



Aligning the Efforts of Internal Teams to Improve Organizational Efficiencies and Increase Student Enrollment and Placement Rates



ORGANIZATION

Dr. Reddy's Foundation



INDUSTRY

Educational Nonprofit



ABOUT

Dr. Reddy's Foundation prepares the most economically disadvantaged youth in India for careers in emerging service sectors through core training and placement services. Over 290,000 youth have been trained to date in over 75 centers, with an average placement rate of 70%.

CHALLENGE

Dr. Reddy's Foundation has trained over 290,000 youth under its flagship social responsibility program LABS—Livelihood Advancement Business School—enabling India's most underprivileged youth to attain sustainable livelihoods.

Until very recently, the LABS program was free of cost for the youth and was driven by grants received from a sponsoring company. The grants being limited, the program was limited to 75 centers and 25,000 youth a year. This was not a scalable model given the massive requirements for a country like India. To meet this challenge, the foundation has adopted a more sustainable social business model in which aspirants contribute a nominal fee to offset program costs. While this change has enabled the foundation to serve significantly more youth in more locations throughout the country, it has also required the foundation to become more lean and efficient in its operations.

“Arbinger provided the courage to make key decisions which have resulted in significant internal improvements and dramatically improved enrollment rates. Through Arbinger we have completely transformed our culture.”

JITENDRA KALRA

Former CEO | Dr. Reddy's Foundation

Achieving new levels of efficiency seemed impossible given that at the time of the change, the organizational culture was broken, with significant friction between internal departments. As interdepartmental issues surfaced they were quickly brought to the CEO, who was expected to provide solutions. Facing lagging results, each department would blame the other departments for their inability to perform. The quality of the training program delivered to the youth suffered, and enrollments steadily declined.

Faced with lower enrollments, the foundation began exerting more and more energy to recruit new students, dedicating fewer resources to ensure the quality of the program they were delivering. Program instructors felt significant pressure from program administrators and steadily lost their motivation. As a result, it became a common practice for the instructors to register youth who were not needy just to meet their numbers. In addition to these core issues, the inward mindset was evidenced in a stream of formal complaints, poor response to internal emails, and irritation at the demands of the students.

SOLUTION

Too often, interventions fail because leaders delegate ultimate responsibility for change to someone else. Seeing this as a very real possibility, the Arbinger consultant who arrived to assess the foundation's problems invited the CEO to expressly state what his role would be in the transformation effort. Once the CEO had expressed this commitment to his key leaders, these key leaders participated, with the CEO, in an initial facilitated work session. The workshop provided a common language for the top 30 leaders that (1) helped the leaders heighten their self-awareness; (2) provided them a framework and tools for self-management; and (3) provided opportunities to apply the framework and tools in their work with each other.

Having experienced a new way of working together and equipped with Arbinger's tools, the foundation's leadership embarked on an intense three-month process to transform three key aspects of their organization: (1) redefining organizational and individual objectives; (2) shifting from holding people accountable to helping people hold themselves accountable; and (3) refining policies and processes to ensure they were inviting an outward mindset. Department leaders rolled up their sleeves and went to work with individual team members to revise department and individual objectives with a focus on doing work in a way that enabled the foundation's stakeholders—especially the students—to accomplish their goals and objectives. The foundation also instituted monthly meetings between the students and department leaders as well as between leaders and their direct reports. Feedback from the students was now shared in real time with the instructors and their managers, helping them make course corrections and adjustments along the way. Before every meeting, employees determined together whether they were approaching the meeting from an inward or an outward mindset. This has enabled the foundation to focus on results instead of allowing their personal biases or emotions to impact key decisions and influence the strategic agenda.

The final piece of the puzzle was to review key processes and structures within the organization. Because of unhealthy attrition rates, program quality and recruitment policies were

closely assessed. Identifying a significant difference in the quality of instructors, managers worked one-on-one with lower performers to help them assimilate student feedback and create their own improvement plans. Instructors and their managers rigorously tracked improvement, guided by Arbinger's tools for self-correction.

In order to maintain momentum and develop the capability to apply an outward mindset to the practical and ever-changing needs of the organization, an Arbinger consultant met weekly with the CEO and department leaders. Through these regular sessions, the team learned how to consistently work with an outward mindset, measure their impact on other departments, and work in a disciplined way to assimilate feedback and adjust to ensure excellence. These sessions were marked by straightforward and honest interchanges and spontaneous efforts to help each other succeed.

RESULTS

As a result of this work, complaints have all but disappeared, student enrollment and retention has dramatically improved, and the interdepartmental blaming and resulting silos are a relic of the past. Raghu Gudipati, a senior department head, noted that since beginning the Arbinger process, "There has been a significant improvement in collaboration, teamwork, and support between departments. People are now treating people as people. I can surely say that this has brought considerable change in our way of working and has dramatically impacted our results." Because of their new way of working, the leadership team was able to generate consensus to take major, unprecedented steps to address roadblocks to success, including the reduction of the enrollment fee cost per participant, which was only possible given their newfound operational and cost efficiencies. "Arbinger provided the courage to make key decisions which have resulted in improving course registrations," then-CEO Jitendra Kalra remarked. With this new way of working and a sustainable model, Dr. Reddy's Foundation is poised to continue its aggressive growth strategy to enable economic empowerment in the rising generation in India.