number one ranked provider of custom executive education programs, as ranked by BusinessWeek. Duke CE held onto that top spot through the most recent 2005 rankings. With 100% of revenues from custom programs, and with revenues of $42 million, Duke CE was second only to INSEAD in total sales (Gloecker, 2005).

Because the job of continuously updating an employee’s knowledge base is so large, corporate universities are increasingly joining forces with conventional universities
and merging the goals of the individual employee, the corporation, and the educational institution into one mutually beneficial three-way partnership. An intriguing example is the Trailblazer Program for Executive Development, a collaborative effort by Conoco Inc., a Houston based energy company, the London Business School, the Center for Creative Leadership, and JMW Consultants, Inc. (Anonymous, 2000).

Trailblazer was designed around Conoco’s business and strategic model, rather than the broader perspective of an external executive education program. It focused on creating competitive advantage by using the core strengths, knowledge, and creativity of the company’s own people. Other benefits included feedback on real-business case projects from those inside the company, and keeping the program fluid, relevant, and timely. Creating “networks of leaders” within the company was an important strategic benefit. As a whole, corporate universities help deliver advanced training to employees not just as a way to retain them, but also to help develop valuable employees into the company’s future leaders – a challenge for the corporate community.

The key starting point for a collaborative partnership is for both the corporate university and the educational institution to openly discuss and develop a shared vision for the alliance. In successful partnerships neither organization dominates the effort or defines the goals and outcomes unilaterally. Instead, both sides take the time to develop a shared vision of how a successful partnership operates in terms of expectations, processes, outcomes, and support systems (Meister, 2000).

A set of selection criteria in choosing a learning partner were compiled by Jeanne C. Meister (2000) based upon scores of interviews with corporate university deans. The selection criteria included:
• Shared mindset in which the customer service, innovation, and continuous improvement are paramount to success;
• Clear expectations for setting learning objectives and developing courses;
• Flexibility and responsiveness in building a corporate/college alliance;
• Complimentary needs and goals;
• Reputation and prestige of the educational institution;
• Ability to collaboratively develop a clear path of study leading to a “new” accredited degree program;
• Openness to experimenting with technologies to accelerate learning;
• Ownership rights in intellectual property clearly delineated at the onset of the partnership;
• Financial and non-financial measures carefully spelled out in advance and agreed to by the key players;
• An infrastructure that is open to experimentation;
• Global education capabilities and network; and
• Commitment to building an open dialogue and continually renewing the partnership with fresh thinking.

Meister found that once the vision had been developed and the academic partner was chosen, the next step was to develop a business plan that combined the goals, strategies, and implementation methods needed to achieve the shared vision. If the business/education partnership was to be successful, it must directly affect critical business issues important to each partner. Meister cautioned that developing a successful
partnership also required developing a shared vocabulary and sense of trust among stakeholders who have not worked together in the past.

In his 1997 international study of executive development trends, Vicere noted the development of an increasingly competitive marketplace for providers of executive education and leadership development, due to both the growing provider base and the growing level of dissatisfaction with traditional program methodologies and designs (Vicere, 1998). Vicere found that the largest audiences for in-company programs were middle managers and professional/technical staff. When compared to the number of participants sent to external programs over the past five years, vice-presidents and senior officers grew at a statistically significant level as an audience for in-company programs. This finding supported the trend noted in his 1995 study with regard to growing corporate interest in customized, strategic programs that started at the top of the organization and cascaded throughout its ranks (Fulmer & Vicere, 1995).

Companies responding to Vicere’s study overwhelmingly projected their use of in-company executive education to increase over the next two years, with middle managers, professional/technical staff, and other employees indicated to be the fastest growing audiences. Corporate training staffs were cited as the primary resource for in-company program development, followed by external consultants, university faculty, and other corporate personnel. The pattern found was very similar for program delivery. Compared to his previous 1992 survey, these findings suggested a slightly increased level of involvement of university faculty in in-company program development and an increased level of involvement for corporate training staff in program delivery. Vicere speculated that this pattern might reflect the growing level of involvement of university
business schools in in-company program development, as well as the expansion of “corporate university” staff who have the ability to deliver high-level leadership development programs.

Vicere also found that 50% of the respondents reported the use of external programs. Companies reported a pool of nearly 860 eligible candidates for external programs. Of the 860 eligible candidates, roughly 90 (10.5%) actually had attended an external program over the past year. The results of the trends study also indicated that, overall, participation in programs offered by both university and non-university providers was projected to grow over the next five years; however, participation in in-company programs was projected to grow at a more dramatic rate.

For external program providers, it appears the competitive environment will continue to heat up, especially for the traditionally lucrative upper-management segment. Vice-presidents/senior officers, directors, and middle managers were indicated to be the largest audiences for external programs. Respondents projected that the top executive and vice-presidents/senior officer segments would grow at statistically significant levels over the next five years for both university and non-university providers.

Vicere’s study also revealed that participating companies reported using external programs to “broaden participants, expose them to faculty experts not as readily available inside the company, develop specific skills that contribute to competitive capability, and promote understanding of the global competitive environment” (p. 537). Internal programs generally are seen as more specific and focused on company objectives, external programs more often broad-based and externally focused.
Open Enrollment versus Custom Programs

Companies are moving away from packaging executive education as one-time, ad hoc, isolated experiences. In today’s business climate, corporations seek high-impact customized programs, tailored to meet their needs (Bolt, 1993d). While users are turning “internal” to meet executive education/leadership development needs, they seem unsure about what actions are needed and often question their own ability to develop and deliver those actions in an effective and timely manner (Vicere & Fulmer, 1998). The most effective executive education programs are the ones that are customized to a business’s needs (Vitiello, 2000), and tailoring programs to custom-fit the needs of individual companies is the fastest-growing business in the industry (Meyers, 2000).

Programs built for a general audience serve a different purpose and generate a different outcome than do company-specific programs. Both can contribute significantly to leadership development when they are used in such an appropriate manner (Vicere & Fulmer, 1998).

An open enrollment program may best be characterized as “a developmental experience, one that challenges the beliefs, skills and values of participating managers and creates a greater awareness of the leadership challenge. Through this type of experience, participants are given the opportunity to rethink their values and views across many dimensions. Through their interaction with a diverse group of peers, they are encouraged to broaden their perspectives and develop a greater openness to diversity and change” (Vicere & Fulmer, 1998, p. 143).
A general management, open enrollment program presented from the perspective of a senior corporate officer can be designed to both challenge and broaden the participants’ attitudes by exposing them to the leading-edge management thinking of faculty, as well as the values and viewpoints of successful executives from different companies, cultures and industries. Through a carefully designed sequence of experiential exercises, lectures, discussions, case exercises, and business simulations, programs can create an educational environment that enables executives to break out of their usual routine and develop a more comprehensive, more global orientation to management.

For open enrollment programs, Vicere and Fulmer (1998) found that most participants’ reactions tended to focus on three particular outcomes: 1) confidence building, 2) broadening/developing an external perspective, and 3) network building. Of concern is the likelihood that the learning and personal growth will transfer back to the workplace. There are critical times in an individual’s career, particularly when he or she is moving to a position of expanded scope and/or responsibility, when an external program can help break the mold of an organizationally or functionally influenced mindset by promoting a greater openness to ideas and a greater awareness of the general management perspective. “The degree to which this transition actually progresses is directly related to the effort put into the development agenda by both the individual participants and their companies” (Vicere & Fulmer, 1998, p. 138).

Guidelines for selecting open enrollment executive programs identified by Vicere and Fulmer (1998) include carefully evaluating learning objectives, faculty, content, participant mix, teaching methodologies, and quality control.
In contrast, the design and content of a custom executive education program may be collaboratively constructed through a series of interviews and meetings with a client (Vicere & Fulmer, 1998). During these sessions, the university gains detailed insights into the strategy, structure, process and culture of the organization, and is then able to translate this understanding into an educational experience designed to facilitate the transformation and development of the firm. These meetings may continue over the life of the program, and are an ongoing force for its continued evaluation and improvement. In many ways, the program is designed to facilitate a deepened conceptual understanding of where the client is going and what it and its leaders need to do to be successful. The program may make extensive use of simulation and action learning, and include an outdoor leadership development experience to help facilitate the transfer of learning and the personal growth of participants. But, while the program is expected to facilitate the personal growth of participants, it is also expected to facilitate the collective growth of the new organizational culture. For most internally sponsored programs, the focus is less on perspective building and broadening than it is on awareness of corporate directions, internal team-building and cross-functional understanding – a focus that is internal to the company, directed toward the understanding and implementation of the organization’s strategic imperatives, and intended to clarify the company expectations for effective leadership. This type of enhanced internal perspective can be a major catalyst for organizational change and development. For custom programs, most participants’ reactions tend to focus on three particular outcomes: 1) confidence building, 2) organizational awareness/team building, and 3) transformation.
Vicere (1998) noted a trend toward more customized, strategic programs focused on critical business initiatives. With the exception of programs targeted to very senior leaders, the decisions to send participants to external programs continued to devolve to business units; a trend that followed Vicere’s research since its origin in 1982. Coupled with tighter forging of linkages between leadership development and organizational change and development initiatives, this trend may bode well for the future of customized programs. It could pose a continued threat to longer-term, more general external programs since business units are likely to have a more focused, results-oriented view of executive education and leadership development. More companies may want more customized programs, and more providers will need to deliver them in order to stay in business.

More often, companies and universities were combining their efforts to create new company-tailored programs, with the two parties working closely together in the selection of participants as well as on the design of curricula (Crotty & Soule, 1997). In an important sense, the in-house courses themselves are the result of dissatisfaction with university programs on the part of companies. A company wants control over what is taught, and wants what is taught to be practical as well as up-to-date.

As discussed earlier in this chapter, GE and Motorola established their own “universities” to focus on their goals, whether changing the corporate culture or propagating the company’s mission and strategy. Dow Chemical hired well-known and outstanding business school professors to design specific courses to meet specific company needs. Champion International hired less prominent faculty members, hoping to gain a fresh view through a long-standing relationship between the faculty members and
Champion with courses designed for the company’s needs (Bongiorno, 1993). The major thrust of GE’s thinking was to recruit recent college graduates and to train them in GE’s own “university” in lieu of the attending outside graduate business schools. All of these approaches addressed the desire for company control, focusing on such internal matters as culture change and implementing strategic redirection, and cost efficiencies. Drawbacks were the loss of outside perspectives and networking, as well as substantial costs despite keeping the programs in-house.

The movement was toward jointly designed executive education programs combining features of traditional university and in-house specialized programs (Crotty & Soule, 1997). For university and company program directors, great flexibility exists when no formal degree is involved, presenting the opportunity to structure a tailor-made approach to meet specific company needs while drawing on the long experience and broader focus of the universities. When incorporated, functional topics can be crafted in terms of the company’s needs without losing the wider theoretical and practical insights that can be provided by a university. And, when companies tap into university expertise and professional course design, participants benefit from the broader perspectives of a university faculty whose teaching and consulting often goes beyond the bounds of any one organization.

At the same time, custom programs allow company managers to participate in executive education with colleagues, enabling networking, cementing relationships, and solving real company problems (Crotty & Soule, 1997). However, they will not gain from the broader perspectives of participants from other companies, and there is some question
whether the same group of people from one company can bring a constant flow of fresh ideas to a succession of problems and issues over a period of many months.

Cost savings are a significant motivation for companies to move towards in-house executive development, but these savings are largely lost due to very expensive single-company design problems and case development expenses (Crotty & Soule, 1997). “Universities have seen in customized programs the means of reversing or at least slowing the downtrend in university non-degree executive education, thus sustaining revenue flow and opportunities for faculty to interact with mature managers as well as enhancing continuing contact between the schools and the corporations for research sponsorship, hiring of graduates, and capital development” (pp. 12–13).

This client-focused form of executive education has been a growing phenomenon and there are likely to be more customized programs in the future (Crotty & Soule, 1997). One problem with current customized programs is that they can require a large initial investment. In harsh economic times, this large initial cost can deter companies from embarking on customized courses. The future may bring shorter, less expensive courses as preliminary trials of what can then be modified and expanded. Once a company tries the customized approach, pays the initial charge and sees good results, it will be more willing to pay for future in-house education along similar lines.

An alternative approach to customizing involves several companies jointly engaging in a customized program (Crotty & Soule, 1997). For the consortia-based program to be as successful as a single-company design, universities need to carefully choose which companies to work with to assure similarity of course design and overall
corporate goals. Crotty and Soule found a “hesitancy of competing companies to discuss their strategies or even their internal problems with other companies” (p. 17).

The shift toward greater customization has had a profound impact on university-based executive education operations and their delivery (Conger & Xin, 2000). For example, although universities and business schools continue to be heavily involved as providers of executive education, growth in public open-enrollment programs, with the exception of certain specialized programs, appears to have leveled off. Instead, there has been a steady growth in programs that are tailored to individual companies or consortiums of companies. According to Fulmer and Vicere (1995), more than 75% of all executive education dollars in the United States go into customized programs. As a result, Conger and Xin expected public open-enrollment programs to likely play a smaller role in executive education for three reasons. First, public enrollment limits the ability of business schools to tailor their course materials to the concerns of a single company. By necessity, public programs must offer material on a wide range of industries and companies (this creates perceptions on the clients’ side that their company’s executives may not be acquiring knowledge that is immediately applicable to their own organization and industry). Second, customized, company-specific programs are typically more economical for sponsoring companies. And third, in-house programs can ensure that a critical mass of the senior management of an organization shares the same experience and in turn shares a similar mindset.
Research conducted by Crotty and Soule (1997) identified an emphasis on developing skills throughout the organization, requiring a focus on strategies all the way down to lower levels. In the flatter organizations of today, jobs are more demanding and managers are responsible for more tasks at earlier stages of their careers. With a decline in the number of traditional university executive development offerings, the trend in universities is toward shortened and modified programs. With customized designs and in-house programs, the trend is also towards experiential and action learning.

Bolt (1993d) found that the most successful programs integrate classroom learning with on-the-job development. As such, executive education is shifting to shorter, more frequent sessions of formal training with the time between classes used to provide structured ways to apply what has been learned. While lectures and case studies may still have value in executive education, experiential learning is a critical component of today’s executive development programs. Methods include outdoor learning experiences, computerized business simulations, and action learning in which teams tackle real business projects (Bolt, 1993d).

Vicere (1998), too, found “a significant shift in perceptions away from programs and toward experience-based methodologies involving job rotation, taskforce and project assignments, action learning, coaching, and mentoring as the primary focus of leadership development” (p. 527). In-company programs tend to rely on classroom instruction, action learning, simulation, experiential learning, and computer-based instruction/CD-ROMs. When asked to project which methodologies will dominate in-company
programming five years into the future, participants in the trends survey indicated that they would be using action learning, classroom instruction, computer-based instruction/CD-ROM, Internet-based instruction, and simulation (Vicere, 1998).

Action- or experience-based learning involves training through business simulations, games or dealing with real business challenges and aims to solve real business problems under actual work conditions (Crotty & Soule, 1997; Dierk & Saslow, 2005; Marsick, Cederholm, Turner, & Pearson, 1992). Participants work in teams with others and time is allotted for reflection and discussion. The team and individual reflection built into design differentiates true action learning from a run-of-the-mill group project (Dierk & Saslow, 2005). In an action learning program, the training becomes the project in which learning takes place while participants, working in teams, try to solve a work-related problem. The basic characteristics of an action learning program are working in small groups to solve problems; learning how to learn and think critically; building skills to meet the training needs that emerge during a project; and developing the participant’s own theory of management, leadership, or empowerment – a theory that is tested against real-world experiences as well as established tenets. According to Marsick et al (1992), “action learning has been found to be most appropriate in the following circumstances: when problems are complex, with no obvious solutions in sight; when managers need to develop a cross-functional overview; when learning is closely tied to cultural change; when participants need to develop judgment and to think strategically; and when participants prefer to learn by doing, while getting work done” (p. 66).

Action learning is often used in management and executive development with many types of employees in various public, private, and non-profit settings. Vicere and
Fulmer (1998) found that consumers of custom executive education are increasingly interested in educational experiences tied to the work environment and are growing more convinced that the action learning model is a powerful framework for leveraging investment in executive education. Although action learning programs can be more expensive than shorter activities, they may save more money than they cost because they can solve bottom-line problems. Also, participants tend to be highly committed to solutions that they themselves develop during projects. In fact, they often begin implementation while still working on a project. Interestingly, when development is emphasized over problem solving, the solution tends to be qualitatively better – perhaps because people feel freer to experiment with new attitudes and behaviors.

Experience-based development methods have emerged as a driving force in executive and leadership development. Taskforce and project assignments, job rotation, on-the-job learning, and action learning are now the dominant focus of corporate executive development processes. Vicere (1998) found a statistically significant decline in the importance of classroom instruction along with an increase in the importance of Internet-based systems, interactive video, and computer-based systems/CD-ROMs. The study further revealed that companies look to university-sponsored programs for classroom instruction, action learning, simulation, distance education, and experiential learning (e.g., outdoor leadership development experiences). Similarly, they looked to non-university providers for classroom instruction, action learning, simulation, experiential learning, and other forms of technology-based delivery. Universities were perceived by respondents to be best at classroom instruction and action learning; non-universities best at experiential learning and computer-based/CD-ROM methodologies.
Conger and Xin identified the general trend in pedagogy in executive education as being toward greater learner involvement, especially through action-learning projects. They defined action learning as the “variety of management-education approaches in which managers use issues from their own companies as the basis for learning” (p. 81).

CEO’s and their top-management teams are often the first to participate in executive education programs, followed by the rest of the executive ranks. Top managers understand that for an education program to work as a catalyst for strategic change, all executives must participate, and they must set a positive example and be prepared to support the ranks and mentors (Bolt, 1993d).

As corporations move from hierarchical to flatter structures, there has been a significant need for coordination across the organization. Change efforts often demand considerable changes in an organization’s structure to maintain an effective fit between a rapidly changing environment and an organization’s capabilities, competencies, and strategy. Both factors suggest that educational experiences need to involve entire executive teams as participants simply to ensure broad buy-in and coordination of efforts (Conger & Xin, 2000).

Conger and Xin further found that strategic and organizational initiatives proposed by senior teams are of little value if they are unable to garner support and commitment from all organization levels. They learned that educational events linked to change efforts succeed by cascading downward throughout the entire organization. They point out that it is an effective cascading process that facilitates the translation of initiatives developed at the executive level into actionable ones at the levels at which they are being implemented. As such, companies are increasingly focusing on educational
formats that allow dissemination and actionable translation of the learning experience from the top to the bottom (Conger & Xin, 2000).

Conger and Xin noted that action learning ought to continue to play a central role as the pedagogy of choice because of its learner-centered emphasis. There are, however, certain limitations with recent designs. Primarily, most action-learning programs involve learning from a single experience, usually focused on a single company problem. This limited exposure to an issue in most cases has not facilitated deep learning (Clark, 1992). The dilemma rests with the complex or declarative knowledge that action learning is attempting to teach (Conger & Xin, 2000).

We know from the field of adult learning that at the center of this type of complex learning is the ability to create and use analogies connecting several domains of knowledge (Clark, 1992). With its focus on a singular experience and a singular problem, Conger and Xin found that action learning was failing to develop the practical and broad-based knowledge promised by programs. Their research further indicated that in the coming decade, “action-learning programs must increasingly shift to include multiple sessions in which similar learning objectives are spread across several projects for individual participants” (p. 93).

In many companies, educational initiatives are considered stand-alone events. Too often there is little recognition of the need to link the outcomes of the educational experience with the strategic intent of the organization (Conger & Benjamin, 1999). As such, Conger and Xin (2000) outlined nine suggested steps: First, there needs to be a greater focus of learning needs around the demands of a hyper-competitive marketplace, with a shift from an industry focus to an eco-industry focus. Second, organizations must
not only train for current competencies but also anticipate and train for future competencies. Third, sponsorship must increasingly move toward heavy reliance on feedback from line units to shape the learning objectives and program content. Fourth, organizations must recognize the current limits of action learning. Although current pedagogy has allowed learning to be more applied, most experiences are built around a single experience. Research in adult learning tells us that this is a flawed approach (Clark, 1992). Adults learn best through multiple experiences. The fifth suggested step is to expand participant mixes. Customers, suppliers, alliance partners, and new technology experts must increasingly be involved in the learning process. Sixth, Conger and Xin recommend a return to case studies outside of one’s own industry as typically found in university-based open-enrollment programs, but with case studies selected for their close parallels to future trends in the participant’s industry. Seventh, current assessment practices must change radically and metrics must be improved to accurately measure whether the acquired knowledge is implemented at both the individual and at the organizational level. Eight, Conger and Xin believed “that educational initiatives must be better coordinated with other ongoing change initiatives within a company. An educational initiative’s timing, its participant mix (especially the mix of levels in the hierarchy), and its links to organizational design changes are now poorly coordinated” (p. 99). The ninth step is to ensure greater use of task forces, multiple education sessions, and cascaded events to keep momentum alive (Conger & Xin, 2000).
**Program Design and Content**

Certain factors are critical to the success of an executive education program (Crotty & Soule, 1997). The success of any program rests on pre- and post-program assessment (Conger & Xin, 2000). First, a front-end analysis is essential to ensure that the program meets the requirements of identifying key strategic issues to be addressed through executive education. In addition, courses need to be specifically tailored to real-life business issues and specific challenges and opportunities. Lastly, “best practice” companies must use a leadership profile to detail desired values and practices deemed important to the company. This profile allows the organization to provide individual managers with a clear idea of the type of leader who will succeed within that particular organization (Bolt, 1993c).

At the front end, assessment plays a pivotal role by identifying specific learning needs, program content, pedagogies, participants, types of instructors, and integrating activities (Conger & Xin, 2000). Post-program assessment helps measure the effectiveness of the undertaking, its long-term impact, and whether further initiatives may be needed or existing ones reinforced or modified.

Assessment plays an important role in matching programs to actual individual and organizational needs. Conger and Xin (2000) found that the assessment of individual participants’ needs and motivations was lacking and that preprogram assessment was typically conducted on an ad hoc basis, with few systemic and consistent mechanisms in place. The assessment process could include the assessment of the executive learners’ needs, assessment of the organization’s needs, and assessment of training results. Conger
and Xin (2000) found that executive education has traditionally paid limited attention to these areas of assessment. To be effective, assessment needs to play several roles throughout the learning process. First, the needs and motivations of both the learner and the organization need to be assessed. Next, educational methodologies that most effectively satisfy those needs must be assessed and selected. Conger and Xin (2000) strongly favored informal interview methods over survey instruments.

Conger and Xin (2000) also found that it is difficult to accurately and objectively assess a program’s effectiveness and usefulness immediately after it is delivered. In general, few companies do an effective job of evaluating the outcomes of training initiatives.

Post-program assessment shows a similar experience to pre-program assessment. While a majority of companies may assess the relevance of educational programs, the effectiveness of instructors, and participant satisfaction levels within a week following an executive education program, few firms conduct long-term post-program assessments.

Significant program and design trends identified by Conger and Xin in 2000 included:

- *Learning needs: A shift from functional knowledge to strategic leadership and organizational change.* If companies continue to focus on finding new sources of competitive advantage and accelerating an organization’s adoption of them, there must be a far greater emphasis on strategy, leadership, and organizational change as course content.
• **Learning content: A shift toward ever-greater customization.** In the past decade, there has been significant shift toward customizing learning materials to individual company and industry conditions.

• **Instructors: Growing use of the executive teacher.** The survey of who teaches executive education programs indicated that using a variety of instructors was the most popular method employed by companies. Of the five choices offered in the survey questions (outside consultants/trainers, university faculty, company executives, company managers or staff with specialized knowledge, and corporate trainers from within the organization), none were seen as playing a lesser role in 1997-1998 compared to 1995-1996.

Conger and Xin (2000) found that “although the move toward greater customization of learning materials has increased the relevance of executive education experiences, these changes could reduce an organization’s ability to think ‘outside the box’” (p. 93). Educational materials should be designed to challenge company and industry paradigms. In essence, their point was that as executive education has moved dramatically to meet executives’ needs for increasing relevance, it may have swung too far.

Vicere’s 1998 trends study supported these findings and amplified how they are impacting practices in the field. Vicere found an increased level of importance attached to performance feedback in the development process—a possible reflection of the growth of 360-degree feedback as a development technique—and uncovered a shift in perspectives toward leadership competencies for the future, with flexibility and adaptability heading
the list of critical developmental needs. Experience-based development techniques and the re-emergence of performance feedback, coupled with increased demand for accountability in the field, have signaled a back-to-the basics movement in executive education and leadership development.

Compared to his 1992 survey, Vicere (1998) found external programs getting shorter. University programs tended to span longer time frames, and while these longer-term, external programs were projected to grow in the short term, they were considered by most to be an endangered species.

Information Technology (IT)

In 1999, Business Week’s executive education survey described technology as driving the demand for executive education and revolutionizing its delivery (Reingold, Schneider, & Capell, 1999). It was reported that technology had reshaped the face of business education (Krapels, Ryan, & Lane, 1998). A prominent trend identified at the time included the creation of virtual universities and companies specializing in Internet-based learning solutions. Krapels et al. (1998) found that diverse partnerships between schools and companies had altered how business organized, funded, staffed, and implemented learning services. Electronic delivery of instruction had increasingly moved learning from the university campus into and beyond the workplace. And, a growing percentage of non-traditional learners, those who had grown up with technology and the Internet, preferred the “anywhere, anytime” packaging of education. The most notable trend reported was on-demand education.
Companies once had a simple choice of sending executives off to attend classes on a campus or doing it in-house. By 2000, the promise was a wide array of options, many of them thanks to the Internet. Among executive education providers, many of the biggest schools rushed to go on-line. Traditionally conservative providers such as the Harvard Business School and the Wharton School at the University of Pennsylvania responded to the call to go online in order to remain competitive. Through its Wharton Direct arm, the prestigious Wharton Business School offered courses to students in multiple cities who interacted via satellite and computer (Reingold, Schneider, & Capell, 1999). Another significant partnership designed to capitalize on the use of technology in executive education involved UCLA and Pensare, Inc. On July 31, 2000, Pensare, Inc., a global leader in e-Learning business networks, announced that the *Pensare Learning Platform and Knowledge Community* had been launched at UCLA for its new Strategic Leadership Institute executive education program (Pensare, Inc, 2000). The purpose of the initiative was to enable participants to create a powerful on-line learning community during their time at UCLA and to serve as a catalyst for ongoing collaboration and communication after the program.

Distance learning is not a new concept—it gained some prominence approximately 35 years ago as an outgrowth of adult education (Crotty & Soule, 1997). It has proved to be particularly useful in functional and technical areas where individuals have a solid base of knowledge from prior education and experience but need to enrich that knowledge with the latest information and techniques. While traditional instructor- and classroom-based learning is deeply entrenched in the American psyche, much of managerial and professional work has been self-directed and self-paced. This in itself
suggested that universities revisit distance learning for certain kinds of executive education as increasingly sophisticated technology would introduce a fundamentally new dimension and redefine executive education (Crotty & Soule, 1997).

It is the long-standing philosophy in continuing and part-time education that timing and convenience dictate attendance of courses when an individual has the option of doing so (Crotty & Soule, 1997). It is now possible to customize education for individuals under the direction of universities or companies or both. For universities the implications are profound since technology is calling into question the fundamental approach of the schools in the delivery of knowledge. And as flexible and adaptable as executive education has been, it nevertheless remains essentially traditional in approach through the in-class combination of instructor, students, set curriculum and supporting materials. Crotty and Soule (1997) asked if this precludes “the more recent trend towards action learning and problem solving teams of managers grasping for organizational transformation and focusing on new strategies and new solutions to current problems?” (pp. 19–20). It should actually be complementary rather than contradictory. For companies, technology can prove to reinforce the cohesiveness, contacts and mutual problem solving attained in group-oriented formats.

As the past decade came to an end, it seemed clear that technology and distance delivery would play a more critical role in the future of executive education and leadership development (Vicere, 1998), with distance learning methodologies, including Internet-based systems, CD-ROMs, and other computer-based technologies projected to grow at a very rapid rate. In 2000, Vicere conducted an evaluation of progress in e-learning as it related to leadership development. The study assessed current state-of-the-
art practice in the use of e-learning as a platform for attracting, identifying, and training, educating, developing, and capturing knowledge from an organization's leadership talent pool. This effort was based upon in-depth interviews with more than 30 experts, analysts, providers, and practitioners. Vicere found that for all the hype, no fully developed success stories or benchmark examples existed. Vicere did find examples of how e-learning methodologies were being used as a supplement to live leadership development efforts. Further, when pushed, respondents agreed that leadership learning overwhelmingly remained a live-event process.

**Decision-making Process & Selection Criteria**

The purpose of this research study was to explore not only investment in custom executive education, but to also identify and rank-order the key factors that influence provider selection as these relate to the decision to invest. In the second main part of this chapter, a review of the literature focused on related decision-making processes and the formation of selection criteria.

Is it possible for half of all decisions in organizations to fail? A study of 356 decisions in medium to large organizations in the U.S. and Canada revealed that failures can be traced to managers who impose solutions, limit the search for alternatives, and use power to implement their plans (Nutt, 1999). “Managers who make the need for action clear at the outset, set the objectives, carry out an unrestricted search for solutions, and get key people to participate are more apt to be successful” (Nutt, 1999, p. 75). Tactics prone to failure were used in two of every three decisions studied.
Lessons learned and recommendations for successful decision making included managers becoming involved in the decision-making process, substituting intervention for edicts or persuasion, and involving people affected by the decision. Further, managers improved their chances of making successful decisions by practicing what they knew, resisting the quick-fix, accepting uncertainty and ambiguity, and recognizing the subtleties in what works and what does not.

The process businesses must use to evaluate and make decisions regarding executive education options is not dissimilar to the multifaceted nature of the consumer decision-making task. Consumers constantly make decisions regarding the choice, purchase, and use of products and services (Bettman, Johnson, & Payne, 2001) and these decisions are often difficult. Consumers are often faced with a large number of alternatives that are constantly changing due to new technologies and competitive pressures. Often a great deal of information is available from any source (e.g., advertisements, packages, brochures, salespeople, and friends). The consumer is often faced with difficult value trade-offs. This task has generated a number of important research questions. Such questions as how consumers develop and use strategies for making decisions, how different amounts of prior knowledge influence consumer choice processes, how consumers adapt to different decision settings, and how consumers categorize products, have produced major streams of research. Bettman, Johnson, and Payne (2001) focused on consumer choice while consumer judgments and inferences received limited attention.

Two general issues relevant to solving problems and making decisions in organizations are 1) determining what solution or decision should be adopted – it is this
facet of decision making that is the focus of most business school curricula and of the optimization models developed by management scientists – and 2) not what should be decided, but how and with whom decisions should be made – here theories of decision making intersect with theories of leadership style (Vroom, 2000).

Five different leadership styles relating to decision making are identified and labeled by Vroom: decide, consult individually, consult group, facilitate, and delegate. *Decide* is defined by Vroom as the manager or leader making the decision alone and either announcing or selling it to the group. In this case the manager or leader may use his or her own expertise or collect information they deem to be relevant to the problem from the group or others. *Consult individually* involves the manager or leader presenting the problem to the group members individually, getting their suggestions, and then making the decision on his or her own. *Consult group* differs in that the problem is presented to the group in a meeting or group setting, and feedback is sought from the group; however, the decision remains the responsibility of the manager or leader. *Facilitate* involves the manager or leader presenting the problem to the group in a meeting. The manager or leader acts as a facilitator, defining the problem to be solved and the boundaries within which the decision must be made. The objective of the manager or leader is to achieve concurrence on the decision. Above all, the manager or leader must take care to ensure that his or her ideas are not given any greater weight than those of others simply because of position. When one *delegates*, the manager or leader permits the group to make the decision within prescribed limits. The group undertakes the identification and diagnosis of the problem, developing alternative procedures for solving it, and deciding on one or more alternative solutions. While the manager or leader plays no direct role in the
group’s deliberations unless explicitly asked, his or her role is an important one behind the scenes, providing needed resources and encouragement.

The language for describing these styles can be used in two distinctly different ways. It can be a starting point for the development of a normative model that can help managers or leaders to select the appropriate style that best fits a given situation. The taxonomy of leadership styles can also be used to describe what people do. A common vocabulary, independent of its normative uses, may be helpful in communication and the setting of expectations between leaders and their colleagues.

Building a normative model for decision making, according to Vroom, involves four considerations. First, decision quality is at stake in the choice of how much and in what way to involve others in solving problems and making decisions. As managers and leaders, we want wise, well-reasoned, and analytically sound decisions that are consistent with the goals to be achieved and with potentially available information about the consequences of alternative means of achieving them. Second, the effectiveness with which a group or team implements a decision can be shown to depend on the extent to which they are committed to its success. People support what they build. Under a wide range of conditions, increasing participation leads to greater buy-in, commitment to decisions, and motivation to implement them effectively. A third important factor to consider is efficiency relevant to the decision process. Use of any decision process consumes resources. The resources consumed are costs and principally involve the time consumed in the decision-making process. Increasing participation invariably increases the amount of time involved and, as a result, resources consumed. Further, seeking consensus can slow the process substantially. Potentially offsetting these costs are the
developmental benefits of increased participation. This fourth consideration in building a normative model involves moving from the autocratic to the highly participative styles and increasing the potential value of the group or team to the organization in three ways: 1) it develops the knowledge and competence of individual members by providing them with the opportunities to work through problems and decisions typically occurring at higher organizational levels, 2) it increases teamwork and collaboration by providing opportunities to solve problems as part of a team, and 3) it increases identification with organizational goals by giving people “a voice” in making significant decisions in “their” organizations.

To guide the manager or leader in the decision-making process, Vroom further offers situational factors in the normative model, including:

- Decision significance: the significance of the decision to the success of the project or organization;
- Importance of commitment: the importance of team member’s commitment to the decision;
- Leader’s expertise: the manager’s or leader’s knowledge or expertise in relation to the problem;
- Likelihood of commitment: the likelihood that the team will commit itself to a decision made by the manager or leader on his or her own;
- Group support for objectives: the degree to which the team supports the organization’s objectives at stake in the problem;
- Group expertise: team member’s knowledge or expertise in relation to the problem; and
• Team competence: the ability of the team members to work together in solving problems.

In investigating managerial decision-making styles – when and where managers decide to share their decision-making power - Vroom learned that managers behave situationally, adapting their behavior to the situations they face. Furthermore, the kinds of situations that evoke autocratic and participative styles were found to be very similar to those in which the normative model would recommend such styles. Vroom found that managers make more participative choices on highly significant decisions when they need the commitment of the group, when they lack the expertise, when the likelihood of commitment to their decision is low, when the group’s expertise is high and when the group has a history of working together effectively.

Many of today’s strategic education initiatives appear to be driven by corporate staff rather than line operations (Conger & Xin, 2000). This, in part, can be attributed to the fact that a CEO or the human resources executive frequently determines initiatives. Also, the corporate level often has resources to drive expensive initiatives whereas line operations tend to use their training dollars for skill development at lower and mid-organizational levels. The principle advantage of corporate-driven educational initiatives is that coordination and commitment can be achieved across the company.

While university-based executive education programs were popular with companies and business schools alike, very little research had been done to evaluate these programs. In 1985, a University of Michigan study was conducted to examine these programs and relationships (Schrader, 1985). Schrader’s study consisted of sending a questionnaire to three groups. The first group consisted of 200 personnel/human
resources professionals in large companies that made use of executive development programs. A wide variety of industry sectors were represented and the sample included several European firms that sent executives to programs in the United States; 106 replies were received (53%). The second group consisted of 450 alumni of 18 executive development programs offered by 16 universities; 312 of them replied (69.3%). The third group was made up of 45 directors of executive programs offered by universities in the United States and Canada; 31 (68.8%) of the directors responded.

Among the questions investigated in this study were:

- Who identifies the candidates?
- Who selects the programs?
- Who is the targeted audience?
- What is important in selecting or evaluating a program?

Survey results showed that when asked who selects the candidate, program alumni indicated that in 25% of cases, they made the selection themselves. Supervisors made the decision 45% of the time, while “someone else” was reported 27% of the time; and 3% indicated that they did not know who had made the decision. The responses provided by personnel/HR professionals indicated that the selection was made by the participant 18% of the time; 56% of the time by an immediate supervisor; and 14% were identified by top management. In addition, personnel/HR departments identified 66% of the participants as engaged in manpower or succession planning. When asked to describe their role further, 9% indicated serving as a clearing house for information while 53% indicated that their role was to evaluate programs and recommend certain or specific programs, while others may make the final decision.
Program alumni indicated that they most often made the selection of a specific program (35%), followed by top management (20%), personnel/HR department (17%), and immediate supervisors (15%). Responses from personnel/HR professionals differed, indicating that the personnel/HR department most often made the selection of a specific program (69%), followed by top management (39%), participants (30%), unit managers (26%), and immediate supervisors (15%).

Executive education program directors were asked to consider how important each of these groups was in selling their products. Among those identified as very important target audiences: directors of management/executive development (74%), VP of personnel/HR (55%), top management (55%), potential participants (45%), potential participants’ supervisors (42%), and alumni of their school or university (23%). In addition, past program participants were identified by 71% of respondents.

In addition to narrowing the appropriate target audience, two other factors complicated the program directors’ marketing effort: finding out which information sources are important to their perspective customers and determining what it is about a program that is important to them in evaluating and selecting it. The three groups included in the study were asked to consider the selection factors they considered of vital or considerable importance. Remarkably, all responded quite similarly except in two or three cases. Personnel/HR professionals and program participants matched in identifying their three most important factors in order of significance: program content, program objectives, and a university’s reputation. While program directors also indicated program content and a university’s reputation among their top three, program length was next on their list. Consistently high selections by each group also included who attends,
instructional method, dates offered, who teaches, unique features, and class size. Facilities, workload, location, and personal affiliation with the university (alumni), and price were each considered of less significance. It is important to note that the study was limited to an evaluation of open enrollment programs and related selection processes and criteria.

In a 1992 study, Ellen Day and Hiram Barksdale Jr. sought to identify how firms select professional services. They wanted to gain insight into the process by which business clients select and evaluate a professional services firm. Their research focused on three major issues: (1) what criteria clients use in selecting firms for their short list? (2) Then, following the selection decision, what criteria clients use to evaluate the quality of service being provided? (3) What factors contribute to the client’s feelings of satisfaction or dissatisfaction with the service provided?

Day and Barksdale used a combination of mailed surveys and follow-up discussions with executives from 20 architectural and engineering firms as well as 17 client firms. Two researchers recorded and analyzed the responses to the open-ended questions. In doing so, they were looking for patterns, first across one stage of the process and later across the three stages that may indicate a relationship among the different phases of the selection process.

With regard to selection criteria, the analysis of responses indicated that four major dimensions underlie the selection decision: (1) perceived experience, expertise, and competence – the relevant past experience of the provider; (2) the provider’s understanding of the client’s needs and interests; (3) the provider’s relationship and communication skills; and (4) the likelihood of the provider conforming to contractual
and administrative requirements. Interestingly enough, price was not determined to be a selection factor as participants rarely spoke about price. It was clear, however, that price did play a role in the participants’ perceptions of quality.

Selection criteria provide a means by which clients try to ensure that they receive the services they desire, as well as the quality they expect. Day and Barksdale concluded that due to the usually long time frame of professional services projects, it is critical for firms to manage the relationship with the client. They point out that the relationship may start long before a firm is selected for a particular project. In fact, Day and Barksdale found that the initial and subsequent contacts with the client might include brochures, mailings and telephone calls, all of which influence the client’s expectations and are reflected in the selection criteria. The researchers point out that a firm can potentially influence the selection and evaluation criteria.

In his study, Vicere (1998) found that the leading criteria for choosing an outside vendor for open enrollment executive education programs were indicated to be program content and perceived quality, along with the reputation of the vendor and the reputation of faculty. Further down the list were cost and length. In general, reputation and intellectual resources were found to be the key differentiating factors in selecting executive education and leadership development providers.

Vicere also found that 73% of the companies reported the use of a formal briefing process involving pre-program interviews prior to enrolling a candidate in an external program. Approximately 75% of the companies reported the existence of a formal evaluation process for external programs, typically in the form of interviews or written evaluations immediately after the program. Only 15% of the companies reported that they
made it a practice to visit program providers to gain first-hand understanding of the experience. Vicere’s findings reflected a trend he’d tracked since 1982: few companies seem to have a process for categorizing, capturing and sharing the knowledge gained by participants in external programs. As such, the perception of the value of these programs may be colored by an inability to effectively assess the impact of the experience. Furthermore, companies seek greater accountability for the results of their investments in education and development.

In an address to the March 1996 UNICON conference entitled “Executive Education: The Leading Edge”, at the Penn State University Park Campus, Sheldon S. Goldberg, then AT&T’s Learning Services Director in the Human Resources Division, discussed the AT&T consortium model for executive education (Goldberg, 1996). Goldberg stressed that while more money is being spent on executive education overall (internal training, university programs, tuition aid), at AT&T there are several selection criteria for entering a consortia partnership:

- The school or program reputation is very important. This includes the total quality of the experience that participants receive and perceive.
- The quality and experience of the faculty is critical. Faculty must understand the business and provide relevant input and direction on major issues.
- The programs focus must relate to the business.
- The school’s flexibility in allowing tailoring of the program is vital.
- The nature of the other member companies comprising the consortia is always a significant factor.
• How technology will be incorporated into a program, and the accommodations that can be made for international participants, including language and proximity.

• Finally, price and fees. Not a first priority, but certainly a key one.

Given what is at stake, it is surprising that so little systematic work has been done on the process of evaluating potential providers and the programs they offer (Vicere & Fulmer, 1998). Word-of-mouth appears to be the major means by which specific providers gain their reputation. Universities may have a leading role in the process since their alumni from regular degree programs and public executive education courses are apt to nominate their alma mater for consideration. It also appears that being mentioned in print as one of the leaders in executive education has an undetermined, but very real, positive impact on credibility and opportunities. However, until a provider has delivered a successful program, no one knows for certain if they have the capability to do so. Thus, there evolves a vitreous cycle that can be described as follows: “experience builds success … success builds reputation.” Consequently, the selection of providers can become a process through which an organization continually repeats what has always worked in the past, either for them or for other clients of an experienced provider. Without care, an organization can find itself in the business of merely buying programs from proven vendors as opposed to selecting provider partners who work to understand the organization, its strategic imperatives, and its developmental objectives. To ensure that the creation of a purposeful leadership development initiative is driven by the strategic imperatives of a firm, it is important to craft a process for selecting provider partners.
The process of narrowing the field of potential providers for a major initiative can be marshaled through the following questions:

- What have you done? This seeks information regarding previous projects, solicits specific examples of program design, and requires a list of previous clients served.

- What else can you do? This question is used to examine the depth and potential of providers with respect to their ability to conduct needs assessments, detailed development of original program materials including case studies, simulations or other exercises. In addition, it is important to assess back office support.

- What will you do for us? The issue addressed here is flexibility. The real issue is whether the provider is willing to work with the organization to develop an initiative that is tailored to the needs and the demands of the organization, whether the provider is truly willing to be a partner with the sponsoring firm.

Vicere and Fulmer referred to a series of questions included in a Request for Proposal (RFP) developed by Ron Meeks at Hoechst Celanese Corporation (HCC). The questions represented specific selection considerations that provide quantification or weighting of several key selection criteria. The specific selection considerations identified as of major importance included reputation, experience in executive/management education, teacher/faculty access process, time availability, flexible but systematic, and ability to adapt to HCC cultural expectations. Specific selection considerations that would significantly improve confidence in a provider
included cost/cost effectiveness, support resources, geographic proximity and ready access, industry and business experience, creative and innovative methodologies, and commitment to HCC as existing supplier. An additional specific selection consideration that would be nice to have, but not critical, included serving as faculty— the ability of the provider to both develop and deliver the program.

Corporations today seem to be looking less for programs and more for educational processes and partners to help create developmental systems that promote continuous learning, both for the individual leaders and the organization as a whole. The emerging demand provides a new window of opportunity for universities and for all providers.

Chapter Summary

Executive education and leadership development are expected to continue to play increasingly important roles within organizations. Future initiatives will be focused on the marketplace, driven by applied research, rooted in partnerships, and measured by contributions to growth and the success of corporate clients. A number of significant trends will shape the future of executive education. Among them are shifts in emphasis towards customized strategic programs; technology and distance education; and a demand for shorter, more focused programs, with an emphasis on action learning.

In the field of executive education, growth will be fueled by a distinct shift in demand from open enrollment to custom or customized programs. For organizations seeking executive education, there is decreasing interest in traditional off-the-shelf programs. Key advantages of custom programs include allowing for an emphasis on
organizational problem solving closely aligned to the corporate strategy and providing applied tools and techniques that can be immediately employed within the organization. The focus becomes educating the employee within the context of the organization. This shift is being driven by a number of factors, including increased global competition, technological change, a broader role for managers, and involvement of top management in planning and teaching executive education.

Growth for custom programs is expected to continue. Successful executive education units will need a thorough understanding of external opportunities, internal capabilities, and the overall possibilities for developing competitive advantage. Participation is expected to continue to increase, reaching deeper into organizations. A recent study by the Human Resources Planning Society (HRPS) indicates a desire for “fast and deep” change within organizations. Programs are expected to continue to decrease in length, with diminishing interest in long-term, external general management programs.

Open enrollment programs will remain an important staple of the executive education portfolio, providing learning opportunities for smaller organizations and in some cases supplementing custom program enrollment. Content will focus on integrating theory into practice as well as managing change and adding value.

Traditional classroom activities will be threatened as organizations seek applied learning alternatives to maximize returns on investments and minimize travel and downtime for employees. Experiential learning will become an important component of executive education with the advent of the learning organization and interest in networking resources and sharing information. Executive education will experience a
shift away from traditional programs and towards experience-based methodologies and action learning geared towards the individual. This transformation will require:

1. A linking of strategic imperatives in organization and individual development. A key goal will be building commitment and understanding among employee participants.

2. Action projects and real-time resolution of real business issues.

3. Building internal networks and promoting cross-organizational interaction to leverage the resources of the firm.

Competition among providers is no longer limited to the 20 largest business schools and 10 specialized training/consulting firms. New competitors are emerging in the field of executive education, including general consulting firms, early retirees from business and industry, freelance university professors and faculty members denied tenure, web-based learning companies, and virtual business schools. Key selection criteria will include program content and perceived quality, the reputation of the vendor, and the reputation of the faculty.

Implications for Further Research

The findings from the literature review suggest that further research and understanding are needed in a number of key areas relating to executive education, the marketplace for executive education, and the decision process and selection factors considered by consumers of these programs and services. First, a majority of the research has investigated and collected data from the point of view of the provider. Asking
university directors of executive education about trends in executive education provides a rear-view of the market. Rather than examining what has occurred or is expected, greater emphasis needs to be placed on the interests, goals and needs of the consumers of executive education.

Second, while a great deal of attention has been paid to the study of the value of executive education and the impact and benefits to the organization, minimal investigation has occurred into the decision process and selection factors used by organizations to identify provider partners for custom programs. Significant effort has been placed upon studying the benefits of custom programs versus open enrollment alternatives, the impacts of and trends in methodology and technology, program design and content. However, little evidence, beyond that at an anecdotal level, exists about how and why providers are selected.

Third, university-based executive education providers are faced with increasing competition. With shifts to in-house and internal resources among clients, emerging partnerships and consortia, for-profit and consultant-based entrants to the market, and changes in technology allowing on-demand asynchronous learning, knowledge of the market is more crucial than ever. In order to gain a competitive edge and to allow executive education providers to position their programs and services effectively in the marketplace, they will need a better understanding of the key selection criteria and decision process used by potential clients and partners.
Chapter 3
Methodology

The purpose of this research study was to explore investment in custom executive education, identify and rank-order the key factors that influence provider selection related to the decision to invest, and explore the role of universities in custom executive education programs. To accomplish this study, an online survey was administered and follow-up telephone interviews were conducted to gain insight from the study participants. This chapter begins with a discussion of why qualitative methods were most appropriate for this study and includes a description of the seven-step process used to accomplish the qualitative research in this study (see Figure 3-1).

Among these seven steps, the process of identifying and defining the research topic is presented first. In this section, the identification of key research assumptions, research participants, and funding for the study are detailed. Second, the process followed to build the database of potential participants is described, detailing steps taken to identify and gain access to key decision makers within FORTUNE 500 companies. Third, the processes employed in developing the research instruments and protocols are described, followed by a discussion of the human subjects approval. The administration of the data collection process is the fifth step, and the administration of the surveys and interviews are detailed within four sub-steps. Next, in step six, data analysis strategies, processes and procedures are described. Finally, in the last step of the process, verification of data quality is discussed. A chapter summary concludes the chapter.
Figure 3-1. Sequential diagram of the research process.
The key step in conducting research is to determine the appropriate research methodology to use in gathering the data and insights needed to answer the research questions. In explaining the decision to use qualitative research, it is important to define it and justify the use of qualitative research methodology and strategies.

Creswell (1998) defined qualitative research as:

…an inquiry process of understanding based on distinct methodological traditions of inquiry that explore a social or human problem. The researcher builds a complex, holistic picture, analyzes words, reports detailed views of informants, and conducts the study in a natural setting (p. 15).

According to Patton (1990), qualitative research methods enable researchers to “produce a wealth of detailed information about a much smaller number of people and cases” (p. 14). While this will reduce or eliminate the ability to generalize the findings, it does enhance understanding of the targeted population and the value of the information sought. The intent of a grounded theory study is to generate or discover a theory, an abstract analytical schema of phenomenon that relates to a particular situation. This situation is one in which individuals interact, take actions, or engage in a process in response to a phenomenon (Creswell, 1998). Based upon the work of Creswell and Patton, it was determined that this study would be best conducted using a qualitative methodology based in grounded theory.

To date, research has not been published on the key factors that influence provider selection related to the decision to invest in custom executive education programs. As such, qualitative research, in the form of an exploratory study, became necessary to this
study since theories that could be tested quantitatively did not exist. A key rationale for conducting an exploratory study was to identify trends or patterns in the data and to propose possible theories of potential patterns (Stauss, 1987). Once these patterns are established, a more formal research study can be conducted to test these theories (Issac & Michael, 1981). Therefore, this research study was exploratory, seeking information on factors not already defined in previous studies. A qualitative research, grounded theory study was appropriate here as we sought to generate or discover a possible theory regarding how selected study participants evaluated and selected custom executive education providers.

Babbie and Rubin (2001) specified that surveys may be used for descriptive, explanatory, and exploratory purposes and may be most appropriate on those occasions when individuals are used as the unit of analysis. They further described survey research as the best method available to researchers interested in collecting data that may be used to describe a population too large to observe directly and stated that surveys are an excellent means for measuring the attitudes among these large populations. Creswell (1998) indicated that in a grounded theory study, interviews play a central role in data collection. He further stated, “With the intent of developing a model or theory and saturating categories, I recommend that a grounded theorist interview 20 to 30 individuals” (p. 122). Based upon the literature review, it was determined that a survey and interviews were a reasonable alternative and most practical method for conducting the research.
Identify Research Topic

The purpose of this study was to explore investment in custom executive education, identify and rank the key factors that influence provider selection related to the decision to invest, and explore the role of universities in custom executive education programs. The study was designed to build upon research originally performed by Dr. Albert A. Vicere (1997). Although Vicere’s study was conducted by personnel at Penn State Executive Programs and the Institute for the Study of Organizational Effectiveness every five years, starting in 1982, it had not been repeated since 1997.

The current effort sought to go beyond identifying the key trends and major shifts in executive education sought by Vicere and to identify new knowledge with respect to custom executive education investment. The study employed an online assessment that utilized many of the same questions included in the hard-copy assessment developed and distributed by Vicere, but employed a process of discovery augmented by follow-up interviews. The interviews were employed to probe deeper, allowing the researcher to identify and rank the key factors that influence provider selection related to the decision to invest in custom executive education programs. The study also sought to explore and provide insight into the perceived role of universities in custom executive education. More specifically, the purposes of this study were to:

1. Explore how and why client organizations selected to participate in the study invest in custom executive education.
2. Explore how client organizations selected to participate in the study identify and evaluate custom executive education providers.
3. Identify and rank, in order of value, the factors and program features that influence the selection of a specific provider of custom executive education by client organizations selected to participate in the study.

4. Explore the role university-based executive education providers can play in supporting the overall custom executive education needs of client organizations selected to participate in the study.

**Identify Assumptions**

A key assumption was that key decision makers will be willing to participate in the research data collection process and that their perceptions can be adequately communicated via an online assessment and during a 20- to 30-minute telephone interview. Another assumption of this study was that a sole decision maker exists within organizations or that an individual can be identified who can provide perspective on desired outcomes, the decision process, and the factors deemed to be significant in making the selection of a provider. The final assumption was that those organizations selected to participate in the study did indeed select a provider to develop and deliver a custom executive education program.

**Identify Research Participants**

Participants in a grounded theory study need to be individuals who have taken an action or participated in a process that is central to the study (Creswell, 1998), need not to
be located at a single sight, and when dispersed can provide important context information that will be useful in the axial coding phase of the study. For this study, FORTUNE 500 companies, as determined through the ranking of the nation’s largest companies by FORTUNE magazine in 2005, were targeted. In doing so, the study sought the opinions of the key decision makers about executive education and development in their respective organizations. As a result, this theory-based sampling included a broad range of organizations, including manufacturing and service-related industries.

*Identify Funding*

Once the scope of the project was fully defined, financial support was solicited and received from The International University Consortium for Executive Education (UNICON). UNICON is a worldwide organization of major business schools that offer quality post-degree executive education programs. The Consortium exists to serve its members in promoting the development of executive education by holding conferences, providing networking opportunities, and carrying out benchmarking and research activities.

*Build the Database: Identifying and Gaining Access to Decision Makers*

Identifying and gaining access to the appropriate individuals within the organizations was essential to the success of the study. To accomplish this result, a graduate research assistant (second-year MBA student) was employed to contact each of
the FORTUNE 500 companies and to identify the key decision maker who would select providers, as well as make the investment in, custom executive education. To clearly identify the appropriate person to participate in the planned research study, it was necessary to distinguish among those who gather information, recommend providers, influence decisions, and the actual decision maker. Once the decision maker was clearly identified, these individuals were added to the participant database created specifically to support this study. In some cases, more than one decision maker was identified for the organization and multiple contacts were added to the database for that organization.

Develop Instruments for Data Collection

To prepare for the study, the researcher met with Dr. Albert Vicere to review his past research efforts and to gain insight and perspective before conducting this study. It was determined that the data collection process would be two-fold. First, participants would be invited to complete an online survey of approximately 30 questions. It was not the intent of this study to utilize all of the data collected through the survey. Rather, a subset of data related to the specific research objectives established for this study would be used. Subsequent follow-up interviews were intended to allow the researcher to probe deeper into the factors that lead to the selection of a partner for custom executive education programs.

Two instruments were developed for use in this study. The survey that would be administered online (Appendix A) was developed based upon the instrument previously used by Vicere in 1997. The interview protocol (Appendix B) was developed based upon
the research questions identified in chapter 1 of this study and were intended to probe deeper into the decision process not previously studied.

An expert review committee composed of recognized executive education leaders and faculty was formed to evaluate and provide feedback on the overall study, survey instrument, and interview protocol. As a result, minor tweaks to formatting and wording were made and new questions were added to enhance the study. A second expert review committee made up of known, past custom executive education consumers was formed to test the Web site (survey) and interview protocol and provide feedback. No substantive changes were made following this final review process.

Table 3-1 provides a summary of the research questions first identified in chapter 1 of this work and the related survey and interview questions developed to gain insight and perspective from the study participants.

Obtain Approval from Human Subjects

Seeking approval to use human subjects in research is a standard university policy as well as a procedure discussed in the relevant qualitative literature. Creswell (1998) stated that “regardless of the tradition of inquiry, permissions need to be sought from a human subject’s review board, a process in which a campus committee reviews research studies for their potential harmful impact on subjects (or participants)” (p. 115). Prior to contacting any of the organizations, permission is required from The Pennsylvania State University’s Office of Regulatory Compliance for the use of human subjects in research. Penn State has established the IRB to review human participant research that involves
<table>
<thead>
<tr>
<th>Research Question</th>
<th>Survey &amp; Interview Question</th>
</tr>
</thead>
</table>
| Demographic Profile                                   | • For what type of organization will you be answering this questionnaire? (S 2)  
• Title of person completing survey (S 1)  
• Total revenue (S 4a)  
• Total number of employees (S 4b) |
| How do client organizations invest in custom executive education programs? | • Does your organization invest in custom executive education? (I 1)  
• Total executive education budget (S 4c)  
• How much? (I 1)  
• More/less than past 3-5 years; why? (I 1)  
• Future expectations? (I 1)  
• Please indicate the top three reasons why your company conducts custom executive education programs. (S 15)  
• Does your company have a formal requirement for on-going executive education and professional development? (S 30a)  
• Does your company have a formal executive succession planning (talent management) system? (S 31a)  
• If yes, is attendance at an executive education program a part of this system? (S 31b)  
• How do you invest? (I 2)  
• Internal and/or external suppliers; combination of both? (I 2)  
• Sponsorship and enrollment of individuals or groups of participants? (I 2)  
• At what level (corporate, divisional, and departmental) is sponsorship? (I 2) |
| What are the critical capabilities that a client organization attempts to address when selecting a provider of custom executive education programs? | • Please indicate the most critical capabilities you are attempting to develop in your custom executive education programs. (S 13)  
• Looking at least 3 years ahead, what are the most critical capabilities that your employees will need to possess for your organization to be successful? (I 9a) |
| What are the key topics most frequently included in custom executive education programs? | • What topics are most frequently included in custom executive education programs offered within your organization? (S 11)  
• What are the most frequent topics included in custom executive education programs offered within your organization? (I 3) |
| Is there a formal process client organizations employ to identify and select providers of custom executive education programs? | • Do you have a formal process to evaluate and select custom executive education providers/options? (I 4)  
• Who do you consider? (I 4)  
• How are they identified? (I 4)  
• Where do you get your information to evaluate providers (Web, mail, referral, etc.)? (I 4)  
• Who are the decision makers? (I 7) |
Table 3-1 (Continued)

<table>
<thead>
<tr>
<th>Research Question</th>
<th>Survey &amp; Interview Question</th>
</tr>
</thead>
</table>
| **What are the key factors that a client organization considers when selecting a provider of custom executive education programs?** | • What are the most important factors you consider when choosing an outside provider for custom executive education programs? (S 7)  
• What factors do you consider in making a selection? (I 5)  
• Please rank the factors you listed in Question 5 in order of importance. (I 6) |
| **Are client organizations satisfied with their selections and resultant outcomes?** | • Are you, or have you been satisfied with your selection and resultant outcomes? (I 8)  
• To what do you attribute success? (I 8)  
• To what do you attribute your lack of success? (I 8) |
| **How can university-based executive education providers help client organizations develop key capabilities through custom executive education programs?** | • How can university executive education providers help to develop these capabilities? (S 14)  
• How can university-based executive education providers help to develop these capabilities? (I 10) |

(S) = Survey Questions, (I) = Interview Questions

questionnaires, surveys, interviews, or focus groups. The IRB is responsible for reviewing and approving, requiring modifications to, or withholding approval of all research involving human participants. Application was made to the Institutional Review Board (IRB) requesting approval to conduct the study. A request was submitted and written approval was given to use human subjects in this research study (approval letter appears in Appendix C).

Administer Surveys and Interviews

Once IRB approval was granted, the Social Science Research Institute’s Survey Research Center at Penn State was engaged to conduct data collection via an online, Web-based survey and follow-up telephone interviews. The Survey Research Center (SRC) provides state-of-the-art and cost-effective survey research services to Penn State
faculty and administrative units. The SRC contributes to the education and training of Penn State students in areas related to survey research, and the SRC also serves as a focal point for Penn State faculty in a variety of disciplines whose research interests touch on the methodology of survey research. With the assistance of the SRC, key decision makers responsible for executive development activities from FORTUNE 500 companies were surveyed.

*Initiate Data Collection Efforts*

The initial letters were sent on February 21, 2005 by the SRC to the FORTUNE 500 key contacts requesting participation in the study and directing potential participants to the survey Web site. For those who did not respond, an additional letter, reminder postcard, and follow-up calls were used to remind and encourage participation. Postcard reminders were sent on March 11, 2005, with follow up letters sent on March 22, 2005. A second postcard reminder was then sent on March 29, 2005. On May 24, 2005, invitations were sent to international participants, with reminder emails sent on June 2 and 14, 2005. The initial invitation letter and reminder postcard are included as Appendices D and E. Data collection via the follow-up telephone interviews was fielded between June 16 and 30, 2005. The established timeline is represented in Table 3-2.
Table 3-2
Established Timeline for Survey Letters, Postcards, and Phone Calls

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 21, 2005</td>
<td>Initiate Web survey and send first letter of invitation</td>
</tr>
<tr>
<td>March 11, 2005</td>
<td>Send postcard reminder</td>
</tr>
<tr>
<td>March 15, 2005</td>
<td>Initiate reminder phone calls</td>
</tr>
<tr>
<td>March 22, 2005</td>
<td>Send follow-up reminder letter</td>
</tr>
<tr>
<td>March 29, 2005</td>
<td>Send follow-up postcard reminder</td>
</tr>
<tr>
<td>May 24, 2005</td>
<td>Invitation was sent to potential international participants</td>
</tr>
<tr>
<td>June 2 &amp; 14, 2005</td>
<td>Reminder email sent when contact information was available</td>
</tr>
<tr>
<td>May 1, 2005</td>
<td>Close Web survey</td>
</tr>
<tr>
<td>June 16-30, 2005</td>
<td>Interviews conducted</td>
</tr>
<tr>
<td>August 11, 2005</td>
<td>All data collection suspended</td>
</tr>
</tbody>
</table>

Establish Rapport and Consent

In addition to providing permission to be studied (Creswell, 1998), it was necessary to establish rapport with the participants to enable the researcher to collect detailed perspectives relevant to the study. An overview of the study preceded each aspect of the data collection. Survey and interview participants were asked to grant their consent before beginning the online survey and the telephone interviews, and were informed that they could voluntarily withdraw from any portion of the study at any time.

Collect Data

The Web-based survey sought responses to questions about their organization’s past, current and expected involvement in executive development activities. The survey was to be straightforward and require approximately 30-45 minutes. At the conclusion of the online survey, participants were invited to participate in the second step in the research agenda, an optional follow-up interview, by telephone, which enabled the
researcher to probe deeper into the factors that influenced their selection of executive education provider/partners as well as to inquire whether their organizations have a formal review process for selection. The interviewers also probed to determine the level of satisfaction with the results/outcomes and the role university-based executive educations providers may play in supporting the overall custom executive education needs of client organizations.

An interview protocol was established to minimize variation and allow for easier data analysis. Interviewers attended a training session led by the SRC staff and the researcher and were instructed to ask a set of carefully worded and arranged questions, taking each participant through the sequence in order. During the interviews, interviewers were instructed to take notes during, as well as to record, the conversations. Analysis followed the collection of data using the constant comparative method of data analysis. The result of this process of data collection and analysis will be a substantive-level theory.

Ensure Quality Control

The Web survey was run on a firewall-protected Web server with 128-bit SSL security. The survey data were collected using Perseus Survey Solutions XP 5.1 software, an advanced Web-based survey and online database program. The survey was stored in a SQL database that could only be accessed locally. ID numbers were generated for each survey, and they were locked down so that respondents could only take a survey once.
All Web data were backed up nightly. All answers were kept confidential and only aggregate results were reported.

Phone interviewers attended training sessions and practiced interview techniques with a supervisor for the telephone part of the interview. Quality control was also managed by monitoring the interview process using audio monitoring. At least 10% of completed interviews were verified by a SRC supervisor who called the respondent back to ensure that the interview had taken place.

**Analyze Data**

Data collection efforts were completed on August 11, 2005. The SRC staff compiled and delivered the data, including audiotapes of the interviews and transcriptions. Tapes and transcripts were reviewed by the researcher to ensure that transcripts accurately reported the interviews.

The intent was to collect enough data to develop a theory and saturate categories. Data were collected via an online survey and follow-up telephone interviews with 23 and 17 participants, respectively. One survey participant did not represent a FORTUNE 500 organization, but rather was a university faculty member. As such, this individual's responses were not included in the data analyses.

Given the nature of the questions in this study, the survey and interviews were standardized. Survey questions were both multiple-choice and open-ended. All interview questions were open-ended. Categories of information were created and a theoretical position was developed.
Analysis was performed using the constant comparative method of data analysis. The result of this process of data collection and analysis is a substantive-level theory. The process of data analysis using grounded theory, as presented by Creswell (1998), is systematic and follows a standard format:

1. In open coding, the researcher forms initial categories of information about the phenomenon being studied by segmenting information. Within each category, the investigator finds several properties, or subcategories, and looks for data to dimensionalize, or show the extreme possibilities on a continuum of, the property.

2. In axial coding (pattern coding), the investigator assembles the data in new ways after open coding. This is presented using a coding paradigm or logic diagram, in which the researcher identifies a central phenomenon, explores casual conditions, specifies strategies, identifies the context and intervening conditions, and delineates the consequences for this phenomenon.

3. In selective coding, the researcher identifies a “story line” and writes a story that integrates the categories in the axial coding model. In this phase, conditional propositions are typically presented.

4. Finally the researcher may develop and visually portray a conditional matrix that elucidates the social, historical, and economic conditions influencing the central phenomenon. This phase of analysis is not frequently found in grounded theory studies.
The analytical process was based upon immersion in the data and repeated sorting, coding, and comparisons that characterize the grounded theory approach. To initiate this process, tables were created from the raw data, sorting responses to individual questions by respondent. Like-items were then identified and assigned to “buckets” for further analysis and coding. This process was repeated until further analysis yielded no new schema.

To allow for comparison, data codes were identified and applied consistently across multiple data sets, including both survey responses and interviews, for similar questions. For example, questions included in the online Web-based survey and then repeated during the follow-up telephone interviews were coded independently, but eventually assigned like-codes. Codes were examined to ensure consistency with the previous study (Vicere, 1997), where appropriate.

Verify the Quality of the Data

In qualitative research, the process of creating research questions, developing the methods for gathering data, analyzing the data, and reporting the data are decidedly different from those for quantitative research. Creswell (1998) viewed verification “as a process that occurs throughout the data collection, analysis, and report writing of a study and standards as criteria imposed by the researcher and others after the study is completed” (p. 194). An important step in qualitative research is to demonstrate that the study is believable and accurate. The important verification step takes place, according to Creswell (1998), when the “researcher poses questions that relate the categories and then
returns to the data and looks for evidence, incidents, and events that support or refute the questions, therefore verifying the data. This procedure is called discriminate sampling” (p. 209).

As a result of the research study design, triangulation was employed to ensure dependability and validity in the data analysis. According to Mirriam (1989), triangulation – the use of multiple investigators, multiple sources of data, or multiple methods to confirm or corroborate findings – is one of six basic strategies to ensure internal validity. As stated by Patton (1990), the stronger the triangulation, the more trustworthy the data.

The triangulation used in this study included a literature review, survey, and interviews, along with ongoing consultations with participants and colleagues. This process increases the trustworthiness of the data as received from multiple sources through a variety of means. Initial codes were drawn from the literature and the conceptual framework employed for this study before starting the first level of analysis – the exploration of the survey responses. During the first level of analysis, new codes were added as they emerged from the data, and initial categories were generated. Analysis of the transcripted interviews followed, using the aforementioned process of analysis.

To enhance reliability, other researchers were consulted to further enhance triangulation. Thus, while only one researcher was directly involved in data gathering, the researcher collaborated with faculty advisors, a fellow doctoral candidate in higher education at Penn State, and faculty colleagues within the Smeal College of Business at Penn State, during data analysis to review the coding process and codes. In addition, the researcher then met with Dr. Vicere to seek his review of the coding and to gain insight
and perspective. As a result of these consultations, concurrence was gained and, in a few instances, minor changes were made to the codes. The researcher, through this interactive process with peers, cross-checked his interpretation with others who were knowledgeable about the content. This cross-checking further contributes to the reader's trust in the researcher’s integrity and fairness in analyzing the data.

In the next step, the researcher wrote the theory and used the literature to provide supplemental validation, with the researcher referencing “the literature to give validation for the accuracy of the findings or how the findings differ from the published literature” (Creswell, 1998, p. 209).

Further, accountability was achieved through the aforementioned ongoing consultations with participants and colleagues and by maintaining an audit trail that outlined the research process and evaluation codes, categories, and theories (Miles & Huberman, 1984). In addition, an expert panel was asked to review the process and procedures employed by the researcher to judge the quality of the study. These reviewers helped to keep the researcher honest by asking probing questions about methods, ethics, and other pertinent matters.

Chapter Summary

This chapter presents the methodology for the study. The seven-step process for conducting qualitative research for this study was described and the various procedures and activities were discussed. The interrelated information provided in chapters 1, 2, and 3 provided logical connections among the topic of the study, the research questions, the
theoretical framework and relevant literature review, and the methodology. Study results are presented in chapter 4.
Chapter 4

Findings

The purpose of this study was to explore investment in custom executive education, how providers are identified, and the key factors that influence provider selection, and to explore the role of universities in custom executive education programs. This chapter is organized into three major sections. The first major section presents a profile of the study participants. This section includes information about the number of responses to the invitation to participate in the online study as well as a brief discussion of factors that may have influenced the limited participation among FORTUNE 500 companies. This section also includes the results of the study participants’ demographic information questions (which were included in first section of the online survey; see Appendix A). The second major section of the chapter provides a summary of the findings from each of the eight research questions. The responses from the online survey and follow-up interview questions as these related to the eight research questions for the study are presented. Each research question is included in order, with a presentation of findings first from the online survey, and then from the follow-up interviews. Table 3-1 in the previous chapter provides a definition of the relationship among the research questions, the specific questions included in the survey, and interviews conducted to gain desired perspectives. Quotes from the interview participants are included when most relevant to support the findings. The final major section of the chapter is a summary of the information presented within this chapter.
Survey and Interview Participant Profile

Of the 564 individuals to whom invitation letters were sent, forty responded, but of those, five declined to participate in the survey after reading the informed consent page. Twelve entered their ID but did not go any further. One participant was disqualified when it was determined that they did not meet the criteria set forth by the study.

The results therefore included a total of twenty-two individuals representing FORTUNE 500 organizations who participated in the on-line survey that addressed investments and enrollments in both custom and open enrollment executive education and leadership development activities. This was a 4.4% response rate based upon the 500 organizations invited to participate. Of the twenty-three individuals telephoned for the follow-up interview (including the later disqualified participant), seventeen responded, and six were unable to be reached, resulting in a 77.3% response rate. While these participation levels were lower than hoped for, this level of participation is similar to those achieved by Conger and Xin, Vicere and Fulmer, and others conducting similar studies. However, due to the limited number of participants in this study, conclusions are drawn about the participants only and are not generalized beyond that group. The exceptions reflect the opinions of the researcher.

At least two key factors may account for the low response rate. First, potential participants who declined the invitation to participate reported being overwhelmed by requests for information. Several major business publications, including BusinessWeek, The Economist and the Financial Times, were each in the process of conducting their own annual rankings studies of executive education providers and were seeking
participation from the same targeted group of FORTUNE 500 companies. Second, potential contributors who declined the invitation to participate also reported corporate policies forbidding involvement in surveys or the sharing of proprietary budget and investment data.

With 35% (177) of the FORTUNE 500 companies reporting company policies prohibiting participation in such research studies, the adjusted target group now numbered 323 versus 500, resulting in a nearly 7% (6.81) response rate. Seventeen (77.3%) of the twenty-two qualified on-line survey participants agreed to take part in the follow-up interview that had been designed to provide a better understanding of corporate investment and selection processes.

Survey participants represented their organizations in a variety of roles but each served as a key decision maker for executive education and development within their own organization. Functional titles of the respondents included management & leadership, corporate growth, employee and executive development; executive education, learning, and leadership; organizational effectiveness; human resources coupled with public affairs and with administration; global talent management; and training. Table 4-1 presents the titles of participants, as submitted, in an alphabetized summary format.

Survey participants were asked to describe the type of economic unit or organization that they represented. Twenty-one of twenty-two participants represented U.S.-based corporate headquarters from eleven different states. The remaining international corporate participant in the study represented was from the Netherlands. The average number of employees per organization was 35,602, with a range of 186 to 100,000. Sixty-eight percent of the survey participants reported 12,000 or more
employees. Table 4-2 presents the total number of employees for the economic
unit/organization represented by the respondent, in a summary format.

Table 4-2
Total Number of Employees for the Economic Unit/Organization (N=22)

<table>
<thead>
<tr>
<th>Number of Employees</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 1,000</td>
<td>2</td>
<td>9.1%</td>
<td>9.1%</td>
</tr>
<tr>
<td>1,000 – 9,999</td>
<td>2</td>
<td>9.1%</td>
<td>18.2%</td>
</tr>
<tr>
<td>10,000 – 19,999</td>
<td>5</td>
<td>22.7%</td>
<td>40.9%</td>
</tr>
<tr>
<td>20,000 – 49,999</td>
<td>6</td>
<td>27.3%</td>
<td>68.2%</td>
</tr>
<tr>
<td>50,000 – 99,999</td>
<td>2</td>
<td>9.1%</td>
<td>77.3%</td>
</tr>
<tr>
<td>100,000 +</td>
<td>2</td>
<td>9.1%</td>
<td>86.4%</td>
</tr>
<tr>
<td>No response</td>
<td>3</td>
<td>13.6%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
The total annual revenue of participating organizations, as reported by sixteen of twenty-two participants, ranged from $200 million to $40 billion. All but one contributor reported total revenues of $3 billion or more and 36% of respondents reported total annual revenue equal to $10 billion or more. Table 4-3 presents total annual revenues in a summary format.

Table 4-3
Total Annual Revenue in U.S. Dollars for the Economic Unit/Organization (N=22)

<table>
<thead>
<tr>
<th>U.S Dollars in Billions</th>
<th>Frequency</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; $1.0B</td>
<td>1</td>
<td>4.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td>$1.0B - $5B</td>
<td>3</td>
<td>13.6%</td>
<td>18.2%</td>
</tr>
<tr>
<td>$5.1B - $10B</td>
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<td>27.3%</td>
<td>45.5%</td>
</tr>
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<td>$10.1B - $20B</td>
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<td>59.1%</td>
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<tr>
<td>$20.1B - $30B</td>
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<td>4.5%</td>
<td>63.6%</td>
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<tr>
<td>$30.1B - $40B</td>
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<td>9.1%</td>
<td>72.7%</td>
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<td>6</td>
<td>27.3%</td>
<td>100.0%</td>
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</tbody>
</table>

Survey and Interview Findings

Research Question 1 - How do client organizations invest in custom executive education programs?

Survey participants who took part in the follow-up interviews were asked, “Does your organization invest in custom executive education?” Seventy-eight percent of organizations reported participating in formal executive education activities in the past 3 years and noted that over the past 3 years, budgets have remained constant or included slight increases of less than 10%. Only one company had not invested in a custom executive education program, but indicated plans to do so in the near future. The average total executive education budget for the survey participants’ organizations is
approximately $1,040,000. While not all respondents answered this question during the survey with a specific dollar amount (27.3%), those who did reported investment in executive education in the range of $40,000 to $15 million.

During the follow-up interviews, participants were again asked about investment in executive education, this time specific to custom programs. Participants reported a range of investment from less than $100,000 to $2 million. When asked if the investment represented an increase or decrease in spending over the past three to five years, of those responding to the question, over 45% indicated an increase, 36% reported a decrease, and 18% said it stayed the same. More than 50% of the participants indicated an expectation that in the near future investment in custom executive education programs would remain the same or increase.

To probe the relationship between formal executive succession planning (talent development) systems and participation in executive education and development activities, survey participants were asked if they had formal succession plans in place for executives. Of the 68% of participants who responded, 87% said yes; of these respondents, 38% indicated that attendance at an executive education program is a part of this system.

A total of 55% of the survey participants indicated that their organizations do not have formal requirements for ongoing executive education and professional development. With an additional 36% of respondents skipping the question entirely, only 9% of survey participants reported having a formal requirement in place.

When asked to identify why they invest in custom executive education programs by indicating the top three reasons their company conducts custom executive education
programs, survey participants' most frequently cited responses include, "Develop competitive capability of the organization," cited by 36% of respondents; "Provide interaction with senior management," cited by 27% of respondents; and "Develop organizational culture, build teams, implement change," cited by nearly 23% of respondents. In addition, 18% of the survey respondents indicated providing specific skill or functional expertise, broadening participants’ perspectives, and providing networking opportunities were among their most top three reasons for investment. Table 4-4 presents, in a summary format, the top three reasons companies conduct custom executive education programs.

Table 4-4
*Top Three Reasons Why Companies Conduct Custom Executive Education Programs (Survey)*

<table>
<thead>
<tr>
<th>Reasons</th>
<th>Rank = 1</th>
<th>Rank = 2</th>
<th>Rank = 3</th>
<th>Total Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide specific skill or functional expertise</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Broaden participant’s perspective</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Gain greater understanding of global competitive environment</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Develop competitive capability of the organization</td>
<td>4</td>
<td>2</td>
<td>2</td>
<td>8</td>
</tr>
<tr>
<td>Expose executives to faculty experts and latest mgmt. information</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Develop organizational culture, build teams, implement change</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>5</td>
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<tr>
<td>Provide networking opportunity</td>
<td>0</td>
<td>4</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Provide forum for discussion and idea exchange</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Provide interaction with senior management</td>
<td>1</td>
<td>0</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Provide education in an economical manner</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Provide education in a timely manner</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Complement educational opportunities available elsewhere</td>
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<td>0</td>
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<tr>
<td>Provide reward</td>
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<td>Other (explain)</td>
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<td>0</td>
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</tbody>
</table>
Survey participants who also took part in the follow-up interviews were asked to describe how they invest in executive education. The majority of companies engaged in relationships with external providers (consultant-type relationship) or in some cases indicated that they send employees to programs to learn more about a particular provider. Fifty-nine percent of the interviewees said they used external sources for executive education while seven out of ten respondents indicated that they used both internal and external resources.

*Research Question 2 - What are the critical capabilities that a client organization attempts to address when selecting a provider of custom executive education programs?*

Survey participants were asked to indicate the most critical capabilities they are attempting to develop through their custom executive education programs. Nearly 55% of responses focused on two key topics: developing the leadership (37.9%) and strategy (17.2%) skills of participants. Of equal but lesser interest were business acumen, talent development, and values, each represented by 10% of responses. Survey participants taking part in the follow-up interviews were asked to look ahead three years and describe the most critical capabilities that their employee will need to possess for their organizations to be successful. Leadership, including change management and teamwork, was again most often cited, accounting for 27% of responses. Business acumen accounted for 15% of responses, followed closely by strategy (13.4%). Creativity and innovation, along with talent development, were the next most often cited, with each receiving over 10% of responses. In a summary format, Tables 4-5 and 4-6 present survey and interview
data about the most critical capabilities organizations are attempting to develop in custom executive education programs.

Table 4-5

*Most Critical Capabilities Attempting to Develop through Custom Executive Education Programs (Survey)*

<table>
<thead>
<tr>
<th>Capabilities</th>
<th>Frequency of Response</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership: Soft Skills</td>
<td>11</td>
<td>37.9</td>
<td>37.9</td>
</tr>
<tr>
<td>Strategy</td>
<td>5</td>
<td>17.2</td>
<td>55.2</td>
</tr>
<tr>
<td>Business Acumen: Hard Skills</td>
<td>3</td>
<td>10.3</td>
<td>65.5</td>
</tr>
<tr>
<td>Talent development</td>
<td>3</td>
<td>10.3</td>
<td>75.9</td>
</tr>
<tr>
<td>Values</td>
<td>3</td>
<td>10.3</td>
<td>86.2</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
<td>13.8</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Table 4-6

*Most Critical Capabilities Attempting to Develop through Custom Executive Education Programs in the Next Three Years (Interview)*

<table>
<thead>
<tr>
<th>Capabilities</th>
<th>Frequency of Response</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership: Soft Skills</td>
<td>18</td>
<td>26.9</td>
<td>26.9</td>
</tr>
<tr>
<td>Business Acumen: Hard Skills</td>
<td>10</td>
<td>14.9</td>
<td>41.8</td>
</tr>
<tr>
<td>Strategy</td>
<td>9</td>
<td>13.4</td>
<td>55.2</td>
</tr>
<tr>
<td>Creativity &amp; Innovation</td>
<td>8</td>
<td>11.9</td>
<td>67.2</td>
</tr>
<tr>
<td>Talent development</td>
<td>7</td>
<td>10.4</td>
<td>77.6</td>
</tr>
<tr>
<td>Customer-centric focus</td>
<td>6</td>
<td>9.0</td>
<td>86.6</td>
</tr>
<tr>
<td>Flexibility</td>
<td>4</td>
<td>6.0</td>
<td>92.5</td>
</tr>
<tr>
<td>Global Business</td>
<td>3</td>
<td>4.5</td>
<td>97.0</td>
</tr>
<tr>
<td>Values</td>
<td>2</td>
<td>3.0</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Research Question 3 - What are the preferred learning methodologies used in custom executive education programs?

Survey participants were asked to select from a list the three most prominent methods or techniques used in executive development, including educational programs. The list included a listing of nine alternatives: custom executive education and development programs, open enrollment executive education and development programs,
job rotation, task forces & special projects, on-the-job training, coaching & mentoring, performance feedback, and teaching & consulting with other employees, as well as an option to describe other methods or techniques. Custom executive education and development programs, along with performance feedback, were most often cited by survey participants (31.8%). Job rotation, task forces & special projects, and coaching & mentoring were each cited by 23% of respondents, closely followed by open enrollment executive education and development programs and on-the-job training (18.2%). Only one survey participant indicated the use of teaching & consulting with other employees as a prominent method or technique for executive development. In a summary format, Table 4-7 presents the most prominent methods or techniques used in executive development, as reported by the survey participants.

Table 4-7
Most Prominent Methods or Techniques Used for Executive Development (Survey)

<table>
<thead>
<tr>
<th>Methods or Techniques</th>
<th>Frequency of Response</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Custom executive education and development programs</td>
<td>7</td>
<td>17.5</td>
<td>17.5</td>
</tr>
<tr>
<td>Performance Feedback</td>
<td>7</td>
<td>17.5</td>
<td>35.0</td>
</tr>
<tr>
<td>Job rotation</td>
<td>5</td>
<td>12.5</td>
<td>47.5</td>
</tr>
<tr>
<td>Task forces &amp; special projects</td>
<td>5</td>
<td>12.5</td>
<td>60.0</td>
</tr>
<tr>
<td>Coaching &amp; Mentoring</td>
<td>5</td>
<td>12.5</td>
<td>72.5</td>
</tr>
<tr>
<td>Open enrollment executive education and development programs</td>
<td>4</td>
<td>10.0</td>
<td>82.5</td>
</tr>
<tr>
<td>On-the-job training</td>
<td>4</td>
<td>10.0</td>
<td>92.5</td>
</tr>
<tr>
<td>Teaching &amp; Consulting with other employees</td>
<td>1</td>
<td>2.5</td>
<td>95.0</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>5.0</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

The survey probed to learn which teaching methodologies are currently most often used to support current custom executive education programs. Survey participants
were asked to rank their top three responses. As expected, classroom instruction (leader-led learning) was highest ranked among the variables, with a 27.8% weighted average. The other most often mentioned preferences included action learning (20.8%), simulations (15.3%) and roundtable/group discussions (13.9%). Of note, case studies were cited by less than 23% of respondents with a weighted average of less than 10%. In a summary format, Table 4-8 presents the top three methodologies currently being used in custom programs, as reported by the survey participants.

As a follow-up, survey participants were asked to consider which teaching methods might be most in demand in three years. While action learning increased by 26.4%, the largest percentage gain was reported in interest in experiential learning (2.8–15.3%), a more than five-fold increase. Sharp decreases in interest in case studies, down 71% (2.8%), and classroom instruction (leader-led learning), down 50% (13.9%), were reported along with less dramatic decreases in interest for simulations (11.1%) and roundtable/group discussions (8.3%). In a summary format, Table 4-9 presents the top three methodologies expected to be used in custom programs in three years, as reported by the survey participants.

The data indicated a continued diminishing interest in traditional classroom instruction, business simulations, and case study methodologies, and did not reveal an increased interest in computer-based, CD-ROM, or other Internet-based learning methodologies. Rather, executive education decision makers indicated that they would seek program designs that included action and experiential learning methodologies supported by applicable project work.
## Top 3 Methodologies Currently Being Used in Custom Programs (Survey)

<table>
<thead>
<tr>
<th>Methodology</th>
<th>Rank</th>
<th>Frequency</th>
<th>Weighting</th>
<th>Score</th>
<th>Total</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action Learning</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>9</td>
<td>15</td>
<td>20.83</td>
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<td>Case Studies</td>
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<tr>
<td>Classroom Instruction, leader led learning</td>
<td>1</td>
<td>4</td>
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<td>12</td>
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<td>Classroom Instruction, leader led learning</td>
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<td>2.78</td>
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</tr>
<tr>
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<td>2</td>
<td>1</td>
<td>2</td>
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</tr>
<tr>
<td>Internet-based Learning Systems</td>
<td>1</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td></td>
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<td>3</td>
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<tr>
<td>Other Forms of Distance Learning</td>
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<td>1</td>
<td>3</td>
<td>3</td>
<td>4</td>
<td>5.56</td>
</tr>
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<td>2</td>
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</tr>
<tr>
<td></td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Projects</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>6</td>
<td>7</td>
<td>9.72</td>
</tr>
<tr>
<td></td>
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<td>2</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Round Table/Group Discussion</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>6</td>
<td>6</td>
<td>8.33</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>0</td>
<td>2</td>
<td></td>
<td>0</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Simulations</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>8</td>
<td>11.11</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>1</td>
<td>2</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Survey participants included in the follow-up interviews were further queried to investigate how their organizations would develop critical capabilities. Both internal (methods or techniques) and external (resources) alternatives were cited by the interviewees. The most frequently cited response was experiential learning, including job rotation, noted by 21% of responses. Partnerships with executive education providers and consultants accounted for 19% of responses, followed by classroom instruction and leader-led learning (12.3%). Also cited and of note were action learning (8.8%), assessment (7.0%) and coaching and mentoring (7.0%). In a summary format, Table 4-10 presents the top methodologies expected to be used in custom programs in three years, as reported by the interview participants.

Table 4-10

*Organizations Expect to Use in 3 Years to Develop Most Critical Capabilities (Interview)*

<table>
<thead>
<tr>
<th>Methodology</th>
<th>Frequency of Response</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Action Learning</td>
<td>5</td>
<td>8.8</td>
<td>8.8</td>
</tr>
<tr>
<td>Assessment</td>
<td>4</td>
<td>7.0</td>
<td>15.8</td>
</tr>
<tr>
<td>Case Studies</td>
<td>0</td>
<td>0.0</td>
<td>15.8</td>
</tr>
<tr>
<td>Classroom Instruction &amp; Leader Led Learning</td>
<td>7</td>
<td>12.3</td>
<td>28.1</td>
</tr>
<tr>
<td>Coaching &amp; Mentoring</td>
<td>4</td>
<td>7.0</td>
<td>35.1</td>
</tr>
<tr>
<td>Experiential Learning <em>(includes Job Rotation)</em></td>
<td>12</td>
<td>21.1</td>
<td>56.1</td>
</tr>
<tr>
<td>Internet-based Learning Systems</td>
<td>3</td>
<td>5.3</td>
<td>61.4</td>
</tr>
<tr>
<td>Projects</td>
<td>1</td>
<td>1.8</td>
<td>63.2</td>
</tr>
<tr>
<td>Round Table/ Group Discussion</td>
<td>1</td>
<td>1.8</td>
<td>64.9</td>
</tr>
<tr>
<td>Simulations</td>
<td>1</td>
<td>1.8</td>
<td>66.7</td>
</tr>
<tr>
<td>Other</td>
<td>8</td>
<td>14.0</td>
<td>80.7</td>
</tr>
<tr>
<td>External</td>
<td>11</td>
<td>19.3</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
Research Question 4 - What are the key topics most frequently included in custom executive education programs?

When survey participants were asked what topics are most frequently included in custom executive education programs offered within their organization, respondents cited leadership, business acumen, and strategy 70% of the time. Leadership (37.2% of responses) focused primarily on soft skills and included such topics as change management, communications, decision making, and negotiation skills. Business acumen (18.6%) included more typical hard skills such as economics and finance, metrics and performance management. Strategy (14.0%) followed and included direction setting, strategic and systems thinking, and strategic orientation.

During the follow-up interviews, participants were once again asked about topics most frequently included and cited leadership, business acumen, and strategy, eighty percent of the time. Leadership represented 40% of responses, followed by business acumen (23.6%) and strategy (16.3%). An examination of the results of the two data collection efforts demonstrates alignment with regard to the current focus of custom program topics and the critical capabilities of greatest concern; these include leadership (soft skills), business acumen (hard skills), and strategy. In a summary format, Tables 4-11 and 4-12 present survey and interview data of the topics most frequently included in a custom executive education programs offered within organizations.
Table 4-11

*Topics Most Frequently Included In Custom Executive Education Programs Offered Within Organizations (Survey)*

<table>
<thead>
<tr>
<th>Topics</th>
<th>Frequency of Response</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership: Soft Skills</td>
<td>16</td>
<td>37.2</td>
<td>37.2</td>
</tr>
<tr>
<td>Business Acumen: Hard Skills</td>
<td>8</td>
<td>18.6</td>
<td>55.8</td>
</tr>
<tr>
<td>Strategy</td>
<td>6</td>
<td>14.0</td>
<td>69.8</td>
</tr>
<tr>
<td>Values</td>
<td>3</td>
<td>7.0</td>
<td>76.7</td>
</tr>
<tr>
<td>Business Models</td>
<td>2</td>
<td>4.7</td>
<td>81.4</td>
</tr>
<tr>
<td>Global</td>
<td>2</td>
<td>4.7</td>
<td>86.0</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>14.0</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Table 4-12

*Topics Most Frequently Included In Custom Executive Education Programs Offered Within Organizations (Interview)*

<table>
<thead>
<tr>
<th>Topics</th>
<th>Frequency of Response</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership: Soft Skills</td>
<td>22</td>
<td>40.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Business Acumen: Hard Skills</td>
<td>13</td>
<td>23.6</td>
<td>63.6</td>
</tr>
<tr>
<td>Strategy</td>
<td>9</td>
<td>16.3</td>
<td>80.0</td>
</tr>
<tr>
<td>Values</td>
<td>1</td>
<td>1.8</td>
<td>81.8</td>
</tr>
<tr>
<td>Business Models</td>
<td>3</td>
<td>5.5</td>
<td>87.3</td>
</tr>
<tr>
<td>Global</td>
<td>3</td>
<td>5.5</td>
<td>92.7</td>
</tr>
<tr>
<td>Other</td>
<td>4</td>
<td>7.3</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Research Question 5 - *Is there a formal process client organizations employ to identify and select providers of custom executive education programs?*

During the follow-up interviews, participants were asked if their organizations have formal processes in place to use in evaluating and selecting custom executive education provider partners. Only four of seventeen participants (23.5%) indicated that they have formal processes in place. One participant indicated that his firm is working on developing such a process while most described it as informal or a selection made by one or more decision makers.
Interviewees were further probed to determine how potential providers are identified. Responses included searches to find providers or consultants known for certain expertise, based on publications, referrals, and requests for proposals. Most sought and received information to evaluate potential providers through referrals – cited by 53% of the interviewees – publications (29.4%), or past experience (11.8%).

As one interviewee put it:

. . . we have found a topic that we think is compelling and then we go and do research on who are the experts in this and then contact them, dialogue with them, and then enter into a consulting agreement where they come in and do more analysis.

To better understand how provider selection decisions are made, survey participants taking part in the follow-up interviews were asked, “Who are the decision makers?” Seventy-eight percent of responses indicated that decisions are made at the most senior levels of the organization, including C-level (32.4%), senior vice presidents and vice presidents (45.9%), who make the final decisions. By function, human resources staff titles were identified in 27% of the responses; executive and leadership development titles in nearly 30% of responses. Table 4-13 presents the decision makers, as reported by the interview participants, in a summary format.
Table 4-13
Decision Makers by Level (Interview)

<table>
<thead>
<tr>
<th>Capabilities</th>
<th>Frequency of Response</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>CEO/C-Level</td>
<td>12</td>
<td>32.4</td>
<td>32.4</td>
</tr>
<tr>
<td>Executive/Senior Vice President</td>
<td>10</td>
<td>27.0</td>
<td>59.5</td>
</tr>
<tr>
<td>Vice President</td>
<td>7</td>
<td>18.9</td>
<td>78.4</td>
</tr>
<tr>
<td>Director</td>
<td>4</td>
<td>10.8</td>
<td>89.2</td>
</tr>
<tr>
<td>Manager</td>
<td>4</td>
<td>10.8</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Research Question 6 - What are the key factors that a client organization considers when selecting a provider of custom executive education programs?

When asked to identify the most important factors an organization considers when choosing an outside provider for custom executive education programs, over 37% of survey responses cited partner relationships and the alignment and fit with the client organization. Twenty-five percent of responses cited the reputation and experience of the provider while nearly 23% cited faculty content and expertise as important factors. Not surprisingly, there was not a strong indication that fit and content are of premium value—only about 10% of respondents mentioned price as a factor.

Again, in an effort to better understand which factors are considered when making a selection, survey participants who took part in the follow-up interviews were asked to identify and rank factors considered in the selection of a custom executive education provider. Mostly consistent with the responses provided online and collected via the survey process, interviewees cited partner relationships and the alignment and fit with the client organization nearly 27% of the time; twenty-five percent of the interview responses cited the reputation and experience of the provider while over 21% cited faculty content.
and expertise as important factors. Of note, during the follow-up interviews, 18% of respondents mentioned price as a factor, up by 44%.

As a follow-up to the question concerning factors considered in making a selection, interview participants were asked to rank in order of importance the factors they listed in the previous question. Over 43% of the participants ranked reputation and experience as the premier factors when choosing an outside provider for custom executive education programs. Partner relationships and the alignment and fit with the client organization (31.3%) and faculty content and expertise (18.8%) were each cited as the top ranked factors by the participants. Of note, price was most often cited as the second and third highest ranked factor. The results from combining the top three factors changed the rank order slightly with partner relationships and the alignment and fit with the client organization (29.2%), followed closely by reputation and experience (27.0%), faculty content and expertise (18.8%), and price (18.8%). In a summary format, Tables 4-14 and 4-15 present survey and interview data on the factors considered when choosing an outside provider for custom executive education programs.

Table 4-14
Factors Considered When Choosing an Outside Provider for Custom Executive Education Programs (Survey)

<table>
<thead>
<tr>
<th>Factors</th>
<th>Frequency of Response</th>
<th>Percentage</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partner Relationship:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alignment &amp; Fit w/ Client Organization</td>
<td>15</td>
<td>37.5</td>
<td>37.5</td>
</tr>
<tr>
<td>Reputation &amp; Experience</td>
<td>10</td>
<td>25.0</td>
<td>62.5</td>
</tr>
<tr>
<td>Faculty &amp; Content Expertise</td>
<td>9</td>
<td>22.5</td>
<td>85.0</td>
</tr>
<tr>
<td>Price</td>
<td>4</td>
<td>10.0</td>
<td>95.0</td>
</tr>
<tr>
<td>Impact</td>
<td>2</td>
<td>5.0</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
Table 4-15
Factors Considered When Choosing an Outside Provider for Custom Executive Education Programs (Interview)

<table>
<thead>
<tr>
<th>Factors</th>
<th>Frequency and Percent of Response</th>
<th>Frequency and Percent of Response</th>
<th>Frequency and Percent of Response</th>
<th>Total</th>
<th>Cumulative Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Ranked 1</td>
<td>Ranked 2</td>
<td>Ranked 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Partner Relationship:</td>
<td>5 31.3</td>
<td>5 31.3</td>
<td>4 25.0</td>
<td>14</td>
<td>29.2</td>
</tr>
<tr>
<td>Alignment &amp; Fit w/ Client Organization</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>29.2</td>
</tr>
<tr>
<td>Reputation &amp; Experience</td>
<td>7 43.8</td>
<td>3 18.8</td>
<td>3 18.8</td>
<td>13</td>
<td>27.1</td>
</tr>
<tr>
<td>Faculty &amp; Content Expertise</td>
<td>3 18.8</td>
<td>3 18.8</td>
<td>3 18.8</td>
<td>9</td>
<td>18.8</td>
</tr>
<tr>
<td>Price</td>
<td>0 0.0</td>
<td>5 31.3</td>
<td>4 25.0</td>
<td>9</td>
<td>18.8</td>
</tr>
<tr>
<td>Other</td>
<td>1 6.3</td>
<td>0 0.0</td>
<td>2 12.5</td>
<td>3</td>
<td>6.3</td>
</tr>
</tbody>
</table>

Research Question 7 - Are client organizations satisfied with their selections and resultant outcomes?

To gauge the level of satisfaction with custom executive education providers, survey participants who opted to participate in the follow-up interviews were asked about their past experiences. When asked, “Are you, or have you been satisfied with your selection and resultant outcomes?,” 83% of responses were positive. Only one participant indicated dissatisfaction from an academic perspective, while a few others expressed some level of uncertainty.

Interview participants were further probed to determine to what they attributed success or the lack of success with custom executive education programs. Success was most often attributed to the careful selection of the provider (44.4%). Also cited were applicability of program content (18.5%), the degree to which a program has been tailored or customized to fit the organization (16.7%), and clearly stated learning
objectives (14.8%). Only 11% of responses were negative, expressing a lack of success due to programs that were too academic, lacked structure, or lacked follow-up.

*Research Question 8 - How can university-based executive education providers help client organizations develop key capabilities through custom executive education programs?*

Survey participants were queried to learn how organizations perceive the role of university-based executive education programs. Respondents most frequently reported universities are valued for their breadth and depth of content expertise (26.7%), as well as teaching experience and expertise in learning methodologies (26.7%). Research, which provides insight into best practices and alternative strategies, along with program design (20.0%) and flexible cost effective solutions (6.7%) were also favorable mentions. Yet, universities are often viewed as impractical, providing academic perspective without corporate experience; selling off-the-shelf, one size fits all designs; and by some reports, charging for development of material that already exists (20.0%).

The interviews that followed provided similar results, but with much greater discontent. Sixty-five percent of the responses were in favor of university-based custom executive education, most often citing universities for their capabilities in developing custom programs (19.2%), teaching methodology and design (17.3%), and content expertise and experience (15.4%). Thirty-five percent of responses, however, were negative. Most often universities were criticized for being too academic and inflexible, lacking the ability or willingness to customize program content.
The comments made regarding the value and use of university-based executive education providers provide insight into the psyche of participants and tell a relevant and important story regarding program applicability, content and design, and pricing. The responses are summarized in three categories: application, content and design, and pricing.

**Application**

. . . as they look at curriculum, how do they take the principles they are teaching and help . . . being able to have an opportunity to apply what [participants] are learning and possibly having coaches involved to again continue to help them with their development. And then at the end of the day making sure whatever they are learning is tied to achievement of business results.

. . . the model of imparting information to people is very limited in actually changing their behavior. So the assumption that information will change the behavior and make them perform better is naïve because there are a lot of variables that make people change how they are performing.

. . . we believe that it is through experiences, significant emotional experiences as a matter of fact, that people change, grow and develop.

It’s important to learn from others, so I think [university-based] programs are helpful in the sense that you are there with other folks stretching your thoughts.
They have to be really experiential though. They have to fit within the context of what the person is doing, otherwise they are not very affective because people tend to go to course work and get the philosophy and get the theory and then have a harder time apply it. So the successes we’ve had have been integrated with the work that people are doing.

We are looking much more at experiential kinds of learning, coaching, guidance from external and/or internal [sources]. We are looking at stretching people within their jobs, so rotational assignments, action learning . . . things that actually get them the learning experiences, the specific development, but within context. They get feedback immediately.

Content & Design

. . . be more relevant to the business and the industry they are focusing on and less focused on their academic reputation.

. . . universities have some of the most brilliant people I’ve ever met. Certainly I was looking to universities for speakers, facilitators, for people to come in and help executives get out of the box for a while to think about their business in this way.
… with universities the thing that you need to be careful about is [faculty] are too academic obviously. I think they come in with a different sense than working business people. So I think it’s finding that blend of an academic background, but able to relate on a pure business level . . . being able to say “I’ve been there, done that.”

[Universities] would have to actually act in the same manner that any other supplier would; understanding our needs and coming up with a solution that will meet those needs.

We believe perhaps the most impactful university based relationships we’ve had are those that are consortium driven, where we sit with the university and talk about what our needs are and then they draw upon their resources and expertise to put together a program where people interact with one another and listen to thought leadership, but more importantly the interaction with other participants in the program gives them an opportunity to grow.

Well, one of the things that I see that your competition is doing, non-university based consultants, is come and really get to know the organization well and then their learning is blended with consulting. I know this happens in a lot of university settings where the professors themselves do that because of a relationship they’ve developed. But I haven’t really seen the university itself get into that game and there is a perception sometimes that the university is academic.
[Universities] are on the sidelines doing all this research and observation and so you can go to a university to get that high level or outside-in view . . . but they aren’t players and they don’t come in and actually make things happen. And there’s sometimes a bit of distrust because they are not perceived as running their own businesses so how could they know?

I find [universities] are too cookie-cutter. They have something that they pull from the shelves for everything. So when I go and I sit down whether it’s Penn State or whatever they will just pull, “Okay, we have this and we’ll pull from this and we’ll pull from this and then put it all together.” Then sometimes you don’t have that really good flow because it’s . . . pulling things that already exist and charging a lot of money for it. Really, I’m being very honest with you. They charge a lot of money for things that they already have and that’s what keeps me away from universities.

. . . most of the university executive education programs tend to be based on expertise of the faculty that’s there which makes complete total sense from the University’s perspective. And, they tend to be a little less flexible about being customer centric . . . [universities] need to develop programs based on the corporation’s needs and not based around the faculty they have to put out there.
I don’t find customization. What we’ve found with the boutique design guys who say, "Tell us what you need and we will bring you two or three different ways to get there" as opposed to the university will usually tell me, "You know, we’ve done all this really great research and we think what you need is this."

We have a development philosophy which we call a 70-20-10 philosophy. 70% of development comes from experienced-based learning, 20% comes from learning from other people, and only 10% comes from training courses . . . we’re not putting all of our investment in executive education. Where we do, we try to focus around our competencies and make sure the education we’re getting from the business school is very, very customized to that.

. . . provide information about experts in terms of what areas they are really strong at . . . connect me with other companies they work with as referrals so I can talk to them . . . come meet with me and talk about the business challenges we face and tell me how they can help me with those areas based upon their level of expertise.

[Universities must be] willing to align themselves along different expertise. One of the problems with business schools is that they have faculty who are only experts in one field and they really have to align themselves to come up with total solutions.
[Universities] have to develop closer relationships with the organizations they work with so that they understand. They have to make some investments in learning about clients, potential client organizations, which typically they don’t do.

Typically professors and business schools will only do work if they are paid to do it.

. . . the only way you know about our needs is by working with us . . . targeting certain organizations and developing rapport and relationships with folks . . . and that means the faculty learn about the issues and can apply expertise . . . there’s an investment process that doesn’t seem to be taking place, and nobody does that . . . whoever does, may wind up being very successful.

[Universities] can help provide the subject matter experts at a reasonable cost, but better understand our business models, and provide flexible options. . . . proactively sharing research, latest trends, assisting in ROI and metrics, further evaluation including some type of a longitudinal study, as well as keeping in contact with us and [be] willing to be flexible and turn around quickly.
Pricing

. . . when an organization has a pretty good reputation, I think they go overboard with their pricing. So that’s the thing that you might want to consider.

Of concern was the recurring theme that some schools are significantly overpriced due to the reputation of the faculty and the schools themselves. While client organizations have a greater interest in and seek consultant-like activities and relationships (pre- & post-program), universities appear focused on short-term results, lacking the effort and commitment to build deep relationships. As one participant stated: “. . . They have something that they pull from the shelves for everything.”

Chapter Summary

Study findings were presented in this chapter. These findings included a profile of participants based upon demographic information gained through the online survey. The eight research questions for the study were noted, along with a summary of the online survey and follow-up interview responses. Unedited quotations from the interviews were included where most germane to provide insight into the psyche of participants and tell a relevant and important story. A summary of the study, conclusions from the findings, and recommendations are presented in chapter 5.
Chapter 5

Study Overview, Conclusions and Recommendations

The first four chapters of this work contained descriptions of the purpose of the study and related research questions, the history and related literature in the field, the two-fold qualitative research methodology, and the data and findings. The purpose of this chapter is to provide an overview of the study, discuss the findings reported in chapter 4, offer conclusions and implications of the study, present the researcher’s recommendations, and summarize the study. The chapter is arranged into six sections: an overview of the study, a discussion of the findings, conclusions of the study, implications of the study, recommendations, and a summary of the study.

Study Overview

The purpose of this research study was to explore investment in custom executive education programs, gain insight into key competencies and related topics developed by means of custom programs, identify and rank the key factors that influence provider selection, and explore the role of universities in custom executive education programs. Throughout history, markets have always re-created themselves, shifting the economic fortunes of those present at the creation (Fingar, Kumar & Sharma, 1999). Understanding customer needs and interests and doing so in an ever-changing and rapidly evolving
marketplace is essential for any business. The field of executive education is no exception.

University-based, general audience executive education programs have been a mainstay of the executive and leadership development process for over fifty years. As recently as the 1980s, executive education still consisted primarily of university-based programs or seminars offered by specialized training organizations. Participants in these programs learned the latest theory and techniques for effective management largely through case studies and listening to classroom lectures by notable academics. For the most part the university’s faculty decided the academic content.

Today, university-based executive education and leadership development programs continue to play an increasingly important role within organizations. Successful executive education initiatives are focused on corporate strategy and the marketplace, driven by applied research, rooted in partnerships, and measured by contributions to the growth and success of corporate clients. Providers employ various marketing and selling techniques to promote open enrollment and custom programs and to garner the attention of participants and sponsors. In addition, companies seek providers—universities, their faculties, and consultants—to design and deliver custom executive education programs.

Evaluations and judgments are routinely made about executive education providers, with decisions based upon a variety of factors and desired outcomes. In an increasingly competitive marketplace, executive education providers with a clear understanding of the decision-making and selection processes employed by these customers, as well as knowledge of the key selection factors that enable one provider to distinguish itself from another, will prove most successful in their marketing efforts and
resultant client relationships. In addition, a number of significant trends will shape the future of executive education.

In his 1997 study, Albert Vicere found a shift in emphasis away from open enrollment toward customized strategic programs, increased use of technology and distance delivery, a significant shift in perceptions away from programs toward experience-based learning and methodologies, an increased level of importance attached to performance feedback, and a focus on custom executive education as opposed to open-enrollment programs.

A review of the literature was conducted as a part of this study to investigate previous research in the field of executive education. While much was known about the value of executive education, both with regard to the development of individuals and organizations (Bolt, 1993a, 1993d; Conger & Benjamin, 1990; Conger & Xin, 2000; Crottey & Soule, 1997; Dierk & Saslow, 2005; Fulmer & Vicere, 1995; Meister, 1998; Saslow, 2004), little was known about the selection process used by key decision makers when choosing a custom executive education partner. Each of these previous studies had provided valuable insight into the field of executive education and development, identifying and examining trends within the field, and helping to shape the practice. Absent from the literature was any evidence of research into the factors that influence decisions and lead to the selection of a partner/provider of custom executive education. The result of the literature review suggested a need for further research and understanding in a number of key areas of executive education, the marketplace for executive education, and the decision process and selection factors considered by consumers of these programs and services.
The questions for this research study were the following: (1) how do client organizations invest in custom executive education programs; (2) what are the critical capabilities that a client organization attempts to address when selecting a provider of custom executive education programs; (3) what are the preferred learning methodologies used in custom executive education programs; (4) what are the key topics most frequently included in custom executive education programs; (5) is there a formal process client organizations employ to identify and select providers of custom executive education programs; (6) what are the key factors that a client organization considers when selecting a provider of custom executive education programs; (7) are client organizations satisfied with their selections and resultant outcomes; and (8) how can university-based executive education providers help client organizations develop key capabilities through custom executive education programs?

Answers to these questions are critical to understanding the current and future state of the custom executive education marketplace. Therefore, this study sought to build upon the research originally led by Vicere. Though conducted by Penn State Executive Programs and the Institute for the Study of Organizational Effectiveness every five years, starting in 1982, this study had not been repeated since 1997. As a result, this study sought to go beyond identifying key trends and major shifts in executive education and leadership development and to investigate factors that influence provider selection as well as to explore the role of universities in custom executive education programs.

Since research documenting the key factors that influence provider selection related to the decision to invest in custom executive education programs had not been published, qualitative research, in the form of an exploratory study, became necessary as
theories that could be tested quantitatively did not exist. A key rationale for conducting this exploratory study was to identify trends or patterns in the data and to propose possible theories explaining the patterns that may emerge (Stauss, 1987). Only after this study established patterns could a more formal research study be conducted to test the theories (Issac & Michael, 1981). Therefore, this research study was mostly exploratory, seeking information regarding factors not already defined in previous studies. For this reason, qualitative research grounded in theory study was deemed most appropriate to generate or discover a theory regarding how selected study participants evaluate and select custom executive education providers.

As the first step in initiating this study, several experts in the field of executive education, both academic and non-academic, were contacted to review the Vicere (1997) survey instrument and provide feedback on the relevance, wording, and appropriateness of the research questions. Several changes were made to update the survey as a result of their feedback, while still maintaining the integrity of the previous studies conducted in 1982, 1987, 1992, and 1997. The survey instrument was for the first time accessible online, consisted of 32 questions, and was further tested with a sample response group. In an effort to probe deeper into the evaluative and decision-making process, a new feature was added to the study: structured 20-30-minute follow-up telephone interviews with respondents. This qualitative component differentiated it from previous research on executive development. As a result of this enhanced methodology, the study provided more detailed information on the current and projected state of executive education.

FORTUNE 500 companies, the ranking of the nation’s largest companies compiled by Fortune magazine as noted in 2005, were targeted for this study. The
opinions of the key decision makers in charge of executive education and development in their respective organizations were sought. To build the contact list, a graduate research assistant (second-year MBA student) contacted each of the FORTUNE 500 companies to investigate and confirm the name of and contact information for each of the targeted key decision makers to be surveyed. Potential participants were contacted via personalized letters, reminder postcards and follow-up calls.

A total of twenty-two organizations participated in the on-line survey, which addressed investments and enrollments in both custom and open enrollment executive education and leadership development activities. This was a 4.4% response rate based upon the 500 organizations invited to participate. At least two key factors may account for the lower response rate. First, BusinessWeek, The Economist and the Financial Times were each in the process of conducting their own annual ranking studies of executive education providers and thus were seeking participation from the same target group. Second, often reporting that they were overwhelmed by requests for information, 35% (177) of the FORTUNE 500 companies reported company policies prohibiting participation in such research studies.

Seventeen of the twenty-two survey participants agreed to the follow-up interview, which was designed to gain a better understanding of corporate investment and selection processes. Interview questions sought to provide an improved understanding of the level to which organizations invest, how they invest, and how they gather information and evaluate providers, and the key factors that they consider in making a selection. The interviews also sought to identify the core capabilities leaders will need to improve performance and for the organization to remain competitive.
The eight research questions provided the framework for organizing the data and interpreting participants’ experiences. The qualitative responses from the survey, along with the responses to the interviews, were coded and analyzed to identify trends in responses and to find similarities and differences across organizations. The constant comparative method of data analysis was used, resulting in a substantive-level theory. The analytical process was based upon immersion in the data and repeated sorting, coding, and comparisons that characterize the grounded theory approach. To initiate this process, tables were created from the raw data, sorting responses to individual questions by respondent. Like-items were then identified and assigned to “buckets” for further analysis and coding. This process was repeated until further analysis became unnecessary. To allow for comparison, data codes were identified and applied consistently across multiple data sets for similar questions. Codes were examined to ensure consistency with the previous study (Vicere, 1997), where appropriate.

Section Summary

An overview of the study was presented in this section. The purpose, historical background, and research problem were discussed. An overview of the review of the literature, the study’s methodology, and research questions was provided. The next section summarizes the results of the survey and interview question responses, includes an analysis of the findings, and reports on the themes that emerged from the information presented in chapter 4.
Discussion of the Research Questions

This section of the chapter presents a discussion of the conclusions of the study based upon the eight research questions. For each research question, the responses to the related survey and interviews are discussed.

Discussion of Findings Related to Research Question 1

Research Question 1 - How do client organizations invest in custom executive education programs?

An analysis of the data suggests that university-based custom executive education is alive and well and remains a vital resource for professional development within organizations. The data support the prior predictions that the growth trend for custom executive education programs will continue with increasing levels of investment. Of note and concern, however, is the fact that for-profit consulting organizations continue to grow in prominence in the marketplace.

Investment in executive education most often is directed at developing leadership capabilities and building organization culture. This study found that companies conduct custom executive education programs to develop competitive capability; provide interaction with senior management; develop organizational culture, build teams, and implement change; and provide specific skill or functional expertise, broaden participants’ perspectives, and provide networking opportunities. These findings are consistent with research conducted by Philip Crotty and Amy Soule in 1997, as well as research conducted by Jay Conger and Katherine Xin in 2000, and The Danish
Leadership Institute (DIEU) in 2004. Crotty and Soule found that custom programs allow company managers to participate in executive education with colleagues, enabling networking, cementing of relationships, and solving of real company problems. Conger and Xin (2000) found a shift toward a strategic focus in executive education with a strong emphasis on preparing executives to deal with strategic issues and change management. Further, they, along with the DIEU study (2004), found executive education had moved away from its traditional role of providing general or functional knowledge to its newer role as a lever for orchestrating organizational change and achieving business results.

The data also point to the fact that while many organizations may have developed and put succession plans into place, and that executive education programs are not necessarily tied to them nor are they a formal requirement within the organization. When organizations do invest in custom executive education programs, the investment is frequently driven by bottom-line concerns and may include both internal and external educational resources.

Discussion of Findings Related to Research Question 2

Research Question 2 - What are the critical capabilities that a client organization attempts to address when selecting a provider of custom executive education programs?

In his 1997 study Vicere found a shift in perspective toward leadership competencies for the future and identified the key capabilities organizations felt would be most important in the future. Vicere established that organizations believed adaptability,
global orientation, strategic thinking, leadership, communication, and change management would be the most critical competencies for individuals in leadership positions.

This study’s findings were aligned with many from Vicere’s work in identifying an emphasis on leadership that, for purposes of this latter study, includes change management and strategy as key capabilities organizations are attempting to address in custom executive education programs. In this study, however, talent development, values, business acumen, and growth were frequently cited by participants as necessary key capabilities. When survey participants were asked about key competencies for the future during the follow-up interviews that were a part of this most recent study, leadership was again most often cited, followed most closely by business acumen, strategy, creativity and innovation, and talent. Table 5-1 presents a comparison in a summary format of the predicted (Vicere, 1997) as well as the stated and predicted (2005) critical capabilities that organizations are attempting to develop through custom executive education programs.

*Discussion of Findings Related to Research Question 3*

*Research Question 3 - What are the preferred learning methodologies used in custom executive education programs?*

In his previous study, Vicere found a shift in emphasis away from open enrollment toward customized strategic programs, a predicted increase in use of
Table 5-1
A Comparison of the Predicted and Stated Most Critical Capabilities Organizations are Attempting to Develop through Custom Executive Education Programs

<table>
<thead>
<tr>
<th>Capabilities</th>
<th>As Projected 1997</th>
<th>As Reported 2005</th>
<th>As Projected 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ability to Learn/Talent Development</td>
<td>8.1%</td>
<td>10.3%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Adaptability/Flexibility</td>
<td>15.3</td>
<td>6.0</td>
<td></td>
</tr>
<tr>
<td>Business Acumen</td>
<td>6.3</td>
<td>6.9</td>
<td>14.9</td>
</tr>
<tr>
<td>Change Management</td>
<td>9.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Communication</td>
<td>9.0</td>
<td>3.4</td>
<td></td>
</tr>
<tr>
<td>Creativity &amp; Innovation</td>
<td></td>
<td></td>
<td>11.9</td>
</tr>
<tr>
<td>Customer Orientation</td>
<td>6.3</td>
<td>3.4</td>
<td>9.0</td>
</tr>
<tr>
<td>Global Orientation</td>
<td>13.5</td>
<td></td>
<td>4.5</td>
</tr>
<tr>
<td>Growth</td>
<td></td>
<td></td>
<td>6.9</td>
</tr>
<tr>
<td>Leadership</td>
<td>11.7</td>
<td>34.5</td>
<td>26.9</td>
</tr>
<tr>
<td>Strategy, Strategic Thinking, Visioning</td>
<td>13.5</td>
<td>20.7</td>
<td>13.4</td>
</tr>
<tr>
<td>Teamwork</td>
<td>7.2</td>
<td>3.4</td>
<td></td>
</tr>
<tr>
<td>Values</td>
<td></td>
<td>10.3</td>
<td>3.0</td>
</tr>
</tbody>
</table>

Technology and distance delivery, a shift away from programs toward experienced based learning and methodologies, and an increased level of importance for performance feedback. This study also found continued diminishing interest in traditional classroom instruction, business simulations, and case study methodologies. Further, this study did not observe the expected increased interest in computer-based, CD-ROM, Internet, or other IT-based learning methodologies as predicted in much of the literature (Bolt, 1993a; Krapels, Ryan, & Lane, 1998; Reingold, Schneider, & Capell, 1999; Vicere, 1998). Rather, this study supported findings from the work of Jim Bolt (1993d) and Udo Dierk and Scott Saslow (2005), who also found executive education decision makers seeking program designs that included action and experiential learning methodologies supported by applied project work.

Both internal (methods or techniques) and external (resources) alternatives are commonly utilized by organizations to address executive development. The most
frequently cited methods include experiential learning (including job rotation) and external partnerships with executive education providers and consultants. Of concern to university-based providers are the for-profit consulting organizations that continue to grow in prominence in the marketplace.

Discussion of Findings Related to Research Question 4

Research Question 4 - What are the key topics most frequently included in custom executive education programs?

Findings from this study were aligned with those from previous studies (Conger & Xin, 2000; Vicere, 1997) regarding the current focus of custom program topics and the core capabilities of greatest concern. These included leadership (soft skills), business acumen (hard skills), and strategy. Leadership focused primarily on soft skills and included change management, communications, decision making, and negotiation skills. Business acumen included more typical hard skills such as economics and finance, metrics and performance management. Strategy included direction setting, strategic and systems thinking, and strategic orientation.

Discussion of Findings Related to Research Question 5

Research Question 5 - Is there a formal process client organizations employ to identify and select providers of custom executive education programs?
Possibly supporting the premise that executive education is not a formal requirement or component of most succession plans, fewer than expected participants in this study reported formal processes for evaluating and selecting custom executive education providers. Rather, many reported that searches are conducted to evaluate who may have the best or most appropriate expertise in a specific field or area—those individuals or organizations are subsequently pursued. Key sources of information used to identify potential partners included referrals, publications (brochures), past experience, and reputation. This professed informal process of selection did prove to be consistent with the conceptual framework for this study drawn from the work of Ellen Day and Hiram C. Barksdale, Jr. (1992).

Based upon the research findings, a clear majority of decisions are made at the most senior levels, and most often by CEOs and other C-level leaders or by executive and senior level vice presidents. This supports Conger and Xin’s (2000) finding that strategic education initiatives appear to be driven by corporate staff rather than line operations.

Discussion of Findings Related to Research Question 6

Research Question 6 - What are the key factors that a client organization considers when selecting a provider of custom executive education programs?

Responses provided online and during the follow-up interviewees were consistent and most often cited partner relationships, including the alignment and fit with the client organization. The reputation and experience of the provider and faculty, as well as content and expertise, were also frequently cited as important factors. This finding is
consistent with and supported by the work done by Ellen Day and Hiram Barksdale in 1992 into the major dimensions that underlie the selection decision. Day and Barksdale pointed out that it is critical for firms to manage the relationship with the client, as a relationship may start long before a firm is selected for a particular project. The findings are closely aligned with the perspectives shared by Sheldon Goldberg (1996) and Vicere (1998) about program content and perceived quality, along with the reputations of the vendor and of faculty as the leading criteria applied when selecting an outside vendor for executive education programs.

The researcher found it interesting to observe that while none of the interviewees mentioned price as the most important factor, it certainly is an important consideration as evidenced by the number of participants that ranked it – or cost – as the second or third most important factor in the selection process. In the opinion of the researcher, the conventional wisdom may be wrong. The cost of custom executive education programs is not as inelastic as once thought. Common to Goldberg, price may not be a first priority, but it is a key priority nonetheless.

Discussion of Findings Related to Research Question 7

Research Question 7 - Are client organizations satisfied with their selections and resultant outcomes?

Survey participants were nearly unanimous in their satisfaction with current and past custom executive education activities, with only one respondent citing a negative experience and placing responsibility on the provider. Success was most often attributed
to the careful selection of the provider, yet as noted earlier in this chapter, few cited formal processes for evaluating and selecting providers. The researcher believes that this seeming inconsistency, and overwhelming level of satisfaction, may be explained by the fact that the key decision makers were sought for this study. Few may have been willing to criticize their own actions or the results.

Discussion of Findings Related to Research Question 8

Research Question 8 - How can university-based executive education providers help client organizations develop key capabilities through custom executive education programs?

This question, more than any other included in this study, evoked unanticipated results. Included in both the online survey and interviews, the question was intended to gain insight into the unique value of university partners. During the interviews in particular, participants took the opportunity to critique university-based executive education providers, most often focusing on the negative aspects of past relationships or perceptions.

Study participants reported that universities are most valued for their breadth and depth of content expertise, research that provides insight into best practices and alternative strategies, program design, teaching experience, expertise in learning methodologies, and flexible, and—at times—cost-effective solutions. Yet, alternatively, universities were often viewed as impractical, providing academic perspective without corporate experience; selling off-the-shelf, one-size-fits-all designs; and by some reports
charging for the development of material that already exists. Of concern was a recurring theme: that some schools are significantly overpriced due to the reputations of the faculty and the schools themselves. And, while organizations have an increasingly greater interest in and seek consultant-like activities (pre- & post-program) and relationships, universities appear focused on short-term results and lack the ability, effort, and commitment to building deep relationships.

Study Conclusions

The conclusions drawn from this study are based upon the responses to the online assessment and follow-up interviews. Further, the conclusions are based on the perceptions of senior leaders within FORTUNE 500 companies that have decision-making authority with regard to executive education, and particularly with regard to investment in custom executive education programs and related activities. Twenty-two individuals participated in the online assessment; of these, seventeen participated in a follow-up interview conducted on the telephone, which allowed the researcher to probe deeper and gain meaningful insight into the key objectives of the study. Specific conclusions drawn from the study include the following:

1. Like the previous studies conducted by Vicere, Conger and Xin, Bolt, and others, this researcher believes that the data reflect the continuing redefinition of executive education and development. Companies will continue to make sizeable investments in executive education and demand for university-based custom executive education will continue to grow as
it fills a vital role in the marketplace for executive education and
development resources. Open enrollment programs will provide an
important vehicle for university-based providers to showcase capabilities
and faculty expertise.

2. While succession planning provides an important means to manage the
growth of talent within organizations, less than 40% of organizations have
formal requirements for executive education tied to those plans.

3. Leadership, strategy and business acumen will continue to be in most
demand as core competencies for executives and will drive content in the
executive education market.

4. Interest in traditional learning methodologies, including case studies and
leader-led learning, will continue to wane in favor of action, applied, and
experiential learning. Applied and experiential learning, by their very
definition, support organizational strategy and goals while responding to
the constant pressure to minimize expense. No evidence exists that e-
learning will dominate this marketplace any time in the near term.

5. Few organizations reported a formal process for assessing and selecting
partners or providers of custom executive education. The data indicate that
in most circumstances organizations seek partners where past relationships
have existed or where reputations and referrals support a positive
perception of the provider. Final decisions are made at the most senior
levels of the organization.
6. Relationships, alignment and fit, expertise, experience, reputation, and referral, will be key factors in the selection of educational partners. Price, however, should not be overlooked. Of increasing concern will be the applicability and return on investment of any learning activities.

7. A blend of external faculty and consultants, along with internal subject matter or process experts, will likely lead most corporate-sponsored, custom executive education and executive development activities.

8. University-based providers of executive education are often viewed as impractical, too academic, lacking real-world experience or perspective, selling off-the-shelf solutions, and in many cases, overpriced.

**Implications of the Study**

Based upon the findings and the conclusions of the study, there are two decisively important implications for university-based providers of executive education. First, and foremost, the researcher believes that market demand over time has shifted, first from education to education with consultation to support implementation, to an evolving era based upon deep partner relationships that include assessment and consultation with education as a by-product. Second, for most university-based providers, a new business model will be needed that includes the ability to build and maintain consulting relationships; conduct organizational assessments of corporate strategy, leadership challenges, and culture; with efforts resulting in true custom learning designs based upon client needs and objectives. In the future, successful university-based executive education
providers will need to demonstrate the ability to develop deep, long-term partner relationships; fully align with the client organization, its goals, and objectives; and match faculty and content expertise to needs. These implications are further defined below, along with other notable implications from this study:

1. A change in mission and philosophy may be necessary for university-based providers to remain competitive and in-demand as for-profit consulting organizations expand their range of services to include education. If the most recent *BusinessWeek* rankings are any indication, Duke CE may be the best example of a university-based executive education provider that has recognized the need to change and responded effectively to market forces.

2. It is important to note that university faculty may be sought and engaged without seeking the support or assistance of their university employer or university-based executive education provider. Acting as independent contractors, faculty provide easily accessible expertise and knowledge without executive education departments who may be perceived as overhead-laden or adding minimal value.

3. University-based providers will need to ensure that they have the capabilities and faculty expertise to support learning strategies based upon action, applied and experiential learning. The ability to blend learning models to include global best practices, corporate best practices, corporate strategy, as well as an academic perspective—allowing executives to reflect on their skills, ideas and values as well as their management styles,
while considering alternative strategies and approaches to problem solving—will be essential.

4. Establishing and maintaining prominence in global rankings to enhance reputation, as well as building a strong portfolio of references, will be essential to continued growth and success in the marketplace.

5. The traditional “basic skill set” for executives has remained for the most part unchanged over the past decades and will likely continue as leadership, strategy and business acumen remain critical competencies for executives.

6. A network of academic faculty, consultants, and corporate subject matter or process experts will be needed to provide the breadth of knowledge and application of concepts and models in future custom executive education programs.

**Recommendations**

Although this study was designed to provide preliminary research into the factors that lead to the selection of custom executive education providers, its real significance may be the discovery of a fundamental shift in the marketplace. The study did uncover what is believed to be a shift in demand away from conventional custom executive education programs, towards deeper, consultative relationships, by study participants.
As expected, executive education and leadership development will continue to play an increasingly important role within organizations, but future initiatives will be rooted in partnerships, driven by applied research, and measured by contributions to growth and the success of corporate clients. The results of the study support the following recommendations:

1. Adapt and manage operations carefully to remain competitive in the increasingly global marketplace for executive education. Shifts in the market will have significant implications for the ways in which providers market their operations. Open enrollment programs will remain an important marketing vehicle for demonstrating the capabilities and expertise of the faculty.

2. Managing client relationships is essential for success. Custom executive education is much less about product than it is about process. Understanding the expectations of client organizations and possessing the ability to respond and meet those expectations will become increasingly more critical and the competition for clients intensifies.

3. Be attentive to the trends that are shaping the future of executive education. Study findings indicate a fundamentally shifting marketplace for executive education. Demand continues to move away from open enrollment programs to an increased emphasis on custom activities. However, evidence now exists that this shift also includes movement away
from what have become conventional or typically stand-alone custom executive education programs, to the desire for deep, long-term consultative relationships with education as a byproduct, utilized when necessary to create a baseline of knowledge among leaders.

4. Develop resources that are flexible and diverse. The alignment and fit of the two organizations (provider and corporate sponsor), provider expertise, experience, and reputation, as well as referrals, will be key factors in the selection of educational partners.

5. Look outside the organization for help. Seek referrals from past clients and develop networks to generate leads for new business.

6. Price, while not the most critical factor in the selection process, should not be overlooked. Return on investment (ROI), from the clients’ perspective, will become an increasingly frequent expectation for performance. The ability to demonstrate and measure ROI will be increasingly demanded by client organizations.

7. Develop and focus expertise on content design to maximize applied and experiential learning. In addition, leadership, strategy and business acumen will be in most demand as core competencies for executives and will drive content in the executive education marketplace. Be global, both in terms of faculty expertise and delivery capabilities.

8. Understand the applicability of distance- and e-learning for executive development. Lack of interest in e-learning could be the result of fear or inexperience. Look for blended opportunities to balance the expense of
leader-led, classroom learning, and the flexibility and accessibility of online learning solutions. Recognize that while suitable to support overall developmental efforts, distance- and e-learning will likely not dominate this marketplace any time in the near term.

9. Finally, listen to the customer. A general dissatisfaction exists with providers of executive education who are not attentive to customer needs, and provide only off-the-shelf solutions – in some cases at premium prices for customization, thus charging clients for work either not performed or performed poorly.

For Corporate Chief Learning Officers

Corporate chief learning officers, or their counterparts within corporations and organizations, are most frequently the ultimate decision makers regarding investment in executive education. Having the ability to differentiate and evaluate the breadth of options available for executive education and development is important. Knowing the differences in capabilities and depth of resources makes for a better informed and more discriminating consumer of these services.

1. Carefully evaluate the competencies required by leaders in your organization and measure capabilities of job incumbents and candidates against these competencies.

2. Become familiar with the breadth of providers of executive education programs and services; understand their unique attributes and capabilities.
3. Recognize the value of both open enrollment and custom executive education as resources for professional development to address competency development within your organization.

4. Be clear about outcomes desired and expectations for executive education and the development of leaders within your organization. Focus on the applicability of learning to ensure desired returns on investment.

5. Manage relationships. Engage providers of executive education as partners, not adversaries. Establish desired goals and outcomes, communicate openly, and monitor all aspects of the relationship and learning to ensure quality and desired outcomes.

For Researchers

Several potential research agendas could flow from and build on this study. Some recommendations for further research include the following:

1. One important limitation of this study was the small number of participants representing FORTUNE 500 companies. As a result, the researcher was not able to draw any general conclusions about the marketplace or FORTUNE 500 organizations due to their limited participation in the study. However, this study does provide a descriptive basis for future research that could focus on more easily accessible market segments or test principle outcomes where greater participation can be
generated. Securing greater participation in the study is important to future research efforts.

2. Another key limitation of this study is that it provided, with one minor exception, an exclusively American or U.S.-based perspective. While many of the participants represented multi-national corporations, all but one was U.S.-based. Therefore, the study overlooked important European and Asian markets for executive education. Expanding this survey to include a worldwide sampling of leading organizations would provide invaluable insight into the global marketplace for executive education.

3. Further investigation into strategic models that university-based executive education providers might employ to respond to the demand for consultative services is warranted. For many universities, the implications of non-profit tax-exempt status and strict education missions or philosophies may preclude consulting among their portfolio of programs and services. Finding a mechanism or alternative business models could enable universities, particularly public universities, to compete more effectively with for-profit consulting corporations and free-lance consulting faculty, and could be crucial to their future viability.

4. Ongoing research to evaluate trends in the field of executive education will prove to be valuable to both practitioners and consumers of executive education. This study should be continued to provide longitudinal data, on an ongoing basis, regarding emerging and continuing trends in executive education.
Chapter Summary

An overview of the study was provided in this chapter. The findings from chapter 4 were presented and discussed based on the eight research questions, and conclusions were offered. The implications of the study were described and recommendations for associate deans and managing directors of university-based executive education programs, corporate chief learning officers, and researchers were presented.

Study Summary

The purpose of this research study was to explore investment in custom executive education, identify and rank the key factors that influence provider selection related to the decision to invest, and explore the role of universities in custom executive education programs. The study sought to explore how and why client organizations invest in custom executive education; how organizations identify and evaluate custom executive education providers; identify and rank, in order of value, the factors and program features that influence the selection of a specific provider of custom executive education; and explore the role university-based executive educations providers can play in supporting the overall custom executive education needs of client organizations.

To date, research documenting the key factors that influence provider selection related to the decision to invest in custom executive education programs had not been published. As such, qualitative research, in the form of an exploratory study, became necessary since theories that could be tested quantitatively did not exist. The perceptions of twenty-two individuals representing FORTUNE 500 organizations were collected. An
online survey was administered and structured follow-up telephone interviews were conducted to gain insight from participants, each of whom represented their organizations as key decision makers for executive education and development.

The data were analyzed using the constant comparative method of data analysis and reports were generated. Based on the findings and conclusions of the study, two decisively important implications emerged. First, market demand has shifted to an evolving era based upon deep partner relationships that include assessment and consultation, with education as a by-product. Second, for many providers, a new business model may be needed that includes the ability to build and maintain consulting relationships. In the future, successful providers will develop deep, long-term partner relationships, fully align with the client organization and its goals and objectives, and match faculty and content expertise to needs.

The need for further research, including greater participation and a global sample to generalize the results of the study, was indicated. Finally, it was recommended that this study be continued to provide longitudinal data regarding continuing and emerging trends in executive education.


Appendix A

On-line Survey

Trends in Executive Development

Please help us to examine current and future trends in Executive Development by completing a short survey.

Executive education and leadership development continues to play an increasingly important role within organizations, but future initiatives will need to be focused on the marketplace, driven by applied research, rooted in partnerships, and measured by contributions to growth and the success of corporate clients. Companies will continue to seek universities and specialized providers to design and deliver custom as well as open enrollment executive education programs. With an increasingly competitive marketplace, executive education providers with a clear understanding of the selection and related decision making processes employed by these consumers and knowledge of the key selection factors that distinguish one provider from another, will prove most successful in their marketing efforts and resultant client relationships.

Your participation in this survey is completely voluntary, and you may be assured of complete confidentiality. You will be asked to answer approximately 30 questions and the survey will take about 30 minutes to complete. You do not have to answer any questions you do not want to answer and you can stop the survey at any time.

Your completion of the survey is considered your implied consent to participate. There are no risks to completing this survey. Your individual responses will be combined with other respondents and only aggregate data will be reported. Security of electronic transmission of your responses is secure to the level of the network over which you respond. You must be 18 years of age or older to participate in this research.
If you have questions about the study, you can contact Jeffrey Spearly (jls17@psu.edu) and Vicki Baker (vlb151@psu.edu) at 814-863-2155. You may also contact the Office for Research Protections, 212 Kern Graduate Building, University Park, PA 16802, (814) 865-1775 for additional information concerning your right as a research participant. This informed consent form was reviewed and approved by the Office for Research Protections at The Pennsylvania State University.

Thank you for taking the time to share your experiences and opinions with us.

If you have any trouble with this web site, please send an email to websurvey@ssri.psu.edu or if you have any questions about this survey, please contact either Jeffrey Spearly (jls17@psu.edu) or Vicki Baker (vlb151@psu.edu) at 814-863-2155.

The completion of the survey and submission of the data indicates voluntary and implied, informed consent to engage in this research project.

Q. ID
   ID _____

Q. IRB
   ☐ I consent to take this survey.
   ☐ I decline to take this survey.
Survey: Major Trends in Executive Education

1. Firm Information

   Name of Firm ___________________________________
   Person completing survey ___________________________________
   Title ___________________________________
   Please provide a brief description of your responsibilities ___________________________________

2. For what type of organization will you be answering this questionnaire?

   - Corporate headquarters
   - Wholly-owned subsidiary
   - Division
   - Other (describe) _________

3. Over the past three years, has your organization participated in formal executive education activities? (If no, the survey will take you directly to Section IV)

   - Yes
   - No

4. Please answer the following for the economic unit/organization identified in Question 2.

   A. Total revenue $ ______
   B. Total number of employees ______
   C. Total executive education budget $ ______
   D. Has that budget gone up or down over the last 12 months, and by what percentage? (Please indicate percentage increase (+), percentage decrease (-), or if no change.) ____________________________
Part 1: Custom Executive Education

* For purposes of this section, Custom is defined as single client educational effort or programs specifically designed or tailored for an individual organization. Part II of this survey addresses external, publicly available, open enrollment programs.

Please respond to the questions based upon your knowledge of the economic unit/organization identified in Question 2.

5a. What is your organization’s budget for custom executive education? ______________________________

5b. How has that budget changed over the past three years?

- Decreased more than 10%
- Decreased less than 10%
- Stayed the same
- Increased less than 10%
- Increased more than 10%

2003 2004 2005
6. In the development and delivery of your custom executive education programs, to what degree are each of the following resources used? (Please indicate by a percentage. Total should equal 100%.)

<table>
<thead>
<tr>
<th>Resources</th>
<th>Development by %</th>
<th>Delivery by %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate training staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Company personnel other than training staff</td>
<td></td>
<td></td>
</tr>
<tr>
<td>University executive education resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Freelance university faculty</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-university executive development resources, including consultants</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. What are the most important factors you consider when choosing an outside provider for custom executive education programs?

__________________________________________________________________________________
__________________________________________________________________________________
__________________________________________________________________________________

8. Please complete the following table indicating the number of personnel eligible for custom executive education in each category and the percentage of your custom executive education budget devoted to the personnel level.

<table>
<thead>
<tr>
<th>Management Level</th>
<th>Number of Personnel</th>
<th>% Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the Office of the Chairman,</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CEO, Executive Committee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vice Presidents or Senior Officers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors or upper-middle managers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Middle managers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
9. For each of the following management levels indicated below, please indicate how you expect the budget allocation to change over the next 3 years. *(Please choose one for each management level.)*

- Within the Office of the Chairman, CEO, Executive Committee
- Vice Presidents or Senior Officers
- Directors or upper-middle managers
- Middle managers

- Decrease >10%
- Decrease ≤ 10%
- No Change
- Increase ≤ 10%
- Increase > 10%

10. Please indicate the average length in days or fractions of days of the custom education programs provided for each management level indicated.

<table>
<thead>
<tr>
<th>Management Level</th>
<th>Average Length of Custom Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the Office of the Chairman, CEO, Executive Committee</td>
<td>_________</td>
</tr>
<tr>
<td>Vice Presidents or Senior Officers</td>
<td></td>
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<tr>
<td>Directors or upper-middle managers</td>
<td></td>
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<tr>
<td>Middle managers</td>
<td></td>
</tr>
</tbody>
</table>

11. What topics are most frequently included in custom executive education programs offered within your organization?

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
12a. Please rank the top 3 methodologies that are being used in your custom programs currently.

- Action Learning
- Case Studies
- Classroom Instruction, leader led learning
- Computer-based, CD-ROM
- Experiential Learning
- Interactive Video
- Internet-based Learning Systems
- Other Forms of Distance Learning
- Projects
- Round Table/Group Discussion
- Simulations

12b. Please rank the top 3 methodologies you expect to be using in 3 years in your custom programs.

- Action Learning
- Case Studies
- Classroom Instruction, leader led learning
- Computer-based, CD-ROM
- Experiential Learning
- Interactive Video
- Internet-based Learning Systems
- Other Forms of Distance Learning
- Projects
- Round Table/Group Discussion
- Simulations
13. Please indicate the most critical capabilities you are attempting to develop in your custom executive education programs.

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

14. How can university executive education providers help to develop these capabilities?

________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

15. Please rank the top 3 reasons why your company conducts custom executive education programs. *(Please type in 1, 2, and 3 next to your choices)*

___ Provide specific skill or functional expertise
___ Broaden participant’s perspective
___ Gain greater understanding of global competitive environment
___ Develop competitive capability of the organization
___ Expose executives to faculty experts and latest mgmt. information
___ Develop organizational culture, build teams, implement change
___ Provide networking opportunity
___ Provide forum for discussion and idea exchange
___ Provide interaction with senior management
___ Provide education in an economical manner
___ Provide education in a timely manner
___ Complement educational opportunities available elsewhere
___ Provide reward
___ Other (explain) ___________________________
Part II: Open Enrollment Executive Education Programs

* For purposes of this section, Open Enrollment is defined as publicly offered programs not specifically designed or tailored for an individual organization nor does it include internal offering made available via corporate universities. Please respond to the questions based upon your knowledge of the economic unit/organization identified in Question 2.

16a. What is your organization’s budget for open enrollment executive education? ______________________

16b. How has that budget changed over the past three years?

- 2003
- 2004
- 2005

☐ Decreased more than 10%
☐ Decreased less than 10%
☐ Stayed the same
☐ Increased less than 10%
☐ Increased more than 10%

17. Please complete the following table indicating the number of personnel in each category eligible to attend open enrollment executive education programs and the percentage of the education budget noted in Question 16 devoted to this personnel level.

<table>
<thead>
<tr>
<th>Number of Personnel</th>
<th>% Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the Office of the Chairman, CEO, Executive Committee</td>
<td>_______</td>
</tr>
<tr>
<td>Vice Presidents or Senior Officers</td>
<td>_______</td>
</tr>
<tr>
<td>Directors or upper-middle managers</td>
<td>_______</td>
</tr>
<tr>
<td>Middle managers</td>
<td>_______</td>
</tr>
</tbody>
</table>
18. Please complete the following table indicating the number of employees sent in 2004 to university-based open enrollment programs and the typical length in days or fraction of days of the program you use.

<table>
<thead>
<tr>
<th>Number of Personnel Sent in 2004</th>
<th>Typical Program Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the Office of the Chairman, CEO, Executive Committee</td>
<td>__________</td>
</tr>
<tr>
<td>Vice Presidents or Senior Officers</td>
<td></td>
</tr>
<tr>
<td>Directors or upper-middle managers</td>
<td></td>
</tr>
<tr>
<td>Middle managers</td>
<td></td>
</tr>
</tbody>
</table>

19. Please complete the following table indicating the number of employees sent in 2004 to non-university based open enrollment programs and the typical length in days or fraction of days of the program you use.

<table>
<thead>
<tr>
<th>Number of Personnel Sent in 2004</th>
<th>Typical Program Length</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within the Office of the Chairman, CEO, Executive Committee</td>
<td>__________</td>
</tr>
<tr>
<td>Vice Presidents or Senior Officers</td>
<td></td>
</tr>
<tr>
<td>Directors or upper-middle managers</td>
<td></td>
</tr>
<tr>
<td>Middle managers</td>
<td></td>
</tr>
</tbody>
</table>
20. Please indicate to what degree the number of employees sent to open enrollment executive education programs is expected to change over the next three years. (*Please indicate percentage increase (+), percentage decrease (-), or if no change.*)

<table>
<thead>
<tr>
<th>Within the Office of the Chairman, CEO, Executive Committee</th>
<th>University Based (in percent)</th>
<th>Non-University Based (in percent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice Presidents or Senior Officers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors or upper-middle managers</td>
<td></td>
<td></td>
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<tr>
<td>Middle managers</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

21. What are the most important factors you consider when choosing an outside provider for open enrollment executive education programs?

__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________
22a. When your company selects employees (or they themselves decide) to attend open enrollment executive education programs, where is the final approval for enrollment decisions and budget responsibility centered? (Please answer for each of the following program lengths for each employee level indicating “E” for enrollment decision and “B” for budget responsibility.)

**Three Days in Length or Less**

<table>
<thead>
<tr>
<th>Within the Office of the Chairman, CEO, Executive Committee</th>
<th>Self</th>
<th>One level</th>
<th>Two levels</th>
<th>More than two levels</th>
<th>HR or Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice Presidents or Senior Officers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors or upper-middle managers</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Middle managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

22b. When your company selects employees (or they themselves decide) to attend open enrollment executive education programs, where is the final approval for enrollment decisions and budget responsibility centered? (Please answer for each of the following program lengths for each employee level indicating “E” for enrollment decision and “B” for budget responsibility.)

**Programs of Four to Five Days in Length**

<table>
<thead>
<tr>
<th>Within the Office of the Chairman, CEO, Executive Committee</th>
<th>Self</th>
<th>One level</th>
<th>Two levels</th>
<th>More than two levels</th>
<th>HR or Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice Presidents or Senior Officers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors or upper-middle managers</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Middle managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
22c. When your company selects employees (or they themselves decide) to attend open enrollment executive education programs, where is the final approval for enrollment decisions and budget responsibility centered? (Please answer for each of the following program lengths for each employee level indicating “E” for enrollment decision and “B” for budget responsibility.)

**Programs of One Week in Length or Longer**

<table>
<thead>
<tr>
<th>Within the Office of the Chairman, CEO, Executive Committee</th>
<th>Self</th>
<th>One level</th>
<th>Two levels</th>
<th>More than two levels</th>
<th>HR or Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vice Presidents or Senior Officers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors or upper-middle managers</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Middle managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

23. Please rank the top three reasons why your company enrolls executives in executive education programs. (Please type in 1, 2, and 3 next to your choices)

___ Provide specific skill or functional expertise
___ Broaden participant’s perspective
___ Gain greater understanding of global competitive environment
___ Develop competitive capability of the organization
___ Expose executives to faculty experts and latest mgmt. information
___ Develop organizational culture, build teams, implement change
___ Provide networking opportunity
___ Provide forum for discussion and idea exchange
___ Provide interaction with senior management
___ Provide education in an economical manner
___ Provide education in a timely manner
___ Complement educational opportunities available elsewhere
___ Provide reward
24. Please rank which learning methodologies are most preferred in your selection process for open enrollment. (*Please type in 1, 2, and 3 next to your choices*)

<table>
<thead>
<tr>
<th>Methodology</th>
<th>University-Based</th>
<th>Non-University</th>
</tr>
</thead>
<tbody>
<tr>
<td>Action Learning</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Case Studies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Classroom Instruction, leader led learning</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Computer-based, CD-ROM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experiential Learning</td>
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<td></td>
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<tr>
<td>Interactive Video</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internet-based Learning Systems</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Forms of Distance Learning</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Round Table/Group Discussion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Simulations</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

25a. Does your company make it a policy to brief executives *prior* to their attendance on the expectations and purposes for enrolling them in open enrollment programs?

- Yes
- No

25b. If yes, which of the following are the most often used methods? (*Check all that apply.*)

- Personal interviews in which expectations/objectives are set
- Assignment of corporate problem to focus on during the program
- Assignment of written/oral reports to be delivered following the program
- Other (describe) ________________________________
26a. Does your company make it a policy to evaluate open enrollment programs following an executive’s attendance?

☑ Yes
☑ No

26b. If so, how? (Check all that apply.)

☐ Debrief employee by supervisor
☐ Debrief employee by Human Resources/Training Representative
☐ Complete corporate survey/evaluation
☐ Complete personal summary of the learning experience
☐ Presentation to be delivered following the program
☐ Other (describe) ____________________________

For the purpose of the next questions, please consider both University based and Non-university based executive education providers.

27. Based on your experience, who do you consider to be the top five leading providers (not necessarily in rank order) of open enrollment executive education programs?

a. ____________________________

b. ____________________________

c. ____________________________

d. ____________________________

e. ____________________________
28a. Please rank the **top three characteristics** that your company views as the primary role and responsibility of University-Based providers in developing management talent. *(Please type in 1, 2, and 3 next to your choices)*

___ Develop and disseminate state-of-the-art research and issues
___ Provide quality instruction
___ Respond to needs of business partner, consultant, and resource
___ Broaden and develop managers for the future
___ Revitalize, challenge, and stimulate incumbent managers
___ Provide external contacts and network for incumbent managers
___ Be pragmatic and relevant through experiential learning
___ Teach specific or functional skill
___ Provide background prior to entry-level employment
___ Other (Describe) ________________________________

28b. How effective are university based executive education providers in fulfilling the roles and responsibilities that were indicated into the previous question?

- Very Effective
- Generally effective
- Generally ineffective
- Varies by university
- Unsure
29a. Please rank the top three characteristics that your company views as the primary role and responsibility of Non-University Based providers in developing management talent. (Please type in 1, 2, and 3 next to your choices)

___ Develop and disseminate state-of-the-art research and issues
___ Provide quality instruction
___ Respond to needs of business partner, consultant, and resource
___ Broaden and develop managers for the future
___ Revitalize, challenge, and stimulate incumbent managers
___ Provide external contacts and network for incumbent managers
___ Be pragmatic and relevant through experiential learning
___ Teach specific or functional skill
___ Provide background prior to entry-level employment
___ Other (Describe) ________________________________

29b. How effective are non-university based executive education providers in fulfilling the roles and responsibilities that were indicated into the previous question?

☐ Very Effective
☐ Generally effective
☐ Generally ineffective
☐ Varies by university
☐ Unsure
Part IV: Corporate Education Policies

30a. Does your company have a formal requirement for on-going executive education and professional development?

☐ Yes
☐ No

30b. If yes, please describe.

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________

31a. Does your company have a formal executive succession planning (talent management) system?

☐ Yes
☐ No

31b. If yes, is attendance at an executive education program part of this system?

☐ Yes, for custom programs only.
☐ Yes, for open enrollment programs only.
☐ Yes, for both custom and open enrollment programs.
☐ No.
32. For your company, check the three most prominent methods or techniques used for executive development, including educational programs. *(Please check your responses.)*

- Custom executive education and development programs
- Open enrollment executive education and development programs
- Job rotation
- Task forces and special projects
- On-the-job training
- Coaching and Mentoring
- Performance Feedback
- Teaching and Consulting with other employees
- Other (please explain) ________________________________
Thank you for completing this survey. Information about individual companies will be held in strict confidence.

If you would like to receive a statistical summary, please provide the requested contact information below.

If you are willing to participate in a follow-up interview, by telephone, lasting approximately 20 minutes, to enable the researchers to gain further insight to your executive development efforts, please indicate below and provide the requested contact information below.

Q. Follow-up

☐ Yes, I am willing to participate in a follow-up interview to enable the researchers to gain further insight to our executive development efforts.

Q. Yes

Company
Name
Address 1
Address 2
City
State
Zip
Daytime Telephone Number
E-mail Address
Appendix B

Telephone Interview Protocol

Trends in Executive Development

Good morning/afternoon/evening. My name is ________ and I'm calling from Penn State University regarding an important research project investigating trends in Executive Development. The intent of this project to replicate the research originally conducted by Penn State and the Institute for the Study of Organizational Effectiveness and sponsored by the International University Consortium (UNICON) for Executive Development.

We are not contacting you as a sales call nor will you be contacted as a result of your participation in this study.

You may recall that our data collection process for this study is two-fold. First, we asked you complete an online survey of approximately 30 questions. Now, you have been contacted as a result of your expressed willingness to participate in a follow-up telephone interview. This interview is to probe deeper into the factors that influence your selection of an executive education provider/partner.

There are no known risks in participating. If you want to know more about your rights as a research participant, I can give you a telephone number to contact our Office of Research Protections. If you would like specific information about the study, I can provide you with contact information for the co-principal investigators, Jeffrey L. Spearly and Vicki L. Baker.

We ask that you to participate in this study. The interview should take no more than 20 minutes. Your participation is entirely voluntary. You do not have to answer any questions that you do not want to answer and you can stop at any time. To ensure accuracy, we would like to audio-record this interview.

Do you agree to be audio-recorded?  (Yes/no. If yes, continue)

Only the Survey Research Center staff conducting the interviews and the principal investigators will have access to the audiotapes. Audiotapes will be kept in a secure, locked storage facility and destroyed at the completion of the research study – not later than December 31, 2005.
Are you 18 years of age or older? (Yes/no. If yes, continue)

Participating in the interview indicates voluntary and implied, informed consent to engage in this research project.

Do you agree to participate in this interview? (Yes/no. If yes, continue)

(Does not have to be read!) The IRB number 20230
Qualitative Study: Interview Questions

Following a brief introduction to the study and receiving approval to continue . . .

For purposes of this interview, Custom is defined as a single client educational effort or program specifically designed or tailored for an individual organization. In looking at corporate investment and selection considerations of custom executive education:

1. Does your organization invest in custom executive education?

   If YES...
   
   PROBES:
   - How much?
   - More/less than past (3-5 years); why?
   - Future expectations

   If NO...
   
   Have you invested in custom executive education in the past?
   - If YES...
     - How did you?
   - If NO...
     - Do you have plans to invest in custom executive education?
     - How will you?

   IF NO TO BOTH, SKIP TO QUESTION 9

2. How do you invest?

   PROBES:
   - Do you use internal and/or external suppliers; combination of both?
   - Do you sponsor the enrollment of individuals or groups of participants?
   - If No, Go to Question 3
   - At what level (corporate, divisional, and departmental) is sponsorship?

3. What are the most frequent topics included in custom executive education programs offered within your organization?
4. Do you have a formal process to evaluate and select custom executive education providers/options?

*PROBES:*
  - Who have you considered?
  - Currently or in the past
  - How are they identified?
  - Where do you get your information to evaluate providers (web, mail, referral, etc.)?

5. What factors do you consider in making a selection?

*PROBES:*
  - Give examples if needed:
  - Reputation, faculty, content, price, length, existing relationship, etc.

<table>
<thead>
<tr>
<th>Rank (Question 6)</th>
<th>Factors (Question 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

6. Please rank the factors you listed in question 5 in order of importance. (Rank in Question 4 table)

7. Who are the decision makers by title?
8. Are you, or have you been satisfied with your selection and resultant outcomes?

*PROBES:*
- If yes, to what do you attribute success?
- If not, to what do you attribute your lack of success?

9. Looking at least 3 years ahead, what are the most critical capabilities that your employees will need to possess for your organization to be successful?

*PROBES:*
- How will you develop those capabilities?

10. How can university based executive education providers help to develop these capabilities?

11. Is there anything else that you would like to add that we missed?
Mr./Ms.

I’d like to thank you for taking the time to talk with me today. We greatly appreciate your willingness to share these insights with us and to be a part of our study on Trends in Executive Education.

If you would like specific information about the study, I can provide you with contact information for the co-principal investigators, Jeffrey L. Spearly and Vicki L. Baker.

<If yes>

Phone: (814) 863-2155

Jeffrey Spearly  JSpearly@psu.edu

Vicki Baker  vlb151@psu.edu
Appendix C

IRB Approval Letter
Date: February 8, 2005

From: Dolores W. Maney, Compliance Coordinator

To: Jeffrey L. Spearly

Subject: Results of Review of Proposal - Exemption (IRB #20230)
Approval Expiration Date: January 16, 2006
“Trends in Executive Education”

The Office for Research Protections (ORP) has reviewed and approved your application for the use of human participants in your research. By accepting this decision, you agree to obtain prior approval from the ORP for any changes to your study. Unanticipated participant events that are encountered during the conduct of this research must be reported in a timely fashion.

Enclosed is/are the dated, ORP-approved informed consent(s) to be used when enrolling participants for this research. Participants must receive a copy of the approved informed consent form to keep for their records.

The principal investigator is expected to maintain the original signed consent forms along with the research records for at least three (3) years after termination of ORP approval. The principal investigator must determine and adhere to additional requirements established by any outside sponsors.

If this study will extend beyond the above noted approval expiration date, the principal investigator must submit a completed Continuing Progress Report to the ORP to request renewal approval for this research.

On behalf of the ORP and the University, thank you for your efforts to conduct research in compliance with the federal regulations that have been established for the protection of human participants.

DWM/mbc
Enclosure
cc: Vicki L. Baker

Please Note: The ORP encourages you to subscribe to the ORP listserv for protocol and research-related information. Send a blank email to: L-ORP-Research-L-subscribe-request@lists.psu.edu
Appendix D

Invitation Letter
March 22, 2005

Dear Mr./Ms. «LastName»:

As doctoral candidates at Penn State we are in the process of repeating a research study investigating current trends in executive education and will greatly appreciate your help. In order to conduct this study, we are surveying key decision makers from Fortune 500 companies responsible for executive development activities. If you are not the right person to participate in this study, we ask that you kindly pass this letter on to the appropriate person within your organization. It is important to us that your organization is represented in our results.

Our study seeks to examine current and future trends in executive development including both open enrollment and custom executive education programs. Our data collection process is two-fold. First, we ask that you complete an on-line survey of approximately 30 questions. We will ask you to respond to questions about your organizations' past, current and expected involvement in executive development activities. The survey is straightforward and should not require too much time. Participation is voluntary and all responses will remain confidential.

To participate in this study, log on to http://web.survey.psu.edu/execed?<<ID>> (If possible, use MS Internet Explorer or Netscape 5 or higher.) The Penn State Survey Research Center is managing data collection and will remove all identifying numbers before they release any data to us. The ID number provided is for follow-up purposes only. The researchers will only analyze the data; we are not assessing individuals, programs, organizations, or schools.

At the conclusion of the survey you will be invited to participate in a second step in our research, an optional follow-up telephone interview. The interview will enable us to probe deeper into the factors that influence your selection of an executive education provider/partner, inquire whether you have a formal review process in place, and probe your level of satisfaction with the results and/or outcomes.

Our study has been funded in part by the International University Consortium for Executive Education (UNICON), and will provide the education community with information on the current state of executive education as well as summary data that can be used for assessment and improvement efforts. Further, we believe the results of this study will help organizations stay ahead of the competition by helping better plan and utilize resources; direct organizations to resources; understand significant trends and how have they changed; and help an organization benchmark its activities with others. We will be pleased to provide participants with a copy of the results.

If you have any trouble logging on or completing the survey, please email websurvey@ssri.psu.edu. If you have any questions or comments regarding this study, please contact either Jeffrey Spearly (jls17@psu.edu) or Vicki Baker (vib151@psu.edu) via e-mail or by phone at (814) 863-2155.

We will greatly appreciate your assistance.

Sincerely,

Jeffrey Spearly    Vicki Baker
Appendix E

Reminder Postcard

Trends in Executive Development

Within the last week you should have received an invitation to complete the “Trends in Executive Development” on-line survey. If you have already completed the survey, thank you. We appreciate your willingness to be a part of this important project.

If you have not yet completed the survey, please do so now. We need your help to gather information about current and future trends in executive development. The survey may be completed on-line at http://web.survey.psu.edu/execed?<<ID>> (if possible, use MS Internet Explorer or Netscape 5 or higher).

Best regards,

Jeffrey L. Spearly  Vicki L. Baker
814-863-2155  814-863-2155
jls17@psu.edu  vlb151@psu.edu
VITA

Jeffrey L. Spearly

Jeffrey L. Spearly is Managing Director of Executive Programs for Penn State Executive Programs and an Instructor in The Smeal College of Business Administration at the Pennsylvania State University.

In this position, Jeff is responsible for all aspects of Penn State Executive Programs world-renowned programs, including business development, needs assessment, program design and delivery. As a member of the custom program design team, Jeff works with client organizations to design an education process that addresses the needs, issues and challenges facing their organization. Jeff also directs a mix of open enrollment and general management programs. Topics include Strategy and Leadership, Supply Chain Management, Business to Business Marketing, Talent Development and Succession Planning, and Finance, and programs for leaders in Public Service.

Prior to joining Penn State Executive Programs, Jeff served as Director of Continuing Education at the Penn State DuBois Campus. During this time, Jeff developed a reputation for exceptional quality and innovation. A significant area of emphasis was the delivery of single client training and organization development programs for business and industry, including assessment, development, marketing and administration of credit, non-credit and consulting services. The National University Continuing Education Association (NUCEA), the American College Testing (ACT) program, as well as Penn State University, have recognized Jeff’s efforts for creativity, innovation, and excellence.

Jeff’s clients include a diverse group of chief executives and senior managers from AccuWeather, American Red Cross, ARAMARK, Bombardier Aerospace, Carbone of America, Carpenter Technology Corporation, Commonwealth of Pennsylvania, Department of Defense, ECOLAB, ExxonMobil, Gap Inc., GE Capital Services, GKN, IBM, Ingersoll-Rand, Invensys, Junior Achievement, Nike, Osram-Sylvania, Owens-Brockway, Reynolds & Reynolds, Roadway Express, SBC, Schenker, Sovereign Bank, Teleflex, Thermometrics, United States Air Force, United States Army, United States Marine Corps, Willamette Industries, Young President’s Organization, and Zippo Manufacturing.

Jeff received a Bachelor of Science degree in Accounting and a Master of Science in Vocation Industrial Education with an emphasis in Training and Organization Development, each from Penn State.