

**DL+**

A DIFFERENT KIND OF CASE STUDY

# CREATING HARMONY IN A COMPLEX ORGANIZATION

A CUSTOM CASE STUDY WITH GEORGETOWN UNIVERSITY AND AARP



# Creating Harmony in a Complex Organization

## AARP's Collaboration with Georgetown University's McDonough School of Business

Large and varied organizations must ensure a consistent approach to management across hierarchies, regions, functions, and sub-groups. At the same time, such organizations need to keep executives thinking broadly and in tandem with each other.

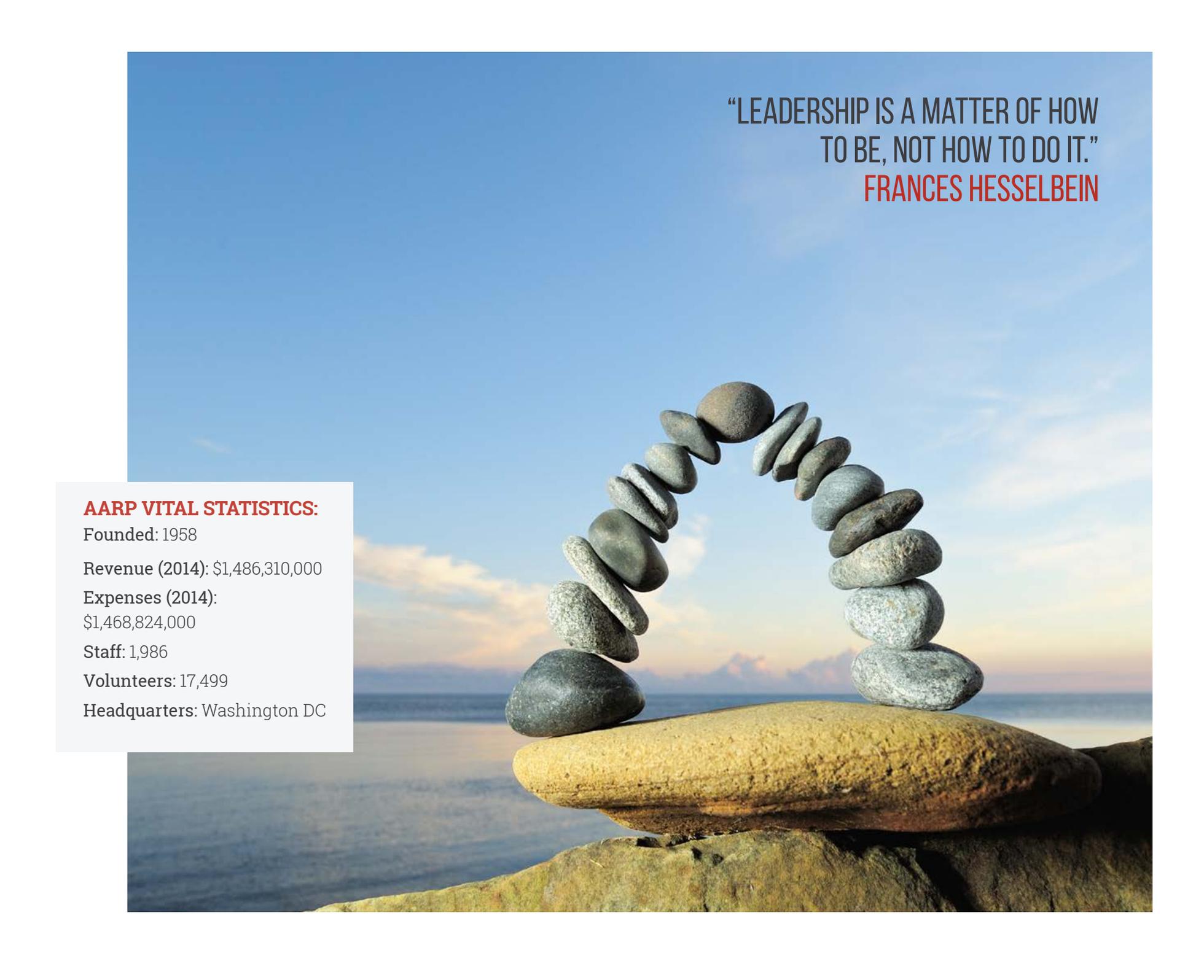
For nearly 60 years, AARP – formerly the American Association of Retired Persons – has helped Americans over 50 improve the quality of their lives. The non-profit, nonpartisan organization has 38 million members across the United States, and works at the national, state, and community levels on a diverse range of issues and initiatives. AARP has seven affiliated organizations, including non-profit foundations and charities and for-profit corporations.

The challenge for large and complex organizations like AARP is to ensure that their management practices are harmonized across their affiliates. To do this, Jo Ann Jenkins (then

AARP's Chief Operating Officer, now its CEO) envisioned a custom executive education program that could reflect, as well as reinforce, best practices across the broad spectrum of AARP's work.

The school tasked with delivering the envisioned program for AARP would therefore need to combine impeccable academic credentials with top quality theory, practice, faculty, and delivery.

*"We started the Agile program because we saw a need to develop leaders throughout the organization who are able to adapt and respond more quickly to the changing environment in which we live and work. As an organization serving 38 million members and their families, we need innovative leaders who are collaborative – who can work together and with their teams to empower people to choose how they live as they age."* Jo Ann Jenkins, CEO, AARP



“LEADERSHIP IS A MATTER OF HOW  
TO BE, NOT HOW TO DO IT.”  
**FRANCES HESSELBEIN**

**AARP VITAL STATISTICS:**

Founded: 1958

Revenue (2014): \$1,486,310,000

Expenses (2014):  
\$1,468,824,000

Staff: 1,986

Volunteers: 17,499

Headquarters: Washington DC



**“GEORGETOWN  
UNIVERSITY’S BRAND  
PLAYED A BIG PART  
IN OUR DECISION  
BECAUSE WE KNEW  
THE QUALITY OF  
THE PROFESSORS,  
CONTENT, AND  
EXPERTS.”**

**DONNA GUPTON, VICE  
PRESIDENT, TALENT  
DEVELOPMENT, AARP**

## RECENT GEORGETOWN MCDONOUGH RANKINGS:

### Bloomberg

**Businessweek:** MBA Evening Program – 4th

### Financial Times:

Executive Custom Programs – 15th in the world; Full-time MBA -- 18th in the U.S.; Executive MBA – 5th in the U.S. and 1st for international business; Global Executive MBA – 33rd in the world

AARP partnered with the executive education team at Georgetown University's McDonough School of Business to develop a multi-module program, called Agile (AgL), for the 100 members of its leadership team. Georgetown McDonough's Office of Executive Education builds customized programs for organizations around the world, in addition to offering executive degree programs for individuals.

*"Georgetown University's brand played a big part in our decision because we knew the quality of the professors, content, and experts."* Donna Gupton, Vice President, Talent Development, AARP

"The AgL program is special for several reasons," says Michael O'Leary, academic director for the program and professor of management at Georgetown McDonough. "First, it was developed in close collaboration with AARP leaders and Georgetown faculty and staff. That collaboration ensured that support for the program was high, that it was something people wanted to do – not something they were being assigned to do, and that the organization chose participants carefully based on their experience and roles. Second, it was tailored to meet AARP's current needs. When the program began, AARP was beginning a large reorganization. Today, three years later, it is focused on implementation, execution, and growth. Together, we have adjusted the content for each cohort to reflect the changing organizational realities at AARP. A common core of content has remained the same throughout, but 15-

20 percent has been adjusted to keep the program as immediately relevant as possible."

AgL, now in its fourth cohort, consists of three, three-day modules held at Georgetown's campus in Washington, D.C., over the course of several months. The program culminates in strategic learning projects (SLPs), for which small groups of participants tackle a real organizational issue. Cohort sizes have varied from 25 to 40 participants. Georgetown and AARP chose the cohort model to help boost learning across the organization. The academic and technical sessions are delivered face-to-face to maximise the impact on each participant's day-to-day methods and mindset.

Each of the three modules incorporates the themes of adapting to change and creating a common framework, with sessions led by Georgetown faculty. Module One includes sessions focused on *Organizational Strategy & Business Model Innovation*, *High Performing Teams*, and *Managing Change Simulation in SLPs*. At the end of day one, participants participate in an *Iron Chef*-style competitive cook off event, judged by a Georgetown professor and an AARP executive—exactly the kind of interaction which turns a vaguely recalled face from across the conference table into a familiar and trusted colleague.

*"AARP includes many people focused on advocacy, but that's not its only work. The challenge within AARP is for its staff to collaborate across those*

## “...CREATING A COMMON LANGUAGE, DEVELOPING KEY BUSINESS SKILLS, ELIMINATING SILOS, FOSTERING PROFESSIONAL RELATIONSHIPS, AND EMPOWERING LEADERS.”

*organizational and work-style boundaries. A key element of the program has been to help participants listen and communicate effectively so that they blend techniques of both advocacy and inquiry.”* Michael O’Leary, Teaching Professor, McDonough School of Business (Georgetown)

AgL was prepared without the immediate, pressing need of an external crisis. However, the landscape in which AARP carries out its advocacy work is constantly shifting in tune with both policy and market forces. The tools that worked yesterday may need redesigning by tomorrow. The *small p* politics of office life are just as present in a volunteer organization, and are just as exacerbated by change.

AARP’s reliance on volunteers at every level of the organization is both an opportunity and a challenge. An opportunity because volunteers bring with them drive, determination, and external experience. A potential challenge because, in the wrong circumstances, these very qualities can increase resistance to change.

So, Module Two – held around eight weeks later – focuses on conflict avoidance/resolution as well as change management, both in general and in the specific context of AARP.

*“I was excited from the get-go considering all AgL’s benefits: creating a common language, developing key business skills, eliminating silos, fostering professional relationships, and empowering leaders.”* Sonia M. Alvarez, AARP’s Senior Vice President, Operations Strategy and Analysis, program participant

Module Three builds on this foundation, with sessions such as *Lateral Leadership/Influence*, *Managing Up*, *Building a Culture of High Performance*, and *Communicating Your Agenda*. Talking to past participants, it is clear that AgL is playing a significant role in shaping AARP’s shared corporate space. By investing in individual growth, rather than finding means to constrain executives to a prescribed pattern, the organization is able to steer that growth towards desired goals.

"I've seen a significant increase in regard to executive development at AARP in the last four to five years," Alvarez says. "I see that the leadership is invested and that the program is yielding positive results." Alvarez spent most of her career on the analytical side of marketing, specifically around direct response, with an operational component.

As her career progressed, Alvarez shifted to have more responsibilities in operations, and analysis is now a smaller piece of her scope. "There has been similar commitment to development in other large organizations that I have worked at, but I have not seen a program as comprehensive as the one we have here, AgL. Specifically, having the Executive Team participate in an abridged version, plus the entire Leadership Team go through the program which is targeted to AARP alone – that is amazing!"

*"The most effective programs help participants learn and apply new tools and frameworks – individually and collectively – but building and developing new relationships across the organization also is a critical outcome for any successful program."* Michael O'Leary, Teaching Professor, McDonough School of Business, Georgetown University

In the *Managing Change Simulation in SLPs*, held at the end of the first module, participants gain insight into real-world scenarios faced by AARP. This shared sandbox enables participants to more readily grasp how change appears from perspectives other than their own. When designing a custom program, content choices will balance out technical elements (what tools to use and how to use them) with cultural aspects

relating to the executives using those tools on a day-to-day basis. The success of the *Managing Change Simulation* (as reported by the participants themselves) lies in it being simultaneously a tool, a method, and a mindset.

*"I find myself soliciting more feedback from others, which noticeably enriches ideas. I believe that was a direct result of the program."* Sonia M. Alvarez, AARP's Senior Vice President, Operations Strategy and Analysis (program participant)

Advocacy organizations face the special challenge of keeping staff motivated even when the broad policy changes they are advocating often take three, five, or 10 years. They have to operate in a constantly shifting 'big P' political landscape while minimizing and managing their own internal 'small p' office politics. Advocacy organizations have to answer to a broad spectrum of internal and external stakeholders. Finally, they have to promote the agenda they were formed to advocate in the first place.

The AgL program encourages communication and collaboration among participants from the outset. For example, the ground in which the seeds of the *Managing Change Simulation* are sown is cleared during *The Five Farmers Exercise* in Module One. The cohort divides into teams. Each member of the team is given a card containing information about five farmers—what car they drive, what animals they raise, what crops they grow, what type of house they live in, and the position of each farmer's house in the village. None of the cards give complete details of any one



of the farmers. Team members are not allowed to show their card to the rest of the team and no one is allowed to write anything down. The challenge is to patch together answers to questions set by the instructor using the data siloed among the team members.

This creative and engaging session challenges participants' preconceptions and assumptions about how decisions are made and implemented at a fundamental level, no matter the participant's length of service or previous experience.

As Professor O'Leary puts it, "Working with AARP, and its many expert advocates, has heightened my appreciation for how people's development and expertise in one area (e.g.,

advocacy) can make collaboration especially challenging when their colleagues' development and expertise is in another area (e.g. innovation)." Together, AARP and Georgetown have developed a program that challenges old assumptions while minimizing conflict and resistance to change.

Professor O'Leary highlights the close collaboration between the AARP and Georgetown teams as fundamentally key to the program's early success and continuance. Together they have been willing to revisit and adjust the original design as the situation at AARP evolved. From the start there was a commitment to ripple the program "up," "down," and "out" in the organization.

## “COACHING IS UNLOCKING PEOPLE’S POTENTIAL TO MAXIMIZE THEIR OWN PERFORMANCE. IT IS HELPING THEM TO LEARN RATHER THAN TEACHING THEM.”

*“From the very beginning, AARP’s C-suite team has participated in the selection of participants, orientation, launch day, learning projects, and program finale. They also have experienced a customized version of the program themselves so that they have a deeper appreciation of what their senior staff is learning.”* Michael O’Leary, Teaching Professor, McDonough School of Business, Georgetown University

Has the program helped? For John Sigmon, Chief Human Resources Officer at AARP, the answer is a resounding “yes.” Following the roll out of AgL, Sigmon and his team were able to establish a framework of competencies to integrate talent practices across the organization. “This could never have happened before AgL,” reflects Sigmon. “Before, we would never have achieved the consensus necessary to agree such a joined-up approach to management.”

Competencies describe the broad skills required for success. They also provide the common language to drive integration and consistency across talent practices (such as selection, interviewing, and development). AARP’s

competency models, called *Success Profiles*, are the foundation for aligning talent practices to strategy. Because competencies are applicable across jobs in a variety of job functions, competency-based talent practices help AARP compare roles and build connections across an increasingly matrixed organization.

John Whitmore, one of the fathers of modern-day leadership coaching, wrote that, “Coaching is unlocking people’s potential to maximize their own performance. It is helping them to learn rather than teaching them.” The success of AgL, the collaboration between AARP and Georgetown, is that it builds on participants’ experience and energy, taking the play within sight of the touchdown line and then trusting the talent and determination of the team to reach the ultimate goal.

Above all, AgL has provided AARP as a whole with a unified operating framework in which a wide range of human and corporate resources can be catalogued without being siloed. It’s the equivalent of turning an unsorted pile of books into a library – exactly as Jenkins intended from the start.

GEORGETOWN  
UNIVERSITY

McDonough  
SCHOOL *of* BUSINESS

## ABOUT GEORGETOWN UNIVERSITY'S MCDONOUGH SCHOOL OF BUSINESS

Since its founding in 1957, Georgetown McDonough has garnered global recognition for excellence in international business.

Distinguished by an award-winning faculty of top professionals and an immersive approach to practical learning, Georgetown University's McDonough School of Business has consistently ranked among the world's leading business schools. McDonough School of Business' undergraduate and graduate programs challenge students to achieve new heights of leadership and positively influence in the international business world.

**Developing Leaders** looks at the critical confluence between the provision of executive education and the real everyday needs of organizations to strengthen their management teams, their corporate performance, and their leadership.

DL+ are case studies with a difference. Combining technical methodology with a newsroom sensibility for storytelling. Getting to the heart of the best custom executive programs in the world.

Published by IEDP | [www.iedp.com](http://www.iedp.com)

