



Experiential learning for leadership and sustainability at IBM and HSBC

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Abstract

Purpose – The purpose of this paper is to draw on empirical data from two major organisations (IBM and HSBC) to offer insight on the question of the effectiveness and potential value of experiential learning approaches to developing the mindsets and skills needed by organisational leaders as they respond to the pressures and opportunities of sustainability.

Design/methodology/approach – The data in this paper are drawn from semi-structured interviews with previous programme participants in IBM's Corporate Service Corps and HSBC's Climate Champions Programme.

Findings – Interviewees reported that the learning programmes had a powerful impact and that a range of outcomes was achieved. The experiential, immersive experience was a fundamental factor in the achievement of these outcomes, from the perspective of participants, but only alongside a number of other key aspects of the design and facilitation of the programme, and also a number of factors related to the wider organisational context.

Research limitations/implications – It would be valuable to explore similar questions with a larger sample of programme participants, and also to explore variations across a wider number of organisations. Similarly, it would be valuable to gather longitudinal data to explore how the perspectives of participants on the impact of these learning programmes vary over time.

Practical implications – The findings lend weight to arguments that those involved in management development might usefully give more consideration of the potential value of experiential learning approaches. The findings also suggest that appropriate consideration be given to a number of other design and facilitation factors, as well as the scope for influencing a range of relevant factors in the wider organisational context.

Originality/value – This paper contributes original empirical data on the effectiveness and potential value of experiential learning approaches.

Keywords Experiential learning, Sustainability, Education, Leadership, Corporate governance, Service learning, HSBC, Earthwatch, Climate Champions programme, IBM, Corporate Service Corps, Education for sustainability, Leadership for sustainability

Paper type Research paper

The past two decades have seen a marked shift in the nature of the relationship between business and society, with business organisations increasingly playing a more proactive role in wider societal issues. There is now growing recognition that this has implications for both the mindsets and skills of organisational leaders, and therefore for management development (Gitsham and Lenssen, 2009; Gitsham, 2011). This paper draws on empirical data from two major global organisations to offer insight on the question of the effectiveness and potential value of experiential learning approaches in developing the mindsets and skills needed by organisational leaders in a changing world.

Background

There has been a significant growth in public awareness and concern around a range of trends and issues like climate change, biodiversity and species loss, scarcity of



natural resources such as energy and water, pressures to improve quality of life, whether in relation to access to food, water, shelter, better healthcare, more resilient livelihoods, or freedom from violence, improved respect for human rights, better governance and the elimination of corruption. Moreover, during the 1990s and 2000s, more and more people have come to share the view that business organisations can play a pivotal role in being both a potential barrier and a potential enabler in acting on these diverse but interconnected issues and trends (Champaniss, 2009).

These shifts in public opinion have combined to present a range of strategic drivers for change in organisations. As a result, over the past two decades, a growing number of organisations have begun to respond strategically to pressures and opportunities around these trends and issues, with innovation in processes, products and services, business models and partnerships. Such activities are frequently referred to as corporate citizenship, sustainability and shared value (Prahalad, 2009; Lubin and Esty, 2010; Porter and Kramer, 2011).

As this organisational change in response to a shifting global context has progressed, many have begun to explore the question of implications for the mindsets and skills of organisational leaders, and therefore for management development. Notable special issues on this subject have been published by the *Journal of Management Education* (Egri and Rogers, 2003; Rusinko and Sama, 2009), the *Journal of Teaching in International Business* (Mintu *et al.*, 1993), *Business Strategy and the Environment* (Springett and Kearins, 2005), the *Academy of Management Learning and Education* journal (Starik *et al.*, 2010) and *Corporate Governance* journal (Lenssen *et al.*, 2005, 2006, 2007, 2008, 2009, 2010).

A major study led by Ashridge Business School and the Academy of Business and Society (EABIS) with a number of other schools for the United Nations Principles for Responsible Management Education (UN PRME) found that 76 per cent of the chief executives and senior leaders surveyed thought it was important that senior leaders in their organisations had the mindsets and skills to lead in a changing global context marked by these trends discussed above. Yet fewer than 8 per cent thought either their own organisations or business schools were doing a very good job of developing these mindsets and skills (Gitsham and Lenssen, 2009, p. 19).

Similarly, a subsequent study by Ashridge and EABIS for the UN PRME, drawing on data collected by the UN and Accenture, found that 88 per cent of chief executives surveyed believed it was important that educational systems and business schools develop the mindsets and skills needed for future leaders to address sustainability. Respondents indicated this is the second most important change that could be made in order to reach a tipping point where sustainability is embedded within the core business strategies of the majority of companies globally, of a similar order of importance as increasing consumer demand for products and services that address sustainability challenges, the actions of shareholders and government regulation (Gitsham, 2011, p. 13).

This growing recognition of the need to develop a different mindset and a wider range of skills has led to a focus on how this might be done most effectively. Theory suggests that experiential learning could have a powerful role to play. Kolb suggests, for example, that learning appears to result from combining concrete experience or action with reflection, abstract conceptualisation, and then testing conclusions in new situations (Kolb, 1984). Similarly, Heron's (1999) work on whole person learning suggests that physical bodily experience plays a key role in sensemaking and therefore

learning and change, which has been underappreciated with the conventional focus in learning theory on cognitive learning. Furthermore, Prochaska's work on learning and change suggests that while cognitive learning approaches are valuable in raising awareness, emotional arousal through felt experience is crucial in moving from awareness to commitment to change (Prochaska *et al.*, 1994). Senior executives appear to be of a similar opinion. The Ashridge-EABIS study for the UN PRME found that 70 per cent of respondents believed that experiential learning was an important element of the learning process for developing the mindsets and skills needed for a changing business context, compared with 30 per cent who believed the same about lecture-based learning (Gitsham and Lenssen, 2009, p. 21).

The focus of this paper

This paper draws on empirical data from two major global organisations, IBM and HSBC, to offer insight on the question of the potential value of experiential learning approaches in developing the mindsets and skills needed by organisational leaders in a changing world. The two learning programmes discussed are the IBM Corporate Service Corps and the HSBC Climate Champions programme. Both learning programmes are designed around creating learning experiences in part from involving participants contributing their time and skill for the benefit of third party non-profit organisations. The paper explores both the nature of the outcomes achieved by these programmes, and participants' perceptions about what aspects of these programmes were most important in achieving these outcomes.

IBM Corporate Service Corps programme

The IBM Corporate Service Corps programme is designed for individuals identified as potential future leaders of the organisation. It is designed to build knowledge and skills that a team of 30 people from IBM's top management during 2007 identified as core to the profile of future leaders:

- A deep understanding of the business, economic and political landscape of emerging markets.
- The ability to develop relationships with the social sector, government, NGOs and other influencers.
- Sensitivity towards different cultures and customs.
- The ability to work within and lead multi-cultural teams.
- Awareness of core societal, educational and environmental challenges impacting the way the organisation does business in the twenty-first century.
- Understand and maintain the highest global integrity standards.

Participants work in project teams of eight to ten in partnership with local non-profit organisations in emerging markets. The participants are individuals from different countries and business units. These employees build relationships and work on issues including global economic opportunity, environmental challenges and access to education resources.

The six-month Service Corps experience includes:

- Three months pre-work, including online learning, to familiarise participants with language, culture, socioeconomic and political climate of the destination

country; team building and leadership development workshops, online learning modules on cultural awareness, international development, corporate responsibility.

- One month embedded in an emerging market. This phase comprises team-based work focused on core societal, educational and environmental challenges working with local governments, NGOs or public agencies.
- Two months post-service work (plus ongoing sharing upon return), including synthesising lessons learned and structured activities to share experiences and transfer knowledge and relationships gained with local IBM teams. Participants are encouraged to share the experience with colleagues, family, friends and their home community and to connect to IBM's business development process.

HSBC Climate Champion programme

The HSBC Climate Partnership, a five-year collaboration between HSBC, The Climate Group, Earthwatch, WWF and the Smithsonian, was launched in May 2007. One of the central goals of the partnership is to engage HSBC employees in climate change issues, educating and inspiring them to take positive action at home and at work, and helping to embed sustainability thinking into the heart of day to day business operations.

Earthwatch worked with HSBC to develop, among other things, a 12-month Climate Champions programme. Employees can apply to become climate champions, whose role is to promote action on climate change within the business, including completing a specific climate-related business project.

In preparation for the role, each selected individual undertakes a residential experiential learning programme at one of Earthwatch's five Regional Climate Centres around the world. The Climate Champions work with Earthwatch scientists gathering data to understand how forests respond to climate change. The aim of the research is to develop methods to help manage the impacts of climate change on forests more effectively. This field experience is then put into context through evening tutorials and workshops, which include an introduction to the science of climate change, the business case for climate change and sustainability within the bank and guidance on what kind of activities to undertake when they return to work.

During their time at the Regional Climate Centre, each Climate Champion develops a business project and action plan to take back to their workplace.

Method

This paper draws on qualitative data both on the impact of these two learning programmes, and participants' perspectives on factors contributing to this impact. For the IBM programme, the paper draws on semi-structured research interviews led by the author with eight participants in the Corporate Service Corps programme, selected anonymously but to ensure representation of a range of different regions globally. For the HSBC programme, the paper draws on data gathered by the author and a colleague as part of an evaluation project for Earthwatch and HSBC, involving semi-structured interviews with 35 programme participants, again selected to ensure representation of a range of different regions globally (Malnick and Gitsham, 2010). In both cases, interviewees were selected who had participated in programmes at least four months, but no more than three years, before the interview took place.

Findings

Interviewees reported that the learning programmes had a powerful impact and that a range of outcomes were achieved. Participants perceived that the experiential, immersive experience was a fundamental factor in the achievement of these outcomes, but only alongside a number of other key aspects of the design and facilitation of the programme, and also a number of factors relating to the wider organisational context.

A number of key themes emerged from the semi-structured interviews with participants about the kinds of impacts achieved through the programme, and their perspectives on what accounted for this. Interviewees reported a number of impacts in terms of their general understanding, perspective and intent: greater familiarity with a range of global trends and issues and their business relevance, a different perspective on the role of business organisations in responding to these issues and trends, a greater understanding of their organisation's existing strategy and activities in this area, and a greater commitment and strengthened intent to become involved and support these activities.

They also reported greater confidence in their skill to lead change, and a number of new activities they had pursued as a result, whether that be specific projects with the organisation, seeking out a new role or enhanced responsibilities, becoming a more vocal advocate of sustainability in the workplace, as well as a range of activities in their personal lives outside of the workplace.

Finally, they also reported improved levels of skill in a range of general leadership competences, like teamworking, cross-cultural working, networking and skills for communicating and influencing.

Participants spoke of the importance of the experiential nature of the learning in making dry abstract ideas come alive and be more viscerally understood, and in making commitment to the need for behaving differently be more strongly felt. They also argued that the personal experience from having opportunity to engage with diverse individuals enhanced their ability to be an influential change agent.

Other key aspects of the learning experience which participants reported as contributing to the outcomes achieved included the extent to which the participants were able to explore and make sense of the business relevance of the experiential engagement, the extent of senior management support for and direct engagement in the programme, and the overall quality of facilitation.

Participants also reported that a range of variables in the wider organisational context played an important role in the broader outcomes being achieved. These included the extent to which line managers and the wider organisation culture were supportive of the objectives of the learning programme, the extent to which participation in the programme gave them a new identity or role within the organisation, the amount of time or resource they were able to bring to bear to act on new thinking gained from the experience, the extent to which they remained connected with other participants, and the extent to which they felt supported, encouraged, recognised and rewarded by the organisation for efforts they took to act on their learning from the experience.

These themes are explored in more detail below through an examination of some of the comments of the interviewees.

For example, a participant in the HSBC programme argued that the experiential nature of the learning was a key factor in transforming abstract cognitive awareness into something much more powerfully felt and known:

The whole sustainability and environmental awareness piece starts right in your own back yard [...] we can all read this stuff in the press, but the hands on stuff is the hook.

A participant from IBM whose programme took them to Nigeria made a similar argument:

We all *know* about things like poverty in Africa and corruption and bribery, and how hard life can be, but its really interesting to feel it, or feel something of it, its really powerful, in terms of appreciating just how hard life can be for people. This kind of experience really brings what we already know – from the news and TV – and other things to life, you really feel it.

The same participant gave examples of some specific moments that had contributed to this for him, talking about experiencing absence of adequate healthcare, and corruption around illegal logging:

There was a boy who'd been hurt in a playground, and he'd been taken to the clinic, but they refused to do anything until the people who brought him came back with the equivalent of £7, even though he had blood coming out of his head.

Corruption, oh my goodness. When you see the rainforest under such pressure. The field office had no power, they had no vehicle to patrol, it's very difficult for them to do their job. At one point there was a truck carrying logs that came past the office out of the forest, and it was escorted by none other than the military, and you think, well there must have been some payment. And you think, how can they get through this? How can they possibly do their job? It's so hard for us to appreciate here.

A participant in the HSBC programme argued that the opportunity to personally engage with practicing climate scientists played a key role in enhancing their awareness of climate change:

I had been doing climate change for years and thought I knew more about it than most people, but I didn't [...] The scientists spoke of the greater impact of climate change on the globe, gave statistics and information about the rate of increase [...] It took you away from the forest and made you think globally.

Some participants argued that the concept of the learning programme itself, in the way that a valuable learning experience for the organisation was achieved through the experiential activity of supporting third party non-profit organisations, helped them understand a wider point about changing approaches to doing business, and that contributing to positive societal outcomes is not necessarily just a source of cost, but potentially a source of mutual advantage: organisations can do well by doing good. An IBM participant argued, for example:

I think it's through the concept of the programme itself – it's not about giving money to the client but sending people to work with the client who help with their skills – it's a great example of something that's good for them, but good for the business as well.

Participants also discussed the impact of the programmes in strengthening their intent and commitment to act and support their organisation's activities in this area. One IBM participant noted, for example:

It's not the project that changes you, it's something you already have inside you. When they are looking at who to accept for the programme, they look for people who already have a history of engaging with this area. This kind of project amplifies what you already have.

And another noted how the experience had helped them understand their organisation's strategy and approach in this area, as well as strengthening their own intent, and causing them to become a more vocal advocate:

It's made me think more about IBM's smarter planet agenda, which I think is really brilliant, they're doing really terrific things. It's really strengthened my belief around all these things.

While we were there I was really playing this tune to the rest of the group. I was looking for opportunities to bring it into conversations.

Others also noted that the experience had caused them to become more vocal advocates, as another IBM participant notes:

After I came back I felt encouraged to talk to people about these things, colleagues in the workplace.

Some linked their ability to do this to an enhanced authority stemming from their personal experience, like the following IBM participant:

I think the ability to be able to speak from direct experience has made a big difference to being able to speak with confidence – I can tell the story of what I saw with my own eyes happening.

This US-based HSBC participant makes a similar point:

Partnering with the Smithsonian was a real plus. It's a really prominent institution in the US that is held in some reverence [...] My perspective on the fieldwork is that [...] its real value is that it gives a sense of credibility when talking about the experience later, when being for example to be able to talk about the science behind the arguments. So if I'm having conversations with older people, or people in a position of influence, or if I'm talking to younger people – for example my children, who are college age. For both groups, when you say you spent a week studying climate change at the Smithsonian's field research station, it makes for a different conversation [...] It gives you a different kind of credibility.

Many reported having changed their role or taken on enhanced responsibilities and argued that the combination of participating in the programme in the first place, coupled with the experience gained from that, gave them the right and legitimacy to take on a broader role. An HSBC participant describes this:

I have a personal interest in this area, went on the climate leaders programme and got involved in the sustainability team after that [...] Before I went on the programme I was just a volunteer. The experience of having been on the programme and the new role of being a climate champion has given me the legitimacy to play a bigger role and get involved in this team.

Many participants also cited a range of factors in the wider organisational context as playing an important role in the outcomes achieved by the learning experience. Having time and resource to act, for example, were seen as key enablers, but the absence of these as a major constraint. As one HSBC participant commented:

I cannot praise the senior management highly enough for the way they have supported me. I was given time off to do my projects with no hesitation.

While another noted the opposite:

People do their projects [...] and it is not part of their daily activity and is not recognised as part of their normal work.

Whether or not participants were able to access time or resource for new activities often related to the broader influence of the attitudes of their line manager and the wider organisational culture – supportive attitudes enabled acting on experiences from the learning programmes, while their absence was perceived to be a constraint. As one HSBC participant noted:

Everybody comes back very motivated and is told that top management support the cause. You at the base level support the cause, but the middle management do not understand this and they think you are wasting too much time doing all this and not doing your work [...] all

my ideas were shot down and I was told that I was wasting my time and that I had better concentrate on my work – even though I was not missing my deadlines and I was doing my work.

Similarly, one IBM participant from Latin America noted:

In Latin America, we have to encourage managers to understand this concept. There is a divorce between these programmes and the day to day and what managers really understand. The programme is great, but managers need to understand the ideas and concepts and apply them within their own teams. You need the same language and concepts in order to understand each other, but the managers don't have this. People come back from the programme and others around them don't understand. This problem is something that is difficult for me to influence. You need to reinforce all this with managers.

The extent to which participants felt supported, encouraged, recognised and rewarded was a factor some identified in the outcomes of the learning experience being achieved. As one HSBC participant noted:

The CSR head met with all the Climate Champions and asked about our projects. He was very supportive and said that he would ensure that they would get the necessary approval. When you clear one block then you become motivated towards clearing the others.

Being perceived to be playing a new role, or having a different kind of identity within the organisation as a result of participating in the programme, was also noted by participants as an enabler of acting on the learning experience, as the following HSBC participant argues:

I wanted to be empowered to have a mandate to make a difference, not just be constrained to my own area, to have the right to range more widely. The status of Climate Champion was very important to me. I had been finding, if you want to do something, you get the feeling it's not your role to do this, it's someone else's. I wanted the right to get more involved.

In this vein, the extent to which the organisation supported participants to stay in touch with each other and stay engaged was cited as another important enabler in acting on the learning experience. For example, one HSBC participant noted:

The one thing I can think of would be to give further support to the climate champions [...] some kind of reminder event or refresher. Not to learn the same stuff all over again, but to re-motivate us, to help us keep on remembering our role, so that it doesn't just lapse after one year.

Discussion and conclusions

Evidence from these two experiential learning programmes involving participants contributing their time and skill for the benefit of third party non-profit organisations suggests that this kind of approach can have a powerful impact on participants and lead to a range of outcomes. Moreover, participants reported that the experiential nature of the learning experience was a key factor in these outcomes being achieved, but not the only one.

These findings support existing theory in this area, notably the arguments of Heron and Prochaska that bodily experience and emotional arousal are important in shifting from abstract awareness to commitment to changing, and actual change. However, the findings also draw attention to a range of other factors acting in conjunction with the experiential nature of the learning experience that also, from the participants' perspective, play an important role in creating these outcomes.

These findings have a range of implications. They lend weight to arguments that those involved in management development in organisations and business schools might usefully give more consideration of the potential value of experiential learning approaches in achieving a range of important management development objectives, both in terms of the specific mindsets and skills organisations are seeking to enhance in service of sustainability, as well as more conventional capability development and employee engagement objectives.

Moreover, the findings also suggest that those involved in management development give appropriate consideration a number of other design and facilitation factors, and how these relate with the experiential aspect of the learning experience. In particular, the findings suggest that management developers give more attention to their role in influencing relevant factors in the wider organisational context. For those working in business schools and other settings more distant from the eventual organisational context of their students, there are likely still to be implications for how they work with students to prepare them for coping with the organisational context which they will ultimately encounter at some stage. This potentially places more emphasis on elements of the informal learning experience, such as the role of alumni networks.

These findings also present implications for further research. It would be valuable to explore similar questions with a larger sample of programme participants, and also to explore variations across a wider number of organisations. Similarly, it would be valuable to gather longitudinal data to explore how the perspectives of participants on the impact of these learning programmes varies over time.

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Further reading

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Matthew Gitsham is Director of the Ashridge Centre for Business and Sustainability at Ashridge Business School. He works with colleagues across the Ashridge faculty to promote thought leadership around organisational change, leadership development and sustainability. He has recently led research exploring CEO perspectives on the implications of sustainability for leadership development. This was conducted in partnership with the Academy of Business in Society and the United Nations, and sponsored by Shell, Unilever, IBM, Johnson & Johnson and Microsoft. He is currently leading a major research study "Leading Organisations of Tomorrow" exploring examples of innovation in leadership development in a changing global context at IBM, HSBC, Ernst & Young, IMC Group, Bovis Lend Lease, InterfaceFLOR and Sky. Matthew Gitsham can be contacted at: matthew.gitsham@ashridge.org.uk

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