



**LEVEL 7 STRATEGIC
MANAGEMENT AND LEADERSHIP**

Day Five

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Session

- Strategic Change

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Types Of Change

Incremental

- Process or system improvement or upgrades
- Change support is focused on human centred design, user experience and adoption

Episodic

- Infrequent and short-term
- Often comprising strategic or scheduled programs or projects of change
- Examples include new enterprise systems or new organisational design
- Usually confined to one business unit/ department

Transformational

- Multiple types of change impacts occur at once: culture, leadership, operating model, technology, process, customer, location, business model
- Multiple parts of the organisation impacted such as finance, HR, operations, retail, supply chain, sales and marketing, customer support, technology
- Requires a holistic and strategic view of change managed carefully to avoid risk.

Discussion

- A study by Towers Watson found that 75% of organisational change initiatives fail over the longer term (a figure consistent with other studies).





12 reasons why change fails

- Poor leadership
- Not creating a powerful enough guiding coalition
- No clear vision
- No clear and compelling case for change and a sense of urgency
- Poor strategic planning
- Underestimating the scale and scope
- Failure to identify/get buy in from stakeholders
- Poor communication
- Failure to anticipate and manage resistance
- Failing to give people the tools they need to change
- Failing to build and then maintain momentum
- Failure to manage culture change.



Planning for Strategic Change: 10 factors



Strategic Development – Planning for Change



- Ownership
 - Where is the ownership of this strategic change?
 - Is that the right function?
 - Is that the right level?
 - Is it contested?



Strategic Development – Planning for Change



- Vision
 - Do we have one?
 - Does this strategic change fit with it?
 - Is it shared?
 - Is it understood?
 - Is it right based on our diagnosis?
 - Is it sufficiently aspirational?



Strategic Development – Planning for Change



• Outcomes

- What do we need to achieve to deliver the vision?
- Specifically?
- What will success look like?
- How will we measure progress?



Strategic Development – Planning for Change



• Engagement

- Is our change involving the right people?
- Are we being sufficiently inclusive?
- Are we subjecting our thinking to sufficient challenge?
- Are we using “coal face” expertise?
- Are we delivering broad involvement?



Strategic Development – Planning for Change



- **Planning Horizon**

- Are our plans looking to the right timetable?
- Are we demonstrating agility?
- Can we “sprint” this process?



Strategic Development – Planning for Change



- **Time to Results**

- Can we move quickly enough?
- Can we attain early wins?
- How do we incentivise that?
- How will we balance the need for pace with the requirement to manage risk?
- What metrics will give us early feedback?



Strategic Development – Planning for Change



- **Change Philosophy**

- How will we manage resistance to change?
- How can we build critical mass commitment?
- Are their barriers to we need to dimmish / remove?
- Is there a group we should target to provide a tipping point?



Strategic Development – Planning for Change



- **Alignment**

- How do we ensure all that contribute, do contribute?
- How do we involve all functional units in our change?
- How will we manage our communications with all those affected?
- Can we ensure that leaders and their teams at every level have personal performance objectives and incentives that tie to the accomplishment of our change?



Strategic Development – Planning for Change



• Oversight and Risk Management

- How will we manage risk?
- Who will do it?
- Who will have ownership of it?
- What governance do we need in place?
- Who is responsible and accountable for delivering this change?



Strategic Development – Planning for Change



• Culture Integration

- Does our culture complement this change?
- Does it have the potential to undermine our change (the answer is “yes”)?
- How do we introduce cultural change where it is required?



7 Lenses Maturity Matrix

Vision	Design	Plan	Transformation leadership	Collaboration	Accountability	People
The vision gives clarity around the outcomes of the transformation and sets out the key themes of how the organisation will operate	The design sets out how the different organisations and their component parts will be configured and integrated to deliver the vision	The plan needs to retain sufficient flexibility to be adapted as the transformation progresses while providing confidence of delivery	Delivering a transformation often means motivating into action a large network of people who are not under the direct management of the transformation leader	Collaboration is key to transformation in a multi-dimensional environment that increasingly cuts across organisational boundaries	Having clear accountability for transformation within an organisation enables productivity and improved decision making, and leads to better outcomes	Transformation will require people in your organisation to be engaged and to change their ways of working - you need to communicate effectively with them at every stage of the transformation

- For major transformation projects HMG uses the “Seven lenses of transformation”
- The seven lenses can be use to measure the level of maturity of performance ...

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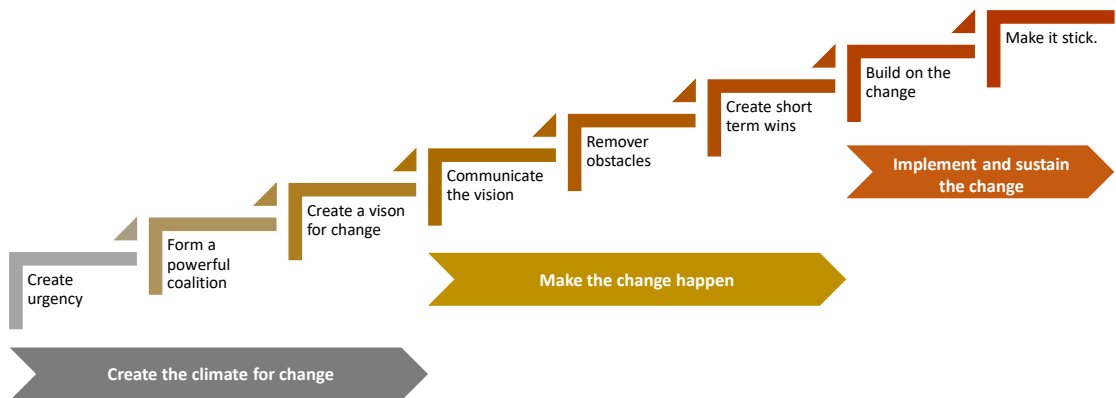
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5	The vision is embedded in everything people do. It flows from top to bottom and is aligned with public outcomes	The public are at the heart of design work. Outcomes for different changes across the organisation are aligned. It's clear how to bridge the gap between the current and future states	Planning is joined up and fully resourced. Plans adapt as transformation progresses	Leaders embody transformation and create an environment of trust where it's safe to speak freely	The organisation compromises for the greater good and leads the way in transformation communities	Clear governance results in decisions being made at the right level and at the right time to drive progress	Ways of working needed for the future are adopted. Mature workforce planning exists
4	The vision sets a clear direction that people buy into. It is articulated in different ways	It's clear how different parts of the organisation will fit together. It's possible to assess progress as the design evolves	Planning is informed, coherent and mature, supporting both transformation and business as usual	Leaders tell a consistent story. They 'push' and 'pull' as needed to create the right environment for change	Roles, responsibilities and incentives reflect the need to collaborate, leading to new ways of working	People are becoming empowered and accountable for making decisions	Plans to deliver new skills or ways of working are being realised and people are engaged
3	There is a vision that is stretching but achievable. People see how they can fit into it	The design considers users and contains enough examples to bring it to life	Plans have the right level of detail and balance of tight and loose planning	There is sufficient ownership of transformation. Leaders talk about it. There are visible role models	Many decisions are made across boundaries. Shared outcomes are starting to be developed	There is broadly the right structure around transformation, with a focus on making decisions at the right time	Plans are in place to address the impact on people, ways of working and culture
2	A vision exists, but it means different things to different people	The design attempts to define the future in too much detail or doesn't cover everything it should	Plans are beginning to be joined up. Ambition and achievability need more focus	There is support for transformation at the top, and some change agents. There are meetings and ways to submit ideas	There is some understanding of stakeholders. Collaborative behaviour isn't yet commonplace	There is a growing level of accountability for transformation	The impact of transformation on people, ways of working and culture is understood
1	There is no clear vision for the future, or there are competing visions	There is no single design, or various designs are not joined up	Planning is not joined up. Plans are not flexible or achievable	Leaders talk about transformation on occasion. They make some effort to canvass views but avoid difficult messages	Collaboration across boundaries is limited	Responsibilities and accountabilities for transformation are unclear	The impact of transformation on people, ways of working and culture is not understood

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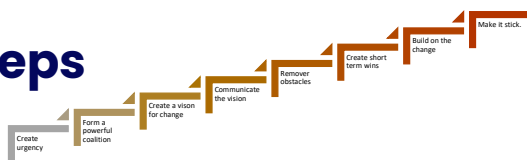
John P Kotter – 8 steps



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John P Kotter – 8 steps

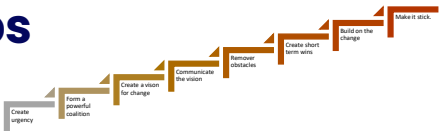


1. Increase urgency
 - inspire people to move, make objectives real and relevant
2. Build the guiding team
 - get the right people in place with the right emotional commitment, and the right mix of skills and levels
3. Get the vision right
 - get the team to establish a simple vision and strategy, focus on emotional and creative aspects necessary to drive service and efficiency
4. Communicate for buy-in
 - involve as many people as possible, communicate the essentials, simply, and to appeal and respond to people's needs
 - De-clutter communications - make technology work for you rather than against ...

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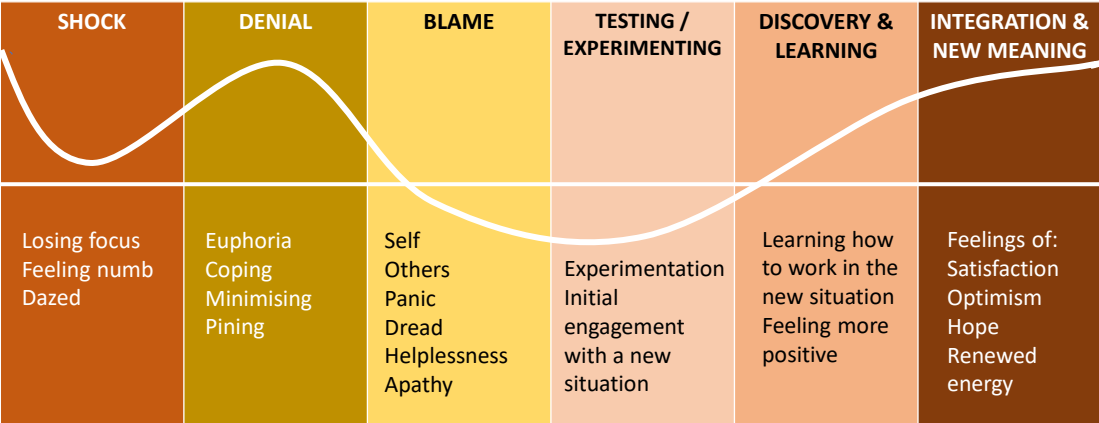
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John P Kotter – 8 steps



- 5. Empower action
 - Remove obstacles, enable constructive feedback and support from leaders - reward and recognise progress and achievements
- 6. Create short-term wins
 - Set aims that are easy to achieve - in bite-size chunks
 - Manageable numbers of initiatives
 - Finish current stages before starting new ones
- 7. Don't let up
 - Foster and encourage determination and persistence / ongoing change / encourage ongoing progress reporting / highlight achieved and future milestones
- 8. Make change stick
 - Reinforce the value of successful change via recruitment, promotion, new change leaders
 - Weave change into culture.

'Human Reaction to Change' (Kubler Ross)





Applying ‘Human Reaction to Change’

SHOCK	DENIAL	BLAME
Minimise shock by giving full and early communication of intentions, possibilities and overall direction	- Be patient - Discuss implications of change with individuals - Notice and pay attention to people’s behaviours, which may indicate their thoughts and feelings about the change	- Listen, empathise, offer support, protection. Do not suppress conflict and expression of difficult views and emotions. Help individuals weather the storm - Recognise how the change can trigger off ‘past’ experience in individuals - Try to take others’ reactions personally



Applying ‘Human Reaction to Change’

TESTING/EXPERIMENTATION	DISCOVERY & LEARNING	INTEGRATION AND NEW MEANING
- Help people experiment and work in new ways - Enable others to take responsibility and encourage experimentation - Create goals for the team - Coach and support individuals in changing their behaviours	- Encourage risk taking - Exchange feedback - Set up development opportunities	- Discuss new experiences and ways of working and learning - Reflect on how the change was implemented and what can be learned from the experience - Celebrate successes

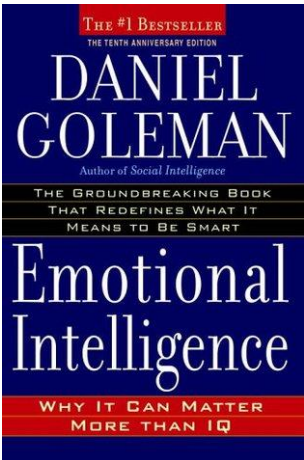
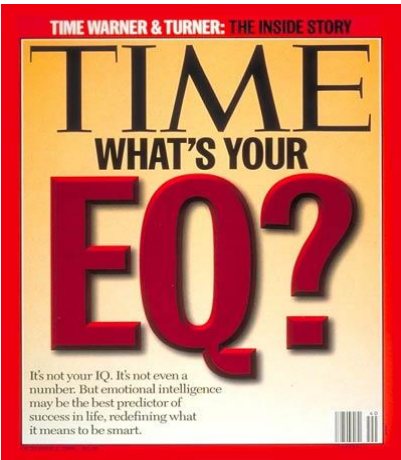
Session

- Emotional Intelligence and Self-Awareness

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Emotional intelligence



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Background

- EI has always been here, we've just got better at defining it
- the phrase 'emotional intelligence' was coined by John Mayer and Peter Salovey in 1990
- Daniel Goleman: 'go to' author and specialist in the field
- EI (sometimes referred to as EQ) is about abilities that are distinct from - but complementary to - academic intelligence (IQ).

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Emotional Intelligence

- The ability to recognise and understand emotions in yourself and others
- and the ability to use this awareness to manage your behaviour and relationships.

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IQ and EQ – what is the difference?

- **IQ = Intelligence quotient**
- It is measured by standard tests to measure intelligence
- IQ relates to intellectual ability, such as:
 - How will you learn?
 - How you understand
 - How you apply information?
- People with high IQ can make mental connections more easily
- **EQ (or EI) Emotional intelligence quotient**
- Is using emotions to think and enhance our reasoning
- Those with high EQ are able to:
 - Manage their emotions
 - Use their emotions to facilitate their thinking
 - Understand the emotions of others.

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Why?

- EI is the stronger predictor of workplace performance
- 90% of top performers have high emotional intelligence
- People with average IQs outperform those with higher IQs 70% of the time
- Decades of research now point to EI as being the critical factor separating average from high performance.

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How do we know ...?

- How much do emotional intelligence capabilities contribute to people's performance and effectiveness in the workplace?
- Goleman and colleagues carried out research across more than 500 competence models across corporate companies in the US
- To do this they grouped capabilities into three categories:
 - Technical skills such as accounting and business planning
 - Cognitive abilities such as strategic and analytical thinking
 - Emotional intelligence traits such as self-awareness and relationship skill.

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And ...?

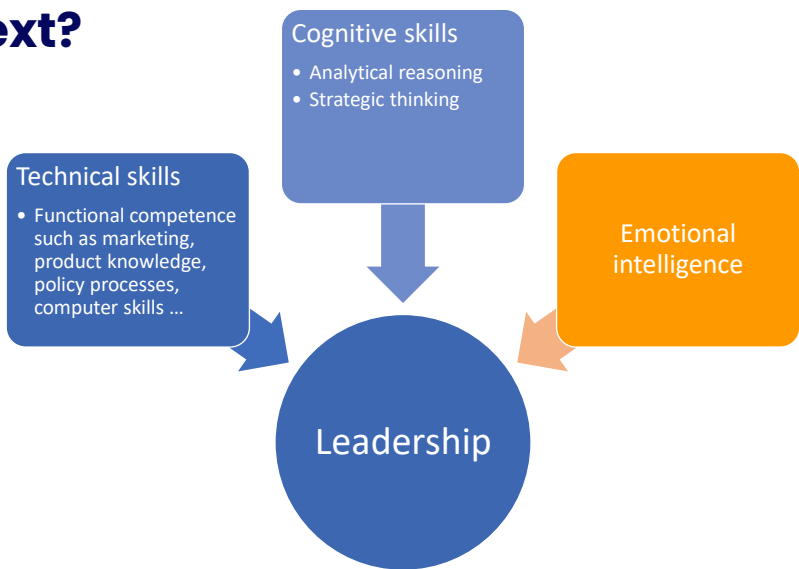
- The results of this research were remarkable
- Goleman and colleagues found that the higher the position of those considered star performers within a company, the greater their level of emotional intelligence
- When the comparison matched star performers against average performers in senior leadership positions
- around 85% of the difference in their profiles was attributable to emotional intelligence skills
- rather than to purely cognitive abilities such as technical or strategic expertise.

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Context?



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So ... what is EI?



It is utilising your emotions to determine the:

- Right response
- Right time
- Right person



It is not:

- Just being nice
- Suppressing emotions
- Giving free rein to emotions
- Attempting to be a robot
- Being passive.

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El model

- Goleman identifies five domains of EI
- Three are Intrapersonal
- Two are Interpersonal.



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El model

- Emotional awareness – an ability to recognise your own emotions and their effects
- Self-confidence – sureness about yourself worth and capabilities
- Realistic self-assessment
- Self-deprecating sense of humour.



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EI model

- Self control – managing disruptive impulses
- Trustworthiness – maintaining standards of integrity
- Conscientiousness – responsibility for your own performance
- Adaptability – handling change with flexibility
- Innovation – being open to new ideas.



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EI model

- Achievement drive – constant striving to improve or meet a standard of excellence
- Commitment – aligning with the goals of your group or organisation
- Initiative – readying yourself to act on opportunities
- Optimism – pursuing goals persistently despite obstacles or setbacks.



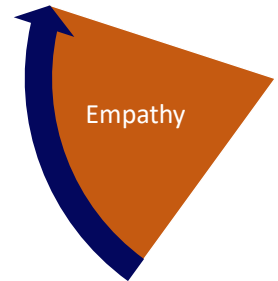
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El model

- Service orientation – anticipating, recognising and meeting others' needs
- Developing others – sensing what others need to progress and strengthening their abilities
- Diversity – cultivating opportunities through diverse people
- Political awareness – reading your group's emotional currents
- Understanding others – discerning the feelings behind the needs and wants of others.



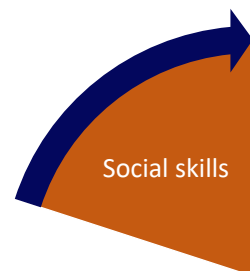
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El model

- Connection – building effective relationships
- Influence – effective persuasion tactics
- Communication – clear messages
- Leadership – inspiring and guiding
- Catalyse – initiating and managing change
- Partnership – realising shared goals
- Conflict – understanding and resolving problems.



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Increase your EI

Research shows that people improve their EI most when the following conditions are present:

- They have a strong motivation to learn or change
- They practice new behaviours consistently
- They seek feedback on their own behaviour.



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EI Quick win

- We can challenge ourselves to make a positive EI change by starting to do, or by doing more of:
- making others comfortable in social situations
- differentiating between having an emotion and doing something about it
- replacing selective listening with attentive listening
- focusing on body language and translating its meaning
- altering your response to setbacks and obstacles
- noticing!



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Action Plan

- 1. Pick an EI skill to work on
- 2. Pick 3 strategies to begin using for your chosen skill
- 3. Choose an EI mentor
- 4. Measure your progress
- 5. Keep the following in mind:
 - Expect success, not perfection
 - Practise, practise, practise
 - Be patient.



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Close

- Thank you!

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Additional Material

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Personal action plans components

Understand yourself

Set priority goals

Make them measurable

Gap analysis

Identify steps

Plan and execute

Measure and review.

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Conduct a personal SWOT analysis

Strengths What are you really good at? What do others recognise / reward you for? What do you do better than most people you work with? What are you most proud of? What experiences, resources or connections do you have access to that others don't?	Weaknesses What skills do you struggle with? What do you do only because you have to? What do you hide? What do other people most often identify as your weakness? Where do you lack experience, resources or connections, where others have them?
Opportunities In what ways can you take advantage of your strengths? What would you love to do that you're good at? If weaknesses no longer held you back, what could you do? Where is your potential for growth? What trends might you exploit?	Threats Are there any general threats that you need to think about? If weaknesses is not addressed, what problems could they cause? What setbacks might you face? What obstacles might have to be managed?



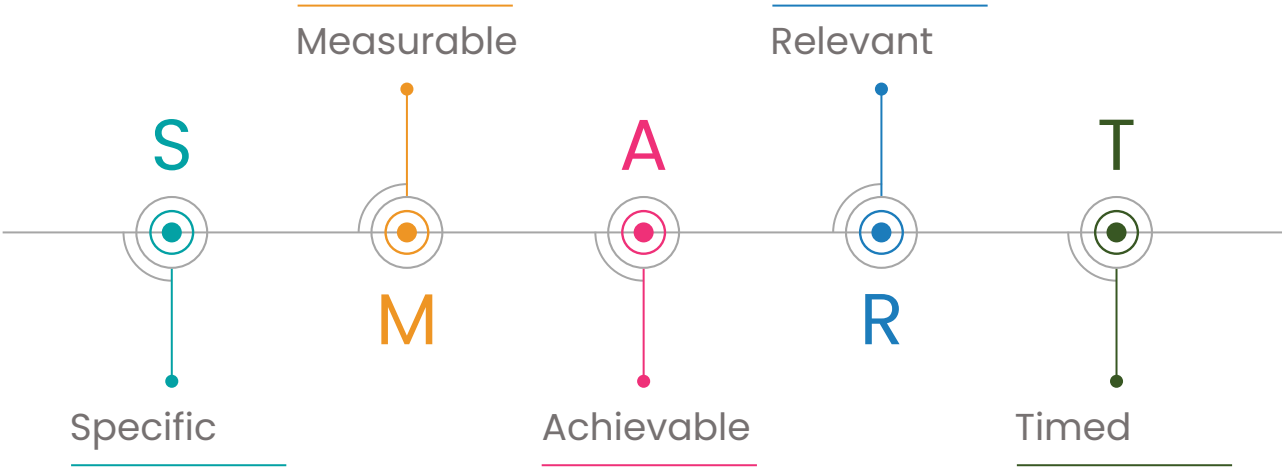
Set your priority goals

- What do you intend to accomplish?
- How is this consistent with your values?
- Why is this important to you?
- How do you want others to perceive you?

My priority career ambitions are ...	1. Future proof my deployability ... 2. Achieve a board level position by the time I am ... 3. ...
My priority impacts are ...	1. To make a step change in the quality of care provided to ... 2. To grow my organisation by x% .. 3. ...



Make them measurable



Make them measurable

Initial goal	Record here the goal you have in mind ...
Specific	What do you want to accomplish? Why is this a goal?
Measurable	How can you measure progress and know if you've successfully met your goal? Have you considered qualitative and quantitative elements?
Achievable	Could you do this? Is the amount of effort proportionate to the benefit?
Relevant	Why am I setting this goal now? Is it aligned with my overall objectives?
Timed	What is the deadline and is it realistic?
Revised goal	Review what you have written, and craft a new goal statement based on answers to the questions above ...

Gap analysis



Record here your revised goal ...	
What do you have already? (awareness, knowledge, competence, experience, qualification, opportunity, etc.)	What do you not have? (awareness, knowledge, competence, experience, qualification, opportunity, etc.)

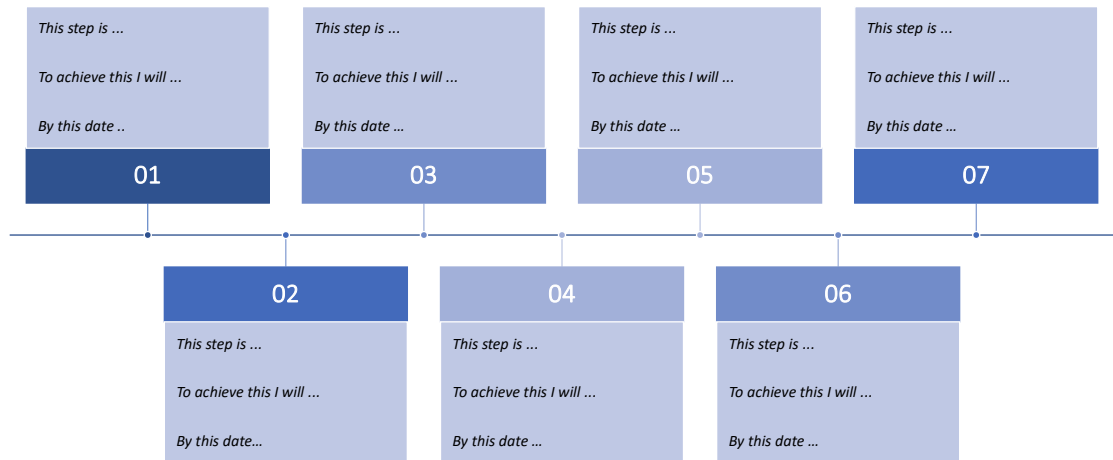
Identify steps



- Start with the first thing you will need to do as it makes the process easier
- And then, what is the last thing you will need to do?
- After the first thing, what will be the next two steps?
- And what is the penultimate step?
- Keep going until you have a complete set of actions.



Identify steps, plan and execute



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Measure and review

- Evaluation is not an afterthought - start thinking about it at the beginning of the process
- That is why we aimed for SMART in the planning
- Public commitments are more likely to be delivered so who will you share your plan with?
- How will you engage them in the review process?
- Celebrate your successes!

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