Organizations increasingly need executive talent to lead their growing international operations. They need truly global executives—those who can work effectively across countries and regions to help achieve overall corporate objectives while balancing regional and local interests.
Audrey Smith, Ph.D., is senior vice president, executive solutions, for DDI. Audrey and her team spearhead DDI’s global consulting resources to help organizations identify, develop, and deploy executive-level talent. Her expertise includes talent management strategy and execution, talent assessment, accelerated development, performance management/accountability systems, culture change consulting, and other executive team interventions that link strategy to execution. A recognized thought leader in executive succession management, Audrey co-authored *Grow Your Own Leaders*.

Keith Caver is president of Caver Consulting and is a sought-after speaker and thought leader in the area of talent strategy, organizational transformation, diversity, and various subjects regarding executive leadership. Prior to his current role, Keith was DDI’s vice president and global practice leader of executive development and was director, custom solutions, for the Center for Creative Leadership. Among his many works, Keith is the co-author of *Leading in Black and White: Working Across the Racial Divide in Corporate America*.

Scott Saslow is the executive director of The Institute of Executive Development, which provides custom services and technology to help organizations advance their leader development, and is a leading exchange of unbiased information, best practices, and innovative ideas in leadership and executive development.

Nancy Thomas of The Institute of Executive Development consults to client organizations about leader development strategies and practices, and manages the firm’s research and benchmarking studies. Her background includes 17 years at Hewlett-Packard, where she oversaw the development and implementation of global executive and high-potential programs.
Introduction

The number of global executive leaders is substantive. DDI’s Global Leadership Forecast, a study of more than 12,000 leaders across 76 countries, found that 18% of all leaders and 37% of executives had multinational responsibilities. The executives coordinated efforts across an average of 8.5 countries (Howard & Wellins, 2008).
The requirements for multinational leaders can be daunting. Global executives need the same knowledge and capabilities as domestic executives, as well as special attributes and skills to deal in unknown and often radically different cultures and environments. Given this reality, the need for special development programs for global executives seems clear. Yet the typical program to meet these needs is still woefully inadequate.

- 62% of the multinational executives described their preparation for their global roles as fair or poor in the Global Leadership Forecast.
- 47% of the executives in this study described both the quality of the content and effectiveness of the execution of their global executive development programs as low or very low.

In part, what makes the development of global executives so challenging are both the quantity and diversity of roles and capabilities associated with success in global leadership positions. It’s now old news that most every business today is a global business and those executives, as a major responsibility of their jobs, are required to “lead across borders” and play central roles in formulating and executing strategy on a global scale.
The demands on organizations to effectively develop their current and future global executives have, in many respects, outpaced most organizations’ ability to provide that development. This is especially true as executive development must be transformational rather than incremental. Thus, the significant gaps alluded to in the figures cited on page 5. Global executives today are not getting the development they require, placing both the executives—and their organizations—at risk of failure. However, organizations have realized that they cannot expect to execute ambitious global business strategies if they do not have the needed quality and quantity of leadership talent—especially talent that can succeed in challenging and critical global executive roles.

The global economic downturn that began in 2008 has served to reorder priorities in many organizations. An intense focus on business strategies, financial issues, and operational goals takes precedence. Unfortunately, this reordering has, in many instances, resulted in a lessened emphasis on developing organizational talent—even critically important global leadership talent. Forward-looking organizations, meanwhile, have recognized the necessity of a continued, or even an intensified, focus on talent in order to ensure future organizational viability and success, and are continuing to invest in talent development initiatives.
ABOUT THE STUDY

This study, conducted by Development Dimensions International (DDI) and The Institute of Executive Development (IED), examined what it takes to be a successful global executive, and the strategies and methods organizations use to develop them.

The purpose of this study was to learn more about how to design and carry out effective development programs that can meet the pressing needs of the growing body of global executives. The findings underscore significant challenges, but also bring to light some things that organizations can do to close the gap between the development global executives need and the development—or lack thereof—that they currently receive.

An online survey, posted on the DDI and IED websites and sent directly to DDI’s and IED’s contact databases, was distributed to organizations with global operations. Executive development/talent professionals and HR executives (EDPs) as well as executives with global responsibilities were invited to respond. Global executives were defined as those at the director level and above with responsibility for operations in multiple countries. In addition to the survey, one-on-one interviews were conducted with a subset of survey respondents in order to gather additional qualitative insights and perspectives to support the survey data.
FINDINGS AT A GLANCE

1. The primary globalization business challenge is expanding from a local to a global business. (page 10)

2. Preparing emerging leaders for global roles most often drives the development strategy. (page 11)

3. Global executives are not getting the development they need. (page 11)

4. The highest quality programs had specific global competencies. (page 13)

5. Ability to influence people from other cultures is the most important global competency. (page 15)

6. Understanding government and political issues in key areas is essential for global executives. (page 16)

7. Expatriate assignments, external networking, and internal mentoring were the most effective methods for developing global executives. (page 18)

8. The highest quality programs use more development methods. (page 20)

9. Only 11% of global executives called the CEO/executive team active champions of their development. (page 22)

10. Top-level support was strongly related to the effectiveness of program execution. (page 25)

11. EDPs described global executive development as best integrated with high-potential development and succession planning. (page 26)

12. Integration of global executive development with high-potential programs had the most positive impact on program execution. (page 27)

13. Almost half of organizations do not measure their global executive development programs. (page 29)

14. Quantitative measurement is highly related to successful program execution. (page 30)
EXPAT ASSIGNMENTS

As Hartford Life International continues to expand globally, leaders in the corporate function must be more astute at thinking globally and better equipped to manage in a global economy. At the same time, there is a desire to provide more support to those managing operations and growth in a local country with strategies for sourcing local talent and developing future leaders in that environment.

The organization has relied heavily on expat assignments for global leader development, often sending in an expat to grow a local business. Expat assignments are viewed as the epitome of on-the-job training for global leaders and a good way to integrate development with real work. However, not everything is transferable from the U.S. to other locations and cultures, and one key to successful expat assignments lies in the selection process.

One has to be wary of people whose leadership style is “I know this will work because it worked where I was before,” especially if their experience has only been in the U.S. and is limited to just one functional area. True global leaders need to be able to read the local environment, be sensitive to the local culture, and open to new ways of getting things done. Not only is adaptability to different cultures and leadership styles critical, the most successful expat candidates are those who exhibit a natural curiosity, interest in doing global work, and openness to personal change.
WHAT IS THE STATUS OF GLOBAL EXECUTIVE DEVELOPMENT TODAY?

FINDING 1

The primary globalization business challenge is expanding from a local to a global business.

The majority of EDPs cited the shortage of global executive talent as the primary business challenge related to globalization faced by their organization (Figure 1). Executives, constituting a much smaller sample, cited readiness to expand as the primary challenge. This reflects their different vantage points—while EDPs are struggling to identify potential global leaders, global leaders are struggling with the organization’s readiness to expand the business globally (a struggle also echoed by EDPs).

Their divergent viewpoints would appear to reinforce a long-assumed disconnect between the priorities of HR and executives when it comes to talent. Instead, it could be argued that EDPs and executives are indeed on the same page, it’s just that their focus is on different points on a single line connecting business strategy with talent strategy. If the two strategies are properly aligned, the identification and subsequent development of global leadership talent will effectively grow the organization’s capability to expand globally.

FIGURE 1: PRIMARY GLOBALIZATION CHALLENGE

- Demand vs. supply of global executive talent
- Readiness to expand from local to global business
- Further expand regions where already doing business
- Managing growth through acquisitions
- New global competitors entering the marketplace
- Other

EDPs Exec
Preparing emerging leaders for global roles most often drives the development strategy.

The impetus behind the development strategy is the need to address the current shortcomings of leaders, when it comes to their overall effectiveness and their readiness for global roles (Figure 2). While this is a supremely important focus, it's relatively narrow in scope, overlooking other important factors that have traditionally driven leadership development programs, such as consistency, balance, and retention. Perhaps this is because of the relatively new focus on global development.

FIGURE 2: PRIMARY FACTOR DRIVING GLOBAL LEADERSHIP DEVELOPMENT STRATEGY

Global executives are not getting the development they need.

Both EDPs and executives were asked to rate their global development programs on two criteria on a five-point scale (very low to very high):

- **Content** (Quality of design; curriculum covers the right issues)
- **Execution** (Effectiveness of execution; program has impact)

Their responses are shown in Figure 3.
Executives were overall quite negative about their development programs. As mentioned earlier, nearly half rated both content and execution very low or low. Execution is evaluated somewhat worse than content overall: 25% rated the content of their programs high or very high compared to only 17% for execution.

The low regard in which executives hold their organization’s global executive development programs may be indicative of the quality and effectiveness of the leaders executives work with in their organizations as they seek to execute strategy and drive results. Perhaps even more important, this dim view is a result of their own personal development experiences; they do not feel that their organizations did an effective job at preparing and equipping them to lead successfully in a global role.

These low ratings may be a bit discouraging, but they also show recognition among executives that more needs to be done to develop current and future global leaders.
Designing Global Executive Development Programs

**The highest quality programs had specific global competencies.**

Competencies have long been the building blocks of effective development programs. Global executive development, while requiring a three-pronged focus that takes into account the individual, the role, and the organization, also will target competencies required for success in a global executive position. Some organizations even include special global competencies in their competency model or Success ProfileSM (the competencies, knowledge, experiences, and motivations required for success in a position or role).

Organizations were generally divided between including special global competencies in their competency model/Success ProfileSM for their global executives and not. Responses from executives were very similar (Figure 4).

**FIGURE 4: USE OF COMPETENCY MODELS FOR GLOBAL EXECUTIVE DEVELOPMENT**
In order to evaluate which approach led to better outcomes, we used as a criterion the EDPs’ ratings of the quality of the content of their executive development programs (Figure 5). We considered those with the top two ratings as having the highest quality and those with the bottom two ratings as having the lowest quality. We then compared the highest and lowest quality programs to see what they did differently.

Among organizations using global competencies, 56% had the highest quality program content and only 24% the lowest quality (Figure 6). Organizations that used general competencies were more likely to have the lowest quality content. Worst of all was no competencies. One-third of this group had the lowest quality content, compared to only 7% with the highest quality content.

While the complexity of global executive roles means that development programs should reach beyond competencies to tie directly to organizational business drivers and strategies, the use of competencies, at least as part of a larger global executive development framework, appears to be a trait that characterizes the most effective approaches.
WHAT DO GLOBAL EXECUTIVES REALLY NEED?

Global Competencies and Knowledge

Ability to influence people from other cultures is the most important global competency.

In terms of competencies beyond regular leadership skills, we asked EDPs and executives the same question: What unique skills make for an exceptional global executive? Perhaps not surprisingly, the ability to influence or motivate people from different cultures came out on top (Figure 7). Next most important for both groups were resourcefulness to get things done in an unfamiliar environment and cultural sensitivity.

FIGURE 7: UNIQUE COMPETENCIES FOR GLOBAL EXECUTIVES
The EDPs and executives differed on a few competencies, indicating that the EDPs may be focusing their efforts on the wrong criteria when looking for future global talent. For example, more executives selected enthusiasm for learning about new cultures and openness to feedback in their top three skills needed for global executives. On the other hand, almost twice as many EDPs (31%) selected effectiveness in ambiguous situations, as did executives (17%). Perhaps this is because of the ambiguity that accompanies any executive role; therefore, dealing with ambiguity is not necessarily viewed as being unique and specific to global executive roles.

**FINDING 6**

**Understanding government and political issues in key areas is essential for global executives.**

Looking at another important Success ProfileSM component, we also asked EDPs and executives what additional knowledge is required to be an effective global executive. We asked them to rate each knowledge area (somewhat helpful, very helpful, or essential). Of the responses (Figure 8), understanding of government and political issues in key areas was by far the knowledge area executives identified as being most important—underscoring the political complexity of doing business in a global economy in which each location can present its own political or government-related challenges.

**FIGURE 8: KNOWLEDGE AREAS RATED ESSENTIAL FOR GLOBAL EXECUTIVES**

- Knowledge of local markets and consumer preferences
- Understanding of government and political issues in key areas
- Knowledge of global markets and economic conditions
- Familiarity with local business practices
- Knowledge of local cultures and customs
- Corporate social responsibility and sustainability of physical/social environment
- Ability to speak native languages in key areas
BUILDING GLOBAL NETWORKS

SAP, the large, global software company, with headquarters in Germany, created its global leadership development strategy to provide a forum for senior leaders to shape and communicate strategy, build a global network, and develop essential global leadership capabilities.

The Senior Top Talent Summit is designed around the four pillars of the organization’s strategy with discussions centered on many facets of managing a complex, global business. While it was developed by a global team with the intent of providing content and activities deemed important across the entire organization, it is run regionally in Europe, Asia Pacific/Japan, and the Americas. This allows for some customization for each region as well as efficiencies in managing the delivery of each session. A program for high potentials at the next level below has some similarities to the Summit and is intended to help leaders at that level understand and communicate the strategy to their teams, thereby cascading it through the organization.

A Top Talent marketplace was implemented where key global jobs are posted and high potentials are invited to apply and be matched to an appropriate assignment.

Top Talent Fellowships, targeted to high potentials, provide a six-month temporary assignment aimed at improving management, leadership, or technical capabilities and fostering a global network of colleagues across the business. The hosting manager writes a description of the project and agrees to pay the living expenses in the host location. To reinforce that development is supported by the company and that these are rotational assignments, the sending manager is responsible for continuing to pay the Fellow’s salary.
Methods for Developing Global Executives

FINDING 7

Expatriate assignments, external networking, and internal mentoring were the most effective methods for developing global executives.

To understand if there was a disconnect between the development methods organizations use and the perceived effectiveness of those methods by executives, we presented a list of common development methods to both groups, but asked each a different question about the list. EDPs were asked to rate each method in terms of how often their organization used it (not used, rarely used, moderately used, extensively used). Executives, meanwhile, were instructed to rate each method in terms of how effective it was (not used, not very effective, somewhat effective, and very effective).

We compared the extreme groups—extensively used and very effective—to see if any important methods were being neglected or over-used.

As shown in Figure 9, there is a huge disconnect between what executives find to be the most effective methods and the methods employed most commonly by organizations. The majority of executives rated expatriate assignments, mentoring, and networking as very effective. These methods fell short in terms of how many organizations use these methods extensively. On the other end of the spectrum, the executives’ least favored methods were internal lectures and public workshops.

While this may appear to reveal that the EDPs designing development programs are out of touch with the needs of executives and lack understanding of how to effectively develop executive talent, the reality is that the methods executives judge to be most effective—expatriate assignments and mentoring by company executives—are realistically available to just a limited number of executives. After all, at any given time, an organization will have only a finite number of opportunities for expatriate assignments. Likewise, company executives, who must balance a heavy load of responsibilities, will only be able to mentor a handful of individuals. This doesn’t mean, of course, that organizations are using these methods to their fullest, but the scarcity of resources available for these methods means that organizations need to make decisions about who should and who should not be included in highly selective global executive development programs. If the organization has done an effective job of identifying its top talent and accurately assessing the development needs of that talent, then these decisions should be easy to make.
FIGURE 9: USE AND EFFECTIVENESS OF METHODS USED TO DEVELOP GLOBAL EXECUTIVES

Also, it’s worth noting that the method executives ranked third, networking with colleagues at other companies, often lies with individual executives themselves, as opposed to falling under the auspices of a structured program. This reinforces the widely accepted belief that effective executives are often effective networkers.
FINDING 8  ●●●● The highest quality programs use more development methods.

In looking at the traits that define the highest quality development programs (Figure 10) as rated by EDPs, it was notable that there was a correlation between quality and quantity. In other words, organizations with the highest quality content used nearly twice as many methods regularly (moderately or extensively). This mirrors a similar finding from the Global Leadership Forecast.

The effectiveness of a diversity of development methods makes sense given the complexity of roles and responsibilities for global executives. This complexity is captured in the multiple components of a Success Profile℠ (knowledge, experiences, competencies, motivations), which can identify a wide range of areas in which a global executive needs to be strong, or at least proficient. For example, an individual being developed for future placement in a global executive position may need a wide array of experiences in multiple functional areas (such as sales, finance, operations, and marketing), knowledge of competitors and the dynamics of local markets, and special global leadership competencies that map to the position. No single method would prove effective at providing the needed development in all of these areas, but a single method, such as an expatriate assignment, could provide extensive development in more than one area. If this assignment was supported with other methods such as coaching, mentoring, and other executive development programs, the likelihood of the individual developing as needed may be far greater. As this example illustrates, a combination of methods is likely to be more effective than if a single method had been employed.

FIGURE 10: DIVERSITY OF METHODS AND QUALITY OF PROGRAM CONTENT
GLOBAL LEADERSHIP CONSISTENCY

A global electronics company with over 220,000 employees, Flextronics wants to ensure global consistency among the leaders in the 30 countries where it does business. Historically, much of the talent pipeline came through acquisitions, but going forward they want to do more to develop within. They have in place a talent review process used to identify the most pivotal jobs, the most critical skills, and the most essential people.

Key leadership traits and values were incorporated into a blueprint created to achieve the organization’s vision. These values and traits are at the core of how everyone operates and they want everyone to adhere to them globally. While some executives and senior leaders may have a more global role, leadership traits required to lead a global business really are not viewed as a distinct set of competencies. For example, some of the traits cited as important for global leaders—having a strong global perspective and being culturally sensitive—are important for all leaders. What is most important is for leaders to be consistent around the world, and this is also emphasized in development activities because they want global consistency in leadership within the company and in how they work with customers. At the same time, training must consider both the macroeconomic environment and the cultural implications of different regions, resulting in some modifications and localization of training to fit different cultures.

The organization delivers global leadership programs at each stage of the pipeline, including one for supervisors and first-level managers, one for high potentials at the director and VP levels to prepare them for global roles as senior leaders, and one for general managers that includes a customized simulation. To help leaders who have joined the company through an acquisition, the Leadership Success Accelerator focuses heavily on the organization’s culture, traits, and values.

Expat assignments are used extensively both to run business operations and for development opportunities. A number of people at the senior level lived in various geographical locations and more recent promotional candidates have experience working in multiple regions.
EXECUTION: HOW DO ORGANIZATIONS IMPLEMENT GLOBAL EXECUTIVE DEVELOPMENT PROGRAMS?

Accountability

FINDING 9  Only 11% of global executives called the CEO/executive team active champions of their development.

As we have seen earlier in this report, there are differences between the perceptions of EDPs (those charged with planning and executing global executive development programs) and executives (those who are developed through these programs). This was the case again when the two groups were asked about how high a priority global executive development is to the organization’s CEO/executive team. Clearly, the executives surveyed were more pessimistic than the EDPs about the amount of priority given to global executive development by the CEO and/or executive team: Just 11% of global executives viewed their CEO/executive team as “active champions,” while the figure was somewhat higher (27%) among EDPs (Figure 11).

The priority of global executive development among the Board of Directors was rated even lower than that of the CEO/executive team, by both executives and EDPs. Only 3% of executives said the Board actively champions global executive development; 14% said it was not a priority at all.

FIGURE 11: PRIORITY OF GLOBAL EXECUTIVE DEVELOPMENT WITH CEO/EXECUTIVE TEAM

Developing the Global Executive
Taken together, it’s hard to avoid concluding that senior leaders are unduly neglectful of their responsibilities in promoting the development of their organizations’ global executives. But such a conclusion would leave a key question unanswered: What is the true impact of senior leader involvement or neglect?

In order to evaluate whether having top-level support led to better program implementation, we used as a criterion the EDPs ratings of the effectiveness of the execution of their executive development programs. We considered those with the highest two ratings as being most effective and those with the lowest two ratings as being least effective. The breakout of the most and the least effective programs is shown in Figure 12.

FIGURE 12: EFFECTIVENESS OF EXECUTION OF GLOBAL PROGRAMS
LEADERS FOR A DIVERSE REGION

AXA Asia Life has operations in both developed and emerging Asian countries. This has created a need to develop executives who can adapt to different conditions and navigate the various challenges that arise with varied levels of economic growth.

Toward building its global leadership capability, AXA Asia Life has implemented a strategic three-tiered development program targeting the needs of leaders at all organizational levels. Through assessment, AXA Asia Pacific recognized that while its senior leaders were solid operational leaders, they needed to develop a long-term strategic mindset. To address this need, AXA Asia Life, as part of its Asia Enterprise Leadership Programme, created a development experience for its senior leaders. The experience incorporates both forecasting and “backcasting” (starting with a theoretical state of the business 20 years in the future and working backward to the present, in three-year increments, to help identify specific strategic actions the organization could or should take).

In addition, to meet its future executive talent needs, AXA Asia Life has worked on a country-by-country basis to identify those with senior leadership potential. To develop this high-potential talent, the organization built a comprehensive initiative through which high potentials receive meaningful developmental job assignments. The main thrust of the initiative is to target and address each individual’s development needs based on multirater (360°) assessments.

In addition to job assignments, a variety of development options are used, including experiential learning, classroom, and structured coaching and mentoring relationships.

AXA Asia Life was honored at the 2008 Hong Kong Institute of Human Resources Management/South China Morning Post People Management Awards, recognizing the excellence of its leadership development efforts, including its program for senior leaders.
Top-level support was strongly related to the effectiveness of program execution.

We then looked at how the respondents whose ratings were most effective and least effective also answered the questions related to top-level support for global executive development programs. The results, shown in Figure 13, confirm what has long been believed: Support from the top does indeed correlate to programs that are more effective.

FIGURE 13: IMPACT OF TOP-LEVEL ACTIVE CHAMPIONSHIP OF GLOBAL EXECUTIVE DEVELOPMENT

There has been ongoing debate in the business world in recent years about who “owns” talent management. Is it senior management or is it HR? Michael Treacy, author of *The Discipline of Market Leaders* and *Double-Digit Growth*, has said that the challenges that have traditionally been the concern of HR must become the domain of line managers if they are to “be taken seriously” (Development Dimensions International, 2005). Others in the HR community have drawn a more measured conclusion: Senior leadership and HR must work together, with an unwavering eye on the organizational big picture, to identify, develop, and deploy talent effectively.

Whatever the right answer, the results of this study make clear that support from the top is a critical determinant of program success. In fact, support was mentioned countless times in EDPs’ written advice to other professionals implementing programs (in response to an open-ended question on the survey).

“C-level, executive support and linking business impact to development efforts is critical to obtain the support and budget necessary to make executive development a valid and comprehensive global program.”

—EDP
Alignment

FINDING 11  ●●●● EDPs described global executive development as best integrated with high-potential development and succession planning.

Given the importance of having the right quantity and quality of global executive talent to execute global business strategies, it would seem logical that global executive development programs would be aligned with other critical talent management systems, especially those such as high-potential development and succession planning. Only 44% of EDPs, however, indicate alignment “to a great extent” between global executive development programs and those other critical systems (Figure 14)—an alarmingly low rate. The rate is even lower among executives, only 19% of whom indicate proper development program alignment with high-potential development and 22% with succession planning.

More alarming still, organizations don’t seem to instill accountability in their global executive development programs; only one-third of them integrated the development program with performance management and only 10% integrated it with compensation and rewards.

FIGURE 14: INTEGRATION OF GLOBAL EXECUTIVE DEVELOPMENT WITH OTHER BUSINESS PROCESSES
Integration of global executive development with high-potential programs had the most positive impact on program execution.

Integration of global executive development with business strategy was mentioned by only a little over one-fourth of each group. This is a serious problem. Other studies, including DDI’s *Global Leadership Forecast 2008–2009* and *The Looming Leadership Void: Identifying, Developing, and Retaining Your Top Talent*, a recent study by the Aberdeen Group, show that organizations with the best development programs usually consider this integration to be essential.

Within this study, integration was shown to be exceedingly important, as there was a big payoff for integrating with all the processes listed (Figure 15). The loud and clear lesson: alignment is imperative.

**FIGURE 15: IMPACT OF INTEGRATING GLOBAL EXECUTIVE DEVELOPMENT WITH OTHER BUSINESS PROCESSES**
A SENSE OF THE REAL WORLD

To broaden the experiences of its senior leaders, Anglo American, a London-based mining and natural resource group with operations in 45 countries, has implemented an advanced management development program. In the program’s first module, leaders examine their own leadership styles and behaviors through a combination of diagnostic tests, one-to-one coaching, and extensive feedback. In the second module, which is held in a different location, they look at the business context, the mining industry as a whole, and community involvement. Senior-level high-potential leaders also go through a diagnostic executive assessment center.

In addition, Anglo American helps broaden the experience and reach of its senior leaders by bringing in outside investment analysts and economists to talk about how the organization is perceived externally and about the global economy.

Especially powerful are “cultural visits” where senior leaders from different countries come together to visit sites such as refugee camps and soup kitchens. As Roger Minton, head of group development for Anglo American, explains, “They spend time with people, living in difficult circumstances in the areas we operate. So, they really get to see life as they haven’t seen it before and understand different cultures.”
Measurement

Almost half of organizations do not measure their global executive development programs.

Oftentimes, what is important to an organization can be determined by looking at what it measures. For example, an organization that places a strong emphasis on customer service is likely to measure customer satisfaction and loyalty. Another organization, faced with cutting costs, is likely to closely track expenditures. So, what can be said about the importance of developing global executive talent if an organization does not conduct any measurement of its global executive development program?

In this survey we found that organizations are behind when it comes to measuring the results of their global executive development programs, with half of organizations doing no measurement at all (Figure 16). As for what is being measured, the EDPs were asked what kind of measurement (if any) they were doing around their global executive development programs (they could select all that applied). By far, qualitative data was most commonly gathered. While the importance of qualitative data should not be discounted, its prevalence raises questions about the degree to which many organizations are taking a structured approach to measurement, relying on “anecdotal evidence” alone when a more robust combination of qualitative and quantitative measures might in actuality be necessary to demonstrate a program’s full impact.

FIGURE 16: MEASUREMENT OF GLOBAL EXECUTIVE DEVELOPMENT PROGRAMS
Quantitative measurement is highly related to successful program execution.

Not surprisingly, like involvement of senior leadership, measurement is a defining trait of the most effective global executive development programs (Figure 17). The majority of programs rated least effective in execution had no measure of results and the majority of programs rated most effective in execution had quantitative measures of the results of their programs. Qualitative measures did not relate to effectiveness of execution.

Lesson: Quantitative measurement is key to improve current processes and ensure future success, and the best time to develop your measurement strategy is early in implementation.

**FIGURE 17: IMPACT OF MEASUREMENT ON EFFECTIVENESS OF PROGRAM EXECUTION**
LESSONS LEARNED

While the conclusion can be drawn that global executives are not getting the development they need, what can we learn from organizations that perform best in terms of quality content and effective execution? Described below are some best practices for the design and delivery of effective global executive development programs.

Content of global executive development:

**Be specific. Identify specific global competencies.**
- “Identify what global roles require versus a generic global mindset.” – EDP
- “Define the competencies for global leaders.” – EDP

Design and delivery of effective global executive development programs needs to begin with a recognition and understanding of the organization’s business drivers and the talent strategies and initiatives required to meet them. A fully defined Success Profile℠ is a necessity for diagnosing development needs and accurately targeting development programs that address these needs.

**Be local. Equip your global executives with local information critical to their success.**
- Don’t forget government and political issues.

As shown in this study, executives believe that an understanding of government and political issues in key areas represents a critical knowledge area for global executives. While this specific knowledge area is important, it also points to a larger requirement for a successful program: An acknowledgement of the unique circumstances and nuances that define specific global locations. A program that omits this focus will fail to equip participants with the full scope of development required for success in a global role.
Diversify development. Incorporate a variety of hands-on learning activities like custom training programs, expatriate assignments, networking, and leading cross-cultural or virtual teams in your suite of development opportunities.

- “Make sure you don’t focus on just one approach to developing executives.” – EDP
- “My feedback would be to make it interactive and experiential.” – EDP

The methods long used to develop leaders at lower levels—classroom courses, self-study, web-based training—are not the methods that work best for complex executive roles, especially global executive roles. A hands-on, real-world approach can provide the sort of multifaceted development global executives need to prepare them for challenging strategic-level leadership positions. One example would be expatriate assignments in which individuals have stretch goals, real accountability, and support in the form of coaching or mentoring. As these types of assignments, and other “high-touch” methods, are in short supply, however, they should be reserved for those individuals who represent the best investment for the future success of the organization. Take the time to identify these individuals carefully.

Execution of global executive development programs:

Gain buy-in and support first before implementing a global executive development program.

- “The key is Board, CEO, and senior line leaders’ ownership and involvement.” – EDP
- “Consult regions and seek input and feedback.” – EDP

In many organizations, it’s unrealistic to assume that senior leadership will have the focus, time, or expertise to execute all facets of an executive development program. HR must play a major role, especially in implementing and delivering the program. Still, designing or implementing an executive program without the buy-in and support of senior leadership, especially when the program is in the planning stages, is a recipe for failure. Equally important is consulting those in other global regions to gather their invaluable insights, as well as to gain their buy-in and support.
**Integrate.** Make sure the program is integrated with other organizational systems, especially high-potential programs and succession planning.

- “Involve key global leaders in design, integrate it with other processes, automate, and then track results against the plan.” – EDP
- “Earmark the high-potential people as early as possible and nurture them with the right work assignments and formal programs.” – Executive

Just as no man is an island, no global executive development program should stand alone, disconnected from the other critical people systems that define effective talent management practices. The two most important systems with which a program should be aligned are high-potential and succession planning systems. These systems, which have become more global in scope as organizations have likewise become more global, often require a development component in order to prepare talented leaders for challenging future roles. Development is a necessity for transforming executive potential into readiness.

**Measure your progress.**

- “Ensure it is well-tailored to specific needs, has true sponsorship both globally and locally, and has real measurement so it can be sustained when cost-cutting efforts hit.” – EDP
- “Do not be afraid to accept what is not working and replace it with what may work.” – EDP

A combination of quantitative and qualitative measurements captures the full impact—or lack of impact—of a global executive development program. Of the two, quantitative measurements (which typically require more structure) are the more important. Regardless of the measurement approach, it’s important to think about how you will measure program effectiveness when planning and designing the program, not after the program launches.
As we studied what organizations do to develop global executives, we found four different approaches when it comes to content design and execution of global programs. This model (Figure 18) depicts a way to think about and reflect on some of the data points uncovered in the study and is intended to be descriptive, not evaluative. There’s no bonus for being in any particular quadrant.

The “y” axis considers how organizations develop content. At one end of the continuum, organizations with an “enterprise” approach have a single, universal set of executive development goals, materials, and activities, typically organized at headquarters. At the other end of the continuum, local/regional content is developed for, and customized to, a specific business unit or geographic area. With regard to execution, the “x” axis ranges from global delivery, often characterized by an annual leadership summit or events to which executives are brought together in one location, to a local/regional model where parallel programs are delivered in multiple locations. Let’s take a closer look at global executive development programs in each of the four quadrants.
Close to Home
The emphasis here is on the needs and key issues facing local executives with both content and delivery customized for a specific population of leaders. Delivery is done within the region with local facilitators. Using this approach, program design and competencies are likely to vary, resulting in less consistency in messages to executives across the organization. However, it is a good option for addressing the specific needs of local executives and also appealing when travel cutbacks are a necessity.

Organizations in the Close to Home quadrant should think about: To what extent would more consistency better serve our organization’s needs? Are we missing opportunities for leverage with each location working independently?

Think Global, Act Local
An organization in this quadrant desires consistency in what is taught and communicated to executives globally, and employs a local approach for delivery. In a typical situation, a corporate lead team creates a unified global program and materials. It is made available to different regions and business units who modify it or add to it in order to address local business issues and culture. To deliver the program, the corporate team “takes it on the road” to different locations, or delivery is managed separately by each region with local facilitators. While adding complexity to both the design and delivery processes, the distinct advantage here is strategic alignment of content.

Organizations in the Think Global, Act Local quadrant should think about: How can we involve regional partners to help ensure the global program also meets local needs? How can local executives be engaged to teach and co-deliver the program?
Hidden Gems
Less frequently seen, yet having the potential to add new insights into global executive programs, are the Hidden Gems. Here content that is originally designed and delivered to address a specific population of leaders in a given region or business unit may be relevant to broader audiences. Once uncovered, it can be re-used and migrated to other regions or incorporated into a global program, extending the life cycle of material already developed. This presents an opportunity to use what already exists in the organization as well as to acknowledge work done by field operations and build relationships among headquarters and regions.

Organizations in the Hidden Gems quadrant should think about: What can we do to uncover and leverage the best of each region? How can technology be used to help manage and distribute content?

Truly Global
In the Truly Global scenario, the organization values consistency in both content and delivery, often driven by a centralized team responsible for executive development. Well-designed programs drive business strategies and address the most pressing global issues of the day. At the same time, diverse cultures and regional markets are also considered. Programs in this category may take the shape of an annual leadership summit for the senior leaders, or a kick-off workshop for cross-organization high potential managers. These types of programs may be delivered at headquarters or rotated to different locations, adding even more global flair.

Organizations in the Truly Global quadrant should think about: How can we scale programs to include even more executives? How can line leaders and internal partners in different locations participate in the global content design?
APPENDIX

References

Development Dimensions International. “Michael Treacy takes on HR.” GO (Fall 2005).


Study Sample

# participating = Executive Development Professionals (EDP) = 198
Global Executives (Exec) = 36

EDPs and Executives represented companies in 26 countries

<table>
<thead>
<tr>
<th>Country You Are Based in</th>
<th>EDPs</th>
<th>Executives</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
</tr>
<tr>
<td>North America</td>
<td>126</td>
<td>64</td>
<td>23</td>
</tr>
<tr>
<td>Western Europe</td>
<td>27</td>
<td>14</td>
<td>0</td>
</tr>
<tr>
<td>Asia</td>
<td>27</td>
<td>14</td>
<td>8</td>
</tr>
<tr>
<td>Australia</td>
<td>9</td>
<td>5</td>
<td>2</td>
</tr>
<tr>
<td>Africa/Middle East</td>
<td>6</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Latin America</td>
<td>3</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>
Participants were mainly based in North America, followed by Western Europe and Asia.

<table>
<thead>
<tr>
<th>Company Headquarters</th>
<th>EDPs</th>
<th>Executives</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
</tr>
<tr>
<td>North America</td>
<td>130</td>
<td>66</td>
<td>22</td>
</tr>
<tr>
<td>Western Europe</td>
<td>38</td>
<td>19</td>
<td>7</td>
</tr>
<tr>
<td>Asia</td>
<td>14</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Australia</td>
<td>9</td>
<td>5</td>
<td>3</td>
</tr>
<tr>
<td>Africa/Middle East</td>
<td>5</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Latin America</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

 Truly global organizations

<table>
<thead>
<tr>
<th># Countries Operate in</th>
<th>EDPs</th>
<th>Executives</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
</tr>
<tr>
<td>Less than 10</td>
<td>52</td>
<td>39</td>
<td>23</td>
</tr>
<tr>
<td>10–29</td>
<td>51</td>
<td>39</td>
<td>9</td>
</tr>
<tr>
<td>30–49</td>
<td>29</td>
<td>22</td>
<td>2</td>
</tr>
</tbody>
</table>

 Wide range of organization sizes

<table>
<thead>
<tr>
<th>Organization Size</th>
<th>EDPs</th>
<th>Executives</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
<td>Number</td>
</tr>
<tr>
<td>1–5,000</td>
<td>44</td>
<td>22</td>
<td>12</td>
</tr>
<tr>
<td>5,001–10,000</td>
<td>16</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>10,001–50,000</td>
<td>73</td>
<td>37</td>
<td>5</td>
</tr>
<tr>
<td>50,001–100,000</td>
<td>27</td>
<td>14</td>
<td>2</td>
</tr>
<tr>
<td>100,000+</td>
<td>38</td>
<td>19</td>
<td>9</td>
</tr>
</tbody>
</table>
About Development Dimensions International

In today’s ever changing marketplace, having the right talent strategy is crucial for an organization’s success. Development Dimensions International will help you systematically and creatively close the gap between the talent you have and the talent you need to drive future business strategies.

We excel in:

:: Competency models that are linked directly to your business.
:: Screening and assessment, enabling you to hire the right people with a full range of validated tests and assessments.
:: Behavioral interviewing, helping hiring managers and recruiters make accurate hiring decisions.
:: Performance management to foster individual accountability and superior execution of your strategic priorities.
:: Succession management expertise and assessment systems to help you make critical placement and promotion decisions.
:: Accelerated development to give you people who are more productive faster by offering the widest range of topics for workforce to senior leadership levels.

DDI is all about giving clients the kind of business impact they want over the long term. Our work is tied to an organization’s strategies and becomes part of their business and culture. For multinational firms, DDI has precisely the kind of global resources needed to implement talent initiatives effectively and consistently worldwide.

Take a closer look at www.ddiworld.com.

About The Institute of Executive Development

The Institute’s mission is to drive innovation in executive and senior leader development. A unique combination of customized services, technology, and content is shaped to help organizations deliver high-impact, cost-effective development to their leaders. Over 6,500 development professionals from more than 110 countries throughout the world look to The Institute for best practices and innovative ideas. More information is located at www.execsight.com.