



RED TEAM

McChrystal Group

CarbonCo Red Team Workshop

CASE STUDY

SITUATION

In 2019, a Fortune 10 company was faced with a two-billion-dollar decision—whether or not to construct a new hydrocarbon cracking facility in Asia. The company’s new capital ventures division, CarbonCo*, had spent months scoping, designing, and developing implementation plans for this global venture in Asia. However, CarbonCo had not yet critically evaluated its plans for this new, rapidly changing environment that demanded new external partnerships.

CarbonCo’s strategic objective was to meet the growing demand for chemical products in Asia. While substantial preparation for achieving this high-stakes goal had been done, CarbonCo leaders recognized that the legacy processes of the much larger parent company would not be agile enough for this new environment. Prior to execution, CarbonCo leaders needed to conduct an aggressive, flexible external pressure-test for their Asia venture plans.

This pressure-testing included the following steps:

- » Identify strategic risks and vulnerabilities of the Asia venture plans and develop mitigation plans.
- » Articulate the Asia venture planning team’s assumptions and develop a method to resolve assumptions.
- » Identify any gaps remaining that could eventually hinder the Asia venture’s success.
- » Align the team around a shared vision for success to energize the project team and reinforce its global team’s collaborative mindset.

“ I’ve been in countless CarbonCo meetings where we never get to the heart of the matter. And this time we identified it and are discussing it”

- CarbonCo Leader

SOLUTIONS

McChrystal Group's team of expert Red Team facilitators developed a three-day intensive workshop to pressure-test CarbonCo's strategy for the Asia venture. This Red Team Workshop fused CarbonCo leadership's unique knowledge of their strategy with McChrystal Group's specialized techniques to manage risks and vulnerability. The following steps were taken:

- **STAGE 1: Develop a Tailored Curriculum**
McChrystal Group spent six weeks gaining expertise on CarbonCo's industry, its competitive landscape, and the key strategies and stakeholders associated with CarbonCo's specific business challenge in Asia. McChrystal Group's team of expert consultants developed a Red Team Workshop tailored to address their precise challenge. McChrystal Group also trained CarbonCo leaders with the facilitation skills they could apply to tackle future challenges.
- **STAGE 2: Align Participants Around their Strategic Vision**
McChrystal Group immersed CarbonCo leaders in exercises that forced them to envision the end state of the Asia venture project in five years. The exercise drove CarbonCo leaders to understand the potential for the project's success or failure depending on certain behaviors and assumptions.
- **STAGE 3: Determine the Assumptions and Action Plan to Resolve**
Participants brainstormed and investigated their unexamined assumptions that underpin the strategy. This allowed participants to establish areas of weakness that might challenge their vision for the project's success and identify an opportunity to build resilience to these challenges into their strategy.
- **STAGE 4: Identify Vulnerabilities and Risks to the Venture Plan**
Participants collectively examined each potential cause for failure of their strategy and established its criticality to the Asia venture plans. Specifically, participants completed facilitated exercises around the construction, project management, contracting, and procurement strategies. This enabled participants to identify and discuss specific ways to improve alignment and generate consistent communication and trust among CarbonCo leaders and external contractors in order to accomplish all parts of their strategy.

RESULTS

Following the workshop, McChrystal Group provided CarbonCo leaders with a detailed workshop report that distilled the takeaways from the intensive three-day session. This report enabled CarbonCo's senior leadership to confidently communicate newfound risks and opportunities to the company's board as they faced this two-billion-dollar decision. Further, CarbonCo's leaders were able to:

1. **Uncovered Major Risks to Asia Venture Plan**
Participants determined that a top risk for their strategy was the disconnect between CarbonCo's rigid and insular culture and the high-stakes decisions the organization made. McChrystal Group's facilitated discussions not only revealed this blind spot but also motivated plans to better connect and communicate culture and decision-making in the future.
2. **Enriched Understanding and Contributions to Strategy**
Along with a 24% increase in participant understanding of the strategy noted in a post-workshop survey, CarbonCo leaders were able to clarify and understand the strategy together. McChrystal Group created a forum for them to express and hear new ideas and increase their overall engagement in the strategy, enabling a globally dispersed team to craft a shared vision for the organization's future.
3. **Developed CarbonCo's Internal Red Team Capabilities**
CarbonCo leaders not only critically examined their strategy to better inform this high-stakes decision but were also empowered with the tools to Red Team future strategies and decisions. McChrystal Group's Workshop enhanced CarbonCo's internal pressure-testing capabilities to advance the creative problem-solving and foresight of its leaders.



ABOUT MCCHRYSTAL GROUP

McChrystal Group is a global advisory services and leadership development firm composed of a diverse mix of professionals from the military, academic, business, and intelligence sectors who specialize in transforming stagnant and siloed organizations into cohesive, adaptable Teams of Teams®.