Case Analysis on Technology Driven Transformation at Compare Limited

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## Was the change at Comair of a technical or adaptive nature?

The change at Comair was of an adaptive nature. Adaptive problems require people to look beyond the experts for solutions and a shift in mind set. In this case, the change originally only involved integration of different IT systems using Sabre enterprise solution, but in the end, it evolved into a three-stage change management roadmap with key aspects such as segmentation analysis on stakeholder, assessment on organizational culture and assessment of employee readiness for change. Therefore, Comair did not just need a technical solution and instead, it required a complete change in stakeholders’, employee’s and management team’s mind. Continuous learning was also involved in the change. For example, Comair organized a roadshow to communicate the vison to employees and a special dedicated Operation Crossover-branded intranet website was created to let staff ask and answer questions. Therefore, it further demonstrated that the change was of an adaptive nature with problems being identified and solved along the way.

## Evaluate how organizational culture may be a barrier or enabler of the implementation of change and suggest strategies for interventions.

In this case, organizational culture was a barrier of the implementation of change. Before the change, Comair was led by leadership-by-example management style with no documented strategy and processes were all solution-focused, which resulted in little coordination of different departments. The culture of Comair was relatively independent working style in different departments with low degree of collaboration and integration across operations. This might make the change harder to implement because to develop an integrated IT system and streamline organizational processes, communication across teams was a necessity so that different needs could be addressed and total return on changes could be maximized. To overcome this organizational cultural issue, the intervention strategy could start with understand and assess the culture in organization as a whole and in different departments to create a future worthy of the past. After that, top-down approach could be applied, which means the change should get the leadership team engaged by equipping them with change management toolkit and having workshop-style meeting. Subsequently, those leader representatives would act as the bridge between strategy team and other stakeholders. On one hand, they could communicate how the change would benefit organizations and impact individuals to employees. On the other hand, they could obtain feedback from employees and refine the processes. The coordination between different teams would start from the first stage where leader representatives were coached with the strategy and last until the last stage where employees were involved through cross-team collaborations.

## How do you frame and communicate an organizational change agenda?

The organizational change agenda could be framed and communicated in two aspects: initial strategy explanation and continuous update. The initial strategy explanation could be either a bottom-up approach or a top-down approach. In this case, Comair has implemented both of them. Its change team has held a roadshow to communicate the vision to everyone and use images and narratives to explain the journey ahead. The roadshow was a bottom-up approach which directly involved employees to discuss the shifts in skills and abilities required to implement the changes. However, Comair also used the top-down approach which they held workshop-style meetings to equip team leaders with necessary skills to lead changes in their respective teams. This was also effective because after understanding the strategy, team leaders would transform the strategy into the one that best fit their team’s situation. For continuous update, it means that the organization should continuously solicit feedback from relevant stakeholders, refine the change agenda and communication the updates in change agenda. And it should be performed in a recursive loop manner. Comair has also adopted this approach through having an intranet website where new changes could be delivered and feedback could be obtained fast. In addition, Comair has also initiated short survey regularly to ensure that everyone is at the same page of the change agenda.

## Consider the issues in joint (dual) leadership, especially in the implementation of organizational change.

The issues in joint leadership in the implementation of organizational change could be inefficient decision-making, slow change implementation and strategic conflicts. The definition of joint leadership is team leadership by more than only the appointed leader. In the case, Comair originally had two CEOs with not adequately formalized roles and functions, which could lead to inefficient decision making. For example, during organizational change, decisions on integration between different departments was inevitable and urgent. Since two CEOs might be in charge of different teams with different reporting styles, the decision on integration could only be made after merging of reporting styles and approval solicitation from both CEOs. If there was any issue occur in between, two CEOs and their respective teams needed to resolve the issue together before any decision could be made, which further complicates and lengthens the decision-making process. For slow change implementation, any organizational change would require communication between leaders. In Comair’s case, there is little coordination of effort between two CEOs, which means that they do not really understand each other’s management style. Therefore, during change, they have to learn to adapt to each other to achieve a common goal, which takes time and efforts. Last but not least, joint leadership may have strategic conflicts at the starting stage of the change. In Comair’s case, two CEOs had very different strategic approaches to manage the company. Hence, during the planning stage of organizational change, they might come up with different strategy and they also had to combine other’s strategy into own strategy, which might fail to result in a strategy that maximize the return.

## Would the company be able to provide the cultural underpinnings necessary for increased employee performance?

Yes, the company is able to provide the cultural underpinning necessary for increased employee performance. After kulula.com has been transformed a modern airline with modern technological systems through the Sabre technology platform and new aircrafts acquired, this project becomes a template for future business strategy. The decision-making structure has also evolved from a hierarchical structure to a cross-departmental functional steering committees with the best specialists without regard for seniority, which enables higher employee participations in strategic planning. Due to this big project, during the collaborations across teams and integrations of different reporting styles or IT systems, teams that were originally independent now starts to communicate with each other and understand each other’s business, which provides strong base for future cross-departmental projects. Furthermore, infrastructures such as intranet websites and regular surveys have been established so that more questions could be answered and more feedback could be obtained and used to further strengthen the processes.

## What strategies would you recommend for Venter to use to sustain organizational growth?

To sustain organizational growth, Venter should apply both internal and external strategies. For internal strategies, Ventor should harness the experience and the infrastructure left from kulala.com to increase employee’s involvement in the strategic planning. For example, he may continue to use the intranet website for discussion to obtain feedback and clarify their doubts. He should also keep encouraging cross-departmental collaborations and communication so that adoption of new systems or processes in the future will be faster and more efficient. Another aspect is that Vendor should have a better inventory management system to mitigate the risk from volatile fuel price. For external strategy, Venter could perform SWOT (Strength, Weakness, Opportunities and Threats) analysis based on the industry’s, competitors’ and Comair’s current situations. Using the SWOT analysis result, Vendor should identify the competitive advantage and construct plans to retain it or expand to more advantages. After that, Vendor is able to develop concrete plans in market penetration, market development, product development and product diversification. For example, kulala.com’s competitive advantage could be low-cost. In the future, it could introduce products with different options when booking a flight such as seat selection, flight meal plans and luggage fee, where different options charge different price so that market penetration and product diversification could be achieved.