EFMD Excellence in Practice Award

Submission for Telstra TLP

Empowering People to Connect
Contents

Executive summary ........................................... 1
Introduction.......................................................3
The challenge ....................................................5
The commitment ..............................................10
The L&D initiative ............................................ 13
The impact ...................................................... 18
Reflections ...................................................... 22
Appendices ..................................................... 24

Statement of word count: 4,000 words
Executive summary
Executive summary

Telstra is in the midst of a major transformation with customer expectations, competitors and technology changing rapidly. To achieve its vision of transforming to become a world-class technology company that empowers people to connect, Telstra sought to redefine what leadership means within the company.

As Telstra evolves so does its approach to leadership, one in which leaders take a proactive approach to understanding the current and future needs of Telstra customers and employees, create the environment to drive world-class performance, and effectively deliver the Telstra strategy.

Telstra partnered with LIW to develop a strategic learning solution made up of a number of programmes and initiatives to support the transformation of the business through leadership. The solution enables leaders at all levels to create a common language of leadership and a movement that is shifting the culture of the organisation to deliver the Telstra strategy and achieve its vision to thrive as a world-class technology company that empowers people to connect.

The Telstra Leader Programme (TLP) is the core programme within the strategic learning solution and was created specifically for the 1,600 most senior leaders at Telstra. It aims to deliver the greatest positive impact on the culture and performance in the organisation, starting with CEO Andy Penn and his leadership team.

TLP is a fully-immersive cognitive, behavioural and emotional 20-week journey. Surrounded by a custom-built, future-orientated set, supported by highly-skilled facilitators and bespoke app-based learning tools, participants take part in challenging, future-focused leadership simulations. Exploration and reflection exercises enable them to experiment and gain high-quality feedback on their leadership. Throughout the programme and afterwards back in the business, leaders gain deep insights into themselves, their teams and the organisation and develop their behaviour to achieve a significant shift in their leadership and enterprise-wide impact.

Driven by research in both the latest leadership thinking and internally in the Telstra organisation, TLP is a catalyst for participants to develop a deliberate practice. They build their capability to pause, reduce distractions and increase focus, raise awareness of their own biases and openly explore to gain new insights, make far more conscious decisions and follow through with effective actions.

TLP has generated real and lasting change in Telstra’s leadership culture along with greater proactivity, customer focus, strategic alignment, genuine collaboration across the business and improved performance.

“When organisations grow well, it is due to the people who lead, who steer the right path, who shape not just their future but the future of the people around them.”

Andy Penn, Telstra CEO
Introduction
Telstra

Originally established as the Postmaster-General’s Department (PMG) in 1901, Telstra, which was privatised in 2006, is now a leading telecommunications and technology company in a highly-competitive market. In Australia Telstra provides 17.6 million retail mobile services, 6.0 million fixed voice services and 3.5 million retail fixed broadband services. The organisation is in the midst of a massive transformation with customers, competitors and technology changing rapidly.

LIW

Founded in 1995, LIW is a leadership consultancy with a track record of delivering high-impact leadership programmes on a global scale. LIW’s team of more than eighty leadership consultants, facilitators and coaches delivers programmes that maximise participant engagement and retention. LIW clients benefit from a high level of impact, excellent learner feedback, high levels of engagement and motivation to change, resulting in improved business results.

Loud&Clear

Loud&Clear is a full service digital agency comprised of graphic designers, producers, account managers, marketing strategists, copywriters, instructional designers and developers. The company’s expertise is delivering world-class, connected experiences at high velocity. They’re the turbo boost that enables companies to be better, faster.
The challenge
How was the challenge initially formulated?

To continue to thrive in an increasingly competitive environment, and to meet the future needs of customers, Telstra CEO Andy Penn set out a clear plan to transform the business and launched an initiative to redefine the company’s leadership. His aim was to create an agile workforce able to change and adapt quickly to the challenges of a VUCA world. He wanted to transform the leadership culture from the top, to engage people personally and emotionally.

Penn was clear that a different kind of leadership was required at Telstra to tackle the disruption – and opportunities – that technological change was presenting. Senior leaders needed to take personal accountability for understanding the current and future needs of Telstra customers and people, creating the environment to drive world-class performance, aligning to and executing on Telstra’s strategy.

With Telstra’s OD team and partners, including LIW and Loud&Clear, Penn developed an ambitious plan to take 1,600 senior leaders through an intense and dramatically different leadership intervention over a three-year period. His intent was to make a top-down, leader-led change, that would cascade throughout the organisation. LIW helped to define the challenge and to align it with Telstra’s overarching purpose and values. Out of this came a Skills and Perspectives document which set out the ‘why’ behind the leadership transformation.
The challenge

Who owned the business challenge?

Penn’s initiative was spear-headed by Telstra’s OD team, led by Claire Devlin, General Manager of Capability and Leadership. Devlin engaged partners, including LIW and Loud&Clear, to help create the journey that would transform Telstra’s senior leadership. The team then sought out expertise in specific areas, in particular from Susan Lucia Annunzio, CEO of the Center for High Performance, a globally-recognised thought leader on shaping and maintaining high-performance environments.

What was the link of this business challenge with the corporate strategy?

Clarity (in both information and understanding) is critical in complex environments. Telstra’s current business environment presents an urgent need to change to capitalise on the massive opportunities available. TLP enables Telstra’s senior leaders to create strategic clarity and alignment by communicating a new strategic direction in a way that connects to Telstra’s people and inspires them to be part of achieving the strategy.

To address the challenge presented by the changes taking place in Telstra’s business environment, TLP focuses on four key areas:

1. Making sense of the Telstra strategy: participants develop their knowledge of the strategy and their ability to talk about it with clarity. This ensures alignment - both vertically to the corporate strategy and horizontally - breaking down silos and working collaboratively with an enterprise mindset.

2. Understanding the environment: participants learn the components of a high-performance environment and what it takes to create one. They understand that it’s their responsibility as leaders to create such an environment.

3. Creating the conditions for success: participants develop an insight into their own behaviour and the impact of their leadership behaviour on the high-performance environment they’re responsible for creating.

4. Bringing it all together: participants become clear on what leadership behaviours and approaches they need to demonstrate and how to deliver results by developing a clear, robust plan that holds themselves and others accountable.

![HIGH LEVEL ARCHITECTURE](image)
The challenge

How was this embedded in wider HR and business processes?

A collaborative process involving many stakeholders in Telstra OD/HR and across the business ensured that stakeholders were engaged early in the development of the programme. Before launch, LIW led a series of ‘showcase’ sessions with Practice and Core Initiative leads to engage the business and solicit feedback. Direct links were made between programme sessions and core initiatives within Telstra including: advocacy, talent, diversity and inclusion, performance and culture.

Once launched, the following practices helped to embed the programme within the business:

• A mini version of TLP for HR business partners helped them support participants in preparing for the programme. It enabled them to provide coaching support, to facilitate application sessions and to raise awareness of the programme in general.

• The programme’s executive hosts stay connected with participants post-programme via SMS prompts to encourage action on ‘re-entry’ to the business and ongoing connection between the programme and the ‘real world’.

• During the programme, participants complete a simple checklist of actions to fully integrate programme outputs with existing organisational processes and systems, such as Telstra’s ‘My Future’ performance system and leadership scorecard.

• We designed three post-programme sessions with an accompanying facilitator guide to help participants share their learnings with their teams and managers.

• Reaction and impact survey data identified opportunities to increase post-programme embedding and we updated TLP content accordingly. We also ensured that content in Telstra’s Business Leader and Connected Leader programmes aligned with TLP messaging.

• We delivered several post-programme intact team sessions to support the embedding of key messages and the creation of a new team purpose, operating rhythms and goals, all in line with TLP content.

• Online learning communities maximise support for individuals applying learning back in the work place.
What was the desired impact of the L&D initiative as formulated from the outset?

In the service of achieving world-class leadership, the programme aimed to shift the mindset and behaviour of participants in four key areas and across three dimensions of self, team and system:

- Being present
- Enquiring with curiosity
- Making conscious choices
- Taking action

The anticipated impact on Telstra as an organisation was:

- Increased performance of teams
- Alignment of teams to corporate strategy
- Commitment, engagement and development of next generation Telstra leaders
- Contribution to reducing multi-year poor performance to 1%
- Contribution to achievement of measurable objectives for diversity and inclusion, performance and talent in addition to leadership at Telstra

Improvements in these areas are tracked via Telstra’s employee engagement survey, leadership index and trending performance data.

The challenge

Skills and perspectives of Telstra Leadership
What was the analysis from the provider & corporate L&D organisation concerning the changes in human behaviour/performance and organisation necessary to achieve the desired impact?

The LIW and Telstra team used the LIW Impact System four-step approach to create alignment in two directions:

1. To align the programme design to Telstra’s business and leadership objectives and
2. To create alignment among stakeholders and processes within the business to support the leadership change initiative.

The LIW and Telstra team used the LIW Impact System four-step approach to align the design to Telstra’s objectives and to discuss how we could most effectively align the business to support the changes driven by TLP.

In parallel to the programme design we developed an evaluation strategy that tracked change at the four levels of Kirkpatrick (reaction, learning, application, impact) and linked directly to the desired leadership behaviours and business outcomes.

What were the initial commitments regarding deliverables and impact; financial parameters; guaranteeing commitment of all stakeholders; timeline and major milestones?

Telstra set an ambitious milestone early on to bring 1,600 senior leaders through the programme over a three-year period, starting with the CEO and his immediate team. To date almost 700 leaders have taken part in 29 programmes since delivery started in 2016.

What was the importance of the initiative to the L&D function and what was the complexity and scale of the initiative?

As an organisation with 32,000 employees, dispersed both nationally and globally, it’s critical that Telstra align leaders at all levels of the business to the same strategic and transformational priorities. The leadership programmes developed by Telstra’s L&D team are key to achieving this alignment. TLP caters to Telstra’s most senior leadership and therefore has the potential to deliver the greatest impact on strategic alignment within the organisation.
The TLP design team engaged all Telstra’s key practice areas – Performance, Talent, Diversity and Inclusion, Advocacy and Culture – in early design discussions to ensure key messages were pulled through the programme content. There were many competing priorities and differing views which pushed the team to develop a decidedly bespoke programme. The design also needed to accommodate the needs of many business units – some in decline and some growing – to ensure that the programme was applicable for all leaders.

Digital agency, Loud&Clear, was engaged to set the scene for participants, enveloping them in world-class technology. Their futuristic set added an extra dimension to the facilitators’ role requiring them to incorporate changing screens and scenes into their delivery. Each simulation, for example, has a different set of interactive screens to create a specific environment. The set, which requires a producer to manage it, creates a whole world using technology adding its own layer of complexity to the experience of the programme.

How sustainable and balanced was this partnership at the start?

For TLP, Telstra needed a vendor who could contribute real thought leadership and a high level of expertise to the process while also working in a highly-collaborative manner. Telstra design lead, Jess Tonissen, engaged in an intensive co-creation process with LIW’s Andy Chevis at Telstra’s innovation lab in Sydney to bring the programme to life. The team researched global best practice and called on subject matter expertise to ensure the latest thinking was incorporated.

Having partnered with Telstra on leadership development since 2013, LIW has a strong understanding of Telstra’s culture and has participated in an organisation-wide initiative to drive Telstra’s cultural transformation, resulting in four programmes for different levels of leadership:

- **Telstra Leadership (TLP)** – designed for the executive team and Executive General Manager group of approximately 1,600 people
- **Business Leader Programme (BLP)** – designed for the General Manager (band 2) group, with a population of about 2,400 people
- **Connected Leader Programme (CLP)** – designed for frontline leaders (bands 3 and 4)
- **Emerging Leader Programme (ELP)** - designed for individuals about to become leaders

Each programme has been designed for impact with a specific set of business and behavioural outcomes in mind. The result is a very different programme for each group, but with common threads and a common language of leadership.
The L&D initiative
What was the programme design (definition of intended learning outcomes), programme structure & delivery (range of delivery modes used)?

**Intended learning outcomes**

Telstra and LIW identified learning outcomes that adhered to the 3Cs framework already underlying existing leadership initiatives throughout the organisation. The 3Cs framework outlines the conditions that leaders need to put in place for their teams to be successful. For TLP the intended learning outcomes are:

**Clarity:** Understanding the macro environment, its impact on the organisation, the strategic response and rationale. Being able to clearly articulate a compelling narrative to inspire others and support them to align their effort.

**Climate:** Knowing the conditions required to drive world-class performance and taking accountability to create the environment for people to do their best work.

**Competence:** Being clear on the definition and expectation of leadership at Telstra and developing the skills to transform Telstra into a world-class technology organisation.

---

**HIGH LEVEL ARCHITECTURE**

- **Part 1: Making Sense of the Strategy**
  - Prepare: LIW Leadership Letters, Pre-populate elements of Digital Learning Journal
  - Day 1: Restoration activity, Case Studies, Values Exercise, Case Study

- **Part 2: Understanding the Environment**
  - Day 2: Simulation #1 - Clarity & Alignment, World Class Performance Environment, Values Exercise, Restoration activity

- **Part 3: Creating the Conditions**
  - Day 3: Simulation #2 - Concept, The Science of Performance, Leadership, The case for self

- **Part 4: Bringing it All Together**
  - Day 4: Simulation #3 - Performance, Digital Learning Journal, Restoration activity
  - Day 5: Apply, Leadership Commitments - action with team and team

---

**Purpose / Objectives / Outcomes**

**The Approach and Environment**

**High Level Architecture**

**Detailed Program View**
More explicitly, TLP aims to enable leaders to:

1. Understand the company strategy and execution priorities and the ‘why’, to deliver for current and future Telstra customers
2. Align business unit plans and people to the company strategy
3. Clearly articulate a consistent, compelling narrative to provide clarity and direction, so that others can focus and align their effort
4. Take accountability and action to drive sustainable world-class performance, through understanding the conditions required for world-class performance to occur
5. Pause to understand the impact of their current behaviour in creating or limiting the conditions for world-class performance
6. Practise the skills that drive the conditions for world-class performance
7. Develop a clear, robust plan that holds themselves and others accountable

Programme structure and delivery

TLP spans a 20-week period, built around a core, five-day workshop. It starts with extensive pre-work, including a pulse survey to measure effectiveness in Telstra’s leadership competencies. This is followed by a Leadership Impact survey and debrief, aimed at developing participants’ insight into their own leadership. Armed with these insights, participants attend a workshop designed to help them:

- Focus on the future macro environment, it’s impact on Telstra, the need for urgency, and the need to adapt to thrive
- Focus on the need to be planning and, importantly, acting for the future now
- Consider how their behaviour is impacting their teams’ performance in line with the strategy

The workshop is an intense experience delivered by LIW facilitators, supported by a member of Telstra’s senior leadership team. The senior leader contributes expertise and deep knowledge of the Telstra business, helping to bring critical programme messages to life.

During the workshop participants take part in three leadership simulations, giving them insight into the importance of clarity, alignment, and their role in setting up a climate for high performance. They develop and practise their own compelling narrative around Telstra’s strategy to communicate it effectively to their teams. They test their knowledge of Telstra’s strategy and delve into case studies on companies facing similar challenges. They also look closely at specific business unit strategies and consider the value of collaboration and alignment.

What were the learning methods and learning environment (balanced use of programme location and development options) deployed?

Learning methods and environment

The five-day workshop is the centrepiece of the TLP programme. Participants congregate offsite, immersed in a futuristic digital set that surrounds them with key programme messages and sets the tone of the week. The set effectively blends technology with face-to-face interactive learning, with participants taking part in real-time polls, brainstorming ideas on writable walls, filming group messages on iPads and creating life maps on sheets of paper. The technology and face-to-face interactions combine to heighten participants’ experience during the workshop.
To put participants in a future-state of mind, Telstra employed a range of technology from a high-tech set to a customised app giving participants a digital companion with content at their fingertips. Throughout the workshop, participants record their reflections by responding to a ‘digital coach’ via iPads. The iPads act as learning assistants to help participants:

- Articulate what they know
- Reflect on what they have learned
- Support the internal negotiation of meaning making
- Construct personal representations of meaning
- Support intentional, mindful thinking

The L&D initiative
The L&D initiative

This digital journal also provides access to activity briefs, resources and results from participants’ pulse surveys. It’s a constant companion to participants and records their journey through the programme, including their own three-minute strategy presentations. Everything recorded on the journal is available to participants on their own learning portal after the workshop.

At the end of the workshop, participants use their journal to record three commitments to lead differently, which they will share with their teams at post-workshop sessions.

Self-exploratory exercises

**Leadership and values pulse:** Participants complete a 180-degree pulse survey before and after the workshop to gauge their leadership in terms of Telstra’s own leadership capabilities.

**Leadership Impact (LI):** Participants complete a Human Synergistics Leadership Impact survey and debrief in advance of the workshop. The survey provides leaders with unique insights into their personal leadership strategies – and their impact on others’ behaviour and performance.

**Leadership Letters:** Participants ask colleagues, friends and family to respond to a set of questions giving them insight into their own ‘interior condition’ and how their resulting behaviour affects the environment they create.

**Life Maps:** Each participant takes a few minutes to draw their own life map and to share significant events in their life that influence how they behave and impact others.

**Post-workshop application**

**Leadership Commitments:** Each participant makes three commitments to lead differently when they return to work - one for self, one for their team and one for Telstra’s business and customers. Coaching sessions hold them accountable for following through on their commitments and 45- and 90-day check-ins track progress against commitments.

**Team and manager engagement sessions:**

Prior to attending the workshop, participants must book two sessions with their team and one session with their manager to share what they learn in the workshop.

**Facilitated pod sessions at 30 and 120 days:**

Pod calls with an executive coach hold participants accountable to follow through on their commitments.

**What was the definition, communication and management of entry requirements (selection methodology)?**

TLP is open to a specific target audience. All participants are senior people leaders who have been in their role for six months or more. The first participants were Telstra’s most senior leaders, including CEO Andy Penn and his immediate team. Participation thereafter has cascaded through the organisation so that each subsequent cohort is aware that their own leaders have attended the programme and will support them as they go on their own journey.

**Which were the progress indicators and learning measurement?**

With a strong set of baseline data, we were able to track change throughout the programme using the digital portal. At the end of the five-day workshop, participants completed a second behaviours pulse, followed by a third pulse at 90 days. Manager scores provided comparison and validation. The commitments set at the end of the workshop were tracked at 45 and 90 days. Coaching feedback added data on participants’ ability, challenges to sustaining change, and the benefits of peer support and coaching. A leadership and impact survey at 120 days captured behaviour change and business impact over the longer term.
The impact
The purpose of TLP was a broad and dramatic transformation of the leadership culture at Telstra. At the design phase we developed an evaluation model which would enable us to create baseline statistics and track changes in behaviour and business outcomes over time. We used the three dimensions of self/team/system to inform our analysis and support the hypothesis that individual learning and change leads to positive changes in team behaviour and performance which in turn drives organisational changes in culture and business outcomes.

Within the programme design we used the LI tool to help leaders to understand their own leadership styles and strengths. We aggregated this data to give us a baseline snapshot of leadership style. This report indicated

1. A tendency to demonstrate higher than optimal levels of prescriptive behaviour (telling rather than coaching)
2. Over representation of restrictive strategies (risk minimising) especially in terms of innovation and role modelling behaviours
3. Overemphasis on feedback about negative behaviours rather than feedback and encouragement of positive behaviours

This aggregated LI report will be repeated annually to provide evidence of global culture change. This measures behaviours of incoming leaders to the TLP program so we should expect this to shift as the culture changes at Telstra and impacts even those who have not yet attended TLP.

“The beauty of these elements is that they are personal, collegiate and inspiring. They caused genuine and deep reflection for me.”

TLP Participant
Programme participants and their managers completed baseline behaviour assessments against the key target leadership behaviours. These showed that the poorest scores at the start were for 'being present' indicating the degree of focus leaders bring to their job. An interesting finding was that managers' scores were consistently higher than participant scores supporting a hypothesis that the leadership culture was one of avoiding conflict in favour of accepting adequate instead of high performance. Participants and managers were asked to score these behaviours again – participants at the end of the first workshop and both groups after 90 days. Interestingly, some behaviours were impacted immediately post-workshop, indicating an understanding of what to do to deliver those behaviours. Others levelled or even fell post-workshop as participants understood the implications of those behaviours and expectations of their leadership and then developed them over time. All scores rose by the 90-day survey. Manager scores rose, but the gap between participants and managers narrowed.

The content of the programme drives deep reflection by leaders into their own styles and behaviours to drive change in their teams and the organisation. The timeframes of 90 and 120 days to capture impact provide time to enable leaders to process and act on this reflection and learning. During the workshop participants developed three commitments – one each at the self/team/system level – and these were further categorised using the LIW 3Cs framework of clarity, climate and competence, and then further in terms of specific areas of business focus. This enabled the programme sponsors to understand where participants were focusing in terms of their business objectives and which areas might need further emphasis for balance. Progress against commitments was tracked at 45 and 90 days and latest data indicated that at 90 days, 97% of commitments had been started and 80% had delivered business impact.

“[I was able to develop a] greater understanding of cross-organisational values and priorities [and create] alignment of customer values against the leadership scorecard.”

TLP Participant
The impact

A key objective TLP is to transform the leadership culture of the organisation from the top down. We surveyed participants at 120 days about the changes in their understanding of the leadership culture and found this to be consistently strong. They developed an ownership of the culture, as something they create rather than something they are victims of, and this enabled them to drive real change within their teams and departments. They recognised the importance of customers and how they could develop a culture of customer focus to deliver business results. These changes align directly to the impact objectives of the program set out in ‘the challenge’. Further metrics around the LI scores, engagement, D&I are being tracked annually, and we expect them to move positively driven by these proactive leadership behaviours driving the culture.

“[This program had a significant impact on me. I came away with insights and learnings that I have used after stepping back into the business. Returning to the program as a host, I continue to learn, taking something new back with me each time.”]

Andy Penn, Telstra CEO

The real story of the leadership transformation shows in the case studies we write. These leaders have taken the learnings from the workshops, reflected on their own leadership strengths and development areas, aligned their focus to the organisation’s needs and made real change within their teams and in the business. These two examples demonstrate the impact they have achieved.

Peter: Clarity drives customer satisfaction

Peter needed to develop a greater customer focus within his team to deliver better customer services at lower costs.

He applied the 3Cs, starting with strategic clarity to demonstrate the importance of the customer. He transformed the climate to be one of work smarter, not harder, with processes supporting the success metrics. He developed the team’s competence in handling customer complaints and building in upstream communications to save time and money and improve service levels.

Execution is improved, and customer repair calls are reduced while customer satisfaction is up.

The team appreciates why they need to work differently, some in roles they did not choose but which deliver the best service to the customer.

Emma (EJ): Engagement through purpose

EJ had to build engagement and maintain motivation in her team through a drastic restructure. She applied the 3Cs to provide clarity for the team about the purpose of the restructure and the objectives and opportunities which lay ahead for them. She created a climate of collaboration and honesty to enable team members to raise concerns and to ‘relaunch’ the team with a positive future focus. She selected the team for competence in both skills and collaborative behaviours.

Engagement is up, team dashboard shows positive performance and high-value work has been prioritised. EJ also started a women’s book club to develop both friendships and a network within Telstra for senior women.

(Full versions of these case studies can be found in the appendices.)
Reflections

The success of the programme has spurred increased commitment from Telstra’s senior leadership team and saturation goals have been significantly increased with an aim to have all band one leaders complete the programme in the next two years.

Analysis of the participants’ leadership commitments indicated that they were strong in areas that were most easily impacted, such as creating a world-class environment, collaboration and alignment. The challenge now is to rebalance their focus to include the larger and more challenging areas of strategic change such as customer focus, talent development and risk taking.

“Ultimately, what’s really going to make a difference, what’s going to make the change in terms of our ability to deliver on Telstra’s vision, is our own leadership – the leadership of the top team.”

Andy Penn, Telstra CEO