

“GLD is a challenging task that has become more important than ever for international companies. While there is clear recognition of the link between GLD initiatives and overall business performance, most companies continually fail to develop global leaders.”

A Case Study of Global Leadership Development Best Practice

By Sebastian Salicru, Elly Wassenaar, Erika Suerz, and Jonathan Spittle

We are operating in an entirely new global business context, hurred up by dynamic forces such as: rapid global economic integration, accelerated growth of digital technologies that are increasingly rendering traditional companies and their business models obsolete, West-to-East shifts in economic and political power, and new generations’ changing social attitudes and learning behaviors.

As a result, organizations with global interests need to operate across geographic markets characterized by increasing competitiveness, complexity, uncertainty, ambiguity, and inherent cultural differences.

Effective global leadership development (GLD) is vital to organizational effectiveness and competitive advantage, but the current shortage of global leaders has become a major threat to the future growth of international companies. The evidence is compelling.

According to Deloitte’s *Global Human Capital Trends 2014: Engaging the 21st-century workforce*, organizations need to develop leaders more quickly in all geographies and across all functional areas.

Further, survey results in Development Dimensions International’s (DDI) *Global Leadership Forecast 2014–15*, of 13,124 global leaders and 1,528 human resource executives within 2,031 organizations

representing 48 countries, only one in five organizations emphasize GLD, and only one-third of their leaders reported being effective in leading across countries and cultures – the lowest single skill effectiveness rating in the survey. The same study reported that out of 900 multinational organizations surveyed, 52% were planning to expand their operations within the next

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Similarly, the Bersin by Deloitte’s *What Works Awards 2015: Lessons from Best* report – the latest research available on Global Human Capital Trends – indicates that 86% of HR and business leaders mentioned leadership as a critical issue, and half of the respondents

admitted leadership deficiencies within their organization were a very important issue. With respect to developing tomorrow’s leaders, the report indicates that only 6% of respondents believe their leadership pipeline is ready. The report adds that this capability gap represents a serious threat to long-term organizational success and places companies that have failed to develop a strong pipeline of leaders in a position of competitive disadvantage.

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initiatives and overall business performance, most companies continually fail to develop global leaders.

Proving Global Leadership Development Best Practice

To help address the GLD gap, we present the case of Wärtsilä, a global leader in advanced technologies and complete life-cycle solutions for the marine and energy markets, with an unparalleled history of over 180 years of organizational renewal and a long-standing commitment to GLD.

Wärtsilä

- » Headquartered in Helsinki, Finland, since 1834.
- » Listed on Nasdaq Helsinki.
- » Net sales totaled EUR 5 billion in 2015.
- » 18,800 employees of 120 nationalities in 70 countries.

Having installed 58 gigawatt of power plant capacity in 175 countries using power from mixed sources, providing innovative products and integrated solutions to marine and oil & gas industries, and delivering services to more than 12,000 customers every year, Wärtsilä is at the frontier of engineering innovation. It emphasizes technological innovation and total efficiency, and is committed to sustainability and the provision of environmentally sound products and services, while ensuring responsible business conduct.

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LEAD

Wärtsilä also aims to create a culture of high performance and world-class leadership. Its company-wide GLD program, LEAD, is a critical component of its people strategy. LEAD is a one-week intensive residential program that:

Figure 1. Research Design

- » Targets experienced managers company wide.
- » Aims to develop manager's leadership skills to lead, motivate, and engage their employees to achieve business targets.
- » Is delivered globally (Americas; Middle East and Asia; South Europe and Africa; and North Central Europe) since 2003.

The consistent feedback received from over a thousand LEAD participants who have attended the program has been extremely positive. As a result, LEAD's reputation throughout the company is well-known as it has been passed from one generation to another via word-of-mouth and attendants' anecdotal evidence. Many of the company's senior managers who attended the program years ago, consistently nominate their direct reports to attend this highly regarded program. So, what makes it so successful? This is precisely the aim of this study.

The Challenge

Wärtsilä is critically challenged to generate and maintain a healthy pipeline of leaders with the strategic thinking, global business acumen, and intercultural competence to take the company into a successful future in any location around the world. With 55% of its business currently in emerging markets such as China, Wärtsilä must have leaders able to adapt to local cultures and market needs, and progressively shift to

decentralized and collaborative decision making, while promoting and preserving the company's unique culture, values, and behavior.

The Study

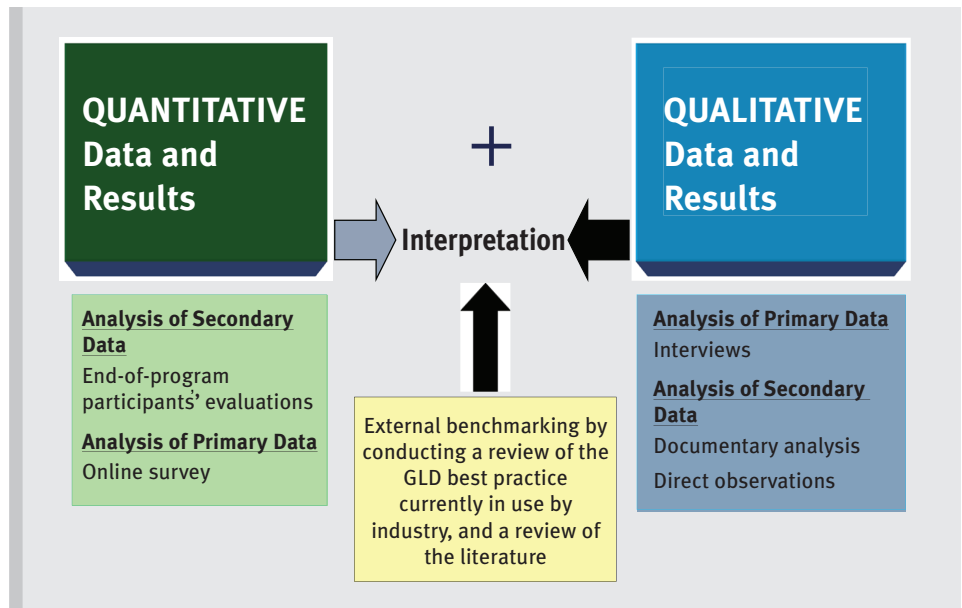
Why? – Purpose and Research Questions

The purpose of the study was threefold:

1. To investigate what evidence could qualify LEAD as GLD best practice.
2. To explain how and why its components made an impact on participants' transfer of learning and behavior, and on the business.
3. To advance the theory and practice of GLD by contributing to the limited body of literature on this topic.

How? – Originality and Methodology

The study differed from previous studies investigating GLD because it used the case study method as an evaluation, employing a mixed-method triangulation design at multiple levels (see Figure 1), which included using Kirkpatrick and Kirkpatrick's (2014) evaluation model (see Figure 2). The triangulation used included: external benchmarking through a review of current industry GLD best practice and a review of the literature; analysis of primary data (interviews, direct observations, and an online survey); and analysis of secondary data (documentary analysis, analysis of archival records, and end-of-program participant evaluations).



While 86% of organizations evaluate at the level of participants' reactions (satisfaction), only 11% evaluate at the organizational level, and only 3% assess the ROI (return on investment).

Results –Findings

We identified 14 general principles of GLD best practice embedded in LEAD. They included formal processes and practices comparable to those in place in the programs of 18 global companies: Ameritech, BP, Boeing, Cisco, Citibank, Colgate-Palmolive, Dell, Ericsson, FedEx, GE, HP, IBM, Johnson's, Motorola, Pepsico, Prudential, Shell, and Vodafone.

Evidence for each of the four levels of Kirkpatrick's model was also found. Participants reported satisfaction rates from good to excellent, averaging 93.5% upon completion of the program, and more than two-thirds (68.61%) of respondents stated that they believed they were able to have a significant to high degree of impact on the business as a result of having attended LEAD.

Overall, LEAD was found to be based on a comprehensive and well-integrated

design and delivery system that supports the achievement of business outcomes and results. Based on these findings, the study concluded that Wäertsilä's LEAD is a GLD best practice program.

Defining Global Leadership Development Best Practice

What constitutes best practice?

In formulating our research questions, we used the following operational definition of leadership development best practice: "one that has resulted in positive outcomes for the organization and is recognized by independent analysis as contributing to the organization's performance" (Leskiw & Singh, 2007, p. 446).

So what are these 14 principles, common to successful leadership programs worldwide?

1. CEO's commitment

LEAD places a strong emphasis on equipping participants to acquire the necessary leadership capability to achieve Wäertsilä's long-term aspirations. Based on observations, this strategic orientation was

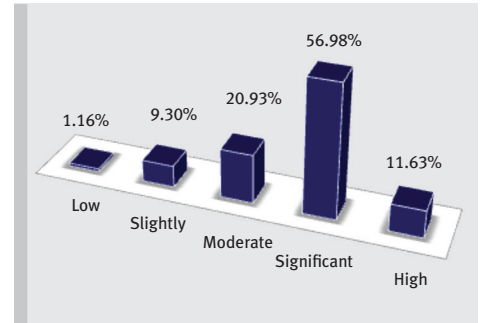


Figure 3. Impact on the Business

During the Global Financial Crisis, when many companies cut their training budgets to cut costs, Wäertsilä kept rolling out LEAD. In doing so, the company made clear its commitment to developing its people.

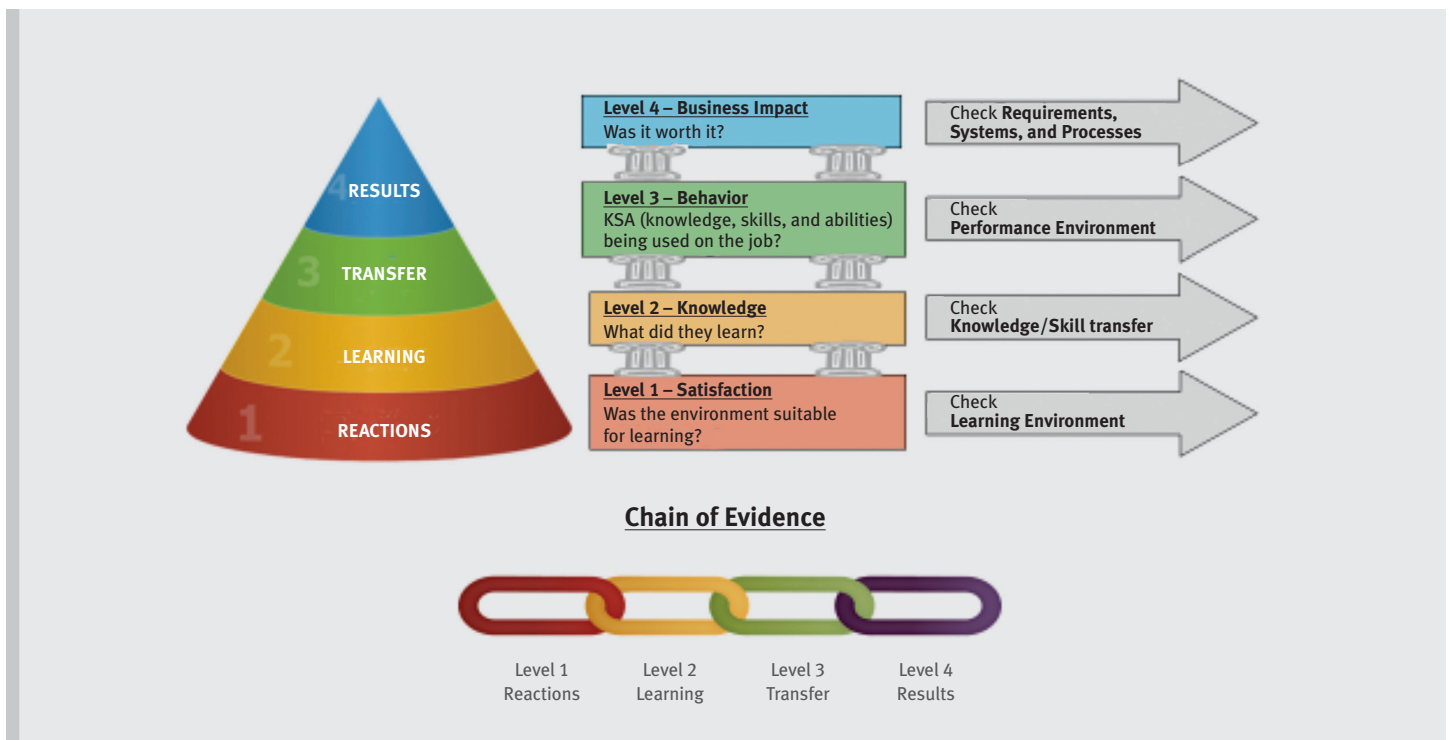


Figure 2. Kirkpatrick and Kirkpatrick's Four-Level Training Evaluation Model

supported with a strong commitment from the CEO and other senior managers. This feature of LEAD is consistent with the message that top management needs to communicate clearly to make GLD programs successful and to give people the opportunities to tackle strategic challenges.

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2. Strategic orientation, alignment, and scope (including strategic projects)

LEAD has a strong overall strategic orientation, alignment, and scope. This was demonstrated through the alignment and integration of the program's curriculum with a subset of features and activities aligned with Wäertsilä's business goals, and goals to develop leaders with competencies to grow the business. These elements (e.g., senior leaders' active involvement during the presentation of strategic projects conducted by participants, meta-competencies, simulations, journaling, peer coaching), were grounded in organizational development theory and practice.

3. Senior managers'/leaders' involvement in the program

Senior leaders' involvement in LEAD is a practical application of LEAD's strategic orientation and scope, and it occurs during strategic project presentations. This active involvement of the senior leadership usually entails a vice president, or member of the senior management team, attending LEAD as guest speaker during the team-based strategic project presentations. Executives consider projects for

implementation that demonstrate they can add value to the business.

Industry examples of other organizations that used senior leaders in their leadership development initiative include: PepsiCo, whose former CEO, Roger Enrico, spent 100 days a year engaged in running development programs for top executives; General Electric's (GE) leadership center, where executives at all levels were largely responsible for running activities; and Dell, where Mort Topfer, board vice chairman, was involved as a sponsor and coach of the leadership development program. Compaq, Hewlett-Packard, Johnson & Johnson, Shell, ServiceMaster and McKesson have adopted similar initiatives.

4. Clear and relevant program goals and objectives

LEAD's goals are:

1. To contribute to creating the company's culture in developing a common understanding of the group's values, vision, strategy, and way of working;
2. To develop people and their leadership abilities; and
3. To help participants be aware of the influence of their actions and decisions on the group results.

These goals are designed to support the development of individual technical expert contributors (predominantly engineers) into leaders of teams, and strategy implementers (middle/senior managers) into strategic thinkers who can effectively contribute to the business. The above goals and objectives are in line with the best practice principles in that they are tied to specific business imperatives. Further, to face complex global challenges, leaders must acquire a global mindset, develop the capacity to innovate and inspire others, and acquire self-reliant leadership

development. This is also consistent with the notion that a key competitive advantage is gained by attracting and developing leaders who not only operate effectively across cultures but also influence and motivate people at a global level.

5. Careful selection of participants

The criteria for selecting candidates attending LEAD comprise three key elements:

1. The managerial experience of the candidates within Wäertsilä. To be considered for the program, candidates need to have a minimum of two years' managerial experience within the company.
2. Candidates are also required to have completed the "Essentials of Leadership" program or another comparable leadership program.
3. In line with the talent management and business decision policy of "whom to invest in," candidates can either self-nominate (with the approval of their line manager), or be nominated by their line manager, division director, country HR manager, or area HR director.

Selected candidates do not necessarily come from the same organizational level, type of role, or geographical region – this is not a requirement. The aim is to seek diversity among participants. Aiming for this mix of participants is consistent with best practice organizations.

6. Comprehensive and integrated assessment (two components)

LEAD uses a comprehensive and integrated pre-assessment process, completed via an online survey and including the following two components:

1. A personality assessment; and
2. An integrated 360-degree feedback assessment using Wäertsilä's 7 leadership competencies clustered in core meta-competencies (leading people, leading business, delivering results) and other dimensions including the overall level of pressure participants are working under to deliver results; the degree to which their teams have the capabilities, resources, systems, and processes in place to achieve their objectives; and items related to the

"I now feel I lead the team, whereas before I was managing the team. The team owns the product, where 12 months ago I owned the product and the team followed my every decision/command. Last year my team produced \$6 million of product, this year we are heading towards \$17.5 million."

degree and pace at which various types of changes are taking place within their teams and the organization.

The relatively simple competency model used by Wärtsilä is not dissimilar from other well-established competency models that use adaptive or meta-competencies. Many organizations use complex competency models of leadership development, while others use simpler ones. Chase Manhattan Bank's leadership competency model, for example, comprises 250 competencies. The competency frameworks of IBM and 3M comprise 11 and 12 competencies respectively.

7. Thorough preparation process (three components)

The preparation process included the following three components:

1. A goal-setting discussion with line managers;
2. Initial development of a Personal Action Plan (PAP); and
3. Strategic project preparations.

This last feature gives participants the opportunity to get to know each other by experiencing how to engage as a virtual team. Virtual teams, although relatively new to the global business landscape, have been recognized as a critical issue for global organizations and are an emergent area of research.

Cisco's C-LEAD model and Executive Action Learning Forum is a good industry example of a company that has successfully used work projects to uncover strategic opportunities.

8. Pre-entry feedback/coaching session

Typically, participants receive feedback on their personality profile and 360-degree competency assessment during a one-to-one pre-entry feedback/coaching session, which they attend the week before their immersion in the one-week intense residential program. This session is usually conducted by the assigned LEAD facilitator/trainer and whenever possible, it is conducted face-to-face. This is a good opportunity for facilitator and participant to get to know each other. The facilitator is

also able to coach participants in further developing their PAPs based on their report results. Further, the facilitator becomes cognizant of each participant's specific issues and challenges, which gives the facilitator an opportunity to provide further individualized coaching or guidance during and/or at the end of the program.

“It was very useful getting a better picture of myself – a critique, and to see and accept. I’m pacing myself more now. I used to have a more confrontational style. During the training, I became more cognizant of my own pushing style with others in the room.”

9. Coaching and peer coaching

During and at the end of the LEAD program, participants are offered individualized coaching by the facilitator, who takes a coaching role on a needs basis as outlined above. Executive coaching is an effective short-term leadership development activity with a strong focus on goal setting, feedback, and performance, and is designed to address knowledge gaps or skills. Coaching is experiencing exponential growth, and research suggests that it boosts organizational productivity (Bartlett, Boylan, & Hale, 2014; Ladyshewsky, 2010).

Further, on the first day of LEAD, participants are paired with a coaching partner and introduced to the GROW coaching model. Peer coaching entails arranging performance partnerships to achieve new behavior, increased organizational effectiveness, and improved personal productivity. It can enhance personal and professional development, and has been reported to successfully accelerate learning and culture change in organizations such as Vodafone, Dell and PricewaterhouseCoopers.

10. A highly experiential approach incorporating action and experiential learning

One of LEAD's strongest features identified via documentary analysis, direct observations, and interviews, is its experiential approach. The program is predominantly experiential in nature and participants' learnings derive mainly from

their experience while working collaboratively on a range of projects and challenges that address each of the seven leadership competencies identified by Wärtsilä, with a progressive escalation in intensity and complexity during the week. As a result, participants acquire new knowledge and perspectives from the combination of working together and collectively

debriefing their experiences. From this perspective, LEAD clearly incorporates Kolb's (1984) four modes of the experiential learning cycle (concrete experience, abstract conceptualization, reflective observation, and active experimentation).

Our study also found that LEAD incorporates action learning. This is a powerful way to contextualize training and enhance the transfer of new knowledge and learned skills. It is the process of learning and reflection, supported by a group of colleagues, working on real-time problems with the intention of getting things done. Further, action learning engages participants in emotionally intense, team-focused experiences that directly address the immediate needs that strategically impact the organization. In this way, it encourages participants to learn with and from each other, while finding solutions to immediate real problems. Action learning affords the means of linking leadership development with the solution of business problems, and has been incorporated in the LDPs programs of various global organizations such as: GE; Prudential Assurance; Shell; Citibank; Ameritech; Johnson & Johnson; Cisco; Boeing; and Motorola.

11. Reflective learning, including journaling

Another strong feature of LEAD is the use of reflective learning, including journaling. Firstly, this was demonstrated by participants carefully debriefing each activity

in the program. During such sessions, team members learn on different levels, including the nature of the project, group processes and dynamics, and personal approaches and styles of the individual members. The notion that reflection is central to learning from experience is strongly supported by the literature.

Further, at the beginning of each day, participants were provided with the opportunity to do some journaling based on their learnings of the previous day. The use of reflective learning journals as a tool to aid critical reflection, a process that mediates between experience, knowledge, and action, is also supported by the literature.

12. Building social capital through networking

Networking is a strong feature of LEAD. During the program, participants from different geographical regions, cultures, and

“I had the opportunity to work closely with a particular colleague. Together, as well as with other colleagues outside the LEAD course, we put together a unique business deal and successfully won this particular project. LEAD definitely aided in this success.”

levels of the organization come together and live a very intense experience. In turn, this social networking creates strong emotional bonding between the participants. One program facilitator explained that it is not uncommon for some participants to declare at the end of the program that they got to know some of the members of their teams better than some of their closest friends or family members.

The nature of these relationships can be linked to the concept of “social capital” – the informal relationships that promote cooperation between two or more individuals, and the social networks and norms

of reciprocity and trustworthiness that arise from them. Specifically linked to the example above is a particular dimension of social capital called “bonding capital,” which denotes ties between people in similar situations, such as immediate family, close friends, and neighbors. Ericsson, for example, makes extensive use of social networks, as part of their Excellerate Global Leadership Program.

13. Online and one-to-one follow-up

Upon completion of the one-week residential program, participants are required to reinforce their learnings by engaging in two activities:

1. A follow-up discussion with their line manager to review how their PAP will be implemented and how the expected changes will be demonstrated in their leadership behavior, and to ascertain the support and resources they will require to do so; and
2. Completion of two, one-hour e-learning modules – “Motivating employees” and “Communicating vision.”

In addition, participants are encouraged to:

1. Seek coaching from their line managers over time on actions defined in their PAPs so that the follow-up becomes a continuous process rather than a one-off review of the PAP;
2. Seek a mentor or become a mentor for someone else within the company; and
3. Consider continuing the peer-coaching relationships initiated during the training.

14. Evaluation

After each LEAD program, Wärtsilä conducts regular evaluation of Level 1 (participants’ reactions to the training) and Level 2 (participants’ learning or acquisition of new knowledge) of Kirkpatrick’s four-level training evaluation model. Links to access end-of-program evaluations are sent electronically to participants a few days after the one-week program and the evaluations are completed online.

Further, by commissioning this study, Wärtsilä demonstrated a commitment to evaluating Level 3 (transfer of learning) and Level 4 (impact on the business). This is

“For me, the best takeaway was learning a new negotiation vendor strategy from a European colleague. When I got back home, I applied this new negotiation approach and, in less than a year, I was able to generate savings of just over \$100,000.”

also consistent with best practice recommendations of data collection when evaluating leadership development programs, and the methods used by companies such as BP, Colgate-Palmolive, and IBM.

Practical Implications for OD Practitioners

This study has various practical implications relevant to OD practitioners who design, implement, or evaluate leadership development programs (LDPs). These are presented using the following five main categories: design; implementation; social networking; evaluation; and impact on the business.

Design Implications

Program design is critical, as it is the foundation that drives the whole program. The fourteen design principles embedded in LEAD were the key drivers of the outcomes identified. This addressed the question of how the program delivered what it was intended to deliver. More specifically, the progressive sequencing of the program content enabled the delivery of the intended results. From this perspective, practitioners who wish to achieve the desired results from their LDPs should take into account three critical elements:

1. Align learning outcomes to business goals and translate outcomes into effective activities/experiences.
2. Carefully consider the amount and type of experiences that progressively build upon each other to create rich developmental experiences, which in

turn are likely to deliver the intended learning outcomes while also providing a balance of three key dimensions: self-assessment/self-awareness, challenge, and support. This includes considering the length, intensity (mental vs. emotional labor), and facilitation style required to debrief each experience. In doing so, it is important to remember that the program starts during the assessment and pre-entry phases – before the one-week residential training program begins – and continues after that period (transfer of learning and evaluation).

3. Integrate a balanced mix of experiences, taking into account – and matching – the various learning modes (e.g., experiential, imaginal, conceptual, and practical learning), level of participant involvement (e.g., individual, small group, and plenary sessions), and the facilitation style (e.g., directive vs. non-directive styles).

Implementation Implications

Based on our findings, by using principles that are grounded in OD theory and practice while following this sequence, OD practitioners are very likely to assist participants to uncover their blind spots and enhance their self-awareness, which were the most important things participants identified as their learning during the program. Fostering participants' understanding and appreciation of group dynamics, team building and team dynamics, and how to better listen to others, were identified by participants as their main learnings.

OD practitioners would also benefit from taking into account the findings relating to the second research question – why the above mentioned sequence worked. From this perspective, they should pay attention to the chain of psychological dimensions (namely, cognitive – mental, emotional, and behavioral) that emerge from the cohort, by carefully monitoring participants' reactions to each activity.

The overall implementation of the program has three main stages: (1) entry, (2) encounter – learning from experience, and (3) integration and exit (see *Figure 4*). Taking a participant – learner centered

perspective, this process can best be described as taking the form of a U-shape, through which participants navigated the various psychological states described above. To begin, during the entry stage, participants went through an assessment phase, which is cognitive – the starting point of the U-shape. This stage included conducting the 360-degree feedback, the personality assessment, and the pre-entry feedback/coaching session.

The encounter or learning from experience stage followed. This stage is characterized by exposing participants to activities grounded in experiential methods and action learning principles, including the debriefing of these sessions. During this stage, participants progressively transition from the surface – the cognitive/mental labor stage, to a more reflective and emotional state. This culminates at the inflection point in the bottom of the U-shaped curve.

Finally, during the integration and exit stage, participants progressively emerge on top of the end of the U-shape. In doing so, psychologically they go back to a more cognitive state where they integrate their experiences and plan for action. This stage includes the presentation of the strategic projects, completion of their PAPs, the follow-up discussions with their line manager, and completion of the online modules.

Facilitating participants' sense-making during these three stages becomes critical to enable their learning from experience. From the trainer/facilitators' perspective, initially, it is important to notice participants' learning mindsets – the attitude that predisposes individuals to be open to new experiences and to intentionally grow and develop from their experiences. This learning-oriented attitude is particularly relevant when running LDPs, as they increase participants' ability to draw new insights, gain greater awareness, and develop new skills, behaviors, and attitudes directly from their own experiences. Secondly, trainers/facilitators should carefully observe, listen to, and prompt participants, when appropriate, to enable them to:

1. Maximize learning opportunities during plenary group interactions. This includes facilitating the recognition of

communications patterns and factions within the group, and their impact on the group as a whole.

2. Carefully observe small group work, and occasionally check participants' observations and sense-making of group processes and dynamics, by encouraging them to listen to one another; voice their unique experiences; distinguish between the groups' task and processes; recognize how the group/team makes decisions and deals with conflict; make connections on what and how group processes lead to specific outcomes; and links (transferability) of learning to their home work teams.
3. Recognize parallel processes, and emergence or replication of here-and-now dynamics, communication patterns or leadership styles that reflect their unique organizational culture, and how those are likely to impact the business as a whole (e.g., teamwork, overall execution of the company strategy, productivity, customer service, adaptability to change, capacity to innovate, degree of shared leadership, etc.).
4. Ensure throughout the program there are ample opportunities for participants to debrief and reflect on each experience, and share those with their peers. Each main experience should be debriefed, and journaling should be encouraged at the beginning of each day.

Social Networking

Social networking happens spontaneously during the implementation of a residential program. Naturally, this is an aspect of the program in which facilitators have less control over the desired outcomes, yet according to our findings it can also be one of the most effective.

One of the most compelling responses provided by one of the participants in relation to the return on investment (ROI) of the program to the company was this:

The program was a great opportunity to meet people from different geographical locations and cultures. For me, the best takeaway was learning a

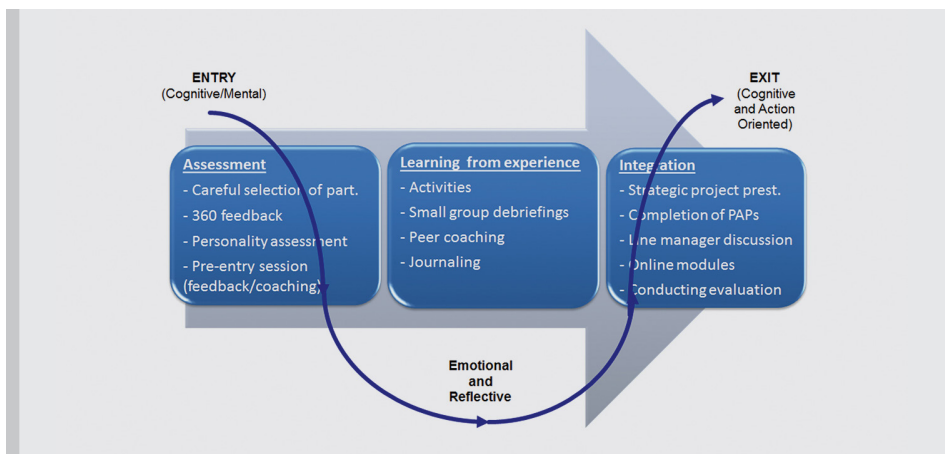


Figure 4. Program Implementation Sequence

new negotiation vendor strategy from a European colleague. When I got back home, I applied this new negotiation approach with mobile phone vendors and, in less than a year, I was able to generate savings of just over \$100,000.

This valuable exchange of information occurred during a casual pre-dinner drinks conversation. A practical implication from this finding is that program outcomes will not necessarily occur as a result of deliberate attempts by practitioners during the program delivery phase. Hence, participants should be encouraged to network with their peers, as this builds the firm's social and relational capital.

Evaluation as an Important Component of the Program Itself

A further practical application that emerged from this study was that conducting an evaluation is an important component of leadership programs. This became evident via the unsolicited feedback provided during the interviews. Some participants stated that conducting this evaluation was a very good idea, as it assisted them to reflect about the program and reinforced what they had learned and how they had applied it. This theme is represented in this participant's response, who attended the program over 12 months ago:

This is how the evaluation should be – like this interview. If you send an email, nothing happens.

From this perspective, it can be reasonably assumed that conducting an evaluation

extends the reflective dimension of the program well beyond its implementation, while fostering transfer of learning, employee engagement, and loyalty. Based on these findings, we propose that while conducting impact evaluations is the most neglected aspect of LDPs, it is also one of the most critical. This is because of the reasons just mentioned, the fact that evaluation results yield the data required to assess the impact of the program, and also provide valuable information on how to improve the program being evaluated over time. OD practitioners should take this into account and always incorporate an evaluation component in their LDPs.

Impact on the Business

The final practical application for OD practitioners relates to assessing and evaluating the impact of LDPs on the business/organization. Traditionally, assessing this type of impact is associated with measuring the ROI to the organization. This is often seen as a contentious and challenging task.

There are different ways to demonstrate the value of LDPs, or any other OD intervention for that matter, which are not necessarily expressed in financial returns to the business nor easily captured on the balance sheet – a case of “show me the money” exercise, as many authors and practitioners portray it to be. We subscribe to the view that considering ROI alone is an impoverished, unreliable, and insufficient measure of outcomes and success. Hence, the alternative approach used in this study that OD practitioners should consider for evaluating the impact of LDPs – and other OD interventions – is the more holistic concept of return on expectations

(ROE). Initially developed by Kirkpatrick Partners, ROE is a holistic measurement and ultimate indicator of the value of all the benefits (both qualitative and quantitative) realized from a program or initiative, which is delivered using a set of interventions, with formal training typically being the foundation. From this perspective, practitioners can use wellbeing and engagement as indicators of improvement – outcomes that are not directly quantifiable but are nonetheless real and assessable. A qualitative response, as the example provided above, can be a good indicator of the value delivered by the program. This may include indirect returns or financial windfalls as a result of individuals applying new competencies that result, for example, in attracting new clients, building better teams, coordinating actions/executing more effectively, or positive changes in management/leadership style, improved quality of work, and higher productivity.

Using this broader perspective, OD practitioners should keep evaluations as simple as possible, and not be detracted from efforts in attempting to evaluate programs because there is widespread belief among some practitioners that to do so, complex formulas and calculations must be used. In fact, we recommend applying the principle or law of parsimony (also known as Ockham's razor) – a fundamental aspect of scientific research that is often overlooked, which refers to adopting the simplest explanation of a complex phenomenon. The rule of “if you don't ask because you assume it's too hard to measure, you will never know,” applies here.

Further, OD practitioners would benefit from identifying the key indicators (from either an ROI or ROE perspective) that will be used to assess the impact the strategic projects emerging from the training will have on the business, and follow-up such outcomes to track resulting business improvements. This is something that Wärtsilä intends to do more rigorously as a result of conducting this evaluation.

A Systemic Perspective

Finally, the authors would like to highlight that despite the reductionist approach

taken in writing this case study, the principles outlined above should not be considered as working in isolation. Leadership development warrants taking a systemic perspective in which the integrated whole impacts the culture of organizations.

Conclusion

In conclusion, this case study evaluated whether Wäertsilä's LEAD GLD program could be considered a GLD best practice program. Results identified 14 principles embedded in the program evaluated, which included formal processes and practices comparable to those in place in programs of 18 global companies. Such principles are likely to apply to organizations who aspire to develop, implement, and evaluate GLD best practices. Further, we found evidence for each of the four levels of Kirkpatrick's model. This included program participants reporting satisfaction rates averaging 93.5%, and more than two thirds (68.61%) of respondents stating that they believed they are able to have a significant to a high degree of impact on the business as a result of having attended LEAD. The main limitation of the study was that it did not use focus groups. This paper offers practical applications to OD practitioners who seek to identify evidence-based ways of conducting GLD by offering practical advice and real world examples, contributes to the existing body of knowledge on GLD, and advances both the theory and practice of OD by adding to the scarce body of literature on this topic.

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