How to Drive Change

One of the real tests of leadership is to bring about significant change in an organisation. Criticaleye speaks to business leaders to find out how it can be done

Shifting consumer trends, new technology and the pressure to operate more efficiently mean that operational structures need to be scrutinised with a clinical eye. Identifying where changes are to be made is one thing; making them actually happen effectively is something else entirely.

The key to success is to get the buy-in for any proposed reforms. "A company's culture is the hardest thing to change and normally this is only achieved under a severe crisis or over a generational period," says **Bob Emmins**, the Finance Director at ABF Ingredients.

Inevitably, opinions vary over how long it can take to bring about new ways of working. **David Turner**, CEO of outsourced contact centre company HEROtsc, says: "Done properly, it takes a minimum of six months to really change behaviours in your business. One can only enact these types

of changes if the people that are going to drive this through have the same values and belief structure of the business leaders."

The tone has to be carefully judged when explaining why a fresh direction is required. **Katharina Auer**, Head of Internal Communications for Rio Tinto, says: "Realistically, not every employee will be involved in shaping strategy or change - but every employee can be involved in shaping what happens at the team or local level. It's therefore important to address the 'me' questions: 'What does this mean for me?'; 'What's in it for me?' Without that relevance, engagement and commitment are unlikely, and change initiatives will be slowed down or fail."

CREATE A NARRATIVE

Back in 2010, Colt announced plans to simplify its structure in order to improve customer intimacy, drive growth, increase efficiency and improve service. The company rebranded from COLT to Colt Technology Services and, for COO **Andrew Powell**, the success of this transition hinged on giving people the opportunity to understand the reasons for going on this journey.

"We had to explain to Colt employees why we needed to take the business into the integrated network and [computer services] space," he says, noting the importance of telling the story of the company, rooted in its telco heritage, and how it had to evolve.

Andrew continues: "We rolled out a series of workshops for all employees, with the aim of turning the story of the business into something practical. These were run by their managers and began by articulating Colt's new values and strategic actions, then building the stories of success around them. Personal stories brought to life what individuals and teams did well and where they needed to change or continue in order to meet the needs of customers and colleagues."

It's a point taken up by **Lynda Gratton**, a Criticaleye Thought Leader and Professor of Management Practice at London Business School: "The starting point [has to be] an understanding of the story of a company. It is both implausible and naïve to think of a company outside of its context, which invokes heritage, values, shared experiences, norms and myths."

Peter Cheese, Chairman of the Institute of Leadership & Management, comments that "the art of all this comes down to the way we communicate and build trust, bringing people with you by reducing the impacts of change

to simple, palatable points which are relevant to them and which they can understand".

The real skill is to bring about change without killing the business in the process. **Geoff Wilmot**, CEO of Centaur Media, a publishing company which needed to quickly come to terms with the migration from print to digital, says: "You'll need to have the right people in place that understand why the business strategy is changing and are engaged and passionate about its future direction. In addition, you need to be prepared to invest in quality staff in key management roles."

There also has to be an appreciation of what to leave alone when looking to transform an organisation. **Martin Balaam**, Managing Director of BT Engage, says: "You should first understand what the group's core objectives are and how integrated it should be. Are you a collection of different companies where the group's ownership allows each the freedom to be autonomous, or associated businesses where being part of the same group might afford you comparative advantage in, for example, drawing on a customer base? Or do you want to be seen as 'one' company to your customers?"

LAST THE DISTANCE

Whatever the drivers of change may be, the leadership team can't afford to lose momentum. This often happens in the case of acquisitions, where the proposed synergies and alignments become forgotten and what emerges is a misfiring mishmash of the old and new. Peter says: "What I've seen in too many organisations is that you start out with the business case which defines why you're doing it; you keep sight of it for a while but then it disappears.

"It may be that you actually have to come back and refresh the business case because other contextual things have gone on which means you should revisit some of the objectives. But you very rarely do that so you're not really holding people accountable for the delivery of all the elements of the business case. You shouldn't be too surprised, therefore, if you can't actually point to a clear line of sight that says you've delivered a successful change programme."

It's that mixture of consistency, clarity and commitment that will bring about the desired results. "I'm delighted we did it with integrity, transparency and speed," says Andrew. "We rolled out the tough conversations quickly and stopped the 'fear' culture from taking root."

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Featuring commentary from:

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