STRATX

Experiential Learning for Business Impact

Experiential Learning for Impact:

A USER'S GUIDE

Introduction

Understanding how experiential learning works and its impact for organizations is an important element for business growth.

This white paper will cover the following aspects of experiential learning:

1. **What is experiential learning?**

2. **Why use experiential learning?**

3. **How can we measure impact with experiential learning?**

4. **What are the benefits of using experiential learning?**

5. **Where is experiential learning applied?**

6. **Experiential learning case studies**

7. **Best Practices**

What is experiential learning?

1

Experiential Learning, simply put, is learning by doing. It allows participants to develop and acquire new skills in a safe environment that reflects real-world situations in an ultra-compressed timeframe. Participants can experience years of market activities in a matter of days or even hours.

Experiential learning has a long tradition that can be traced back to ancient civilizations, including Chinese, Greek and Egyptian societies. Closer to our time, psychologists have been using child development as one of the greatest examples of experiential learning: the ability to learn by exploring, making mistakes, experimenting, and learning, all by oneself

The theory was made popular in an educational and business context by theorist David A. Kolb, who, along with John Fry, developed the experiential learning theory, which is based on the idea that learning is a process whereby knowledge is created through transformation of experience. It is based on four main elements which operate in a continuous cycle during the learning experience:

- **Concrete experience**
- **Reflective observation**
- **Abstract conceptualization**
- **Active experimentation**

This framework has been widely applied, extended and criticized. Today, there is a general recognition that these four aspects are the pillars of experiential learning, although they are not necessarily followed systematically and sequentially, but rather in an interactive and iterative fashion.

The state of experiential learning and how it will evolve.

Experiential learning is entering a new era that is driven by new technologies, modalities and ways of working. It's becoming less time-bound as users can learn and progress at a pace of their choosing.

It is also becoming more individualized. Managers often go through exercises on their own or in a non-linear team working environment.

New technologies (apps, social media, video conferencing, etc.) will continue to play a key role. Experiential learning providers must adapt to fit these new technologies and ways of collaborating.

Team exercises will become even more virtual and remote. The typical "classroom" settings and "nine to five" working hours are both becoming a relic of the past.

Why use experiential learning?

2

Mirroring real-world decision-making experiences in a competitive environment, experiential learning helps to create emotionally-charged environments, leading to results. It engages participants on a higher level and embeds real and lasting results due to the fact that they are experiencing concepts and challenges that they wouldn't otherwise encounter through traditional learning methods.

Studies have shown that lessons learned by effective managers are usually driven by the following 70:20:10 model*:
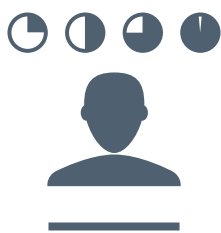
70%
from
**on-the-job
experiences**

20%
from
**constructive
peer interaction**

10%
from
**training courses
and reading**

This framework has been widely applied, extended and criticized. Today, there is a general recognition that these four aspects are the pillars of experiential learning, although they are not necessarily followed systematically and sequentially, but rather in an interactive and iterative fashion.

Studies have shown that lessons learned by effective managers are usually driven by the following 70:20:10 model:

10%	from traditional training courses and readings
20%	from constructive peer interaction
70%	from on-the-job experiences
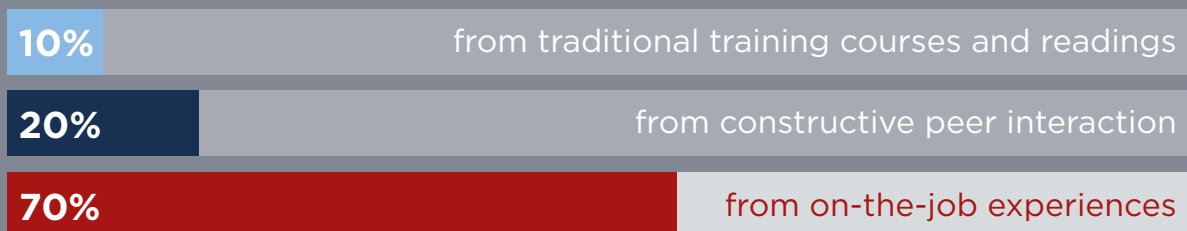
The richness of simulated exercices allows participants to experience and learn in a few days what they would have orwise learned in a few years.

While most management development courses only contribute to the bottom 10%, experiential learning programs focus on providing realistic, risk-free competitive environments where participants learn through experience (the 70%) while also working in cross-functional and cross-market teams (the 20%).

The result of this approach is that participants will learn through a much broader experience, resulting in much longer-lasting changes in knowledge and behavior.

* The 70/20/10 model was developed by Morgan McCall, Robert W. Eichinger and Michael M. Lombardo at the Center for Creative Leadership and is specifically mentioned in The Career Architect Development Planner, 3rd edition, by Michael M. Lombardo and Robert W. Eichinger.

How can we measure impact with experiential learning?

3

We believe all investment in building capabilities should support real-world business objectives. That's why StratX uses a variety of practical tools, inspired by the gold-standard in program evaluation—the New World Kirkpatrick model—to measure program impact.

When designing any experiential learning program, consultants partner with clients to explicitly identify learning objectives right from the start. We always recommend to clients that an experiential learning program be explicitly linked to their desired top-level business outcomes. Based on client needs and an expanding toolkit, we will then propose a means of supporting and evaluating program success.

Experiential learning benefits can be measured in many ways, both during and after a program. At a minimum, StratX evaluates using in-program "pulse-checks" and post-program surveys that capture several business impact indicators. These include participant group attitudes, confidence and commitment to the learning objectives, evaluation of program content relevancy to real-world business challenges and finally, a Net Promoter Score (NPS) survey. NPS is a simple, yet powerful, evaluation method that focuses on the participants' likelihood to recommend the experiential learning program to colleagues. An NPS score of over 50 is generally considered excellent. Our engagements typically score in the 70s and above, which is in the scoring range of top companies such as Apple or Amazon, and it's not unusual to achieve a score above 90.

StratX also supports those who wish additional program evaluation drivers and tools. Here, StratX and the client identify what Kirkpatrick calls "leading indicators" of business impact and program success, as well as the top two or three competencies participants need to make it happen. We will then recommend options to further drive and measure program success. Some examples include:

- **Retrospective assessments** to evaluate increases in participant knowledge and skills

- **Follow-up/monitoring** of action-planning conducted during the program

- **Support for participant "teach-backs"** within the organization

- **Integration** with existing client business/HR metrics

- **Support for remote simulation decisions or additional simulation challenges** to continue learning momentum.

Other tools could include measuring a company's individual and team results benchmarked against best-in-class performances. StratX has done this with top organizations such as L'Oréal, Dell, General Motors and GE. Clients have also reported other business impact indicators: new initiatives resulting from StratX experiential learning engagements leading to new offerings, an increase in customer satisfaction, as well as reshaped strategies.

The precise mix of recommended drivers and tools largely depends on client objectives and available resources. It will always be a mix of art and science. Our commitment to program evaluation means that clients benefit from a constantly evolving toolkit and an approach that is reasonably valid, reliable, pragmatic and always linked to business impact.

What are the benefits of experiential learning?

4

Risk-Free, Real-World Application

The participant personally experiences concepts "hands on" in a controlled, risk-free environment in which mistakes are not only allowed, but encouraged as part of the learning process. Participants combine their experiences in the learning environment with abstract concepts in order to reflect on the outcome. By analyzing the impact of their actions on results, they can understand how key concepts can be applied to real-life circumstances.

Motivation

When designed, developed, and delivered properly, experiential learning can engage and motivate participants more compellingly than other forms of learning. Through the process and the results of their activities, participants see the value in what they are learning more clearly.

Team Work

Participants from different backgrounds with different levels of experience can both teach and learn from each other. In addition to concepts, participants develop skills more effectively together.

Creativity

Participants can seek their own solutions to challenges put before them and adapt to changing circumstances.

It's Fun

It's engaging, challenging, memorable and fun. It tickles the brain in a way that traditional training does not. In this day and age, it's nearly impossible to capture the attention of managers and executives for more than twenty minutes. In our engagements, we actually struggle to pull them away from the experiences we create, sometime for hours at a time. With all the distractions and a constant bombardment of emails and texts, this is absolutely priceless.

Where is experiential learning applied?

5

Experiential learning using business simulations is uniquely suited to address several key **leadership** skills, sometimes called **hard skills.**

Experiential learning lends itself to many contexts but our main focus is the following:

Alignment:

Achieving alignment across the organization in terms of culture and skills capabilities. This works best in times of change, market disruptions, taking on new opportunities and confronting new challenges.

Business Acumen:

Our experiences help build stronger managers and instill a spirit of innovation and entrepreneurship. Executives and managers are tested to make sound fact-based business decisions under extreme time pressure. This requires excellence in building, and ultimately in implementing a customer-centric strategy with a specific budget and clear objectives. In essence, we simulate the real-world and provide years of experience in just days.

Leadership:

In order to improve strategic thinking, our experiential learning approach can build effective leadership talent and skills. Additionally, it can deepen managers' business acumen and teach them to strategically manage diverse portfolios.

Marketing & Customer Centricity:

With a focus on customer insights and value creation, our experiential learning approach challenges participants to build and shape new customer offerings to boost value and compete in the marketplace.

How can we approach the experiential learning method?

We use a four-step approach to experiential learning.

1. **Assessment:**
   Evaluate the competencies required, the readiness of teams implicated, the needs of the company and individuals.
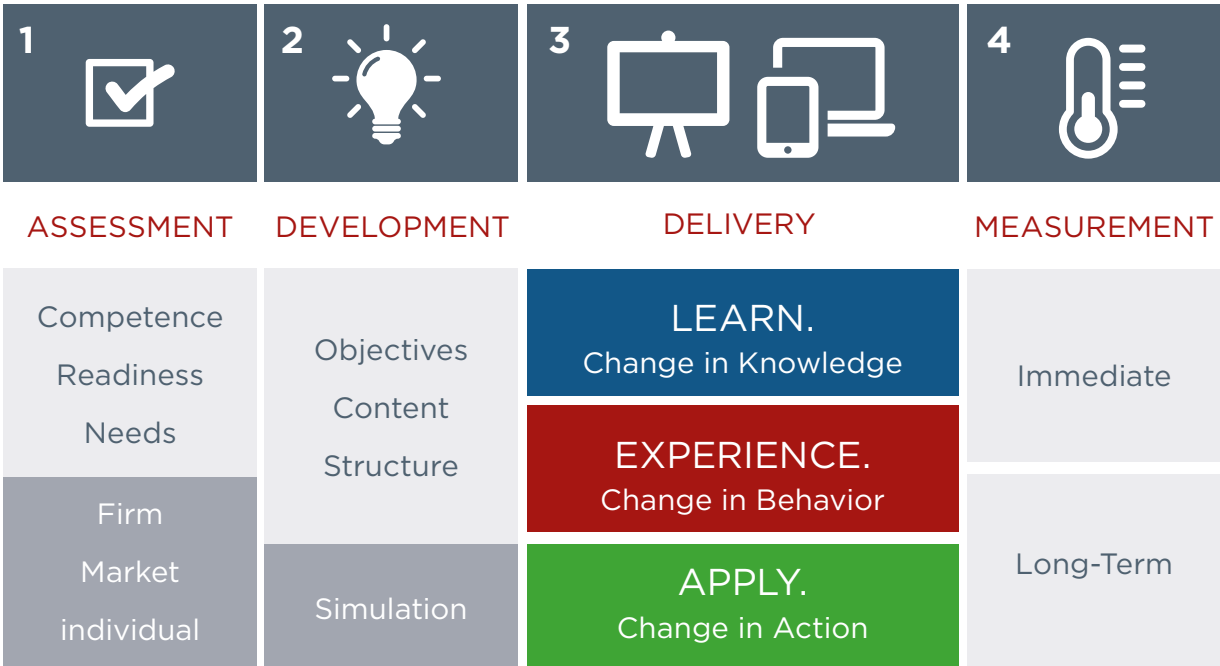
2. **Development:**
   Define the objectives, content and structure of the learning program.

3. **Delivery:**
   Deliver the program in three stages. Learn in the first stage by changing the knowledge of participants. Experience in the second stage, by changing the behavior of participants. Apply in the third stage, by changing the actions of participants.

4. **Measurement:**
   Measure the impact immediately after the program and re-evaluate and measure in the long-term.

ASSESSMENT	DEVELOPMENT	DELIVERY	MEASUREMENT
Competence Readiness Needs	Objectives Content Structure	**LEARN.** Change in Knowledge	Immediate
Firm Market individual	Simulation	**EXPERIENCE.** Change in Behavior	Long-Term
		APPLY. Change in Action	

Our delivery approaches are flexible and customized. At the beginning of the journey, StratX consultants will work with teams involved to understand objectives, analyze needs and craft a solution that incorporates the appropriate mixture of both face-to-face and remote learning.

Experiential Learning Case Studies

6

StratX has worked with leaders in 66 countries, among them 40 Fortune Global 500 clients and with 400 of the top business schools across the globe. Below are some highlights from various clients over the years.

66
countries

40
Fortune Global

500
clients

400
of the
**top business
schools**

CASE 1:   # Consumer Goods

Highly Recognized Fortune 500 Marketing Organization in FMCG

Situation:

The CEO had a global change management initiative to create an integrated, commercial organization that aligned sales, marketing and related management functions.

Action:

A custom simulation was developed using real market data to accurately model the dynamics of their working environment. The program supports central leadership strategies alongside local market challenges.

Result:

The programs targeted 3 levels of managers. Outcomes included:
- Successful restructuring and training of frontline sales personnel
- Integration of sales, marketing and market research strategies
- Development of a shared culture and language across departments and markets

The topics covered in the program include Brand Building, Customer Insight and Engagement, Trade Engagement, Competitive Analysis and Portfolio Strategy.

CASE 2:   # Leadership Development for Growth

Situation:

 Improve the mindset and skills of senior managers and commercial leaders, to deliver challenging growth objectives.

Action:

StratX designed and co-delivered management and advanced commercial management programs to their executives in their world-renowned campus and in other locations around the world.

Result:

- A renewed contribution to many change initiatives to boost market performance
- Alignment of skills and knowledge across a global and multifunctional audience
- High levels of satisfaction represented by feedback from over 3,000 Senior Leaders
- Through their relentless commitment to leadership development, the client achieved impressive organic growth, delivering substantial additional revenues every year

CASE 3: Consumer Goods

Situation:

A $53-billion company with consumer, public and large enterprise products and services, wanted to create and deliver a customized training program for marketers from across business units to improve strategic marketing planning skills, the application of customer insights to decision-making and end-to-end campaign management and effectiveness.

Action:

StratX designed a customized 3-day classroom program led by two StratX consultants including:
- Concepts sessions and best practices
- 'Learn by doing' MarkPro simulation with team work
- Application tools to real-world business challenges

Result:

The unique experiential learning approach provided the following benefits:
- Helped marketers understand their roles in creating an effective marketing strategy across the organization
- Utilization of decision-making and strategic tools to help guide creation of effective strategies.
- Simple, repeatable, scalable template for strategy creation, communication and execution

CASE 4: Strategic Marketing Program

StratX collaborated with a leading corporate University to launch a first-of-a-kind Strategic Marketing Program.

Situation:

Initially targeted to marketing professionals, this 5-day seminar attracted key decision makers (including Head of Business Units and Country/Market Heads).

StratX co-developed the program with a renowned professor. The program was delivered both centrally (France), and also in the company's main regions (UK and US).

StratX was also asked in 2014 to design an action-learning workshop on "Building high performing Capture Teams to boost their win ratio".

Action:

This workshop aimed at developing strategic thinking and establishing a true customer value creation approach, applicable for real account plans or NBD opportunities.

Prior to the application to a real case facilitated by StratX consultants, participants went through a mini-simulation experience, and discovered and learned from the key challenges to overcome.

Result:

StratX delivered the "Managing for value creation and business performance" module which covered the following:

- Developing a strategic mindset
- Marketing as a business driver
- Successful customer-driven and disruptive innovations
- From managing to leading
- Building high-performing teams

StratX also co-delivered the "Leadership development" module, based on the behaviors and leadership styles observed during a challenging and mind-stretching StratX experiential learning exercise.

CASE 5: # Customer Centricity Initiative (Pharma)

Situation:

Since 2009, StratX and a top-ten global pharmaceutical company have partnered to roll out an industry-leading development initiative.

## Action:

StratX has delivered more than 30 programs globally to over 900 participants, supporting the ultimate goal of evolving from a product-driven organization to a true customer-driven one.

Result:

The initiative includes 3 levels (foundation, advanced and leadership) delivered to senior managers, heads of function, brand managers and a broader marketing audience. The objectives of the program were tailored to each level but includes the following:

- Build customer-centric market strategies and enhance customer value creation
- Boost business acumen and financial monitoring
- Align and enhance brand planning skills and strategic marketing tools
- Develop a unique, customer-driven company culture
- Identify and apply good practices across the organization
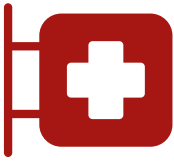
CASE 6: **Marketing Excellence (Pharma)**

Situation:

StratX co-developed and delivered an 18-month project for product managers for a top ten global specialty bio-pharma firm. The focus of the initiative was to boost the commercial competitiveness of the APAC region by improving marketing and brand planning disciplines.

Action:

The initiative included a structured assessment of existing marketing skills against a robust competency framework and the development and delivery of a customized experiential learning challenge.

Result:

Implementation included three phases:
- **Phase I – Assessment and Development**
  Key sponsor/stakeholder interviews, the identification of skills gaps and the customized development of content
- **Phase II – Year 1 Roll-Out**
  Pre-reading and live kick-off event, teams submitted monthly project work with regular coaching from StratX
- **Phase III – Year 2 Roll-Out**
  Project-driven workshops based on real-world brand issues and a six-month implementation project

---

CASE 7: **Innovation Strategy**

Situation:

Since 2013, StratX has partnered with a leading telecommunications provider to support the development of a new innovation culture to support the emerging organizational changes.

Action:

The program is focused on supporting key business unit managers to create a new approach to systematically identifying opportunities for product and service innovation. The program incorporates the introduction of the theory behind *Blue Ocean Strategy,* an opportunity to practice the approach within our experiential learning platform and a series of workshop sessions designed to help managers translate the theory into real-world ideas.

Result:

The program includes the following main sessions:
- An introduction to *Blue Ocean Strategy* and how this differs from traditional models
- Analyzing/mapping the current *Red Oceans* (using traditional market dynamics)
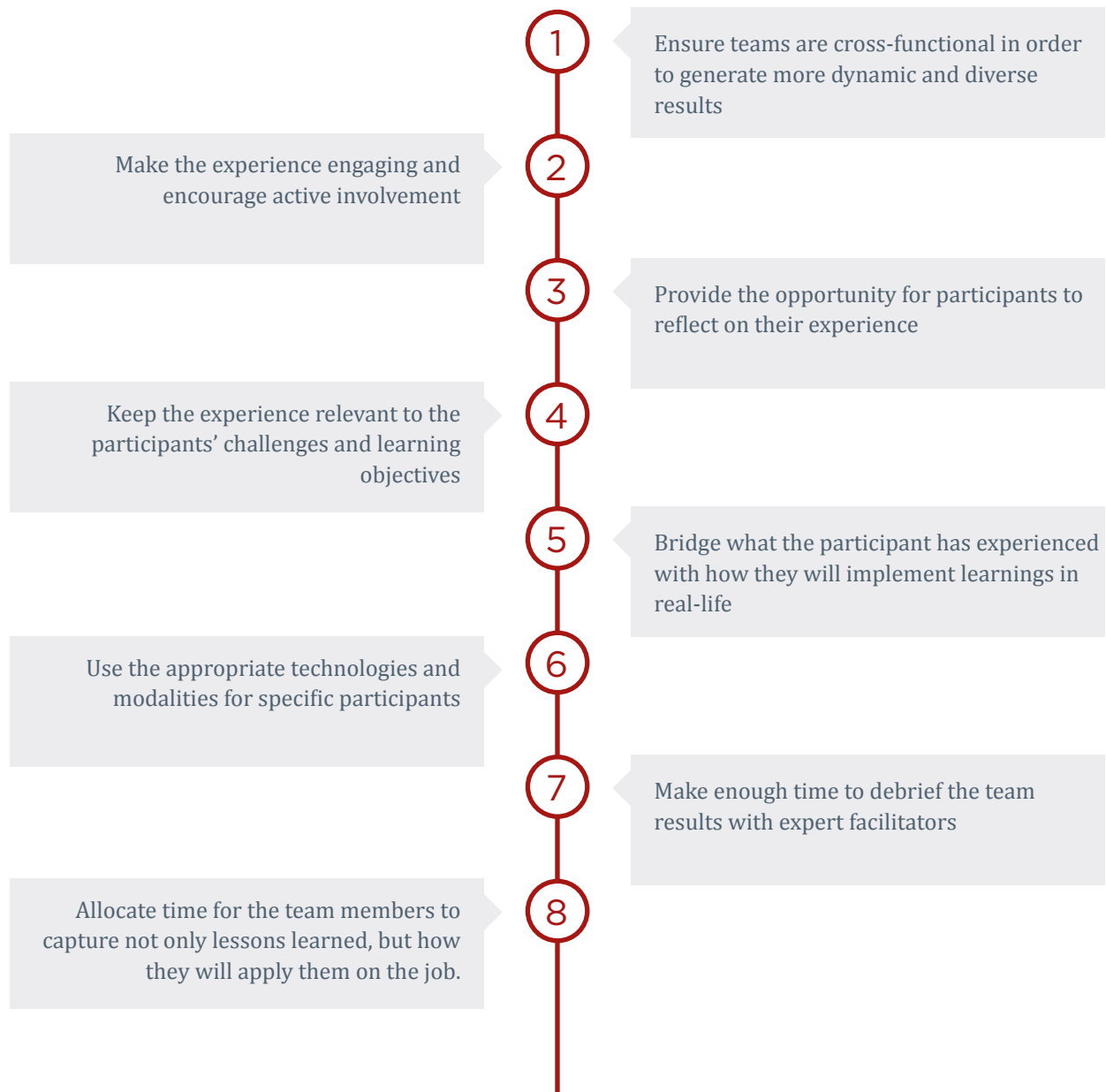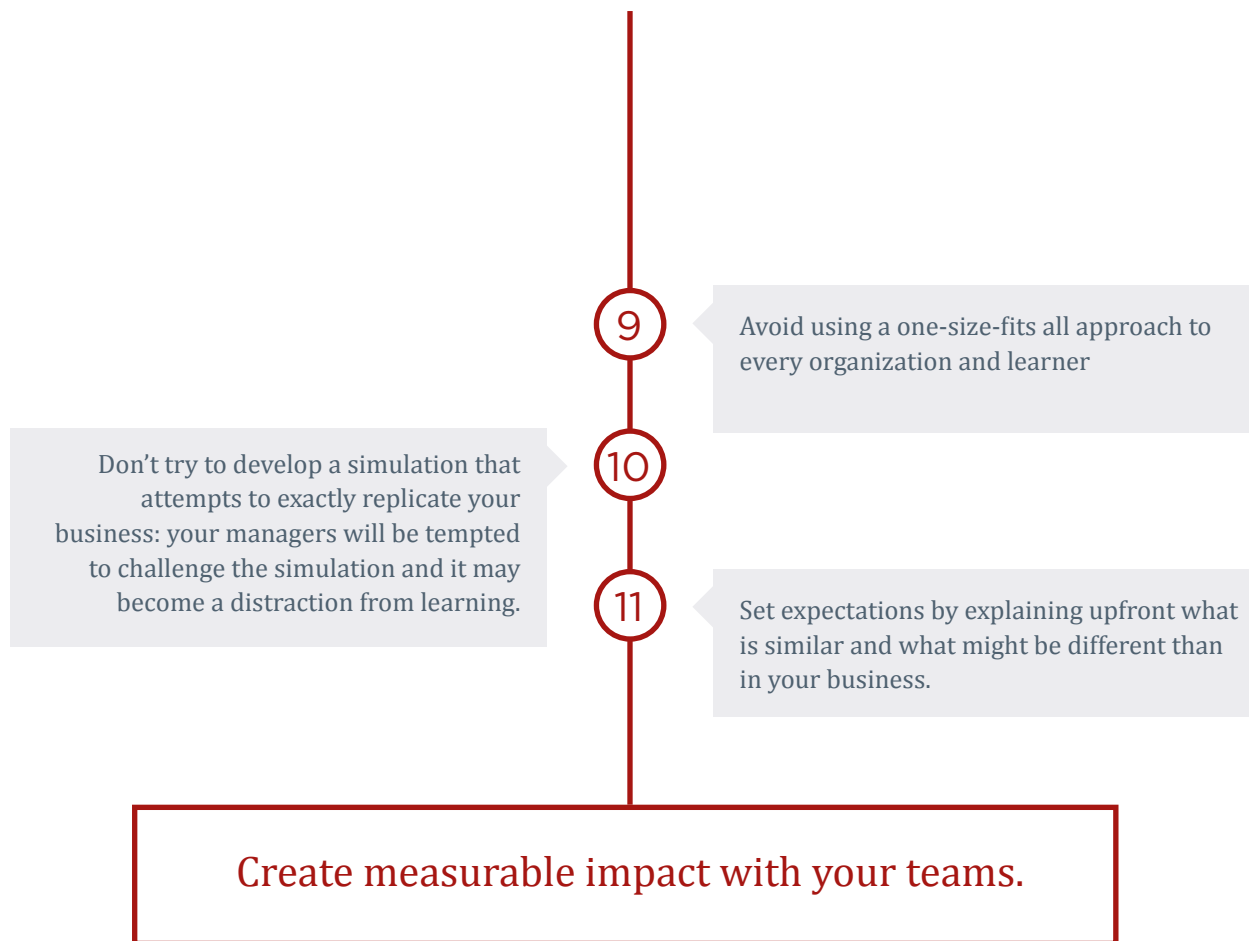- Identifying opportunities to create *Blue Oceans* (by applying the concepts of Value Innovation)

Best Practices

7

Over the past 30+ years, StratX has developed a set of best practices when using experiential learning. We recommend following these tips:

1 Ensure teams are cross-functional in order to generate more dynamic and diverse results

2 Make the experience engaging and encourage active involvement

3 Provide the opportunity for participants to reflect on their experience

4 Keep the experience relevant to the participants' challenges and learning objectives

5 Bridge what the participant has experienced with how they will implement learnings in real-life

6 Use the appropriate technologies and modalities for specific participants

7 Make enough time to debrief the team results with expert facilitators

8 Allocate time for the team members to capture not only lessons learned, but how they will apply them on the job.

9 Avoid using a one-size-fits all approach to every organization and learner

10 Don't try to develop a simulation that attempts to exactly replicate your business: your managers will be tempted to challenge the simulation and it may become a distraction from learning.

11 Set expectations by explaining upfront what is similar and what might be different than in your business.

Create measurable impact with your teams.

Build business capabilities and create lasting on-the-job change with the help of StratX's experiential learning programs.

Contact us

Sources :

(1) CLO Survey http://mediatecnews.com/sites/default/files/download_file/5d7c4a4a946b49921b

(2) The Kirkpatrick Model http://www.kirkpatrickpartners.com/

(3) The Net Promoter Score https://www.netpromoter.com/know/

About StratX

StratX creates experiential learning programs instilled with emotion and competitive spirit, leading to lasting on-the-job change. One million leaders in 66 countries, 40 Fortune Global 500 clients and 400 top business schools have turned to StratX expertise to build their business capabilities.

We use highly engaging business simulations that realistically reflect our customers' business environments. These simulations form the backbone of StratX's experiential learning programs, addressing business challenges your key people currently face, ranging from strategy development to tactical execution.

Our programs—on site, on line or blended—allow participants to sharpen their individual and collective reflexes in a risk-free environment. And the richness of situations simulated allows participants to experience and learn in a few days what they would have otherwise learned in a few years. This is how we change behaviors to maximize return on investment. An in-depth understanding of the desired business outcomes allows StratX to design and deliver these impactful customized learning solutions with measurable impact.

Over the past 30 years, StratX experiential learning expertise has supported our prestigious clients' growth by developing their leaders' capabilities, empowering them to generate effective customer-centric and market-driven strategies. This is our DNA.

STRATX
Experiential Learning for Business Impact

www.stratx.com

15 avenue de l'Opéra
75001 Paris
France
+33 (0) 1 53 46 69 04
paris@stratx.com

222 Third Street, Suite 3200
Cambridge, MA 02142
USA
+617 300 8200
boston@stratx.com