



RESEARCH RESULTS—CLIENT

EXECUTIVE LEADERSHIP DEVELOPMENT PROGRAM

REALIZATION RESULTS:

Participants reported a 35% increase in the frequency of positive leadership behaviors after attending the program.

The number of leaders who expanded their networks to include a diverse set of contacts increased 100%.

Post-training improvements were seen in how the leaders develop strategic partnerships, help their direct reports through change, effectively coach others, and sell the organization's vision.

Participants reported a 73% increase in the frequency in which they take appropriate risks to create new initiatives.

Participants and observers agree that the program has helped participants become more effective leaders.

INDUSTRY

Oil and Gas

ORGANIZATION

PTT Public Company Limited

DDI PRODUCTS USED

Business Impact Leadership®: Mid- and Senior-Level Series

BUSINESS NEED

PTT Public Company Limited (PTT) is the national energy company of Thailand. It is engaged in integrated upstream energy to downstream petrochemical business to ensure the sustainability and supply of the best-quality products to the nation. The core businesses of PTT are gas, oil, petrochemicals and refining, and international trading.

PTT is one of the largest corporations in Thailand and the only one in the country that is included on the Fortune Global 500 companies list. With aspirations of moving up to be a Fortune 100 company by 2020 (current ranking is 118) and a vision to be the Thai premier multinational energy company, PTT launched its Group Leadership Development Program to prepare senior leaders in PTT and

its subsidiaries for future roles. As part of this initiative, Development Dimensions International (DDI) assessed 55 of PTT's executive vice presidents to gauge their readiness against the senior executive vice president role. Then, following a period of individual development planning and mentoring by senior executives, PTT recognized the need for an executive leadership development program to help accelerate its leaders' awareness of their personal leadership impact and to equip them to execute more effectively in an increasingly global and competitive environment.

SOLUTION

In 2009 PTT again partnered with DDI to design a unique experience for its executive vice presidents to address critical leadership gaps and to accelerate their readiness for the role of senior executive vice president. By balancing insights from PTT Group's executives with DDI's assessment data, the customized curriculum focused on the following core content:

- > Selling the Vision
- > Entrepreneurship
- > Senior Leader as Coach
- > Driving Execution
- > Influential Leadership
- > Leading Change
- > Developing a Strategic Talent Mindset
- > Networking and Strategic Partnerships
- > Thinking and Acting Globally
- > PTT Group Value Chain



The development program included two 3-day class sessions across 11 weeks. Between the two sessions, participants were assigned to five teams to work on a business-critical challenge facing PTT Group. Each of these teams was guided by a dedicated executive sponsor and met twice with a DDI learning coach to discuss its progress in applying the learning and maximizing team dynamics. On the first day of Session II, each team was given the opportunity to present its project to the PTT president, executive sponsors, and other members of PTT’s top management team.

RESEARCH DESIGN

To gauge the development program’s success, 22 of the executive vice presidents and 63 of their managers, direct reports, and peers (i.e., their observers) participated in an online and paper survey approximately six months after

the end of Session II. The survey focused on changes in the participants’ behaviors after attending the program. Their behaviors were tied specifically to the courses, and survey respondents were asked to rate the extent to which participants displayed the desired leadership behaviors both before and after attending the development program. The survey also gathered perspectives on the work environment and on the program’s impact on other organizational outcomes. All participants who took part in the survey had worked at PTT Group for at least a year, with the majority employed there for more than 10 years. Almost half of the participants had worked in their current roles for more than three years.

Figure 1 presents the relationship of the observers to the participants, while **Table 1** shows the management levels of those who participated in the survey.

Figure 1: Relationship of Observers to Participants

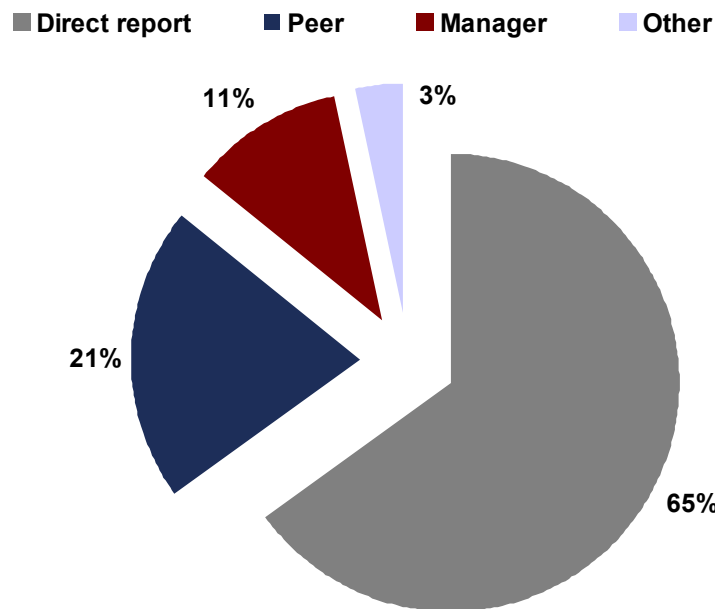


Table 1: Management Levels of Survey Participants

| Participant | Observer | Management Level |
|-------------|----------|------------------------|
| 0% | 3% | Non-management |
| 0% | 3% | First-level management |
| 0% | 51% | Middle management |
| 100% | 43% | Senior management |

RESULTS

Changes in Behaviors

In this study, behavior improvement is defined as an increase in the percentage of participants who are frequently displaying positive leadership behaviors compared to those who displayed them before attending the leadership development program. Because the behaviors tied to the courses are critical, the focus of this study is on the percentage who displayed each behavior “often” or “almost always.”

Participants reported a 35 percent increase in the frequency of positive leadership behaviors after attending the development program.

Just 63.6 percent of participants reported that they often or almost always displayed the positive leadership behaviors covered in the leadership development program before they attended it. This increased to 86.1 percent following the program, or a 35 percent improvement. The observers also perceived an increase in the frequency of participants’ positive behaviors—28 percent (see **Figure 2**).

Figure 2: Overall Reports of Leaders’ Behavior Improvement

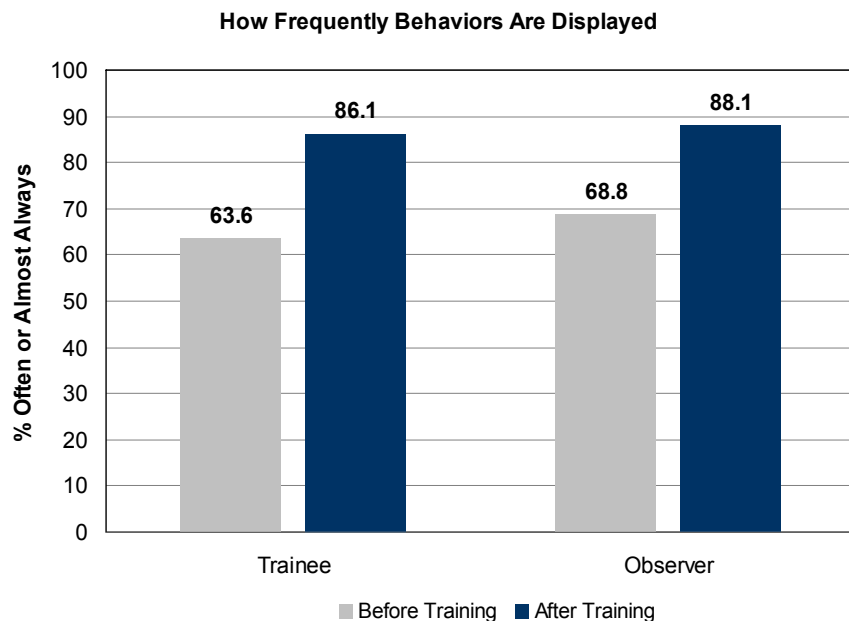


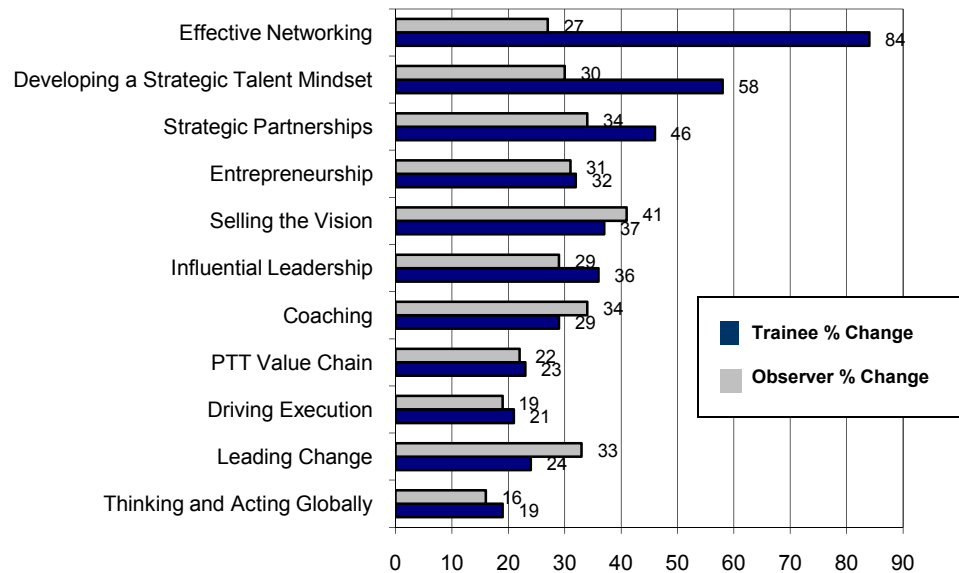
Figure 3: Average Percent Improvement by Course

Figure 3 presents reported behavior improvements related to each of the courses in the program. Participants reported the highest improvements in the areas of Effective Networking and Developing a Strategic Talent Mindset. Meanwhile, their observers reported the highest behavior improvements in Selling the Vision, Strategic Partnerships, Coaching, and Leading Change.

Generally, participants commonly show higher ratings of improvement than their observers do because the observers report from their limited opportunities to view participants' behaviors. In this case, however, the observers reported higher behavior improvements in Selling the Vision, Coaching, and Leading Change, likely because these courses focused on their own interactions and communications with the participants. Thus, the observers were better able to notice the impact of these courses.

For the PTT Group Value Chain, the participants reported an amount of behavior improvement similar to their observers, likely because they initially rated themselves high in this area. As such, there was less room for improvement compared to other areas.

Developing a Strategic Talent Mindset is an important part of any senior leader's job. After the program, participants reported a higher percentage improvement than the observers in how they apply tools and skills for developing people, especially talent. They reported a 58 percent improvement in their focus on identifying and leveraging opportunities to apply their acquired learning. According to observers, the number of participants creating an effective development plan with others increased by only 30 percent.

The number of leaders who expanded their networks to include a diverse set of contacts increased by 100 percent.

The **Effective Networking** course taught participants how to determine network requirements as well as how to expand, leverage, and maintain their network relationships. Overall, 46 percent of them say they were frequently exhibiting these behaviors before the training, and this rose to 85 percent after completing the program—an 84 percent improvement overall. More specifically, the highest improvement in this area was in the percentage of participants who expanded their networks to include a diverse set of contacts. According to participants, this behavior increased by 100 percent since the training (observers reported an increase of 27 percent). **Figure 4** shows the average frequency for key behaviors related to effective networking.

Effective networking is critical for managing and supporting PTT’s direction, so these improvements are noteworthy. Regarding this

skill, one leader provided the following comment:

“Lots of learning through PTT colleagues (e.g., learning to leverage networking, development of business plan in other industries, etc.)”

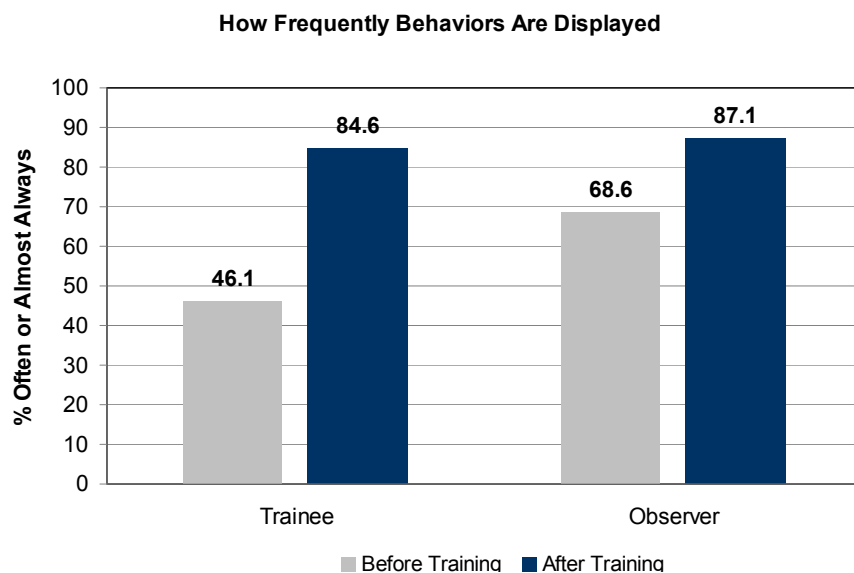
An observer commented on a trainee:

“This person seemed to open up more on networking. Also viewed business with a boarder perspective.”

Participants and observers alike see dramatic improvements in behaviors around developing strategic partnerships.

A critical part of a leader’s role is developing strategic partnerships within and outside the organization. After participants attended the program, they reported substantial improvements in this area. More specifically, the number of them who reported that they challenged assumptions before making decisions was around 46 percent before the program. The rating for this key behavior rose to 82 percent after the program—a 78 percent improvement!

Figure 4: Average Frequency for Effective Networking



The executive vice presidents' efforts to improve their cross-functional interactions increased by 46 percent, with 4 out of 10 of them reportedly doing this “almost always” now.

In addition, the observers reported a significant increase in the number of program participants who have tried harder to remove barriers to their cross-functional interactions, from 55 percent before the program to 84 percent afterward—an improvement of 53 percent.

Post-training improvements were seen in how the leaders help their direct reports through change, effectively coach others, and sell the organization's vision.

A leader's job in building other people's commitment to and ownership of change in the workplace is crucial to the success of his or her work group and organization. With respect to **Leading Change**, both participants and observers had relatively high initial ratings, but still saw improvement after the training (24 percent and 33 percent respectively). In particular, observers reported a 37 percent improvement in program participants facilitating others through change. The leaders also were seen to address change resistance by providing clear and sound rationale for change. In addition, the observers stated that, because of the training, 86 percent of the program participants are providing support to their direct reports to help them through situations involving change.

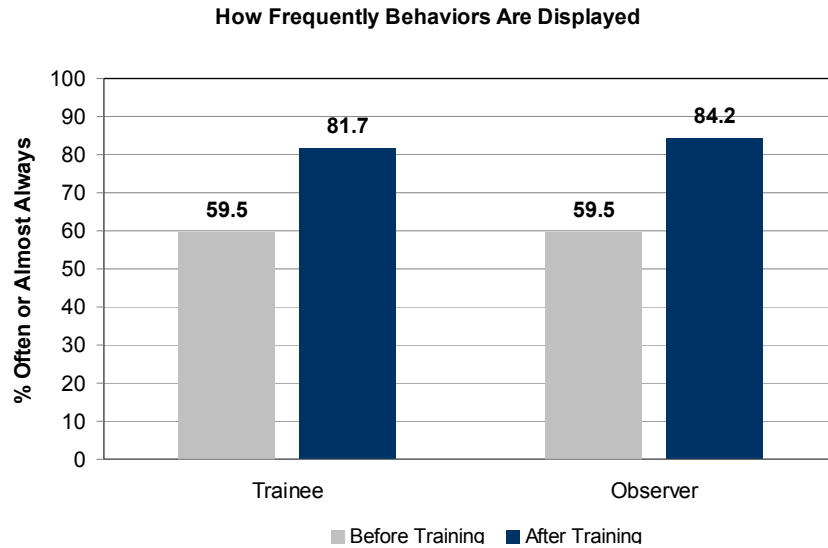
The **Senior Leader as Coach** course provided participants with critical skills to coach others in multidirectional ways, inclusive of advanced coaching of seasoned direct reports, peer coaching, and even coaching upper management. Following the program, both

participants and observers saw significant improvements in participants' ability to coach effectively on a day-to-day basis (58 percent and 59 percent respectively). In addition, the observers reported that 87 percent of the participants are now establishing more trust when interacting with them, up from 68 percent before the program. The participants themselves reported that, as a result of the program, they now ask more open-ended questions to gather information from others. This did not go unnoticed, as evidenced by the following comments from observers about participants:

“He is more sensitive to others' feelings; he listens to others when they speak and tries to learn something from them; he focuses on systems improvement rather than blame.”

“The person has engaged in coaching and shared a broader perspective with subordinates.”

Painting a picture of the future for every person in the organization, gaining his or her buy-in, and compelling the employee to move toward the same goal and in the same direction are essential to organizational success. The ability to deliver an inspiring vision speech becomes increasingly important as leaders move into senior, strategic roles. The **Selling the Vision** course provided participants with the opportunity to use their own unit's business scenario and challenges to develop a vision that would be meaningful to their individual units while also being aligned to the overarching vision of PTT Group. Both participants and observers reported a combined average 39 percent increase in behaviors relating to selling the vision. Specifically, participants reported a 46 percent improvement in using multiple forms of communication to influence others. **Figure 5** shows the average frequency for key behaviors related to selling the vision.

Figure 5: Average Frequency for Selling the Vision

Although both leaders and observers initially rated Influential Leadership and Driving Execution behaviors relatively high, they agree that the leaders showed improvement in these areas.

The **Influential Leadership** course introduced participants to an influence strategy for linking their ideas and recommendations to changes that would have a positive impact on their individual, team, and organizational performance. Both observers and participants reported improvement in the frequency with which the leaders in the program built support from others for new ideas or strategies. Although this was an area in which participants and observers had relatively moderate ratings before the training (60 percent), there was still a combined average improvement of 43 percent for leaders after the training. In addition, participants reported a 60 percent improvement in their efforts to make emotional connections with others to effectively engage with them.

The **Driving Execution** course provided participants with frameworks, processes, and additional insights to help them fine-tune their

approach to execute a strategy, identify priority actions to take, and build a business approach to support sustainable execution. This was another area in which participants and observers had relatively high initial ratings of leader behaviors before the training, most likely because of the strong focus on operations within PTT Group; yet, both groups reported significant improvements after the training. Participants reported an overall 31 percent improvement in their ability to focus on broader, strategic issues. Their initial rating of 73 percent before the training increased to 96 percent after attending the program. Also, when driving execution, the number of leaders who chose to involve others to gain their commitment has increased by 24 percent.

The improvement in Influential Leadership and Driving Execution—both areas that the leaders and observers rated as high before the training—shows that the program helped the leaders to improve in all targeted areas of leadership skill, whether they were areas of strength or in need of development.

Participants reported a 73 percent increase in the frequency in which they take appropriate risks to create new initiatives.

Penetration into new domestic and global markets to realize PTT's growth targets while achieving consistent top-quartile ROCE performance requires PTT leaders to be more entrepreneurial than ever before. In the **Entrepreneurship** course, participants explored the business case for innovation and the innovation process, and they practiced combining an entrepreneurial perspective and the PTT Group value proposition to aspects of their own strategy. In general, both participants and observers saw a combined average improvement of 31 percent in participants' entrepreneurial skills as a result of the training. More than 7 out of 10 participants (i.e., 73 percent) felt that they now take appropriate risks to create new initiatives, while the observers reported an improvement of 61 percent for this behavior. In addition, 86 percent of participants felt they demonstrated a sense of ownership of the business before the program; afterward, this figure increased to 100 percent.

The course **Thinking and Acting Globally** was designed to enhance participants' insights and acumen around the keys to functioning and leading in a global environment. The leaders were challenged to think about the rapidly evolving dynamics and implications of operating globally as they relate to their individual preferences, to their own roles as leaders, and to the business of PTT Group. Participants reported a 36 percent improvement in making decisions that incorporate global

considerations. Observers also reported that participants demonstrate higher cultural sensitivity and adaptability after the training.

Finally, a considerable portion of the program's content and activities focused on the **PTT Group Value Chain** in order to develop a better understanding of the complexities and challenges of the Group's value chain in a domestic and global environment and to promote networking opportunities among participants across the Group. Findings showed that after the training, more than 9 out of every 10 participants are working effectively across teams and functions and are trying to leverage internal and external contacts to build synergy across the Group. Close to 96 percent of participants also are moving away from a silo mentality and are acting instead in the best interests of the broader organization.

Value of Training

Overall, participants found the training to be valuable and applicable to their jobs.

Following the training, 86 percent of the participants felt that the skills and concepts addressed in the program were important for their jobs. As **Table 2** shows, 82 percent felt what they learned aligned with PTT Group's corporate culture. On average, participants reported that the program covered more than 70 percent of their total job skill set. Over 91 percent believed the skills addressed in the courses aligned with the leadership competencies required by the company, and 86 percent agreed or strongly agreed that PTT Group supports an environment of continuous learning.

Table 2: Participants' Ratings on the Program's Work Environment

| Strongly Disagree | Disagree | Neither Agree nor Disagree | Agree | Strongly Agree | Item |
|-------------------|----------|----------------------------|-------|----------------|---|
| 0.0 | 4.5 | 13.6 | 77.3 | 4.5 | The skills and concepts taught in the program fit or align with PTT Group's culture (values, ways of interacting and doing business). |
| 0.0 | 4.5 | 36.4 | 59.1 | 0.0 | I have all the resources (information, equipment) I need to apply the behaviors/skills on the job. |
| 0.0 | 0.0 | 13.6 | 72.7 | 13.6 | There is an environment of continuous learning in PTT Group. |
| 0.0 | 0.0 | 9.1 | 81.8 | 9.1 | The leadership skills I am developing are aligned with leadership competencies important for the organization. |
| 0.0 | 18.2 | 22.7 | 54.5 | 4.5 | I have enough time to devote to my development as a leader. |

Other Organizational Outcomes of the PTT Group EVP Leadership Development Program

Participants and observers agree that the program has helped participants become more effective leaders.

Participants reported a 5 percent improvement in their overall job performance after attending the training (rating themselves 79 on a 100-point scale before the training and 83 afterward). Important to remember is that the direct impact of the training should be most prevalent and observable in specific leader behaviors rather than their overall job performance, which is associated with countless other variables.

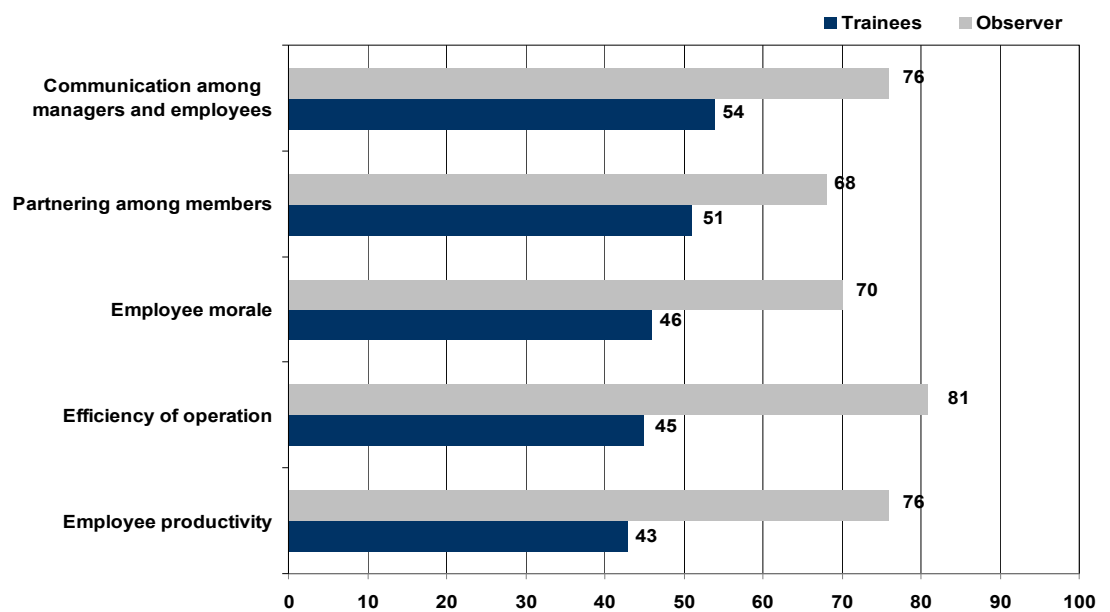
Participants attributed 49 percent of their overall job performance improvement to the PTT Group EVP Leadership Development

Program. All the leaders felt that the program helped them to become more effective, while 46 percent of the observers agreed.

Many observers reported improvements in operational efficiency in their work group since the training.

Observers reported a 76 percent improvement in their work group's productivity since the leaders attended the training, believing that a significant amount of that improvement (46 percent) was directly influenced by changes in the leaders' behaviors.

As **Figure 6** shows, the areas in which the observers reported the most improvement were operational efficiency (81 percent), employee productivity (76 percent), communication among managers and employees (76 percent), and employee morale (70 percent).

Figure 6: Improvements in Organizational Outcomes Since the Training

Factors Related to the Training

Managers and mentors of program participants need to provide them with more feedback and discussion about their action plans after the training.

When asked about the work environment within PTT Group, 50 percent of participants reported their development assignments were challenging enough to be good learning experiences and that their direct superiors supported and reinforced how they applied their newly learned skills and concepts on the job. More than a third of participants (36 percent) reported that they received sufficient feedback about their performance, and only about a fourth (23 percent) had discussed the program with their superiors to agree on an action plan for applying their new skills on the job.

To ensure that participants are able to apply what they have learned, the work environment should support and encourage them to implement their new skills. Feedback by their

direct superiors or mentors along with organizational reinforcements would be critical to ensuring the lasting effects of any future training program.

After the training more than 80 percent of participants were motivated to apply their acquired skills, and almost 8 of every 10 participants felt that the program increased their confidence in applying their new skills.

Other methods of reinforcement within PTT Group also were important. For instance, 77 percent of participants had actual opportunities to apply their acquired skills on the job. Furthermore, 64 percent felt that they were held accountable for applying their learning. It should be noted, however, that considerable evidence indicates that the work environment within PTT group does indeed promote employee learning and growth.

CONCLUSIONS

Survey results clearly show that the PTT Group EVP Leadership Development Program had a considerable impact on the participating executive vice presidents. Behavior improvements after the training were significant and impressive. Overall, the participants reported a 35 percent increase and observers a 28 percent increase in leaders exhibiting critical and effective leadership behaviors following the program.

These results clearly show the leadership development program has achieved its goal of

providing an effective, formal learning approach for leaders who are already at very senior roles within PTT Group. The program not only improved their skills, but also led to other positive organizational outcomes, such as improvements in operational efficiency, employee productivity, communication within the work group, and staff morale. Improvements to internal support systems within PTT Group would help to further ensure that participants and their peers experience sustainable benefits and improvements on the job.

CONTACT INFORMATION

WORLD HEADQUARTERS
412.257.0600

E-MAIL INFO@DDIWORLD.COM

WWW.DDIWORLD.COM/LOCATIONS

This document was developed by DDI's Center for Applied Behavioral Research (CABER). For more information, contact CABER@ddiworld.com.