

# Client Spotlight

## ASDA Wal-Mart, UK

### Background

When U.S. retail giant Wal-Mart bought UK supermarket chain ASDA in 1999, the only certainty was change. First in line was ASDA's IT system, to be converted en masse to Wal-Mart's system. The Human Resources department realised it was facing a clear challenge—how could it ensure that change took place without any detrimental effect on staff loyalty and commitment?

Bravely, HR seized the opportunity to move beyond the demands of the systems change alone and initiated a company-wide reinvention and organisational change process that would sustain colleagues throughout the entire period of uncertainty. "The intention," says Resourcing Manager Philip Horn, "was to launch a tidal wave of change across the whole organisation—to find an innovative, intriguing and swift means of creating an organisation of productive, committed employees that love what they do."

The Ken Blanchard Companies Gung Ho!® organisational change process fitted the bill.

**CHALLENGE:** To create culture change while preserving staff loyalty and commitment

**SOLUTION:** To initiate a company-wide reinvention and organizational change process involving over 10,000 employees

**RESULTS:** Improved leadership culture, increased collaboration, and sales that outperform the entire UK retail sector. In addition, the organization was recently voted the number one employer of choice.

### Solution

In order to stress the importance of Gung Ho! to the future of the whole company, the Directors were the first to encounter the process at the beginning of 2000, followed by 800 mid- to top-level managers over the next three months.

To make training sessions as intriguing and memorable as possible, Philip Horn and his team aimed to avoid, as far as they could, anything resembling a "normal" training event. This included the initial announcement of the process, in which colleagues were sent a card with the words "The Natural World Is Full of Surprises" on the front. When the card was opened, a paper butterfly flew out and a message from the chief executive asked them to clear their diaries for the training event and read the *Gung Ho!* book in advance.

On arrival at the training site, colleagues found the HR department had capitalised on the Native American aspects of Gung Ho! by creating a "big top" style marquee with a forest interior, complete with river, totem poles, squirrels, a beaver dam and flying geese. Beanbag chairs doubled as rocks, and the company's mission and values were carved in rough standing stones. The tent provided the focus and inspiration of the three-day sessions, while at night the delegates slept in log cabins and cooked for each other, sharing cabin resources in true Gung Ho! style.

On the final day of each course, colleagues were challenged on what to do when they were back in their business units and how to make their teams Gung Ho! Many colleagues turned their training rooms into forests or took their teams to zoos or to army or scout camps in the middle of nowhere to recreate the experience. Their enthusiasm ensured that within a further three months, the process had been rolled out to ASDA's remaining 100,000 employees and the goal of a swift, innovative and intriguing organisational change process had been achieved.

## Results

Since experiencing the Gung Ho! change process, the company has been voted the number one employer of choice in a survey conducted by *The Sunday Times*, a leading British newspaper. 80% of employees now believe management listens to and understands their needs and in terms of sales and profit, the company has outperformed the whole of the UK retail sector for growth in the last two years, with profit goals well ahead of plan.

"The Gung Ho! approach at first seemed slightly off-the-wall to us reserved Brits," says Philip Horn. "But once training got under way, people were desperate to attend. The programme was perceived as being so good that people didn't want to miss out."

• Commitments were filmed at the end of the event,  
• recording what had been learned and what people  
• were going to do differently in their work to make  
• Gung Ho! live. In order to be reminded every day, the  
• company redesigned a three-floor-high atrium at its  
• headquarters to include a totem pole featuring  
• inscriptions of people's commitments. People changed  
• not only their work style but also their overall  
• behaviour. A porter in one store reported that the  
• programme changed his personal mission and values  
• to the extent that he is now helping out his wife at  
• home—something he had never done before.

• "One of our core business values is 'we are all  
• colleagues, one team,' and this is at the heart of  
• everything we do," says Philip Horn. "We believe in  
• involving our colleagues and making employee  
• motivation central to our business. The way to give our  
• customers "service with personality" is if it comes from  
• the heart, and this can only be achieved if people  
• enjoy their work and feel they are respected and  
• valued," he says. "Gung Ho! helped us to achieve that."

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