



## SNCF

**Transforming two somehow antagonistic state organizations into one united force capable of embracing the future together**

SNCF's mission was to turn its services back into the reliable and commercially attractive business propositions they once were. However, employees feared that the merger of SNCF and RFF would do little to bring about positive change, secure jobs and improve the increasingly bleak climate at SNCF.

# Overview

## Context

A national train company and a railway operator about to merge in an effort to provide reliable services, boost financial performance and regain credibility in a changing world. [Page 3](#)

## Challenge

Transforming two somehow antagonistic state organizations into one united force capable of embracing the future together, having learned from its past then let go of it. Involving 650 doubtful leaders in the redesign to ensure a shared commitment to succeed. [Page 4](#)

## Custom approach

Engage a large group of managers in rethinking the organization through an inspirational, highly explorative and disruptive approach. [Page 5](#)

## Impact

The mega-dive facilitated knowledge development and capacity building within the organization to carry out a major transformation and brought about a complete mindset shift. Several proposals are already being implemented and new initiatives continue to be developed. [Page 6](#)

“ There is simply no competition for IMD’s orchestration model. Unlike a consulting approach, this event has given us knowledge inside the company to carry out a major transformation.



**Guillaume Pepy**  
President  
SNCF

## The IMD mega-dive

Organizations often realize they have to re-invent themselves or face the threat of becoming irrelevant. But that’s easier said than done. How do business leaders collectively come up with good ideas and then find a way to bring them into the real world?

“ The mega-dive takes learning to a different dimension. By mixing people from different industries with different challenges and perspectives on the same issues, we are able to test and refine ideas and turn them into workable solutions. It’s amazing to feel the creative energy and passion these dives evoke.

IMD Professor of Strategy Cyril Bouquet created and orchestrated mega-dives for a number of IMD clients including SNCF.



**Cyril Bouquet**  
Professor of Strategy  
IMD

# Context



French Railway company SNCF lost €15 billion as a result of incorrect information provided by engineers at French railway operator RFF, which meant that 2,000 new trains ordered by SNCF were found to be too wide for many of its regional platforms. Meanwhile, a deteriorating financial performance of its public infrastructure and freight operations, and a strike in 2014 that paralyzed the country's rail service, meant the company was bleeding cash. The French authorities decided to merge the two companies to improve the overall service and coordination between the two entities and provide a reliable public service that it could be proud of.





# Challenge

SNCF's mission was to turn its services back into the reliable and commercially attractive business propositions they once were. However, employees feared that the merger of SNCF and RFF would do little to bring about positive change, secure jobs and improve the increasingly bleak climate at SNCF.

The Group Presidents decided to involve the Top 650 leaders in crafting the new organization to ensure their buy-in, which was key to the success of the new entity. An upcoming annual convention offered the perfect opportunity to do just that.

# Custom approach

SNCF partnered with IMD to help charter the new path. With just two days of face-to-face time with the whole group, it was paramount that the participants arrived at the convention up-to-speed and ready for change. Through a process called mega-dive, participants used design thinking to dream and visualize a brighter future for SNCF.

The mega-dive methodology has four distinct phases: Inspiration, Ideation, Iteration and Execution. This well-proven process creates the space for people to think from an outside-in perspective, act as entrepreneurs instead of bureaucrats, and stimulate cross-functional teamwork.

## Inspiration

In view of the short time available to work together face-to-face as a group, for six weeks prior to the convention, the participants busied themselves with an online transformation platform facilitated by IMD. IMD wrote custom articles to highlight critical trends and issues relevant to the world of SNCF today. It developed special online lectures to inspire people on a range of possible futures, and designed critical exercises to get them to exchange as a group and interact with critical stakeholders in the field. Finally, it probed participants to share their hopes and fears regarding the new SNCF. This encouraged the executives to think about how the world around them was changing and what SNCF's role would be in the new order. The results were shared in a high-impact video that captured and reflected the energy and concerns of the group. Ongoing conversations uncovered entrepreneurial initiatives underway in the company, which were shared with the others.

## Ideation

In this phase, the participants and top-level leaders gathered in one room to work collaboratively to prototype and iterate ideas about the future. Over a day and a half, multiple conversations took place within diverse teams, including the two board teams, to rank the best ideas worth pursuing as strategic projects for the organization. Participants voted in real time on prototypes while all content was captured through IMD's technology and structured for follow-up.

## Execution

The most innovative ones were cascaded to multiple parts of the organization through a process called mini-dives where participants assumed the role of ambassadors modelling the new ways of working.

## Iteration

In this last phase of the process, the teams returned to their offices where they tested and verified the value of the workshop ideas with their other associates.

# Impact

Several proposals developed in the process are being sponsored by members of the board and in the process of being implemented. A couple of years on, one can observe that a new entrepreneurial mindset is emerging in many different parts of the organization. Among recent initiatives, one can mention new ways of conducting maintenance work on the tracks, socializing employees when they arrive on the job, and approaching problems that emerge using a multi-functional perspective. On the commercial side, the whole organization is ready to experiment with new business approaches to deal with the uncertainty of innovation at the start. One example is the launch of TGV Pop, an application that encourages customers to fill trains by coordinating their traveling schedules then enjoying discounted rates providing the trains are filled. At the end of 2015, SNCF also announced a partnership with Airbnb aimed at offering more inclusive and holistic traveling solutions to passengers on the go. The net result was a huge backlash from French hotel chains, which forced SNCF to terminate the partnership – just one day after it was announced. This was true entrepreneurship in action: experimenting with new ideas, getting real feedback from the market, and using the resulting learning to adjust or terminate ideas in the next phase. This is how the future is created: through practical experiments in the field – and not simply through the intellectual efforts of highly talented executives in the HQ.

Meanwhile SNCF is continuing to apply the mega-dive way of thinking to imagine the train stations of the future.



## Participant comments at the mega-dive:

- “ It is very interesting, very good, very dynamic. There are many new ideas that have emerged, ideas that we would not have thought of if we have not done this deep-dive.
- “ We are discovering new ways to approach complicated issues we experience in our daily lives which we will leverage to find new solutions to resolve them.
- “ The day was heavy because we have been led to reflect on many subjects, but the advantage is that we have done it in an innovative way. The fact of moving from table to table to see what our colleagues were doing on other subjects, and at the same time challenging our own work, allowed us to find new energy when it was a bit down.



# Develop your people, transform your organization

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## Your journey

### IMD can partner with you at every step

Are you looking to develop the individual capabilities of your people in areas critical for growth? Or are you considering a deeper organizational transformation, where you question the very purpose of your business?

Whatever your aspirations and needs may be, we can develop fully customized programs for you that reflect the opportunities and challenges of your organization.

Working closely with our world-class faculty from day one, you will design together learning solutions that meet your unique objectives and deliver the highest impact.

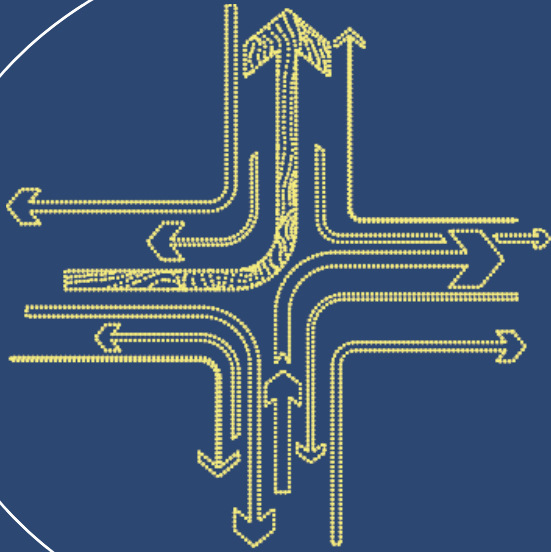
#### Context

You gain a clear understanding of the objectives you want to achieve as an organization.

You develop new insights on your business as we challenge your assumptions, reframe your perspectives and uncover new growth areas and blindspots. Together, we define what success should look like as we co-design your learning journey.







## Transformation

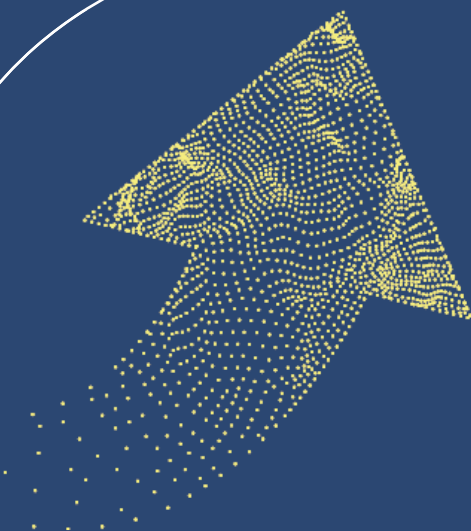
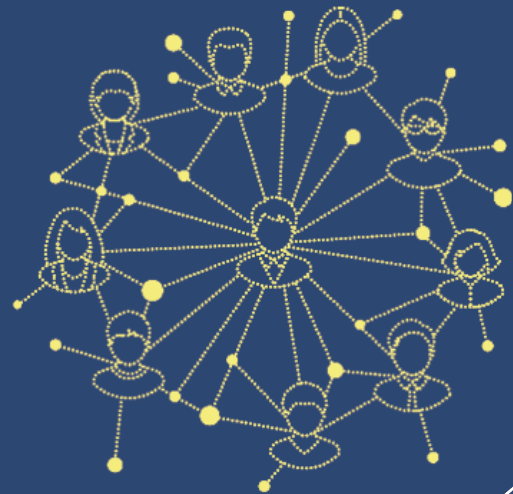
You build the case for change and a detailed action plan associated with key areas of choice.

You explore and identify alternative directions in which leaders could take the business, and specific areas of choice moving forward. You build an aligned view of what it will take to be successful in the future and reshape your organization's strategic, organizational and leadership agenda accordingly.

## Capabilities

You develop the capabilities of your people in areas critical to your future success.

You empower your people to realize your organization's ambition by developing their capabilities in areas such as strategy, innovation, leadership and change management. The top team cannot succeed alone. You energize and align your people around a shared commitment moving forward.



## Impact

You create lasting impact as your organization sets out to lead and drive change.

What you learned and created at IMD becomes ingrained deep into your organization. You embed new ways of working and foster an agile organizational culture ready to embrace the future. We allocate time, resources and processes to facilitate and track your implementation progress.



IMD is ranked **1<sup>st</sup>**  
in open programs worldwide  
*Financial Times 2012– 2016.*



## The IMD Difference

IMD is a top-ranked business school.  
We are the experts in developing global leaders  
through high-impact executive education.

### Why IMD ?

- » We are 100% focused on real-world executive development
- » We offer Swiss excellence with a global perspective
- » We have a flexible, customized and effective approach

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