WHY EXECUTIVE DEVELOPMENT PROGRAMS (ALONE) DON'T CHANGE ORGANIZATIONS

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Several years ago, driving from Washington, D.C. to our homes in Charlottesville, Virginia after conducting another in a series of team development sessions for the executive team of a federal agency, we found ourselves considering the following question: "After developing and running executive development programs for senior level executives for almost two decades, what have we really learned about helping organizations change into high-performers?" The question came up because both of us had recently left the Federal Executive Institute (FEI), and we were being asked with increasing frequency -- both individually and as a consulting team -- to work with executive management teams who were interested in improving their own teams' performance and in producing positive change in their organizations. [1]

Executive Development Programs and Change

As we talked, several themes began to emerge. First, executive development programs as we have experienced them at the federal, state, and local level and in the private sector are **focused primarily on the developmental needs of individual executives.** Programs such as the Federal Executive Institute's Management Excellence Program for senior federal executives, the University of Virginia's Senior Executive Institute for city and county managers, the Center for Creative Leadership's Leadership Development Program, and similar executive development programs run by companies and government agencies typically bring peer level "strangers" from different organizations or from different parts of the same organization together in off-site residential settings. Using "high trust, low threat" learning environments, these programs focus intensively on personal renewal and on developing the generalist skills required of individual executives. Using this approach, they often play an important -- even life changing -- role in their participants' personal

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and professional lives.

However, because of this focus on individual executives, the second theme to emerge was that **these programs, alone, rarely result in significant change occurring in organizations.** Indeed, when we examine what happens to participants when they return to their organizations after attending such programs (or any kind of traditional "training" program, for that matter), it is easy to understand why there is little impact on the organization.

The scenario usually goes something like this: (1) after the program, participants -- charged up by their experience and with a new readiness to risk change -- reenter powerful organizational environments and cultures that are exactly the same as when they left a few weeks earlier; (2) because no one else from the organization had the same experience with them, they get little reinforcement of their developmental experience and soon have whatever notions of individual and organizational change they picked up in the programs "knocked out" of their heads by the unrelenting press of existing issues and problems (both personal and organizational); and (3) as a result, they often report later that they are more frustrated with their inability to impact their organizations than before they attended the programs.

Thus, returning "change ready" people to "unready" organizations is like planting improved seeds in infertile soil; the potential is there, but the likelihood of positive results is low. A final theme, therefore, is that while executive development programs may be effective in creating the mindsets in individual executives required to help lead change efforts, **a great deal more is needed from the leadership of an organization to actually make change happen**. Leaders of organizations

cannot assume, as some apparently do, that sending executives and managers to development programs -- even ones they design and run in-house -- is going to be sufficient to produce positive change in their organizations.

Developing an Approach to Changing Organizations

We had to conclude that good strategies for individual development are not the same as good strategies for organizational development. They may be complementary, but they not the same. Fortunately, we had both had the opportunity during our careers to work with a number of top level executive teams in both the public and private sectors in developing change programs. Some of these experiences occurred while we were at the FEI in the form of week-long Work Team Development Programs, but others came from our previous consulting practices and from experience as executives, ourselves, in organizations. Drawing on these experiences and on the work we were continuing to do with organizations in the private sector and in federal, state, and local government, we began evolving our approach to helping organizations change.

The approach that proved to work best for us was one where we asked the top management teams of organizations (or of relatively autonomous, "bite-sized" pieces of organizations) to critically examine the nature of their own leadership beliefs and behavior and to review and articulate the shared vision and operating values they were trying to build for their organizations. We learned that if we wanted to produce change in organizations, **we had to change our developmental target from individuals to**

natural, intact management and work teams -- starting with top management teams if possible -- and take them together, as whole teams, through a planned developmental sequence.

Because of the powerful "individual competition" cultures in most organizations, supported by their hierarchical structures and generally benevolent autocratic management styles, we found it critical to have the members of each management and work team involved in the change process wrestle with the changes required of them personally and of their team as a whole. At some point relatively early in the process, they had to look each other straight in the eye and say "I'm committed to this change process, and I pledge to work with you and the others on our team to make the changes required in me personally and in our collective way of doing business to make it happen." Tracy Kidder, in his book *The Soul of a New Machine*, calls this the "buying in" process, and we have found it critical to successful change efforts. [2]

Development of a High-Performance Change Model

As we worked with more organizations and management teams, our approach continued to evolve. It became clear, for example, that the developmental sequence could not be limited to the normal series of "stand-alone" course modules on individual leadership styles, interpersonal communications skills, personal values clarification, meeting management skills, and other modules that characterize many individually-targeted, "stranger-based" executive development programs. Rather, we learned that **the developmental sequence had to be driven by an organizational change model** that links what we know about building high-performance organizations together into an integrated system.

The model that evolved was not neutral. Rather, it was clearly normative. Although we believe that all elements of the model are empirically supportable, we began to move away from our "on-the-one-hand; on-the-other-hand" academic roots. We were willing to become more prescriptive about the principles that lead to high-performance. It is clear, of course, that organizations differ widely. We, for example, were working with organizations as diverse as the New York Stock Exchange, the U.S. Geological Survey, GE-Fanuc, the Federal Emergency Management Agency, and the City of Norfolk, Virginia. Never-the-less, we came to believe that **the principles underpinning the model work for the vast majority of organizational types** including most of those in the public, non-profit, and private sectors.

Further, the model that evolved, in itself, contributed almost nothing new to the academic or theoretical side of the discipline. Everything in it had been present in the management literature for at least thirty years. However, the difficulty we found with most organizations was that they were not using what is already known about creating high-performance organizations. We concluded that we did not need "new knowledge" to help organizations change in positive directions; rather **we needed an integrated way for technically trained executives with little knowledge of (or interest in) "management" as a discipline to structure and think about what they already knew** of their own organizations so that they could begin to design change

strategies. The model provided the integrating structure we needed.

Based loosely on Rensis Likert's "Causal Model," Marvin Weisbord's "6-Box Model", McKinsey's "7 S Model," and other similar models, the model attempts to identify the key "levers" available in organizations which can be moved by change agents to nudge the organization toward high-performance -- see Figure 1 (at the end of the article). [3]

The Critical Nature of Organizational Leadership

The essence of the model is its focus on the critical nature of **organizational leadership** -- especially its **philosophy, functions, and form**. Executives and managers must examine their own personal assumptions and beliefs and the organization's collective behavior concerning the nature of people and work, the motivation of individuals and groups, the role "bosses" are expected to play, and how leadership is going to be exercised in the organization.

Without this personal and organizational introspection and fundamental re-definition of **leadership philosophy**, managers of organizations cannot create the mindsets and conditions allowing the empowerment of employees (and of managers, too, for that matter). Moving from **control** as the primary focus of management to creating **commitment, capability, and confidence** among employees enabling them to become more self-directing is the fundamental change that must occur in management's philosophy. This shift requires managers to believe "deep down" that most people want to be a part of something important, want and can be trusted to do a good job, and are capable, creative, and innovative individuals.

It also means focusing on the "work" or **functions of leadership**: people at every level of the organization doing more visioning and less micro-management, doing more integrating of parts of the organization to serve customers and less "turf" warfare, doing more supporting and enabling and less directing, more teaching and coaching and less controlling, and more team development with a collaborative "win-win" focus and less one-on-one, "win-lose" politicking.

Finally, it means seeing leadership as a team responsibility rather than a solo activity; it means creating **leadership forms** -- structures and mechanisms -- for sharing power and responsibility with people at all levels of the organization. Thomas Jefferson made clear the function of leadership in an empowered society when he observed more than two hundred years ago: "I know of no safe depository of the ultimate powers of the society but the people themselves, and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion." [4]

As democracy "breaks out" all over the world, it seems like an appropriate time for leaders of organizations to question their reluctance to move away from control, autocracy, and hierarchy as their preferred approach to governance when commitment, participative management, and empowerment can be shown empirically to produce clearly superior results in most types of organizations.

Leadership Must Articulate a Shared Vision and Operating Values for the Organization

Beyond examining itself, leadership must also ensure that a clear and compelling -- even inspiring -- **shared vision** is articulated clearly stating where the organization is going and why. Vision, as we use it here, is more than mission. Vision captures the worth of work. It allows individuals to identify their contributions toward accomplishing an ideal. High-performance organizations are customer centered and market driven. They focus on quality as defined by those who use their products and services. They are concerned with more than profit or survival; these are not the proper **ends** of organizations, rather they are the **means** to achieving a higher moral purpose. Warren Bennis and Bert Nanus recognize the importance of vision when they write in their book *Leaders* that:

> *Great leaders ... inspire their followers to high levels of achievement by showing them how their work contributes to worthwhile ends. It is an emotional appeal to some of the most fundamental needs -- the need to be important, to make a difference, to feel useful, to be part of a successful and worthwhile enterprise."* [5]

Leadership is also responsible for developing and behaving to a set of **operating values** specifying the organization's desired culture, work climate, and individual and group behaviors. The process of creating and putting in place a new "ideology" for the organization is a critical step in the change process; but it is not an easy one. The old rules, habits, symbols, myths, traditions, mindsets, and assumptions that prescribe the normative management behaviors and undergird present management practices are deeply ingrained.

Change requires a critical review of these factors, building on the positive and questioning the negative. Core operating values such as individual dignity, trust, mutual respect and support, openness, leveling, and collaboration must be elevated in this process. Robert Haas, CEO of Levi-Strauss explains why creating a commonly held set of operating values is so important when he observes that:

> *Companies...have to put more and more authority and information into the hands of the people who are closest to the products and the customers.... This is where values come in. In a more volatile and dynamic environment, the controls have to be conceptual. They can't be human anymore.... It's the ideas of a business that are controlling, not some manager with authority."* [6]

Empowerment Does Not Mean Chaos

To many control-oriented managers, the idea of "empowering" workers and substituting vision and values for controls may sound threatening. It is critical to understand that "empowerment" does not mean creating a directionless organization with employees doing whatever they want. That is chaos, not empowerment.

Empowerment means building a shared vision of where we want the organization to go, constructing an organizational culture and climate with operating values that enable all employees to actively and creatively participate in persuing the vision, and then removing the

bureaucratic controls and creating a sense of freedom -- within the boundaries established by the vision and values -- so that people can commit their full talents and energies to accomplishing their shared goals. A shared vision and values set, then, becomes the authority for action, and as a result, choices which are consistent with it require less and less review, control, and direction.

Leadership Must Insure Integrity Between Purpose and Process

Finally, leadership must ensure that the **strategies, structures, and systems** of the organization are integrated with and supportive of the organization's shared vision and operating values. Without this congruence between the purpose of the organization and its processes, there is low integrity in the system; and with low integrity, the system will enter a degenerative cycle. Take reward systems for example. If it is decided that teamwork and collaboration are core values for an organization but the reward system is a traditional one which rewards individuals rather than teams and is based on competition rather than collaboration, then the reward system does not support the operating values and there is low integrity in the system.

Employees are quick to see (and point out in a less than gentle manner) such inconsistencies between the stated values of an organization and its behaviors. Old habits ---old organizational strategies, structures, and systems -- and the assumptions behind them are hard to see, but if not addressed in

good faith and corrected, such inconsistencies will likely doom any change effort in the long term. As a result, organizations must expect to devote a considerable amount of "grunt work" to comparing their old strategies, structures, and systems to their new vision and set of operating values to ensure they support each other.

The High-Performance Change Model and Total Quality Management

With the rising interest in Total Quality Management (TQM) among organizations in both the public and private sectors, we are increasingly being asked about how customer service and product quality fit with our high-performance change model. They are, of course, very closely related. The management philosophy underpinning TQM, as represented by W. Edwards Deming's "14 Points" for achieving quality, are virtually identical to our model.[7] Virtually all of the organizations we have worked with have focused on customer service, product quality, and continuous process improvement as a natural outcome of wrestling with leadership, defining their vision and operating values and working to bring their strategies, structures, and systems into line with their vision/values. In a sense, then, the change process we are interested in can be seen as the first step of TQM -- perhaps even "pre-TQM."

We are concerned, however, that many organizations appear to be laying a mechanical, "techniques only" approach to TQM on top of a control-oriented, centralized, hierarchical, autocratic management system. Without properly understanding the mindset and organizational changes required

by the philosophy underpinning TQM, such organizations will at best achieve no long term gains and may find they have succeeded in significantly increasing the cynicism and hostility of their workforces.

Conclusion

The message for us from these experiences has been clear. Leaders of organizations cannot rely on sending executives and managers to executive development or training programs, alone, to ensure that their organizations will move in the direction of higher performance. Rather, in addition to these programs, positive change strategies in organizations must be developed which focus on taking natural management and work teams at all levels of the organization through a uniform, integrated, model-driven developmental sequence.

As a result of our shift in developmental focus from individual executives to organizations as a whole and the natural work and management teams that make them up, we are beginning to see organizations change. These changes have not come easily or quickly. In the City of Norfolk, Virginia, for example, it took a highly motivated and capable top executive team almost a year to be able to articulate their shared vision, define their operating values, and to make the personal changes necessary to begin behaving to those values in their every day interactions and decision making. But without enlightened, dedicated leadership to create a positive environment for change and "give permission" for it to occur, little significant change is likely to happen in most organizations.

Endnotes

1. The Federal Executive Institute (FEI) is the federal government's primary center for development of career generalist executives at the GM-15 and SES levels. Since 1968, the Institute has offered long-term residential programs designed to sensitize federal executives to the changes occurring in national and international environments and politics; in management philosophies, processes, and techniques; and in the areas of personal development, interpersonal relations, and organization development.

2. Tracy Kidder, *Soul of a New Machine*, (Boston: Little, Brown, 1981)

3. See Rensis Likert, *New Patterns of Management*, (New York: McGraw-Hill, 1961), Marvin Weisbord, "Organizational Diagnosis: Six Places to Look for Trouble with or Without a Theory," *Group & Organization Studies*, (Volume 1, Number 4, December, 1961), pp. 430-447, and Thomas J. Peters and Robert H. Waterman, Jr., *In Search of Excellence*, (New York: Harper & Row, 1983)

4. Thomas Jefferson, 1820 -- quoted in Marvin Weisbord, *Productive Workplaces.* (San Francisco: Jossey-Bass, 1988)

5. Warren Bennis and Bert Nanus, *Leaders* (New York: Harper & Row, 1985)

6. Robert Howard, "Values Make the Company: An Interview with Robert Haas," *Harvard Business Review,* (September-October, 1990)

7. See W. Edwards Deming, *Out of the Crisis* (Cambridge, Mass: MIT Center for Advanced Engineering Study, 1986).

FIGURE 1 : The CCHPO High-Performance Organization Change Model [*]

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│ N           │        ┌──────────┐      ┌──────────┐
│ V           │        │  Vision  │      │ Strategy │
│ I           │───────▶│• direction│     └──────────┘
│ R           │        │• alignment│
│ O           │        └──────────┘      ┌──────────┐
│ N           │                          │ Structure│
│ M           │  Leadership              └──────────┘
│ E           │  • philosophy
│ N           │  • functions             ┌──────────┐
│ T           │  • form     ┌──────────┐ │ Systems  │
└─────────────┘             │  Values  │ └──────────┘
                            │• culture │
                            │• behavior│
                            └──────────┘
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Leadership
- philosophy
- functions
- form

Vision
- direction
- alignment

Strategy

Structure

Values
- culture
- behavior

Systems

High Performance
- product and service quality
- customer "value" (service, responsiveness, satisfaction)
- financial performance