

Story of Impact

Textron

Industry:
Finance; Multi-industry

CCL Solutions:
Leadership at the Peak
Custom Solutions
Coaching
Evaluation



Center for
Creative
Leadership

NORTH AMERICA EUROPE ASIA

www.ccl.org



TAKING AN ENTERPRISE VIEW

For nearly eight decades, Textron, Inc. – known as the original conglomerate – operated like a classic holding company. It had owned businesses as diverse as a lingerie factory, a steel mill and a cruise ship. “Each business had to make their numbers, and ownership was pretty much hands-off. There was no enterprise-wide activity, no synergy, among the businesses,” said John Butler, executive vice president of administration and chief human resources officer of Textron.

In 2001 that began to change. CEO Lewis Campbell, along with 20 executives from across the businesses and corporate functions, formed the company’s Transformation Leadership Team (TLT) and began to take an enterprise-wide approach to leadership.

The Center for Creative Leadership’s program for senior executives, Leadership at the Peak, was quickly tapped as the front-line resource for TLT members. The Center’s faculty also worked directly with the team as a group. Working with CCL, “a diverse and pretty independent group of executives began to find common ground in our approach to leadership,” said Butler.

Today, the company is a highly focused enterprise with nine business units that include brands like Bell Helicopter, Cessna Aircraft and E-Z-GO golf cars, as well as several industrial businesses and Textron Financial. Evidence of a streamlined, networked enterprise is abundant and continuous improvement is a way of life. For instance, Textron went from offering 154 separate U.S. health care plans to one with three options; from running 1,800 payroll systems to one; from operating 88 data centers to three. Five years ago, Textron promoted only 6 percent of its top 175 executives from within the businesses. In 2006, that rate had improved to 74 percent.

Recently, when Bell Helicopter won a number of accounts, it needed to ramp up to deliver. “Bell had to have the resources,” Butler recalled. “We saw the call to action and quickly moved talent into Bell from the other organizations. The other businesses didn’t balk; they saw this as the right thing to do. We would not have had those experiences five years ago.”

“Through a lot of hard work on the team’s part, they really came together,” said CCL’s Dave Loring. “Coaching and facilitating Textron’s Transformation Leadership Team has been among the most rewarding work I’ve done with CCL. When you put really smart people together and help them to understand how they can be more effective, it’s amazing what they can do.”

COLLABORATION GOES DEEPER

The culture of “lone wolf” leadership that defined Textron at the corporate level also played out within individual Textron business units. For example, Textron Financial Corporation, a provider of financing services for 28,000 businesses in 470 industries, has a highly segmented operation.

Again, the Center has made a difference with a series of three leadership sessions, held between May and October 2006, for the Senior Leadership Team (SLT). The SLT/CCL Leadership Development Program (which also included optional personal coaching) has helped to build a more collaborative, enterprise-minded approach to leading the Textron Financial business.

The program focused on three key areas:

- Increasing individual awareness of leadership strengths and areas for development;
- Building feedback and coaching capacity of SLT members; and
- Removing barriers to effective relationships and collaboration among SLT members.

An initial evaluation showed that the program’s impact was clearly felt at the individual and interpersonal level, according to CCL’s Jamie Gurley. “All SLT members perceived that the CCL program has made them more effective leaders. They gained key insights about their own behaviors and the impact they have on others. At the same time, they began to see the value in the diverse perspectives and skill sets of their peers.”

The program set the groundwork for improved relationships among members of the SLT. While much of their work continues to be independent, they have taken steps toward more open and collaborative relationships. They report more effective communication and interaction across the senior management team: *“There is an increased ease of doing business now. An ease of sharing best practices. A heightened sense of being able to reach out,”* noted one member.

After completing the program, SLT members also showed an increased ability to give feedback and to coach and develop others. As described by a team member: *“CCL has taken us closer to behaving in a way so we will have a more engaged workforce.”*

THE PROCESS CONTINUES

Textron continues to invest in leadership development at the individual, team and organizational level. CCL recently completed a three-part program with executives from E-Z-GO and another is underway with Textron Systems.

“What endures in a company is the leadership,” said Textron’s John Butler. “In order to be the premier multi-industry company, Textron is focused on attracting, retaining and developing strong leaders – in all business units and at all levels.”

OBJECTIVES

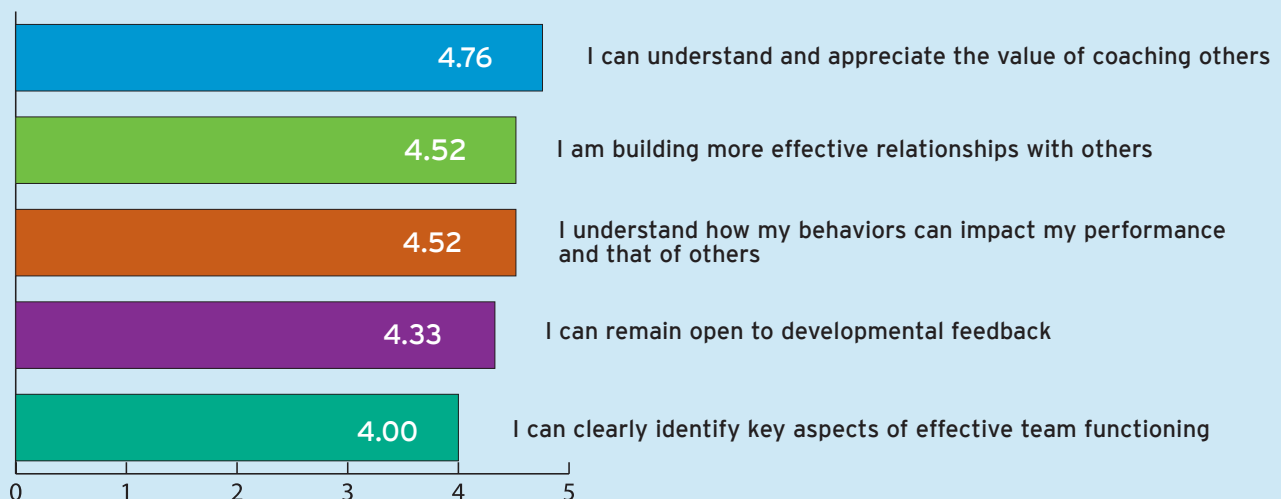
- Increase individual awareness of leadership strengths and areas for development
- Build feedback and coaching capacity of SLT members
- Remove barriers to effective relationships and collaboration among SLT members

OUTCOMES

- All SLT members perceive that the CCL program has made them more effective leaders
- There is a better understanding of individual behaviors and their impact on others
- There is an increased appreciation for diverse perspectives
- Improved relationships have developed among members of the senior leadership team
- The company is better equipped to identify root causes of poor team performance
- Communication skills have improved
- Team members have demonstrated an increased ability to coach and develop others

TEXTRON

SPECIFIC PROGRAM OUTCOMES*



Scale: 1 = not at all / 2 = to a small extent / 3 = to some extent / 4 = to a large extent / 5 = to a very large extent

*Average; N = 21



CCL-Asia

Telephone: +65 6854 6000
Facsimile: +65 6854 6001
E-mail: cclasia@leaders.ccl.org

CCL-Europe

Telephone: +32 (0)2 679 0910
Facsimile: +32 (0)2 673 6306
E-mail: cceleurope@leaders.ccl.org

CCL-North America

Telephone: +1 336 545 2810
Facsimile: +1 336 282 3284
E-mail: info@leaders.ccl.org

GET STARTED WITH CCL

If building organizational leadership capacity is a concern for you, the Center can offer creative and customized solutions for addressing your leadership needs. Whether your goal is to improve the effectiveness of the executive team, to systematically develop your high-potential managers, expand your organization's ability to work globally or to create a shared leadership culture at all levels of the organization, we can help. To get started, visit www.ccl.org/custom or contact us at the CCL location most convenient to you.

ABOUT THE CENTER FOR CREATIVE LEADERSHIP

The Center for Creative Leadership (CCL[®]) is a top-ranked, global provider of executive education that develops better leaders through its exclusive focus on leadership education and research. Founded in 1970 as a nonprofit, educational institution, CCL helps clients worldwide cultivate creative leadership – the capacity to achieve more than imagined by thinking and acting beyond boundaries – through an array of programs, products and other services.