

A QUESTION of LEADERSHIP

DAVID ALTMAN AND LILY KELLY-RADFORD

Altman is vice president, research and innovation, at CCL. He holds a Ph.D. degree from the University of California, Irvine.

Kelly-Radford is vice president, global leadership development, at CCL. She holds a Ph.D. degree from the University of Georgia.

With the tightness of today's economy, for-profit organizations are particularly concerned about whether their investments in leadership development achieve desired outcomes. Therefore, a key challenge for them is to design evaluations that target short- and long-term impact in ways that are connected to larger organizational goals.

To achieve this, several factors should be kept in mind. First, it is important for leaders to identify the specific outcomes that are valuable, and design or select leadership development initiatives that explicitly target those outcomes. Second, organizations must be clear about how long it will take to achieve the desired outcomes. Achieving complex or long-term outcomes requires that organizations be patient. In tight economic times, patience can be besieged by pressure to achieve short-term results. Third, organizations must consider the effect of external forces on the impact of leadership development. For example, an organization that was using leadership development to meet financially related goals experienced a huge decrease in profit after

the United States entered into war with Iraq. This decrease was due more to the overarching economic environment than to investments in particular leadership development initiatives. Fourth, a strong conceptual model must be created that explicates the pathways by which leadership development will contribute to organizational outcomes. To make claims that a leadership development initiative has led to specific types of outcomes, leaders must be able to understand and describe how one type of outcome (for instance, development of new leadership behaviors) can have an impact on other types of outcomes (for instance, changes in work processes that lead to decreased absenteeism for employees and save the organization money). Fifth, the specific evaluation tools and processes used must have technically strong characteristics, such as measuring what they are intended to measure and enabling correct conclusions to be drawn.

In deciding whether to invest in leadership development and how to evaluate its impact, leaders of for-profit organizations might consider the following issues. They can ask how long they should stick with an initiative before they can expect to see results. The answer to the question must be realistic and acceptable to the leader and his or her stakeholders.

Leaders should be clear on the type of evidence that will be needed to show the value of the leadership development initiative. For example, is it important to show that leaders' behaviors have changed? Is it impor-

tant to show that organization-level measures have improved?

Leaders need to understand the opportunity costs of not investing in leadership development.

Leaders need to determine what they want to learn. This goes beyond thinking of evaluation for demonstrating impact and moves into the realm of organizational learning. Evaluation should contribute to the ability of people in the organization to learn, and it should help them go beyond their current understanding of organizational issues and how these issues relate to leadership development.

Leaders must keep in mind that leadership development can have individual as well as organizational and systems impact. As a result, evaluations of leadership development should be multilevel in focus. For example, consider an employee who gains critical awareness of the effect her management performance has on others. She learns that her conflict management skills need further development. She uses that awareness and newly developed leadership capabilities to facilitate problem solving between individuals and groups that are in constant conflict. Because of her self-awareness, skills development, and eventual intervention, conflict in her work group is more effectively managed. Did her leadership development affect the bottom line? Indirectly, yes. Her development and subsequent intervention helped the organization retain more effective and satisfied employees, thus reducing the costs associated with turnover.

What are the key challenges that for-profit and nonprofit organizations face in evaluating leadership development?

**CLAIRE REINELT AND
DEBORAH MEEHAN**

Reinelt is a senior consultant with Development Guild/DDI in Brookline, Massachusetts. She holds a Ph.D. degree from Brandeis University.

Meehan is the founder and executive director of the Leadership Learning Community in Oakland, California. She is a graduate of the University of California, Berkeley.

Nonprofit organizations and foundations face a number of challenges in evaluating leadership development, but two stand out.

The first is fieldwide: how can the field better use evaluation findings to build knowledge about leadership development across program experiences? Recently, leadership grantmakers, program staff, evaluators, and scholars were brought together by the Leadership Learning Community (www.leadershiplearning.org) to articulate a learning agenda for the field. A shared learning agenda will enable programs to integrate questions into their evaluations that test assumptions about leadership development across programs. One of the potential lessons from this approach is a more rigorous understanding of the efficacy of specific program approaches for achieving desired outcomes. The challenge of cross-program learning will be to maintain an appreciation for specific contexts.

The second challenge is methodological. It is important for nonprofit

its, in conducting evaluations, to do the following things:

Engage multiple stakeholders. Engaging diverse stakeholders and designing an evaluation that addresses the priority learning needs everyone has increases ownership of the evaluation results and better ensures that the results of the evaluation will be useful. Some leadership programs engage participants in the design. In addition, it is helpful to involve the grantmaker in partnership with program directors, staff, and researchers in identifying and testing assumptions about program design and outcomes.

Look for change in multiple arenas. Change (or program outcomes) may be visible in many different arenas—for instance, within individuals, groups, organizations, and communities and ultimately within political, economic, and cultural systems. In order to fully understand the impact of leadership programs we need to examine outcomes in multiple arenas.

Use multiple methods. Using multiple methods, valuing the different kinds of knowledge that each generates, and combining that knowledge to get a comprehensive understanding of program impact will yield more useful learning.

Invest in longitudinal evaluation. Evaluations that monitor leadership outcomes over time provide an opportunity to understand the impact of developing leadership mastery, networks, and new collaborative approaches. The development of past-

participant networks for leadership programs can provide new opportunities for retrospective evaluation approaches that can capture long-term impact.

Develop a theory of change. The process of developing a theory of change gives everyone involved with the program new insights and can be used as a guiding framework for the evaluation.

Acknowledge the complexity of change. It is important to acknowledge that any change process is complex and multifaceted and that linear causality rarely exists in a form that can be definitively determined. We also need mechanisms for understanding the contribution of different factors to the outcomes that are observed.

Consider context. Evidence about impact needs to be placed in context. There are, for instance, communities that are so deeply divided that it would be a huge success to have people sit and talk in a room together; in another community this outcome might have little significance. Also, low-budget programs cannot be expected to achieve the same outcomes as programs with significantly more resources. If we use only one set of standards for evaluating program success, without considering context, we often miss what is most meaningful and realistic to expect.

Participate in cross-program learning. Our ability to learn about the efficacy of program strategies and the impact of leadership development is enhanced when we collaborate on our evaluations.