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Engaging Through Culture Change

Transforming an organisation's culture remains one of the hardest tasks on the leadership agenda. **Robert Leeming** speaks to **Mark Scanlon**, CEO of Personal Group, to find out how it's done

When **Mark Scanlon** became Chief Executive of Personal Group in 2011, he quickly realised that the AIM-listed employee services business, although profitable, needed to be far sharper in terms of customer-centricity and how it used technology.

For **Mark**, it was evident there needed to be a root and branch reformation of the company's culture, which entailed embracing digitisation. Here, he talks to Criticaleye about how he led the transformation.

When you joined Personal Group in 2011, what did you need to focus on?

When we set out on this journey our aims were simple: increase our insurance sales, diversify the businesses, move

away from paper, and set up a customer service department. I inherited a business that was, despite its sound cash generating abilities, very dusty. We were operating on a basis that was not sustainable. For example, we had a lot of catching up to do in terms of technology. When our sales team were selling our products, they would literally pull out a pad and a ball point pen.

Why did you need to look specifically at the company's culture?

The DNA within the company was created by the founder, and although this was a positive and something to build on, the processes in the business did not serve the customer. The visibility of what was going on within Personal Group was one dimensional, everyone

was following numbers and not looking out for quality. There was also nothing in place which enabled us to measure the quality of the service we were offering to customers, or the productivity of everyone in the company.

As part of this process, did you need to reassess leadership capability?

I did, yes. Of the six members of my current team, only one person was promoted from within the company; this is because I needed to upskill them.

How did you set about improving customer service?

My first two years at Personal Group were entirely devoted to looking internally. I did a complete root and >



branch analysis of the business. We interviewed everybody in the company and identified where gaps existed in customer service and how to fill them

I also created the 'Black Start Team'. I sent managers a card with the image of a generator on the front and on the back it said: 'Please be at this location, at this time, tell no one.' A Black Start is when you completely shut down a power station. Everything goes out until you restart it with a generator, and then everything comes back online. The point was that we were starting again, from scratch.

What did you do to engage and develop employees?

When it came to reviewing things like customer engagement, we wrote a full manual. We did a lot of education around customer service perspectives and we tried to put it in context with how other businesses operate. We have resourced up the HR department considerably and we now have two people within that department entirely dedicated to training.

In some ways, you were reinventing core aspects of the business?

For me, that was the point of greatest risk. It's fine to explore and research, but when you push the restart button, going back to the idea of a Black Start, that is the moment when everything is on the line. It took about two years of hard work, but we achieved our aims.

What tools did you use to measure if your initiatives were successful?

The proxy for culture change management is employee engagement. The litmus test is: are people happy and content with the

“The key to successful culture change is repetition and consistency”

way that the businesses is progressing? Employee engagement is also a tool that can be used to achieve change within the company.

Did you use psychometric testing during the process?

Yes. We recently put a layer of management through a batch of detailed psychometric tests to help them to understand what their strengths and weaknesses are. We want our employees to do more than just their jobs, we want them to progress. If that progression means that ultimately a person leaves the company, then so be it. We are not going to clip people's wings, we are going to try and expand their horizons.

How did HR support you during this time?

I don't care what you do for the business; if you are HR, sales, marketing – the job comes second. What comes first is: what are you going to do for the business? I don't want a HRD that is going to tell me all about employment rules and pensions; I expect that to be done.

I want them to be asking questions on finance or marketing, or sales, for example. I want HR to be a fully functioning and connected part of the business. Aside from this, HR needs to be the release valve.

If I am putting too much pressure on people or asking too much, then someone must be there to hold me to account.

What advice would you give to a CEO who is about to go through the culture change process?

Always remember that change does not come quickly. You must make sure that people understand the new strategy and you need to hear it repeated back to you, so you know that it is getting through.

The key to successful culture change is repetition and consistency. Whatever you do, avoid contradictions and do not flip-flop: develop a plan and stick to it. ■

To find out more about Criticaleye's Human Resources Director Retreat, which is being held in association with IBM, Personal Group and Legal & General, contact our Events Team [here](#).



Mark Scanlon
CEO
Personal Group

Mark Scanlon was appointed Chief Executive of Personal Group Holdings in December 2011 after having a career spent focusing on business growth.

Mark's previous roles include: Divisional Managing Director of Dyson, where he established and then led their commercial division, Head of Global Development for BAE Systems from 2002 to 2005, and Chief Executive of FMG Support (backed by Spirit Capital) between 2007 and 2011.

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