BUSINESS CASE:

A Customized Change Plan Delivers Results Beyond Expectation

BWT Bellwether Transformations

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Transformations

In 2012, a leader in the global travel services industry made a dramatic change in how it operated.

The change impacted 4,500 agents and leaders located in major cities around the world. The organization sought to increase its competitiveness and ultimately its revenue and profitability. Two business objectives were considered fundamental to achieving this strategic objective:

• Increase its "Recommend to a Friend" (RTF) score on customer surveys; and

• Satisfy customer expectations around an agent's ability to provide local destination information – flights, hotels, services and sightseeing.

To achieve its business objectives, the organization invested in an analytics and reporting add-on to its existing customer relationship management (CRM) system. The add-on was needed to track and report RTF scores at the individual, team, site and organizational level.

To capture agent local knowledge of restaurants, hotels and sights, the organization invested in a social intranet. The new system had a unique challenge. It needed to be able to capture content in a number of different languages, make the content accessible to all agents in the global network and translate it into every agent's working language. For example, a French agent's recommendation for a new restaurant in Paris' Latin Quarter needed to be available in Spanish to an agent in Mexico City.

Decision to pace the change leads to laser focus

The organization paced the change. The decision ensured that the global network put laser focus on the organization's priorities.

Year 1 — Provide agents and leaders with the skills, knowledge and reporting to adopt the behaviours that increase RTF scores on customer surveys.

Year 2 — Reinforce the skills and behaviours that increase RTF. Train and build a self-regulated community of contributing agents to take ownership of the social intranet. Populate social intranet content with the top 25 national and top 25 international destinations.

Year 3 — Launch the social intranet to enable the global network to easily provide customers with local destination information, including flights, hotels, services and sightseeing.

Balancing vanilla tactics and customization the secret to this smart plan for change

An impact assessment was conducted, and each area of the change plan leveraged the insights found in the assessment. The goal: identify those levers that would net 80% of the results with 20% of the effort.

Throughout the plan, the change team made calculated decisions around change levers, use of vanilla tactics and when customizing would lead to optimal effectiveness. See the **Powerful Insights Drive Decisions** section on the following page for highlights from the impact assessment.

Powerful insights drive decisions

Examining the organization from varied levels and angles resulted in insights captured in the table below. These powerful insights drove the design of the customized change plan.

Culture	• Organization is already an industry leader in customer satisfaction. • Front-line employees are highly motivated to deliver positive customer experience. • Agents, teams and sites are used to working independently and are unaccustomed to working together as a global network.
Change Readiness	• Many managers are long-time friends with direct reports and are uncomfortable having performance management conversations. • An element of the leadership team lacks skills, ability and attitude to drive change. • Agents are rewarded for individual performance.
High Level Impacts	• Agents have low motivation to change, "we're already an industry leader." • Agents have hidden reservations about sharing knowledge with colleagues. "Sharing what I know means I am helping someone else win a seat on the annual recognition trip."
Process Impacts	• Agents' technical proficiency has little bearing on a positive RTF score. • Agents' ability to deeply and personally connect with the customer, even when unable to resolve a customer problem, is the key factor in a positive RTF score. • Agents who share knowledge on the social intranet are taking time away from activities linked to compensation.
Change Impacts	• Agents lack autonomy to solve key problems during a customer call. • Agents find it difficult to accept that they have sufficient influence on the RTF score, when many problems, such as flight delays, seat availability or hotel pricing are outside their control. • Agents feel time pressured and expect to find high-quality content worth searching for on the social intranet.

Communications and engagement: Accentuate the positive

Because of the highly motived, customer-focused culture, the change team decided to accentuate the positive and what was already being done well. The change was about going from good to extraordinary. Three key tactics created line of sight between agent and front-line manager performance and the objectives of the business.

1. A dramatic experiential event set the stage to announce the move from good to outstanding customer service. Front-line managers flew to Louisiana to take part in an authentic New Orleans jazz funeral being held to honor the passing of the ordinary customer experience. The death of the past made way for the birth of the extraordinary customer experience.

2. Team meetings and management calls were key to communication and focus. While the tactic was a vanilla communications tactic used in many change management plans, the project customized the parameters of meetings by mandating the inclusion of:
   • Best agent/best call of the week; and
   • RTF high scores as well as calls and letters received from customers.

3. A weekly team celebration spotlighted the agent with the best RTF score for the week, best customer letter or call. Balloons were used to generate attention and reinforce the positive along the way.

Celebrating success was further customized through a personalized, hand-written note (5-10 per week) from the senior division leaders to the agents who received the top customer feedback in the form of calls and letters.

To build a community of agents from across the organization, the change team needed to overcome a culture that:

• Only rewarded individual contribution; and

• Was unaccustomed to working together as a global network.

In response, the change team deployed both customized and vanilla tactics to

launch the organization's social intranet community-building efforts. The jump off point was the annual recognition trip to create change champions from among the organization's top performers. Here is how they did it:

1. Experiential events, including a play, were woven throughout the duration of the trip to seed the idea "we're better together" among top performers.

2. Messaging linked collaboration to the trip's theme – Extraordinary Performance.

3. Toolkits, a vanilla tactic, helped enthusiastic champions carry the message to their peers back home.

Once the social intranet was live, the team turned to another familiar vanilla tool — the newsletter. The team gave the newsletter a narrow focus: feature new content available on the social intranet and recognize community agents for their content contribution.

Skills Training:
Customize to overcome resistance

The change plan used a number of vanilla tools to deliver the right training at the right time for both RTF and the social intranet. Tools included web-based learning, train-the-trainer and on the job learning.

The social intranet required straightforward skills, which were delivered through web-based training. Pre-launch, agents were taught how to add their knowledge to the system. Post-launch, agents learned how to effectively search the social intranet's local destination content.

Conversely, increasing RTF required a highly customized approach. During one-and-a-half days of training, agents learned skills and behaviours necessary to creating deep customer connections, as well as technical best practices and how to receive coaching. Training for managers focused on how to coach employees and lead them through the new skills and behaviours.

Two key insights from the impact assessment drove customization:

1. An agent's ability to deeply and personally connect with the customer, even when unable to resolve a customer problem was the key factor in a positive RTF score.

2. Agents found it difficult to accept that they had sufficient influence on the RTF score, when many problems, such as flight delays, seat availability or hotel pricing were outside their control.

The change team's customized approach to both training and ongoing coaching:

1. Used the analytic tool to source similar customer situations with dramatically different RTF scores. Calls were analysed to uncover the behaviours critical to creating a deep connection. Those behaviours became the soul of a new five step-process to an effective call.

2. Included the actual calls as part of the training to showcase the differences in results despite both agents being equally constrained by factors outside their control.

3. Instituted weekly coaching to reinforce the five-step process of the effective call and strengthen agent skills introduced in training. At each coaching session, agents listened to clips from their calls as well as similar calls handled by other agents.

To give managers the ability to search, listen and clip calls, the organization customized the analytics and reporting system to enable the functionality.

Organization and performance design – focus on people, results and behaviours

Success starts with having the right people in the right roles. But, the organization knew that it had leaders who lacked skills and the right attitude to lead change. It was a problem that had left previous projects floundering.

This time, the senior executive made a bold decision. Over a six month period, the executive changed out leaders who displayed low support for the project or who were insufficiently skilled to be successful in the role.

Three additional tactics ensured people were in the right roles and were given the

proper level of autonomy to be successful in solving customer problems. Targeted customization made a dramatic difference in overcoming historical cultural barriers as well as influencing RTF scores. For example, the change team:

1. Instituted quarterly performance meetings between leaders and agents who received poor RTF scores for the quarter. For the next three months, managers coached underperforming agents to improve their skills. In instances where agents continued to receive low RTF scores despite coaching, they were put on a formal performance improvement plan. If by the third quarter, an agent displayed insufficient RTF improvement, he or she was moved into another role or let go.

2. Culturally, for team leaders who often were friends with agents, this was a difficult shift. To overcome the challenge, the team leader's manager sat in on the meeting. The manager's role was to support the team leader and, if necessary, demonstrate empathy and explain to agents why it made sense for them to move out of the role.

3. Updated role descriptions in a minimal but vital way. The changes focused on team lead and agent autonomy, empowering the right role to resolve the right customer problems. Targeted customization isolated the situations where each role had the most influence on RTF scores when resolving customer issues.

As a result, agents were able to handle issues that previously required escalation to the team lead. For example, an agent dealing with a customer calling about a seat assignment error could now rebate the customer the fee. Likewise, agents were empowered to offer perks to offset customer inconvenience.

In select situations accountability remained with team leads, despite the agent's ability to resolve the issue. The reason: a second call from a manager made customers feel heard and appreciated, which resulted in higher RTF scores for the call.

The change team customized two performance management tools. Both focused agents and leaders on the behaviours and results needed to achieve the desired strategic goal — increased competitiveness. To achieve this, the change team:

1. Redesigned agent and team leader compensation to simplify performance and focus people on the right results and the right behaviours. The redesigned compensation program also included a material variable bonus component based on the individual's RTF score.

2. Integrated RTF scores into the annual recognition trip. Senior executives showcased customer calls during the trip and awarded a trip to the agent with the best RTF results.

While customization was a big part of the organization and performance tactics to increase RTF, the social intranet leveraged a key vanilla tactic – the existing recognition program.

The change team knew it needed to reinforce the notion of collaboration and "We're better together." It was also aware the organization was making a new ask of time-strapped agents — one that took them away from activities for which they were compensated.

To reinforce collaboration, a centralized resource acted as the community manager. The role set community standards, monitored content quality, engaged agents and recognized participation.

To encourage the right behaviours, the community manager used the existing recognition program. Its collectable points, redeemable for merchandise, provided a tangible reward for agents who shared their knowledge with the global network.

RESULTS:

Year 1	Year 2	Year 3
• RTF all customer segments at 70% – up 19% year-over-year and 5% over target.	• RTF all customer segments at 74% – up 4% year-over-year increase and 1% off target.	• Social intranet user penetration at 50% – on target.
• The five-step process of an effective call and RTF coaching fully integrated into daily operations.	• RTF high-value customer segment at 85%.	• Agents who were active social intranet users achieved higher RTF scores.
	• Social intranet populated with local information for the top 25 national and international destinations.	