

## Avis Budget Group Selects Linkage's *Women in Leadership Institute*<sup>™</sup> as a Strategic Element of its Global Women's Initiative

### About Avis Budget Group

Avis Budget Group, Inc. is a leading global provider of vehicle rental services, both through its Avis and Budget brands, which have more than 10,000 rental locations in approximately 175 countries around the world, and through its Zipcar brand, which is the world's leading car sharing network, with more than 775,000 members. Avis Budget has approximately 29,000 employees and is headquartered in Parsippany, N.J.

### Background

"Running a multinational company in a highly competitive environment requires the active and strategic development of our human capital," stated Ron Nelson, Chief Executive Officer of Avis Budget Group. "Core to sustaining our competitive edge over the long term is the development of a highly diverse employee population. We have therefore enhanced our human capital investment to include our most valued female employees, comprising 50% of our global employee population of which more than 20% make up our senior leadership ranks. Our mission is to bring gender parity to the recruitment, development, advancement and retention of high achieving customer-led employees."

Avis Budget selected Linkage's *Women in Leadership Institute*<sup>™</sup>, an immersion learning experience, as a strategic element of its Global Women's Initiative, launched in the fall of 2011. "The Institute offers access to best practices and thought leadership from world-class experts in organization and leadership development, focusing on nine critical leadership competencies, the mastery of which Linkage has determined is predictive of advancement," said Barbara Kogen, Vice President of Organization Development.

A group of 30 female leaders were selected to attend the 2011 Institute as two intact action learning teams. A high impact development opportunity, they dynamically applied the information and learnings that they gained as participants to a structured, facilitated consideration of a pre-assigned strategic challenge. Tasked respectively to make the argument for and against the introduction of a high risk/high reward competitively disruptive service, each team developed preliminary recommendations and action plans. The teams presented their thinking to Ron Nelson, their CEO, who joined them on the last day of the Institute.

### The Strategic Challenge

One of Avis Budget's major competitors introduced a service that had the potential to dramatically change the competitive landscape. Significant internal debate ensued concerning Avis Budget's response. The organization needed to respond quickly.

**The service:** To provide customers with the option to change or upgrade their pre-selected vehicles at the point of pick-up, avoiding the need to stop at a service counter or request the change online or by telephone.

**The risks:** A decision to respond with a similar service with compelling points of difference would require creative planning, innovative process changes, and impeccable in-market execution to mitigate the significant development and ongoing operating expenses of offering the service. A decision against the offer of the service would likely result in a significant loss of market share without the introduction of an alternative, game changing service.

## Linkage's Response

Linkage took a customized approach to Avis Budget's participation at the Institute, at once addressing its leadership development and business objectives. Its *Agenda for Change*<sup>™</sup> model was offered as the framework to develop the cases for and against the offer of the new service. Two experienced Linkage consultants were selected as action team leaders to facilitate the accomplishment of the teams' assignment. Linkage's consultants were responsible for:

- Planning advice prior to the onsite experience in an effort to maximize learnings and hoped-for business outcomes
- Onsite facilitation of each team's development of preliminary conclusions, recommendations and action plans
- Assistance with the integration of the content that the participants were exposed to throughout the Institute experience, focusing on the nine critical leadership competencies and skills, into each team's thinking and planning

Prior to arrival at the Institute, the team of 30 and Linkage's consultants studied Avis Budget's relevant customer research, competitive intelligence and the financial and operational implications to the go/no go scenarios.

## The Outcomes

With thirty days to prepare following the Institute experience, the teams finalized their respective conclusions and recommendations and presented them to Avis Budget's senior leadership team. Together they made the decision to introduce *Select and Go*. A new source of highly profitable revenue, the service would include difficult-to-replicate features that responded to customers' desire to rapidly and effortlessly change and self-select their vehicle of choice at the point of pick-up, knowing that access to fast, personal and professional onsite assistance would be available if needed.

An Institute participant was promoted to lead the development and launch of *Select and Go*, and the service was introduced six months following the decision to go forward (seven months after the team's participation at *The Women in Leadership Institute*<sup>™</sup>). The market response was immediate and brisk. Significant increases in relevant customer satisfaction scores were observed within 60 days of *Select and Go*'s introduction in 25 test markets.

The service is on schedule for completion of rollout. If usage momentum and strong customer satisfaction scores persist, *Select and Go* is projected to have a meaningful impact on the top line, to boost market share momentum and to strengthen the profit margin of Avis Budget's line of discreet services—offered in conjunction with the rental of its vehicles—as the impact of the highly profitable revenue stream builds.

Select and Go may well have been introduced without our participation at *The Women in Leadership Institute*<sup>™</sup>, but with far fewer internal benefits and external impact, the consequences of which will endure in ways that we still have not fully appreciated," said Gina Bruzzichesi, Senior Vice President Strategic Customer Leadership and founder of Avis Budget's Global Women's Initiative. "We have struck a chord in the marketplace thanks in no small part to the leadership competencies and skills that our participants acquired at the Institute and in turn applied in the development and launch of *Select and Go*," said Bruzzichesi.

"I returned from the Institute with a heightened confidence and willingness to take personal risk for the sake of getting things done and building our business," said Priscilla Alvarado, Director Customer Initiatives. "As individuals and as a team, we have been emboldened to drive rapid decision making, and to think and behave creatively and decisively toward the accomplishment of breakthrough results. Even better, our voices as a team of aspiring leaders, and supporters of one another, representing a wide cross section of our organization, continues to strengthen," Alvarado said.

"Many Institute participants went on to play significant value added roles in the development and introduction of *Select and Go*—some doing so in addition to their day jobs—a fitting outcome to a significant strategic commitment to the development of our most valued women leaders whose return on investment has surpassed our expectations," said Kogen.