

OD Network/ Chicago 2006 Impact Award Winners

Exelon: *Change Management Initiative*

Exelon Corporation implemented a standard change management process across all of its business units, integrating the high-engagement approach into business planning and review cycles.

Project Leader:

Christopher Pett, Director, Organization Effectiveness & Leadership Development

Exelon Corporation is one of the nation's largest electric utilities with approximately 5.3 million customers, more than \$15 billion in annual revenues, and almost 17,000 employees. This project focused on improving Exelon's change capability, by developing and implementing an enterprise-wide standard process for effective change management. Project goals also included increasing the effectiveness of change initiatives, and enhancing employee engagement and commitment.

A broad range of stakeholders were engaged in different ways. A task team - which included both HR & OD staff and representation from each business unit and function - studied internal and external best practices and developed the standard process, a change management toolkit, and intranet site. Senior executives served as sponsors, providing guidance and oversight for the initiative. Coaches in each business unit participated in Train-the-trainer workshops and serve as change advisors and subject matter experts.

Exelon's supervisory, management and leadership development programs now include change management content, with a particular focus on the role of leaders as change agents and sponsors. Each business unit has implemented the process in ways that fit its unique needs, customizing the tools and training, and integrating them into regular business practices.

The project has impacted management practices and employee engagement. Leadership behaviors now show greater appreciation and rigor around managing change. Change impact assessments are now part of the business planning cycle, change plans are part of all project plans, and high impact change initiatives are regularly reviewed and tracked by management. Feedback from employees indicates they perceive improvement in work processes and engagement. Additional impact is expected as improved change management becomes further ingrained in the culture.

Advocate Health Partners: *Cultural Transformation*

Advocate Health Partners accomplished a cultural transformation, where changes in leadership styles sparked business process improvements and improved associate satisfaction.

Project Leader:

Roxanne Ray, Sr. Performance Consultant

Advocate Health Partners is an umbrella organization over Advocate's PHO's and affiliated Medical Groups, providing managed care contracting and medical management services and serving over 180,000 members. In 2005, new senior leadership recognized a need to change AHP's organizational culture in order to address some critical business issues: 1) decreased productivity; 2) error ridden manual production; 3) lack of cooperation and alignment of business lines; 4) high levels of dissatisfaction among providers; and 5) low associate morale which resulted in a poor service reputation and poor image in the market and among its clients.

An Organizational Culture assessment was completed by the entire leadership team, and both current and ideal organizational styles were identified. The desired changes to the culture were spelled out: focus on achievement, clear performance standards and expectations, address problems and correct process without assigning blame, improve communication within and across departments, and leader development.

Here is a sampling of the improvement actions taken:

- VP's led and sponsored the changes – communicating vision, making tough calls, showing persistence
- Consolidation of departments for better collaboration
- Leadership moved closer to functional areas they managed
- Weekly senior leadership feedback meetings with associates on process solutions
- Joint accountability established between all directors; interdependencies within and between departments identified
- Specific achievement goals and production measurement dashboards established
- Workflow processes streamlined and automated across all business lines
- Individual leadership style assessments and development plans completed; correlated to the desired culture
- Regular reporting on key dashboard measures
- Celebrations of goal accomplishments
- Staff training in automated processes

The transformation led to positive impact in both leadership behavioral styles and business results. Leadership styles became measurably more constructive. Business impact included: improved provider cash flow, reduced claims expense, improved claims turn around time, improved on-time claims payments, and improved associate satisfaction.