'CREATE Leaders' Addresses Gaps in Leadership, Management Capability at S&P Global Ratings

S&P Global Ratings
Best Use of a Blended Learning Program
November 2019

Company Background

S&P Global Ratings

Company-at-a-Glance	S&P Global Ratings and its predecessor organizations have been in business for more than 150 years. It is the world's leading provider of credit ratings. S&P Global Ratings has more than 1 million credit ratings outstanding on government, corporate, financial sector and structured finance entities and securities. Its ratings are essential to driving growth, providing transparency and helping educate market participants so they can make decisions with confidence.
Headquarters	New York
Year Founded	1860
Revenue	$2.88 billion
Employees	4,000
Global Scale	Americas, EMEA and APAC
Customers/Output, etc. (Key customers and services offered)	S&P Global Ratings provides ratings related to new issuance of corporate and government debt instruments, and structured finance debt instruments; bank loan ratings; and corporate credit estimates, which are intended, based on an abbreviated analysis, to provide an indication of its opinion regarding creditworthiness of a company which does not have an S&P credit rating. S&P serves its customers through a range of products and services available through both third-party and its distribution channels. The company's subsidiary, CRISIL Limited (CRISIL), is a global analytical company and a provider of ratings, data and research, analytics and solutions.
Industry	Financial Services
Stock Symbol	SPGI
Website	www.spratings.com

Budget and Timeframe

Number of (HR, Learning, Talent) employees involved with the implementation?	12 HRBPs and eight learning partners as internal coaches; six core learning designers
Number of contractors involved with implementation	One
Timeframe to implement	Three months
Start date of the program	January 2018

Business Conditions and Business Needs

The data industry is being disrupted, and with data being the core of S&P Global Ratings' business, this disruption presents a prime opportunity to prepare the organization for the marketplace of the future. Other factors, such as the rise of emerging markets and a complex global regulatory environment, require the organization to transform and adapt continuously. S&P Global Ratings Leadership developed a four-pronged talent strategy with the goal of building the capability needed to adapt and thrive in a complex and dynamic business environment. The four areas were: Employee Value Proposition, strategic workforce planning, talent acquisition and leadership development. The significance of this work was exemplified by what quickly became the mantra, "the talent strategy is the business strategy."

As a result of strategy development in 2017, Ratings leaders homed in on the notion of the value chain, identifying where value was created in the business; and analyzing resource allocation along that value chain. Putting it simply: Did the business have resources allocated to what was valued by the market? This work resulted in an assessment of capabilities required to shift resources along the value chain to optimize value, including assessments of processes and workflow, systems and infrastructure, and talent and skills. Leadership and management capability was identified as a gap. It became clear that leaders would need to be more effective at engaging and motivating their teams to transform the business to be fit for purpose for the digital age. Furthermore, leaders themselves knew very little about innovative technologies that could help automate core processes and identify new uses for the large quantities of data that were being systematically digitized across the enterprise.

Against this backdrop, S&P Global Ratings made a conscious decision to focus on leadership development, or, as its president said, "take a bet on leaders" who would help bring employees along this journey of change and transformation in a positive and supportive way. The result was CREATE Leaders, a year-long developmental initiative

focused on two major aspects of leadership: performance development and digital leadership. The goal of the first module, "Performance Development," which ran from February to May of 2018, was to build a best-in-class performance culture as the foundation for leading in the digital age. The goal of "Tech Savvy," which ran from June to October 2018, was to prepare leaders and their teams for digital disruption. "Performance Development" topics were picked up again in October 2018, and activities are currently ongoing as part of the employee performance and development cycle. A testament to the perceived business benefit of CREATE, executive leadership decided to continue it in 2019 and recently launched a new module called "Enhancing the Customer Experience" to help leaders more effectively leverage their Tech Savvy knowledge and Agile mindsets for the benefit of S&P Global Ratings' customers.

Figure 1: CREATEleaders Topics and Timeline

2018		2019	
Phase 1	Phase 2	Phase 3	Phase 4
Performance Development	Tech Savvy	Customer Experience	Agile

All illustrations provided by S&P Global Ratings

Overview

CREATE is an acronym comprised of words used in a blog posting by the president of S&P Global Ratings in which he shared his perspective on the challenges and opportunities facing the organization: Change, Resilience, Execution, Accountability, Trust and Excellence. The word CREATE also intended to evoke the continuous learning approach embedded in the design. In other words, a philosophical principle underpinning CREATE is that a key part of the leader's role is to learn, and the leader should always be engaging in a process of creating her/himself and helping team members to do the same. This approach was supported by research on the power of a growth mindset (e.g., Carol Dweck).

A foundational piece of work was "Leader Standard Work (LSW) for Performance Development." This document, which was written using the important mindset shifts required for leaders to develop team members in the digital era (see, for example, the research of Harvard Business School professor Amy Edmondson), also supported the Lean management way of working that had been embedded in the organization since 2015. Six categories of Leader Standard Work formed the basis of the on-demand modules: feedback and coaching, writing the full-year performance story, performance calibration, full-year performance conversations, objective setting and development planning.

Figure 2: Example of Mindset Shifts for Performance Development

From:	To:
The goal of a full-year performance conversation is to exhaustively review the past year's performance	The goal of a full-year performance conversation is to use the experiences of this year to inform a dialogue about what's next for the employee
My intention for the conversation is to fulfill my responsibility as a manager	My intention for the conversation is to help my employee achieve his or her goals
I use feedback only to talk about performance challenges	I use feedback both to reinforce positive behavior and to talk about performance challenges
The feedback I give helps people recognize and improve weaknesses	The feedback I give helps people recognize and build on their strengths
"Coaching" means using questions to lead an employee to embrace my point of view	Coaching means asking real and honest questions to learn more about the employee and help her or him identify a solution or a way forward

Figure 3: Example of Mindset Shifts for Tech Savvy

FROM	TO
It's my job to tell employees what they are going to work on and set the performance standard.	It's my job to help people attain high levels of autonomy in their work and set their own outstanding performance standards.
I am responsible for developing the solutions and my team executes them.	I am responsible to enable the team to develop solutions collaboratively.
As the leader, I have the most knowledge and experience on the team.	Knowledge and experience are not a function of seniority. Ideas can—and should—come from anywhere.
The best way to get things done is by using a top down, command and control approach.	The best way to get things done is to invite people to take ownership and lead from any which way.
If a colleague raises an issue about a team member, I address it directly.	I encourage colleagues to openly and respectfully address conflict where it happens.
Everyone on the team should always be on the same page.	I encourage bold and independent thinking on the team to elevate the level of discussion, even if we disagree.
As a senior leader, I must show others that I know it all.	As a senior leader, I must show others that I want to learn it all.

In addition to the reinforcement of learning, a primary goal for using a blended-learning approach for the performance development module was to elevate how leaders were engaging their people in real-time, throughout the performance cycle. This was an opportunity to actually apply the concept of "learning in the flow of work," which has recently become popular and is currently being researched (see, for example, work from
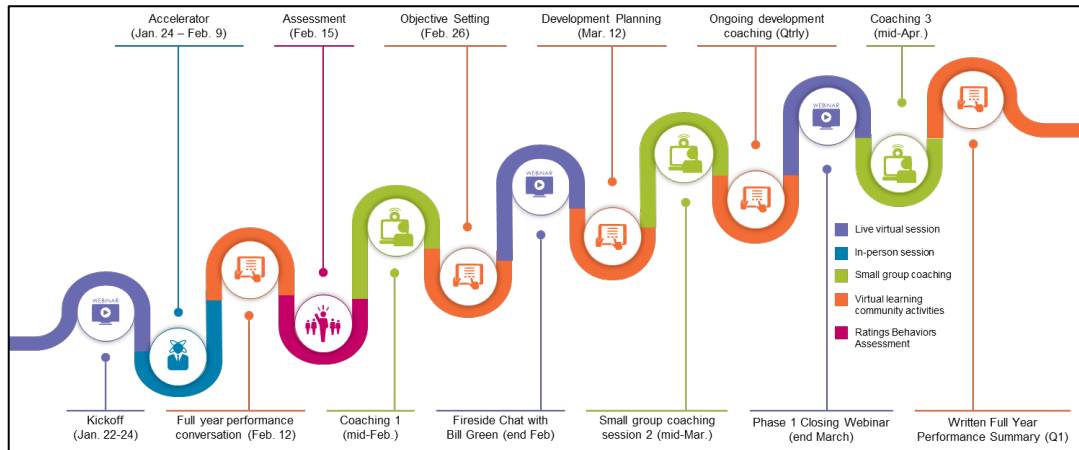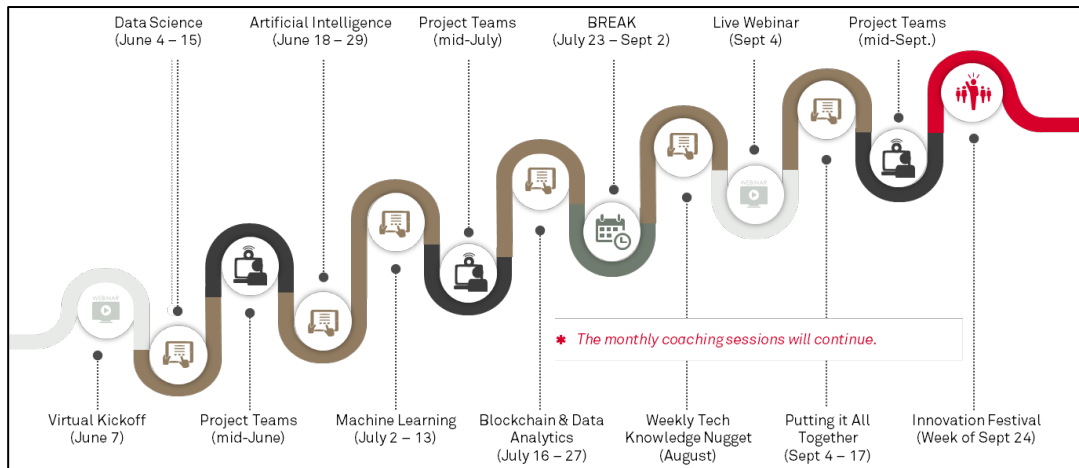
Bersin by Deloitte). A second key goal of using this particular mix of learning vehicles was scalability and speed of impact. Three levels of leaders were targeted from around the globe. Collectively, they lead 97% of the organization. By going for scale at the outset and intentionally crossing hierarchical levels, there was an opportunity to make progress more quickly and, at the same time, to begin to break down hierarchies that might impede teamwork in a digital era. A third goal was to help S&P's leaders develop a greater appreciation for the value of technology in general (i.e., through the Tech Savvy topics) and specifically for technology-enabled learning.

Coaching was also central to the initiative as a commitment was made to build the capability internally. Approximately 20 HRBPs and learning professionals were trained by an external, accredited coaching organization to become internal coaches to the 50-plus coaching groups that were established around the globe. Coaching groups met virtually on a monthly basis and coached each other on their leadership challenges, with HR and learning professionals acting as facilitators.

The use of blended-learning delivery methods not only allowed for learning reinforcement, dialogue and bonding among the participants, but it also gave the learning team the opportunity to adjust content and delivery on an ongoing basis (i.e., taking an agile approach). For example, some participants felt that there was too much on-demand content for Tech Savvy, the learning team was quickly able to add a "fast track" option to make it clearer which content to should be prioritized.

Design of the Program

CREATE was designed specifically for the 300 senior leaders around the globe and was directly linked to the S&P Global Ratings business strategy (see above). As an ongoing developmental experience, a "spaced learning" approach was used to offer leaders content as and when it was relevant to their work and as reinforcement when they needed it. The design was created to allow for flexibility with how and when the content could be accessed. Many leaders manage large teams of 10 or more employees, in addition to their responsibility for executing live transactions, so it was important to take these things into consideration during the design phase. The goal was to engage all types of learners by leveraging a variety of delivery methods and to vary the offerings so that whether leaders had 15 minutes or an hour to spend on content they could still receive some benefit.

Figure 4: CREATE Performance Development Learning Experience

Accelerator (Jan. 24 – Feb. 9)
Assessment (Feb. 15)
Objective Setting (Feb. 26)
Development Planning (Mar. 12)
Ongoing development coaching (Qtrly)
Coaching 3 (mid-Apr.)

Live virtual session
In-person session
Small group coaching
Virtual learning community activities
Ratings Behaviors Assessment

Kickoff (Jan. 22-24)
Full year performance conversation (Feb. 12)
Coaching 1 (mid-Feb.)
Fireside Chat with Bill Green (end Feb)
Small group coaching session 2 (mid-Mar.)
Phase 1 Closing Webinar (end March)
Written Full Year Performance Summary (Q1)

Figure 5: CREATE Tech Savvy Learning Experience

Data Science (June 4 – 15)
Artificial Intelligence (June 18 – 29)
Project Teams (mid-July)
BREAK (July 23 – Sept 2)
Live Webinar (Sept 4)
Project Teams (mid-Sept.)

* The monthly coaching sessions will continue.

Virtual Kickoff (June 7)
Project Teams (mid-June)
Machine Learning (July 2 – 13)
Blockchain & Data Analytics (July 16 – 27)
Weekly Tech Knowledge Nugget (August)
Putting it All Together (Sept 4 – 17)
Innovation Festival (Week of Sept 24)

A program experience platform (accessible via desktop and mobile), which housed all of the content, was used as "home base" for the participants. It also incorporated a game-based approach so that all participants would receive points and have an opportunity to move up on the leader board while they worked through the content. Recognition was given to the top points earners during webinars. The use of points also allowed the learning team to monitor usage.
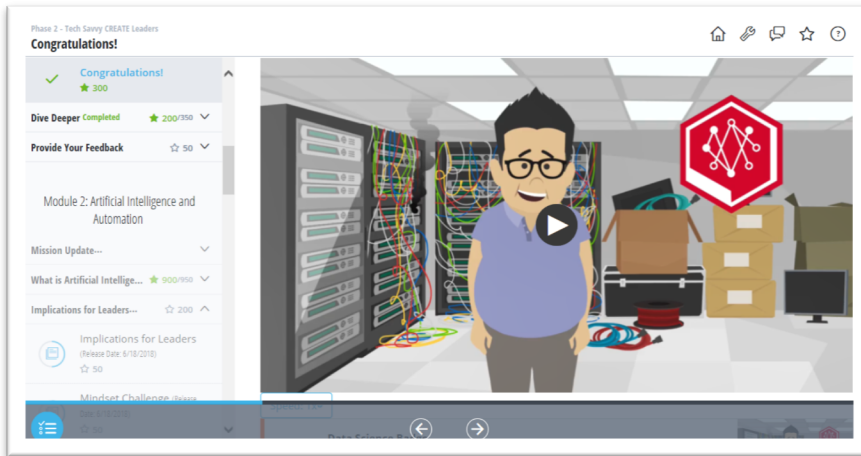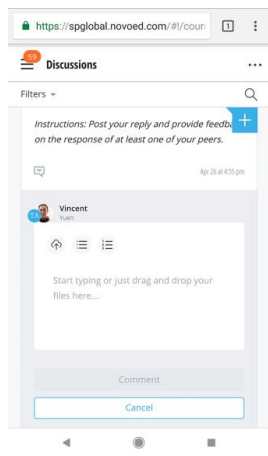
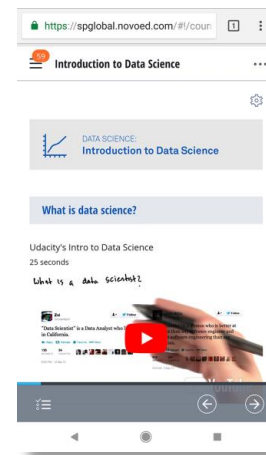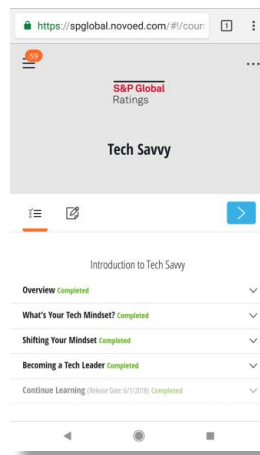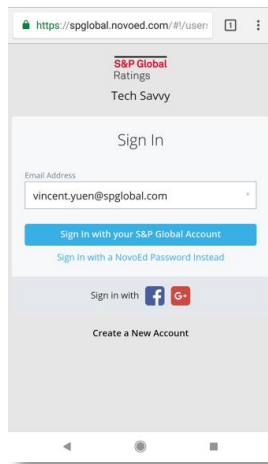**Figure 6: Program Experience Platform Desktop View**

Figure 7: Program Experience Platform Mobile View

A range of blended-learning delivery methods were used to form the learning experience: Live webinars, in-person workshops, on-demand content (text and video), digital workbook, discussion boards, reverse mentors, "selfie" video posts, team projects, a 270° developmental assessment and group coaching.

Delivery of the Program

The CREATE Leaders content and virtual learning community were delivered using an online/mobile responsive program experience platform. The platform facilitated collaborative team assignments and applied learning activities. The year-long experience was both learner-centric and designed with structured engagements to encourage active and self-directed participation.

CREATE kicked off in January 2018 with a webinar led by the division president. A series of 1½-day in-person workshops were then offered around the globe to bring together leaders from different businesses and functions to have them engage in an initial dialogue about performance development. In the classroom, leaders collaborated on a business simulation for performance calibrations, participated in role-plays and completed other exercises aligned with their responsibilities as leaders. These workshops were co-led by expert facilitators and S&P's internal executives.

The virtual program content followed the classroom sessions and was deployed one module at a time so the team leveraged a communications plan to provide a clear explanation of what leaders needed to focus on and why — the messages served as a guide and a prompt to complete key activities. Regular communications also served to connect the dots and help participants understand how to leverage what they were learning to enhance their own performance with their team members. It also gave members of the Executive Committee a platform for sharing their voice and experiences with participants.

Change Management Efforts

When CREATE Leaders launched in January 2018 it was during a busy time when leaders were focused on completing standard "year-end" activities, which the learning team renamed "full-year" activities to emphasize the ongoing nature of managing performance. While the global program began with classroom training, leaders quickly transitioned to a virtual platform. One major challenge to overcome was that most senior level participants were not accustomed to online learning as the primary method; however, leaders were given a demo of the platform and were encouraged to engage and interact with fellow participants around the globe by building an online community. The online community is where leaders engaged in discussions about various topics presented

throughout the year, they shared ideas and experience and they learned from S&P's own executive leaders. These kinds of activities allowed participants to get comfortable using the platform to learn and communicate.

For consistency and to increase usage, all communications and content were housed on the online platform so that users would always be driven back to the site in order to advance in the course.

Every element of the program tied to the previous section to ensure that the content was consistently reinforced. Participants were also assigned to peer coaching groups to practice coaching skills and to reinforce the core content. The topics covered during coaching sessions led participants to focus on just-in-time learning — aligning to real activities they needed to complete in their role as manager. The peer coaching groups were led by trained members of the HR team. The monthly one-hour sessions provided an opportunity for participants to practice their coaching skills while also benefiting from listening to challenges presented by their peers and observing how those could be resolved with coaching.

Over the course of the year, consistent and full participation in the coaching groups also proved to be a challenge as BAU commitments and travel sometimes resulted in low attendance. Each group had approximately five to seven members who were expected to engage in peer-to-peer coaching by sharing an example, role-playing as coach or coachee and/or providing feedback to others. The exchange seemed less valuable to participants when the majority of the group was not present and available to participate in the discussion. Coaches addressed the problem by sending reminders in advance of the session and rescheduling meetings as needed.

Recognition was an important element of the change management process. Using the gamification functionality of the program experience platform, leaders were periodically recognized for engagement with fun gifts, such as virtual reality headsets.

The change management component was consistently driven by the Executive Committee. The messages from CREATE were embedded in various initiatives and executive messages to the entire Ratings organization. During every town hall, executives took time to mention some aspect of the program and its impact. It was weaved into other initiatives and also highlighted in multiple news stories on the internal web so that the broader organization could see and understand how change was being driven through senior leadership. Over time, people could be heard talking about various aspects of CREATE in the hallways.

Measurable Benefits

The success of the CREATE Leaders participants was measured using a few key indicators, including 12-month employee retention, employee net promoter score, voluntary turnover and internal mobility.

- **12-month Retention** — Largest employee population showed 4% improvement

- **Employee Net Promotor Score (eNPS)**, Overall, every group showed improvement

- **Voluntary Turnover** — Results were neutral

- **Internal Mobility** — Overall data was neutral to favorable

Figure 8: Screenshots of Dashboard
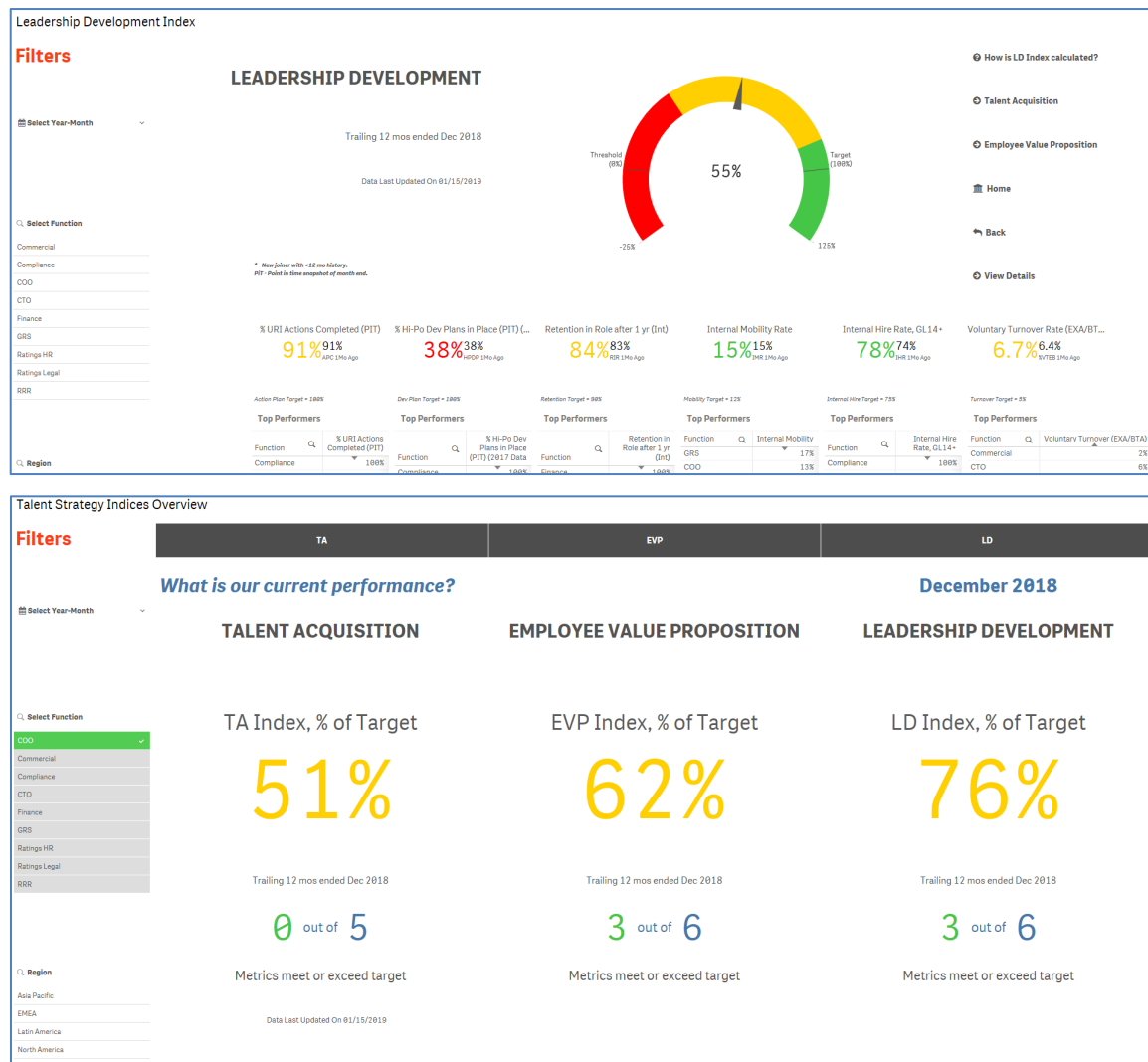
In addition to the aforementioned key indicators, other measurable benefits related to participant engagement were tracked, such as submission of videos, points earned and innovative ideas. Participants earned points for completing various learning activities throughout both phases of the program and were recognized for being in the list of top earners. The maximum points awarded for Phase 1 was 6,000. There were 14 participants who earned 5,500 points or more during that phase. The maximum points awarded for Phase 2 was 9,400. There were 17 participants who earned 9,100 points or more. This component added a bit of friendly competition among participants.

Leaders were encouraged to upload a brief selfie video to share the impact of the Performance Development content on their leadership. This resulted in approximately 50 inspiring and creative submissions. The collective group viewed and responded to every video by liking or commenting on the posts. It was a great way to engage the group and to gain insight into the perceived progress that leaders were making with their performance development efforts.

When surveyed in Q4 2018, 85% of leaders who responded reported feeling more effective as a coach since participating in peer coaching groups; 61% reported feeling more confident and using coaching more often to develop their team; 53% reported that they identified ways to improve their approach and have been doing so consistently.

For the Tech Savvy phase, participants were asked to work with their assigned learning group to create a proposal that would address a business opportunity or challenge by leveraging one of the technologies they learned about. The top 10 ideas, as voted on by participants, were reviewed by the Chief Technology Officer to assess risk and feasibility for implementation. The Executive Committee then chose three final winners; those proposals were then vetted through a centralized prioritization process. Two of the three winning ideas are currently being implemented and the third is awaiting resource allocation to begin implementation. In addition to the implementation of the winning projects, a main measurable outcome was that leaders came up with 50-plus project ideas related to Artificial Intelligence and Machine Learning only a few months after even learning what those terms meant.

Overall

Overall, the program provided an opportunity for leaders to learn together the value they could add to their teams by honing their leadership skills. The program's administrators frequently checked in with participants to understand how they were experiencing the program. In an effort to be thorough, there were times when participants felt overwhelmed by the amount of content being presented and the pace at which it was introduced. The team was able to make changes on the fly to address the need to provide

content in smaller, more digestible parts. In 2019, content presented will be significantly decreased in an effort to allow learners more time to absorb and reflect on their learning.

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Brandon Hall Group is an HCM research and advisory services firm that provides insights around key performance areas, including Learning and Development, Talent Management, Leadership Development, Talent Acquisition, and HR/Workforce Management. With more than 10,000 clients globally and more than 25 years of delivering world-class research and advisory services, Brandon Hall Group is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

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