

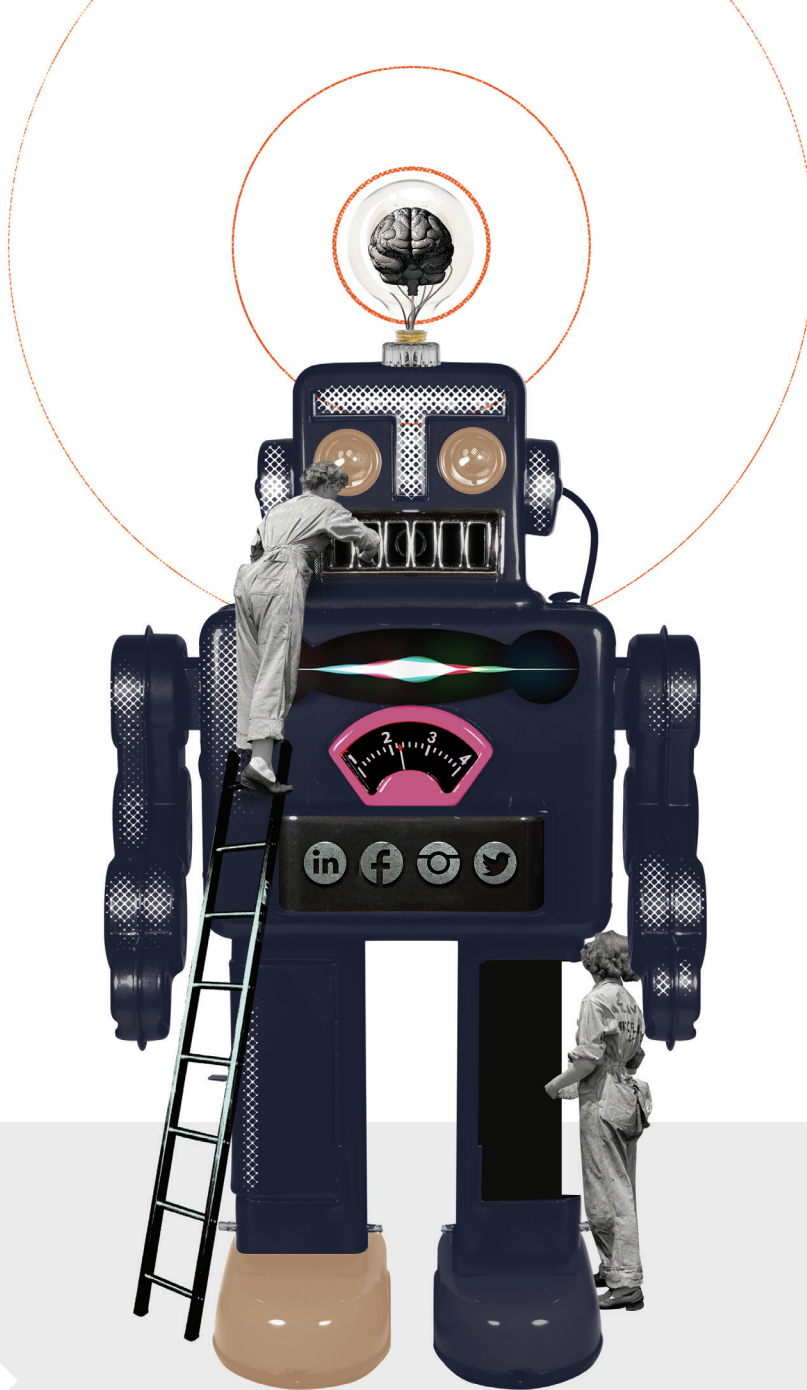
# CHALLENGE ACCEPTED

THE RISE OF SOCIAL  
LEADERSHIP LEARNING

CREATED BY MAXIMUS

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Corporate learning is a big investment, and big business. In 2016, organisations around the world spent an estimated US\$360 billion on employee learning. The cost of individual leadership-development programs ranges from a few thousand dollars, to US\$80,000 (the bare admission cost) for the Harvard Advanced Management Program. Yet despite the significant outlays involved, corporate learning — leadership development in

particular — is one of the least well understood areas of Human Resources (HR) spend in terms of its impact and return on investment. After decades of leadership development modelled on higher education, frustrated executives and HR professionals are seeking a new way forward. Maximus and leading organisations in Australia are exploring the benefits of a new, innovative approach: **social leadership learning**.

The questions around leadership development are difficult to answer. What works? What's a waste of time and resources? To what extent have existing programs delivered what they promised? Are newly advertised methods, including new e-learning approaches, just fads or real breakthroughs in executive development? It's no wonder executives and Learning and Development (L&D) professionals struggle to decide whether programs are worth the investment of time and money.

The available statistics on Return on Investment (ROI) are not encouraging. For example, fewer than half of the organisations associated with the best programs believe they capture and understand their programs' effectiveness.

Jeffrey Pfeffer, of the Stanford Graduate School of Business and author of *Leadership BS* (HarperCollins, 2015) believes the problem runs even deeper, to a fundamental dissonance between the dogma of leadership and leadership as it is practiced. According to Pfeffer, "the misconceptions about leadership come from the enormous discontinuities between what people are told and taught they are 'supposed to' do, and what both social science and everyday observation suggests are the behaviours of some of the most admired and successful leaders". According to

Pfeffer, these behaviours include narcissism, self-aggrandisement and the ability to prevaricate with skill and without remorse. It would be rare to find a mainstream competency model or development program that seeks to enhance these traits.

As a result, few organisations feel confident in their approach to leadership development. In fact, only seven percent of organisations in a Harvard study reported that their leadership development tightly aligns with strategy, enjoys executive support, has cultivated a strong talent pipeline and demonstrates an impact on overall success.

If organisations have doubts, leaders themselves are often overwhelmed by a plethora of opinions. With thousands of books published each year on leadership, and a constant stream of tips, must-do and must-not-do articles on LinkedIn, leaders know the environment has changed but often don't know how they need to change in response.

On top of this, years of stagnant or declining employee engagement scores are causing companies to demand that their managers confront the issue of dissatisfied employees head on. At the same time, leaders are being asked to do more with fewer resources. In always-on and time-poor executive cultures, development of leaders and their teams often gets pushed to the backburner.

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## The current landscape

In a relatively short amount of time, virtually every leader has had to come to grips with new expectations, particularly in the areas of innovation and managing others. Corporate learning programs have typically attempted to prepare leaders for these challenges using one of two methods:

- **Traditional learning:** Originally, corporate learning was delivered in a barely modified form of the higher-education classroom method, or its corporate equivalent — workshops. Despite predictions that classroom-based learning would cede to online replacements, instructor-led group programs continue to be the most commonly used learning modality and one of the most effective.
- **E-learning:** More recently, technology-based learning has both complemented and been substituted for face-to-face learning methods. While technology-based learning has made it possible to impart information to leaders in efficient ways, it is most often used for protocol and risk management, and often fails to shift the mindsets of leaders in ways that would lead to desired behaviour change.

Maximus believes both approaches will continue to evolve, improve and meet development needs, but are these approaches enough?

Traditional classroom learning and e-learning were designed to help leaders acquire the knowledge and information they need to lead, and they can continue to effectively serve this purpose. A well-designed combination of e-learning-and-workshops combination is an excellent way for leaders to acquire baseline skills and

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cultural information that helps them understand organisational expectations.

The more significant challenge in leadership development, however, is bringing about behaviour and habit change, at scale. As technology and automation are increasingly integrated into the workplace, soft skills — behavioural and attitudinal — will define excellence in leadership capabilities.

In this context, Maximus believes a third approach to leadership development is required — an approach that combines modern technology and the power of active, social learning. We believe this will significantly enhance the current options available to organisations and will become the most effective way to help leaders change their behaviours. In fact, our experience indicates that the behaviour-change aspects of leadership learning cannot effectively and efficiently be achieved by traditional methods.



## Why do class-like programs and e-learning dominate leadership learning?

For more than 60 years, corporate learning has looked a great deal like higher education. General Electric (GE) famously launched the trend of face-to-face management development in 1956, when it established a 60-acre training centre on the Hudson River in Crotonville, New York. Originally, the Crotonville leadership course lasted 13 weeks, approximately the length of a university semester.

Despite the predicted death of the face-to-face model, and its high cost of delivery (GE spends more than a US\$1 billion on employee development annually), it has advantages and continues to thrive. For example, GE continues to value the culture-building element of its Crotonville programs. Face-to-face programs, particularly when conducted offsite, also offer leaders the time and space in which to wrestle with difficult concepts and to critically examine their own mindsets — to determine which ways of thinking enable or inhibit their effectiveness. For example, in facilitating leading

with purpose, Maximus has found that leaders often fail to make significant shifts in their mindsets until they have the experience of directly participating in a purpose-driven organisation and are guided through a structured reflection on that activity.

As providers of face-to-face learning experiences, corporate universities and university-based executive education grew in popularity through the 1970s and 1980s. From this point on, advances in technology such as the rise of personal computers, software and eventually the internet ushered in the era of e-learning. Today, nearly 30 percent of leadership development is delivered through online methods and their growth outpaces that of face-to-face courses. E-learning succeeded in making the delivery of content scalable, efficient and relatively affordable, and helped to meet growing demand for training during a period of increasing regulation and risk-management requirements.

## A shifting landscape...

As leadership learning has evolved, the corporate environment has changed at least as rapidly. Organisations of all types have placed increasing demands on their leaders and the expectations for behaviour have been raised. Unfortunately, e-learning has failed to deliver on its promise to reinvent leadership development.

One illustration of this failure is the #MeToo movement, which has sparked a global conversation about sexual misconduct in the workplace. Although training in what constitutes sexual harassment, and in showing respectful behaviour towards fellow employees is part of virtually every online onboarding course, #MeToo has shown that offensive behaviour is rampant from Los Angeles and Silicon Valley, to the business capitals of Europe, to the political establishment in Canberra. The #MeToo movement is a undeniable indicator that more impactful methods are needed to create real change in the way leaders use the power inherent in their positions.

In addition to more defined expectations around how they manage others, leaders are expected to respond to an increasingly competitive and often disrupted marketplace. Regardless of their functional area, leaders are being asked to accelerate innovation, speed up development cycles, reduce waste and inefficiencies, respond to changes in customer expectations and take calculated risks.

Few leaders can simply learn about innovative methods used by companies such as Apple and adapt them for their own work units. Rather, they need to make and sustain a number of changes in their team structures, work processes and behaviours to successfully innovate.

Organisations need new solutions for leader development. Facilitating innovation and

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managing others are just two examples of learning domains that will benefit from a social approach. Maximus sees potential for using social leadership learning to enhance personal effectiveness, disciplined execution, external engagement and many other current and future desirable leadership habits and behaviours.

## Another way? The theory and experience behind social leadership learning

Modern social leadership learning solutions can be seen as a reflection of the ways in which leaders have always learned. Without access to formal management education, the leaders of the past learned from observing others, trying new things and getting feedback. Before books, schools and guilds — and their modern-day descendants, workshops, masterclasses and massive open online courses (MOOCS) — became widespread, social learning was learning. The term “social” is now widely used to describe contemporary media that is created and shared peer to peer, yet it has resonance with how people have effectively learned in the past.

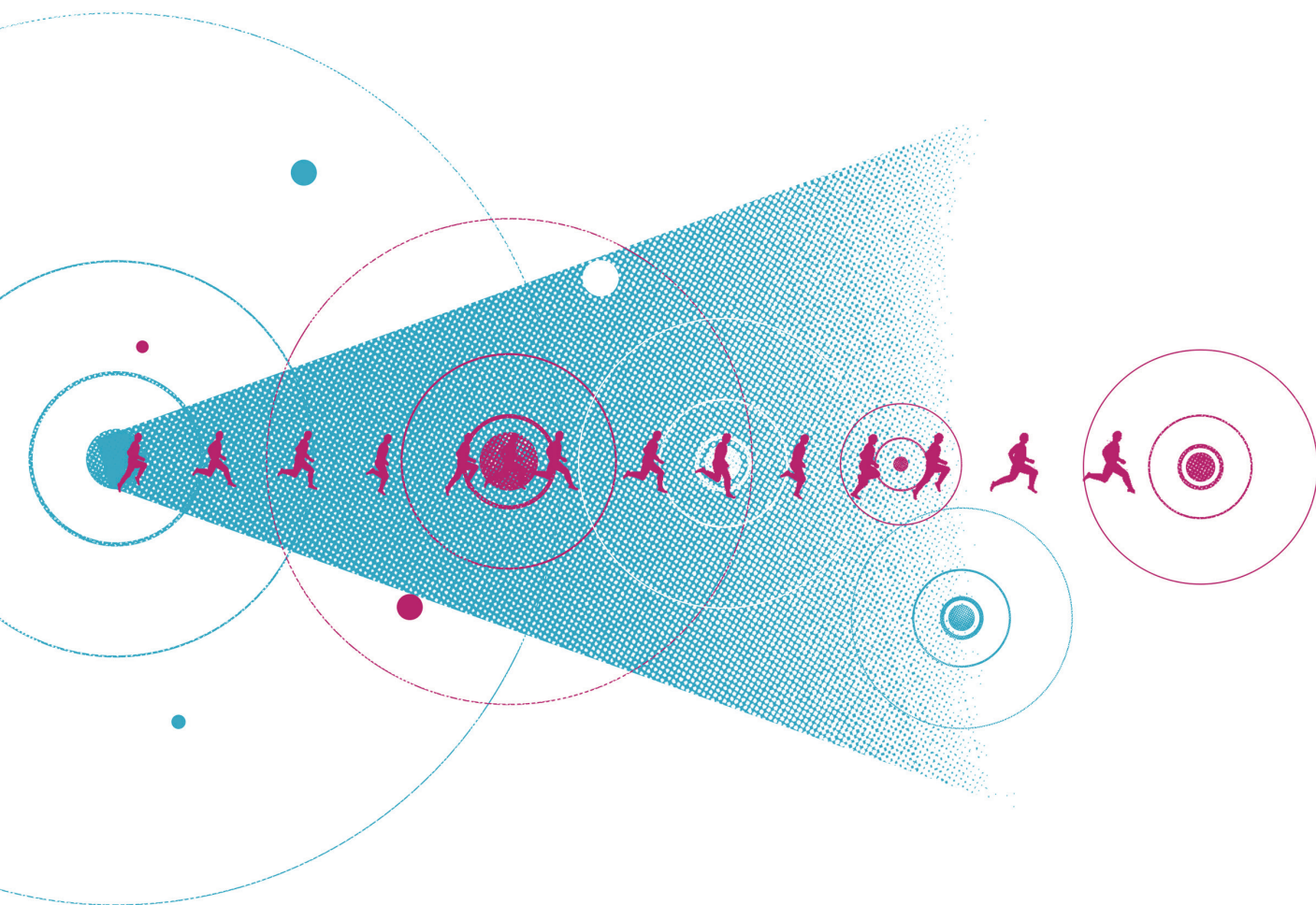
It’s easy to forget that formal education is a relatively new phenomenon. The first universities were created in the 11th century but didn’t become widespread until much later. Universal secular public education didn’t gain steam until the United States of America adopted Prussian learning techniques. Importantly, one of the reforms introduced to the USA was the lecture method, which required students to receive instruction

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rather than actively instructing each other. This decidedly “un-social” but efficient approach continues to this day in leadership learning. But in a modern twist on the peer-to-peer tradition we are now exploring a new and complementary “social” leadership learning model.

Social learning approaches are designed to tackle the principal weakness — lack of direct engagement and “stickiness” — of traditional leadership learning.

A wide variety of survey data shows that employees find traditional approaches boring. The continued use of e-learning for process and compliance training seems to have tainted its reputation and effectiveness. In one survey, 38 percent of learners reported that they were bored with e-learning courses, and a staggering 76 percent found the lists of procedures and regulations tedious. Despite the proliferation of MOOCs and other forms of online courseware, the dropout rate for these learning experiences



is exceptionally high. By some estimates, fewer than 13 percent of courses are ever completed.

Social leadership learning is being designed with these specific issues in mind. It offers the opportunity to create something fresh and unlike traditional approaches.

Instead of being mandatory and tightly controlled in form and substance, social leadership learning is designed to be voluntary, loose and decentralised. Rather than being dense in content and standardised, it is focused on small habits and allows participants to adapt learnings to their own style, and to start from any point of development. Instead of being organisation-led, it is community driven.

Such a format, accommodating fluid interactions

and feedback, is best housed on a platform rather than within a traditional linear program.

For an example of one successful social leadership learning approach, see the case study: *Social leadership learning in action at ANZ* on page 10.

Social leadership learning builds on the principles of adult learning that have been known for centuries and makes the learning relevant and practical. To date we have seen social leadership development approaches achieve significant behavioural learning outcomes in important areas such as seeking and providing feedback from team members, working cross-functionally in an organisation and improving the clarity of direction to others.

In addition to achieving learning outcomes in core leadership domains, social leadership learning has been observed to be effective in developing behaviours that meet the ever-increasing demands made of leaders.

In our experience, although the principles of a social leadership learning approach are clear, specific program designs will vary. A human-centred design process is the best way to turn principles into action and create a bespoke learning platform. The pilot versions of the social learning platforms we have created have experimented with specific design features relevant to each client organisation. These include making charitable contributions on behalf of learners as they progress, to encourage participation in development; creating a custom microsite for peer-to-peer sharing and coaching; and integrating enterprise social media technology such as Yammer and Workplace by Facebook to enable sharing of experiences, encouragement and advice.

In implementing social leadership learning, Maximus has observed two additional benefits that make the approach potentially transformative:

- The first benefit is the naturally occurring opportunities for structured reflection. Recent applied psychology research reinforces

the old adage that without reflection there is no learning. In a nine-month study of 173 participants across four distinct developmental experiences, academic researchers found that structured reflection had a positive effect on leadership development. Social-learning platforms make reflection a natural part of the experience rather than a requirement or an afterthought.

- In addition, our experience with social leadership learning to date shows evidence of meta-learning. In our own research, leaders who engaged with the social-learning approach with repeated opportunities for reflection, demonstrated sophisticated pattern recognition in their own behaviour and noticed the impact of small changes. Essentially, leaders learned to learn.

We strongly believe these two additional benefits alone warrant further development of the social leadership learning approach.

In previous research, Maximus explored the state of leadership development and concluded that traditional approaches are failing the country. We called on all parties involved in leadership development and corporate learning to raise the bar. Social leadership learning can provide one new approach to significantly enhance the current suite of executive development methods used by organisations in Australia.

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## [CASE STUDY]

# SOCIAL LEADERSHIP LEARNING IN ACTION AT ANZ

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ANZ faced a daunting development challenge. After a top-to-bottom refresh of strategy, vision, values and purpose, the company turned its attention to leadership behaviours. Its internal team thoroughly researched and articulated the hallmarks of effective leadership for the company. But how could they spread the word and train all managers in these behaviours?

The HR team knew that anything that looked like conventional training would fail. In addition, the company's global scale made face-to-face development prohibitively expensive. Even the options for an online deployment were

limited due to security concerns and inadequate availability of common communication technology across the company. ANZ approached Maximus for a fresh idea.

Over the course of two months, a team of internal learning professionals and Maximus consultants created the conditions for a learning-oriented social movement to spread the practice of desired leadership behaviours.

Just as new ideas and methods typically start with a small group of interested individuals, so too this effort was seeded by a brave group of early adopters. The 60 catalysts, as they were called,

were invited to “accept a challenge”: to adopt one of several leadership “habits” for five days in a row.

They were offered a choice six potential habits, and the way they brought the habit to life was up to them. They had the opportunity to experiment with this new habit, get help from others, and most importantly reflect on their experience in small peer groups.

Some leaders sought to turn the tables on their typical managerial role and seek feedback in addition to providing it to others. Others creatively implemented a daily exchange of trends and other information relevant to their reports, to nurture a more curious team environment. Using the catalysts’ feedback, we distilled the learning experience to five key habits, reflecting the five behaviours we wanted to change.

Participants consistently reported their experience to be extremely challenging and highly rewarding — an ideal combination for learning.

Eventually the effort spread across thousands of leaders through online nominations — similar to the way in which the famous “Ice Bucket Challenge” was spread on social media to build awareness of the neuromuscular disease ALS.



The performance data speaks to a movement with impact: ANZ has seen more than 3,500 “challenges accepted”, and over 4,500 leaders have so far been nominated to participate. That’s more than half the leaders ANZ had targeted to take part, and their participation was voluntary, not mandatory or driven by HR.

As in most cases of learning and transformation, participants’ reflections offer the greatest insights. For example, one leader who took the challenge to personally connect with his team reported after a week, “This experience is literally changing the person I am at work. It is a very big change and hard work.”

## What does leadership learning mean for leaders?

Just as education reform has changed the learning experience for many primary school students into something their parents would hardly recognise, so too will the next generation of leaders experience leadership development through a wholly different framework.

Maximus anticipates addressing three main areas of corporate leadership learning — knowledge acquisition, mindset shifts and sustained changes in habitual behaviour.

**Knowledge acquisition:** Existing face-to-face learning and e-learning approaches will continue to serve this need. The combination of technology and face-to-face (or virtual face-to-face) learning provides an efficient method for leaders to acquire the concepts and knowledge needed to lead. This may include teaching the effective allocation of resources, process/quality improvement techniques, and objective and legally compliant recruitment and employment practices.

**Deep mindset shifts:** Traditional corporate learning has a less-than-impressive track record in changing mindsets. Efforts have typically been excessively focused on communications campaigns that, however clever or well designed,

have not helped leaders to critically examine their underlying beliefs about themselves as leaders, or about others. Lasting change is more effectively achieved through learning efforts that enable leaders to examine and challenge their beliefs. Although many companies see this as the exclusive domain of coaching, Maximus has found that group developmental experiences can be as effective or even more effective in fundamentally changing mindsets.

**Habitual behaviour in the workplace:** This is the area in which Maximus sees a large gap, and therefore significant potential for better new-habit-forming methodologies. For many leadership behaviours the barrier to change is less about knowledge and information and more about how hard it can be to change everyday habits. Maximus has had significant success with a social learning approach for leaders that focuses on consistently taking small steps to form new habits. Just as people who take a social approach to adopting a new fitness routine are more likely to stick with the changes, a social approach to changing leadership habits in the workplace leads to more sustained outcomes.

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## A new arrow in the quiver for changing habitual behaviour

For too long, organisations have had too few options for leadership development. Whether internally or externally designed and delivered,

face-to-face programmatic interventions have offered a focused and potentially rich experience.

However, such programs tend to be expensive and time consuming. They need to be used for the right purpose, and in the right way.

E-learning, aided by rapidly advancing computing technology, is finally becoming a more viable option for delivering the complexities of learning to lead. But its useful application is narrowly focused on knowledge delivery and the experiences are still insufficiently engaging to drive the level of consistent use and mindset shift required for sustained development and change.

“I ALWAYS FEEL THE MOVEMENT IS A SORT OF MOSAIC. EACH OF US PUTS IN ONE LITTLE STONE, AND THEN YOU GET A GREAT MOSAIC AT THE END.”

ALICE PAUL, LEADER IN THE AMERICAN WOMEN'S SUFFRAGE MOVEMENT

Increasingly, organisations are adding a new approach to the mix, a new leadership-development arrow in the corporate-learning quiver. This approach is technology enabled but not technology driven. It spreads real-life leadership learning and lessons from peer to peer

— just as a social movement spreads ideas across a community or even a nation. And it truly puts experiential leadership development in the hands of the learners. Maximus' experience with this approach has shown that social learning works, and that it has the potential to transform the way progressive organisations develop their leaders.

Challenge accepted: let's start a movement to make learning to lead social again.

- **Look out for our next publication:** Future Leadership: behaviours, attitudes and mindsets that will define success

**For more information** on how your organisation can transform leadership development through a distinct social-learning platform, please contact Maximus.



## ABOUT MAXIMUS

We are for leaders with ambitious agendas. We exist to move minds, transform businesses, and leave a legacy of proven value. For over 15 years we have worked with a variety of organisations, which gives us insight into approaches to leadership development and organisational structures in which leaders and their teams can thrive.

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## ABOUT THE AUTHORS

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### VANESSA GAVAN

Vanessa Gavan is the founder and Managing Director of Maximus. She has spent the past 20 years transforming a range of leading international organisations, and the leaders within them. In 2001, she founded Maximus to bring a stronger leadership offering to the market. Today, Maximus is recognised as one of Australia's most progressive leadership firms, working extensively with an impressive portfolio of leading international organisations to create relevant, astute, insightful and authentic leaders. Vanessa is a psychologist with a strong entrepreneurial perspective (Bachelor of Science Psychology, Post Graduate Psychology) with a Harvard Business School Executive Education. She is a thought leader, industry writer and expert source for leading business publications; she also is a conference keynote speaker, presenter and experienced facilitator.



### MARK SOWDEN

Mark Sowden is a Director at Maximus with degrees in Sports Science and Psychology and a post graduate certificate in Education. With an engaging style and energetic delivery, Mark has consistently helped organisations lift their performance through the implementation of true behaviour change initiatives. Having worked with leaders at all levels, Mark is interested in how people respond to everyday challenges and how they can draw on their inner strength to produce great results more often. Mark also has extensive experience in program design, identifying and unlocking leadership capabilities within an organisation. Mark loves to test the boundaries of human capacity and learning by bringing innovation into leadership interventions and learning. Mark focuses on impact by challenging people to shift the behaviours and habits they bring to their routines and become better versions of themselves through development.



### JAMES ARIS

James Aris is the Marketing and Innovation Manager at Maximus. With over 10 years' experience working with some of the biggest consumer goods brands in the world, James brings a global mindset to his role as Marketing lead at Maximus. James has helped grow brands and understand and change consumer behaviour in Africa, the Americas, Australia and across Europe. A graduate of English from Warwick University with several post-graduate digital accreditations, James brings a specialisation in digital marketing, capability and transformation in large corporate organisations.

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