

## **Getting Fit For a Deregulated Market**

### **Background**

Our client was a national utility provider which needed to improve its operational excellence and customer service if it was to survive in the impending deregulated market. The organisation operated within silos, decisions got continually deferred up the hierarchy, and no one felt responsible for improving the processes that lay across organisational boundaries. A new Chief Operating Officer had been appointed to shift this culture in order to dramatically improve its performance and build the organisation's capability to win in the increasingly competitive market place.

### **Our role**

Our role was to support the newly arrived COO and his Operational Excellence Leadership Team in leading this transformation, a role which continued over a 3-4 year period. This role included:

- Coaching the COO on his own personal leadership style and how to create the conditions within the organisation for more empowered and 'joined up' working
- Building the capability of the Leadership Team to work on their own processes and dynamics and to see how, by getting more aligned and ambitious as a leadership team, that they could raise the performance of the organisation around them
- Supporting the establishment of cross-organisational performance improvement work streams, and building their skills in how to coach the organisation around them to think and act differently
- Coaching the leadership team on how to create a compelling story for the transformation, building this into a creative metaphor and engaging the entire 8000 staff with highly interactive communications that built felt ownership for the change
- Running change management and facilitation skills development programmes with the internal HR/Organisational Development specialists to build their capability to coach the business to transform
- Working with the Team Leaders in the Customer Call Centres to improve their communication styles in creating a more productive and performance driven work climate

### **Outcomes**

At the end of our assignment our client had moved from being voted number 3 in the market for customer service to number one. This had been done by creating urgency in the organisation that things had to change, by improving the operational systems that were broken, and by building a culture in which people took more responsibility and felt more capable to solve the recurring performance issues.

With the improved reliability of the administrative and operational processes, the customer value proposition became reliable and flawless. As a consequence customer loyalty improved dramatically but also the success rates of the marketing campaigns both in the BtoC and BtoB segments. As a consequence gross margin went up considerably. During the review period bottom line performance more than tripled.

### **COO learnings & reflections:**

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Never think that creating the 'case for change' is a once off activity; relevance for the change has to be continually created in order to avoid organisational inertia. The dynamics of the top team will always 'spill out' into the organisation around them. Don't pay attention to this at your peril.

Establishing connections between the top leadership team and the operational staff in the customers service centres (2500 staff) was key. Subsequently staff were given space to come up with suggestions for improvement but also held accountable to realise and execute their suggestions for improvement. A true performance culture was eventually established across the organisation.

A key learning was to invest in developing the required leadership skills across the organisation to ensure that all middle managers displayed the right behaviours and communication skills depending on the leadership challenge. Whilst this process was managed respectfully it led to a substantial change replacement of middle managers and a pre dominant coaching for performance leadership style.