- Which images of change did those two managers illustrate?
- How did those images affect their change management decisions and actions?
- Where they drew on more than one image, to what extent were those related to

  type of change?

  context of change?

  phase of change?

  their involvement in more than one change at the same time?

- What other factors did you identify?
- What conclusions can you draw from your analysis about the effects of images and mental models on the way that your interviewees approached their change management roles?

EXERCISE 2.2

The Turnaround Story at Leonard Cheshire

LO 2.5

Issues to Consider as You Read This Story

1. What image, or images, of change management does Clare Pelham illustrate?
2. What insights does this story have to offer concerning the role of the change leader?
3. What lessons about managing organizational change can we take from this experience and apply to other organizations, in healthcare and in other sectors?

The Context

Leonard Cheshire was the largest charity in the United Kingdom, supporting thousands of people with physical and learning disabilities and acquired brain injuries. The charity's support included care in a range of residential settings, respite services, and skills development to build confidence and to improve employability. The charity employed 7,500 staff in over 300 different services, in the United Kingdom and internationally. The charity also had the support of 3,500 volunteers.

The Problem

Clare Pelham was appointed chief executive in November 2010. The charity's income was £155 million, and it had a deficit of £5.4 million. The tenures of four previous chief executives had been short. Her immediate predecessor lasted 18 months, implementing a reorganization with the loss of 100 managerial and administrative jobs. Japan Tobacco International had been chosen, with much controversy, as a commercial partner. The Care Quality Commission, a national healthcare regulator, was about to restrict activities at some of the charity's care homes. The charity was founded in 1948 by Group Captain Geoffrey Leonard, who died in 1992. Pelham had worked as a volunteer at a Leonard Cheshire home as a teenager, but her ambitions had taken her into a management career in other public- and private-sector organizations. Now, how to solve the charity's problems?

The Solution

Phase 1: Pelham said, "I always start with the people." On her first day in her new role, she met with each of her senior managers individually. She then visited the charity's homes. Action was swift:

I started in November and by the first week in December we had a new strategy. You need to do things quickly. You also need to be clear as a group of people about why are we here? What do we believe in and how are we going to achieve it?

One of her other first actions was to hold a management board meeting with no agenda:

We talked about how we were going to work together. I suggested they all share with each other the things they had said to me personally. We came up with some ways of working. It was guidelines like, if you write anything down, it can be shown to anyone, copied or forwarded to anyone and you should be prepared to stand by what you have written.

The aim was to develop openness and trust. The guidelines also applied to conversations; "We agreed you should never say something about someone you would not say to their face." Pelham also banned the "b" and "f" words: blame, fault, failure. In order to build pride in the work of the charity, Pelham encouraged a culture of "you don't walk past":

If I am late or if anybody is late for anything and the reason is that it is because they saw something that was not OK and they stopped to address it, then that's fantastic. If you are doing something to make life easier or better for any individual person, what else could you be doing that is more important than that?

Phase 2: How did the focus on people and culture address the charity's financial problems? Pelham was also concerned with procedures, measurement, and information:

I think leadership is a caring profession. You cannot do it well if you do not care about the people. You need the heart, but you need to enable the people day to day and engage your head so I am quite big on having procedures because that's how you measure. Let's have ways of doing things, to protect the confidentiality of whistle-blowers, for example, or ensure safeguarding. Sometimes you want to depart from them but let's do that knowing you are doing it. You need information gathering so that you can see where you are and see a trend. It is no good saying that this is a good idea and not measuring. That's not going to do disabled people any good at all.

Fundraising was to become everyone's business, not a specialist function, and Pelham held regular meetings to gather ideas and prompt action. Significant savings came from making procurement more efficient and by reducing spending on expensive agency staff by more than a third while improving continuity of care. Pelham received personal weekly reports on these efficiencies. Speaking about her leadership role and style, she said:

It is my responsibility when things go wrong and if anyone is to blame it is me and if anyone is to go and answer for it or resign because of it, it is me. If you accept that people share your commitment and passion and values and they are not doing things as well as they can, you have to look in the mirror first and ask: what is it that you could have done to help them do the job they came in to do?

One indicator of Pelham's passion and values concerned her attitude to the traditional practice of making short support visits to older people. These visits, provided by local councils and care services, were funded to last only 15 minutes. She decided to start a campaign to stop this practice:

> Our 15 minute campaign came out of a conversation where one of my colleagues talked me through what a 15 minute visit meant. I asked, "Are we OK with this?" We decided we would no longer bid for them and we would actively campaign against them. Our staff hate these visits and every day see people suffering. They love that we are prominent in trying to make this stop.

The charity's condemnation of these visits triggered outrage at the practice and was headline news. The government's Care Bill was amended accordingly—a triumph for Pelham.

The Outcomes

In 2013, the charity's income was £160 million, with a surplus of £3 million. Voluntary donations had increased by 20 percent over the previous two years, to £13.4 million. In 2014, Leonard Cheshire Disability had a surplus, and it started to expand and refurbish its supported living accommodation.

Story Sources

Carlisle, D. 2014. The woman who banned the f-word. *Health Service Journal* (February 28): 24–28.

http://www.leonardcheshire.org/

Additional Reading

Battilana, J., and Casciaro, T. 2013. The network secrets of great change agents. *Harvard Business Review* 91(7/8):62–68. Research concluding that it is the networks of change agents that can make them more successful, especially where the nature of their networks ("bridging" or "cohesive") matches the type of change that they are pursuing.

Chatman, J. 2014. Culture change at Genentech: Accelerating strategic and financial accomplishments. *California Management Review* 56(2):113–29. This is a case study of successful culture change in a pharmaceuticals company. The senior vice president, Jennifer Cook, said: "My leadership philosophy is that individuals are people first and employees second. Our best employees make a choice to come to work every day and we have to earn the right to have them want to come back. The way I look at it is that I'm bringing a framework and infrastructure as a way to harness the group's thinking, but it's their thinking" (p. 113). Contrast this philosophy with that of Ron Johnson at J. C. Penney (chapter 1).

McCreary, L. 2010. Kaiser Permanente's innovation on the front lines. *Harvard Business Review* 88(9):92–97. This famous healthcare organization has an internal "innovation consultancy" that employs change agents to watch, note, sketch, and identify better ways of working, asking staff how they feel about their work, holding "deep dive" events with staff to generate ideas. The aim is to introduce service-oriented innovation quickly and economically. This is a *caretaker* image of change managers—controlling, but looking for unpredictable outcomes.

Pascale, R. T., and Sternin, J. 2005. Your company's secret change agents. *Harvard Business Review* 83(5):72–81. Argues that the leader's role is not to direct change but to identify and encourage the organization's "positive deviants" who are creating new solutions and ways of working on their own initiative. This supports the *nurturer* image of the change manager, shaping conditions that again will lead to unpredicted outcomes.

- To what extent are you more comfortable with one or another of the six images described in this chapter in terms of your own (current or anticipated) approach to managing change?
- Why is this the case?
- What are the strengths and limitations of the images that you have identified as most relevant to you?
- What skills do you think are associated with each image in order to use it well?
- Are there areas of personal skill development that are needed in order for you to feel more comfortable in using other change management images?

- Have you worked in an organization that was dominated by particular images or approaches to change?
- What barriers would you face in trying to bring consideration of alternative images in these organizations? What strategies could you use to assist you in overcoming these barriers?
- **As a small group exercise:** Compare your responses to the above questions. Where do you differ from colleagues? Why do those differences arise?

Here is a short summary of the key points that we would like you to take from this chapter, in relation to each of the learning outcomes:

LO 2.1
Evaluate the use that different authors make of the terms change agent, *change manager*, *and* change leader.
Some commentators argue that the distinction between change managers and change leaders is clear and significant. We have argued, in contrast, that in practice these two roles are closely intertwined. This is a semantic squabble that is not worth arguing about. The term *change agent* traditionally refers to an external consultant or adviser, and while that role is still common, the term today is used more loosely, to refer to internal as well as external change agents.

LO 2.2
Understand the importance of organizational images and mental models.
The images or mental models that we all have provide us with ways of understanding the world around us. While these images are useful, we have to appreciate that "ways of seeing" are also "ways of not seeing." Focusing on specific attributes of a situation of necessity means overlooking other attributes—which may sometimes be important. Change managers approach their task with an image of the organization, an image of the change process, and an image of their role in change. These mental models—our "images-in-use"—have profound implications for change management practice.

LO 2.3
Compare and contrast six different images of managing change and change managers.
We explored six images of the change manager: director, navigator, caretaker, coach, interpreter, and nurturer. Each is based on different assumptions about the role of management (controlling versus shaping) and about the change outcomes being sought (intended, partly intended, unintended).

LO 2.4

Explain the theoretical underpinning of different change management images.
Each image finds support in organization theory and change management theory, which was explored briefly. Nevertheless, it is important to recognize that these images, which have strikingly different implications for practice, are based on research evidence and theory.

LO 2.5

Apply these six images of managing change to your personal preferences and approach, and to different organizational contexts.
We identified three uses of the six-images framework: surfacing assumptions, assessing dominant images, and using multiple perspectives and images. There are no "right" and "wrong" images of change management. It is valuable to be able to interpret problems and solutions in general, and change processes in particular, from different standpoints. This "multiple perspectives" approach can help generate fresh thinking and creative solutions.

This framework has other uses, explored in later chapters. One concerns the assessment of change as successful or not. That judgement is often related to one image rather than another. We often ask: Was it managed well? What went right? What went wrong? Did we achieve what we wanted? However, judging success is open to interpretation. As Pettigrew et al. (2001, p. 701) argue, "Judgements about success are also likely to be conditional on who is doing the assessment and when the judgments are made." The six-images framework highlights the need to raise conversations early about judging the success of change, and to ensure a broadly common view of that judgement across the organization.

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