HBR CASE STUDY

Business is bad, and Zendal Pharmaceuticals must protect what’s crucial in its budget and jettison what’s just nice to have. In which of those categories does executive education belong?

Leadership Development: Perk or Priority?

by Idalene R. Kesner

Her alma mater had never looked better. Sunlight bounced off the gables of the old library building, the rose beds were in full bloom, and the hush of earnest academic endeavor hung over the quad. For once, though, the myriad charms of the university were wasted on Karen Barton.

She was livid. Two weeks ago, Barton, the senior vice president of human resources for Zendal Pharmaceuticals, had routinely turned in her budget request to her boss, Dave Palmer, the COO and executive VP of administration. Palmer had sent the papers back to her that morning, just as she was leaving for an appointment with the dean of her university. Barton had looked at the revisions he had made en route and was stunned to find that Palmer had cut her executive education budget by more than 75%.

As Barton recovered from the shock, she decided that it had to be a mistake.

HBR’s cases, which are fictional, present common managerial dilemmas and offer concrete solutions from experts.

She glanced at her wristwatch. It was 11:50 AM. She was ten minutes early for her appointment, but Palmer would probably be on his way to his regular Monday lunch with CEO Jack Stockton and the rest of the company’s senior executives—the six-pack, as they called themselves. She figured she would leave a message on his voice mail but, to her surprise, he answered the phone himself.

“Dave, it’s Karen. I just got your revisions to my budget, and I think there’s been a mistake. The version you sent back seems to have almost nothing for executive education,” she said, with a nervous laugh.

“No mistake,” answered Palmer with the weary air of someone who had been having similar conversations all morning. “Stockton asked me to pare down next year’s budgets by 20% across all departments. Some things have to be slashed more than others. Executive education programs are…”

“Dave,” interrupted Barton, “you didn’t trim my budget. You just about demolished it.”

His response was blunt. “Listen, Karen, when you’ve been in the business as long as I have, you can spot a perk a mile away. I’ve been to half a dozen of those off-sites. I stopped going after the retreat we had at Governor’s Point in the late 1980s. It’s fun and games half the time, and the other half is a huge gripe session. We don’t have time or money for either next year.”

Barton was horrified that Palmer would talk about the corporate retreats of the past and the university programs Zendal’s executives attended in the same breath. “You’re comparing apples and oranges. Our people benefit enormously from the courses they attend. I don’t think anyone would characterize them as fun and games—or griping,” she snapped back.

“I know you’re disappointed,” said Palmer, “but Stockton’s the boss.”

Before the COO could respond, Barton continued: “You do realize, of course, that these cuts mean there’s no way I can...”

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Even when I added some approximations of my own, I wasn’t sure what the return on the new program was going to be. When Stockton and I discussed it briefly, we weren’t sure what the return on investment in education had been in the past either—or how it’s currently being calculated. In fact, that’s a conversation you and I need to have.”

Barton started to reply, but Palmer quickly added, “Look, Karen, I hate to interrupt you, but I’ve got to get to the meeting.”

“I’d like to continue this discussion tomorrow. When is a good time for me to stop by your office?” she asked.

Palmer wasn’t convinced that there was anything more to discuss. “My calendar is booked solid tomorrow. If you have something to show me—and I want to emphasize if—I’ll have my assistant set up something for Wednesday morning. I want you to be clear about one thing, though. Our sales have dropped 26% because of the recession, we took on $300 million in debt when we acquired Premier Pharmaceuticals, and your budget isn’t the only one that has been cut. If you can put together data that show how much executive education can add to the bottom line, I’m willing to listen. If you can’t, step out of the soup line because there are going to be lots of half full bowls this year,” Barton saw that she was now late for her meeting, which was beginning to look rather academic.

Gathering Sources

The next morning, Barton had just dropped off her kids at school when the drizzle turned into a downpour. Forced to slow down, she reconciled herself to a dreary tailgating commute to work.

Moreover, Barton believed that Zendal should uphold its commitment to a learning culture and leadership development despite the recession. She recalled reading about Dreyer’s Grand Ice Cream in her previous life as a consultant with a New York–based change management firm. The then-$1 billion Dreyer’s had faced one crisis after another in 1998. Its manufacturing costs had soared as the price of butterfat rose to a record high, Ben & Jerry’s abruptly stopped distributing Dreyer’s products, and rivals started a price war. Worse, CEO Gary Rogers was diagnosed with a brain tumor and had to undergo neurosurgery. Yet Rogers and his president, William Cronk, invested $1 million—as they had promised—in the company’s Leadership University that year, demonstrating that Dreyer’s cared about developing its people. It was no accident, Barton believed, that Dreyer’s had re-established its position as a profitable market leader by 2000.

She wondered what Palmer would make of that story. Although he had left the door a little ajar, she would probably get only one chance to force it open. So it was critical for her to understand how his mind worked and what buttons to push to get him on her side.

Almost without thinking, Barton picked up her cell phone and called Carlos Freitas, who headed the company’s fast-growing Medical Devices division. She had forged a good working relationship with Freitas from the day she arrived at Zendal. He had worked closely with Palmer for 15 years before taking over as head of the division, which accounted for 10% of Zendal’s $3.5 billion in revenues and a similar percentage of the company’s 7,950 employees. If anyone could help her understand Palmer better, it was Freitas. He answered on the first ring.

“Carlos:”

The voice at the other end of the line was deep, with a slight accent.

“Hi, it’s Karen. You’re in early,” she responded.

“Performance evaluations,” laughed Freitas. “Good to hear from you. What’s on your mind?”

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“Dave Palmer’s on my mind. You’ve known him for a long time, and I need your advice on how to tackle him,” replied Barton. “Can I stop by?”

“Why don’t we grab a quick lunch?” Freitas suggested. “I’ve got meetings with the marketing and ad agency people lined up for the afternoon.”

“Sure, I’ll see you at 12:30 in the cafeteria. If I can get out of this traffic jam, that is. Here I go,” she said to tease Freitas, who refused to ride in her SUV because of the speed at which she took her turns.

“Don’t drive and talk on your phone at the same time. It scares me just listening to you,” Freitas admonished as they hung up.

**Doing Homework**

It was almost noon before Barton got out of meetings. As soon as she had a moment to herself, she pulled up Palmer’s bio on her PC. The 59-year-old economics graduate was a lifer, she recalled. He had spent most of his career in one division, in fact, Consumer Care Products, and had risen from the ranks to run it. He had received high marks from people inside and outside the division for his no-nonsense leadership style. It didn’t surprise anyone when Stockton, after heading the company for less than a year, had appointed Palmer to the newly created position of COO.

In many respects, Palmer was perfect for the job. He was methodical, detail driven, and devoted to the company. Barton had once heard Freitas refer to Palmer as a bulldog because of his energy and tenacity. In fact, it was unusual for the COO to change his mind once he had taken a decision. As she reached the bottom of the file, Barton noticed that the last—and only—executive education program Palmer had attended was in 1980, when he had participated in a three-day course on, of all things, people management. Apart from that, he had gone to several off-sites and industry conventions over the years.

Barton mentally kicked herself for not reading the bio earlier. It struck her that she didn’t know the CEO’s history with executive education either and was about to pull up Stockton’s bio when she noticed the time. “Tracy, I’m late for lunch,” she called out to her secretary. “Can you do me a favor and clear out my calendar for the end of the day? Something urgent has come up,” she added, as she ran down the curving corridor to the elevators.

**Sharing Notes**

As Barton walked into the cafeteria on the tenth floor, she waved to Freitas, who was coming in from the other end of the room. They grabbed trays, sidestepped the long line for warm entrées, and headed straight for the deli. Barton settled for her usual Greek salad while Freitas picked up a ham on pumpernickel. When Freitas pointed to a table with a great view of the city, Barton indicated that she would prefer one of the private dining enclaves reserved for working lunches.

“This must be really serious to warrant a closed-door lunch,” Freitas commented as he shut the door behind them quietly.

“It sure is. I just got my budget back from Palmer. He cut training for lower-level employees by only 10%, but he slashed my executive education budget by more than 75%. You can forget the customized leadership development program I’ve been telling you about. In fact, I’ll be lucky if I can send a couple of people to an external program next year. I tried talking to him yesterday, but I got nowhere,” Barton complained bitterly.

“What do you mean?” asked Freitas. “Palmer’s a reasonable guy. If you make a case, he’ll listen to you. Sure, he tends to focus a lot on dollars and cents, but he takes a balanced view. I’ve had my share of rejections, but I really can’t point to a single instance when I felt he ignored my logic.”

“Well, he told me that he wouldn’t reconsider my budget unless I could demonstrate the bottom-line impact of executive education.”

“Welcome to the real world, Karen. I have to do that every budget cycle. If I can’t prove that the new equipment
I want to invest in will help meet our performance objectives, the money goes somewhere else.”

“I hate it when people make those types of comparisons,” said Barton. “First, we’re talking about people, in my case. That’s different from calculating the payback from a machine. Second, don’t you spend money on equipment maintenance, modification, and improvement? Why shouldn’t I do the same for people?”

“I agree that not all assets are the same. But I don’t believe we shouldn’t ask what the return is when we invest in human capital,” Freitas stated firmly. “I’m sure Palmer thinks the same way. The downturn is starting to hurt us, and Stockton and Palmer have a specific agenda to keep us out of any more trouble. If you want dollars, you have to show how you fit in with their plans. You must be willing to fight for resources with the rest of us.”

“Why are you treating this like another interdepartmental tussle? Don’t you see that my department is connected to all the others? Every division benefits from the HR budget. I spend money on our people—your people. Don’t you realize the impact of training on your people and your division’s performance?” The tone of Barton’s voice reflected her concern.

“Look, I’m just trying to point out how some folks might see things,” Freitas shot back.

“Some folks—or you?” probed Barton. “Come on, Karen. I want to see you get the budget you need, but you’re going to have to justify it like the rest of us,” Freitas said.

“You’re right,” Barton replied apologetically. “Sorry. I’m worried that it’s going to be next to impossible to prove that executive education benefits the bottom line. There are some measures, like participant satisfaction, that we track. But I didn’t get the feeling Palmer wanted that kind of data.”

Freitas thought for a moment. “Well, if I were you, I’d work on every angle I could—performance, satisfaction, fit with Stockton’s agenda. While you’re at it, create a backup plan. I know you want to launch a customized program, but if Palmer is worried that it’ll be too expensive, maybe you should go back to sending people to external programs. If you remember, I attended an advanced management program at a B school two years ago, and it was great. I loved the fact that the participants came from various industries and different countries. We enjoyed sharing ideas and experiences. Sending ten people to ten different programs creates a greater diversity of perspective than if everyone listens to the same message.”

“I’m not ready to throw in the towel just yet,” Barton declared as they both got up to leave. She didn’t add that outsourcing education mightn’t be an option for very long either, since Stockton and Palmer had trained their guns on that as well.

Defending a Thesis

That afternoon, as Barton set out to draft a memo to Palmer, she couldn’t help wondering what she could have done to avoid this crisis. When she had joined the company five years earlier, she had taken a more proactive attitude to training than her predecessor. Rather than waiting to be approached, she had met with senior executives every quarter to discuss their people’s training needs. Barton then started several training initiatives aimed at two types of employees: new hires, who had to be brought up to speed quickly, and first-level supervisors who had been identified as high-potential performers. Many of these programs proved to be popular, with average enrollments of between 25 and 30 employees.

However, Barton had initially adopted a low-key approach to leadership development. Her team collected information on programs at various business schools, which she sent to all the executives. If a manager showed interest in a particular program, the HR department furnished additional information and arranged enrollment. Barton usually encouraged executives to speak to previous attendees first and look over the course materials those people had brought back. That, she believed, was a good way to determine whether the executive’s needs fit with the program’s theme. If the company’s managers rated a program as “poor” or “below average” three times in a row, Barton would discourage executives from enrolling in it.

When an executive returned to work after completing a program, Barton would assess its value to the individual and the company. She asked each participant to fill out a two-page form that included questions like:

• How confident are you that you will be able to use what you have learned in your current job?
• To what extent do you think the materials covered will help you to improve your performance?
• To what extent do you think the program will prepare you for future jobs in the company?

The HR team did not usually conduct anything more formal by way of follow-up and left it to participants to integrate what they’d learned into their jobs. It was also the participants’ responsibility to contact colleagues and subordinates if they wanted anyone else to attend the same program.

Until five years ago, only about ten of Zendal’s executives each year had attended programs at universities or institutes. Since then, executive education’s popularity had risen, and the company had sponsored an average of 20 managers in each of the past three years. Noticing the trend, Barton had started thinking more proactively about leadership development. Around the same time, administrators from two B schools had approached her and offered to design specialized programs for Zendal’s executives. It was one of them, in fact, that she’d been on her way to meet with the previous day.

The more she learned about the opportunities to customize executive education, the more Barton liked the idea. Her plan was to conduct two programs a year, each consisting of two six-day sessions, with a month’s break between them. She obtained tentative commitments from several faculty members at the B schools, who agreed to help Zendal’s senior executives design courses,
develop materials, and serve as classroom facilitators. Eventually, Barton hoped, the program would be a springboard for the creation of Zendal's corporate university.

When Barton did the math, she estimated the cost of a customized program at around $12,000 per participant. That was less expensive than the $15,000 to $20,000 in tuition Zendal spent, on average, to send a manager to a university program. Nevertheless, the overall costs would be significantly higher, since the plan called for 40 to 50 of Zendal's executives from all over the world to attend the programs. That's why Barton had asked for a budget outlay of $650,000 for executive education for the next year—double the previous year's budget.

Examining Options

Barton stared at the blank pad on her desk. She wished she had a plan for responding to Palmer, but all she could think of were questions—and more questions. If Palmer wasn't willing to budge, did it make sense to get the division heads involved? Could she create a pull strategy by getting them to ask for more education opportunities? Would they rally around her, or, as Freitas had warned, would they see her as a rival for resources? In any case, would their involvement sway Palmer? Or would it give him the impression that she was doing an end run around him and alienate him further? Barton's mind jumped ahead. She started thinking about the contingency plan Freitas had suggested. Should she give up on the customized program for the moment?

Barton looked up to see her secretary standing outside the door with coffee and a box of cookies. It was well after 5 PM. "I'm guessing you'll be working through dinner—and maybe even breakfast," said Tracy, as she placed them on Barton's table.

"Thanks," said Barton, "you read my mind. Now, if only I could read Dave Palmer's."

How should Barton make her case for executive education?

Four commentators offer expert advice.
Barton has to tie leadership development to the business drivers.

If Karen Barton wants to produce a return on Zendal’s investment in education, she has to tie leadership development to the business drivers. First, she should look at the company’s strategy and find out how executive development will get CEO Jack Stockton and his team there faster. Second, she has to talk to the division heads to learn what’s working, what isn’t, and what’s plain missing.

Then Barton needs to have a chat with Stockton – but not about the budget, so it doesn’t look as if she’s going over COO Dave Palmer’s head. She needs to persuade Stockton to use executive development as an engine for change. They should discuss current and future leadership capabilities and capacity. Does Stockton believe he has the most competitive team in their industry? Does Zendal have a deeper leadership pool than its rivals? If not, why not? By the end of the meeting, Stockton needs to be not just Barton’s ally but the program’s sponsor.

Finally, Barton has to articulate the focus and metrics for her program. Stockton’s view of what kind of leaders he wants will set the program’s priorities. His three-pronged agenda will form its framework. What Barton learns from the senior executives will guide the focus and content of course development work. And Palmer’s business measures will be the basis for defining the program’s return on investment.

For example, Barton could focus on accelerating the integration of Premier with Zendal. My experience with the Compaq-HP merger suggests that executive development can contribute to business success in many ways during a merger. For instance, my team focused on accelerating the postmerger integration of the management teams and implemented a “fast start” process. Ninety-eight percent of the more than 17,000 new HP teams around the globe completed “fast start,” producing operating agreements that supported the culture of the new company and allowed them to meet or exceed their merger-savings goals. How did we measure the ROI? The teams themselves identified “faster time to productivity” as a key benefit.

Executive development is not about creating a university or a lineup of great speakers. It is about bringing new knowledge, new practices, and new thinking to the challenges of the day. If Zendal wants to build closer ties between units, and the problem is that the company has gaps or overlaps that confuse customers, work on that. And who better to engage in solving that problem than the business heads? Bring in industry and academic experts in the context of the challenge and have them become thinking partners with your senior executives. Make sure the objectives are clear and the measures are real. You’ll have executives beating the door down to sign up.

My bias is toward customized training, which lets me measure the return better than I can with outside programs. That does not mean external experts or programs add no value. They do, but only to the extent that it is applicable to the company’s needs. It is no accident that customized programs are the fastest-growing segment of executive education, according to research by Executive Development Associates. Executives can no longer participate in five- or ten-day programs and get only one or two days of value.

Once Barton has created a program, she has to package and sell it. If she has done it right, many senior executives will have helped formulate both the focus and the plan. That will make it easier to sell to Palmer. Barton should argue that she is providing a critical enabler to the enterprise, that she has clearly defined the ROI, and that the program is helping Palmer respond to the CEO’s needs. But she shouldn’t go into a make-or-break meeting by herself. She should bring along the executives who are sponsoring the initiative and let them make the business case. There’s no one better at connecting the need for development to the company’s business imperatives. With them, Barton can make the case for change.
Unlike Barton, I do not believe that Palmer is being unreasonable in his opposition to her budget, particularly in the light of his personal experiences with executive education. He has asked her the right questions, since the costs of training people are high and the benefits are not easy to calculate.

It is surprising, though, that Barton has not been able to counter Palmer’s arguments, given the near-crisis the company faces. Zendal’s managers have to develop fresh strategies to survive the recession. They have to find ways to leverage the Premier acquisition. Moreover, the company’s ethos has to accommodate the intrusion of another company’s culture. Those pressing needs provide Barton with a compelling argument for the budget hike she’s asked for. Before Zendal can do better, it must learn.

The argument that knowledge provides the capability for action led to the creation of the University of Toyota in 1998, when Toyota decided that it needed to become more global very quickly. We were not facing a crisis, but we felt that the company could not cope with the globalization challenge if employees’ knowledge was not always up-to-date, their skills did not continually improve, and they were not constantly sharing experiences. Thus, Toyota invested $50 million to build a corporate university to develop its human capability—first. Barton should position her program in the same way, as both integral and a prerequisite to improving Zendal’s business performance.

To do that, Barton must first give Palmer concrete evidence that her program will improve the company’s competitiveness or increase profits. I know from personal experience that it is not impossible to do so. I have abandoned general education in favor of result-oriented programs at the University of Toyota and integrated result measurement into the course development process. We make hard-nosed decisions from the outset about how we will show a return on our expectations from each program (which could be defined either as a transfer of skills or as a return on investment). For example, we conducted a pilot project with 17 of our Lexus dealers last year to demonstrate that they would earn additional profits if they invested in a frontline-employee education program. That led more dealers to sign up for the program this year.

Second, Zendal’s HR team must align the education programs to each business unit’s specific needs. At the University of Toyota, we view all senior executives and the divisions they head as key internal customers, and we act as consultants trying to meet their business needs. That may not always require classes per se. When it does, we don’t just develop courses, as colleges do. Since our programs will not deliver financial results until the entire unit assimilates their impact, we measure their effectiveness on an ongoing basis to make sure the new skills are actually applied in the workplace.

Finally, Barton has to stop thinking about outsourcing education and developing customized content as an either-or issue. She must evaluate each situation case by case.

Mike Morrison is the dean of Toyota’s University of Toyota in Los Angeles.

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When we are trying to instill our corporate culture—our vision, purpose, values, or practices—we prefer to develop our own programs at Toyota. When the aim is to stay abreast of new business approaches, we prefer outside involvement. Often, we combine both. For instance, our two core leadership-development programs rely heavily on external facilitators, but we have customized the programs themselves to our needs.

Barton has to convince Palmer that she is prepared to run executive education like a business. She should work with a couple of senior executives to develop proposals for education programs that will produce returns in the next year. Barton would do well to remember that her challenge is not to sell executive education but to demonstrate how it can improve Zendal’s business results.
Stockton should have the HR head reporting to him directly.

Barton needs to find herself a new boss. That isn’t a reflection on Palmer but on Stockton’s leadership priorities. Stockton should have the HR head reporting to him directly. That’s how it is in good companies, because good CEOs—like GE’s Jeff Immelt, 3M’s Jim McNerney, and Nokia’s Jorma Ollila—treat leadership development as their number one priority. Adding even one layer between the CEO and the HR head, as Stockton did, creates the kind of problems Barton is facing.

Since she cannot get Stockton to change that in a hurry, Barton should position her program in a larger strategic context so that she can get it funded and, more important, can ensure that it makes an impact on the company. Barton must engage Stockton and Palmer in the task of developing leaders who would not only ensure bench strength at all levels but could replace them as well. When former GE chairman Jack Welch hired me to head up GE’s leadership development in the mid-1980s, one of my first efforts was to start to revamp GE’s leadership pipeline, an effort that involved both Welch and then vice chairman Larry Bossidy.

In conceiving her leadership development program, Barton should follow some guidelines that I have always found useful:

Remember the 80–20 development rule. Eighty percent of an executive’s development can be attributed to on-the-job and life experiences; formal training can affect only 20%. That’s why Barton shouldn’t be obsessed with a classroom-based program.

Follow the 80–20 location rule. Eighty percent of formal development occurs in the business units and only 20% at the corporate level. Barton should identify the distinct stages in the careers of executives, the development challenges at each stage, and the levers the company can use—such as assignments and postings—to influence the executives’ experience.

Use action learning. I am proud to say that I got rid of almost every B school case study in GE’s leadership development program. Instead, teams of executives learned in the field. For example they went out to Asia to look for joint-venture partners as part of the program, and their reports went directly to Welch himself.

Find teachable moments. Barton must figure out when a classroom-based program will have the most impact. For instance, formal classes usually help first-time leaders who haven’t developed bad managing habits. But the programs should not be optional; they should be incorporated into the succession-planning process.

Leaders must teach the next generation of leaders. I firmly believe that professors and consultants are the worst people to use to develop your leaders. Would you hire a consultant to teach your kids your values? If not, why would you do that in your company?

Frame the ROI for the CEO. Barton must get Stockton to share with her in the ownership of the ROI for development using this framework:

**Investment**
- Tuition
- Salary
- Travel and living costs
- Lost opportunity cost of not being on the job (best estimate)

**Total cost (per participant)**

**Return**
- Net present value of improved leadership capability over two years
- Net present value of improved team skills over two years
- Net present value of new business acumen over two years

**Total financial return of the project (each participant’s portion)**

Not only is this a fascinating way for CEOs to do their ROI calculations, but after 25 years of working with CEOs, I can vouch for the fact that it creates the right mind-set in the organization.

If Stockton isn’t convinced, Barton needs to find herself a new boss—outside Zendal.
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To get a bigger budget for executive education, Barton could try to convince Palmer by quoting research from Hewitt Associates, Gallup, and several other organizations that show strong links between executive development, management performance, and shareholder value. However, these studies alone are unlikely to sway Palmer. Barton will be more persuasive if she can show Palmer that Zendal's and Premier's executives lack the ability to integrate the two organizations and execute the three-pronged strategy. Since Barton does not have much time, she will have to depend on her knowledge of the company's business issues and its pool of executive talent to do that. Unfortunately, many HR departments have only a superficial understanding of either, and that could pose a challenge to Barton.

At the same time, Barton should be careful about presenting training as a solution. It solves few business problems on its own, and she should be specific about the contribution it can make. For instance, an education program may not help Zendal if the company is facing a knowledge-sharing problem. In that case, Barton should examine instead how the company can help managers tap into other people's expertise through repositories of job aids, best practices, and knowledge communities.

When Barton has satisfied herself that an executive development program is necessary, she should compare the skills that will be required to execute Zendal's strategy with key executives' current capabilities. If the HR team has regularly assessed management talent—something few departments do well—Barton can use that information to identify the executives who need training. If the new corporate strategy is innovative, some key players will find themselves in stretch assignments, and Barton can quickly improve their capabilities through customized learning programs.

It concerns me, though, that Barton places so much emphasis on classroom-based programs, which are a notoriously ineffective way of learning. Taking people away from work and putting them into the artificial setting of a classroom is expensive, and the transfer of learning from the classroom to the workplace can be depressingly low. In my experience, Barton will develop better managers by designing instructional experiences for them throughout their careers than by placing them in the occasional information-sharing session. Job rotation, stretch assignments, coaching, mentoring, and action learning build executives' skills better than classroom programs do.

Once Barton has clarified the rationale for her program, nominated the right participants, and selected the right instructional methodology, she can turn her attention to the make-or-buy decision. I believe that she has made the right decision by electing to build a customized program. Although executives like the cachet of attending prestigious institutions, it is more cost-effective to conduct an in-house program facilitated by cherry-picked specialists from within and outside the company. That lets participants not only focus on company-specific issues but benefit from several external perspectives as well.

Finally, Barton has to develop a more robust way to evaluate the effectiveness of her programs than the questionnaire she's been using. I believe it is virtually impossible to trace a causal link between education programs and business results; there are just too many intervening factors. Instead, Barton should develop a service guarantee based on data Palmer is willing to accept as evidence of success. For example, if the company reverses the drop in sales, what percentage of the turnaround would he attribute to better performance due to education? If they are unable to agree on the measures, I can assure Barton, from personal experience, that she has no choice but to pack her bags.

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