At a Zoom Roundtable on 7th February 2023, CRF's Organisation Development, Culture & Change Community came together to discuss ways of driving organisational change. This included HR leader Richard Cleverly sharing key organisational change lessons he had gleaned from his multi-industry career, an overview of Beckhard's change equation, and a community discussion around how to be more effective in making change happen. The meeting was chaired by CRF Membership Engagement Manager, Rosanna Neary.

This summary shares some of the key insights from the speaker and discussion.

RICHARD CLEVERLY is an Organisational Development Advisor and Executive Coach. He works with CEOs, Chairmen and Executives across sectors helping them to navigate seemingly intractable business challenges. After a decade in the military and two more in global corporates, including Thomson Reuters, Novartis and M&S, in a range of senior OD and People roles, Richard knows how to find a path through the apparent chaos that often characterises daily corporate life – and it isn't following fads or applying imported 'best practice'. It is how you translate strategy into results following simple (but not easy) rules.

ORGANISATIONAL CHANGE LESSONS FROM MULTIPLE SECTORS: RICHARD CLEVERLY'S EXPERIENCES

Richard Cleverly, a senior HR leader with a wealth of knowledge and experience in the armed services and of implementing change in the financial, pharma, and retail industries, described his journey to date. He highlighted different key learning points for driving organisational change across these varied sectors, which included:

- **Enabling decision-making.** The life and death nature of military operations meant that decision making needed to happen as fast as possible. Therefore, keeping decision making as close to the 'front line' as possible enabled faster and better quality decisions. Empowering people to make their own decisions and also being clear about who needed to be (or didn't need to be) involved in certain decisions also sped up decision making. There was also clarity of purpose, which supported both decision making and wider operations.

- **Performance management and incentives.** Financial services is a fast paced industry, filled with ambitious, career minded people. In financial services, people tended to be less team focused and there was much more individualisation. This highlighted the importance of working out what motivates people within in an organisation. For example, incentives were monetary based in financial services, whereas in the military incentives included access to different types of work or training.

  It's important to consider what good performance means to different people, and what types of behaviour you are ultimately rewarding. For example, individual based rewards will encourage people to work in an individualistic, rather than a team focused, way. Are incentives attracting the type of people that you want?

- **Understand motivations.** It's important to spend time with people to understand their motivations. This enables you to speak a common language and helps to bring them on side. For example, understanding the priorities of specialist R&D staff in the pharma sector helped create a better understanding of how to present organisational change to them.

COMMON ORGANISATIONAL CHANGE ISSUES

Richard highlighted the common organisational change issues that he had encountered while working across seemingly varied industries:

- **Change is needed in all organisations, albeit of different kinds.** Most organisations are focused on enacting top-down change, though change may be required in different ways.

- **Politics and self interest are always present.** It is therefore critical to dig deeper and understand motivations.

- **There is never a clear licence to operate – you always need to play your way in.** The biggest danger is the false assumption that you have a clear licence. It's important to first decide where to start, then build alliances and work out who are the most important stakeholders.

- **Resistance is always there.** If you don't think there is resistance, then you are not paying enough attention. Resistance may also come from quite unlikely sources, such as the Board level.
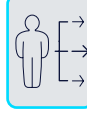
BECKHARD'S CHANGE MODEL

Beckhard's Change Model is a simple but versatile model that focuses on enabling positive change through developing the reasons for making change and diminishing obstacles for resistance. The model proposes that change c will only occur when four factors (a, b, d, and e) are greater than the resistance to change, x.

$$c\,(\,a.b.d.e\,) > x$$

a **dissatisfaction with the way things are** *(What are you not happy with? What is the collective view on dissatisfaction?)*

b **a shared vision of how things should be** *(an exciting, shared view of what things would look like if things go well)*

d **knowledge of the practical first steps to get you from where you are to where you want to be** *(What's a simple first step that could get you on your way?)*

e **belief that change is achievable** *(do people believe in the change?)*

x **the resistance, or perceived costs (financial, emotional, people etc) of making the change**

The Model can be used in a number of settings throughout the change cycle. This could include as a diagnostic tool at the start of the proposed change, as a means of evaluation, or as a way of structuring communication about change.

IMPLEMENTING BECKHARD'S MODEL AND CREATING ORGANISATIONAL CHANGE

A roundtable discussion focused on ways to implement organisational change. The following key points were made:

- **Create time.** Need to create time to engage all levels of the organisation when you're going through a change process. It's common to spend the most time engaging the executive level, however, it's also important to engage with the middle of the organisation in making a case for change (this is particularly important in a rapidly changing world, when it can be hard to get buy in).
- **Ask questions.** Change efforts should not only focus on broadcasting benefits, but also focus on asking questions, listening, and finding out concerns. Understanding should be genuine, rather than just for show.
- **Build strong foundations.** Instead of rushing to start introducing changes, think first about the real *purpose* for change. This should be done collaboratively.
- **Create a case for change.** The bigger the case for change (the ABDE from Beckhard's framework), the more likely it is to tip the balance away from resistance (X). You need to work out what the resistance is, and create a constant reminder of the context or narrative to maintain the balance of the equation.
- **Keep momentum.** Need to constantly remind people of what they signed up to on their change journey. For example, management may forget or change their opinions on change processes.
- **Address dissatisfaction.** This not only includes dissatisfaction of the individual, but of the organisation as a whole. It's very easy to assume why dissatisfaction exists, but you should be curious and dig in to see what is really causing it.
- **Communications and marketing.** Think of communications in a similar way to if you were launching a new product or service. New products would get feedback from customers and then you would take customers on a journey. Similarly, when enacting change, you should take your colleagues on a journey. This could be done through identifying different personas of colleagues and considering what would suit this. You can then target change and communications to that persona.
- **Customer-focused.** Linked to the above, consider who your internal customers are:
  - Define who your customers are.
  - Consider what products and services you provide them.
  - Are they happy with the products and services you provide?
  - What do your customers currently get that they *don't* want? And what do they want that they currently *don't* get?

ORGANISATION DEVELOPMENT, CULTURE & CHANGE

FURTHER READING

Beckhard & Harris (1987). **Organisational Transitions: Managing Complex Change**

CRF (2019). **Organisation Development Manifesto.** Research report. https://www.crforum.co.uk/research-and-resources/organisation-development-manifesto

CRF, Change Management: The Essentials. On Demand Short Course. https://crflearning.co.uk/course/change-management

crf SAVE THE DATE

If you have any further questions or comments, please contact **Rosanna Neary**.

The next **Organisation Design, Culture & Change Community Online Event** will take place on:

Wednesday 10 May and will focus on **Team Effectiveness**.

CRF will also be hosting an in-person event on **Team Effectiveness** on 29th and 30th March 2023. This will explore the drivers of high performance, effective team dynamics and decision making, and the implications of new ways of working for top team effectiveness.

If you would like to have a conversation with the CRF Research Team to share your own experiences and learnings about team effectiveness, then please contact **Jo Nayler**.