

ORGANIZATIONAL CHANGE AND DYNAMICS

Program for developing co-operation among executive managers of a property development company

THE CONCEPT

This property-development company is situated among the leading teams of French real estate developers. Its growth was achieved by successive buybacks from independent developers. Given the limits imposed by the company's over-centralized operations, the CEO wants to develop an approach that would foster co-operation among the company's executive managers.

The clarification phase of the project will highlight the main issues to be addressed:

- Bring the leaders of the corporations that compose the Group to think of the company in its entirety
- Consider reviewing the work and decision-making processes.

SECOR'S SOLUTION: A FOUR-STEP APPROACH

1. Consultations with the management team constitute the initial phase of the approach. Starting from the CEO's vision of how the market is evolving, his perception of the issues facing the company and the need to adopt a more collective management process, the approach consists of having the executive managers express:
 - Their understanding of the company's weak and strong points,
 - The changes to be made,
 - The personal challenges that these changes raise at their level,
 - The key factors for success in leading such an approach;
2. Next comes a seminar on how to transfer commitment to these changes, over the course of which:
 - The team appropriates the company's strategy,
 - The team decides to move the operation forward to develop the best cross-communication
 - The team members decide to work on developing synergies and task forces are put together
 - The CEO gives decision-making authority to the team regarding actions to implement concerning the four subjects dealt with by the work groups.
3. Then comes a group effort to prepare for decision-making. One member in each task force is entrusted with steering the team's activities. The domains to be covered by the task forces are:
 - The harmonization of product policy and co-ordination of external communication actions

- Human resources management for intermediate executives in charge of project management and for issues concerning the definitions of roles and the remuneration systems, as these vary among various elements within the company.
 - The centralization of treasury flow management
 - The implementation of a process for sharing experiences and information on managing development programs among the various corporations.
4. Finally, a decision-making seminar that marks a major turning point in the company's operation. The various themes will be brought up using the same process:
- The task force makes its presentation. Clarifying questions may be asked at any time
 - Participants exchange ideas informally after each presentation.
 - A time-limited debate precedes each decision period.
 - Decisions are made on actions to be implemented.

RESULTS

A Steering Committee is created, bringing the leaders of subsidiaries, the Financial Director, and the Director of Human Resources together around the CEO. The biannual seminar, a process involving the Steering Committee and key executives, is instituted.

Through this process, everyone realizes that moving from an individualistic mode of operation to a collective mode of operation requires all the team members to give up a part of their operational independence.

The quality of the decision process depends on the degree of acceptance of such a change.