Executive MBA Guidance Document
Investing in Employees
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Setting Policy

Investing in the development of your top performing employees is an intelligent business decision. All too often the effectiveness of this decision is undermined through unconnected, localised and ad hoc application of employee sponsorship, which misses the necessary expert input to organise and connect employee development and ensure a fit with other dimensions of your employee development plans.

A structured policy doesn’t have to be rigid; in fact, we think it is advisable to leave flexibility for individual cases. It can be centrally or locally administered, depending on what is most appropriate for your organisation. Most important is to create a clear and transparent policy for Executive MBA sponsorship which outlines requirements, process and points of contact. Combining at least line management and HR/Learning Development engagement is essential to effective planning and outcomes. This does not need to be an onerous task or responsibility, but does require clear communication and agreed understanding of the role and responsibility each party needs to have.

Offering and setting an Executive MBA sponsorship policy demonstrates an intention to invest in and develop current employees. This not only has a positive impact on loyalty and retention, it also gives your organisation an advantage when competing for the same talent as competitors.

Identifying Employees

We typically find that it is the employees who have approached their employers for Executive MBA sponsorship. While this is reasonably logical and shows a sense of drive and ambition from the employee, it does, however, mean that the employer is then in a reactive role.

Identifying and nurturing talent is a more positive and proactive approach for a company to adopt. Regional/group heads and development teams in organisations generally know who their top performers and promising stars are. Utilising current performance, appraisal processes and development programmes to select employees with future leader potential is an ideal way to identify the appropriate individuals to sponsor on an Executive MBA. Taking this approach can also align with succession planning.

Aligning an Executive MBA sponsorship programme with current practices creates an active and informed selection process, developing the appropriate employees with the necessary tools and confidence to not only take on a higher level of responsibility and leadership, but also increases loyalty, retention longer term and secures the future of your organisation.
Formal Plans and Agreements

When putting together a formal plan or agreement, to begin with you need to be clear why you intend to sponsor an employee and what your expectations are. Many employers make the mistake of approaching Executive MBA sponsorship as an employee benefit (which misses the opportunity to truly reap rewards) rather than for what it is and should be - an investment.

Changing perspective and approaching Executive MBA sponsorship as an investment reframes the proposition and opens up opportunities for a return on the investment.

Planning and creating an agreement should be done with engagement from all parties with a stake in the process and outcomes – for example, employee, line manager, head of section/region, HR/L&D.

Make explicit what both you and your employee expect from this joint investment of time, effort, and money. Make sure you clearly understand what your employee expects the return on the EMBA will be and what they are going to invest to make that happen. In response be clear on what you will do to support that and what you expect in return. This is the perfect opportunity to align employee aspiration and organisational return on investment.

As well as defining deliverables and investment to be made by all parties, it has become common practice to include retention terms as part of Executive MBA sponsorships. Retention agreements require an appropriate balance between amount and type of employer sponsorship versus time an employee agrees to remain with the employer after completion of the programme. Typically for each retention year that passes the repayment amount decreases. Be careful not to consider the retention and expectation agreement discussions separately - the retention agreement is not just about time and money, it is also a perfect occasion to establish project, position and promotion opportunities that will benefit both employee and employer.

Of course a big influence on what an employee accepts and agrees to, depends on the sponsorship being offered – remember this is best approached as a joint investment and not purely an employee benefit. Here are some examples of the types of employer sponsorship offered to Executive MBA students (of course there are many more options and variations on the ones shown below):

- **100% Financial Sponsorship** — Employer pays full tuition fee, travel and any additional costs with no retention tie in beyond completion of the programme.
- **100% Financial Sponsorship with Retention Agreement** — Employer pays full tuition and the employee agrees to a defined period of time to remain after completing the programme (leaving before the agreed time requires the employee to repay the employer the sponsorship they received).
- **Partial Financial Sponsorship** — Employer pays a portion of tuition fee and/or other expenses and employee covers the remaining costs.
- **Time Support** — Employer allows for paid time off to attend the programme and potentially also study leave, but no programme costs are covered.
• Flexible Time Support — Employer allows time for programme attendance, but the employee must make up the time they have been absent from work

Maximising Outcomes

An Executive MBA provides an intensive and extensive business education, equipping your employee with the skills to deliver potential revenue enhancement, cost reduction, or process improvement back to your organisation.

To maximise return and impact for your organisation, consider discussing and formalising the following when planning a sponsorship agreement:

• How lessons learned over the duration of the programme can be directly applied to challenges facing your organisation
• How your employee can test or apply tools and frameworks they learn on the programme
• As part of the programme, each student is required to complete a substantial, high-level individual project. As a sponsored employee, they can tailor the project to fit your organisation’s needs, providing research and consultancy which could have a crucial impact on the success of the business
• Opportunities and mechanisms to debrief and educate colleagues
• Potential paths, projects and roles post Executive MBA

To further maximise benefit you may wish to consider meeting with us and your employee each term to understand what he/she is learning and where the opportunities are to add value to your organisation.

Employees commit a lot of time and energy to earn an Executive MBA, they are unlikely to want to stay with an employer who doesn’t reward that new knowledge and utilise their new skill set. If you really want to retain staff then holding conversations upfront are far more productive and workable than a last minute ad hoc dash post MBA to try and leverage their new skills.

Not developing talented employees or supporting their Executive MBA studies is a sure way to encourage them to start looking for opportunities outside your organisation.

Additional benefits of supporting an employee on our Executive MBA programme:

• Link to our community
• Access to a rich and diverse events programme
• Immediate issues that would benefit from the perspective of faculty experts and fellow students
• Access Imperial College resources
• Imperial College research
Contact Us

If done correctly the return on a carefully considered and constructed EMBA sponsorship program will far exceed the investment made. We can work closely with your organisation to support you in designing an Executive MBA sponsorship programme that is aligned to your strategic objectives.

If you have any questions or would just like to find out more please contact:

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