

Prepublication Release

Duke
UNIVERSITY

Executive
Leadership
Survey

2011

DUKE
THE FUQUA
SCHOOL
OF BUSINESS

COLE
FUQUA/COACH K CENTER
ON LEADERSHIP AND ETHICS

 **WILEY**

Fuqua/Coach K Center on Leadership & Ethics (COLE) Mission:	<p>To prepare academics, students, and practitioners to address the new and traditional leadership and ethics challenges of the 21st century. COLE seeks to achieve this by</p> <ul style="list-style-type: none"> • serving as a knowledge source of scholarship and practitioner-focused insights that shape innovative and generative research and effective practice on these issues, • serving as a community builder by enhancing the breadth and depth of the discussions and thinking around leadership and ethics among different constituents, and • transforming leadership education by pioneering integrative educational experiences for students and deliver graduates who are prepared to successfully tackle and shape the leadership challenges of tomorrow.
Executive Survey Purpose and Objectives:	<p>The survey's purpose is to identify senior executive perspectives on organizational leadership issues and to understand their implications in today's environment and over time. Specific topics covered in the 2011 survey include:</p> <ul style="list-style-type: none"> • top leadership challenges, • most important leadership skills for success , • types of performance evaluation and training and development programs that organizations are using, • effectiveness of some widely-used leadership development activities, and • trends on the ways in which leadership development information is delivered.
Administration:	<p>The survey was launched Thursday, August 4, 2011 and closed Friday, September 16, 2011. The survey was administered online through Qualtrics. Survey questions can be found at www.leadershipandethics.org.</p>
Participants:	<p>The sample consisted of 290 executives from public and private companies and was drawn from the <i>Bloomberg Businessweek</i> senior executives email list.</p>
Researchers:	<p>James D. Emery, PhD Adjunct Assistant Professor of Management & Research Director, Center on Leadership and Ethics The Fuqua School of Business, Duke University</p> <p>Sim B. Sitkin, PhD Professor of Management & Faculty Director, Center on Leadership and Ethics The Fuqua School of Business, Duke University</p> <p>Sanyin Siang, MBA Executive Director & Senior Research Associate, Center on Leadership and Ethics The Fuqua School of Business, Duke University</p>
Results:	<p>A summary of the research results are contained in this report and can also be found at www.leadershipandethics.org.</p>
Funding:	<p>The 2011 Duke Executive Leadership Survey Project was funded by a generous grant from John Wiley & Sons, Inc. http://www.wiley.com</p>

Table of Contents

	<u>Page(s)</u>
Executive Summary.....	3
Section I. Leadership Challenges.....	4
• Exhibit 1.1 – Leadership Challenges by Employer Size	
Section II. Leadership Skills.....	5-6
• Exhibit 2.1 – Importance of Leadership Skills for Senior Executives by Employer Size	
Section III. Performance Evaluation Processes.....	7
• Exhibit 3.1 – Performance Evaluation Processes Used in Business Units	
Section IV. Training and Development Activities.....	8-9
• Exhibit 4.1 – Business Unit Training and Development Activity Use	
• Exhibit 4.2 – Percent of Executives Participating in Four Key Leadership Development Activities	
• Exhibit 4.3 – Percent of Organizations Sending More than 50% of Their Executives to the Four Key Leadership Development Activities	
Section V. Leadership Development – Senior Executive Time and Functional Responsibility	10-11
• Exhibit 5.1 – Executive Time Spent on Leadership Development	
• Exhibit 5.2 – Level of Responsibility for Leadership Development by Identified Role/Function	
Section VI. Evaluation of Leadership Development Programs.....	12
• Exhibit 6.1 – Program Effectiveness in Developing Leaders	
Section VII. Sources for Information on Leadership and Use of Mobile Technology	13-14
• Exhibit 7.1 – Sources for Obtaining Leadership Information	
• Exhibit 7.2 – Planned Use of Mobile Technology to Deliver Educational Content	
Section VIII. Organization and Executive Demographics.....	15-16
• Exhibit 8.1 – Organization Characteristics	
• Exhibit 8.2 – Executive Characteristics	
Appendix: Program Effectiveness in Developing Leaders – Employer Size Differences	17

Executive Summary

- ***Leadership development was identified as the #1 leadership challenge facing organizations.*** Additionally, ensuring business ethics are not sacrificed when confronting tough financial trade-offs rose to the 4th rated overall challenge in this year's survey from the 18th rated overall challenge in the previous survey.
- ***Leadership skills associated with making sense of the external environment were emphasized.*** The ongoing economic turmoil and increasingly global competitive landscape was reflected in executives' greater emphasis on those leadership skills associated with surviving in a difficult external environment.
- ***The use of 360 performance evaluation processes appears to have declined.*** As compared with our previous survey, this year substantially more executives indicated that their organizations were using manager-driven or manager-employee joint feedback and goal-setting processes, with larger employers particularly emphasizing the use of joint performance evaluation process.
- ***Organizational use of both internally- and externally-developed training programs has decreased.*** Further, the percentage of executives participating in other resource intensive training and development activities, including formal mentoring and executive coaching programs has also declined from our previous survey.
- ***While most senior executive time spent on leadership development activities remained relatively low, Human Resource executive time spent on this activity has increased.*** As compared to our previous survey, this year there was also a decline in the proportion of executives reporting that local department managers had primary responsibility for leadership development. Executives from smaller employers were about equally likely to identify local department managers, the HR function, or corporate training and development as having that primary responsibility. Executives from larger employers most frequently indicated that their corporate training and development functions had primary responsibility for leadership development.
- ***Leadership training and development programs are still perceived as having significant room for improvement.*** No type of program evaluated achieved an average rating of very good or excellent. Work experiences in executives' own organizations received the highest average evaluations ("Good to Very Good") followed by MBA programs and executive education courses, both of which received a rating of "Good".
- ***The use of mobile technology for delivering educational/training content is poised to increase significantly.*** Approximately 34% of executives report that their organizations were either currently using mobile technology to deliver educational content or were planning to use the technology for this purpose over the next 12 months. Another 40% of executives indicated that they see the near term (over the next three years) potential to use mobile technology for this purpose. This survey also identified common educational/training uses for and barriers to expanding the use of mobile technology for education/training purposes.

I. Leadership Challenges

Executives were asked to evaluate twenty leadership challenges. The top rated challenges were similar to those identified in the inaugural survey¹ (data collected in 2008). This year challenges associated with leadership development were the two biggest challenges identified across employer size segments (and both challenges were among the top five identified by executives from both large and small employers). A noteworthy change from the previous survey results was the increasing significance of ensuring business ethics are not sacrificed when confronting tough financial trade-offs (the #4 rated overall challenge in this year's survey while being only the 18th rated overall challenge in the prior survey).

While similarities existed between the most important leadership challenges identified by large and small employers, several differences were also observed. In particular, the availability of capital and leading internal growth were among the top concerns of smaller employers, while challenges associated with increasing innovation and globalization (e.g., leading global business units, leading culturally diverse teams, and the global economic environment) were among the leading concerns of larger employers. The list of leadership challenges by employer size (ranked by overall sample averages) is presented in Exhibit 1.1.

Exhibit 1.1 – Leadership Challenges by Employer Size*

Leadership Challenge	Employer Size (# of employees)		
	1-999	1000+	Total
1. Improving the capabilities of the current leaders of our organization	4.82	4.78	4.80
2. Developing future leaders for our organization	4.72	4.89	4.79
3. Increasing Innovation	4.42	5.11	4.71
4. Ensuring ethics are not sacrificed when confronting tough financial trade-offs	4.62	4.72	4.66
5. Leading Internal organizational growth	4.68	4.39	4.56
6. Increasing employee commitment/retention	4.56	4.44	4.51
7. Availability of Capital	4.70	4.17	4.48
8. Global economic environment	4.08	4.86	4.41
9. National economic environment in home country	4.28	4.47	4.36
10. Leading widely dispersed (global) business units/teams	3.84	4.86	4.27
11. Generating value from outsourced relationships	4.08	4.42	4.22
12. Recruiting	3.90	4.39	4.10
12. Providing competitive benefits, including health care coverage, to employees	4.18	4.00	4.10
14. Brand creation	4.12	4.00	4.07
15. Leading culturally diverse business units / teams	3.72	4.50	4.05
16. Balancing internationally accepted business practices with company values and standards	3.74	4.36	4.00
17. Reorganizing/restructuring	3.28	4.64	3.85
17. Merging with/acquiring another organization	3.72	4.03	3.85
19. Mission re-invention	3.58	4.11	3.80
20. Globalization of industries and labor	3.38	4.28	3.76

*Scores reflect the average value of respondents in each employer size segment on a 6-point scale, where 1=Not at All Important and 6=Extremely Important.

II. Leadership Skills

In this survey executives rated 36 different leadership skills in terms of how important they viewed those skills for senior executives in their organization. The importance of promoting ethics and developing trust were again emphasized by executives. However, when compared to the last survey, this year more of the leadership skills associated with making sense of the external environment were emphasized (the two skills with the highest average scores were “understanding the competitive environment” and “understanding the economic environment”). One other leadership skill receiving among the highest average ratings was “advocating for high standards of excellence”.

As with our prior survey, skills associated with sense-making in the internal environment and helping other employees received lower average ratings. In considering the similarities and differences between the present and previous surveys, our primary conclusion is that the ongoing economic turmoil and increasingly global competitive landscape is reflected in executives’ greater emphasis on those leadership skills associated with surviving in a difficult external environment.

This year we also looked more closely at how leadership skills were evaluated across different employer size segments and another interesting observation emerged. Smaller employers, particularly those with less than 100 employees, rated a larger set of leadership skills as being highly important (that is, at or above 5 on a 6-point scale). This finding may reflect the perceived importance for leaders in smaller organizations to do almost everything well.

As with our inaugural survey, we also explored the relationship between executives’ ratings of the different leadership skills and the data provided on their firms’ sales and profitability. This year, none of the leadership skills were significantly correlated to firm profits. However, most of the leadership skills were significantly positively related to gross revenues. That is, executives who reported higher gross sales for their organizations also rated most of the leadership skills as being more important.

The results of executives’ evaluations of the full set of leadership skills, by employer size segment, are presented in Exhibit 2.1.

Exhibit 2.1 – Importance of Leadership Skills for Senior Executives by Employer Size*

	Employer Size (# of employees)					
	1-19	20-99	100-999	1000-9999	10,000+	Overall Average
<i>Personal Leadership Skills</i>						
Demonstrating Expertise	5.20	4.67	4.48	4.06	4.56	4.54
Displaying courage	4.80	4.67	3.95	4.25	4.44	4.36
Acting with authenticity	5.30	5.08	4.76	4.44	4.76	4.81
Engaging others in the company's vision	5.20	5.00	4.24	4.69	4.72	4.69
Demonstrating dedication and effort	5.50	5.00	4.57	4.75	4.84	4.86
<i>Relational Leadership Skills</i>						
Developing trust in relationships with other employees	5.50	5.17	4.86	4.69	5.04	5.00
Acting fairly towards others	5.40	5.33	4.48	4.44	4.64	4.75
Listening and seeking to understand	5.40	4.92	4.90	4.25	4.76	4.80
Being available to other employees	4.90	4.75	4.29	4.00	4.12	4.32
<i>External Sense-making Skills (understanding and interpreting the...)</i>						
Competitive environment	5.20	5.33	5.00	5.00	5.32	5.17
Impact of technology changes on the organization	5.40	4.83	4.76	4.75	4.60	4.80
Effect of regulatory changes on the organization	5.60	4.92	4.19	5.13	5.16	4.93
Changes in the economic environments affecting the organization	5.30	4.83	4.90	5.19	5.24	5.10
Threat from globalization on the organization	4.10	4.33	3.90	4.25	4.64	4.27
<i>Internal Sense-making Skills</i>						
Making sense of internal organizational rules and procedures for others	4.80	4.92	3.95	4.13	4.16	4.29
Clarifying how a unit's work fits with the organization's overall strategy	4.80	4.92	4.10	4.56	4.68	4.56
Creating cohesive teams	5.00	5.08	4.24	4.69	4.92	4.74
Making sense of organization cultural norms	4.60	4.25	4.00	3.94	4.48	4.24
<i>Inspirational Leadership Skills</i>						
Inspiring employees to raise their goals	5.20	4.92	3.90	4.38	4.56	4.49
Demonstrating optimism and enthusiasm for organizational objectives	5.20	5.00	4.62	4.31	4.92	4.77
Advocating high standards of excellence	5.60	5.25	4.76	4.75	5.16	5.05
Making sure employees' ideas are heard	5.40	4.75	4.48	4.50	4.36	4.60
<i>Supportive Leadership Skills</i>						
Mentoring other employees	4.80	4.58	4.00	4.19	4.40	4.33
Appropriately delegating responsibility	5.30	4.67	4.24	4.19	4.64	4.54
Giving feedback in a timely manner	5.30	4.75	4.10	4.44	4.44	4.50
Publicly recognizing employee performance	5.10	4.42	4.10	4.56	4.40	4.44
Promoting teamwork	5.20	4.58	4.43	4.50	4.72	4.64
<i>Organizational Responsibility Leadership Skills</i>						
Promoting a sense of responsibility for the whole organization	5.20	4.83	4.67	4.56	4.84	4.79
Promoting an ethical environment	5.20	5.25	4.76	4.81	5.44	5.10
Serving as a role model	4.90	5.25	4.62	4.56	4.92	4.82
Helping employees balance personal interests & responsibilities with their professional interests & responsibilities	4.20	4.33	3.90	3.94	4.00	4.04
Explaining organizational decisions in ways that promote perceived fairness	4.60	4.58	3.95	4.38	4.16	4.26
Helping constituents balance short term with long term goals and objectives	4.30	4.50	4.14	4.13	4.20	4.23
<i>Organizational Guidance Skills</i>						
Senior executive development of strategic frameworks (e.g., mission, vision, values)	5.00	5.08	4.62	4.56	4.64	4.73
Input from lower levels of the organization into strategic frameworks	5.20	4.75	4.19	3.94	4.16	4.33
Communicating strategic frameworks	4.90	5.08	4.52	4.44	4.60	4.65

*A rating of 4.0 was described as “Quite Important”, a 5.0 was described as “Highly Important”, and a 6.0 was described as “Extremely Important”.

III. Performance Evaluation Processes

Executives were asked to identify the performance evaluation process that best represented the one used in their business units. The results of this year's survey showed some similarities but also a number of differences from the previous survey.

The proportion of organizations identified by executives as using purely quantitative measures was similar to that observed in the previous survey. We also noted the similar finding that smaller employers appear more likely to use purely quantitative reward systems than large employers. However, this year we found a significantly lower proportion of both large and small employers using 360-evaluations than in the previous survey. Instead, a substantially greater percentage of executives indicated that their organizations were using manager-driven or manager-employee joint feedback and goal-setting processes, with larger employers particularly emphasizing the use of the later joint performance evaluation process.

A small percentage of executives indicated that their organizations were using some other performance evaluation process (for example, a combination of seniority-based and manager-driven review processes) or no performance evaluation process at all. The distribution of responses by employer size segment is presented in Exhibit 3.1.

Exhibit 3.1 – Performance Evaluation Processes Used in Business Units

Performance Evaluation Process Used*	Employer Size (# of employees)		
	1-999	1000+	Total
Rewards based solely on quantitative measures	17.8%	7.7%	13.1%
Manager-driven feedback & goal-setting process	26.7%	23.1%	25.0%
Manager-employee joint feedback & goal-setting process	35.6%	59.0%	46.4%
360-evaluation to inform joint feedback & goal-setting process	8.9%	7.7%	8.3%
No performance evaluation process used	6.7%	2.6%	4.8%
Other	4.4%	0.0%	2.4%
Total	100.0%	100.0%	100.0%

*Percentages reflect the proportion of executives in each employer size segment indicating that a particular evaluation process best represented that used by their organizations.

An analysis of the correlations between the use of each different type of performance evaluation process and reported firm performance showed a negative relationship between performance and those organizations identified as using no performance evaluation process (correlation = -0.35). No other type of performance evaluation process was significantly correlated (either positively or negatively) with organizational performance.

IV. Training and Development Activities

Executives were asked to identify the training and development activities used for senior managers in their business units from a list of seven commonly used development activities (respondents were asked to select all that applied). Again, the results from this year's survey had both similarities and differences with the prior administration of this survey.

Like the previous results, performance evaluation discussions were the most commonly identified training and development activity used with senior managers. Also similar was the finding that the least frequently used developmental activities were executive coaching provided by individuals outside the organization and formal internal mentoring programs.

Some notable differences from the prior survey included a drop in the percentage of executives reporting the use of both internally- and externally-developed training programs in their organizations. Simultaneously, a higher percentage of executives in this year's survey reported the use of specific project/task assignments as training and development activities when compared to the previous survey. We speculate that ongoing economic challenges are promoting a shift away from some of the more resource-intensive training and development activities. The complete distribution of responses on this question is provided in Exhibit 4.1.

Exhibit 4.1 – Business Unit Training and Development Activity Use

Training and Development Activity	1-999 Employees	1000+ Employees	Total (Current Survey)	Total (Prior Survey)
Performance evaluation discussions	62.2%	87.2%	73.8%	64.5%
Internally-developed training programs	26.7%	41.0%	33.3%	50.0%
Externally-developed training programs	31.1%	30.8%	31.0%	42.8%
Specific project/task assignment	48.9%	53.8%	51.2%	39.9%
Self-assessment tools (not part of another program)	15.6%	41.0%	27.4%	29.0%
Formal mentoring program	13.3%	25.6%	19.0%	24.6%
Outside executive coaching program	13.3%	23.1%	17.9%	19.6%

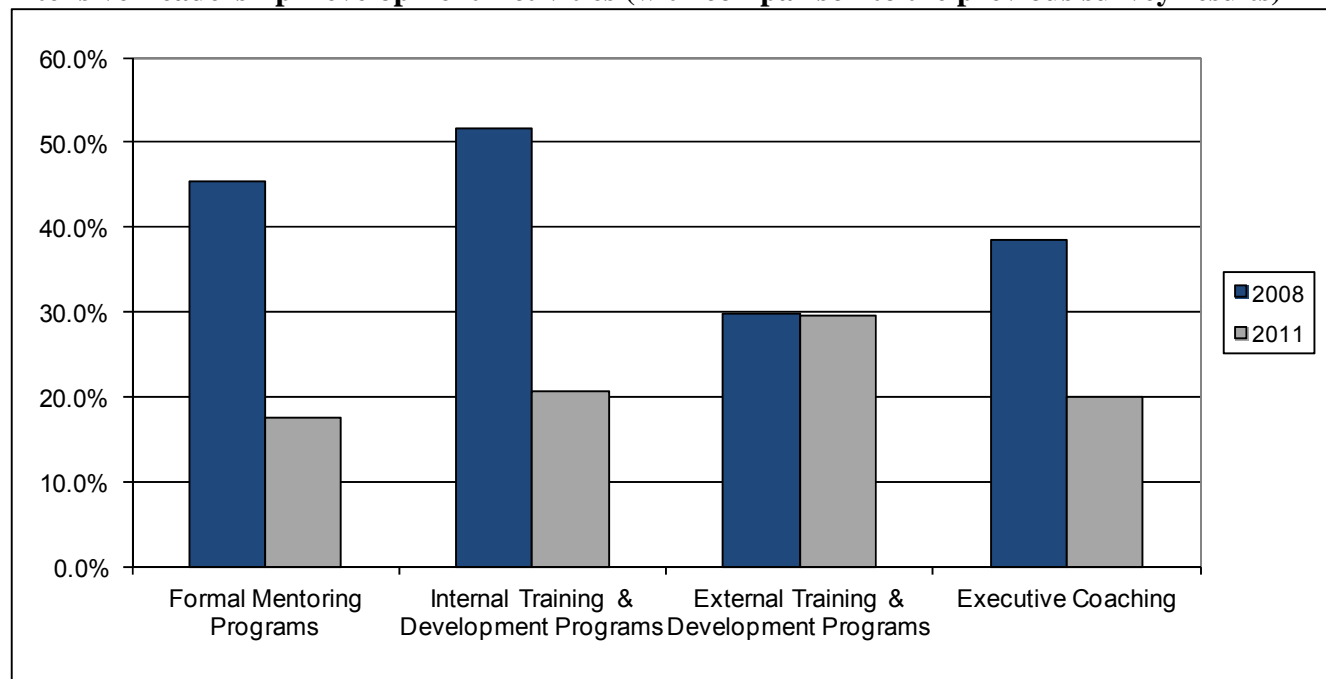
As with the previous survey, this research also explored the extent to which executives within organizations participate in particularly resource intensive training and development activities, including formal mentoring, internal training programs, external training programs, and executive coaching activities. Further supporting our intuition that organizations are reducing their training and development expenditures, this year we found that less than 30 percent of organizations using these more resource intensive training programs reported having a majority of their senior managers participate in those programs over the past fiscal year (see Exhibit 4.2). Of particular note, the proportion of executives reporting that their organizations send a majority of their managers to formal mentoring programs, internal training and development programs, and executive coaching programs dropped substantially from the prior (2008) administration of this survey. The full distribution of responses to this question is presented in Exhibit 4.2 and a comparison of the proportion of executives reporting that their organizations send a majority of their senior managers to these training and development activities is provided in Exhibit 4.3.

Exhibit 4.2 – Percent of Executives Participating in Four Key Leadership Development Activities*

Over the last fiscal year, what percentage of your executives participated in the identified program?	Formal Mentoring Program	Internal Training & Development Programs	External Training & Development Programs	Executive Coaching Programs
Less than 10%	23.5%	27.6%	29.6%	6.7%
10-25%	35.3%	17.2%	22.2%	40.0%
26-50%	23.5%	34.5%	18.5%	33.3%
51-75%	17.6%	10.3%	11.1%	6.7%
More than 76%	0.0%	10.3%	18.5%	13.3%
Total	100.0%	100.0%	100.0%	100.0%

*Percentages represent proportions of respondents that selected each level of participation and are based on executive responses where the identified activity is used in the respondent's organization (that is, NA responses were excluded from this analysis).

Exhibit 4.3 – Percent of Organizations Sending More than 50% of Their Executives to Four Intensive Leadership Development Activities (with comparison to the previous survey results)



V. Leadership Development – Senior Executive Time and Functional Responsibility

Executives were asked to indicate approximately what percentage of specific senior executives' time is spent on leadership development. The positions requested included Chief Executive Officer (CEO), President, Chief Learning Officer (CLO), Head of Human Resources, and Head of Leader Development. Executives were asked to respond "Not Applicable" if their business unit did not have a person in the position listed.

As with the previous administration of this survey, respondents believe that most senior executives spend less than 25% of their time on leadership development activities. However, this year executives reported that CLOs and Heads of Human Resources are spending somewhat more time on leadership development as compared with the prior survey. Specifically, this year 57% (vs. 46% in 2008) of executives indicated that their CLOs spent more than ¼ of their time on leadership development, while 63% (vs. 34% in 2008) of executives reported that their Heads of HR spent more than ¼ of their time on leadership development.

These trends suggest that while organizations maybe reducing their expenditures on resource intensive training and development activities, they may also be increasing the involvement of certain executives in leadership development activities. The distribution of responses on this question is provided in Exhibit 5.1.

Exhibit 5.1 – Executive Time Spent on Leadership Development*

% of Time Spent on Leader Development	CEO or President	Chief Learning Officer	Head of Leader Development	Head of HR
Less than 10%	43.9%	23.8%	25.6%	16.3%
10-25%	38.2%	19.0%	17.9%	20.9%
16-50%	13.0%	19.0%	23.1%	23.3%
51-75%	2.4%	28.6%	23.1%	9.3%
76-100%	2.4%	9.5%	10.3%	30.2%
Total	100.0%	100.0%	100.0%	100.0%

*Percentages are based on executive responses where the position identified exists in the respondent's organization (that is, NA responses were excluded from this analysis).

An analysis of these responses was also conducted to see whether perceptions of senior executive time spent on leadership development had any relationship to reported organizational performance. Unlike the previous administration of this survey, this year no relationship was found between the percentages of time spent by these executives on leadership development and reported organization performance.

We also investigated the extent to which certain roles/functions had responsibility for leadership development. Similar to the prior survey, we found that responsibility for leadership development was shared by different individuals and departments, although there was a noteworthy decline in the proportion of executives reporting that local department managers had primary responsibility for leadership development. This finding was observed for both smaller and larger employers.

In terms of identifying which roles/functions have major/primary responsibility for leadership development, executives from smaller employers were about equally likely to identify local department managers, business unit-level HR, corporate-level HR, or corporate-level training and development as having that primary responsibility. Executives from larger employers more frequently indicated that their corporate-level training and development functions have major/primary responsibility for leadership development. This year, larger employers were also more likely to report a major/primary role for business unit-level training and development as compared to our previous survey.

This significant shift for large employers (i.e., away from local department managers and towards a training and development function) is particularly noteworthy. While the explanations for this shift probably vary from firm to firm, we speculate that the desire to have local department managers focus on operational issues and/or an effort to create more consistency in leadership development across local managers are likely to be contributing factors. The distribution of responses on this question is provided in Exhibit 5.2.

Exhibit 5.2 – Level of Responsibility for Leadership Development by Identified Role/Function*


	Local Department Managers	Business Unit-level HR	Business Unit-level Training & Development	Corporate- level HR	Corporate- level Training & Development
<i>Small Employers (<1000 employees)</i>					
No responsibility	17.8%	11.1%	11.1%	11.1%	6.7%
Secondary responsibility	28.9%	31.1%	33.3%	28.9%	22.2%
Major/primary responsibility	22.2%	20.0%	13.3%	24.4%	22.2%
NA (role/function does not exist)	31.1%	37.8%	42.2%	35.6%	48.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
<i>Large Employers (≥1000 employees)</i>					
No responsibility	17.9%	12.8%	7.7%	5.1%	5.1%
Secondary responsibility	53.8%	41.0%	12.8%	51.3%	15.4%
Major/primary responsibility	17.9%	35.9%	38.5%	33.3%	59.0%
NA (role/function does not exist)	10.3%	10.3%	41.0%	10.3%	20.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

*Percentages reflect the proportion of executives indicating that the identified role/function had the indicated level of responsibility for leadership development in their organization.

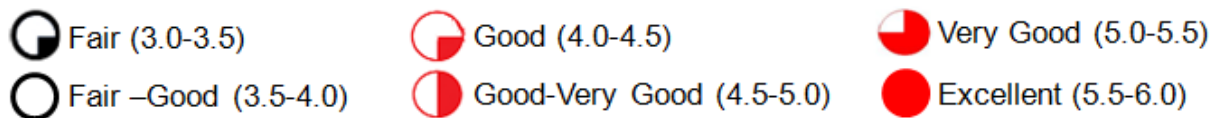
VI. Evaluation of Leadership Development Programs

In this survey we again asked executives to evaluate certain programs based on how effectively those programs develop leaders for their organizations. As with our previous survey, we found that executives perceive that most programs have significant room for improvement in terms of developing leaders for their organizations. None of the programs evaluated achieved an average rating of very good or excellent, and once again, on the job work experiences were evaluated as the most effective in developing organizational leaders. However, one type of program showing improvement over the prior survey was executive education courses. Program evaluations are provided in Exhibit 6.1, and program evaluations showing some minor differences between larger and smaller employers are also provided in the Appendix.

Exhibit 6.1 – Program Effectiveness in Developing Leaders

Program	Rating
Undergraduate programs	
MBA programs	
Non-degree, online courses	
Non-degree, executive education courses	
Work Experiences in your organization	
Your organization's training & development program	
Your organization's performance evaluation program	
Your organization's mentoring program	
Your organization's external executive coaching service	

Legend



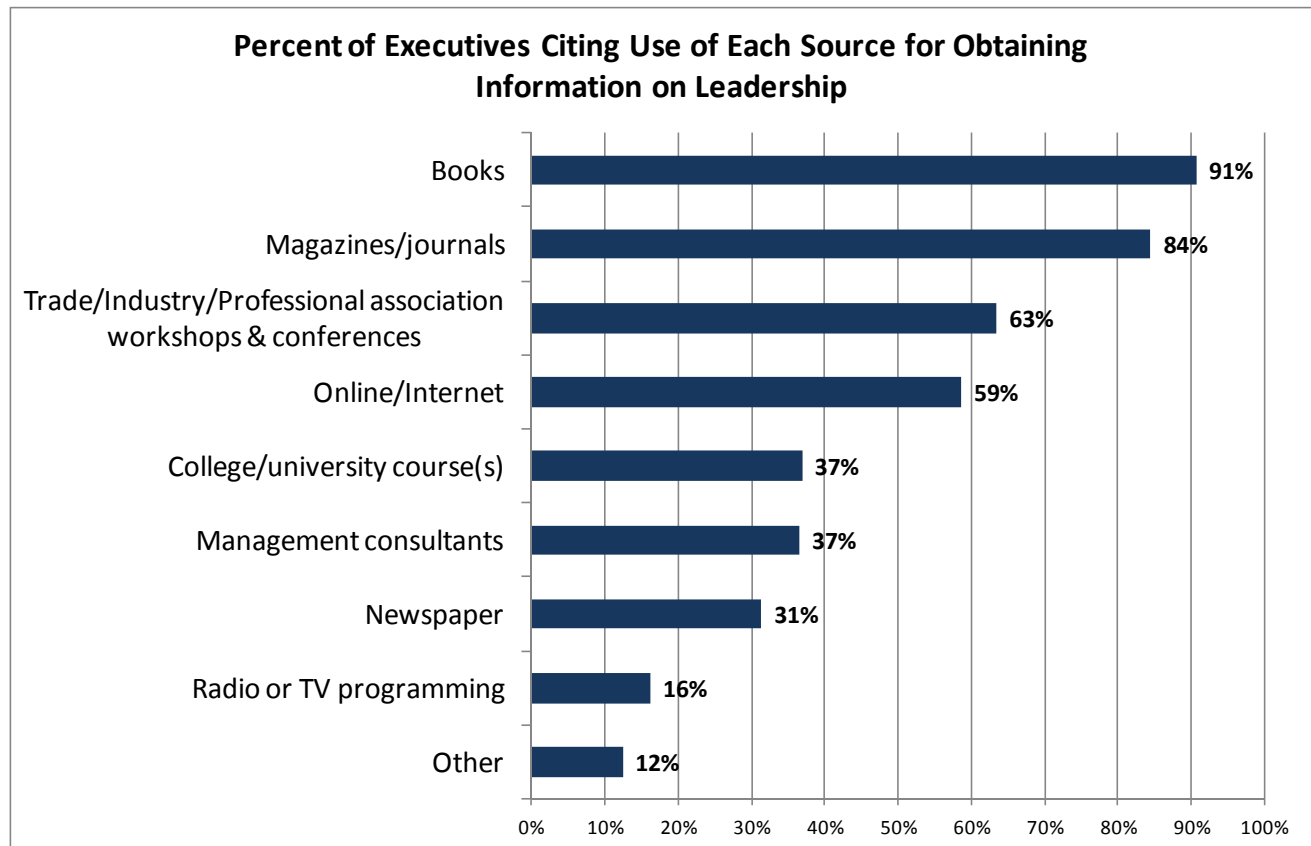
Responses were on the following scale: 1=Poor, 2=Marginal, 3=Fair, 4=Good, 5=Very Good, 6=Exceptional. Respondents also had the option to indicate Not Applicable / Could Not Evaluate.

This year we also asked executives if they had a fast-track program for developing high potential leaders in their organization. Fifty percent of executives reported that their organizations had a fast-track program, while 44% reported that their organizations did not have one. Six percent of respondents were not certain. No correlation was found between reported use of fast-track programs and firm performance.

VII. Sources for Information on Leadership and Use of Mobile Technology

This year we asked executives to tell us about where they obtain information on leadership and we explored the extent to which mobile technology is being used to deliver educational content in organizations. With respect to where executives obtain information on leadership, most cited getting their information from books (91%) and magazines/journals (84%). However, a substantial percentage of executives also reported obtaining information on leadership from trade/industry/professional association workshops and conferences (63%) and from online sources (59%). The full distribution of responses to the question as to where executives obtain their information on leadership is provided in Exhibit 7.1

Exhibit 7.1 – Sources for Obtaining Leadership Information

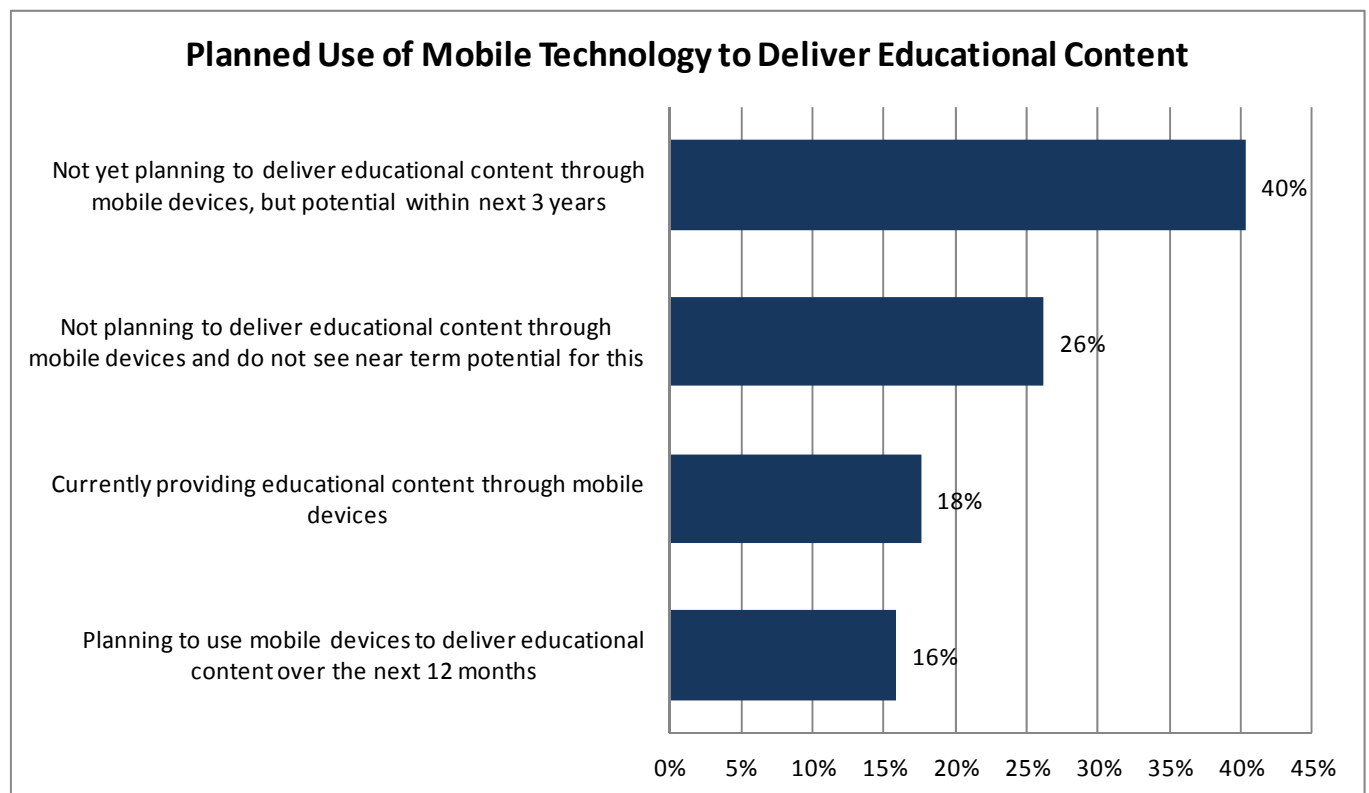


Next, we wanted to explore the extent to which mobile technology is being used in organizations to deliver any kind of educational/training content to managers. We learned that approximately 34% of executives report that their organizations are either currently using mobile technology to deliver educational content or are planning to use the technology for this purpose over the next 12 months. Another 40% of executives indicated that they see the near term (over the next three years) potential to use mobile technology to deliver educational content in their organizations. Only about 1/4 of executives did not see the potential to use mobile technology for this purpose in their organizations in the near term. Distribution of responses to this question is provided in Exhibit 7.2.

For executives indicating that their organizations are currently using or planning to use mobile technology to deliver educational content, we asked a follow-up question to learn what kind of content is being used (or planned to be used). Executives identified a wide range of content uses with common responses including: technical and product training, leadership and ethics training, corporate training on issues such as legal/risk/safety/workplace code of conduct, sales and marketing information, and access to college/university/continuing education course content.

For executives indicating that their organization was not yet planning to deliver educational content through mobile technology, we asked what factors were preventing the use of this technology for delivering educational content. Again, executives provided a range of responses with the most common responses including: cost/budget constraints (including other priorities for technology spending), staff resource constraints, belief that the medium is not well suited to deliver in-depth educational content, lack of familiarity with the technology, and security concerns (i.e., can confidential content be protected).

Exhibit 7.2 – Planned Use of Mobile Technology to Deliver Educational Content



VIII. Organization and Executive Demographics

Again this year both large and small employers were well-represented in this study. Approximately 62% of executives reported working for firms with less than \$1B in annual revenue and about 53% reported working for firms with fewer than 1000 employees. Both public and privately owned firms were well represented in this survey, with a more limited number of executives reporting that they work for government or non-profit organizations. Approximately 94% of executives reported working for organizations headquartered in the US or Canada. Nearly 70% of executives reported working for organizations with no more than 25% of their sales from international markets. The full set of organizational and executive demographic data collected in this survey is presented in Exhibits 8.1 and 8.2.

Exhibit 8.1 – Organization Characteristics

Sales Revenue	Less than \$25M	38.1%
	\$25-99M	10.3%
	\$100-999M	13.9%
	\$1-10B	17.9%
	More than \$10B	19.8%
Number of Employees	1-19	21.3%
	20-99	15.0%
	100-999	18.1%
	1,000-9,999	18.9%
	More than 10,000	26.8%
Ownership	Public	35.3%
	Private	52.0%
	Government	4.4%
	Nonprofit	7.5%
	Other	0.7%
Percent International Sales*	0	26.7%
	1-25%	42.2%
	26-50%	20.7%
	51-75%	8.4%
	More than 75%	2.0%
Primary Industry in which Firm Operates	Retail/Consumer Products/Wholesale	4.6%
	Mining/Construction	2.3%
	Manufacturing	12.5%
	Transportation/Airlines/Utilities/Energy	5.7%
	Communications/Media/Telecom	10.6%
	Tech [Software/Biotech]	6.1%
	Banking/Finance/Insurance & Real Estate	15.6%
	Professional Services/Consulting/Legal/Market Research	19.8%
	Healthcare/Pharmaceutical	8.7%
	Education Services	4.9%
	Government/Military	5.7%
	Other	3.4%
Total		100.0%

Exhibit 8.1 – Organization Characteristics (continued)

Reported Financial Performance	<u>Down</u> <u>>10%</u>	<u>Down</u> <u>5-10%</u>	<u>Down</u> <u>0-4.9%</u>	<u>Up</u> <u>0-4.9%</u>	<u>Up</u> <u>5-10%</u>	<u>Up</u> <u>>10%</u>	<u>Total</u>
Business Unit Revenue Change vs. Previous Year	8.5%	5.8%	9.0%	28.7%	20.6%	27.4%	100%
Business Unit Profit Change vs. Previous Year	8.7%	5.0%	12.8%	29.2%	16.4%	27.9%	100%
Given past year's performance, has your organization adjusted this year's performance goals?	71% yes 29% no						
If you adjusted your goals, by how much?	7.8%	7.2%	9.6%	26.5%	28.3%	20.5%	100%

*Sales from outside the home office country

Exhibit 8.2 – Executive Characteristics

Percent indicating C-level or Owner Title: 54%

Board of Directors Position(s) Held:

- Serve on the Board of Primary Employer: 22%
- Serve on the Board of Another Organization (significant ownership interest): 9%
- Serve on the Board of Another Organization (no significant ownership interest): 26%
- Not serving on any Board: 56%

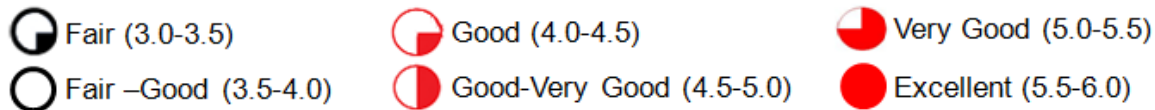
Gender: 81% Male / 19% Female

Average Age: 53

Appendix: Program Effectiveness in Developing Leaders – Employer Size Differences

Program	Rating
Undergraduate programs	
MBA programs	
Non-degree, online courses	
Non-degree, executive education courses	
Work Experiences in your organization	
Your organization's training & development program	
Your organization's performance evaluation program	Large Employers Small Employers
Your organization's mentoring program	Large Employers Small Employers
Your organization's external executive coaching service	

Legend



Responses were on the following scale: 1=Poor, 2=Marginal, 3=Fair, 4=Good, 5=Very Good, 6=Exceptional. Respondents also had the option to indicate Not Applicable / Could Not Evaluate.

References

¹Sitkin, S., Emery, J., & Siang, S. (2009). *Executive Leadership Survey 2009*, Durham NC: Duke University.