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Rapid Results!

How 100-Day Projects Build the Capacity for Large-Scale Change

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the parties involved. If there is an issue that can have only a winlose outcome, it is a matter for negotiations, not for joint projects.

Managing such partnerships within a broader transformation process requires a company to design a methodology for involving all of the other organizations participating. Take the case of International Specialty Products (ISP), a leading specialties chemicals company in Wayne, New Jersey, which aimed at growing profits and revenue through rapid-cycle projects with customers.

ISP started with four carefully selected customers: Unilever, Colgate, Procter & Gamble, and Purdue Frederick. Management people from ISP and from each of these companies began with some dialogue aimed at identifying areas of opportunity: What might ISP be able to do that could yield major payback for the customer? Who in the customer company would be the main person to work on this opportunity? What are some possible first steps to initiate action? Conducting such interviews was new to most of the ISP people who participated and thus an important learning experience for them.

Once the customers were identified, joint teams were established to identify the most compelling projects and to pursue those projects together. For example, working with a team that included people from Colgate, ISP developed and delivered a proprietary ingredient that helped Colgate become the U.S. market leader in toothpaste. To meet the increased demand for that ingredient ISP organized some internal rapid-cycle projects that increased its manufacturing capacity 50 percent within four months. Another joint team developed an innovative solution to cut delivery costs by producing a more concentrated form of the product, saving both ISP and the customer millions of dollars in shipping and receiving costs. Other projects involved improvements in delivery time and reductions in cost through methods modifications and product spec changes.

As these initial projects quickly produced benefits all around, the basic pattern of relationships with these customers changed. As ISP's Mike Aversa, director of customer partnering, puts it, "We don't say to a customer, 'Let's work on our relationship and an outcome of that will be, some day, to increase mutual profitability.' Instead we say, 'Let's work on taking action that will produce more profitability.' We know our relationship will improve as a by-product."

More than two hundred people were involved in the initial projects with the four initial key customers. By the end of the first hundred days these people, whatever their level, had learned a huge amount about what was going on inside the customer companies, about the people in these companies, and about how to provide real value-added to them. As with the Avery Dennison customer teams, the ISP teams brought together novel mixtures of ISP people. One of its teams included a senior account manager, the corporate controller, a polymer chemist, an area production manager, the director of plant maintenance, the pharmaceutical R&D manager, and the vice president of sales. The customer's team was similarly heterogeneous.

From a strategic point of view, the successes of ISP's partnerships have prompted the company to significantly shift its marketing emphasis. Originally the company was organized around product lines; now it is organized by amount of revenue growth potential for key customers. What happened, in short, as explained in Chapter Ten, is that the rapid-cycle successes not only made ISP's growth strategy into a reality, they helped to evolve the strategy way beyond the vision that was the starting point. Working with the mixed backgrounds and skills on their teams was a profound learning experience for participants from both companies. There is no course in the world on "building customer relationships" that could have provided more powerful learning.

Results-Fueled Learning in Formal Development Programs

While the evidence is overwhelming that on-the-job development through the achievement of difficult goals is unparalleled in effectiveness, it is not an argument for abandoning formal leadership development programs. The very same principles and learning potentials can be incorporated into formal programs. It is very similar to the idea behind so-called experiential learning, but the keep of the control of the idea is overwhelming that on-the-job development through the control of the idea is overwhelming that on-the-job development through the control of the idea is overwhelming that on-the-job development through the idea is unparalleled in incorporate in the idea is overwhelming that on-the-job development through the idea is unparalleled in incorporate in the idea is overwhelming that on-the-job development through the idea is unparalleled in incorporate in the idea is overwhelming through the idea is overw