



## Focus on Innovation and Agility Fuels Adobe's Commitment To Experiential Learning for Building Exceptional Leaders

### Overview

**Country or Region:** Worldwide

**Industry:** Software

#### Customer Profile

Adobe Systems Incorporated offers business, creative, and mobile software solutions that revolutionize how the world engages with ideas and information. Adobe customers include enterprises, knowledge workers, creatives and designers, OEM partners, and developers worldwide.

#### Business Situation

Since 2005, Adobe has grown from 3,500 employees to more than 7,000 worldwide. As Adobe expanded, so did its need for programs that develop exceptional leaders within the company to optimize its performance and seize business opportunity. Executive management recognized that developing great leaders is a competitive advantage critical to Adobe's ongoing success.

#### Solution

The global Adobe Leadership Experience, developed and delivered in partnership with the Haas School of Business at the University of California, Berkeley, and TRI Corporation, builds bench strength and collaboration among Adobe's top executives. Similarly, the Adobe Business Leadership program focuses on director-level business leadership and business acumen. In keeping with Adobe's culture and values, both use active learning to solve actual Adobe business challenges.

#### Benefits

- ▶ High performance
- ▶ Upward mobility
- ▶ Retention of top talent
- ▶ Cross-functional expertise and leadership
- ▶ Collaborative relationships with executives and peers worldwide
- ▶ Innovative, cross-company problem solving

"The growth of our business depends on the growth and development of our people. TRI Corporation is helping us build an even deeper bench of leaders who excel in their current roles and are ready to take on greater responsibilities."

Donna Morris  
Senior Vice President, Human Resources



Adobe is a quintessential knowledge economy company. Its software enables the rich expression of ideas, and the company itself runs on brain power. Innovation is the DNA of this company; for more than 25 years, it has celebrated innovation as its very reason for being. Sudden growth through acquisition set Adobe upon a journey to ensure it could sustain the exceptional leadership that had fueled its success and build an even deeper bench to take advantage of increasing global opportunity. With guidance from an executive steering committee, Adobe's talent development team in human resources set out to meet this need. Rather than implement an off-the-shelf leadership development program, Senior Vice President Donna Morris decided Adobe needed a program that mirrored who Adobe is as a company, bringing into play its unique vision, values, strategy, challenges, and opportunities. The result: a strategic partnership with the faculty of the Haas School of Business, UC Berkeley, and the experiential learning experts at TRI Corporation and two on-going leadership programs that are improving performance, increasing retention and building expertise across all levels of leadership.

### Situation

"In a tech company nowadays, flexibility and adaptability are key," says Adobe President and CEO Shantanu Narayen. "Part of the reason for our success is our ability to adapt, to change, and to course correct. People are the real assets of the company."

With the acquisition of Macromedia in 2005, Adobe had more "real assets" than ever before, more than 7,000 employees. With growth, however, came the growing pains of integrating leadership, cultures and teams.

"People would associate with their own product line," Susan Rusconi, manager of Executive and Leadership Development, says. "They hesitated to move across teams and felt there were no growth or development plans."

At the same time, Adobe was maturing from a product to a solutions company and looking at new, global market opportunities. It hired leaders from the outside but often found they didn't fit its corporate culture.

"We needed a more flexible group of leaders who could move to different parts of the company," says Rusconi. "We needed to take our internal folks to the next level."

With a long-time commitment to training, Adobe executives set out to transform its leaders and build a deep, agile leadership bench within the company.

"Historically, we've had a section in the budget for employee training and development," says CEO Narayen. "And, to be honest, that's one of the things we never cut, even in tough economic times."

Donna Morris, senior vice president, Human Resources, took up the challenge to develop exceptional senior leaders who could

- Think and act like general managers of their respective businesses
- Engage global, cross-business teams in a manner consistent with Adobe's values
- Build a collaborative network with other Adobe leaders.

Another key goal was to build a flexible and adaptable program that, like the company itself, could quickly adjust to market opportunity year over year. This adaptability would prove to be particularly auspicious when, with the 2009 acquisition of Omniture, Adobe added even more people assets.

## For More Information

To learn more about how TRI Corporation experiential learning services can benefit your organization, visit [www.tri-simulation.com](http://www.tri-simulation.com), email [TRIContact@tri-simulation.com](mailto:TRIContact@tri-simulation.com) or call 408-656-2895.

For more information about Adobe businesses, visit [www.adobe.com](http://www.adobe.com).

**“In traditional companies, you get pigeonholed into roles such as engineering, marketing, or finance, so one thing we’re trying to do is champion leadership in overall general management.”**

Shantanu Narayen  
President and Chief Executive Officer

A few comments from participants:

**“Based on sustained heart rate alone, it was great! I have a much more visceral feel for the relationships between different metrics in a business and the importance of leadership, strategy, and decisiveness.”**

**“The integration of Adobe’s issues and executives into the curriculum made this more real and useful than any other leadership course I’ve had with past employers.”**

**“The business simulation and educational sessions helped me think outside my comfort zone.”**

## Solution

SVP Morris engaged TRI Corporation learning experts and the faculty of the Haas School of Business to design the Adobe Leadership Experience (ALE). Launched in 2007, ALE is the flagship program for Adobe’s global executive leadership development. Today, a second program, the Adobe Business Leadership (ABL), rounds out development for director-level leaders.

Participation in either program is by nomination only. For ALE, executive members of CEO Narayen’s operations team nominate vice presidents and senior directors based on achievements and potential to help Adobe reach its next level of growth. Narayen personally invites each one.

“Executive nomination increases the relevance of the program and helps make sure it meets our business objectives,” says Program Manager Rusconi. “People don’t take participation casually.”

ALE consists of three phases:

1. A 360-degree evaluation based on Adobe’s leadership criteria. Each participant is assigned an executive coach who helps identify existing strengths to build on as well as opportunities for development.
2. An intense classroom experience with Haas professors leading sessions on strategy, finance, marketing, innovation, leading global teams, and more. Adobe’s CEO and executives lead discussions on applying learnings to work at Adobe.
3. An action learning component with both an individual and a team business challenge.

For the team challenge, Adobe senior executives select a real business issue that leaders work on together for

eight weeks. Executives take this work seriously and make decisions for next steps on the issue based on the team’s recommendations.

“We use each graduating class to help us with particularly vexing problems,” Narayen says. “They act as consultants, and the areas they chose to focus on is built into their goals for the year and become their areas of development.”

ABL focuses on business leadership and business acumen at the director level with an emphasis on making better business decisions based on a better understanding of financial impact.

TRI Corporation worked with industry experts to develop a new software as a service (SaaS) business simulation for ABL that challenges participants to push the envelope in a familiar business model.

“The simulation drives home the interconnectedness and interdependence of decisions,” A.J. O’Brien, TRI Corporation Vice President, says. “When you understand the ramifications of your choices in the value chain – how an increase in price impacts demand, which in turn impacts production – you make better decisions. You know how your actions will affect multiple functions and operating profit.”

Each year, Adobe modifies the content of the two programs to target the leadership capabilities it needs to get the business results it wants. The ability to customize training content to business needs was key to Adobe’s selection of TRI as a leadership development partner.

“I like TRI’s responsiveness to our business needs,” Rusconi says. “I know I can go to TRI and deliver a successful program.”

## Benefits

“We’ve done a number of new things to try to provide development opportunities for executives,” says Narayen. “In traditional companies, you get pigeonholed into roles such as engineering, marketing, or finance, so one thing we’re trying to do is champion leadership in overall general management.”

To measure success of its leadership development innovations, Adobe is tracking the retention, performance, and upward mobility of ALE and ABL participants. It also looks at lateral mobility, knowing that broader experience can enable Adobe leaders to further develop as general managers.

Since launching the programs, Adobe has achieved a lower-than-industry attrition rate, higher internal promotion rates, more internal lateral moves, and above average returns to stockholders. The results confirm Adobe’s belief that leadership development translates into business results.

Participants agree that ALE and ABL are a winning combination for challenging, inspiring, and stretching them toward new levels of leadership and performance.

Understanding the relationships between business decisions and metrics, engaging in business analysis of real issues with real executives, and being taken outside their comfort zones in an exciting SaaS simulation are just a few of the reasons ALE and ABL alumni are enthusiastic about the programs.

“Based on the sustained heart rate alone, it was great!” one leader reports.

Participants also value building relationships with executives and their peers from around the world, and Adobe executives enjoy the engagement and strategic business analysis with their leadership bench.

As noted, ALE was so well received that Adobe introduced ABL to extend similar training for director-level leaders and further develop its bench.

“The growth of our business depends on the growth and development of our people. TRI Corporation is helping us build an even deeper bench of leaders who excel in their current roles and are ready to take on greater responsibilities,” SVP Morris says.