Transforming Culture at the Public Buildings Service

An organization that furnished space and technical expertise to federal agencies evolved into a provider of workplace solutions that help clients become more productive.

by Diana Mungai and Linda Osgood

How does a large organization change its cultural DNA? How could an organization whose purpose was providing space and technical expertise to the federal government become a relationship-based provider of workplace solutions that enable clients to be more productive and achieve their mission? The U.S. General Services Administration (GSA) Public Buildings Service (PBS) has been successfully undergoing such a transformation.

PBS crafted and communicated a compelling case for change, developed and taught standard customer-centric business processes to more than four thousand employees, and assessed and supported employee skills deemed essential to successful performance. Inherent to the change are strategic partnerships inside and outside the organization, process and position redesign in support of the business strategy, and workplace learning as a catalyst for cultural transformation.

Background

PBS has been recognized for its technical proficiency and the dedication of its workforce. Like other government organizations, it has been affected by a number of trends over the past eight to ten years:

- Improving technological capabilities
- A more complex operating environment

- More intense competition for talent, stemming from the small pool of candidates who possess the skills needed to replace those of the retiring baby boomers
- Decreasing resources.

About six years ago, PBS began seeing another disturbing and equally compelling trend. Customer feedback demonstrated frustration with the lack of consistency and responsiveness experienced when dealing with PBS across its eleven regions nationwide. Particularly troubling was that more federal agencies were willing to use any perceived lack of value to seek authority to meet real-estate needs on their own. Although Congress generally supported PBS's centralized approach to managing federal buildings to take advantage of greater efficiencies, the customer feedback created a sense of urgency among PBS leadership. It had to begin transforming the culture of the organization from one that primarily valued technical proficiency to one that equally recognized the importance of doing everything possible to enhance the customer relationship by adding value from the customer perspective. The leadership recognized that this large, decentralized organization needed a major cultural shift, which would require a change in its hardwiring, or cultural DNA.

History

PBS is the largest public real-estate organization in the United States. Its core business includes realty, large construction, small projects, occupancy management, account management, and procurement and acquisition. Of the 324 million square feet of inventory that it oversees, 51 percent is federally owned and 49 percent is leased from private-sector owners. PBS is responsible for approximately 1,500 government buildings, including courthouses, laboratories, warehouses, and border stations, to name just a few. In all, PBS is responsible for housing 1.1 million federal employees.

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In the early part of this decade, top managers at the regional and national levels of PBS responded to the trends they were seeing by articulating a new business strategy that put customers at the center of each of the PBS public-facing processes. In addition to enhancing the relationship PBS employees had with their customers, the change was designed to facilitate a more consistent experience for customers, regardless of the regional office with which they dealt on any given project. However, a number of cultural barriers obstructed implementation of the new strategy:

- There was a strongly held belief throughout PBS that "buildings are our assets and providing *space* is our business." The basis of the new strategy, however, was that PBS is in the business of providing *workplace solutions* for its customers. Embracing this new perspective would require a shift from a task orientation to a focus on proactively managing the customer relationship, aligning employees with their clients' business goals, and managing projects more consistently.
- PBS is an organization comprising eleven regions, each of which prizes its ability to customize its operations to meet local needs. Influencing the regional offices to adopt consistent core business processes would be asking them to turn decades of practice on its ear, a daunting prospect.
- Employees who had been hired largely because of their technical training and skills, such as building engineers, would now be expected to be equally skilled at listening to and meeting customers' needs. The job would go far beyond simply complying with law, regulations, and sound professional practice and into the realm of relationship building.

Large-Scale Transformation

An article by Kee and Newcomer in the fall 2008 issue of *The Public Manager* discussed why change efforts fail and identified four critical leadership functions or responsibilities that would improve the probability of success. These functions are (1) diagnosing change risk and organizational capacity, (2) strategizing and making the case for change, (3) implementing and sustaining change, and (4) reinforcing change by creating a change-centric, learning organization.

The change leaders at PBS, including the deputy commissioner and a number of the career executive assistant regional administrators and assistant commissioners, di-

agnosed the change risk and organizational capacity and realized that the associated risks were high, but the risk to the organization from not changing was even higher. Although risk factors such as the magnitude and scope of change and the perceptions and diversity of the client stakeholders were formidable, the PBS change agents saw a unique opportunity in devising a risk mitigation strategy. They decided to align the PBS business strategy with its human capital asset strategy to reinforce and sustain the change over time.

Marshaling the commitment of subject matter experts (SMEs) and key stakeholders from the national office (focused on policy and oversight) as well as the eleven regional offices across the country (focused on operational issues), the leadership team set about developing an integrated and systematic approach to ensure that associates had the right skills at the right time to drive the business strategy. PBS also partnered with outside experts, bringing in two management consulting firms with extensive experience in successful organizational transformation—one specializing in competency modeling and skills assessment (Easi-Consult) and the other (McManis & Monsalve Associates) offering expertise in change management and workplace learning and performance.

The change management team recognized that in order to implement and sustain change, the organizational capacity would need to be built up. The approach was to strategically develop human capital while making the case for change to all the PBS associates and training them on the new business approaches. To maximize effectiveness of the initiatives, the focus of the human capital development effort was on the core disciplines that represent 75 percent of the workforce: realty, large construction, occupancy management and small projects, account management, and acquisition.

For each of these disciplines, the PBS SMEs identified the core business processes and the pods of work (clusters of tasks) that constituted a specific role. Working with Easi-Consult, PBS experts identified the general and technical competencies associated with each of the pods and then rated and ranked them to identify the most critical, those on which PBS would focus its skill assessment. Next, the hiring and selection process was made more measurable and structured—one based on a defined set of skills and competencies that could be consistently applied across the organization.

Change Rollout

A key change implementation mechanism was having the SMEs develop a series of four "playbooks," each of which contained the action steps, resources, and tools required to conduct a specific business function—transaction management (small projects), occupancy management, large construction, and account management—using the new processes and approach. A consistent model that served as the foundation of all playbooks was a five key interactions method designed as the basis for all customer-facing work. To emphasize the importance of consistency of approach, PBS launched an enterprisewide training initiative to support the rollout of each of the playbooks. Outside consulting partner McManis & Monsalve Associates supported this effort by working shoulder to shoulder with PBS experts to design training to effectively make the case for change as well as teach the rudiments of the playbook processes.

The design team was well aware that promoting a standardized approach would run headlong into the regions' desire for autonomy, requiring a major culture change. As a result, the team identified three conditions that had to be met for creating meaningful training that would successfully facilitate the desired changes (Table 1).

Table 1. Training Conditions

Condition	Rationale
Have a solid understanding of the prevailing culture	A solid understanding of the organizational culture mitigates the likelihood of touching off cultural "hot buttons" that can negatively impact perceptions by the target audience
Clearly articulate the case for change	Expand the number of "early adapters" to the change by clearly articulating the new business strategy and its impact on individuals and the organization
Develop learner-centered design that features fun—with purpose!	Enhance effectiveness and lower resistance by focusing on the adult learner, reflecting the real work environment, and recognizing that learning can be meaningful and fun

Understand the Culture

Without a solid understanding of the culture, training could have easily touched off cultural hot buttons. One resource that was invaluable for accelerating understanding of the culture was a document created by one of the SMEs, Tim Pfohl, *10 Things You Should Know about PBS*. It contained examples of organizational change initiatives that had been introduced in the past, along with numerous other cultural vestiges, all of which served as a guide to the PBS culture.

One especially helpful transformation strategy was the use of PBS regional employees as cotrainers for the formal classes. Each region assigned three to four employees to serve as cotrainers. The full cadre was then included in an intensive, weeklong train-the-trainer session so they could learn the material and work with the lead trainer to orchestrate the flow of instruction. These employees lent a great deal of credibility to the overall course. Because they were well respected by their PBS peers in the classes and knew PBS processes, regional culture, and nuance, they were able to communicate the importance of embracing the new business strategy in a way that resonated with the target audience.

Make the Case

Any large-scale organizational change evokes an automatic resistance. To expand the number of early adapters to the change, the training articulated the rationale behind the new business strategy and what would be required of associates in the future. In addition, the training was interspersed with video clips of assistant regional administrator Paul Prouty, in which he shared leadership's vision and conveyed the urgent and compelling need for everyone to commit to integrating the new business strategy into their work. In one particularly inspiring segment, Prouty said:

> "If you're sitting there thinking that this is about to be foisted on you, this is something that's got you scared to death, this is something that's going to turn your world upside-down, I'm here to tell you that I don't think it is. This is being done by career people … and the reason we're doing this is a really cool reason. We're doing this because we can! GSA is so well-positioned; we've figured things out … we're able to look to our future. Now, if I was talking to you five, ten years ago, I wouldn't have been able to say that because we were really struggling. We couldn't even tell if we were regulatory or if we were able to compete in a competitive environment."

Design for Fun

The training design involved ample opportunities for small and large group discussions, numerous team-based experiential activities, and, as a centerpiece of each course, a case study that closely resembled the real work environment. The training also featured clips from popular films to reinforce key learning (for example, clips from *Apollo 13* were used throughout one course to illustrate key concepts of the new approach, such as confirming understanding of problems and solutions with clients, developing problem-solving options, and the importance of highly coordinated teamwork). In addition, clips featured PBS employees sharing real-work examples of how using a more standardized approach for customer-facing interactions significantly improved their work outcomes. The in-house production crew at PBS was able to capture a wide range of success stories from across the regions with short, humorous vignettes, or playlets, introduced at key intervals in the training to highlight particular customer service challenges. Participants were also invited to create their own vignettes as one of their course assignments. This part-scripted, part-improvisational technique served as one of the memorable highlights of several of the courses.

As PBS evolved this process, it also established "role" titles to clearly and consistently identify for customers the role each employee plays in the delivery of a project or service. In addition, changes in the organizational structures throughout PBS are being made to ensure consistency with respect to responsibility and lines of communication.

Reinforcing Change

PBS successfully introduced the changes it was seeking in both its management of customer relations and in its human capital strategy. Key factors that contributed to its successful initiation of cultural transformation included the following:

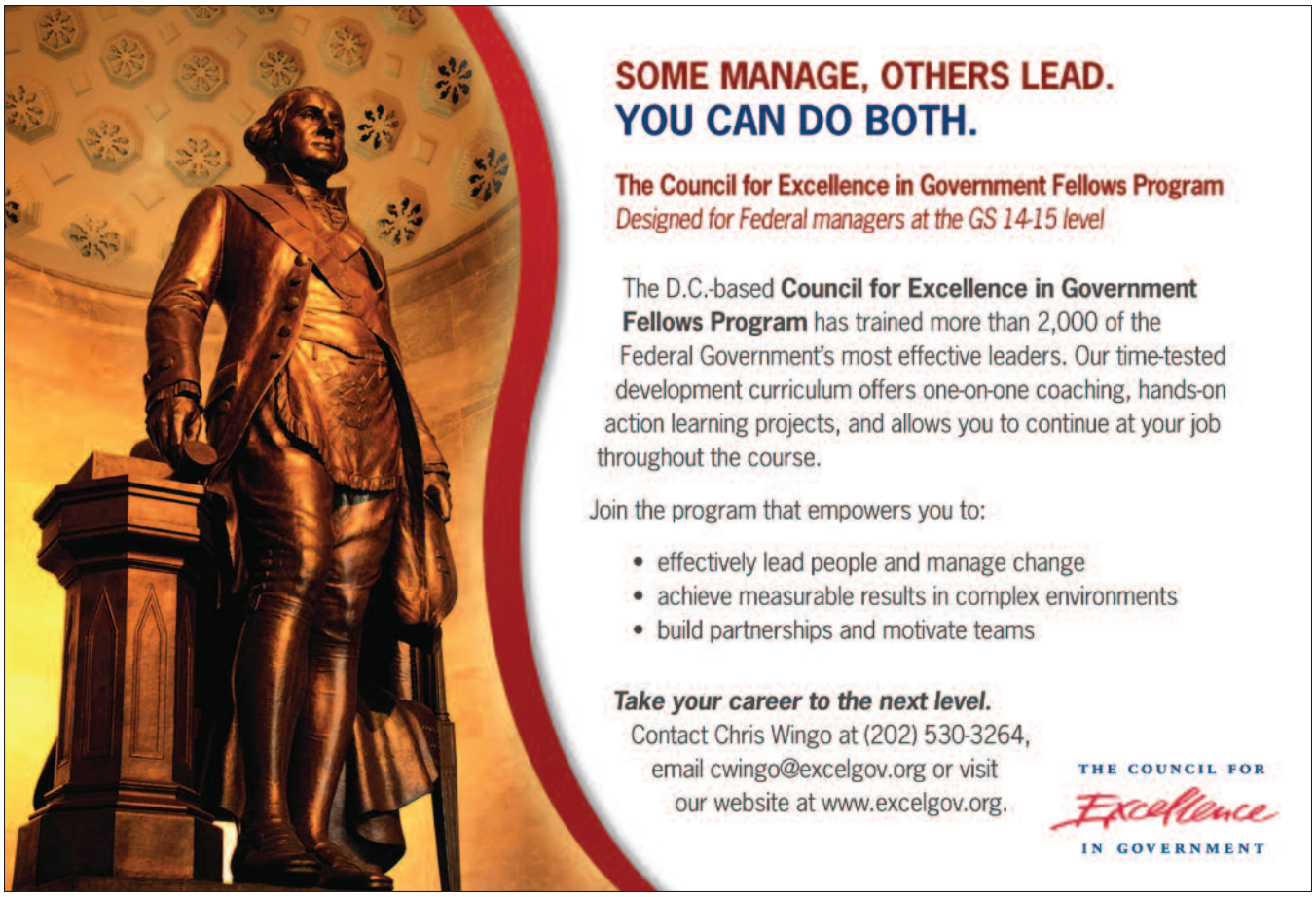
- The leadership team from across the regions comprised true champions of the new business strategy, and they communicated a consistent message.
- The process was inclusive—it was not imposed top down on the regions by the national office. Rather, key stakeholders from across the organization were fully integrated into the planning and implementation of the change.
- The change message was simple, and it was repeated often by leaders and champions throughout PBS.

- Consistency was the mantra through every phase of the process.
- Communications about the transformation efforts were consistent and well timed.
- Outside experts in change management and organizational transformation were brought in to collaborate with PBS at critical stages in the process.

The challenge ahead is to continue to reinforce the changes introduced through evaluation of their effectiveness and by holding employees accountable on the basis of meaningful performance measures and timely feedback. PBS has taken major steps toward creating a learning organization and is well on the road to sustaining the substantial organizational transformation that it has put in place.

Reference

Kee, James Edwin, and Kathryn E. Newcomer. "Why Do Change Efforts Fail? What Can Leaders Do About It?" *The Public Manager*, Vol. 37, No. 3 (Fall), 2008.

But talking about global warming does not have to be doom and gloom—and it's not about choosing between the economy and the environment. The good news is that there are already proven ways to face these challenges—and the solutions can help people around the world. There is every reason to believe tackling climate change can help the American and global economies as well as the environment.

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