

# Dynegy CEO sets 'be here now' culture



Leaders cannot talk their way out of a deteriorating business. To reverse course, take bold steps.

Bob Flexon became Dynegy's CEO in July 2011; four months later, the energy company filed for bankruptcy. To boost morale, Flexon unveiled a series of dramatic changes.

- **He moved the Houston headquarters to a new building** with an open-floor layout, where his office is now a 64-square-foot cubicle just like the 235 employees that surround him. As a result, he chats with a cross section of people—not just his senior executive team.

Beyond reconfiguring the work environment, the move produced \$5 million in annual savings.

- **He raised collective accountability.** Flexon restored yearly performance appraisals to give employees more feedback and reward their efforts. He also prohibited attendees from checking email or fiddling with their phones in meetings. The new motto, "Be here now," reminds everyone to focus on the business and eliminate distractions.

- **He revitalized senior managers.** The company hired a consultant to lead a two-day meeting. The participants—Dynegy's 37 top executives—engaged in a series of exercises to build trust. For example, managers paired up and spent one minute praising each other's work followed by a minute on constructive criticism.

- **He introduced employees to the new culture** as Dynegy emerged from bankruptcy. It's based on a purpose statement ("Energizing You, Powering our Communities") and supported by core values such as safety and agility. Flexon and his lieutenants visited all 11 plants to share the changes with employees.

The cultural overhaul has made a positive impact. Turnover fell to 5.8% in 2012 from almost 8% in 2011.

— Adapted from "[Can A New Culture Fix Troubled Companies?](#)," Joann Lublin, *The Wall Street Journal*.