



How to Lead Complex Transformation

Leadership skills are tested to the full when implementing significant, large-scale organisational change. **Mary-Anne Baldwin** finds out how to get the right results when undertaking transformation



Business transformation is complex and deceptively challenging. Various factions within an organisation will be intent on retaining the status quo, which is why over two-thirds of change programmes are doomed to fail. So how do you go about putting the odds in your favour?

Joe Berwick, Business Development Manager at Criticaleye, argues that,

first and foremost, there must be alignment at the top. “Without a unified and cohesive team you won’t be able to deliver a consistent and meaningful change story to your staff, let alone execute the strategy with the precision and foresight it needs.

“Underpinning that is relational competence; the ability to develop deep trusting relationships and engage

effectively on difficult and important issues. When this is properly nurtured it can unlock a team’s collective potential and mobilise change across the organisation.”

We spoke to a number of business leaders to find out what they’ve learned from the change programmes they’ve been involved in.

Here’s what they had to say:



Rachael Brassey
Business Change Lead
PA Consulting Group

Complex change is like building a huge jigsaw without the picture on the box; while the overall strategy is clear, the view of the end state is largely unknown. Having led many business transformation programmes, I’ve found that assessing the nature of the impact and the organisation’s ability to change helps you determine the best approach.

Analyse the nature of the impact. Change will often bring about a significant shift in behaviour, roles and responsibilities, organisational flow, processes and technology. A combination of any two of these creates conditions for complexity.

In 2007 to 2008, I worked on an international change project that affected thousands of people in 125 countries. I’d created a logical left-brained change plan and didn’t think as much about how to shape the delivery. I learnt to look at things from the perspective of those who had to adapt their ways of working. Let this – and not the programme objectives or the senior leaders’ views – steer how to deploy change.

I also discovered that feeling uncomfortable is good. I ran workshops in which we imagined we’d failed in every element of the project. We each took the role

of different leaders and captured the lessons learned, ranging from the technical issues down to how people were feeling. This really helped us to fine tune our approach and make it more resilient.

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Mel Rowlands

Deputy Group General Counsel and Company Secretary
Smiths Group

I'm lucky enough to have worked in a number of organisations during times of fundamental change. My experiences have included break ups and takeovers, working across both private equity and public companies, including those undergoing IPOs.

Over the years I think the biggest lesson I have learned is that you can read all the theory, but success is down to people, not process. In my experience organisations become very emotional places during times of change, successful leaders are those who understand that and are not afraid to deal with it.

I hate the phrase 'buy-in' as it suggests a paint-by-numbers approach – tick the 'team on board' box and then move ahead regardless. Long lasting change really needs the majority of the organisation sufficiently behind it.

Put yourself in front of people, get them to see your vision and understand why it's important, answer questions, be patient and listen to suggestions.

It's important that staff feel part of the change rather than having it done to them. That means not standing on a stage giving town hall speeches, but getting off the stage and running workshops – and certainly not allowing your managers to run things while you are too busy 'driving things forward' behind the scenes.

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Peter Horrocks

Vice-Chancellor, Open University
and former Director, BBC World Service Group

Some years ago, when I was head of BBC Television News we developed a multimedia platform – so the newsroom you see behind the news readers, the way of working, the technology, the workflows, the culture, were all things I put in place.

The main problems were the people skills and existing culture; people thought of themselves as a TV or a radio person and we needed to make a case to move towards a much more holistic approach. There were a couple of thousands people involved and it took about a year.

Some of my fellow senior colleagues told me that to go in this direction would be to take leave of our senses. Lots of people believed that the audience wanted great radio journalism from us and we had great people in radio,

so why confuse things. That argument was held at many different levels.

The key to achieving change was to get the most prominent people – such as the BBC's former political editor, Nick Robinson and its former economics editor, Robert Peston – enthusiastic about it. That meant appealing to their natural instincts to get their stories in front of as many people as possible. If you can connect the strategic change to specific things in peoples' lives that they want to improve or feel frustrated with, that can help.

Once people saw that the BBC's most famous journalists were adopting a multichannel approach the scepticism fell. That was significant to delivering the programme on time and making 25 per cent savings.



Paul Cardoen

CEO, UK, FBN Bank (First Bank of Nigeria Group)
and former Deputy General Manager, Bank of Tokyo-Mitsubishi UFJ (BTMU)

At BTMU, I embarked – rather naively – on a change project trying to convert 2,000 years of traditional Japanese employee culture in a modern, international HR framework. In 2009, the bank needed to accelerate its international expansion and develop corporate banking operations overseas. I was brought in to lead a radical change.

My ambitious HR transformation plan did not disappoint; the President and a senior executive team who had worked overseas knew that BTMU needed to embrace this bold vision of reform or fail to achieve its strategic objectives.

The planning and approval process lasted up to one year during which time nobody challenged any of the reforms, so it came as a surprise that the company's board of 32

Directors did not give it the green light. Their compromise was to introduce reform – but at a snail's pace.

We got it wrong by not making a soft assessment of the gap between our ambition and the organisation's starting point. We also ignored the silent behaviours and Japanese culture that puts importance on harmony and consensus. I didn't spend sufficient time evaluating the emotional readiness for reform, especially of the Japanese senior leaders.

I learnt that the workforce must be diverse enough to support your views and that cultural assessment is as important as your business case. But my biggest mistake was to focus too much on what worked in my previous life with other banks; no two transformation projects are the same.



Mark Parsons

Chief Customer Officer
UK&I, DHL Supply Chain

I've been through four major organisational restructures in my current role and three in my previous one. I've found that the benefits of an organisational redesign don't come until a year out and even then it's not predefined as it's down to the behaviours of people. The changes you make only set up the opportunity for people to deliver, which is why it's crucial to understand the culture.

At Invensys, we tried to put an ERP system into a business basically run by spreadsheets and that ripped the organisation apart because the culture was anathema to the use of standardised software.

The most successful change programmes I've been in are ones that had a very simple and central message that people up and down the organisation understood.

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Pace in its own right can be detrimental to a change programme, you need consistency of speed and for it to match the rate at which employees are willing adapt. We implemented a new organisational structure which got stuck at middle management. This reduced momentum and although changes were taking place, the perception that it was going to fundamentally transform the business was lost.

These insights were shared during Criticaleye's recent Global Conference Call: [Leading Complex Change](#)