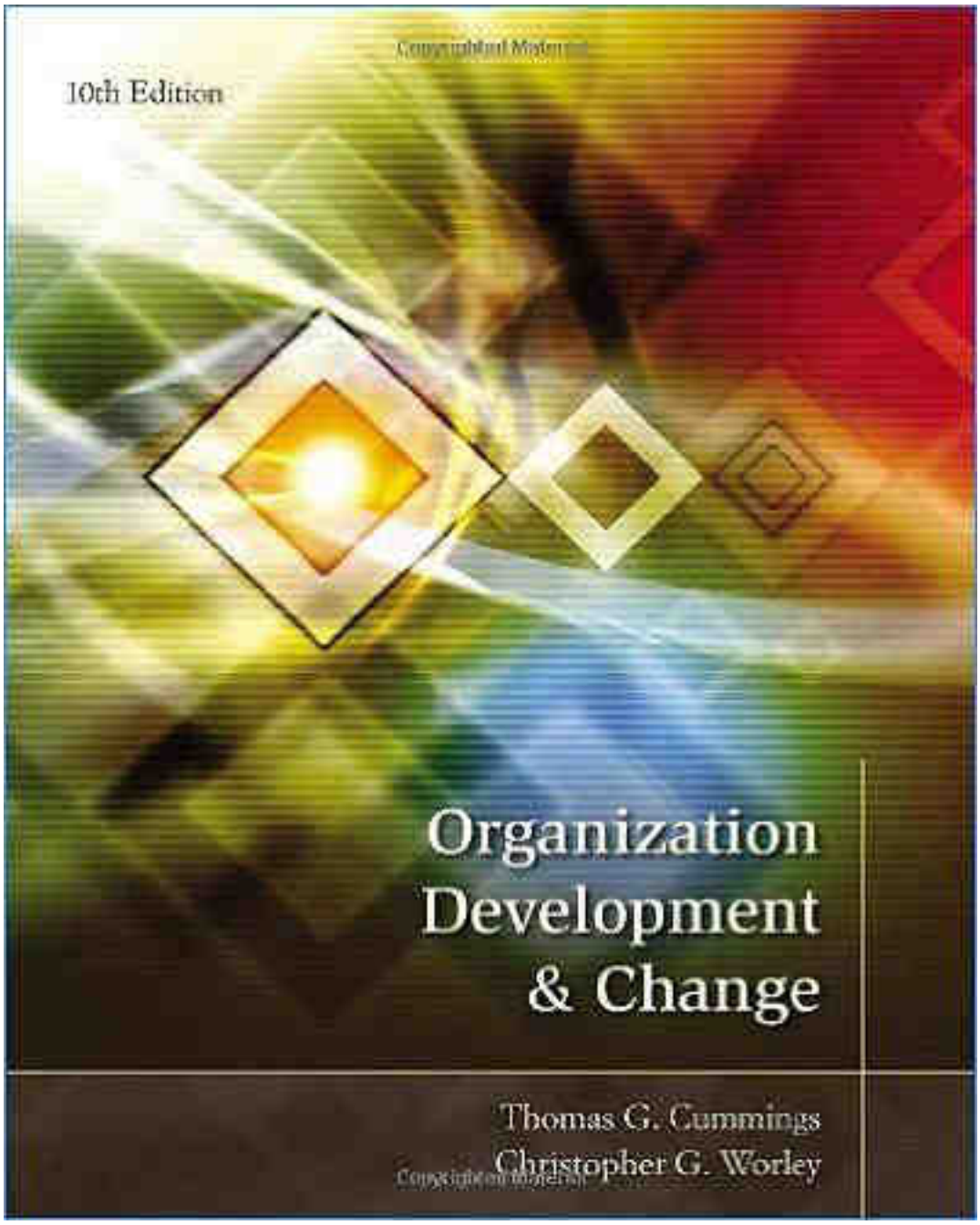
10th Edition
Organization
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Large Group Interventions at Airbus' ICT Organization*

Airbus, an EADS company, is one of the leading aircraft manufacturers in the world. Its customer focus, commercial know-how, technological leadership, and manufacturing efficiency have propelled it to the forefront of the industry. With revenues of over €38 billion in 2012 and an industry record backlog of 4,682 aircraft valued at over €523 billion, Airbus today consistently captures about half of all commercial airliner orders.

Headquartered in Toulouse, France, Airbus is a truly global enterprise of some 55,000 employees, with fully owned subsidiaries in the United States, China, Japan, and the Middle East; spare parts centers in Hamburg, Frankfurt, Washington, Beijing, Dubai, and Singapore; training centers in Toulouse, Miami, Hamburg, Bangalore, and Beijing; and more than 150 field service offices around the world round out its physical footprint. Airbus also relies on industrial cooperation and partnerships with major companies all over the world, and a network of some 1,600 suppliers in 30 countries.

This case describes the launch of a transformation process that has taken root in Airbus' Information and Communication Technology (ICT) function. ICT is a transnational group of around 1,300 information system professionals located wherever Airbus operates. ICT develops, maintains, and operates—24 hours a day, 365 days a year—every facet of the information systems that enable Airbus' core business processes.

* Susan Donnan, Airbus; Roland L. Sullivan, Sullivan Transformation Agents Pte. Ltd.

THE CHANGE CHALLENGE

Guus Dekkers joined Airbus as Chief Information Officer in June 2008. The organization he inherited had been split, integrated, and split again in a series of reorganizations over the previous seven years. Not surprisingly, he faced a change-fatigued and cynical ICT workforce. Moreover, the reorganizations had not produced the results that Airbus top management was expecting with respect to time, cost, and quality objectives in projects or improved productivity in service delivery.

At the same time, the continuing global financial and economic crisis along with the intense competition in the aircraft manufacturing industry resulted in increasing budget pressures, growing business demands, changing business models, and increasingly disenchanted internal customers. The performance of his function needed to improve significantly and fast.

In his first year, Dekkers formed a new executive team with a mix of experienced internal managers, newcomers from outside Airbus, and others from outside the aviation industry. He worked with his new team and a core group of middle managers to define ICT's new vision, mission, and customer-facing transnational organization (Figure 1). However, he knew that these changes were only the beginning. It could take months, or even years, to formulate and implement the necessary changes.

[Insert Figure C3.2.1 here]

Figure 1

The New ICT Organization (~2009)

[End Figure C3.2.1]

Dekkers asked Susan Donnan to guide the implementation process as his internal change agent. She had the right background, education, and experience to facilitate large-scale change in organizations. She joined Dekker's team in July 2009.

THE CHANGE STRATEGY

Working from her belief that high performance results when all parts of an organization's design are aligned, Donnan searched for a change methodology that would simultaneously reconfigure design features and engage a critical mass of organizational members at all levels. She had studied large group interventions during her Masters of Science in Organization Development (MSOD) degree program at Pepperdine University. In addition, through her consulting work, she had experienced a variety of large group interactive events as a participant, a member of a design team, and a member of a logistics team that supported an event. She was convinced that such an intervention should be a central element of the change methodology. She considered a variety of

these large group methods, including the Appreciative Inquiry Summit and Future Search, but was concerned that the current culture would not support such approaches.

In the end, she selected a process known as Whole Systems Transformation (WST), a process developed and refined by Roland Sullivan. Like other large group interventions, it is designed to help leaders engage a large, critical, and representative segment of the organization. It combines best practices in action research, small group dynamics, and large group dynamics. Unlike other large group interventions, it leads with alignment and transformation of the executive team, then transforms a critical mass of the organization, and follows up with efforts to sustain the transformation. In her experience, Donnan knew too well that an aligned leadership team was a critical success factor for transformation. She contracted with Sullivan to provide external consulting support.

INITIATING CHANGE AT ICT

Phase 1: Contracting with the Leadership Team

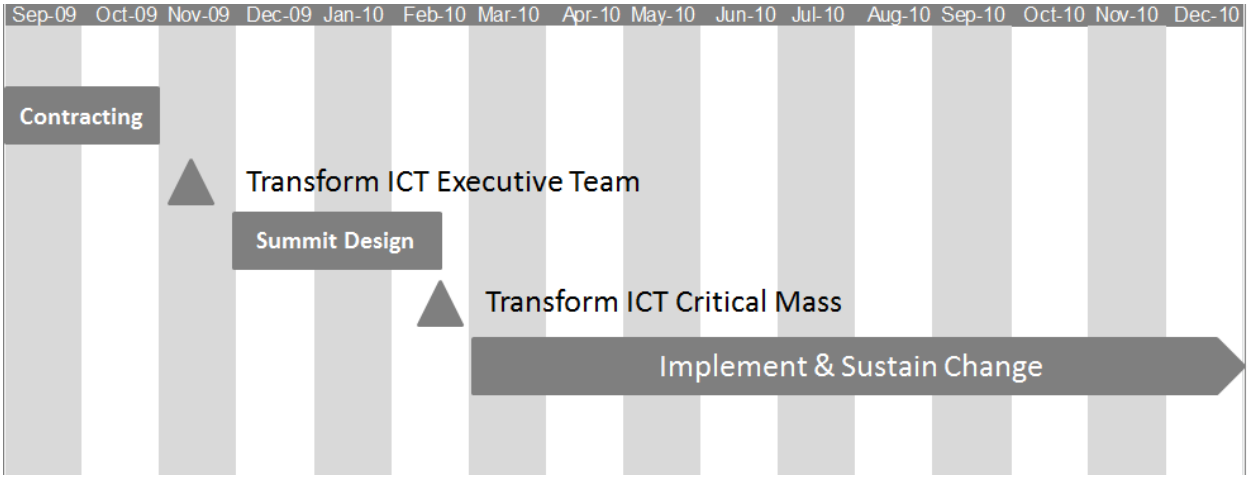
Like most large organizations, Airbus had adopted a traditional change management approach—top management announced the change and facilitated it through extensive communication. To implement a change strategy that was clearly outside the organization's norm, Donnan needed to convince Dekkers and his team that the traditional approach would be too slow and produce incremental change at best.

Her process began by securing executive commitment one-step-at-a-time while painting the picture for the whole journey. For example, Donnan presented a roadmap (Figure 2) that outlined the different milestones for the WST process.

[Insert Figure C3.2.2 here]

Figure 2

ICT Transformation Roadmap



[End Figure C3.2.2]

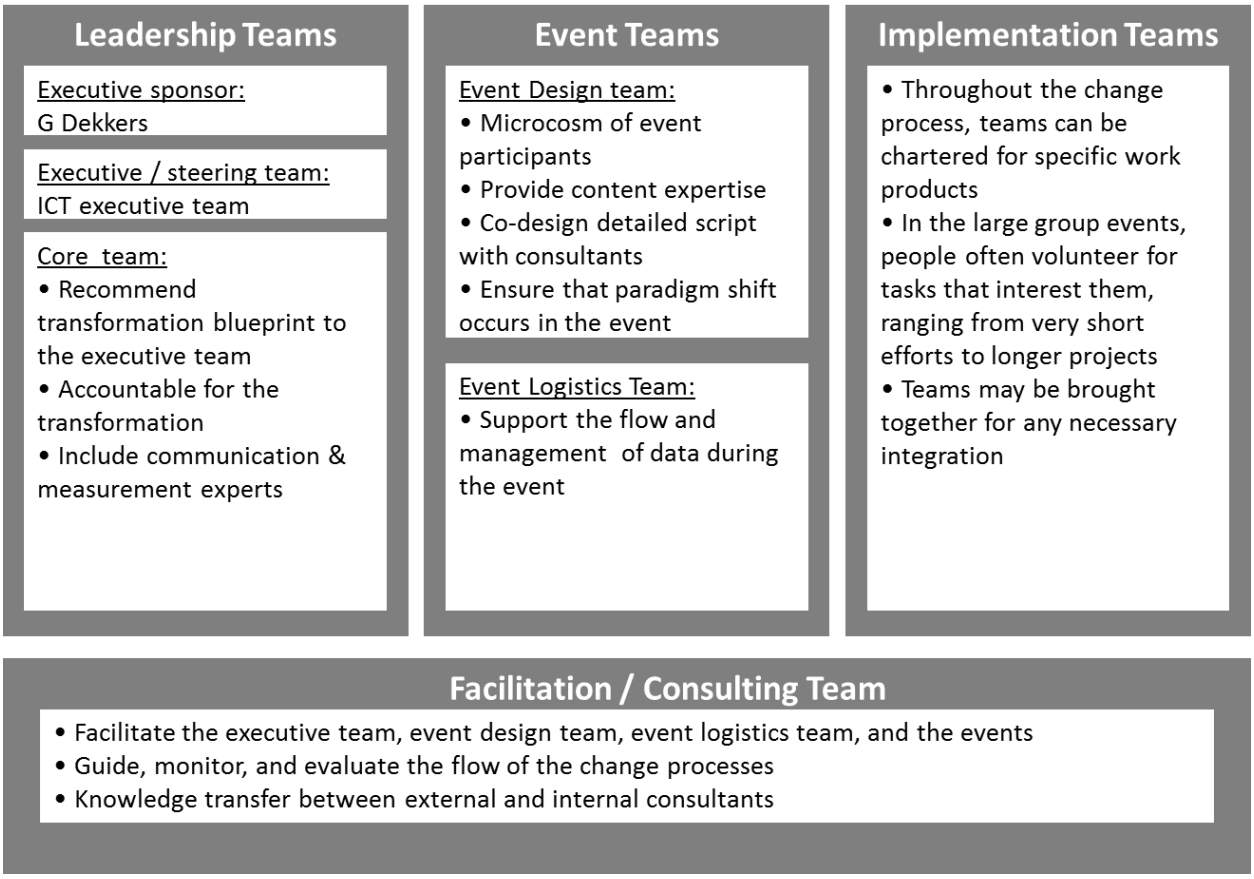
She emphasized that transforming the executive team into a group with "one brain, one heart" would be a critical pre-requisite for launching the "transform the ICT critical mass" phase. Committing ICT to such a radically different approach was a leap of faith and a courageous act for the executive team, especially for Dekkers. The executive team knew that they would need to learn and become different leaders to lead the transformation but they were willing to trust Donnan and Sullivan to guide them through the process.

She also recommended—because she knew from previous experience—that the organization needed to put an infrastructure in place to drive and support the transformation process. Figure 3 describes the ICT transformation infrastructure that was agreed to by the ICT executive team to support the change. Finally, she paid special attention to ICT's Human Resource Business Partners. She was convinced that the HR organization needed to be fully on board if the change was to be successful.

[Insert Figure C3.2.3 here]

Figure 3

Whole System Transformation Team Organization



[End Figure C3.2.3]

Phase 2: Transform the Leadership Team

ICT's transformation process began with a two-and-a-half-day leadership retreat for the executive team in November 2009 that was jointly facilitated by Donnan and Sullivan. The retreat aimed to improve the effectiveness and alignment of the team and to develop "one brain and one heart" so that the team members could speak with "one voice."

In preparation for the retreat, Donnan and Sullivan conducted ICT manager focus groups and executive team interviews. Executives were asked about the key issues in becoming a higher performing leadership team, helping ICT to become a higher performing function, thrilling internal customers, and deserving the role of a trusted business partner. The focus group and

interview data were synthesized into data reports that were shared with the entire team prior to the retreat. Dekkers saw the data as reliable, valid, and rich, and it was used to ensure that the retreat addressed the right topics. Two members of the executive team worked with Donnan and Sullivan to co-design the event, acting as sounding board and providing valuable feedback.

Three important outcomes were achieved during the retreat:

1. Using the feedback in the data reports, the participants explored issues of trust within the team and worked on improving their relationship with Dekkers and each other. They exchanged appreciation for each other's strengths, provided suggestions for improvements, and made requests and offers with each other. As a recently formed executive team, an important practical outcome of this conversation was new team norms and meeting ground rules. In addition, they developed a new annual calendar with dedicated meetings for operational reviews and strategic topics. Together, these deliverables had an important and positive impact on the team's process effectiveness.
2. In addition to working on their relationships and team performance, the executive team visualized and described how ICT would look when its vision, mission, and strategy were fully achieved. They identified the priorities to be addressed to take ICT from where it was to where they wanted it to be: a trusted business partner delighting its internal customers. They agreed on actions and commitments that they would either personally or collectively perform to implement the ICT strategy. These included defining and refining the operating model, specifying ICT career paths, developing make or buy strategies with respect to ICT activities, building sourcing strategies for the ICT supply chain, and clearly articulating a convergence strategy to simplify the complex portfolio of business applications.

3. A final important outcome was the decision to hold the first two-and-a-half-day ICT summit in February 2010 with a clearly defined purpose and set of outcomes. Two members of the executive team volunteered to be sponsors for the summit. The summit participants would represent a carefully selected, diagonal cross-section or microcosm of ICT with all sub-functions, all locations, and all levels involved. The executive team nominated and empowered a design team of 13 members, representative of the summit participants, to design the event.

Phase 3: Transform a Critical Mass of ICT Members

Between November 2009 and February 2010, Donnan and Sullivan co-facilitated three two-and-a-half-day sessions with the design team to plan the summit. In the beginning, the consultants intentionally allowed the process to be ambiguous. At times, it was a messy and disruptive process, an emotional roller coaster for the team's members. However, it was necessary to creating a safe environment where design team members could speak openly and directly about the organization's challenges, their fears about the transformation's success, and their hopes for the future. Several design team members were skeptical of the need for change and did not believe that they would be empowered. To address this issue, executive team members participated in the design sessions at different times, often in two's or three's, to show their support, to give their inputs, to answer questions, and to give feedback on the emerging summit design. The design team was surprised and impressed by the alignment in the executive team and how much they acted as one. Over the three-month period, this new group formed into a high-performing team. They were motivated and committed to creating an impactful, memorable, and transformative experience for the participants.

With Donnan and Sullivan's guidance, the team used the following principles to guide the design of the summit:

- The participants should represent a critical mass of the ICT organization, including believers and skeptics of change.
- The design should create a safe place for people to speak openly and truthfully by ensuring that all small group discussions involved a maximum mix ("max-mix") of people from different levels and sub-functions, and by ensuring no one in the group was from the same hierarchy or chain of command. All report-outs would come from the table as a whole so no individual would be exposed.
- Table activities, breakout groups, and plenary sessions should engage each participant's "whole brain," both rational and emotional.
- The purpose and outcomes for each activity should be defined clearly for participants.
- Allow the large group to alternate between divergent and convergent activities and report-outs.
- Diverse perspectives and the awareness of multiple realities should be generated through divergent activities, such as generating ideas, creating multiple views of today's frustrations, or visioning tomorrow's hopes and dreams.
- Make effective, collective, and integrated decisions through convergent activities, such as "preferring" (i.e., a voting process) to identify priorities and expert panels to share views from customers or senior management.
- Leverage Beckhard's change formula to drive change activities in the summit: change is more likely to occur when the *dissatisfaction with the status quo*, multiplied by the *vision of*

the future, multiplied by the *clarification of first steps* is greater than the *resistance to change*.

The design team worked long and hard to define the purpose and outcomes (Figure 4) for the summit. They debated and deliberated until everyone on the team was satisfied. Whenever the team could not agree, they referred back to the summit's purpose and outcomes and used those as "tiebreakers."

[Insert Figure C3.2.4 here]

Figure 4

ICT Summit 2010 Purpose and Outcomes

Purpose:

- The purpose of the summit is to accelerate the continued implementation of our ICT vision and mission by creating a single team with **one mind and one voice**, fully engaged and committed to change - enabling the success of Airbus.

Tangible outcomes:

- Identified improvement and concrete actions.
- Personal commitment to change (measurable) things.
- Communication and involvement plans to involve and engage the rest of the ICT organisation.
- Formal mechanisms to ensure execution/implementation and measurement of success.

Intangible outcomes:

- Clear understanding and buy-in of the Vision, Mission and Strategy of ICT.
- System wide understanding of operational activities and how we each contribute.
- Increased respect and trust.
- Change in attitude and mindset.
- Commitment to being ICT ambassadors.

[End Figure C3.2.4]

Eventually, the team designed the summit to take the participants through a process that mirrored the roller coaster they had experienced in the event design process. Figure 5 shows the high-level agenda.

[Insert Figure C3.2.5]

Figure 5

ICT Summit 2010 High-level Agenda

Day 1	**Day 2**	**Day 3**
• Powerful opening • Purpose and outcomes • Building table teams • Achievements • Vision, Mission & Strategy • Whole system working and not working • Customer view • Elephant questions generated • CIO reflections	• Feedback from Day 1 • Elephant questions answered • Articulation of success • Barry Oshry's top/middle/bottom • Intergroup breakouts—(Exec/Mgrs/Non-mgrs) • Whole system action planning • Breakouts—Transversal action planning • Elephant questions answered • CIO reflections	• Feedback from day two • Elephant questions answered • Breakouts—How to engage rest of ICT • System-wide communication • Appreciative feedback • Personal commitments • CIO inspirational sendoff

[End Figure C3.2.5]

The first day of the summit began with a dramatic video that was edited just for this event, featuring the maiden flight of the A380 aircraft. Following the video, Fernando Alonso, who was the leader of the flight crew for the maiden voyage, spoke about the importance of trust.

He talked passionately about the confidence he had in the A380 aircraft and its expected performance on that first flight. He described what it was like having the world's attention on them but knowing that the flight crew would not decide to take off unless every team member was ready. He shared that ultimately his trust extended beyond the flight crew to the entire Airbus organization. No one, at any Airbus meeting, had ever spoken about emotions, like trust, as the key to success. Immediately, the participants knew that the summit was to be unlike any other meeting they had ever attended.

At the max-mix tables, participants reflected on the meaning and the implications of Alonso's talk on trust. They reflected on and celebrated personal, team, and ICT achievements over the last 12 to 18 months. Then, after listening to ICT executive team members describe the vision, mission, and strategy, participants were encouraged to ask clarifying questions.

For the first time in their history, participants found themselves having deep and meaningful conversations sitting face-to-face with their colleagues, middle managers, and senior managers. The executive team, who were equally distributed among the tables, were coached by the design team to "trust the process." They were encouraged to listen, be supportive of diverse ideas, and answer questions directly.

Participants then discussed what was working well and what was not working well, focusing on ICT's mission, operating model, customers, and people. These strengths and weaknesses were posted around the room and each participant was given green and red dots to identify his/her top three "working" and "not working" focus areas. The top issues for the group quickly emerged and "dotting" has since become a favorite means to arrive at consensus at ICT.

As the last activity of the day, participants were given the opportunity to pose "elephant" questions—something that they had always wanted to ask but were afraid to ask. Next,

participants were invited to write down their feedback for the day. Finally, Dekkers closed the day with his reflections. He spontaneously asked participants to use their green "thumbs up" or red "thumbs down" signs to indicate how they felt the summit was going, and he was rewarded with a sea of green and a few red dots sprinkled around.

Participants continued to socialize and network in the evening over drinks and dinner with old friends and new colleagues. Because many of the participants came from around the world and worked virtually, the time for personal interaction was appreciated.

The second day of the summit began with the ICT executive team answering honestly some of the "elephant" questions developed by the participants the day before. The participants were both surprised and satisfied with the openness and willingness of the executives to answer in a spirit of vulnerability, honesty, and sensitivity.

Working at their tables, participants visualized what success would look like in five years' time. The sharing of their creative presentations of the "future" was one of the high points of the summit. With vivid pictures of success and knowledge of the top issues, they identified actions needed from the individual, sub-function, and ICT levels to move ICT to where they would like it to be. This was breakthrough work. The day ended with Dekkers' reflections and participants' feedback, followed by social activities and more networking.

The third day of the summit also began with answering additional "elephant" questions from the first day. This was followed by activities to define ways to engage the rest of the ICT organization after the summit. The participants agree on ways to communicate to the rest of the ICT community going forward. After rounds of appreciative feedback at the tables, the summit closed with the ICT executive team making personal commitments on stage in front of all, for which they received a standing ovation.

Phase 4: Implement and Sustain the Change

Immediately after the summit, the 300 participants returned to their offices and acted as ambassadors for change. At the top of the list was the wish to communicate the process and the results of the summit to the rest of the organization. Supported by communication kits and a web-based e-journal with photos and videos provided by Donnan, this occurred in all sub-functions and all locations.

In addition to communication, summit actions were translated into projects and personal objectives. Examples of projects included: harmonization and standardization of ICT activities using industry best practices; understanding these activities' drivers and costs and measuring their performance; fighting bureaucracy and streamlining processes; working with its business partners to drive improvements on demand management and prioritization; and developing the competencies and careers of ICT employees.

Members of the ICT Executive Team drove cross-functional or within function transformation in their respective groups. The design team volunteered to stay on as the transformation network. Together with Donnan, they monitored progress and supported the executives in driving implementation of summit actions in their respective functions. Donnan met monthly with the transformation network to share insights and best practices.

For the next 12 months, ICT Transformation remained a priority for the executive team. Many of the transformation projects delivered bottom-line savings and enabled company objectives. The ICT organization got measurably better at delivering on its projects, services, and cost promises. Communication up, down, and across ICT improved appreciably.

Last but not least, the collaborative approach to change sent a clear message that transformation could not be successful without the engagement of ICT employees. Grass roots

initiatives and volunteerism were actively encouraged. People at all levels felt greater empowerment. For example, in multiple locations, people chose to become local change agents and organized local transformation and social events, some of which continue today.

MAINTAINING THE CHANGE MOMENTUM

Following the success of the first ICT summit, the (1) align and transform the executive team, (2) assess and plan the next cycle of change, (3) align and transform a critical mass of organization members, and (4) implement and sustain change process became institutionalized and has occurred every year since. A new design team and a compelling focus from the leadership team underpins the annual cycle of the process.

For example, the focus for the 2010–2011 cycle was cross-unit or cross-functional breakthroughs involving the leadership population of about 200 ICT managers. The theme of the summit was "Leading as ONE." The focus of the 2011–2012 cycle was creating an ICT environment that actively encourages agility, innovation, and leadership. Unlike previous summits, the third summit did not focus on what was not working or broken; rather it focused on new way of thinking and working. Participants learned about design thinking through a simulated innovation project, explored psychological concepts that contribute to innovative thinking, and applied those concepts to four dynamics in the organization: agility and stability; anticipation and reaction; customization and standardization; and innovation and standardization.

During the months that followed the 2011–2012 summit, ICT dealt with a difficult business challenge using a collaborative approach that most people agreed would not have been possible three years earlier. It received, together with its customers, five 2012 Awards for

Excellence, three of which were in the "Drive Improvement and Innovation" category and one of these won the Top Award of the Year.

In addition, ICT has made the greatest improvement in employee engagement in the company over a three-year period as measured by the Gallup Q12. Through productivity improvements, ICT also succeeded in handling 25% in volume growth while maintaining a flat budget in the same period.

ICT's efforts have made important contributions to implementing its vision, mission, and strategy. It has achieved operational excellence, a critical foundation or prerequisite for becoming a trusted business partner. Going forward the executive team would like to evolve ICT's way of working: to be better immersed in the business strategy and business processes of its customers, to better anticipate their business needs, to focus sharply on value for Airbus, and to quickly propose and provide right-sized solutions. The journey continues.

LEARNING

Ever since her MSOD days at Pepperdine, Donnan had been searching for ways to facilitate system-wide alignment and to accelerate change. For her, the WST process has been the most effective methodology for achieving both. She reflected on her learning.

- **The importance of aligned leadership.** Breakthroughs in the ICT executive team enabled breakthroughs in ICT as a whole. When leaders speak with one voice, provide a unified direction in vision and strategy, demonstrate a sense of urgency, and walk their talk, it gives organization members the confidence to act in alignment for the health of the whole. On the other hand, when leaders are not aligned and give conflicting directions, this causes conflicts and confusion that cascades all the way down the organization.

- **The critical roles of the event design team.** The ICT case would not have been a success without the effective use of the event design team. In addition to bringing in data from across the ICT organization and mirroring the organization's current state as part of the design process, the event design team members took an active role in facilitating different modules in the summit, listening to the participants during the summit, synthesizing the participants' daily feedback, and refining the summit design based on their feedback. The teamwork within the team was critical for the smooth execution of the summit.
- **The real work of transformation occurs between large group interventions.** While many people focus on how a large group event "releases the magic" of a paradigm shift, the real work of transformation occurs after the event or between events in the "implement and sustain change" phase. ICT is part of a global organization that has experienced and continues to experience tremendous growth and challenge. Managers are typically overloaded just running and delivering today's business; requests to transform the business for the future are often overwhelming. Moreover, saying "no" to lesser priorities remains difficult for the organization. As a result, finding the resources and time for transformation remains a challenge. ICT's experiments with a mix of structured and emergent approaches yielded two major lessons. First, do not launch more actions than the organization can handle, and second, focus more on cross-functional improvements that optimize overall results rather than local maximization.
- **The lead and lag indicators of success.** Organization change is a journey that takes time and requires incredible patience. Following a large group interactive event, the lead indicators of success are team spirit, confidence, commitment, relationships, energy, trust, inclusiveness, transparency, and alignment. These are difficult to measure but can be felt, observed, and

captured in anecdotal stories. Later, improvement projects lead to more tangible results, such as behavioral and engagement changes. However, only when the improvement projects are successfully implemented can improved business results be seen. These are the lag indictors of success. Executives and managers must understand that the easy-to-measure lag indicators of success will come if they recognize, support, and nurture the difficult-to-measure but equally valuable lead indicators of success. Many change initiatives fail because executives insist on instant results, give up too soon and move onto the next change.

- **Transforming how the organization deals with change.** The ultimate measure of organization development is the degree to which the ability to change again is enhanced or diminished. Without any doubt, the WST process has helped people in ICT build a change capability. Realizing that transformation is a journey and not a destination, ICT people are no longer paralyzed by change and are more likely to embrace change as an opportunity rather than a threat. They have developed greater capacity and capability to act in aligned ways. In reflecting on the organization's journey, Dekkers said, "Today, our ICT community is better mobilized and motivated to change."
- **WST needs to be repeated regularly.** In today's complex, chaotic, and uncertain world, an organization's ability to learn and innovate at the individual, team, and organizational levels allows the organization to adapt. Change is a constant and the days of returning to stability or business-as-usual are gone. To ensure a sustained long-term journey, the WST process must be repeated to regularly restore whole system alignment while adapting to internal and external drivers for change.

In conclusion, each year that the ICT has used the WST process, it became more and more competent to self-direct and master its own change process. The organization is becoming better

at doing what it says it will do, more respected by its customers, and more agile. ICT people is learning how to learn in real time as an entire function.

Assignment Questions:

1) What is your analysis and evaluation of the design of this intervention? What large-group intervention theories and models were applied in this case? Do you believe that the interventions made a difference in this organization?

*** If your analysis is positive, what do you think were the critical intervention features that led to success?**

*** If you analysis is negative, what changes would you make in the intervention's design or implementation?**

2) What do you think of the summit's agenda and flow? Do you think the right activities were planned and executed given the objectives of the intervention?