



How can you make sure that your company's frontline managers—the backbone of the organization—feel committed and involved? Here's how one of the world's largest corporations answered that question.

DEVELOPING FIRST-LEVEL LEADERS



by Andreas Priestland and Robert Hanig

WHEN IT COMES TO TRANSLATING a company's strategy into results, there's no denying the importance of first-level leaders—those who manage others who *do not* manage others. At BP Group, these leaders oversee operations at retail outlets, manage work crews at chemical plants or refineries, and handle operations at drilling platforms. Some supervise more than ten people; others work with few subordinates in R&D, marketing, or human resources. First-level leaders are the ones who are most responsible for a firm's day-to-day relationships with customers and the bulk of employees. As Harvard professor Linda Hill wrote in *Becoming a Manager*, "...managers on the front line are critical to sustaining quality, service, innovation, and financial performance."

Yet high-quality training programs for these people are notoriously difficult to create and maintain. They're typically set up as one- or two-day seminars, and trainees return to the shop floor with little or no follow-up. The process is decentralized: Local HR departments run the programs, and local executives decide which supervisors will attend, based on their subjective assessments or other nonstrategic considerations. As a result, the potential of these managers is left largely unfulfilled, and the entire organization suffers accordingly.

BP, an oil and energy corporation with operations on every continent and more than 100,000 employees, faced precisely this challenge. The company's senior management was aware of the importance of BP's "frontline managers," as it had called them. About 70% to 80% of BP's employees reported directly to them. There were about 10,000 such supervisors around the world (nobody knew the precise number), ranging in age from 25 to 40. They worked in every part of the company, from solar plants in Spain to drilling platforms in the North Sea to marketing teams in Chicago to service stations in China. They brought to their jobs a wide variety of ethnic and cultural backgrounds, education and professional experience, and attitudes about work, the company, and life. Their decisions, in aggregate, made an enormous difference in BP's turnover, costs, quality, safety, innovation, and environmental performance. They were also the people usually called upon to prevent small problems from becoming full-scale operational disasters. Yet BP didn't have a comprehensive training program for them. The corporation didn't even have a name for these supervisors. In internal HR parlance, they were managers "up to and including Level G," meaning they were separated by six or more hierarchical levels from the topmost executives.

No wonder the frontline managers felt disconnected; it was often hard for them to understand how their individual decisions contributed to the growth and reputation of BP as a whole. A lower-level manager might typically find himself promoted to lead a team with no clear instructions about how to manage people, how to handle appraisals, how to talk about high-stress subjects, or even whom to ask for advice. And if a unit supervisor wanted to move from, say, India to Canada or Australia, no one could be sure that his or her skills and experience could be easily transferred.

"There wasn't any sign that the company wanted to hear from people like me," recalls Ian Mullins, formerly

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a logistics supply chain manager at BP Chemicals and currently a compliance adviser for the BP Group. "We weren't aiming for the top of the house, but we had leadership ability and ambition-and we felt ignored."

During the past five years, BP has finally learned to connect with this population. There is now a company-wide name for the group—"first-level leaders," a title deliberately chosen to emphasize the managers' significance to BP. And there is now a comprehensive training program for this cohort. Since the program was first offered in early 2002, more than 8,000 of the 10,000 first-level leaders (FLLs) have attended training sessions. The attendees, a notoriously tough group, have consistently given the courses average ratings of 8.5 on a scale of one to ten. More important, the managers who've been through training are consistently ranked higher in performance than those who haven't, both by their bosses and by the employees who report to them.

Some of the signature aspects of the program, such as the emphasis on team dynamics and the fact that much of the content is delivered by senior BP executives, have been specifically credited by people throughout BP with helping to make the organization much more collaborative and capable.

Why hadn't BP created such a program before? Because it is much harder than it seems. Indeed, it was only possible because we designed and developed this initiative in a highly participative way—unusual for BP and, we suspect, for many organizations. The year and a half we spent creating the program included surveys of those we had deemed first-level leaders and others throughout BP; extensive benchmarking of other companies' efforts; and a series of design and piloting sessions that involved dozens of advisers and cocreators. We managed to combine all these efforts into a cohesive whole, in which nearly everyone's contribution was not just recognized but also deeply valued.

In the end, this was the broadest and most comprehensive leadership development process BP had ever engaged in; the company invested \$1.5 million in its research and development. But it was considered successful enough to have become a model for other such initiatives throughout the company, in part because it represents a \$1 million annual savings over the plethora of BP training courses that it has replaced around the world—without creating a backlash. In 2002, BP Group Chief Executive John Browne honored the FLL program with one of the company's Helios awards for distinguished service to BP.

We both helped to develop the first-level leaders training initiative—of course, as part of a much larger team. The story of that team and its work not only details a best practice in leadership development but also demonstrates that broad change is possible at BP—or, indeed, at any company.

Aspirations and Limits

The project began in early 2000, when a Learning and Development Committee composed of eight senior BP executives was appointed by Lord Browne to rethink the organization's approach to learning and development for its executives and employees. At that time, BP was emerging from a dramatic series of mergers and acquisitions. Three large oil firms—British Petroleum, Amoco, and ARCO—and several smaller companies had joined to form the third-largest oil-producing enterprise in the world. The associated turbulence had taken its toll: Job satisfaction surveys showed that supervisors, team leaders, and other BP managers working on the front lines were unhappy with their own supervisors or their career tracks. As the committee considered this information, its members voiced an aspiration: BP should be composed of bolder, more powerful leaders, from top to bottom.

ognize people's individual jobs, cultures, aspirations, or futures. The group had seen too many well-intentioned, expensive training programs instituted with great fanfare from the top, with no lasting results. At the same time, it understood that BP couldn't keep its current ad hoc, haphazard approach to training lower-level managers. The committee had to find some solution that paradoxically recognized BP's diversity while providing global cohesion.

Andy Inglis, the deputy chief executive of BP Exploration and Production and a member of the Leadership and Development Committee, was the lead sponsor for the first-level leaders initiative. He viewed his involvement as an opportunity to help managers on the front lines understand their piece of the corporate strategy and the drivers for its delivery, as well as the factors behind high performance in their domain—particularly those related to the issues of health, safety, and the environment. Andy's sponsorship was critical; he showed us, for

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But how? The committee members were pragmatic enough to realize that they didn't have the answer. They decided to conduct experiments to educate not just themselves but people throughout the company on the fundamental opportunities for learning at BP. The first-level leaders initiative described in this article was one of six experiments the committee oversaw. The others included a project to develop initiatives for better social responsibility and regional governance at BP; a cross-platform learning initiative linking several business subsectors in Asia; a redesign of BP's leadership development program for fast-track executives; an effort to monitor innovation at BP; and a series of "salons"—executive dialogues on wide-ranging but relevant business topics. The experiment in developing first-level leadership was not only a learning and development project but also a moral imperative for BP: If this group was truly the backbone of the company, then the committee felt a responsibility to embrace it.

The committee members agreed to sponsor the first-level leaders initiative but weren't exactly sure how it would unfold. The conventional approach would have been to design a prototype training program, test it once or twice, and then roll it out through the entire corporation. But the committee members understood that a one-size-fits-all program wouldn't take at BP; it wouldn't rec-

example, how to present our ideas to *his* constituencies—senior and upstream people—more effectively.

Three individuals were tapped to design and develop the initiative—us and project leader Dominic Emery, a senior BP executive with commercial and operational experience. We worked closely with Kate Owen, then BP's head of organizational and learning development, who helped us clarify our thinking and canvass senior executives companywide. She also introduced us to Robert Mountain, an experienced training and development consultant, who briefed us about other companies he had studied that had sought to train their lower-level managers. Cisco, for example, used electronic media extensively, and GE targeted newly appointed managers as part of its comprehensive learning program for supervisors.

It soon became clear that BP had some unique requirements. First, the training initiative would have to embody BP's new, still-evolving corporate culture. Second, while some corporations designed their training initiatives so entire teams could attend two or three sessions over the course of a year, that wasn't practical for BP. We had too many frontline managers scattered in too many places. We would need a more individualized program, in which some people might go to one session and others to two or



more. Third, it also wasn't practical for us to use Web-based courses to fill in the gaps between face-to-face sessions, as other companies had done. A fair number of our frontline supervisors worked offshore or in other remote locations not easily accessible by Internet. Fourth, most other companies relied on internal or external training professionals to facilitate their programs. But at BP, we had learned the value of leaders training leaders in our existing executive-level seminars, and we wanted to bring that same concept to the frontline supervisor level. Ultimately, more than 250 senior managers would deliver sections of the FLL courses. Finally, to gain their sponsorship, we needed to assure the members of the Learning and Development Committee of not just superior performance results but potential cost savings as well.

We based the FLL initiative on a theory of corporate change called the "generative spiral model," which was developed by Dialogos founder William Isaacs and colleagues in the organizational learning movement. This model posits that successful organizational innovations start with a small group of "thoughtful, committed citizens" (as Margaret Mead famously put it) that gradually broadens in sponsorship and deepens in awareness. As the relationship between the core group of innovators and various allies becomes more vibrant, the organization's ability to sustain change becomes stronger. By the time the change initiative is extended throughout the company, the organization is ready to accept it.

In the early stages of such a process, it may seem like nothing much is happening, but, in fact, the groundwork is being laid for the change to take hold. By contrast, change initiatives that are rolled out within a month or two of their announcement generally end up failing because they haven't followed a deliberate sequence for building commitment among constituencies, establishing sponsors, and developing the capacity to act in new and different ways.

Getting the System in the Room

One of the first moves suggested by the spiral model is to get the whole system in the room. That is, our design process needed to include representatives from every key constituency - not only the lower-level supervisors we were targeting but also their managers and direct reports. It needed to include people from all of BP's businesses (Exploration and Production, Refining, Trading, Retailing, and Chemical Production); from a range of geographic areas; and from all the organizational heritages (BP, Amoco, ARCO, Castrol, and others). We made sure that all the participants understood one another's backgrounds and perspectives. We gently but relentlessly reached out to people who had reason to be suspicious of us; some managers in the technology groups, for instance, had their own training initiatives that they thought might be

threatened by the FLL program. But we persisted, and the extra hassle and costs paid off.

We started by conducting a telephone survey, interviewing about 175 BP managers around the world who played various supervisory roles. Using the data from that survey, and through our network of learning and organizational development professionals across BP, we identified about 250 people spanning all the groups we wanted to include in the program's design process. We brought them together, 30 or 40 at a time, for several one-day workshops between February and April 2001.

The workshops all started with the same statement, generally delivered by Dominic Emery: "First, we're going to take inventory of all the training that is done today for employees below a certain job grade. Second, we want to understand the needs of that group of employees. Third, we want to develop a whole new training program that is, at minimum, cost neutral to our current offerings. This program has to operate globally-and we have only a few months in which to design it. We want you to tell us what you think."

From there, the sessions would move into structured dialogue, in which carefully selected small groups reflected together on the role of the first-level leader, the major challenges such leaders faced, and the development opportunities they should get at BP.

The sessions were energetic and lively. Attendees received materials to read ahead of time - critical insights from previous sessions and summaries and updates as time went on. As we got several of these fact-finding sessions under our belt, we continued to be impressed by the amount of time and effort our participants invested in what was essentially a volunteer initiative. We were especially gratified when some of the senior executive sponsors, who had hesitantly agreed to spend part of a day in these dialogues, became more intrigued. We slotted some time in each session for a senior executive to talk about his or her understanding of leadership and then to take questions. The response from the attendees was so positive that it galvanized the executives themselves. They were starting to feel a pull from the organization - a desire to learn. The sessions also showed that senior leaders could talk to frontline managers not simply as employees but as fellow leaders, thus initiating them directly in the larger community of leadership at BP.

Defining and Understanding the Audience

Since the group we were trying to reach didn't have a name, we had to find one. The titles already in use at BP - "frontline managers," "supervisors," "team leaders" - had regional (and sometimes negative) connotations. "Team leader" might sound senior in one country and junior in another. In one of the Learning and Development

Committee's first dialogues, back in April 2000, it had settled on "first-level leaders." "First" suggested that BP put this group of managers foremost in the company's consciousness. "Level" connoted the hierarchical rank these individuals shared, and "leader" connected this group with BP's keen interest in developing strong leadership.

In all the workshops we conducted early in 2001, we learned a lot about the distinct needs of each group. The first-level leaders wanted a better understanding of the whole corporation and its priorities. For example, increases in oil prices generally led to increases in feedstock costs for BP's refining businesses. Since lower-level supervisors in refining and chemicals typically didn't know the dynamics of the upstream businesses (exploration and production, for instance), they couldn't give customers (or train their staff to give customers) a credible explanation for the pricing change. So, they couldn't explain: "Well, the current wave of demand and the latest OPEC policies have forced the price of oil up. This means extra costs for our own raw materials. We aren't passing on the full costs to you-but we do have to recapture some of them."

The senior executives in our sessions had no idea that the first-level leaders felt so disconnected.

Listening to the frontline supervisors talk gave the senior leaders a visceral understanding of the performance gains those managers could reap if they understood how different parts of the organization fit together. It also gave them pause; they realized they would have to stop acting as controllers and gatekeepers, parsing out messages on a need-to-know basis, and become creative partners, nurturing and channeling the enthusiasm and interest of the first-level leaders.

It was also important to hear in those sessions from the hourly staffers who reported to first-level leaders. The workers were more performance-oriented than anyone expected: If there were slackers in an operation, they wanted the first-level leaders to deal with those people promptly-and fire them if necessary.



Moving Slow to Go Fast

We knew that we wanted our training program to teach the first-level leaders the value of being thoughtful and deliberate. We understood this meant we had to live up to the same ideal ourselves. But BP's culture did not traditionally support a reflective pace. Early in 2001, members of the Learning and Development Committee showed their impatience. "Do you really need to bother with all of these workshops?" they asked. We stood our ground, putting ourselves in the uncomfortable position of defending a principle (time for reflection) that our bosses had espoused against their doubts. Here, it made a difference that there were three of us, including one outsider (Robert Hanig) who had seen in other organizations the importance of

taking time to reflect. The issue came to a head in a conference call with Andy Inglis. We explained to our chief sponsor how much we had learned in the workshops and the need to take the time to include diverse perspectives.

Andy listened and said, "That's not the way we usually operate. Make sure you do it properly." But then he said something that became a catchphrase for the entire endeavor: "Sometimes you have to go slow to go fast." By the end of the research phase in April 2001, we saw how our deliberation had paid off. We had built up our own capacity to the point where we could competently cross an important threshold - we could turn this initiative into a global program.

Until now, we had assumed that local business units and regions would put their own spin on the main FLL courses. That is, we would develop the basic materials that they would use as they wished, and they would pay

first-level leaders, we invited some of these professionals to talk with us about integrating their work into the FLL initiative. We expected them to share our enthusiasm. Instead, to our initial annoyance, they balked. Or so it appeared. In fact, they were asking the right questions: "Would this replace our existing programs? How would it meet local needs? How would we be involved?" We realized that, from their perspective, we were imposing yet another new program from BP's central headquarters on their long-decentralized efforts.

To recoup, we returned to our sponsorship-seeking mind-set, talking with them one by one, listening to their concerns. The learning and development professionals wanted a large role, for example, in choosing the trainers for sessions in their geographic areas—a request that, from our perspective, was ideal. It helped that several of BP's most respected regional practitioners became impressed

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for them from their learning and development budgets. But the first-level leaders, their direct reports, *and* their bosses had all agreed: They wanted a truly global program. The design could tolerate some flexibility in implementation, but basically it should be uniform. The first-level leaders, in particular, pushed for a single program. We had not expected this mandate, and it was very welcome, especially when it led directly to the group's next point: The FLL program should get central funding. Otherwise, the first-level leaders said, the program would last only until the next budget cutback. Some divisions would send people; others wouldn't. With central funding, the FLL initiative could replace existing training programs. We took that message to the Learning and Development Committee, and it backed us up, approving our basic ideas and timetable. We were exultant—ready to move directly into designing the curriculum.

Designing the Curriculum

At this point, the process design group hit a snag that almost unraveled the entire program. In canvassing support, we had delayed our work with a critical constituency: BP's extensive staff of learning and development professionals operating in regional offices around the world. We had been reluctant to involve them in early research until we knew for sure that the program would continue. Then, buoyed by our great response from the

with the quality of the training modules we had developed. Once they saw the value of the project, they recruited other professionals from places like Zimbabwe and China, whom we otherwise would have missed.

With the learning and development professionals on board, we could move into our nuts-and-bolts design process. In June 2001, we convened 15 HR and learning professionals to settle on the curriculum. We did our best to replicate in this group the diversity of the company. We invited people from BP operations in Alaska, Australia, Belgium, China, Germany, Ireland, Zimbabwe, the United States, and the United Kingdom and gathered in a remote British hotel that reminded us of Fawlty Towers. The proprietor had a knack for breaking in at our most intense moments, declaring: "It's teatime now. The scones are on the table." Many of the people who attended will remember that four-day off-site meeting as one of their most creative periods at BP because of the process: We would disagree, hash things out, take a break, talk some more, reach a mutual decision, and start all over again on a new topic.

In the end, we developed six pilot FLL courses, one each in Houston and Chicago in the United States; Port of Spain, Trinidad; Cape Town, South Africa; Aberdeen, Scotland; and Milton Keynes, England. We invited some of the first-level leaders from the early design sessions to each. We also asked some participants from our early sessions to join an informal Sponsorship Group to critique

and comment on the pilot courses. This group comprised not just senior executives but also first-level leaders, their bosses, their direct reports, and some staff members from HR and organizational development. The group later helped to recruit local executives and support teams and to organize on-the-ground coordination efforts where the courses were delivered.

"One thing that can't be overstated," says BP's Douglas Frisby, a project manager and a member of the Sponsorship Group, "is the amount of work and effort it took during the implementation phase from local reps—setting the classes up, arranging for people to be there, recruiting trainers, and making sure it was delivered properly. The process design team could not do this without the solid engagement of local people, mostly within the HR and learning-development functions."

In September, the Learning and Development Committee agreed to provide the budget for the first-level leaders initiative. By now the project involved a Web site so that first-level leaders could easily register for the courses, a set of evaluation measures, and a schedule for courses that would start in January 2002. The committee members now held us to our pledge: Could we realize the cost savings we had promised? We said we could, but only if BP as a whole remained committed to the first-level leaders initiative and didn't compete with it. "We'll show that it's possible," we told the committee, "and you sell it to the organization." BP's executive leadership would have to visibly sponsor the FLL initiative or people throughout the company would feel vulnerable supporting it. The committee members agreed, and the conversations turned to logistics. The attack on the World Trade Center had taken place only two weeks before, and business travel was being cut back. We were worried the organization would postpone this global program—but it didn't.

At that same meeting, the committee members had advised us to get a good marketer. We were skeptical at first, but we took their advice and recruited to the team a BP marketing expert, Duncan Blake. This turned out to be crucial, not only for establishing a professional presence but also for deepening our awareness of the FLL population. Getting word out to the entire organization turned out to be more of a challenge than we expected. There was no distribution list that covered the 10,000 or so first-level leaders who work for BP—or even a list of sites. We had to develop our own. We could not simply use the Internet, because BP managers in remote parts of the world, or on offshore oil rigs, don't necessarily have e-mail. Nor do some of our retail staff.

What We Delivered

Having one course of training meant we needed to tie the curriculum tightly into BP's overall learning and development objectives. It helped that we had a rationale for

this, laid out in the early days of the initiative by two key high-level sponsors: Kate Owen and John Manzoni, then group vice president, now BP's chief executive of refining and marketing. For the courses to be deemed successful, trainees needed to be able to answer yes to the following questions:

- "Do I have enough awareness of the direction of this organization?" In other words, am I exposed to BP's strategic thinking?
- "Do I have the skills and support I need to deal with the challenges of my immediate business?" In other words, are they giving me what I need to do my job?
- "Do I have the skills and support I need to deal with the leadership challenges I face now?" In other words, can I be the kind of person I need to be in this position?
- "Am I getting enough support and feedback from BP to make the right personal choices about my life and work?" In other words, does BP support my aspirations as well as its own?

To help first-level leaders answer in the affirmative, we developed a training program with four components. Most first-level leaders, we expected, would engage in at least one (and possibly two or three) of them. The four components remain in place today.

Supervisory Essentials. This segment of the program focuses on the basics of management. First-level leaders are trained on the particulars of project management and technology in their businesses, and they discuss relevant health, environment, safety, and social responsibility issues. This course is delivered through a combination of face-to-face sessions, Web-based programs for those with Internet access, and CD-ROM modules.

Context and Connections. This two-day session covers BP's overall strategy and its implications for all parts of the global organization. The design is continually revamped as corporate priorities change.

The Leadership Event. This is the most intensive component of the FLL program, a four-day session for 24 to 36 people. It includes briefings from senior executives, who often incorporate personal stories about their own management dilemmas into their lectures; in-depth training on how to develop better communication, management, and leadership skills, along with sessions on how to build greater confidence and self-awareness; and action learning. Some of the course's role-play exercises promote attentiveness to diversity and inclusion; others teach people how to make less-ambiguous statements or enable more-effective analysis of a team's communication style.

Peer Partnerships. This coaching course pairs new first-level leaders with more-experienced colleagues as they progress through the entire FLL training program, thereby laying the groundwork for continued learning and development after the sessions end.

The dialogues built into the courses tend to focus on handling difficult managerial and leadership issues, ranging

from local concerns (such as community development near BP's African production sites) to generic topics like the BP brand. "In one [FLL session] that I ran, some people from Exploration and Production couldn't see how the brand related to them," recalls Janet Ashdown, BP's vice president of field supply for retail in Europe. "A brand is a marketing thing," they said. But by the end of the conversation, I think they understood that the brand is not just the logo that appears on the gas station pole. It represents the values of the company, the role you play in communities, and the kinds of behaviors that make it easier or more difficult, and more or less expensive, to go into a new market or make a new investment somewhere."

Ashdown also notes that participating in the FLL courses gave senior leaders unprecedented insights into the grass roots of the company. "It's very refreshing to get out and talk to potential leaders. They're a different generation; they see things differently, and they are pretty challenging."

By bringing together people from different parts of BP, the FLL program is also creating unexpected synergies. For example, Castrol Reprocessing Services, a BP maintenance facility, and BP Solar now share a building for some of their technical operations, including Solar's slurry reclamation process, after two first-level leaders met at a Context and Connections session. The program also brings together people who didn't communicate much before; for example, FLL sessions are produced by a combination of local line managers, local HR and organizational development staff, and central HR directors. That in itself has helped learning and organizational development at BP become more consistent and coherent.

The success of the FLL initiative has spawned a similar program for BP's 6,000 senior-level leaders. Within two years, every first- and senior-level leader in the organization will have gone through some form of leadership development. As that population increases, practices such as supplemental meetings and follow-up coaching - FLL reunions, lunches, and briefing workshops - are also taking hold.

BP continues to evaluate the program by surveying the managers who have taken the courses, as well as their superiors and direct reports. The responses consistently show that first-level leaders who have gone through the program perform

more effectively than those managers who have not, according to the people they report to and the people who report to them. For two years running, employees supervised by trained first-level leaders have rated their bosses higher by almost 10% in the following areas: communication, interpersonal skills, team leadership, and general management.

BP's success in this initiative has given it the confidence to take leadership development to another level. "We're not finished," Andy Inglis says. "It's been a volatile world for the past two or three years, particularly in the oil and gas industry. Our leadership training needs to match the pace of change around us. We especially need to equip our people to deal with ambiguity and to feel confident in the firm's direction as they go about their daily work. That's a job that is never finished." 



"Some of the ideas in the staff development meeting on innovation seemed interesting but they've never been tried, so I think I'll hold off for now."