

INSEAD

The Business School
for the World®

Faculty & Research Working Paper

Sustainable Effectiveness of a
Transformational Leadership
Development Program:
An Exploratory Study

Manfred KETS DE VRIES
Thomas HELLWIG
Pierre VRIGNAUD
Laura GUILLEN RAMO
Elizabeth FLORENT-TREACY
Konstantin KOROTOV
2009/34/EFE/IGLC
(Revised version of 2008/24/EFE)

Sustainable Effectiveness of a Transformational Leadership Development Program: An Exploratory Study

by

Manfred Kets de Vries*

Thomas Hellwig**

Pierre Vrignaud***

Laura Guillén Ramo****

Elizabeth Florent-Treacy*****

and

Konstantin Korotov*****

Under review: *International Journal of Coaching Psychology*

Revised version of 2008/24/EFE

- * The Raoul de Vitry d'Avaucourt Chaired Professor of Leadership Development, Clinical Professor of Leadership Development, Director, INSEAD Global Leadership Centre (IGLC) at INSEAD, Boulevard de Constance, 77305 Fontainebleau Cedex
- ** Research Fellow, INSEAD Global Leadership Centre at INSEAD, Boulevard de Constance, 77305 Fontainebleau Cedex
- *** Professor of Work and Vocational Psychology, Université de Paris Ouest, Nanterre La Defense, France
- **** Post-Doctoral Research Fellow, INSEAD Global Leadership Centre, at INSEAD, Boulevard de Constance, 77305 Fontainebleau Cedex
- ***** Research Project Manager, INSEAD Global Leadership Centre, at INSEAD, Boulevard de Constance, 77305 Fontainebleau Cedex
- ***** Assistant Professor, ESMT, European School of Management and Technology, Berlin

A working paper in the INSEAD Working Paper Series is intended as a means whereby a faculty researcher's thoughts and findings may be communicated to interested readers. The paper should be considered preliminary in nature and may require revision.

Printed at INSEAD, Fontainebleau, France. Kindly do not reproduce or circulate without permission.

ABSTRACT

This article explores the impact of a transformational leadership development program on the lives of its participants after a one year interval. We address three fundamental questions: (1) What does a transformational leadership program transform? (2) How does the change process occur? (3) How are behavioral changes maintained over time?

We present the results of an exploratory longitudinal outcome study of a leadership development program for senior executives. Individual changes are evaluated both quantitatively, through test-retest results of a 360-degree survey across 12 key leadership dimensions, and qualitatively, through semi-structured interviews with the participating executives.

We found that for a cohort of 11 participants, executives' individual ratings had improved in several aspects one year after the end of the program. Participants' self-assessment scores were significantly higher on key dimensions such as *Rewarding & Feedback* and *Life balance*. Ratings by observers showed a significant improvement on *Visioning* and *Team-building* dimensions. The elements of the program consistently cited by participants retrospectively as contributing positively to the change process were: involvement in group coaching, realistic action plans, acting out or experimenting with new behaviors, and subsequent follow-up with a partner from the cohort.

Keywords: Transformational leadership, leadership development program; group coaching; 360-degree assessment; outcome study; Global Executive Leadership Inventory

Everyone thinks of changing the world, but no one thinks of changing himself.

—Leo Tolstoy

It is never too late to become what you might have been.

—George Eliot

INTRODUCTION

Leadership development programs continue to be popular among companies, consultancies and in executive education. However, despite a compelling need to demonstrate the efficiency of such programs, research is rarely undertaken on whether the outcomes of specific approaches to leadership development have any lasting impact. In response to recommendations for a comprehensive assessment of leadership development programs (Bennet, 2006, Kampa-Kokesch & Anderson, 2001, Conger & Xin, 2000), this explorative study seeks to describe a distinct form of transformational leadership program, to determine the sustainability of its impact on participants, and to better understand the change process.

The concept of transformational leadership (Bass, 1985) is popularly perceived by researchers and practitioners as a form of leadership whereby followers are motivated to perform beyond expectations. Transformational leadership has been distinguished from transactional leadership (Burns, 1978): Whereas transactional leaders focus on exchange relationships with their followers in order to advance their own interests (e.g., wages, prestige), transformational leaders motivate their followers to exceed performance expectations by transforming their attitudes, beliefs and behaviors. Several different sub-dimensions of transformational leadership have been identified and significant unique relationships with a number of outcome measures have been demonstrated (Rafferty & Griffin, 2004). Both transformational and transactional forms of leadership seem to be affected by moral and personal development. Training and education thus play an essential role in the development of the transformational

leader. Although it seems to be difficult to develop the willingness and ability to be a more transformational leader, some studies demonstrate modest behavioral improvements as a result of education, especially in those dimensions where participants establish action plans during training sessions to achieve their goals. Close follow-up and revision of the original plans seem to enhance the likelihood that creating more transformational leaders can result in a change of the organizational culture (Bass, 1999).

Understanding the whole process of managerial learning in order to design effective leadership development programs has been a preoccupation of practitioners and researchers for some time. A comprehensive discussion of the role of reflection in managerial learning by Seibert & Daudelin (1999) differentiates between two distinct but interrelated types of managerial reflection: active reflection which occurs when facing challenging on-the-job experiences, and proactive reflection which denotes a more deliberate contemplation of a specific experience's application to future actions. Challenging work experiences are considered to be the best source of learning, especially when managers engage in both forms of reflection (Seibert & Daudelin, 1999).

Three trends have shaped the landscape of leadership development programs over the last two decades. The first is the increasing recognition of the need to broaden the concept of leadership (Barling, Weber & Kelloway, 1996; Manz & Neck, 1996) to include an awareness of the social processes that engage members in a community (Barker, 1997, Drath & Palus, 1994; Wenger & Snyder, 2000). Second, there is a growing acceptance that developmental learning is enhanced by active on-the-job learning as well as more reflective off-the-job programs. A third trend, driven by the participants themselves, is the inclusion of methods that nurture a learning process embedded in the reality of organizational settings, allowing participants to take an active and collective role in their own development process, both individually and as a group.

In order to study whether and how transformational leadership development programs really work, it is first essential to understand executives' objectives and expectations for this type of program. In our experience, most executives enroll in such programs to learn and practice skills that lead to greater effectiveness at work and in their

personal lives (Kets de Vries & Korotov, 2007). Participants tell us that they view such programs as a “*source of new energy*”, an “*opportunity to experiment with and evaluate plans or fantasies*”, or “*preparation for a new role*”. Experienced leaders may be seeking more complex organizational and strategic knowledge which requires extended socialization and influencing skills (Mumford, Marks, Shane Connelly, Zaccaro & Reiter-Palmon, 2000). They regard executive education programs as an opportunity for self-renewal and a chance to take stock of their lives and careers (Long, 2004). Realizing that leadership cannot exist in a vacuum, they also aspire to a greater understanding of their role in a broader sense, for example by extending their ability to inspire employees and create more effective teams.

Transformational leadership development programs are designed to help executives make transitions. Over time, leadership skills and knowledge become inextricably integrated with the development of a self-concept as a leader (Lord & Hall, 2005). Through a process of reframing their own lives, experiences and frustrations, participants discover new meaning in the daily realities of their work and begin to experiment with skills and values that have hitherto been taken for granted. This new perspective allows them to reexamine their understanding of who they truly want to be and the role that best fits this emerging identity. For some, this may lead to the development of a new ‘working identity’ (Ibarra, 2003), defined by what we do, by the company we keep, the formative events in our lives and the story that links who we have been and who we will become (Ibarra, 2003).

The transformational leadership development program that is the focus of this study is designed to create a transitional space in which participants can identify and test their own desired behavioral change (Kets de Vries & Korotov, 2007). The learning approach is aligned with the personal expectations of executives: increased self-awareness, overcoming mental blocks, and acquiring a more sophisticated repertoire of behaviors. The program includes socially-guided methods—such as 360-degree feedback, coaching, simulations and networking—that by definition require active participation to shape not only what executives do, but also who they are and how they interpret what they do (Wenger, 1998). It relies upon social practices that foster a safe environment as a first step towards pausing – taking time out to allow individual change and development to ferment and emerge. Participants are encouraged to test

new identities in their daily lives and to report back to the group on their experiences in a context of mutual reflection. Thus a virtuous cycle of action and reflection is created.

The paucity of outcome studies on leadership development programs

Although there is a clear need for a comprehensive assessment of sustainable outcomes of leadership development programs, such studies are rarely carried out (Conger & Xin, 2000). Subjective client evaluations are often the sole source of outcome measurement used by practitioners, albeit they are not considered an empirically valid measure of actual effectiveness (Feldman & Lankau, 2005). Evidently, a rigorous and effective evaluation of the impact of executive education programs requires more than simply reviewing participants' satisfaction ratings on the last day of the program, especially as research seems to show that there is no significant relationship between immediate participant satisfaction and other learning outcomes (Dixon, 1990).

The paucity of such studies in executive education programs is largely due to the difficulties inherent in undertaking any robust longitudinal study that meets conventional criteria for validity (Yorks, Beechler & Ciporen, 2007). Among the main obstacles to long-term follow-up is a lack of access to reliable performance data from business units, as well as changes in the participant's job/function in the subsequent period (for the assessment of different competencies). In addition, it is almost impossible to identify all the variables affecting, causing or moderating individual development and to establish a control group that accurately mirrors the study group without formal or informal intervention.

METHOD

The focus of our study was *The Challenge of Leadership* (COL), an executive program, created and taught at INSEAD by the first author, that is specifically designed to allow participants to explore and test new leadership behaviors. The program integrates several elements mentioned as essential for training to increase

leaders' transformational capabilities, e.g. discussion with participants about their implicit concepts around ideal leadership; the use of 360-degree assessment of leadership behaviors; and the creation and continuous review of individual action plans for going beyond a transactional level in their work relationships. For the purposes of our study we followed a longitudinal design using quantitative data from test-retest of a 360-degree survey instrument and qualitative data from semi-structured interviews in order to explore three avenues of enquiry: What leadership behavior appears to be the most relevant for individual COL participants? How does the change process occur? How is change maintained over the long term? Our attention focused on the assessment of outcomes at the cognitive, attitudinal and behavioral level of the individual executives.

The Challenge of Leadership program

The COL program uses a clinical group coaching approach, based on the belief that a considerable part of human motivation lies outside our conscious awareness and that important issues in our daily lives are frequently related to significant events in the past. The clinical paradigm is grounded in concepts from psychodynamic psychotherapy, developmental psychology, and family systems theory and cognition to understand the behavior, desires and fears of leaders in organizations. (For a more detailed description of the clinical approach to group leadership coaching, see Kets de Vries, 2005a, 2006 and Kets de Vries, Korotov & Florent-Treacy, 2007). Different forms of the psychodynamic approach to coaching are used in practice and research (e.g. Kilburg, 2004). We chose the COL program for our study despite some foreseeable difficulties in research design—a relatively small number of participants per cohort (20), and the limited time available to top executives for retesting and interviews.

Since only two faculty members were involved in the coaching, there was also a greater level of controllability and consistency in the delivery of coaching interventions. Both have a background in business as well as in psychodynamic psychotherapy (and are certified psychoanalysts). They have been teaching and coaching senior executives for over 20 years, and have led the COL program together for 16 years.

From the beginning, the faculty-coaches establish a relatively risk-free transitional space of trust and mutual respect to facilitate participants' experimentation in this "identity laboratory" (Korotov, 2005). This transitional space offers a safe environment where executives have the opportunity to reinvent themselves by picking up the threads of stagnated development (Winnicott, 1951; Korotov, 2005). Group coaching—in which participants share a journey of self-exploration—is the principal form of intervention used, of which life narratives (stories told to the group by each participant about personal and professional issues), and vicarious learning (listening and reflecting on the narratives of others) are key elements. In the process the faculty-coaches seek to engage participants in a journey of self-discovery and in a collective effort to solve more immediate issues.

Feedback is an essential part of the process. At the end of the first of four modules participants receive structured feedback from observers of their work and private life, from other participants and from faculty-coaches. They compare this feedback to their self perceptions and draw up their own specific action plans for personal and leadership development. In subsequent modules their progress is discussed and the action plans are refined. A heightened self-awareness coupled with a sense of accountability to the group helps to foster the development of reflective practitioners (Schön, 1983), both in the professional and private context. COL participants encourage one another to act *and reflect* – that is, not to fall into the action trap. There is a structured follow-up among faculty and participants between modules as well as at the end of the program. Participants and faculty exchange regular e-mails to assess participants' state of mind and progress in their action plans. In addition, each executive is teamed with a fellow participant/learning partner who will regularly seek updates on the executive's commitments and action plan.

The sample

All 20 senior executives who had participated in the COL program in 2005 were contacted 12 months after it ended. Of this group, 14 agreed to participate in the second study, incentivized by the fact that the results of the test would be shared with them. Due to the considerable commitment this required, only 11 eventually participated. The participants and their observers completed the *Global Executive Leadership Inventory* (GELI), a 360-degree survey instrument, for a second time (see

Kets de Vries, Vrignaud, & Florent-Treacy, 2004). On both occasions it was administered in English through the same internet-based platform.

All 11 participants were male (in the 2005 COL program there were only two women out of a total of 20). Although diverse nationalities were represented, the group was fairly homogeneous in terms of hierarchical ranking, career cycle, and life experiences. With ages ranging between 37 and 52, mean of 44.6 years ($SD=5.7$ years), the COL participants were at the peak of their careers and were powerful figures in their respective organizations: Nine of the participating executives had a general management background, one came from sales and marketing, and one was head of a practice area in a large global consulting firm. None were from the same industry. Eight of the participants were in charge of one or more country divisions or held the position of group functional head. Three of the executives were board members of their respective companies. There were nine Europeans (all of different nationalities), one American and one Asian participant.

The number of observers per executive who completed the GELI questionnaire was, on average, smaller for the second iteration of the test (9.6 in 2005 compared with 6.4 in 2006). Although we encouraged participants to select the same set of observers, in some cases this was not possible because the participant had changed job, position, company or country. We allowed them to choose different observers despite the risk of a certain bias through rater instability (Seifert, Yukl & McDonald, 2003) as we felt it was critical for observers to be currently in close contact with the executive in question, thereby ensuring the relevance of the evaluation (Hammun, Martineau & Reinelt, 2007).

Before seeing results from the second test, each of the 11 executives participated in individual, semi-structured telephone interviews. Figure 1 shows the study design, and explains the timeline of the different program modules and the execution of the quantitative and qualitative outcome measurements.

Figure 1: Timing of program modules and study interventions

(Insert Figure 1 about here)

Quantitative measure of change using the Global Executive Leadership Inventory

Outcome studies make use of 360-degree feedback surveys to quantify behavioral changes in coaching and leadership development programs in a pre/post comparison (Toegel & Nicholson, 2005). 360-degree questionnaires are used to help participants reflect on their personality traits and perceived leadership behaviors. They are frequently integrated in reflective leadership programs and generally regarded as a highly effective tool in the leadership development process (Kluger & DeNisi, 1996; Walker & Smither, 1999; Kets de Vries, Vrignaud, & Florent-Treacy, 2004; Kets de Vries et al., 2006). In a typical 360-degree process, a self rating by an individual manager is compared to an evaluation by multiple individuals with varying relationships to the manager (superior, peers, direct reports and others). It is widely accepted that 360-degree ratings are comparable across different nationalities, although cultural and language differences may create some problems (Craig & Hannum, 2006).

The *Global Executive Leadership Inventory* (GELI), a widely used, validated and reliable 360-degree survey instrument, was developed by the INSEAD Global Leadership Centre. The questionnaire includes 100 items that on aggregate measure 12 dimensions of leadership: *Visioning – Empowering – Energizing – Designing & Aligning – Rewarding & Feedback – Team-building – Outside orientation – Global mindset – Tenacity – Emotional intelligence – Life balance – Resilience to stress*. A quantitative research study was conducted when constructing the GELI questionnaire to test the robustness of the various dimensions (Kets-de-Vries, 2004). Data from this study indicated a high internal reliability and consistency for the 12 dimensions of global leadership (internal reliabilities assessed through standardized Cronbach's alpha range from .76 to .91 for the different dimensions).

Test-takers and observers are asked to indicate (on a seven-point Likert-type scale) the degree to which each item describes the way they act in a particular situation, where 1 means that the statement does not describe them at all – in other words, they

never act in the way described, and 7 means that they *always* act in the way described, in other words, they are exemplary in this respect. A full description of the GELI and its development can be found in Kets de Vries, 2004, 2005a, 2005b. Unweighted summated scales were calculated for each dimension using the corresponding items. In the results graphs given to each test-taker, individual scores appear as standardized scores, using the norming parameter of the reference sample comprising over 15,000 mid- and senior-level executives who had completed the instrument in the past (Kets de Vries, 2005b).

Table 1. Description of the 12 dimensions of the Global Executive Leadership Inventory

Dimension	Description
	<i>The dimension implies a leader who...</i>
Visioning	Seizes opportunities and challenges the status quo, sees the big picture and simplifies complex situations.
Empowering	Keeps people informed and minimizes secrets, delegates tasks, creates a sense of ownership and tolerates mistakes.
Energizing	Mobilizes people by selling ideas, leads by example.
Designing & Aligning	Sets performance milestones, holds people accountable, and builds alignment among values, attitudes and behaviors on the one hand and systems on the other.
Rewarding & Feedback	Ensures the fairness of all incentives, sanctions and rewards, gives effective, constructive feedback in an ongoing manner, and engages in mentoring.
Team-building	Encourages constructive conflict, creates a cooperative atmosphere, is a good corporate citizen, and sees diversity of team member as an advantage.

Outside orientation	Manages customer relations and manages outside constituencies.
Global mindset	Has a strong global awareness and exhibits a curiosity about other cultures.
Tenacity	Takes a stand for personal beliefs and is resilient.
Emotional intelligence	Engages in an ongoing process of self-reflection, handles emotions well, learns from mistakes, inspires trust, and is able to help people open up.
Life balance	Thinks about life balance, diversifies life interests and has confidants.
Resilience to stress	Monitors work, career, life and health related stress.

A qualitative measure of change using individual follow-up interviews

An independent researcher carried out individual semi-structured interviews to test the qualitative outcome of the program (see interview questions, Table 2, below). Neither the researcher nor the interviewees had seen the second set of GELI test results, nor had they interacted during or after the program.

The 11 participating executives were briefed beforehand about the purpose of the study and informed about the interview, but not about the specific questions. Each interview lasted between 25 and 40 minutes and was conducted in English over the phone. Each tape-recording of the conversation was transcribed by the same researcher and common themes were then identified through content analysis.

The interview questions were designed to discover not only whether the participants felt that they had benefited from COL, but also to explore specificities of perceived cognitive and emotional change. We were particularly interested in the catalysts for change, and whether or not change had been maintained over the year. We sought specific examples that would illustrate the development process participants had experienced.

Table 2: Questions for the semi-structured telephone interview

The follow-up interview questions

<i>What changes have occurred?</i>
<i>What has happened since the end of the program (introduction)?</i>
<i>What was the main take-away for you from the “Challenge of Leadership” program?</i>
<i>After your participation in the program, did you become more effective in your professional life? (Please give examples)</i>
<i>In which specific areas of your life have you most benefited from the program?</i>
<i>How did change occur?</i>
<i>What specific focus did you have after finishing the program (action plan)?</i>
<i>Were you successful in implementing your action plan?</i>
<i>What were the reasons for your success?</i>
<i>What kind of resistance did you encounter in trying to achieve your goals?</i>
<i>How effective was the Challenge of Leadership Program in (a) identifying your key areas of concern and (b) enabling you to make the desired changes?</i>

RESULTS

Quantitative results: test/re-test scores of the 360-degree survey (GELI)

In the following section we describe the quantitative assessment of the individual changes in the executives' lives, focusing on those areas where change was achieved and maintained. Due to subsequent changes of job, not all observers present on the first occasion responded on the second. There were three configurations for observers: those who responded on both occasions (common, matched design), those who responded only to the pre-survey (2005), and those who completed only the post-program survey (2006). The number of observers for each of the following categories varied from one self to another: 11 selves responded on both occasions, 30 observers responded on both occasions, 62 observers on the first occasion only, and 38 observers on the second occasion only. For each self, the number of common observers ranged from zero to seven. Given these difficulties, no analysis could be considered which avoided all the potential biases; hence we decided to proceed using a form of analysis suited to the structure of the data. First we analyzed the selves only,

and in a second step we analyzed the observers' scores using averaged observers' scores for each participant, as follows:

- Self-assessment

11 participants responded to the questionnaires on both occasions. As the design is a matched sample, we used a matched sample t test. Results are presented in Table 3.

	2005	2006	mean difference	Cohen's d	Student T	P(t) bilateral	df
Visioning	46.73	46.82	0.09	0.02	-0.08	0.94	10
Empowering	42.64	42.55	-0.09	-0.02	0.07	0.94	10
Energizing	44.45	44.36	-0.09	-0.02	0.07	0.94	10
Designing & Aligning	34.82	35.36	0.55	0.12	-0.41	0.69	10
Rewarding & Feedback	38.82	42.55	3.73	0.71	-2.34	0.04	10
Teambuilding	60.45	60.73	0.27	0.06	-0.20	0.85	10
Outside orientation	25.27	26.45	1.18	0.36	-1.21	0.26	10
Global mindset	46.00	46.55	0.55	0.11	-0.37	0.72	10
Tenacity	29.82	30.09	0.27	0.09	-0.30	0.77	10
Emotional intelligence	57.09	63.45	6.36	0.65	-2.16	0.06	10
Life balance	46.18	51.18	5.00	0.75	-2.50	0.03	10
Resilience to stress	39.18	33.00	-6.18	-0.59	1.96	0.08	10

Table 3: Results of selves' comparison.

We computed Cohen's d (Cohen, 1992) in order to quantify the effect size. The values can be considered as medium for four dimensions (*Rewarding & Feedback*, *Emotional intelligence*, *Life balance* and *Resilience to stress*) and as small for one dimension (*Outside orientation*). The t test for a matched sample allowed us to conclude that the mean difference was significant at $\alpha = .05$ for two dimensions (*Rewarding & Feedback* and *Life balance*) and at $\alpha = .10$ for two others (*Emotional intelligence* and *Life balance*).

- Observers' assessment (average):

Ten participants had at least one observer in common on both occasions. For these participants observers' ratings were averaged for the pre and post-program 360-degree survey. We were able to collect only the self assessment for the remaining participant. In order to estimate the effect of the raters' status (self or observer), we tested the hypothesis for the existence of a gap between the ratings of selves and observers using Hierarchical Linear Modeling. As the data had a hierarchical structure (observers nested in selves and selves with different observers in the pre and post survey), this had to be taken into consideration to obtain an unbiased estimation of the parameters and their standard errors (Bryk & Raudenbush, 2002; Goldstein, 2003). For the 2005 data, the difference between self and observers' rating was significant for two only dimensions: *Team-building* ($\beta = -6.95$, $p < .01$) and *Resilience to stress* ($\beta = -9.03$, $p < .01$). For the 2006 data, no difference was significant. Our conclusion was that, in this sample, the gap between self and observers' ratings provided insufficient evidence of a systematic effect of the rater's status (self or observer).

The results of the comparison of the observers' averages in 2005 (total number of observers = 106) with 2006 ($n = 70$) were computed for each self. The results of these matched comparisons are presented in Table 4.

	2005	2006	Mean difference (2006-2005)	Cohen's d	Student T	P(t) bilateral	df
Visioning	44.30	46.61	2.31	0.82	-2.59	0.03	9
Empowering	38.99	42.02	3.03	0.61	-1.93	0.09	9
Energizing	42.93	45.95	3.03	0.63	-1.99	0.08	9
Designing & Aligning	33.91	36.33	2.42	0.65	-2.04	0.07	9
Rewarding & Feedback	38.82	41.55	2.73	0.67	-2.12	0.06	9
Teambuilding	53.45	58.77	5.33	1.02	-3.23	0.01	9
Outside orientation	26.99	27.63	0.64	0.40	-1.27	0.24	9
Global mindset	45.64	47.24	1.60	0.33	-1.03	0.33	9
Tenacity	30.00	30.18	0.17	0.07	-0.22	0.83	9
Emotional intelligence	58.29	62.84	4.55	0.58	-1.82	0.10	9
Life balance	48.85	51.20	2.35	0.50	-1.57	0.15	9
Resilience to stress	28.46	27.77	-0.69	-0.13	0.41	0.69	9

Table 4: Results of matched observers' comparison (average).

The values of Cohen's d can be considered as large for two dimensions (*Visioning* and *Team-building*) and as medium for eight dimensions (*Empowering*, *Energizing*, *Designing & Aligning*, *Rewarding & Feedback*, *Global mindset*, *Tenacity*, *Emotional intelligence* and *Life balance*). The t test for a matched sample allows us to conclude that the mean difference is significant (at $\alpha = .05$) for two dimensions (*Visioning* and *Team-building*) and at $\alpha = .10$ for four others dimensions (*Empowering*, *Energizing*, *Designing & Aligning*, *Rewarding & Feedback* and *Emotional intelligence*).

Qualitative changes: Participants' views

In our analysis of the transcripts we were interested in *what changes* occurred through the journey of self-discovery within the context of the transformational program. Secondly, we were looking for clues about *how the change process occurred*, and thirdly, *what elements fostered longer-term outcomes*.

With respect to *what changes* occurred, we looked for repeated references in the participants' accounts of the effectiveness of the program. Two main areas were regularly identified:

1. Participants described an increase in *self-awareness* that helped to identify blocks that inhibited personal development. At the same time, interviewees felt they had gained a better understanding of their own driving values, and a clearer idea of their goals and desires.
2. There were perceived improvements in specific *leadership behaviors*; notably, executives become more people-oriented after the COL program (referring to a perceived improvement in the dimensions of listening, emotional intelligence, rewarding and feedback, and team building). These results converged with the quantitative findings as a sign of convergent validity.

Self awareness

The increase in self-awareness can be illustrated by examples from the transcripts. One participant commented on the clinical aspect of the program:

“I began to realize the huge impact of my childhood experience on my present way of behaving. ... Due to the program I have become more aware of the complexity of human beings. I make now an effort to know my people better.”

Another executive commented on the value of the program not only for himself personally and professionally, but also for the organization he worked for:

“The course lifted me to a higher level of emotional awareness and I am now in the habit of thoroughly evaluating professional opportunities both for my company and myself. ... In addition, I am taking more time for my wife and my children. I take every opportunity to make time available. Also, I feel that I have become a much better listener both at home and at work.”

Leadership behavior

The leadership behaviors most frequently cited as a key learning point focused on the acquisition of coaching skills. The four examples below, from three participants, demonstrate not only how they learned cognitively about listening, rewarding, feedback and team-building, but also how they embraced the leadership coaching approach emotionally. Their experience during the program subsequently enhanced their own skill in creating a culture of trust and mentoring within their respective companies.

One executive commented: *“Opening up and listening are for me the most important take-away from the program.”* The ability *“to be more effective in building teams”* and an increased awareness of the need to *“create a culture of positive regard”* (becoming better at giving positive feedback) were cited by many of the interviewees. They considered these abilities to be direct outcomes of the group coaching program. The expression *“an increase in emotional intelligence”* was also often used to describe the changes the business leaders had experienced. One said: *“Now I listen first before giving the answer. My office does not have walls any more. I am more available to my employees.”* Another commented: *“Before the program I sometimes*

had difficulties connecting with my employees; now I am the chairman of mentoring and coaching in my company.”

Remarks about participants becoming more astute in understanding human relationships recurred in many of the interviews. One commented:

“The Challenge of Leadership program made me more aware of changes men and women go through. ... I developed a better understanding of my team and also of my wife’s current issues. ... Now I pay more attention to human interactions at work, especially with my team and my peers.”

The change process: Four areas enhancing sustainable transformation

With respect to *how change was facilitated and maintained* through transformational leadership programs, four themes emerged from the interviews:

1. The *group coaching* sessions enhanced self-awareness and a sense of commitment to the group in terms of meeting self-development goals.
2. The *action plans* were crucial in setting individual developmental objectives.
3. *Acting out and experimentation with new behaviors* in the professional context were essential to crystallize changes and enrich the repertoire of effective behaviors.
4. *Staying in contact with a learning community* served to sustain changes in the long-term.

Group coaching

Almost all of the people interviewed agreed that the group coaching element of the program had had a significant impact on their personal lives. The speed with which they became comfortable with sharing personal issues with other participants who were initially strangers astonished them: *“The first week was one of the biggest shocks in my life.”* *“All my shortcomings were on the table; a quite dramatic experience...”* A sense of surprise at how simple it seemed to be to create a safe, transitional space was frequently noted. This made them realize that a high degree of trust in the group was a strong determinant of the success of the program. In addition, they felt it was an important lesson to be taken back to the home and work environments.

With regard to the importance of social interaction facilitated through group coaching sessions, one participant noted:

“It [being accountable to the group] makes it much harder for me to go back to automatic pilot, to fall back into my old behavior. Now every morning when I am shaving, looking in the mirror, I can see the faculty and my colleagues in the program. This visualization reminds me of the promises I have made to them about change. It keeps me on track.”

Action plans

Making explicit commitments was considered an important long-term facilitator of the change process. It emerged that participants viewed the action plan as a crucial element of achieving the desired behavioral change within the leadership development process. One executive commented on how powerful this commitment, made in presence of the faculty members/coaches and the group, had been: *“Working on my list [action plan] was initially painful but is now enjoyable.”*

Another explained how he found a way to counteract the desire to switch back to old habits: *“When I realize that I am getting angry, I will reflect on it by writing about it in my diary in the evening, instead of reacting immediately and letting it out on the team.”* The same individual observed that his team members at work seem to feel a new sense of responsibility and empowerment because he now reflected more before acting in the heat of the moment. *“It shows in the quality of their work. ... I think I am managing people more effectively, although it is difficult to judge.”*

Another executive described concrete actions he had applied to improve his leadership competence (*Team-building*). *“When I first suggested to my employees that we have lunch together, they were very surprised.”* He had experimented with this in the COL module: *“In the first six months I felt much more at ease to experiment with different kinds of behavior. Presently, I have to be careful not to go back to my old controlling and grumpy self.”*

Acting and experimenting

Acting and experimenting were evidently crucial to incorporating a new repertoire of behaviors in daily life. A few of the participants mentioned that the program had shown them that they themselves were responsible for maintaining changes on a day-to-day basis in their professional and private life. One explained:

“I realize that the goal of COL can only be to identify the key areas I have to work on. In the end, you have to make the changes yourself. This idea can be hard to accept. But I am now prepared to accept that it is up to me to make the necessary changes.”

This theme was echoed by another executive who evaluated the program as *“extremely good in identifying the key areas, but somewhat less effective in helping me make the changes.”* In making this observation he added, *“I realize that without having gone through the program not much would have happened. I would have done just more of the same.”*

Another concurred:

“The program did not give me the instant solutions and concepts I was originally looking for. But it did highlight some key areas I needed to work on. Only at the end of the program did I realize that I may not get the ‘recipes’ directly. Indirectly, however, by working on myself I may end up getting such a recipe. What I have realized during the program is that it is not very constructive to demand that other people change. But if you start the change process yourself, you may be surprised. When you deal in a different way with people, they may also deal in a different way with you. And in this indirect way, you may get what you wanted.”

The learning community

Finally, participants confirmed that staying in contact with the learning community was a powerful source of motivation in the long term. Maintaining changes in behavior after the end of each module was an issue for many of them who referred to the *“danger of slipping back into automatic pilot”*. The presence of a learning partner, peer coach or fellow-participant to remind the other of his specific action plan was

also a helpful source of suggestions on how to execute the action plan and how possible obstacles could be overcome. These regular communications often did not cease with the completion of the final program module. Indeed, our experiences with previous cohorts had shown that, in many instances, some form of mutual leadership coaching between the participants continued, even over several years.

“Having a learning partner and meeting up again with some of the participants in [location] was quite helpful to remind us of the experience we went through. It was also very useful to have [the faculty] around during these meetings.”

DISCUSSION

The objective of this study is to explore quantitatively and qualitatively the sustainable effectiveness of a transformational leadership development program. The program under investigation, the *Challenge of Leadership* (COL), uses the clinical group coaching approach as a theoretical and pedagogical framework. Given the difficulty of obtaining a larger sample size, our findings take the form of observations that we hope future research will elaborate upon. The results for a cohort of 11 senior executives suggest that a number of positive behavioral changes occurred during and after the COL program, according to both participants and observers. Our exploratory study opens up opportunities for further research, among them the use of the *Global Executive Leadership Inventory* (GELI) as an instrument to capture change on a larger scale in a test-retest design.

Our study was framed by three research questions: (1) What does a transformational leadership program transform? (2) How does the change process occur? (3) How are behavioral changes maintained over time?

With respect to the first question, quantitative and qualitative data converged in two preliminary results:

- The transformational leadership development program increased participants' self-awareness for a cohort of 11 executives one year post-program. The insight gained during the COL program provided a catalyst for further changes in participants' daily lives. These findings are in line with those of larger studies on the impact of open enrolment programs (Yorks, Beechler & Ciporen, 2007) in executive education in general. What makes our study particularly interesting is the relatively long interval of outcome measure post-program.
- The Challenge of Leadership program promoted a measurable improvement in certain dimensions that had a strong coaching component, such as *Rewarding & Feedback*, *Life Balance* (significant level) and, to a lesser degree, *Emotional intelligence* according to participants' self assessments. Participants appeared to subsequently apply their learning and experience of the group coaching approach as practiced in the program.

Studies which integrate recent findings in affective neuroscience and biology with well-documented research on leadership and stress suggest that such skills are essential in order to develop sustainable leadership competencies (Boyatzis, Smith & Blaize, 2006). In this regard, leadership development focuses on building and using interpersonal competencies and networks that enhance cooperation (Day, 2001). Observers of the cohort perceived first and foremost a significant level of positive behavioural change among participants in the *Visioning* and *Team-building* dimensions, and to a lesser degree in other dimensions, including those where there were significant changes in the self assessment score.

With respect to the question of how the change process occurs and is maintained, a number of change facilitators were identified through the qualitative analysis of the semi-structured interviews for the cohort of 11 executives:

- *social practices*, such as group coaching, networking and 360-degree feedback processes, which help to create a safe environment for “pausing” and managing personal change;
- *action plans* designed as part of a process of self-discovery;

- *an exploration of new selves* (Ibarra, 2003, 2007) through a test-and-learn process that helps individuals shape and practice new behaviors;
- *a learning community* that supports change over the long term, as participants acquire key competencies through centripetal learning supported by the curriculum (Lave & Wenger, 1991).

Limitations of the study

First and foremost, the sample size (n=11) of executives participating in the follow-up study clearly limits the value of the results and jeopardizes the study's external validity and the conclusiveness of its results. The participants were self-selected as nine of the original cohort of 20 chose not to be included in our study. It could be that the 11 who chose to participate were more satisfied with the program, implying a bias towards positive results. Moreover, due to subsequent career moves (jobs or functions) we had to accept that some executives would not have an identical set of observers for the post-program survey.

Considering these difficulties, the study design is difficult to handle for inferential analysis as one part (selves and common observers) are matched data and the other part (observers present only in the pre or post sample) are independent data. Moreover, since the observers are nested in the selves, this dependency should be taken into consideration. The ideal would have been to use Hierarchical Linear Modelling (HLM), observers being at the lowest level of the hierarchy and selves at the upper level. However, HLM is difficult to implement due to the presence of common and non-common observers which implies a lot of missing data in the design. The sample size is too small to get a truly reliable estimation of the parameters using HLM algorithms such as Maximum Likelihood.

The value of the results is also limited by the use of semi-structured interviews especially created for the purpose of the study; consequently we have no quantitative evidence for the reliability of the interview findings. Causal relationships in the study can thus only be descriptive and explorative rather than inferential and conclusive.

We suspect that the difficulty of recruiting enough respondents to undertake a study in optimal possible conditions (same job, same observers, etc.) is one reason why

institutions tend to evaluate their programs immediately upon completion or shortly thereafter. Most empirical studies consider periods equal or inferior to 12 months for post-intervention measurement (e.g. Evers, Bouwers & Tomic, 2006; Toegel & Nicholson, 2005; Hirst et al., 2004; Boyatzis, 2002). In the corporate world, companies traditionally use a 12-month period to measure the performance of the business and their employees. Although we felt that the time elapsed (one year post-program) was an adequate differentiator to measure sustainable effectiveness, the exact interval could be explored further. The lag between learning and applying new leadership behaviors may be an expression of the interval between gaining new insight and truly internalizing this knowledge into leadership behaviors (Hirst et al., 2004), that is to say, the time taken to translate conceptual insights into practical skills.

Future research is needed to test the plausible propositions of our study on a larger group with a more rigorous research design (observers/time-line). Another important area of interest would be to compare outcome measures at the behavioral (micro) level with those at the organizational (macro) level, possibly using different instruments (personal/professional 360-degree multi-party feedback). It might also be worth constructing a study that focuses on outcomes at different points in time after the end of the program. Such a study could provide insight into whether there is such a thing as a typical “life-cycle” of behavioral change, particularly from the participant perspective.

A comparison of pre/post results of the GELI with other well-established instruments and leadership dimensions would add to the validity of our results. It would be helpful for prospective studies to include a control group of matched pairs of executives who have not received any form of leadership development (Evers, Bouwers & Tomic, 2006) and to investigate a group with the same set of pre/post program observers. (Toegel & Nicholson, 2005).

While the focus of this study is on leadership competencies and behaviors at the individual level, we acknowledge that situational variables (such as organizational culture) may mediate the developmental process. For example, Hirst et al. (2004) found that new leaders learn significantly more than experienced leaders. The influence of different levels of leadership experience (novice, intermediate, senior),

would seem to have implications for our sample group, all the members of which were very senior executives.

Finally, due to the complex nature of the professional environment of participants, questions about the methodology used to measure variables will inevitably continue to dog researchers studying transformational leadership programs: How to define successful outcomes, when and how to measure outcomes, to what extent changes have been internalized, and how to assess increases in productivity at the individual and organizational level.

REFERENCES

- Barker, R. A. (1997). How can we train leaders if we don't know what leadership is? *Human Relations*, 50(4), 343-362.
- Barling, J., Weber, T. & Kelloway, E. K. (1996). Effects of transformational leadership training on attitudinal and finance outcomes: a field experiment. *Journal of Applied Psychology*, 81(6), 827-832.
- Bass, B. M. (1985). *Leadership and performance beyond expectations*. New York. The Free Press.
- Bass, B. M. (1999). Two decades of research and development in transformational leadership. *European journal of work and organizational psychology*, 8(1), 9-32.
- Bennet, J. L. (2006) An agenda for coaching-related research: a challenge for researchers. *Consulting Psychology Journal: Practice and Research*. 58(4), 240-249.
- Burns, J.M. (1978). *Leadership*. New York. Harper & Row.
- Boyatzis, R. E., Smith, M. & Blaize, N. (2006). Developing sustainable leaders through coaching and compassion. *Academy of Management Learning & Education*, 5(1), 8-24.
- Boyatzis, R.E. (2002). Unleashing the power of self-directed learning. In Rom Sims (Ed.), *Changing the way we manage change: the consultants speak*. New York: Quorum Books, 13-32.
- Bryk, A.S. & Raudenbush, S. W. (2002). *Hierarchical Linear Models*. Newbury Park Ca : Sage.
- Cohen, J. (1992). A power primer. *Psychological Bulletin*, 112, 155-159.

- Conger, J.A., & Xin, K. (2000). Executive Education in the 21st Century. *Journal of Management Development*, 24(1), 73-101.
- Crits-Christoph, P., & Luborsky, L. (1990). The measurement of self-understanding. In Luborsky, L. & Crits-Christoph, P. (Eds.) *Understanding Transference*. New York: Basic Books.
- Craig, B. S. & Hannum, K. (2006). Research Update: 360-Degree Performance Assessment. *Consulting Psychology Journal: Practice and Research*, 58(2), 117-124.
- Crocker, L. & Algina, J. (1986). *Introduction to classical and modern test theory*. New York: Harcourt Brace Jovanovich College Publishers.
- DeNisi, A. & Kluger, A. (2000). Feedback effectiveness: Can 360-degree appraisals be improved? *Academy of Management Executive*, 14, 129-139.
- Davies, J. & Easterby-Smith, M. (1984). Learning and developing from managerial work experiences. *Journal of Management Studies*, 21(2), 169-183.
- Day, D.V. Leadership Development: a review in context. *Leadership Quarterly*, (2001). 11(4), 581-613.
- Dixon, N. M. (1990). The relationship between trainee responses on participation reaction forms and post-test scores. *Human Resource Development Quarterly*, 1, 129-137.
- Drath, W. H. & Palus C. J. (2004). *Making common sense: Leadership as meaning making in a community of practice*. Greensboro, NC: Center for Creative Leadership Press.
- Evers, W. Bouwers, A., & Tomic, W. (2006). A quasi-experimental study on management coaching effectiveness. *Consulting Psychology Journal: Practice and Research*, 58(3), 174-182.
- Feldman, D. C., & Lankau, M. J. (2005). Executive coaching: A review and agenda for future research. *Journal of Management*, 31(6), 829-848.

- Goldstein, H (2003). *Multilevel statistical models*. 3rd edition. London: Arnold.
- Hannum K. M., Martineau, J. W., & Reinelt, C. R. (2007). *The handbook of leadership development evaluation*. San Francisco: Jossey-Bass Business & Management Series, and Center for Creative Leadership.
- Hirst, G., Mann, L., Bain, P., Pirola-Merlo, A., & Richver, A. (2004). Learning to lead: the development and testing of a model of leadership learning. *Leadership Quarterly*, 15, 311-327.
- Horowitz, L., Rosenberg, S., & Kalehzan, B. (1992). The capacity to describe other people clearly: A predictor of interpersonal problems in brief dynamic psychotherapy. *Psychotherapy Research*, 2(1), 37-51.
- Ibarra, H. Identity Transitions: (2007). Possible selves, liminality and the dynamics of voluntary career change, *INSEAD Working Paper*, 2007/31/OB.
- Ibarra, H. (2003). *Working identity: unconventional strategies for reinventing your career*. Boston: Harvard Business School Press.
- Kampa-Kokesch, S., & Anderson, M. Z. (2001). Executive coaching: A comprehensive review of the literature. *Consulting Psychology Journal: Practice and Research*, 53(4), 205-228.
- Kets de Vries, M.F.R. (2005a). Leadership group coaching in action: the Zen of creating high performance teams. *Academy of Management Executive*, 19(1), 61-76.
- Kets de Vries, M.F.R. (2005b). The Global Leadership Life Inventory Facilitator's Guide [or Participant's Workbook]. San Francisco/New York: Pfeiffer.
- Kets de Vries, M.F.R. (2006). *The Leader on the Couch: A Clinical Approach to Changing People and Organizations*. London: Wiley.
- Kets de Vries, M.F.R., & Korotov, K. (2007). Creating Transformational Executive Education Programs. *Academy of Management Learning and Education*, 6(3), 375-387.

- Kets de Vries, M.F.R., Korotov, K., & Florent-Treacy, E. (Eds.) (2007). *Coach and Couch: The Psychology of Making Better Leaders*. London: Palgrave, MacMillan.
- Kets de Vries, M.F.R., Vrignaud, P., & Florent-Treacy, E. (2004). The Global Leadership Life Inventory: Development and Psychometric Properties of a 360-Degree Feedback Instrument. *International Journal of Human Resource Management*, 15(3), 475-492.
- Kets de Vries, M.F.R., Vrignaud, P., Korotov, K., Engellau, E., & Florent-Treacy, E. (2006). The Development of the Personality Audit: A Psychodynamic Multiple Feedback Assessment Instrument. *International Journal of Human Resource Management*, 17(5), 898-917.
- Kilburg, R. R. (1996). Toward a conceptual understanding and definition of executive coaching. *Consulting Psychology Journal: Practice and Research*, 48(2), 134-144.
- Kilburg, R. R. (2000). Facilitating Intervention Adherence in Executive Coaching: A Model and Methods. *Consulting Psychology Journal: Practice and Research*, 53(4), 251-267.
- Kilburg, R. R. (2004). When shadows fall: using psychodynamic approaches in executive coaching. *Consulting Psychology Journal: Practice and Research*, 56(4), 246-268.
- Kluger, A. & DeNisi, A. (1996). The effects on feedback interventions on performance: A historical review, a meta-analysis and a preliminary feedback intervention theory. *Psychological Bulletin*, 119, 254-284.
- Korotov, K. (2005). *Identity laboratories*. INSEAD PhD Dissertation. Fontainebleau, France: INSEAD.
- Lave, J. & Wenger, E. (1991). *Situated learning: legitimate peripheral participation*. New York: Cambridge University Press.

- Long, S. (2004). Really...Why do executives attend executive education programs? *Journal of Management Development*, 23(8), 701-715.
- Lord, R.G. & Hall, R.J. Identity, deep structure and the development of leadership skill. *Leadership Quarterly*, 2005, 16, 591-615.
- Lorentzen, S., & Høglend, P. (2005). Predictors of change after long-term analytic group psychotherapy. *Journal of Clinical Psychology*, 61(12), 1541-1553.
- Manz, C. C. & Neck, C. P. (1996). Beyond traditional education: facilitating Power-Point learning through SuperLeadership. *Journal of Managerial Psychology*, 11(2), 22-30.
- Mumford, M.D., Marks, M.A., Shane Connelly, M., Zaccaro, S.J., & Reiter-Palmon, R. (2000). Development of leadership skills: Experience and timing. *Leadership Quarterly*, 11(1), 87-114.
- Peterson, R. S., Smith, D. B., Martorana, P. V., & Owens, P. D. (2003). The impact of chief executive officer personality on top management team dynamics: One mechanism by which leadership affects organizational performance. *Journal of Applied Psychology*, 88(5), 795-808.
- Rafferty, A.E. & Griffin, M.A. (2004). Dimension of transformational leadership: Conceptual and empirical extensions. *Leadership Quarterly*, 15, 329-354.
- Seibert, K. W. & Daudelin, M. W. (1999). *The role of reflection in managerial learning: theory, research and practice*. Westport, CT: Quorum.
- Seifert, C. F., Yukl, G., & McDonald, R. A. (2003). Effects of Multisource Feedback and a Feedback Facilitator on the Influence Behavior of Managers Toward Subordinates. *Journal of Applied Psychology*, 88, 561-69.
- Toegel, G. & Nicholson, N. (2005). Multisource feedback, coaching, and leadership development: Gender homophily in coaching dyads. *Academy of Management Best Conference Paper*, MC: F4.

- Walker, A. G., & Smither, J. W. (1999). A five-year study of upward feedback: What managers do with their results matters. *Personnel Psychology*, 52, 393-423.
- Wenger, E. (1998). *Communities of Practice: learning, meaning and identity*. Cambridge: Cambridge University Press.
- Wenger, E. C. & Snyder, W. M. (2000). Communities of practice: the organizational frontier. *Harvard Business Review*, 78(1), 139-146.
- Winnicott, D.W. (1951). Transitional Objects and Transitional Phenomena. *Collected papers: Through Paediatrics to Psycho-analysis*. London: Tavistock Publications.
- Yorks, L., Beechler, S., & Ciporen, R. (2007). Enhancing the impact of an open-enrolment executive program through assessment. *Academy of Management Learning & Education*, 6(3), 310-320.

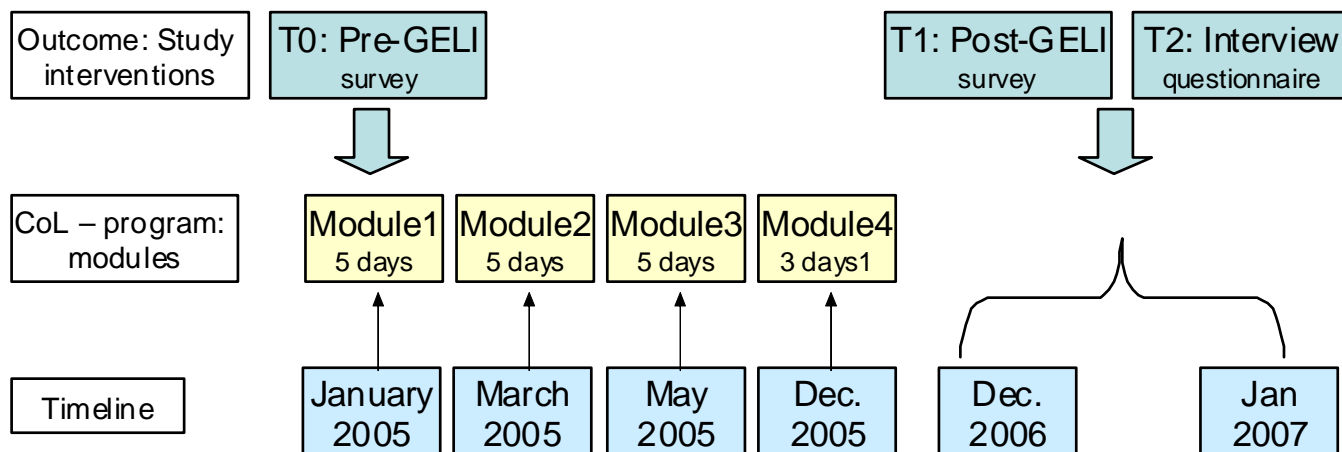


Figure 1: Timing of program modules and study interventions

Europe Campus
Boulevard de Constance
77305 Fontainebleau Cedex, France
Tel: +33 (0)1 60 72 40 00
Fax: +33 (0)1 60 74 55 00/01

Asia Campus
1 Ayer Rajah Avenue, Singapore 138676
Tel: +65 67 99 53 88
Fax: +65 67 99 53 99

www.insead.edu

Printed by INSEAD

Copyright of INSEAD Working Papers Collection is the property of INSEAD and its content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.