Sustainable Learning Environments

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Abstract: This paper maps out a two year change journey of a group of inward focused fuel retailing outlets into customer focused, evolutionary engines. The change has involved a three dimensional journey covering the cognition, business, and interventional perspectives of the challenge.

1. Background

1.0 Bharat Petroleum Corporation Ltd. (BPCL) is one of India's petroleum retailing majors with more than 7000 Retail Outlets all over the country.

2.0 About three years ago, we embarked upon an exercise that is leading to a reorientation of BPCL's approach to the retailing environment.

3.0 The essence of this rearchitecture is the intention to deliver genuinely superior customer value in an environment characterized by government set pricing, and, till the recent past, relatively indistinct consumer offerings.

4.0 This intention to deliver superior customer value came out, not from a static vision or mission statement, but from a visioning exercise by senior executives of the retail business of BPCL into the purpose of work.

5.0 The exercise led to a recognition by all concerned that working in BPCL-Retail, offered a genuine opportunity to do good while meeting corporate goals, thereby lending both inner meaning and external purpose to life.

6.0 The visioning exercise carried out by the senior management also led to the mapping of the entire fuel market in India into 7 customer clusters – each with its own possibilities for significant value creation by BPCL for customers.

7.0   One such possibility space centered around the many truckers in India who are small distance truck operators. These operators carry out localized movements (0-500 km) of goods in numerous minor economic hubs across the Indian sub-continent.

8.0   These truckers eke out incomes from short distance trips and depend upon prices set by often diverse, local demand supply conditions.

9.0   Here was an opportunity for BPCL to create new possibilities both for the truckers and the retail outlets who served them. The concern was: could our own retail outlets become customer focused, provide genuine value to these truckers, and reap the benefits of new revenue models and an active and loyal customer base?

10.0 The goal was not easy to accomplish. Many of the retail outlets, catering to the demand from these truckers, were themselves leading staid, unchanging lives for decades. Over these years, these Retail Outlets and the dealers, who run them had become inward focused, isolated and interested only in "supplying products" to the truckers. Getting these dealers to be deeply engaged with customers was going to be very difficult.

11.0 We posed ourselves a second related challenge. How do we architect an intervention that would be self sustaining and truly valuable to the truckers, dealers and the company? In short, could we bring about a radical change in the lives of the truckers and in the behavior and attitudes of the company's dealers located in these far off hubs? Could this transactional environment be shifted so that all stakeholders could co-create new value?

12.0 These two questions became the basis for a shared visioning exercise.

2. The Shared Visioning Exercise

13.0 The first Shared Visioning Exercise was carried out with the Sales Officers of the company, enabling us to learn more about the challenges ahead of us.

14.0 We used these learnings to generate a set of design hypotheses that would be used to build solutions. We then tested these hypotheses and potential solutions with dealers, truckers, and internal experts.

15.0 One question that was to guide us: How to transform a static, product-focused, fuel-providing outlet into a dynamic, community-focused, evolutionary engine that would generate new possibilities for their owners and their customers?

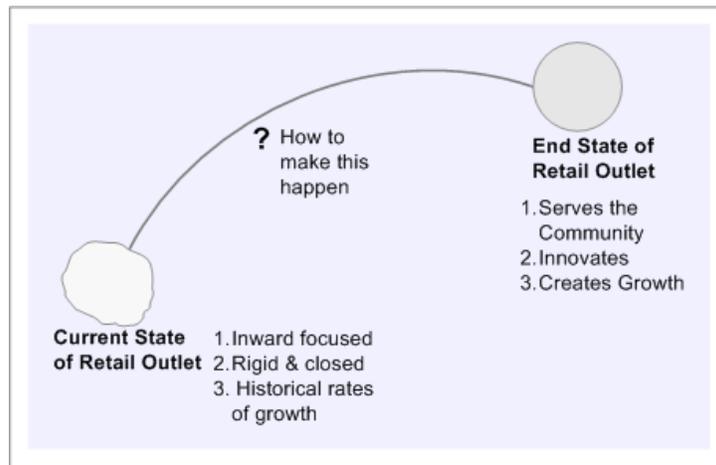Put another way, what we wanted to accomplish was the following:

Figure 1: The Quantum State Change

3. The Change Design

16.0 We translated this question, and potential answers, into a basic change design using a formal design process. The basic change design is described in the diagram below
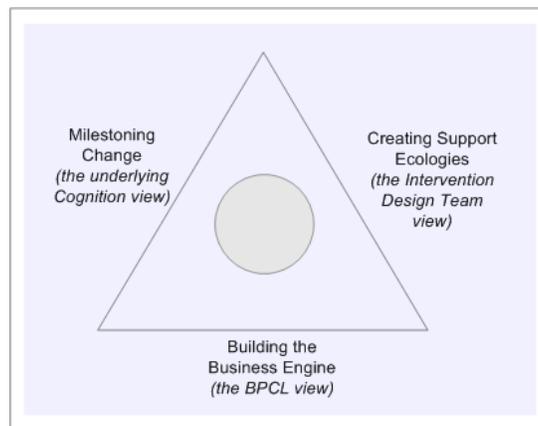

Figure 2: Three views of the Change Design

Each of the three views of the change process are described below.

4. Milestoning Change: The Cognition View

17.0 The journey from envisioned state to realized state was milestoned based on an important model for transformation of "engagement".

18.0 How do individuals or groups move from a state of self-centeredness to a state of open engagement with the community around them? This journey has four key stages
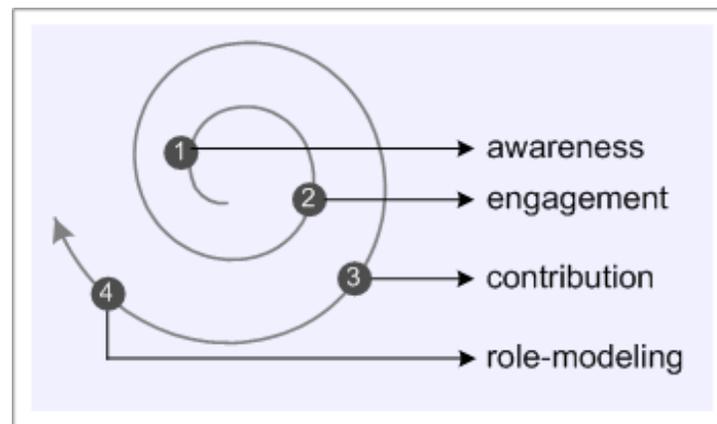

Figure 3: Cognition Roadmap for Service Thinking

(a) Stage 1: From Non-awareness to Awareness

Self centeredness is characterized by non-recognition of the other as an equal being. To recognize another as valid itself is awareness. This is the first shift.

(b) Stage 2: From Awareness to Engagement

To engage, means to extend this recognition to the act of "connecting", the act of offering (not in a transactive sense, but with the background of validation of the other)

(c) Stage 3: From Engagement to Contribution

This stage is when we are consciously creating value for the other and "making a difference" that is recognized as valid and valuable.

(d) Stage 4: From Contribution to Role-Modeling

To have experienced the value of giving – both in the intrinsic joy of enabling the other, and in the extrinsic measured value or impact – means to be ready to demonstrate and inspire.

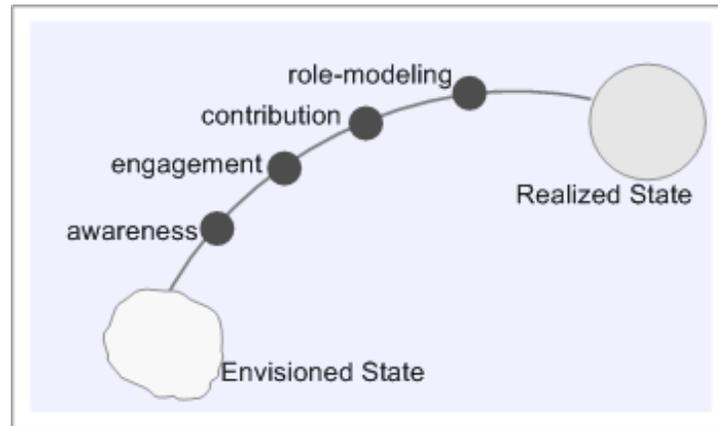19.0 This model was used as the basic milestoning frame for the journey

Figure 4: Milestones

It is important to recognize that the milestones for change are not quantitative or even business milestones – they are "cognitive states" in the evolutionary journey.

20.0 There are three genuine challenges associated with realizing such endstates

(i)   The challenge of integrity

(ii) The challenge of knowledge

(iii) The challenge of intention

21.0 The challenge of integrity is related to the primary act of accepting the journey to realization. To know, to do, and, to be – all three need to be harmonized.

22.0 The challenge of knowledge is related to the act of engaging effectively with the goal at hand.

23.0 The challenge of intention is related to the act of integrating all the multiplicity of behaviors and choices into a consistent and purposive whole.

24.0 The additional challenge for an organization of BPCL's size was to bring about a journey not once, but a few hundred times – corresponding to the number of Retail Outlets who were selected for undergoing this change journey

25.0 The challenge of replication meant that a fourth – and crucial aspect had to be added to the change design (besides integrity, intention and knowledge). The fourth aspect was Narrative.

26.0 Narrative means that all the change journeys needed to be consistent in terms of the Evolutionary Narrative (i.e., awareness to role-modeling), and yet needed to allow for variation in the executional narrative.

27.0 Many of the Retail Outlets selected were, as mentioned earlier, old, conservative, and deeply localized in behavior. To bring about consistency in execution would mean virtual redesign of the network.

28.0 Put another way, the driver for change could not be standardization as would be done in infrastructural change but by encouraging the discovery of meaning by each individual dealer/ sales officer and creating new benchmarks at a meaning level.

29.0 To summarize therefore, any change in state may be described as a four dimensional transformation involving a change in
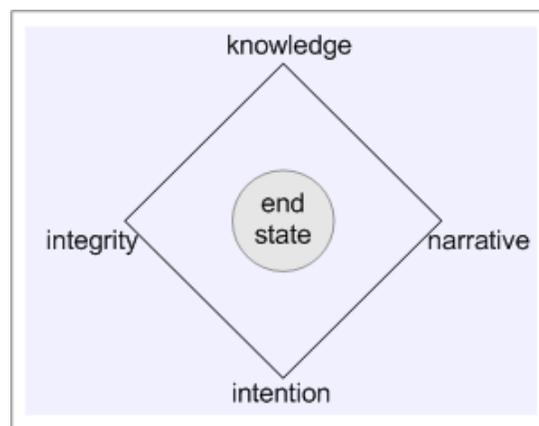

Figure 5: End State Architecture

(i) Integrity: The journey of increasing acceptance and non-reversal

(ii) Knowledge: The journey of increasing clarity and competence

(iii) Intention: The journey of integrating context to purpose

(iv) Narrative: The journey of establishing meaning for action

5. Creating Support Ecologies: The Intervention Design Team View

30.0 The milestones described above – awareness, engagement, contribution, role-modeling provided the structural frame in which the change needed to be carried out.

31.0 What we needed was to create the "support ecologies" that would create and support the end-states that we sought to accomplish.
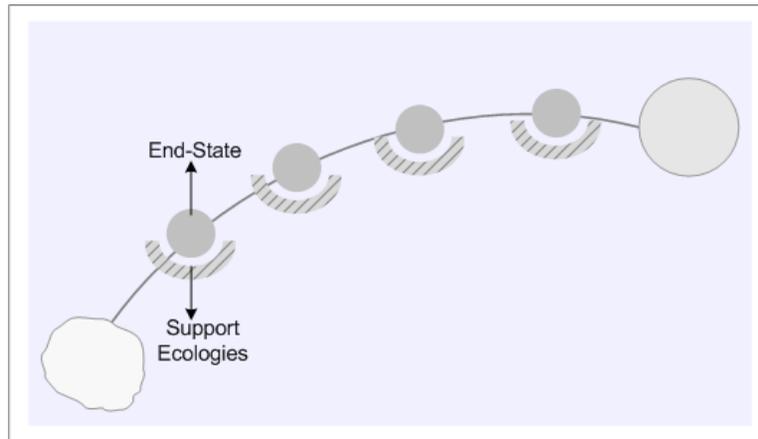
Figure 6: Support Ecologies

32.0 What is the power of such Support Ecologies?

(i) They do not "make" change, they are available for change journeys to take place without mishap.

(ii) Support Ecologies are built around each individual change journey. Each individual (or stakeholder) in a change journey has a different response and speed of transition on each of the four cognitive dimensions of state change: knowledge, integrity, narrative, and intention.

(iii) In short, Support Ecologies are customized for every single individual in a change journey.

33.0 How were these Support Ecologies put into place? The technology we used is the Precision Knowledge InterventionTM Model that has been developed at Illumine. The technology maps the four key "cognitive dimensions" into four types of scalable knowledge enablers.

34.0 In practice, we map out each segment of the state change journey. For example, in the four state journey from awareness to role-modeling, in the BPCL case, we could select say, the segment from "awareness to engagement"

35.0 We would then make available/ build from our library of tools, the 15-20 Knowledge Enablers that would support the various cognition shifts to take place, for the various

customer types and stakeholders within the change space. These tools would be available – on demand, for the change journey, as the change community makes the transition journey

6. Building the Business Engine: The BPCL View

36.0 The most apparent aspect of the change was the business-level engagement with the community – what we call Building the Business Engine.

37.0 The change journey was described and dealt with in purely business model terms. There was no explicitated conversation with any stakeholder (with the exception of the design team and senior management) about the inner dynamics of change.

38.0 Thus, in practice, it appeared to the entire community that we went from vision to action directly.

39.0 The Business Model was architected around the core change milestones described earlier.

40.0 The Business Engine that we wanted to put into place was a set of "Service-thinking Practices"
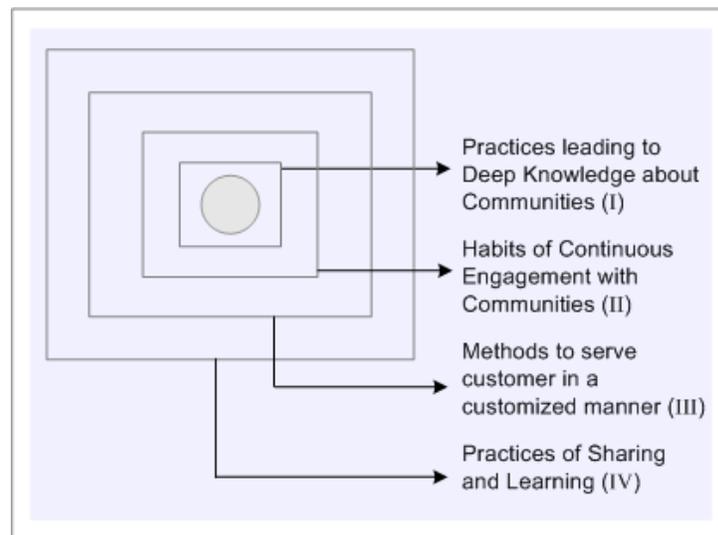

Figure 7: Service-thinking Practices

It was our view that a retail outlet that lived these service-thinking practices would be clearly on the evolutionary journey.

41.0 This business engine was to be put into place in a sequential manner.
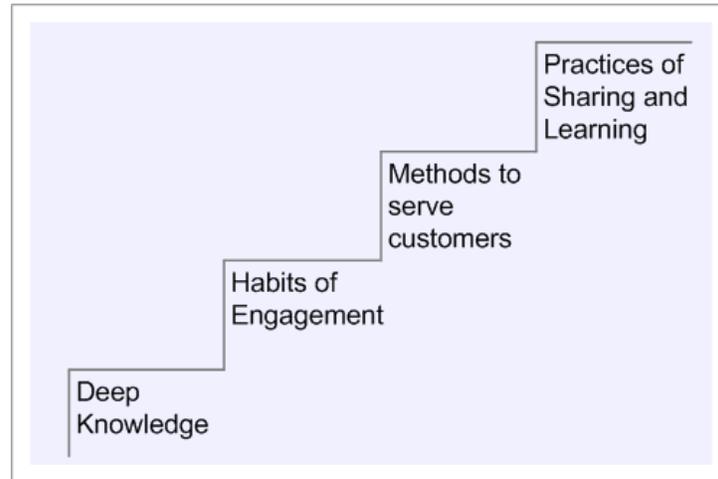
Figure 8: Business Engine Sequential Assembly

42.0 This mapped perfectly onto the four stage cognition journey of "Service Thinking" (from awareness to role-modeling)
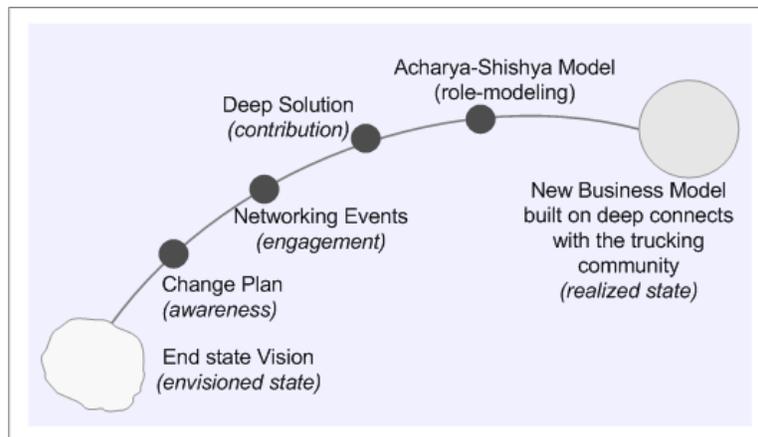
Figure 9: Four stage business model journey organized around cognition milestones

This ensured that the cognition view, the business view, and on-demand enabler view remained aligned through the change journey.

7. Theory to Practice: The Linkage

43.0 The Models described earlier, and the brief description of the learnings (Section 8) which follow, may provide the impression that there was a neat translation of model to action.

44.0 In actuality, what took place was a process we call "Evolutionary Rapid Prototyping". The schema for this process is described below
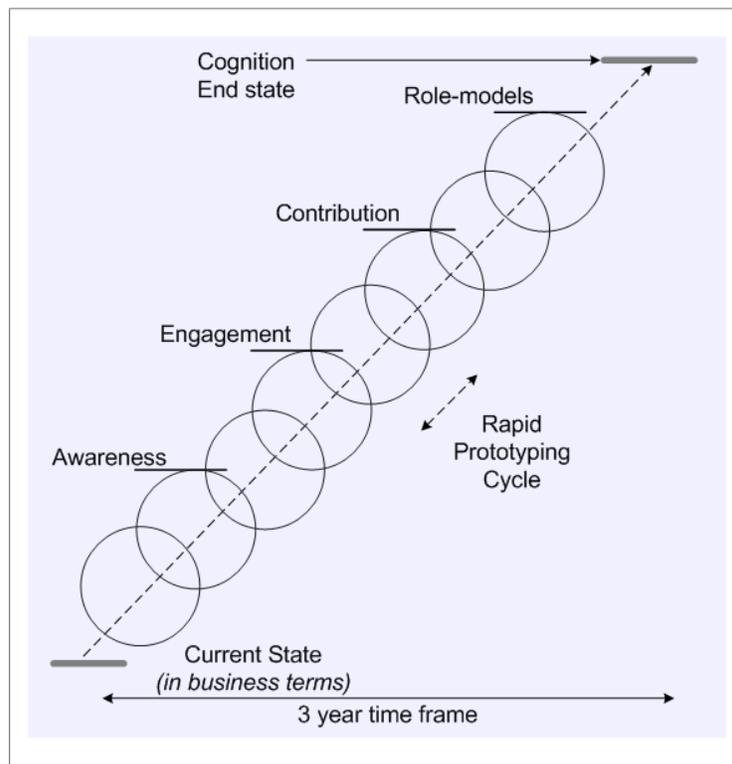

Figure 10: Evolutionary Rapid Prototyping

45.0 This process had three characteristics:

(i) The hypotheses were set in cognition terms, the experiments were in business terms, and the measurement in both cognition and business terms.

(ii) The end states – both final and intermediate – were the benchmarks, against which models were tested and improved upon. These benchmarks - representing cognition end states were non negotiable. All strategies and approaches were open to evolution.

(iii) Equally important, business results that worked but did not meet cognition end states, were treated as non-successful cycles that needed improvement.

46.0 This approach allowed us to maintain the purity of an evolutionary journey, and yet allow the warp and weft of alternative pathways and experimentation to reveal themselves and flourish.

8. Learnings from the Journey

47.0 What does this case study teach us about creating a sustainable environment wherein practices are assimilated rapidly and consistently across a diverse system?

48.0 This question can be answered by viewing four aspects of such a sustainable environment for learning
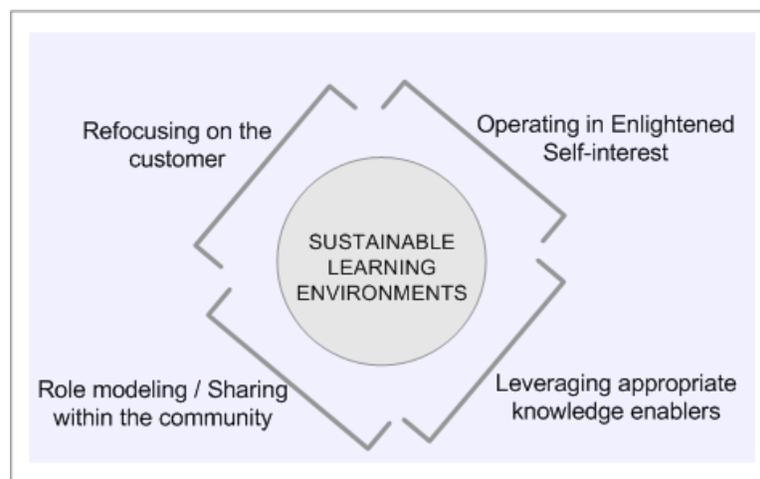

Figure 11: Aspects of a Sustainable Learning Environment

49.0 Refocusing on the customer

We found that the very act of formally discovering the customer (through a community mapping exercise in this instance) led to an upsurge in the awareness of customer and in the recognition of the customer as a valid player in the business. This primary act of learning set the stage for all future change.

50.0 Operating in enlightened self-interest

The next stage of the change journey wherein the dealers conducted health camps (networking events) without asking for any benefits, proved to be a powerful platform for learning. Two reasons:

One, changing the physical context outside the retail outlet meant that the traditional protocols in which the product selling `was carried out were no longer relevant;

Two, "the act of giving" changes the mental context in which dealers dealt with customers, opening them to a new appreciation and "ways of seeing" of the customer.

51.0 Leveraging appropriate knowledge enablers

The change journey was enabled not through one or two formal "orientation programs", but was instead enabled through a series of "precision enablers" focused on specific purposes within specific contexts. This allowed for far greater effectiveness of these enablers, and more important, it encouraged BPCL to create a permanent institutional arrangement that would sustain evolution in coming years – using the Precision Knowledge InterventionTM approach.

52.0 Role modeling / Sharing within the community

The most visible sign of a learning environment is a vibrant "knowledge marketplace" where ideas are shared and learnings from one part of a system are leveraged in another.

We have learnt that many people, including hardened traders, quickly learn that to serve communities can become a profound source of inner fulfilment, besides being profitable and enjoyable.

53.0 Thus learning was unleashed, not as a discrete output of the change model, but as an intrinsic feature of the model itself – allowing for sustainable learning to be architected into the system.

Relevant Readings

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