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Story:

Growing People: The Heart of the Organizational Transformation

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Co-Authored by [Todd Pierce](#)

January 30, 2012 at 8:09pm

13 Comments

56 Ratings: Overall 4.89 Innovative 4.98 Detail 4.8

Summary

Every year companies spend billions of dollars on training and development, trying to help their people become more engaged, more innovative, and better leaders. Training programs excel in introducing new ideas and perspectives, delivering feedback and assessment data, and teaching basic skills. Yet today's tools and programs leave so much human potential on the table. What is needed to inspire learning and development that is truly transformational and lasting?

This was the question asked and answered in the creation of the [Personal Excellence Program \(PEP\)](#), first inside Genentech's IT department and now spreading within the company and beyond. This is the surprising story of what happened by radically rethinking an organization's responsibility to its people and creating a genuine culture of human development.

Moonshot(s)

- [Enlarge the frame of management education](#)
- [Increase trust, reduce fear](#)
- [Enable communities of passion](#)

Context

Genentech is a 35-year old biotechnology company dedicated to applying the insights of biology to developing therapies for difficult-to-treat diseases. The South San Francisco-based company has long been known for innovation, discovery, and progressive practices. In 2009, the company was merged with the Roche Group and now employs some 80,000 people worldwide.

Genentech's IT organization has been recognized for its early adoption of new technologies and agility in the face of constant change. When Todd Pierce took over the department in 2002, employee satisfaction was rock bottom, the lowest in the entire company. Several years into the implementation of PEP, employee satisfaction had risen to the number two spot, company-wide, and in 2009 was ranked the number two "best place to work" by ComputerWorld magazine.

Todd Pierce, the co-creator and champion of PEP, recently moved on to salesforce.com as Executive Vice President, Operations and Mobility after 11 years in his post as CIO of Genentech-Roche.

Pamela Weiss, Todd's partner in creating PEP, is the founder of [Appropriate Response](#), a coaching firm dedicated to distilling ancient wisdom into a programs and processes for individual and organizational transformation.

Triggers

After years of experimenting with a wide array of trainings, speakers and programs, Todd Pierce, then the head of the IT department at biotechnology giant Genentech, was frustrated.

He recalls, "Running a big support organization is challenging; there is a lot of stress, and we faced the challenge of growing the organization, bringing new people in and maintaining our culture. Many of the traditional kinds of tools used just weren't working." As was his annual practice, he had just scoured the development reports of some 700 individuals in the IT department and found: "not one of them had an ounce of inspiration. I remember sitting there and saying, 'There's got to be a another way.'"

Todd had benefitted personally from work with a personal coach, and had recently woken up to the power of the practice of mindfulness ("I was on my own personal journey about becoming more aware of how I create my own suffering—and as a leader—the suffering of thousands of other people!") Meanwhile, Pamela Weiss, a long-time executive coach and mindfulness meditation teacher, was leading mindfulness programs for employees in the IT department. Classes were constantly full and had created a buzz within the department.

Todd saw an opportunity. "We are a company dedicated to discovery and innovation," he told Pam, "I want to create a culture of human development within my organization. Let's build on the principles of coaching and mindfulness to create something really different."

Our aim was twofold: first, to transform how training and development was done in organizations; and second, to test the hypothesis that if we focused on transforming the internal capacities of individuals, we could simultaneously transform the culture and organization as a whole—allowing it to become more, efficient, resilient, creative, and able to respond to the speed, complexity and challenges of the modern workplace.

Key Innovations & Timeline

An Experiment in "Beginner's Mind"

We took on PEP as an experiment, recognizing that we needed to keep our eyes and ears wide open—to be willing to be influenced and to adapt—as we went along. As Todd put it: "Experiment" is a state of mind." Throughout the journey of creating PEP, our approach was to maintain our own "beginner's mind" as we asked others to do the same.

Pam describes: "What I saw repeatedly in working as an executive coach was that organizations were paying a lot of money for assessment, but very little for real development. Frequently, in my first coaching session with an executive, they'd hand me a 3-inch binder filled with results from all the personality tests and profiles they had received. The whole process was chock full of data, data, data. But then the company would follow up with only a handful of coaching sessions. I thought—this is backwards! In many ways, PEP was created to help balance the traditional organizational orientation toward human development that was data/assessment-heavy and people/process-light."

When we started out, we asked ourselves: what's the best possible process we could create to inspire accelerated human development? By accelerated, we didn't mean to "speed up," but rather to deepen; to ensure that the growth and development opportunities we offered would be both profound and enduring.

PEP is based on the exploration of two questions: what is a human being? And how do you grow one? While we don't pretend to have definitive answers, we do believe that the questions we begin with are critical in shaping what we ultimately create.

Do we start from the premise that people are innately wired to learn and grow? Or do we assume they are fundamentally lazy—that they need to be poked and prodded to produce? Do we hold people as basically well-intentioned and trustworthy? Or do we imagine we need to keep them on a short leash to ensure they behave appropriately? How we answer these questions has everything to do with the shape and tone of how we engage—with ourselves, with others and with the world.

Key Principles

Our PEP experiment began in earnest one evening, with three of us huddled in a conference room over Chinese food for a 3-hour brainstorming session. We asked ourselves lots of questions, came up with loads of ideas, and ultimately teased out a set of **principles**:

- Training and development is often approached an event, rather than a process. But sustained development requires engagement **over time**.
- A lot of training and development is about transferring content, models, ideas, information. It focuses on people only from the neck up. But lasting growth and change requires focusing on the **whole person**—head, heart, and body.
- Attending a class, reading a book, or getting online training is useful, but limited. People grow best **in community**. There's an exponential impact when people have an opportunity to grow and learn with and from one another.

"As a Buddhist meditation teacher," Pam explains, "I knew (from my own experience and from seeing it in hundreds of others) that mindfulness—a 2,600 year old technology for helping alleviate human suffering and bringing out our extraordinary potential as human beings—was a critical element to success. Todd agreed, and specifically asked me to integrate mindfulness practices into PEP in practical, non-dogmatic ways that were palatable and useful within the workplace. So mindfulness was another cornerstone of PEP."

Finally, Todd felt strongly that he wanted PEP to be available to all employees, across the board. In many organizations the focus is on the "high-potentials," but Todd had observed that the best ideas often come from the bottom of the organization, and so he wanted PEP to be available to everybody. We also felt that it needed to be voluntary. The first year, we drafted an initial 32 people into PEP. But every year after that, admission into the program was by application rather than recruitment.

The first year, we kept a very low profile, intentionally flying under the radar. We were afraid that if we made too much of a splash at the beginning, we'd have traditional HR/leadership development people breathing down our necks saying: you can't do that. We wanted to give our fledgling experiment a chance, and to give ourselves an opportunity to gather data and make adjustments.

Mid-year, Todd met with the initial draftee participants and was blown away by their feedback. People were engaged; they were lit up and inspired; they wanted more.

By the second year, the word was out. We didn't need to draft anyone. Instead, Todd sent out a letter, inviting anybody who wanted to participate to apply. And every year since, applications have poured in based on word-of-mouth.

In subsequent years, we created a PEP graduate curriculum and trained internal facilitators (called "PEPtators") to keep the momentum going. By 2011, a total of over 800 people (in the IT, Manufacturing, Research and Engineering departments) have participated in the program. For 2012, Roche has taken interest in PEP and is funding a series of global "PEP experiments" in Asia, South America and Western Europe.

The Structure of PEP

PEP unfolds over the course of ten months, including three large group workshops, eight facilitated small group (8-10 people) meetings, three individual coaching sessions and monthly peer coaching.

Participants choose a topic of focus, observe themselves in real time to gain insight/self-awareness, and then practice new behaviors to establish new habits and develop mastery.

At the center of the process is our aim to develop the whole person—head, heart and body—intentionally integrating all “three centers” of intelligence: cognitive, emotional and somatic.

Step One of the process begins with tapping into the heart, asking participants to select a skill (for example: listening, giving feedback, delegation, work-life balance) and a quality (for example: courage, calm, receptivity, decisiveness) they care deeply about and which will support their long-term satisfaction and excellence. By asking people to choose (rather than be told) what to work on, PEP ignites the personal passion needed to sustain them through the ups and downs of the development journey.

“Starting with heart” taps into internal motivation. In his book, “Drive: The Surprising Truth about What Motivates Us,” best-selling author, Daniel Pink describes “intrinsic motivation” as the key to fueling sustained passion and meaning. Often PEP participants worry whether they have selected the “right” development topics. But the secret is this: it doesn’t really matter *what* people choose; what matters is that they pick something they really care about that will inspire their ongoing inspiration and passion.

Step Two involves teaching participants to engage their mind in new ways through self-observation. After selecting a skill and quality, PEP participants are eager to jump into quick fixes. But we ask them to pause before moving into action. Specifically, we ask people to actively observe themselves in real time through the lens of their topic. For example, say you chose patience as the quality you want to develop. As you move through the day, you would periodically pause and to reflect and consider: how patient was I (during that meeting or presentation or negotiation)? And what did I notice about what was happening—in my mind, in my emotions, in my body?

This step cultivates applied mindfulness. Mindfulness is about paying attention, learning to observe ourselves in the context of day-to-day life, so we have new insights and begin to see ourselves more clearly. Based on our clear-seeing, we can then make wiser choices. By increasing self-awareness, mindfulness cultivates the capacity to act rather than react, enabling us to become response-able—even in the midst of complex, high stress situations.

Step Three moves from the head down into the body, taking the insights gained in step two and turning them into new capacities. How? Through practice, practice, practice.

This is the hardest step for many people, especially smart people, who imagine that insight and understanding are enough to change behavior. But that is rarely the case. As the renowned psychologist Anders Ericsson reported in his studies on mastery (described in Malcolm Gladwell’s book, *Outliers*), “deliberate practice” is consistently more significant as an indicator of success than any kind of inherent genius. Deliberate practice requires steady, consistent repetition over time, until new behaviors take root in the body as new habit. As Aristotle put it: “We are what we repeatedly do. Excellence then, is not an act but a habit.”

Because PEP is structured as a group coaching program, where participants share honestly with one another, the quality of the relationships developed in the group allows them to support one another in sticking with this final step.

Although we say that PEP follows these three linear steps—select, observe and practice—in reality, the process does not unfold in such a neat, linear way. But our aim was not to insist that participants follow our map. Our intention was to set up a simple, elegant latticework to provide sufficient structure to support people’s full engagement in their learning. Instead of filling them with the latest models, theories and ideas, we wanted to create just enough form and content to reorient and inspire them, giving each person a chance to step in and take charge of their own development.

Challenges & Solutions

Todd describes several key challenges: “When we started PEP, my coach was concerned someone would find out about it and turn me in to HR. So the first year, we lived in fear that we might get discovered. But after the level of response and feedback we received, we were able to be more visible and public.”

“The other thing that was very surprising for people,” Todd continues, “was the ‘this is totally for you’ theme. PEP is not problem focused. For the first three months you focus on discovering what’s important and on being mindful. This is very counter-intuitive in normal organizational life, where we’re very achievement oriented—define the problem, get the solution, let me see what I can improve in 90 days.”

The “this is for you” aspect of PEP is one of the places we’ve met consistent resistance and push-back (from PEP participants, HR and leadership development professionals, executives, and even readers of this story!)

In our first year, it took months before PEP participants believed us. We kept telling them: ‘No really, you get to pick what you want to work on—not your boss, not your spouse or partner’ (although we encouraged them to get input from both). But they just didn’t believe us. It felt like they kept looking over their shoulder waiting to be judged or evaluated. Then after about three months, they finally got it: ‘Oh, this really is for me! And not just for the work-me, but for all of me.’ And at that point, the process went into hyper-drive. The level of enthusiasm and learning in the groups just went through the roof.

“When I talk about PEP, I can’t tell you how many times I’ve heard: You can’t do that. You can’t let people decide for themselves! You have to make sure people’s development topics are tied to company goals and objectives,” Pam describes.

While this sounds reasonable, there are two reasons we believe it is a mistake. First, it undercuts the power of intrinsic motivation, which research shows is critical to sustained passion and engagement. As soon as people feel they are signing up for (yet another) flavor-of-the-month company campaign, they lose heart, and become compliant rather than truly committed. But more important (and more insidious), is the attitude that underlies this suggestion. The hidden premise beneath this approach is the belief that you can’t really trust people—that if you let people choose to work on something personal and meaningful—they will inevitably choose something selfish and self-serving that undermines their value and productivity for the company.

Many of us—individuals and organizations alike—are genuinely conflicted about this. Companies say they want to support their people, but are nervous about giving them too much freedom. The real question is this: what kind of people do we want to develop? (And what kind of people do we want to become?) Do we want employees who are hard-working, obedient, and willing to tote the party line? Or do we want to grow people who are curious, engaged and fully alive?

The other thing we hear repeatedly is that the internal, mindfulness focus of PEP means it must be squishy, soft and self-involved. But as anyone who has been through the program will tell you, it is anything but squishy! PEP is a rigorous process that demands hard work, consistent effort, and steady commitment over time.

Finally, the inward-focus of PEP is not meant as an end in itself. We began from the hypothesis that mindful self-awareness is an essential (and frequently missing) ingredient for developing true leadership capacities within employees at all levels of the organization. But we didn’t know for sure. What we discovered was that the impact of cultivating self-awareness within a rich community of support was far more potent than we had imagined at the start.

Benefits & Metrics

Because we were going out on a limb with our experiment, we were rigorous in collecting data. We gathered participant feedback each year, hired external consultants to conduct an impact study, and tracked annual employee and customer satisfaction results.

Participant Survey Results, 2010

Compared to before the PEP program, **First Year PEP** participants (approximately 120 people) reported:

- 100% increased understanding of their critical development areas
- 100% increased confidence in having the necessary tools and knowledge to develop
- 99% increased engagement and productivity at work
- 87% increased meaning and satisfaction at work
- 100% rated PEP as better than other training programs

In addition, **PEP Graduate Program** participants (approximately 80 people) reported:

- 97% increased ability to self-observe and self-correct
- 91% improved listening and peer coaching skills
- 80% feeling more responsible and accountable for their own development
- 80% being better able to deal with change and ambiguity
- 100% rated PEP as better than other training programs

Impact Study

In its third year, Genentech employed The Advantage Performance Group to conduct an impact study to determine whether PEP had helped participants increase their personal effectiveness and business performance, effectiveness in outside-of-work roles, and increased individual and IT productivity and morale.

The results of the study were impressive, showing:

- 10-20% increase in employee satisfaction;
- 12% increase in customer satisfaction;
- 50% percent improvement in employee communication, collaboration, conflict management and coaching; and
- 77% of PEP participants reported "significant measurable business impact" as a result of participating in PEP. This is almost three times the norm (25–30%), compared to dozens of similar programs studied.

Employee Productivity

"The economic impact of the PEP program is significant," stated the Advantage Performance Group report. "We uncovered circumstances where IT individuals and teams had improved their productivity through increased collaboration, improved decision-making and increased delegation of complex tasks; productivity impact estimated between 10 and 20 percent."

Employee Satisfaction

In 2004, Genentech's IT department was at the bottom of the list of Genentech departments in terms of employee satisfaction, according to an internal survey. By 2009, three years into PEP, it had climbed to the No. 2 spot, company-wide.

"We asked employees when the merger happened 'how would you compare your IT at Genentech to all the other IT experiences at other companies?' Todd said. "About 86 percent of people said the IT was better here than they had ever experienced at any other company."

Customer Satisfaction

Satisfied employees are naturally producing satisfied customers. The impact report concluded, "Individuals had also improved their capacity to handle larger, more complex projects as a result of their PEP growth, thus enabling customers to be served more timely and effectively."

"We're a service organization. So one of the ways we measure our success is how our customers see us," Todd explained. "We have observed that satisfaction has increased with our services since we have had PEP. I just think that is incredibly profound."

Todd said he sees the emotional and social intelligence employees develop through PEP as part of the reason customers are more satisfied. "It's such a valuable skill that cuts across how you work with customers, how you work with each other to deliver to customers and it just shows up in the final product," he concluded.

Return on Investment

Harder to measure but no less significant is the return on investment of PEP. In total, impact study evaluators believe that the program is conservatively producing an estimated \$1.50 to \$2 USD for every dollar spent to deliver PEP.

An Example: The Power of Non-Reactivity

When Genentech merged with the Roche Group in 2009, there was a 20 percent workforce reduction. Due to the upset this caused, the Genentech corporate HR department reported a three-fold escalation in employee complaints, escalations and lawsuits across the company. The only exception was in the IT department, where the number was zero.

Todd explains: "The reduction of suffering, the capacity to deal with difficulties, the level of engagement—these things are very, very powerful. You can't call a meeting or give people

stock options to get this. These are skills and qualities you need to cultivate and practice over time.

"PEP teaches people fundamental tools for sustaining individual growth and promoting a vibrant culture of learning. The benefits of this can be seen in how our organization did not just survive, but actually thrived during this very difficult time. Throughout the merger, we were able to sustain our highest levels of productivity ever."

The Human Story

Todd describes that PEP had a much greater impact than he first envisioned. "I thought PEP might be a strategy for people to develop a skill or quality, but what I see is that it is a strategy to help them be life-long learners and to increase their capacity for personal development and personal satisfaction in every area of their life."

As one seasoned employee put it: "I've been through dozens of training programs in my career. But what PEP does is different—it teaches us how to learn!"

While the statistics and data are impressive, the real impact of PEP is best measured in human lives transformed.

Here are two examples:

Ravi was a bright, driven IT architect who found getting along with others a constant source of irritation and challenge. Based on feedback from others as well as an honest appraisal of his own struggles at home and at work, he chose "cultivating relationships" as his PEP topic. Over the course of the year, he learned first to identify and name his feelings, and then to tune into the mood and affective tone of others. This allowed him to connect more deeply with himself, with his teammates, and also with his wife and young daughter. By the end of the program, he no longer received feedback from his peers about being arrogant and difficult to work with, and he reported that he was spending more time with his wife and daughter, which was now the high point of his day.

Sally was a shy, self-effacing middle manager. An excellent data analyst, she was reluctant to speak up or share her opinions in meetings. She often sat hunched at the table, refusing to look at others. In PEP she chose to work on "confidence." Over the year, she practiced adjusting her posture to sit upright in meetings, and making eye contact with her colleagues when she addressed them. By the end of the year, she had taken on the role of facilitating her weekly team meetings, and her manager described her as a vital contributor to the success of their project.

Because PEP is such an experiential process, it is difficult to convey the impact on paper. For this reason, in 2010 we commissioned a documentary film crew to track a group of PEP participants over the course of a year. The resulting film, "That's Radical: Stories of Transformation @ Work," (see the link below) captures the tangible shifts in attitude and composure, in enhancements in health and well-being, and in improved relationships, that you can literally see and hear in the faces, bodies and insights shared by the participants.

Not only does it change the lives of participants, but also the people around them. "I can't tell you how many times I've been at a restaurant in town and run into the spouse or partner of one of my employees who has come up to me and thanked me for offering PEP!" Todd recounts. "To me, that's the real sign of success."

Lessons

Over the years, we've gleaned a few vital lessons:

- Start small. We are big advocates of the "begin with a pilot" strategy. This helps reduce the high stakes pressure that rolling out a huge program brings, and allows you to enter into the process without pretending you have all the answers.
- Use guiding principles, not rigid rules or structures. Clarify your overarching values, and then let the specifics (curriculum and logistics) flow from there.
- Engage the whole person—head, heart and body—integrating intellectual, emotional and somatic intelligence.
- Be willing to make mistakes, and stay open to learning and revising as you go.
- Consistently gather data and solicit feedback. Assume that program participants have as much to teach you as you have to teach them.
- Begin from the premise that people are whole, not broken; that the aim of development is to invite individual engagement and expression, rather than to fix, force or manipulate.
- Remember that developing a person is not the same as building a product or delivering a project on time. Human beings grow in organic, dynamic ways. Like other organic matter, human beings are alive. What is needed for human development is less about force feeding people ideas and more about offering a rich soil—with just enough sunlight and water—so that the life inside has a chance to bloom forth and grow.

Todd concludes: "People are hungry for real opportunities to grow and develop at work. Just give them the opportunity and it's amazing what can happen."

Pam adds: "When we started PEP, I was a little skeptical myself. Would this group coaching model really work? I knew the potential of individual coaching from my direct experience working with dozens of clients. But I was not convinced that a peer-based model would be as effective. Fortunately, I was wrong."

What makes PEP successful is that it combines simple, elegant content and structure with plenty of space for authenticity, vulnerability, mystery and surprise to show up. *What* we do is important, but so is *how* we do it. When you start from a place of beginner's mind, and add a big dose of openness, patience and compassion, learning happens because human beings are wired to learn and grow. In many ways, it comes down to doing less and trusting more in our innate human capacity and vast potential.

Credits

Special thanks to Carole Henmi, who introduced Pam and Todd, and brought her significant skills to our initial brainstorming session and version 1.0 of PEP.

Credit also goes to the team of dedicated coaches at Appropriate Response, who have brought care, humanity and great heart to working with hundreds of PEP participants.

But the most of all, credit goes to all of the PEP participants who engaged in our experiment, bringing buckets of courage, commitment and compassion to working with themselves and supporting each other.