



## CASE HISTORY — GROWING EDGE PARTNERS

### MAJOR COMMERCIAL AIRLINE

#### The Challenge

An international airline with a history of union-management strife and a highly controlling management underwent an ESOP. In the new situation, employees owned over 60% of the company and unions held board seats with veto powers. The new Chairman/CEO and the new President felt that creating a new organizational culture more suitable to employee ownership was crucial to operating success.

#### Our Response

Our work began with the building of a new culture within the executive team and with key union leaders. Once the executive team began to experience candid, constructive working relationships and agreement upon key operating objectives and strategies, we were asked to become involved in the four main operating divisions.

Our consultants then worked for two years with division leaders and their management teams to develop collaborative planning and management processes and responsive relationships with the employees throughout each division.

Early success in the divisions led the President to ask us to develop a process that would integrate basic leadership and teamwork skills more broadly into the organization. Working closely with the HR Department, we designed a three-day “heart-centered” training program.

Our aim was to reach the tipping point that would finally pull the organization away from its command and control culture. We trained and coached a team of 100 line managers to deliver the seminar to more than 6,000 managers, supervisors and union leads across the entire company. The training focused on understanding the elements of the new culture and learning to apply cultural leadership skills within the divisions and in cross-functional projects.

#### Results

The company’s culture shifted strongly towards an environment supportive of employee commitment and responsiveness to customers. Management, union and employee relationships were improved by structural changes and through addressing specific concerns. The airline made record profits from 1995-98, the primary years of our involvement.

Many improvements were made in each operating division as a result of our work, including:

- Initiation of strategic and operating planning capabilities in domestic operations
- Greater responsiveness in reservation centers in the international operating division
- Enhanced planning, coordination and staff development in flight operations pilot domiciles
- Improved operating effectiveness in fleet maintenance