



Developing A Culture Of Coaching At Carillion Plc

The Client

Floated on the London Stock Exchange in July 1999, Carillion plc is the former construction services arm of Tarmac, one the UK's longest-established building companies. As a result of a sustained acquisitions and merger programme, Carillion has grown rapidly from 3,000 to 7,000 employees, and operates throughout the UK and overseas. The company provides its customers with services and capabilities across all the key sectors of the construction industry including

- Retail and commercial building
- Refurbishment of social housing
- Road and rail maintenance
- Integrated facilities management for the NHS
- Pioneering Private Finance Initiatives.

It prides itself on its reputation for timely project completion, a high standard of quality and, most relevant of all to their work with OPDC, its value-adding relationships with its customers and suppliers.

The Challenge

Carillion operates in an environment where the traditional delineations between construction and services have all but disappeared, and where a flexible and proactive approach is needed to deliver the integrated facilities management services that are now the company's core activities.

The rapid growth of the business placed a huge onus on Carillion's managers to develop the capability of all employees in this challenging environment. Firstly, because Carillion's customers come from both the public and private sectors, client-facing staff needed to be highly versatile, able to operate effectively in both public and private sector conditions. Secondly, the rapid growth in staff numbers created the need for effective induction into the Carillion way of doing things and the standards expected from them. Thirdly, there was a residual cultural legacy that Carillion had inherited from its roots in Tarmac which needed to be addressed now that the emphasis was on services rather than construction.

Ultimately, management recognised that they had to develop their employees faster in order to keep up with the demands created by the growth of the business.

"Our business is outsourcing," said Tim Barnes, the HR Director at the time, "and 75% of every pound sterling that flows through the company relates to our people and their performance. How we motivate, train, energise and reward them is therefore fundamental to our success. We need good leaders of people with full management tool kits."

Why OPDC?

Tim had been using OPDC for several years at Carillion on a range of projects, and also during a previous incarnation at Thorn EMI. He had always particularly valued their practical approach to training and the enthusiasm they generated. Equally important, the OPDC team had already worked with the senior management team, so there was strong buy-in at the highest level within Carillion. The intervention was essentially to initiate a culture change. OPDC was well grounded in the existing Carillion competency and value frameworks, and was able to ensure that the intervention was completely consistent with the company's core values.

The Intervention

Between them, OPDC and Carillion designed a programme to establish an Engaging, Enabling and Empowering management approach. The core of the programme was the development of a consistently high coaching capability in all managers, using a mix of facilitated events, workshops and 1-to-1 sessions. The first challenge was to win over the managers themselves. The construction industry is inherently conservative and, while Carillion is not strictly speaking a construction company, many of its staff are recruited from the building sector. This meant that a fair proportion of Carillion executives brought a healthy scepticism with them to the programme. OPDC was already involved in an annual management seminar that Carillion held each autumn where a different theme was adopted each year. In October 2001, "Cultural Change" was the chosen topic of discussion for the 160 assembled managers. Its purpose was to drum home the message that there was no option but to change and to change quickly – and to engage them in making the change happen. This seminar was labelled "Hot Toast" and was just the beginning of the programme. Each manager was subsequently signed up for a 2-day coaching skills development workshop and three monthly one-on-one sessions. These were aimed at helping them to establish different management practices that would help them in turn coach and develop their own staff.

Top management were visibly engaged as part of the process. The MD and his Directors went through the same programme as the rest of the managers, and also participated in a separate team development programme, facilitated by OPDC. The team development events delivered on three levels: increased strength as a strategic leadership team; planned impact on the organisation as role models of the new culture; consensus on making shifts in their own management styles, assisted by 360-degree feedback and subsequent 1-to-1 sessions.

The Outcome

As intended, this exercise had a liberating effect on Carillion's senior managers. They reported that they were spending more quality time with their own staff, concentrating on their development, delegating key responsibilities down the line, and this in turn was freeing up their own time to focus on strategic planning and developing the business. This has led to a

significant increase in job satisfaction for themselves and their staff, with a consequent increase in focus and productivity.

“There used to be a lot of talk about coaching, but I’m not sure many people really knew what it was or actually practiced it,” recalls Tim Barnes. “OPDC succeeded in giving our people coaching skills and an appreciation of how they could use those skills to help them empower their direct reports to perform their roles and responsibilities more efficiently. It was a challenging brief, and OPDC did exactly what we brought them in to do.”

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