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How managers GAIN COMMITMENT to change

Using a simple cultural questionnaire to involve people

INTRODUCTION

All the research of recent years concludes that the vast majority of mergers 'fail'[1]. Success rates with other major corporate changes – business process reengineering, customer relationship management, etc. – are also lower than managers often expect. While not a very helpful conclusion (because what does 'fail' mean?), it is clearly irrefutable that mergers, acquisitions, etc. could be much more effective, and give better results for all stakeholders, if they were better managed. Much of this better management could well derive from the more effective management of 'softer people issues', which we discuss in this article.

We explain how a simple questionnaire describing organisational culture can be used to help managers gain commitment from their team, and then take practical action when managing change. Often, managers and leaders are overwhelmed by the complexity of the change they face, and the crippling amount of work involved. They also find it very hard to get a handle on measuring what we all tend to call the 'softer' issues (which we know in practice are the hardest to deal with!), although they know that measurement is important[2]. Softer issues cover matters like how well people understand and accept the business reasons for change, how effective leadership and teamwork is, and whether involvement is productive. Academics and practitioners have long argued that a shared diagnosis of issues between top management and staff at all levels is essential for effective change[3]. We provide some real life evidence which seems to support that view.

ASKING THE RIGHT QUESTIONS

We have used a simple questionnaire, behind which is a sophisticated methodology for revealing where organisations need to focus their energy and activity in order to make the most of change. At its core is a list of statements that enable managers to gain a balanced view of their organisation's processes, management and culture, focusing on the 'harder to measure' issues of values, teamwork and commitment. Called *teamindex360©* the questionnaire produces results in four straightforward sections, covering issues at the heart of any change:

- **Purpose**: whether everyone in the organisation is heading in the same direction**;**
- **Resources**: what resources the organisation has available;
- **Systems**: how these resources are organised and used and
- **Relationships**: how people work together.

The questions do not ask about 'values' or 'culture' directly, as these are notoriously difficult questions about which to obtain meaningful answers. It does not give the organisation or the manager a score out of ten for culture or values! Rather, the questions ask people the degree to which they agree with statements on everyday matters, in very practical unambiguous language. Some of the statements are very direct, for example 'The team is well led'; 'People feel that they are trusted'; 'Conflict is openly explored and addressed'. Our experience is that people at all levels in organisations, from the shopfloor to the boardroom, can and do respond to these statements very easily. The very baldness of the statements seems to avoid unhelpful emotion. The directness of the language does, however, sometimes have the effect of discouraging managers from using the questionnaire, for fear of what the answers might reveal!

From the answers it is then straightforward to identify patterns and themes that can help a manager understand what is happening in his or her organisation. By using simple statements everyone - managers and staff alike - can understand the results of the questionnaire, and therefore can all have a more informed discussion. In our experience, it is through understanding and discussing the real business issues that cultural change can more effectively be managed.

How was the questionnaire created?

The questionnaire and feedback format was designed by practising consultants and managers who wanted a tool which would be easy to understand, and would encourage action in organisations facing change. It was given a trial in the field by several consultants with a range of clients in a variety of industries (e.g. retail, financial services, food manufacturing). The questionnaire was improved following this field trial to produce the current format, which has been in use since 1995. It is based on 72 positive statements; with answers being given on a seven-point scale from 1 to 7, from disagree to agree. The higher the score, the more positive are respondents being about their organisation. Having a relatively wide seven-point scale, rather than simply yes/no, encourages respondents to think more carefully about their answers.

Who has used it?

The questionnaire has been in wide use across most industries and sectors, and with a great variety of sizes of companies. They have in common that they are facing change (which covers most organisations!), and are committed to spend time on taking action on the 'cultural' side of change. This is reflected in the very high response rate of over 80%. Industries covered include: manufacturing, retail, energy, financial services, professional services, leisure, transport, entertainment, health, local government, media, and telecommunications.

USING THE QUESTIONNAIRE TO FACILITATE CHANGE

Managing change

The questionnaire has been used by organisations undergoing many different sorts of change. It has focused mainly on teams – often, but by no means exclusively, senior teams – with the aim of aiding understanding and encouraging discussion. The experience has been that this discussion results in action. The case studies below show some typical examples of how it has been used.

Getting down to the real issues: Janssen-Cilag

Even with a well-established team there are always areas for improvement. With tougher competition on the horizon Gill Donaldson, Manager for the Renal Team at pharmaceutical company Janssen-Cilag (part of Johnson & Johnson, focusing on research, knew that her team needed to be even smarter to maintain their market share. The team was successful and regularly exceeded their targets, but Gill felt that there were a number of issues in the team that needed to be brought out into the open and discussed as a team. Her challenge was how to achieve this without the situation becoming too emotional. She needed something that would break the ice and not be confrontational, but would encourage people to accept that there were issues to be addressed.

"The results were easy to understand and it was obvious where the issues were", said Gill. The questionnaire identified that the workload was not balanced across the team, and that time was devoted to unnecessary work. And there were important issues around conflict not being openly explored and addressed, and underperformance not being confronted. These were clearly potentially emotional issues, which Janssen-Cilag were able to address "The questionnaire allowed me to focus on the areas I needed to cover at our conference the following week, knowing that they were really relevant to the team", said Gill. "The two-hour session feedback session was excellent. Everyone was really positive and opened up, and there was no emotion; I was amazed. We concluded with action points for the future which everyone agreed to and we shall be referring to them at all our future meetings."

Starting the Change Process at the British Bankers' Association

The British Bankers' Association faced a major challenge: how to change from an old-fashioned "civil service" culture to that of a customer focused service organisation. In a sector that was increasingly emphasising cost reduction and value for money, the choice for the BBA was stark: change or lose credibility, starting a stampede of member banks (and their subscriptions) out of the door. According to the Director of Communications, many of the long serving staff were wary and suspicious of change. Few had any idea of who the 'customer' was, and even fewer were prepared to believe that the customer wanted something other than what the Association had been delivering for the past twenty years.

When a new Director General was appointed with a mandate for change, there was a need to find out very quickly just how many of the Association's sixty staff shared his vision of the future. The Director

of Communications had run three staff attitude surveys in previous jobs, however, and knew that they could be counter-productive. The BBA needed something that would "engage people's enthusiasm, not just collect a catalogue of complaints", she said. We convinced her that the Team Index 360 approach with set questions would allow the BBA to compare itself with other organisations. "We had a tendency to think of ourselves as worse than most," admitted the Director, "so we hoped their unbiased comparison with other organisations would help the BBA see that it really did have some strengths on which we could build".

Because the organisation was also trying to move away from a strongly hierarchical structure to a new flatter management style, it was important that everyone in the company be asked for their views. That put a premium on clarity; the questions had to be relevant no matter what the job involved: from Post Room Messenger right up to the Director General. A typical "staff attitude" survey had been rejected as self-serving, according to the Communications Director, because the questions were usually written by the management. By using our questionnaire, everyone could see that the process was unbiased and independent.

Both of those benefits were felt when it came time to share the results. The visual presentation of the data made it obvious for everyone where the BBA's strengths and weaknesses lay. The results were shared and understood by everyone in a single meeting for all staff where the next steps could be debated. According to the Communications Director, the presentation of the data "helped us make it clear that there was no management 'hidden agenda'; everyone could see what had to be done". As the kick off for a change management programme, the process helped to identify the priorities and to build consensus on what should be tackled first. And by its very nature, the process overcame objections of staff who were suspicious of management motivations.

It's been more than a one-off experience. Several years later, the Association set up a trading arm, BBA Enterprises, and recruited a number of new staff. None of these people had worked in banking before; they were brought in to manage the conference and publishing programme from a wide variety of non-banking companies. To check how the culture of the new entrepreneurial group fit into that of the Association, a teamindex360© exercise was run at the end of last year. The results showed just how much of a task confronted the BBA Enterprises CEO: there were serious concerns about the whole culture of team working. As a result, the team has set itself an ambitious programme of change, starting with job descriptions, a new appraisal system, and new methods of communicating both within the team and with the rest of the BBA.

BBA Enterprises advises banking associations all over the world on a paid consultancy basis, and has used the questionnaire in a number of cases, most notably with the Kazakhstan Banking Association and its sister organisation the Almaty Bank Training Centre. They found the questionnaire worked well despite the very different circumstances, and the fact that it had to be translated into Russian. So pleased are they with the results, they are recommending its inclusion on an internet site being built this spring for all banking associations in the CIS, the former Soviet Socialist Republics. In emerging markets like these, teams are often overwhelmed with the scale and range of change they are facing. The questionnaire helps them deal with the softer change issues, helping them to set realistic priorities for action in an area which would otherwise have been placed firmly in the 'too hard' box.

An essential tool for the Training & Development Specialist: BassTaverns

When John Appleton joined Bass Taverns as Director of Electronic Leisure Machine Operations he was given some challenging targets. He knew that they would not be achieved without the support of a good team of managers. One of his first priorities was therefore to find out very quickly how effectively his new team was working together. Working closely with Simon Fitzgerald, Head of Management Education at Bass Taverns, each member of the team was asked to complete the questionnaire.

Interestingly, Bass plc already conduct an annual staff survey. Their annual survey focuses on a bigger audience, and was unable to supply the detail required and the analysis relevant when working with individual teams within a division. Our questionnaire enabled them to compare specific functions within the team, and direct reports with indirect reports. It was also much quicker than the annual staff survey. "We needed to move quickly and really get to see the full picture as soon as we could", said Simon. The analysis of the results and the visual presentation made it easy to see where the strengths were in the team and where there was a need for improvement. The client's job was made easier because they were able to design and implement workshops that "really did focus on the key issues within the team", according to Simon.

With any training programme it is essential that there is some way to measure its success, so Simon repeated the survey. "It was useful to measure the impact of the training and development programme we designed for this team. There were significant improvements in the majority of the areas we focused on; it was really reassuring to know that we were making progress", said Simon. This was also information which could be freely shared with the rest of the team. The results opened up a very healthy debate within the team as they highlighted areas where there was still work to do, and identified new issues which had not shown up in the previous survey.

The Corporate Health Check: South & West Devon Health Authority

When organisations are in the process of change, managers need to check on what is happening to underlying culture, and how the change process is working. This was the case with South & West Devon Health Authority.

They were formed in August 1996 as a result of a merger between two Health Authorities. Both Authorities had very rigid and hierarchical cultures. The new organisation formed a totally new structure, comprising ten teams, with an explicit set of values focused on team working and networking. As part of this major change they were evaluating their training and development needs and their communications in general.

Working groups were established to look at the different areas of the organisation. Whilst they were progressing satisfactorily, they realised they needed to "give themselves a proper health check", explained Peter Colclough, Chief Executive, "on how well we were progressing; something that would provide very clear feedback, and also confirm that we understood what the issues were and what there was still to do. When you run workgroups you are not sure that you are getting the full picture, as inevitably the most vocal people tend to voice their opinions." The questionnaire is completed anonymously and therefore encourages honesty and a high response rate. "We needed to be sure we heard from everyone, and that there would be no surprises", said Peter.

"We used the questionnaire with the whole organisation, totalling approximately one hundred. The results were analysed to show not only the whole organisation, but also the team leaders compared to their teams". Peter met with all the team leaders together and then with each individual team leader to discuss his or her team's results. They then arranged meetings with their teams. The cascade worked because the results were so clear. There was little room for ambiguity, or for individuals to try to put their own spin on things.

Feedback from the team leaders was very positive. Terry Ansell, Corporate Management team leader commented, "We needed a speedy way of getting people to start to talk about things, to focus on the important areas and to discuss openly different points of view in an open and frank way, enabling everyone to explore together their different attitudes about being in the team." The questionnaire informed us about where we sat in the organisation and how we related to other teams. It showed us where we needed to work on our relationships within the team and to understand that we are all different. Everyone really took ownership of what existed and we were able to highlight what we had to do to change".

Making things happen: Chefaro UK

When Caspar van Dongen, General Manager at Chefaro UK (part of an international diverse company, Akzo Nobel, which bought Courtaulds in 1998) was introduced to the questionnaire he was very keen to use it to find out exactly how his company was performing as a team. His team at Chefaro numbered twenty-two and comprises four teams: Management, Finance, General Sales, and Marketing. He decided that it would be useful to compare the views of the different teams, whilst also looking at the team as a whole.

First of all, each member of staff completed the questionnaire. "There were no real surprises", said Caspar, "but it highlighted very clearly the areas which were working well and the areas where we needed to concentrate on to improve".

"It was also very helpful to compare the different functions and discuss each team's performance with their manager, whilst also being able to share good practice within the management team", said Caspar. "The Company feedback session worked extremely well as we were able to focus on the 'real' issues in an unemotional way and get everyone involved in the discussions". As a result of identifying these issues, an action plan was drawn up and agreed to address them, covering three main areas:

- improve understanding of each function in the business and each other's roles;
- design and implement a formal Appraisal System for everyone; and
- formalise a communication structure to cover meetings and planning.

The management team made a commitment to meet within the following two weeks to discuss the three areas in more detail and report back to the staff. By the end of the year, job descriptions had been written and agreed for all members of staff and an appraisal system designed, ready to trial in mid 1999. Communications systems were reviewed and changes made to ensure that everyone knew what was happening in the business on a regular basis.

"It is early days yet, but an immediate result", says Caspar, "was that it has made job demarcations much clearer, everyone knows now exactly what their responsibilities are, and going through this process has enabled us to become keener and sharper as we all know what is expected of us and how we all fit in to the business as a whole. We have transferred some responsibilities to different areas of the business, which will improve our efficiency and enable us to manage our resource much more effectively".

"It has also enabled us to make some fairly significant changes to our working methods in the sales function, giving each individual much more accountability".

Managing the Change Process at NTL

When organisations have undergone a merger and are implementing a change management programme, they need to keep a close check on what is happening and how the change process is really working. This was the case with the Operations Division at NTL, a company that provides cable television, telecommunications, and broadcast television and radio throughout the UK. It has grown very rapidly in the last five years, both through acquisition and organic growth, with the consequence that it has had to integrate many new groups of staff.

Tony Gee became Operations Director of a merged group of staff from two separate field forces, 'Radio Communications' and 'Broadcast Operations', originally from two different organisations. The division was also undertaking a major restructuring of work methods. Ten focus groups, comprising staff from all levels and parts of the division, were set up to discuss how people felt about working at NTL and the changes that were taking place in the division (seven hundred people in total). The focus groups were facilitated by an outside consultant and as part of the process he recommended using Team Index 360 to check on the validity of his findings.

The first survey was conducted at the start of the programme, and further focus groups were run the following year to see whether the situation had altered as a result of the change management programme. "It was really useful doing both together, the focus groups and the questionnaire, as the focus groups captured the emotional response and the questionnaire provided a more quantitative measure", according to Tony Gee. He admitted that there was a great deal of hostility towards the changes to their working methods, and it was difficult to identify exactly where the real issues were. The questionnaire "helped us to get to the bottom of how much of a real issue things were from the feedback of the focus groups. It told us what the real quantitative issues were rather than emotion; it gave us a measure of which issues were most important, and we were then able to discriminate in the action we took".

By talking the results through with the focus groups, NTL was able to deal with some of the specific issues that needed addressing. By repeating the survey "we could find out whether things had changed as a result of our programme", said Tony.

RESULTS FROM THE DATABASE

Overall statistics

These case studies illustrate how the questionnaire has been used in a variety of contexts. There are also very interesting conclusions which can be drawn from the database of results from all surveys taken together.

The results differ from what most change management practitioners would suggest. And, as consultants, we confess to being somewhat surprised ourselves. We all advise our clients that communication is key to successful change – we frequently advise: "no matter how much you communicate, it is not enough; and you will have the balance wrong, with not enough *listening* to concerns and issues". Yet the highest group of scores from the database are for 'communication' and 'involvement'. For example, people feel that 'they may ask about anything', and 'are asked for their ideas and opinions'. People are also positive about:

1. teamwork,

1. respect and recognition ('people feel they are trusted' scores highly),

1. help and feedback,

1. clarity of roles and responsibilities, and

1. training and development.

It may be that the organisations that spend time and money on this sort of survey and approach are likely to be addressing these issues. Even so, given the very wide range of industries and types of organisations involved, this is a surprisingly positive result. We should not necessarily stop giving the advice we do, but recognise that the message is getting through to some effect. Even among all the positive scores on communication, we should not be surprised to see a very low score for 'conflict is openly explored and addressed'. And where communication may help directly with performance on the job, maybe even that is falling down (note the very low score for 'people have all the information they need').

However, it is clear that the real concerns are around the effective use of resources, and the clarity of overall business direction. We expect people in organisations going through change to be under a lot of time pressure, to be working very long hours, to be under stress, and to be experiencing reorganisations and often redundancies. These results suggest that businesses make this more difficult for themselves by having poor systems and working methods, and very poor planning to improve business performance. There are not enough resources, 'time and money are wasted', and systems and procedures generally are not helpful.

Organisations seem to spend more time reviewing progress, and very little planning for the future and responding quickly to problems (see the results of the questions under 'Planning and Monitoring'). Although 'people are encouraged to develop themselves' and 'training is relevant and useful', time is not 'set aside for training', nor do 'people receive regular coaching and guidance'. This approach to planning and monitoring, and to training and development, suggest that there is a long way to go to become 'learning organisations'.

There are relatively low scores for clarity of vision and strategy, and in particular for individual and team objectives and performance. This suggests that organisations are not clearly communicating strategy and objectives to people in their business when they are experiencing major change. Perhaps they are taking it for granted that people will see the reasons for change as 'obvious'.

Database conclusions

Our conclusions from these survey results are that organisations are spending time communicating with, involving, and encouraging their people, but that these are special 'standalone' activities ('we must do something about this because we are changing so much', is the sentiment we surmise is prevalent). This effort is, however, largely divorced from the real business issues. If the time spent on communicating and involvement was on business and team objectives, and on everyday planning,

reviewing and being more effective in the use of resources, then the effect on business performance would be improved, and it would feel more 'real' to people in terms of communication.

LESSONS, LEARNING AND CONCLUSIONS

In each of the case studies above the teamindex360© process enabled managers and staff to discuss the issues they faced, and hence improve understanding. It was this process of discussion, using quantitative data from anonymous sources, which resulted in practical actions being identified and taken. Our experience has been that the language and structure of the results is simple and straightforward, which makes it easy and worthwhile to discuss the results with as many of the participants as possible. Surprisingly, people don't seem threatened by the direct language. This helps everyone to think about the change issues facing their organisation. And this very process of involvement increases commitment and reduces resistance to change. It seems to work best when people are not simply given the results and told what will happen, but are encouraged to think about what it means for them and their organisation. This corresponds with the findings from the database, that there is still not enough time and effort devoted to understanding of real business issues.

We have also found that it is important not to leave a long gap after the survey before providing feedback, particularly as there are likely to be a lot of other initiatives taking place, and it may get 'lost'. This process does take time, and requires some skills of facilitation from the team leaders. By adopting this process, managers are implying that they are committed to taking action to remedy issues raised. Inevitably, if they fail to do that, the process can be counterproductive. This is not a 'solution' to managing change, but it is a practical way of moving the process forward.

References:

1. e.g. PricewaterhouseCoopers quote their own research on their website that '50% of all M&A deals fail'; *www.pwcglobal.com. The Economist January 9, 1999* 'study after study of past merger waves has\shown that two out of every three deals have not worked'. Roffey Park's current research on Strategic Alliances suggests similar failure rates.

1. e.g. Christopher Meyer, 'How the right measures help teams excel', *Harvard Business Review*, May-June 1994

1. e.g. Larry E Greiner, 'Patterns of Organisation Change', *Harvard Business Review*, May-June 1967