

A NEW ORGANIZATION: OPTIMIZING RESULTS

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INTRODUCTION

Power Delivery companies commonly find themselves re-structuring as part of their efforts to prepare for deregulation. This paper describes an Organizational Development intervention used to get results from a restructured Power Delivery organization. The evolution of the intervention is illustrated in the experiences of a large American utility restructured in 1994. The process, design, results, lessons learned, and impacts on the organization and its 1200 employees are highlighted.

BACKGROUND

Organizational

Commonwealth Edison (ComEd), a subsidiary of Unicom Corporation, is an investor owned utility providing power to the northern third of the State of Illinois, including the Chicago metropolitan area. The company serves more than 3.4 million customers in a territory 11,318 square miles large with a summer peak demand of 19MW. The power delivery services are provided by two organizations- Transmission Services servicing transmission voltage systems 69kV and above, and Distribution Services servicing 34kV and below. The efforts outlined in this paper are related to the Transmission System (TS) organization.

The TS and DS organizations were established as part of a 1994 reorganization to centralize and consolidate design and construction services. The TS organization merged work groups that were previously independent of each other in addition to creating additional work groups. The organizational design was ripe for strife unless intentional efforts to unify the organization's 1200 employees were pursued. Annual workshops—Leadership Conferences--of the organizations' leaders were initiated in 1994 and from these TS began to unify.

Regulatory

ComEd was one of several electric power utilities and energy providers engaged in spirited debate over deregulation in the State of Illinois (USA) in 1996. The state's legislators planned to rewrite the Public Utilities Act to effectively dismantle the regulated environment that had allowed monopolies to operate in Illinois for

over 100 years. The regulatory climate was both uncertain and intense since the legislative committees were debating competing deregulation proposals. The one thing that was certain was the resulting acts would have a profound effect on the way that ComEd would conduct business.

LEADERSHIP CONFERENCES

History

To respond to this changing environment, the TS Vice President, Linda Manning, realized it was time to further solidify the TS organization and harness its energy in anticipation of approaching competition. In April of 1997, she convened a large cross-section of her organization (225 people) for its annual Leadership Conference.

The original Leadership Conference model was a large-scale organizational change intervention developed in 1993 by Bruce Gibb [1]. The model was adapted for TS use in 1994 by Gibb [2], Pagel, and internal representatives. The initial large-scale intervention was based on organizational systems thinking and explored TS's strategy, processes, and culture resulting in a TS vision and mission statement. This "planning" conference model was used subsequently in 1995 and 1996 for goal setting, team building and follow-up.

The Use of Appreciative Inquiry

Anticipating the dramatic change that will accompany deregulation, the TS 1997 Leadership Conference focused on defining the positive aspects of the organization. The TS organizational behavior changes in 1997 were accomplished through an approach known as large-scale appreciative inquiry. This is an organizational development method focused on the positive view of the present organization, and use of this positive view to drive the organization to new heights. The approach explores the present good in the organization and future opportunities to build upon these qualities. This perspective is opposite to traditional problem-solving where problems are looked at as negative issues "to be fixed" and focus is placed on "what went wrong?" rather than "what went right?"

The appreciative approach is combined with large scale change in order to:

1. Accelerate the change process throughout the entire organization
2. Provide an opportunity for all organizations members to give input to the changes
3. Provide an opportunity for members to implement change.

The 1997 TS conference model embraced the tenets of Appreciative Inquiry [3] by focusing on the positive view of the present---“the best of what is” and using that to energize the organization to new achievements---“what can be.” The conference model challenged participants to embrace themselves as an affirming system so that they may be responsive to positive thoughts, positive knowledge, and consequently, positive action. This positive action enhances the organization’s confidence to make things happen in both a visionary and a creative way. Large scale appreciative inquiry challenges all of the organizations’ members to view themselves as one. Since Appreciative Inquiry assumes that change is guided by questions asked within the organization, the model challenges organizational self-discovery through the use of 3 provocative, yet evocative questions:

Who is the organization (identity)?
What does it want?
How will it get what it wants?

A pre-conference interview process was used and focused on these key questions to intentionally explore the present organizational good and future opportunities. These questions centered on individual and organizational positive experiences and stories, key successes and strides, strengths and challenges, and items valued in the organization.

Comparison to pre-1997 TS Conference Models

The original TS model used the traditional problem solving approach by looking at problems as negative issues “to be fixed.” Focus was placed on “what went wrong” rather than “what went right.” This view put TS in a problem-solving mode and made it difficult to move beyond the present to reach its vision. In the 1997 conference model, the use of Appreciative Inquiry redefined problems as opportunities for growth and development.

The 1997 conference included strategic customers and suppliers (Gibb, 1992) as well as cross-sectional TS representation including union representatives. This inclusion encouraged a high degree of cross-functional team development. Since the original conference model focused on organization components, improvement plans and teams were tactical and internal to the business unit. The new model is an organization development approach combining large-scale strategic change with AI; the former is purely a large-scale change centering on TS

and its components. Finally, the 1997 conference model used a high degree of intentionally positive and metaphorical language.

THE APPRECIATIVE CONFERENCE MODEL

The new TS Model design incorporated the four primary steps of Appreciative Inquiry [4]:

1. Discovery: Appreciating and valuing what gives life to the organization.
2. Dream: Envisioning the future that is possible.
3. Design: Engaging in dialogue about possibility; creating a collective vision.
4. Destiny: Constructing the future through innovation and the momentum of action.

The Leadership Conference Model design embodied these steps as follows:

Discovery

The first day of the conference focused on TS discovery by exploring the organization’s identity through “the best of what is” in the organization. Attendees discussed valued behaviors for the day in order to create a safe environment where everyone’s views were considered important. A look at the organization’s accomplishments, “TS Years in Review”, focused on the identification, discussion, and recognition of key events and accomplishments since its inception in 1994. All 225 participants took part in the creation of a large banner which visually depicted and celebrated these achievements.

The ComEd and TS mission, vision, and value statements were reviewed to further define the organization. Story sharing of positive stories reflecting the TS values helped to define the character and soul within TS, while providing more data about identity and culture. Another intentionally appreciative exercise, the story sharing, built common ground by defining “the best of what is” for TS.

Dream

Dreaming occurred by gathering information regarding the environment inside and outside of TS to determine what the “world is calling for.” By discussing what was presented and learned, the group built a common database of information.

Dreaming also centered on human imagination through the power of metaphor. “Tuning Up for the Race & Qualifying to Compete,” a car racing metaphor was the theme and was demonstrated in all dialogue and exercises. Actual car racing gear and props evoked the competitive spirit of winning in the attendees. The use of the racing metaphor provided an experience to allow the conference participants to shift from their present processes to those needed to function in the impending deregulated climate.

Design

The second day demonstrated dialogue about the possibility of becoming “tuned up and qualified to compete.” Attendees identified present strengths in TS which met the metaphor and determined where they could be more effective (tuned up & qualified). The day built common ground around what has been already done well and determines potential future possibilities. The dialogue created the organizational wants--the common collective vision in TS. It also engaged the group in such a way that that the group’s building momentum was experienced.

Destiny

From the dialogue about possibility, TS identified the top challenges the organization needed to act on immediately in order to become “tuned up and qualified.” Next steps included challenge commitment, whereby everyone is invited to participate on a team to move TS towards its collective vision. It was a final opportunity to mobilize the collective will of the group to take action, follow up, and follow through on all the commitments made. The challenge identification, its prioritization, team assemblage, and commitment showed how TS would gain what it wanted in fulfilling its destiny.

RESULTS

Observations and measurements taken before, during, and after the conference indicated the following:

1. The development of interesting partnerships took place. Union leadership participated for the first time, taking an active role in cross-functional process teams. New relationships between union, especially with the stewards, and management are being demonstrated through dialogue while on teams and committees.
2. Integrated task teams were formed between TS and its customers and suppliers.
3. New solidarity developed between the Vice President’s work group managers.
4. Participants modeled the behaviors demonstrated in the conference afterward. For example, safe environments in the work place where people can express how they feel. Diverse perspectives are also being appreciated.
5. Post conference assessments indicated an increasingly positive organizational climate demonstrated through behavior, language, and commitment completion.
6. Other organizations in ComEd were using the conference model as a template for their strategic sessions.

The 1997 Appreciative Conference Model was successful, in part, due to the regulatory changes, sense of urgency, and readiness within the utility industry and the ComEd.

The original conference design sought the same successes, however, there was no urgency to change. Also, TS was not ready to engage the union nor to bring in a large diagonal slice of the organization at one time. During the days of the original conference model, it was much easier to engage each level of the organization (e.g., top, middle, lower). TS had just been created as part of reorganization. They were beginning to learn about themselves. TS was unsure of its direction, its processes, and its culture. Consequently, the original model was successful at the time it was used. That model was necessary for TS to get where it is today and to become the new appreciative model being used in 1997.

TESTIMONIAL

The success of the new conference model is best summarized by the TS Vice President, Linda Manning, the champion of TS’ change:

“Our Leadership Conference turned into a significant emotional event inspiring people to take immediate action. The passion aroused in the two days’ activities clearly validated the linkage between our personal and organizational values. The conference provided a safe space allowing the group to challenge the obstacles to growth, gather their collective will and leave with the momentum to move the organization forward!”

REFERENCES

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