

Client Spotlight

British Telecommunications

British Telecom's (BT) customer service division was facing a challenging financial outlook. In addition, the organization was gearing up to address how to turn a traditional, controlling organization of 47,000 people, mostly engineers and engineering managers, into a local yet world-class organization.

BT realized that the key to any reorganization and transformation required appropriate and relevant development and training. Although they had the financial resources to support training, managers and their teams found it difficult to prioritize their training needs and meet their operational targets.

BT's connection with Blanchard began four years ago when several team members attended Blanchard's Situational Leadership® II, Building High Performing Teams®, and DiSC® workshops. For BT, Blanchard's commonsense approach to developing leadership teams and corporate culture meshed with their own internal philosophy.

During this transitional time, BT's new director had a directive to cut 5,000 employees, including some managers, while raising revenues to £3.75 billion per year.

After reading Ken Blanchard's book, *Gung Ho!*™, the director was struck with the parallels between the story line it presents and the customer service organization he had inherited.

BT had already gone through several attempts at reorganization, so it was important that the new directives not come across as "flavor of the month" initiatives.

The three themes of *Gung Ho!* became the driving force for creating a workplace environment where

- People are motivated by meaningful work.
- People are, and they "feel," empowered to make a difference.
- Self-directed teams are valued and practiced.
- Targets and achievement are highly visible, and team and individual success is celebrated.

Some of the first changes involved management directives where each Customer Service Team (CST) manager received a new manual and an introduction to the three secrets presented in *Gung Ho!* Non-managerial personnel titles were changed to reflect a more professional status. The corporate symbol underpinned "local service with large, corporate resources."

To further support the cultural evolution, negative techniques and language were replaced with more positive phrases. Deeper, more substantive reorganization followed. Over the years, the company had grown from a

Challenge: To transform an organization of more than 47,000 individuals into a local firm with world-class global focus.

Solution: To empower individuals to make decisions and to facilitate teamwork

Results: Profits increased for the time in five years. Culture shifts resulted in an empowerment and accountability mindset. Customer satisfaction increased dramatically. The organization achieved a 4% improvement in the quality of service.

district-based, local company—where everyone knew, and counted on, each other—into a nationally run conglomeration. Recognizing that, functionally, big is not necessarily better, the new philosophy reverted back to local organizations managed by a CST manager. This reestablished the original concept that “Our customers are local, our competitors are local, and our customer services teams are local.” Inherent in this scheme was the distinct advantage that along with the local claim came the big company’s resources.

