

Getting the engaged tone

'Tell people what your dream is and what it might mean for them, and then convince them it's worth it for them to help you get there'

Patricia Vaz

- first Director of BT Payphones and Businesswoman of the Year, 1994

Introduction

This is very much a story of building triumph from adversity, of the importance of effective leadership, good management and, above all, of emotional intelligence in action. It's also about engaging the workforce in achieving goals that seem both unrealistic and, at times, threatening, and still being able to win through.

Since the 1990s, when this story is largely set, the growth of mobile 'phones has meant that the BT Payphone business, especially the public call boxes, has suffered severely, although new services (like Internet and email access at railway stations and airports), have helped to keep the business going.

The story

Back in 1988, BT was under fire. Recently privatised, the company was not well loved, particularly its payphone operations. This was before mobile 'phones had really taken off, but they were gradually encroaching on the payphone business which was already facing competition from other suppliers. More significantly, 30% of all payphones were out of action at any one time, nearer 50% in parts of London and this, BT's public face, was seen as dragging the whole image of the company down. Mike Bett, the MD, had made a commitment on Radio 4's Woman's Hour to achieve 90% serviceability in six months, by 1st April 1989 (April Fools' Day, as many reminded him!). It was this overwhelming challenge that the Payphones division had to live up to.

It was made harder by the fact that nobody had direct responsibility for payphones, and they tended to be at the end of the line when it came to priorities for repair. The solution to this was to create a new business unit responsible for the whole BT payphone operation in the UK. It was created by taking people from the other operating areas, but that was a good opportunity for them to get rid of people they didn't want or need. So the division started very much as the runt of the BT litter. This was the challenge faced by Patricia Vaz, the first Director, appointed in 1992.

Her primary goal was to weld a successful business out of the mix of people that she had been given and to engage them with the goals of the business. The primary goal was to maintain and then raise the levels of serviceability that had been achieved by the concerted efforts started back in 1988. One unexpected consequence of getting the phones working and boxes in a decent condition had been that people used them more. Using a payphone was often an impulse purchase, people made calls if they saw a payphone – it reminded them that they needed to ring someone. By increasing the number of payphones, especially in pubs and other places where people gathered, they could increase their turnover.

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But that depended on the commitment of the people selling them, installing them, servicing and repairing them, and that was what Patricia Vaz was good at, winning their commitment. She understood that many of them felt disheartened by the move to the Payphones division; it was like being demoted from the premier league to the Football Conference!

The key to the creation of a successful business was the recognition by Patricia Vaz that she needed to communicate with the people working for BT Payphones. She developed her vision of what a successful business would be and a strategy to achieve it. This was communicated to the whole workforce, who were asked to be involved in deciding how it was to be implemented. This involvement was the key, because it showed people that they were valued. Her successor as Director, Bob Warner, was able to use this commitment that she had built up when, in the mid-nineties, he was faced with having to reduce the number of people working in the division to make it cost effective. He was able to do this by drawing on the workforce to find ways of changing working practices to become more efficient, encouraging people to make their own suggestions and strive for economies to enable the business to succeed.

At the end of the nineties the third Director of BT Payphones, Malcolm Newing, continued this strong emphasis on communication. He and other senior managers regularly telephoned staff in the division to ask them for their feedback on the way that the business was operating. This was designed to do two things, to enable managers to keep in close touch with what was happening on the ground, and to show the employees that their involvement was valued.

By now the division was starting to feel the effects of the growth of mobile 'phones. To cope with this, they developed new products, payphones offering Internet and email facilities, located at stations, airports and other sites around the country. They had set themselves what Newing calls 'big, hairy, audacious goals' but the confidence of the staff was such that these were seen as being achievable. The growth in confidence from the division that nobody wanted to be part of, to one that was innovative and committed to business success was the direct result of the emphasis that managers had placed on people, what Malcolm Newing describes being 'coaches not cops'.

The EQ4U Process Model

The BT Payphones example demonstrates how emotional intelligence, even if it isn't called that or recognised as such, is the key to implementing a successful strategy, and especially if it's one that involves making fundamental changes in the way people work.

SELF-AWARENESS AND UNDERSTANDING

- Awareness and acknowledgement of own body language 'signals' and associated emotions
- Understanding own emotions ~ listening to and reflecting on intuitive feelings (gut reactions)

In 1994 Patricia Vaz was named Businesswoman of the Year for her work in creating the BT Payphones business. She was acutely aware of the scale of the task that she took on and is frank in admitting that it was a scary task. She knew that she had to demonstrate to everyone in the business her own commitment to

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the success of the business, but also that she needed their help to make it happen.

By recognising her own feelings about the scale of the tasks she was able to appreciate how everyone else was feeling in the business. This empathy was something that those who had worked for her readily recognised, and it helped to create the sense of belonging that was so significant in the first two years in creating the successful new business unit.

AWARENESS AND UNDERSTANDING OF OTHERS

- Being interested in and aware of others' body language and behaviours
- Interpreting and anticipating others' emotions within the overall context of the situation

The emphasis on coaching which later developed in the business was done precisely because of the need to build up confidence and commitment further. The senior managers were all trained first of all, and then middle and first line managers, on the basis that it was managers' primary responsibility to develop those that they managed. The emphasis of the coaching programme was on understanding others' needs, goals and concerns, and the barriers that prevented them from progressing. By investing heavily in developing managers, the division wanted to make them more aware of the behaviour of the people they managed and more alert to their feelings.

REFLECTION

Reflection on:

- an ethical framework of principles and values.
- the overall situational context including own and others' circumstances.
- own emotions and others' anticipated emotions.
- a communication protocol that will:
 - ⇒ demonstrate recognition and understanding of context;
 - ⇒ be clearly and appropriately communicated;
 - ⇒ be genuine, open and honest;
 - ⇒ show an appropriate degree of warmth.

Not surprisingly, given that it's a telecommunications business, communication was seen as being central to the development of BT Payphones. But there was a significant problem, a sizeable proportion of the employees were out in vans, on their own, repairing and maintaining payphones. Although newsletters and weekly team meetings were also used, the challenge was for senior managers to communicate directly with the 2,400 staff. It was for this reason that a policy of 'phoning people regularly was started. The senior management team would aim to speak to as many people as they could, as often as they could, by 'phoning them in the office or out in their vans. This means that they could obtain information and explain what was happening and why. It also sent out a clear message about the principles and values of the business, that the people who were delivering the service were valued and that their voice needed to be heard.

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This strategy reflected Marshall McLuhan's 'the medium is the message'. It was less important what was communicated in these calls, but that they were made. By keeping in contact with the employees on a personal level, even if only occasionally, the message that they were important and their views counted was clear.

EQ – APPLICATION

Responding with behaviour that reflects:

- recognition of own and others' emotions
- a match with ethical principles and values
- a relevant communication protocol

The strategy that Patricia Vaz had started which was then followed through by her successors, meant that for some years BT Payphones was the only profitable payphones business in Europe, and led to the division taking over the running of other services, such as the payphones on Dutch railway stations. The BT Payphones strategy was a clear case of applied EQ. This started with the initial recognition that people felt rejected by the rest of the business, because they were involved in the division that was seen as dragging down the whole image of the company. It was followed by seeing that the only way to build the division was by engaging people and getting them committed to Patricia Vaz's 'dream'. It continued in the way that managers took on the primary role of coaches to ensure that they could work with the people they managed to help them develop and improve as the key to developing and improving the business.

Key learning points

This is a story about trust and openness – trust in the people who were expected to turn the business around and openness about the challenges and goals of the business. Most people who came together to form the new operation felt that they were there as a punishment rather than a reward; not a healthy start to a new business. But Patricia Vaz and her successors understood these feelings and set out to work with them not against them. This was used to advantage, because the sense of adversity that they felt was channelled into meeting the tough targets they were set, a feeling that they would – and could - prove everybody wrong!

In a large organisation it is hard to communicate clearly and effectively, but that is something a telecommunications company should be able to do – if they can't who can? By setting up strong, effective and two-way communication channels, the managers and leaders were able to make their vision clear to all employees and at the same time to learn about the barriers that were preventing that vision from being realised. This commitment to communicating is very strong and was instrumental in enabling the company to achieve so much against the odds.

Source:

'MINDCHANGE – the power of emotionally intelligent leadership' by Jan Childs & David Pardey, published 2005 by Management Books 2000.

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