

CHAPTER

8

DIAGNOSIS AND FEEDBACK

Simeron Technologies Legal Department

David W. Moyle

LEARNING OBJECTIVES

- To practice analyzing and prioritizing data about how an organization is functioning.
- To practice determining how data can be organized and presented to the client.
- To begin to see how organization data can provide insights into organization design implications.

BACKGROUND

Simeron Technologies¹ is a 30-year-old technology company with roughly \$16 billion in revenue. The company employs 40,000, about half in the United States. Although the company has a number of products, about 80% of the revenue

1. While this case study is built on the experiences of the case writer, the company and characters are fictitious and do not intend to represent any real companies or actual scenarios.

comes from one product line, where the company has held a dominant market position. However, competition is heating up. Smaller, nimbler competitors are moving in. Growth has stagnated. The company is seeking expansion and growth through several means: (1) new product introductions, (2) new applications for its existing products, (3) acquisitions of adjacent technologies, and (4) expansion into emerging markets.

This case study is about the Simeron Technologies Legal Department (see Figure 8.1 for the Organization Chart). Phillip Clyburn, CEO, has just given Tom Daniels, chief legal counsel, his annual performance review.

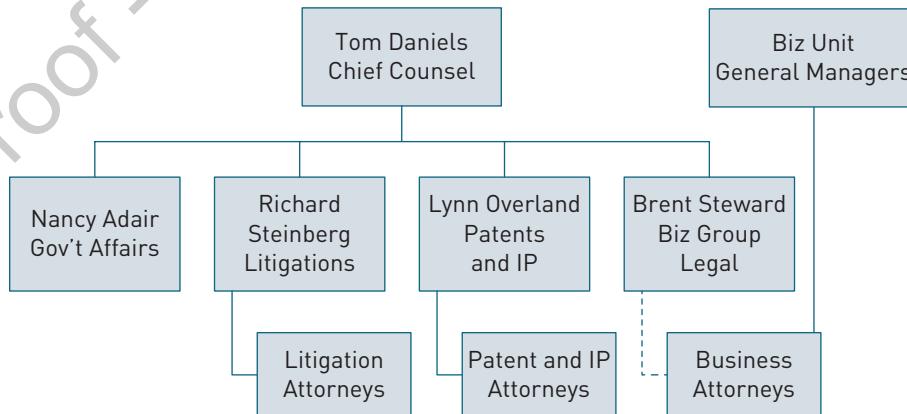
The Performance Review

Phillip Clyburn, CEO, held his gaze steady as he said, “Tom, you really need to fix the issues in legal. I can’t have my general managers shopping your attorneys until they get the answer they want or, worse, keeping your team out of the loop because they get a different answer depending on who they go to. I can’t have your team approving deals to make a GM happy that are not in the best interest of the company. I know the issues are complex. We need to protect our intellectual property, but we can’t be so restrictive that we handcuff the business. If we are to grow this company again, we’ll need every part of the company pulling together, including the legal team. Are you with me on this?”

Tom said, “I know we’ve had some issues this past year. I’ve been giving it a lot of thought. I don’t have the answer yet, but we have a smart team. We’ll figure it out.”

“All right. Let’s touch base in a couple of weeks and you can tell me what your plans are.” Phillip’s cell phone rang, and he took the call, nodding to Tom as he left the conference room.

FIGURE 8.1 ■ Simeron Technologies Legal Department Organization Chart



As Tom walked back to his office, he had a sinking feeling. Two weeks to come up with a plan? The problems in legal had taken years to develop. How was he going to come up with a plan to fix things in two weeks?

Tom had been with the company for 27 years. He started as an engineer but had always been interested in law. As a top-performing technologist, the company supported his desire to complete a law degree, even allowing him to take leaves to complete the rigorous legal studies and internships. After completing his degree and passing the bar exam, he began work at Simeron as an attorney. Over the years, he worked through several different legal specialties, and eventually worked his way to the top spot, chief legal counsel, when his predecessor retired 7 years ago.

Although Tom sometimes longed for the days when Simeron was a small company and he knew nearly everyone, he had thrived on the challenges as the company struggled from start-up to eventually becoming a dominant player in the industry. The last few years, however, had not been as much fun. Historically, nearly everyone was willing to work long hours because the work was exciting and they were handsomely rewarded with stock options that rapidly accelerated in value. But the stock price languished as growth slowed. Forays into new arenas met with limited success, and the complexity was almost overwhelming. The company faced increasingly contentious legal battles as it struggled to protect its intellectual property while at the same time trying to enable new business through use of its technologies. The company had just settled a lengthy legal battle with a smaller rival, H.E. Electronics, that could be called a draw at best. Most industry observers gave the win to H.E. Morale of the legal team was at an all-time low, and turnover was picking up.

As Tom returned to his desk, he reread the last paragraph of his review: “Our relationship with any customer, competitor, or fellow business traveler is very complex and likely involves licensing, business group relationships, and intellectual property rights. We can’t have three different approaches within legal to one problem. A common strategy across legal is needed.”

Tom knew that Phillip was referring to the silos that had developed over the years in the legal department. He had even restructured several times in an attempt to break them, but the silos remained. Having survived law school, Tom knew lawyers were a competitive bunch. But when he was a young lawyer, there seemed to be a lot more camaraderie among the attorneys at Simeron. Sure they were competitive, but it was about beating the competition, not each other. But now, the attorneys from the different functions seemed to fight among themselves as much as they did with the competition. And although he did not work in a law firm apart from his internships, he heard many stories about the cutthroat nature of making it to partner. At Simeron, the legal work had become more and more complex and specialized as the technology advanced. For the

last 15 years, the company went after experienced attorneys from law firms who tended to stay in their areas of specialty. Long gone were the days when an engineer could go to law school and change careers at Simeron, let alone move from one specialty to another. Tom wondered if his current batch of attorneys could ever get along.

Tom picked up the phone and called his HR business partner Laura Nyberg.

“Hi, Tom. How did your review go?” Laura asked.

“Well . . . we need to talk. Do you have a minute?”

“Sure. I’ll be right up.”

Search for the Quick Fix

Tom got right to the point, recounting to Laura his conversation with Phillip.

“So, Laura,” Tom said, “I need your help on this. I’m supposed to report back to Phillip in 2 weeks with a plan.”

“Hmmm, 2 weeks?”

“I will make it clear what I expect from the organization, but I’m not sure the attorneys know how to work together. I think maybe we need some training across the organization on how to work collaboratively. You know the soft stuff isn’t my forte, but maybe that’s what we need. Can you pull in some help on this?”

“Absolutely, I’ll help, but I’m not sure training is going to do it. We’ve had this issue of attorneys not working well together for a long time. You’ve even tried to address this issue before. Do you remember when we brought the consultant in for the Myers-Briggs assessments and training when you thought if people just understood each other they would work together better? Although some people found it interesting, nothing really changed.” Laura paused. “Let me give it some thought. I know someone I want to talk to. Let’s get together again tomorrow afternoon.”

The Case for a Systemic Approach

Laura had heard from a colleague that a new course was being taught to HR business partners called Organization Development: A Systemic Approach. Her colleague said the course really helped her understand why people in organizations behave the way they do and why doing certain “tried and true” things failed to deliver results. Laura planned to enroll, but meanwhile, she had this challenge to deal with and knew she needed help. Her colleague told her there was a new team of organization development experts that could be brought in to help with organizational challenges. After some research, she found out that Steve Davis was the instructor of the course. She gave him a call, and Steve agreed to meet with her the next morning about the challenges the legal team was facing.

The next morning, Laura described the current situation to Steve and gave him some history of the organization. After describing the situation, she said, “So, that’s

where we are. Tom wants to update Phillip in 2 weeks on his plan to turn the organization around.”

“Do you think there’s a ‘quick fix’ that will work here?” Steve asked. “It sounds like the silos have been a problem for quite some time.”

“Honestly, I don’t know what an effective quick fix would be, and that’s why I called you. I thought you could help me assess the situation and come up with some ideas. Tom is a pretty action-oriented guy, as is Phillip, and so he’ll want to do something and do it quick.”

“I think our best bet is to convince Tom that what we really need to do is take an in-depth look at the organization,” Steve said, “to understand why people are behaving as they are, so we know what to change. That will take some time . . . it’s not a quick fix.”

“OK, I agree. So how do we convince Tom?”

“I have an idea . . . how about the two of us start by talking to his direct reports to get their assessment of the situation? My guess is that they’ll lend credence to our belief that systemic issues are at play here. What do you think?”

“I like that idea . . . but do we tell Tom?”

“Oh, absolutely. In fact, I think it would be great if Tom would tell his staff about his performance review and enlist their help. If he’s agreeable to that, he could tell his staff we’ll be talking to them to get their perspectives.”

“OK, I’ll give it a try.”

That afternoon, Laura met with Tom. After providing some detail on her meeting with Steve she said, “We thought it would be a good idea for you to share the feedback you got from Phillip with your staff. After all, it is feedback on the organization, and on them as the leadership team. We will not be able to fix this without their help.”

“Yes, I had already thought about sharing my review with them. They need to be very clear that Phillip is not happy with our performance and he expects me to fix it.”

“Great. What Steve and I would like to do is interview your staff to get their perspective about what’s going on . . . get their insights . . . see if they have any ideas.”

“I like getting their perspective,” Tom said. “but why don’t we just have the discussion in staff tomorrow?”

“Hmmm . . . I think that could work. Get their opinions right then and there and out in the open. Would it be OK if I invite Steve?”

“Sure, no problem. It would be good for him to see how my staff interacts.”

At Tom’s staff the next day, these words were projected in big, bold letters:

Our relationship with any customer, competitor, or fellow business traveler is very complex and likely involves licensing, business group relationships and intellectual property rights. We can’t have three different approaches within legal to one problem. A common strategy across legal is needed.

“Phillip is not happy with us right now,” Tom said, “and that’s an understatement. In no uncertain terms, he expects us to get our act together and fast. He doesn’t want any more complaints from our GMs about conflicting advice. He doesn’t want suppliers getting the best of us because the right hand doesn’t know what the left hand is doing. He doesn’t want to hear an attorney say, ‘I don’t know what’s going on . . . Joe Blow is handling that.’ And he doesn’t want to be anywhere near the losing end of any more legal cases like H.E. He’s expecting a plan in 2 weeks.”

A debate ensued about what the problems were, how serious they were, and whether they could be easily fixed. Although the debate was vigorous, Steve sensed that the staff was not being completely open with what they thought were the sources of the problems. He sensed some holding back and some hidden messages. Steve and Laura mostly observed.

Finally, Tom cut in. “OK, as I suspected, there are varying opinions about what the problem is and what should be done. I’ve invited Laura and Steve in to help us figure out what to do. Steve, I understand you have some expertise in organization effectiveness. What do you think we should do?”

“I’ve been listening. It appears to me that, as a leadership staff, you are not aligned on how the organization is, or even should be, functioning. I understand you’ve had this growing issue of lawyers not working effectively across the silos for some time now, that you’ve tried to address it in the past, but the problem is still there.”

Richard Steinberg, head of litigation, jumped in. “It sounds like you’ve concluded that silos are the problem. I’m not so sure. Silos in and of themselves are not bad. We created them on purpose. They are there to generate tension, to create healthy debate. What are we supposed to do, all hold hands, be nice, and sing ‘Kumbaya?’”

There was an uneasy chuckle.

“You’re right, Richard; we do create silos on purpose anytime we draw an org chart or segment work. But what I’m hearing is that the right people are often not involved in the right problems, and that the organization looks bad when you can’t give one answer to a GM.”

“Back to your question, Tom,” Steve went on. “I think you have three options: (1) Do nothing. At least one of you seems to think you are fine as you are. (2) Find the quick fix . . . one or two highly visible actions you can take to turn the organization around. I sense some hope there. (3) Do a deeper dive into the organization to find and address the systemic causes of your problems. I sense concern that this would take too long, would use too many resources, and may not help in the end.”

Tom jumped in. “Do nothing is not an option.”

Richard jumped in again. “I assume it was me you were fingering when you said ‘at least one of you seems to think we are fine.’ That’s not what I said. We have issues, for sure; I just do not think it would be worth our time to try to change when many of the behaviors

we're talking about are a natural consequence of working with smart lawyers who have different areas of expertise. I think we will actually make things worse if we shut off debate and spend a lot of time trying to be a better quote-unquote *team*," he said, drawing quotation marks in the air as he snidely pronounced *team*. "Isn't that what you OD guys are all about . . . team building?"

Steve felt a little heat rising, but he had heard this before and quelled his defensiveness. "Thanks for your clarification, Richard. I was thinking of you, and my apologies for misinterpreting." He continued: "Yes, we OD guys sometimes do team building, but for me, it's generally not at the top of my list of solutions. In my experience, if people aren't working as a team the way the business needs them to, there are other causes that team building won't fix, like lack of agreement on goals, or who does what, or how the work should be done. If people just need to get to know each other and get comfortable with each other personally, team building might be called for. But usually, it's something about how the organization is functioning that needs to be addressed. Team building won't fix it."

Tom intervened again. "Back to our options. Doing nothing is not an option. Can't we just make it clear what we expect? I don't know that we have made it clear. We could put together our expectations of how we expect people to work across the organization and roll it out. Let people know there will be consequences if they don't work together when they should. I would want each of you to deliver the training so your people know you support it."

Brent Steward, who had been relatively quiet, said, "I've been listening to the arguments back and forth. I've been giving this some thought for quite some time. It seems to me that two of us are in favor of doing something quick and visible and two of us are in favor of a slower, deeper approach. I would like to propose that we do both."

Richard rolled his eyes with a "here we go again" expression.

Tom said, "What do you have in mind, Brent?"

Brent began, saying, "I thought it was great that you shared your review with us. What if you shared it with the whole organization? Tell everyone we have a performance problem and we plan to fix it. And then use this challenge as an opportunity to fix it in a collaborative, silo-busting way."

"Hmmm," Tom said, as he gazed upward, the wheels turning. "I think I like it. And I have a name for what I want to do: 'Anti-Siloization.'"

There was a collective groan and chuckle as Tom was famous for coining new words.

"Brent, I would like you to lead this team," Tom said.

"No good deed shall go unpunished," Brent said with a grin. "Sure, I'll do it."

"OK," Tom said. "I need a plan in 2 weeks."

"Whoa, just a minute. How about a plan for a plan in 2 weeks?" Brent said.

"OK, slacker. A plan for a plan then," Tom jibed.

ANTI-SILOIZATION PROJECT BEGINS

And so, the “Anti-Siloization” initiative was on its way. Steve and Laura worked with Brent to plan their work to include the following:

1. Performing an organization assessment through a series of interviews
2. Chartering a multilevel Anti-Siloization team whose responsibilities were to:
 - Propose recommended changes to Tom
 - Manage the communications to the organization
 - Oversee the implementation of the changes
3. Preparing Tom for his meeting with Phillip and his communication to the organization

Assessment Interviews

As pre-work for the Anti-Siloization team kick-off, Steve and Laura worked with Tom and Brent to further refine what problem they were trying to solve and then to get feedback through a series of interviews.

Tom decided he wanted to address two main issues:

1. Too much work is done in silos
2. Teamwork in the form of assists (lawyers helping each other) is not happening often enough

They created this problem statement:

Negative silos exist when functions in legal operate too independently for optimal performance and when functions in legal don't consistently understand, value, appreciate, and work effectively with others functions. A subset of negative silos is lack of “assists”: when individuals and functions within legal fail to assist others in legal to get their work done. Symptoms of assists not occurring include reinventing the wheel, not benefiting from the knowledge or experience of others, not being comfortable asking for help, and individuals spending excess time searching for knowledge others already have.

Following are the summarized notes from Laura and Steve's interviews:

Have you personally experienced or witnessed negative silos as described above? What are some examples?

- A nearly unanimous “yes.” For those who hadn’t personally experienced or witnessed them, they had all heard of it.
- Examples of silos between different types of attorneys:
 - Most frequently mentioned was a rift between business group attorneys and corporate/functional attorneys. Lots of “bad-mouthing” happened between those two groups, including at Tom’s staff level.
 - Between litigation attorneys and most others, especially business group attorneys
 - Between business group attorneys supporting different business groups
 - Between business group attorneys and regional attorneys
 - Between attorneys in different regions and between attorneys at different sites
- Examples of silo behaviors:
 - Business group attorney handles a licensing issue without involving the corporate licensing function until it’s too late.
 - Lawsuit happens impacting a business group. The litigation group takes it over and cuts the business group lawyer out. This happened so often that they had a name for it: “hiding the ball.”
 - U.S. attorney signs an agreement impacting business in a foreign country without involving the attorney in the impacted country.
 - Not sharing information on what happened with a certain issue, especially if something went wrong.
- Examples of failure to assist:
 - New attorney asks for help and is told, “You need to figure it out. That’s how you learn.”
 - Lead attorney has difficulty getting others to help him or her on a complex case
 - Attorney fails to get the help of another attorney who has a higher level of expertise

What’s the impact?

- Legal looks bad when we’re seen as fighting among ourselves, when we don’t know what our colleagues are doing, when we can’t give the business the information they need in a timely fashion, or when we give conflicting advice.
- We’re not giving the business what they need:
 - Things are signed off by corporate when they have no connection to the business

- Litigation just takes it over to win the case, at all cost, seemingly without considering the business impact. “We can win the case, but lose a major customer or severely damage a strategic relationship.”
- Suppliers are taking advantage of us. They can strike a deal with a small business unit like optics and bind the rest of the company.
- We’re not appropriately balancing risk. The litigators and specialists are too risk averse. The business group attorneys will take huge risks to the company if it helps their business unit in the short term.
- The quality of our legal advice isn’t as good if the right people aren’t involved.
- Too many decisions and problems get pushed to the top of the organization, bottlenecks, and slowing us down.
- U.S. attorneys signing deals that aren’t enforceable overseas because they don’t understand the legal issues there.
- Morale is impacted.
 - People get tired of being cut out or not getting help when they need it.
 - Bad-mouthing creates a negative environment.
 - Some good new attorneys left because they said the teamwork was so bad.
- We’re not really taking advantage of the collective knowledge.
- We have to rework stuff because the right people weren’t involved at the right time.
- We’re not learning from our mistakes.

Why do you think this is happening?

- Lack of role modeling at the top.
 - There’s an obvious power struggle at the top both now and to vie for Tom’s position. Everyone knows he’ll retire at some point.
 - The head of litigation is very combative. Arguing with him is like banging your head against a brick wall.
- Compensation and lack of goal alignment:
 - The business group attorneys get their bonus based on business group performance.
 - The corporate attorneys get their bonus based on company performance.
- The corporate attorneys are “The Tower of No.” Business group attorneys won’t take stuff to them because they’ll just be told “no.”

- The way to get ahead in legal is to make the GM happy.
 - For performance reviews and promotions, we rely too much on the feedback of people who don't understand what good lawyering is.
 - If someone gets between you and your GM, they're getting in the way of your advancement.
- The way we're structured causes it. Most of the negative silo behavior happens between the functions. Tom likes to put clear boundaries around things.
- People don't appreciate the other functions because they've not done that job before. Very few in legal have switched roles. We used to rotate lawyers, but now we hire for a specialty, and people tend to stay with that specialty.
- We don't give credit for assisting. In legal, we have a saying. It goes, "One riot, one ranger." You're supposed to be able to handle your case on your own. If you need help, it's seen as a sign of weakness or a waste of resources.
 - Unless you're the lead attorney, nobody cares what you did. If there's a recognition given, only the lead attorney gets it. If you have on your list of accomplishments that you assisted on a case, your manager tells you to cross it off.
 - People are reluctant to give credit for assists because if you got an assist, that means you needed help.
 - We don't give credit for training others.
- If you take something to litigation, they'll either take it over and cut you out, or they'll tell you, "Sorry, you're on your own." There's no in between.
- We don't really approach things as a team or a project. "When I was in the law firm, even though we were all competitive, we brought who we needed onto the team to win the case."
- There seems to be a culture of "win the argument" versus "do what's right" for the company.
- Don't ever admit a mistake. Mistakes get punished.
- Lack of face time:
 - We don't take time to socialize.
 - People eat at their desks.
 - We rarely have face-to-face meetings. When people can, they attend meetings by phone instead of in person, so they can multitask.
 - People argue over e-mail instead of walking down the hall or picking up the phone and having a conversation.

Do you see examples of effective collaboration?

- Yes, some people are collaborative by nature and will find a way no matter what. Six or so individuals were named who were viewed as very good at crossing the silos.
- Some things are so complex that there's no way you would try to do it all on your own . . . like mergers and acquisitions. We need many different legal experts.

Do you think we should address the issue of negative silos? What are your concerns?

- Nearly all felt we should try to do something. For those who did not, the concerns were the following:
 - We might shut off healthy debate. We might cause people to think that disagreement is bad, and therefore issues are not raised or swept under the rug.
 - We might drive the message that teamwork and getting along is more important than good lawyering.
 - We won't be able to fix it, and it will just frustrate and defocus the organization.

Discussion Questions

1. Based on the assessment interviews, how would you summarize the data so far?
 - a. ahead is to show that they can work independently, they may be reluctant to seek help from colleagues.
2. Models such as the STAR model can be used as a diagnostic tool to evaluate the effectiveness of an organization's design in achieving desired results. How would you evaluate the strategy, structure, processes, rewards, and people practices of Simeron's legal department?
 - a. What are some common behaviors that are negatively affecting results?
 - b. What are some widely held values, beliefs, and assumptions that appear to be behind these behaviors?
3. Culture can be defined as a shared set of values, assumptions, and beliefs that govern behavioral norms. For example, if lawyers believe that the way to get
 4. If you were the OD practitioner advising this organization, what suggestions would you have for next steps?

For Further Reading

- Galbraith, J., Downey, D., & Kates, A. (2002). *Designing dynamic organizations*. New York, NY: AMACOM.
- Kates, A., & Galbraith, J. R. (2007). *Designing your organization: Using the Star Model to solve 5 critical design challenges*. San Francisco, CA: Jossey-Bass.
- Kesler, G., & Kates, A. (2011). *Leading organization design: How to make organization design decisions to drive the results you want*. San Francisco, CA: Jossey-Bass.

Healthy Sips: Strategic Talent Development

Cyndi Huff Gaudet

Heather Mire Annulis

LEARNING OBJECTIVES

- Determine the process for a needs assessment, including the data collection steps required to identify learning and development needs of an organization.
- Define and describe how the Interpretive Phenomenological Approach and Modified Affinity Mapping Process are applied for an OD intervention.
- Develop a list of recommendations to operationalize the Healthy Sips Strategy Map.

DIAGNOSIS OF AN ORGANIZATIONAL ISSUE

Joyce works as the senior VP for human resources at Healthy Sips, a privately owned corporation founded 40 years ago but recently purchased by one of the franchisees, Robert, who now serves as the chief executive officer. Healthy Sips is branded as a healthy beverage and snack alternative to help people live healthier lifestyles in today's fast-paced, fast-food environment. The company is in growth and development mode to increase the number of franchises available both inside and outside the United States. Robert has a goal to double the number of franchises from 1,500 stores to 3,000 worldwide within 3 years and plans to take the brand public. Unfortunately, many current franchise owners and employees experience confusion over standard operating procedures of the business. To complicate matters further, the corporate office is concerned with quality of products, brand messages, and overall consistency of policies throughout the franchises. With rapid growth of the company, coupled with increased turnover in the executive ranks, Joyce knows that the lack of systematic and consistent policies are a disaster waiting to happen.

Joyce joined the team at Healthy Sips 10 months ago with over 20 years of progressive career experience working with various successful restaurant chains. She brings to the table a deep knowledge of working with fast-food, casual, and fine-dining restaurants. Joyce began her professional journey as a server and then was promoted to team lead, then trainer, assistant manager, manager, and vice president of human resources. Through her many positions, she realized that she has a real passion and love for developing people. She enjoys helping people learn how to do their jobs better while helping companies maximize profits. She is a big-picture thinker and can see gaps where improvements could enhance the customer and employee experience. Over her career, she helped several struggling food venues thrive and maintain viability.

As Healthy Sips tenaciously works to improve systemwide sales, increase overall financial performance, and increase customer satisfaction while increasing the numbers of stores, Joyce recognizes that the learning & development (L&D) function plays a critical role for company growth. At its core, L&D departments aim to improve group and individual performance by increasing and honing skills and knowledge. L&D should include a talent management strategy designed to align group and individual goals and performance with an organization's overall vision and goals. As a strategic business partner looking through the lens of *today* and *tomorrow*, Joyce advocates at the executive meetings that L&D must deliver learning and development that helps management *drive business*. The talents and skills of the company's greatest resource, its people, must be developed. Joyce must convince Robert that if Healthy Sips can achieve specific learning and development goals, the results will positively impact the overall goal of doubling the number of franchises while improving quality of products and customer service. To illustrate her point about the value of L&D as a corporate-wide solution, Joyce decides that she must fully understand the needs of the business.

In Joyce's previous organizations, she worked with an external organization development consultant, Joel. She trusts Joel and values his professional experience and opinions. In fact, he and his team, two other human resource development professionals, worked on many projects in companies where Joyce was previously employed. Joyce and Joel share the belief that there are always multiple solutions to any business issue and if you listen closely to employees, the answers will be revealed. Joyce and Joel also have a shared vision for building a more robust L&D function linked to corporate business goals.

ASSESSING ORGANIZATIONAL NEEDS

In order for Healthy Sips to continue on the rapid growth trajectory, an effort to understand the mission, direction, and current learning and development needs of the organization was launched. Twenty-two Healthy Sips employees at various levels across

the organization were interviewed, including the CEO, COO, general manager, vice presidents, training specialist, franchise owners, managers, and store openers, totaling over 20 hours of interview transcripts. In addition to the formal interviews, Joel and his team listened to the needs of employees and learned about existing practices from franchise owners and employees at the Healthy Sips annual sales conference. The conference brought together over 200 franchise owners and employees from all over the world. Informal conversations between Joel, his team, and Healthy Sips employees at the conference provided valuable insights about the employees' current workplace realities.

Joel and Joyce developed a nine week plan to collect data from employees. In the first week, Joyce invited employees to participate in face-to-face interviews via an e-mail invitation. Potential participants were informed that the data from the interviews would be used to improve current practices throughout the organization and data would be kept strictly anonymous and confidential. An introduction of Joel and his team was included in the invitation, as they would be conducting the interviews. The use of an external and non-biased consultant to conduct the interviews helped ensure that participants would answer questions freely and honestly. Participants were asked to contact Joel directly to schedule an interview (Week 2). Once the interviews were scheduled, Joel and his team traveled to franchise stores to conduct the interviews (Weeks 3–5). In Weeks 6 to 7, Joel analyzed data using an Interpretive Phenomenological Approach (IPA). Findings were communicated to stakeholders at Healthy Sips in Weeks 8 and 9. See Table 8.1 for a schedule of data collection and analysis.

TABLE 8.1 ■ Data Collection and Analysis Schedule

Schedule Time	Task
Week 1	Invite potential interview participants via e-mail
Week 2	Schedule interview appointments
Week 3	Begin interviews, transcribe interview data
Week 4	Continue interviews, transcribe interview data
Week 5	Conclude interviews, transcribe interview data
Week 6	Data analysis
Week 7	Data analysis
Week 8	Report of findings to executive committee
Week 9	Report of findings to interview participants

At the beginning of the interviews, participants were informed that interviews would be audio recorded for transcription purposes. Interviewees were assured again that all information would be kept anonymous. Using a semistructured interview process with open-ended and probing questions, Joel and his team asked a series of questions pertaining to (a) performance issues; (b) existing policies, procedures, and systems; and (c) customer service. Each interview took approximately 1 hour.

Once interviews were completed, the team utilized the IPA process to analyze the data. The process seeks to understand an individual's relationship and the meaning of activity occurring around them. The IPA guidelines for analyzing interview data include a six-step method for the first case and continues the procedure until all interviews have been analyzed. The IPA guidelines include the following steps:

1. Reading and rereading: Once the interviews were transcribed, the interviewer team listened to the audio recording to ensure the interview was transcribed correctly. Repeated reading provided the interviewers with an understanding of the data and linkages between topics, general and specific information, contradictions and general events.
2. Initial noting: The interviewer produced an inclusive set of notes and comments about the data collected during the interview. Steps 1 and 2 merged as the interview team commented on similarities, differences, and contradictions provided by the employees.
3. Developing emergent themes: The analysis shifts as the team reviews emergent themes and simultaneously attempts to reduce the volume of details. The team transitions from working on the transcript to focusing on the interview team's notes.
4. Search for connection across emergent themes: This step involves exploring how the chronological themes fit together. The interview team reviewed the themes as they occurred and produced a structure of the most important aspects of the employee's experience.
5. Moving to the next case: This phase required taking the next interview script and repeating Steps 1 through 4. Allowing new themes to emerge with each case was important in the IPA process.
6. Looking for patterns across cases: This means examining themes across cases, looking for similarities and differences, and exploiting themes useful to understanding the organization.

Interpretation of Results

Ten themes emerged representing the suggestions, concerns, and areas of immediate improvement for Healthy Sips:

1. Focus on people as the most important element of the business, both internal (employees) and external customers.
2. Create training that is easy for managers to deliver and employees to grasp.
3. Utilize existing talent as a resource for design and development of high-impact and technology-enabled training materials and processes.
4. Utilize technology-enabled solutions for more efficient and impactful systemwide learning (i.e., videos, apps, webinars, etc.).
5. Utilize customer satisfaction surveys to drive learning and development focus and increase profits.
6. Increase product knowledge and customer service through targeted training, technology-enabled training, and hands-on and face-to-face solutions.
7. Help managers screen for and hire the right talent for franchises.
8. Create facilitator and participant manuals for training solutions.
9. Create onboarding systems for employees in the franchises and at the corporate office.
10. Track training activities through a Learning Management System and tie to performance evaluations.

Working closely with Joyce, Joel's team used the data from the interviews to create a strategy map to answer the question: *How can Healthy Sips make future learning and development effective, efficient, but above all strategic, to meet the future growth needs for the company's rapid growth?* The map visually depicts a strategic plan specific for the learning and development function, identifying five L&D strategies that link the 10 themes derived from the interviews and listening sessions.

Strategy 1: Establish a Healthy Sips Center of Excellence (COE) designation.

Objective: Decentralize the learning and development function into designated Centers of Excellence (franchises and corporate stores) for more efficient and effective delivery of product and customer service.

Strategy 2: Establish enterprise-wide learning and development for employees at all levels.

Objective: Create a system for achieving and documenting learning at all levels for each employee role.

Strategy 3: Utilize technology-enabled learning systems to distribute learning throughout Healthy Sips.

Objective: Deliver learning and development solutions in more efficient and effective modes for increased knowledge of product and improved customer service.

Strategy 4: Establish a Measurement Framework to evaluate and monitor the effect of training efforts on the bottom line.

Objective: Manage learning and development to more effectively and efficiently impact the bottom-line results of Healthy Sips.

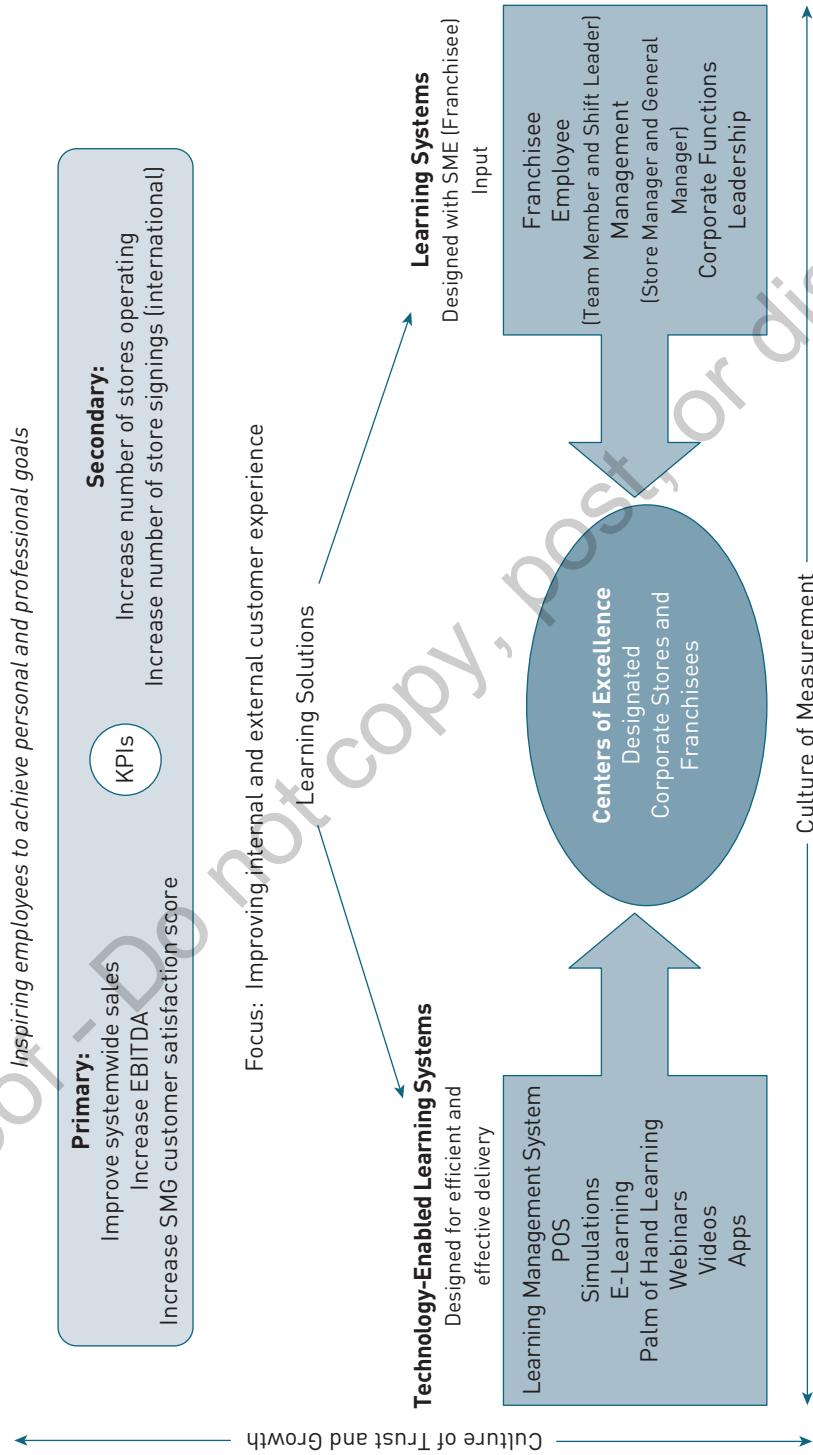
Strategy 5: Create the environment for a culture of trust and growth.

Objective: Support employees to reach their personal and professional goals while showcasing the internal values of Healthy Sips and increasing the bottom line.

In the next steps in the assessment, Joel led Joyce and her team in a Modified Affinity Mapping Process to analyze and synthesize the emergent themes at Healthy Sips. During a meeting at Healthy Sips corporate office, the diagramming exercise began. The Affinity Mapping Process is a highly interactive and participatory process that helps professionals organize meaningful categories (affinity sets) and provide a systematic approach to determine the relationships, if any, between the categories. The result is a visual tool, an affinity chart, to guide appropriate solutions ranked in order of anticipated impact. The process organizes multiple pieces of qualitative data in a way that surfaces overall themes, needs, and concerns while simultaneously creating a strategy to address those needs.

Joyce and her team engaged in a root cause analysis of the five affinities they identified. Once the labels for the affinities were determined, the diagramming exercise began. The top five categories were listed in a circle on a whiteboard. The team compared each affinity to every other one and first determined if a relationship existed between each of the affinities. If a relationship existed, a line was drawn connecting the two. When asked *Which affinity drives or causes the other?* the group then determined within the relationship of the two affinities which affinity was the root cause or driver between the two, resulting in an arrow pointing toward the effect. Once the discussion was complete, the number of arrows pointing to each item were calculated. The items were rank ordered by determining the item(s) with the most arrows going away from the affinity.

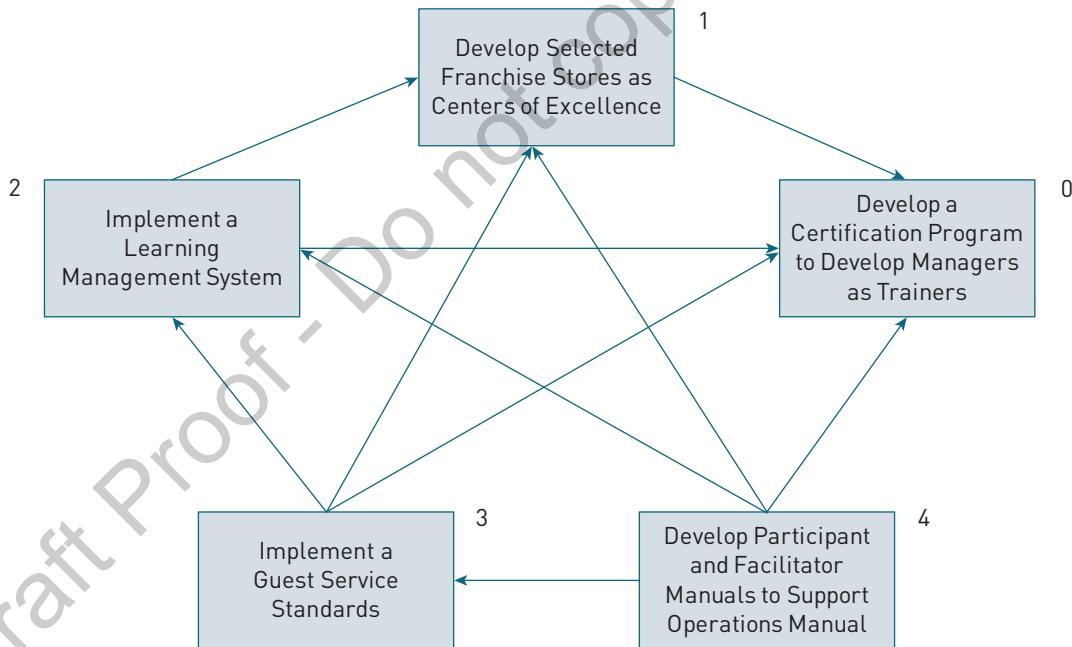
FIGURE 8.2 ■ Learning and Development at Healthy Sips



The affinities with the most arrows drawn toward others are the priority affinities and must be addressed **first** in any effective strategy for change. The affinities with the most arrows coming into them will probably need little or no strategy, as they will improve as a natural result if the other areas are treated first. The affinity diagramming process yielded the rank-ordered list of recommendations shown below to determine how Healthy Sips should prioritize Learning & Development resources and efforts (see Figure 8.3).

1. Develop Participant and Facilitator Manuals to support Operations Manuals.
2. Implement Guest Engagement standards.
3. Implement a Learning Management System.
4. Develop selected franchise stores as Centers of Excellence.
5. Develop a certification program to develop managers as trainers for multiunit franchisees.

FIGURE 8.3 ■ Modified Affinity Diagram



Note: Numbers represent the sum of arrows going away from affinities. The affinity with the most arrows indicates the priority for actions.

After the L&D Strategy Map was completed, Joyce arranged for her team to make a joint presentation with Joel to the executive team to present the interview findings and their plan. Robert and Joyce scheduled a follow-up meeting to create a sense of urgency from the executive team for Healthy Sips learning and development priorities moving forward. Prioritization would be made according to business goals, company priorities, and resources.

CREATING A CULTURE FOR CHANGE

One key element upon which Robert and Joyce agree is that culture matters. A great culture can make the critical difference between organizational success and failure, especially for learning and development initiatives. In order to establish a culture of trust and growth for learning and development, Healthy Sips must honor the past. Change comes about because it's time to change in order to meet the evolving needs of the business. No matter what the previous structure, team members worked hard, cared about their job, and exhibited passion for the Healthy Sips brand—all values that should be respected while looking to improve things in the future.

Healthy Sips has the opportunity to honor the past through employee video vignettes showcasing inspiring, longtime employee stories and accomplishments. This element promotes a spirit that Healthy Sips values longevity with the company and cares about the successes of team members. It can also help new employees see themselves as employees who fit with the Healthy Sips culture. Employees can strive to create their own story worthy of sharing with the larger corporate community. Rather than reading about culture as an elusive intangible concept, employees see for themselves the culture through employee stories.

Learning and development at Healthy Sips must be run as a business function. This means identifying the right learning and development programs, carefully planning those programs, collaboratively establishing goals with the executive team and franchisees, and executing with discipline throughout the year to ensure planned, agreed-upon results are delivered effectively and efficiently. This approach will allow Healthy Sips to deliver the greatest impact for the L&D budget. Joyce and Robert are also considering adoption of data collection strategies and reporting mechanisms to communicate the value of learning at Healthy Sips. Establishing and implementing a measurement framework positions L&D as a valued strategic partner.

At the end of this needs assessment, data collection, and analysis phase, Joyce knows the complexity of what will be required to change the Healthy Sips culture of L&D as a key business driver and to establish an accountability framework for L&D that is

valued and easily understood. Over time, all successful organizations experience change. Healthy Sips is no exception. Healthy Sips recognizes that reconsidering basic strategies for success is not a single occurrence but an ongoing effort. They must constantly adjust to shifting contexts and external forces. Keeping an eye on the competition is important in this fast-growing and ever-changing market. In the end, the focus on strategic talent development and appreciating people, both employees and customers alike, may be what makes Healthy Sips great.

Discussion Questions

1. State the core challenge Healthy Sips currently faces. What are the barriers and constraints that exacerbate the problem?
2. What best practices are explained in the case data collection during a needs assessment?
3. What recommendations would be appropriate to operationalize the strategies in the Healthy Sips Learning and Development strategy map?
4. As a learning and development or OD professional, what steps would you take to implement the Strategy Map and make the changes stick? How will you implement the strategies to yield the most positive impact for all stakeholders?
5. What measurement and evaluation tools could be implemented to track the progress of the L&D initiatives?

For Further Reading

- Curedale, R. (2016). *Affinity diagrams: The tool to tame complexity*. Topanga, CA: Design Community College Inc.
- Kotter, J. (2015). *Accelerate: XLR8*. Boston, MA: Harvard Business School Publishing.
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