

Cross-Functional Teamwork – A Case Study in Publishing

History

CompanyA was founded in the 1800's and is currently a Fortune 500 Company with a preeminent position in the world of elementary school publishing. CompanyA's School Education Group captured 32% of the K-12 (students ages 4-17) adoption market versus 29% in 2001. In elementary publishing Reading is King. CompanyA was King. A long term success record combined with market leading creativity, research, product development and customer focus had kept them consistently ahead of the competition. By 2004, CompanyA's K-6 Reading Program, the King, had lost its crown jewels. The grave reality: they were ranked number 4 out of 4 in the United States marketplace amongst the big elementary education publishers.

Countless questions were being asked, including: "How did the leader of the field, with great historical competitiveness, competency and confidence, drop to dead last?" "Even if we clearly knew the answer, how are we going to produce the greatest reading program ever to regain our title?" and "Where do we start?"

The publisher, a senior stateswoman in the industry with a career history of publishing number one elementary education programs, had returned to CompanyA after retiring only a few years prior. After taking measure of the organization and market factors, including a talent base battered by competition and a lack of bold competitive led to the conclusion was that this was going to be the challenge of her career. She recognized that in order to win, big changes needed to be made to the organization and publishing processes which support creating winning product. All this with the crushing pressure to create a reading program that would return the company to preeminence. The task was equivalent to changing out an engine on a 747 while in flight. The task required expertise not found within the organization. This expertise was sourced to Knowing Point, owning a history of supporting publishing companies' pursuit of market leading programs. The publisher engaged Knowing Point at the early stage of a new copyright Reading Program to help them create a market dominant Reading program.

Discovery and Challenge

The challenge was initially ambiguous – the leadership was not able to easily identify where to focus their energies to drive the results they needed to create winning product and thrive as a business.

There were almost as many stories as there were people to tell them to explain the painful fall from the top. Some blamed a new corporate oversight bearing down with dissonant values, some a turnover of internal managers and leaders and a loss of 'institutional memory,' some corporate turmoil and politicking, some budgeting and planning problems, some that sales was selling the 'wrong' product, some even the nebulous culture of fear, loss of confidence and poor

morale that had gripped people after experiencing repeated defeats, increasing accountability, ‘out of the clear blue’ firings and being confronted with the harsh financial facts.

At the beginning of 2004, four focus groups of approximately 20 people each were asked to give voice to their experience and concerns on ‘ground level.’ Then they prioritized their data by consensus, yielding a confidential combined list of current strengths, areas for improvement, obstacles and opportunities. Key issues began to surface around decision making and workflow, including a deluge of meetings. Critical path editorial decisions were bottlenecking progress and causing countless work stoppages and rework. Key roles, responsibilities and handoffs were undefined. Workflow was convoluted with massive communication problems between departments, revealing ‘functional silos’ whose Achilles heel was a critical lack of cross-functional teamwork. Meetings were out of control – too many attending, scheduled back to back, double or triple booked and a general lack of clarity as to their purpose and payoff. Productive meetings were rare. Some lamented and some seemed to privately rejoice: meetings kept them from doing “real work.” Accountability at all levels was weak. Something needed to improve, and fast.

A top priority was to organize and mobilize the Reading Management Team. No simple task as critical path deadlines competed with planning time. Freeing themselves up, the management team prioritized the issues, defined their purpose, set performance goals and set an agenda for improvement. Their vision and challenge became crystal clear: Create the Best Reading Program – Ever!

Change Strategy

Three challenges immediately rose to the top:

1. Structure for Success

How to design the reading organization to overcome the limitations of ‘functional silos.’ How to seize upon the framework of cross-functional teams and deploy editorial to work side-by-side with design and production to dramatically improve their creativity, communication and collaboration. How to deepen both individual and team engagement, and build resiliency in people, climate and work processes to meet current and future challenges.

2. Create Customer-Focused Products

How to bring the voice of the customer to the center of the product development process as quickly and efficiently as possible. How to ensure that content development is aligned to meet customer needs and wants.

3. Execute, Execute, Execute

How to work more powerfully through meetings. How to effectively plan and facilitate meetings, use collaboration to drive intelligent decisions and translate action into results that count.

Implementation Highlights

The change strategy led to the creation of two cross-functional design teams. One became the *Frameworks Design Team*. Their charter: propose a way of organizing the work of the Reading Team which will lead to creating the best reading program—ever.

The *Frameworks Design Team* was charged with providing reading management recommendations on:

- Team-based/cross functional organizational structure
- Redefinition of roles, relationships and responsibilities
- Decision making boundaries
- Redeployment of people and creation of new work spaces
- Timetables for implementation

The new organizational structure was required to meet the following design specifications:

1. integrates customer feedback into all aspects of product development
2. encourages clear and timely communications across organizational levels
3. allows people to work to their strengths
4. authorizes individuals to make decisions within their expertise
5. drives true collaboration by sharing work burden and promoting creative problem solving
6. allows teams to speak in one voice and make final decisions
7. creates a climate for creativity and allows for disagreement without fear of retribution

The second design team was *Winning with Customers*. Historically, customer input was sporadic and oftentimes not substantially represented in the product development cycle. What was clear is that a major contributor of CompanyA's failure was the result of not delivering 'the right product' – in other words, one that didn't fulfill the customer's needs and wants.

This design team was created as a result of the recognition that in order to be number one in Reading, CompanyA must formalize a process to bring the customer's voice to the heart of product development, in a timely and cost effective way. Their charter was to identify ways to get critical, timely input on program components at all stages on an on-going basis.

The *Winning with Customers Design Team* set about redesigning the process of incorporating the customer's voice into product development by rethinking the organization of feedback from customers and the methodology of collecting and utilizing that feedback. The resulting proposition to the Reading Management Team was the formation of Tiger Teams. These teams were comprised of cross-functional members representing sales and product support representatives. In addition, a representative from the Editorial and/or Design Department became Tiger Team leaders.

To address the challenge of execution, meeting skills and facilitation training was implemented. The cost of lost productivity and inefficiency was enormous. A certification program in Powerful Meetings™ was conducted with training being provided to more than 50 key managers and team leaders.

Results

As part of the initial assessment phase of the project, a 50 item survey titled *People #1 :: #1 Reading* was distributed to a representative number of Reading Team members. The same survey information was collected again 12 months later after the transformation to a team-based organization. The survey offered an objective measure of overall improvement resulting from the implementation of major changes to the work system.

The two task forces were successful and effective. An initial accomplishment of the Frameworks Design Team was the identification of ‘wants’ and ‘musts’ in critical redesign. The first major effort was directed at redesigning workflow and product development by altering the team structure to increase efficiency and cross-functional collaboration. New cross-functional grade level teams were implemented. According to survey results, teamwork improved by 17%. The new framework also led to a 44% improvement in delineation of roles and responsibilities and a 51% increase in delegation and empowerment. This was accomplished by defining who makes particular decisions, who needs to be consulted, who needs to know and who is responsible.

Within months, Reading had been transformed into a team-based organization. Over 300 people had been physically moved. In every nook and cranny covering three floors of a huge building sprouted multi-functional product development pods. These work pods are organized by grade level teams, with editorial integrating their work on a daily basis with design and production. 9% reported improvement with the physical redesign of the work space. The result of the Framework Design Team’s work was the redesign of work teams and the definition of a clear decision making path, thereby ensuring the clarity of roles and responsibilities. The functional impact was increased speed and effectiveness of appropriate decision making, increased productivity, increased teamwork, increased morale and decreased rework. The transformation to a team-based reading organization has competitively positioned this company for years to come.

The Winning with Customers design of the Tiger Team prototype for getting fast feedback and product development input was approved and immediately implemented. Initial field testing was highly successful in obtaining feedback under extremely tight deadlines. Best practices were identified for incorporating customer feedback in short feedback cycles. Timely input into the critical program components was received, the speed of the product development cycle increased, and there was decreased rework from untimely and unorganized input. In addition, the implementation of the Tiger Teams represented a powerful leveraging of new technologies that would facilitate the process and significantly reduce costs and security threats.

With more than 50 attending the Powerful Meetings™ training, 25 furthered their learning and successfully demonstrated their new expertise and competency, earning them their Powerful Meetings™ Facilitator Certification. This training is a vehicle for leadership development. It created a far-reaching cultural shift in CompanyA by developing a common language and set of behaviors for doing collaborative work. Survey results indicate 54%

improvement in leadership and management and a 54% increase in training and growth. Within two months time, it was noticed that the best practices and protocols of Powerful Meetings™ were appearing in meetings across the organization, even with those who had not been through the formal training.

In sum, those taking the post assessment survey reported a 31% improvement in the overall culture of the organization.

Action Leadership

The powerful acts of leadership must not be forgotten as the inspiring force behind the bold moves made, initiatives executed, and changes made. Grand challenges and crises require grand courage, passion and leadership. This began with the publisher, as her reentry to the business was testament to the belief that she could provide and develop the leadership that many felt was needed. She set out to accomplish one thing – Create the Best Reading Program Ever. The role of the original champion as a true leader is to inspire followers, to develop leadership in others who are supportive of fulfilling the mission at all levels. Without this, all else would have failed. This turned out to be the most formidable challenge of the project itself.

The Reading Management Team members were the first level of leaders to create, to champion the vision and mission to their teams, to execute the plans sculpted by strategy. They had the potential to be both the greatest asset and the greatest threat to the success of the entire project. Their commitment was called into question many times, as the message delivered to the rest of the organization was, in the beginning, inconsistent at best. Several members seemed to talk the talk, not walk the walk. There were lots of words lacking true commitment. This became clearer as criticism behind closed doors and elevators mounted, discontent built, faith faltered, and the message diluted. The behavior of several managers was clearly not in integrity with their commitments made. Confrontation was not a strength of the leadership or management team. This was almost unacceptable in the culture of CompanyA. The publisher didn't falter in her leadership, didn't turn her back on her team, even in the face of enormous resistance, heavy criticism, attempts to undermine her work and growing disbelief in the successful outcome of the undertaking. Without this conviction, the project would have failed, as countless others have, before achieving a critical mass and reaching a tipping point of momentum.

Lessons Learned

It is not unusual that three to five years is needed to develop and publish a textbook. To clarify the entire publishing process, we have borrowed this from CompanyA, as they have divided it into eight steps:

- Step One: Deciding on Content
- Step Two: Research and Planning
- Step Three: Manuscript Development
- Step Four: Page Production
- Step Five: First Printing
- Step Six: Quality Reviews of First Printing

Step Seven: Quality Reviews and Reprints

Step Eight: Subsequent Printings

Throughout the publishing process, CompanyA relies upon the expertise and commitment of respected authors, writers, content specialists, fact-checkers, editors, proofreaders, photo researchers, book designers and many others.

The publishing process requires accurate budgeting, timelines and execution to meet target dates and deliverables. As pressure to produce increases and deadlines approach, maintaining employee energy and morale can be enormously challenging. Building alignment and commitment to the achievement of goals is essential at every level of the organization. Communication of priorities and progress must be frequent, clear, and consistent. Clear roles and responsibilities, appropriate delegation and decision making authority, and cross-functional teamwork are the keys to success.

Another lesson is that different departments and functional areas' contribution to the end product are very different; they are virtual subcultures. Starting from the broadest functions of the business, we discovered a broad separation between content and process. Content is primarily made up of the creative and editorial side of the business. Process is made up of finance, production, manufacturing and others.

We learned that a clear and compelling value existed in working with all levels of the organization to increase and sustain CompanyA's commitment to the change process. For CompanyA to accomplish its goal, change had to be orchestrated and accelerated on all levels: individual, task/team, and organization. To accomplish this, given the deadline demands and time constraints of the Reading project, it was critical that all work in planning, skill development and coaching with individuals and teams be conducted 'just-in-time' through action learning in real time as much as possible.

The complexity and intensity of the product development and publishing process, particularly in the world of education is not to be underestimated. CompanyA's business is in basal publishing, meaning that they create all of the material necessary to fuel a school curriculum: Pupil's Editions Textbooks, Teacher's Editions, Collateral Material, Grade Level Books, web based interactive learning platforms to correspond with classroom materials and many other educational aids. To seamlessly integrate all of these products, keep them pedagogically current and sound, customize them for specific states and meet the needs of the markets across the United States is a Herculean task requiring power that can only be achieved through cross-functional and high performance teamwork.