

Connect The Dots Case Study



CARDINAL HEALTH, INC. Managing Organizational Change

Change Leadership for a Fortune 500 Health Care Services Provider

Rising costs of healthcare over the last decade, an aging population, medical advancements and the implementation of the Affordable Healthcare have all played havoc with any company that serves healthcare providers. Cardinal Health, Inc. is a global Fortune 500 health care services company based in Dublin, Ohio. The firm specializes in distribution of pharmaceuticals and medical products, serving more than 60,000 locations to over 100,000 pharmacies, hospitals, surgery centers and physicians offices every day. They employ over 34,000, having grown substantially through acquisitions since its founding. They have been extremely successful in meeting the challenges of these changes and staying competitive despite economic pressures.



Quick Shot

Company Name

Cardinal Health, Inc.
www.cardinal.com/

Industry

Health Care Services

Key Challenges

- ▶ Transition the organization to a new EIT model
- ▶ Clearly articulate need for change, which would need talent downsizing

Solution and Services

- ▶ Change Consulting that included Building the Business Case, Creating a Customized Communication plan and Coaching Senior Leaders to lead through change.
- ▶ Customized workshop series

Solution Highlights

- ▶ Honed message of what was changing, why, what needed to happen and the consequences of not changing
- ▶ Designed a workshop series that created a framework for EIT leadership so they could lead their teams through change

Key Benefits

- ▶ EIT leaders managed both the technical and people aspect of change
- ▶ Cardinal Health reduced client-impacting events
- ▶ Reinforcement tactics are in place to keep the momentum high

The Challenge: Business Innovation Requires Streamlined Talent

The ability to deliver enterprise service solutions has become more complex with the addition of new technology and customer expectations. Service-oriented architectures have provided an important new standard that supports implementation of solutions for the customer service process. These new IT systems require a different approach for management and deployment of such solutions.

The Enterprise Information Technology (EIT) Shared Services' leadership team knew that in order to stay relevant and continue to spearhead support tasks for their shifting business needs, their function also had to change. By transitioning the organization to a Subject Matter Expert model and moving the tactical work offshore, EIT Shared Services would have a more flexible, stable workforce with the brightest and best talent focused on their customers.

Learning and Doing: A Change Model that Works

Cardinal Health EIT's HR Business Partner contacted Connect the Dots to understand

how to address the challenge. Together, Connect the Dots and HR worked to implement a customized solution that would lead others through the necessary changes.

It was critical that the EIT Shared Service team, led by the Senior Vice President, could clearly articulate the change, the business case for it and how it would affect the employees. Because some of the employees would be laid off, the leaders were acutely aware they needed to retain their top talent and those with the subject-matter-expert knowledge and expertise required to make this model successful.

Connect the Dots started work immediately with the leadership team and helped them hone their message of what was changing, why the change needed to happen and what the consequences were of not changing. Surprisingly, this process allowed the team to coordinate better with one another because they had been unable to focus on this part of the project until that point.

Next, Connect the Dots designed and delivered a customized workshop series that created a framework for the leadership of EIT Shared Services so they could lead their teams through the change. Using Prosci's ADKAR methodology, William Bridges' Transition Curve, and recent work on the



rational and emotional sides of change by Chip and Dan Heath, Connect the Dots developed content and tools that enabled the leaders to initiate the transition smoothly.

By developing skills that helped people understand their role in the change, how to move successfully through the change curve, and how to manage resistance, the EIT leaders could manage both the technical and people aspect of change. The workshop series allowed the team to learn new skills and concepts, and then practice them in their jobs. The teams regrouped at the next workshop to debrief and learn from their peers' experiences.

Sustainable Change Keeps Pace With A Rapidly Changing Marketplace

By blending several change management processes to create the one that worked best for Cardinal Health's EIT Shared Services, Connect the Dots provided the foundation for sustainable change. By implementing clear messaging, leadership modeling for the

desired behaviors, and measurements directly tied to the project's objectives, Cardinal Health's EIT Shared Services department achieved a successful change.

The key metrics for this project were to reduce client-impacting events, use Subject Matter Expert roles for the "thinking" work, and outsource the "doing" work to offshore providers. This created a more flexible workforce that could react to the changing needs of the organization. Their success has been evident, with a decrease in client-impacting events and a smooth transition to the outsourced labor. Reinforcement tactics are in place to highlight the progress and mini-successes keep the momentum high. The Senior Vice President records weekly voice messages to update the teams on department changes and uses his staff meetings and Town Halls to solicit feedback.

Cardinal Health is now equipped to deliver the kind of solutions that increases productivity, eliminates waste, and delivers customer value in an efficient manner – a sound strategy for success in a highly changeable industry.

<http://www.connectthedotsconsulting.com/contact.htm>

Our coaching and feedback processes give your leaders and teams "real-life" situations to work through. We apply your organization's needs to our approach which takes the guess-work out of the how to translate new ideas and behavior changes in a real world setting. Contact us to get started.

