



Case: Transformation of an internal finance corporation to gain exponential growth in a global diversified healthcare company

THE ISSUE:

A small internal company; owned by a Fortune 50 global manufacturing giant, was stalled in its growth curve, having attempted volume growth and entry into larger markets. The GM determined that the issues resided with members of the leadership team who appeared to lack the skills necessary to lead the growth agenda, an organization structure creating silos, inefficiencies, and breakdowns, and a legacy culture mired in the practices, habits, and attitudes of the past. The challenge was to assess leadership and management layers below, introduce the required changes, determine the optimal organization structure, and implement executive changes while continuing to drive business growth. The culture would need to change so as to support innovation, entry into new markets, and collaboration across functions to generate efficiencies and outstanding customer service.

SOLUTION:

Phase 1:

A planning meeting was held with the current leadership team to communicate the vision and determine the strategy that would change the game for the organization. Then, using Strategic Leadership Resources' facilitators and tools, an assessment of leadership and management two levels down determined and recommended a course of action that would result in organization and leadership changes. In partnership with upper management and Human Resources, an action plan was approved to make the changes to both structure and personnel. These changes were launched in a mid-year planning meeting where they were linked to a clear vision of the organization and business outcomes and a change plan was adopted with clear actions and ownership by members of the leadership team. The changes were completed in 4 months while continuing to service customers and grow the business. This included deepening relationships within the new leadership team, enhancing business relationships with existing clients by offering additional services, expanding specialized services nationally, building eminence with the existing customer base, growing the top line by double digits, attracting and retaining top talent.

Phase 2:

The new leadership team met again at the end of the year, to review and acknowledge the past accomplishments, build the new team through team development activities, and plan the coming year. Overall goals were identified and a new organization culture was conceived with a plan to cascade the

new values and actions throughout the organization. Key to this was modeling effective leadership, teamwork, and the new culture.

Breakthrough Results:

Two members of the leadership team were terminated, the entire organization was reorganized around regional markets, combining functions to more efficiently respond to and serve the customers, positions were re-defined within the new structure with competencies clearly defined and job descriptions posted. Each current company member bid on the open positions and those not selected were re-directed to other positions within the parent company. During this time, the company doubled its sales. The current focus of the leadership team is more clearly on their business goals. The culture of the organization is in alignment with the strategic vision and business goals with a marked rise in employee satisfaction and productivity. At year 2 - early fourth quarter, the company doubled its sales again.

The combined cost of Phase 1 and 2 of the project came in on budget and represents less than .05% of the revenues of the function overall and less than 1% of revenue growth during the period of the program.