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Examples of Arbinger's Impact on Organizational Results

1. Eliminating Interdepartmental Conflict to Improve Business Results

Two key managers of a medical device company were extremely talented leaders who had a great deal of respect for each other. However, each felt that he was in competition with the other for delivering better results. As a result, departmental silos had formed, resources that should have been delivering results were being withheld from other teams, and the company of 400 people became divided into two opposing camps.

The teams participated in the core Arbinger seminar (two days) at the beginning of the month. According to the company CEO, "By the end of the month, 65% more product was going out of the door. People had simply started to work together."

Originally, a total of 22 intervention meetings had been scheduled with the CEO for after the core seminar. However, as the CEO put it, "After the Arbinger training, only five of those meetings took place, and all were focused on results. The other 17 meetings took care of themselves."

The company was subsequently ranked in Business Week's 100 Hottest Growth Companies for 2005, based on rankings of sales and earnings growth and return on capital over the previous 3 years.

2. Overcoming the Natural Tendency to Resist Change in Order to Improve Program Implementation

A large manufacturing organization was concerned about the impending implementation of SAP by the organization. SAP implementation is always a complicated issue, and was all the more daunting for this organization as it directly affected 8,500 of its employees. The business unit decided to use Arbinger's training and principles as the framework for the SAP implementation.

The implementation was accomplished ahead of schedule and under budget. According to one of the senior managers, "Never before has an internal project had this kind of performance. The success of the implementation was not just about integrating the changes in our team: we had to change the hearts and minds of everyone, by building relationships, strengthening teams, and helping each person to integrate the new software solutions throughout all processes. Given that we started out with Arbinger training as our modus operandi, we were aligned and started the project...all connected and focused on results together. We asked people to bring the negatives they found to our team, so that we could find solutions rather than leaving them to fester and potentially poison the change process. When problems came up, we welcomed them as one and walked through them together."

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3. Improving Overall Effectiveness and Business Results

Example A

A 30,000 employee division of a telecommunications company undertook reengineering and several other major initiatives simultaneously. The size of the division and the scope of the changes led to huge problems in implementation. According to the Division President, “Morale and productivity began to plummet. During this turbulent time Arbinger trained over 1,300 of our managers, supervisors, and executives. Despite our immense obstacles, we

- improved efficiency by over 10%
- increased revenue growth 17% over plan
- improved capital efficiency by 50%
- reduced inventory by over \$45 million
- reduced prices by 23% through improved vendor relationships
- raised overall work satisfaction among participants by over 20%.”

Example B

A national distributor had been suffering from poor business results and numerous organizational problems. According to the CEO, “We were such a basket-case that the most effective consulting firm we could find (and it has a very high international profile) could do nothing with us, despite months of trying. Fortunately, this firm was familiar with Arbinger and referred us to them. Nothing has been the same since. We are now the most profitable company in our industry—doubling and even tripling the ROI of our nearest competitors.”

Example C

The managing partner of a healthcare provider had this to say about working with Arbinger: “Since introducing Arbinger to our company in 2001, we have tripled revenue and operating income margins, decreased staff turnover to better than half the industry average, and received 93% fewer claims than the industry average in our region. All of this is the direct result of conceiving our results and doing our work in an Arbinger way.”

4. Achieving Dramatic Cost Reductions

The division of a large defense contractor implemented Arbinger’s approach to address an urgent and specific need to cut its costs. In the words of the Corporate Vice President, “It was October and we had to show a \$70 million expense reduction by end of year. We felt forced to lay off 200 workers to meet \$20 million of this requirement. As we implemented Arbinger to meet these demands, we found ways to succeed we had never thought of before. We found \$6.5 million in savings the first day, without involving

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our deputies or anyone else to help find hidden costs. As we worked the Arbinger process, we discovered amazing success. One of my peers called it 'like magic.'

"We met the goal. What's most interesting is this: When we began we were sure we had to lay off 200 people. The only questions were 'who' and 'how.' By the time we finished, *we didn't have to lay off anyone.* Working out of the Box gave us opportunities we had never seen before."

5. Resolving Major Conflicts with External Parties

A manufacturing company was facing a crisis with a major supplier. One of the company Directors described the case: "The situation was *impossible*. The problems threatened to shut down a major operation entirely. I brought Arbinger in for three days and I've never seen such a radical change. The people who had been at war now pulled together and cleaned up a year's worth of contract disputes and modifications in just a few weeks. We saved the operation and met other crucial deadlines. It was the closest thing I've ever seen to a management miracle."