



BB&T Flies Paper Planes for Smoother Transitions

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-John Allison, CEO BB&T

In 1994, BB&T had 2,000 employees and a few dozen branches. With its most recent acquisition of One Valley Bancorp, it's exploded to 14,000 employees, hundreds of branches and 6.6 billion in assets.

The growth has made BB&T a Wall Street darling and the acquiring bank of choice among investors. In many measurable ways, BB&T consistently outperforms its competitors.

So, how is BB&T doing it?

"We believe our financial success is due to all of our efforts, but the quality of our leadership development programs sets us apart, not just from other banks, but from other organizations across the board," says Steve Sutton, consulting manager of leadership development programs at BB&T. "This fact has helped us smooth the transition as we acquire other financial institutions."

There's reason to believe he's right. In 1999, the regional divisions with the highest scores on BB&T's in-house Leadership Skills Inventory had the best financial performance and the lowest turnover. Senior management of regional divisions are required to participate in the course, which features a 360 degree assessment surveying superiors, peers and direct reports within the managers' realm of influence-- which can total 50 or more people. "There's almost a direct link between high leadership scores and high performance," says Sutton, who helped to develop the Inventory.

BB&T's programs extend to tellers as well as senior management. The philosophy that better leadership leads to a better performance stems from BB&T's top leader, CEO John Allison. "We believe that if we concentrate on the growth of the individual, we ultimately achieve a better organization," says Allison.

As BB&T continues with its chosen method of growth – acquisitions – it has decided to build on leadership programs with Paper Planes.

Paper Planes simulates a production facility--the products are paper planes. The exercise helps workers evaluate and develop better work processes, communications and teams. It's particularly effective for companies or teams in transition, says Michael L. Oster, former CEO of Carroll County Bank in Maryland. Oster is now a BB&T regional manager.

Oster said it was difficult to give up the title of CEO, but his main concern was forging a team from two different banks that could work well together during the transition and maintain clients' confidence. He asked Sutton to suggest training. Sutton recommended Paper Planes.

"By the time we got to the last cycle of plan production, we did incredibly well. We built 19 planes, kept our costs way down—we felt we'd beat the game," recalls Oster. "But most important, it was an incredible boost for us because it showed we could work well together. We felt we could do anything." Oster says this confidence has held well, enabling the management team to take clients and employees through the merger with a minimum of stress.

Paper Planes is not just a corporate feel-good exercise, says Dr. Chris Musselwhite, the simulation's designer and Discovery Learning's CEO. "After the first manufacturing and sales cycle, the workers are frustrated, because the simulation forces them to face conflicts from their real-life workplace," says Musselwhite. "They try to focus on the product rather than the process—and process is crucial when you're working with others to achieve great products or services."

In later cycles, workers can redesign the production process to their requirements. They then compare their process to the original in terms of cost, quality and delivery time, as well as worker satisfaction. "In this phase they begin to resolve problems and experience the real improvements that result from working within a more flexible, communicative team," says Musselwhite.

Hundreds of organizations have "flown" Paper Planes, including NASA, BB&T and Merck. But how do individuals transfer the learning from the simulation to the workplace?

"Of the hundreds of teams who have participated in the simulation, they have consistently reported several key benefits in their work relationships and performance," says Dr. Musselwhite. These benefits include:

1. The concept of the "3rd point", the ability for conflicting parties to focus on a third point which is relevant to their real issues but provides for a more objective look at tough issues facing the parties.
2. The capacity to view the conflicts and obstacles facing the team as a systems issue rather than a problem created by an individual.
3. Even months after completing the simulation, teams are still using the simulation as a metaphor for their work. They make comments such as, "You are acting like a cutter or

airfoil technician.” This has happened even when the team members were not in the same simulation session.

4. The simulation provides a powerful metaphor for teams to utilize when analyzing its conflicts and issues.

“These are important insights that enhance team performance,” says Dr. Musselwhite. “But the team has to discover them; they can’t be easily transmitted by instruction. This is why the experiential nature of Paper Planes, Inc. proves so valuable.”