

case study

UGS takes a new approach to leadership

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**Janine Hayter,
Head of Global
Leadership
Development &
Training, UGS**

Background

As a market leader in product lifecycle management, UGS' software allows thousands of people to collaborate on a single project. Spun out from Electronic Data Systems Corp. in 2004, UGS has gone on to surpass \$1 billion in sales. Customers include Procter & Gamble, Ford and General Motors.

UGS' management and collaboration technologies enable companies to tap into all their intellectual resources at any one time. Marketers can post new ideas for products, engineers can design 3D prototypes and manufacturers can prepare assembly lines. Designers in Italy and developers in Shanghai can all coordinate their work with ease over a web connection. General Motors, which uses UGS programmes to tie together 19 design centres across six continents, attributes savings of \$75 million in materials alone to UGS' technology, which allows the automobile giant to replace physical car mock-ups with digital versions.

Tony Affuso, UGS' chairman, CEO and president, is aware of the people changes that will need to take place for UGS to continue to grow as it becomes an even bigger player in enterprise software. Affuso explains, "UGS is transforming itself from a best of breed technology distributor to a business that speaks the language of business. The best technology doesn't always win but the best solution, communicated properly, does. To stay ahead of our game, we needed to equip our technologists with the ability to really understand and make a difference to the business goals of our clients. The UGS mantra has always been to 'Never Let a Customer Fail'. To fulfil this promise we have to stay ahead of our customers, continually identifying where and how we can best make a difference".

The Scale of the Leadership Challenge

A particular challenge anticipated with delivering rapid business growth was developing existing leadership and identifying the new leadership talent necessary to grow the company workforce from 6,800 to over 12,000 within three years.

Dan Malliet, senior vice president of Global Human Resources at UGS, comments, "A serious implication of our growth rate is that in two year's time over half our employees will have less than two years service with us. They will inevitably have less knowledge of the business than our current employees, but a more complex role to play. This represents a serious challenge, requiring us to take a new approach to leadership development."

When UGS had emerged from its parent company, EDS, in 2004, it had to set up its Human Resources function from scratch. Malliet explains, "For the first twelve months we essentially had to rebuild our HR infrastructure from scratch, putting payroll, benefits and pension systems in place across 40 different countries."

Once the basic HR functions were in place, UGS was able to turn its attention to the leadership needs of its workforce. "We recognised that despite the importance of leadership to our growth plans, we had never invested in any formal training for leaders and had no proper understanding of the strength or depth of talent across our existing leadership population, let alone the rest of the organisation. That's when we decided to set up a special development programme for leaders," says Jim Duncan, Vice President, UGS.

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Establishing the Global Leadership Development Programme

UGS decided to create a global leadership development programme (GDLP) that would:

- Define what leadership meant at UGS and establish leadership values
- Create a culture of leadership development based on these values
- Assess the strengths and weaknesses of the existing leadership population
- Equip leaders with the commercial skills needed to take UGS forward
- Create a stimulating and engaging learning event to kick-start leadership development

Janine Hayter was brought in to lead the programme and appointed to the role of Head of Global Leadership Development & Training. She says, "The leadership needs at UGS were very unique and potentially quite sensitive. Existing leaders had not undergone any formal assessment or development before. Setting up a programme to do this had to be handled in a way that would not only get results, but also engage and motivate people to change."

Instead of appointing one of the big consultancies, UGS turned to Getfeedback*, a UK talent management consultancy with specialist expertise in leadership development and suggested they partner with MDA, a leading training consultancy which specialise in commercial skills.

"There would have been less perceived risk involved with more established vendors, but we needed to pull this off so chose Getfeedback and MDA because of their ability to link HR strategy to commercial need, and deliver commercially relevant training in a professional and interesting way."

Janine Hayter, Head of Global Leadership Development Training, UGS