a redesign in the central intelligence agency

Mark Johnson, Paul Tolchinsky

IT WAS A GRAY OVERCAST DAY IN MID JANUARY 1996 when we flew into Detroit's Metro Airport. We were making our way to Ann Arbor and the offices of Dannemiller Tyson Associates (DTA), a small organizational development firm that specializes in assisting large-scale changes in an organization. Was this miserable day a harbinger of the difficulties we would face in leading the complete transformation of a 100-person-plus department that had long been considered the "sick man" of the Central Intelligence Agency?

The department, which cannot be named for security reasons, was charged with providing customer service to thousands of agency employees. In Ann Arbor, DTA consultants welcomed us with the usual curiosity that accompanies a first meeting with people from the CIA. They were clearly intrigued about the possibility of consulting with the agency.

We worked out a plan in which DTA would take the lead as we involved the entire workforce of the department in a process redesign effort, followed by a complete reorganization based on those new processes. The entire effort was scheduled to take only one year, two years less than a traditional transformational redesign effort. Most important, we agreed to make this intervention a complete partnership between the department's senior managers and the DTA consultants.

A department ripe for change

The department had a terrible reputation for customer service, perhaps the worst reputation in the entire agency. Over the years, department employees had been allowed to develop processes that put their own interests above those of their customers. They routinely used voice mail, appointments, receptionists, and bankers' hours to keep their customers at bay. A department employee could choose not to answer his or her voice mail for days, leaving customers very frustrated. Department employees figured correctly that customers had nowhere else to turn, so they could just wait.

Equally frustrating for customers was the compartmentalization of the office. The department was organized into seven groups that resembled stovepipes, none of which spoke to each other. A customer seeking service from one group would often have to fill out the same form for another. Rather than cooperate and make it easier for their customers, the groups saw themselves as separate entities unto themselves, only concerned about group issues, not department-wide ones.

Although there were many dedicated, hard-working individuals in the department, it became a haven for folks who wanted to follow a slower pace. Flex time was a way of life. Entire workgroups had only one or two people on duty at 4:00 p.m., as employees rushed to catch their car pools. Many of these same employees would report to work as early as 6:00 a.m., a full two hours before their customers needed them (anything to avoid having contact).

The single greatest factor leading to inefficiency in the office, however, was an organizational system that resembled a medieval guild. Individuals were allowed to become "experts" in one narrow aspect of the business. When that person was on leave, out sick, or otherwise unavailable, there was nobody to fill in because nobody else knew how to do that person's job. The refrain customers often heard was, "Sorry, so-and-so is out today. I'll leave a message, and (fill in the blank) will get back to you."

As a result, the responsiveness of the organization to the customers needs had slowed dramatically. Many customers simply gave up trying to complain and began to find service elsewhere, or even worse, attempted to complete the task themselves.

OUR TASK SEEMED SOMETHING ON THE ORDER of cleaning the Aegean stables. In essence, the department's employees hated their customers, didn't talk to each other, generally didn't know how the products they provided were actually used, came to work during the hours that suited them, didn't really care how long it took to deliver their products, had little interest in changing any of the processes (although many knew things were very wrong), and

were bitter about the very poor promotion record of employees in the department.

If ever there was a candidate for transformational change, this was it.

Early during the transformation process the department did a customer satisfaction survey of thousands of its customers. The results were shocking: 50 percent of its customers rated the department severely below standard, and, "if given a chance to obtain similar services elsewhere," the customers would gladly do so. The consultant who did the survey told a horrified audience of the department's employees that "if this were a private company, it would be out of business in less than a year."

ONCE THE APPROACH AND BUDGET HAD BEEN completed and approved, we worked closely with DTA to initiate two activities to support the longer-term implementation. First, we held a managers off-site. During this session the department's leadership team reviewed the purpose, objectives, and plans for the effort. Not surprising, this session surfaced a lot of early resistance.

As a result of this meeting, 1) the leader and consultants knew exactly where the gaps in sponsorship were, and 2) the leaders were given an opportunity to decide for themselves if they could support the high-involvement process and the implementation of significant changes within the department. For those who couldn't, we coined the term "honorable off-ramp." This meant we would ensure that there was no shame if someone wanted to leave the office and obtain another assignment. We would even help that person find a new job.

Our second effort was to prepare an internal cadre of people (called *change guides*) capable of facilitating and supporting the individual initiatives necessary to create the change. Our intention was for this group to begin, day one, to manage and oversee implementation risks.

Ideally, this group of 20 employees would have also conducted benchmarking visits and provided creative ideas to the process. The change guides became task team facilitators, supporting the process and organization improvement activities.

They acted as an internal consulting team and coached us as we worked with the larger organization to redesign the ways in which customers were served.

The launch

For three days in March of 1996 we brought together all employees, key customers, and providers of service to the department (approximately 150 people) to launch the change effort. The purpose of this session was to create the understanding of and momentum for the changes needed within the department.

The session sent a signal to the organization that this effort was serious; it provided a wake-up call to the group and surfaced the reality of the case for change. This session also created alignment among employees, customers, providers, and leadership regarding the need for and a vision of the changes that would take place. It strengthened the case for change and weakened the argument that "everything is fine, no change needed."

As a result of this session, we created task teams, involving over half of the organization, to solve specific organizational problems identified during the launch. The teams were chartered to address specific customer issues, process improvements, employee concerns, and implementation barriers.

Teams were made up of customers, outside service providers, and employees. Their purpose was to continue the high-involvement approach in small groups (or what we came to call "smallscale" work). These teams wrestled with the details of process redesign, organization structure, and employee development to support implementation. The output of these task teams became the inputs to a series of Wholescale™ sessions. (Wholescale™ sessions were first developed as large group interventions that began in the early 1980s and consist of a series of small and or large group interactions that enable an organization to undergo a paradigm shift.) These sessions continued over the next three months, as the organization pursued the "right" process and organization designs.

Over the course of the next three months, we conducted three more Wholescale™ events. We called these *deep dives*, because each was intended to focus on a specific set of issues and to look in-depth at that topic. Each event was scheduled approximately one month apart. The sessions were attended by roughly the same individuals that had attended the first manager offsite.

The first deep dive primarily focused on process-improvement opportunities for the department. Each task team, working on a part of the process, shared

their thinking, received inputs from others, participated in creativity training, and committed to actions necessary to significantly improve the customers' experience of the organization. Benchmarking and bringing in other organizations that had redesigned similar processes were not possible at this point, however.

Therefore, to create out-of-the-box thinking, creativity training was conducted—wholescale. This event created momentum. The smallscale work done between the Wholescale™ sessions moved the work done during the deep dives. We would never have been able to move as far, as fast without the task teams.

The second deep dive developed a common understanding of the new organization process and began discussions of the new organization structure and jobs. At "Deep Dive II" everyone was able to see the entire process (many had never seen before or understood the whole process of the department) and to come to agreement on the new way the workflow would be accomplished. During this session, as with the first deep dive, implementation issues surfaced and plans were made to address them.

As a result of this meeting, we chartered new task teams to now focus on 1) creating new organization design options; 2) fleshing out more detail on the process model agreed to; 3) beginning to develop training plans to support the transition; and 4) the technology issues associated with the redesign.

"Deep Dive III" became the launching pad for implementation of the entire effort. During this two-day session—again, attended by all employees, key service providers, and customers—participants came to a consensus on the new organization design and structure. Task teams brought in options and choices for whole system consideration, and as a result, new jobs and roles within teams and a new hierarchy were agreed upon by all.

The final design captured the key features important to each stakeholder group and has become a benchmark for others within the agency. With a clear organization design in hand, the final hours of the deep dive were spent on identifying implementation barriers and hurdles and planning next steps. Again, task teams were created to work through the specifics of implementation.

BECAUSE OF THE WHOLESCALE INVOLVEMENT IN this effort, we almost immediately moved into

implementation of the agreed upon changes. Task teams worked out the details of 1) the selection process to new teams; 2) the training schedule to assure that the teams had sufficient skills and capability; and 3) the metrics to track performance improvements in customer satisfaction and cycle time.

Within 45 days of the last deep dive, everyone had chosen a new workteam assignment, new team leaders were selected and in place, and the first team meetings were conducted. We began all-hands meetings to keep everyone informed and involved. These sessions, lasting no more than four hours, utilized the same large group processes people had learned over the past six months.

Within 90 days of the final decisions, although the physical structures had not changed, a new customer service center opened for business. The customer service center provided "one stop shopping," channeling all work requests into one place as a solution to the old processes that gave customers the runaround.

During this time, we proceeded ahead by providing teams with five days of off-site training (teambuilding and customer service). The teambuilding training was primarily intended to loosen the bonds of the existing social structure and to create trust among the new team members. Many of the people involved had worked together for years and there was considerable anxiety about the breakup of long-standing work relationships.

We also provided the cross-training necessary to assure overall team capability. In retrospect, this training, while needed, was insufficient. Staff did not have the cross-functional skills to assume the broadened range of tasks and consequently struggled early on to meet the customers' demands and reduce the existing backlog.

On Oct. 15, 1996, the department went "live" by literally opening its doors to a new way of doing business. Customers were notified, and key CIA leaders arrived for the "ribbon cutting" ceremony. In less than seven months, an organization had been able to move from a general lack of awareness that problems existed to the implementation of a total redesign.

Promoting client autonomy

During its yearlong involvement, the consulting team helped us create new norms and practices that we used extensively to sustain the changes after the consultants' departure. As we moved into the second

year of this new organization, the leadership team began preparing an offsite that resembled the initial manager's offsite in many ways. The vision was revisited and modified in light of the changes and learning during the past year. Leaders on the new team were given the chance to commit to the new plan, or the opportunity to seek new jobs. Whole system thinking was embedded in the leadership offsite by a pre-session with customers and stakeholders who represented the whole client population.

Now at the agency, every 30 to 45 days the employees get together for a three-to-four hour meeting to check the progress of implementation. These Wholescale™ sessions address issues, revisit design choices, and provide feedback on the progress of the transition, and have been instrumental in maintaining the focus and sustaining the momentum for change. As a result of these meetings, the department is on track to achieving its goals and employees have a forum to address implementation concerns.

THROUGHOUT THIS ENGAGEMENT, WE struggled to understand how fast people within the system could adapt to change. While the process could have been shortened, it is not clear how much "soak time" was needed to make the transition. To most employees, the pace at which change was happening was warp speed, and it was very hard for them to cope. "Our in-boxes are still full while we are changing" was a constant refrain. The department's leader often referred to the process as "changing the tires on a car that was going 60 miles per hour." Nevertheless, the integration of Wholescale™ and smallscale activities enabled the department to maintain very high levels of involvement. This also enabled the speed and seamlessness of implementation.

Throughout this effort, the given was that change would occur. It was never in doubt. Only the solutions were in question. Consequently, we spent considerable time up front discussing how to assure implementation. We always came across the same conclusion: beginning the implementation discussion at the outset facilitated the seamless transition. Everyone saw the effort as "implementing the right solutions." It was just a matter of determining what those solutions were.

Finally, this effort demonstrated the capacity of people to change when they are involved. People wrestled with tough issues and struggled to hold on to some of the old methods. In the end they were able to shift because 1) they had a voice; 2) they had the information necessary; 3) their relationships with each other, their providers, and their customers improved; and 4) they were able to identify with the entire process.

In October 1997, more than a full year after the department implemented the change program, it commissioned another customer satisfaction survey. This time, 25 percent of the customers still believed that the department was substandard, compared to 50 percent who found the department that way before the changes were implemented. While this improvement in the department's customer satisfaction rating in only one year was gratifying, it was still far from private sector norms. This steeled the department to set the goal for 100 percent improvement in 1998, attempting to lower the

number of dissatisfied customers to only 12 percent. Members of the department now had a sense of pride that eluded them before the change.

As we look back at our experience at the department, and the process of understanding and making decisions about designing processes and organization, we see it all as a journey. And when convergent and divergent thinking and action involves the whole organization, successful organizations can be created.

Change has been sustained because people were involved from the very beginning in deep and meaningful conversations about their organization. The Wholescale™ approach has become a powerful way of engaging people and encouraging change.

Mark Johnson is an alias for an employee of the Central Intelligence Agency. Paul Tolchinsky is a member of AQP's School for Managing faculty and can be reached at 440-349-1990 or Kdtpdt@aol.com.