

# Case Study: Core Levers to Effectively Achieve Results

By Laura Stone and Gus Garfield

This is a true story about a continuing journey of growth, self and group awareness, trust, and focus. The key characters include an internal team of decision analysis consultants (whom we will call the Analytics Team or A-Team here) in a large healthcare company, an internal organization development expert and StoneWorks Strategic Consulting, Inc. Dedicated and bright team members leveraged data to produce major change, sustain results and model a strategic change process in an increasingly complex industry and environment. This story will highlight the research premise, the stimulus for the work, the milestones that drove the progress, the results achieved, and the team's current state and conclude with what lies ahead in their future.

## Our Approach

We start with a few basic premises:

- Focusing a leader's thinking on a combination of key thoughts allows him/her to drive different actions which lead to superior results.
- The focus which leads to superior results comes from an understanding of whom and how organization serves – why it exists and who are the stakeholders.
- Measuring success, and making choices and strategies which lead the organization to success, is tied to understanding the stakeholders – delivering what they want and expect is the *raison d'être* of the organization.

To realize the potential of these premises with an organization we concentrate our work in four areas:

1. Understanding stakeholder needs and expectations
2. Measuring how well the organization is doing in meeting those expectations
3. Creating a shared understanding about where the organization is going, including its Purpose and how the organization will meet the expectations of the stakeholders
4. Creating a strategy – the roadmap for getting where the organization wants to go

Central to the achievement of all of this, then, are the results, behaviors, actions, and thoughts of the leaders and their organizations. If we can enhance the way the organization moves along its strategic

pathway, we should be able to enhance the outcomes of the organization as well.

## Beginning at the Beginning

The work we have been doing with the A-Team has a base in organizational development research, particularly the work of David McClelland and David Burnham on the connection between thoughts, behaviors, and results.

Behavior training programs typically achieve sustainable change at the same rate as reading a book or doing nothing, which is 10-30% of the time (Goleman, Emotional Intelligence). Motive training focuses on the thoughts, not the actions, that leaders think about in order to achieve results. This type of training increases the probability of success by a minimum of 66%.

We draw on the empirical research of David McClelland and David Burnham: if you focus a leader's thinking on combination of key thoughts, you can achieve superior performance. The empirical research is taught through a training workshop, *InterActive Leadership™*. This workshop helps the participant understand the value of motives, how they impact our behavior and outcomes, and the critical thoughts that are direct correlates to superior performance. In essence, the workshop provides awareness to our own thinking that allows us to make conscious choices. No other body of research provides this kind of path of opportunity to superior results.

## The Stimulus

The A-Team had a number of reasons for making major changes. They were experiencing rapid growth in project areas and staffing, leading to increased organizational demands. Senior management had asked the department to cut \$5 million of the use of vendor consulting services firm, keeping the work internal and “doing more with less.” They expanded from a group that previously covered two to three project areas to a much broader “explosive” reach, thus they needed to reorganize structurally from two areas, commercial and research, into several practice areas in order to support the client demands. The size of the group grew from three to over forty in less than five years, thus they grew their leadership team from three members to

six. The new leadership team needed to spread the focus and responsibility, and to think about how to best manage and develop the practice areas. Last but not least, team morale was low. For several reasons a few key people had left the group, and the environment was competitive instead of collaborative. Team members were focused more on their own promotions rather than on the overall needs of the department or, more critically, the organizational demands.

### **The Data**

This group consisted of data analysis experts, therefore qualitative feedback in a “soft” arena like leadership development and organizational effectiveness would not be compelling enough to gain the necessary commitment, *raison d’être*, to the kind of change required for superior performance. Data was needed and lots of it! For qualitative data StoneWorks interviewed the leadership team, department members and stakeholders, defined as key executives whose influence and impact are critical in the organization. Quantitative data was gathered by assessing the team’s morale with the Organization Culture Survey™ based on David Burnham’s empirical research. Lastly, we gained additional qualitative feedback from the frustrated department members.

Analysis of the feedback painted a contrasting picture. On one end of the spectrum the stakeholders’ interviews gave a particularly favorable description of the department’s work, the caliber of their people and their impact in the organization. The leadership team members were quite aligned with their stakeholders in regard to what the stakeholders valued most and how well the department was delivering on their needs. In addition, the department fared well with primary recommendations about how to streamline their processes.

On the other end of the spectrum, the culture survey results for the entire department were just mediocre. The results landed just above average, predicting that performance would follow suit if they did not address critical issues. This was a huge wake up call to some of the leadership team members. In addition, the leadership team’s morale mirrored what their people were feeling: an environment that was simply “Okay.” The qualitative feedback from the department described a group that was wearing thin and feeling highly frustrated with the leadership team’s lack of direction and management ability. The promotion process was mystifying and a moving target. The role of the group was in question: were they operating as a team or a group, and was this a stepping stone or a place to land? Team members

were looking to the leadership team for answers and support.

### **Milestones to Drive Progress**

After the data was reviewed and validated the leadership team realized they needed to change. In July 2003, the leadership team reflected on the feedback from their stakeholders and their team members and the results from the culture survey. They then asked the question “What would make us proud?” Pride in work is one of the key thoughts that help drive superior performance, and clarity of purpose is critical for building an effective strategy. The powerful synergy of vision (ideal future state 3-5 years out), mission (why we exist) and purpose (what will make us proud) provides a beacon to guide work, set priorities, make difficult decisions, rally colleagues and realign when necessary.

Purpose statements are less about the statement (unlike vision statements that can be plastered on walls, mugs and cubicles) and more about the dialogue that goes into crafting them. Dialogue surfaces central personal data, such as what individuals find meaningful and how their experiences have been influential. Similarities are identified and serve to draw the team together, for this is the foundation upon which to build their strategy. Differences are also honored and serve to make each person unique. By understanding what brings each of them together, the leadership team members had the opportunity to see behind a curtain that usually is drawn in the corporate world.

Through lengthy dialogue the leadership team came to critical realizations. They did not need to learn how to analyze data better or to understand the current processes since they were the ones who had designed them in the first place. Instead, it was now time to help others learn and develop so that the leadership team could focus on the strategic direction, high impact projects and clearing the way for their people to excel in leading project teams. This was a large pill to swallow since it was their own individual achievement that helped them be successful and get to where they were today, and they were unambiguous that this approach would no longer work. The development of the leadership team’s purpose statement gave the team clear insight that they needed to be thinking about developing others, and not focused on their own individual achievement. In essence, their strategy is all about how they will achieve their purpose.

By having the right data and exploring purpose, the leadership team realized three key things. First, *they* personally needed to be different in order to expect different results; otherwise it would be more of the

same. Second, they had to identify key focus areas that would yield improved performance. Third, they realized that the thinking that had made leaders successful in the past was not the same thinking that was needed for today.

### **Sharing the data**

Shortly after the leadership team meeting the entire department came together to review the same data. The department integration process began and created the opportunity for all to be part of the change needed. They needed an event to talk, learn and listen to each other in a way that they would truly take in what others were saying. At this meeting the leadership team delivered both exciting and humbling messages. The exciting message was the overwhelmingly positive feedback from key stakeholders. The team appreciated knowing their hard work and efforts were being recognized not only by their bosses but also the most senior executives. The humbling message came with sharing the culture survey data. The leadership team came clean about their realizations and shared that they wanted the department's help in understanding the data more fully. Together the department explored the survey results and once again the dialogue enabled people to gain greater insight.

During this time together the department drafted their own purpose statement, and two critical views surfaced from their dialogue. The team was divided about why they were there (besides a paycheck). Part of the team was connected to being part of a company that saves lives, and the other part was driven by returning investment to the stockholders. What evolved was the realization that there is room for both and that both the concept of saving lives and increasing stockholder return were important. One did not trump the other, and in fact people needed to recognize and honor the differences while also leveraging the similarities. Collectively the department was driven by being part of helping client teams make solid decisions about their portfolio analysis. The value they added beamed through them and could be leveraged to create goals to make a significant difference in the company's future –to patients, stockholders and the teams with which they partnered.

Through the purpose dialogue process, they had a greater awareness that certain issues are part of doing business and are inherent to the environment. For example, there was a perception that working in this group was simply a stepping stone to the rest of the organization versus being a place to have a career. One of the reasons this issue kept circling was that when people left the department, those that remained felt badly – as if they had failed to retain them.

People were not recognizing that people move on for a number of reasons, and not all of them imply any failure. Through the dialogue the issue seemed to dissipate. It was reported that there were no longer endless water cooler debates. By the end of the meeting the team was fired up, engaged and had developed goals that were focused on how they could be part of the solution of improving the department's culture and achieving superior results at the same time.

### **Beyond the insights**

Once the initial feedback meetings were completed the follow through began. Change implementation included a series of meetings, events and workshops that contributed to helping the leadership team learn the thoughts needed in order to make the necessary changes, to deal with the tough conversations they would be having and to follow through on the commitments. Within a couple of months of the department meeting a few key changes occurred. The leadership team attended *InterActive Leadership™*. This workshop gave them a common language that would focus their collective thinking in an impactful way. They attained greater clarity about how their thoughts impact their situation and they identified their individual leadership gaps. Through coaching from StoneWorks and support from one another, the leadership team began to put issues on the table in a constructive manner that made it easier for them to tackle areas they had never fully addressed.

The leadership team set up regular multi-hour meetings focused solely on making progress on strategic goals. These meetings were fundamentally different than the bi-monthly operational meetings. They endeavored to keep their focus strictly on strategic issues. Like many other teams, they were very good at tackling issues that offered quick wins and learning to follow through on issues that needed a series of strategic meetings tested their patience level. In order to address bigger issues constructively, they had to change their thinking and understand that it would take more time to make progress. This may sound obvious on the surface; however, the big, hairy issues are usually complex in nature and loaded with personal opinions. The group needs time to work through them in a productive manner to yield outstanding results.

As a result, the promotion issue that plagued the department was finally dealt with in a systematic way by the leadership team. The topic focus lasted three months; they had never conducted an honest and candid review of everyone in the department from a multiple view vantage point. In the past, each leader would represent their own direct reports, trying to be persuasive and sometimes manipulative in order to

give their people the promotion and recognition they so much wanted. The problem was that the leadership team only understood the individual's contribution from one leader's perspective. Thus, if a particular leader was not convincing or influential, it was perceived by his direct reports that he/she failed them.

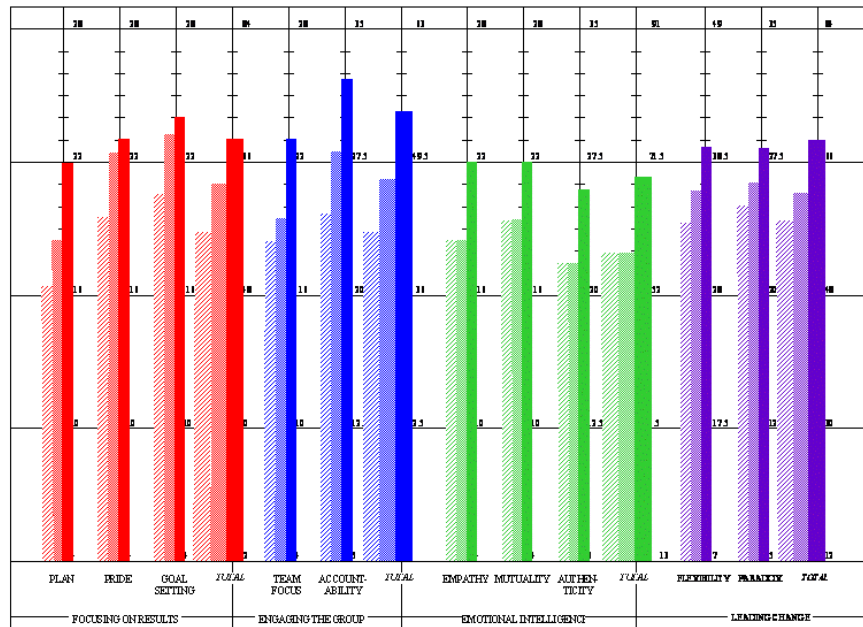
One of the changes the leadership team made along the way was creating a process for assigning new projects. They began shifting opportunities beyond their team leader's projects and location and allowed team members to work with different leaders, exposing them to different leadership talents, different parts of the organization and new project challenges. The result of this cross-fertilization was that each leadership team member now had personal experience working with people beyond his/her

reporting line. As a result, their promotion dialogue became much richer. This shift in dialogue required the leaders to let go and to think about what was best for the department and the company. No longer was it the sole responsibility of the one leader, but a collective shared accountability to make promotion decisions. The process was now more transparent and fair to the leadership team as well as to the team members. Adding to increased transparency, the leadership team changed how projects were assigned. Instead of the leaders assigning new projects, opportunities were posted on the intranet and members could apply. These changes, along with others, have positively contributed to the department feeling that they have more control, choices and opportunities. Trust and candor were building.

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## A-Team - Organization Culture Comparison: 2003 vs. 2004 vs. 2005

Legend:  
 2003 Results = Left Column (N=5)  
 2004 Results = Middle Column (N=5)  
 2005 Results = Right Column (N=5)



Prepared by StoneWorks Strategic Consulting, Inc.

## Results Achieved

This department is now seen as trusted advisors to the most senior levels of management. Their work is more impactful, less tactical and they have succeeded at saving the company the \$5 million in consulting services annually. Their participation in critical portfolio decisions is now viewed as a given. Coupled with this result is a streamlined process for how teams bring their analysis to senior counsel. Because of their work, client product teams now provide the governing bodies the necessary analysis with clarity about the resources needed to make decisions the first time around - saving precious time at all levels in the organization and significantly reducing cycle time.

In New York, the leadership team broadened the scope of work to move beyond seeing the organization in just two areas (commercial and research) with two leaders overseeing them, respectively. This would have become impossible to manage in the current structure given the growth and demand. By establishing multiple practice areas they achieved shared accountability and clear lines of responsibility without competing.

Structurally, the department created account managers. As a result, clients are clear about having a point of contact for the decision analysis needs along with access to additional insights about what the team can offer. This has provided a greater span of support for new practice areas. The account managers have more accountability and ownership.

*“We wouldn’t have been able to gain clarity around accountabilities and collaboration with the team had we not dedicated the time we needed to understanding ourselves, learning and listening to each other.”*

*- Department Head*

The leadership team is now able to deploy resources with much greater flexibility and fluidity and this is being examined as a model for a large part of the commercial side of the business. Recruiting top talent has also become much easier as this team works with high exposure, high impact areas of the largest part of the business and are involved in more practice areas than ever before.

In reflection, the group leader sees that, “We broke the mold. By knowing what motivates each other, our communication style, we are much more open with each other. When things appear not to be working, instead of internalizing it, we talk about it. It’s made us more trusting and collaborative. This is

primarily because I trust that when my colleagues speak, they have the company’s best interest in mind.”

Two years after the first data results were shared, morale in the department was re-assessed. The participation for the survey increased from 45% to 98%, and the results increased exponentially as well. Impressively, the leadership team improved by a full quartile and moved into the top quartile and the department as a whole has made progress across the board. In the debrief meeting the leadership team shared that they were not surprised. “The environment feels better. We have made huge progress and it’s an exciting place to be.”

Two years into their work, the leadership team’s original purpose statement that helped initiate their successful changes now seemed to fall short. Collectively they agreed they did not want to rewrite it but added a component about helping guide the organization in strategic decisions, turning it into a far reaching purpose that will continue to expand their impact. It parallels well with their current role, as partners in highly visible strategic issues that affect the entire organization.

## The Future

The next frontier for this team covers the gamut. On one end is about gaining greater leverage from the recently promoted directors. These team members represent a new phenomenon for the department since they have never had this level, number or caliber. Those who report directly to the leadership team have culture scores that have not increased like the rest of the department, and the leadership team is diving head first into understanding the reasons behind this lag. As one of the leaders mentioned, “We clearly need to continue understanding what is driving our culture, what’s underneath it.” Title change motivation is short term. Now this team is faced with questions such as, how do we leverage people with proven track records? How do we help them grow as leaders and leverage them to motivate the next generation? As matter of course the leadership team will be working with the directors to figure this out and once again share the responsibility for success.

On the other end of the gamut, the leadership team continues to play an imperative role in helping senior leadership work through unprecedented territory. Even though these guys admit it is scary at times, the position is exciting and they would not want to miss it for the world. When reflecting over the last two years, the group leader shared, “It is not one piece (event, meeting or training) that stands out, but a combination of the whole that made it work.”

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