

Storytelling in practice at Ericsson Australia & New Zealand

How organizational storytelling resulted in improved business results

BY SONIA APLIN

When the financial crisis meant internal cuts at Ericsson Australia and New Zealand, the motivation levels of managers dropped significantly, so too did employee engagement and subsequently customer satisfaction rates. To turn this around and improve engagement levels, as well as business results, the internal comms team introduced the technique of storytelling for leaders. It wasn't an instant hit, explains Sonia Aplin, but it did bring about some clear improvements.



Ericsson is the largest global provider of technology and services to telecom operators. Ericsson Australia and New Zealand, headquartered in Melbourne, Australia, has 1,500 employees.

At the start of 2009 Ericsson Australia and New Zealand was under pressure. With the backdrop of the global financial crisis, there was an internal Ericsson Group edict to find cost savings. In late 2008, redundancies were announced, followed by a salary freeze in early 2009. Customer satisfaction with the Australian and New Zealand organization had dropped and competitors were rapidly closing the gap.

The results of our annual internal employee survey also contained some very concerning figures. Our senior leaders, the role models of the organization who were key to energizing and motivating others, were extremely de-motivated as a group, rating only 52 on the motivation index. I recall one senior leader at the time, Paul, saying "I feel like giving it all away to become a laborer."

Low motivation was also reflected across the organization, with an overall motivation score of

51. In addition, our employees rated our senior leaders 57 when it came to clear and effective communication, significantly below Ericsson Group rating of 73.

The challenge for Ericsson Australia & New Zealand was clear, but it was going to require considerable investment and commitment. This was the time for bold action, courage and giant leaps forward. We needed to motivate and engage our leaders and our employees so that they performed better, in order to improve our relationship with our customers and most importantly, strengthen our financial position.

How the internal comms team rose to the challenge

After reviewing our customer and employee metrics, CEO Jacqueline Hey and her fellow Executive Leadership Team members developed and launched a three-year strategy, with programs which would address particular business challenges and opportunities. A key program of the strategy involved transforming our organization's culture so that we became more customer-centric.

This is where the work of the internal communication function became critical. Our role was to engage the organization in the strategy, and in particular the customer-centric culture program, so that employees understood how they contributed to the organization's ambitions and felt motivated to contribute.

The strategy communication program was comprehensive. It involved developing a clear and consistent strategy story. It included posters and

other vibrant collateral. It even included a social media element – the strategy blog.

However all of these efforts would have been for nought, if we didn't build the communication competence of the senior leaders. It was the leaders who would help individuals and teams link their day-to-day work with our company's goals and achievements. This is where organizational storytelling came in.

Equipping our leaders to be better communicators

We recognized that for our senior leaders to be effective communicators they first needed to be both provided with information, as well as part of the discussion around business decisions, so we set about establishing an official senior leadership team, comprising around 75 leaders in our business. We implemented quarterly senior leadership forums, monthly financial updates and we set up an online collaborative site where they could access business information and take part in discussion forums.

With some of these hygiene factors of information dissemination in place, it was time to tackle the issue of the communication abilities of this group. I knew what I didn't want – and that was a straight presentation skills training program. While I believed our leaders would benefit from something like this, I needed something innovative that would not only appeal to our leaders, but would also make a sustainable difference.

As a communication specialist I'd become fascinated by the way in which the US President Barack Obama used stories in his public addresses. Putting politics aside for a moment, it was easy to admire how effectively he used stories to influence people and build his persona. So one day I literally found myself typing "organizational storytelling" into Google – which led to discussions with specialist providers of leadership storytelling training.

What I learnt through my research is that organizational storytelling is about using stories for a real business purpose. It's not about entertaining staff or making work a nicer place to be – although those are by-products. It's about, as a leader, identifying your true business challenges and crafting a story that you can use to deliver your messages and make your call to action to your people. It's also about developing your own leadership credibility. How often do we hear leaders say things like, "my door is always open", or, "there are no silly questions, please don't be afraid to speak up". These are just statements, but when a leader uses personal stories, it shows us that they really do value these things, and those statements become much more powerful.

Getting buy-in for storytelling

I had identified the high impact communication training I was looking for, as well as the specialist provider of the training, "One Thousand and One", but now I needed to get over the next roadblock – getting executive leadership buy-in.

My own manager was extremely supportive but ultimately, I had to garner support, including funding, from the CEO and her team for something that by its very name, doesn't sound business-focused. I knew that the data about the leaders being poor communicators was going to be useful, but it wasn't enough of a vehicle to drive the implementation of this training. Looking past that obstacle, I knew the next challenge would be to get the leaders to the training itself. I'd previously worked on communication skills programs which had fallen over because of lack of attendance.

To get on the executive team's agenda I first looked at what was already planned – and the culture change program was their key priority for 2009. They were gearing up to run workshops around cultural change with all of the senior leaders of the business. I saw that as my opportunity, to link the storytelling training with the strategy program, which would equip the leaders with the skills and tools to communicate the need for change and how we could change.

Our leadership and culture manager Gwyneth Graham was impressed with the storytelling training offering and together the human resources and communication teams pitched it to the Executive Leadership Team, which is how it came to be run in conjunction with the culture workshops. A key learning for me out of this experience was the importance of the partnership approach. The HR department became a very strong advocate of the training, ensuring that it was an integral part of their culture program.

Implementing the training

We ran the two half days of storytelling training ▶



Sonia Aplin is head of communications for Ericsson Australia and New Zealand, as well as the regional head of internal communications for the South East Asia and Oceania Region. Aplin began her career as a journalist in Western Australia. While undertaking a working holiday in the UK she moved into the field of public relations and has worked across a diverse range of industries including health, not-for-profit and insurance.

KEY POINTS

- Following a turbulent period during the global financial crisis, employee engagement levels at Ericsson Australia and New Zealand dropped significantly.
- In order to improve customer satisfaction and deliver stronger business results, a three-year strategy was launched. The internal communication team was critical in engaging the workforce, in particular senior leaders, around this new strategy.
- Leaders were trained in the technique of storytelling in order to motivate and engage their teams around the company's future vision.

“A SURVEY SHOWED THAT 98 PERCENT FELT STORYTELLING WAS A RELEVANT SKILL FOR THEIR ROLE AS A LEADER AND THAT THEY FELT IT WOULD IMPROVE THEIR EFFECTIVENESS AS A LEADER”

- ◀ for groups of about 8-10 leaders at a time over a period of two months, covering 90 percent of that senior leadership group. A follow up survey of that group showed that 98 percent of this group felt storytelling was a relevant skill for their role as a leader and that they felt it would improve their effectiveness as a leader. However, the initial reaction to the training wasn't all positive. On the very day of the first training session several leaders tried to excuse themselves from the training. Fortunately, by the end of the training there were no more “excuses”.

In fact, one of our engineers said to me, “When it first it started I thought, what on earth is this? But by the end of the session I was completely won over.”

In every session there were three distinct groups of leaders: those who were already positive to the idea and wanted to learn the skill of storytelling; those who already considered themselves to be good storytellers, and those who were cynical. It was very satisfying to see the last two groups have their perceptions challenged as they took part in the training.

The training program itself took our leaders on a journey to show what storytelling is, and what it isn't, evidence of how it helps leaders better engage with their people, why it's important to connect, rather than just communicate, and how stories can drive positive performance and behavior.

The program also helped leaders to clarify what their specific business challenges were. While all the leaders were coming together to address the overall challenge of transforming our organization's culture to be more customer centric, each of them had unique challenges that they needed to address with their teams to support the culture change.

The training included a skilling process to help the leaders develop stories and a session in which the leaders shared their stories for their peers to critique and advise them on. The peer group part of the training was very powerful and kept the leaders committed and on track. An unplanned outcome of the training was the increase in

collaboration we saw among the senior leaders, as they worked together to test out their stories.

Stories at work

As the training commenced, we soon started to see an increase in the use of stories around the organization, as well as at conferences and customer presentations. Whereas once we had been very serious and impersonal as leaders, employees were starting to hear us share more about our previous work and other life experiences. Naturally, these stories were aligned with a business purpose.

Here are some stories which were shared:

As told by Jeff Travers, country manager, Ericsson New Zealand, during a team meeting:

“A few years ago I was the country manager for Iran and we had an issue with our lunchroom. There was only one microwave, which meant at lunchtimes, there was a large queue of people waiting to heat their lunch and no one could sit and eat together. Management's great idea? Buy a second microwave! This did help for a bit. The queues were smaller and two people could sit and eat at a time.

One day our long-serving cleaner, Fatemah, said that if we purchased a cooking pot – she would be happy to prepare fresh rice each day to help out. Fresh rice is very important in Iran so when we agreed to Fatemah's offer, the staff loved her service.

The next week, Fatemah handed out hand-written menus, offering to cook a different dish each day for a fair price. Fatemah transformed our lunchtimes. The lunchroom became a happy place where we sat and ate good food together, sharing stories.

By her own initiative, Fatemah changed herself from cleaner to cook, increasing her income and proving management don't have all the answers.

How many of us are like Fatemah, with ideas and initiatives inside us just waiting to be let loose?”

Jeff's story was aimed at addressing the challenge he experienced of team members not taking the initiative to address challenges or take opportunities.

As told by Ericsson Australia & New Zealand CEO Jacqueline Hey at our Customer Centric culture program launch:

“I recently visited the Auckland office where the country manager Jeff asked me if I'd flown with the airline Pacific Blue. I said, ‘yes, they were great.’ Jeff said, ‘Really? You didn't find space to be an issue?’ And actually he was right, because when the guy sitting in front of me reclined his seat there was no room for me to open my laptop. And when I thought about the experience a bit

more I thought of the sandwich which I'd bought that had been a bit stale. So why did I feel so good about the flight? It was because from the moment I checked in until the moment I left the plane the Pacific Blue staff were friendly, attentive and they showed great passion for what they did. At Ericsson, we focus on getting our technology perfect, when in fact it's the way we interact with our customers which makes all the difference."

Celebrating our success

The end of 2009 was completely different to how we started the year. In our employee survey the leadership communication index increased from 57 to 75 – a massive 18-point increase. Strategy awareness increased by 11 points and motivation increased eight points. Motivation for the senior leadership group also increased by a staggering 22 points. That leader Paul, who I mentioned earlier, who originally said he wanted to give it all away – now he was saying, "there is nowhere I'd rather be."

In addition, our customers rated us five points ahead of our competitors in our Customer Satisfaction Index survey, and we finished the year in a much stronger financial position.

These successes were of course due to a range of initiatives that we introduced as an organization but certainly, the equipping of our leaders to be more effective communicators was a key contributor to these results.

Lessons learnt

I learnt several lessons implementing this training program for Ericsson's leaders. The first was the importance of partnering both internally and externally. The partnership between the communication and HR departments helped to get the program off the ground. In addition, the expertise of the external training providers ensured that once the program was up and running, it was well-received by our leaders.

The second lesson for me as professional communicator was how critical it is to align with the business strategy if you are to attract senior leadership buy-in. As communication specialists we inherently see the value of learning a new skill, such as organizational storytelling, but understandably, the value is not immediately seen by our colleagues. Attaching communication initiatives to a business program helps fast track buy-in from other areas of the company.

Finally, I learnt a lesson in how powerful the peer group can be when I saw the leaders both support and influence each other to take full advantage of the training.

EXPERT TIPS: INTRODUCING STORYTELLING

1. Use an external practitioner

If the board or executive team have a regular half-day or day that includes training, education or new concepts, then invite a current practitioner to run a session of theory and practice. Call it "education" or "training" – not "the start of a project". If it's relevant, they'll pick it up, if not you haven't committed to something ongoing.

2. Use enticing language

When inviting leadership to a workshop or session, never use "story" or "storytelling". Use language that will entice them, without telling them what they are going to be doing. Use phrases and language like "interactive, dynamic workshop", "feeding into the [Leadership/Change/Culture/Innovation] program" instead.

3. Rationalize your budget

It may also be possible, if included as part of the executive team's awayday, to have the cost of any external practitioner taken out of the training budget rather than yours.

4. Form alliances with other stakeholders

Organizational Development (OD) and Knowledge Management (KM) professionals are also using narrative methods to achieve their goals. Elements like story collecting and "sense-making" (see later) will give them useful material – so meet with them, design programs that meet multiple needs and share the costs.

This is an extract from the Melcrum report, "Essential techniques for employee engagement". See <http://www.melcrum.com> for more information.

The story continues

Since 2009 we've run the training for the next level of leaders and we have a new CEO who's using stories to help demonstrate his leadership values and priorities. We've also initiated a story harvesting project, drawing out great examples of where our people are displaying our company-wanted behaviors, for our leaders to share around the organization.

Storytelling continues to be of value to us at Ericsson as we continue our cultural change journey and face both external market challenges as well as the ongoing internal challenge of engaging our people.

As the father of organizational storytelling Stephen Denning said, "The choice for leaders in business and organizations is not whether to be involved in storytelling, they can hardly do otherwise, but rather whether to use it unwittingly and clumsily, or intelligently and skilfully." scm

CONTACT DETAILS

Sonia Aplin
Ericsson Australia and New Zealand
sonia.aplin@ericsson.com