



VERIZON EXECS: From left, Claudia Healy, Vice President, Human Resources; Magda Yrizarry, Vice President, Talent & Leadership Management; Alan Gardner, Vice President, Human Resources; Lou Tedrick, Staff Vice President, Workforce Development; Martha Delehanty, SVP, Human Resources.

# Verizon's #1 Calling

The telecom company takes the top spot on the Training Top 125 for the second consecutive year and heads for the Top 10 Hall of Fame in 2014.

BY LORRI FREIFELD

**N**ever underestimate the power of a Black Belt. Verizon set its sights on operational excellence in 2012, implementing Verizon Lean Six Sigma (VLSS) to transform its culture, satisfy customers, and improve processes that drive results and increase profitability and shareholder value. One of the first VLSS initiatives focused specifically on

Learning Effectiveness and led to reduced training time and a projected \$4 million savings by the end of 2012.

VLSS helped to propel Verizon to the No. 1 spot on the 2013 Training Top 125 for the second year in a row and paved the way for its entry into the Top 10 Hall of Fame as it now has ranked in the Top 10 in the last four years.

In addition to meeting the 2012 corporate strategic goal to be more profitable and determining a common mind-set around operational excellence and new individual skills and organizational capability, the VLSS program is a leadership development initiative, explains Magda Yrizarry, VP, Human Resources, Verizon. “Master Black Belts and Black Belts leading VLSS initiatives are principally employees identified as top performers with high leadership potential. The expectation is that the training and skills application will create a stronger pipeline of future leaders across all units and functional disciplines.”

## BY THE BELT

With implementation beginning in January 2012, each Verizon business unit—Wireless, Wireline (Consumer and Verizon Enterprise Solutions), and Corporate Shared Services—identified up to five initial VLSS initiatives. VLSS training included:

- Two-day senior executive and VLSS Initiative Champion Training: 586 trained by year end 2012
- Four-week (spanning four months) Master Black Belt (MBB)/Black Belts (BB) Certification combining instructor-led training (ILT) with immediate project application. MBBs coach BBs on applying learning to projects: 34 MBBs and 273 BBs trained by the end of 2012
- Green Belt Training: 250 trained by the end of 2012
- VLSS Basic (two-hour “lunch and learn”): 4,147 trained by the end of 2012
- Employee VLSS Awareness (online): 9,545 trained by the end of 2012

For the Learning Effectiveness VLSS initiative, Learning & Development identified 12 learning effectiveness projects:

- Training Request Process
- Curriculum Review Process
- Curriculum Maintenance Process
- New Hire Training (Retail, Business Sales, Business Service, Telesales, Indirect)
- Training Solutions Analysis
- Trainer Effectiveness Evaluation
- Management Support
- Learning Measurement/ROI

“Applying Lean Six Sigma, we identified current and future state gaps, implemented changes, and monitored results to ensure sustained improvements,” says Lou Tedrick, VP, Workforce Development. “For example, our goal was to reduce our four-week Retail New Hire Training time by 10 percent. Applying Lean Six Sigma, we cut non-value-added content and activities and addressed knowledge and skill gaps by adding critical content not currently included.”

The Retail New Hire changes achieved \$1.8 million in savings in 2012, Tedrick says. For the VLSS Learning Effectiveness initiatives alone, Verizon anticipates more than \$12 million in

savings annually. In 2013, Tedrick says, “our L&D team will work on another six projects, as well as seek to improve the effectiveness of internal communications.”

As the champion for the VLSS Learning Effectiveness Initiatives, Tedrick says she has learned a great deal about the power of defining a discrete “problem,” applying sound process improvement principles, and creating solutions based on objective data. “It’s helped us make tough decisions objectively. I’ve also learned a lot from our Black Belts who come from all areas of our business (i.e., Sales, Customer Service, IT, Operations). They bring a unique ‘lens’ with which to look at our L&D challenges and have seen things from a different perspective than our L&D team and I have. Their perspective has opened the door to so many more possibilities for making change that will improve learning and ultimately improve our business.”

## GROWING GAINS

In 2011/2012, Verizon made several strategic acquisitions and organizational changes to position the company for future growth. These changes created significant training needs that had to be quickly addressed by the L&D team.

The acquisitions of Terremark and Cloudswitch enabled Verizon to sell cloud storage services to midsize businesses, large global enterprises, and government customers. Verizon’s cloud was designed to deliver high speeds and high levels of security, with a large team of specialists to support the cloud customers. In late 2011, as a result of the Terremark acquisition, Verizon’s L&D team rapidly developed 17 Terremark IT and Security courses that include online exams and recorded tutorials by subject matter experts (SMEs). Completion was mandatory for 13,000 Wireline employees, according to Claudia Healy, VP, Human Resources, who notes that by February, 97 percent had completed all programs. “Sales of IT and Security Services show steady growth,” she adds, “and Terremark revenues increased progressively quarter over quarter.”

Verizon’s Enterprise Solutions (VES) organization was formed in January 2012, bringing together the large global enterprise and government sales and customer service teams from Wireline and Wireless. This change also required immediate support from Verizon’s L&D team. “For example, at the onset, VES didn’t have a consistent selling methodology,” Healy explains. “To address this, we partnered with Sales Operations to implement Values-Focused Selling. The program included a consultative selling model, and an opportunity planning and strategic account management process—all supporting revenue growth.”

VES also implemented Salesforce.com as its new customer relationship management (CRM) system. The L&D team trained nearly 5,000 global sales employees during a brief systems blackout. A blended learning approach combined self-paced learning, digital user guides with video snippets, and in-branch instructor-led training (ILT) sessions delivered by 260 SFDC “Heroes” (employees nominated for their systems savvy and willingness to embrace change). “Using count5’s Q MINDshare, we quizzed learners on Salesforce.com pre-ILT self-paced courses to identify ILT focus areas,” Healy says. “A ‘Q App’ pushed questions to learners via a desktop pop-up. Learners could delay responding





VERIZON L&D TEAM: Carin Bigrigg, Director, Product Management & Product Development; Monica Thomas, Sr. Consultant; Cleo Scott, Director, L&D; Dan Holdredge, Technical Training Specialist; Todd Connell, Training Area Specialist; Amy Hirsch, Director, L&D; Kathy Bowman-Williams, Manager, Diversity & Inclusion; Matthew Dreyer, Sr. Consultant, Organizational Development; Diane Fuerst, Sr. Analyst; Beth Hammer, Joe Timpone, Fred Jenkins, Managers, Training; Margi Simoni and Channing Johnson, Associate Directors, Training; Erica Jones, Associate Director, Workforce Development.

until a convenient time. Q MINDshare provided remediation for missed questions, returning them to the queue for another opportunity. The approach yielded a 90 percent completion rate.”

The L&D team also needed to cross-train the sales teams on Wireline and Wireless solutions portfolios. Using existing curricula from each business unit, the team took a “divide and conquer” approach to rapidly cross-train the sales teams within the first and second quarters of 2012. “Based on the success we had using Q MINDshare, we plan to more broadly deploy this tool for other initiatives in 2013,” Healy says.

## ONE VERIZON

To achieve the 2012 goal of delivering a consistent, multi-level enterprise leadership development curriculum across Verizon, the Leadership Development function was centralized within the Corporate Talent Management organization. Strategic business drivers were:

- Verizon’s ONE-HR Initiative, a process/program alignment initiative designed to align on “ONE” enterprise-wide HR program/process versus multiple business unit-specific HR programs/processes.
- Verizon’s Succession Plan encourages cross-business unit moves as a developmental strategy, requiring leaders to be trained consistently so their ability to drive business success transcends specific business units or functions.

“To address this challenge, L&D leaders reviewed all existing business unit-specific leadership development curriculum frameworks and programs with the goal of aligning around internal best practices,” explains Amy Hirsch, director, Human Resources.

Wireless’ VZLeadership University (VZLU) was

adopted as the best practice curriculum framework, she adds. “Wireless pre-supervisory and front-line leader programs and Wireline tenured leader programs were selected as best practices and were integrated within the enterprise-wide VZLU framework and deployed across Verizon in January 2012.”

VZLU builds leadership capability progressively as leaders advance. Verizon’s enterprise-wide Leadership Capabilities provide the foundation for all programs. The following capability/content areas currently are covered:

- Pre-Supervisory (emerging talent, individual contributors): Verizon’s financials basics, critical thinking fundamentals (1 day)
- VZLeader1 (new front-line leaders): Coaching individual performance, EEOC/legal aspects of management, diversity, business acumen (4.5 days); applied functional coaching, functional

- operations management, interviewing skills (2-5 days)
- VZLeader2 (tenured front-line leaders): Coaching team performance, advanced critical thinking (3.5 days)
- VZLeader3 (mid-level managers): Change management, advanced financial acumen (2 days)

The framework allows for flexibility, Hirsch says, making it simple to add, delete, or swap capability/content areas as business needs change. “Through this effort, six redundant programs were eliminated,” she notes. “Using internal trainers versus vendors to deliver some programs resulted in a cost savings of \$20,700. By the end of 2012, we trained 53.8 percent more leaders than in 2011 with no trainer increase.”

Measuring VZLeader1’s effectiveness in 2011, Verizon saw a 125 percent return on investment and a 5.3-month payback period, Hirsch says. “Participants also reported business results improvement post-training (i.e., 65 percent increased quality,

## FAST FACTS

- Total number of employees and independent contractors/franchisees trained overall annually: 279,238
- Annual revenues: \$111 billion
- Average length of employee service: 11.6 years
- Percentage of job openings filled by internal candidates: 43.1 percent
- Percentage of new hires referred by employees: 35.6 percent
- Total number of employees and independent contractors/franchisees trained annually via instructor-led classroom sessions: 98,475
- Total number of employees and independent contractors/franchisees trained annually via online, self-paced study: 279,238
- Number of courses offered as instructor-led classroom sessions: 1,091
- Number of courses offered as instructor-led virtual classroom sessions: 347
- Number of courses offered as online-self-paced modules: 9,761



73 percent increased productivity, 80 percent increased employee satisfaction, 53 percent increased customer satisfaction, and 30 percent increased sales). Since rolling the program out enterprise-wide in January 2012, mid-year VZLU results showed substantial year-on-year improvements in trainer and learning effectiveness, ROI, and management support.”

**LEADING FOR SHAREHOLDER VALUE**

In 2012, more than 2,100 (94 percent) directors across Verizon participated in a new two-day program called “Leading for Shareholder Value” (LSV), which leveraged key learning points from the Senior Leader LSV sessions conducted in 2011, incorporated into a design tailored for up to 140 participants in each of the 18 sessions. This program targeted the shareholder imperative through an exploration of: Verizon’s past and expected performance, Verizon’s financial statements, and the power of collaboration and a “ONE Verizon” culture. Through a blended approach of both lecture and applied, interactive experiential learning, the directors participated in a competitive, customized, and contextualized tabletop board simulation for skills application and practice working in cross-functional,

cross-enterprise teams. The course featured senior executives, who championed and co-facilitated certain modules such as a “Leaders Teaching Leaders” best practice approach to strategic leadership development. Directors also received Cascade Kits with “on-the-go” materials that included a downloadable, interactive Shareholder Value Map and leader-led activities to engage teams deeper within the organization.

According to Yrizarry, a post-course “Success Case” impact study conducted by The Evaluation Institute conservatively estimates that the ROI from this initiative is already 10 times the amount invested, with that amount expected to increase over time. At present, Yrizarry says, at least 30 percent of directors trained have used their LSV learning to produce measurable business impact through cost savings and increased revenues.

Key messages from the LSV training then were released in a 30-minute mandatory online learning module for the next tier of leaders, representing more than 21,000 people managers across Verizon. The Shareholder Value imperative is being integrated into all VZLU business and financial acumen ILTs, as well as internal employee communications to reinforce desired behavior on the job.

In 2013, the top 330 Verizon leaders will participate in a required “Accelerating Growth” leadership development experience as the next evolution of “Leading for Shareholder Value” training. This new program will focus on revenue growth that aligns with Design for Six Sigma. The program will:

- Explore the opportunities for profitable growth that Verizon is positioned to achieve with a rationalized and optimized infrastructure.
- Cultivate the ability to see and seize opportunities in an increasingly volatile, uncertain, complex, and ambiguous marketplace.
- Engage in a proven process that analyzes trends, recognizes potential disrupters, identifies opportunities for growth, and defines how Verizon can deliver optimal shareholder value by delivering on these opportunities.

**SALES AND CUSTOMER SERVICE TRAINING**

Transforming the skills of Verizon’s sales teams was another high priority in 2012, according to Tedrick. In February, “we launched Data Solutions Certification to our Data Solutions business sales support team members. Our goal was to transform these team members into an industry-leading technical sales support team capable of selling/supporting complex solutions (i.e., machine-to-machine) to medium to large business-to-business customers.”

Front-end analysis determined 11 new competencies that would broaden technical acumen. Employees took a pre-assessment based on the competencies. The certification, designed by role and aligned with the new competencies and pre-assessment results, included an average of 45 hours of advanced technical training (OLT/VILT/ILT) taken over six months. Post-training, employees had to demonstrate their capabilities through a sales presentation to leadership.

**QUICK TIPS**

Verizon executives Michael Sunderman, Magda Yrizarry, and Lou Tedrick offer the following tips to organizations seeking to create effective training programs:

- Tapping into the knowledge available in the workforce to contribute to learning is very cost effective. Use brief, informal, moderated interviews through audio or video segments with subject matter experts to provide expanded learning resources that augment the formal learning programs.
- Applying process improvement principles such as Lean Six Sigma to determine what programs and/or content is “value-add or non-value-add” can help make cost-saving decisions based on data versus emotion. Additionally, using ROI methodologies to show business value post-training and to forecast business value before embarking on a training investment can help companies retain and move forward with programs that show a good return on training investment—and avoid making a training investment that is not likely to yield a strong return.
- From a leadership development perspective, more is not necessarily better. The challenge is to align these programs from entry to executive level around a few areas that will help drive the culture and support the critical business objectives. In 2012, we focused our leadership development efforts around three pillars as outlined by our CEO: technology savvy, financial acumen, and operational excellence. This type of focus helped streamline offerings and ensure that the curriculum is integrated to avoid creating the distraction of having too many different leadership programs going on within the organization at the same time. This, combined with our programs’ alignment to our Verizon leadership capabilities model, allows Verizon to be prescriptive and close the most important skill gaps in support of Verizon’s transformation to a premiere, global technology solutions provider.



To achieve certification, employees needed to complete required training, deliver their sales presentation, and meet or exceed quota. Results: Post-training test scores average 89 percent (18 percent higher than pre-tests). Sales presentations averaged a score of 3.77 on a 5.0 scale. For every training dollar invested, \$9.64 in net benefits is returned. "As a result, we'll continue using this training with new hires in 2013," Tedrick says, "and we're in the process of building our 2013 emerging technology training roadmap for our embedded base."

In addition to training employees, Verizon's L&D team provides training directly to customers as a means of improving their experience with Verizon's products and services. For example, says Michael Sunderman, executive director, Talent Management, Verizon's ISO 9001 certified customer training team plays an important role in the sales bid process by providing pre-sale training demos to educate potential customers on the features and capabilities of Verizon enterprise product solutions. Training demos are tailored to the customer's requirements outlined in request for proposals (RFPs). "Customer trainers are experts on the use and benefits of the Verizon Enterprise Portal and its suite of products, for example," Sunderman notes. "A recent training/demo resulted in a 12-site Global PIP, EPL, and IDE contract. We won a new account for Verizon and increased revenue as a result."

## VZLEARN MAKES LEARNING EZ

VZLearn, Verizon's enterprise-wide learning management system (LMS), is used to deliver OLTs, schedule ILTs/VILTs, publish course catalogs, track participation/learning history, and provide completion reports. When VES formed in 2012, VZLearn enabled it to quickly support the new learning needs without incurring additional costs. "As part of our 2012 ONE-HR L&D Technology Initiatives, we implemented, and/or are in the process of enhancing or simplifying multiple applications and platforms within our L&D infrastructure," Healy says. These include:

- Implementation of a new VZLearn Search function to reduce time required to find and enroll in courses (\$1.4 million annual cost savings).
- Transformation of VZLearn into a Unified Learning Portal (LP), which will aggregate Verizon's learning content into a personalized single entry point for all learning needs. The LP will provide learners faster access based on fewer clicks and page loads needed to access learning content (\$2.2 million annual cost savings).
- Consolidation of multiple assessment applications into one: QuestionMark Perception.
- Consolidation of multiple Level 1/Level 3 survey applications/tools into one learning measurement platform.
- Implementation of an advanced distance learning platform to improve delivery capability and effectiveness.

Adds Tedrick, "We've made advancements in mobile learning over the course of 2012. We developed the Learning Album (LA) for sales new hire training. LA is a Web application supported on iPads and Android tablets. Participants explore interactive content through LA 'playlists' (collections of text, videos, podcasts, activities, quizzes, and assessments)." Year-to-date

results: \$24,000 saved in participant/leader guide printing, and learner feedback averages of 4.6 on a 5-point scale.

To teach FiOS technicians how to use a hardware meter that detects voltages and frequencies of coaxial cable, Verizon built a simulation delivered via a just-in-time application on ruggedized Android tablets. Used in new hire training, it provides mobility as technicians navigate through various technical training centers and has helped speed the delivery of training, Tedrick says.

Verizon now is piloting a tablet-optimized performance support tool called SIMON (Simplified Information at the Moment of Need) in 27 retail stores. "Currently, our online reference content is accessible through static point-of-sales stations located behind a counter," Tedrick explains. "Retail representatives need to break the flow of their sales process to go look up information, making it a disconnected process for them and our customers. SIMON makes that online reference content mobile, enabling our retail representatives to use SIMON side-by-side with customers, eliminating today's point-of-sale machine and counter barriers."

Verizon is poised for full deployment of SIMON in first quarter 2013. In terms of business impact, Tedrick says, "we project that customer satisfaction will increase, leading to potentially higher Net Promoter Scores, and we've forecast \$2 million in representative productivity savings annually."

On the social learning front, employees use Device Forums (DF) to report device issues and share tips, tricks, and suggestions with peers. L&D maintains the DF infrastructure, while the Device Team and manufacturers manage the issues and content. DF has 46,892 users (68 percent year-over-year growth). "Customer service (CS) representatives immediately reported issues with a new software release based on an influx of customer calls," Tedrick relates. "We stopped the release, fixed the problem, then re-released with no issues. Early problem identification through DF saved thousands of customers from frustration, prevented thousands of calls to CS, and reduced the cost of device sample requests for testing by \$315,000 annually."

Verizon curriculum developers use Yammer (an internal social networking tool) to ask Sales/CS employees to post real-life scenarios/best practices that then become the basis for role-plays. Trainers set up classroom Yammer groups. For example, new hire groups link new employees with each other, their trainers and leaders, and peers in their new workgroup. "Through Yammer, new hires can easily communicate, share information, and participate in the broader Verizon community," Tedrick says.

Employees and L&D also post training videos on VZTube (an internal YouTube-like site) to enable viral learning. In 2012, 2,800-plus videos were posted, with more than 2 million page views, Tedrick says.

"We're just scratching the surface of what's possible with social and mobile learning, given the explosion of tablets and smart phones with greater bandwidth, speed, and screen size," Tedrick believes. "So I think social and mobile learning will continue to be 'big' in the coming years. I also think that given business' movement toward more mobile workforces and reductions in travel budgets for training, learning how to leverage the power of cloud technology to facilitate learning anywhere, any time, any way will be big for our industry." ■