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Hello, my name is John Oakland. I've been working in the field of business improvement and change for over 30 years now and in that time I've done a lot of research, teaching and advisory work, largely with large complex organisations and what I'd like to share with you is a framework that we have developed out of our research and all that practical advisory work, with some of the best and largest well-known companies in the world.

These companies work in a whole area, range of areas, aerospace, oil and petrol chemicals, financial services, public sector organisations, the media and what I'd like to do is to illustrate how they have used this framework, which you'll see the picture of it if you like, so that you can understand how that works to help organisations bring about successful change and that's very important, because many organisations don't do change successfully. For example, in a survey of more than 400 large and complex organisations in Europe, 90% of change programmes face major difficulties in implementation. Only a third expect it to deliver the measurable business improvements that they set out to achieve and only one in every two projects succeeded. One in every two failed because of people issues, so this is a big challenge for these organisations.

So if you look at that framework, it came out of the work that we did, we studied as I said in depth, 30 very large complex organisations in all those areas that I mentioned before and developed a figure of eight, the top ring is about what we call readiness for change, the bottom ring is implementation for change. Now the top ring is about the senior managers getting their act together if you like and understanding the strategic issues. It starts with the need for change and it's interesting that you find in many organisations where change programmes, management, change management has not worked well, there was not a really good understanding of why we're doing this. There wasn't really the inputs, the triggers if you like as we call them, that really set the agenda and so people would effectively set off on the wrong foot. Now in those organisations we've worked with, we've worked with companies like ABB, which is the biggest power generating company in the world, 160,000 employees in 100 different geographs. Airbus, obviously everybody knows Airbus, their famous A380 is flying perhaps because of this change management framework working well.

In the media side, the BBC have used this framework to really understand what change was needed, for example in moving to digital technology from analogue technology in world service. How are they going to do that? You can't just snap your fingers, turn the computers on and it's all done differently, because analogue is about tapes and people recording interviews on physical things and digital is of course, is computerised versions of that and you need to understand how your processes will be different, how your people will have to behave differently.

So this framework in organisations like that helped them get an understanding of the strategic issues, what the leadership needed to do to set the direction for change, to set the vision if

you like for the new order and again failure occurs, because people don't take that responsibility even at the top. They think that it often is just about changing people's behaviour, but in fact it's about understanding what the agendas for change will be, what's critical to success, how you're going to measure that and planning this very well.

So that top ring has got those three boxes in it if you like, the need for change, the leadership and direction and the planning and then of course we get into the way we do things round here, what we call the processes. If you're going to change things in most organisations, organisations like Shell, where we have done a lot of work on their HR systems, their IT provision, internal provision, that in itself is a huge organisation with several thousands of people providing IT to the rest of Shell. In public sector organisations like the Highways Agency, HMRC, in the NHS we've done work where they've looked at the way they do things, how they operate District Nurse provision for example, sit down and look at those processes and see how they have to change to do them quicker, cheaper and better and the processes take you into the bottom ring, understanding how we're going to do things differently, then sets the implementation ring going round.

So once we've understood what those processes are going to look like and I remember working in a number of financial services companies like Zurich and in Car Care Plan, which is an interesting organisation that provides car warranties, we really needed to understand how things were going to be done in the new order, before we build the systems and the procedures that people are going to use. It's no good designing an IT system and then trying to make the processes stick at work for that. It's no good re-drawing the organisation chart, when we haven't understood how we're going to want to do things differently.

So your organisation, your resources are assembled around your new process architectures, so that you really understand how you're going to do things differently and the systems and controls that you then put in place match that, the process architecture, the systems and controls are working on the organisation chart if you like, to make sure people understand their responsibilities, their accountabilities, who we've got to communicate things to and who has to be involved and of course that takes us nicely round into the behaviours.

Change is bound to be about behavioural change. If you work with organisations in aerospace like EADS for example, EADS is the European Aeronautic Defence and Space company which we've been working with for maybe a dozen years now, Airbus, Eurocopter, Astriam Space, their defence systems, Business [inaudible 0:07:38], we've worked with all of those organisations over that period to really understand how people can improve their performance. Now it's an interesting organisation to work in, because you use the term 'rocket science' and we often hear people say it's not rocket science. You can't say that in the EADS, because they'll tell you it is rocket science actually and of course what we're talking about here is not the rocket science of change management, it's about understanding what I've got to do differently as a rocket scientist or as a builder of an aero-engine or a developer of a satellite system, what have I got to do differently that's going to bring about these changes that are needed in the agenda for change, the processes that we've decided to do differently, the new IT that we're going to use and so on.

So that completes the model, if you look at the next picture of the figure of eight, you'll see a number of outcomes from each of the stages and it is a figure of eight in the sense like you would draw a figure of eight on a piece of paper. You need to go round the top circle in a clockwise direction, come into the bottom circle through processes and go round that anti-clockwise and keep coming back into the top circle and into the bottom circle.

Change takes a lot of managing and so this framework helps you do that by checking these outcomes at each of the stages.

The last thing I wanted to say is about what happens if we don't do these various parts of this change model? So the next couple of slides show you what happens, the symptoms if you like that you get from not having for example the need for change sorted out. Not doing a proper job in the leadership and direction area, or not planning the thing properly. So the first slide on this is in the readiness for change and you see at the top if we've got all the three things in place, we've got a potential chance of having successful change. If we don't have properly understood need for change, they'll be no urgency and no action. So if you've got a change programme running and you've got that as a symptom, go and look to see whether you really bottomed out the need for change and really understood that and you communicated it into the organisation properly.

Similarly if you've not got leadership and direction pieces done well, you'll never get going, you'll never leave the start and if the planning is poor, you'll get false starts and wrong directions.

So what that is, is a little symptom set down the right hands side and you go to the left side into the boxes and see where likely problems are occurring and on the next slide is the symptoms if you like of not doing implementation well. Here there are four boxes, starting with processes, the organisation and resources, the systems and control and the behaviours. Get those right, again we're going to get successful change, particularly if we've done the strategic bit well, but if you ignore the fact that we have processes that have got to change, to change the performance of the business, to improve quality, to take out cost, to improve our on-time delivery perhaps, then the effort will be wasted on non-core activities. You hear about people working on the quality of the chips in the canteen or the restaurant instead of what really matters in the business and similarly if we haven't looked properly at the resources and the organisation, they'll get paralysis and frustration because people will not know what their new roles are, what their responsibilities are, what they are accountable for.

Driving blind is a symptom of not really properly putting in place systems and controls to run the new processes in the way they should be and if you don't address properly how you want people or how people need to change their behaviours, then you're just going to get a hell of a lot of resistance and that just endangers success.

So you need all of these boxes in place, you need to be able to tick all the boxes if you like, to get successful change. I hope you found that helpful and wish you the very best of success in your change programme.