Nucore Transformation Journey: Thriving at uncertain times

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Abstract— The COVID-19 outbreak took down travel industry and its associated businesses in 2020, with still no major signs of recovery. This action research explores the approaches and actions an organisation took during the looming crisis to innovate and respond proactively to beat all the odds. The preparations and nimble actions by the leadership team guided by strong principles helped the organisation steer through and launch six products during one of the toughest phases of its existence.

Keywords— Agile transformation, resilience, employee experi-ence, travel industry, purpose

I. INTRODUCTION

Though at the beginning of the year 2020 Inter-national Air Transport Association (IATA) had re-ported a positive outlook, with a projected 4.1% increase in Revenue Passenger Kilometers (RPKs) and a modest recovery in air freight volumes com-pared to the previous year[1], the novel coronavirus (COVID-19) pandemic has created havoc in the travel industry like never before. Many countries closed borders in a chaotic manner[2] leading to travel bans and many events being cancelled across the world due to spread of virus thereby reducing the need for business travel[3]. A study of COVID-19 outbreak impact on 52 listed airline companies around the world found that airline stocks declined significantly than recovery[4]. Another study later in the year 2020 regarding the impact of COVID-19 outbreak on aviation sector indicated job losses and billions of dollars in financial losses[5]. This research is a case study of the initiatives that Nucore software solutions private limited (Nucore)[22] took prior to the pandemic and during the pandemic that helped the organisation thrive during these unprecedented times.

Nucore specializes in travel agency and airline Enterprise resource planning(ERP) systems. Nucore processes about 57 million transactions generating $4.5 billion in sales from more than 500 agents in 28 countries serving more than 10,000 users in 3,000 locations. Businesses using Nucores' solutions include global travel management companies, leading travel houses, destination management companies and online travel agencies across the Middle East, Africa, and South East Asia.

II. OBJECTIVE

Based on the growth strategy for Nucore, the leadership team identified that aligning all teams within the organisation into an agile way of work-ing was an important step to achieve the projected growth plans, and was named as the Nucore Trans-formation Journey(NTJ). The desired outcomes from this initiative was to improve the predictability in delivery and increase productivity of each teams and its respective members.

III. RESEARCH METHODOLOGY

French and Bell discussed about organisation improvement through action research[6] which is different from traditional change programs where an external expert works closely with the organisa-tion, to initially understand the ways of working of the organisation and then design interventions by applying behavioral science concepts.

It was decided that NTJ will follow an action based approach to implement the initiative.

As a first step, interviews were conducted with leadership teams and other members in the organi-sation as part of the organisational diagnosis[7]. Based on the outcomes, the report was compiled and discussed with the leadership team to align on the gaps and to derive an action plan to design and implement the interventions. The following sections explains briefly on the various actions undertaken to design and launch the NTJ interventions. NTJ interventions were iterated in two phases and accordingly referred to as NTJ1.0, launched on March, 2019 and NTJ2.0, launched on January, 2020 to refer to the two phases.

A. House of Nucore

One of the important findings from the diagnosis was that the organisations needed a mindset shift regarding the way they believed the work has to happen. To achieve this outcome, House of Nucore (HoN) inspired by house of lean[8] was defined. HoN attempts to achieve Nucorean Experience, ab-breviated as NucorEX, the employee experience framework at Nucore and consists of nucoran philosophy, behaviour and experience.
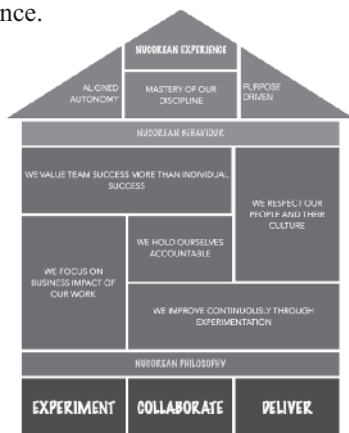

Fig. 1 House of Nucore

1. Nucorean Philosophy : Defined by three pillars namely, experiment[9], collaborate[10] and deliv-er[11].

2. Nucorean Behaviour : The desired behaviour [12] every nucorean shall showcase to uphold the nucorean philosophy. They are as follows:
• We hold ourselves accountable
• We value team success more than individual success
• We respect our people and their culture
• We improve continuously through experi-mentation
• We focus on business impact of our work

3. Nucorean Experience : Defined by aligned au-tonomy, mastery of our discipline, being purpose driven[13][14][15].

B. NTJ 1.0

The NTJ 1.0 interventions focused on launching the agile teams, which included establishing the hybrid agile approach with the project teams. Pro-ject teams were categorised into three considering the project state.

1. Category 1 (new project/ product development): These teams were designated to follow the agile way of working where the ceremonies and practices were chosen based on the appropriate-ness to respective teams.

2. Category 2 (ongoing projects): To ensure that there were minimal impact to ongoing work, the projects were analysed to understand the existing challenges. Based on the findings, appropriate trainings were provided to all team members so as to induct them to the new way of working ensur-ing zero impact to deliverables.

3. Category 2 (maintenance projects): These teams adopted Kanban principles and practices as part of new way of working.

Figure 2 explains the details of hybrid agile ap-proach.

1.Agile Bootcamps : To socialise the agile con-cepts and approaches adopted by teams.

2.Agile Transformation Phase 1: This phase was planned after agile bootcamps, where the team transitioned to agreed approach. The team were mentored on various ceremonies and practices for a duration of six 2-week sprints.

3.Agile Transformation Phase 2: After 6 sprints, teams planned and executed their sprints with minimal external support for the next 6 sprints. The teams met the expectation to be independent self-managed agile teams by 12 sprints.

skills.

There are four enablers for the product teams, which include

1.House of Nucore : Defines the employee expe-rience framework at Nucore.

2.Scorecard: Each team had a monthly scorecard based on the progress they made with respect to their goals.

3.Dashboard: The dashboard provides visibility of relevant organisational metrics and shall be ac-cessible to everyone in the organisation.
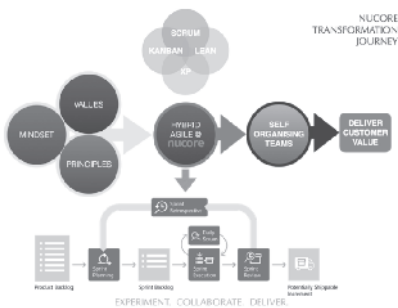

Fig. 2 Hybrid agile approach

C. NTJ 2.0

The NTJ 2.0 was initiated at the beginning of year 2020 to leverage the momentum gained from NTJ 1.0. Figure 3 is a diagrammatic representation of NTJ 2.0.

Every organisation need to have clarity[16] on its purpose and why it exists[17]. This is quite im-portant to align the members in the organisa-tion[14]. The product teams aligned to the three core characteristics of an agile organisation as indi-cated by Steve Denning[18], which includes the law of the small team, the law of the customer, and the law of the network. Team members aligned as part of virtual teams to improve on their domain, technical and business knowledge and
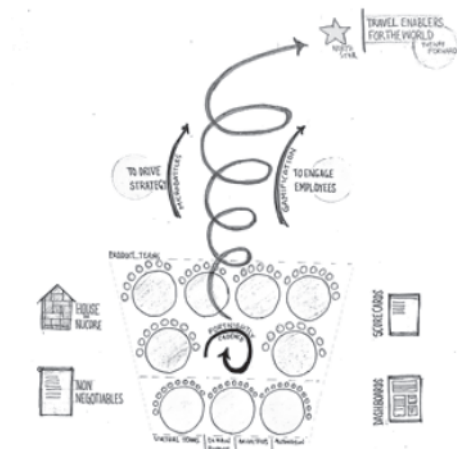
negotiables at Nucore: The non-negotiables[19] at Nucore are as follows:
• Responsiveness: Respond to all our stake-holders in a timely manner.
• Intense commitment: Commit and honour commitments.
• Results matter: Create impact through results, everything else is secondary.
• Courageousness: Speak the truth and face the facts. Let there be no silent disagreements.
• Transparency: Transparency supports smarter behavior and better decisions.
• Multiplier: Be a multiplier.
• Bias towards action: Learn from mistakes and do not repeat them.

The product teams delivers on a fortnightly ca-dence and aligns to a quarterly plan based on the product roadmap. The organisation employs gami-fication to engage and motivate employees[20], and micro-battles[21] to drive strategy. All the teams are aligned to the "North Star" or the purpose of the organisation, which states, "Travel business ena-blers for the world".

IV. RESULT SECTION

Table 1 summarises the timeline of various prod-uct launches Nucore made during the last fourteen months.

TABLE I
PRODUCT LAUNCH TIME LINES

S.no	When	Action	Benefit
1	April-May 2020	Anticipated the need of a refund tool, innovated and delivered **IATA BSP Link Automation - Refund Tool** in 30 days.	This tool was provided to all the travel agents at free of cost considering the fact that they were impacted by the lockdowns
2	June 2020	Launch of NDC Based Booking Portal nuflights.com To be released in June 2021 with Emirates Airlines as partner	To invest in next innovation in travel distribution IATA NDC
3	June 2020	Launched SkyBook Global - Travel Business Consulting division skybookglobal.com	Structured and cost-effective approach to enable business growth for our customers via our technical expertise.
4	August 2020	Re-launch of a SaaS based CRM **nuCEM**	A Client Engagement Management Platform
5	February 2021	Launched **NuPay**	The digital payment platform for Travel Agents
6	May 2021	Launch of **nuTraacs** - SaaS verion of flagship product TRAACS	For small and medium agents to start their operations with zero investment in platforms.

Though 2020 had been a difficult year for travel industry and for Nucore due to the COVID-19 out-break, with continuous innovation and excellent execution approaches, Nucore launched as many as six products during the period of March 2020 and June 2021. Nucore also announced a salary hike to all its employees effective from June 2021.

V. DISCUSSION

Strategy matters. What matters more is the exe-cution capability by the leadership and team espe-cially when the going gets tough. With impending COVID-19 outbreak, the leadership and the team made many right choices to reach where it is today. When many organisations in the sector succumbed to the crisis, Nucore thrived and launched multiple products. Here is a summary of certain proactive actions that the leadership team took to stay ahead.

The leadership team anticipated the possibility and impact of lockdown at least 2 weeks in advance and prepared the organisation for remote working as well address challenges associated with travel bans across the globe.

During March 2020, flights were grounded across the globe with an impeding uncertainty on the future and recovery of travel industry. One of the important considerations was to have a clear visibility on the working capital for 1-2 years. Being a non-funded organisation and solely depended on the revenue from customer payments, the leadership team had to make certain tough calls in a short span of time that could make or break the organisation. The leaders considered the following as the guiding principles for all decisions that was to be made in the near future:

• Support nucoreans by all means courageously.
• No layoffs and no change in the benefits; requested all members to face the challenges together.
• To never let the team down, provide clarity and confidence on how the organisation in-tends to address the upcoming challenges in a transparent way.

• To stay relevant and thrive in the industry during the year.

A few of the initiatives taken by the leadership team during the lockdown period are summarised below:

• Worked out a plan to manage cashflow required in the upcoming months due to blocked payments from the customers due to the un-precedented situations.

• Work from home(WFH) policy was created for secure but seamless way of remote working.

• Mobilised the necessary assets and resources to enable WFH for the employees which included but not limited to computers and its accessories, internet access etc.

• Agenda based meetings setup at regular ca-dence enabled team members to collaborate better. Each teams connected on a daily basis to plan their work and address their impedi-ments. A weekly newsletter was sent from the CEO's desk to update all members regarding the market situations and the actions taken by the organisation. All important announcements and updates were given to the team members in the monthly townhall, which helped them to be abreast of industry and organisational up-dates.

• During the initial period of of lockdown, the teams aligned together and reprioritised all the items in the backlogs, based on roadmap and anticipated risks. The updated backlog helped team focus on important milestones.

• Clear plans to upskill and cross skill the team members were put in place that helped increase efficiency and effectiveness of their work outcomes.

• An internally developed knowledge database, NucStack is being used for internal col-laboration and as knowledge repository.

• A project execution strategy named nuPlan was devised with clear KRA, templates and checklists helped the team align better. The nuPlan included the dashboard data for better visibility at organisation level.

VI. CONCLUSIONS

Leadership decisions makes or breaks an organi-sation, especially at a time of crisis. Like every or-ganisation, when the crisis hit due to COVID-19 outbreak which was unprecedented, Nucore had a choice to make. Looking back, many actions that the leadership took helped the organisation to thrive during the crisis situation. Right from deciding that there will not be any employee layoffs, to innovat-ing a product in a short time to help travel agents and providing the product free of cost anticipating their financial losses due to large number of cancel-lations due to travel ban, Nucore did not leave any stone unturned. It is to be noted that even with looming crisis of the COVID-19 crisis, Nucore de-cided to announce a salary hike to all its employees effective June 2021.

The crisis of COVID-19 outbreak hit when NTJ2.0 was launched. While many tenets were aligned with the teams and practiced, there are still a few tenets which have not been completely im-plemented due to alternate strategy implemented by the leadership to address COVID-19 outbreak cri-sis. These tenets can be planned to be implemented in the upcoming days. These include an organisa-tion wide launch of the non-negotiables, the gami-fication approach to improve employee engagement and micro-battles approach to drive strategy. The non-negotiables at Nucore if implemented will guide the employees to take better day to day deci-sions, and may impact both the customers and the organisation. While Nucore did take many deci-sions to take care of the employees, there are still areas that may be addressed to improve employee engagement, which may be leveraged through gam-ification.

While Nucore did experiment a lot with alternatives to implement the strategy, micro-battles approach will definitely help the Nucore innovate better.

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