



Using Teams to Plan Organizational Change

CASE STUDY: TEAM WORK Planned Organizational Change

A large, national insurance company was interested in increasing its market share, productivity, and profits, while enhancing its current product line.

In management strategy meetings, key executives decided to alter the company's master plan by giving their field offices greater responsibility to increase productivity. While field offices are typical targets for these types of goals, the purpose and method of addressing these issues was going to differ sharply from THE current practices in this conservative organization.

Like many of its peers in the insurance industry, this firm prided itself on rewarding individual agents for achievement. Consequently, collaboration between agents was a rarity. In fact, negative competition and conflict between agents and agencies was commonplace. The company, seeking to improve its bottom line and market share, wanted to evaluate the potential impact of forming teams.

They contacted Javitch Associates for assistance because of its reputation for its consultation, training, and research with teams. Dr. Javitch met with the COO and two Senior Vice-Presidents to discuss their perceptions of the organization's challenges. All three executives stated that they wanted the agencies and the agents to stop their intense internal rivalry, which was generally viewed as a waste of time, energy, and the use of resources. In its place, both the COO and the two Senior Vice-Presidents wanted increased collaboration and sharing of leads and other resources. They believed that with agents working together and promoting each other, all parties, including the coffers of corporation would benefit.

To effect this change, they would ask that insurance agents and financial planners in each office begin sharing new leads and looking for opportunities in each other's existing Book of Business. This increased and expanded working relationship would include not only the sharing of names, but also joint client prospecting. When the executives were asked how this change would be implemented, they responded that along with regional

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vice-presidents, they would meet in small regional meetings with agents and planners within the next four months to simply state the new strategy and set it in place.

Very diplomatically, Dr. Javitch highlighted the many positive aspects of the new strategic plan and also addressed some of the potential obstacles and many entangling factors involved in organizational change that senior management seemed to overlook, namely the:

- √ Lack of understanding of the dynamics in making major organizational change
- √ Lack of buy-in from the managers, agents, and planners
- √ Lack of understanding of goals, roles, processes, trust, and relationships

In addition, they overlooked how to

- √ Plan, strategize, and lead the change process
- √ Clarify the new interdependency between employees, departments, and management
- √ Sell the new culture as a benefit to all parties
- √ Ensure that the new culture continually flourishes

Dr. Javitch's plan to deal with this company's challenges involved using a multi-level intervention:

- √ Educate the decision-makers about the steps and intricacies of the change process
- √ Identify and meet with participants prior to the workshops to determine need, knowledge and resources for organizational change
- √ Plan the Workshops
- √ Conduct Team-Building and Organizational Change Workshops
- √ Follow-up to determine effectiveness with change agents, participants, planners, managers, and executives within three months

As a first step to addressing these issues, Dr. Javitch described the three key stages in Lewin's Organizational Change process, namely: 1) *Unfreezing* the status quo by identifying the key reasons for change and gaining buy-in from participants; 2) *Changing* by introducing the change, and rewarding new values, changed behavior, and attitudes; and 3) *Refreezing* the change by creating systems to reward the on-going use of the change and to ensure that the change remains in place.

For each of these three stages, the COO, two Senior Vice-Presidents, and Dr. Javitch identified the current and future obstacles, assists, specific behaviors and attitudes necessary to build success in the future culture.

Second, they discussed the different aspects of building high-performance teams. The advantages are similar across most industries: increased productivity, increased employee involvement and satisfaction, being a part of a group larger than one's own, sharing of

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ideas that often lead to increased creativity and ideas, working together with others to increase synergy, developing professional relationships, and being more productive. They also discussed the disadvantages: the cost of putting numbers of people together for numerous meetings and sub-committee work; some social loafing (sitting back and letting others do the team's work); getting bogged down in process; interpersonal difficulties.

Third, Dr. Javitch and his Associates randomly selected and interviewed individuals up, down, and across the hierarchy to identify real and perceived needs, hopes, strengths and limitations of the current system, as well as suggested modifications or changes for the future. In addition, they gauged employees' sense of trust and willingness to believe that the organization would effectively institute a "better system."

Fourth, based on the results of the interviews, Javitch Associates consultants created a series of workshops to meet the goals of the corporate executives and the needs and issues of the employees who would be impacted by the changes. Each employee attended an initial workshop created to be both didactic (instructive) and experiential (role playing in practice sessions to experience the new skills). Both modes of instruction provided information on each topic: High-Performance Teambuilding and Organizational Change. In addition, the workshops were structured to provide participants many opportunities to practice the new skills being discussed, as well as to learn to work effectively with others across the hierarchy. In particular, the issue of employee collaboration vs. competition was identified, discussed, and resolved.

The teams discussed, experienced and clarified several of these topics: specific and measurable individual, team, and organizational goals, roles, reporting relationships, processes of decision-making, communications, participation, trust, and the quality and quantity of interpersonal and working relationships.

In each case, leaders emphasized specific behaviors to help foster increased teamwork and positive change; furthermore, systems were established to ensure the long-term acceptance and effectiveness of the changes.

The workshop evaluations were very positive and certainly very encouraging for both the employees and corporate executives who felt that the time away from the office to attend the sessions was productive, effective, and clearly worthwhile.

As a follow-up to their initial activity, Javitch Associates carried out the final phase, with agents, planners, managers, and executives. This process, occurring within the first three months after the project launch, allowed all involved to identify and report what skills, knowledge, structural and procedural changes, teambuilding events and results emerged from the series of workshops. The outcome of the sessions: participants reported that productivity and team-based behaviors and attitudes had increased in the majority of offices. Most insurance agents and financial planners were sharing client names, jointly

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meeting with existing and potential clients, and were reporting increased work and performance-related satisfaction. From the perspective of increased revenue to the offices and to corporate headquarters, the managers found the new numbers were definitely elevated and further growth potential encouraging.

Furthermore, during this final follow-up phase, team leaders were reminded of and rewarded for having created processes and systems that ensured the continual application of knowledge and skills gained from the workshop. This reinforcement of behaviors and attitudes – a standard protocol of Javitch Associates in workshop planning – reduces the regression of learning that accompanies all educational and operational programs.

From the post-sessions results, the participants concluded that the process of building High Performance Teams and creating positive and acceptable Organizational Change was, in fact, effective.

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