



CRF DIGITAL COMMUNITY EVENT: 5TH JULY 2022

ORGANISATION DEVELOPMENT, CULTURE AND CHANGE

At a Zoom Interactive Event on 5th July, CRF's Organisation Design, Culture and Change Community came together to learn more about the use of consulting skills within the HR profession. Bill Pasmore, Professor of Practice of Social Organizational Psychology at Columbia University, a former partner at Mercer Delta Organizational Consulting and current partner at the Center for Creative Leadership, presented on his latest book, *Advanced Consulting*, which is based on his more than forty years as an advanced consultant to CEOs and senior leaders.

This summary shares some of the key insights from his presentation and answers.



WHAT IS ADVANCED CONSULTING AND WHAT MAKES IT DIFFERENT?

- "Advanced consulting involves working with powerful, high-level parties such as CEOs, Boards and senior teams on strategic, confidential, complex, systemic, or high-risk problems or opportunities."
- Advanced consultancy for HR professionals is partially about advocating for the strategic value of bringing HR to the table: "people acumen is certainly the heart of what we do and what we bring to the table, but it's more than just understanding the HR systems. It's understanding organisational psychology and the psychology of individuals. Because people at senior levels have not been trained in those things, and they often miss their importance to the success of the efforts that they're undertaking."
- One of the core principles of advanced consulting is that you are there to talk about the big picture, not the small one. In Bill's words, "you're not consulting on the pay that junior associates should receive or when we should hold the holiday party, we're talking to them about strategic and confidential issues that are really important to them."
- When consulting with senior leaders, no two situations will be the same, so "it's certainly not something that you do using a routine or a textbook," says Bill. Instead, you will need to be prepared to use your knowledge to give informed opinions, and to justify them with **evidence** and **reasoning**.
 - Remember your role, Bill underlines: advanced consultants aren't called in to write up a to-do list or work out what steps to take – they're there to help with major strategic moves or change management.
- Being an advanced consultant is more about what you do as what you call yourself: relying on theory and textbooks will undermine your credibility as a senior, strategic consultant. If I do these, Bill says, "I will never be viewed as an advanced consultant because they see me as somebody who relies on tricks and icebreakers in order to do my work."
- So how do you get yourself across the client in a manner befitting an advanced consultant? "By engaging your client in thinking with you", as a peer and as a partner, explains Bill. "They want that chance to share with you what they've been thinking about, what they've been struggling with, how they thought about the problems, how they will try to deal with it."

SPEAKER



BILL PASMORE is a leading authority on change. As a thought leader in the field of organisation development, he has published thirty books and numerous articles, including *Advanced Consulting*, *Leading Continuous Change*, *Braided Organizations*, *Designing Effective Organizations*, *Creating Strategic Change*, and *Relationships that Enable Enterprise Change*. He was the inaugural co-editor of the annual book series *Research on Organizational Change and Development*. His clients have included Google, Unilever, Pepsi, Wal-Mart, BMS, United Airlines, The New York Times, Levi Strauss and many more. As a coach and consultant to senior leaders, he assists in both personal and organisational transformation. As a teacher and mentor, he helps develop consultants into trusted advisors. His current efforts focus on using technology to enable large-scale engagement events, exploring the implications of digital technologies for organisation design, equipping leaders with the skills they need to lead change and understanding what gets in the way of massive change.



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- What does that conversation look like?
 - "The executive will turn to you and say, 'So, how does that sound?'"
 - "They're not necessarily looking for a thoughtful answer at this stage," Bill says.
 - "First of all, [you want to offer] recognition that this is a tough situation. [Saying things like] 'I appreciate that', and 'yes, I've been with other executives who've struggled with this, and I can share with you how some of them have addressed that if that's helpful'."
 - "You start to talk about your way of thinking. [Once they're listening,] at the appropriate time, you will start to offer your answers."



THE WORLD OF THE TOP EXECUTIVE

- In Bill's summary of the executive world, "[senior leaders] are overloaded. It's an incredibly busy and difficult world to navigate. They're constantly being bombarded by requests for information or making decisions or authorising people to do things or responding to inquiries from the outside world or there's a crisis that's come up and all of these things are taking up 110% of their time."
- You may find yourself asking, "where do I fit into this world? And the answer very clearly is you don't; there's no room for you to fit into this world unless they choose to make room for you." Especially if you are internal, you will need to find ways to demonstrate your value quickly and effectively in your early interactions with a senior leader.
- CEOs, board members and senior leaders are predominantly concerned with one thing: not just money, not just reputation, but success: as an exec, Bill says, "my number one concern is that I show up well, I appear confident, I make mostly good decisions, I'm successful, and regarded as successful by the people in my organisation as well as the people outside it."
- Ultimately, your role in their world is to support them and the company, with all the skills, knowledge and time at your disposal. In exchange for access to the top leaders, you will be expected to put them first: "their success comes first and yours has to follow."



WHAT YOU NEED TO KNOW ABOUT BUSINESS AND ORGANISATIONS?

- A question that many HR professionals ask is "do I know enough to consult to the top of the house? Don't I have to understand things like finance and strategy and mergers and acquisitions and international trade agreements and so on?". Bill's answer is – you don't need to! As internal staff, "we know something about what's going on, and others may not understand our business or our strategy", which means HR professionals are well-placed to operate as advanced consultants.
- As HR professionals, "we have a unique way of looking at the organisation from our perspective, particularly as the person who's seen different divisions and abilities that are likely to hold us back from achieving success. It's our responsibility to help the CEO understand that there are things happening in the human side of the organisation that are going to get in the way of us performing as well as we need to perform."
- Bill used a metaphor of two engines: one old and rusty, one shiny and fast. The first is "the organisation you've always been working with – it's something you know inside and out and you've been keeping it running as best you can, and perhaps it's been struggling along but at least you keep it going", whereas the second one is "what we could have, if we address some of these issues."

PARTICIPANT POLL

How much training have you had in consulting?

A lot

5%

Some

15%

A little

36%

None

44%



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PEOPLE ACUMEN

- HR is sometimes excluded from the senior executive table, for want of an understanding that people acumen – working knowledge of people and how they operate – is hugely valuable to business strategy.
- “Every strategic discussion has a people implication,” Bill argues, so HR professionals are an essential part of strategy discussions. HR is responsible for:
 - “creating the right culture”
 - “bringing in the right talent”
 - “developing our people”
 - “rewarding the right way”
 - “providing people with motivated work”
 - “controlling the kinds of issues that could come up if we don’t do the above.”
- As an advanced consultant, we take our understanding of the above actions and we apply that to the problems and potential solutions that senior leaders discuss with us. “We examine them, we diagnose whether they fit what we currently need, or will need going forward, and we start to change things on the human side to enable more possibilities to happen as we need to be agile and adaptive.”
- HR acting as consultant needs to use its understanding of psychology, sociology and organisational design to help the company as a whole, as well as its constituent teams and departments, to “be as effective as they can be by understanding group dynamics and teamwork and decision making.” HR can help to manage productivity, talent, reward, collaboration, effective leadership and more, from strategic planning to front-line support.



HOW THE WORK IS DONE

- What’s the key to our clients’ success when working with us as advanced consultants? “We make it a partnership, we do the right work, we’re available, we try to exceed expectations rather than just meet them.”
 - The most important role for internal consultants is to “facilitate conversations but still be an advocate for what our CEO and senior team is trying to accomplish and help them make it happen.”
- Advanced consultants need to “understand what’s happening in the organisation, everything from diagnosis and relationship building to reporting back and sharing what we’re thinking and seeing and feeling...[ultimately,] how that might lead us to formulate an action plan to tackle this particular opportunity. We are then aligning the organisation behind us and seeing the impact that will have and removing obstacles to it.”
 - Bill emphasised that advanced consultants are not used for “the daily mechanical kinds of issues”, but rather that “as we become more and more the trusted adviser, when major change projects take place, we are brought into them in a position to influence their design and their execution.”



GAINING TRUST AND SHARE OF MIND

- To be an effective consultant, you need to help to create a “psychologically safe environment where people can talk...we’re not imposing ourselves on them in any way, but we’re making ourselves available and we’re making ourselves valuable.”
- Internal consultants in particular are able to offer tailored, contextualised and specific advice that will best suit their company: “as opposed to the kind of expert consultants [like] legal advisors, or even from some consulting firms who have the answers to every problem ready to impose on organisations because they’ve...handled similar situations in the past and yet, those answers may not fit the current situation.”
- As consultants, **“we’re always asking questions”**: prompting leaders to think about all aspects of their decision-making, planning and strategy.
- Sometimes, that means pointing out that a plan is doomed to fail: after all, Bill says, “if they’re about to trip and fall, you have to prevent them from tripping.”
- Some key phrases for challenging decision-making that you feel may lead to mistakes can include:
 - “I’m not sure that’s the best idea.”
 - “Let’s think this through.”
 - “Here’s why I’m concerned.”
 - “Can we spend a few minutes discussing this before we make that decision?”
- Integrity and a willingness to stand up for your own point of view about a situation can be difficult in high-pressure scenarios, but it builds trust and meaningful relationships with leaders.



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WHO YOU NEED TO BE

- Advanced consultants need to ask themselves what their values and ethics are at the start of the relationship. You need to interrogate your motivation for wanting to consult at the top: hopefully, it's "a passion for working at this level with these people in order to support them being the best leaders or the best senior team that they can be."
- As consultants, you need to be discreet, thoughtful and trustworthy: "there will always be ethical issues or confidentiality issues involved in this work. Certainly at the top, there's always politics. There's always divergence in terms of people's feelings about what the organisation should do...what do we share or not share with people?"
- You must also be resilient; willing to approach issues in a new way or from a new perspective, bouncing back with new questions and ideas.
- A question Bill posed is "how do we do this work in a way that builds trust over time collaboratively?" His answer: "By working as a partner, as an advocate for people, somebody who's a part of the team, whether we're internal or external", rather than as "a [subject] 'expert', [or] as somebody who acts purely as a facilitator." Positioning yourself as a part of the team closes the gap between strategy and HR in the board room.
- Consultants also need to self-assess and be proactive in seeking feedback from partners. "If we want to have a deep, enduring and lasting relationship with our clients, we sit down and talk with them and have one-on-one conversations and ask those difficult questions." Bill suggests using questions like:
 - "How do you feel about working with me?"
 - "How's this been for you?"
 - "Are there things that I should do differently, to be a more effective supporter/advocate/partner/consultant?"

Q How do you maintain boundaries when you want to be available to leaders 'on demand', but also want to manage your own energy and effectiveness?

A *Well, we do have a right to have a life. And there are certain things in our lives that are important to us. We need to let our clients know that and clients are respectful of that, or at least they have been in my experience because they want that for themselves... we can set out some boundaries that are important to us or times when we don't want to be disturbed, whether at a particular time of day or whatever it might be...If we have a conversation outside business hours, because often those are the richest and deepest conversations and when they feel less stressed and more open...I'm willing to make the investment even if it's time in the evening or even a weekend connection. It shows we're focusing on their success. We want them to be able to sleep at night and feel like they have a plan that they can progress with. They're not calling just to chat. But if you need to assert some boundaries around your life, that's perfectly acceptable.*

Q How do you get time with the stakeholder you want to consult with when you are new and they haven't made time due to organisation pressures and workload, so they redirect you to others that feedback to them? Is there a way to indirectly leverage this relationship and advance consulting through influence?

A *I'll always talk to the person who referred me first, then explain that their boss needs to see this and demonstrate that they will be the obstacle to their boss' success if they don't. Then I see where it goes and see if the boss finds it useful and interesting. And if they do, then great work – we're off and running. And if they don't, then I didn't do my job and I don't deserve to be in the room with the boss. Those kinds of pressure moments are when we have to use our best skills at coaching and not telling our clients what to do, but explaining to them here are the kinds of things that we should be thinking about. I always make myself a partner. I don't say, 'here's the thing that you should be thinking about'. As the client, we should be thinking about these things because I want the person to begin to think of me as a partner, as somebody who's involved. And as you get more and more contact, hopefully it's positive and expands your understanding and you can work towards becoming that trusted adviser over time.*



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Q Have you ever come across a chief executive who already had all the answers?

A You rarely get to be CEO unless you're perhaps a family business and you're promoted by virtue of courage, but if you fought your way to the top, it's not without some amount of confidence in yourself and some degree of success over a sustained period of time. That makes the board comfortable that you're the right person for the job. And so, you go into the role with a tonne of confidence and thinking that you know many of the answers, but as soon as you land in the seat and begin to experience the job, you start to understand there are parts of it where you're likely to need advice and help if you want to be successful. And as long as we continue to make that the goal of our working relationship with people and make that explicit to them, then we can begin to pry open a little bit of what's going on in their brain...But when you get into highly complex situations where you need to have people think along with you rather than just tell them what to do.

Q What is your advice if you have been in an advisory role before – how do you then elevate yourself for your Leadership team to see you in a consulting role?

A Changing perceptions others have of you when you step into a new role is hard. Some people would say it's impossible. They leave their organisation and start fresh. You don't have to do that but it will take time to change your reputation. You change how others see you by taking on different work and behaving like you are the person you aspire to be, regardless of what others might think or say about you.

Q How do you manage the stigma behind consultancy? Operational colleagues may perceive consultants as too detached from the daily challenges they face.

A We used to say that we hate consultants too. Our goal was to become long-term partners who developed deep relationships and were as integrated into the business as anyone with the exception that we maintained our detachment from the politics so that we could operate objectively. Particularly as an insider, like being the CHRO, you have the ability to avoid the 'consultant' stigma; yet you should still do many of the things good consultants do. What you want to avoid, either as an internal or external, is developing an approach to your work where you engage in a series of short term projects, swooping in, providing your opinion, and flying on to the next project. In the long run, you won't build relationships or gain trust through short projects or engagements.

Q Sometimes there can be confidentiality challenges, ethical issues – how should we handle those?

A This is fairly broad. Each instance deserves a specific response, which will be influenced by the history and context of the relationship. The litmus test that we used at Delta Consulting was whether or not we would be happy with having the work we did written up in the Wall Street Journal or Financial Times. If we wouldn't like what they say, we shouldn't do it. At a more personal level, your reputation needs to be safeguarded even if it costs you a client or a job. You can't win your reputation back once it's damaged. The circle at the top of companies is a small one and people talk to each other. People will call people you have worked with before they hire you. Expect to be checked out. Don't do anything that would discourage people from wanting to engage with you.

Q I thought it was really interesting that you used 'engines' as a metaphor earlier. I wonder whether part of the challenge is helping execs understand that organisations are complex adaptive systems and can never be fully understood or operated as neatly as an engine can (which is part of the reason that change fails so often). Is the risk that in trying to appear confident we box ourselves in as 'certainty merchants'?

A 'Certainty merchants' – yes, if you mean that we say change will happen. Certainty about how to respond when change happens? Not at all. What we are advocating is learning through rapid experimentation – design thinking or the application of agile principles, precisely because we don't know what the capabilities are that we will need in the future. In the 1980s, nobody was online. Nobody could envision business possibilities associated with the internet. Those who were open to learning adapted; those who ran the other direction missed opportunities and remained frozen in place until the change they were forced to make was catastrophic.

Q By being in-house how can you be considered more of a consultant than a fixer?

A It doesn't matter what we call the work we do but what work we do that matters. The goal of advanced consulting is to become more strategic and more influential in asserting your right to bring your expertise to the table for the good of the executives and organisations you serve. If you find yourself stuck in 'fixing problems' you need to make a concerted effort to take on a larger role. This may occur as the result of volunteering for more significant projects or it may involve explicit conversations with your boss. The point is, your expertise is valuable and deserves to be utilised.



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FURTHER READING

CRF. 2020. **HR's Agenda in the Organisation of the Future.** Research Report. <https://www.crforum.co.uk/research-and-resources/research-report-hrs-agenda-in-the-organisation-of-the-future>

CRF. 2020. **Sustaining HR's Standing: 7 Critical Capabilities for a Future-Ready HR Function.** Article. <https://www.crforum.co.uk/research-and-resources/sustaining-hrs-standing-7-critical-capabilities-for-a-future-ready-hr-function>

Pasmore, Bill. 2020. **Advanced Consulting: Earning Trust at the Highest Level.** Book. <https://www.advancedchange.com>

crf SAVE THE DATE



The next session of the **Organisation Development, Culture and Change Community:**

Thursday 22 September at 12.00 BST

Register your attendance [here](#). Also please get in [touch](#) with any topics that you would like to discuss and feature at the next session.



crflearning ON DEMAND

Change is a constant in organisational life, yet the majority of change initiatives are judged to have failed. In this course: [Leading Organisational Change](#), you will learn how to manage change effectively, avoid the problems that hamper most change efforts, and apply practical tools and frameworks in your organisation.