

# Transformation Delivered

For generations of leaders at the United States Postal Service, success meant meeting service goals and making budget. That's understandable when—every day—you have to deliver mail to more than 142 million homes, serve seven million customers in 38,000 post offices, and manage 86 million pounds of mail traveling through processing centers.

Four years ago, USPS Postmaster General and CEO John E. “Jack” Potter set his sights beyond the status quo and introduced the USPS Transformation Plan. The plan set new expectations around customer focus, the quality of the work environment, and market competitiveness in addition to ambitious budget and service goals. Significant change, and plenty of it, would reach every corner and every employee in the organization. As a result of the plan, the postal service looks much different than it did just four years ago—and it will look much different four years from now.

Yet, change doesn't come easily for a sprawling organization of 700,000 employees scattered across the country. For senior leadership—750 executives—the challenge has been to radically change organizational structures and operations while changing the mindset of hundreds of thousands of people.

In many ways, the story of the postal service is not unique. Change and uncertainty have become standard in most contemporary organizations. Significant transformation—such as that being undertaken by USPS—involves waves of change. And with change comes transition.

## Change versus transition

Change and transition represent two distinct aspects of the learning and adaptation process. Change is whatever is new or different. Transition refers to the psychological and emotional reactions that people experience as a natural human response to living through change. While leaders and employees at all levels may be braced for change and growth, they still struggle to deal with the loss that invariably comes with it.

The higher-order challenge for leaders is to simultaneously pay attention to both change and transition. They must lead the implementation of the change and do so with enough empathetic understanding to bring people through the transition. At USPS for example, the mail keeps coming in and it has to keep going out. By necessity, the organization is focused on its numerical imperatives. Implementing change requires leaders to be highly skilled in the structural components of leadership. But, as Ken McArthur, a USPS district manager responsible for some 45,000 employees, says, “The results are through the people.”

Change initiatives typically derail because the ball is dropped on the people side. Perfectly good strategies and change initiatives stall or fail when employees become stuck in some phase of the emotional transition. Leaders who fail to connect around these natural emotions generally struggle to gain sufficient buy-in from employees and thereby undermine their progress toward new goals. Instead of a loyal, productive, and enthusiastic workforce, executives and managers end up leading employees who are insecure, fearful, and skeptical.

## Authenticity and trust

How do leaders address the people side of change without jeopardizing the business of change? How can a leader make tough decisions and address the emotions and needs of employees? The answers lie in being authentic and building trust from the inside out.

**U.S. Postal Service  
executives lead a  
dramatic change.**

By Kerry Bunker,  
Michael Wakefield,  
Olaf Jaehnigen,  
and Bill Steff

Leading with authenticity involves keen self-awareness, including one's personal and emotional reactions to change. Authenticity allows a leader to go through change with integrity and honesty, which generates trust from others. And from a position of trust, a leader can more effectively guide others through change and transition.

Sheryl Turner, a postal executive who participated in the program, says she now “thinks more about how I lead, how I’m coming across to people, and how I work.” In the past year, Turner has been developing a number of employees who have taken on new roles. She now is more comfortable bringing encouragement and insight, as well as her own experiences doing unfamiliar and unknown tasks, to her role as leader and coach.

### The program

To lead authentically through change and transition, leaders must move from understanding and managing the structure of change to connecting to the emotions and experience of transition. As a starting point for developing the capacity to lead the people side of change, the Center for Creative Leadership (CCL) and USPS developed the Leading People Through Transformation program (LPTT). CCL’s work in the area of change, transition, and organizational resiliency was the foundation for the program and, most recently, the book *Leading with Authenticity in Times of Transition*.

LPTT is a five-day program for USPS top executives. The goal of the course is to give the participants an experience that pushes them to rethink their approaches to change leadership within the context of the USPS Transformation Plan. Over the course of three years, 34 sessions have been completed, involving more than 650 postal service executives. Another 100 executives are slated to take the program in the coming year.

Potter kicks off every session by spending several hours with the executives. He shares his vision of transformation through stories and examples, offers encouragement, and fields questions from participants. At the end of the week, a group of five USPS executive officers join the participants. What begins sometimes as an awkward group (the officers sit mixed in with the class) becomes an opportunity for a no-holds-barred dialogue session about what it takes to lead people through this time of transformation. By investing personally in LPTT, Potter and the executive committee demonstrate the open, honest, and direct leadership style that is important for leading authentically in a changing organization.

### The best-kept secret

One of the challenges we face in talking about this course is that the most talked about, most significant

## Balancing paradox

To create and sustain an environment of trust, leaders must be comfortable with the tension of opposites. Imagine a wheel that has trust as its hub. Radiating out of that hub are the spokes, which represent twelve competencies for dealing with change and transition. Six spokes represent structural competencies; the other six represent people-related competencies.

The key, paradoxically, is to be skilled at both. They are **catalyze change**: champion an initiative or significant change, consistently promote the cause and encourage others to get on board

**cope with transition**: recognize and address the personal and emotional elements of change

**show a sense of urgency**: take action, move fast, and accelerate the pace of change for everyone

**demonstrate realistic patience**: know when and how to slow the pace down so that people can cope and adapt

**be tough**: make difficult decisions with little hesitation or second-guessing

**be empathetic**: take others’ perspectives into account; understand the impact of your actions and decisions

**show optimism**: see the positive potential of any challenge and convey that optimism to others

**be realistic and open**: speak the truth, be candid, and admit personal mistakes and foibles

**be self-reliant**: tackle new challenges with confidence

**trust others**: be comfortable with others doing their part; stay open to others for input and support

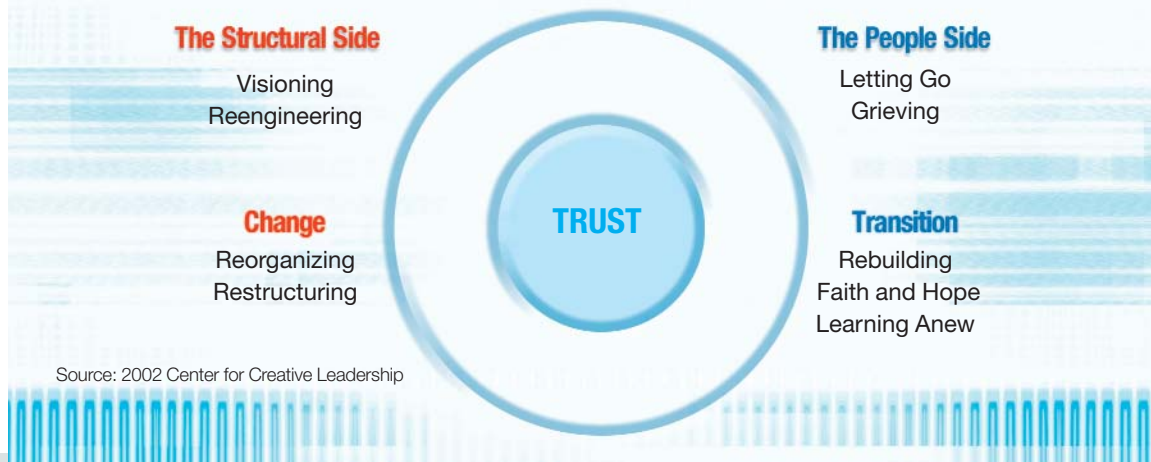
**capitalize on strengths**: know your individual and organizational strengths and attributes; confidently apply them to tackle new situations and circumstances

**go against the grain**: show a willingness to learn and try new things—even when the process is difficult or painful.

element of the program cannot be revealed. The element of surprise is crucial to triggering the depth of learning and impact, so program participants are asked not to tell their co-workers about what happens in the session. Also, because this intervention continues to operate with USPS, and in variations with other organizations, we cannot describe the details of what has become known as “the experience.” But we can say that this activity is potent enough to bring the emotional component of change to the surface quickly and intensely.

People learn the most when they have to experience the lesson. Leaders are more ready to address the human side of transition if they can engage at a personal level—with the impact of change on their own lives. The experience provides a genuine reflective opportunity for the executives to wade in the water of transition and transformation.

# Organizational change and transition



## Postmaster General: change everything

In 2002, Postmaster General and CEO John E. “Jack” Potter introduced the Transformation Plan to bring organizational changes and modernization to virtually every aspect of the postal service. His leadership enabled the organization to achieve record levels of service and financial stability. The plan has resulted in cumulative cost savings of \$8.8 billion. Debt was completely eliminated at the end of fiscal 2005 and productivity has continued to climb to historic levels.

New products and services—such as Click ‘n Ship, Carrier Pick-Up, and Negotiated Service Agreements—have also been introduced. The innovations were designed to make postal services more accessible and convenient to customers. Today, customer service satisfaction levels are at an all-time high. As a result of service-wide initiatives to improve the workplace environment and to improve relations with the postal unions and management associations, employee satisfaction and safety in the workplace also are at record-high levels.

During the extensive debrief of the experience, participants realize that their emotional and intense reactions during the program are similar to the way people respond in the face of change at work. As executives, they often believe they are skilled at dealing with change, but most have paid little attention to the emotional and human fallout from that change. The experience gives them a glimpse into what powerful learning and change feels like—and the barriers it can create—through a lesson that many say will stay with them through their careers.

When the executives recognize their classroom experience as a microcosm of their back-home world, the door opens to truthful discussions about how to lead dramatic change. Participants are able to view plant closings, job relocations, and operational changes in a new light. They can see more clearly their leadership tendencies and the effect they have on others. They become interested in how to better handle the people side of change. They start to consider ways to lead that will help bring people through transition so that they can adapt and contribute in the long term.

### Leadership in transition

LPTT is an infusion of ideas and energy for postal service executives facing the complex challenges of leadership. The expectation is that they will gain new perspectives and skills for relating to employees in the context of the transformation that is the ongoing work of the organization.

While implementing the USPS Transformation Plan, executives are hitting critical marks. Just as important, the leadership behaviors of executives reflect a new, more balanced perspective on how to lead change and transition. These shifts generally fall into four areas:

**Leadership is personal.** For a nuts-and-bolts organization like USPS, looking at the personal and emotional aspects of leading through change seemed, at first glance, out of place. Yet, executives have benefited from greater understanding of their style of leadership (both what is working well and what isn’t) as well as an awareness of how their approach affects employees. The program “validated that I was on the right track in some areas and gave me a lot of confidence,” explains Ken McArthur, district manager from Salt Lake City. “But it also showed things I needed to work on, and things I need to do differently.”

## Voice of experience

Bill Stefl and Olaf Jaehnigen, the postal service duo behind the LPTT program, offer advice to other workplace learning and performance professionals embarking on new initiatives.

**Seek hands-on involvement from senior leadership.** Buy-in from the CEO and top executives is essential, but it is even better to have senior leaders participate in the development initiative in some way. The more people they have in the program, the better.

**Gain credibility early on.** Be sure the participants in your first session of a new program are open-minded and interested in learning. Include some leaders who may be skeptical but are willing give it an honest and fair assessment. A good buzz following the program is essential for credibility and interest.

**Don't let up.** A dedicated, hands-on program manager should carry the torch, create continuity, and keep the initiative on the front-level radar. You're only as good as your last program. Communication, working behind the scenes, and handling the details all keep the momentum going as a corporate priority.

### Leading authentically through times of transition

**For leaders to effectively harness and maintain the talent and commitment needed to benefit from organizational change, they must:**

**Examine their behaviors and emotions tied to change and transition. This begins the process of operating from a place of authenticity as a leader.**

**Establish and protect trust. Without trust and honesty, authenticity and credibility suffer, which undermines solid change initiatives or management decisions.**

**Find a balance between structural leadership and people leadership. By learning the important competencies for leading in times of change and transition, leaders have a new perspective from which to operate.**

**Relationships and networks matter.** Given the scope and scale of their work, postal service executives essentially run large companies within the larger organization. Charged with running their own complex businesses, executives across the organization had limited networks and interaction with their peers prior to participating in the program. The shared experience of LPTT has broken up that sense of isolation. Now, executives have stronger connections with their counterparts in other locations and in other functional areas. Sheryl Turner, from Potomac, Maryland, appreciates that aspect. "I know people (from different functional areas). I can pick up the phone and say, 'This is what we are working on, here's what we need, what do you know, or how can you help?'"

**The emotional component of change is real.** Through the experience of LPTT, postal service executives felt what it was like to be jolted by change. They also realized that individuals experience the same events quite differently. As a result, the executives are better prepared to lead their people through real-life challenges with greater understanding and authentic empathy. The lessons of the program began to truly take hold for Cliff Rucker when he put into action some of what he

learned about how to address the people issues. "I started to see better results from my people," said Rucker, Houston area district manager. "I see the (people side) as another way to manage and as another way to get results from people."

**Leaders need different perspectives.** USPS has seen a real change in how executives make decisions. They know the value of tapping into the knowledge and expertise of others and are more likely to involve a range of stakeholders in their decision-making process. Prior to LPTT, Rucker operated from the perspective that "I'm the senior executive; I'm paid to make the decisions" and would proceed, for the most part, independently. His process today is about informing people, getting them involved in the process, working to "get buy-in on the front end. I listen to their concerns and then formulate my strategy." Turner adds, "Most of us, as managers, like to think we have all the answers. (The program) helped me to understand that it's okay not to be comfortable. It's okay to ask the right questions and get the information to resolve a problem."

Through the Leading People Through Transformation program, USPS and the Center for Creative Leadership have laid a foundation for more effective, more authentic leadership. For the postmaster general, the executive officers, and the hundreds of executives who have been through LPTT, the program's lessons endure as the organization continues its transformation. One clear example of the power of LPTT: Through 34 runs over three years, the secret of "the experience" has never leaked out, which allows the program to continue to have impact one executive at a time. **TD**

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