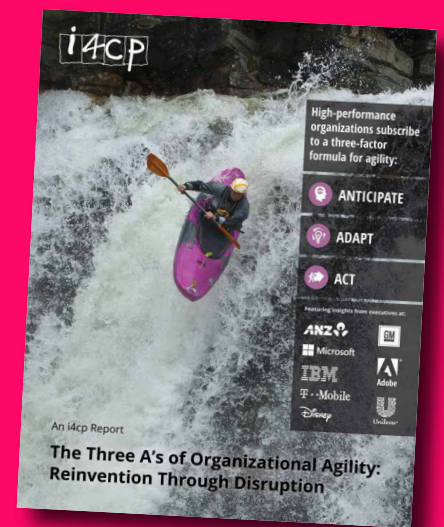


An i4cp Brief

T-Mobile From Decline to Disruptor

More at i4cp.com/agility



This brief is an excerpt from the i4cp report
The 3 A's of Organizational Agility.



T-Mobile: From Decline to Disruptor

In 2012, T-Mobile was on the wane. It was losing customers at an alarming rate and had the dubious distinction of being America's fastest-shrinking wireless company.

Today, the company has turned itself into a competitive powerhouse and market leader. How did this transformation come about? By finding and exploiting rival-company weaknesses to take market share, investing to build product capabilities, and adopting an in-your-face approach that shook up the industry.

While most CEOs are diplomatic, T-Mobile CEO John Legere took a different path. "Public attitudes have shifted about the rhetoric and candor we want and expect from leaders. Look at the 2016 presidential campaign, or at how people like Mark Cuban and Elon Musk communicate. The era when CEOs needed to have every statement cleared by the legal team is over—and good riddance. People want authenticity from leaders, not canned phrases full of legalese."

Coupled with its tough approach to competitors is T-Mobile's passion for addressing customer pain points as a primary focus of the business. Upon joining the company, Legere learned that the prevailing industry approach to providing mobile services was hated by customers. "It became clear that the best way to succeed in this industry was to do things as differently as possible from the existing carriers—to do the complete opposite. That was the start of the strategy we named *Un-carrier*."

The Un-carrier identity became T-Mobile's mantra to earn a deeper relationship with customers by providing great experiences. Responding to customer feedback, T-Mobile created a manifesto for company operations, driving its change from a sales-and-promotions organization to one known for great service and experience. T-Mobile's disruption of the industry took the form of signature moves: getting rid of long-term contracts, removing global roaming fees, and enabling non-stop music streaming.

"It became clear that the best way to succeed in this industry was to do things as differently as possible from the existing carriers."

T-Mobile

John Legere

Chief Executive Officer
T-Mobile



Liz McAuliffe

EVP, Human Resources
T-Mobile



HR's Role in T-Mobile's Disruption

Taking a cue from the mindset shift in the company's overall strategy, T-Mobile's functional areas picked up the Un-carrier theme and internalized it to reinvent themselves.

Liz McAuliffe, EVP of human resources at T-Mobile, recounts what it took to inspire and implement transformation in HR:

"To support T-Mobile's disruptive and revolutionary position in the wireless industry, it was obvious what we had to do. We were still an HR function, but we just weren't going to act like it anymore. We became employee-obsessed. Just as T-Mobile became obsessed with eliminating customer pain points, we set out to eliminate our employees' pain points.

We tossed old-school, anachronistic HR practices that fell flat with our workforce and offered little or no value to the business. We rebranded HR as #1HR, symbolizing our cohesiveness as a 625-person team and our affinity with T-Mobile's social media presence. We recast our employee-facing teams as HR Crews, with job titles

reflecting greater meaning: Employee Success Partner instead of HR Business Partner. We equipped employees with the resources, support, and tools they need for their personal growth and career success, fueling them with more energy and enthusiasm to focus on their customers' needs and operate at the speed necessary to continually innovate. As T-Mobile continues to redefine the wireless industry, we keep innovating for our employees. We won't stop."

T-Mobile's Transformative Steps

- Eliminated annual performance reviews in favor of ongoing performance-and-development conversations that are timely and relevant.
- Launched an employee-voice program using quick pulse surveys designed to measure engagement in real time.
- Replaced the aging HR application ecosystem with new, cutting-edge tools.
- Launched the LiveMagenta website to help employees and their family members reach personal, physical, and financial goals with support from life coaches, money coaches, and other free resources.
- Reorganized HR support teams into decentralized crews comprising Employee Success Partners (HR business partners), Career Agents (career/leadership development specialists), and Talent Scouts (recruiters), and aligned them with business leaders.
- Created CareerFest, a virtual career event enabling employees to explore roles across the company, get career advice from leaders and executives, and enter a Dream Career Contest.
- Launched Career Transparency, enabling interested individuals inside and outside the company to explore their desired career paths and potential futures with the Un-carrier.
- Launched Zendesk as a case management system that provides employees the experience of interacting with #1HR team; a robust self-service knowledge base; and most importantly, the ability to chat with the Employee Care team.

How an organization reacts to change lies partly in how the organization perceives change.

High-performance organizations are **47%** more likely to view change as expected and manageable. They are **2.7x** more likely to perceive change as an opportunity to shake things up or disrupt.



Lower-performing organizations are **3.5x** more likely to view change as being bad for business, and **55%** say change is overwhelming, threatening, or wears them down.

How does your organization perceive change?

