



DALE CARNEGIE®
TRAINING



A DALE CARNEGIE® CASE STUDY

IS Valued Business Partner Training for National Grid

July 2010

Background

At a National Grid IS leadership meeting in 2008, Madalyn Hanley, IS Business Relationship Manager, spoke to the management team about a key challenge that often exists in IS circles. She noted, “IS professionals are solid technicians who are nice to work with, and yet fail to truly engage with other business units to fully understand their business challenges and then deliver against those needs.” This scenario often leads to strained relationships, poorly-designed applications, and ineffective services. As a result, Ms. Hanley proposed the concept of transforming the IS function from simply being an internal service provider to becoming a team of Trusted Business Advisors (TBA). She believed the change would result in the department offering more value to the organization in the advisory/consultant’s role rather than as a traditional supplier of services. Her comments and subsequent proposal resonated with those who were listening and encouraged the CIO to recommend that she become the executive champion to build a grassroots effort for this transformational change at National Grid.

To meet the ever-growing needs of the organization, a task force was assembled at the IS management level to outline and implement the change effort. The members started by clarifying their desire “to change the culture of IS at National Grid to be a business partner and leader in the organization.” They outlined the need to have Business Relationship Managers (BRM) who, according to Hanley, “could articulate the needs of the business and then link those needs to the IS applications and services necessary to solve the business issue.”

The taskforce members recognized that they were describing a role in which the IS person of the future would have strong technical capability, solid interpersonal skills, an ability to focus on business issues, and the ability to build trusted partnerships with other business leaders. They would be leaders who would be proactive in bringing new ideas and innovation to their internal customers. They would be professionals who would move from being order-takers to being true partners to whom their business stakeholders turn for advice.

The National Grid Valued Business Partner Initiative Approach

The taskforce members recognized early on that to gain traction for this type of change they needed to establish a key business line of sight to guide the implementation of the Valued Business Partnership process. Their model was as follows:



Based on this alignment, the taskforce then articulated the template for this key business leader role in the IS arena. The taskforce members focused on three key elements for success: 1) a Relationship Management Maturity Framework to outline the key steps to ultimate business partnership and to measure their progress along the way, 2) a People and Capabilities Model to transform thinking as they implemented the Maturity Framework, and 3) a standard performance review process to build accountability into the Valued Business Partner concept.

Relationship Management Maturity Framework

The team adopted the following Relationship Management Maturity Framework:

Peer approach. The concept of Valued Business Partner is now "institutionalised" as part of everyday activities across Global IS, with pro-active business engagement. Global IS are respected as an integral member of the Business team with goals and objectives inextricably linked to business strategic goals and a clear Line of Sight throughout the organisation "Let's work strategically to drive the business forward"					Optimising (Level 5)
Partner approach. Established interfaces and dependencies with all areas of the business, which are fully recognised and accepted as providing a premier IS service with targets based on business goals and objectives. Culture fully established to facilitate and support change programmes and process improvement "Let's work together to improve the business"			Managed (Level 4)	<input type="checkbox"/> Innovation driven <input type="checkbox"/> Venture capitalism mentality <input type="checkbox"/> Governed by explicit performance criteria <input type="checkbox"/> Delivers major business benefits which drives business growth	
Provider approach. Organisation structure designed with clearly defined roles and processes, with formal objectives and targets which are strategically aligned and training needs defined. "Let's understand your needs and show you how IT can help"		Defined (Level 3)	<input type="checkbox"/> Business goal, objectives and target driven <input type="checkbox"/> Business benefit mentality <input type="checkbox"/> Full SLA coverage <input type="checkbox"/> Effective MI reports actively used <input type="checkbox"/> Evidence of Best Practise	<input type="checkbox"/> Globally consistent processes <input type="checkbox"/> Delivers excellent technological solutions which resolve business problems	
Passive approach. Generally, activities related to the process are not co-ordinated, irregular and without direction or control "Just tell me what you want & we'll deliver it"		Repeatable (Level 2)	<input type="checkbox"/> Service and customer driven ✓ Some agreed SLAs <input type="checkbox"/> Commercial mentality	<input type="checkbox"/> Organisational structure is flexible and adaptive to changing business requirements	
Little or no business alignment or engagement "You get what you get"	Initial (Level 1)	✓ Transaction driven ✓ Cost centre mentality ✓ Informal roles & responsibilities with limited skills	✓ Strategic plan <input type="checkbox"/> Formalised roles, objectives, targets and reports <input type="checkbox"/> Processes defined & well publicised <input type="checkbox"/> Communication Plan	<input type="checkbox"/> Customer-endorsed effective & efficient relationship management	
None (Level 0)	✓ Loosely defined link to business goals ✓ Reactive with no business perspective ✓ Poor coverage ✓ Unplanned activities	✓ Tactical, but inconsistent, responses to business needs ✓ Emergence of common process approach	<input type="checkbox"/> Focused on technological solutions rather than business problems <input type="checkbox"/> Training strategy and plans defined	<input type="checkbox"/> Continuous improvement culture <input type="checkbox"/> IS Services and their costs externally benchmarked	
			<input type="checkbox"/> Co-ordinated portfolio of projects to deliver business value <input type="checkbox"/> Improvements planned & reviewed <input type="checkbox"/> Premier IS service		

In reviewing the model objectively, the taskforce was able to assess that they were currently at level three (Provider) in the model and established a goal to be at level four (Partner) within 18 months. This required a critical look at the skills and competencies needed among the team to accomplish this rapid change. A sub-team on the taskforce undertook the effort of reviewing literature from the Research Executive Board, British Computer Society, other IS research documents, and an internal skills survey across the members' own IS function to identify core capabilities, skills, and competencies of successful Valued Business Partners.

The team's research and survey efforts identified some key gaps in capabilities across the team. According to Graham Pool, IS relationship manager, the findings indicated that the current team consisted of largely IS people who were naturally inclined to be more technically-oriented rather than people-oriented. It was found that the UK operation was a smaller team that was more accustomed to outsourcing detailed technical elements, whereas the US operation was a larger team more accustomed to in-sourcing their efforts. In the UK, the team was stronger on stakeholder management and weaker in

technology and innovation, whereas in the US, the team was stronger in technology and innovation, and weaker in stakeholder management and business engagement. In addition, the US team appeared to be less comfortable with change.

Based on these findings and literature review, the sub-team determined the key competencies needed by Valued Business Partners. These competencies aligned with the five key leadership characteristics at National Grid, which state that a strong leader “Lives the National Grid Values, Creates the Future, Builds Relationships, Consistently Delivers Great Performance, and Develops Self and Others.”

Valued Business Partner SFIA Skills and Competencies

The sub-team outlined the following 18 competencies for success:

Title	Description
Business Characteristics	The functional structure of businesses and other organizations; their mission, objectives, strategies and critical success factors.
Business Environment	The business environment relating to own sphere of work (own organization and/or closely associated organizations, such as customers, suppliers, partners), in particular those aspects of the business which the specialism is to support.
Cross-Functional and Inter-Disciplinary Awareness	Understanding the needs, objectives and constraints of those in other disciplines and functions.
Customer Focus	Understanding the needs of the internal or external customer and keeping them in mind when taking actions or making decisions.
Flexibility	Taking account of new information or changed circumstances and modifying understanding of a problem or situation accordingly.
ICT Environment	The ICT environment relating to own sphere of work (own organization and/or closely associated organizations, such as customers, suppliers, partners), in particular own organization's technical platforms and those which interface to them.
Influence and Persuasion	Influencing and persuading others to take a specific course of action when there is no direct line of command or control.
Initiative	Being proactive, taking action and anticipating opportunities.
Interacting with People	Establishing relationships and maintaining contacts with people from a wide variety of backgrounds.
Leadership	Identifying goals and objectives, and motivating and leading others towards their achievement.
Oral Expression	Communicating effectively by word of mouth.
Organizational Awareness	Understanding the hierarchy and culture of own, customer and supplier organizations' and being able to identify the decision makers and influencers.
Own Organization's Products and Services	The products and/or services supplied to customers by own organization. Examples: Maintenance of infrastructure, maintenance of applications, system development, software product.
Persistence	Meeting targets and fulfilling agreements even when adverse circumstances prevail.
Strategic Perspective	Keeping overall objectives and strategies in mind, and not being deflected by matters of detail.
Stress Handling	Retaining objectivity and proper understanding of a problem or situation when placed under conditions of stress.
Teamwork	Working co-operatively (rather than competitively) with others to achieve a common goal.
Written Expression	Communicating effectively in writing.

At this point, the sub-team members had determined where they currently were as an organization in the Maturity Model, identified where they wanted to be in the Maturity Model, and identified the gaps in skills and competencies they needed to bridge in order to be successful. They also needed to build long-term accountability for this journey. They did this by standardizing a performance evaluation process known as Performance for Growth, and embedded a common performance objective approach which is cascaded from the IS Senior team throughout the entire IS organization.

According to Teresa Mauro, IS HR Senior Specialist, "Performance for Growth is a business process for managers to ensure their teams and National Grid are successful, and to focus on those activities that add the greatest value by (a) setting the right stretch objectives at the beginning of the annual cycle, (b) providing continuous feedback and coaching throughout the cycle, (c) looking at what has been achieved and how it was achieved at the end of the cycle, and (d) rewarding performance that encourages continuation of the desired behaviors and activities."

The team also recognized that effective partnering is relevant to all roles in IS, both business-facing and internal-facing technical roles. As a priority, the Valued Business Partner capabilities were embedded in formalized role definitions based on an industry-standard framework supported by the British Computer Society. This framework establishes the following roles: Project Manager, IS Relationship Manager, Business Consultant, Business Analyst, and Service Level Analyst. Adopting this framework, across the IS function, ensured that staff at all levels could clearly identify what was required in their role to deliver effective business partnerships.

Linking Training to the Change Effort

With the Maturity Framework, Competency Model, and Performance Management process in place, the taskforce began to search for a training partner who could take the essence of this transformational change initiative and align competency-based training to develop skills needed for implementing the change successfully. Dale Carnegie Training® was able to work with the team in aligning core curriculum content with the National Grid Valued Business Partner competency model in a way that aligned with the Maturity Framework to deliver on the corporate initiatives.

The process for developing the Valued Business Partner skills involved five key phases: 1) an initial assessment, 2) a four-day intensive and interactive learning series, 3) an application project, 4) a sustainability workshop, and 5) a follow-up assessment. The goal of the pre and

National Grid

National Grid (LSE: NG.; NYSE:NGG) is an international electricity and gas company, and one of the largest investor-owned energy companies in the world. The company's core business is the delivery of electricity and natural gas to nearly 15 million customers across Great Britain and the Northeast US. The company is committed to serving customers well, delivering energy safely and reliably, and keeping costs low.

Founded in 1990, the company is headquartered in London and reported total revenues of £15,624 million (approx. \$24,000 million) in 2009. National Grid employs more than 28,000 workers. Primary business units in the UK include National Grid Electricity Transmission plc and National Grid Gas plc. The American unit is known as National Grid USA and conducts business through multiple subsidiary companies in New England.

National Grid's vision for the future is:

"We, at National Grid, will be the foremost international electricity and gas company, delivering unparalleled safety, reliability and efficiency, vital to the wellbeing of our customers and communities."

"We are committed to being an innovative leader in energy management and to safeguarding our global environment for future generations."

For more information, visit www.nationalgrid.com/uk/ or www.nationalgrid.com/

post-assessment element was to help participants see more clearly their opportunities for improvement in the training content up front, and then to help them measure their success in changing their behavior after the training experience. The assessment was a customized 360-degree assessment that gave them insight from their manager, their peers, and their customers.

The learning series was a combination of key Dale Carnegie® competency modules that focused on leadership and communication characteristics that were particularly critical in developing the competencies identified by the taskforce in its research efforts. The application project allowed participants to identify a live business situation in which they could use their new skills to enhance their VBP abilities. As Teresa Mauro, explained, “The value in this process for National Grid was the flexibility and strength of Dale Carnegie® in being able to adapt the content and flow of each session to best help participants gain and demonstrate the skills necessary for growing in their role as a VBP.”

It was important to National Grid that they get more than “just training” for their team. They wanted to create a real learning environment within the training experience. National Grid also wanted to help team members focus on long-term behavioral changes while having a fun and challenging experience. Since the customized program was offered more than one time, the National Grid team and the Dale Carnegie® team were able to come together to make adjustments to the sessions and refine them to improve the experience for each successive group.

In addition, Graham Pool stated that “the trainer team provided by Dale Carnegie® was able to accommodate regional differences in the organization and bring a cohesive approach to the program among varying organizational perspectives.” This combination of aligning content to the VBP structure, adjusting the session flow to fit the needs of the participants, and providing trainers who had the ability to adapt to regional perspectives aided in providing a change-oriented, yet real environment for the participants.

Results

According to Graham Pool, the results of the process have been very positive. He reported that participants returning from the training “understand themselves more, work better in

IS Partner Approach

National Grid's effort to transform the IT department into a VBP model is consistent with other leading organizations' efforts to assess and transform their IT functions. Organizations who have recognized the strategic importance of engaging their technical professionals as business partners include such leaders as the US Department of Defense, Litton (now owned by Northrop Grumman), Bosch and Raytheon.

The idea of the Relationship Management Maturity Framework, which is central to National Grid's VBP model, builds on ideas that were born in the 1970s. At that time, the growing computer software field was struggling with ways to professionalize software development. After several US military software projects ran over schedule and over budget, the US Air Force funded a study at Carnegie Mellon University to better understand the software development process and why projects were not performing up to expectations. This led to the creation of Carnegie Mellon's Software Engineering Institute (SEI).

In 1988, a researcher at SEI published the concept of the Capability Maturity Model (CMM). The CMM focused in part on software maturity levels measured across a five-step continuum and became a foundational concept in IT management. The matrix is designed to help companies improve the predictability, effectiveness and control of their software processes as they progress along the continuum. The model provides organizations with a tool to more effectively measure and monitor both progress and results in the IT functions.

While the CMM originated as a tool to determine US government contractor's ability to deliver on a software project, it has evolved into a model that can be applied to all aspects of an organization's IS functions, including gauging the IS department's relationships with other functions within the organization. The modification is viewed as a Relationship Management Maturity Framework defining key stages in the progress of IS departments in managing customer relationships. The National Grid Valued Business Partners approach is built upon a solid foundation and proven process for driving solid change in both thinking and action. By adding the aspects of the competency model and performance review system, National Grid has moved the Relationship Management Maturity Framework from a description of desired service to an action oriented method, thus taking the concept of Valued Business Partners to new levels in the IS industry.

teams, find ways to make their teams better, and are able to compensate for varying work styles among the team.” This flexibility is critical in the matrix environment at National Grid. Pool continued, “Participants are better able to understand their business partners, are better prepared for meetings and are more focused on business outcomes when facing difficult situations.”

The live scenarios used in the sessions focused on real problems and situations, which allowed the team to be better prepared for those situations when returning to work activities. One work team focused their business application project on an improvement in the distribution control center. As Pool described, “They were prepared, as a result of the training, to clearly identify the key issue of a lingering problem, gain buy-in from the business partners to make the necessary changes, and then implement their plan to improve the situation. Everyone involved has been very appreciative of the changes.” Pool commented that this type of training approach is valuable in “keeping very talented people” and in preparing people for long-term success as IS Valued Business Partners.

In terms of quantitative results, an overview of all participants pre and post assessments demonstrated the following:

INSIGHTS FEEDBACK GUIDE									
Pre-Post Performance Comparison for Manager Feedback									
Questions	Source	Mean	1	2	3	4	5	Gap	
SUMMARY ANALYSIS									
Strategic Leadership	All Pre	3.49	<div><div></div></div>						0.19
	All Post	3.68	<div><div></div></div>						
Interpersonal Awareness	All Pre	3.64	<div><div></div></div>						0.12
	All Post	3.76	<div><div></div></div>						
Impactful Global Presentations	All Pre	3.57	<div><div></div></div>						0.15
	All Post	3.72	<div><div></div></div>						
Customer Focus	All Pre	3.62	<div><div></div></div>						0.11
	All Post	3.73	<div><div></div></div>						
Leadership Qualities	All Pre	3.53	<div><div></div></div>						0.17
	All Post	3.70	<div><div></div></div>						

Overall, the team was rated as having improved their demonstration of VBP related skills after the training was completed. Across the team, improvement was noted by their managers, peers and customers within the first 90 days of utilizing the skills covered in the training. The ability of the initial participants in the VBP approach to model positive skills within the team set a positive foundation for expanding the approach out across all IS professionals within National Grid.

Conclusion

Transformational change does not happen by accident. It takes a strong vision, led with passion by an executive champion. It requires the commitment to excellence of a team focused on the outcomes of the vision, rather than protecting their own areas. It takes solid partnerships, both inside and outside of the organization to assemble the elements to succeed. National Grid has successfully moved toward creating IS Valued Business Partners by focusing on the change systematically and purposefully.

Equally important to the success of this initiative was opening the process to their team, rather than trying to control and mandate the transformation. National Grid embraced the challenge of aligning the pieces in exchange for long-term success. Mr. Carnegie once said, "Keep your mind open to change all the time. Welcome it. Court it. It is only by examining and reexamining your opinions and ideas that you can progress." National Grid has truly lived this openness to change and demonstrated the willingness to examine and reexamine their ideas. This, coupled with a solid foundation of training, has allowed Ms. Hanley's vision to move ever closer to the reality of IS Valued Business Partners within National Grid.