Best Practices in Leadership Development and Organization Change

How the Best Companies Ensure Meaningful Change and Sustainable Leadership

Louis Carter
David Ulrich
Marshall Goldsmith
Editors

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Essential resources for training and HR professionals

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ABOUT THIS BOOK

The purpose of this best practices handbook is to provide you with all of the most current and necessary elements and practical "how-to" advice on how to implement a best practice change or leadership development initiative within your organization. The handbook was created to provide you a current twenty-first century snapshot of the world of leadership development and organizational change today. It serves as a learning ground for organization and social systems of all sizes and types to begin reducing resistance to change and development through more employee and customer-centered programs that emphasize consensus building; self-, group, organizational, and one-on-one awareness and effective communication; clear connections to overall business objectives; and quantifiable business results. Contributing organizations in this book are widely recognized as among the best in organization change and leadership development today. They provide invaluable lessons in succeeding during crisis or growth modes and economies. As best practice organizational champions, they share many attributes, including openness to learning and collaboration, humility, innovation and creativity, integrity, a high regard for people's needs and perspectives, and a passion for change. Most of all, these are the organizations who have invested in human capital, the most important asset inside of organizations today. And these are the organizations that have spent on average $500 thousand on leadership development and change, and an average of $1 million over the course of their programs, with an average rate of return on investment of over $2 million.

Within the forthcoming chapters, you will learn from our world's best organizations in various industries and sizes

- Key elements of leading successful and results-driven change and leadership development
- Tools, models, instruments, and strategies for leading change and development
- Practical "how-to" approaches to diagnosing, assessing, designing, implementing, coaching, following up on, and evaluating change and development
- Critical success factors *and* critical failure factors, among others

Within each case study in this book, you will learn how to

- Analyze the need for the specific leadership development or organization change initiative
- Build a business case for leadership development and organization change
- Identify the audience for the initiative
- Design the initiative
- Implement the design for the initiative
- Evaluate the effectiveness of the initiative

HOW TO USE THIS BOOK

PRACTICAL APPLICATION

This book contains step-by-step approaches, tools, instruments, models, and practices for implementing the entire process of leadership development and change. The components of this book can be practically leveraged within your work environment to enable a leadership development or change initiative. The exhibits, forms, and instruments at the back of each chapter may be used within the classroom or by your organization development team or learners.

WORKSHOPS, SEMINARS, OR ADVANCED DEGREE CLASSES

The case studies, tools, and research within this book are ideal for students of advanced degree courses in management, organization development and behavior, or social and organizational psychology. In addition, this book can be used by any senior vice president, vice president, director, or program manager who is in charge of leadership development and change for his or her organization. Teams of managers—project manager, program managers, organization development (OD) designers, or other program designers and trainers—should use the case studies in this book as starting points and benchmarks for the success of the organization's initiatives.

This book contains a series of distinct case studies that involve various corporate needs and objectives. It is your job as the reader to begin the process of diagnosing your company's unique organizational objectives.

When applying and learning from the case studies and research in this book, ask yourself, your team, and each other the following questions:

- What is our context today?
- What do we (I) want to accomplish? Why?
- In what context am I most passionate about leading change and development? Why?
- What are the issue(s) and concerns we are challenged with?
- Are we asking the right questions?
- Who are the right stakeholders?
- What approaches have worked in the past? Why?
- What approaches have failed in the past? Why?

For more information on Lou Carter's Best Practices Institute's workshops, research, assessments, and models on the most current leadership development and organizational change topics, contact Louis Carter's Best Practices Institute directly, toll free at 888–895–8949 or via e-mail at lcarter@bpinstitute.net.

INTRODUCTION

In September 2003, Lou Carter's Best Practices Institute performed a research study on trends and practices in leadership development and organization change. BPI asked organizations in a range of industries, sizes, and positions in the business cycle to identify their top methods of achieving strategic change and objectives. The study found that there is a strong demand, in particular, in the following areas of leadership development and organization change (see Table I.1). Our continual research in the area of best practices in leadership development and change strongly support the assumptions and organizational case studies that we profile within this book.

Based on this study, BPI chose the top organizations that are implementing leadership development and organizational change with extraordinary results. BPI found that each organization is unique in its methods of change and development. Each organization has different methods, motives, and objectives that are relevant only to the unique landscape of each of its individual dynamics and designs. Leadership development and organization change, therefore, are mere categories or a common lexicon for describing the way in which "real work" is done within our best organizations. This "real work" is illustrated within every chapter of the book in terms of the business results that are achieved as a result of the practices that were institutionalized within the following organizations (see Table I.2). A majority of our world's best organizations describe leadership development and organization change as "the real work of the organization." In the past few years, we have seen this shift occur in the field of organization

Table I.1. Program Method of Achieving Strategic Change and Objectives with Highest Level of Demand, in Order of Demand

OD/HRD Topic	*Ranking*
Leadership development	1
Performance management	2
Organization development and change	3
Innovation and service enhancement	4
Coaching	5

development or "OD." Organizations are finding that in order to compete, innovate, and become more effective, productive, and profitable in an increasingly global and challenging economy, the tools, techniques, and practices of OD are necessary in order to harness the great power of human capital—both in customers and employees. As you will see in this book, our best practice organizations prove the power of human capital through results-driven best practices in organization development and change.

We have brought you eighteen of our world's best organizations that have used leadership development and organizational change program design and development to achieve their strategic business objectives.

MAJOR FINDINGS

This year we talked to many organizations from a variety of industries with proven, practical methods for leadership development and organizational change to compile this book. We asked them to share the approaches, tools, and specific methods that made their programs successful. These organizations have a strong financial history, formal human resource management programs that integrate company strategy with its program's objectives, a strong pool of talent, passion for positive change, and proven results from their initiatives. All organizational initiatives were carefully screened through a six-phase diagnosis for an extraordinary leadership and organizational change program (see under A Step-by-Step System to Organization and Human Resources Development, below).

We chose companies that have succeeded in successfully implementing results-driven transformational organization change that achieves positive business results. These are the companies where change is facilitated through

Table I.2. Listing of Best Practice Case Studies by Company, Industry, Number of Employees, and Gross Revenue

Company	*Industry*	*Employees*	*Revenues ($U.S.)*
Agilent Technologies, Inc.	Electronics	36,000	$6,010.0 M
Corning	Communications	23,300	$3,164.0 M
Delnor Hospital	Health care	1,382	$235.1 M
Emmis Communications	Media	3,080	$533.8 M
First Consulting Group	Business services	1,775	$282.7 M
GE Capital	Finance	315,000+	$131.7 B
Hewlett-Packard	Computer hardware	141,000	$56,588.0 M
Honeywell Aeorspace	Technology and manufacturing	100,000+	$22,274 M
Intel	Manufacturing, electronics	78,700	$26,764.0 M
Lockheed Martin	Aerospace and defense	125,000	$26,578.0 M
Mattel	Consumer products	25,000	$4,885.3 M
McDonald's Corporation	Leisure, restaurant	413,000	$15,405.7 M
MIT	Education	9,400	$1,664.7 M
Motorola	Telecommunications	97,000	$26,679.0 M
Praxair	Chemicals	25,010	$5,128.0 M
St. Luke's Hospital and Health Network	Health care	5500	$424 M
StorageTek	Computer hardware	7,100	$2,039.6 M
Windber Medical Center	Health care	427	$54 M

integrated, multilevel programs that are systemic in nature, connect directly to business objectives and continuous improvement, and include the following shared elements.

Commitment to Organizational Objectives and Culture

Most of the initiatives we examined made a commitment to the strategic objectives or culture of the organization. Almost all of these initiatives have a message or vision upon which change or development was built. Emmis Communication stressed the following objectives in its change effort to promote better understanding and agreement on its structure, strategy, and culture: “Great Media, Great People, Great Service.” Lockheed Martin designed its cultural change management program around its three core competencies:

- Candid and open communication
- Taking personal action to unblock obstacles that prevent effective performance
- Acting when the need exists rather than ignoring issues

McDonalds’s leadership development program for regional managers enabled newly promoted managers to meet expectations while furthering the organization’s mission and strategic objectives by building the following competencies:

- Developing a strategic perspective
- Maximizing business performance
- Gaining skills in insightful reasoning, problem solving, innovation, and mental agility

Motorola’s leadership development program centered around leadership competencies and behaviors that promoted customer focus and superior performance—envision, energize, edge, and execute—which were later dubbed the “4e’s + Always 1.”

First Consulting Group (FCG) began by exhibiting one of FCG’s primary values: “Firm First.” It detailed objectives directing that leadership should

- Eliminate barriers to the achievement of FCG’s vision
- Build succession plans; identify, train, and support future generations of FCG leadership
- Create an environment that causes leaders to interact and depend on one another
- Instill Leadership First’s program values until they are as ingrained in FCG’s culture as its universal personal characteristics.
- Be truly substantive rather than a “touchy-feely philosophical/conceptual” program
- Ensure that the initiative is not a short-term “fad” remedy for current problems but something to be kept alive for a multiyear period

MIT’s program is designed around the goal of creating an organization that constructs, operates, serves, and maintains physical space in ways that enhance MIT’s mission to advance knowledge and educate students in science, technology, and other areas of scholarship. The program at Corning addressed the need to stress innovation as one of the most important quality programs because it transcends and affects all areas of the organization, thus serving as a common thread throughout the entire organization. StorageTek redefined its organizational objectives and in doing so has made strides toward producing a culture that is more employee-centered. Demonstrating greater commitment to its employees has helped reconnect the company with consumer needs and has resulted in greater productivity and a more optimistic outlook. Hewlett-Packard's Dynamic Leadership was designed to address clear and compelling corporate needs with well-defined outcomes. To translate productivity into a true growth engine, Honeywell has successfully evolved Six Sigma from a process improvement initiative to a fundamental component of its leadership system with the powerful combination of Six Sigma, Lean, and Leadership.

Changing Behaviors, Cultures, and Perceptions

Sometimes leadership development and change programs transformed perceptions, behaviors, and culture(s) within a company. At MIT, employees have been documented as saying that they find themselves being more authentic in their interactions with coworkers and have the desire to create and be a part of an organization that "anticipates" learning opportunities. Decentralizing the institution and control of resources improved the way that operating divisions, previously functioning in independent silos, were innovating. At Mattel, Project Platypus demonstrated that delivering on the values of trust, communication, respect, and teamwork could literally pay off and that creativity in the process of innovation should be the rule rather than the exception. At Praxair, the new management team had to transform a loose confederation of businesses with different cultures, operating procedures, values, and ways of managing employees into a market leader that combines speed advantages of being small with the scale advantages of being large. HP recognized that in order to compete successfully in new market realities defined by global competition, with high-quality products from Asia and Europe competing for market share in the United States as well as their home markets, required a management culture that was capable of engaging in high-speed collaboration, raising and resolving issues rapidly, and making informed decisions efficiently. At Windber Medical Center, Delnor Hospital, and St. Luke's there was a definitive shift toward patient-centered care and significant improvements in employee and patient morale and satisfaction.

Competency or Organization Effectiveness Models

Virtually all of these programs have some sort of explicit model, usually using behavioral competencies or organization assessment metrics. These range from General Electric values to the metrics within Motorola's performance management system. Many of the study's programs were specific to the behaviors required of coaches and managers who facilitate the performance management process. First Consulting Group's creation of targeted objectives to assist in achieving the organization's vision through an intensified and streamlined leadership development program, incorporating 360-degree/multi-rater feedback, suggests that leaders previously lacked self-awareness. MIT used adapted models based on the work of Peter Senge, organizational learning capabilities, and W. Warner Burke's key competencies for organizational learning. These models frequently form the basis of multi-rater and other competency-based assessment tools, and often provide a focal point to the systemic design of the program itself.

Strong Top Management Leadership Support and Passion

Top leaders at the organization must not only budget for the change and leadership development initiative, they must also strongly believe in the initiative and model this behavior throughout the organization. Support from senior management has been identified by 88 percent of the contributors as a critical step in overcoming resistance to change.

GE Capital energized its business leaders by designing its program around its leaders' behaviors and values, a focus that generated buy-in in high levels of the organization, and by having participants work on projects for the office of the CEO. Windber Medical Center's patient empowerment program was driven by its CEO, Nick Jacobs. In his account of Windber's organizational change program and what drove its emphasis for patient-centered care at the hospital, President Jabobs writes, "When a patient walks into the typical hospital, the overwhelming confusing signage, the smell of antiseptics, the curt and often unforgiving attitude of the employees, and the awesome power of the physicians are usually clear indicators that they should leave their dignity at the door." Jacobs is passionate about patient care, and it shows in the programs that he has supported for years.

When Agilent first became an independent entity, its CEO made development of future leaders one of his first priorities. He drew on initiatives already in place to ensure buy-in and then improved on these processes by making them universally applicable. First Consulting Group demonstrated a strong sense of support from top-level executives through its creation of the Leadership Development Committee, which included the CEO, two vice presidents, and an eighteen-member task force of director and vice president-level staff, whose responsibility was to aide in conducting organizational assessment and benchmarking survey data to assist in the development of future organizational leaders. At Praxair, the change team recommended a four-step leadership strategy design process to engage Praxair Distribution, Inc.'s (PDI's) top 175 managers in assessing the current state of the leadership practices and the changes required for PDI employees to become a sustainable source of competitive advantage. Former chairman and CEO of Honeywell Larry Bossidy's zeal for Six Sigma was without a doubt exactly what the company needed to get this initiative off the ground and on the radar screen of every leader and employee. FCG is unique in that the firm's CEO and executive committee serve as facilitators to the Leadership First program sessions, and one member is required to be a sponsor for the participants.

A STEP-BY-STEP SYSTEM TO ORGANIZATION AND HUMAN RESOURCES DEVELOPMENT

The Best Practices Institute has defined a six-phase system to leadership and organization change, which may be seen in most of the case studies in this book:

1. Business diagnosis
2. Assessment
3. Program design
4. Implementation
5. On-the-job support
6. Evaluation

Phase One: Business Diagnosis

The first phase is usually a diagnostic step in which the business drivers and rationale for creating the initiative are identified. Critical to this stage is enabling consensus and a sense of urgency regarding the need for the initiative. A future vision that is supported by management is a key factor of success for these programs. All of the systems have some model as a focal point for their work. The best of these models capture the imagination and aspirations of employees and the entire organization. Designing the system also leads to strategic questions, such as those taken from the GE Capital example:

- What are biggest challenges facing the business—what keeps you awake at night?
- If you had one message to future leaders of this business what would it be?
- What will leaders need to do to address the business challenges?
- What is it that you want to be remembered for as a leader?
- What was your greatest defining moment that taught you the most about leadership?
- What excites you most about your current role?

HP conducted a survey on “Reinventing HP.” More than seven thousand managers and individual contributors responded. Several themes emerged that underscored the need to accelerate decision making and collaboration. Respondents throughout the organization recognized the need to accelerate decision making and increase accountability for action, thereby reinforcing senior management’s call for greater agility.

A well-thought-out diagnostic phase is usually connected to an evaluation of the desired business impacts in Phase Six.

Phase Two: Assessment

Assessments range from GE Capital’s assessment system (in which participants complete a 360-feedback survey that includes a question to describe a particular person at peak performance) to the Myers Briggs Type Indicator (MBTI) to the Leadership Impact Survey (a survey that correlates leader behavior with organization culture and value) to First Consulting Group’s system (in which individual participant assessment is conducted with five vehicles: participant self-assessment, 360-degree and multi-rater feedback, external benchmarks, managerial style profile, and behavioral needs profile).

Assessment has become a norm for business. The question is how we use the assessment to drive change in our businesses and ourselves. Agilent used it to develop leadership behavioral profiles based on the company’s strategic priorities, core values, and expectations of those in senior leadership roles. StorageTek performed an internal scan to determine what components of transformation were lacking. Praxair conducted the assessment process to prepare the organization for future changes by engaging more than five hundred employees: 175 leaders in the top three levels of management and over 325 employees across all fifteen regional businesses. Organizations such as General Electric, Intel, Motorola, McDonald’s, and others use behavioral analysis tools such as the Myers-Briggs Type Indicator or 360-degree assessments. Individual coaching often accompanies this assessment to facilitate behavioral change in participants. This coaching has been extremely successful for firms such as GE Capital, Intel, Agilent, McDonald’s, and others.

Phase Three: Program Design

The following outstanding programs have several unique elements that are worthy of note.

- *Coaching.* Intel’s coaching and mentoring system features internal coaches and a support network of program participants and graduates. Emmis Communications used coaching to help managers overcome resistance to cultural change.

- *Selection of participants.* Agilent's coaching program has a results guarantee so employees are required to undergo a qualification process, including an interview before being allowed to participate. Intel uses an application process to screen out apathetic or disinterested candidates. McDonald's selects only high-potential candidates chosen by their division presidents.
- *Action learning.* General Electric, Mattel and McDonald's use action learning as an integral part of their leadership development systems. In particular, General Electric's action learning program focuses on solving real business problems, whereas McDonald's centers around operational innovations. These programs address such questions as

  What is a "doable" project that still expands thinking?

  How do we set senior management's expectations for the business value that the learning will produce?

  How do action teams stay together as learning groups over time?
- *Leveraging multiple tools.* Every organization from Mattel to GE Capital took great care to use a variety of methods to train, develop, and innovate. At Hewlett-Packard (HP), the final design was a fast-paced program that interspersed presentations with small group work, practice, and discussions in order to provide sufficient depth and practice without overwhelming the participants or requiring excessive time out of the office. At Mattel, a small group was recruited to participate in an immersion program that included the use of floor-to-ceiling chalkboards and a twelve-by-forty-foot pushpin wall that acted as living journals, and self-discovery speakers to help each participant discover a renewed sense of self and expressiveness.
- *Use of current practices.* Corning uses past strengths and successes to leverage future success. Through focusing on history and storytelling, Corning is able to increase entrepreneurial behavior. StorageTek was careful to build its organizational changes upon programs and practices that were already in place in order to lend a sense of stability and consistency to its initiatives.
- *Connection to core organizational purpose.* St. Luke's Hospital and Health System embraces some basic concepts that foster a culture of service excellence and form the basis of its models for leadership development such as its management philosophy, vision for patient satisfaction, PCRAFT core values, service excellence standards of performance, and performance improvement plan. These concepts include

  1. Employee satisfaction yields patient satisfaction yields a successful "business" (Build your people . . . they build your business)

2. Employee satisfaction begins and ends with effective leaders who provide vision, clear expectations regarding care and service, development and education, effective communication, role modeling, constructive feedback, and recognition
3. Effective leaders can and need to be developed
4. Leadership development and education is based on educating to change behavior

At Windber Medical Center, there was a clear program built on the following transformational changes. The organization determined that it would focus on patient-centered care as the number-one priority of the organization; provide a loving, nurturing environment to the patients and their families; address all patient and patient family issues quickly and efficiently; and become recognized locally, regionally, and nationally for this new type of commitment to care that did not compromise the patients' dignity.

Phase Four: Implementation

Almost all of the initiatives have a formalized training and development program or workshops to propel the change or development process into action. The following are components of several noteworthy training and development workshops:

- Lockheed Martin trained leaders to teach new behavioral competencies to their employees in order to overcome their own resistance through public commitment to the behavioral competencies. Lockheed Martin also focused on a group of opinion leaders within the company to influence their peers during the cultural change effort.
- First Consulting Group's program, Leadership First, prides itself on employing a situational approach rather than a more typical subject matter approach by incorporating case studies based on actual FCG work and scenarios. Unlike many other programs that focus on motivation and communication, FCG's program focuses on various skills. For example, when completing a merger case study, the potential leader must focus on a variety of issues: financial, legal, business and revenue implications, emotional, motivational, and communication. FCG is also unique in that the firm's CEO and executive committee serve as facilitators to the sessions, and one member is required to be a sponsor for the participants.
- Mattel's Project Platypus centered on individual development in order to maximize creativity directed toward product innovation. Trust, respect, and communication were all encouraged through the use of storytelling, creative culture speakers, and "face-to-face" connection. Outside experts such as a Jungian Analyst and a Japanese Tea Master helped hone the team's observational skills. Using the concepts of postmodernism and the company as a living

system, the original group of twelve brainstormed, bonded, branded, and even researched in nontraditional ways; their efforts resulted in "Ello," a hybrid building toy for girls that is expected to be a $100 million line.

- To ensure that dynamic leadership principles were put into practice, HP implemented a rigorous postcourse management system using a commercial follow-through management tool (*Friday5s*®). In the concluding session of the program, participants were asked to write out two objectives to apply what they had learned to their jobs. The following week, participants were reminded of their goals by e-mail. A copy of each participant's objectives was e-mailed to his or her manager to ensure that managers knew what their direct reports had learned and intended to work on. The system made each participant's goals visible to all the other members of his or her cohort to encourage shared accountability and learning. These were entered into a group-specific *Friday5s*® website. The following week, participants were reminded of their goals by e-mail.

Other companies implemented change-catalyst programs to help prevent systemic dysfunction.

- A key exercise in MIT's transformational program was a visionary exercise that focused on helping developing leaders envision change and see themselves as a part of the whole system. Envisioning the department operating in a healthy and productive way in five years stimulated participants to discuss what they are doing today to help ensure that transformation. Participants became involved in thinking in a new way and realized the impact their decisions had not only for the future of the department, but also on each other.
- At Corning, an innovation task force was established to focus on the company's successes and also identify short-comings—both considered an untapped resource that needed to be made more visible and understood by employees in order to champion and embrace the concept of innovation. Formalized training programs for employees of all levels were set up and became part of the basis for promotion, reviews, and hiring. Corning also instituted a program named Corning Competes, which is designed for continuous improvement of business practices through reengineering.
- StorageTek knew that for its initiatives to be successful they would need to instill a sense of urgency, as well as ensure buy-in at all levels. They partnered with a company specializing in transforming strategic direction through employee dialogue to create a learning map called "Current Reality: The Flood of Information." The map was extremely effective in engaging not only top-level leaders worldwide, but all StorageTek employees in discussion about the company's competitive environment. The next step, which included additional communications and initiatives around achieving a high-performance culture, served to sustain the sense of urgency.

- At Praxair the assessment phase lasted over fifteen months and was far more than a few surveys or focus groups. It was an intensive set of actions, engaging more than five hundred employees and simultaneously laying the foundation for implementation actions endorsed by those whose behaviors were expected to change. Resistance during the implementation phase was virtually nonexistent.

Phase Five: On-the-Job Support

These benchmark programs reach beyond the boardrooms and classrooms and provide on-the-job reinforcement and support. Work in this phase defines the follow-up support that determines whether change and development will transfer on the job. In several of the programs, the support system outside of training is one of the most salient elements of the organization development–human resources development (OD-HRD) initiative. Motorola installed a performance management system to help transfer the shared goals of the organization to individual behavior. McDonald's integrated program-specific insights with the overall organization's ongoing personal development systems and processes. Emmis Communication celebrated individual achievements during special events and used a balanced scorecard measurement system to incorporate the desired behaviors to measure the company's performance.

Agilent uses a slightly different approach in its coaching system, involving periodic "check-ins" with the participants' constituents throughout the coaching process. The check-in is important in part because the developmental goals addressed by the Accelerated Performance for Executives program often pertain to the relations between managers and their supervisor, peers, and supervisees, and so forth, and also because these constituents are the ones that determine whether or not a participants have been successful in their development. Along similar lines, Mattel increased manager participation in its innovation process so that when employees returned to their original roles after participating in Project Platypus, there was smoother reintegration and improved utilization of new skills.

The coaching and mentoring case studies in this book are specifically designed to provide ongoing support and development for leadership development initiatives. Both the coaching and mentoring case studies, Intel and General Electric, are excellent examples of organizations that provide ongoing support for leadership development and more specifically the organization's strategic business goals and objectives. Other organizations take a more direct approach to providing ongoing support and development for change by installing review processes. First Consulting Group, Motorola, MIT, and Praxair have ongoing review, monitoring, and analysis processes in place to ensure that the new policies and procedures are being followed. Delnor Hospital helped teams stay on track by requiring department heads to develop ninety-day plans that outline specific actions to be taken each quarter in working toward annual goals. This principle is also built into the hospital's review and evaluation system so everyone is held accountable for his or her performance in achieving individual, team, and organizational goals.

Phase Six: Evaluation

Evaluation is the capstone—the point at which the organization can gain insights on how to revise and strengthen a program, eliminate barriers to its reinforcement and use in the field, and connect the intervention back to the original goals to measure success. Several initiatives deserve noting in this stage:

- McDonald's uses behavioral measurements to assess the participants' performance after the program, including the rate of promotion and performance evaluations.
- Emmis Communication measures revenue per employee, employee survey results, and the rate of undesired turnover to measure the success of the change effort.
- Lockheed Martin used employee surveys to track changes in critical behavior. The results indicated that units that achieved significant improvement in critical behaviors also improved in their financial performance.
- Intel Fab 12's leadership development program measures the effectiveness of its program based upon increased participants' responsibility after graduation, postprogram self-assessments, peer recognition letters, and results of WOW! Projects implemented by participants while in the Leadership Development Forum.
- GE Capital surveys participants about actions taken at the individual, team, and organizational levels to drive change. The surveys follow the original construct of the program around the three levels of leadership after graduation. A mini-360 is conducted around each participant's specific development need; 95 percent of the participants show an improvement as viewed by their original feedback givers. Program evaluations are also conducted to ensure that the design and content remain relevant and adapt to a global audience.
- Agilent used a combination of mini-surveys, telephone check-ins, and face-to-face interviews to determine perceived improvement in a leader's overall leadership effectiveness and specific areas for development. The

aggregate results were impressive in that close to 80 percent of respondents felt that the leader rated had been successful in his or her development. That coaching results are guaranteed is another testament to the effectiveness of the program.

CONCLUSION

Should companies invest in organization and human resource development? Having spent an average of over U.S. $500 thousand and showing a return on investment (ROI) of an average two times their investment in leadership development and organizational change initiatives, most of the organizational contributors in this book would make a strong case for "yes!" Most of the initiatives in this book have made significant impacts on the culture and objectives of the organization. The impacts on the business and transfer on the job may have taken the form of improved global competitiveness, increased profitability, new product sales, increased shareholder value, or hardening of a company for a merger or acquisition. The exact metrics for these transformational impacts need to be continually studied, tracked, and measured.

The future of the field of human resources, organization, and leadership development rests not only in its ability to prove return on investment and measure outcomes on a consistent basis, but is also contingent on several factors that will help sustain its continued growth and development. All eighteen best practice systems share four main factors:

- Implementation and design with a full understanding of the uniqueness of the organizational culture and organizational system within the context of its social system
- Whole-scale organizational excitement and belief in the programs and practices that are provided
- Continual assessment of hard and soft measurements resulting from the program evaluated against costs
- The creation of a profit model for development that is tied to business objectives

Not unlike other major industries, the consulting and development business has become increasingly competitive during the past few years—especially after September 11, 2001, and the Gulf crises in 2003, among several other factors that have contributed to economic instability. Higher unemployment and layoffs within consulting firms have left hundreds of thousands of niche-independent consultants on the market. Organization and leadership development directors