Learning from Experience: The Missing Link in Executive Development

UNC KENAN-FLAGLER BUSINESS SCHOOL

By: James W. Dean, Jr. and Jim Shanley

Summary

Effective talent management is crucial for business success, and effective executive development is a key ingredient in talent management. While leadership development professionals believe that most executive development consists of learning from on-the-job experience, most organizations are far from getting the full benefit of this learning. We suggest in this paper a number of ways in which organizations can accelerate executive development by better leveraging experience.

There is widespread agreement among talent management experts around the following principles:

- When companies in similar industries compete, those with superior talent—people who can formulate and execute effective strategies—win.

- In order to obtain and retain the best talent, companies need to have a strong value proposition, often focused on the opportunities they provide high-potentials.

- Companies with a long track record of having more talent than their competitors (e.g. GE, Bank of America, PepsiCo, Home Depot) are often superior in five areas:

    1. top management has a relentless talent mindset;

    2. they take bets on talent by putting people into positions before they are ready;

    3. they are brutally candid with their talent and about their talent;

    4. they have a pay for performance system with "teeth"; and

    5. they have a strong Human Resources function with HR processes that support talent management (e.g. recruiting, performance management, development, succession planning, and compensation).

- Development occurs more often on the job than in the classroom, so it is important for companies to create a rich and diverse set of experiences for their executives.

- Executives who learn key lessons from their experience develop at a significantly faster rate and attain higher levels of leadership than those with lower "learning agility."

Despite the agreement on these principles, most companies focus their executive development efforts on education and training alone, rather than on managing the assignments and experiences of their executives and improving their ability to learn from their experiences.

Companies that want to develop a deep bench of talent to fuel growth and beat their competition can *substantially* increase their executive development impact by pursuing two courses of action:

1. Implement a scalable assignment management process for placing their high potential talent into key roles; and

2. Revamp their executive development programs to help leaders learn from their experiences.

We have known for some time of the importance of learning from experience in general, and its importance for executive development in particular. Important contributions to the theory of experiential learning were made by John Dewey (1938/1997), Kurt Lewin (1951) and David Kolb (1984). A useful summary on the overall topic of learning from experience can be found at http://agelesslearner.com/intros/experiential.html.

McCall, Lombardo and Morrison's 1988 book *The Lessons of Experience* was the first to emphasize the importance of learning from experience in the context of executive development, and more recent books by Lombardo and Eichinger (*The Leadership Machine*) and Charan, Drotter, and Noel (*The Leadership Pipeline*) reinforce and expand the idea that the experiences executives have are

crucial for their development. McColl et al. identified a specific set of experiences including turnarounds and international assignments that help executives to develop crucial capabilities. Based on this body of work, many leadership development professionals believe that as much as *seventy to ninety percent* of executive learning and development is a function of on-the-job experience, as opposed to classroom-based learning.

We have found, however, through our work in a wide range of private- and public-sector organizations, that *the process of learning from experience— believed to be the largest component of executive development—is largely unmanaged and unmeasured even in large and sophisticated organizations.* This means that while leadership development professionals believe that a great deal of development is taking place on the job, there is very little evidence that this is indeed occurring, and there is ample reason to believe that it is not. Even high-potential[3] executives often fail when placed in developmental assignments, perhaps based on inability to learn from their experiences. At a minimum, organizations are missing out on a great deal of developmental learning by failing to manage this process in a systematic manner. The rest of this paper consists of ideas for how to do this, and thus to enhance and accelerate the executive development process.

Executives Must *Have* Experiences in Order to Learn from Them

The beginning of wisdom around learning from experience is that executives cannot learn from experiences they aren't having. Most firms do not have a documented process to ensure that their high-potential leaders are designated as "corporate property" and are placed in assignments that will provide the most impact on their development as well rounded, seasoned executives. As organizations become more complex, the experiences of leaders are getting narrower and more specialized. Most executives in charge of filling critical roles in corporations are pressured to put leaders in roles to get immediate results and

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[3] At several points in this paper we refer to high-potential executives as the focus of learning from experience. Organizations obviously have a vested interest in the development of *all* of their executives, but a particular interest in the development of those with the potential to occupy very senior positions.

minimize business risk, so the easy choice is to put someone in the job who has most if not all of the skills to perform on Day 1.

While this pressure is understandable, some companies have learned to take risks on talent and develop broader executives without sacrificing business results. An assignment management process presents the decision-maker with a slate of candidates from throughout the organization. This process forces a discussion around not just filling the job but also determining how or if this role could accelerate the development of a high potential.

Discussions such as these typify organizations with mature talent management and succession planning processes. In such organizations, executives are often assigned to roles that provide them with a steady stream of experiences with a great deal of learning potential. In organizations that lack such processes, executives often operate well within their comfort zones, and their rate of development is therefore slowed. Such organizations are often forced to bring in people from outside when filling senior executive positions, as internal candidates do not have the experience they need to be effective in such roles.

Reflection is a *Crucial* Element of Learning from Experience

Once executives are provided with assignments that generate rich experiences from which they can learn, the next step is for executives to take advantage of these experiences. Here is a simple framework for how this process would operate:

1. An executive finds him or herself in a situation in which action is required;

2. The executive analyzes the situation and takes some action;

3. The executive observes the results of the action over some period of time;

4. The executive reflects on the results of this action, and determines what he or she should do differently in the future. When a similar situation occurs, the executive incorporates the lessons of this experience into his or her action.

This sequence follows similar cycles identified by Dewey (1938/1977) and many others who followed him.[4] Dewey's statement on the importance of reflection was simply "Experience plus Reflection equals Learning." If followed, this sequence will lead to effective learning and executive development over time. The flaw in this process in practice, however, is that *executives rarely, if ever, spend time in reflection.*

Part of the reason for this is that executives are extremely busy, and the extent of this busyness appears to have increased over time. The arsenal of productivity tools available to the modern executive has made it possible to be productive nearly every minute of every day. Time that was previously available for reflection is consumed by early-morning teleconferences with organizations in other time zones, mobile phone calls to return voicemail messages while commuting, skimming relevant new stories on the web between appointments, and facing down during evenings at home the backlog of emails that have inexorably accumulated during the day.

The reality of life for the modern executive is effectively captured by a recent book by Edward Hallowell, whose title says it all: *CrazyBusy: Overstretched, Overbooked, and About to Snap!* It is instructive to note that Hallowell's expertise in Attention Deficit Disorder has put him in a strong position to provide advice for executives. Bruch and Ghoshal's 2002 *Harvard Business Review* article provides a similar depiction of modern executive life:

> *They rush from meeting to meeting, check their e-mail constantly, extinguish fire after fire, and make countless phone calls. In short [there is] an astonishing amount of fast-moving activity that allows almost no time for reflection.*

These descriptions are a long way from Donald Schön's (1983) account of the "reflective practitioner." Given the frenetic action that envelops them, executives are loath to spend time in reflection, and particularly reluctant *to be seen* spending

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[4] A number of cyclical models of learning that link experience and reflection are reviewed in a 1983 book by Juch, *Personal Development: Theory and Practice in Management Training*. See also Atherton (2005).

time deep in thought. In most organizations, an executive seen sitting and thinking for a prolonged period of time would be a candidate for additional job responsibilities (or perhaps dramatically *fewer* job responsibilities). Mintzberg's classic study of executive work found that on average executives work for seven minutes on one task before being interrupted. Seven minutes would likely feel like an eternity to many contemporary executives.

This lack of reflection is a significant issue because, in the absence of reflection, executives will learn slowly if at all from their experiences. They may make similar mistakes repeatedly. Using manufacturing as an analogy for learning, experience without reflection is like buying raw material only to throw it away. How can we deal with the fact that reflection is crucial to learning from experience, but it simply doesn't occur very often? At UNC we have developed one solution, a software tool that addresses this issue. The tool is called **ExperienceBase™**.

Using the **ExperienceBase™** tool, executives are asked to think of an experience that has the potential for important developmental learning. They then enter a short description of the experience in the form provided by the software, answering questions corresponding to items 1 through 4 above, e.g. what did you decide to do?, how did it turn out?, and most importantly, what did you learn? **ExperienceBase™** provides a way for executives to reflect on their experience, but in a manner with which they are comfortable: interacting with a software program. This avoids the problem of feeling as if (or looking as if) they are spending their time unproductively. The tool also asks them to choose a name and a category for their experience so that they can go back and review it later. Executives who use this approach to reflection are much less likely to repeat the same mistake, as they will have isolated what they have been doing wrong, and will likely recall entering into the database that they will act differently the next time.

Executives using this tool have entered lessons dealing with managing one's boss in a political environment, trusting staff work vs. seeing for yourself when the stakes are high, preparing to incorporate a new senior manager into an existing team, and issues in the selection and recruitment of individuals for key organizational roles. **The ExperienceBase™** tool promises to provide significant help to organizations that understand the importance of reflection for executive learning

and development. A sample entry from the ExperienceBase™ database is included in *Exhibit 1*.

High-Yield Reflection can be Learned

Simply asking executives to reflect on the lessons of their experience, even with a tool such as **ExperienceBase™**, may not be sufficient to guarantee high-quality learning. This is because individuals differ in their ability to extract useful lessons from experience. Lombardo and Eichinger (2006) refer to this dimension as learning agility. An example of poor learning agility would be a manager who was experiencing performance problems in his team. He decided to address these problems by yelling at his employees. Not surprisingly, performance did not improve. However, the manager learned an important lesson from his experience: "Yell louder."

Reflection on experience is low-yield when it produces misguided insights such as this. It is high-yield when it produces insights that meaningfully change behavior in a positive direction. Fortunately people can learn how to engage in high-yield reflection and can improve the quality of their learning over time. This is accomplished by incorporating questions such as these into reflection:

- Have I taken this approach to problems before? How successful was it in previous situations?

- Do other people I know use this approach? How does it work for them? What other approaches do they use in similar situations?

- If I had taken the exact opposite action in this situation, what might have happened?

- Was my success in this situation due to my own actions or was the situation such that any approach would have worked?

- Was there something about the way that my decision was implemented that was important to its success (or failure), rather than the decision itself?

There is a wealth of material available on the kind of analytical and creative thinking typified by these questions. One example of a book that can help to enhance the quality of reflection is Michael Gelb's *How to Think like Leonardo da Vinci: Seven Steps to Genius Every Day*. Over time, asking themselves questions such as these will become second nature to executives who are continually exposed to them. Using these kinds of questions—which are instinctively asked by those naturally high in learning agility—will lead to consistently high-yield reflection and thus accelerated learning and development. Leadership development professionals for their part should be constantly thinking about how to increase the yield from reflection on experience that takes place in their organizations. A set of questions to promote high-yield reflection is incorporated into the **ExperienceBase**™ tool discussed above.

The Lessons of Experience can be Shared

So far, the suggestions we have made for accelerating learning from experience—making sure that assignments provide rich experiences, giving executives a systematic way to reflect, and helping them to learn high-yield reflection techniques—have been oriented toward executives as individuals. But often organizations are structured in such a way that a number of executives are doing similar work, e.g. regional directors or division vice-presidents. In these cases executive development can be further accelerated by sharing the lessons of experience among a defined community of executives.

The opportunity inherent in doing so can be illustrated by realizing that there is a large but finite number of lessons that can be learned in any position. For illustration purposes let's say that there are 300 lessons to be learned by product managers in a large marketing and manufacturing company. In a given year, an individual product manager may learn as few as 10 (less than one per month) or as many as 50 (about one per week), depending on the precise nature of the assignment, the quality of his or her reflection, variation in the events that happen to occur in a given year, etc.

But if there are even five executives in similar positions, the total number of lessons they will collectively learn could be as high as 250 in a given year, of which perhaps 75-100 are unique lessons (because some of them will of course be learning the same lessons). If a way can be found to share these lessons, those who have formally been learning the least could increase their learning by an enormous amount (from 10 to as much as 100), and even those who have been learning the most could double their learning (from 50 to 100).

This is of course an illustration, and every situation will be different. It does, however, show that even with fairly conservative assumptions about learning rates, number of job incumbents and overlap among lessons learned, the payoff from sharing the lessons of experience can be very significant. This is of course the inspiration for knowledge management systems that track the lessons from major projects, winning or losing business, etc. The question is how can this be accomplished in the context of executive development?

One way that this can be accomplished is through the **ExperienceBase™** tool. Using this tool, executives can search for lessons learned by others who are in similar positions. They can search by position, by date, and by category of lesson learned. For example, returning to our product manager illustration, executives could search for lessons learned by product managers about delegation of authority during the past month. Or they could search for any lessons learned by product managers relating to strategy execution over the past year.

Of course, learning from others' experiences—especially by merely reading about them—will not be as compelling as learning from one's own experiences.[5] The strength of this learning can be increased by bringing the learning community together on an occasional basis, either in person or virtually, to discuss lessons learned with one another. A skilled facilitator can lead a discussion in which executives compare the lessons they have learned with those learned by others, hear from their colleagues the power of the experiences they have had, and generally lock in the value of the learning from the entire community. This

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[5] Of course learning from others' experiences is the basis for the case method, one of the most popular approaches to learning in MBA and executive education programs.

approach also provides the organization's leadership development professionals a sense of what is being learned (and what is not being learned) by executives in certain positions. This provides valuable feedback to the overall talent management and executive development systems.

Learning Requires Practice

Practice is fundamental to learning and development in virtually all areas. In order to complete the learning cycle, executives need to practice the new behaviors associated with the lessons they have learned. For example, if an executive learns from her experience that she needs to communicate more effectively in staff meetings, she should consciously try to practice this new behavior when given the opportunity. This experience initiates a new cycle of learning that should lead to greater insight and more refined cycles of learning in the future. Executives who have mastered high-yield learning will be particularly capable of intentional practice and the additional cycles of learning that come from it. Others may benefit from coaching or other feedback processes that help them to identify and address opportunities for improvement.

The intentional management of practice for development is an inherent element of professional development in many areas, e.g. medicine, but so far has not been incorporated into executive development programs to a similar extent.

Leveraging Experience in the Executive Education Classroom

So far we have addressed leveraging experience for executive development without addressing the role of formal executive education, i.e. the structured classroom-based programs that form the backbone of most executive development efforts. Does the primacy of learning from experience mean that such programs are unlikely to contribute materially to executive development, and should be abandoned? Far from it. The challenge for executive education providers, whether in companies or in business schools, is to design programs to leverage the experiences of the participants. In this last section of the paper, we discuss

a number of ways in which this can be done, and in fact is being done at the University of North Carolina at Chapel Hill.[6]

One approach to leveraging experience in the classroom is learning through *situational analysis*. For example, discussion of critical incidents is a technique in which information is gathered prior to an executive development program about important situations often faced by the participants in the program. During the program the situation and common responses to it are discussed, and the participants attempt to develop rules of thumb for dealing effectively with the situation. Faculty discussion leaders can bring research findings to this discussion so that the lessons of experience can be integrated with the lessons stemming from formal inquiry into the topic.

Another way that the lessons of experience can be brought into the classroom is through the use of executives in residence. In many programs at the University of North Carolina (UNC), executives from the client organization partner with faculty to deliver content in a given area. Like the critical incident technique, this has the benefit of marrying the academic and company leadership perspectives to attain learning outcomes that are better than either would produce alone.

Another method for leveraging experience that falls under situational analysis is appreciative inquiry (see Whitney et al. (2003) for a thorough discussion of this technique). In brief, appreciative inquiry is a means for gathering information about effective approaches to a situation in a structured and efficient manner. The philosophy behind appreciative inquiry is entirely consistent with learning from experience: gathering and building on what an organization does well, rather than focusing on its problems.

We have had very positive results in using appreciative inquiry in our programs. For example, in one of our custom programs that focuses on leadership and change, we address the following questions to the participants on the last day:

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[6] This section is based on the work of UNC Executive Education Program Directors Jessica Brack, Dan McGurrin, Susan Palmer, and Lee Williams.

1. What are the major challenges facing the company over the next few years?

2. What have you learned this week that will be helping in leading your organization through these challenges?

3. What factors make it hard to lead change in your organization?

4. What are best practices for leading change under the current circumstances in your organization?

By the end of this session, the participants have sifted through their experiences for the nuggets that will help them to address the considerable challenges their organization faces.

A second approach to leveraging experience in the classroom is *learning through practicing.* We have discussed earlier the importance of practice in learning through experience. The classroom is a natural place for practice to occur, as mistakes are not punished and participants are encouraged to push the envelope of their competencies. Action learning is a key element of learning through practicing that is widely used in executive development programs. Simulations are also an approach to learning through practicing. At UNC we use simulations for participants to practice skills in making strategic decisions, leading organizational change, and implementing marketing strategy.

Role plays are another effective method of learning through practicing. Participants are asked to play the role of someone in a case study, or perhaps to show the class how they handle a common situation. *The key is actually doing something, rather than saying how they would do something.* Role plays can have a great deal of impact. We have seen participants sit in stunned silence at the insights that came out of a role play on work-life balance in which an overstressed executive has a candid conversation with his spouse.

A third approach to leveraging experience in classroom based programs is of course *learning from reflection.* We discussed learning from reflection extensively above so the justification does not need to be repeated here. It is worth mentioning, however, that classroom-based programs present excellent opportunities for

reflection. Many participants list "time to think" as a key benefit (sometimes *the* key benefit) of attending executive education programs. Reflection during executive education programs can be accomplished in a number of ways. For example, participants are often asked at the end of a session to think about how what they have learned relates to their experiences. Sometimes participants are asked to reflect overnight on a situation they have faced and how they have reacted to it.

The ExperienceBase™ tool we discussed above can also be integrated with classroom-based programs. Participants may be asked to enter examples of their experiences prior to a program, so that they may be used by faculty to structure the learning and by leadership development professionals as a type of pre-test of the skills to be developed. The tool may also be used after the program as a way of tracking learning and program calibration and redesign. As this tool is relatively new, we are still experimenting with how to most effectively integrate it with more traditional classroom methods of executive education and development.

Conclusion

Learning from experience offers tremendous promise for executive development, but few organizations are leveraging executive experience in a systematic manner. We have identified a number of ways that organizations can do so and thus enhance and accelerate executive development. These include assignment management, high-yield reflection, practice, and sharing of insights among a learning community. Our argument that these methods will accelerate executive development is summarized in *Exhibit 2*. In *Exhibit 3* we compare these learning from experience methods to more conventional methods for executive development.

We have also discussed how classroom methods can significantly leverage the lessons of experience, and how we are currently using a number of methods to do this. Taken together, the methods discussed in this paper have the capability to dramatically increase the rate at which executives develop, and ultimately the performance of their organizations.

Exhibit 1
Sample Entry in **ExperienceBase**™ Database

What was the situation you faced? Who was involved? Why was it significant?	I was new in my job and my predecessor recommended hiring someone with whom he had worked on a contract basis. This was for an important job in my organization and it was presented to me as a no-brainer, given the skills and experience of the candidate.
What did you do? What decision did you make and how did you implement it?	I asked the candidate to wait for a few weeks until I felt more established. He pressured me when the time I had told him was up, telling me that he had other opportunities he could pursue if I was not interested. I met with him and we hit it off very well. Given that he had already worked successfully with my predecessor, I made him an offer, which he accepted.
How did it turn out? How did it impact the organization? How did it impact you and the other people involved?	At first it went well. He was a smart and experienced person, as advertised. Over time, however, his behavior and our relationship deteriorated. For a variety of reasons, his impact on the organization was eventually net negative. When he threatened to leave, I immediately took him up on the offer, and he left. It would have been much worse if he had wanted to stay.
What did you learn from this? What (if anything) would you do differently in the future?	I later learned that this individual had had similar experiences in other organizations, and I knew some people in these organizations. I relied too much on the recommendations of a few people, and should have done a much more thorough reference check. I have learned that any time devoted to this is time well spent, and that a poor hiring decision is one of the most costly decisions you can make.

Exhibit 2

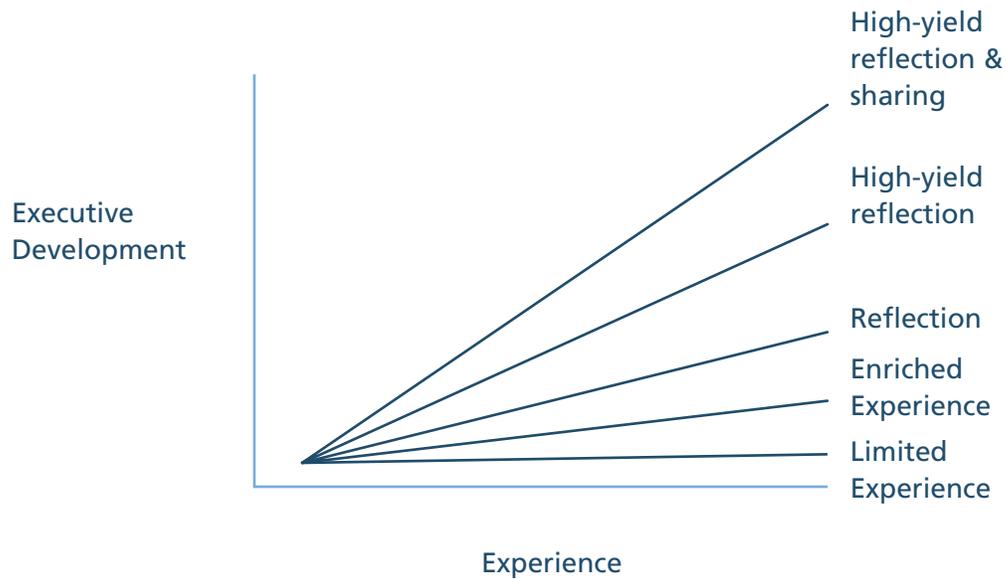# Accelerated Learning and Development as a Result of Learning from Experience

Executive
Development

High-yield
reflection &
sharing

High-yield
reflection

Reflection

Enriched
Experience

Limited
Experience

Experience

Exhibit 3

Comparison of Learning from Experience with Other Executive Development Methods

	Content-centric	Experience-centric
Learning Shared across Community	Distance learning	Learning from Experience
Learning not Shared across Community	Conventional classroom learning	Coaching Conventional Action Learning

About UNC Executive Development

Our approach to program design and delivery draws upon the power of real-world, applicable experiences from our faculty and staff, integrated with the knowledge our client partners share about the challenges they face.

We call this approach The Power of Experience. We combine traditional with experiential and unique learning. Through action learning and business simulation activities, we challenge participants to think, reflect, and make decisions differently

Our Approach: The Partnership

Our team customizes each leadership program through a highly collaborative process that involves our clients, program directors, faculty, and program managers. This integrated approach consistently drives strong outcomes.

Our Approach: The Results

Our executive education programs are designed with results in mind. Below are a few examples of the results our client partners have achieved:

- Leadership refocused with new strategy and cohesive vision
- Strategic plans created for the global marketplace
- Supply chains streamlined

- Products redefined
- New markets targeted
- Cost-saving measures developed
- Silos leveled Teams aligned

Participants leave empowered to bring in new ideas, present different ways to grow business, and tackle challenges. The result is stronger individuals leading stronger teams and organizations.

Our Approach: The Partnership

Website: www.execdev.unc.edu
Phone: 1.800.862.3932
Email: unc_exec@unc.edu

Authors

James W. Dean, Jr. became the Dean of The University of North Carolina's Kenan-Flagler Business School on Aug. 1, 2008. Before being appointed Dean, Dean was a professor of organizational behavior and strategy and senior associate dean of academic affairs at UNC Kenan-Flagler. His research, teaching and work with companies focus on leadership, organizational change, strategic decision making, international management and organizational performance improvement.

Jim Shanley recently retired from Bank of America where he headed up Staffing, Learning, and Leadership Development. He is a highly regarded expert in the field of Leadership and Executive Development. He was on the steering group of McKinsey's War for Talent research project and was co-chair of the Conference Board's Development Council.

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