

Seeding the Next Generation of Leaders

FINRA EXCELLENCE IN MANAGEMENT PROGRAM

The Challenge

How does a traditional, not-for-profit financial industry regulator find a way to break down silos within its organization while building leadership and critical-thinking skills for its high-potential managers? That was the challenge facing FINRA, an independent organization authorized by Congress to protect America's investors by ensuring the securities industry operates fairly and honestly.

“Once you’ve gone through our Wharton Leadership Program, you’ve seen a better way—you’ve learned from the masters at doing this. We hope as our FINRA managers move into future leadership positions, they will make use of all of this knowledge and training to be better leaders and make FINRA a better company.”

— Arlene Sha, Director of Training and Development,
Human Resources, FINRA

The Goals

Coming off the heels of a long and costly advanced leadership program, FINRA's Training and Development team needed a better way to galvanize its leaders into more strategic, collaborative thinkers and build more effective organization capability.

“We wanted them to have an immersion experience and lift them away from their day-to-day work,” recalls Arlene Sha, Director of Training and Development, Human Resources for FINRA.

FINRA occupies a highly unusual space as a nonprofit and a quasi-government agency without traditional customers, manufacturing, or sales divisions. It shares with the corporate world the need to attract strong managers who believe in its mission.

What Sha initially planned as outreach for mid-level managers became a program for FINRA's senior leaders, who recognized how Wharton could accelerate their own leadership acumen.



THE IMPACT

- Over the last decade, the FINRA Leadership Program@Wharton and the FINRA Excellence in Management Program have graduated 138 and 83 senior leaders, respectively, with many program participants building powerful networks with program alumni.
- The community of executive learners has transformed FINRA's culture—seeding the next generation of leaders—while enhancing its ability to serve investors.
- Since the program's start, 72 graduates of the programs have been promoted—some earning multiple promotions.

The Solution

The FINRA Leadership Development Program@Wharton targets FINRA's high-potential, high-performing leaders, who have been identified to take on higher-level roles in the future.

The week-long learning experience addresses these competencies: strategic thinking, relationship building, communications techniques to engage and influence, managing across boundaries, and leading organizational change.

"What I like about Wharton is so many faculty members have worked with businesses or have clients outside of academia, so they get it. They have the theoretical knowledge but also the ability to translate that knowledge into real world business," explains Sha. "To have our folks come in from different departments, start building their network across FINRA, and break down silos, it was worth its weight in gold.

"We started with one program and had such success that we decided to design a second program and take the learning down to the next level of managers in our organization," says Sha.

The new program, FINRA Excellence in Management Program at Wharton, helps move mid-level leaders from a tactical view to a more strategic mindset. FINRA alternates the two programs every other year to continue to build the capabilities of its high-potential employees.

"These leaders run their department, but now they are starting to bridge gaps with other departments—they are starting to think about working strategically. They're looking at really coaching and mentoring their staff to inspire higher-level engagement and motivation," notes Sha, who appreciated how much Wharton customized the curriculum to her company's unique needs, including creating FINRA-specific case studies.

Alumni of the first program helped develop the new program curriculum, which includes an action-learning project and emphasizes six core competencies: critical thinking, decision-making framing, emotional intelligence, leading effective teams, enterprise thinking, and leadership presence.

Post-Program Engagement

To reinforce ongoing learning, FINRA has added three virtual follow-up sessions led by Wharton faculty chosen by the program participants. FINRA schedules the one-hour talks monthly, reserving video conference rooms at the main company locations so program alumni from prior years can gather together to watch and share best practices with each other, facilitated by a Wharton faculty member.



THE IMPACT *(continued)*

- Participants show a high commitment to FINRA, with generally lower attrition rates than the rest of the company.
- Managers note a 90 percent improvement in leadership competencies of the participants in key target areas.
- Many action learning projects (ALP) developed during the second program get presented and implemented, which has helped build the case for FINRA's return on investment for this program.

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