



Large Scale Change – Cascading Strategies and Goals

**WINNER OF
 SARATOGA
 INSTITUTE'S**

**Best Human Asset
 Management
 Award**

**in the category of
 CEO & HR Alignment**

*To improve and
 integrate its strategic
 planning, move to a
 team-based organization
 and become more customer/
 market-driven,
 while responsive to the
 business needs of
 other divisions.*

THE CUSTOMER

Ashland Petroleum Company, a \$5.5 billion division of Ashland Corporation.

THE SITUATION

Competitive pressures in the petroleum industry influenced Ashland's decision to improve and integrate its strategic planning, move to a team-based organization and become more customer/market-driven, while responsive to the business needs of other divisions, particularly Valvoline and SuperAmerica. Utilizing a new cross-functional team concept, four refinery teams developed new strategic plans under the banner of three key goals known as the Strategic Management Initiative (SMI).

THE PROBLEM

Ashland's corporate culture had been characterized by paternalistic management practices, a hallmark of which is downward communication. Changes in business practices, organizational restructuring and downsizing created a degree of insecurity for many employees. In short, organizational change and the increasing rate of change had resulted in communication breakdowns, role confusion, and low morale.

Managers were expected to become more participative while employees were expected to become more knowledgeable and engaged in contributing to the "bottom line." Many employees lacked an understanding of: the company's financial position, the corporate strategic goals, the necessity and benefits of change, the specific plans of each strategic business units, and their own roles in the achievement of these plans and goals. In addition, some managers were uncomfortable with relinquishing the control they had traditionally maintained.

At the same time, they were being asked to implement a new performance management system and assume new roles on teams as team leaders and/or members.

THE SOLUTION

Focus groups were conducted with each employee level to surface issues and potential solutions. A communications plan was developed and implemented to foster open two-way communications throughout the company. In addition, a one and one-half day workshop was developed and 50 company facilitators and managers were trained to conduct the program for 1600 exempt and professional employees. (The company intends to deliver a modified version to all non-exempt salary and hourly employees.) The content of the workshop included:

COMPANY SPECIFIC TOPICS

The Environment

- The Industry
- Industry Standards and Measurements
- Relationship to the Competition

The Business

- Organizational Goals
- Elements of the Strategic Plan
- Strategic Planning Process
- Each Strategic Business Unit's Specific Plan

The Company/Organization

- Goal Alignment Process
- Review of Well-Written Individual Goals
- Your Specific Role in Achieving the Company's Goals
- Introduction to Company-Sponsored Goal Sharing Program

GENERIC TOPICS

- Fundamentals of Change
- Change Management Techniques
- Teamwork/Collaboration

continued on reverse ...



ASHLAND PETROLEUM COMPANY

OTHER FEATURES

- A colorful historical overview/timeline/map graphic was created and published that illustrated the evolution of the company and its survival through positive and negative events
 - Line managers trained to facilitate the program.
 - Incorporated a variety of learning methodologies, including games, to convey content and facilitate learning.
 - Distributed professionally published and program-specific pre-workshop reading assignments which provided detailed guidelines for handling personal stress and managing organizational change in the workplace.
 - Consultation on non-training means of employee communication such as lobby kiosks, town meetings, focus groups, newsletters.
- Application of “just-in-time” principles to the instructional design and development process to reduce development time, increase involvement, and maximize limited availability of subject matter experts (SMEs) and other project development team members.

“The Plum team demonstrated a high level of professionalism under some very tight deadlines. We were impressed with your ability to manage the development of our customized SMI Leadership training program literally as our senior management made the decisions.

We wanted a training program that could be facilitated by our department heads with minimal assistance by our human resources people or an outside consulting firm. You delivered exactly what we wanted. The training is being well accepted within the company and the principal reason, notwithstanding the high quality of the material, is the great level of ‘buy-in’ by line management. We have you to thank for that.”

Director, Employee Relations