

Regional Power Company (becoming part of a pan European energy group)

Following a change in ownership in 2009, this market leading Dutch utility Company needed a company-wide transformation to help deliver at pace against stretching new strategic ambitions and targets.

The Executive Board had already put in place a number of critical elements to achieve the new strategic plan, including:

- developing the overall direction
- identifying strategic initiatives
- setting up a 'High Performance Organisation' department (to bring in capability in LEAN/Six Sigma)

Following dialogue with a number of key individual stakeholders across the business we then highlighted what we believed was needed in addition to support the Executive Board's plan. The following recommendations became the scope for our work:

- Overall leadership: be more explicit about how the Executive team was leading the Company forward to deliver the strategic intent
- Create greater simplicity and focus: define priorities, make linkages, identify interdependencies, and ensure there was Board sponsorship of the high priority strategic work
- Create and deploy a common approach to change, and then build the capability to deliver it.

Methods employed

- **Working at executive level** We supported and challenged the Executive Board to be more explicit in how they were leading the Company forward to deliver the strategic intent. Through this work the Board agreed a governance model to oversee the change. Two key leadership structures were agreed: a Transformation Board that would bring the major initiatives under one umbrella and hold a systemic sight of the whole transformation; and a Business Review Team that would look at business performance. We supported the Transformation Board's work for over a year. A member of our Transcend team supported the Board's periodic (usually quarterly) away-days.
- **Supporting and aligning wider leadership** We also worked with groupings of the top 40 leaders, and the top 100 to support a consistency of leadership approach in the transformation, and to support them to take ownership of the strategic ambition for the whole company and not only their own business area
- **Creating and deploying a common change framework** We started from the beginning to work closely with the newly formed "High Performance Organisation" department. We worked with a 'design team' drawn from HPO so that they could create and own a common change framework for their business. This framework drew on our Transcend 'Change Pathway'
- **Develop a change leadership programme based around the delivery of strategic initiatives** We worked with the same internal design team to develop an "action learning programme" to be attended by those leading strategic projects. Each project had to be approved and supported by a senior sponsor - in the beginning from the Board - then later from the Transformation Board. The programme built change leadership capability

through implementation of the work. It drew on Transcend's research into change leadership practices and the critical choice of 'change approach'. Learning took place in "real time" with real work. The programme became known as the Change Leadership Programme (CLP) and extended over 9-12 months with the explicit intention of measuring its impact on the business. A shorter "light" CLP was designed for change agents connected to the strategic work. Over time we built capability in-house to facilitate all CLP programmes. We trained internal coaches to offer coaching support to each CLP participant, and Transcend supervised these coaches so that they could seek to understand patterns and themes playing out in the wider organisational system which needed to be addressed.

- **Sustaining and growing capability** – Our report to the Board on the impact of the CLP helped the organisation identify critical "change accelerators". The "change accelerators" are being utilised actively by those on the Change Leadership Programmes, and being tracked by the Transformational Board. The Board also agreed that while considerable coaching support had been given to people for their individual development it was now important to provide more support for teams. In order to embed change leadership 'into the organisational DNA', team support needed to extend beyond CLP project teams to embrace as many teams as could benefit in their day-to-day work. It was agreed that Transcend would provide team coach training for the "best of the best" internal coaches.

Measuring success

We held regular and periodic account management reviews with our client and as part of this created a systems map to give an overview to the organisation of its progress against its change intentions.

The assessment conversations with each individual at the close of the 'Change Leadership Programme' evaluated the financial 'return on change' of the project work participants were engaged in, and the collated CLP report led the Board, as described above, to identify 'change accelerators'.

We also worked with the Transformation Board to track and support progress of the transformation beyond the life of the CLP.

The Company has over-delivered to date against its promises. The impact to date on work we've supported has been tangibly significant (and measurable) at 3 levels:

- significant (quantified in euros) business returns
- greater organisation capability built to implement sustainable change
- development of personal change leadership.

To date, the Company has invested in running 8-9 Change Leadership Programmes; around 225 people have so far completed the programme.

Global Pharmaceutical Company

From the consultancy brief and our initial meetings, we quickly recognised that the company was facing a combination of major challenges: an increasingly competitive market, rapid rates of technology change and a timing crunch when many patents would expire. The CEO and the senior leaders were already leading a rigorous review of the company's organisation and operating model. Considerable work had been done to define their direction and they had identified five strategic themes (with the support of another consulting group). To address the erosion of income due to patent expiry, there was also a significant cost saving target over the next 3 years.

We determined together with the Board, as well as with those in the wider organisation, that their capacity and capability for change were crucial to achieving these goals. They did not have a company wide methodology for leading change, a situation that was increasingly untenable. Our analysis, therefore, that for the company to achieve its goals it was vital to establish a common language and framework for change, with the integration of concurrent initiatives. This approach would be designed to have impact across the organization at multiple levels, locations and cultures. The client agreed with this perspective and the recommendations and we were appointed to do the work.

Methods employed

From the outset we kept in close partnership with the organisational development team. Our first task was to co-create the company's change framework, drawing directly from the Transcend Change Pathway. This centred on an intensive meeting attended by over 50 people who had experience in change, leadership, project management and LEAN/Six Sigma. The resultant framework became the basis for all future work. It was tested at Board level by the OD group and is still in use within the company.

We then became part of a design team to co-design a ground-breaking programme to accelerate the pace for reaching the strategic ambition. The focus was building capability to lead and implement the highest priority projects which had already been identified by the Board. We worked as part of a strong contingent of people drawn primarily from within the Company.

The goal was to develop a rigorous, systemic approach (using the phases of the new change framework) enabling leaders and those implementing the work to identify what needed to change in 3 areas: business impact, organisational capability and personal development. As a design team we worked closely with those already supporting the high priority projects (whose teams had already been set up by the Board, and who had already started work). Our goal as part of the design team was :

- to understand how to help support their leadership of this work and build needed capability.
- find innovative and systemic ways to deliver that, in a way that was cost efficient and professional.

It was decided that each project team would have a highly skilled, designated support team comprised of those trained in change leadership, programme management and LEAN/Six Sigma. Transcend's job then widened to co-design and co-facilitate a number of "train the trainer" sessions to strengthen the skills of those in the support teams. In the early days, as required, a Transcend consultant would join one of the support teams as they agreed what was needed (with project team leaders), and undertook specific sessions for a project team.

Subsequently, our support shifted. On request, we agreed to support specific senior leaders and their teams in various parts of the organisation, drawing on the same methodology, approach and expected outcomes (working again to deliver impact at the business, organisational, team, and at the personal level).

Measuring success

Throughout the development of the programme, we helped to "road test" the work with interested groups – constantly seeking to find what really made an impact in Company. The introduction of Transcend's research around change approaches and the importance of leaders explicitly choosing an approach and using it consistently has been

particularly beneficial. Inspired by what we call the 'Masterful' change approach, the CEO held a global net-cast across the Company world-wide in order to understand how people were leading change in their area, and what shifts might be needed in future based on that.

We regularly had account review meetings to track delivery against agreed performance; our work has been highly valued and continues to have a lasting impact, with the Company being able to take real ownership of the change framework and methods we developed together, and to evolve them.

Global Pharmaceutical Company

Our client was at the stage of finalising organisational, systems and process design and then implementing this across the world. This was one of the biggest projects that any organisation had undertaken. However, energy and enthusiasm for it was waning.

The majority of people saw this as a "programme run from the centre" which they were not motivated to embrace. Over 3,500 project implementation people who were tasked with quickening the implementation and delivering savings were also suffering from under-motivation. Jobs they had been promised when they left the project were no longer guaranteed.

We agreed with the Project Board that they need to motivate this team, but also to create the conditions for their success in terms of building their capability, their change and business knowledge, and providing the right resources and technology so that new ways of working could be implemented.

Specifically we agreed three tasks:

- To help leaders function more effectively as a team to ensure that the change project was delivered in a way that was sustainable, effective and efficient
- To support work led leadership events that would build leadership capacity as well as accelerate results
- To help individual members of the core team through one to one personal development over a period of 18 months

Methods employed

All our interventions were based on core values and beliefs

- eg Profound change must come from within the business: change is not an end in itself or a separate workstream; and Securing profound change is systemic : our assumption was that the executive sponsors and Project Board were a reflection of the wider system, as well as a crucial enabler of profound change within the organisation. So our work supporting these teams was a high leverage activity
- Leaders create the conditions for change: so we supported leaders by helping them make choices about their approach to profound change, and then through identifying ways in which to maximise and amplify the effects of their own leadership on the organisation.
- The way that work is led and done creates the culture of the organisation: the Project Board increasingly recognised that how they stepped into their leadership and did their work, impacted on business results. This shifts the business to a new level of capability. But to sustain this it is vital that the culture also embraces learning so that people's capability can grow: Change starts with self.
- Change happens as people do things differently. This inevitably means one small act at a time. Leaders need to set examples and applaud others in the organisation for making their own changes. To support leaders in acting differently we used a blend of approaches which included assessment and diagnostic instruments combined with one to one and team interventions.
- **Supporting Senior Leadership** We undertook an assessment of how the team operated together. This was done by building trust in the team and having mature and adult-adult conversations so that everyone felt valued

and heard We use a core and unique evaluation tool that is based on our own original research. The tool gives a 360 degree assessment of a person's change leadership practice. At the end of the team's development period the exercise is repeated to find out what has changed in their leadership practices and what changes can they link to business results. The team as a whole shared these assessments to try and help each other to develop.

- Supporting and aligning business-wide leadership The first leadership team we worked with was the Project Board which included the global project director, the global head of IT, the global head of programmes; the global head of process design, the global head of organisation design, a head of each of the biggest businesses and geographies, finance and communications. The second leadership team was an inner core of this team. Other leaders we engaged with were the executive vice presidents who ran the businesses around the world, as well as the owners of various processes.

Since different parts of the organisation were changing at different times it was important for all teams including the leadership teams to be clear of their purpose. We used as our guide our Change Pathway which identifies key phases, practices and interim outcomes for each stage on the route to successful change, designing a series of workshops around the pathway for all key teams. The skills implied in the desired practices for each phase, were then tested and applied in the moment of the team gathering to invite them to behave differently – so as to achieve different results. The teams grew in confidence and became more ambitious for itself and others.

- **Executive Coaching** Each member of the inner core leadership team had an individual coach and they identified their individual goals in the pursuit of how to be even more effective. The following were the agreed criteria against which each individual set their own goals:

1. Linked to the work of the Leadership Team and its role
2. Audacious and ambitious
3. Measurable
4. Relevant and timely
5. Future proofed

Each of the inner core leadership team were coached once per month for about 90 minutes and then they met together and were coached as a team in the moment of their doing real time work as described above.

Measuring success

The impact was seen at three levels at the end of 18 months as follows:

- At the individual level individuals were more aware of the choices that they could make in their style of interventions. This enabled them to be more effective at creating a compelling story for the future and engaging members of staff at all levels of the organisation. They self-reported improved levels of Change Leadership Practice. They were more able to accurately name and positively use their own emotions in trying to understand how others in the organisation might be feeling about the change and find different ways of leading and managing the change.
- At the level of the team there was a fundamental decision early on to maintain two teams. We facilitated the team to have a discussion about this and they decided to have an inner core for effective strategic decision-making in addition to the wider team and agreed how and when to connect the two parts to itself and to the wider organisation.
- At an organisational level the team was able to create the conditions in which more difficult and more drastic decisions were made. These decisions which, though painful, were necessary to deliver what was required of the project. As an example given the drop in global revenues the budget for this project came under severe pressure. We created a forum in which we co created an Open Space to bring nearly 100 people together to save over \$250m in a given year. This seemingly impossible task was achieved within 48 hours and delivered more savings than were anticipated because they got to understand the underlying mental models that had prevented such savings being generated previously.