**Gerry Pelletier**, a twenty-seven-year veteran of IBM, was the executive in charge of operations when he met his new boss, Rick Horton, in Fall 2000. Gerry played a key role in facilitating outsider Horton’s introduction to IBM Canada and in explaining the issues facing IBM Canada’s Global Services Division.

The Canadian division’s struggles had come at a time when the IBM Corporate Strategy team was creating opportunities for business units to take responsibility at the unit leadership level for developing strategy. In February 2001, the IBM Canada leadership team took part in an offsite held at Harvard Business School. They, along with four other management groups from other units and regions, participated in classroom discussions and seventeen hours of facilitated breakout sessions focused on understanding their strategic opportunities, diagnosing their performance gaps, and creating plans for immediate action.

Pelletier described the week in these terms: “There is no question that the session was a major turning point for our team. We had three and a half solid days and nights to focus on our future. The process allowed us, in a structured way, to thoroughly think about our marketplace, our business design and the root causes of our issues. Based on that, we left with agreement on the strategy and actions that would close our gaps. The team hit a new level of communicating with each other.”

Out of these discussions, the team switched gears and decided they needed to focus on different lines of business as the future drivers of growth than they had before. Pelletier was completely taken with the Leading Change & Organizational Renewal concepts and process and became an internal champion for carrying the action plans forward.

Soon Horton decided to move Pelletier into a key role as head of Strategy and Operations. From this point on, Pelletier led the monthly leadership team meetings, which became issue-oriented and were extended to a full day. Fifty percent of the time was focused on Operations and fifty percent was focused on Strategy. As Horton expressed it, “Gerry has the trust of the senior team and is the eyes and ears of our strategy.”

Within ten months of the management retreat, the division had doubled its profits and was expecting to meet its profit plan for the first time in three years. There were specific changes to the organization, such as a broadening of the leadership team and the creation of a new sales team focused on cross-selling different lines of business to a client. The incentive system for sales was also realigned.

Wanting to build on this early success and convinced that the leadership model and workshop process was revolutionizing IBM’s ability to understand opportunities and act quickly, Pelletier suggested that a broader management layer of the Global Services Division.
organization could benefit from workshops. Between September and December 2002, he hosted four separate workshops in Toronto, involving fifteen to twenty people per group. Each executive sponsor had attended the HBS session.

Before the workshop, Pelletier distributed CD-ROMs containing the same material taught to the participants at the earlier HBS-based Forum. A facilitator/teacher from HBS co-led the sessions with Pelletier, bringing an important outsider perspective and expertise to the process and discussions. Each workshop resulted in a concrete set of action items for the business unit.

Pelletier and his team offer this practical advice for holding workshops:

1. Leadership. Make sure you have the full support of an executive sponsor. His or her role in the invitation process and in setting expectations is critical. Make sure you have an owner/overseer for the action plans that result.

2. Prepare, prepare, prepare. Before the face-to-face meeting there was a pre-workshop telephone conference for all participants hosted by the executive sponsor. The purpose of the session was to go over a fact-based assessment of the unit’s current position in the market and its business results. The Harvard facilitator was also fully briefed on the materials collected in advance, and he was able to tailor his part of the agenda to the issues at hand.

3. Pre-work. Consider using the first LCOR CD-ROM as homework to get everyone on the same page much faster. Team discussions go much better when there is this common frame of reference and vocabulary.

4. Selection process. Select your participants carefully, based on who needs to be there rather than the organization chart. Make the group cross-functional; for example, bring Finance and HR into the room if they will need to buy in and be involved in future plans. Where people aren’t included, make sure they know why. Get their input in advance so they feel part of the effort.

5. Meeting details. Craft your agenda carefully. New business units need 3 days; established units do well in 2 days. Have a timekeeper and someone else to record what is said. These notes will guide future actions. Host a reception or other event the first night—about ninety minutes—to let the group get comfortable.

6. Follow-up. Be very specific about expectations for what should happen after the workshop. For large-scale, multiple-team efforts, put someone in charge of helping the follow-on effort across teams and with tracking and reporting progress to the senior leadership.

IBM’s internal facilitation teams are poised to provide levels of support to multiple business units in the global company, with Pelletier’s efforts viewed as critically important for creating a sustainable model for change and innovation. Pelletier will continue to drive excellence at IBM Canada using the team models described here. He expects that the top Canadian team will return to HBS in the near future to continue its march for excellence and transformation.

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