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tvo: leading transformational change (B)

R. Chandrasekhar wrote this case under the supervision of Professors Gerard Seijts and Jean-Louis Schaan solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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In September 2013, Lisa de Wilde felt that she had only accomplished only the relatively easy part—finding the way forward by developing a strategy for rebuilding the organization, and taking it down a different path by transitioning TVOntario (TVO) from the broadcasting business to the education business. She was now gearing up for what she knew was the hard part—executing the strategy and managing the transition for the employees. This involved coordinating many parts, which would soon begin to move simultaneously.

The consultancy firm had suggested a three-fold strategy for TVO: to become the provincial government’s digital education partner; to increase citizen engagement; and to empower employees. There was some debate about whether revenue enhancement should be an independent objective in its own right, but the common view that it was embedded into each strategic goal prevailed.

The second pillar—citizen engagement—also represented a continuing content refocus. The new direction was to make current affairs journalism the priority and drive documentary through that lens.

A few weeks earlier, de Wilde had been reviewing the organization structure of TVO as part of ensuring that it had a fit with the strategy (see case A Exhibit 4). She had also been testing TVO’s new strategic direction in her conversations with people in the education ecosystem. During one conversation, de Wilde had a sudden realization. TVO did not have a professional educator on its executive team, a person with deep expertise and experience in pedagogy and curriculum. It became evident that getting a hands-on educator aboard was a definite way for TVO to build credibility with the educator community in the province in its bid to move into the classrooms with a focus on digital content.

Days later, while listening to a presentation by a former school principal at an event to which she had been invited, de Wilde found the ideal person. She met with the speaker, who was then working as the coordinating superintendent of strategy and program planning at the Toronto District School Board. Both agreed to meet for lunch the next day, when de Wilde appointed the educator on a consulting capacity. Eventually, the educator assumed a new role at TVO heading a new division called digital education.

TVO had 350 employees, of whom 104 were non-unionized. The 206 technicians, developers, and administrative employees were part of Unifor, the largest private sector union in Canada. The remaining 39 producers and content creators were part of the Canadian Media Guild. Internal promotions were a common occurrence at TVO.

A recruitment of senior level employees in January 2014 was the cause of some concern among the company’s rank and file, but more recruitment was expected. Organizationally, TVO was structured as a media company. All broadcast and media functions were grouped under content and programming (e.g., TVOKids, current affairs, documentaries, prime time programming, and websites). All educational services were grouped under the Independent Learning Centre (ILC), which also administered Homework Help. Culturally, the two areas operated as two very distinct business units. The leader of content and programming was a seasoned producer and the leader of the ILC unit had an operational pedigree.

The restructuring brought all of the content activities together under two divisions: digital education (ILC, Homework Help, and TVOKids); and current affairs and documentaries (current affairs, documentaries, and prime time programming). Both divisions were now led by new vice-presidents, not chosen from within the ranks (see Exhibit 1). The vice-president (VP) of current affairs and documentaries was an experienced journalist from the *Toronto Star*.

The result was that nearly 200 people at TVO from the two operational streams had a new boss as of the day the two VP appointments became effective. Many of the employees had not worked together before—many of them did not even known each other. The reactions varied from surprise (“Are you kidding me?”) to despair (“Why are they doing this to me? They are deprioritizing us.”).

The organization was also grappling with the impact of digital technology on people’s job descriptions. This led to grievances that were eventually filed with the Ontario Labour Relations Board. Under the new rules, a TVO journalist could post on Twitter and take photographs to upload online. Previously, however, employees could not take photographs, and certainly could not post them on Twitter without TVO’s approval. Clearly, de Wilde and her team needed to resolve the organization’s labour strategy while moving forward on TVO’s business strategy. A strong pride in the organization had always been a factor that brought the employees together. The result of these technological advances was a lot of disquiet at TVO.

Nevertheless, de Wilde continued to move quickly. She recruited additional leaders at the VP, director, and manager levels. Her executive team had been working on putting in place a product management structure. It was meant to be used as a tool to help make decisions on how resources should be allocated (see Exhibit 2). It would also ensure that the planning, forecasting, production, and marketing of various products and services were managed across all stages of product lifecycle (i.e., pre-development, development, introduction/launch, growth, maturity, decline, and end-of-life). In 2014, TVO also received a major bequest of $2.4 million from the estate of Donald Pounder, which helped fund new initiatives.

In September 2014, de Wilde approved the development of two new products: mPower and TeachOntario.

mPower

This new product was being conceptualized as a game-based resource engaging math students from kindergarten to grade 6. It would be designed in collaboration with math teachers from different school boards in Ontario, software developers, and game designers, some of the latter drawn from TVOKids. The team would take apart the math curriculum and make math learning fun and innovative for students, in a bid to ignite in them a spark of love for math.

According to de Wilde, math specialists were key to the program:

Math specialists from different schools were asked: Take apart the math curriculum. Tell us where the kids are stumbling and struggling. Help us build the outline of what the games should do. Design it in collaboration with teachers to work inside the classroom including a robust student assessment component aligned with the game play.

The new math program, mPower, would be easy to install on a laptop or an iPad. It would have provision for a student community gallery (for exchanging views online) and teacher dashboard (for tracking progress). The program would be free for users and would leverage TVO’s expertise at the intersection of curriculum, evidence-based pedagogy, and digital media—the three pieces that would form TVO’s secret recipe.

The executive team was clear that mPower would be developed without any of the baggage of TVO’s past. The product development team would be fluid, have a physical space of its own, and make its own rules as it went along. TVO’s mPower would mark the beginning of two transformational trends. First, it would break down silos and make the organization more receptive to new ideas and less hierarchical, where operating in a collaborative cross-functional way would become the norm. It would make TVO more relevant to current needs and more resilient. Second, the designated team would deliver in short sprints. It would not wait until the product was perfect and complete. It would simply put it out there and make mid-course corrections as it went along.

The approach was meant to foster a sense among employees that it was okay, while working on a product or a problem, if the team did not get it right the first time. The message was that falling and failing were acceptable if moving along the right direction. All necessary financial resources for the new program were arranged by de Wilde, as she explained:

The way we developed mPower has changed the way we behave with those we serve. The old-fashioned broadcasters would say: “We know what is good for you; here, take it and run.” We would think: “This is what works. Let us go out and test it. Let us get feedback. Let us see what the kids think and what the teachers say. Then let us come back here and retool the program, put it out again and continue to fine-tune it.”

TeachOntario

This second new program would be an online platform created by TVO in partnership with the Ontario Teachers’ Federation, its affiliates, and the ministry of education in consultation with teachers from across the province. It was meant to promote sharing, co-operation, and knowledge exchange among educators in Ontario. The goal was to create an online community where teachers could share best practices. It would be like a Facebook Inc. platform for educators.

TVO’s objective in developing this platform was to reframe the relationship it had as an organization with the educational community. Incorporating the voice of teachers would bring credibility to TVO’s ongoing initiatives to transform itself. The company would soon be hiring teachers to talk to teachers about TVO’s projects. It would also be hiring a community manager to oversee its activities. It would be building TeachOntario from ground up.

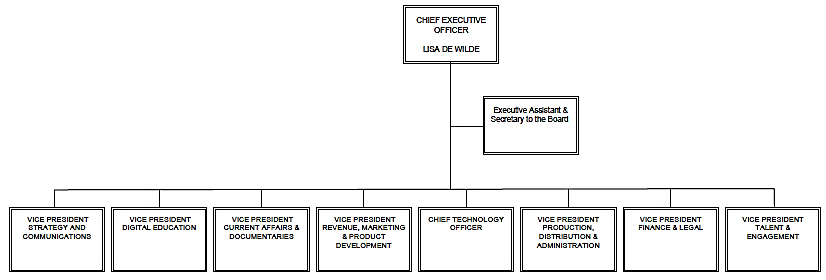
An important finding of the consultants was that there was a high degree of goodwill among employees for TVO and its mandate. The middle and lower level employees were not only seeking an articulation of a clear growth strategy, they were also eager to be involved in its implementation. Some had expressed frustration with their level of involvement with high-level decision making. Some had reservations about the limited encouragement provided to their initiatives.

However, de Wilde encouraged risk-taking as a strategy for success, as she explained:

When a company does lots of things simultaneously, something’s bound to go sideways. I need to convey a message: If things are not going sideways, we are not trying hard enough; we are being too cautious. No heads will roll if something does not work as planned. Let us find out why. Let us try something new and different. Falling and failing are perfectly in order if we are all moving along the right direction. Risk taking is good behaviour. You can’t get everything right and perfect the first time. Just keep moving. When conveyed with clarity and sincerity, it works like magic.

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Exhibit 1: TVO Chief Executive Officer’S DIRECT REPORTS, SEPTEMBER 2013



Source: Company documents.

Exhibit 2: PRODUCT PORTFOLIO PRIORITIZATION

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| --- | --- | --- | --- |
| **Grow** | **Hold** | **Harvest** | **Shut Down** |
| mPower  tvo.org  The Agenda  Independent Learning Centre | TeachOntario  Homework Help | TVOKids  tvokids.com  TVO |  |

Source: Company documents.