Doctor of Professional Studies

Title:

An action research approach to enhance personal and organizational capability by developing expertise in cultural change management

Research topic:

Cultural Change Management

Methodology:

Action Research

Andrew Moore

SN: 0050027711

Abstract:

The culture of an organisation can have a significant impact on its leaders' abilities to generate desired organisational or market outcomes. On this basis an improved ability to manage changes in these cultures would benefit to organisational leaders and change agents.

In this doctoral project, three cultural change management subprojects were undertaken in separate organisations with the objective of generating positive cultural change in each. This change was to be generated by focussing each organisation on a set of espoused corporate values, and using this focus to influence the underlying assumptions held by people in each organisation.

The project was undertaken utilising the action research methodology in the planning and execution of the project, and in the structural writing of this thesis. Action research cycles of *planning*, *action* and *reflection* were used as the process for guiding the project toward its objectives. The project objectives were designed to generate three contributions from the project: one to the client organisations, one to the professional development of the researcher, and one for professional practice itself. These three contributions form the output of the doctoral project.

The research concluded that an organisation's culture is already adaptive in nature, and as such its underlying reason for being should be understood before an attempt is made to change it. The research also concluded that a focus on espoused corporate values alone was not sufficient to generate culture change, and that a variety of other factors were more influential on the culture. It found, that in order to manage culture change, a change agent needs to influence these underlying factors that form culture, rather than rely on rhetorical tools such as espoused corporate values.

Specifically, this thesis recommends minimising managed culture change, changing existing cultural elements rather than introducing new ones, a focus on managing generators of cultural elements rather than their consequent behaviours, and reducing the mental effort required for individuals to change so as to increase their capacity for it. Lastly, the research recommends change agents choose their approach to an intervention differently depending on the level of predictability they personally have about the outcomes of the intervention. Three approaches are recommended: pure observation, trial interventions, and pre-planned execution.

These findings are significant in their debunking of the corporate assumption that culture can be managed through espoused corporate values alone. The findings contribute to knowledge through the recommended approach and actions for practitioners. Following these recommendations, this thesis suggests that practitioners will significantly increase both their chances of achieving change in an organisations culture, and of that change in the end being beneficial to the organisation.

Acknowledgements

To Dr Bruce Millett as my supervisor and friend. Although this was my first time working at such a level, it was clear from the outset that it was not yours. With your steady hand you compensated masterfully for my periodic impatience and petulance, and managed my often unrealistic expectations of progress, while never allowing me to lose faith. Your patience with my excited ramblings, both in conversations and in the written word, was also highly valued. Simply, this would not have happened without your help. Thank you.

To Len, Kate, Rob, Ed, Kirstin, Liz, and Ian who were part of the Executive Support Consultants (ESC) team during the project period. Thank you for your openness and willingness to both engage in, and challenge my direction in executing this project, and for allowing me to use your workplace and our experiences for this learning.

To the other client organisations who participated in the various subprojects, and in particular the people working with me from Harcourts Western Australia. You were very open with me and brought this thesis to life with your comments.

To my family, and in particular my wife Dallas and my parents Len and Pauline. Dallas, your encouragement and support throughout have been truly remarkable. I am glad to have married someone who shares in the challenges as well as the glory. I hope you feel as appreciated as you are. Len and Pauline, you two have been there from the beginning and have showed unrelenting support for this project. You are both tremendous, and I feel extremely lucky to have you as parents.

Finally, to the University of Southern Queensland, for the ambitious support of work based learning. Belief that 'knowledge of how' is as important as 'knowledge of that' is still too rare in academia, so I thank you for having the courage to lead in this critical area.

Certification of dissertation

I certify that except where due acknowledgement has been made, this work is that of the author alone, the work has not been submitted previously, in whole or in part, to qualify for any other academic award; and also other than where acknowledged, the content of this thesis is the result of work which has been carried out since the official commencement date of the approved work based learning projects.

13th of August 2014

_____

Signature of candidate   Date

Endorsement

_____

Signature of supervisor   Date

Contents

Chapter 1: Introduction

1.1 Introduction

This is a *work-based learning* doctorate, applying the methodology of *action research* to a major research project, to explore the topic of *Cultural Change Management*. The purpose of this first chapter is to clarify the case for and background of the research project, and explain the reasoning behind the project topic selected. Looking first at the researcher's history and the reasoning behind undertaking the doctorate project, the chapter then looks at the selection of Culture Change Management as the topic, the learning plan, and the project's contributions. Finally, the chapter looks at the structure of this thesis, and concludes with the definitions of key terms.

1.2 Professional Development through Work-based Learning

1.2.1 The Learning Portfolio

As the first step in preparing to undertake this doctorate, a document was prepared detailing all the recallable prior learning of the researcher on the subject. This document was titled the Learning Portfolio (appendix 1). The learning portfolio systematically looks at the various key events and stages in my life, extracting lessons and reflecting on them in the context of understanding culture change management. This reflection provided a series of lessons for me as researcher which had contributed to my understanding of the subject of culture change management at the project outset, and formed a base of my existing knowledge for the doctoral project itself to build from.

The lessons included in the learning portfolio stem from both life experiences such as growing up, and from more formal experiences such as my tertiary education in organisational development, organisational behaviour, change management, management thinking and decision making, organisational culture, and various elements of business and

economics. Lesson titles included managing myself within a partnership, humility and learning to learn, and the value of values.

At the time of writing this thesis I worked as an independent organisational consultant, a role that I have started in and developed during this project. Although some lessons from this doctoral project have altered my previous inclination to plan out my future career path in detail, there are still ambitions I hold for what I could conceivably accomplish over my working life. Helping organisations improve in their function is something I am enjoying, though I think the application of my academic interests may in future move my work to a wider sphere. Holistically, I hope to contribute significantly to the application of knowledge to progress society.

Working with the starting point of the learning portfolio, it was clear that certain areas of my knowledge were weak or based on untested assumptions formed through unexamined experiences. Key among these untested assumptions was that an organisation's culture could be managed through the use of a set of espoused corporate values. Motivated by a will to learn and a search for understanding I saw this doctoral project as an opportunity to formally seek out and critically examine experiences which would aid me in the development of both my understanding, and professional capacity in the field of organisational consulting. Some areas where my knowledge or understanding seemed lacking included how organisational culture interacted with other elements in creating organisational or marketplace outcomes, and how the different roles or positional influence of the change agent would affect culture change management itself. These specific learnings were targeted because a greater understanding of them would have the potential to benefit both myself in my profession, and the professional community of internal and external change agents working in organisations.

In summary, building and documenting the learning portfolio prior to the beginning of the project planning process allowed me to develop a plan of learning that would fill gaps in existing knowledge.

1.2.2 Undertaking the Doctorate
In setting out to undertake this doctorate, it was important that the learning from the experience was useful in application both to myself in my future career, and to the professional community more generally.

As the second stage of preparing for the doctoral project, another document was compiled detailing the plan for the research project itself. This document is the Learning Plan expanded on below in point 1.3.1, and is captured here in its entirety as appendix 2. This learning plan sets out in detail the project that would be undertaken as well as giving a detailed argument as to why the action research methodology was chosen in this case.

During these initial phases of the building of the learning portfolio and plan, I developed a deeper understanding of the doctrine of professional studies, and started to more clearly see the substantial benefits of the work-based learning orientation in exploring the subject of culture change management. As work-based learning focuses on the researcher as participant and is set in the application orientated environment of the workplace, I saw immediate benefits of this approach to my area of inquiry. Rather than studying cultural change management as a passive observer, work-based learning coupled with the action research methodology would allow me to make deliberate structured changes in my own working environment and capture the results from those changes. This trial and error or testing and measuring approach to learning through feedback appealed to my existing experience of learning as a practitioner, while adding the benefits of rigour in the process and critical reflection in the lessons taken. In short, the strengths associated with the professional studies doctrine coupled with the work-based learning and action research methodologies seemed

from the outset to match very well with my strengths as the researcher, and with the nature of culture change management as a topic for inquiry.

1.2.3 The Issue of Cultural Change Management

Before looking at the management of culture or of change, it appears prudent to first look at the existing processes that drive both the development of culture, and organisational change. An underlying premise of this thesis and particularly of the doctoral project is that all management of organisational culture change is done in an environment where there are both an existing culture which continues to develop, and ongoing change in the organisation. Therefore, in order to 'manage' either the culture or its change, a change agent must first understand the forces currently driving both the culture and the organisational change. I suggest that in the main, both culture and change in organisations are responses rather than deliberate initiatives, and as such are both present regardless of their management in any organisation. The culture may be generic, and the rate of change may be very slow, but they will still both be present in the group as it seeks to learn from its common experiences through standardising methods of thinking and response (culture), and as it seeks to adapt to its changing environment so as to maintain validity or utility (change). So before we seek to manage culture change we must first accept and understand both more fully.

Schein (2013, p. 101) gave a thorough extended overview of culture and its various levels. *'Culture can be thought of as manifesting itself on many levels – it is represented by all of its artifacts, by which I mean buildings, artworks, products, language, and everything we see and feel when we enter another culture. But artifacts are not easy to decipher so when we enter a new culture we find that we have to talk to people and ask them questions about what things mean. When we do that we elicit the level of culture that I call 'espoused values' such as freedom, equality of opportunity, individual rights, and other values that are often referred to as "our constitutional rights". When we compare some of the artifacts and behaviours we*

observe with some of the values we are told about, we find inconsistencies, which tell us that there is a deeper level of culture, one which includes what we can think of as tacit assumptions. Such assumptions may have been values at one time, but, by consensus, they have come to be taken for granted and have dropped out of conscious debate. It is these assumptions that really drive the manifest behavioural elements, and are, therefore, the essence of culture' (p. 53). This explanation of culture and its elements underpins the definition of culture used throughout this thesis. Seeing the three levels of culture as distinct and noting the difference between the visible but hard to decipher artifacts, the discussed but often poorly executed espoused values, and the behaviourally significant but subconscious underlying assumptions, allows for culture and culture change management to be seen with its realistic level of complexity.

The history of culture as a scholarly topic itself is long standing. The term is also broad with earlier scholars citing as many as 164 definitions of culture (Kroeber & Kluckhohn, 1952), who in the end concluded '*Culture consists in patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting the distinctive achievements of human groups, including their embodiment in artefacts; the essential core of culture consists of traditional [i.e. historically derived and selected] ideas and especially their attached values.'*(Kroeber & Kluckhohn, 1952, p. 181). Or a slightly more recent example, '*Culture represents an independent set of values and ways of behaving that are common in the community and that tend to perpetuate themselves, sometimes over long periods of time.'*(Kotter & Heskett, 1992, p. 141). These definitions capture the patterned nature of people's behaviour when working in a culture and also note usefully the norms of reaction to circumstance as part of the cultural norms. This reacting is important because culture develops as groups face and respond to challenges together, and this collective learning translates into the stable shared assumptions and values present in cultural groups.

G. Hofstede (1981), an established expert on culture, defined culture as '*…the collective programming of the human mind that distinguishes the members of one human group from those of another. Culture in this sense is a system of collectively held values'* (p. 24). This definition is useful in that it shows and emphasises the boundaries of different cultures, and sets this boundary as a defining characteristic of both cultures on that boundary. It does however imply that without alternative cultures to measure against, culture would not exist.

Speaking of culture more organisationally, Drennan (1992) gives a very pragmatic definition: '*Culture is 'how we do things around here'. It is what is typical of the organization, the habits, the prevailing attitudes, the grown-up pattern of accepted and expected behaviour'* (p. 3). This definition is valuable in that it presents culture clearly as what is typical rather than what is desired. It is also useful as it sets out through the use of the words 'grown-up' indicating the development or maturing element of culture. It alludes to the point that a culture can be weaker in the early stages of development, and only truly generates a 'pattern of accepted and expected behaviour' once it has had time to mature or 'grow-up'.

Looking at culture as it interacts with organisational design, Stanford and ebrary Inc. (2007) note '*It is surprising how few of the organisational design models shown (in chapter two) specifically mention culture. They focus on the aspects of organisational design that are explicit, where as, much about culture is implicit and difficult to describe as it is socially construed and manifested in norms, behaviours, expectations and "the way we do things around here'"* (p. 216). This definition hints at a key challenge associated with measuring and taking action on culture. The tendency to focus on the explicit and measurable elements of organisational change is noted in the statement, as is the problem with only focusing change efforts on what is easily observed.

Looking further at the interaction between the culture of an organisation and other organisational components Fulop, Linstead, and Lilley (2009) note '*There is an interconnectedness between this (culture) and other concepts such as leadership, organisational structure, motivation, power and strategy'* (p. 151). This interaction between culture and other factors does however provide challenges when attempting to quantify the value of culture in organisational change. Peter Anthony (1994) notes '*if change is confined to culture it will not work, if accompanied by structural change [culture] cannot be isolated as critical to success'* (p. 15). The question of culture's impact and measurability as part of a change program is likely to continue to be asked as long as the measurability of culture continues to be challenging.

In assessing the impact of culture on organisational change management practice R. Harrison (2010) gives the following comment, '*In our team development and training sessions, we consultants could establish, and participants could learn, a consistent culture of trust and cooperation. But at the end of our work, the participants stepped back into a culture where the shared rules and assumptions were different. Relationships went back to pretty much the way they were before. Even the leaders had to bow to the power of the culture.'* (p. 35). This experience shows the influence of the culture over individual will and decision making, and gives some insight into the challenge faced by practitioners of culture change management.

An organisation's is also not a homogeneous whole, but is likely to contain subcultures. These subcultures may include elements of professional culture where a group within the organisation have similar educational or working backgrounds and consequently share a common perspective or set of assumptions. An example of the impact of such a subculture from the nuclear industry, '*…most of the officers and plant managers who populated the industry for the first few decades were products of the nuclear submarine fleet that had a very strong culture based in Admiral Rickover's absolute concern for safety. As they retired and*

different managers came in with different backgrounds, communication problems arose. The absolute respect the old managers had for safety based on their intimate knowledge of the technology was sometimes not shared by the new plant managers who came from law or finance.' (Schein, 2013). This example of the impact of culture on behaviour over time illustrates how a set of assumptions or values can be held and shared within a group without there being an explicit awareness of the behavioural implications of these assumptions. This segment also shows how professional subcultures within groups can both develop and change on the basis of the histories of the people who populate the group.

In pursuit of personal expertise on the subject of culture and what underlies it, and in preparation for the writing of this thesis, I explored the work of a wide variety of scholars, authors, practitioners, and works in the field including Alvesson, (2002); Chris Argyris, (2010); Baylis, Wirtz, & Gray, (2007); A. D. Brown, (1995); Chen, (2010); Cooper, Holdsworth, Johnson, & Books24x7, (2012); Crane & Matten, (2010); Daft, (2009); Fulop et al., 2009; R. Harrison, (2010); G. H. Hofstede (2001); E. Jaques, (1997); E. C. Jaques, Stephen. D, (1991); Lencioni, (2012); Lipshitz, (2007); S. P. Robbins, Waters-Marsh, & Millett, (2004); Ryan, Brown, & Parker, (2003); Schein, (2009); Schein (2010); Schein, (2013); Senior & Swailes, (2010); Sowell, (1980); Stanford, (2010), (2013); Stanford & ebrary Inc., (2007); Surowiecki, (2005); Thompson, Strickland, & Gamble, (2010); Willcoxson, (2000); Williams, Dobson, Walters, & Institute of Personnel Management., (1989); Zenger & Folkman, (2009). Much of this reading formed part of my previous studies in economics or strategic organisational development at master's level, and as such enabled research on culture change management from a variety of perspectives and for myself as researcher to see the very broad role culture played in social, economic, and organisational outcomes.

In light of this reading and the developing project parameters, it became apparent that a single definition of culture would be needed to support the other definitions set out in this thesis and required to consider culture change management. To this endEdgar Schein's definitions of both culture as a whole, and of the various levels of culture (Schein, 2009), were chosen to underpin this research. This decision was made primarily because the levels of culture set out by Schein allowed for definitional clarity between 'espoused values', and 'underlying assumptions' as they make up culture as a whole, which was critical in showing how the change management element of the doctoral project was executed.

The definition of culture used through this thesis is consequently: '*Culture is a pattern of shared tacit assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems*' (Schein, 2009, p. 27). This definition of culture shows how the culture develops from the experience of the group members and gains acceptance within the group over time, and gives some insight into how a culture can exist within a group even when it is not made explicit. On the topic of change management this definition also provides some insight into how a culture is perpetuated with the introduction of new group members, and as such alludes to that point in time being key to both the observation of culture, and to any change program designed to influence it.

Further to this definition of culture as a whole, Schein sets out three levels of a culture being artefacts, espoused values, and underlying assumptions:

The three levels of culture: (Schein, 2009, p. 21)

1. *Artefacts – Visible organisational structures and processes (hard to decipher)*
2. *Espoused values – Strategies, goals, philosophies (espoused justifications)*

3. *Underlying Assumptions – Unconscious, taken for granted beliefs, perceptions, thoughts, and feelings… (ultimate source of values and action)*

These three levels of culture are used extensively throughout this thesis to allow for clarity in what is being discussed. The key distinction for the purposes of this thesis however is between espoused values and underlying assumptions.

Although espoused values in the pure sense can be values espoused by anyone in the organisation on any topic and through any mechanism, for the purposes of this thesis I will be referring specifically to espoused corporate values, or the values which are espoused by the organisation's leadership.

Espoused corporate values are, as the words themselves suggest, what the leaders of the group or organisation set out as important to the group. These espoused corporate values are what is said about what the group values and can take the form of articulated values statements, strategic priorities, guiding principles, mission and vision statements, or any other articulated statements meant to guide or demonstrate the direction or behaviour of the group. The key thing with espoused corporate values then is that they are espoused by the leadership. For definitional clarity, the term *espoused corporate values* will be used as a whole throughout this document.

Underlying assumptions in contrast are more tacit, and inherent within the group. These are assumptions that members of the group collectively hold about how things should be done. As stated in the definition, they are taught to new members as the way we do things in an on the job basis and are the true drivers of behaviour within the group or organisation. Lastly, underlying assumptions are often unexamined by the people within the group, and because

people are unaware of them they are difficult to survey, and are also difficult to see from an outsider's perspective. The key elements of underlying assumptions then are that they are underlying, and assumed rather than explicit.

A simple distinction between these two levels of culture could be stated as follows: *Espoused corporate values* are what group leaders and members say, where *underlying assumptions* drive what the group members do. Much of this project is based on the use of espoused corporate values to influence underlying assumptions, and as such this definition is central to both the project and this thesis.

Change management as a discipline exists in the midst of constant organisational or emergent change, or '*although it can be planned, (change) is frequently associated with change as it emerges out of ongoing operations*' (Senior & Swailes, 2010, p. 41). Like culture, much organisational change comes in response to internal or external pressures on the group. Although the members of a group may not be aware (Schein, 2009), culture and change are always present in an organisational group to some extent, so in combination culture change is ever present. For the culture change management practitioner then, the working environment for any management of culture change is an existing changing culture.

As for change specifically, Grundy (1993) sets out three general varieties of change as smooth incremental, bumpy incremental, and discontinuous change. Smooth incremental change being change which happens over time at a low and constant rate, bumpy incremental change being change which also happens over time but with periods of both rapid and very slow change intertwined, and discontinuous change which is marked by '*rapid shifts in strategy, structure, or culture, or all three*' (p. 26). This definition of discontinuous change refers specifically to the change in culture being a factor, and implies that the change is of a more permanent nature than either the smooth incremental or bumpy incremental change

varieties. Weick and Quinn (1999) describe two forms of change being episodic and continuous change where episodic change aligns to discontinuous change as described above, by Grundy, and where continuous change captures both smooth and bumpy incremental change. In the main, culture is changing and adapting progressively, and as such most managed change in culture is I suggest occurring as part of an existing continual change process, and consequently culture change management is more akin to managing a process of incremental or continuous change, but differentiated by planned and emergent approaches.

The decisions to pursue a work-based learning doctorate, and also to use the action research methodology to underpin it, stemmed from the nature of Cultural Change Management as a subject of inquiry, and from my desire to be a practitioner in this specialty area. Learning about change itself promotes a trial and error approach because of the many variables contributing to different outcomes and this trial and error approach also underpins Action Research. The benefits of inductive reasoning based on interventions and critical reflection of the consequences seemed more likely to yield valuable and actionable results than a more deductive process, which would necessarily attempt to logically anticipate early results prior to the project beginning, and the ability to be part of the process myself also seemed likely to yield powerful results.

As a practitioner, I saw more benefit in targeting a focussed understanding of causal relationships between factors, than I did in sampling a larger group and showing only correlation. This practitioner focus suggested that work-based learning coupled with action research would be the most likely methodology to yield the desired results.

1.3 Selection of the Doctoral Project

1.3.1 The Learning Plan
The learning plan was the second step in preparing to begin the doctoral project itself and is captured in full as appendix 2. This section will r provide an overview of the plan, and

explain some key decisions which were made in the generation and implementation of the plan itself.

The learning plan consisted of the background on the doctorate, the reasoning behind the choice of topic, and the process that would be undertaken in the execution of the project itself. More specifically, the learning plan begins with the reasoning behind Culture Change Management being an appropriate topic when relating both the desired learning from the project and the application of this learning after the project was completed. The learning plan then sets out the professional and personal reasons that I as researcher had for beginning the doctoral project. With the project topic and reasoning clear, the learning plan moves to the choice of and rationale behind action research as the choice of methodology for this particular project, before detailing the project execution plan itself and how the action research methodology would be integrated into this plan. Finally, this learning plan sets out that I had the position within the relevant organisations and access to the resources required to complete the project plan, and concludes with an initial indication of what the final thesis document could contain.

This learning plan was the starting point for project implementation, but as action research requires critical reflection and response during the process of building the case for learning, some elements of the original plan have changed over the course of the project duration. These changes include the more traditional final layout of this thesis document, the addition of a third subproject to the original project plan, and the general broadening of the project's area of inquiry as different information was seen to impact on the original plans direction.

The most significant of these changes to the original learning plan was the addition of a third subproject. The original learning plan called for the project whole to consist of two subprojects. The decision to include two subprojects originally was intended to allow for a

wider range of data in reflection, to reduce the likelihood of a single event being expanded out to a general idea prematurely, and to allow for culture change management to be examined with myself as researcher holding two separate organisational practitioner roles relative to the client. On the basis of this last reason the two original subprojects entailed myself in the roles of internal leader and external consultant relative to the client organisations.

During the early phases of the learning plan's implementation it became clear that much useful data had been generated from my previous experience with the Harcourts organisation, and that this learning was also being critically reflected upon and impacting on the ongoing learning within the two planned subprojects. This realisation became very apparent on self-publication of my book 'Culture at Work' which detailed my experiences of managing the culture change program during my time with Harcourts {Moore, 2013 #513}. Prior to this book's publication however it became apparent that the doctoral project would benefit from the inclusion of the Harcourts lessons, and it was decided to introduce a third subproject into the project plan. As the events of my time at Harcourts were prior to the official beginning of the project, the structure of the Harcourts subproject is more akin to a case study format than to action research, and the Harcourts subproject is detailed here as subproject one. The mostly chronological sequence of the subprojects also allowed for the learning at each stage to be seen to build upon prior learning over time. It is also important to note here that I was employed by the Harcourts organisation at the point of enrolling in the doctoral program, and that my book 'Culture at Work' (Moore, 2013) drawing lessons from my time at Harcourts was published after the commencement of the doctoral project.

The final decision to include three subprojects allowed for considerably more data to be included in and to contribute to the findings, and provided a much more thorough set of

experiences from which to draw in critical reflection. The doctoral project consists of these three subprojects.

The doctoral project, as evolved from the original learning plan, is designed to fill the gaps in knowledge found during the first step of building the learning portfolio. The primary knowledge gap which the doctoral project seeks to address is the lack of depth in critical understanding of the factors which contribute to culture driven outcomes. Although the learning portfolio shows an anecdotal understanding of both the importance of culture in its impact on outcomes, and of some actions which can be taken to influence culture, the lack of depth and breadth in this understanding is evident in the anecdotal nature of many of the arguments presented in the learning portfolio itself.

Addressing the gaps in knowledge exposed in the learning plan is a contribution of this doctoral project to the professional development of myself as a researcher and practitioner.

The action research methodology however requires that the doctoral project contribute to three parties and areas. These three contributions are to the professional development of the researcher, to the betterment of the client organisation, and to the professional practice of other practitioners in the field. The agreement between these parties regarding the contributions is termed the tripartite agreement and is the focus of the next section.

1.3.2 The Project contributions

The learning plan sets out the contributions to the three parties to the tripartite agreement.

These contributions to the parties are set out in the triple dividend framework as depicted by

Dr Luke Van Der Laan of the University of Southern Queensland and included below as Figure 1.1.

Figure 1.1 The Triple Dividend of Professional Studies

The TRIPLE DIVIDEND of Professional Studies

The study makes a contribution to the individual's self-development, both professionally and personally by achieving their pre-agreed learning objectives.

INDIVIDUAL
(Development of self)

The study makes a measurable contribution to work-place (organisational) improvement through innovation, problem solving, analysis, product development and strategy.

Learning Contract
(Work-Based Research project)

The study makes a contribution to professional practice as supported by academically sound evidence and observations in terms of a rigorous research design.

ORGANISATION
(Benefit to the work-place)

PROFESSIONAL
(Benefit to academia and practice)

The Learning Contract represents the agreement between the student, organisation and the university whereby the anticipated projects and their relevant contributions to individual development (personal and professional), the organisation and their profession (academic knowledge) is supported. The agreement makes the implementation of the project feasible with agreed commitment from all three parties.

Source: (Van Der Lann, 2013)

This diagram shows the interaction between the three parties, and the centrality of the project

itself to the generation of the three contributions. Of course, there are other categorisations

for reviewing the contributions (for example, Cherry (1999) used the terms action, knowledge and learning) but the above is appropriate for my work as it focussed specifically on the three main stakeholders involved in a work-based learning project.

In contributing to professional development, this doctoral project as set out in the learning plan seeks to increase my capacity and understanding in the area of culture change management through giving me a variety of opportunities over time to plan and trial interventions in various organisations, from various organisational roles, and to give structure to ongoing critical reflection on the results of these interventions. Through this directed learning loop the learning plan sets out how the project cycles aim to contribute directly to the development of this increased understanding of the subject for me as researcher.

In contribution to the project's client organisations, the learning plan plots the process of organisational learning and development which will occur over time through the action research structures. The planning, action, and critical reflection on results cycle which is used in the implementation of the learning plan gives structure to the learning and benefit for the organisation, though what exactly will be learned by the organisation is not as predictable. As the projects are set in the context of real organisational settings, the desired outcomes from the interventions in the learning plan are also expected to contribute to the organisation directly. Put another way, the subprojects themselves are targeting beneficial outcomes as seen and requested by each organisation's leaders at the time, and therefore the benefits of the subprojects in achieving organisational outcomes for the client organisations are probable should the subprojects in the end meet their stated objectives.

The contribution to professional practice stemming from the execution of the learning plan seemed almost impossible to anticipate at the point of generating the learning plan. This is due to the nature of the action research approach which is set out more clearly in chapter two.

Broadly however the premise is that action research simultaneously builds clarity on both the questions being asked and the answers to those questions, which allows for more complex interactions between factors to be approached and considered without being prejudiced by the researcher's original perspectives. The formality within action research therefore is in the structured process of perpetual enquiry into an evolving set of hypothesis rather than into a single hypothesis or question. This sequence of questions leading to action leading to results leading to questions and so on, make setting out what will be the eventual content of the contribution to professional practice difficult. More insidiously, to attempt to set out clear contributions in advance would likely prejudice the learning process through targeting observation of the specific rather than of the general in the first instance. For these reasons, the contributions to professional practice were generated around the broad theme of helping practitioners of culture change management, primarily post hoc, and upon critical reflection of the overall project as well as the component subprojects.

Figure 1.2 below sets out an overview of the interactions between the projects, subprojects, objectives, aims, and methodology in this thesis. The figure shows how the objectives, contributions, and methodology are intertwined and applied in the various subprojects.

Figure 1.2 Subproject, objective, and methodological interactions

The Doctoral Project	**Tracking the first project objective and contribution to the client organisation**	**Tracking the second project objective and contribution to professional development**	**Tracking the third project objective and contribution to professional practice**	**Use of Action Research Methodology on the project**
• **Subproject One**	Subproject one's aim as set out in chapter 2	Subproject one's starting and changed assumptions as set out chapter 3	Retrospective critical reflection as set out in chapter 6	Retrospective case study on subproject as set out in chapter 2
• **Subproject Two**	Subproject two's aim as set out in chapter 2	Subproject two's starting and changed assumptions as set out chapter 4	Retrospective critical reflection as set out in chapter 6	Action research cycles throughout subproject as set out in chapter 2
• **Subproject Three**	Subproject three's aim as set out in chapter 2	Subproject three's starting and changed assumptions as set out chapter 5	Retrospective critical reflection as set out in chapter 6	Action research cycles throughout subproject as set out in chapter 2

Source: (Created by the researcher specifically for this thesis)

As shown in figure 1.2, each subproject has an aim which stems from the first objective and builds a base for the first contribution to the client organisation. Each subproject also has a set of beginning and ending assumptions which stem from the learning portfolio (appendix 1)

and which build the base for the second contribution to professional development of the researcher. The third contribution to professional proactive was derived through a retrospective critical reflection process at the conclusion of the project. The details of these objectives, aims, and assumptions are detailed in the various chapters below, but figure 1.2 gives an overview of how the various parts of the project plan interact to achieve applicable outcomes for the three parties set out in figure 1.1.

The preparation and planning for the execution of this doctoral project was thorough and positioned this researcher for an equally thorough execution of the project itself. The following section sets out how the structure of this thesis is used to depict the execution and findings of the doctoral project.

1.4 Structure of thesis document
This thesis document follows a formal chapter and subchapter structure in the main, though there are also supplementary documents set out in the appendix. The reason for this structure is to allow for the entire information key to the understanding of the overall research to be found in the one document, and to allow for easy referencing after the document enters the public domain.

Chapter one has set out an overview of the entire process at a high level while also giving some background on the situation prior to the beginning of the research.

Chapter two looks closely at the methodology of Action Research and gives a complete picture of how it has developed and how it was applied in this case. This chapter also sets out the desired outcomes for the various parties ensuring there is a practical advantage associated with the research outcomes.

Chapter three looks at the first of the three subprojects. This subproject is a case study of organisational learning developed through a review of artefacts. These artefacts represent the

personal experiences of the business leader and others in the organisation, and the academic basis of the learning that took place.

Chapter four is the complete case study of subproject two. This shows the research model in action and builds from the experience of Executive Support Consultants in trying to build and align its culture.

Chapter five is the complete case study of subproject three. This again shows action research in motion but this time with the researcher operating as an external change agent in a client organisation.

Chapter six provides the overview of findings from the research and shows lessons learned and conclusions made through the process. This final chapter looks to see what value or benefit was gained by the parties associated with the research, and what has changed for each of them as a consequence.

As I maintained the dual roles of participant and researcher throughout this doctoral project, much of this thesis has been written in the first person. This is not for any reasons other than readability of the document, and giving the reader a clearer perspective of who took what action in the process.

These roles within the organisations themselves were however maintained as separate as possible from my role of researcher in the intellectual sense. Although it was at times difficult, I attempted to keep the distinction between what was desired of me in my role for the client organisation, and what this project required of me in terms of being an objective researcher. As this suggests, the primary conflict appeared around objectivity, where it's often in the best interests of the organisation to find and promote a positive retrospective picture of events that will promote desired actions or behaviour in the future, it is in the best

interests of the researcher to build a retrospective picture of events which is as close as possible to truth, regardless of how uncomfortable or unpleasant. It's only from this search for understanding that meaningful reflective insights can be developed, which means that the participant researcher must maintain two independent perspectives of past events to remain competent in their various roles. This maintenance of differing perspectives was a perpetual challenge for myself throughout the project and I often struggled to reconcile the cognitive dissonance they created (Festinger, 1957). Rather than holding these two perspectives separately, I found that I flicked back and forward from one to the other which created significant discomfort and at times reduced my effectiveness in both roles.

Through the project implementation several terms were used to describe elements of what took place or was observed. Distinctions between concepts is crucial in considering interactions with complex systems such as culture change management, and as such the following sets out these key terms and gives definitions that will be used throughout this thesis.

1.5 Definition of terms

Culture – Culture is a pattern of shared tacit assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems (Schein, 2009, p. 27).

The three levels of culture: (Schein, 2009, p. 21)

1. **Artefacts** – Visible organisational structures and processes (hard to decipher)

2. **Espoused Values** – Strategies, goals, philosophies (espoused justifications)

3. **Underlying Assumptions** – Unconscious, taken for granted beliefs, perceptions, thoughts, and feelings… (ultimate source of values and action)

Espoused Corporate Values – A component of the above 'espoused values', specifically the corporate values espoused by the organisation's leadership

Cultural Elements – a combination or group of artefacts, espoused values, and underlying assumptions

Researcher – For the purpose of this thesis, the researcher refers to Andrew Moore

Purpose – In this thesis 'purpose' refers to the purpose of the project as set out in chapter 2

Objectives – In this thesis, 'objectives' refer to the three points set out to be achieved in the purpose in chapter 2

Aims – In this thesis, the aims refer to the targeted goals of each subproject as set out in chapter 2

Client organisation – The organisation in which the subproject is taking place, and who stands to benefit from the subproject

1.6 Summary

In this chapter we have given some background for the doctoral project and thesis, set out the work which was completed in the lead up to the project itself commencing, set out the reasoning behind the topic and methodology selected, and given an overview of the remainder of this document. The following chapter sets out the details of the action research methodology, how and why it was used, and clarifies the project's objectives.

Chapter 2: Methodology

2.1 Introduction to chapter

The purpose of this chapter is to describe the project selected for the work-based learning doctorate, to provide a detailed account of the action research methodology used in the implementation of the project, and to demonstrate how action research was applied to its associated subprojects.

This chapter first describes a more detailed account of the central cultural change management project and its three subprojects associated with it. It then provides an overview of action research itself, and gives details as to why action research was appropriate for use as a methodology in this instance. The chapter then describes how the action research method was applied specifically in the execution of this project.   The chapter concludes with the role of the researcher in the project.

2.2 Introduction to the project

The project is concerned with bringing about a cultural change in three different client organisations. Hence the project incorporates three separate subprojects that are concerned with the change process involved in each of the client organisations. These client organisations are directly concerned with the researcher's work.

Hence in broad terms, the purpose of the project is to implement a cultural change program in three different client organisations. More specifically, there are three objectives that further clarify this purpose in the context of a work-based learning doctorate. The objectives are to:

1. Influence positive cultural change by focusing the client organisation on a set of espoused corporate values appropriate to that end',

2. Enhance the researcher's understanding of cultural change management, and

3. Provide a set of additional insights into cultural change management for those engaged in the professional practice of managing an organisation's culture for sustainability purposes.

These three objectives that define the project purpose align to the three contributions required for the parties associated with the tripartite agreement, and triple dividend framework as set out in chapter one.

The first objective of '*Influence positive cultural change by focusing the client organisation on a set of espoused corporate values appropriate to that end*', sets out the intended contribution to the client organisations as the positive cultural change. This cultural change objective is measured as positive against its contribution to desired outcomes of the client organisation. In other words, the cultural change is positive if it helped the organisation achieve its aims in some way.

This first objective seeks to test the idea that the underlying assumptions of an organisation can be influenced by defining and disseminating a set of espoused corporate values. Aligning this concept with that of Schein's definition of culture (Schein, 2009, p. 27), the project objective seeks to manage culture change by using the more visible and actionable middle layer of culture in the form of 'espoused corporate values', to influence the deeper and less visible third layer of culture in the form of 'underlying assumptions'.

Linked to this first objective are the aims of the three subprojects namely:

Subproject one (Harcourts) aim: *Align the underlying assumptions held in Harcourts Western Australia (HWA), with the espoused corporate values of the overall Harcourts organisation.*

Subproject two (Executive Support Consultants) aim: *Develop and instil a set of espoused corporate values within the Executive Support Consultants organisation in order to positively influence the organisation's culture.*

Subproject three (PNGgold) aim: *Align underlying assumptions of leaders on the PNGgold project to those in the espoused corporate values, through the development and implementation of a leadership development program.*

These three subproject aims target the use of espoused corporate values through various methods and in various organisations in an attempt to influence the underlying assumptions held by members of these organisations, and consequently to influence the culture as a whole.

The second objective of '*Enhance the researcher's understanding of cultural change management',* sets out the intended contribution of the project to the professional development of the researcher as a practitioner in cultural change management.

The third objective of *'Provide a set of additional insights into cultural change management for those engaged in the professional practice of managing an organisation's culture for sustainability purposes'*, sets out the intended contribution to professional practice specifically in the area of cultural change management, and is intended to make a general contribution to culture change management practitioners.

In discussing the first objective, some definitional clarity is required. First, the word *influence* was used in recognition of the fact that underlying assumptions are implicit in the interactions, perspectives, or activities of any group, and as such are not controlled or

directed by any one factor. The use of the word 'influence' therefore is acceptance that to control or direct absolutely the underlying assumptions held by any group is not possible.

Second, 'Positive cultural change' has two intertwined components. *Positive* cultural change is cultural change that is aligned with the interests of the organisation as a whole, i.e. it is a culture which promotes helpful behaviour when measured against the end goals of the organisation.

The term '*underlying assumptions*' is used to describe the common things that are valued by members of the organisation. *Underlying assumptions* as used here are distinct from the espoused corporate values as set out by Schein (2009).

The pursuit of the first objective, '*Influence positive cultural change by focusing the client organisation on a set of espoused corporate values appropriate to that end',* provided an opportunity for myself as participant researcher to attempt to influence the culture within three separate organisations, each from a different organisational role and level of positional power. These varying attempts at influencing the cultures of these various organisations provided a rich source of experiential learning and allowed for specific ideas about culture to be trialled in real time and real organisations.

The second objective of '*Enhancing the researcher's understanding of cultural change management'* allowed for the professional development of myself as researcher to be an important element of the project's success. This focus on professional development meant that while seeking organisational outcomes, the value of the learning from the process was never forgotten or neglected. This focus on personal learning and changes in personal perspective and assumption as the project developed was a critical component in ensuring ongoing critical reflection, and as such each subproject has in its beginning a set of starting

assumptions which were held, and at its end a reflective section detailing the changes in these assumptions.

The third objective to *'Provide a set of additional insights into cultural change management for those engaged in the professional practice of managing an organisation's culture for sustainability purposes'* focussed on the benefits to the professional community, and allowed for the learning from the project to be placed in the wider context of existing knowledge on the subject. This external measure of contribution remained a focus through the project ensuring the sight was never lost of the greater value to be captured from the learning, and that periodic or interim hypothesis were measured against existing knowledge on an ongoing basis as the project developed.

2.2.1 Subproject one (Harcourts)

In alignment with the purpose and objectives of the overall project, the aim of subproject one was to:

Align the underlying assumptions held in Harcourts Western Australia (HWA), with the espoused corporate values of the overall Harcourts organisation.

The client organisation for this subproject was the Harcourts real estate group generally, and Harcourts Western Australia specifically. After recently purchasing a long standing business to expand its market presence into Western Australia, the Harcourts group saw the need to make the organisation in Western Australia more like other Harcourts business units around Australia and New Zealand. This integration included the aligning of the cultural norms of the local Western Australian business with that of the greater Harcourts business.

The Harcourts organisation had a set of espoused corporate values which had been previously used as an explicit proxy for the desired culture, and to align cultural expectations across the group. The 'Harcourts culture' as it was referred to had become a key element in the

operations and success of the Harcourts group, including the very direct benefit of using the cultural focus of leaders in the Harcourts business to promote a different type of working environment as compared to Harcourts competitors, and through this to create a competitive advantage in the recruitment and retention of key personnel.

Subproject one therefor focusses on using espoused corporate values to align the underlying assumptions of Harcourts Western Australia with the espoused corporate values of the greater Harcourts organisation.

The organisational role of the researcher during this subproject was Chief Executive Officer for Harcourts Western Australia.

Subproject one ran from April 1st 2008 to October 31st 2011.

2.2.2 Subproject two (Executive Support Consultants)
In alignment with the purpose and objectives of the overall project, the aim of subproject two was to:

Develop and instil a set of espoused corporate values within the Executive Support Consultants organisation in order to positively influence the organisation's culture.

The client organisation for this subproject was Executive Support Consultants (ESC). ESC is a small, family owned management consultancy focussing on providing organisational development services. After a reformation of the business from a single operator to a multi-shareholder and consultant company, the operations of ESC were to be consolidated into a working business model for the ongoing provision of services.

The differences in the backgrounds of the various family members who would work in the business meant that there would be various preferences for how ESC would develop. So as to align these preferences into a stable direction for the group it was decided by the major

shareholders to focus on the development and instillation of a set of underlying assumptions on which the group could rely. These underlying assumptions would also give some direction to organisational decision making.

Subproject two therefore focusses on developing and instilling a set of espoused corporate values into the ESC organisation that will stabilise it, and provide a cultural basis on which to build the other norms of the organisation.

During subproject two the organisational role of the researcher was that of Chief Executive Officer & Consultant.

Subproject two began on November 1 2011 and concluded on June 30th 2013

2.2.3 Subproject three (The PNGgold Project)

Note: In subproject three, in order to protect the innocent, the names of this project, the parent companies, and project personnel have been changed.

In alignment with the purpose and objectives of the overall project, the aim of subproject three was to:

Align underlying assumptions of leaders on the PNGgold project to those in the espoused corporate values, through the development and implementation of a leadership development program.

The client organisation for this subproject was the PNGgold gold mine construction project. This project was in the later stages of a feasibility study in the mountains of Papua New Guinea and was overseen by the PNGgold Joint Venture or PNGGJV.

The PNGgold project organisation was a geographically disparate group facing many logistical, financial and strategic challenges. The cultural change management complications presented on the 'PNGgold' project included international cultural differences, and a short

term project workforce. In light of this, the project leader decided to focus our attention on the issue of aligning some key underlying assumptions to the espoused corporate values so that the project team as a whole could operate more cohesively and with a common language for leadership challenges.

Subproject three therefore focusses on clarifying explicit behaviours aligned to the espoused corporate values, and implementation of a leadership development program to align the implicit leadership's underlying assumptions and behaviours with these espoused corporate values.

During this subproject the organisational role of the researcher was that of external consultant.

Subproject three began in December 2011 and run through to May 2013.

2.3 Work based learning and action research

This is a work-based learning oriented doctorate which utilises the action research methodology. Ebbutt (1996) suggests that there are four main modes under which work-based learning can be formally assessed and accredited: to gain access or accelerated access to higher education, as initial professional preparation, as general preparation for the real world as part of a study program, and as the major constituent of a program of study.

This doctorate utilises work based learning in this fourth form: '*As the major constituent of a programme of study, where students are full-time employees, and most of the research-based fieldwork is carried out in the student's own workplace. The student group meets regularly with university tutors to discuss research methodology, share problems and develop thinking*' (Ebbutt, 1996, p. 362). During this doctoral project I as researcher was employed full time and the majority of the research-based fieldwork was carried out in one of the three client

organisations. Therefore this thesis fits within the criteria set out by Ebbutt in this fourth form of work based learning.

Work based learning does however also play a more intertwined and sophisticated role in both the execution of the doctoral project, and the development of this thesis document. The complexity of effectively applying work based learning at doctoral level stems from attempting to simultaneously research and apply the theoretical 'knowledge of what', while reflecting on and capturing the practical 'knowledge of how'. This suggests that there is an emphasis on the interdependency between knowing and doing, in an environment where the learner is regarded as an autonomous self who is making sense of his or her context or role through active participation (Lester & Costley, 2010; Tennant, 2004). Expanding again on the work of Ebbutt (1996), this doctoral project must find the balance between inductive knowledge learned from practice which can then be reduced to theory and presented in thesis form, and deductive knowledge from theory which needs to be set out in advance and monitored in execution. Ryle (1949) presents the case that a person does not usually first learn the theory and then subsequently apply it to learn from practice, but rather takes a series of actions in sequence, and constantly generates learning from the results of the action before, never pausing to clarify the underlying theory. Learning in action is therefore not associated necessarily with applied theory, and is often an independent mode of learning. Further, there is a risk associated with the premature categorisation of lessons or experiences from practice. The process of categorising or even reflecting on a point can force reasonability on what is at that stage limited tacit data, and can in the process simplify the understanding beyond what is valuable in practice, or worse capture an erroneous or arbitrary lesson in order to generate a coherent narrative (Kahneman, 2012; N. Taleb, 2004). Balancing this challenge is the need for critical reasoning in the reflection on occurrences, this means the researcher must be able to understand when to react and when to reflect, and notice when a real lesson is available to

be captured. One key challenge with a work based learning doctorate is therefore to maintain the benefits of learning from practice in the form of undisturbed tacit knowledge, while researching, reflecting on, and capturing lessons sufficient in detail and validity to meet the academic rigour required for a thesis at doctoral level.

In awareness of these challenges, a work based learning approach was chosen due largely to the ability to develop specific skills of practice while also contributing to organisations I was working in.

Workplace-based learning approaches involve learning in authentic work contexts. The learning that occurs may be described as "informal" (Marshick & Watkins, 1990), emerging from the demands of work rather than pre-determined academic content. In higher education, workforce development is often referred to as work-based learning and is increasingly recognised as a field of study. Defining workforce development as work based learning, Costley (2001) argues that it enables higher education to incorporate, in particular, the learning people do, for, in and through work into the learning provided. She also draws our attention to the longevity of engagement in work-based learning in the sector: 'Some universities have been involved in work based learning for a long time, for example, through placements and sandwich courses. Some universities have structured courses where continuing professional development with the knowledge gained through experience is accepted implicitly. Others use the processes of accrediting prior and experiential learning (APEL) to formally recognise such knowledge….Learning contracts are becoming familiar instruments. These activities are variously described as work based, work related, placement activities, elective modules, independent study, APEL, reach out, CPD, work based learning among others. It is worth noting that work based learning in higher education is nearly always part of an existing university programme with its own disciplinary frameworks and approaches to higher education. Learning outcomes and criteria for assessment are therefore

within the subject knowledge born of research and scholarly activities that already are embedded in the universities.' (Costley, 2001).

This thesis adopts the approach of reinforcing the strong relationship between the employer, the university and the student. These relationships are critical to the transfer on knowledge from the experiencing student, through the lens of the university and existing knowledge, and back to the employer in the form of improved practice. Learning from and for doing is central to the work based learning approach used in this thesis.

Action research has been selected as an appropriate methodology to achieve the desired contributions for the three parties involved; the client organisations, professional development of the researcher, and professional practice.

The action research methodology as set out below attempts to overcome the challenges of sequential learning and applying through application of a three phase cycle including planning (existing theory), action (applying knowledge), and reflection (learning from the results). This cycle attempts to moderate the challenge associated with the sequence of theoretical application and practical learning.

The application of this work based learning mode to the project topic of change within an organisation, suggested that although action research methodologies were not the only option that could be applied, action research did offer considerable benefits for the specific learning that could be captured.

Action research is distinct from traditional research, and as such brings its own methodologies for implementation and its own contributions to knowledge generally. In comparing action research with traditional research, Coghlan and Brannick (2010, p. 141) said '*Traditional research begins with what we know and seeks to find what we don't know.*

Action research begins with what we don't know and seeks to find out what we don't know. What we don't know we don't know is the particular fruit of action research.'

This description alludes to both the benefits and challenges of action research in implementation. The benefits of action research are found in the applicable nature of the findings and the ability of action researchers to learn and plan progressively from the combination of experiential and empirical knowledge. The challenges associated with implementing and presenting action research are that the evolving and reactive nature of the reflective learning process, and the simultaneous learning about the question and the answer, lead to differences in the nature of how formal action research is both executed and presented when compared to traditional research. Gummesson put it this way, *'…in action research you typically start out with a fuzzy question, are fuzzy about your methodology in the initial stages and have fuzzy answers in the early stages. As the project develops, your methods and answers become less fuzzy and so your questions become less fuzzy. This progression from fuzziness to clarity is the essence of the spirals of the action research cycles'* (Gummesson 2000 cited in (Coghlan & Brannick, 2010, p. 144).

Acton Research as a research methodology is more formally described by Shani and Pasmore (1985, p. 439), in the following manner. *'Action research may be defined as an emergent inquiry process in which applied behavioural science knowledge is integrated with existing organizational knowledge and applied to solve real organisational problems. It is simultaneously concerned with bringing about change in organisations, in developing self-help competencies in organisational members and adding to scientific knowledge. Finally, it is an evolving process that is undertaken in the spirit of collaboration and co-inquiry.'*

This definition shows the evolving and collaborative nature or action research, the action and applied nature of both the process and the results, and the parties who benefit from the action research process.

Action research is a generic term which refers generally to '*…a research approach which focuses on simultaneous action and research in a collaborative manner.*' (Coghlan & Brannick, 2005; 2010, p. 13). Within this form of research there are several more specific methodologies which have emerged including *traditional action research* stemming from the work of Kurt Lewin (Adelman, 1993), *participatory action research* which focuses on enrolling groups outside of the context of the organisation (W. F. Whyte, 1991), *action learning* which is said to focus on the development of the people in organisations (Ravens, 1982), or *action science* as developed by Chris Argyris (Chris Argyris & Schon, 1989). In this thesis, the term action research is used in its more generic sense and relates to both the simultaneous processes of taking action to create organisational outcomes, and research into the process of creating change in collaboration with other members of the organisational group.

Table 2.1 below table sets out and explains the key elements of action research applied in this action research project.

Table 2.1 Elements of action research

Collaboration	Action research is a collaborative and democratic process which takes advantage of the knowledge and learning of numerous parties associated with the project itself. Through engaging parties from the organisation as well as the researcher themselves in the planning and implementation of the action research project, benefits are simultaneously provided to both

	the organisation itself and the people involved with the project's implementation. In an action research project, other members of the client organisation become co-researchers and so learn and contribute from the process of project execution along with the lead project researcher.
Change	Action research is about doing and as such creating change in an organisation is key to the validity of an action research project. Collaboration not for its own sake but to achieve something together is part of the unique benefit associated with an action research methodology. The process of striving for directed change provides the necessary feedback and data required for action research to take place. Simply, targeting a direct change allows the researcher to measure through feedback whether the goal was achieved.
Interactive	The action research cycle used in this project and its subprojects shows the process of learning from doing. This interaction between the planning, execution and feedback provides structure for the required learning. Action research requires the researcher to plan and then take action on that plan to see the results. This process of putting plans into action to generate learning is at the heart of action research, and as such the interaction between the researchers and the organisation or market over time is fundamental to any action research project.
Reflective	Critical reflection in action research generates the rigour required for a genuine scientific contribution to take place. Experiential learning even when coupled with existing knowledge can only generate new knowledge through the process of critical reflection by the researcher. This means reflecting critically on both the influence of the researcher in the process or

	findings, and about any assumptions, inferences, attributions, or causal assertions that are made in the process of assembling a reflective narrative. Self-aware reflection by the researcher about what is really happening is essential in the generation of scientifically valid results from the action research process.

Source: this table was developed by the researcher specifically for this thesis based on the work of (Adelman, 1993; Chris Argyris, 1990; Chris Argyris & Schon, 1989; Gummesson, 2000; Marrow, 1969).

2.4 Why action research was used in this project

Action research methodology was used in this project due to the perceived benefits of action research's interactive process when applied to the subject of cultural change management. The applied nature of change management practice suggests that initial questions would be 'fuzzy', and unlike an exploration of the theory of cultural change itself, the intention of this project was to look at the practice of cultural change management in real organisational environments. The researcher therefore needed an opportunity to initially trial certain approaches to the practice of cultural change management. Action research methodology allows for this exploratory application of knowledge while also ensuring academic rigour in the process.

Table 2.2 shows how the four elements of action research set out in table 2.1 apply to this cultural change management project.

Table 2.2 Applying the elements of action research to this project

Collaboration	Cultural change management in organisations suggests a process of altering the norms of belief, perspective, and in the end behaviour, of an organised group of people. The culture of a group is an ever evolving,

	adapting and extremely complex system. The challenges of observing such a system, coupled with the myriad contributing factors to the development of such a system, makes any true understanding of, or deliberate alteration of, such a system challenging. This challenge is compounded by the perceptual biases of the researcher as any person can only see from their perspective. Combining perspectives in a collaborative project group allows the researcher to reduce the risks of their personally misattributing observations or outcomes, and in turn increases the probability of any initiative being effective. Simply, as an effective working group may more accurately perceive a culture, they may also be better able predict the outcome of an intervention.
Change	Cultural change management implies more than simply observing the changes within an organisation's culture and attributing them to certain causal factors. The implication of management is that there is some form of deliberate directed change occurring within the culture. Directed change is a core element of action research methodology as it distinguishes action research as a deliberate change generating rather than observational approach. This directed change approach reduces the risks associated with misattribution of changes in the culture, and increases the applicable validity of the results for other practitioners.
Interactive	The evolving nature of culture within an organisation suggests that with observation over time will come a richer collection of changes from which researchers can draw conclusions. This observation of change over time becomes more valuable in the case where a researcher is intervening in a culture to see what changes can be generated. Intervening in a culture and

	measuring the results may well generate unexpected outcomes that in turn generate more questions or opportunities for interventions. Cultural change happens over time so the ability to intervene and adjust progressively over time has a decided advantage for the researcher of cultural change management.
Reflective	When looking at cultural change management, the focus on critical reflection in action research methodology brings important rigour to the learning on the subject. Because the reasons behind people's behaviour can easily be and often are misattributed, reflection from a researcher over which behaviour is and is not derived from an underlying cultural input is critical. Critical reflection is the tool used to help the researcher avoid mistaking a correlation or sequence of events for a causal relationship. In the case of a cultural change management project the researcher maintaining an awareness of this risk area is critical to the validity of any findings.

Source: this table was developed by the researcher specifically for this thesis.

In addition to the reasoning set out in table 2.2, two further factors contribute to the applicability of action research to this project.

Riordan defines action research as '*a kind of approach to studying social reality without separating (while distinguishing) fact from value; they require a practitioner of science who is not only an engaged participant, but also incorporates the perspective of the critical and analytical observer, not as a validating instance but as integral to the practice*' (Riordan, 1995, p. 10). This notion of the participant observer or researcher participant works well in the case of work based learning, and particularly well when the role of participant in the process forces action through uncomfortable feedback. In this way the role of concurrent

participant researcher reduces the likelihood of the researcher changing the questions to fit with the answers, and instead forces a facing of organisational realities in the participant role, which add to the quality of the reflective data for the researcher role. The value of being a participant researcher in the process therefore contributes to the benefits to this project of the action research methodology.

A second additional reason for the use of action research can be found in Marshall's notion of the three audiences of research. *'All good research is for me, for us, and for them: it speaks to the three audiences… It is for them to the extent that it produces some kind of generalizable ideas or outcomes… It is for us to the extent that it responds to the concerns for our praxis, is relevant and timely … (for) those who are struggling with problems in their field of action. It is for me to the extent that the processes and outcomes respond to the individual researcher's being-in-the-world.'* (Reason & Marshall, 1987, pp. 112-113). This definition serves to show the three parties who will benefit from action research, and clarifies the validity of the parties to the tripartite agreement as set out in chapter one. These three contributions ensure that all parties associated with the doctorate gain advantage from it.

 Action research and the combined participant researcher roles also introduce some ethical issues. These issues are based in the need for an action research project to benefit the organisation and not to harm it in pursuit of other project objectives. Some ethical issues for action researchers include confidentiality for people who share with the researcher, maintaining trust between the researcher and organisation through the project, and negotiation with those concerned about how they will be depicted in any published work (Coghlan & Brannick, 2005, p. 78). These concerns remained present for the researcher throughout both the project and thesis writing periods and led to various changes in approach throughout. Issues of 'permission' formed part of every data gathering process, and as you

will see, one project organisation and all its personnel were in the end given different names as part of good ethical practice.

Along with ethical issues, the process of critical reflection is also central to the action research methodology. Critical reflection is what links the experience to the findings, sorts through what information needs to be captured and presented, controls for biases as much as possible, and allows for the emotions of the moment to be set aside and a deeper understanding to develop. In the words of Robert Persig *'Try and understand this new fact not so much in terms of your big problem, but for its own sake'* (Pirsig, 1984, p. 400). This ability to reduce the influence of your past or ideas on your observations is at the core of critical reflection, and critical reflection is at the core of action research and of this thesis. In order to gain understanding from critical reflection on observations and experiences, an action researcher must be comfortable with whatever results or information the reflection unveils (Mcintosh, 2010). To accomplish this, they must first deal with the distortive impact of their own assumptions. It is unrealistic for action researchers to expect to un-bias their assumptions completely as they are likely unaware of them as assumptions. Rather, the aim in critical reflection is to make these assumptions malleable to the point where that can be changed in the face of new or conflicting information (Meziro, 1990). This process of using an openness to reality and feedback as a method of changing biased assumptions is core to critical reflection, and therefore also central to the application of the action research methodology.

Although the action research methodology was used in this project, it is noted that several other methodologies would also have been appropriate for use in the context, including, for example, Yin's case study approach (Robert K. Yin, 2009). However, action research was chosen and is a rigorous and proven academic methodology with an established history in generating outcomes for applied researchers. The application of this methodology to the

project topic of cultural change management allowed for a rich and relevant process of progressive data collection and application in real time, contributed to the results.

2.5 How action research was applied

As set out in chapter one, in preparation for the project, two key documents were generated. These documents were the learning portfolio and learning plan which together detail the starting point for learning from existing knowledge and the plan for further learning through this doctorate.

The *learning portfolio* (appendix 1) was a document generated prior to the formal beginning of the project proper which was intended to provide a base line of researcher knowledge from which to build. This document detailed all prior researcher experience and knowledge on the subject of culture change management and was used as an initial point from which to build the project plan. Structurally, the learning portfolio sets out the relevant lessons of the researcher from various life stages, previous studies, and career roles. Simply, the learning portfolio set out what was already known by the researcher on the topic of culture change management.

The *learning plan* (appendix 2), was another document generated prior to the execution of the project plan which set out the project plan itself and how it would be executed. This included an appraisal of the learning portfolio for areas where knowledge could be improved, the reasons for using the action research methodology, and the project plan itself. The learning plan formed the baseline for the project to begin and ensured that structures were in place to ensure the execution of the project would meet with the academic requirements of doctoral level research.

The primary method of *applying action research* to this project was through the use of the action research cycles themselves in the planning, execution, and writing up of this project. This use of action research cycles as the base of the project not only utilised the action research method in an effective manner, but also allows for the reader to gain an easy understanding of how action research was applied to the process.

Action *research cycles* are learning and reflection cycles which the researcher moves progressively through in the process of an action research project. In the case of this project, the action research cycle implemented consisted of three phases, *planning*, *action*, and *reflection*. The use of research cycles within this project was primary to the processes of managing reflection as part of the change process, and of ensuring that progress was made and captured as projects progressed. In addition to being part of the original learning plan, research cycles were also used in this thesis document to show the process and learning which took place over time.

One central method of data collection through the project was through the maintenance of a journal. The researcher maintained a *reflective journal* (appendix 3) of key events, reflective thoughts, and interim conclusions, during most of the project. This journal, coupled with early thesis drafts and other artefacts from the periods concerned, formed the basis for the writing of this thesis document. The reflective journal was written in the first person so as to capture emotive details from the researchers own experiences, and to enable as little distortion of the true facts or thoughts as possible. The goal for journal writing was to capture unfiltered truth as much as possible, which could then be used as raw data for more critical reflection.

In the aftermath of the project's conclusion, five interviews were held with key members of the different teams associated with the subprojects. These interviews formed part of the

researcher's reflection and served to validate and at times question the researcher's perspective on events in the subprojects themselves. These interviews therefore form part of the collaborative and reflective elements of action research applied to this project and thesis.

Interviewing is an important data collection tool and the interview process itself plays an important role in generating meaningful data from interviews. The interview process undertaken in this project aimed to ask interviewees questions which were interesting to the researcher rather than questions designed to elicit specific responses. This is recommended for building a collaborative relationship with the interviewee designed to increase the probability of bringing data to light which the researcher may not have anticipated (Maxwell, 2005, p. 92).

The interviews are captured as appendices 9, 10, 11, 13, and 14.

Many *other artefacts* from the period were also gathered and used to both stimulate and corroborate personal memories of events. These included email correspondence and organisational documents generated at the time in question. These artefacts gave depth to the documentation corroborating key events or understandings, and contributed to the quality of the final reflection and learning.

'Studying relevant documentation can be an important part of organisational research'(Coghlan & Brannick, 2005, p. 101). The strengths of documentation as a source set out by Yin include that it is concrete evidence, and provides specific dates, names and times of events from over extended periods. Weaknesses noted by Yin included difficulty of retrieval and access, as well as selection biases of the researcher (R.K. Yin, 2009, p. 102). The documentation used in the generation of this thesis was drawn from project organisations over an extended period, and was used primarily to reinforce specific understanding and

details of key events. Relevant documents obtained for this thesis also provided evidence of what was occurring.

As set out previously, the project described in this paper consisted of three subprojects. These subprojects each contributed differently to the overall aims of the project, and their diversity brought a strength to the project as a whole.

Subproject one illustrates the process of learning from the implementation of a culture change management plan within the Harcourts Western Australia organisation. This subproject took place over 44 months between March 2008 and November 2011 and was designed to produce a change in the culture of the organisation and align it more closely to the espoused corporate values present across the rest of the Harcourts organisation in Australia. In being implicit in its use of action research methodology, this project was not set out as part of the original project planning document, and was not structured into learning cycles prior to execution starting.

Action research allows for this retrospective application where action research principles were applied in execution of the project itself. Gummesson, states that '*Action research should be conducted in real time, though retrospective action research is also acceptable*' (Gummesson, 2000)(Coghlan & Brannick, 2010, p. 40). Therefore, although subproject one was written partially in retrospect, it meets the requirements of being collaborative in execution, change driven, interactive with an organisation over time and demonstrating critical reflection.

Subprojects two and three were both explicit in their use of action research methodologies. This means that in addition to meeting the four criteria required and set out above for subproject one, they use an action research cycle to manage real time learning throughout the execution and writing of the subprojects themselves.

The action research cycle followed for these subprojects contained three cycle stages of planning, action, reflection in a repeated cycle throughout the projects. Due to the duration of the projects and the 'fuzzy' nature of the plan at the outset, we were not able to clarify the duration or number of cycles that would be required to complete the subprojects. For this reason we initially set in motion the first cycles and walked forward through the process adjusting as new circumstances, feedback, or organisational realities presented.

In writing chapters four and five of this thesis on subprojects two and three, the action research cycles which formed part of the learning process were also presented as part of the explanation of the process for the reader. This means that the timelines of the lessons are presented during the periods when they occurred allowing the reader to see the evolution of the ideas and learning both over time, and in response to the organisational realities being faced by the researcher.

Subproject two began in November 2011 and as depicted in figure 2.1 below finalised after three action research cycles in June 2013.
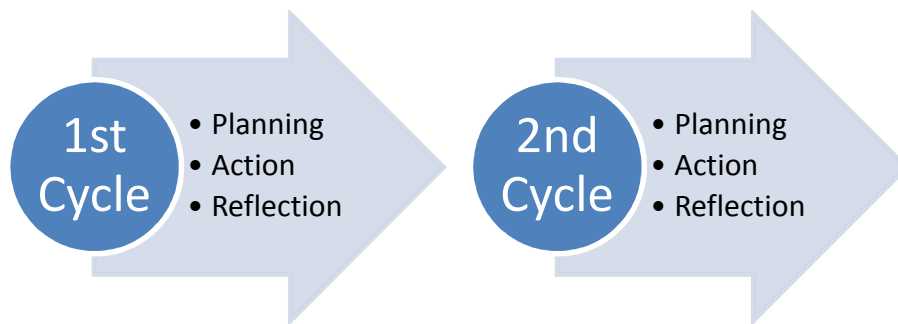
Figure 2.1: The action research cycle
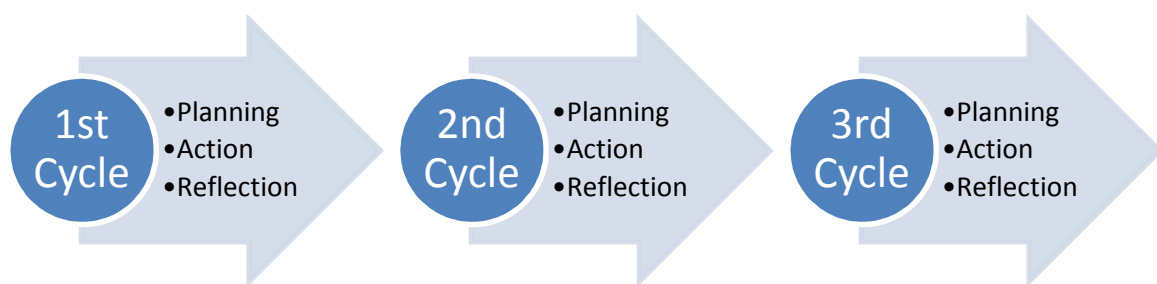
Source: Developed by the author.

Subproject three began in December 2011 and as depicted in figure 2.2 below finalised after two action research cycles in May 2013.

Figure 2.2: The action research cycle

Source: Developed by the author.

2.6 The role of the researcher

The researcher in the case of action research is primarily responsible for ensuring the project objectives are met and that the process as a whole meets with the requirements of academic rigour that would be expected for an action research project and thesis.

Relevant to meeting this standard is the relationship between the role of the researcher as researcher in the subject organisation, and their concurrent role as a participative member of the subject organisation. Clarity of the two roles is important where the researcher is simultaneously responsible for the change project for the organisation and the research project itself, *'…we need to distinguish between the two projects, as respective responsibilities may differ'* (Coghlan & Brannick, 2010, pp. 102-103). As the project contained here is built from a base of three subprojects, the role of the researcher from an organisational perspective changed with each case. The role of the researcher as researcher however remained constant across the subprojects allowing for a mental base line as well as the option of managing any lack of role clarity through a process of comparison between projects.

In subproject one the researcher's organisational role was that of general manager or leader where great responsibility for organisational outcomes was present. This subproject was

however described retrospectively and as such the challenges of separation between the roles of researcher and organisation participant was not relevant through much of the subproject itself, but was instead managed through critical reflection after the fact.

Subproject two saw the researcher and organisational participant roles intertwined from the outset creating a need for clearer definitional separation of the responsibilities of both in order to ensure biases were minimised. The researcher in this case is again the organisational leader however in a very different social and organisational circumstance. Managing the competing priorities of the organisation and project became a key component of both the process and outcomes of subproject two.

Subproject three had the researcher in the different organisational role of external change agent. This aligned the interests of the researcher's roles and provided a different perspective on the challenges of separation between them. The focus of the researcher in this case was the implementation of the cultural change program as set out in their organisational role. In this way there was very little conflict in the two roles other than the possibility of reflective biases in the case of a bad outcome. This risk stems from the organisational role being incentivised to put a positive perspective on a negative outcome where a researcher role is expected to look at events with neutrality.

The balance between the various roles of the researcher coupled with the competing interests of their role as researcher and their operational roles in the subprojects was therefore critical to a proper implementation of action research methodology.

2.7 Summary
In chapter two we have set out the structure of the project and its subprojects, detailed the methodology of action research, and showed how the elements of action research were applied to these subprojects. Critical to the validity of this thesis are the various applications

of the four elements; collaboration, change, interactive, and reflective, to the three subprojects. Though each subproject provided a different experience and perspective from which to learn, contribute, and build knowledge, these four fundamentals of action research permeated the execution of each, as well as playing a major role in the writing of this thesis.

This chapter lastly looked at the role of the researcher and the challenges associated with balancing the two roles inherent in being a researcher participant.

The following three chapters look specifically at the three subprojects in action.

Chapter 3: Subproject one

3.1 Introduction

Subproject one is a culture change management project based in the Harcourts real estate organisation in Western Australia. The purpose of this chapter is to provide a detailed account of subproject one both in its execution and in the learning and contributions that were generated through it. The chapter begins with some background or context behind the subproject and how the need for culture change arose, then sets out the assumptions held prior to the subproject, then looks at the execution of the subproject and what actually happened over the period. This narrative of subproject one is broken into three periods of time to show the progress of the organisation as well as the lessons and other contributions as they developed. This chapter concludes with a clear articulation of how the subproject contributed in the areas set out as the purposeful contributions of the project whole including a reflection on the changing assumptions as set out at the beginning of the chapter.

As noted in chapter two, subproject one is implicit in its use of action research methodology, meaning that this subproject was not set out as part of the original project planning document, and was not structured into learning cycles prior to execution starting. Rather, the action research methodology was overlayed partially in retrospect. In support of this thesis, three interviews were conducted with members of the greater Harcourts Western Australia organisation. Two franchise business owners were interviewed being Ben Bernacki Managing Director of Harcourts Alliance Joondalup (appendix 9), and Alex Ricciardi Managing Director of Harcourts Reality Plus (appendix 10). And a third interviewee Tony Coyles, who has gone on to become the business owner at Harcourts Advantage (appendix 11), but who was a franchise development manager (FDM) in my state team at the time in question, and so was responsible for the growth of franchise office numbers. These three members were chosen because of their roles at the time, and their consequent proximity to the

events in question. Comments from these interviews are used throughout chapter three in support of key points.

As also set out in chapter two, and in alignment with the purpose and objectives of the overall project, the aim of subproject one was to:

> *Align the underlying assumptions held in Harcourts Western Australia (HWA), with the espoused corporate values of the overall Harcourts organisation.*

The client organisation for this subproject was the Harcourts real estate group generally, and Harcourts Western Australia specifically. After purchasing a long standing business to expand its market presence into Western Australia, the Harcourts group saw the need to make the organisation in Western Australia more like other Harcourts business units around Australia and New Zealand. As Mike Green, Managing Director of Harcourts International noted at the time, '*Western Australia is a very wealthy and prosperous State providing huge opportunities for Harcourts. Our expansion there was a natural progression to achieve our ultimate aim of being the number one real estate group in Australasia*" (Green, 2004). This integration included the aligning of the cultural norms of the local Western Australian business with that of the greater Harcourts business.

The Harcourts organisation had a set of espoused corporate values which had been previously used as an explicit proxy for the desired culture, and to align cultural expectations across the group. Harourts espoused corporate values were: People first, Doing the Right Thing, Being courageous, and Fun and Laughter. These values were collectively accepted to represent what was termed 'The Harcourts Culture', and so the terms were often used together or to represent each other. Tony Coyles noted on our use of the Harcourts values in Western Australia, '*Every person we came in contact with, we tried to make it better for Harcourts by showing them the culture*' (Coyles 2014, appendix 11). The 'Harcourts culture' as it was

referred to had become a key element in the operations and success of the Harcourts group, including the very direct benefit of using the cultural focus to create a competitive advantage for recruitment and retention. From the Harcourts corporate website, '*The culture of this organisation is the foundation stone of our exceptional service, resources and envied reputation*'(Harcourts, 2014), and from Alex Ricciardi in Harcourts Western Australia '*We used the values to build both the clients and the sales team*' (Ricciardi 2014, appendix 10).

Subproject one focusses on using espoused corporate values to align the underlying assumptions of Harcourts Western Australia with the espoused corporate values of the greater Harcourts organisation.

Subproject one ran from April 1st 2008 to October 31st 2011. The organisational role of the researcher during this project was Chief Executive Officer for Harcourts Western Australia. Prior to leaving Harcourts Western Australia, I felt the need to capture some of the lessons from my period in the role of CEO. To this end I began writing a book reflecting the experience of working with the espoused corporate values of Harcourts international to influence the underlying assumptions of Harcourts Western Australia. This book details the specific experiences of the period, the lessons that I personally took from the process, and my recommendations for others attempting to influence culture in their organisation {Moore, 2013 #513}. The book was titled Culture at Work, was self-published in 2013, and is included here as appendix 5.

Because this book provides a detailed account of the period and events relating to the subproject depicted here, this thesis provides only a brief overview of the story itself. Further information on the underlying story of the period can be found in Culture at Work. (Moore, 2013)

3.2 Background

Harcourts Real Estate is an Australian based franchised real estate brokerage and property management business, with franchised offices across several countries in the Asia Pacific, South Africa, and the South Western United States. The franchised nature of the business means that the real estate businesses providing the services to end consumers are independently owned and operated, while the shared services and branding are provided to these franchise businesses by the franchisor for a monthly fee.

Subproject one began in March 2008 with my installation into the role of CEO for Harcourts Western Australia, the franchisor. Prior to that point I had been working as a business development manager within the Harcourts Queensland business for several years. This role of business development manager involved working with the various businesses across the state to help them grow through recruitment, operate more efficiently using the Harcourts systems, and manage their teams and businesses more generally. During this time in Harcourts Queensland I built an understanding of how the organisation's espoused corporate values were used to influence both short term behaviour and the longer term culture of the businesses.

The Harcourts business in Western Australia had been operating under another brand, Roy Weston, for over fifty years when the franchise business was acquired by Harcourts International as part of a national expansion of the brand. As Mike Green, Managing Director of Harcourts International noted at the time, *"Roy Weston Real Estate is a highly respected name in Perth and Western Australia, having operated successfully in that market for nearly 50 years"* (Green, 2004). In the 3 years after the purchase of the Western Australian business there was an uplift in the market and a consequent increase in revenues and profits from Harcourts Western Australia. In 2006 however the market slowed considerably putting financial pressure on the business. This pressure coincided with the decision to rebrand the franchised offices from the original Roy Weston brand to Harcourts. These factors combined

with changes in franchise fee levels and changes in leadership of Harcourts Western Australia led in part to the loss of a number of previously high performing franchise businesses.

Twelve months after the rebranding of the Western Australia business, franchise office numbers were down over a third from their peak, and I moved from Queensland to be installed as CEO. Being appointed as CEO was a career milestone and came with a large amount of pressure to perform (Moore, 2013).

I was young and inexperienced in leadership by any measure, but was keenly aware of how the Harcourts espoused corporate values were used as a cultural metric in Queensland. Advice from Mike Green who was head of Harcourts International at the time was to take what I had learned about Harcourts in Queensland, and install it into Western Australia. This direction explicitly included building in the 'Harcourts Culture' and leading with 'The Harcourts espoused corporate values'.

3.3 The Harcourts subproject in action
In March 2008 the Harcourts Western Australia business was aware of the Harcourts espoused corporate values. There were posters on office walls, and the espoused corporate values were part of official documents. In application however there was a stigma associated with talking about or truly supporting the espoused corporate values of the organisation. Ben Bernacki who was a business owner within the business at the time noted, *'I don't think the values were highlighted before you (researcher) got there, they were more of a throwaway line than principles to live by'* (Bernacki 2014, appendix 9). My assumptions were that this reluctance stemmed in part from the turbulent recent history of the group and in part from past leaders talking about the espoused corporate values without acting in accordance with or being accountable to them.

The culture of the business generally showed minimal trust in the greater Harcourts organisation and trust in what the espoused corporate values represented was also lacking. As noted above, the four Harcourts espoused corporate values were People First, Doing the Right Thing, Being Courageous, and Fun and Laughter, and it was the intention to create the required change in the Harcourts Western Australian culture using these espoused corporate values as the base.

Reiterating, Harcourts is a franchised business with a master franchisor for the country being Harcourts International, regional franchisors for each state such as the Western Australian business unit which I oversaw, and then franchisees or franchised businesses in each region who provided real estate services to the public, and to whom we as franchisor for the region provided services.

3.3.1 Clarifying assumptions

This section contains three key assumptions I held prior to beginning this subproject which form the basis for reflection on researcher learning at the end of the chapter.

1) My first assumption was that with my elevation to the role of regional CEO I would have a privileged position, and would be less bound personally by the behavioural expectations of others. In essence this assumption stemmed from my belief that leaders set expectations for others to meet, and that this process was a key component of the authority and responsibility of the role itself. That is, without behaving differently from others in some way I would not be distinguished as the leader, and would therefore be less able to inspire followers. The assumption was that I would as leader be able to behave one way, while expecting a different behaviour from my team.

2) My second assumption related to positional power. By this I mean the power or influence that stems from holding the role of CEO. I assumed that this positional power would be

sufficient to generate the motivation for change in the group. Effectively I assumed that I would be able to generate change with personal drive and momentum, and that as my role carried the responsibility of success or failure for the group, it also allowed for any change which I felt would contribute to that aim to be fully implemented by others in the business. I thought that my instructions would be followed simply because of my role.

3) The third assumption I made as a young leader was that as leader my role was to have the answers. That is I expected myself to answer any question knowingly and directly, and that over time my answers would build to form my direction for the business. This expectation of clarity was again something I thought crucial to anyone in the role of leader, and although not a style I had used to get the role, it was I style I thought necessary for success.

3.3.2 First period
The period from March 2008 through to June 2009 was focussed on stabilising the franchise owners and so was a time of trust and relationship building between myself and other members of the Harcourts Western Australia business. This stabilisation process included a restructuring of the support team, a realignment of the franchise products being offered to businesses, and a revival of the belief in Harcourts general commitment to the espoused corporate values (Moore, 2013). This combination of action and relationship building demonstrated to some extent that Harcourts International cared about Harcourts Western Australia, and that they were willing to commit to a long term plan for getting the business back on track. With key franchise business owners I took the time to build personal relationships which was noted by Ben Bernacki (2014 appendix 9) as he noted *'prior to us having the (weekly) dinners at the start, I don't remember ever talking about the values with anyone'*.

In my May 2008 report to the board of Harcourts International (appendix 6), I noted *'Service provision to our businesses is high and we are getting good feedback from our teams in the*

field. We have however had a reduction in sales (volume) and only a small reduction in our sales team so our people are hurting.' This suggested that sales people were earning less money on average and that some increased dissatisfaction could be expected. Also from the May 2008 report (appendix 6), '*…We are also working very closely with the businesses to ensure they last through this tough time.*' This suggested that our independent business owners, (Harcourts was a franchised business) were feeling pressure as the market tightened.

This period involved significant work in building trust and using the espoused corporate values to make decisions about the businesses direction. There was much discussion in the corporate (state) team about the espoused corporate values and how we were going to use them as a point of difference. A member of the state team Tony Coyles noted, *'Friday meetings, or in any conversation where we were deciding something, we would run the thought through the values so we could see how they could apply'* (Coyles 2014, appendix 11). The Harcourts Western Australia team worked together to speak more about the espoused corporate values and to include them as a reference in each business plan, public talk, or training session that was completed.

By March 2009 the state team had built some trust, the business had greater stability in its people, the market had stopped falling, and the businesses had begun to grow. Salespeople numbers grew steadily from that point indicating that Harcourts had become a more attractive place to work. The July 2009 board report (appendix 6), shows salespeople numbers of 159 for march, 160 for April, 170 for May and 175 for June. Many franchisees told me during our monthly management meetings that they were using the Harcourts espoused corporate values as a tool to standout from other agencies in the recruitment process. From the same July 2009 board report (appendix 6), *'Strong sales across the board have meant happy productive businesses and better revenues for the state. Profit in all three months was a welcome change and the overwhelming majority of business plan targets were met during the quarter.'* and

'The state team are working well and the businesses are generally very happy with the service they receive from state support.' These statements indicate my assessment of the factors that contributed to the success of the time including the market movement, the work of the state team, and the enthusiasm growing within the business. This first period was focussed on stabilising the business and building a base of trust with the business owners on which other elements of change could be built (Moore, 2013, pp. 9-10).

3.3.3 Second period

During the period from July 2009 through to June 2010 the focus of the Harcourts Western Australia team shifted to building the business. This involved working from the trust which had been built with the franchise business owners through the espoused corporate values, and creating common themes for the business in its attraction of new business and salespeople. Growth in business and salespeople numbers are the key factors in the growth in a real estate franchise business, as there is very strong correlation between numbers of businesses and salespeople and revenue.

Leveraging the trust now in the business, the state support team worked to reinforce the usefulness of the espoused corporate values in recruitment as well as in decision making within the business. One business owner reflecting noted *'Used the values in recruitment interviews, values are a major part of everything and we drive them into our people, just as they were driven into me (by the state support team)'* (Ricciardi 2014 appendix 10). This drive to make the espoused corporate values central was required to align the culture of Harcourts in Western Australia with Harcourts other businesses in other regions, and because the Harcourts business model, in the researcher's understanding, generally used the culture driven by the espoused corporate values to offset to some extent the friction generated in a business dominated by commission-only salespeople.

Although some results had started to show in the business generally, wide scale aligned action behind the Harcourts espoused corporate values was needed during this period in order to establish a change in the underlying assumptions of the business. This meant business owners believing in and focussing on the espoused corporate values for an extended period of time prior to their seeing positive results from it. Alex noted, *'The help (provided) built trust with the state support team. The team at state office was very strong then, and I just followed what you guys were telling me'* (Ricciardi 2014 appendix 10). The business owners needed to have faith that their faith in the business model and culture model would be rewarded with business success if they were going to take the action required to make it so.

In a quarterly meeting for business owners held in March 2010 (appendix 7), it was noted that the number of franchise offices since March 09 were up from 28 to 31, salespeople numbers across the franchise offices up from 159 to 193, sales volume (combined value of properties sold) up from $671 million in the previous year to $966 million in the current year, and property management revenue up from 3.3 million last year to 4.6 million in the current year.

Though the success of the business over this period is positively correlated with the anecdotal evidence of significant increases in the application and use of the espoused corporate values, it is not possible to say that the espoused corporate values focus caused the businesses success. It is however this researcher's opinion that the increased association and sense of belonging felt by the Harcourts people in Western Australia played a role in the trust and stability that was required to fully support the espoused corporate values in implementation, and that this support and the espoused corporate values drive by extension played a role in building the underlying assumptions and sense of identity that developed among the teams of Harcourts Western Australia during the period.

3.3.4 Third period

This final period from July 2010 to November 2011 was largely a period of steady growth. Trust levels were generally high, use of the espoused corporate values had become wide spread, and many of the franchise business owners had experienced success in recruitment and retention after discussing the Harcourts espoused corporate values in the day to day operations of their own businesses. '*Many new people spoke of the values as a key reason for choosing to work in our company*' (Moore, 2013, p. 26). The focus on using the espoused corporate values by the state support team was also reinforced by increased participation by Harcourts Western Australian team members in wider organisational events such as the annual conference. On the recruiting value on the culture demonstrated through the Harcourts conference, Tony noted, '*The values were big at the conference, so we used that to show people the culture, and then they would just join from there*' (Coyles 2014 appendix 11). These interactions between Harcourts Western Australian people and people from other parts of the organisation served to reinforce the underlying assumptions which could be created and used by Harcourts businesses through the espoused corporate values focus, and the subsequent business success that could be achieved with it.

In speaking at the quarterly awards breakfast in April 2011 (appendix 8), I noted the following; '*In the end however, it's our culture, our values, and our people who are the essence of our business. It's a favourite saying of mine that each time we decide to do something together we all get stronger, and this has been demonstrated more clearly than ever over the last year.*' This quote is typical of many talks I gave during my time in Harcourts Western Australia, but more importantly it became a sentiment expressed by many others within the Western Australian business. Norms of behaviour changed in the business, and there was an anecdotal reinforcement of identity that also occurred in the Harcourts community. This change in the 'culture' of the business occurred concurrently with an upswing in business success.

The board report from July 2011 (appendix 6), shows office numbers up to 33, and salespeople numbers up to 212. These figures show the growth in the organisation that occurred during the period while we were focussing on the aligning of underlying assumptions using the Harcourts espoused corporate values.

Finally, from the Harcourts Western Australia annual awards dinner also held in April 2011(appendix 8), I said '*Each quarter when the leaders of Harcourts International meet, we spend the first part of the meeting reconnecting with the Harcourts purpose and values. We do this because we know, until we are sure of who we are and why we are here, what we are going to do is irrelevant. Our values are at the core of our business. They are not just a platitude, but something that we work hard to use as a basis for decision making. Barely an hour goes by in our (state) office where the Harcourts values aren't spoken about.*

But the values themselves aren't perfect, in fact people often use the values to call us to account when they disagree with a decision. Along with that, each office also interprets the values in their own way, or even has slightly different values that they work with. I have in the past seen these inconsistencies as imperfections, and at times used them as a reason to question the values myself, it took some time for me to see the real process at work.

You see it's not about everyone knowing the values, it's not about them being on everyone's wall and chanting them at sales meetings, it's not about them all being the same and Harcourts values being everyone's values, and it's not even a little bit about marketing. It's about the leadership of this business having a guide to work with when making hard decisions, or when the direction they should take is unclear.

It's in the actions that we take that the values have meaning. The values make us more consistent, they make us more trustworthy, and they let people know something of what to expect from us. Not because they are on the wall, but because they are written in our history

of decisions made and actions taken. The values of this organisation were being used long before they were ever written down, they were written in a million stories of Harcourts people.'

Although it is hard to quantify the direct impact of the espoused corporate values focus on the underlying assumptions of the Harcourts Western Australia business, it is clear that there was a correlation between the timing of that focus and the growth results seen in the business. This researcher believes that the focus on the espoused values played a role in aligning the behaviour of the Harcourts Western Australia team, and as such allowed for the positive growth in the business to be more easily achieved.

3.3.5 Post subproject one
In the period following my leaving Harcourts in Western Australia, there was an increase in property sales both generally in the market and within the Harcourts Western Australia business. This would likely have translated through to increased profit both for the franchise businesses and for Harcourts International as franchisor. Regarding the culture and the continued use of the espoused corporate values there is little new information. There has been over the first two years three different CEOs come and leave the role, and although there appears to be the inevitable dissatisfaction with the changing senior personnel, my conversations with business owners regarding the feeling within the business after my departure were relatively positive.

3.4 Personal reflection
There were changes in my assumptions over the duration of the subproject. This section compares my starting assumptions at the beginning of the subproject to what I came to understand at the subprojects conclusion. This personal reflection process at the end of each subproject forms the basis of information for the final contribution to professional development.

Findings on the first assumption

My first assumption was that with my elevation to the role of regional CEO I would have a privileged position, and would be less bound personally by the behavioural expectations of others. In essence this assumption stemmed from my belief that leaders set expectations for others to meet, and that this process was a key component of the authority and responsibility of the role itself. That is, without behaving differently from others in some way I would not be distinguished as the leader, and would therefore be less able to inspire followers. The assumption was that I would as leader be able to behave one way, while expecting a different behaviour from my team.

This assumption changed quite quickly during the subproject as it became apparent that without my acting in alignment with my expectations of others, my words would carry no meaning and generate no change. Far from reinforcing the notion of leaders acting differently to differentiate themselves, my learned reality was of the benefits of behaviour modelling (Moore, 2013). I learned that acting how you wished others to act as leader levelled the status between people who were learning together and allowed business owners to see my intention in my actions rather than having it imposed on them. It should, in retrospect, have been evident to me that as leader I would need to lead by example, as has been suggested extensively in both leadership texts and rhetoric (Abrashoff, 2002; E. Jaques, 2002; Maesiti, 1997). It was from this realisation that I developed an obsession with the benefits of behaviour modelling which flowed through to the themes of Culture at Work (Moore, 2013). The benefits of modelling behaviour for leaders also extend beyond the simple axiom of 'actions speaking louder than words', in taking the actions themselves the leader open a personal experiential feedback loop which greatly enhances their personal tacit learning on the subject (Deutschman, 2009). From another perspective, speaking of himself and of lessons he gained as a boy, Herbert Simon noted that '*You do not change people's minds by*

defeating them with logic. People do not feel obliged to agree just because they cannot reply at the moment' (1996, p. 14). Taking action, learning from action, demonstrating desired behaviour through action, and creating change through acting, are all understood to be practical and robust elements of good leadership behaviour (Fullan, 2011).

Findings on the second assumption

My second assumption related to positional power. By this I mean the power or influence that stems from holding the role of CEO. I assumed that this positional power would be sufficient to generate the motivation for change in the group. Effectively I assumed that I would be able to generate change with personal drive and momentum, and that as my role carried the responsibility of success or failure for the group, that it also allowed for any change which I felt would contribute to that aim to be fully implemented by others in the business. I thought that my instructions would be followed simply because of my role.

The second finding was that this was again incorrect. Though positional power did generate an opportunity for me to be heard, it did not by itself have the influence to change behaviours. In realising this during reflection I consciously changed my approach, and instead worked on developing influential personal relationships with individuals in the business. This could be seen as a movement from a boss centred leadership style to a subordinate centred leadership style (Tannenbaum & Schmidt, 1973). This meant that rather than using my role to get agreement on change from the group, I was able to use the influence of my friends within the business. This of course meant a greater level of compromise and understanding from me which also meant listening more to the business owner's perspectives before making a decision. In essence I took advantage of the links between vulnerability, trust creation and influence (Banchard, Olmstead, & Lawrence, 2013; Lencioni, 1998), and built

relationships which helped engage others from the organisation in the process of driving the espoused corporate values into the day to day operations of the business.

Findings on the third assumption

The third assumption I made as a young leader was that as leader my role was to have the answers. That is I expected myself to answer any question knowingly and directly, at that over time my answers would build to form my direction for the business. This expectation of clarity was again something I thought crucial to anyone in the role of leader, and although not a style I had used to get the role, it was I style I thought necessary for success.

Thirdly then, I found that even if you have the answers people will not necessarily change their behaviour. The right answers from a source which is not trustworthy will still be treated with suspicion. This meant that rather than the focus of my attention being on having the answers, I became focussed on getting the best answer that would be fully implemented. This meant that although sometimes I thought I knew a better way, without the full drive of the person who would implement it there was no benefit in forcing my opinion. This approach is akin to the notion of individualised leadership where the focus of the leaders influence creation is on the relationships they build with individuals in the organisation (Yammarino & Dansereau, 2002). My policy became 'the best idea is the one people will get behind' rather than the one I considered would achieve the best outcome assuming it was well implemented. The espoused corporate values therefore had to become something that was emotionally owned by the individuals in the team, rather than being something that only I promoted, or it would not gain the support necessary to become normal and part of the underlying assumptions. Sharing the burden of answering organisational questions with others in the business was therefore critical to the success of the culture change program.

3.5 Conclusions

The stated aim of the subproject was to:

Align the underlying assumptions held in Harcourts Western Australia (HWA), with the espoused corporate values of the overall Harcourts organisation.

As stated, the original intention was to create change in the Harcourts Western Australia culture, and to align it more closely to the general culture found in the Harcourts organisation more broadly using specifically the Harcourts espoused corporate values. Looking at the results of the subproject over the years there is some strong evidence that a culture change did occur, and that that culture change did bring the underlying assumptions of Harcourts Western Australia closer to the espoused corporate values of Harcourts International. As had been experienced in other regions of the Harcourts business, these underlying assumptions also provided some increased ability to attract people to the business. It appears that there were several factors that contributed to this culture change including openness and positivity from an improving market, increased interaction with the wider Harcourts organisation by those in Western Australia, and the work that the state support team did in promoting and utilising the espoused corporate values through the group.

The experience of Harcourts Western Australia left me with significant confidence and a sense of accomplishment which would lead into my next experience at Executive Support Consultants. Although there was evidence of a business improvement, and although there had been a defined focus on the promotion of the espoused corporate values during my time in the CEO role, there is still no clear cause and effect relationship between the two. The challenge as has subsequently become apparent in my further studies of culture or underlying assumptions change and influence, is that there are always a number of factors which contribute to the development or change in a culture. These various factors inevitably cloud the causal results from any specific input or intervention, and in the absence of the ability to

hold all other variables constant while testing a new input, it appears that inconclusive or partial results it will always be a challenge.

This was however a realisation of mine only after further studies and experiences. At the time when subproject one concluded and my time at Harcourts came to an end, I was blissfully unaware of the variety of factors which had led to the successes we had seen in Harcourts Western Australia. Typically blinded by the action I was taking and naturally wanting to see results from that action, it is predictable that upon good results appearing and others affording my actions credit for those outcomes, that I would believe in myself that I had an understanding of what was required to manage the culture change of a business to create success. It was not until I put some of these lessons and assumptions to the test in the very different environment of Executive Support Consultants that I began to question the causes and my personal contribution to past results. This learning is captured in the following chapter.

In this chapter has been a detailed account of subproject one in Harcourts Western Australia, including three periods where critical events and learning took place. It showed both the original assumptions held by the researcher and how those assumptions changed over the course of the subproject, and finally concluded by looking at the success of the subproject against its aims.

The following chapter looks at subproject two, Executive Support Consultants.

Chapter 4: Subproject two

4.1 Introduction

Subproject two is a culture change management project in the Executive Support Consultants organisation based in Brisbane Australia. The purpose of this chapter is to provide a detailed account of subproject two both in its execution and in the learning and contributions that were generated through it. The chapter begins by providing some background on the client organisation and general context for the subproject, then after clarifying the application of the research cycle to this subproject, and after setting the beginning assumptions held by the researcher at the subproject outset, the chapter works progressively through an explanation of what occurred in each phase of the research cycle. The chapter concludes with reflections of the researcher.

As noted in chapter two, and in alignment with the purpose and objectives of the overall project, the aim of subproject two was to:

Develop and instil a set of espoused corporate values within the Executive Support Consultants organisation in order to positively influence the organisation's culture.

The client organisation for this subproject was Executive Support Consultants (ESC). ESC is a small, family owned management consultancy focussing on providing organisational development services. After a reformation of the business from a single operator to a multi-shareholder and consultant company, the operations of ESC were to be consolidated into a working business model for the ongoing provision of services.

The differences in the backgrounds of the various family members who would work in the business meant that there would be various preferences for how ESC would develop. So as to align these preferences into a stable direction for the group it was decided by the major

shareholders to focus on the development and instillation of a set of espoused corporate values on which the group could rely. These espoused corporate values would also give some direction to organisational decision making.

Subproject two therefore focusses on developing and instilling a set of espoused corporate values into the ESC organisation that will stabilise it, and provide a cultural basis on which to build the other norms of the organisation.

During subproject two the organisational role of the researcher was that of Chief Executive Officer & Consultant.

Subproject two began on November 1 2011 and concluded on June 30th 2013

4.2 Background

Executive Support Consultants (ESC) is a Brisbane based, family owned management consultancy focussed on helping leaders, teams, and organisations improve their functionality and effectiveness. Starting in 1983 under the name of 'ML Moore and Associates Pty Ltd', Len Moore (my father) began consulting in industrial relations as a solo practitioner. In 1997 the entity 'Moore and co' was formed as well as the trading name Executive Support Consultants. In 2011 ESC went through a rebirth under a new entity owned in various amounts by 6 members of the Moore family and their partners. This new entity was started to give a new life to ESC and allow for the various members of the Moore family who would be working in the business to consider it their own, and hopefully work hard to grow the company as a result. I was appointed to the chief executive role for the firm because in the eyes of the family and other stakeholders my experience in building and managing businesses previously was in excess of experience of others in the area. It was also the premise under which I joined the business as I at the time saw myself very much as a business leader rather

than business consultant. Len noted on my management style at the time, '*Andrew had come from Harcourts where there was only one way, it was a full blown "be reasonable and do it my way" approach*' (Len Moore 2014 appendix 13). My main responsibility in this role was developing and implementing the overall strategy for the business. This included defining ESC's service offering, building and developing a team to deliver that service in the marketplace, building and maintaining the client base of the business, and all manner of financial and administration management.

In the year prior to the reforming of ESC, Len had suffered from an abundance of work and had engaged a group of consultants from his personal network to help perform the work. This proved difficult with issues of quality control and coordination being an ever present and taxing burden on Len through this period. This experience, in my opinion, informed many of the initial decisions Len and I made in the new business, as well as informing what I as CEO saw as the key risk areas for our business.

One key challenge that existed at the heart of many conversations and frustrations within the team during the first year of operations in the new ESC was that of defining what services the business would offer, through what method, and to whom. '*We talked about this a lot, lots of conversations about content vs service approaches… … Lots of looking at what we had done before rather than what the market wants*' (Kate Moore 2014 appendix 14). The Management consulting space is very large and a wide variety of services fell under this banner. In my perception at the time, perhaps due to my lack of experience in the area, or perhaps with Len having worked firstly inside the mining industry before consulting back to it, neither Len nor I seemed to have a comparative perspective on the work that we would do and as such were unable, and at times unwilling to define what we would do as an organisation. This lack of

definition in what we were as consultants had vast flow-on effects for both our internal team with their sense of identity, and through creating an inability to market services for fear of it somehow defining us incorrectly.

The style of consulting favoured by Len over this period prior to the reforming of ESC into a new entity was one of close one-on-one relationships with clients, and helping them as a trusted advisor in whatever area they needed. This responsive approach largely guided by client needs is also advocated by Edgar Schein as the most likely to be impactful as a consultant trying to understand an organisation from the outside (Schein, 1999b). In his own words, '…*we worked with the resources industry and major construction on change management, leadership and team development, using or developing whatever resources were required…*' (Len Moore 2014 appendix 13) Though largely behavioural in approach, I never once heard Len or one of his existing clients describe what he did in any formal way. The closest he came was when I heard one long standing client and friend explain Len's role on a project as "…and we had your dad help us with the behavioural stuff." Although this gives a good impression of the strong relationships Len had built with his clients, and although Len's business was extremely successful against every financial measure, Len's ambiguity around his work, and lack of willingness or ability to clarify and articulate how he interacted with his market, created serious challenges for myself in defining the business we were in, and for the rest of the team in working to build their own client bases or in learning from Len's example. '*We (Kate and myself) were pushing hard for an objective view of management consulting, but we were fighting hard with Len and what had been done before*' (Kate Moore 2014 appendix 14).

Another challenge faced by the ESC team after the creation of the new business was the prevalence of family members in the team. These family members included a father and son combination, and father and daughter combination, and father and son-in-law combination as well as all manner of brother, sister, and brother-in-law combinations. *'I went in thinking about this as an ordinary business, and right from the very start it was all about the relationships and not about the business'* (Kate Moore 2014 appendix 14) Couple this with the fact that every other member of the immediate family were shareholders and present at quarterly meetings, and the interpersonal complexity becomes an element that simply must be considered in the development of the company culture.

Generally speaking, working relationships contrast with family relationships in that they have a set purpose, to execute on the desired objectives of the organisation in which the working relationship exists. This distinction between working and personal relationships, and the clarity about the overarching point behind the relationship was in my opinion consistently lost at ESC as the roles of people as family members took precedence over their roles as work colleagues.

In recent years, organizational identity has received a lot of attention in both the practitioner and academic literatures (Lievens, van Hoye, & Anseel, 2007).Two types of organizational identities have been identified namely (a) members' own perceptions of the image of the organization and (b) members' assessment of others' perceptions of the image of the organization (Dukerich, Golden, & Shortell, 2002). Dutton, Dukerich, and Harquail (1994) labelled insiders' own image perceptions as the organization's perceived identity relating to what employees see as their organization's distinctive, central and enduring attributes as a place to work. They also point out that the construed external image reflects the extent to

which insiders experience that their organization is perceived in positive and negative terms by outsiders. This construed external image was defined as the employees' perceptions of the external evaluation of their organization. It was our perceptions of our collective identity as a consulting organisation that was a cause of great concern in transforming the business.

In combination then, the interplay between the lack of organisational identity created through lack of organisational role clarity, and the role ambiguity associated with historic relationships between family members, formed the context for the culture development and change project set out below.

Through this formative period under study the key persons within the ESC organisation were as follows:

Andrew Moore (myself), Chief Executive Officer and consultant. Starting with ESC in November 2011, my role included oversight of the organisation, strategic direction, culture development, structural needs, team development and structure, work planning, and building and maintaining relationships with key clients.

Len Moore (Father), Managing Consultant and Chairman. Len founded the organisation and as such maintains many of the key client relationships. Len through the two years of the study provided almost all the work done by the organisation.

Kate Moore (Sister), Consultant. Kate joined ESC in July 2011 after a 5 year career as an employee relations lawyer within a major law firm. This direction change and the required

learning for Kate in adapting to her new career path is the context for her perspective and actions through the years of the study.

Robin Elliott (Brother in law), Consultant. Rob had been contracting to Len as a trainer/facilitator for two years prior to the reformation of ESC in July 2011. Prior to this Rob had been a middle manager for a large mail packing and distribution organisation.

Edward Cunningham, Consultant. Ed was recruited in the early part of the years studied but due to immigration requirements officially started work in August 2012. Ed was an experienced Organisational Psychologist and had significant consulting experience in the field. Ed relocated from the Los Angeles to Brisbane and was sponsored by ESC.

Ian Cadwallander, Consultant. Ian was recruited during the study period and began work with ESC in June 2012. Ian has an extensive background in banking where he had played the role of a senior executive. Immediately prior to starting Ian had completed a master's degree in human resources.

Kirstin Parker, Financial Controller. Kirstin started with ESC in August 2011 on a part time basis and has continued through the period of study in that manner. Kirstin comes from a bookkeeping background and was through the study period completing a bachelor's degree in accounting.

The leadership team of ESC consisted of Myself, Len Moore, and Kate Moore, and for that reason interviews were conducted with Len (appendix 13) and Kate (appendix 14) prior to the

completion of this chapter, and used to offer a second and third opinion on key events during the subproject.

Due to the history of Len Moore in the resources industry, the overwhelming majority of clients during the study period worked in that sector. With a special focus on the challenges associated with the major construction project environment within that sector, much of the work done during the study period was intended to allow for various elements within organisations to work well together and produce desired outcomes. '…*we worked with the resources industry and major construction on change management, leadership, and team development.* (Len Moore 2014 appendix 13)

The typical client contact through the period was a high level executive within one of Australia's large mining organisations, or within one of several large international engineering and procurement contractors such as BHP Billiton, Aussie Gold Mining Limited, Bechtel Australia, or Rio Tinto Australia.

Due possibly to the vast amount of technical capability required to rise through the ranks of a resources or project construction organisation, the majority of leaders we found in these industries had a significant technical background. This background did not seem to predispose them to the assumption that a challenge they face in creating an outcome can be overcome by looking at the interactions between their people. Their inclination appeared to be to look for a technical or strategic solution rather than a behavioural one. What we would now see as an issue of interactions to be resolved by the development of functional teams, these leaders tended to see as an issue of competence to be resolved by training individuals on leadership skills. For this reason, much of the work we did in these industries over the

early period of the new ESC group seemed demoralising and unrewarding for the consultants in our new business, including Kate (appendix 14) and myself. As noted above, an inability to define the work we did and what value it represented to client organisations further perpetuated this issue. '*We talked about this a lot, lots of conversations about content vs service… … There was lots of "we don't do this, because we haven't done it before."*' (Kate Moore 2014 appendix 14) As Kate noted, there were many conversations on this topic and little resolution or clarity.

With these various issues occurring in the early development of a new business, such a strong need to align behaviour around a common direction in these early stages, having a family team willing to join in developing and implementing these ideas, and with my role and influence being central to cultural development, this sub-project allowed for a wide variety of factors to be examined which are likely to be very influential in cultural development. As such the ability of this sub-project to yield learning results was substantial.

With an organisational need and desire to build a supporting culture for the business, this subproject provided an ideal opportunity for the researcher to trial and examine in real time the impact of a variety of culture change or alignment initiatives. With this aim of instilling a set of underlying assumptions that would drive cultural development in a productive direction, the researcher, supported by the organisation, set out to influence the underlying assumptions of the group while driving and monitoring the results with the action research methodology.

4.3 The ESC Subproject in Action

 This section sets out how the action research cycle was specifically used both to capture and present the events which took place during subproject two.

As both the ESC and PNGgold projects were managed using a version of the action research cycle, this is also how the story itself was captured, and is therefore how the story itself is told here. The cycle takes the practitioner/researcher through an ongoing process of questioning and assessing the underlying theory or assumptions, planning action to create change from that base, taking the action, and reflecting on the results as compared with the intention. The results of this reflection then form the basis for the planning in the following cycle. See figure 4.1 below.

Figure 4.1: The action research cycle
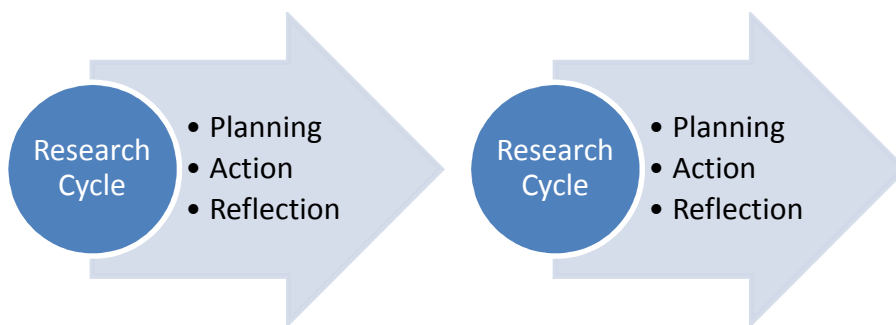
Source: Developed by the author.

The learning or reflective feedback loop captured here is just one of many that were happening during the period being studied, as many lessons and consequent adjustments in mindset and action happen daily in all organisations. For clarity, readability and simplicity however, I have chosen to focus and rely on one large research loop both in the capturing of the lessons themselves, and in the chronology of how these lessons and experiences are set out for the reader. This large learning loop revolves through three cycles during the period of subproject two, and is presented as set out in figure 4.2 below to allow the reader to more easily track their position.

Figure 4.2: Three action research cycles
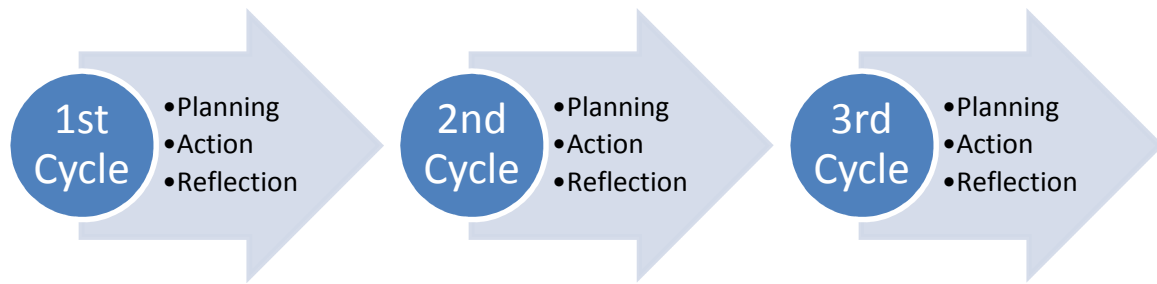
Source: Developed by the author.

One key benefit of this layout is the ability of the reader to examine the process of learning and adjusted thinking or action at each point in the process. This time, experience, and learning process is central to the validity of action research as a methodology, and allows the reader to more objectively assess the periodic thinking and decisions that were made during the period of research.

Due to the nature of the steps in the cycle, these steps overlap for periods where for example reflection and planning on a specific point were happening concurrently. This overlap is also the reason for the general rather than specific timeframes associated with the stages of the research cycle. It is also important to remember while reading that the process of examining culture and its development was executed from a position within the start-up organisation itself, and amongst all the dynamic pressures associated with a senior role in that environment. Although every effort was taken to maintain the integrity of the action research process, the pressures of the internal and external business environments meant that the plan as written was rarely the plan as executed.

4.3.1 Clarifying assumptions

To understand and document any enhancement of understanding about culture change management in the researcher, clarifying assumptions held at the outset of the subproject are captured here. These assumptions form a baseline for the researcher's original understanding

of how to influence the culture or underlying assumptions of a group as it was prior to the beginning of subproject two. These assumptions were in part a product of events captured in subproject one, and other evidence of their origins can be found in the researcher's learning portfolio (appendix 1). Changes in these assumptions over the course of the subproject are addressed directly toward the end of this chapter. Detailed below are five key assumptions held by the researcher prior to subproject two beginning:

1) One prime assumption I held prior to this intervention was that modelling the desired behaviour was the most influential thing a leader could do to drive new behaviours through their organisation. Although I did not assume that it was the only element which influenced behaviour, I had come to believe that due to the difficulty of personal change, leaders were reluctant to take the steps necessary to model the behaviour they wanted. As a consequence I perceived this to be the untapped influencer of organisational behaviour rather than the only influencer.

2) I assumed an ability in other people to easily relate theory to practice, and to come to the same conclusions as myself in how they would apply to the current situation. My personality as the leader, coupled with a personal inability to understand how others might see things differently, lead to my assumption that a clearly articulated high level theory would lead to consistent applied changes in the group. Building from this belief, I executed change programs within the organisation where after articulating the general direction and the underlying theory, I left execution of practical measures reinforcing this theory to others in the group.

3) A third assumption was that the majority of what I had experienced in managing teams in previous roles including Harcourts, would be directly applicable to my role as ESC CEO. Parallel to this belief, was the belief that what I had learned from past experiences represented a significant portion of the total knowledge on applied management.
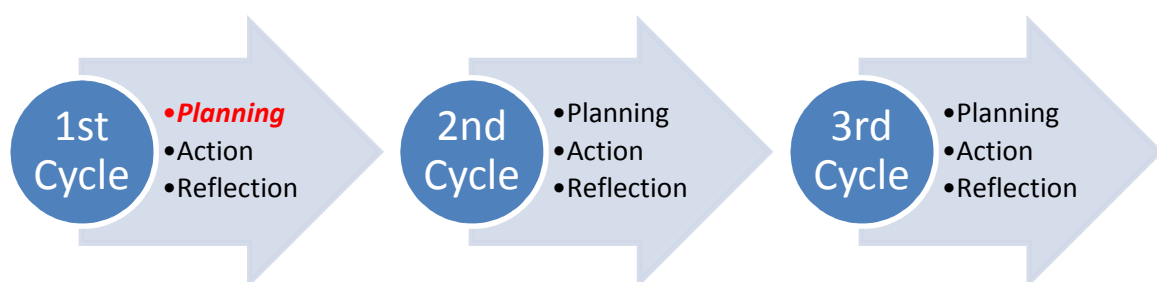
4) I assumed a complete ability in people to change their habits or historic perspectives in light of new ideas or information. In short, my assumption was that the willingness and ability to change was correlated directly to the clarity of the logic I presented behind the new idea or direction, and my ability to logically connect the interests or goals of the group to this new idea or direction.

5) Lastly on working with family, my largely unconsidered assumption was that the interpersonal and hierarchical challenges associated with the history and influence of the family relationships, could be easily overcome through instilling a sense of objective professionalism into the organisation as a whole.

4.3.2 The First Learning Cycle

Figure 4.3 below shows the three cycles of research to be completed as well as the three phases within each cycle. Throughout the subproject this diagram will be used to show the subproject's stage with the beginning of each new phase being highlighted.

Figure 4.3: Subproject two first planning phase

1st Cycle
•*Planning*
•Action
•Reflection

2nd Cycle
•Planning
•Action
•Reflection

3rd Cycle
•Planning
•Action
•Reflection

Source: Developed by the author.

This plan was developed during October and November 2011. The first plan for this second subproject was designed to begin exploring leadership ability to define and influence culture in an organisation as it develops. Stemming from the overall project objectives the following action plan was initially put in place.

The first step was to engage and collaborate with the ESC leadership team consisting of Len Moore, Kate Moore, and myself, so that our roles on the subproject could be clarified and any questions or challenges regarding the interactions between their different roles in the organisation and on the subproject could be addressed. The intention was then to shift the focus of the ESC leadership team from the subproject to the needs of the business, and clarify and define the long term cultural needs of the business, set out and document the specifics of that culture in detail, communicate these desired elements to other people in the business along with the reasons why these elements were the focus, and then use behaviour modelling and a conscious awareness within the team to make the behavioural elements normal practice in the short term.

The plan was specifically to discuss the espoused corporate values we needed, take actions to support those espoused corporate values in our leadership team behaviours, and have these short term behavioural norms become cultural norms or underlying assumptions as they proved successful and were used again and again in responding to certain situations faced by people in the business.

Planning collaboratively with the ESC leadership team

The leadership team and I gathered together over two days and attempted to define the desired culture and norms of the business. This process set out to define and document the vision, (espoused) values, culture, mission, and leadership model to work toward within ESC. Underpinning the process of defining the culture specifically was the variables or spectrums of organisational culture as set out by S. P. Robbins (2005). This process entailed my setting out the seven spectrums with the team, and then having the group come to agree on what point on each spectrum would be in the best interests of the business. Kate recollects '*I was really frustrated by the Robbins culture setting process, because what I remember was that Andrew explained what each of the spectrums meant and what we were striving for (in setting our target place on those spectrums), then on each spectrum we ended up in the middle. Andrew argued that we couldn't end up in the middle (or it was valueless in defining the culture), and Len argued that we needed to be able to do both sides (of each spectrum). I think in hindsight, Andrew had an answer that he wanted already, and Len thought we were trying to decide, there was also a feeling of consensus being the goal. This meeting was messy, and in the end was spent arguing over the wrong thing*' (Kate Moore 2014 appendix 14). This process was difficult as the team was newly established and was, I came to believe in retrospect, still in the phase of team development described as dissatisfaction by Blanchard, Carew, and Carew (2004). This suggests that people in the team were still defining their role, status, and getting to understand the dynamics of the group as it related to them. Some other elements set out by these authors were that were also present in this and several subsequent discussions within the team included; confusion and frustration around the roles and goals of the business, feelings of incompetence, competition for power, authority and attention, and low levels of personal trust within the team.

Lencioni (2002a) describes trust generation as a consequence of vulnerability between people

that is honoured rather than betrayed. Within this meeting there was a decided lack of

vulnerability between team members and as a consequence ongoing disagreement on specific

details led to personal offence being taken. Trust between team members deteriorated

consequently and proportionately to the time spent discussing contentious issues. Significant

misunderstandings between team members around what was meant or implied by some terms

used were also a cause of frustration during this meeting. After lengthy and exhausting

discussion it was agreed that the job of documenting the outcomes from the discussion would

be completed by me as CEO. The document I created became the '*ESC Culture doc*'

(included here as appendix 12). In effect the ESC Culture doc became the plan for execution

in the following action phase of the subproject.

This first planning period during the ESC subproject did not feel natural among the ESC

team, and as a consequence there was a limited engagement by some members of the team in

the subsequent action phase of the subproject as described next. See figure 4.4 below.

Figure 4.4: Subproject two first action phase
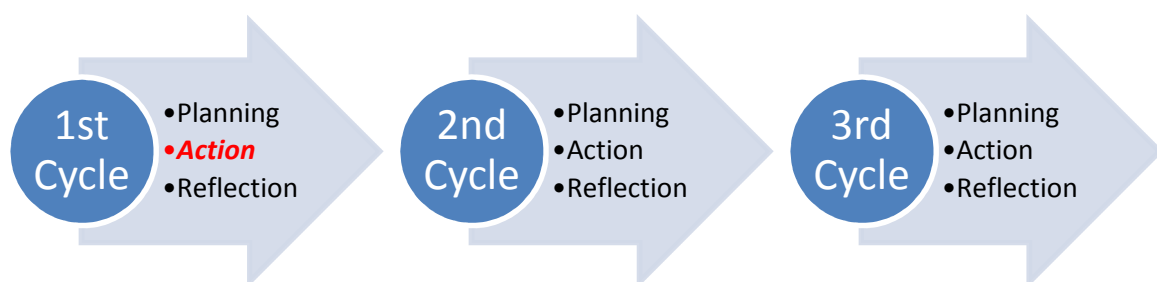
Source: Developed by the author.

Actions taken between November 2011 and August 2012

Action taken

As noted in the last section of the first planning phase, the first actions taken were to meet as a leadership group and set out the underlying assumptions and other behaviours that would be needed to support the business. These agreements would then be documented for use as a base for change.

The *ESC Culture doc* (appendix 12), which included the rankings on the Robbins cultural spectrums and espoused corporate values or desired underlying assumptions, once written out was again discussed with the entire team and verbally agreed as the cultural direction that would be taken by the business and group. Though the directions paper had some strategic elements relating to customer focus, the majority of the content related to behavioural elements and norms we wanted to develop in our actions and interactions. The discussion about how we would use the directions paper took place over time as the document once generated was extensive and took some effort to get people on the team to read. Although there was agreement on this document as the path forward, in retrospect it is clear that there was not an understanding of what personal commitment and change would be required to act in accordance with it.

The *ESC Culture doc* (appendix 12), including the ESC espoused corporate values of *caring for people, having the courage to act, honesty in all dealings, showing people respect, fairness in decisions, and building trust with people,* were discussed during the daily start-up meetings with the team which were held as standing meetings at the beginning of each working day, and aligned to the experiences of the team that day. This was done in an attempt to have the elements set out in the document become more meaningful in the day to day decisions of the team by linking the words discussed with the actions of people on the

ground. There was significant resistance to this from the team, including from myself at times, in the form of disinterest.

Agreement was also gained from the whole ESC team during one weekly team meeting that the team would hold each other accountable for actions, decisions, and behaviours to be taken in alignment with the contents of the espoused corporate values and other cultural measures in the document. This was the next step in gaining engagement in the process but again this step was met with resistance. There is a high likelihood that during this period the leadership team lead by myself were not receiving full agreement or commitment from other team members, but rather that the friction between leadership team members during these discussions precluded the full engagement in them from other team members. Lack of commitment may well have been a consequence of how the decisions and agreements were made in the first place. The meetings being held on this and virtually all topics were often uncomfortable as people expressed their frustration with a variety of issues affecting them.

The document contents were reinforced at team meetings, in business plans, and through the processes of one on one management. Constant reinforcement of the contents of the original output paper was required simply to maintain an awareness of its existence in the day to day operations of the business.

In order to improve our clarity on events during this action cycle we utilized several ideas suggested by different authors or scholars. Schein (2010) sets out processes of culture development which suggest that cultures develop from the decisions made by people in response to their environment. In this way the actions and decisions of people are said to both be motivated by, and have an ongoing or reinforcing impact on the organisations culture. The

results achieved from these decisions or actions in the short term become norms with repeated use and in the end are subconsciously taught to new members of the team as 'the way we do it here'.

This process was used by the ESC leadership team in the first cycle of action research as underpinning knowledge for the influencing of the strategy that was to develop. It was thought at the time that with constant awareness and modelling of decisions and actions that were in alignment with the development of the desired norms, I as leader could influence the decisions and actions in the short term and in time, the results of these manual manipulations of actions and decisions would determine the experiences of the team members and in turn the norms that developed from those experiences.

Edgar Schein's (1999b) process consultation methods of allowing people to engage in the process of decision making were also considered. Schein sets out 10 principles of process consulting or the influence of the external change agent being: always try to be helpful, always stay in touch with the current reality, access your ignorance, everything you do is an intervention, it is the client who owns the problem and the solution, go with the flow, timing is crucial, be constructively opportunistic with confrontive interventions, everything is a source of data; errors are inevitable-learn from them, and when in doubt share the problem. These principles were used in various capacities by members of the leadership team as guiding in the interaction of the team with the content we had set out in the *ESC Culture doc* (appendix 12). Specifically, the notion that there needs to be individual leadership from each person on such central beliefs as espoused corporate values if they are to be effectively implemented was extensively discussed.

The 7 spectrums of organisational culture as set out by S. P. Robbins (2005) were also used in the discussion on and generation of the original *ESC Culture doc* on the desired culture for ESC. The seven spectrums were: level of encouragement to innovate and take risks; expectation of attention to detail, precision and analysis; leadership focus on results as opposed to process; leadership consideration of outcomes for individuals in their decision making; organisation of work activities around teams or individuals; leadership encouragement of a competitive, aggressive environment as opposed to an easy going environment; and team emphasis on status quo in daily activities, as opposed to growth. These seven areas were used as discussion points where the group decided on a one to seven scale where the organisation needed to be in order to achieve what were at the time perceived as its goals.

The process of setting the direction of the business, and aligning the espoused corporate values desired was ongoing and interpersonally complex. One primary challenge which was underlying the challenges being faced in aligning the ESC team behind the espoused corporate values was in defining the business's final operations focus. This was critical so as to be able to establish the espoused corporate values in a way that would support the operational requirements of the business as well. Lack of common educational or experiential backgrounds between team members was one factor which could have been making it difficult to gain a common understanding of what we were doing, and ambiguity in the function of the business in the marketplace added to the challenges as we were unsure simply of what services ESC would provide and to who. Coupled together this meant that underlying the challenges being faced in aligning behind the espoused corporate values, was a more tangible ongoing process of business and team definition.

The relationships in the leadership team (Len Moore, Kate Moore, and myself) at the time were in the process of moving from family members to business partners. The historic relationships of family members and previous knowledge and personal assumptions people had about each other, created challenges in the whole ESC team's development as various people in the leadership team sought to establish their professional credibility with people in the greater team who had previously known them only socially. This process complicated the definition of the business as several family members sought to have their preferred direction for the business accepted.

Different members of the team also differed on their understanding of how espoused corporate values should be used within a business. Kate recalled of Len and my interactions *'What I remember was Len having the set six values, and he was arguing that these were foundational values, which it seemed to me were what he had been externally advising clients forever. So when Andrew came in and said "this is how you use values, here's the role they play, they have to be personal to the company, and I have written a book about them",… Len felt this was an affront to what he had been advising, it lead to a stalemate (between Len and Andrew), and then to Len's (foundational) values becoming what we went with'* (Kate Moore 2014 appendix 14). Len and I both had strong opinions on this issue and due to the challenging communication between the two of us, and also within the greater ESC team, many confrontational conversations on the topic of what the values should be and how they should be used took place both publically and privately between Len and I during the early phases of the business's development. *'There was resistance to what you might call "old school values"'* (Len Moore 2014 appendix 13)

Defining what we do as an organisation in the market however proved the most difficult of all areas. Issues included here were different backgrounds of decision makers, lack of industry experience in me as CEO, communication challenges in definitions and prejudgement of people's perspectives, the breadth of options available for work in the organisational consulting industry, and the dissatisfaction stage of the team as a whole in its development.

On completion of the first action phase, we moved to the first phase of reflection as shown in figure 4.5 below.

Figure 4.5: Subproject two first reflection phase
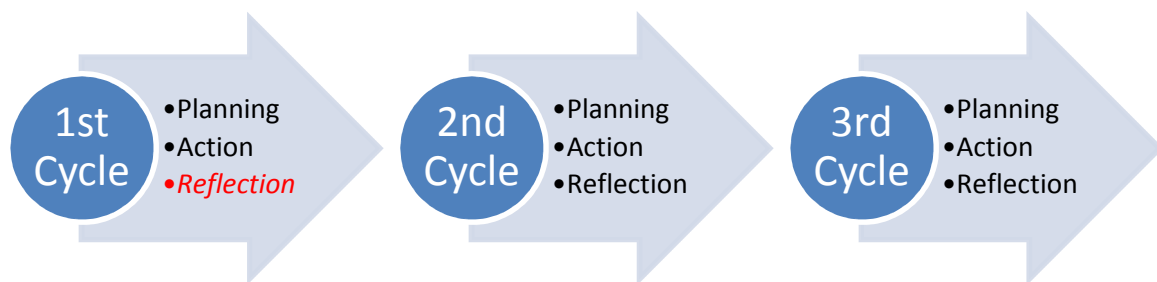
Source: Developed by the author.

From period November 2011 - August 2012

Group reflections of the ESC leadership team on the first cycle

The first reflections captured in this section detail some of the significant incidents that had occurred to date in relation to cultural change management, as well as the ESC leadership team's perspective about those incidents. There was considerable resistance from the greater ESC team to both the process of discussing the espoused corporate values, and even to the formulation of the initial *ESC Culture doc*. This is what led to my taking over the writing of the ESC Culture doc itself after the group's initial discussion. Once generated, there were again challenges in getting people in the wider team to read the document. I would ask people

questions from it in the first instance before realising that no one had even read the document. This lack of engagement continued after the document had been read by everyone. I personally was the only person to speak of the document and the emotional response from the leadership and overall team, although not spoken out to me directly, was that there were other things that we should be doing that were more important.

There was reluctance to engage in conversation about the *ESC Culture doc's* contents in meetings, and again a feeling that it was not a high priority for the business. Lastly, although everyone had agreed to hold others accountable for acting in alignment with the details set out in the ESC Culture doc, I am not aware of this happening at any time. Reflecting on this with the leadership team it became clear that the process of setting the espoused corporate values had not been seen to allow for sufficient involvement of the ESC team, and as such had not gained true commitment. Kate recalls things differently, '*Andrew resisted using the (espoused corporate) values after Len's (fundamental) values became the ones*. (Kate Moore 2014 appendix 14)

General discussions around what we should be focussed on as a business were also a daily occurrence. There were, over the initial period many discussions within Len, Kate and myself as the leadership team as to where the focus of the business should be. '*We didn't want to work with our existing client base, but we didn't want to bring our own client base in*' (Len Moore 2014 appendix 13). As Len's statement alludes to, there was reluctance from Len to focussing on anything other than existing client work, and from Kate and myself to an over focus on the present client work to the detriment of the business and client base long term. These longer term questions had proven very hard and emotionally challenging to address. '*Andrew was working hard to develop a long term strategy, but in the absence of knowing what we do or of what we were trying to become or achieve. I think we were trying to have*

the cart (strategy) before the horse (knowing our business)' (Kate Moore 2014 appendix 14) Reflecting and discussing more together Kate and I began to understand that the current work was at an unusually high volume, and could not be expected to last year after year. It is not my opinion that Len did not see the need to clarify the longer term direction of the business, but rather that he felt that we should capitalise on the existing situation (lots of client work), while it prevailed.

Over this initial period of the business there was also considerable dissatisfaction with changes in direction as we had had various focusses across areas of both what we did as a business, and how we would work to do it. This was part of Kate and my agenda of clarifying a sustainable long term direction for the business. These direction changes or trials, were perceived in retrospect by the greater ESC team as a lack of clarity in the businesses direction. *'Maybe (our focus on finding a strategy was an attempt) to help give people (in the team) security around what we were going to do'* (Kate Moore 2014 appendix 14) This lack of clarity was blamed by us in the leadership team for a myriad of emotions being felt by people in the business and innumerable attempts were made over time to clarify what was now considered to be the ambiguity which was causing many of the other tensions. On reflection within the leadership team, we felt it was possible that the long term focus was actually creating some of the ambiguity and confusion, and that perhaps drawing the focus to the nearer term and to the needs of immediate clients as was Len's preference would help with that direction. *'Len was always focussed on the client relationship, he was aware of the need to keep the client happy through this period'* (Kate Moore 2014 appendix 14). I personally resisted this however as I was convinced that ignoring the longer term issues of the business was a short term solution to what would be a long term problem, and that if we did not work to clarify what the business would do and how it would do it then we would be

destined to be blindsided by these issues when the current work diminished. In the end no agreement was reached other than to split the focus with Len focussing on the clients, me on the strategy, and Kate facilitating and supporting both.

There were many discussions between myself and Len during this period. These discussions looped around where we should focus our attention in various ways and were often combative and for me personally damaging in nature. Len noted *'Lots of that was tussling about short term stuff, it was about the relationship sorting itself out'* (Len Moore 2014 appendix 13). The content was not often accusatory or malicious. Frustration was the dominant emotion in many of these conversations especially from my perspective.

One crucial moment during this process was in the original setting of the espoused corporate values for ESC. These were the espoused corporate values set out in the original document. There was much discussion around espoused corporate values, what they were used for, and what they should and should not cover. I myself had just completed the first draft of my book on the subject and so felt myself an expert on the subject and someone who should be listened to above others. (The book draft would become Culture at Work in 2013). After an extended conversation about what the espoused corporate values should be, Len, who was no doubt extremely frustrated by the ongoing conversation, got up and wrote six values on the board which took little or no account of the conversation that had just taken place. These were what he considered fundamental human values that could in his mind not be bettered. These values with some minor alteration became the original espoused corporate values for ESC and are noted in the original document. What at the time appeared like a lack of understanding by Len, in retrospect was acknowledged as a frustration with the time spent on

the strategic rather than tactical client issues. It was in discussions long after the fact that this became clearer to Kate and myself however.

Several client experiences during this period were also not at a quality that anyone in our organisation was comfortable with. It was my opinion that we were not providing value for money to clients and my personal concern was that this would eventually be noted by clients. Though long term clients of Len's made allowances for the situation of our business, there was an impact on the personal confidence of team members both from this uncomfortable work itself, and from my noting my quality concerns to the team. My opinion is that there was damage done to the sense of capability based on personal contribution experienced by the ESC team members during this time, from which they did not recover during their remaining time with ESC. The leadership team was also aware of this damage at the time but due to the fact that it was happening equally to us as to others in the business, the damage was not discussed or addressed until much later.

One specific example of the ESC team's dysfunctional culture that was evolving was with a client. The day had finished and four of the team had been facilitating various alignment sessions for a group of resources executives. We had in place a process of reflecting on the events of the day and looking to learn and improve called Plus Delta. This involved looking simply at the things that worked through the day as well as what could be improved. In this one instance the client had asked to participate and I had said that was ok. The critique of Len in his client's presence by our team was sufficiently abrasive and confrontational to leave everyone feeling uncomfortable and blaming the Plus Delta process. *'We had the client in the room, and we asked a few questions, and a few of the lads got into personal attacks, it was like eating their own children'* (Len Moore 2014 appendix 13). The culture in our team was

in fact the culprit as the trust required to give helpful feedback to each other was simply not there. Witnessing this critique of Len caused the client to ask Len privately afterward, why he allowed people who worked for him to speak to him in that way. I know from my following conversations with Len that he found his client (and friend) witnessing and raising this critique with him to be very distressing. Sufficed to say, this team needed to change how it interacted if it was going to survive. The leadership team discussed this one incident at length over a period of months, and it became known as 'What happened in Orange' which was the name of the town in which we were working at the time. *'People thought it should never happen again, and we never properly debriefed on it, and we never cleared the air'* (Kate Moore 2014 appendix 14). Apart from a strong feeling of personal guilt at having basically led this conversation where Len was critiqued, I also noted to Kate on our return that it was completely ineffective in stimulating change in behaviour. In fact, the fear of critique which was generated through this process we saw as setting back the trust between many members of the ESC team.

At this first reflection period we began to conclude and discuss that the long term cultural needs of the business could not be accurately determined from the outset, as the environment in which the organisation was situated was not constant enough to be predictable. Without the ability to see the long term culture required, it was difficult to clarify the organisations direction and align the direction and culture to each other, and simply defining and modelling behaviours was also not going to be enough to create a norm when there were other pressures from the environment around us that were more tangible and pressing.

All incentives around our people mattered when looking at directing or changing their behaviour, changing our decision making norms, or generally changing the actions within the

ESC team. We as the leadership team took the view that the alignment of the culture or (set of organisational norms) in the long term was going to be a consequence of what we did strategically and operationally in the short term. The culture was going to be more a consequence of the plan to achieve the organisations desired outcomes, rather than a directive or plan in itself.

We concluded on reflection that the culture would form more from the reactive actions of people to natural stimulus than from rhetoric or articulated desires from us as the businesses leadership. Extending from this assumption, managing the longer term culture that developed long term meant managing the entire incentive environment around the people in the organisation in the short term.

This meant more than defining and modelling behaviour, it meant adding the strategic elements of the businesses direction and allowing the behaviours and strategy to evolve deliberately to meet the market-environment's needs, and in this way aligning the culture could happen naturally.

Two key moments in this cycle (My personal reflections)
The moment I realised the need to abandon the culture building process was when I noticed two things.

1. Firstly it became very clear that elements of the businesses structure and strategy were having a vastly greater impact on the norms that were developing than the direction statement and monitoring process we had in place. Reflecting on this it was clear to me that if I continued to focus solely on my espoused corporate values as the method

of gaining culture change then not only would the change fail, but the business may fail as well.

2. Secondly it was clear that the business needed me personally to stop worrying about the culture that was developing and start concentrating on the businesses needs in meeting the market and team needs of the moment. This meant I needed to focus on the day to day running of the business myself, as well as looking at the longer term elements such as strategy.

These two things became clear at the same time and caused me to refocus myself and the leadership team on the pragmatic job at hand. We literally stopped focussing directly on the culture we wanted, and started focussing on doing what was required in the areas that were affecting the business in the moment. They were a combination of operations, strategy, and team behaviour.

Coghlan and Brannick (2005) provided a partial explanation for what happened here "...you have to manage two roles – manager and researcher – and there is high potential for role conflict...When you are caught between the loyalty tugs, behavioural claims and identification dilemmas you initially align yourself with your organisational role" (p. 65).

Reflecting after the first cycle it became clear that we needed to focus the planning of the second cycle in a more pragmatic and strategy lead direction. This meant focussing on the businesses interaction with the market, rather than on the preferences of those in the business itself.

4.3.3 Second cycle

Figure 4.6: Subproject two second planning phase
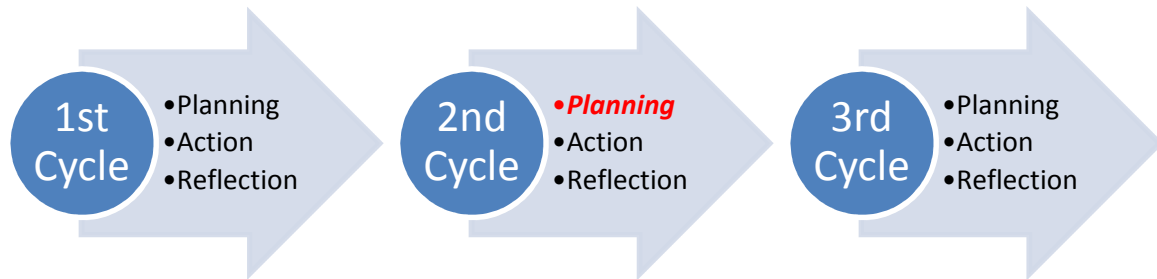
Source: Developed by the author.

This second plan was developed between August and October of 2012, and formed the first

phase of the second cycle of action research as shown in figure 4.6 above.

Planning

After the lessons of the first research cycle, planning for the second round of implementation

was more pragmatic and directly related to the needs of the business. Firstly, we worked

harder to gain clarity on the services our business would offer. This was crucial as without

clarity on our offering we were unable to market, target, build skills, or improve core

competencies and products. In short without knowing clearly what we did, we could not

improve or do anything other than react to outside forces moment to moment.

Next we needed to understand and develop the skills we would need as a group to provide

those services. With some clarity in our ongoing offering, we would be able to improve in our

ability to provide that service. The understanding here was that with a reduction in the

number of things we were open to doing, we would be able to specialise our training and

development into the remaining areas more fully.

In conjunction with building clarity on our service offering, we worked on defining our market position and who we would target as our clients. This included, who our competitors would be, what industries we would target, what price bracket and strategy we would have, and what level of client we would market to.

Another focus was on building our internal team into a cohesive group that could collectively deal with market challenges. This challenge was noted in response to the impact of the family relationships on the businesses ability to make decisions and progress. The unity of the team was defined as crucial to the future direction of the group as a whole.

The leadership team focussed anew on setting up the structure or design for the organisation that would best support the requirements of the strategic points above, i.e. level of centralisation for decisions, amount of regulation, and reporting and remuneration structures. With too much time being taken to administering the clients, the consultants, and the business generally compared to our revenue, it was decided to simplify the business. We would reduce the amount of regulation and push decisions about client work to consultants, while also expecting them to shoulder more of the financial burden created by clients' late payments etc.

On team behaviour, we focussed on enforcing key behaviours that we expected and that were not negotiable. In place of the extensive document used unsuccessfully to drive the desired culture in the first cycle, we looked to reduce the content to core espoused corporate values that we could then bring to life by discussing behaviours associated with them. The discussions here were between Len, Kate and myself as the leadership team, and determined that we could develop a few key elements, and work them more deeply through the everyday actions in the business.

We put in place quality control processes. Because we were not going to dictate to or regulate the consultants in their client work, we needed an element of expectation setting to ensure that quality of service was maintained. This would again be targeted by setting out a few things, and then using them deeply through the actions of the business day to day. These were recognised as both crucial focus areas of the business for survival, and the key areas of the business that were influencing the development of ESC's culture rather than the pre-prescribed cultural direction in the first research cycle.

During discussions between myself and Kate, we came to realise that the focus on behaviour management (both in ourselves and in the team) was distracting both herself and myself from the core tasks of building an ability to acquire, service, and retain clients for the business. In reality, due to the ambiguity of the service offering and target client base the business was going to pursue, there was no coordinated business development plan, and the process of doing that had not been standardised in any real way. The business was in fact completely responsive to moment to moment needs of the clients and was strategically at the complete mercy of the market.

Planning with the leadership team was also completely different from this point. I personally took more of a casual case by case approach to engaging the leadership team so as to prevent more change fatigue within that team as well as minimising unintended responses or consequences. We agreed across the leadership team that we would simplify everything, and focus on core business as the first priority.

Figure 4.7: Subproject two second action phase
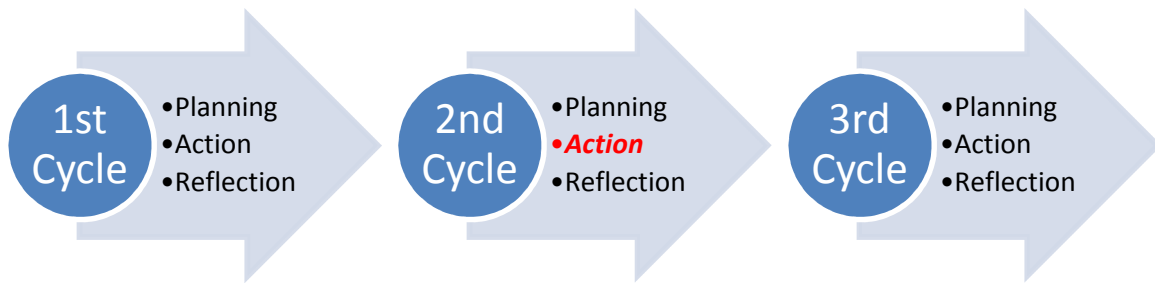
Source: Developed by the author.

The following action was taken between September 2012 and February 2013, and forms the action phase of the second action research cycle for subproject two as shown in figure 4.7 above.

Action taken

We worked firstly at discussing issues as they arose. While in the first action phase the focus on influencing cultural development was predicated on the knowledge of a desired eventual culture that would be developed, the second action phase was lived moment to moment. I accepted that I could neither predict the culture that would support the business in the long term, nor influence the culture that developed in isolation from the day to day strategies of operations. In this way the leadership team stopped trying to predict and plan for the longer term, and focussed on functionality and marginal progress in the short term. This was I am sure a positive change from Len's perspective. We only made decisions on issues that were going to impact us now, and all other information was viewed as background, this focussed the leadership team well and allowed for pragmatic step by step progress.

We also practiced listening and understanding each other so as to get different perspectives on the challenge at hand. The leadership team had tremendous respect for each other but

needed norms of communication that allowed the best ideas to rise and be implemented. This could only happen if the culture of mistrust was directly tackled.

Lencioni (2002a) suggests that much of trust is based on the ability of a person to be vulnerable with another without that vulnerability being betrayed or used against them, and Chris Argyris (2010) relays a story where senior members of the US State Department withheld their opinions in a meeting as they thought that to speak up would be '*organisational suicide*' and reported that these members of the group had '*learned to live with the double blind of denying they were experiencing it and denying that they were denying.*' (p. 15)

Concluding that having all ideas heard and considered would be the fastest way to increase engagement, the leadership team worked on delaying judgement when listening. This focus on listening fully to others in the team was not revelational in content, but it was a pragmatic and actionable focus for each team member to take each day. Schein (2013) sets out four forms of inquiry being humble, diagnostic, confrontational, and processes oriented. In this case our aim was to promote humble inquiry as listening without agenda, though in reality we were executing with the agenda of understanding the person which is more akin to diagnostic inquiry by Schein's definition. (pp. 39-49) This was an example of dealing with a specific and actionable behaviour rather than a theory or principle.

We increased our focus on doing client work to build our personal experiences of the industry. Believing that we did not have the personal experiences required to clearly envisage the organisation we wanted to build, the decision was made to stop seeking to collate opinion, and start a process of building content for people's perspectives first. By going to work we

increased the common experiences of team members and significantly reduced the differences of opinion around likely outcomes from initiatives. With fewer differences of opinion, and greater emphasis on listening and understanding others on the team, the need for combative interactions was reduced and the natural vulnerability and trust between people in the team was allowed to surface.

Another action was to refocus our discussions of direction around a new set of simple actionable espoused corporate values. ESC had by this point partnered with The Table Group of consultants based in California and lead by Patrick Lencioni. The Table Group brought an existing brand and set of tools to the work done by ESC and also had a process for generating espoused corporate values. Kate noted, '*Andrew resisted using the values after Len's values became the ones, Andrew tried to operationalise them into behaviours to use them, but I don't think anyone was into the values until after we Joined The Table Group and changed them*' (Kate Moore 2014 appendix 14). The Table Group and their process for setting core values were mutually accepted between Len and I as the process for establishing the next round of ESC espoused corporate values. Kate again, '*…until then, it was Len's values or Andrew's values, and we had to choose*' (Kate Moore 2014 appendix 14). Through this process new espoused corporate values were developed. These new espoused corporate values were required by the process taken to be existing in the current operations and therefore did not require additional drive from anyone before they would become underlying assumptions. They were simply the underlying assumptions of the current culture that most closely aligned to the direction the leadership wanted the business to take in its individual and collective behaviour.

During this second action phase awareness of Patrick Lencioni's 5 Dysfunctions of a team model led our team to a focus on building trust. Lencioni (2002a) set out a 5 phase process for building a functional team. This process begins with a base of vulnerability based trust that then allows team members to enter into conflict or debate with greater confidence. This debate brings out ideas for the organisation but also contributes to people being committed to the eventual decision that comes from that debate regardless of their position during it. Following from this commitment comes a willingness to have peer to peer accountability between team members and the final result being a unified team behind a common direction. These 5 steps were used and through understanding them we identified that trust was key to allowing the team to have constructive debate. This predicated the action plan around listening more fully to each other. Printed copies of the 5 dysfunctions were made and posted on the walls in the ESC offices.

Covey's (1990) ideas and language played a role in our conversations during this period with his ideas on seeking first to understand, then to be understood. In order to build the required trust in the team, the leaders set out to reengineer the norms of communication and listening within the team. Not feeling heard or understood was a universal complaint from members of the team and so slowing to listen to each other was deemed to be the answer. The idea of seeking firstly to understand each other before seeking to be understood, was used as a notion of our intention when dealing with others in the team.

Schein's process consulting principles (1999b) were used to gain strategic alignment, and were again used in the second phase to educate decisions. Noting the inability of a helper to help unless they first access their own ignorance about the situation, the ESC team looked to be more self-aware about their own biases before moving to judgement or decision on

another. This forms part of the revised listening processes put in place to confront the trust challenges faced.

Lencioni's four disciplines model for generating organisational health set out in The Advantage (Lencioni, 2012) suggests that a team must first be cohesive before trying to gain clarity on their intentions. The second two stages are to communicate that clarity through the organisation and putting structures in place to reinforce the clarity and direction. This combination of behavioural and strategic approach coupled with the present issues focus guided our thinking in the refocussing of our efforts both into the present issues facing the business, and the cohesiveness of the leadership team in the first instance.

 Stages of team development played a role during this period in how we looked at our team and reflected on our team experiences. As noted above, for much of the year being studied the ESC team exhibited behaviours aligned with the dissatisfaction period of team development (Blanchard et al., 2004). While this period was progressing team members were predictably attending to their respective issues of personal clarity, status, roles and responsibilities, and so on. While individuals are not clear on their position in the group, they will not be able to contribute objectively to the group's direction and so was the experience of the ESC leadership team. In response to this we sought to allow time doing client work for team members to gain clarity on their position prior to working on the longer term directions or ambitions of the group.

From interim reflection during this period the ESC leadership team continued to make the conscious decision to stop focussing on building a specific culture and start focussing on the structural and strategic needs of the business for survival. There was a need to have the team

communicating well so that issues could be progressively addressed, there was a need to deal with immediate client and work load issues, and there was a need to address the team makeup and abilities. These strategic and structural issues were the new focus of the leadership team. We again redefined the espoused corporate values to meet with the behavioural requirements of the business. This was a minor adjustment in comparison to the previous change but simplified the expectations again so as to minimise the additional workload associated with cultural initiatives. This readjustment however allowed the team to reconnect with their key behavioural responsibilities as set out in the espoused corporate values, and resulted in a stronger association between the words, and the behaviours of the team.

As stated above, ESC partnered with The Table Group of consultants during this cycle. This partnership gave a new set of processes, a variety of comparative norms, and a new combined direction to the ESC team. *'I was happy for The Table Group content to lead ESC',* (Len Moore 2014 appendix 13). The influence of the people in The Table Group was immense as all people in ESC now looked at how The Table Group had dealt with issues previously as a benchmark for how ESC could deal with similar. In this way the lessons of The Table Group were quickly learned by ESC, while also acquiring norms of operation and interaction in the process.

 The majority of the ESC team spent two weeks with The Table Group consultants in the United States during September 2012. *'Because we all went (to the US) we all naturally bought into it. If we all had not gone, we would not have had the buy in'* (Kate Moore 2014 appendix 14). On returning to Australia however, it became clear that some members of the existing team were better suited to the clarified direction of the group than others.

The impact of team changes during this second period on the norms of the business was also significant. As people carry with them existing norms of behaviour, changes of people present in the business have a substantial impact on the norms of behaviour within that group. During this period Ed Cunningham joined the ESC team, Ian Cadwallander joined and left, and Rob Elliott left. These team changes dramatically impacted on the culture of the business. A key realisation from this period was that the introduction and removal of people to and from the business, both in the form of staff and through The Table Group, was the single greatest contributor to the norms that developed within the team itself.

Major staffing changes were in the end enforced by financial necessity. *'This was the first time we ever took account of things fiscal. Until then there was enough work to keep it going. We looked at the future, and at our resources, and worked out we had too many resources for the work on the horizon'* (Len Moore 2014 appendix 13). When forced to shrink the size of the consulting and administration teams, the decision was made to retain the consultants that were most valuable in doing current client work, and the administrators most valuable in supporting them. This strategic rationale behind who remained on the team had an impact on the culture and norms of the team, as well as on the direction of the business in the work that it did. Though the decisions were made purely in the strategic interests of the business, the cultural interests of the business were paramount in the process of executing the strategy. Great care was taken to ensure that people let go were in the financial and emotional position to move on to the next thing, though we were not entirely successful in this aim.

One consequence of the staff changes was a more senior team remaining. This allowed for lighter management and most importantly a massive reduction in the direction and monitoring required to continue working for clients. This reduced team had a reduced need to

have absolute clarity and direction before being able to perform and there developed an opportunity for myself and Kate to increase the amount of client work in our schedule. Kate (appendix 14) noted that there was less defensiveness in the team members remaining, and that there was a reduced need to give people clarity in what outcomes would be. I personally felt that we were able to trial more without knowing exactly how things would turn out.

Bringing the timeline of understanding in the business back to the next quarter reduced the requirement for predictive work to be done at the management level. This was a simplification process in the operations of ESC to its most basic form. As part of this process, only the specific norms of operation and behaviour required to have strategic success were identified. We clarified the key questions of behaviour and strategy we would need to be successful, then took action on that basis.

Figure 4.8: Subproject two second reflection phase
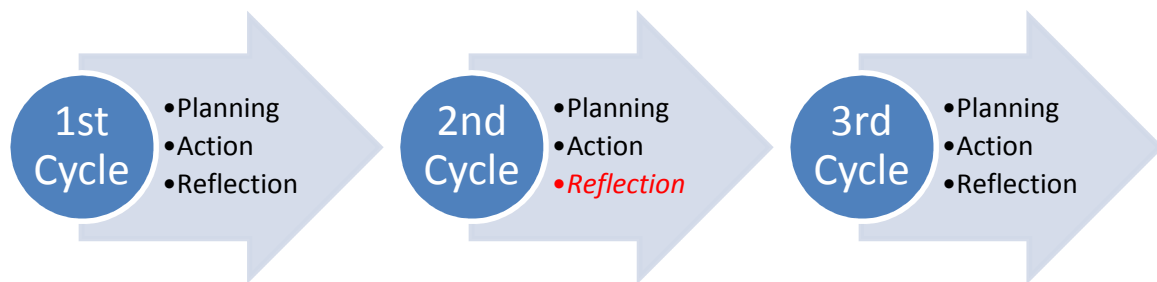
Source: Developed by the author.

The following reflection was from the period between September 2012 and February 2013, and forms the reflection phase of the second action research cycle of subproject two as shown in figure 4.8 above.

Group reflections of the ESC leadership team on the second cycle

This section explores some of the significant reflections that occurred by the ESC leadership team which included Len, Kate, and myself, at the conclusion of this second cycle in relation to cultural change management.

One key event that occurred during this cycle was the joining of ESC with The Table Group in the United States. The process of introduction to the people in The Table Group and identifying the likelihood of a successful partnering took over eight months. During that time members of ESC and members of The Table Group progressively became more acquainted with each other and with the focuses of the two organisations. These conversations began influencing strategic decisions within ESC prior to there being a formal relationship between the organisations. The commonality in approach to many issues lead to a genuine interest from us as the ESC leadership team in understanding how The Table Group had addressed issues ESC was facing at the time.

The visit to California finalised both the formal agreement between the two firms and the informal bond and trust between all the people across both organisations. ESC in many ways became part of something bigger and although this raised questions of the separation of ESC and The Table Group's identities, this challenge was minor when compared to the raft of unresolved issues within ESC that were clarified absolutely through the partnership. The ESC leadership team discussed at length the impact of The Table Group's philosophies on the emerging culture of ESC, and concluded that The Table Group had a working cultural model that would in many ways be better aligned to our requirements than the existing ESC culture. The reflective point for the group was that The Table Group's more established culture had easily dominated ESC's more fragmented and immature one, and furthermore that this

culture change in the ESC business caused by the interactions with the Table Group was more significant than any culture change we had been able to generate manually on our own.

A second reflective point from this cycle was the reduction in ESC team numbers, which was also noted as a key point of the action phase. These team members leaving the business was a culturally impactful event during this cycle. The reduction in the team was most remarkable in the massive daily working environment change that followed it. It appears in retrospect that many people in the business were feeling pressures in their role prior to the reduction in the team that disappeared immediately after. The impacts of these pressures were many and varied and stemmed primarily from a will to assist and develop these people while also seeking to gain clarity on their own roles and responsibilities. The leadership team met the day after the team downsized and simply sat and talked about how we felt. We noted this as a likely turning point for the business in that we would each be free of the burdens of managing the larger number of people while we worked out what the business was going to do.

The remaining team started to speak more openly about the emotional impact these pressures had been having on them in their work and it became clear that the issues associated with some people in the business were far more damaging than I as CEO or even Kate and Len had been aware of at the time.

The team reduction allowed for a more mature and open process of resolving differences to develop, as well as some open processes for communicating within the team. Possibly this was due to the reduced team size leading to the reduced advocacy and increased inquiry predicted by Chris. Argyris and Shchon (1978), or perhaps it was due to a higher level of trust between remaining team members allowing for more openness in communications

(Lencioni, 2002a). Len had long held the view that there was a structural issue in the business as the timeframes and competencies associated with the CEO role compared with that of some of the people reporting was too disparate to allow the structure to function properly. This belief stemmed from Len's early career work with Stratified Systems Theory (E. Jaques, 2006) and effectively suggested that the difference between myself as the business leader in focal timeframe and strategic view, and the focal timeframe and strategic view of some people who had been reporting to me, were too disparate for effective management to take place between us.

Regardless of the cause, the results in the communication within the remaining team were remarkable. In the months following the team downsizing there was an evident cleansing period as members of the team worked to understand and reflect on their own and others' actions over the prior period. The emotional damage of this first year of collective operations had been damaging for many well intentioned people within the business, and in the end it took a complete separation of people to allow for relationships and people to begin recovering from it. both among those who remained in the business and among those who had moved on to other things.

There was significant reflection on both the financial losses ESC experienced during this cycle, and the need to downsize after the September 2012 financial reports were completed. ESC had lost a substantial sum of money for the first time and due to the shift in focus to Table Group work, and the historically low period over Christmas approaching, there was no large scale work being demanded in the near future. Action had to be taken or cash reserves would be gone in a few months. This was the motivator for the dramatic reshaping of ESC from a corporate structure with an administration and leadership team dedicated to supporting

the development of consultants, to one where only senior consultants came together in a lightly administered group to work powerfully for their respective clients. This shift involved firstly reducing the number of consultants, starting with the least self-sufficient. This left a smaller and more capable group of consultants which allowed for Kate and myself to shift from 80% leadership and administration and 20% consulting in our roles, to 20% leadership and administration and 80% consulting in our roles. One administration person also left due to pregnancy and was not replaced.

This new structure in ESC was radically more efficient in its use of money, flexible in its ability to move costs with the market, robust in that all people in the consulting group could be relied upon to do work independently, and impactful with clients as the average team member was now considerably more experienced and capable of performing. These benefits were in addition to the emotional and cultural benefits noted above.

The setting of the new direction by the whole team had a clear but slow cultural impact. The way the new team collaborated on issues changed dramatically after The Table Group introduction and the downsizing restructure. With reduced administration and a greater capacity in each team member, consultants started doing more for themselves and sharing with each other. An example: Where before there would have been pressure on the administration team to develop marketing materials for consultants to use that included The Table Group? With the new structure Len took that job on and then made the results available to others. I did the same with the Website and so on. This change was borne of necessary but worked also to increase the engagement of the consultants with the direction of the business. In a word, they became empowered to move forward as consultants and get things done. This

engagement increased the level of trust and quality of conversations between team members and allowed difficult issues to be more easily addressed.

All of these strategic and structural events have shaped the ESC business, and the norms that are developing and have developed over the study period this far were a product of these shifts in strategy, structure and leader behaviour far more than they are a product of deliberate action in the name of cultural change management or development. In the ESC case, the culture that has developed owes far more to The Table Group partnership decision and the restructuring decision, than it does to the defined norms of culture document and work done in the first actions cycle.

This second cycle concluded with the ESC leadership team reflecting on the track the business was on both financially and culturally, and deciding that further drastic change was needed. In the aftermath of the downsizing it became clear to the leadership team that real personal and relationship damage was being done by the current business, and that without addressing those relationship and personal agenda challenges no business model would be successful. It was concluded at this reflection point that we would need to put the family relationships first if the business was to have any chance of surviving.

Two key moments in this cycle (My personal reflections)

1. When I noted the massive impact that joining The Table Group had on the norms of the business.

As the ESC team interacted with The Table Group team and consultants in the US I was amazed at how fast the focus and priorities of the ESC team changed. I was the most excited

but Len was also fully committed to The Table Group being the best direction for the business, though more because of the relationships with the Table Group people than because of the content or processes themselves. Challenges we had been having in defining our work and direction were gone as questions were answered and a common language for speaking about our business and work was introduced to the ESC team. With this common experience and language, the ESC team were suddenly able to communicate more openly with each other as there was a reduced risk of misunderstanding. Although these interactions were only the beginning of the interpersonal recovery within the ESC team, from that point the direction changed. Trust started to redevelop as more commonality was found. I note that a key elements here was that the common and largely neutral language played a role in our ability to communicate. Previously to the introduction of the Table Group language Len and I had had many disagreements on the basis of either the meaning or connotation of a word, or about a topic when in the end there was not disagreement but misunderstanding about a definition of a word. Having clarity on what is really being discussed, clarity on the need for disagreement in the decision process, and having clarity on what is finally agreed, is suggested to increase individual commitment to an agreement once it has been made (Lencioni, 2002a). In both cases it is judgement of others based on unexamined assumptions which undermine both trust and the communication process.

2. When I noted again the massive impact of removing two team members on the norms in the business

The conversations with ESC team members that would be leaving happened on one morning. That afternoon the remaining team went home early as it had been the culmination of a very trying period. The following morning the mood had changed in the office, and people openly

expressed a feeling of relief and thankfulness for the present feeling of freedom from the past office environment and challenges. It was like a weight was lifted from the collective team and they were finally able to start working on some of the underlying issues that were slowing the businesses progress. This load being lifted may have been caused by pressures that were present in personal relationships, perceived work roles that could now be changed especially for Kate who had to that point been unhappy with being used as an administrator by some consultants, or perhaps it was freedom to discuss more complex and different things without the constant fear of a topic leading to people in the business feeling less job security, in any case there was certainly a noticeably different atmosphere in the office and this atmosphere led to many of the changes seen in the next cycle.

In preparing to plan the third cycle, the leadership team looked to open itself up to honest internal feedback on the desired direction of the people in the business, and then to allow the business and culture to develop largely undirected from that reference point.

4.3.4 Third Cycle
Figure 4.9: Subproject two third planning phase
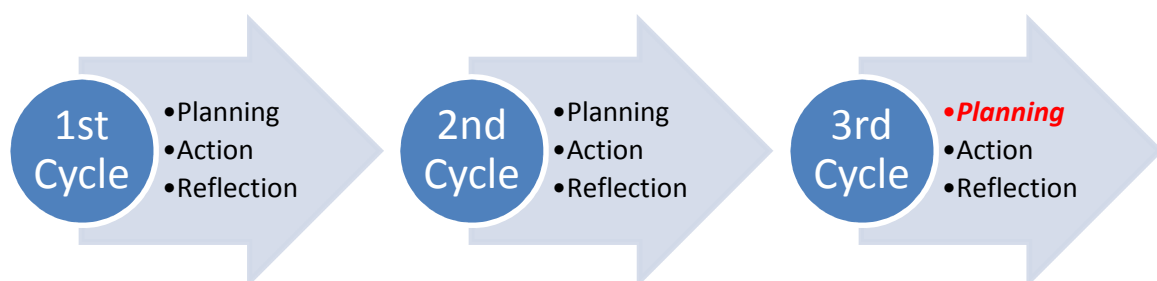
Source: Developed by the author.

Planning which was developed between January and March 2013 is set out below, and forms the planning phase of the third action research cycle of subproject two as shown in figure 4.9 above.

Planning for the third round of implementation took account of the lessons from the prior two cycles, and was generally more responsive to the environment and people across every area. In effect, the third plan was to take advantage of the insights created through actioning the second plan. This included actively putting the family relationships as the highest priority and making the goals and direction of the business secondary to the strength of those relationships, and becoming more fully embedded in the Table Group philosophies and ways of doing things. It had become clear that without the people in the business achieving what they each wanted from it, the business itself would not survive. Accepting this individual approach as a base meant abandoning the notion that we could plan or direct the business or its culture extensively as a group. Rather than planning out our approach at this point, the leadership team prepared to respond openly to whatever was required and left all options open for the future of our working together, even if that meant the end of the of our working together.

A real focus on listening to the needs and desires of the people in the business and in the client groups was essential to the success of this path. This again required the removal of many of the assumptions we had made such as: the benefit of the existing reporting relationships and structures in the business, the value of the office environment for our consultants, the benefits of existing communication norms, and existing marketing based strategy for getting new business. These assumptions were examined together by the leadership team in the light of the differing practices of the Table Group, and in a process of searching together for what was at the base of the businesses issues. In this third planning

period I also worked toward higher levels of personal honesty about my own challenges and direction, as well as the implications of those truths for others in the business.

In general terms, this planning was focussed on allowing what we did as a group to be dictated by what we wanted to do as individuals, rather than through forced agreement on a common direction.

The key shift that occurred here was from looking at how the business would survive, to looking at how the individuals would go forward first, then consider what organisation was required to facilitate common areas between an individual's directions and aspirations.

Figure 4.10: Subproject two third action phase
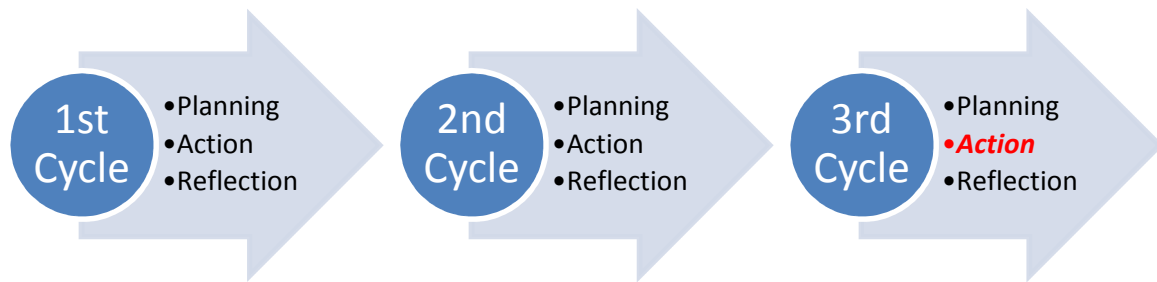
Source: Developed by the author.

Actions taken between February and July 2013 are set out below, and form the action phase of the third action research cycle of subproject two as shown in figure 4.10 above.

Action taken:

One first step in uncovering the issues affecting the performance of ESC was understanding the challenges being faced by the individuals working in the business. To achieve this we began talking more about how different people would or could handle different client or work situations. This was in fact a big change as previously we had taken the approach of defining what work should be done to solve the issue, and then decide if a person was capable of doing that work. The new approach allowed for multiple methods of achieving an outcome,

and asked more questions such as 'how would you address this issue?' This change in approach from collective (there is one right way to do it for the business), to individual (how would you do it?), had the effect of refocussing people on their personal strengths and approach rather on their weaknesses in taking the prescribed approach.

The respect for personal capability that this allowed was refreshing for people and depressurised the interactions between people. Consultants no longer had to find a wrong and right way when there was a disagreement, and the different histories, experience, and educational backgrounds of the consultants became more of an asset than a liability.

The flexibility in approach encouraged by this new individuality allowed people to begin exploring what they personally wanted to do and achieve in their careers and in their day to day client work. This had been seen previously as a dangerous direction for people to take as they may find that their personal direction is at odds with the direction of the organisation. In fact, the lack of personal directional definition within team members had played a large part in the organisation's inability to define its own direction. This had left people unable to define their own direction, or gain clarity on the organisations direction and opt in or out. In short, it had become a stalemate of sorts until we freed people from the obligation of the ambiguous company direction, and promoted clarifying their personal directions.

This was in fact true of myself as CEO as much as it was of the others. On reflection, my personal discomfort with my inability to succeed in a company taking certain proposed directions was foundational to my lack of support for that direction. With everyone looking to direct the company in a direction where they could personally see themselves succeeding, there was no external or objective measure of what we should do. I was as much a part of this as anyone else in the leaders group.

When we asked each other to explore what we really wanted to do, we were surprised not only at the results, but at the lack of commonality between the directions of the key people. This realisation was the beginning of the new direction of ESC.

The next step in the process after knowing what we each wanted to do, was to set up the business to take advantage of what we wanted to do together, while allowing the freedom of people to execute on their personal and disparate business goals at the same time. This was a fundamental shift for the business and for me personally. For the business, it meant letting go of what the business would become, and allowing that eventual outcome to be driven by the directions of the people in it. For myself, it meant letting go of the goal of making profit from the consulting services offered by consultants other than myself. The restructuring of the business to meet the needs of the people, would mean that the goal of the business would now be to support consultants in supporting their own clients, rather than employing consultants to support company clients. As directors, Kate, Len and myself all saw benefits and drawbacks in this new arrangement. Each of us would lose the benefit of leveraged income and diversified risk of income from other consultants, but would gain a greater percentage of our personal more inconsistent consulting income, and more importantly, freedom of specialised career direction.

One significant advantage of this independent structure was again a reduction in the administrative and management responsibilities for Kate and I. This changed our day to day working lives in an unprecedented way and allowed a fresh start in how we approached our work.

Removing the need to all approach the work the same way, including removing that expectation from the marketing and marketplace, allowed people to specialise and address

client issues in the most effective way they could. This fit-for-purpose approach immediately increased the stated effectiveness of the work we were doing as each consultant brought all they had to bear on the challenges of the client. This was reinforced by the fact that there was financial independence and therefore a financial incentive to do one's best work, but more than that was the underlying belief that a consultant was not betraying the organisation by specialising and becoming expert in something that was not core company business. Again this notion of 'what we do as a company we need to all be able to do' was shown to have been holding back individual accomplishment, and reducing the impact of the consulting work being done.

We also reduced the costly structures that were binding people together financially. One key element that was forcing Len, Kate and myself together was shared financial commitments. These included lease agreements for the office and equipment, and significant director's loans that had been made by myself and Len to the business to float it. This situation was uncomfortable for people as there was a feeling of being committed and stuck together which served to reinforce the pressure cooker environment in which we were previously attempting to define the company's direction. With Len being my father, being 65 years old and nearing retirement, and having significant amounts of his superannuation at risk in the cash flow of the business, I personally felt a massive weight of responsibility for his retirement funds and ability to support himself and my mother Pauline into the future. These effects combined to create a significant financial pressure on the business and myself which needed to be removed if independent success was to be achieved by people. To this end we looked to roll back the shared financial commitments, extract director's loans from the business, reduce the fixed costs associated with the maintenance of the organisation, and generally push the risk and benefits from the business itself to the consultants as individuals. We moved to a virtual

office situation where we each worked from home, and removed all costs other than compulsory insurance, The Table Group commitments, and Kirstin as our financial administrator. *'It had become about the office rather than the work, and about the consultants rather than the work, and it needed to be about going out as consultants and doing work'* (Len Moore 2014 appendix 13). There were of course other costs but these would now be paid for by the consultants themselves as required. Finally, consultants would pay a fee to the business for its support services and operate as independent consulting business sharing marketing image, The Table Group affiliation, and some administration. This process reversed the collective financial pressures, and allowed structurally for the independence of the consultants in the businesses to not only be an emotional independence, but a structural and financial one as well.

The decision to make the major changes to the structure of the business were made while Ed was out of the country. As such he felt that he had been left out of the process of decision making and that he had not had a chance to weigh in on how these decisions would impact on him. Though Ed was a senior consultant and an extremely valuable member of the consulting team, his role in the direction of the business differed from the others in two key ways. Firstly he was not an investor in the business and so had no money at stake. Secondly he was not a member of the family. This family element was relevant not because of a family comes first ideal, but rather because of the mutual and ongoing support that we anticipate providing each other as family in the future. In other works, if I failed to provide for Len's retirement through the business, I would likely be providing for it personally. This future interdependence was also true for Kate, and so with our futures intertwined regardless, we simply looked at what we wanted to do with our union in ESC.

Ed was also dependent on Len for clients to a larger extent than Kate or I, and had a higher requirement for income personally to maintain his family. This was a residual pressure on Len to find Ed work that I personally wanted removed. Len had been emotionally battered by the entire ESC experience and by this stage I had the primary objective of reducing the pressure on people including Len, and allowing them to find their own direction. I was convinced that this could not be achieved while there was an implicit ongoing expectation of finding work for Len. This concern of mine, coupled with Ed's concern about the reduction in stability created in the new structure, as well as the requirement for each consultant to find their own clients, led Ed and I to agree on him no longer being part of ESC.

Finally, the three remaining consultants being Len, Kate, and myself, began working on building our own consulting businesses, each with its own focus, and each with our own specialty and way of approaching the client and the work. There were certainly ongoing areas of collaboration and commonality in all areas, and in the year that followed Kate and I did work extensively together, but in each case it was a choice and not a requirement. The pressure and interpersonal tension between the three of us has been from that point lower than during any other period since starting ESC.

During most sessions run by ESC consultants, the 'Myers Briggs Type Indicator 'MBTI'', (Briggs-Myers, Mccaulley, Quenk, & Hammer, 2003) was used to allow participants a greater understanding of each other, and how they work as a team. Over time this tool was often referred to and used between and to refer to members of the ESC team, and as such became a base for understanding the differences in our approaches. As more members of the team were formally trained in delivering the MBTI our group understanding of the deeper

implications of various personalities became clearer to the point where it appeared incongruent to not take these differences into account in all communication and discussion. By natural extension, when looking in retrospect at the challenges we had had interpersonally over the period there was a greater acceptance of misunderstanding in the past, and a consequent openness to different perspectives as we again addressed emotional issues.

As in the first two cycles, Edgar Schein's process consultation principles (Schein, 1999b), gave insight into the best path forward. Specifically the notion of going with the flow generated by others and the culture that exists. Schein notes '…I must locate the clients own areas of motivation and reediness to change, and initially build on those.' (Schein, 1999b, p. 39) This notion of taking what is there, being guided by it, and then building on it was central to the new approach we took at ESC. Rather than collectively predicting the direction, agreeing, and executing, there was a sense of looking and finding what was there to be built upon first. This change was fundamental and pivotal to the changes seen in this third cycle of the sub-project.

Harrison (1970) notes two golden rules for intervention as an external change agent. Firstly '*Intervene at a level no deeper than required to produce enduring solutions to the problem at hand.*' and secondly '*Intervene at a level no deeper than that which the energy and resources of the client can be committed to the problem solving and to change.*' These two rules have formed the ongoing basis for my working with clients, but in this case formed a basis for intervention with each of the members of the team. It is possible that ongoing deep intervention into the learning directions and work of the consultants in ESC had undermined their personal assurance and confidence in their own work. In an effort to speed learning, I may well have cut too deep and unsteadied people in the business through ongoing critique

and reflection. With the guidance of these two principles however, and assuming that each team member was a client system in their own right, I was able to limit my interventions to a depth that was helpful, and allow for personal confidences to recover.

The relationship between stress and performance is set out in (S. P. Robbins, Judge, Millett, & Boyle, 2011, p. 514) as one where to a point increasing stress increases performance, but once past that point increased stress yields decreasing performance, was discussed during this cycle. This principle was demonstrated most dramatically within ESC as the stress was reduced and personal performance not only increased, but seemed to demand less effort from the individuals performing. Understanding that there is a line in a person's stress levels where pressure becomes unproductive is instructive. Coupled with the above notion of depth of intervention, it is possible that increased intervention was destabilising individuals and creating unproductive levels of personal stress. This realisation allowed me to back off from the team, and instead of pushing people when the pressure came onto the business, I was able to listen to them and find the point at which performance could be maximised.

In setting out the structure of the revised business, many ideas were also taken from the experience of The Table Group in setting up their consulting practice. The central services model where consultants can work together or alone in a range of specialties was the end point they reached. I had many conversations with Table group Partners all over the world while setting up the structures for the new business, and it was surprising to find that many of our experiences had been mirrored elsewhere.

The Table Group also advocate a consulting philosophy called 'Naked Consulting' (Lencioni, 2010). This philosophy espouses an openness and transparency from the consultant, which in

turn allows for the truth about what is happening to present itself, and for the natural consequences of that truth to then be addressed. In this way, the ESC team looked to become vulnerable about what they were defending themselves against or reacting to, which allowed the inherent truth about the challenges to become clear, and for us as a group to take action.

Once the emotions of the second cycle changes had passed it became clear that we had a lot to talk about. People in the team were very apprehensive about further discussions and the termination of people during the second cycle had been very hard. Conversations had become quite light for a period which had allowed people to recover some of their energy, and the work had been consistent allowing an outside focus to evolve. It was however becoming clear by March 2013 that the current situation was still quite unsustainable. The levels of quality and productive interaction were low, ability to resolve issues was also low, and there was an end in sight for the existing major clients.

Needing a new line of deeper conversation, and noting the personal differences in what we wanted for the future, we had a meeting between the partners where we each discussed what we would do if we were starting again in the business. We then discussed what we really wanted to do, or would do with our own career paths if ESC was not there. '*There was a big pressure release value (to this meeting), and everyone decided to take personal responsibility for what happened next. I remember thinking that I was free to decide to do something else'* (Kate Moore 2014 appendix 14). This conversation proved very fruitful, and apart from the slight sense that people feared my underlying agenda, the outcome of this conversation was an agreement to liberate the people from the business and allow for more individual direction.

Around the time of this conversation, we made the decision to move to a virtual office. This is where we all work from home and use communications technology to interact and manage the interface between consultants. More than the change itself, the notion that we would no longer have to go to work in this environment that had been so challenged was liberating for people. It appeared that much of the trapped feeling was removed with the office, and people felt free to really look on this as a change that would not be retracted.

The financial restructuring allowed Len and I to see when we would get a financial return on our investment, and for me to see when I would no longer be responsible for Len's retirement. The pressure associated with these two factors was greater than I had imagined beforehand, and with the restructuring in place, there was a noticeable feeling of freedom for me, and a more relaxed persona around Len. This restructuring also decoupled the businesses direction and success from my personal financial success giving me a feeling of control over my own financial destiny.

Having Ed finish with ESC also effectively ended my management role in the business, and also allowed for another reduction in rules and protocols between the consultants. This was because the remaining consultants were family. The trust in this situation reduced the need for agreements as people were happy that each would look after the other financially on a case by case basis. Though this arrangement will normalise into protocols, there is no need to define protocols in advance as there was with Ed being part of the business.

Figure 4.11: Subproject two third reflection phase
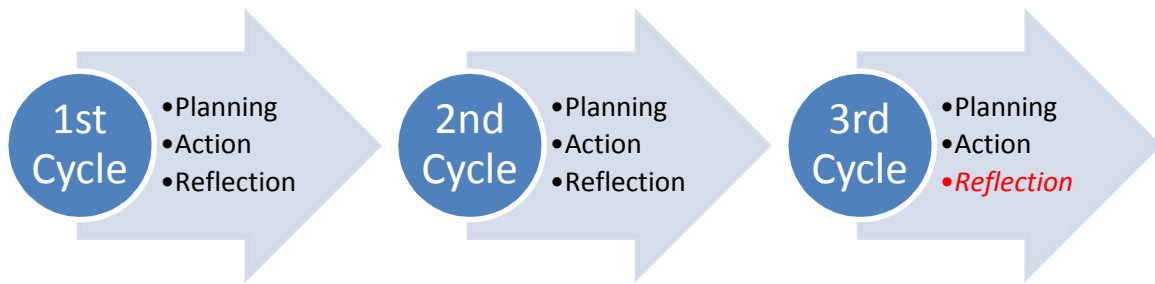
Source: Developed by the author.

Below are reflections from the period between February and July 2013 which form the reflection phase of the third action research cycle in subproject two as shown in figure 4.11 above.

Group reflections of the ESC leadership team on the third cycle

Reflecting on the third cycle as the leadership team of Kate, Len, and myself, there were several events which contributed to the outcomes and formed the basis for some reflection. One such event that had a bearing on the process was Ed being stuck outside Australia for two weeks during which time the conversation about the future was had. This is only critical in retrospect as it was not planned at the time. It is however probable that if Ed had have been in the country at the time he would likely have been at the meeting, and his presence would likely have had an impact on the openness of the conversation. Being a family as well as a leadership team we were able to quite easily switch to discussing personal preferences when in the right environment. We spoke later about how we each had no real idea that the others felt the way they did about the business. Having just the family there including Pauline who supported us all through the conversation, allowed for the family relationships to dominate, and for the option of not working together to be more easily discussed.

The family meeting about future of ESC was a key event which impacted very directly on the existing norms or culture. This meeting as mentioned several times was between myself, Kate, Len and Pauline (Len's Wife), and centred around the thoughts and wishes of the individuals in the group. It was distinctly different to other meetings we had had, and I think everyone was surprised with some of the implicit decisions we were able to make with little drama. As the weeks followed we noted both the scale of these decisions, and the work that would be needed to reduce the financial structures we had built up in the business.

Not a single event but a series of events, and revealing none the less, were the different responses of people in the business to the changes. Myself, Kate and Len were invigorated by the freedom we felt, where Ed and Kirstin were in their own ways concerned with the break-up of the business. The weight of burden we as the financially responsible leadership team were feeling must have in some way have been sheltering them from having those concerns themselves. I put this down to risk, as in affect, the changes in the business structure passed more money to Ed as a consultant, but also forced him to shoulder the risk associated with costs that are separate from general revenues. Kirstin as administrator was simply concerned for the future of her role in the new business.

Another event which impacted our norms was the attendance of Len and myself at an MBTI course in Melbourne. After the decision to separate into individual consultants, Len and I attended the MBTI facilitators course in Melbourne. We did this because we had previously relied on Kate to perform this part of our sessions but would now be required to do it alone. The critical incident was during this course when Len realised that people in the room were mainly of his personality type or similar, while I was the only person there with my type or similar. Normal sessions we run would not have any types similar to Len because they were

often engineers or accountants, and people with Len's preferences are statistically unlikely to be attracted to these type of roles. The validation Len felt in being normal was for me wonderful to see, but also allowed him to accept the differences in others more as he himself felt more accepted. After 20 years of using the MBTI with different groups, the virtue and reality of differing perspectives was clarified. This made the changes in the office and business far more acceptable to Len on our return from the course.

On reflection as a leadership team, the floors were there all along. Amazingly, the challenge in the end was the different directions members of the leadership team wanted for their careers. This issue within the leadership team was as present at the beginning of the relationship and business as it was in the end, and in retrospect it as always appears obvious. There is some merit in the argument that we became the people that wanted to do these different things through and because of the experiences we had at ESC, as I don't think I would have had the clarity on my career path in 2011 that I now have, but the fact that the basic differences were not picked up in the early processes is still interesting.

You can be blinded by history. Our personal history as family members in the business is a constant theme of our reflections about ESC. Whether it be that we were trying to compensate and over compensated for this anomaly, gave it too much credit or not enough for results or issues, or be it in the fact that all relationships in the business had such a long history to rewrite before people could begin to shine in their adult form. we were all for a time convinced that this history was the issue at the base of ESC's clarity problem, and that with time working together these relationships would reform on a professional base and the air would clear. Our current hypothesis is however that these family relationships were not in themselves the issue, but rather clouded the issue by reducing our willingness to force clarity

and respond to the market, and by increasing our internal focus. These family relationships hid the true issue, a lack of professional compatibility.

Two key moments in this cycle (My personal reflections)

1. The moment when I first considered what I wanted

Again it seems obvious in retrospect, but a key moment for me was when I first considered what I wanted to do. As these things tend to happen, I was with my wife Dallas one night and was speaking about my need to understand at a base level what Kate and Len wanted before I could decide on the next step for the business. In her perfect way she asked, 'what do you want to do?' this I had not considered. Over the next few days I did however, and found that my preferred personal direction was in fact completely incompatible with the direction of not only the business, but of the others in the business, and of my role as manager of other consultants. This was what I shared with Len and Kate, and was surprised to find their personal directions were also incompatible. As for what created this blindness to my own preferences, I am not sure. Perhaps my drive to make my first ex Harcourts venture successful was too strong for me to see past, or perhaps my preferences were simply unconsidered because of an assumption that things would be hard in my role, or even because of a sense that my role must look at the interests of the business before self. In any event, it was not until I saw past this block that I began to understand and see a path forward.

2. Realisation of damage to people in the family

When planning a quarterly shareholders session where the whole family would come in and get a progress report, it was clear that nobody wanted to come. Len openly said that he hated these meetings, and Kate noted that she enjoyed them less than anything else we did. Noting my own response, I hated them as well, but more than that it occurred to me at that moment that the extended family had been dramatically affected by the fractious nature of relationships in ESC, and as much as we were doing damage to the family members working in the business, we were also doing damage to those outside of it. In a moment that appeared completely unacceptable to me, and I decided that my priorities were wrong. From that moment I put the family relationships first, and looked for ways to improve them with every interaction inside and outside the business. This is really another element of responding to external factors. The family relationships were external factors to the businesses direction and goals and as such had not been factored into my drive, direction and ambition for the business. Much like the market itself however, being more responsive to the relationship needs of people in the business and family allowed for vulnerability and truth to surface, and to the natural consequences of those truths to be acted upon.

4.3.5 Post subproject two
July 2013 onward

Ongoing situation at the time of writing

As individual consultants we are at the time of writing focussing on our own clients and work. The lessons of the ESC years are still very present and the development of a new culture has started between us. This culture is developing naturally as situations present themselves and we work through the right course of action. Much work is still done together

though we are working with each other mainly with clients, and doing all the other parts of

the business such as marketing and finance on our own behalf.

4.4 Personal reflections from project
(My changed assumptions after the intervention)

Finding on the first assumption

The first assumption I held prior to this intervention was that modelling the desired behaviour

was the most influential thing a leader could do to drive new behaviours through their

organisation. Although I did not assume that it was the only element which influenced

behaviour, I had come to believe that due to the difficulty of personal change, leaders were

reluctant to take the steps necessary to model the behaviour they wanted. As a consequence I

perceived this to be the untapped influencer of organisational behaviour rather than the only

influencer.

My original assumption of the pre-eminence of behaviour modelling as a leadership tool for

changing culture in groups, likely stemmed from the perception that this had contributed to

my success at Harcourts as shown in subproject one. During subproject two however I noted

during the first cycle that there was a lack of alignment between my personal actions as

leader and the culture that was developing, and during the second cycle that other elements in

the environment around people were providing stronger incentives for the behaviour and

perspectives developing. I personally concluded therefore that although the leader modelling

behaviour does have an impact on the behaviour of others in the organisation as also noted by

Deutschman (2009), Herbert A. Simon (1996) and Fullan (2011), it is only one of many

elements that contribute to the culture which develops. From a leader's perspective then,

behaviour modelling is a necessary component of culture change management, but not sufficient as a change method in itself. Looking at the internal motivators of behaviour as seen in popular literature on the psychology of how perspectives change the behaviour of individuals (Carlson, 1997; Covey, 1990; Hill, 1937; Peale, 1990; A. Robbins, 1995), or looking at the habits and natural cultural norms individuals bring to the group (Duhigg, 2012; G. H. Hofstede, 2001; Schein, 2010), or looking at the external factors which motivate behaviour such as the wider incentives and constraints within each person's environment (Mill, 1859; Smith, 1776; Sowell, 1980), it is clear that the behaviour of people in groups is influenced by a complex set of factors, and therefore can't be expected to be controlled by any single factor such as the actions of a leader leaders. The finding therefore is that cultural and behaviour change is externally influenced by all the incentives and constraints in the environment around the individual, as well as the internal incentives and constraints, and therefore can't be controlled by any single management lever.

Finding on the second assumption

I assumed an ability in other people to easily relate theory to practice, and to come to the same conclusions as myself in how they would apply to the current situation. My personality as the leader, coupled with a personal inability to understand how others might see things differently, lead to my assumption that a clearly articulated high level theory would lead to consistent applied changes in the group. Building from this belief, I executed change programs within the organisation where after articulating the general direction and the underlying theory, I left execution of practical measures reinforcing this theory to others in the group.

During the third cycle of the subproject the differing approaches of different people to collecting, managing, and applying information became more apparent. The realisation that some people have different preferences for either detailed instruction or theory to apply themselves lead to a far more individual approach to change management from me. I saw this originally in light of the Myres-Briggs language of intuitive or sensory preference personalities (Briggs-Myers et al., 2003). I used this understanding of the Myers-Briggs types and attempted to discuss changes with people in light of their preferences for communication and detail rather than simply communicating my way and assuming they would listen as I speak (Hirsh, Hirsh, & Krebs Hirsh, 2003). This meant that in many instances people did not want or need to know the underlying theory for my action, but rather would prefer to simply know the process or outcome I desired. The finding here therefore was that good communication is tailored communication, and that there is no such thing as a good communication or communicator in isolation (Dwyer, 2009). One can only be judged good at communication when the recipient is also considered. Understanding the listener is the key to good speaking, understanding the reader is the key to good writing, and understanding the underlying assumptions is the key to using espoused corporate values effectively.

Finding on the third assumption

A third assumption was that the majority of what I had experienced in managing my teams in previous roles including Harcourts, would be directly applicable to my role as ESC CEO. Parallel to this belief, was the belief that what I had learned from past experiences represented a significant portion of the total knowledge on applied management.

This assumption suggested that what I needed to know was known, and that my role as leader was now to apply what I knew to this organisation. The complication with this assumption

goes to the heart of the challenges associated with this subproject, it is that a sense of certainty in your decision is not necessarily associated with your knowledge or experience on the subject (Burton, 2008), and that from that sense of certainty about your actions a person will look to confirm their previous assumptions rather than look openly at new data. This tendency is termed 'confirmation bias' (Kahneman, 2012), and makes matters worse by not only missing valuable new data by focussing on assumed outcomes, but actually generates resistance to feedback from the environment. Not only was much of my experience in Harcourts specific to that environment, but my thought that it wasn't prevented me from learning of the differences in my new environment. This illusion of control (Langer, 1975) coupled with an optimism bias (Kahneman, 2012) likely led me to take actions regardless of feedback. Although throughout this subproject I was consistently presented with feedback that assumptions from my past were incorrect, I continued to look to my past for the next answer rather than looking at the new data being presented now. The finding therefore is that past experiences, including those captured subconsciously as habits, intuition or cultural response norms, are only likely to be as applicable to the current situation as the situation itself is comparable to past situations. The notion that the past is not a perfect predictor of the future stands up to argument based on that the fact that in the past, the past was not a reliable indicator of the future (N. Taleb, 2004, 2013; N. N. Taleb, 2010), and on that basis it became clear during this subproject that an open mind was needed when approaching a new situation.

Finding on the fourth assumption

I assumed a complete ability in people to change their habits or historic perspectives in light of new ideas or information. In short, my assumption was that the willingness and ability to change was correlated directly to the clarity of the logic I presented behind the new idea or

direction, and my ability to logically connect the interests or goals of the group to this new idea or direction.

This assumption assumes that human behaviour is entirely logical and controllable with incentives, and that given the right incentives people can and will change their behaviours and beliefs. The key challenge I found here was that people, myself included and regardless of intention, are not wholly in control of their moment to moment attention or behaviour. It appears that much of what people do daily is subconscious and habitual including our perspective on things (Reynolds, 2012), and that there are clear limitations to the amount of influence a person has over these subconscious habits in any period of time (R. Thaler & Shefrin, 1978). This presented many issues in communication, direction, and behaviour between members of the group and lead to my understanding of the limitations of any change within a group. These limitations of change are limited by the intent of the people as well as the clarity with which they can understand the connections between the actions and the desired outcomes, but it is also limited by individual's personal ability to change, and the amount of personal change required by each person to align to the goal behaviours (Herbert Alexander Simon, 1982). Even with clarity on the action required and the complete will of the individual, if the energy or focus required for the behaviour change is greater than the energy or focus in the control of the individual, the behaviour change can't occur (R. Thaler & Shefrin, 1978). The finding therefore is that people have limited capacity for motivated behaviour change, and so successful behaviour change will come as much from making the change easier, as it will from rewarding it more.

Finding on the fifth assumption

Lastly on working with family, my largely unconsidered assumption was that the interpersonal and hierarchical challenges associated with the history and influence of the family relationships, could be easily overcome through instilling a sense of objective professionalism into the organisation as a whole.

This assumption can be considered similarly to the fourth, in that it assumes that people have complete control of themselves and can therefore make the decision to act a certain way and it will be so. As all manner of human foible and experience can attest to however, people often struggle to control their own behaviour even with the understanding of change being in their best interests. (Exercise and weight loss are examples.) Things other than logical moment to moment decisions which influence behaviour seem to stem from our intuition, which is built from our experiences, history, habits of quick decision making, and what is culturally normal in our environment (Tversky & Kahneman, 2000). These elements seem to affect our behaviour below the level of consciousness and largely by using emotional triggers. In the case of a family business it should not have been surprising then that the historical relationships did not simply step aside and accept the new hierarchical norms of the organisation. Instead these historical norms of interaction had vast emotional influence on the behaviour of many in the group including myself. One author states: 'Research in the social sciences, both psychology and economics for example, suggest that emotion can lead to behaviours and actions that rational thought would seldom support. As a result, family patterns or dynamics, replete with emotional content, can easily override the logic of business management or ownership rents' (Poza, 2010, p. 11). The finding here therefore was that behaviour norms are stronger than intention, and will likely be a better predictor of outcomes.

4.5 Subproject conclusions

The stated aim of subproject two was to '*Develop and instil a set of espoused corporate values within the Executive Support Consultants organisation in order to positively influence the organisation's culture.*' Measured simply against this aim it must be concluded that the subproject was a failure. Although many attempts were made, and although there was significant intent and commitment to the achievement by all parties, in the end a set of underlying assumptions that would support the long term direction of the organisation was not established or instilled. This is evidenced by the fact that the organisation itself ceased to be an organisation in the traditional sense.

Looked at a different way however the failure may be in the aim rather than in the result. In the end a set of underlying assumptions was established within the group. The espoused corporate values were in the end used to articulate these underlying assumptions, and the group has a strong sense of unity and camaraderie outside of being a formal organisation. It is true that these espoused corporate values were more uncovered than set and instilled, but regardless the clarity of purpose between former team members could now be said to be stronger than ever. Perhaps the problem was in the intention of becoming a formal organisation. It was this deliberate attempt that forced so much compromise from individuals and created so much dissatisfaction, and it is possible that a higher quality client and financial outcome could have been achieved with a loose association of consultants rather than a formal group. In the end however these realities did not eventuate, the aim was the aim, and the subproject was not successful in achieving it.

In this chapter has been a detailed account of subproject two in Executive Support Consultants, including three action research cycles where a systematic process of planning, action, and reflection took place. It showed both the original assumptions held by the

researcher prior to the subproject beginning, and how those assumptions changed over the course of the subproject, and finally concluded by looking at the success of the subproject against its original aims.

The following chapter looks at subproject three, The PNGgold Project.

Chapter 5: Subproject three

5.1 Introduction

Note: In subproject three, in order to protect the innocent, the names of this project, the parent companies, and project personnel have been changed.

Subproject three is a culture change management project based in the PNGgold mining project in Papua New Guinea. The purpose of this chapter is to provide a detailed account of subproject three both in its execution and in the learning and contributions that were generated through it. The chapter begins by providing some background on the client organisation and general context for the subproject, then after clarifying the application of the research cycle to this subproject, and after setting out the beginning assumptions of the researcher at the subproject outset, works progressively through an explanation of what occurred in each phase of the research cycle. The chapter concludes with reflections of the researcher.

As set out in chapter two, in alignment with the purpose and objectives of the overall project, the aim of subproject three was to:

Align underlying assumptions of leaders on the PNGgold project to those in the espoused corporate values, through the development and implementation of a leadership development program.

The client organisation for this subproject was the PNGgold gold mine construction project. This project was being executed in the mountains of Papua New Guinea and was overseen by the PNGgold Joint Venture or (PNGGJV).

The PNGgold project organisation was a geographically disparate group facing many logistical, financial and strategic challenges. The cultural change management complications presented on the PNGgold project included international cultural differences, and a short term project workforce. In light of this, the project director decided to focus our attention on the issue of aligning some of the key underlying assumptions to the espoused corporate values so that the project team as a whole could operate more cohesively, and with a common language for leadership challenges.

Subproject three therefore focusses on clarifying explicit behaviours aligned to the espoused corporate values, and implementation of a leadership development program to align the leaderships underlying assumptions and behaviours with these espoused corporate values.

During this subproject the organisational role of the researcher was that of external consultant.

Subproject three began in December 2011 and run through to May 2013.

5.2 Background

PNGgold was a gold mine construction project in the Morobe Province of Papua New Guinea. The PNGgold joint venture, comprising 'African Mining Inc' and 'Aussie Gold' as equal partners in the PNGgold Joint Venture (PNGGJV), were the owners of the project at the time.

The site itself, which was situated on the side of a remote hill approximately 30 minutes flying time by helicopter from the major centre of Lae in Papua New Guinea (PNG), had a long history of exploration. As far back as the 1970s geologists had identified the likelihood

of a major gold deposit under the site, the challenge being the expense in confirming whether there was in fact a large deposit there, and the lack of the technology available to extract the metal in a financially viable way. For this reason the region had seen over 30 years of mining exploration activity, with no actual mining on an industrial scale. PNGGJV with the backing of Aussie Gold as a partner thought that their experience in a cutting edge technique known as 'block cave mining', gave them the technology advantage they needed to create a viable project where others had not been able to. There were however challenges with the project other than merely the right experience and technical approach.

The people who lived in the areas of the deposit had grown accustomed to an ongoing mining presence over the 30 years of exploration. Although the mining lease had been through many hands over time, for the local people the situation was the same with people flying in and out, some jobs for some local people over time, and a glimpse of the outside world and how the other half live. With an understanding disadvantaged by a severe lack of even basic education, and focussed on the lack of healthcare or infrastructure, the local people had grown used to making demands of the mining companies for jobs, food, healthcare, infrastructure, and money. They had also grown used to people representing big companies making them promises that were all too often not kept. This coupled with the government requirement for uneducated local workers to be trained and utilised, created a workforce and community friction that often brought work to a complete halt for extended periods of time, and even at times took a turn towards violence. This had the duel effects of making it difficult to get work done, and of driving up the cost and risk associated with the project more generally.

The structure of the project team was also unconventional. Due in part to the joint venture ownership structure of a 50/50 split between the parent organisations, there was a distrust and constant friction over the direction of the project. This friction stemmed from the disjointedness of the project steering committee and the way which it made or failed to make or articulate decisions around the direction of the project in the shorter term. This high level friction and disagreement manifested itself through the project team as a lack of clarity of direction and an unclear base for smaller decisions to be made from. The lack of trust at steering committee level also led to many committee members influencing project team members directly in order to guide the project in the direction they thought appropriate. There was, to say the least, significant intervention from committee members through the project organisation, and this intervention created a climate of indecision and ambiguity around the projects true priorities and direction.

The project team itself was also spread over three locations. Brisbane where the feasibility study and interactions with both venture partner teams took place, Nine Mile in PNG where PNGGJV had an existing administration and accommodation facility set up to service other PNGGJV operations in PNG, and the PNGgold site itself. The site was a 20 – 30 minute helicopter trip from the base at Nine Mile, and transit from Brisbane to Nine Mile took one full day.

Major mining construction projects in remote areas also seem to attract a certain type of team member personality and set of preferences. There appeared to be two key personality groups within this project team. Corporate project people who were charged with designing the construction, administering the project as a whole, gathering and working the numbers so that the parent companies would eventually sign off on the project to go ahead, and senior

management and leadership. These people are professionals with high levels of personal competence, corporate backgrounds and lifestyles, and a working history of moving from one project to the next developing and utilising their specialty. In three words these people are specifically competent, and transient.

The second group found on this project were the 'in country' people or people based in PNG. These people often had backgrounds working in remote areas for extended periods of time such as in the military or on other remote projects. They have disrupted lifestyles but often steady employment, value loyalty and decisiveness of direction, and are largely people of improvised action and leadership through personal relationships. Normally working on a fly-in fly-out basis this group took time to develop relationships they needed in the field to be effective. They valued resourcefulness, loyalty, and high level clarity.

Needless to say, these groups did not always see challenges through the same lens, and created another set of competing interests and perspectives on the already ambiguous project team priorities list.

In summary, the key challenges faced by both the project team and ourselves as consultants in establishing a consistent culture included the different past experiences and expectations of the joint venture partners, the remote and hostile conditions for project development in PNG, the decentralised administration of the compartments of the organisation structure, communication both physically and across national cultures, and the nature of remote projects being that divergent groups of people come together and spend shorter more intense periods of time working. All these factors complicated the task of managing culture change from the consultant perspective.

Compounding this complexity from the ESC side was that the various roles and responsibilities for the ESC team working on the PNGgold project were also very unclear. Without a lead person managing our engagement, the ESC team were left to manage the intervention and client on an interaction by interaction basis. Though Len took the lead in managing the original client interactions, he then attempted to hand the client over to me to run the ESC project team, a role that I readily accepted at the time. The key challenge with handing over leadership of the intervention from Len to me was rooted in the underlying reason for us being engaged in the first instance. Len had worked for some years on different projects with both Thomas Smith, who was now the PNGgold Project Director reporting directly to the steering committee, and Patrick McGarry who was on the Project Steering Committee at the time. Thomas and Patrick had originally asked for Len's help as Len had been where their relationships and previous successes had been. This original relationship driven engagement remained and although in retrospect it is clear that Thomas attempted to have Len take over our engagement, Len and I continued to push me forward as the project lead. Aside from the disconnect this created between myself and Thomas as client, this also had the effect of creating ambiguity in the ESC team as to what we were attempting to accomplish at PNGgold. This added significantly to the complexity created by the client's own challenges.

Our engagement on the PNGgold project began in November 2011 and officially finished in May 2013 with the decision by the parent companies to place the project on hold indefinitely. During this time I travelled to the project site in PNG regularly as well as working extensively with the project team in Brisbane. All members of the ESC team worked on the

PNGgold project at some point but the majority of the early work was done by Rob and myself, and the majority of the later work was done by Kate and myself.

The client's desired outcome of this management of culture change project was to have us develop and implement a leadership development program designed to align the norms of leadership behaviour within the client organisation, and to do it from the position of external change agents.

The key PNGgold project personnel were:

Note: In subproject three, in order to protect the innocent, the names of this project, the parent companies, and project personnel have been changed.

Thomas Smith – Thomas was the project director and the person who engaged ESC to help bring about a change in leadership culture across the project. Thomas had a long history with one of the parent companies 'Aussie Gold Mining' and had worked before with Len on various other projects.

Patrick McGarry – Patrick was, during the early phases of ESC's engagement, the Head of Projects for Aussie Gold and therefore played a role in overseeing PNGgold during the early stages of our engagement. Patrick also represented Aussie Gold on the Steering Committee while he held that position. Len and Patrick had a long history and had worked on numerous projects together all over the world.

Francis Jones – Francis became Human Resources Manager for the PNGgold project half way through our engagement. Francis was a very senior HR professional and had worked on many projects in his career. From the point when he joined the project, he played a lead role in managing and overseeing our engagement.

The key ESC personnel on the PNGgold project were:

Len Moore – Len had the existing relationship with the project director as well as other key personnel within the PNGgold project team. Len was also the original contact with Thomas as Project Director and was involved in almost every major decision ESC made about the project, and in most critical meetings held with senior people on the project.

Robin Elliott – Rob was part of the original party who travelled to PNG during development of the Leadership Development Training for the project. Rob also facilitated many of the early programs run by ESC for the PNGgold project.

Kate Moore – Kate was also part of the original group developing the leadership development program for the project and over time became a primary deliverer of the program both in Brisbane and in PNG. Much of the reflection and learning which was done over the second period of the PNGgold engagement was discussed between Kate and myself while traveling to and from PNG.

Andrew Moore – Myself. I was part of the ESC engagement with the PNGgold through almost every major interaction. My role was effectively that of lead consultant on the project which involved ensuring that we met the client's needs and delivered the results as anticipated.

5.3 The PNGgold Subproject in action

As with sup-project two in chapter 4, the PNGgold sub-project was managed using a version of the action research cycle, again this is how the story itself was captured, and is therefore how the story itself is told here. The cycle takes the researcher through the ongoing process of questioning and assessing the underlying theory or assumptions, planning action to create change from that base, taking the action, and reflecting on the results as compared with the intention. This reflection then forms the basis for the planning in the following cycle as shown below in figure 5.1.

Figure 5.1: The action research cycle
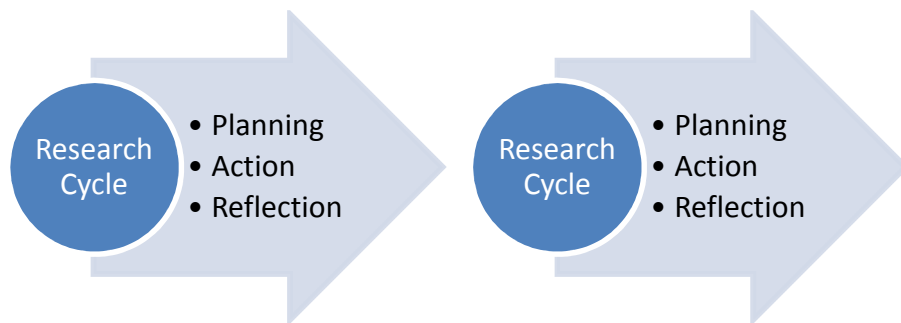
Source: Developed by the author.

This learning or reflective feedback loop is also one of many that were happening during the period being studied, including the one being concurrently captured for sub-project two. For clarity, readability and simplicity however, I have again chosen to focus and rely on one large research loop in the third sub-project both in the capturing of the lessons themselves, and in the chronology of how these lessons and experiences are set out for the reader. This large learning loop revolves through two cycles during the period of sub-project three as shown below in figure 5.2.

Figure 5.2: Two action research cycles
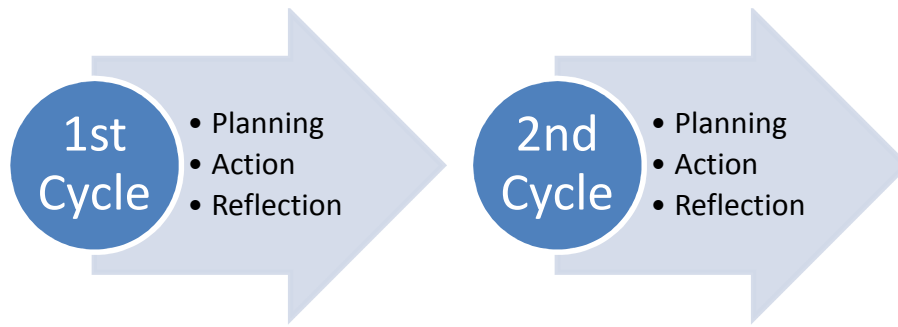
Source: Developed by the author.

The ongoing benefit of this layout is the ability of the reader to examine the process of learning and adjusted thinking or action at each point in the process. This time, experience, and learning process is central to the validity of action research as a methodology, and allows the reader to more objectively assess the periodic thinking and decisions we made during the period of research.

Due to the nature of the steps in the cycle, these steps overlap for periods where for example reflection and planning on a specific point were happening concurrently. This can be seen below where only loose dates have been given for the cycle steps themselves. It is also important to remember while reading that the process of attempting to manage culture change was executed from the position of a small group of external change agents, and amongst all the dynamic pressures associated with client interactions and the development of the ESC organisation itself. Although every effort was again taken to maintain the integrity of the action research process, the pressures of the client and internal relationships meant that constant change and adaptation was required just to remain in the role as external change agents.

5.3.1 Clarifying assumptions

Four assumptions held by the researcher prior to starting this intervention

1) One primary assumption I made in approaching this intervention at PNGgold was that my previous experience as a leader and manager at Harcourts would give me the tools and understanding to be impactful in this new environment. This confidence was magnified by the success I had had at Harcourts and the underlying feeling that I was in some way destined to be successful in anything I attempted. I assumed that the scale of the project, the diversity of the project specialties, the different nature of the project environment, and the education of the senior executives managing the project would have little impact on the effectiveness of what I had come to understand about how cultures could be changed.

2) As an extension of the first assumption, I assumed that having successfully influenced the culture of Harcourts WA as its CEO, I would be equally able to influence the PNGgold project as an external change agent. The assumption is that ideas were all that were needed, and that the origin of those ideas was not a relevant factor in whether the ideas were properly implemented. In truth, I had given no thought to my influencing strategy as an external person prior to seeing my initial efforts fail.

3) I also assumed that there would be an expectation from both our team and the client of measurable results quickly, as this had been the case in my previous role. This lack of understanding about the expectations clients had of consultants came as a consequence of my never having operated as a consultant, and not having had great exposure to managing consultants myself while in my corporate roles.

4) Finally I assumed that Len had an understanding of the client's expectations and of what was required to create organisation wide culture change from an external position. In short, I

assumed he could see something I didn't so when I did not grasp what we were going to do, I assumed he did and consequently failed to clarify the direction for myself. This assumption came from my previous understanding of Len as an external behaviour consultant through his career, when in truth many of his roles were more akin to internal leadership coaching for change. This meant that Len's understanding of effective external change management was to first become internal, then effect change from that perspective, rather than to create a process for change that could be implemented through the organisation from outside it.

5.3.2 First cycle

Figure 5.3: Subproject three first planning phase

Source: Developed by the author.

The below plan was developed during October and November 2011 and forms the planning phase of the first action research cycle for subproject three as shown in figure 5.3 above.

The first plan:

Our initial planning for this subproject involved first working with the client to define the objectives of the intervention itself. This involved a period where the ESC team would interview people in client organisation to ascertain current situation before developing a process of intervention with client. Once this goal and process of our intervention was agreed with the client we would formalise these agreements into a consulting services contract and

begin the intervention in the client organisation. Through this process and over several meetings with the client, it was decided that the intervention would primarily take the form of a Leadership Development Program, built on the basis of behaviours stemming from the Project's espoused corporate values, and delivered to leaders on the project over a period of time.

The development of content to be used in the Leadership Development Program (LDP) being run by ESC was the next step in the planning for the subproject followed by presentation of this LDP to the client for approval. From there the subproject plan involved execution of the agreed intervention in the client organisation and reviewing progress periodically with the client themselves.

The ESC team and I gathered together on numerous occasions while both trying to understand the needs of the client, understand our collective capacity to meet those needs, and to understand the role of the leadership development program in meeting those needs. As a new team with disparate professional histories and capabilities these were far from simple conversations. One key challenge in coming together to work on developing the plan for this client was the communication style associated with the early stage of team development the team was in. We were for all intents and purposes in what Blanchard et al. described as the orientation and dissatisfaction stages of team development (Blanchard et al., 2004), and were spending much of our time developing understandings of each other, norms of communication, and setting status relationships within the group. With these key interpersonal challenges in such early stages of development, the transparency and vulnerability needed for free and open discussions of options and possible challenges was not present. In its place was a political and defensive process of combative interaction

characterised by feelings of being misunderstood, people feeling undervalued and unappreciated, and an inflammatory and adversarial conversational norm within the group. Another possible explanation for these feelings in the ESC team is that everyone was simply more aware of their own efforts and sacrifices than they were of the efforts and sacrifices of others. Kahneman (2012) suggests that this is a real possibility and notes this effect as a form of availability bias which can most readily be addressed by seeking to understand more of the other persons perspective. Chris Argyris (2010) might however suggest that the feelings were a result of habitual defensive reasoning and that it could have been best avoided by the parties concerned seeking valid testable information on which to base the discussion. Needless to say that neither of these options were taken, and that the best of our team's abilities were not brought to bear on the challenges of the client or in our early work in developing a plan of action.

The team did however manage appearances well in front of the client during this period, and the impression of a united front was largely maintained. One other element of challenge within the team in developing this early plan was a lack of conceptual agreement on what the PNGgold intervention would look like. I personally was unaware at the time of options other than those that had been put forward by Len namely the leadership development program, and this was also the option seemingly preferred by the client in the meetings I was in. Other options may have included a survey or data collection of some kind, a leadership team alignment session, or working to have key behaviours monitored in existing meeting structures, but these options were not raised or discussed at the time. This intervention plan was specifically to start with the existing espoused corporate values of the organisation, and from them develop a set of leadership principles which would make these espoused corporate values more behavioural. From there the intervention plan called for the construction of the

Leadership Development Program (LDP) on the basis of these principles, and delivering the LDP across the project's various leadership personnel and sites. Although I saw ESC's role on the project as change agents, Kate saw it differently, *'Trainers is what we were, our goals were to provide leadership skills to brand new leaders and managers'* (Kate Moore 2014 appendix 14). The leadership principles and the leadership development program workshop booklet are captured as appendices 16 and 17 respectively.

This intervention plan being focussed around the LDP, was largely taken as a given without my understanding of the longer term implications of either its effectiveness as a process for creating culture change, or in its positioning of ESC as trainers rather than consultants. Accepting these steps as the plan for the intervention would produce results which plagued our intervention and its effectiveness, but the team at the time were in no position to have a productive discussion on such a base subject without politics and defensiveness blocking any progress. Therefore, changing the project's underlying assumptions about leadership, using espoused corporate values as the basis for a leadership development program, was accepted as the process, and the intervention moved forward on that basis.

Despite these challenges, the team were on a day to day basis acting as a united front in developing and delivering options for the LDP to the client, and did indeed work together on this development to plan and deliver the early stages of the engagement.

Over a period of several weeks myself and Len met with Thomas as Project Director to gain more clarity on what he wanted to do. This discussion and the eventual decision to take action via a leadership development program of training was based around what had been done before on another project which both Thomas and Len had been involved with. During

these meetings I was aware of my lack of specific industry experience and likely demonstrated such during the conversations. These were also the first meetings that Len and I had had together for that purpose, so the understanding between us as to the intentions or perspectives of the other were also underdeveloped in comparison with later meetings.

As both Len's and Thomas's past experience of project behaviour or culture change had centred on leadership development, Len and Thomas implicitly agreed and explicitly confirmed that developing a leadership development program was the right course of action for our engagement. Len saw a bigger picture for the project and as such felt differently about what we could achieve with the LDP, '*We were there to try and fix the working relationship between African Mining Inc and Aussie Gold (The two joint venture partners) at the lower levels, when the people at the top couldn't get their 'stuff' together'* (Len Moore 2014 appendix 13). Although there were lots of conversations about the challenges faced by the project, and some discussion about how the LDP would assist, there was never a stated intention or desired outcome from the LDP from the outset other than vague 'to create a consistent standard of leadership for the project'. This lack of clarity between the expectations of the client and us as consultants would create ongoing issues as we struggled to quantify to ourselves the value we were providing.

As noted in sub-project two of this study, the ESC organisation was struggling to define itself through this period and so collectively found a need to rationalise all work being done currently as aligned with the organisation's general direction. Rather than getting and doing valuable work and allowing that work to define us in time, we were seeking to define who we would be, then go and get work to reinforce our existing image of ourselves. Putting the culture and identity in the long term as our first priority, while focussing less on our strategy

to meet the market's desires in the short term, is another way to describe our original approach. Problematically for the ESC team, I was personally more focussed on what the organisation would become as a consequence of the PNGgold project work, rather than on what challenges were actually being faced on the PNGgold Project.

The leadership development program was originally agreed to be based on a program used in the past by the client and Len as an ESC consultant. Moving from the past experience of the two leaders it was decided to base the development of the new leadership development program on the components of a previous program that had been seen to work. The workbook from this earlier program was given to us and initially we simply updated the various components for use on the PNGgold project.

Once updated, the original leadership development program draft was overviewed by three senior people from the PNGgold project including Thomas himself. '…*It was strange with a (seemingly) random group coming to see the LDP we had developed for them'* (Kate Moore 2014 appendix 14). In this discussion between four of our consultants, Thomas as project director, and two others from Thomas's team, two major concerns were raised. Firstly there was the issue of time for teams and people on the project and as the program at this stage was to run over two days, it was determined that it would need to be reduced to one day in order to be effective. Secondly it was decided that the level of literacy and education present in the leadership teams on site would not be enough for this style of program to be effective. A simplified program run on a single day would therefore need to be developed.

Along with the redevelopment of the program itself, it was decided at this program review meeting that Kate and Rob should travel to PNG to gain a greater understanding of the

environment and people who would be participating in the program. This trip was made in January 2012. *'At the start, I think people thought I could do anything, but by the end nobody thought I could do anything'* (Kate Moore 2014 appendix 14). After discussion between Len and myself, and the return of Kate and Rob from PNG, a completely new leadership development program was developed. Starting with the base of the project's espoused corporate values, six leadership principles and their associated behaviours were developed by the ESC team and these became the PNGgold Leadership Principles (appendix 16). Built around these principles, a new leadership development program was designed by Kate which ran for one day, and which took participants through a series of information sessions to build understanding of the principles, coupled with a series of exercises to practice applying the principles. This one day program became the PNGgold Leadership Development Program.

The leadership principles and the revised leadership program were then demonstrated in an abridged version to a senior group from the two joint venture partners. This group included Patrick and Thomas, several people who reported to Thomas and several others from the steering committee to whom Thomas reported. The event itself was frustrated by a lack of mental preparedness from the people in the room, and the disconnectedness of the teams associated with the two joint venture parties as to the value of such an initiative. The content itself received some minor scepticism and negative feedback on wording. My feeling through the session was that people in the room had no experience or expertise in the field of leadership development or organisational development, and that consequently they had no point of reference against which to measure the material other than their own past experiences as students of other leadership development programs. In reality, I had likely overestimated our importance to the project's senior team.

Figure 5.4: Subproject three first action phase
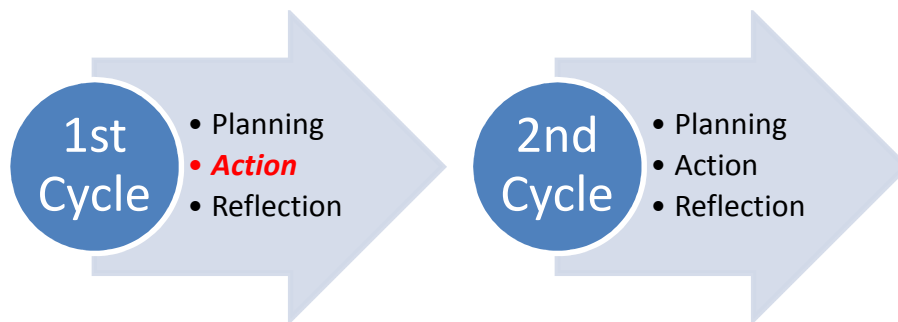
Source: Developed by the author.

Below are actions taken between November 2011 and October 2012 which form the action phase of the first action research cycle for the third subproject as shown in figure 5.4 above.

Actions taken

The revised leadership development program was approved by Thomas and the other senior leaders who had been in the room for the demonstration, and over the next twelve months ESC ran sessions for over 100 project leaders over all three locations for the project. These sessions were initially very difficult to both coordinate and administer as the disjointedness of the project environment coupled with my inexperience at navigating it led to numerous challenging administrative and logistical situations. '*No people in the course at times due to bad planning, and no one caring*' (Kate Moore 2014 appendix 14). This lack of engagement was an early sign of the troubles we would have on the project.

In the beginning I was personally meeting with Thomas after each visit and giving feedback on what I had seen. After several visits I drafted a report detailing the challenges I saw in the evolution of the project's environment (appendix 15). I received no feedback on this report and am to this day not sure whether it has been read. In this report I note '*Actions of the*

leaders both in the line management and from the parent organisations appear to be consistently misaligned with the leadership model' (appendix 15). The failure of this report process and the increasing feeling that our recommendations were not being noted or even considered, contributed in my opinion to a slow degradation of the client-consultant relationship. Thomas became harder to contact and my input was considered less and less valuable as time passed.

After 7 months Kate and I had a lunch with Thomas to review progress and found that great progress was made in that meeting in coming to a common opinion on the path forward. We had at this meeting a chance to raise concerns with Thomas that we had not raised prior, and to get a little better understanding of the challenges facing him as Project Director. *'Relationship wise this was a solid step forward for us, (but) Thomas wasn't interested in what we were doing on site at all'* (Kate Moore 2014 appendix 14). The plan at the completion of this meeting was to get the senior team together at a team off-site event as had also been alluded to in the earlier report, and at that event define some elements of a path forward for the project in its communication and strategy. This off-site event, which we at ESC saw as the key to co-ordinating an approach from the project's senior leaders and joint venture partners to both delivering the project itself, and to harnessing the benefits from the LDP, did not occur, and although never formally cancelled, was delayed consistently for the remainder of our engagement.

Toward the end of the first twelve months of ESC's engagement with the PNGgold project a new human resources manager, (Francis), was appointed. Our relationship with Francis grew and we were able to connect with the project through him from that point. The relationship with Thomas however suffered as a consequence of the lack of communication.

During this period of action the process consultation methods (Schein, 1999b) of engaging with the client about the correct solution, as set out in chapter four, were not used due to our team being not yet aware of them. In later interactions however several attempts were made to realign the status of the client relationship in the belief that the challenge we faced was one of not being taken seriously by the client. This perspective was likely driven by the search for organisational identity and a will to position ourselves as powerful change agents for the project rather than simply being those agents.

Later in the engagement and with the introduction of The Table Group's ideas, content and systems to ESC, several of the processes articulated in '*Getting Naked'* (Lencioni, 2010) were used. '*We used Pat's Naked model in what we did,... …as soon as the Naked model came along, it felt more effective (than Schein)'* (Kate Moore 2014 appendix 14). This consulting philosophy centres around the consultant's overcompensation for their fears of feeling inferior to the client, being embarrassed in front of the client, and of losing the business of the client. The undercurrent of professional vulnerability about individual strengths and weaknesses set out in Lencioni's naked consulting model was not yet embraced by the ESC team. We still chose to attempt a positioning approach where people took a yes or no position prior to discussions on a topic. The Naked Model's notions of 'doing the dirty work for the client' (being willing to do whatever was required to get the job done) and 'honouring the clients work' (Being proud of what your client does) created changes in thinking during this action cycle.

Building rapport with the client in this case was difficult for a number of reasons. Firstly and primarily my own inexperience as a consultant lead to my making several fundamental early

mistakes from which the relationship didn't recover. My uncertainty on my role in the consultant-client relationship caused me to experiment real time with a variety of interventions designed to either create change in the client organisation, or promote my own abilities or importance. This process hindered the development of a real relationship with Thomas from the outset.

Another challenge was the existing relationship between Len, (my father), and Thomas. This positioned me as the son of the consultant rather than a consultant in my own right. A larger issue than this status position in Thomas's eyes, was this status position in my eyes. Coming from what I perceived to have been a senior role myself prior to going consulting, I was very uncomfortable with the role of a junior. My responses to this feeling also hindered the development of a real relationship.

This process of our understanding the client's challenges was peppered with erroneous recommendations and trial interventions from the ESC team. The complexity of the operation meant that it was very difficult to see all the consequences of any recommendation, and the norms of communication on the project meant that we only had limited windows to demonstrate our usefulness before we were deemed irrelevant by individuals within the client organisation. Towards the later parts of the first engagement the notion of letting clients know that part of the role is to support discussion across organisational departments by asking dumb (or uninformed) questions and making dumb (or uninformed) suggestions was introduced through The Table Group's Naked model of consulting. This process allowed for recovery after a bad idea was raised, and meant that the team were more able to make suggestions without being fully committed to them as formal recommendations.

The initial session where the LDP was introduced to the project leadership team in a limited way, was a key part of this action period as it positioned the leadership program in the minds of other senior project leaders. Most notable here was the fact that this group only undertook an abridged overview, and that their role in the room was one of assessor of the content rather than participant, suggesting immediately that this program was for people below them in the chain of command. This suggestion also implied that the content was only applicable to those further down in the chain of command. *'When looking at culture, if the boss isn't in the middle and driving it you are doomed to fail, because they will see him, and follow him,* (Len Moore 2014 appendix 13). This error was not corrected and in the end resulted in the largest single issue associated with normalising the leadership team behaviours on the project: that the senior leadership were not using the leadership principles themselves.

Another challenge stemmed from the fact that the original goals of the program were not articulated, and as such were also unclear. This made feedback and assessment unclear for both us and the client. Also there was no agreed process for feedback to the client, or clarity on what specifically we would be feeding back on. Kate's (appendix 14) perspective, '*To provide a consistent standard of leadership across the project was the official goal of the work, but perhaps it was really so that the project could tell the PNG government that they were investing in local people.'* This lack of clarity in project goal outcomes, coupled with the lack of clarity in our own organisation (ESC) at the time, meant that the process of interaction with the project team at PNGgold was confusing and I think universally unsatisfying.

Within ESC there was also a robust and constant discussion on the PNGgold project success and our involvement, even though the actual plan for the intervention, as in how we intended

to get change, was not discussed to my recollection. These discussions were opaque and interpersonally challenging much like other conversations being had at this time. Kate on interaction between Len and myself (appendix 14) *'Uncomfortable and there was too much emotion from where I was sitting'*. Many people in ESC felt undervalued and underutilised, Len noted *'(we had challenges in) our ability to develop consultants up in a safe environment, because PNGgold wasn't the best place to raise a consultant'* (appendix 13). This was reflected in interactions about the project and hampered the ESC team's ability to clearly see the challenges being faced with that client, let along address them.

Figure 5.5: Subproject three first reflection phase
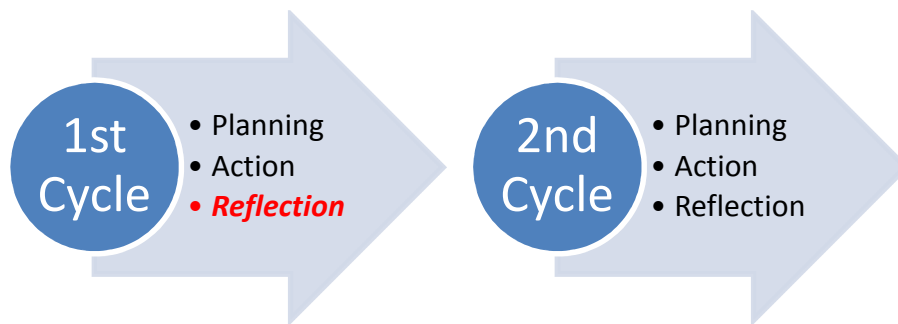
Source: Developed by the author.

Reflections below are from the period November 2011 to October 2012 which represent the reflection phase of the first action research cycle of subproject three, as shown in figure 5.5 above.

Group reflections of the ESC leadership team on the first cycle

In reflecting on the period of this cycle, it appeared to us as the leadership team for ESC that the initial meetings with the Project Director had made a substantial negative contribution to our credibility and in many ways set the nature of our role on the project. This role or status issue we felt which stemmed, we believed, at least in part from our set task of running the LDP, seemed to have had a dramatic impact on our ability to influence or manage cultural

change on the project more generally. On this note, Schein (2011) suggests that without both parties being comfortable with their status first, it is very difficult for a helping relationship to exist. As noted earlier, these early meetings were pivotal in that they set norms in place for interaction and action that would have negative impacts later in the engagement.

The development and review of the first program was also the first work the whole ESC team had done together. *'It was a weird structure on PNGgold, I designed the program and then Andrew and Rob delivered the program. I had a quality control concern'* (Kate Moore 2014 appendix 14). With everyone trying to work out their role and position within the ESC team, many norms of positioning, conflict resolution, and internal leadership were started during this process. Who reported to who and who would do what work were also key questions during this period as Kate noted above, and the development and presentation of this original program set in place some norms of operation for ESC that remained until the downsizing a year later. Likewise in the external sense, the meeting with the client leadership to review the initial program had the impact of positioning our internal and external teams into the roles they would play from that point on the project.

Reflecting on this the ESC leadership team including myself, Len, and Kate discussed the issues that had been created for others in ESC by our not being clear on specifically my and Len's roles on the PNGgold project. At times I wanted Len to take the lead role with the client, and on many occasions Len stated that I was leading the work with his support. Looking back we agreed that this lack of clarity was an error.

The review lunch with Thomas between Kate and I was a high point in the engagement because for a moment it seemed to both Kate and myself the we would be able to address the lack of clarity on expectations from the leadership development program, and see where that program fit into the greater development of the project plan itself. Several concerns that both Thomas and ourselves had were aired during this meeting and there was an opportunity to address some of the issues we saw in how our position on the project was impacting on our success. This meeting left Kate and I with a sense of achievement and enthusiasm about the project. Reiterating Kate '*Relationship wise it was a solid step forward for us*' (Kate Moore 2014 appendix 14). At the time we felt that the project relationship had turned a corner and that we would be able to be more helpful from this point, on reflection however it seems that Thomas was challenged with direction and clarity himself and as such tended to agree with the person who was most persuasive in the moment. Len said, '*At no stage did I see Thomas buy into what we were trying to get his people to do. He agreed with it, but it was for them to do and not for me*' (Len Moore 2014 appendix 13).

The lack of ability to generate change on the PNGgold project, or to understand what exact outcomes we were trying to accomplish with the LDP, left a feeling of disillusionment within the ESC team. '*(Key challenges with the PNGgold LDP were) not having a person to report to (project sponsor) on site, none of the leaders going through the (LDP) program so no one demonstrating, training against the (existing) culture or flow of the river, and expecting people to succeed*' (Kate Moore 2014 appendix 14). This disillusionment was blamed on various things during the period including the remoteness of the working site and our working conditions when in PNG, the failure to build a strong relationship and consequent limitations to our helping capability, and the lack of engagement in the room when we were running the LDP sessions. My opinion is that we did not like the level of the work as it was

more training than consulting, and training was not considered impactful and considered beneath us.

With the engagement of the new human resources manager (Francis) and our reporting line changed to have ESC report to him, there was a reduction in both the influence of the LDP, and the expectations of the LDP in generating real change. This shifting of the LDP from the responsibility of Thomas to the responsibility of Francis devalued the program in the eyes of both the ESC team and many on the project team, and reduced its ability to create impact to such an extent that only individual leadership skills were being addressed in the training, rather than the more general alignment of underlying assumptions behind the espoused corporate values. Without the full commitment of the leadership, as well as the aligned behaviour modelling from the leadership group, all ability to influence norms on the project through the LDP were effectively lost. At this point it should have been apparent to us that in the eyes of the project's leadership, our role on the project was not that of culture change managers, but rather of leadership development trainers. However, we and more specifically I was not ready to admit that because it devalued both me and the work we were doing, and did not fit with any picture I had of what I wanted to do in or with the ESC business.

The ESC business was for a period dependant on the consistent business from PNGgold as a client to maintain ESC's cash-flow and allow for the administration of the business and team to continue. This concern around cash-flow, combined with our will to only do work that had an impact for the client created friction within the ESC team as people wrestled with these competing priorities and to gain clarity on our value to the client.

At one point our dissatisfaction with our role and work on the project lead us to force a conversation with the client on the topic. It was agreed in this meeting that we would continue as we were, but this was against our better judgement at the time. The client however was insistent.

Finally a decision was made by the ESC leadership team to end the engagement in its present state. This decision was taken by us at ESC, but met little resistance from the client at the time. It came at the end of a particularly trying period for myself where I was balancing running sessions for PNGgold, while also managing the consulting team working for other clients. Our first engagement ended without incident or response in September 2012 with an email to Thomas noting our concerns and intention to cease work for the remainder of the year (appendix 18).

This cycle concluded at a point when it was likely that no more work would be done on the PNGgold project by ESC. Reflecting at this point then we were able to partially remove ourselves from the situation and enjoy increased clarity. Our discussions at the time concluded that as an external change agent, we couldn't be more influential than the client leadership committed to or provided for. This perspective may have been the ESC team's method of managing the guilt felt from not achieving the desired results to that point on the project, but there also appeared to be some truth in this hypothesis when proper consideration was given both to the effort we had put in to understanding this client, and when measured against the resistance we were encountering.

We concluded that due to the strategic, structural, and behavioural impacts on the development of culture, we needed very close and aligned relationships between ourselves as

external change agents and the organisational leadership before any cultural development or change program was going to be effective.

Three key moments in this cycle (My personal reflections)

The moments I realised we were losing the connection to the project's direction, and that we were not getting traction with behaviour modelling respectively were:

.

1. When commitments made to take action in their roles as leaders in the organisation were not followed through on, and communications dwindled.

Loosing communications with the project leaders could to my mind only mean one thing, and that was that we were losing validity to project outcomes. I reflected on this extensively as I worked to understand what was happening in my relationship with both Thomas and Francis, and to gain a better understanding of what they perceived my strengths and weaknesses to be. Looking back, I now think that the relationships themselves were not the issue, but rather the challenges that the project faced outside of our area of expertise. Thomas and Francis were likely attempting to manage critical operational challenges as they worked to have the mine project go ahead, and they likely knew both that we could not help with that agenda, and that without resolving the overall project issues the project would not go ahead, and what help we could provide would be irrelevant.

2. When successive groups going through sessions looked at the content of the program, and commented that their leaders were not acting this way with them.

This to me appeared at first to be an issue of managing the session and the room, but after lots of sessions and lots of groups noting the same thing it really did become clear that there was a

disconnect between what the underlying assumptions on the project were and the espoused corporate values we were espousing. Though there was in my opinion a disconnect between the leadership on the project and what the espoused corporate values promoted, there is also some fault which should be laid at my feet as interpreter of the espoused corporate values. There is a high likelihood that I interpreted the espoused corporate values in my own way and through my own experience, and build a LDP on the basis of them which widened the gap between what was espoused values and the underlying assumptions. It was me who interpreted the espoused corporate values and turned them into a set of leadership behaviours.

3. When Francis noted that strategic decisions were impacting on the culture that would develop. (The accommodation example)

During one conversation, Francis noted that the choice of site accommodation had meant that many people were sharing sleeping quarters, and that this lack of personal space was having an impact on how the people on site worked together while on shift. Regardless of whether Francis's causation chain was correct, the example does demonstrate that many things were likely impacting the developing culture in a greater way than the LDP. This last point was also a point of great reflection for me both during and after the project. The impact of elements external to the work we were doing was at all points our greatest competition for influence over the culture. It was not that people were blocking our efforts at cultural change, but that the culture was growing and developing in response to organisational requirements as Schein (2010) suggested it would. The reflection here is that I should have noticed this possibility much earlier in the process, but instead was largely blinded by impressions of our own influence.

The first of these points suggested that we were losing the faith of the client in our relevance or ability to generate the desired changes, while the second point shows the flaw in the original planning that relied on articulating and modelling behaviours until they became normal on the project.

At this stage, we had stopped running the LDP on the project, and although we had trained several internal trainers to deliver the program, were not anticipating any sessions to be organised or delivered without our driving them. We accepted that there would be financial consequences to these decisions for ESC, namely that we would have to reduce the size and expenses of the business (as subproject two discusses) in order to survive without the revenue from the PNGgold project. It was agreed by the ESC leadership team however that the emotional damage being done internally to ESC team members by the engagement outweighed any benefit to the client organisation from our ongoing involvement in its present form.

The first cycle had enlightened us to the understanding that without internal influencers working to change the culture of the organisation, we would be ineffective as external change agents. As our engagement on the project had effectively ended in October 2012, there was at that stage no plan for a second cycle of action research. Early in 2013 however we did reengage with the project allowing for the subproject to continue and for another research cycle to be executed and documented. The second planning phase once began focussed on building the link between us as external change agents, and internal people who could influence change, and ensuring that the effectiveness of any further leadership development

programs run, or any other interventions that were made, would be increased on the basis of this increased interaction between ESC and the PNGgold project leadership team.

5.3.3 Second Cycle

Figure 5.6: Subproject three second planning phase
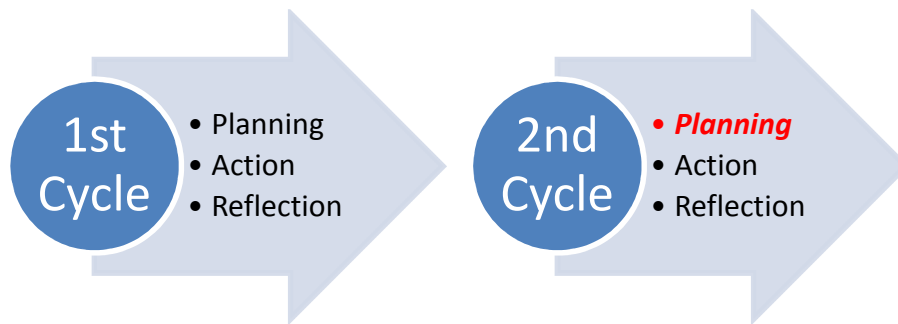
Source: Developed by the author.

The plan set out below was developed during January 2013 and constitutes the planning phase of the second action research cycle for subproject three as shown in figure 5.6 above.

The second plan was designed to re-engage with the client organisation in a different fashion. Rather than planning interventions in isolation from the client organisation, a more thorough process of learning and acting in conjunction with the client organisation was pursued. This also included a focus on feedback driven responsiveness rather than planned response. This means that we would plan our interventions less specifically, and spend more time being open and responsive to the feedback from and needs of the PNGgold team. There was also a need to find and engage with influential people inside the organisation itself in order to get any change implemented. So we set out a plan to build relationships with people inside the organisation at all levels who could be champions of behaviour change.

Again with the aim of increasing our influence in the organisation, we set out to create secondary areas of influence over culture change outside of the existing leadership

development program we were implementing. We felt that alone, the LDP would not generate the change of leadership norms required to align the underlying assumptions of the team with the espoused corporate values of the project, and so looked for supporting activities we could use to increase our influence toward this end. This involved doing other work for people on the project team such as facilitating conversations and meetings, minor dispute resolution, or specific skills training as required. This other work allowed us to see and learn how ideas or concepts of behaviour change were being implemented. Doing work specifically requested by people on the ground also allowed the ESC team to build personal influence with individuals through helping them.

We also planned to target the behaviour of senior team more directly. The underlying thinking here was that without the senior leaders on the project taking personal action aligned to the leadership principles espoused in the LDP, there would be a reduced commitment from others in the project team to act in alignment with them. So we saw the behaviour of the senior project leadership team as a key element in the support of the LDP's proper implementation. This meant a structured approach of gaining feedback and engagement from that project leadership group into what needed to change to align with the leadership principles, and getting their personal commitments to that change from that point. The key idea here was that we were no longer advocating for a particular change within the organisation, but were rather driving a process of change from the leadership team that we could then support. It would be their change that we were assisting in, rather than being them changing on our advice.

After stepping away from driving the implementation of the leadership development program at the end of September 2012, we retained contact with the project leadership team but did

not make suggestions or comment on the leadership program itself. We did no work on the PNGgold project from September through to December 2012.

In January 2013 Len and I met with Thomas Smith in our offices where Thomas discussed the ongoing challenges he was facing with the project team, noting that Patrick McGarry to whom Thomas reported had resigned, and asking for our reengagement on the project. We suggested a more diverse role outside the LDP where we thought we would be able to have more impact on the project culture and behaviour, and in the weeks after the meeting a proposal including this diverse approach was agreed on between ESC and Thomas as Project Director. One key element of this revised plan was a project culture or Organisational Heath Survey (appendix 19) that would be done to build data for Thomas and others to use for their feedback to the Project Steering Committee, and in their own deliberations as a project leadership team. This survey data would also provide a starting point for a conversation within the project leadership team about the key elements of their strategy and direction. In following on from earlier agreements with Thomas, our goal here was to facilitate an offsite meeting for the project leadership team where we could work with them to get clarity on the project's direction, and where we could assist as ESC from that point. This offsite session was at that point to be facilitated by ESC and be held in Cairns over two days at the completion of the survey.

After over twelve months of working in the PNGgold project environment, and after the changes in the ESC team in late 2012, Len, Kate and myself were much more able to discuss contentious issues related to PNGgold and our intervention in January 2013, than we had been in November 2011. Len was himself a key part of our reengagement on the project and

took a leadership role in adapting the Organisational Health Survey to fit the needs of the project.

There was extensive discussion within the ESC team about who would do what, what our role would be technically, and what else we could do to be influential outside that direct role. The engagement was designed and implemented far more as a team than in the first cycle, and although many of the same issues presented in the client organisation, the issues generated by ESC were different, and significantly reduced. As examples, the conversations were less combative, there was a greater sense of being in it together, there was a greater tolerance for different opinions within our team, and we easily agreed on who would be the ESC leader on the project and eventually be accountable for the client relationships and outcomes.

It was decided within our team that the high level process would be a survey feedback intervention where we would run the culture survey across the project, then use the data to run the offsite with the leadership team. This process would hopefully ensure that whatever direction was decided for strategic and cultural development was decided by the leadership team, and would therefore be more likely to be implemented. The underlying process of engagement from us would be to restart the leadership development program across the project, and in addition begin running more leadership skills training for leaders on communication and meeting facilitation. This underlying engagement would give us the ongoing personal presence to influence how the leader's agreed behaviour strategy would be applied on the ground, as well as giving us the ability to feedback ongoing information to Thomas and the leadership team about the effectiveness of their internal intervention. In combination, it was hoped that the ESC team would be able to influence the project leaders,

and through this provide the support for the LDP that would be required for it to influence the underlying assumptions of the project leadership team.

In essence, the difference between the first and second rounds of interventions by us was that the first was actually an intervention by us in an attempt to change the culture from outside, where the second was to design and support an internal intervention by the leadership team designed to change their own culture from the inside. From everything we had learned in the first intervention and in our own ESC example, we concluded that this approach was much more likely to lead to the cultural and behaviour changes required by the client.

Figure 5.7: Subproject three second action phase
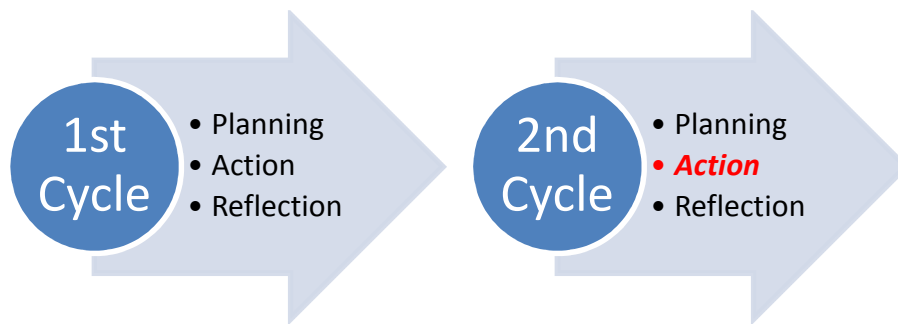
Source: Developed by the author.

Actions set out below were taken between January and May 2013 and represent the action phase of the second action research cycle for subproject three as shown in figure 5.7 above.

Actions taken:

As noted, the process of reengagement was one where we met with the project leader and then put forward a plan of action designed to address the behavioural and strategic issues he saw for the project. This plan also took account of the lessons we had learned about methods of intervention to this point both in what tools and processes would be used to change the behaviour, and the role we would take in implementing these tools or processes. As also noted, the key change in philosophy was that any changes to behaviour or culture would be

directed and decided by the project team itself, and that we would simply facilitate a series of processes allowing them to make these decisions, take the required steps, and monitor the progress against the project team's own measures. External facilitation of an internal intervention was the ESC team's goal.

As a first step in the process we developed an organisational health survey based on an existing template. This survey covered most basic areas of behaviour in quantitative form for averaging and comparison, and in addition had an interview component where a member of the ESC team would interview the respondent personally to extract what they saw as the key issues facing the project team as a whole (appendix 19). These two elements though not perfect, gave a good impression of the mood generally and key issues or experiences seen by members of the project team generally. The surveyed group included all project leadership team members, and a random sample of team members from across the various departments and locations of the project.

Once completed, the results of the survey were collated by Len, Kate, and myself into a format that clearly and in great detail showed the key issues raised by the team, as well as the average scores of the standardised questions to show trends of concerns in these areas.

Once compiled a meeting was held with Thomas as Project Director, Francis Jones as Human Resources Manager, and Len, Kate, Ed and Myself from the ESC team. The survey had taken over a month and was a major undertaking for our organisation. Because of the scale and travel of the survey, it had also been an expensive undertaking for the PNGgold project.

The survey feedback meeting for the client was held at the PNGgold project office in Brisbane and although due to run over two hours, the meeting was reduced by the client to an hour on the morning it was scheduled, and in the end ran for around 30 minutes. Thomas and Francis were late in arriving to the meeting, distracted during the meeting, and eager to push through the data and process of the meeting as fast as possible. I was facilitating the meeting itself and was 'hurried along' by Thomas on several occasions. Len on this meeting *'They had made up their mind about the project ending by that time, Francis left soon after, and Thomas left soon after that. It had become untenable. They didn't disagree with about the feedback… … the message about our role and the project itself were all in that (experience)'* (Len Moore 2014 appendix 13). Kate with a different perspective, *'There was always a disconnect between our and the clients expectations of what that meeting was about. Thomas brought people (Francis) in order to deflect the results, and there was lots of discrediting of the results on the basis of "that's because of this" and so on. The meeting assumed an understanding of organisational health which no one had. It was a big deal at our end, and our weirdness created a weirdness in the client'* (Kate Moore 2014 appendix 14). In closing we were thanked for our good work, Thomas and Francis took with them the data and left us in what can only be described as a state of shock. The ESC team had a lunch afterward to discuss the meeting, and there was tension around the table as the personal discomfort with the meeting each of us felt was discussed. In the weeks that followed, Francis contacted me to request a soft copy of our data, and we never heard anything about the data or survey again.

There were several key findings from the survey itself about the project. These findings largely came out in the interview section of the survey process and were presented as clusters of similar comments on similar topics. Although not strictly scientific, this method of presentation gave a weight of numbers to key issues and allowed for a more graphic

representation of the findings. Among these key findings were a lack of directional clarity felt, completely unrealistic schedule deadlines, constant changes in priority and direction, low morale in some areas, and a feeling that these things were leading to waste.

Though these things were explicitly stated in the report and in the sentences gathered directly from people in the project team itself, when we met with Thomas and Francis they were explained away or excused as not relevant. These leaders were it appeared to me, systematically convincing themselves that the issues raised were not organisation-wide or consequential enough to warrant a change in direction or perspective from them. Almost as though their perspectives of what was really happening were in fact the correct ones, and that the ignorant feedback from the field was caused in large part by the lack of information these people had about what was really happening across the project.

The scheduled offsite with the leadership team had been spoken about with Thomas for over a year at the point when the survey results were delivered. It was agreed that the offsite would be held in Cairns, and which members of the leadership team would be present. What was never confirmed was a date for the event. Tentative dates were set several times but were always moved both during our first engagement in 2011-12 and during this engagement in 2013, but although the level of personal commitment we received from Thomas each time it was agreed increased, the date or offsite itself never eventuated. Few reasons were given, and in most cases we would be received with silence on the subject of an offsite date.

We as the ESC team were very aware of how much our ability to influence outcomes across the project were influenced by whether the offsite eventuated. To this end we suggested the survey to gather data, we worked through all the senior leaders with whom we interacted to

reduce internal resistance to the process, and we worked diligently to improve its priority for Thomas through constant reminders of the benefits it would bestow upon himself and the team. All to no avail however as the offsite never eventuated. We also offered to facilitate the session free of charge so that any fear of a financial motive on our behalf would be removed. Still with all our attempts to find and remove the thing blocking the offsite from going forward, we never found it, and consequently never had the impact we may have.

Connecting this off-site to our wider change program, our intention was to monitor our success against the specific cultural direction to be agreed at the leadership team offsite. This was a key element of the second plan for culture change on the PNGgold project, but due to the lack of an offsite with the leadership being held, no clear direction was decided by the leadership team. Without this direction from the senior team on what behaviour they needed or culture they were attempting to create, we were not able to deliver or support them in delivering those norms.

In process consultation Edgar Schein suggests as his fifth principle that '*it is the client who owns the problem and the solution*' (Schein, 1999b, p. 20). This theory was discussed at length and on an ongoing basis within the team at ESC in relation to our intervention at PNGgold. These conversations stemmed from the realisation that during our original intervention we had taken responsibility for the outcome from the client and had come to own the problem ourselves. Due to the need for action from the leadership team to change the culture we were largely powerless to change normal behaviours within the project under this model and to make matters worse, we had alleviated the leadership team from a sense of responsibility themselves in this area.

From January through to May, in an effort to reengage with the ongoing leadership development program, Kate and I continued to travel to the PNGgold administration camp at Nine Mile and to the exploration site itself at PNGgold Creek. These trips however now served a variety of purposes including gathering survey data, running ongoing leadership development programs, training on meeting facilitation, training on listening and communication, systems and process analysis for specific departments, and generally coaching leaders across the project on organisational development, leadership and management, or team behaviour topics. This ongoing and more diverse engagement allowed Kate and myself to influence departments, teams, and people in their roles and to have an impact on the day to day functionality of certain key site relationships. *'Right toward the end when we were working with intact teams, that was effective'* (Kate Moore 2014 appendix 14).

One key relationship where we did a lot of work for instance was between the geology team who were looking to create a clear picture of the reserve or 'ore body' under the ground, and the drilling contractor who were charged with drilling the holes and bringing up the ore samples to be used to build this image of what is under the ground. This client/contractor relationship was key to the success of the project whole and was one area where our work yielded good and satisfying results.

What we were not affecting however was the cultural norms or underlying assumptions of the organisation as a whole, which had from the outset been our mission. The impact of our engagement day to day was through direct intervention and therefore limited to our personal influence through individuals on the project team. *'Culture change no, but we did give people individual skills'* (Kate Moore appendix 14). This was in contrast to being of the systemic nature anticipated when planning our engagement. The systemic culture change required to

align the underlying assumptions of the projects leadership with that of the espoused

corporate values would likely have been achieved only though our facilitation and monitoring

of an internally driven behaviour or culture change program.

The principle being constructively opportunistic with interventions again from Edgar

Schein's Process Consultation Principles, was used and discussed mostly in the work that

Kate and I did in PNG directly with people on the project team. It is formally principle eight

and states to '*be constructively opportunistic with confrontive interventions*' (Schein, 1999b,

p. 49). This suggested to us that although we did not have an overarching mandate for clear

behaviour or culture change specifically directed by the project leadership team, we were

aware of what the project was technically trying to accomplish in its work, and could

therefore find ways to assist with interventions at specific points in the project as we saw

them. The earlier example of the drillers and geologists was one example of where we took

the initiative and intervened directly to improve the project outcomes. This also comes under

ESC's revised espoused corporate values which included 'Be Helpful'. The underlying

understanding that our engagement was multifaceted drove us to see the project success

partly as our success, and therefore to work to ensure that our capacity as members of the

team was deployed when the opportunity arose. This may well have also been motivated by a

sense of obligation to do what we could on the ground as we continued to struggle with

getting the project leadership team to commit to an offsite, and saw our chances of

contributing with a successful across project culture change project diminish.

Harrison's two rules of intervention are '*Intervene at a level no deeper than required to*

produce enduring solutions to the problem at hand.' And 'Intervene at a level no deeper than

that which the energy and resources of the client can be committed to problem solving and to

change.' (Roger Harrison, 1970, p. Abstract). This second rule was discussed and used in understanding the limitations of our role as external change agents. We could not truly be aware of the pressures or priorities of the projects leadership team, and as such were not in a position to decide or influence the priority they were willing to place on the work they had us doing. This being the case, we also recognised that we had in the first and second intervention attempted to intervene at a depth that we saw as required to achieve the change, regardless of the clients ability to devote energies to the achievement of that change. Put simply, regardless of the change that would be required to achieve the desired outcome, if the energy of the client will not support that level of change, the consultant/external change agent must accept that reality or face the consequences associated with taking ownership of the problem and solution. This was a guide to the limit of our interventions effectiveness in creating the change, and gave context to any and all client expectations.

A shift from a purely gathering data, feeding it back, and facilitating outcomes, to direct interventions when we saw the opportunity, happened progressively as our efforts to lock in the offsite were frustrated. It was a conscious decision that we discussed and decided as a team but happened over time through a series of conversations. We basically decided to fix what we saw as blocking project progress directly. This meant stepping in often without a mandate, and taking the twin risks of being blocked by the people we were working with in the field, or being wrong in our assertions or directions to them. This was a much more risky strategy of intervention and required more bravado, bravery, and insistence from the ESC people moment to moment. Kate and I worked to reposition ourselves as general people, relationship, and interaction problem experts who had been sent to improve the general functionality of people on the project. In one sense this was true, but without any oversight or

specific mandate, we were taking actions to create change without being able to fully understand the nuances of the context.

This strategy worked well and we were largely accepted as members of the team on site in PNG. People on the ground often called upon us for help in managing situations and numerous times we ran specific sessions for teams at their request or observed meetings and such to advise on changes in their interactions. The value of direct interventions became clear over time. In speaking about it at ESC we talked about 'fixing what we see'.

The decision to step away in September 2012 reduced ESC's income to such a point that it forced the financial hardship and restructuring of the firm as articulated in sub-project two. It was therefore a decision of consequence for the firm taken largely due to the sense that we were ineffective, and that continuing was in many ways the wrong thing to do for the long term. Interesting here is that the ESC team had progressed to such a stage that they were able to have conversations such as these where the financial security of the business was measured off against the effectiveness of the work we did, and that in the end we decided together that our long term reputation for doing effective work to the best of our knowledge and ability was more important than the short term financial needs of the business.

Coupled with the underlying LDP, the additional actions taken during this action cycle of the subproject gave what seemed a much greater chance of aligning the corporate and underlying assumptions of the project leadership team. In the end however, many of these additional actions although adding value to the engagement itself, did not impact on the underlying assumptions of the group in a meaningful way, and did not align them to the espoused corporate values in a perceptible way.

Figure 5.8: Subproject three second reflection phase
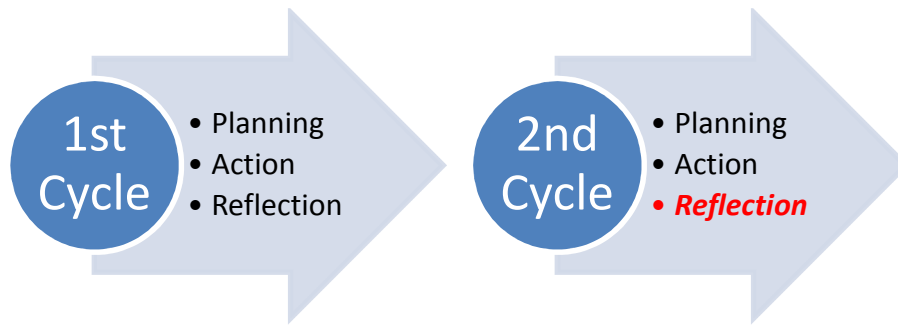
Source: Developed by the author.

The following reflections were from the period January through to May 2013 and represent the reflection phase of the second action research cycle for subproject three as shown in figure 5.8 above.

Group reflections of the ESC leadership team on the second cycle

In reflecting on this second cycle, it was apparent to the ESC leadership team that the reengagement meeting was a real turning point for our engagement and consequently our ability to influence the culture on the project, as it signified the project coming back to us for help. This allowed for the initial repositioning of the relationship as one of helper not implementer, and also allowed for a role change from simply running leadership development programs to a more holistic and diverse behaviour change on the project mandate.

The survey feedback meeting was also critical in the development of our influence, as it signalled the end of the initial phase of our second engagement, but also because it was where we started to see more clearly how the concerns of the people on the project team were perceived by the leadership. The combination of reduced time for the meeting, being rushed through the data and the process, and the lack of action in response to the data formed for us a picture of where this work and information sat on the priority list for the project leadership team.

More of a critical non-event, the failure to run an offsite for the project leadership team had two key impacts. Firstly it rendered our engagement systemically ineffective in changing the norms of behaviour or leadership as had been our goal. Secondly and more importantly for the project, it ensured that the leadership team would never be forced by us to work through their different approaches to project issues and agree on a common direction forward. Without this common direction the fate of each team and each worker was left resting on the ability of their manager or department leader to navigate the ambiguity of the project whole, and to find and articulate for them a clear direction forward in their role.

In May, our engagement was winding down in that we were taking a month to reassess what we were doing and what impact we were having. Starting with our contacts in PNG we began to hear about changes in personnel and reductions in scope for the coming period. On our last trip to PNG it was common knowledge that the project was tightening its belt and reducing spending. This was all done very quickly and within a month of that trip the project as a whole was put into a holding pattern. Basically the only money being spent from that point was on maintenance of the infrastructure already in place. This scaling back of operations included our termination along with over 80% of the project team and all other contractors. Len described the termination email we received as '*Sent by the procurement clerk. Last man standing cancels the contractors, and turns off the lights*' (Len Moore 2014 appendix 13). Thomas Smith also left the project soon after. Another 12 months later the project site was virtually abandoned.

It appears from this example that successful change management consulting is more about the relationships and communication than the knowledge. Or put another way, more about

influence than brilliant solutions. As external change agents, our ability to create change and improvement was based far more on the relationships we had and how well we communicated than it was on how clearly we saw the problem and solution. In fact having perceived clarity and insight into the problems and solutions of the client may have negatively impacted our ability to influence, as it bred a tendency to prejudge the situation, listen to the client less, misinterpret elements of the situation to fit with our hypothesis, and in the end damage the relationship with the client. Noting that people want to be heard before they want to listen, as consultants with a set solution or picture we were likely to try and change the clients perspective rather than gather it in the first instance. This was compounded because we as consultants also felt the need to impress the client with our insightfulness.

Building a strong relationship with the client appears therefore to be the backbone of influence, and also allows for areas of existing agreement to be said first by the client, and therefore owned by the client as their idea. The more agreement is built first in the relationship the more able the consultant to disagree when it's important.

So, we concluded that culture change is more about the process than the content. As an external consultant, if we stayed relatively neutral on the issue of what change was required, then we would allow the client leadership to own the change and consequently improve the chances of the change being supported by the management. This stems from the role of the consultant and the difference between being an expert in what should be changed, or being an expert in creating the change itself. In other words, both the client and consultant benefit when the consultant is focused more on the process of change, and the client is focussed more on the outcome. This concept of the consultant focussing on the process and allowing the client to maintain focus on the solution is at the base of Schein (1999b) as what he refers to as

Process Consultation. A focus on the process leaves the leader in control of the expertise, and creates an opportunity for them to give you as consultant influence over the process without losing control of their organisation. It's in giving the leader control over the decisions that frees them to give you control of the process to reach them. In changing behaviour norms or culture, the process is where the action is, not the content of the desired culture.

Three key moments in this cycle (My personal reflection)

1. Being accepted on site

There was a moment when Kate and I realised that we had become some of the longest standing members of the project group, and that we had a long history on the project that we could share with people. This changed our feeling from one as outsiders to one of being part of the team. There were specific incidents when Kate especially found herself isolated while on site, but there came a point when I at least felt accepted as part of it. Reflecting on this it's entirely possible that I had become more comfortable in the project culture, and accepted more of the cultural elements as normal. Put another way, perhaps some of the underlying assumptions of the project team had also become my underlying assumptions when working on the project. As an external change consultant my role was, to my mind at least, still to influence the culture in a set direction, and that is difficult when you are blind to cultural norms yourself.

This moment was also critical as it generated in me a sense that we had nothing to lose from attempting more interventions. The sense that we belonged as much as anyone else on the

project was the mandate that I needed to get on and start asserting some authority, and to force change where I could on site.

2. Survey results meeting

This moment which has already been written about, was for the team a changing point. It was like a realisation that we could only do what we could and that the rest of the responsibility for outcomes fell to others. We also began to realise from that point that not appreciating the limits of our influence had driven us to put extreme pressure on our team for results and inadvertently to undermine any positivity that could have been generated from little victories. Reflecting myself afterward, it's possible that our group perception of what was happening here was just that, a group perception. It's very difficult to understand the dynamics of such an interaction and also easy to read too much into a single interaction. Regardless, there was for me a lot of information about our role on the project subtly conveyed during this survey results meeting.

3. Engagement end

The PNGgold project had been such a large part of the ESC story and learning, and held so many memories of pressure, discomfort, disagreement, failure, and general heartache, that its end was one of the biggest reliefs that I felt during my time working in the old ESC structures. This pressure release was clearly shared by others in the office as we celebrated the end of the project quite extensively over a week and for a period after that Kate and I would remind each other that it was all over, and that we were now free to move on and start again in building our consulting careers. Again, my personal reflection here is that we may

have misread the situation at the time as a group. In fact it's quite likely that our surprise at this termination stemmed from our erroneous perspective of our importance and role on the project. Kate described it as '*Typical, it was in line with how significant I felt on the project all the way through*' (Kate Moore 2014 appendix 14).

5.3.4 Post subproject three

The slowing of the project and the conclusion of the ESC engagement

Although we had been warned by project insiders that the team was being reduced and to not expect our role to be ongoing, the notification itself was unceremonious. We received a letter that simply said, In accordance with company directives, as of 'this date' all contractor agreements are terminated. Including yours. This is not the exact wording obviously however the sentiment is in itself important to capture. There was no reference to the work we had done, and no personal element from the leaders on the project, it was in essence a form letter.

I note this because the ESC team at the time of receiving the letter accepted it as completely normal and expected. The project's processes and culture considered it appropriate that such a closely held contracted service costing several hundreds of thousands of dollars over eighteen months would be ended in this manner.

The project leadership at the time were also in a state of flux with many of them moving off the project to other things, often with other companies. The rapid scaling down of the project team was due to a change in strategic direction by the parent companies. Aussie Gold reported in the press that this was due to the falling gold price and its flow on effects on the

current viability of the project. Meetings between Aussie Gold officials and the Prime

Minister of PNG were held to attempt to retain Aussie Gold's investment in the country, but

this did not change the immediate plan do downscale the project itself to the point where it

was securing past investment and attempting to maintain the value of infrastructure already in

place. There was some ongoing geology work being done in the immediate aftermath, but

nothing on the scale of what had been happening prior.

Aussie Gold, after revaluing down many of its assets and income forecasts, came under

investigation by the Australian Stock Exchange soon after our role on the project ended.

There were allegations of the Aussie Gold executive withholding information about asset

values write-downs from the marketplace. Aussie Gold deny the allegations.

Thomas Smith himself left the project weeks after us, but continued work in Aussie Gold.

Patrick McGarry had left Aussie Gold part way through our engagement and was then

appointed Global Head of Projects at another multinational company. Francis Jones left the

project around the time of our last trip to PNG and became Employee Relations Manager for

a large gas project based in Darwin.

5.4 Personal reflections
(My changed assumptions after the intervention)

Findings on the first assumption

One primary assumption I made in approaching this intervention at PNGgold was that my

previous experience as a leader and manager at Harcourts would give me the tools and

understanding to be impactful in this new environment. This confidence was magnified by the success I had had at Harcourts and the underlying feeling that I was in some way destined to be successful in anything I attempted. I assumed that the scale of the project, the diversity of the project specialties, the different nature of the project environment, and the education of the senior executives managing the project would have little impact on the effectiveness of what I had come to understand about how cultures could be changed.

Much like the personality of an individual, the culture of an organisation seems to develop with and through the implementation and results of strategy and structure decisions over time (Nankervis, Compton, Baird, & Coffey, 2011). The behaviour norms within the group at PNGgold were inconsistent and had developed through the contribution of many different individuals and experiences over time, and had also been impacted by many strategies for change prior to this one we were attempting. In as much as this history is written into the culture of the group, it is also hidden in it (Schein, 2009). The behaviour norms are not stated rules but norms, this means that by definition they are unconsciously brought to action without consideration (Chabris & Simons, 2009). People can't explain or catalogue them for a new person; they simply use 'watch and learn' as the method of introducing new people to these norms.

As an external change agent then I could never be sure how a person in the organisation would react without first understanding what was motivating their actions, and this includes the culture of the group at organisational level. As culture takes time to learn about, and as a group's culture is not only unique but ever changing with new information and lessons, no external knowledge or experience could ensure that a consultant or 'external change agent' would be accurate in predicting the outcomes or responses from their recommendations

(Schein, 1999b). Key among these recommendations is whether a change program will be effective in creating change.

Every group is different and as such constant learning, reflection, and questioning of past assumptions is required from a consultant if they are going to improve the effectiveness of their recommendations and actions over time. This ongoing observation, reflection and questioning by the change agent is also the only possible way to maintain a balance in the depth of intervention against Harrisons two rules (Roger Harrison, 1970).

Finding on the second assumption

As an extension of the first assumption, I assumed that having successfully influenced the culture of Harcourts WA as its CEO, I would be equally able to influence the PNGgold project as an external change agent. The assumption is that ideas were all that were needed, and that the origin of those ideas was not a relevant factor in whether the ideas were properly implemented. In truth, I had given no thought to my influencing strategy as an external person prior to seeing my initial efforts fail.

The lesson here is was that the best idea (or feedback to the individual) is not enough to get the change (Herbert A. Simon, 1996), but rather what is required is feedback with an attached consequence (Sowell, 1980). The underlying reason for this is that leaders are as mentally limited as any other person and as such must choose through some mechanism which information to devote their attention and capacity toward (Mullainathan & Thaler, 2000).   In fact, without having a method of raising the priority of the recommendation above the other demands on the mental energies of the leaders in an organisation, the energy exerted by an

external change agent in developing the clarity of perspective and consequent strategy associated with a change could be completely wasted. An idea needs a champion before it will be implemented, and external change agent is not a strong champion position for idea implementation as noted by Schein (1999b). This is I assume due to the status of the role and its external nature being associated with having less at stake should the implementation of the idea fail.

The ability to have ideas implemented at PNGgold was I believe the bottleneck of progress rather than a lack of insight or strategic clarity from us. (Although in retrospect the strategic plan we suggested may well have failed regardless due to its weaknesses.) Without being able to implement small ideas and get clean and timely feedback on their validity in the environment, it is also difficult to learn or improve the quality of any recommendations. Underlining the point *'Effective learning takes place only under certain conditions: it requires accurate and immediate feedback about the relation between the situational conditions and the appropriate response'* (Tversky & Kahneman, 2000, p. 222). This situational lack of feedback leaves the consultant having to push hard for the implementation of underdeveloped ideas to remain useful, and to then take greater and greater risks in the interventions they take or recommend.

The finding here then was that more energy needs to be focussed on creating an influencing position than on developing a plan or strategy in isolation from the organisation. This influence will give the consultant more feedback data about the organisation and its culture increasing the opportunity to hypothesis test and develop understanding, in the end reducing not only the risk of any recommended action failing, but increasing the chances of internal

champions developing for the project through engagement in the development of the ideas themselves.

The obvious challenge here for consultants is how to measure and validate the value of your work to yourself or the client when the actions that were taken were developed in unison and with extensive consultation with the client? My experience is that giving up ownership of the ideas is the price a consultant pays for having them implemented and effective in creating change and benefit. It seems that as an external change agent you can have the impact of the idea or the credit for the idea, but not always both.

Simply put, it seems the process and context of implementation is more important than the quality of the strategy itself, as it will have a greater impact on the eventual outcome. *'My job is to create a relationship where the client can get help'* (Schein, 1999b, p. 20). As such, and especially considering the natural focus on the development of strategies and plans etc., the context and process of implementation rather than strategy and planning should be where an external change agent increases the focus of their energy and attention if they seek to increase their impact.

Finding on the third assumption

I also assumed that there would be an expectation of measurable results quickly as there had been in my previous role. This lack of understanding about the expectations of clients of consultants came from never having operated as a consultant, and not having had great exposure to managing consultants myself while in my corporate roles.

This assumption was important because coupled with a lack of ongoing feedback or interaction with the client it fuelled a succession of rapid changes in approach and depth of intervention in attempts to have early impact. This desire for early demonstrable results stemmed from my lack of history as a consultant and a fear of being questioned about fees measured against results. The focus on independent planning by us possibly driven by an illusion of control (Langer, 1975), and the misunderstanding of the organisation's existing culture combined to frustrate these efforts and prevent them from becoming effective in creating results especially in the earlier parts of the engagement.

A secondary consequence of this assumption and my response was the pressure I put on the ESC team for constant reflection on and development of our strategy for getting change. Though I should have been, I was not aware of the magnitude of the error in isolating our thinking from the clients, and so pressed the team to work out what was happening deductively, and build a plan from that point. This is approach represented neither learning by doing as recommended by Fullan (2011), nor the work based learning philosophy set out in Ebbutt (1996). With limited data on the actual culture, not being aware of our limited influence or the context of any implementation plan, and not being internal champions ourselves, the focus on developing an independent and largely intellectual/theoretical strategy for the change lead only to disillusionment and confusion within the ESC team, and started the group down the path of doubting their validity as people and in the work we were doing. This was also akin to taking responsibility for the problems of the client (Schein, 1999b), and seeking to impose solutions in an environment where we did not have to live with the consequences.

This negativity was also associated with many of the feedback and reflection processes we put in place as we were reflecting intellectually and in isolation from the client, meaning that there were many assumptions in every hypothesis and a growing focus on how it should be rather than how it was. Frustration with my poor implementation and the inability of reflection to lead to success for the group tarnished the idea of reflection and the feedback loop to the extent where people dreaded the reflective conversations about what had happened or what we had learned. Honestly, my style of intellectual and theoretical thinking and conversation also likely drove a large amount of this discontent. So there was also a leadership blind spot for me in the needs of my team for success, and in focussing on the results I wanted to achieve rather than on influencing the thinking of the team (W. S. Brown, 1985).

Finding on the fourth assumption

I assumed that Len had an understanding of the client's expectations and of what was required to create organisation wide culture change from an external position. In short, I assumed he could see something I didn't so when I did not grasp what we were going to do, I assumed he did and consequently failed to clarify the direction for myself. This failing in communication may have been driven a hierarchical or status issue between Len and myself as noted by Schein (2011), which prevented me from posing questions that would lead to the uncovering of new information. Or perhaps this assumption may have stemmed from my previous understanding of Len as an external behaviour consultant through his career, when in truth many of his roles were more akin to internal leadership coaching for change, or perhaps Len assumed that I understood the context and was misled by my personal confidence and illusion of knowledge (Chabris & Simons, 2009). Regardless, this meant that

Len's understanding of effective external change management was to first become internal, then effect change from that perspective, rather than to create a process for change that could be implemented through the organisation from outside it.

The impact of this incorrect assumption was to have me tacitly accept that working in isolation from the client was normal for external change agents, and that the method of change decided upon had a history of success. This meant I didn't question whether we needed more guidance, whether we would be better spending time on implementation strategies such as building influence or internal champions, or whether we should be testing hypothesis and building understanding of the challenges before developing stand-alone solutions.

Though this perspective I held may have originated from my assumption of Len's history, it was also influenced by my will to develop a duplicable business model as recommended in much business and consulting literature (Gerber, 1995; Katcher, 2010). This duplicability I desired was not apparent in the model of seeking contextual understanding and influence first, as in business speak it was developing a single use product that would require ongoing maintenance of the client relationship at a high level to remain effective. What was needed was also a process rather than a solution, meaning it was far more difficult for me to train our consultants on and explain. The simpler answer of being experts on solving problems clients put forward with programs we developed and ran using our external knowledge was more tangibly duplicable, and I could envisage how the business would grow using this model. What the client needed however was not a duplicable solution, but a specialist who would grow with and understand the business and its culture, and progressively construct,

implement, reflect and adjust smaller interventions with the client as champion of the program total. I was focussed again on finding a solution that aligned to the duplicable growth based image I maintained for the future of the business, and in the process failed to focus on what the client needed to create the change in their organisation.

5.5 Subproject conclusions

The stated aim of this subproject was to:

Align underlying assumptions of leaders on the PNGgold project to those in the espoused corporate values, through the development and implementation of a leadership development program.

As with subproject two an honest assessment of whether this aim was achieved would quickly find failings. '*We didn't get change, we worked at it, but while the (Chiefs) were brawling we couldn't get the Indians to work together. No trust between the partners, no trust between the Indians*' (Len Moore 2014 appendix 13). There was overall very little alignment between the espoused corporate values and underlying assumptions generated through the leadership development program. This is not to say that the project leadership environment was not improved from the implementation of the program, or that there was not development and educational benefits for individual leaders within the client organisation, but being that there was not in the a sense of normality in the actioning of the espoused corporate values day to day, it could not be stated that these espoused corporate values had become part of the underlying assumptions across the project.

 But from a data and learning perspective however the PNGgold subproject was a complete success. As shown in the personal and group learning and application through the above

narrative, there were key lessons learnt in the areas of client engagement, getting change, and on the value of examining one's own assumptions at each stage of a learning process.

In this chapter has been a detailed account of subproject three in the PNGgold Project, including two action research cycles where a systematic process of planning, action, and reflection took place. It showed both the original assumptions held by the researcher prior to the subproject beginning, and how those assumptions changed over the course of the subproject, and finally concluded by looking at the success of the subproject against its original aims.

The following chapter, conclusions, looks at how the overall project faired against the project purpose, and at the contributions of the overall project to the three parties.

Chapter 6: Conclusions and Contributions

6.1 Introduction

The purpose of this final chapter is to take an overview of the project in light of the contributions to the three parties, and to show these specific contributions in detail. These contributions to the parties constitute the output from the doctorate project and as such this chapter shows the understanding or findings which resulted from the critical reflection on the project. Beginning with a brief review of the tripartite agreement and project purpose and objectives, this chapter then looks specifically at the contributions to the three parties to the tripartite agreement. These are the contribution to the client organisations, contributions to professional development, and contribution to professional practice. The chapter and thesis concludes with final conclusions on the project, the doctorate, and the action research methodology.

As set out in chapter one, action research is built on the premise that the interactive nature of the process serves the combined interests of three separate parties who are involved. These parties are the client organisation, the researcher, and the professional community at large. The agreement between these three parties is termed the tripartite agreement and serves as the basis for the outputs from the doctoral project itself as well as this thesis. Reconfirming this premise below is a duplicate of figure 1.1 from chapter one which shows the relationships between the parties and the project.

Figure 1.1 The Triple Dividend of Professional Studies

The TRIPLE DIVIDEND of Professional Studies

The study makes a contribution to the individual's self-development, both professionally and personally by achieving their pre-agreed learning objectives.

The study makes a measurable contribution to work-place (organisational) improvement through innovation, problem solving, analysis, product development and strategy.

The study makes a contribution to professional practice as supported by academically sound evidence and observations in terms of a rigorous research design.

INDIVIDUAL (Development of self)

Learning Contract (Work-Based Research project)

ORGANISATION (Benefit to the work-place)

PROFESSIONAL (Benefit to academia and practice)

The Learning Contract represents the agreement between the student, organisation and the university whereby the anticipated projects and their relevant contributions to individual development (personal and professional), the organisation and their profession (academic knowledge) is supported. The agreement makes the implementation of the project feasible with agreed commitment from all three parties.

Source: (Van Der Lann, 2013)

As this figure again shows, the basis of the contributions is built around the doctoral project itself. This foundation of contributions is used in this thesis as the basis for showing the output of the doctoral project, and as a frame in which to look at both the process and the findings of the project itself.

The project purpose and project objectives as originally set out in chapter two are also shown again below.

The purpose of the project was to implement a cultural change program in three different client organisations. More specifically, there were three objectives that further clarified this purpose in the context of a work-based learning doctorate. The objectives were to:

1. Influence positive cultural change by focusing the client organisation on a set of espoused corporate values appropriate to that end',

2. Enhance the researcher's understanding of cultural change management, and

3. Provide a set of additional insights into cultural change management for those engaged in the professional practice of managing an organisation's culture for sustainability purposes.

These project objectives, which stem from the project purpose, were designed to align the objectives of the project with the contributions to the three parties of the tripartite agreement as set out in figure 1.1 above. In this manner the first objective is designed to contribute to the client organisation, objective two is designed to contribute to my professional development as researcher, and objective three is designed to contribute to professional practice. This chapter will while showing the contributions to the parties, use these objectives as the starting points for the contributions.

The findings or contributions from the doctoral project set out in this chapter also stem from the original learning portfolio completed prior to the project beginning (appendix 1). The generation of this learning portfolio was the very first step in cataloguing my original knowledge on cultural change management, and formed a base line not only for the construction of the project plan, but also for future learning or professional development to be compared against. The original learning portfolio brought clarity on areas where improved

knowledge would be beneficial for the tripartite parties, and these areas of required knowledge then formed the basis of the learning plan's construction (appendix 2). During the implementation of the learning plan in the doctoral project, each subproject set out original assumptions prior to the subproject beginning and revised assumptions at its conclusion. These progressively changing assumptions shown in each subproject stem from my original understanding of managing culture change as set out in the learning portfolio. This sequence of learning portfolio, learning plan, starting assumptions and changed assumptions which were captured at certain points in time, serve to show readers the learning which occurred over time, and is finalised in this chapter through links to both contributions to professional development of me as researcher, and to professional practice.

The purpose and objectives for the project also serve to show both the intentional nature of the project in taking action, and to form a base for later assessment of outcomes. These objectives and aims also stem from the original learning portfolio and plan. The learning portfolio shed some light on the areas where learning would be beneficial for the three parties, and the learning plan suggested how this learning would take place from the doctoral project. The objectives and aims for the project, which it should be noted have changed since the learning plan on the basis of new information during the project's implementation, gave some structure and direction to the action and reflection which took place while the project was being executed.

The subproject aims are set out at the beginning of each subproject chapter in this thesis, and these chapters conclude with the subproject's results being measured against these aims. This was again deliberately designed to show the reader the deliberate directed action taken for each subproject against these aims. These results measured against the subproject aims are not designed as a measure of the subprojects success or failure as research subprojects, but

rather to show the changes which occurred in the thinking about creating change over the period when measured against these aims.

The structure of this chapter is aligned to the three contributions firstly, and then looks at conclusions across the entire doctorate. The next section looks at the project's contribution to the client organisations.

6.2 Contribution to client organisations

In this section we look at the findings from the project as they relate to the contributions to the client organisations associated with the various subprojects. These contributions stem from the first objective of the project total which was to *influence positive cultural change by focusing the client organisation on a set of espoused corporate values appropriate to that end.'* This objective is the anchor point for the conversation about how the project contributed to the client organisations, but is not intended to limit the reflection on positive client outcomes.

The aims of the subprojects each aligned to the above objectives though each in their own way. The three approaches to the first objective being in different organisations, and with the researcher in different organisational roles, unsurprisingly yielded different results. The starting point for individual contributions to these organisations was however still the subproject aims themselves, as these set out what the intended contributions were initially.

6.2.1 Subproject one, client contributions
In subproject one or the Harcourts example, the aim specifically was to *align the underlying assumptions held in Harcourts Western Australia (HWA), with the espoused corporate values of the overall Harcourts organisation.* This aim was a specified part of my organisational role as well as being the goal of the research subproject. In achieving its aim this first subproject

in Harcourts was likely the most effective of the three. There was an identifiable

improvement in the alignment of underlying assumptions with the espoused corporate values

as observed in behaviour and evidenced by the Harcourts interviews (appendices 9, 10, and

11), which suggests success against this aim of aligning the shared and espoused corporate

values through a focus on the latter. There was also an improvement in the organisation's

performance as demonstrated in the board reports (appendix 6), which raises the possibility

that this culture change was positive as set out in the project's first overall objective. The

very nature of culture change is however hard to quantify as noted by Schein (2010), because

such a large part of what a culture is remains unknown or at least unexamined by the people

working within it. This '*taken for granted*' (Schein, 1992, p. 6) element of culture coupled

with its underlying responsive and changing nature (Schein, 1999a), make it difficult if not

impossible to conclude that the actions taken during the subproject period solely contributed

to the business outcomes. It seems however more probable that the focussing of the Harcourts

organisation on the existing espoused corporate values did play a role in the culture change

that occurred, and that that change was indeed positive for the organisation.

The Harcourts subproject predated the second and third subprojects and as such many of the

final lessons associated with perceived success from the Harcourts subproject formed starting

assumptions for the following subprojects. With this in mind, and in the pursuit of

understanding why this first subproject was more successful in achieving its aim, the

differences between the circumstances of the Harcourts subproject and the subsequent

subprojects become worthwhile exploring.

One notable difference which could have influenced the positive outcome in the Harcourts

example was the existence of, and centrality of, the Harcourts espoused corporate values in

other parts of the Harcourts organisation during the subproject period. The Harcourts

espoused corporate values had been used to great effect to gain market advantage in other

areas of the organisation, and as such were seen as a strategic requirement as much as a behavioural one. This history of pragmatically using the espoused corporate values to influence the organisation (Harcourts, 2014), gave great momentum to the process of creating a focus on these espoused corporate values in the new region of Western Australia (Moore, 2013). Whereas in ESC the espoused corporate values were not established, and with people on the PNGgold subproject seeing the espoused corporate values as irrelevant to the job at hand, in Harcourts the espoused corporate values were well established, and had been seen to be organisationally effective.

This positioning of espoused corporate values in the Harcourts organisation prior to my appointment as CEO or the beginning of the subproject would likely have made the process of aligning the underlying assumptions of this group to the espoused corporate values much easier than in the later subprojects. Looking at this possibility through the lens of the formal and informal elements of organisation (Senior & Swailes, 2010), it indicates that the formal elements of the organisation such as the structure, strategy, finance priorities, or organisational goals, have an substantial impact on the informal elements of the organisation such as the culture as it develops. In this subproject case, some specific examples of this momentum included the interactions of Harcourts WA people with those from other states who had underlying assumptions aligned to the espoused corporate values, and the constant reinforcement of the espoused corporate values through speeches and marketing which was generated elsewhere in the organisation. It is likely then, that in Harcourts Western Australia I was encouraging the teams to join the rest of the Harcourts organisation in making these espoused corporate values underlying assumptions, rather than leading the implementation of the espoused corporate values in isolation from others influences. Or put another way, I was simply reinforcing elements of an existing culture which was already supported by the formal elements of the greater organisation. This was not clear to me at the time, and as such my

assumption was that my actions had contributed to the adoption of the espoused corporate values more than they had. In retrospect, I likely overestimated my influence when reflecting on this case and in writing *Culture at Work* (Moore, 2013), which lead to my overestimation of my ability to generate culture change in the following two subprojects.

Finally, in looking at the client contribution in this subproject we must look directly at whether the overall objective and subproject aims were achieved.

Were we able to focus the client organisation on a set of appropriate espoused corporate values? In the case of the first subproject at Harcourts I believe that this thesis demonstrates that we were able to achieve this, and that the Harcourts Western Australia organisation was better as a consequence, particularly in the more aligned focus of business owners around using the corporate espoused values, and the sense of identity this reinforced in the team as a whole.

Were we able to use these espoused corporate values to influence a positive cultural change? In the case of the first subproject at Harcourts I again believe that this thesis demonstrates that to some degree we were able to achieve this, and that again the Harcourts Western Australia organisation was better as a consequence. This improvement came in the form of changed behaviour in teams aligned to the corporate espoused values, and the consequential increase in the overall attractiveness of the business in terms of recruitment and retention of new business owners and sales people.

Did we align the underlying assumptions of the Harcourts Western Australia organisation to the espoused corporate values of the overall Harcourts organisation? I again believe that this thesis shows that we were able to align the assumptions of the local organisation with those of the greater organisation using the espoused corporate values, although it is also clear that there were likely many other factors other than the use of the espoused corporate values

which also contributed to this increased alignment. This increased alignment can be seen at the espoused values level in the increased consistency between the language used about the corporate espoused values in the Western Australian team and the greater Harcourts team, and at artefact level in the use of the corporate espoused values as part of recruitment and management processes in Harcourts Western Australia.

Although only partially attributable to the deliberate action of the researcher, the contribution to the client organisation from subproject one is shown in the achievement of the key elements of both the overall project objective, and the subproject aim. The next section looks at the client contribution from subproject two.

6.2.2 Subproject two, client contributions

In subproject two or the ESC example, the aim of the subproject was specifically to *Develop and instil a set of espoused corporate values within the Executive Support Consultants organisation in order to positively influence the organisation's culture.* Notable on the basis of the Harcourts example, this aim called for the creation and instillation of the espoused corporate values so that they would become underlying assumptions. My role at ESC was that of CEO of a start-up consultancy and as such the espoused corporate values of the business were one of many things I was attempting to coordinate during the period. Unlike my role at Harcourts where the business was a going concern with established methods of doing everything already in place, ESC was a start-up business where every system had to be created from scratch, and every decision had to be made for the first time.

The above aim sets out the goal of using the underlying assumptions to positively influence the culture. Through this subproject I considered a positive influence to be one which supported the longer term direction and success of the organisation. However, as was articulated in chapter four, the longer term direction of the business was very unclear during

the entire subproject, and in the end the business itself reformed entirely rendering the culture change goal largely irrelevant.

Stratified Systems Theory as set out by E. Jaques (2006) was a pervasive influence on my thinking at the time and likely influenced my preference for longer term thinking and planning in my role. Jaques suggests that people in higher level roles in an organisation should be looking at longer timeframes in their approach, and that these longer time frames take a greater mental capacity to consider due to an increased number of variables. In short, he says that smart people are at the top of the hierarchy, and should think long term. Considering myself one such person I took the lead role in the ESC organisation and attempted to focus on the long term, leaving a short term directional void for the rest of the ESC team, and a real lack of clarity for the business as a whole.

Returning to the issue of culture change, an early lack of clear direction made the alignment of any underlying assumptions to that direction impossible, and in retrospect the pursuit of clarity on this direction blinded me as leader to the more immediate needs of the business and the people working within it. The aim of influencing positive culture change itself indicates that I intended to set and plan a path for the culture of the business, then execute on that plan, because it assumes that I was aware of what a positive culture change was. This plan and execute approach was shown to inhibit my willingness to change or be flexible in the face of market or organisational feedback, and possibly retarded the learning of both myself and the organisation in the process. I am not suggesting that the aim is responsible for directing my thinking to ignore feedback, but rather that my underlying preference for planning and executing generated both the aim, and the direction of my thinking.

The greater stability and history of the Harcourts organisation, and the lessons I took from that experience, may also have predisposed me to a plan and execute approach. In a larger

more established organisation, resistance to change was a key restrictor and a primary focus for me as leader in Harcourts, where I overcame this resistance over time by planning out the process and point I wanted the organisation to get to, and executing that plan. In the case of ESC however, the variables were considerably more numerous and as such, long term resistance was not an issue as much as short term directional clarity. My history, personality, and consequent management style was not of adaptive learning where action, feedback and synthesis happen in sequence to bring understanding, and where I would likely learn this lesson from the process itself (Daft, 2009, p. 486). It was only over time and with considerable reflection that I was able to gain some clarity on the possible causes of my much more limited success in ESC.

Another possible motivator for the long term direction element of this aim, was my early understanding of organisational culture change. Starting with the premise that culture within a group and its consequent behavioural manifestations are largely unassessed by the individuals being observed, and that this lack of awareness leads to many factors other than cognitive and deliberate choice contributing to behaviours, I understood that changing joint cultural or individual habitual behaviour was a slow process. This slow adaptive nature of culture change is also reflected in the work of other scholars (G. H. Hofstede, 2001; Schein, 2010; Stanford, 2010). This was also true of underlying assumptions as they in my mind form the most impactful elements of a group's culture. This was and still is my understanding of culture change. Therefore, in light of the long time frames associated with the development or influencing of underlying assumptions, it made no sense to influence underlying assumptions to support anything other than a long term direction of the group. If the underlying assumptions will take time to develop, then better to develop them aligned to something we will still want when the time comes. From this deductive structure I came to the conclusion

that the underlying assumptions should support the longer term direction of the organisation rather than any shorter term tactical or managerial aims.

An interim thought from the ESC subproject's second cycle was that a focus on behaviour that would support the strategy of the organisation in the short term, would over time be more likely to develop into underlying assumptions which would support the direction of the organisation in the longer term. Managing behaviour is a common approach to managing organisations generally seen either in texts on leadership and management of people (Daft, 2009; Fulop et al., 2009), or in the packaging of Human Resource Management (Gold, Holden, Iles, Stewart, & Beardwell, 2010; Nankervis et al., 2011). This assumption that short term behaviour change was likely to lead to long term cultural change now seems very simplistic as it assumes that behaviour is solely motivated by cultural norms and vice versa. Though this may be true in some cases or to some extent, holistically there are many factors which drive behaviour which are not cultural including short term incentive, habit, peer pressure, and preference as expressed manually through choice. When it comes to influencing underlying assumptions by changing behaviour, it seems likely that what is driving the behaviour is more important than the behaviour itself.

If a behaviour is being motivated by something which might also drive changes in underlying assumptions such as peer pressure, then the changes in behaviour may align to changes in underlying assumption. If however a behaviour change is motivated by short term incentive or punishment, it may not be an indicator of or align to changed underlying assumptions. In Schein (1999a) language, the behaviour is an artefact and may or may not be indicative of the underlying assumptions. Artefacts are easy to observe but hard to interpret. Summarising this point, underlying assumptions can influence behaviour, but as behaviour can be motivated by a variety of things, it is not a good indicator of underlying assumptions. Therefore, changing

behaviour cannot be used as a proxy for changing underlying assumptions, or culture more generally.

Another notion which is intuitively appealing is that the strategy may naturally drive culture change in a positive way, in that if the culture develops from and aligns to the strategy then it is likely to be to the benefit of the organisation. Using again the ideas of the formal and informal elements of the organisation as set out in Senior and Swailes (2010), this is akin to having the formal elements of the organisation always positively influence the informal elements of the organisation. This idea assumes that we get the underlying assumptions we need for the organisation, by focussing on getting the organisation we need to meet the markets need. However, this does not take account of the changes in consumer preferences, competitor actions, or innovation in the changing demands on organisations. On the basis of the market changes not being driven by organisational forces, it now appears that a focus on strategy is no more likely to yield underlying assumptions aligned to organisational needs than ignoring the development of underlying assumptions altogether. Or in other words, underlying assumptions may well develop from the strategy, but would need to change as market forces forced change on the strategy, so I have concluded that there is no naturally occurring, underlying assumption driven benefit to the strategy derived from using the strategy to drive the development of underlying assumptions, as I periodically thought there may be. For clarity, I am saying that if the culture is a product of the strategy, and the strategy a product of the culture, then it becomes a closed system with reduced responsiveness to feedback from the market or other forces outside the organisation.

The contributions to ESC from this subproject were therefore not completely aligned to the aims set out for the subproject because longer term direction of the organisation was not established, and consequently underlying assumptions could not be developed to support them. The contribution to the members of the organisation in the end stemmed from the

execution of the subproject as it provided lessons on the folly of over-planning in unpredictable environments, and the importance of being open to feedback. This focus on flexibility in approach and openness to change did possibly become a underlying assumption within the group as demonstrated in the third cycle of the subproject and the decision to completely change the organisation, and then finally each become independent.

Finally, in looking at the client contribution in this subproject we must look directly at whether the overall objective and subproject aims were achieved.

Were we able to focus the client organisation on a set of appropriate espoused corporate values? In the case of the second subproject at ESC, I believe that this thesis demonstrates that we were to a limited extent able to achieve this, and that the ESC organisation was marginally improved as a consequence of that focus. As noted in chapter four, there was in the end some alignment of the reduced team around the revised espoused corporate values in the aftermath of partnering with The Table Group.

Were we able to use these espoused corporate values to influence a positive cultural change? In the case of the second subproject at ESC I believe that this thesis demonstrates that we were not able to achieve this, and that although there was some focus on a set of espoused corporate values, this focus did not translate into cultural change.

Did we *develop and instil a set of espoused corporate values within the Executive Support Consultants organisation in order to positively influence the organisation's culture?* In this case, as noted above, I believe that we did develop a set of espoused corporate values for the ESC organisation, and we did focus the ESC organisation on these espoused corporate values. As there was no evidence of this focus leading to an impact on underlying assumptions however, I conclude that we were not successful in instilling these espoused

corporate values in the organisation, influencing underlying assumptions, or indeed influencing cultural change.

Subproject two contributed to the client through the process of defining espoused corporate values, and through increasing the focus on these values. This increased focus on the espoused corporate values is shown to have positively impacted on behaviour as well as to the skills of the people in the business, even though to overall objective of positive cultural influence was not achieved. The following section looks at the client contribution stemming from subproject three.

6.2.3 Subproject three, client contributions
In subproject three or the PNGgold example, the stated aim of the subproject was specifically to a*lign underlying assumptions of leaders on the PNGgold project to those in the espoused corporate values, through the development and implementation of a leadership development program.* This subproject was implemented concurrently with subproject two in ESC, and as such many of the events cross over. This also means that the lessons which I brought from Harcourts to ESC about culture change I also brought to the PNGgold project. This subproject was, like the ESC subproject, largely unsuccessful in achieving the aim as set out above. Any additional alignment of underlying assumptions to espoused corporate values in the PNGgold project team was incidental, and the best thing that could be said is that there was an increase in the awareness of the espoused corporate values as a consequence of the leadership development program (LDP). Referring back again to the Harcourts example, the PNGgold project had virtually no awareness of the espoused corporate values through the organisation, and so were completely unaware of any possible benefit stemming from their use day to day.

Where at Harcourts there was an existing understanding of the espoused corporate values, their centrality and benefits, in the PNGgold organisation there was almost no awareness or

focus at all. This meant that there was no reinforcement of the espoused corporate values outside of the LDP we were implementing. As suggested by Hartog, Van Muijen, and Koopman (1996), ceremonies, stories, slogans and symbols are useless if leaders do not signal and support important cultural values through their daily actions. Considering also that the organisation itself was transient with people joining and leaving all the time, and that people were also spread across three locations and rarely mixed with each other, the likelihood of the LDP creating changed underlying assumptions in isolation was slim. Again I failed to see this issue possibly due to my belief that I had personally altered the underlying assumptions of Harcourts, and so could also influence that change here at PNGgold. This was of course incorrect as in both cases the organisational circumstances were likely far greater contributors to the outcomes than my personal actions.

On the basis of the PNGgold example, it appears questionable as to whether there was ever going to be organisational benefit in a broad culture change program such as we attempted to implement in this subproject. The time taken to change norms within a group that is temporarily together by design could well be more effectively applied to direct skill or behaviour change rather than attempting to align underlying assumptions. As noted above, culture change happens slowly in large organisations, and a culture change program may consequently be of little value to a large temporary organisation such as a construction project team. This is not to say that organisational development work would not benefit the outcomes from a project team, but rather that specific team functionality or specific leadership skills development may be of greater value in such a circumstance. Alternatively, the culture could be allowed to develop largely of its own accord as driven by the strategy in these circumstances.

The hypothesis of cultural change being less beneficial in a short term organisation than other organisational development interventions, is exampled in the subproject where the

beneficial impact of the LDP was more in its contribution to skills development, meeting effectiveness, and team effectiveness than it was to changing the underlying assumptions of the group or aligning behaviour behind the espoused corporate values (Kate Moore 2014, appendix 14). This is again more akin to responding to the needs of the organisation rather than planning and executing a change program, much like the discussion of ESC above.

A counterpoint here is that a culture that is itself adaptive could be encouraged which would then provide the flexibility required to deal with the changes in the organisation's environment. Such a culture is described by Daft (2009, p. 459) and is referred to as an adaptability culture. This adaptability culture is described as valuing creativity, experimentation, risk taking, autonomy, and responsiveness. This option is interesting for two reasons. Firstly because much of what we saw in the artefacts of the existing culture of the PNGgold organisation seems in retrospect to have been aligned to these adaptable values. Secondly because given the circumstances of the PNGgold organisation at the time of the project, this adaptive style of culture seems on the surface to be perfectly appropriate.

Both the responsive approach of working with shorter term factors rather than culture, and the option of focussing on an adaptive culture when applied to a project team environment, could appear like organisational firefighting. Perhaps however the project organisation is like a bushfire making a firefighters approach prudent. When flames are bearing down on the house (losing money), it's no time to consider forestry planning (long term cultural change). This analogy is equally appropriate for either the ESC or PNGgold subprojects, as the focal timeframes associated with executing on the aims did not align with those required to help the client organisations themselves.

Taking that point one step further, in both cases a more disciplined or planned and executed approach to the subproject aims would have required a blocking of feedback from the

situations or organisations themselves. As Thomas Sowell notes regarding feedback received during execution of a plan, *'This feedback is not only additional knowledge, but knowledge of a different kind. It is direct knowledge of particulars of time and place, as distinguished from the second hand generalities known as "expertise"'* (1980, p. 41). Blocking this feedback and pursuing the aims blindly would likely have harmed the client organisations in question. In ESC the timeframe associated with underlying assumptions change was too long when considered against the needs of the organisation, and in PNGgold the internal resources required to align such a transient team to underlying assumptions would likely have left more time sensitive elements of the project such as correct scheduling and joint venture partner relationships unattended. In the Harcourts example however, the timeframes associated with the organisations change and success were well aligned to the timeframes associated with changing underlying assumptions, and the stability of the organisation itself including the likely timelines for employment there meant that the management investment in building underlying assumptions in the team would have time to pay off for the organisation as a whole.

Finally, in looking at the client contribution in this third subproject we must look directly at whether the overall objective and subproject aims were achieved.

Were we able to focus the client organisation on a set of appropriate espoused corporate values? In the case of the third subproject at PNGgold, I believe that this thesis demonstrates that we were not able to achieve this. The espoused corporate values may well have gained increased awareness from people in the LDP and a few select individuals, but an organisation wide focus on the espoused corporate values was never achieved.

Were we able to use these espoused corporate values to influence a positive cultural change? In the case of the third subproject at PNGgold I believe that this thesis demonstrates that we

were again not able to achieve this, and that along with the inability to focus the organisation on the espoused corporate values, came the inability of those espoused corporate values to influence positive culture change.

Did we *Align underlying assumptions of leaders on the PNGgold project to those in the espoused corporate values, through the development and implementation of a leadership development program?* In this case, we did indeed develop and implement a leadership development program for the PNGgold organisation, but this program when implemented did not lead to the alignment of the underlying assumptions of leaders in the organisation to the espoused corporate values. There are many possible reasons for this as described previously in this thesis.

In measuring the overall success of the three subprojects against their respective aims, there was success in the case of Harcourts and failure in the cases of ESC and of PNGgold. Although it is stated above that positive culture change was achieved in one of the three subprojects, I would deem all three subprojects successful. This point is made more clear when considering the possible negative consequences of a more diligent and feedback blind pursuit of the aims in subprojects two and three, and the fact that in both these cases actions were taken on the basis of feedback to better influence *positive culture change*, albeit through methods other than the direct targeting of underlying assumptions.

The change in focus and eventual willingness to change in the face of feedback is also partially a credit to action research itself. Without the flexibility to adjust the aims or questions in light of organisational or market feedback the doctoral project as a whole would have been at an impasse. The feedback from both the organisation and market on the consequences of the first action cycle in each subproject contributed greatly to the adjustment

of not only the methods being implemented, but of the aims themselves. This concurrent feedback on both the questions and the answers from the process, coupled with the ability to adjust both in light of new information, are key benefits which the action research methodology and processes brought to both this doctoral project and the client organisations who were involved with it.

In summary, this section has looked at the projects contributions to the first of the three parties to the tripartite agreement, the client organisation. This contribution is reflected through the project and this thesis as the first project objective. The conclusion of the project contribution to the client organisation is that although the specific influencing of underlying assumptions through focussing the organisation on a set of espoused corporate values was only achieved in one of three cases, some influence on the organisation was achieved in all cases. Also and most importantly, in two of the three subproject cases, the organisations themselves virtually ceased to exist at the subproject conclusion. This indicates to me at least, that any further attempts at directing the culture of these organisations may well have been in vain regardless.

The next section looks at the contribution of the doctoral project to my professional development as researcher.

6.3 Contribution to professional development
The second contribution of the doctoral project which will be discussed here is the project's contribution to the professional development of me as the researcher. As set out in chapter one, there were challenges associated with managing the differing roles I played through the execution of the subprojects, but on reflection this friction between the different roles and the required perspectives and activities provided some of the most valuable learning of the project. Coghlan and Brannick (2010) on balancing role duality in action research. '...*in trying to sustain a full organisational membership role and the research perspective simultaneously,*

you are likely to encounter role conflict. Your organisational role may demand total involvement and active commitment, while your research role may demand a more detached, theoretic, objective, and neutral observer position' (p. 119). The notion of being a participant researcher forces reflection on the differences between the different perspectives, as well as the differences between casual learning and learning after critical reflection. Organisationally, the goal is most often the success of the organisation, or perhaps in a less flattering light the success of individuals within the organisation. For the researcher, the goal is most often understanding or truth, or perhaps and again less flatteringly, the confirmation of an existing hypothesis. These two goals will lead the researcher or organisational leader to attend to different things as he or she gathers information from their environment, to create different mental categories in which to divide and sort this information, and to create different narratives so as to link the information and categories together.

This process of gathering and interpreting data on our world has the duel tendencies to both confirm existing narratives rather than change them, and to create a self-image which is flattering (Kahneman, 2012; N. N. Taleb, 2010). Over a long history of gathering and interpreting information a person's perspective is created with the evolutionary aim of survival, rather than the scientific aim of discovering truth. This method of building a perspective is troublesome when playing the dual roles of researcher and organisational leader because often the pursuit of truth leads a researcher to a less than flattering perspective on their own organisation. Alternatively stated, the confidence or positivity of the leader, although important for morale due to the carry over effects of 'the halo effect' on their team (Rosenzweig, 2007), is often uncorrelated to that leader's predictive capability or warranted confidence (Burton, 2008), and therefore this need for positivity and confidence in the leadership role negatively impacts on the researcher's pursuit of objective truth. Adding to

this challenge is the natural human reliance on perspective in responding to day to day circumstances.

In trying to maintain the dual perspectives of researcher and organisational leader, I was never sure how to view an incident, or how to respond appropriately. It was not unusual for me to respond to a tactical work question from a team member with a theoretical or hypothetical alternative question which from my perspective at least, caused some disillusionment with my organisational leadership from time to time. It was also a constant battle to reflect on organisational situations critically when writing either in the journal or this thesis document. The tendency to paint a positive picture as built in the mind of an organisations leader is almost insurmountable at times. After critical reflection on this ongoing challenge, it became a key learning from the project itself, and a real contribution to my understanding as the researcher.

In preparation for considering the contributions to professional development of me as researcher, the baseline of the learning portfolio was established at the outset of the project. From that point beginning and ending assumptions were included into the three subprojects in order to show progressive learning, in context, and as it occurred. The remainder of this section will explore these changing assumptions and will conclude with the major themes of the project's professional development contribution.

6.3.1 Subproject one, changed assumptions

Firstly was the change in understanding of effective leadership behaviour, that saw the benefit of acting as you would have others act to create behaviour change rather than acting differently to create distinction and improve status and using that status to demand behaviour change of others. Chris Argyris (2010) sets out two models of reasoning as '*Model 1 theory in use: defensive reasoning*', and '*Model 2 theory in use: productive reasoning*' (pp. 63-64), and notes that although many people espouse the values of model 2 reasoning, they

unknowingly act in accordance with model 1 reasoning, '…*the empirical fact to date is that very few individuals can routinely act on their espoused values, and they are often unaware of this limitation'*(p. 64). This lesson stands up quite well to deductive reasoning when you consider the power of social influences over behaviour when compared to the power of a persons will over their behaviour. Watching someone who has a leadership role and acting like them to gain social acceptance is a natural human behavioural response and required virtually no effort. Manually changing your behaviour with deliberate actions however has to work against these social norms and required considerably more energy. A person's mental energy or will is a scarce resource and as such there is an opportunity cost associated with utilising it for any task. So if a person intuitively found that the benefit of the requested behaviour change outweighed the total opportunity cost of their focus or energy, then a request or direction to change may be all that's required. This behavioural economics concept of bounded rationality first put forward by Herbert Alexander Simon (1982), suggests that decision making is limited by the information people have, their cognitive ability to process the information, and the time they have to process the information. Therefore, looking at the boundaries of cognition or mental energy, and the allocation of this mental energy suggests that if I can reduce the mental energy cost of changing the behaviour I will increase the likelihood of the change. This is an example of making a change easier and consequently making it more likely. This was also the basis of my belief in the power of personal behaviour which formed the basis of Culture at Work (Moore, 2013), and of my approach to the second and third subprojects.

The *second* assumption change from subproject one relates a change in my understanding of positional power in getting change in others. I learned that although positional power allowed me to make structural or major strategic changes in the business easily, behavioural changes were no less difficult with the additional positional power. Instead, I leaned that people will

listen because of positional power, but still need to be engaged before they will personally change. As with all change be it behavioural or more business tactical, there is an effort involved in realigning perspectives, breaking habits, and creating new norms. This effort is again a cost to the person changing and a commensurate benefit from the change needs to be seen before a person can logically make the change. This process of weighing up the costs and benefits is not a science, and in most cases people are guided by their initial feelings about the change to their preference, and these initial feelings are influenced by how they relate to the person recommending the change as well as many other things. This suggests then, that a stronger personal relationship with a person will allow them to more easily listen and see the benefits in any change effort you initiate, and that this openness will by itself reduce resistance. Positional power does not reduce resistance but rather attempts to overpower it. A leader can increase the probability of a change occurring through reducing barriers by increasing trust and receptiveness, or by increasing the incentives and penalties to overcome existing barriers, and my conclusion here was that the former is preferable given the choice. The lesson here is again in making change easier rather than just increasing the benefits of it.

The *third* changed assumption from the Harcourts subproject related to the role of the leader as provider of wisdom. On reflection this was the beginning of my learning on the relative benefits of mastering content or process to lead. The concepts begin to intertwine at this point and while I have chosen just a few examples, the underlying premise is far more pervasive than these examples suggest. In this example I came to see more benefit in a well implemented idea over a perfect idea poorly implemented. This suggests that the process of generating and implementing the idea has more impact on the outcome than the idea itself. This can of course not be a rule, but rather a general premise which seeks to compensate for the natural tendency of people to credit the idea rather than the process with the outcome.

Schein (1999b) in his 'Process Consultation' method of interacting with a client suggests a similar approach of learning first while minimising the directedness of any intervention in a client organisation. This is for me a focus on the process rather than the idea applied to consulting practice. In another example, Sowell (2011) goes to great lengths to demonstrate that the question that will make the difference in the longer term is not what decision should be made, but rather who should make the decision and under which incentives and constraints? This is again an example of a focus on the process rather than on the idea itself. Though this general concept is clearly more involved than its project origins, it was in the consideration of these changed assumptions that I began to associate these separate ideas. Starting with the understanding of a leader not needing to know everything therefore we conclude with the notion that focussing on the process of decision making or implementation will have a greater impact on the eventual outcome than a focus on the idea, question or answer themselves. And that this is largely beneficial because it's compensating for the natural tendency to attribute the results to the person or idea rather than the process, and as such is expanding the focus to include more of the contributors to outcomes.

6.3.2 Subproject two, changed assumptions

The *first* changed assumption from subproject two relates again to behaviour modelling. Rather than seeing the benefits in this case however, I was becoming aware of the limitations of modelling desired behaviours. The situation was such at ESC that pressures were bearing down on people from every direction. These pressures included social, financial, performance, organisational, and in the end psychological pressure. With these various pressures competing for the limited attention of people on the ESC team at the time, it is little wonder that they were not in a position to watch and mimic me as a behaviour model. In short, we were at the time and as individuals largely reactive to our environment, and it

became apparent to me that in order to influence the team's behaviour I needed to take greater control of the environment which was creating the reactions.

Beginning with the assumption that people respond rationally to the incentives and constraints they face, and that some of these incentives and constraints are internal as suggested by bounded rationality (Herbert Alexander Simon, 1982), the objective became to gain an understanding of the internal and external incentives and constraints which faced the people in the business. This focus was thought by me at the time would give me a greater understanding of and ability to influence behaviour through changing the environment around a person. What I failed to consider in this assessment however were my own limitations, and the incentives and constraints I faced. Chief among these limitations was my perceptual inability to understand the world from another person's perspective, and my cognitive inability to process the variables associated with controlling such a complex environment.

This lesson therefore came in two stages, firstly that there were many influences contributing to the behaviour of a person, and secondly that the interactions of these variables were too complex for me to be able to process and anticipate with any accuracy. There was simply too much information I didn't have, and to many interactive variables contributing to every outcome. In short it was a complex system and I began to understand my limited ability to predict outcomes associated with any inputs.

The *second* changed assumption from subproject two related to the differences between people and their process for gathering, interpreting, and applying information. This idea expands to my understanding of my relationship with the world and others more generally. I have a preference for deductive reasoning where I first develop a linked mental structure that depicts the world, then test it logically, then I tend to look for real world examples to support that mental structure. Other people in the ESC business however had a preference for

inductive reasoning where they first looked to the world for data, then measured that example against other reality based examples, and only then looked to build a concept which would link these observations together. Neither of these perspectives were of course exclusive but rather were preferences. In learning together, building a common picture of what was happening in the business, and in communicating, these differences forced a change in my perspective of others in the world, and a greater portion of what I had previously considered reality I came to consider only my perspective.

The general implications of perspective reality which I have subsequently considered are vast so I won't address them here, but sufficed to say that it was humbling to realise that what I had considered truth would need to be reclassified as my perspective, and that the compassion and understanding I felt for others in their perspectives increased dramatically. Paraphrasing Pirsig (1984), In order to travel the high country of the mind, one must be willing to breathe the thin air of uncertainty. The notion of, and acceptance that, differences in our preferences and attention over time mean that we each live in and respond to different mental worlds, is certainly an example of an uncertainty creating concept.

The *third* changed assumption from subproject two stems again from the mentality of research, planning, and execution always being the best approach to change. The challenge here is in the openness to feedback, and the tendency to defend a path forward once this path has been set. The challenge comes from the mental defence of the plan in that this defence blocks feedback on the validity of the plan during its execution. In order to rationally plan and execute an intervention of any kind without openness to feedback, its logical that one underlying assumption must be of having enough information at the outset to predict the plans outcome. This was my assumption when beginning my time at ESC, that I had enough experience in my past to plan and execute that plan in this new environment, largely in isolation from feedback. At the time I saw this as good leadership, setting a path and

remaining consistent in that direction. The reality was however that when exposed to the free market where everyone has options other than to work with you, ignoring feedback will likely yield negative results at any time. This was one factor which caused me to seriously reflect on what influenced me to take a 'plan and execute' approach to such an unfamiliar environment.

The *fourth* and *fifth* changed assumptions from the second subproject were again looking at the implications of our limited self-control. If everything we did each day was deliberate and cognitively considered, then changing behaviour would be a simple matter of choice between options. The reality is however that most of our daily decisions are not cognitive, but automated. This is not saying that we can't make a choice to do whatever we would like, but rather that these choices take energy to focus and choose, and that we have a limited amount of this energy. To overcome this limitation people use automated processes to make decisions and take actions. These decisions and actions can be generated by habit, cultural norm, or through intuitive decisional shortcuts or heretics. Regardless of how these decisions are made on a person's behalf, without their origin being deliberate cognition there are implied limitations to the behaviour change a person can manage within a timeframe.

This realisation of limited deliberate change capability extends to a greater understanding of the non-intentional nature of many outcomes generally, and the over-attribution of intent to many of these outcomes. For example, where previously I may have attributed a person's lack of change to stubbornness, I would now be more likely to attribute it to a cultural norm, habit, or limitation in their ability to change. This perspective is again more compassionate. It appears to me that people naturally over-attribute both the intentional nature, and the measurable or perceivable contributions to most outcomes, and it's in understanding and mentally compensating for these biases that one can gain access to a more realistic picture of any complex system, and of what links inputs with outcomes. Compensation such as this

however takes focal energy, and being that we don't have a limitless supply of this energy, the expansion of this computational approach is unlikely to be workable in a real world environment such as an organisation.

6.3.3 Subproject three, changed assumptions

The first and second changed assumptions from subproject three were again related to the adaptive nature of past experience to new environments, and the value of a less proscriptive approach to a complex system such as an organisations culture. Rather than assuming that I had all the required knowledge in this case, my assumption was that the cultures themselves would be similar enough for what I had used in the past at Harcourts to still be applicable. This was clearly not the case as was set out in chapter five. My failure to see the error in this assumption earlier is interesting and perhaps instructive in itself. Intelligent practice is said to develop through a succession of experiences where the subject learns incrementally from one event, automatically applying this lesson to the next event without converting the lesson into a theory (Ryle, 1949), the speed and validity of this learning is also said to be a product of the quality and speed of the feedback received after the initial event (Sowell, 1980; Surowiecki, 2005), and it is also noted that delayed feedback after an event can often invalidate any possible lesson by increasing the risks of the intuitive mind misattributing the outcome to erroneous stimulus (Kahneman, 2012). This indicates that it may have been the lack of quality, timely feedback on my experiences at Harcourts which led to my misattributing that single experience of success as an overall knowledge or business acumen.

This learning also began my understanding of differing roles and how they affected change initiatives. As an external change agent on the PNGgold project I not only found it difficult to influence change in the organisation, but found it difficult to anticipate responses to even small interventions. Without having been properly inducted into the culture of the PNGgold organisation, I was largely unable to accurately predict the outcome from any intervention

whether it be a large scale exercise such as the LDP or something small such as a single piece of advice given to a person in the camp. Several eminent consulting theorists would assert that it is not possible to understand an organisation fully from that outside, and that any consultant should expect to be surprised at times by the unexpected consequences of their interventions (R. Harrison, 2010; Schein, 1999b). The limitations of my comprehension here lead to my focus on the process rather than the answer, and to perfecting a process of observation, process focus, and small trial interventions in an attempt to maximise my effectiveness. Nothing from my Harcourts experience was of much value as it had all been action and consequence based knowledge which can only lead to advice. It was in the development of process competencies that I developed an ability to be helpful without understanding the culture, specialty area, or any other variable that might affect the validity of one action or another. This process consulting approach (Schein, 1999b) instead took advantage of the knowledge of the person in the role and looked to get the best of them both in bringing knowledge to bear on the problem, and in the execution of the eventual decision. I learned through this that understanding processes generally was a more broadly usable skill than any other speciality knowledge, as it takes advantage of people who are in the culture and who will automatically compensate for that culture in their decision and execution.

The third and fourth changed assumptions from the third subproject again related to the negative impact a lack of feedback during execution, and of being prescriptive in execution of a change project. The third assumption being that I would be required to produce fast measurable results for the client. Although I am sure that the leaders at PNGgold would have been delighted if I were able to provide fast measurable results on the changing of their culture, the reality is that it was never their expectation. Furthermore, whether culture can be measured is an issue of debate among experts and practitioners. Although there are certainly consulting firms which offer culture surveys or interview processes designed to assess or

measure elements of culture in an overall way through an organisation, there are several

challenges with getting valuable data from a survey process. Most notable here are challenges

with not knowing which elements of the culture are important in the organisation, measuring

what is more easily measurable rather than what is most important, differences in how

respondents interpret questions, issues of honesty in answers, challenges with aggregated

answers in such a complex system, and the risk of setting expectations of change by simply

surveying the group (Schein, 1999a; Stanford, 2010). These challenges with measurement

meant that it was likely not possible for ESC to deliver fast measurable results.

The fourth assumption related to the knowledge and experience of Len as the other consultant

in the situation. Briefly recapping, I assumed that Len had a clear plan for how we would

execute our approach at PNGgold, and coupled with my status as a new consultant, this led to

my not asking questions about the effectiveness of our approach. The role of status in this

relationship is defining and may have played a role in reducing my willingness to speak up.

Len is my father, PNGgold was his client, I was new to consulting, I had not worked on a

major construction project before, and Thomas and Len had worked together before. All

these factors led to my being seen both by myself and by the others in the meetings, as junior.

My discomfort with this 'status relationship' (Schein, 2011) was expressed in chapter five

where I related the consequent impact as a lack of my personal influence, but the more

insidious impact of reducing my contribution and willingness to question. This junior status

likely impacted heavily on my willingness to speak up and question through social processes

and what can be described as a group norm of deference between myself and the other two

men.

Crew resource management (CRM) is a sub-discipline within the broader applied human

factors discipline which was originally developed by the National Aeronautical Space

Administration (NASA) in 1979. The Royal Aeronautical Society CRM standing group

describe CRM. '*CRM can be defined as a management system which makes optimum use of all available resources - equipment, procedures and people - to promote safety and enhance the efficiency of flight operations.*'(1999). Key within this discipline is communication between the captain and co-pilot of an aircraft especially when making decisions impacting safety of operations, and there have been several major aviation disasters attributed to failures in this key relationship. Good decision making is said to stem in part from intense interaction during periods of key decision making. One air incident report from the 1989 crash of a United Airlines DC-10 where excellent CRM was said to have been implemented noted that during the entire incident cockpit communications averaged 31 per minute, and peaked at one per second as the situation intensified (Myres, 2002). This intense communication allowed the junior parties to increase their situational awareness and contribution (CrewResourceManagement, 1999). Looking at Len as captain and myself as co-pilot in this situation, it appears that the climate within the meetings was not such that all contributions were seen as equal by all parties as would be advocated for optimal decision making, and it was also not the case that open communication between myself and Len facilitated good situational awareness from me again reducing my ability to contribute constructively (CrewResourceManagement, 1999). In light of this, I suggest that the dysfunction within our work on PNGgold likely began with this dysfunction in our working together.

Major contributions to professional development

 The major contributions to my professional development as a result of this project were in the form of increased understanding, the logical consequences of this understanding, and the logical next steps for action in light of these understandings and consequences.

 One definite change in me was an increased recognition of what I did not and could not understand. The uncertainty created by realising that I could not gather and process enough

information to predict outcomes in any of these complex systems was unsettling, and forced deep consideration of what rational approach I could take to interactions with these systems in the knowledge of this predictive limitation. This foundational idea is expanded on in the following section on contributions to professional practice.

A second major shift in my thinking was the realisation that little of what people did on a day to day basis was cognitively deliberate. The consequences of this were for my perspective vast, and summarised into an understanding of the consequent limitations of people to change their behaviour in the face of information alone, and to an approach to behaviour change that sought to make it easier to make it more likely, rather than simply increasing the incentive or disincentive to promote the change. To change a person's decisions, you need to look at how they are making decisions currently and go from there. If they are not cognitively making the decisions, then they are not likely to be able to cognitively change them in the future without an allocation of limited energy. If however the existing decision making element can be addressed directly, then the behaviour may be changeable with little or no additional energy required. This summarises to, 'Make it easy to make it likely, a systemic and consequentialist approach to behaviour change'.

In addition to these general lessons, I have taken one specific lesson on cultural change management. That lesson is that in my opinion, culture change management is not a discipline in itself that should be professionalised and perfected, but rather an interdisciplinary approach to managing organisational outcomes within an organisational environment. In other words I learned that as culture change happens along with and because of other things, and because culture change is not valid without improving some other organisational outcome, culture change management must be seen as part of overall organisational effectiveness to have any value. Specifically for me was the lesson that too much focus on what the culture is doing, can blind the culture change management

practitioner to what else is happening in the organisation or its environment. That this blindness can lead to either a failure to achieve the desired culture change because of blindness to other influences, or to the achievement of the culture change only to find the resultant culture no longer appropriate to the organisation's needs. Seeing culture change management as part of overall organisational effectiveness which is intertwined with other formal elements such as structure, strategy, as well as market forces, is likely to lead to a better organisational outcome than a pure focus on culture.

In this section we have looked at the contribution to professional development of me as the researcher. The contributions noted here are significant from my perspective and I personally feel that I have learned a substantial amount through this doctoral project. I am also aware that what is captured here only represents those lessons that I was able to both perceive and recall, and I am sure that there was much more which I learned yet I failed to capture. The following section looks at the contribution of the project to professional practice.

6.4 Contribution to professional practice
The third and final contribution from this doctoral project is to professional practice. There are two contributions to practitioners set out below as 6.4.1 and 6.4.2.

In 6.4.1, the first contribution to practitioners' deals directly with the management of culture change in a tactical sense, and how to effectively manage change in an organisation's culture while considering its environment. The second contribution in 6.4.2 sets out how the change practitioner should mentally approach the change management process to maximize their personal impact on the change.

Unlike the contribution to the professional development of me as participant/researcher as set out in the section above, the contribution to professional practice relates to the ability of other

professionals to take and apply lessons from this doctoral project in their own area. In the spirit of for me, for us, and for them (Reason & Marshall, 1987), the contribution to professional development is the contribution to us as researchers and practitioners.

Also unlike the previous two contributions to the client organisations and to my professional development, the contribution to professional practice is not set out initially and monitored as closely in each of the subprojects. While the contributions to the client organisation and professional development were progressively linked and developed in the subproject aims and changed assumptions respectively, the more generalist nature of professional practice seemed from the project outset to lend itself more to a final overall reflection and analysis. This is not to say that many interim hypothesis were not generated as to what may in the end be the contribution to professional practice of this project, in fact, many possible hypothesis were raised at each point in the process and captured in both the reflective phases of the cycles themselves and in the reflective journal (appendix 3). However, as these ideas built on themselves progressively through an evolutionary and often imperceptible process, attempting to capture where this process was at a given point in time by adding it into the narrative of the subprojects themselves, seemed to be something that could only be done retrospectively, and as such would provide little value that was not already captured in the reflective journal itself.

This section on the contribution to professional practice therefore is built from an overall understanding of what occurred during the project, and seeks to show with some clarity the general increase in understanding which could be taken from the project experience, and to suggest methods in which these understandings could be applied for effect by practitioners.

In reflecting on the project as a whole, two key themes emerged. The first was that changing the culture of an organisation in isolation from its strategic, historic or operational

environment had not been effective, and that resistance to change serves a purpose for those in the organisation, the understanding of which can help practitioners effectively manage change (Practitioner's tactical approach). Second was that my approach as practitioner to the interactions with these cultures had a large impact on my success or otherwise in managing change within them once I began to take action (Practitioner's mental approach). In combination these two themes form the base for the two practitioner's contributions below.

6.4.1, The 1st Contribution to Professional Practice,
Practitioner's tactical approach to culture change management

Themes from the project

Most notable as a theme from the project is the failure in two out of the three subprojects to change the culture of the organisations in which they were conducted. In all three subproject cases the intention was to in one form or another; use the espoused corporate values to drive a change in the underlying assumptions of the organisations. In the Harcourts example there was some evidence of this change occurring, but the question is, how attributable was that change to the use of the espoused corporate values? And what else was influencing the culture during the period which may have accounted for the change? So the theme from these questions is, how impactful are espoused corporate values on culture change in isolation from other drivers?

A second theme from the project was the lack of real understanding or knowledge that I had about any of the cultures in the subprojects. Trying to assess the whole of the culture in all three cases took up considerable time for very little in return.

A third theme was that what change we did attempt was often thwarted by other elements of organisational existence such as the strategies of the organisation, the structures of the

organisation, the behaviour modelled by the leadership of the organisation, or the response of the organisation to external factors such as their marketplaces.

The following section sets out how these themes formed into a contribution to practitioners of culture change management.

The Contribution

In this section, four questions are posed. When should a practitioner attempt to change the culture of an organisation? What about the culture should, and can, a practitioner change? How does a practitioner most effectively make changes to an organisations culture? And what are the mental limitations of people in executing on desired change? These four questions form the structure for the 1st contribution to professional practice, and are answered building from the base of lessons from the project.

When to attempt culture change

The development of a culture in a group is a very efficient and natural social process for mobilising and coordinating the knowledge and capabilities of the group to respond to their external environment (Alvesson, 2002; Schein, 2010; Stanford, 2010; Surowiecki, 2005). As such 'culture change management' implies interference with a natural social process and should always be seen as the exception rather than the rule for its development. Much like the opinion of Hayek (1944) as it related to government interference with the natural social system which is a free economy, the premise here is that the culture of an organisation is more complex and ever changing than can be assessed by a person, and so any intervention runs a high risk of unintended consequences. Cultures are also notoriously hard to measure, understand or predict (Schein, 2010). Therefore, as cultures do a competent job of managing themselves, and given the difficulties of predicting the impact of deliberate culture change

programs, the probability is that the culture's naturally occurring response will be more effective than a practitioner managed one. On the basis of this premise, the following section suggests that culture change should be directly managed by practitioners very minimally, or not at all.

Cultures are smart and represent the collective wisdom of the group which has been learned by responding to circumstances together over time (Schein, 2009; Sowell, 1980; Surowiecki, 2005). This culture and all its knowledge is however hidden from a practitioner of culture change management in two main ways.

Firstly it is hidden in that the knowledge of the culture is not stored in a central location, but rather is disbursed among individuals within and throughout the group as what Hayek (1945) described as 'Tacit knowledge'. Tacit knowledge in knowledge which is hard for a person to catalogue for themselves, or relay to others, because it is specific to a situation, and so is not readily recalled in the absence of that situation. This store of information is therefore challenging to access not only because its distributed nature means that it can't be sourced from a single location, but because the tacit nature of the information makes it difficult for individuals to recall, it is also difficult to collect via a survey process.

The second reason cultural information is hidden from practitioners is that much of it is also hidden from the individuals in the organisation. What I am talking about here is the fact that much of what constitutes the culture of a group is stored in the individuals as 'underlying assumptions' (Schein, 2009). Unlike tacit knowledge which is recalled by individuals as relevant knowledge when they are in a situation, underlying assumptions do not appear as knowledge but rather as simply the way it's done. In this way, the information is not known cognitively by the individual and so is also hidden from them. The only evidence of these underlying assumptions is in the norms of the group and how they respond.

In combination with the constant changing and evolving of the culture within a group, these two factors make it extremely difficult if not impossible for a culture to be understood in its totality. As such, it's unlikely that a single individual or group can have an understanding of the culture which is greater than that which is held as assumptions in the culture, because it is simply too hard to measure.

As a culture change management practitioner, there is a high likelihood that the culture is smarter than you, knows more about its challenges than you do, and has better solutions for the groups problems than you do. This is because the culture, via the people who are operating within it, is responding and evolving in real time to the situation which is confronting it. It is learning and adapting to its ever changing internal and external environment, and like a giant social organism, it is adapting itself in a decentralised yet coordinated manner.

This being the case, how can a culture change management practitioner comprehend a culture to the extent where they can predict and implement an overall culture change? The short answer is that in the opinion of this researcher, they can't.

Culture change management as a discipline must start with an understanding of, and compensation for, the limitation on what can be understood if it is going to have a positive impact on an organisation via its culture. A practitioner in tern must therefore accept firstly that they cannot fully understand or measure the culture.

This section can be summarised by suggesting that the culture is smarter and more influential than any single practitioner or group, and that before attempting to change elements of a culture, a culture change management practitioner must accept that they are not able to fully understand or measure a culture.

Culture change management practitioners should proceed toward a change process in a manner which gives due respect to the current culture's unseen validity and power. And, if in doubt, assume that the existing response of the culture is valid, and don't attempt manual change. To maximise the benefit of their interaction with a culture, culture change management practitioners should only attempt to change what they understand, and must.

What to change in the culture

In the context of the proceeding point, there are times when it may become clear that elements of the existing culture are no longer valid or appropriate to the needs of the group. In these cases, the goal would be to minimise any disruption or unintended consequences from the change program, and to maximise the chances of the desired change occurring. To achieve this, the following section advocates an approach of influencing existing cultural elements, rather than introducing new elements.

Certain elements of the existing culture are harder and easier to isolate. The artefacts and espoused values can be seen and experienced to some extent, but are also easily misunderstood and misattributed (Schein, 2009). The underlying assumptions are the backbone of the culture, but are harder to isolate and harder again to attribute due to the fact that they are both underlying and assumed.

On this basis a culture as a whole can't formally be measured as noted above, but some of the *elements of the culture* can not only be measured, but can be used to trace their own reasons for existing, and from that point a practitioner can build an understanding of particular cultural elements. Looking at specific elements of the culture rather than the whole also gives the culture change practitioner the option of focussing narrowly on elements of the culture which will have the greatest impact on the success of the organisation. Or to paraphrase one

author, to be intolerant with a few key elements, and very tolerant of everything else (Lencioni, 2012).

On key recommendation here is to identify and change the existing elements of the culture, rather than attempting to design a culture to meet market needs in isolation from the organisation's existing culture. To manage this is simple, if the cultural element isn't already true in the organisation, then it's not an option. In setting out his plan for generating company values, Lencioni (2002b) suggests that in order to find core values which support an organisations direction, one must first separate out what he terms 'aspirational values' or values that would be nice to have but which aren't already present in the culture of the organisation. This notion of starting with what is there already bypasses many issues associated with both the measurement and changing of culture, as it assumes that the existing culture has value and only seeks to make minor adjustments.

This approach changes the practitioner's starting question from '*what cultural elements do we want?*' to '*What elements of our culture do we want to emphasise and de-emphasise?*' This seems a small change, but it removes the assumptions of understanding the culture, understanding why it exists and what role it plays, and of the leadership or change agents ability to introduce new cultural elements with no reference to either the existing culture or the forces which drive cultural formation. By using what is there already as a starting point, the culture change practitioner sidesteps the major problems associated with being a culture change management practitioner, namely, assessing and identifying the culture of an organisation, and introducing a new culture. Through accepting and using the existing culture as a base, the culture change management practitioner can move directly to the more tractable task of identifying the elements of the culture which are and aren't valuable in their eyes, and then use that as a starting point.

Because culture as a whole can't be measured, or its overall 'reasons for being' fully understood, the targeting of cultural elements for introduction which are not already present in the organisation also increases the risk of unintended consequences. This assertion is deductively defendable as existing cultural elements have known consequences, whereas new cultural elements have unknown consequences, and as such the risks associated with their introduction are greater. Also, if the cultural element is not already present in some form, then as noted in the previous section, there is a higher likelihood that its introduction isn't warranted, and that attempts to introduce it will be difficult if not completely unsuccessful. I make this statement in defence of the cultures existing methods on the basis that the culture is a learning social organism of sorts, and as such brings all its collective history to bear in the norms it generates. If the culture has seen no need to develop an element to combat a problem, even at a minor level, then it has to be asked whether that problem is really facing the group. First do no harm (Grammaticos & Diamantis, 2008) in this case means, don't introduce cultural elements the consequences of which you can't understand or anticipate.

Emphasising or de-emphasising existing cultural elements rather than introducing new elements also increases the likelihood of the desired change occurring. At the simple habitual level, it is far simpler for people to refocus their existing habits rather than trying to start new ones (Duhigg, 2012), and so less likely to create hardship and resistance in people. Also, by increasing the focus on an existing element, people in the group can come to feel that they were always acting this way and that no real change has taken place, that is, the change does not require previous methods to be seen as wrong in order to change, making the mental change easier to accept socially and emotionally. As Kahneman (2012) may describe it, by making the new behaviour an adjustment in an old behaviour, it becomes an extension to a norm rather than a mental surprise, and therefore is cognitively easier for the individual to naturally execute.

In compensating for a change management practitioner's necessarily limited knowledge of the inner workings of a culture, this section has advocated the influencing of existing cultural elements rather than the introduction of new elements to the culture as the focus of change, in order to both minimise the disruption and unintended consequences of the change program, and to maximise the chances of the desired change occurring.

How to change the culture

Starting from the base of changing only that which is understood and necessary, and changing existing cultural elements rather than introducing new ones, effective culture change is already significantly more likely as shown above. In implementation of a culture change management process however, account must also be taken of the fact that culture forms at the subconscious level and is not a consequence of what people know or intend, and therefore is unlikely to be changed by changing what people know or intend. Let me repeat that point for clarity. Culture is not formed by people intentionally applying knowledge, it is formed by a group learning to respond to stimulus and these responses becoming underlying assumptions of the group. So culture is not a consequence of people's intentions, so changing their intentions will not lead to a changing of the culture.

Drawing again from economics, Sowell (2011) suggests that in a free market the result that each person wants is disrupted by what everybody else wants, and so in the end the result is what nobody wanted. In this same way, a culture in an organisation develops in response to friction at the junctions of the preferences of the organisation, the people inside it, and the organisations and people interacting with it from the outside. The culture which results is not a consequence of what any person intended, but rather the result from the process of trading the different intentions off against each other. A culture is a true complex social system much

like an economy, and much like the situation in an economy, the results in a culture are much more a consequence of people's responses than they are of their intentions.

Further to the previous section then, this section advocates culture change practitioners influence existing cultural elements by first understanding the underlying reasons and reinforcers of these elements (what is the element in response to?), and then adjusting these underlying reasons and reinforcers as the primary method of influencing the cultural element. This is akin to finding what people are responding to and changing that simious, rather than looking at their intentions and seeking to change them.

The existing culture as made up of its artefacts, espoused values, and underlying assumptions, formed in response to forces on the group (Schein, 2009), so exists for a reason. On that basis, each of the cultural elements at some time had a useful purpose for the group.

Before a practitioner seeks to change the culture or any of its elements, it is prudent to first know the purpose for that element's existence, and whether that purpose is still present. It's in finding out why a particular cultural artefact, espoused value, or underlying assumption exists, that the practitioner or leader can start to understand how, or even whether, to change it. Furthermore, the reasons for the cultures response and existence may also still exist and so may become barriers to the changing of the culture. Likewise, new reasons for the culture to adapt and change are always occurring and the culture in turn is constantly adapting (Senior & Swailes, 2010). These reasons then are a culture change management practitioner's main competition for influence over the culture, and also once understood, could provide insight into the least disruptive levers available to influence the culture.

If after identifying cultural elements for de-emphasis it is found that these elements are being reinforced or driven by a function of the organisation that is critical to the organisation's success, such as a remuneration or organisational structure, then a choice must be made as to

which is more important, the desired culture, or the desired structure. Attempting to change the cultural element without changing its underlying reason for existing pits the underlying assumption against the espoused corporate values, and in my experience the underlying assumptions will prevail in these circumstances.

Systemic drivers will override rhetorical drivers, and just as with actions speaking louder than words, they will do it subliminally. St Francis of Assisi is quoted as saying, '*Preach the gospel at all times. Use words if necessary.*'(Bernardone, 1206-1226), suggesting that a person should be consistent in their actions if they wish to be influential, and only use words as a backup. In the case of organisation change, the actions are represented by the forces that drive the existing culture, because it is these drivers which are acting on the organisations behalf and which are being observed. A significant part of this process of culture change management is clarifying the underlying drivers, and from them the most effective levers to use in the changing of cultural elements.

Lewin (1943), set out that the status quo in culture is maintained by equal forces on both sides of the norm being in equilibrium. This picture of drivers and restraints of change maintaining the norm he called force field analysis. Looking at the systemic drivers of culture in the manner described here is akin to assessing the forces for and against change in each cultural element, and determining, as Lewin (1943) suggested, what needed to be done to change these underlying forces for the status quo, and move the cultural elements in the desired direction.

The key levers which are available to a culture change management practitioners are those levers which the management of the organisation already control, and which already influence the existing culture. Examples of such levers are the structures/design of the organisation, the strategy for success and how it's implemented, the recognition and reward

systems, and the behaviour modelled and valued by the leadership itself. Rhetoric such as the 'espoused corporate values', are useful secondary or supporting levers, but will be unlikely to have the influence alone to drive a culture change, and so cannot lead one, and so should not be the first step for practitioners. Simply put, the current culture is not a response to the intentions of the group's members, so changing the culture won't be achieved by changing their intentions.

Project examples of the underlying drivers overpowering the espoused corporate values

Example one: At PNGgold, the people in our sessions were looking at their bosses and noting that they were not acting as was being set out in the LDP, which is an example of behaviour modelling being a stronger driver of culture change than espoused corporate values.

Example two: When ESC joined The Table Group there was a strong cultural change in ESC which was driven by the introduction of the partnership. This is an example of the strategy (plan to compete in marketplace by partnering) of the organisation having a more powerful impact on the culture than the espoused corporate values.

Example three: The linking of the growth goals of the businesses in Harcourts WA to the use of the values as a differentiator. This made the espoused corporate values part of the strategy rather than a separate element of the businesses operations. In effect, the businesses operationalised the espoused corporate values to achieve strategic objectives rather than for their own sake, and it was through these operational drivers that the culture was impacted, rather than through the intentional acting aligned to the espoused corporate values.

As culture is not intentional, a practitioner can't change it by changing people's intentions. Culture is responsive, so practitioners should seek change by understanding and changing the stimulus to which the existing culture is responding. On that basis, this section has advocated

firstly clarifying the elements for change, then looking at the underlying reason behind and drivers of these elements, and finally adjusting these underlying drivers to promote change rather than espousing change and changing people's intentions, as the three steps for practitioners in influencing existing cultural elements.

Changing underlying assumptions

(Make it mentally easy, and make it likely)

As an extension of the process of changing the cultural elements once they have been identified, this section looks at the individual capacity for people to change, and specifically what practitioners can do to take advantage of what is known about cognition and decision making, and apply it to ease the process of changing these cultural elements, and to consequently make the change itself more likely. Its underpinned by the two systems thinking model set out by Kahneman (2012), and the notion that because of the limitations of mental energy it sets out, change management practitioners will have more success by reducing the forces against change, than by increasing the forces for it (Lewin, 1943).

An assumption is easily made, that with large enough incentives, and terrible enough penalties, people can and will respond to the direction given by that incentive structure. Or relating it directly to culture and this project, that, with the right incentive structure in place a set of espoused corporate values could be enforced on an organisation. The floor in this approach stems from a misunderstanding of the limitations of cognition, from not taking account of these limitations, and from not appreciating how people in reality make decisions.

Kahneman (2012), describes a person's brain as having two systems which work together to manage the data and processing we need to function. 'System one' which is educated by experience, handles massive amounts of data, is fast to supply us with an answer, is

automated in that we don't consciously decide to use it, and allocates its data based on, and supported by emotion. 'System two' on the other hand is cognitive in that we decide to use it, considers things logically, makes sense of things we do, is slow working and energy intensive, and is the bit of our thinking that we are most aware of. Typically in any given situation, system one provides an initial response, system two decides whether to block or change it before action, and then the action is taken and system two builds a story to support the action logically. Connecting the themes, it is likely that system one as described is the mental home of our underlying assumptions when it comes to culture, and that system two is home to our espoused values and rational intentions.

There are serious limitations to system two's energy levels in corralling system one, and because of this people are discerning with where to apply their mental energy in managing system one responses. This limit of mental energy for rational processing of information is also captured in Simons concept of 'Bounded Rationality' (Herbert Alexander Simon, 1982) as a cognitive limitation of how rational a person can be.

This being the case, system one is likely to be making the initial recommendation on a cultural change initiative (are we going to support it or are we not?), and unfortunately for organisational incentive structures, this system one is not overly influenced by the rational carrots and sticks in the environment. It is also not overly influenced by the intentions held by system two in its recommendations. Consequently, system one will recommend to the person in question, with a strong emotional backing, what it feels from experience is intuitively the best decision. Having made its recommendation, system one will then leave it to system two to override this recommendation if and as needed, and this is where a person's logic, knowledge and intention are brought to bear on the issue. Important to note that system two not only has limited energy, but is also lazy so will accept system one's suggestion whenever possible.

This section of the recommendation is underpinned with the understanding that when it comes to culture, a person's energy for exercising judgement intentionally using system 2, and adhering to a direction set out in for example, the espoused corporate values, is limited. And, that when mental energy is depleted, decisions will be made automatically on the basis of the underlying assumptions via system one.

Using espoused corporate values to create culture change by influencing people's intention's then relies on each person's store of mental energy to power system two in overriding the recommendations of system one. Being that the mental energy of a person is limited; the likely result of a culture change effort based on using this mental energy to create the change is failure, regardless of the intentions of the people in the organisation.

The optimal solution for culture change management practitioners therefore is to access and influence the underlying assumptions in system one directly so that the intuitive answer which comes readily to mind for people is aligned to the cultural element as desired, and if not to bypass system two entirely, then to use it as a form of mental validation in support of system ones decisions. The more the culture change management practitioner can minimise the mental effort involved in making the change, the more likely the change is to be achieved.

Two examples of how this idea could be applied

System one infers intent on the basis of outcomes – For practitioners, this means that people will likely infer from the results they experience what the intentions of the leaders are. If for instance you are attempting to adjust the culture of a sales team so that they are more helpful to each other, yet have a weekly sales meeting where each person in the team is recognised individually for their work, system one in each person will likely infer that your true intention is to have the team working as individuals. This is regardless of what you are espousing regarding teamwork.

Secondly, system one learns through social systems and through watching – For practitioners, this means that the behaviour modelled by leaders interacts directly with system one as it learns from the social cues of the leader. For leaders who do one thing and espouse another, system two may be listening and agreeing, but system one is watching your actions and using them to assess what you really think. This philosophy of act as you espouse was the basis of 'Culture at Work' as it looked at leadership team behaviour change (Moore, 2013, pp. 73-76). So, if we understand that people learn about cultural norms or underlying assumptions by watching and copying their leaders, then a leader merely acting as he wants his team to act will provide cultural norm data directly to system one without any effort from system two at all. This is a simple example of making it mentally easy for people to change.

R. H. Thaler and Sunstein (2008) also popularised the notion of making decisions easier for people on this basis in their book 'Nudge'. They took this underlying understanding of how people make decisions and applied it to their public policy decisions. The management application of this understanding is however what I am presenting here. It could be thought of as a 'nudging' for culture change management.

The ultimate aim should be to create the change without people having to overly rely on system two to override system one, or to drive their own behaviour change. The goal should be for people to be able to change without thinking about it. This would mean that the underlying drivers of their automated decision making were being addressed, rather than simply appealing to their logic and external desires for change and expecting them to override the inclinations of the system one intuition.

Example from the project

This example comes from subproject two at ESC. The event in question is the joining of The Table Group as a partner firm, and the impact this had on the culture at ESC.

Prior to joining The Table Group, we at ESC had made numerous attempts to both clarify and articulate the culture we wanted, and to take active steps toward embedding that culture in our organisation, without success. Notable here is that each of these attempts was an intellectual process of defining and action-planning the change in the culture which is shown above to have been a failed approach. The intellectual nature of this change plan is however also an indicator as it suggests that we were expecting members of the team to drive change in their behaviour with their system two while paying no attention to the personal difficulties and mental strain people in the team were already under. In short, at a time when people's mental energy was being utilised to learn new skills, understand new environments, build relationships with new people, and understand new social situations, we requested that they apply more mental energy to the task of aligning their personal behaviour with that which was set out for our culture change plan. In light of their limited mental energy at the time, this was a task which was doomed to failure, as the team simply did not have the spare mental energy to devote to the change regardless of how important it was, or what incentives or punishments we put in place.

On joining The Table Group however it was a completely different story. Massive cultural change and alignment was achieved simply by joining this group and spending time with them. This change came not through mental effort by the team as their mental energy was still as stretched at that point as it was during our original culture change initiatives, but rather it came through the more automated processes of watching, learning, interacting, and socially adapting to being part of the new wider team. Limited additional mental energy was required to deliver this change and the process was enjoyable for everyone which is in stark contrast to our earlier culture change experiences. It's also interesting to note that this change was not articulated or defined at any point. We discussed the culture of The Table Group in general terms, and we felt each that there was a match between them and the culture we

wanted, but no effort was made to define what we were looking at in their culture. This reliance on the non-cognitive change management for the culture was extremely successful not only in getting the change, but in reducing the cost of getting the change both in energy, and planning and monitoring the change from a management perspective. It was not compulsory but people did it anyway, it was not rewarded in a non-social way but people did it anyway. This culture change which occurred on joining The Table Group is a key example of the power of making the change mentally easy for people, and of the increased amount of change that can be generated at a vastly reduced mental energy as well as organisational cost.

Advice for practitioners of cultural change management therefore is to minimise the mental effort required to change selected behaviours. This will likely require a change of focus from articulating and generating understanding of the change, its benefits, and the penalties for non-compliance, to looking for social processes which are supporting or generating current behaviour and seeking to influence those as the first priority. These social processes could take the form of leadership behaviour, the physical environment, specific individuals in the team and their behaviour, or the general norms of behaviour and how they have developed. One directly applicable approach would be to find examples of the behaviour you want, recognise it, and socially reward it. This would provide social rather than organisational cues to others in the organisation about what behaviour was socially valued, and would elicit a more natural and consenting response with less cognition and energy spent by the subject. In a way, this suggests subtly nurturing elements of the culture to change the whole.

Most behaviour also fills a need of some kind, so it's through understanding what need is being filled by a behaviour that a practitioner can see how else that need could be filled differently, or what needs to be addressed to make the change mentally easier for the individual.

There is of course a large role in managing the incentives and systems in the general environment especially in as much as they are driving the cultural elements you are attempting to influence. If pay or reward structures are supporting behaviours that don't align to the change that's desired then this will clearly have an impact on the change. Likewise if hiring, promotion and firing is done on the basis of elements which reinforce unwanted cultural elements, or that don't support desired ones, then this to will have an impact on the likelihood of the culture changing successfully. But underpinning all this must be an understanding of the limitations of people's ability to change themselves with will power, and as was demonstrated in the ESC example, the limit of mental energy for change is the limit of the effectiveness for external incentive. At a certain point, people will fall back on their automatic system one response regardless of the logical consequences because they simply don't have the energy to assess or influence the situation with system two.

I would also advise practitioners to be aware of high stress environments as people will likely rely more on their automatic responses in these circumstances. This means that there will be a reduced effectiveness associated with traditional incentives because the person is at the limit of their rationally calculating ability. Reducing the mental load on people will allow their system two to consider more factors and decisions, and is the only method of achieving any change is such a situation.

Simple summaries of the 1ˢᵗ contribution:

Whether to change the culture: *If in doubt, trust the cultures existing method. Avoid unintended consequences by only making change when you understand enough for outcomes to be relatively predictable.*

What to change in the culture: *Work with, not against, the culture by only changing definable and existing cultural elements, and by not introducing new elements.*

How to change the culture: *Culture exists in response to something, so change the underlying forces that created the existing culture, rather than simply espousing a change.*

Changing underlying assumptions: *There is a limit to the mental energy which people can devote to change, so making change mentally easy, means making change more likely*

Recommendations for practitioners

Knowledge for practitioners:

1. The culture is smarter than you, more influential than you, and has tried and proven solutions for its own problems. It understands more about where it lives and will defend its way of solving problems, often beneficially.

2. You can't measure or understand the culture as a whole, it is ever changing and adapting, and beyond that, culture is a hugely complex web of assumptions and relationships.

3. Culture is not intentional, so you can't change it by changing people's intentions. Culture is responsive, so you can only change it by understanding and changing the stimulus to which it responds.

4. The brain has two systems which control it, an automatic intuitive one which makes suggestions, and a cognitive one which assesses the suggestions and lets most of them through. As the automatic intuitive system actually makes most of the decisions, it's this system practitioners need to target in order to influence underlying cultural assumptions.

Example practical steps for external culture change practitioners:

1. **Clarify perceived problem:** Explore with the organisational leaders what the organisation is trying to accomplish, and what observations of the culture they see

which are inhibiting those goals. This will prevent attempts to measure and understand the whole culture, and look for issues.

2. **Confirm cultural elements associated with problem:** Explore the artefacts and espoused values relating to those observations, and critically inquire until you have some understanding of the underlying assumptions. Ask, do I really understand, or am I confirming my existing biased opinion? (See the contribution in 6.4.2 for details)

3. **Assess underlying purpose of cultural elements:** Work through a process of critiquing and gaining understanding on why these cultural elements exist, and what roles they play for people in the current business. Ask, what is this cultural element a response to? What problems do they solve for the group?

4. **Measure cultural elements against organisation's aims:** Reference these cultural elements against the goals or direction of the organisation and determine which is pushing for (positive), which against (negative), and which are neither (neutral), these goals and directions.

5. **Define levers to use in increasing prevalence of positive elements:** Look back at the underlying reasons for and drivers of each of the *positive* elements (pushing for) and create an action plan to support and enhance these underlying forces. (Think mental energy, structure, recognition/reward, strategy, leaders behaviour modelling)

6. **Define levers to use in decreasing prevalence of negative elements:** Look back at the underlying reasons for and drivers of each of the *negative* elements (pushing against) and create an action plan to destruct these reasons and drivers and replace them with drivers which promote elements which are positive (supportive). (Again think mental energy, structure, recognition/reward, strategy, leaders behaviour modelling)

7. **Ignore elements which are neither positive nor negative:** Elements which are neither pushing for or against the organisation's agenda, can be safely ignored.

8. **Act on levers, then reinforce with rhetoric:** Once the underlying drivers of the cultural elements have been addressed directly via system one, then espoused corporate values or other rhetorical devices can be used for support via system two.

This process of planning culture change could be implemented over an extended period or completed with a leadership group over one or two days.

The four key points to remember in this process are:

1. Change only what you understand and must (Do no harm)

2. Change only what is definable and existing (Work from what's there)

3. Change the drivers not those driven (Change why it's there, not how we talk about it)

4. Change by minimising the mental effort required (Mentally easy, equals likely)

In conclusion, 6.4.1 has set out a process for practitioners to follow when tactically approaching culture change management. This process takes account of the limitations of cultural understanding and cognition, and of what is known about how cultures develop, and sets out a process which seeks to maximise the positive impact of any practitioner led change initiative while minimising the risk of unintended damage to the organisation.

The following section 6.4.2 sets out a mental approach for practitioners of culture change management to use personally when considering their interaction with the culture itself.

6.4.2 The 2nd Contribution to Professional Practice,
Practitioner's mental approach to culture change management

Themes from the project

This section looks at the second contribution to professional practice, a personal mental approach for culture change management practitioners. The questions that rise from this theme are; what would be a better approach? And what would have to change for this new approach to be usable and adopted by practitioners? Although my actions were in my opinion defensible at each stage of each cycle considering the information and perspective I had at the time, my general approach to managing change in these cultures made no allowance for either my lack of information nor my misguided perspective. Consequently, I was not able to see my own perspective and assumptive errors or ignorance, and so was in several cases locked into a repeating cycle of failed change attempts.

This theme of the failed approach to managing culture change can generally be seen through the subprojects in my constant changing of the plan for success in managing the culture change, rather than changing *whether* to plan the management of the culture change. This difference was fundamental to the project's lessons for me as researcher, and formed the basis for the below hypothesis and approach model. Although my project focussed on managing change within an organisations culture, the failure to succeed in managing this culture change in two of the three subproject cases was not caused by challenges with culture change itself, but rather by something far more fundamental. The failure to effectively change cultures stemmed from my failure to manage my personal approach to the uncertainty and lack of predictability of the culture and organisational environment. I was not equipped to manage this uncertainty and as such attempted to make things certain with planning. This project therefore does provided insight into how best to approach interactions with cultures, but the below conclusions also appear general enough that they may be applicable for people approaching interactions with many other complex systems, interactions or situations.

The Contribution

For the 2nd contribution to practitioners, this thesis seeks to answer the following practitioner question,

How should a practitioner mentally approach culture change management for maximum positive effect?
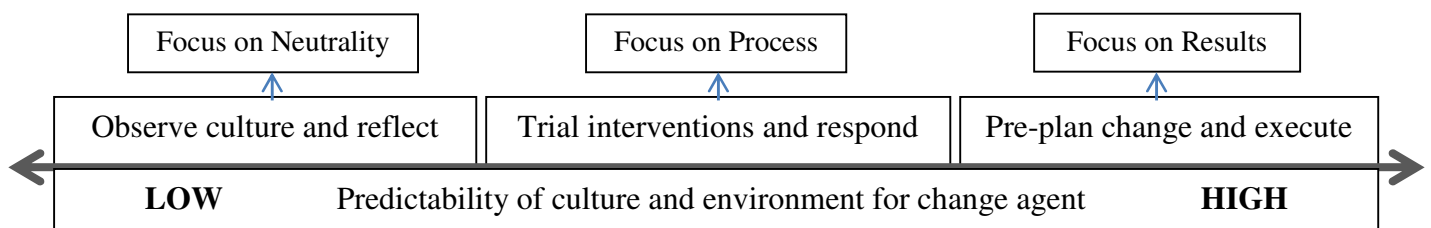
With the following hypothesised answer,

By choosing their level of interaction and intervention at a given time relative to the subjective predictability of intervention outcomes for them.

Or more simply, deciding how much to plan/act, trial/respond or observe/reflect based on how predictable the situation is rather than on any other basis.

Figure 6.1 shows the model of the approach to managing culture change, showing both the relationships between the factors, and the recommended approach for practitioners.

Figure 6.1, Approaching Culture Change Management

Approaching Culture Change Management

Focus on Neutrality	Focus on Process	Focus on Results
Observe culture and reflect	Trial interventions and respond	Pre-plan change and execute

LOW   Predictability of culture and environment for change agent   **HIGH**

Source: Developed by the researcher for this thesis

The model shows that dependent on the predictability of the situation for the change agent, one of three approaches should be chosen in order to maximise the positive effect of the interaction. These are 'Observe culture and reflect' with low predictability, 'Trial

interventions and respond' with moderate predictability, and 'Pre-plan and execute' when there is high predictability.

The following sections will clarify the terms in the model and give further explanation to the relationships between them.

Terms in the model

Predictability of culture and outside environment for change agent refers to how able the agent approaching the system is to predict both the culture itself, the environment around the culture, and the outcomes of any interactions with it. That is, how able is the individual to cognitively or intuitively foresee cause and affect relationships within or around the culture. The individual agent is specified here because a culture may be subjectively or objectively predictable by a different person or group, while still being highly unpredictable for the individual change agent approaching the interaction. Being that the interaction itself will be between the individual change agent and the culture, the predictability of the culture outside the individual's perspective is irrelevant to the outcome of any interaction.

Observe culture and reflect refers to a bystanders perspective of the culture. In its purest form, observation would mean attempting to counter internal biases and resisting the urge to create hypothesis to look for, or minimising confirmation bias (Kahneman, 2012, pp. 80-82). Confirmation bias is the tendency to look for reference points in the past to explain what is being seen in the present, or a bias toward seeing things in the present that match with a view of the world, and not seeing things which don't match with that view. Or finally, a tendency to confirm an existing perspective in preference to changing said perspective when looking at new information. The observe and reflect approach could also be considered as developing the right questions before attempting to answer them. The benefit of this form of observation is that it reduces the impact of the observer's history on the observed happenings. The more

pure the data collected, the more valuable it becomes in future prediction. Reflection also provides an opportunity for the observer to look for their own biases, and attempt to build a picture of happenings that is close as possible to truth. I note here that although I am acutely aware that there is a limit to the self-awareness and objectivity possible by the human mind (Burton, 2008, pp. 140-161), and that it is long been understood that all observations by people are made for or against some view if they are of service (Darwin, 1861), the goal of reducing the bias associated with our subjective perception still holds merit in that biases can likely be reduced with awareness even if they cannot be removed. Neutral observation and reflection by the observer on both themselves and the observed culture, stands the greatest chance of producing a mental picture of that culture with predictive value. This pole of the approach model maximises the value of incoming information to the person by reducing both outgoing information, and the persons filter on incoming information. It is pure inquiry or as close as is possible while still being human, and as such the focus of the practitioner with this approach should be on their personal neutrality.

Trial interventions and respond refers to a cyclical process of observation, hypothesis generation, hypothesis testing, reflection on results, and further hypothesis generation. This process is similar to the action research cycle used in this thesis of *plan, act and reflect,* and could also be seen as a version of the scientific method summarised by here in the early in science's development as *'If a man will begin with certainties, he shall end in doubts; but if he will be content to begin with doubts, he shall end in certainties'* (Bacon, 1605). The overarching theme of trial and respond is that it involves a combination of planned action and observation. Although 'trial interventions and respond' appears to take the best of both the planned/execution and observation/reflection approaches and so could be a good overall approach, the reality is that by combining the two the effectiveness of both are reduced. Trial and respond then is a combination of inquiry and advocacy alternating over time, rather than

simultaneously, and provides an interim option between pure advocacy or inquiry which is best applied when there is moderate subjective predictability. On the basis that this approach looks to test options and receive feedback openly, the practitioner should focus on the process of testing these ideas. The focus on the process reduces the chance of the practitioner being convinced to lock in beliefs or directions prematurely.

Pre-plan and execute refers to a process of detailed planning prior to execution, and sticking as closely to that plan as possible through execution. The benefits of this approach are that it gives a sense of control and certainty about the future, and also ensures that whatever data was available at the time of planning was utilised to increase the probability of the plan succeeding. This approach is highly applicable in the applied sciences such as engineering where there is a high level of mathematical certainty even though the systems themselves are extremely complex. The negative of this approach in low predictability environments is in its blocking of new information during the execution phase. Notionally, for a plan to succeed in execution it must remain similar in process and desired outcome through its duration, as changing a plan during execution can carry the stigma of demonstrating a lack of foresight from the planners, and can also negatively reflect on the implementers. In order to avoid this outcome, as more effort is put into the planning and execution of that plan, greater value is placed on feedback which supports the accuracy of the plan than on feedback which counters its accuracy due to confirmation bias. The planning and execution approach to managing culture change will tend to block new information or feedback, and is therefore less useful than it would be in environments of high predictability. Plan and execute is a non-conversational form of pure advocacy and therefore the practitioner using this approach should have a focus on results.

Model explanation

This approach to managing culture change seeks to maximise the benefits of an individual change agent's interactions with the culture over time by balancing the risks and benefits of observation & reflection, trial & response, or planning & execution as respective options for approaching the culture change in single situations of varying predictability.

In the case of a low predictability situation, the model recommends observation and reflection. This stems from the fact that the likelihood of immediate actions causing problems is increased with low predictability, and the notion that change agents should follow the guidance given by the father of modern medicine, *Hippocrates*, to physicians '*make a habit of two things - to help, or at least to do no harm*' (Grammaticos & Diamantis, 2008). The observation and reflection recommendation here takes account of the likelihood of an unanticipated outcome and suggests that more information should be gathered before action is taken. Making no plan and taking no action in the first instance also frees the observer to openly observe, and will consequently increase the speed at which more predictability can be obtained. Minimising confirmation bias, or the human tendency to more readily see things we are looking for than things we are not, is one of the key benefits of open observation in areas of low predictability. Trial and response which is the alternative approach does not have the benefit of open enquiry and so is far more vulnerable to the existing assumptions of the agent contributing to negative or unanticipated outcomes from any intervention. The true benefit of observation and reflection in low predictability situations then is the ability of the change agent to check they are looking and asking questions in the right place before they start actually asking questions. For example, if a change agent is convinced that low team productivity stems from the reporting structure within the organisation, and they don't take pause to openly observe and reflect on all the facts apparent in their observations, they will look to trial and respond to interventions targeting the reporting structure. If however the problem actually stems from or is more easily resolved by focusing on some other area of the

organisation such as leadership team functionality, then not only will the change initiative likely be ineffective, but the agent will find it hard to understand the true problem because they are looking in the wrong place. In other words, when there is very low predictability in the situation, aggressively generating and testing hypothesis increases the risk of targeting the entirely wrong area for action. So starting with observation and reflection when there is low predictability lets us know where to ask what questions, then when some high level predictability is gained a trial and response approach can be more effective in generating, testing, and responding to hypothesis to further increase predictability.

In cases of a moderate predictability situation then, the model recommends a trial and response approach. This approach balances the probability of under or over planning, and of under and over observing, and finds that in cases where there is a moderate level of predictability a person would still balance risk and reward best through generating hypothesis, trialling them, and then looking at the results as a base to move forward. This approach is much like action research itself, with the individual setting out a process to follow in learning and applying rather than only learning, or only applying. In cases of moderate predictability then, there would be increased risk or waste associated with either pure observation or pure planning and execution. In the context of managing culture change, this approach would likely take the form of a series of interventions which each set out only a small action and change agenda, and then remain as open as possible to early feedback from the impacts of these interventions. The key element here is the avoidance of promising or locking into a direction too early in the process of trial and response. The process is designed like scientific method or action research to remain open to change in the intervention on the basis of results from each previous intervention. Resisting the urge to prematurely move to planning and executing the change is a risk as most organisations seem to want certainty in

direction. A willingness to face the results and make changes regardless of previous beliefs or assertions is key to the change agents success in implementing this approach.

In cases of a high predictability situation the model recommends a planning and execution approach to the culture. To trial and respond in situations where there is already high predictability, and to not plan out the approach and then execute it accordingly would be to take on unnecessary risks, and to not take account of available data in execution, and as such would not yield the most desirable result for the change agent. This form of intervention into a culture is in my experience what is often desired by organisational leaders from change agents. In the case of external change agents or consultants, this expectation is often the starting point in the organisational leader assessing whether or not to engage the consultant. Questions such as; how are you going to help us? What do you plan to do? Or could you send through a proposal so we can see what to expect from you? Are all subliminally asking for and promoting a 'plan and execute' approach to managing culture change. In environments of high predictability for the change agent this may be appropriate. An example may be an internal change agent with intricate personal experience of the culture being asked to plan a change program to align the focus of a specific team to the rest of the organisation as I was in subproject one at Harcourts. In this situation, there is predictability for the agent and as such a more thorough planning of the intervention would be valuable in identifying possible failure paths. It is also true however that this predictability was not the starting point for this agent, but would rather have developed for them over time through both their observation and reflection, and trial and response approaches in the specific organisation. It is also important to note that a small shift in the request such as a change in target team members, increase in scope of change, or delegation of the change initiative to an equally experienced but newer change agent, could all dramatically reduce the predictability of the situation for the change

agent, and therefore require a different approach to maximise the benefits of the change initiative.

Relationships in the model

Within this model there are several key relationships that require explanation.

Planned action and receptiveness to feedback

As stated above, one main impediment to remaining responsive to feedback after excessive planning is confirmation bias. This bias leads people to look for examples that support what they are looking for rather than openly looking at everything present while moving forward, and consequently biases people to block feedback that does not align with their current thinking. For the interaction between planning and receptiveness to feedback then, confirmation bias suggests negative correlation. That means that with increased efforts put into planning, there will be a decreased receptiveness to feedback when implementing the plan itself. This basic trade-off of focus is at the core of the approach model, and provides an underlying scale from one end of the spectrum to the other.

Predictability and hypothesis generation

This relationship shows the need to have a purely enquiry or neutral (as possible) observation based starting point for approaches in low predictability. A hypothesis or idea of what's going on must be generated on the basis of underlying knowledge before it can be tested. The information from which this original hypothesis is built will invariably contain assumptions and as such would benefit from scrutiny. These assumptions, in the case of a low predictability situation are logically more likely to generate hypothesis further from the reality, and as such carry an increased risk of missing the area which needs exploring entirely. Testing a hypothesis in the entirely wrong area will not yield result in the right area

and so will not lead the subject closer to an understanding. With low predictability then, the first step is to examine and control personal assumptions, and build a set of new assumptions from observation. These new assumptions can then be used to generate hypotheses which can then be tested.

Planning, predictability, and results

Some things that are assumed by many in my business and life experience, are the connections between increased planning, increased predictability, and better results. This assumption is reinforced day to day in sayings like '*By failing to prepare you are preparing to fail*' Benjamin Franklin (Franklin, Woolman, & Penn, 1909), or '*proper preparation prevents poor performance*' (which is a saying largely credited to NFL footballer Charlie Batch (Maxfield, 2005, p. 8), which seems unlikely). Regardless, these sayings reflect an underlying assumption that in order to get more reliable results, one needs to be a better planner and executer. The falsehood and misguided application of this assumption both in my experience, and in the world I now see around me, is probably the key learning of this doctorate. On the basis of confirmation bias, increased planning will actually reduce your ability to learn during implementation, and so unless the predictability of the situation allowed for the detailed plans to be executed without challenge, the probability is that responsiveness to feedback rather than more planning would have been a greater contributor to improved results. So what I am saying is, *when there is low predictability in the situation, increased planning actually reduces the chances of good results by making people less responsive.*

The project and the model

This section looks at the development of the approach model and concepts from the project, and links the moment to moment learning that occurred through the projects implementation

through the reflective analysis period and to the resulting ideas presented here for use by other practitioners.

Through this doctoral project, the development and understanding of the role of my approach played in outcomes appeared over time rather than in a single moment. It was in fact during the almost twelve months of reflection and thesis writing that clarity on the overall challenge I faced began to become clearer to me. The reflection generated some hypothesis of what was happening, and during the writing of this thesis these various hypotheses were tested through how they related to both each other and from one section of the project to another. From this method of refining the ideas stemmed both the general approach philosophy and a series of examples from the project that anecdotally reinforce the validity of the suggested approach in practice. A sample of these examples is provided here.

A key example from subproject two demonstrates the erroneousness of taking a pre-planned execution approach when there is low subjective predictability. With a new business, in a new industry, with a new team, and with a two part role myself, the situation for me at the beginning of the ESC experience was far from predictable from the culture management perspective. As I was claiming to be an expert on the subject however, I researched and set out a plan to clarify the culture we wanted as a group, and then put in place a plan to work toward the attainment of that culture. This did not work as the subproject details show, and within a few months the desired culture that was being articulated had changed several times without any team buy-in, and several months after that the planning of the culture itself was abandoned in the face of more pressing business requirements. At the time and as is articulated in the narrative of the subproject, I attributed this failure to several things including lack of team motivation or ability to change, my failure to account for details such as the structural or strategic impacts on the generation of culture, and the impact of market forces on the culture that was developing. What I was struggling with was that both the

culture that we wanted and the culture we were developing were very unpredictable for me, and my repeated attempts at planning and intervening were all being frustrated. It was not until long after the event that I reflected on my plan and execute approach, and saw that an observing and reflection approach in the beginning might well have yielded very valuable data for me to use in guiding the business including its culture, and that trial interventions targeting some specifics without too much commitment may also have been a valuable second step. As it was, my constant planning and executing led to the team becoming exhausted with the next big plan, and more importantly prevented me from gaining more feedback from the business and market that would have increased the predictability of the situation for me, and therefore improved the effectiveness of interventions when I did trial them.

A second example of this overestimation of the value of planning appears in subproject three where my criticisms of the PNGgold project itself revolved around their lack of planning of our intervention, and the assumption that underlies my analysis that had I or Len have planned the engagement better, I could have avoided the pitfalls associated with being perceived as leadership trainers and could therefore have been more effective change agents. On reflection, there was no way for either ourselves or the client to know what lay ahead, and therefore much of the planning that I would have been done would have been in vain as the situation was so fluent as to render almost any plan in-executable. It was toward the end of the engagement when Kate and I began to shift to trouble shooting problems we saw rather than planning them, that we began to have an on the ground impact on the working teams we dealt with. Though this change occurred too late to have a systemic impact on the success of the overall engagement, it did on reflection highlight that planning for execution is not always the most productive approach.

A third project example comes from subproject one at Harcourts. Of the three subprojects this first one was the most successful in achieving its change goals for the organisation. After some reflection, I personally attribute this success to an alignment of the predictability of the situation for me, and my natural tendency to take a pre-plan and execute approach to things. In this case the culture desired was largely set and was being reinforced by the rest of the Harcourts organisation, I personally had several years' experience being immersed in this culture and so was clear on the requirements and impact of it, and the espoused corporate values themselves were existing and had been clarified and implemented by other leaders previously with myself as an observer. With these factors present, which were not present in either subproject two or three, subproject one was an example of a relatively predictable culture and environment for me. This predictability meant that when I executed and pre-planned the approach to the change of that culture, I was greeted with more success than I later found in the following subprojects. As discussed above, in the wake of this experience I misattributed its success to my foresight driven pre-plan and execute approach, and consequently sought to replicate this approach in subprojects two and three although I had far less subjective predictability in these situations. Most interesting for me here, is the fact that it was not until well after the events that this link became apparent to me. My sense of the value of pre-planning and execution as the only approach was so strong and unexamined that it was a base assumption for me, and took significant self-examination to find. I had to stop completely what I was doing, and look at the facts without agenda for a long time before I could see it.

This insight into my approach and the difficulty of unearthing my assumptions about it also played a key role in my seeing the importance of neutral observation as an approach option. With low predictability such as what I experienced, no planned approach, nor hypothesis testing would likely have unearthed my floored assumption. The only way I could have found

it would have been to quiet my mind, try and set aside everything I thought I knew, and looked at the facts in front of me without agenda. And even then there are no guarantees that I would have seen it.

Pirsig (1984) describes this lack of willingness or ability to face underlying assumptions as 'Values Rigidity', and relates the following story of the South Indian Monkey Trap to demonstrate the point:

"The most striking example of value rigidity I can think of is the old South Indian Monkey Trap, which depends on value rigidity for its effectiveness. The trap consists of a hollowed out coconut chained to a stake. The coconut has some rice inside which can be grabbed through a small hole. The hole is big enough so that the monkeys hand can go in, but too small for its fist with rice in it to come out. The monkey reaches in and is suddenly trapped by nothing more than his own value rigidity. He can't revalue the rice. He cannot see that freedom without rice is more valuable than capture with it.

The villagers are coming to get him and take him away. They're coming closer….closer!…..closer!…now! What general advice – not specific advice – but what general advice would you give the poor monkey in circumstances like this?

Well, I think you might say exactly what I've been saying about value rigidity, with perhaps a little extra urgency. There is a fact this monkey should know: if he opens his hand he's free. But how is he going to discover this fact? By removing the value rigidity that rates rice above freedom. How is he going to do that? Well, he should somehow try to slow down deliberately and go over ground that he has been over before and see if things he thought were important really were important and, well, stop yanking and just stare at the coconut for a while. That's about all the general information you can give him." (pp. 401-402). This passage links together the ideas of reduced focus and an openness to new information, and provides the

basis of the idea behind approaching culture change with neutral observation when there is low subjective predictability.

Through the subprojects there are many moments where small movements toward this end can be seen. There is an increasing focus on process rather than outcome, there are major shifts where I decide to simply respond rather than plan, and there are lots of points where I can clearly see that we are off track but err and start another planned approach in another wrong direction. The thinking has evolved through the course of the subprojects and the subsequent reflective period and this can be seen in this thesis. A shift has taken place for me, and I can see things both in myself and in the world and people around me that I could not see before.

Practitioner advice for approaching Culture Change Management

My primary advice for practitioners of culture change management would be to be aware of the impact of your approach on the effectiveness of your culture change management effort, as there is a tendency to choose between approaches automatically rather than deliberately, and often this choice is made on the basis of forces which will be unlikely to choose the most effective approach for the situation.

As per the model above, I would advise practitioners to approach culture change management with one of three intentions, and with one of the three focuses, depending on the predictability of the situation for you as practitioner.

When you have low predictability take an observation and reflection approach with a personal focus on being neutral and accepting and exploring the facts as they appear with as little decisiveness and judgement as you can muster. Take the facts and try and look at them

differently, find as many ways to look at them as possible before trying to make sense of them. Explore without intervention and see what you can learn.

When you have a moderate level of personal predictability in the situation I advise taking a trial and respond approach where your focus is on the process. This means that you attempt to remain non-preferential about the results of the trials and see them only as small steps in building your growing understanding of the culture. These trials will have an impact as they themselves are interventions, and it is certainly beneficial to have these trial interventions generate good outcomes for the organisation, but the benefit of the intervention for the organisation must remain secondary to the learning benefit about the culture. Increasing the predictability of the situation will pay ongoing dividends while a successful intervention will likely yield only short term benefits, and the slope down to pre-planned execution from this point is a slippery one. The key to maintaining this goal of adaptive learning over results is the focus on the process rather than on the results. Success with this approach is measured by the adaptive learning through the implementation of the process rather than on the results that process achieved.

When you have a high level of predictability about the results of interventions it will be beneficial to use pre-plan and execute as your approach. Greater predictability reduces the number of contingencies that require planning, and so it becomes more likely that the plan can be implemented as intended. It also means that greater detail can be planned without risk of wasted effort in unimplemented plans, and that the full existing knowledge on the subject can be utilised in the planning. The challenge here is confirmation bias. As a practitioner of culture change management, it is unlikely that you will ever face a situation that is so predictable that you can rely entirely on a pre-planned execution approach and disregard entirely the feedback from initial interventions.

The final challenge that practitioners will face in managing their approach to culture change management, is bounded rationality. Bounded rationality suggests that all people have a limited amount of energy which they can direct toward change, this limit is captured as a cognitive limitation in the language of Herbert Alexander Simon (1982). Change takes concentration as it's not the normal method of decision making. Normal decisions are made through intuitive judgement which is likely informed by past experience, cultural and personality norms, and habit. Stepping outside this automatic process and mentally calculating decisions requires mental effort, and all people have a limited supply of this mental energy. This limited energy for actively changing behaviour is a major inhibitor to personal change, and as such will play a role in inhibiting practitioners from implementing the approach suggested above. To overcome this challenge, I suggest three options for practitioners to use when implementing the suggested approach.

Firstly, this approach should be used manually when the change or situation is important. If it's important that the best possible result is achieved, then the cost of the mental effort required to manually work through the approach model will be outweighed by the benefit of the risks of automatic approaches being reduced. If it matters then following the approach is doing it properly.
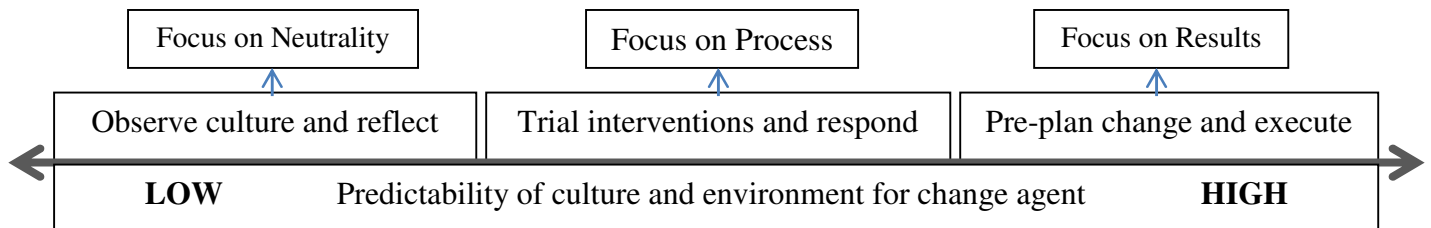
Secondly, the practitioner could take the time to practice the approach until it's a habit. This would mean attempting to assess the predictability of each situation you come to day to day, and decide whether to proceed with observation, adaptive interventions or planning in the first instance. This quick filter on situations I have found personally to be very useful, and has for me become a habit. It's certainly more challenging when there is time pressure or when my mental energy is low, but overall I see progress in myself in making this approach habitual.

Thirdly, find or build a peer group of other people with whom you can practice managing your approach. Isolation increases the mental workload and reduces the chances that you will be able to maintain the perspective when pressure is on you. An ability to discuss openly the process with others who are also working in the same direction takes advantage of the social influence aspect of being human and helps to reduce the amount of cognitive work required by making the thinking more normal. These people may not be practitioners or change agents themselves, but rather could be anyone who saw value in using the 'General Approach Model' set out in the next section.

One page process for practitioners

Figure 6.1, Approaching Culture Change Management

Approaching Culture Change Management

Focus on Neutrality	Focus on Process	Focus on Results
Observe culture and reflect	Trial interventions and respond	Pre-plan change and execute

LOW   Predictability of culture and environment for change agent   **HIGH**

Source: Developed by the researcher for this thesis

Questions:

How well can I predict the outcomes of my or others actions here?

- How many variables contribute to the outcome here (Is this a complex situation?)

- Have I been in this situation before? How many times? How is this time different?

- Do I have either training or procedures to follow built from others experiences?

Which approach/focus should I take first?

Implementation:

1. Consider and understand how each approach/focus option relates to you, and come up with a mental process for actioning each

2. Practice filtering your daily situations for predictability to make consideration of your best approach a habit
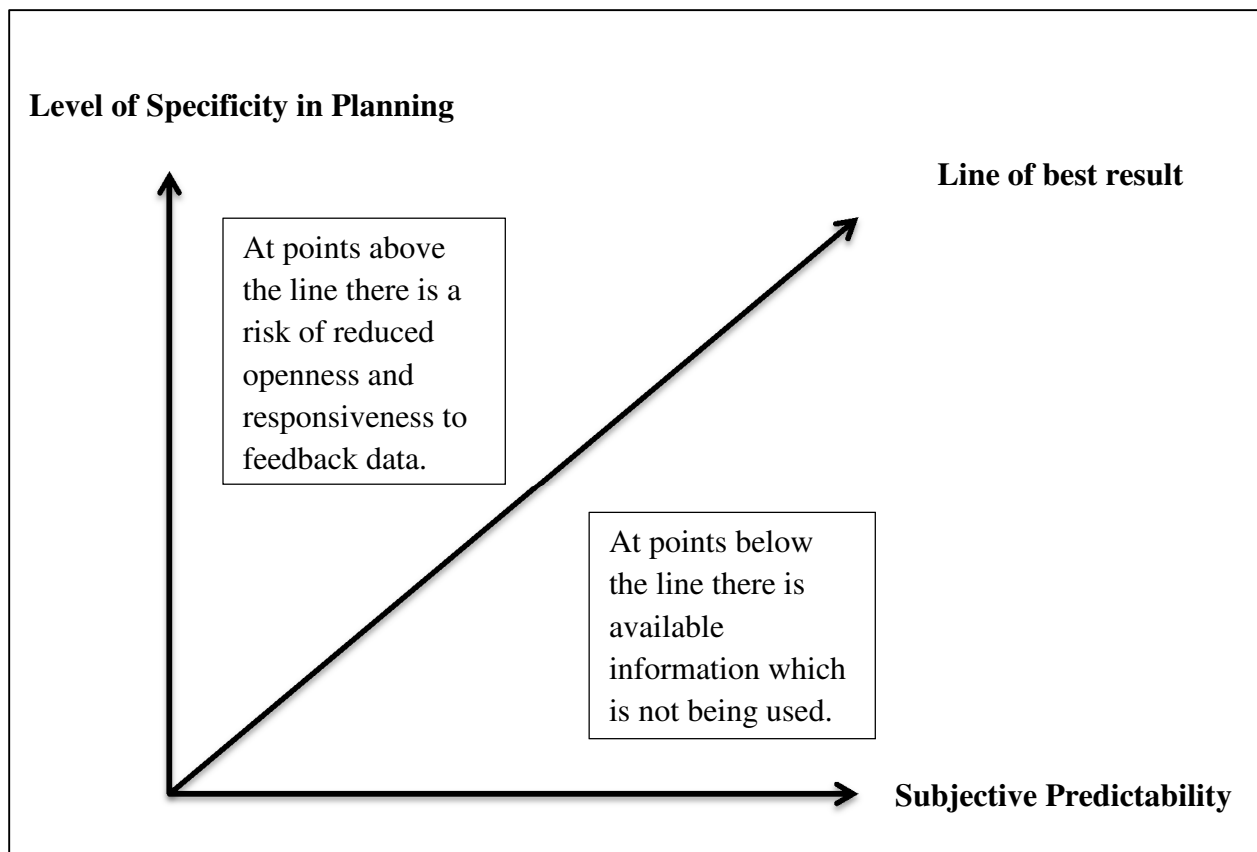
   Find a group of like-minded people to work with and improve together, and take advantage of the natural social or cultural influence on your perspective.

General applications of the Approach Model

This section sets out how the approach model could apply to areas outside culture change management. Firstly looking briefly at the underlying relationship between planning, predictability, and results; then at a general version of the approach model itself, this section then looks at the various other applications for the approach model, and finally sets out several points that relate to the models application in a more general environment.

In figure 6.2 below, the *'Planning for best results model'* shows the underlying relationship between the level of prescriptive planning, the subjective predictability of the situation, and the best result.

Figure 6.2 Planning for best results model

Level of Specificity in Planning

Line of best result

At points above the line there is a risk of reduced openness and responsiveness to feedback data.

At points below the line there is available information which is not being used.
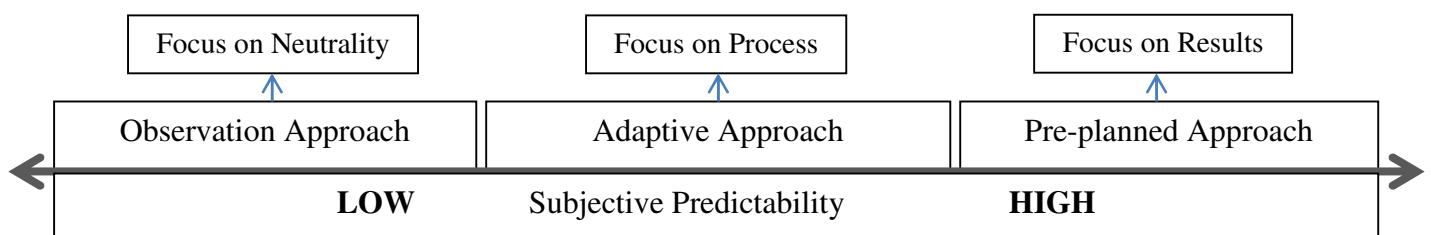
Subjective Predictability

Source: Developed by the researcher for this thesis

As figure 6.2 shows, the optimal level of specificity in planning is dependent on the subjective predictability of the situation for the individual or organisation. This is because of the risks associated with prescriptive or predictive planning in an environment of uncertainty, and of failing to plan when there is information at hand which could be applied. These relationships between predictability, planning, and results underpin both the Approaching Culture Change Management Model set out as figure 6.1 above, and the General Approach Model as set out as figure 6.3 below, and so are key to any general application of these approach models.

The General Approach Model set out in figure 6.3 below shows the '*best results'* approach and focus at each level of subjective predictability. These approaches target the line of best results by aligning levels of subjective predictability to levels of prescriptive planning as set out in figure 6.2 above.

Figure 6.3, General Approach Model

General Approach Model

Focus on Neutrality		Focus on Process		Focus on Results	
Observation Approach		Adaptive Approach		Pre-planned Approach	
LOW		Subjective Predictability		**HIGH**	

Source: developed by the researcher for this thesis

The General Approach Model is identical in function to the Approaching Culture Change Management Model (figure 6.1), the difference lies in the broader applications of the general model. The words used in describing the various elements are also generalised to allow to a wider application.

The original filter for deciding the most appropriate approach is simplified to subjective predictability. This converts to the predictability of the situation for the subject or person concerned. The three approach options are set out as observation, adaptive, and pre-planned so as to hopefully create a sufficient distinction between the approaches for people when looking for examples in their own actions. The focuses accompanying the approaches have not changed and remain neutrality, process, and results. The various focusses are the most actionable and least observable elements of the various approaches. It would be very difficult to determine whether a person was focussed on remaining neutral, but simpler to see when someone is pre-planning their actions. For this reason the approach and focus have remained separate. The approach relates to the intention of the person, whereas the focus is what they should concentrate on during the period.

The General Approach Model appears applicable in such a wide variety of situations that it is difficult to decide which examples to use here in demonstration, here however are some example situations where the General Approach Model could improve outcomes.

A business meeting

When going to a meeting there is varying predictability for different people. For example there may be a senior person in the team who has a good understanding of other team members as well as the leader and who can see the likely consequences of raising a challenging or inflammatory point. This same meeting may also have a younger and newer member of the team who has both less experience with this team and less experience of business meetings in general, and so may have little understanding or ability to predict the consequences of raising the same challenging point. So we have two people in the same situation with varying levels of subjective predictability. The approach model recommends a different action for each on the basis of this difference in subjective predictability. For the

new person with low predictability the model recommends an observation approach where the focus is on remaining neutral so as to learn. This is described by Schein as 'accessing your ignorance' so as to be aware of what you don't know (Schein, 1999b, p. 11). The general approach model says that this new person should not raise the point because raising it may do more harm than good. For the senior person with high subjective predictability however, the model recommends a more adaptive or pre-planned approach and so their raising of the contentious point is far less risky, and has a higher likelihood of yielding a good result. The senior person should raise the point either as a process focussed test if they are a little unsure of how people will respond (moderate predictability), or as a planned statement if they know exactly how people will respond (high predictability). This meeting example then shows both the benefits of the approaches in generating better results, and the rationale behind predictability being subjective rather than objective in the model.

Business budgeting for the year

Budgeting for the year ahead is a form of pre-planning and so is subject to all the negative consequences associated with that approach when there is low predictability. Budgeting like all forms of planning is designed to increase the predictability of the future, but that does not mean that budgets can control the future. In as much as employees are influential over themselves and each other, and as much as they can predict both their organisation and the marketplace, they are capable of aligning the reality of what happens to a budget. A second challenge in budgeting stems from the fact that there are varying levels of predictability in different sections of the budgeting processes itself. Taking for example a projected profit and loss statement, there are different levels of predictability in income, cost of sales, and expenses.

The approach model would suggest that the level of detail expected in the sections of the budget did not exceed the subjective predictability of the situation for the person who is setting the numbers. This might mean that a confidence interval is used in place of a revenue number so as to reflect the true level of predictability in that number, consequently allowing for proper contingency planning to take place in readiness for the uncertainty. Regardless of how the level of predictability is depicted in the budget, my assertion remains that without aligning the predictability of the world to the predictability of the budget the best results will not be attained. An overly specific budget in an unpredictable organisational environment is a classic case of over-planning, and will likely create waste and reduce the quality of results by increasing the amount of rework in reforecasting, and by reducing the openness and responsiveness of people who are attempting to bring the impossible budget to reality.

Goal setting

Planning for execution is also often the only expressed middle ground between setting and achieving goals, or KPIs in business language. Although the setting of goals gives direction in periodic decision making, both the goals and the plan should, in my opinion at least remain flexible in light of new information. Achieving a goal only to find it's no longer what is desired is a common story of the wealthy. The challenge here is again predictability. With low predictability in this case relating to the person rather than the environment. Knowing what you will want in the future is equally as ambiguous as what will work with interactions with any other complex system. It's nice to have goals, but they are another form of pre-planning and should be seen in light of their challenges as well as their benefits. Time reduces predictability by its very nature, so from that we can say that there will be more predictability available in the short term than in the long. With goal setting and the approach model then, the shorter term the better. Longer term goals should be flexible so that they don't blind you to present opportunities or changes in your preferences as time moves on.

Family, life and career planning

Life itself is the ultimate complex system and is shackled with the same challenges of managing uncertainty over time. In this case, the approach model still applies and it could be argued, is even more important. The predictability of what a person will want in family, career, lifestyle etc. is equally as unpredictable as what they will face in those and other areas, and as such can be seen through the same lens. With low predictability about future wants, take an observation approach and focus on being neutral, with moderate predictability take an adaptive approach and trial some things while focusing on the process, and in the rare situations where life presents high predictability take the planning approach and focus on getting results.

Emergency situation

The emergency situation presents a unique example for the application of the approach model. It's unique because of the time pressure and because of the intersection of decision making and approach ideas when there is limited time. My mental example that I use to understand this is that of a pilot with a crippled aircraft. The new elements which impact the application of the model in this example are the existence of training and procedures. Speaking to this example and the role of training in emergencies for helicopter pilots, Greg Whyte writes, *'Training for emergencies is routine, repetitive and often ho hum, but it does hone your instincts and reflexes. If you get it 100% right 90% of the time in practice, you should get it 80% right in the stressful environment of reality and, with luck, that will make the difference between walking away and not walking away'* (G. Whyte, 2007, p. 337). As this passage suggests, although the pilot herself may be experiencing a low predictability situation in that she can't herself predict the consequences of actions, the training she has received and the procedures she follows were set out to override her subjective predictability

and give her the optimal path forward to a good result. Therefore, the training and procedures combine to increase the predictability of the situation by expanding the subject to include both the pilot herself, and those who developed the training and procedures. This new combined entity of pilot, training and procedures has indeed got a much higher level of combined subjective predictability. This increased predictability looked at through the approach model suggests that following the procedures or a pre-planned approach is an appropriate place to start. With the existing procedures executed and the problem not solved however, the subjective predictability of the pilot is reduced and a more adaptive approach focussing on the process of trialling possibilities as per her training would be the next step. Finally, when procedures (pre-planned) and trained trials (adaptive) approaches have not yielded results, we can assume that our pilot has reached the boundary of existing knowledge, and must look differently at the problem and her underlying assumptions to solve it. The model suggests that there is now low predictability, and that the pilot should stop trialling for a moment, and observe the situation while focussing on neutralising her existing assumptions so that a new idea can present itself to her. This of course sounds like a terrible situation and the approach appears very counterintuitive, but with the benefits of other approaches exhausted the observation approach is still the best one in that situation. I note here that during my pilot training this is not what was taught. In fact the pilot is instructed in training that unless there is a co-pilot who can be instructed to *'fly the aircraft'* while the pilot observes neutrally, the pilot is to continue flying the aircraft as first priority regardless of the situation. This is akin to a continued adaptive approach as per the model. In an emergency situation then, the approach model is applicable as training and procedure serve to increase subjective predictability. This example also shows that because the process does not always move from low to high predictability, but can also move from high to low, the model does

not make this assumption. The approach model is a point in time model which suggests that a person should choose their approach based on the subjective predictability of the situation.

There are many apparent applications for the General Approach Model including but certainly not limited to the ones articulated here. This section has explored some of these applications in order to test the underlying framework of the model, and to show the models breadth of possible application.

In this section 6.4, this thesis has set out contributions to professional practice specifically in the areas of practitioner's tactical approach to culture change management, and the practitioner's mental approach to culture change management. In summary, practitioners can maximise the beneficial impact of their culture change management interventions through tactically changing only what they understand and is necessary, by changing only existing cultural elements and not introducing new ones, by changing the drivers of the culture rather than the intentions of people in the group, by reducing mental resistance rather than increasing incentives for change, and by mentally approaching the change process differently depending on the subjective predictability of any intervention's outcomes. In combination these factors should increase the likelihood of any desired change both occurring, and of it being beneficial.

The following section 6.5 sets out the final conclusions of the project across the three areas of the project conclusions, the doctorate conclusions, and the methodology conclusions.

6.5 Conclusions
This final section provides some brief conclusions across three areas. Firstly some conclusions are made on the project itself, followed by concluding statements regarding the doctorate, and finally some conclusions on the methodology.

6.5.1 Project conclusions

Regarding the project itself, the first point of note is the overall power of the project in generating learning experiences. The project itself being comprised of three subprojects created a wide variety of learning opportunities over time and gave some real depth to the experiential information available when the time came to reflect on the project as a whole. Without this project experience there would have been significantly less motivation for me as the researcher to dig deeper into the cause and effect relationships I initially suggested, which would have decreased the applicable value of the final conclusions in a very significant way. The projects contributed to thesis outcomes so substantially that its challenging to separate out what has been learned from what was already known. I attribute this challenge to the situational day to day way which this real project experience impacted on my perspective. It's hard for me to imagine not knowing or understanding what I now do and so is equally difficult to quantify the links between the project experiences and individual learnings. Holistically however it's very clear that the project itself dramatically impacted my perspective and contributed extensively to the quality of this final thesis.

There were also direct benefits from having three subprojects carried out in different organisations. These different organisations and experiences helped expand the sample of experience I was exposed to and allowed for a hypothesis formed in one organisational setting to be crosschecked against experiences in others. Many of my original ideas about what impacted culture change and how it could be managed were reassessed and changed in light of different experiences in a different subproject which is evidence of how valuable this multi-organisational feature was to the final results and to this thesis.

In addition to the diversity benefits found in having subprojects in different organisations, there was an additional diversity benefit created by my having different organisational roles in the three subprojects. Most strikingly in the difference between subproject two in ESC and subproject three in PNGgold, the vast difference in the *management* of culture change from

these positions of internal organisational leader and external consultant became very apparent. Without these different roles in the different subprojects there is a possibility that I would not have identified the impact my role was having on my ability to manage culture change and therefore would not have been forced to reflect as thoroughly on the actual forces at play in changing a culture. Likely the final approach model would have been significantly different without this positional insight.

The timeline of the project also played a role in the quality of the information I had at hand when it came time to reflect. With subproject one beginning prior to subprojects two and three, and with both subprojects two and three being run over significant amounts of time, my perspective as researcher was allowed time to develop and improve in the face of project data. This progressive learning is evident in the project itself as well as in the conclusions in chapter six, as my thoughts on key issues change quite dramatically and at times reverse. This changing and reformation of ideas and perspective would not be as likely with either a single subproject or one run over a shorter time frame. The value of this time frame in learning can be very clearly seen in the disparity between my thoughts on culture change at the conclusion of subproject one in Harcourts, and the revised, more complex, and less conclusive findings in the conclusions of the later subprojects. This reduction in the conclusiveness of conclusions happened progressively through my experiences with the subprojects in alignment to my growing understanding of the variables at play in culture change management, and of the uncertainty with which any practitioner can predict a successful intervention in the general sense. Without this time element of the project therefore, I would likely not have be able to go through this process, and my final conclusions would likely have been far more prescriptive.

One very appealing element of a project driven leaning in real situations is the consequential feedback I received from the organisation and market when I attempted an intervention. By

consequential feedback I mean feedback that can't be ignored or rebutted intellectually because there will be consequences for the success of the organisation regardless. This type of feedback is different from communicated feedback as would be found in a survey because it's not as open to interpretation by me as researcher. In other words, denial of the feedback was not an option if I wanted to be successful in my organisational role so I was constantly forced into re-evaluation of my underlying assumptions. Had I been surveying an organisation and asking questions about culture, I would have been much more able to start with an initial hypothesis and then find the results in the data which supported it. As it was however I was forced by consequential feedback to change my thoughts rather than be selective with data. As an example, my original thoughts as a consequence of subproject one at Harcourts were that if a leader acted how he wanted others to act he could directly, and crucially always, influence the culture that developed in a favourable direction. This was my conclusion not only from subproject one, but was the major theme in my book 'Culture at Work' (Moore, 2013) so I had significant emotional investment in that idea being correct. However, when my own aligned actions failed to impact the culture at ESC, and when I became aware that the business was in trouble unless I let go of that idea and looked again at what was happening, I was quite quick to (albeit reluctantly) abandon that as a whole idea and look for other things which could be influencing the culture. Without consequential feedback on this point I am certain that I would have maintained my biased perspective, and the results and recommendations in this thesis would have been less valuable as a consequence. A second project example this time of inconsequential feedback being ignored was the Organisational Health Survey which we did for the PNGgold leaders during subproject three. This data was largely ignored because it could be, while other feedback coming to the leaders about the project was consequential and so took precedence.

Finally, the capturing of data and the learning process before, during, and after the project itself had a powerful impact on the thesis outcomes. The process of planning as has been shown included the learning portfolio and plan. During the project a diary and other notes were kept along with artefacts such as emails etc. from the period. After the project itself was completed the numerous drafts of this document provide a step by step insight into the changing of opinion and development of ideas on final reflection. These various methods of capturing data as well as guiding the project itself needed to find the balance between being rigorous enough to create a doctoral level output, and being flexible enough to enable the research to respond to the consequential feedback from the market and as such remain relevant through the project's duration. This is no easy balance as the likelihood of a direction change with new information is high, and even in the final reflection stage new thoughts appear from the artefacts and encourage a new direction in thinking. So the type of information being captured needed to be and was sufficiently broad to manage the final task of documenting the final results without knowing what those results would be. As researcher I found this balance by writing whatever events, challenges or ideas came to mind at the time without attempting to piece together the whole picture. This approach to my diary coupled with the intermittent and more holistic early drafts of this thesis formed a loose guide to the process without blocking my ability to openly look at feedback from the subprojects themselves. This approach proved effective in building a set of data sufficiently broad to manage the final results and to provide direct supporting examples for key points in this Thesis.

Those are the final conclusions on the project, the next section provides conclusions on the doctorate.

6.5.2 Doctorate conclusions

Reflection on the doctorate itself shows the benefits of a work based learning framework in exploring new knowledge, as well as the underlying impact of the tripartite agreement in directing my focus as researcher toward productive learning and discovery.

This was a work based learning doctorate and as such sought to explore new knowledge through interactions between the researcher, their workplace, and the market environment of that workplace in this case being the subproject organisations. Learning from participating in this manner provided much of the value generated through the doctorate and contributed greatly to the outputs in this thesis. Briefly reiterating what is set out in the section above, a key benefit of work based learning is the fact that the researcher is also a workplace participant and as such must respond to the consequential feedback of their working environment. This forced reflection coupled with the ability to trial and explore new knowledge in action and make adjustments as the projects progress allows for a learning loop to be firmly established and consistently reinforced by the process itself. It was this learning loop and consequential feedback that gave the work based learning in this doctorate its influence, and which drove the process toward a result.

The tripartite agreement which set up multiple simultaneous focusses also contributed to the process in this doctorate. As researcher, I was forced to focus on the benefits I was providing to the client organisations, my own learning, and to other practitioners simultaneously throughout the project. This focus on the three parties meant that I was consistently switching from one perspective to the next, and would typically end up seeing multiple views of the same event through this process. This was extremely challenging especially when there was significant work pressure and when communicating with parties from the different areas. The difficulty was in the cognitive dissonance as described by Festinger (1957), which is the discomfort associated with holding more than one perspective on something at one time. An example might be the fortunes of the culture change program at ESC, while as researcher and

for the benefit of other practitioners I seek an objective perspective on this past experience so that lessons can be learnt which although real, may or may not be valuable to the business as it stands at the moment. This perspective was at odds with the positive action orientation that was required of my thoughts and deeds during this period in aiding the client organisations fortunes. In this way there is a conflict between the most productive perspective, and as both are required to fulfil the aims of the tripartite agreement there was no choice but to wrestle with the discomfort of holding and switching between different perspectives as more information became available. On the positive side, this discomfort led to a project, doctorate and hopefully thesis which contributed or contributes to the three parties in a substantial way, and conclusions which should stand the scrutiny of any of these groups. In short, the discomfort of multiple perspectives led to increased rigour in the process, and in the end improved the quality of the results.

Those are the conclusions on the doctorate, following are the final conclusions on the methodology.

6.5.3 Methodology conclusions
The methodology used in this doctorate was primarily that of action research. This included the use of action learning cycles through implementation and depicting the projects. This methodology brought with it both benefits and challenges for the doctorate and the writing of the thesis. Always aware that action research was only one methodology which could be used to adequately capture the lessons in this work based learning program, it was decided that the process benefits of the action research methodology fit particularly well with the initial ambiguity of what would be found once the project began. In the end the decisions paid off from my perspective as it introduced a transparency into the project for both myself as researcher and for readers of this thesis that I think benefits both. There was also the benefit of the cycles themselves bringing some structure to my consideration of actions and

reflection during the projects implementation. Particularly beneficial in this was the focus on periodic reflection on events. This not only steadied my leadership through the period but impacted the final findings which included the benefit of neutral observation as one option for approaching complex systems such as culture. In this way the cycles were a great benefit to the project, the results and to this thesis.

In addition to the benefit of the cycles themselves, was the underlying action research thinking about definition of the subject or question being pursued. Action research sets out that it begins with a fuzzy question, moves forward to find data, then settles on both the question and the answer as the action learning process moves forward (Gummesson, 2000). This focus on the process of learning what is there rather than predicting what is there and seeking to find it, is in effect a focus on process rather than results. This was another underlying premise in the concluding approach model and one that stemmed quite directly from the benefits I experienced from executing through an action research methodology. To set a question to answer from the start would have indeed focussed me on that result, and would likely have blinded me to information through the project which was not aligned to that end. In short, having the action research process guiding my actions allowed me to focus on the process and let the results be what they were in as unbiased a manner as possible.

There were still some challenges however in the implementation of the action research methodology including the experiential nature of much of the data collected. The challenge here is in the recollection of this information for use in the writing of the thesis. The thesis is tasked with being as accurate a picture of events as possible, but with the time delay between the events and the writing of this thesis there were innumerable reflective biases bound to have a corruptive effect on the findings.

Two such biases are the narrative fallacy and confirmation bias. The narrative fallacy as described by N. N. Taleb (2010, p. 50) alludes to the mind's predisposition toward sequential, causal and intentional links between data as its both stored in and recalled from memory. Our minds are structured to like stories where a person intentionally acted causing a single series of cause and effect relationships leading to a result or outcome. This linier and causal thinking helps us store more information as linked data is easier to remember than individual data points, and also helps make the world seem understandable and predictable. The reality however is that most outcomes are not intentional on anyone's part, are not caused by a single chain of events but multiple, and are caused in part by untraceable random events or subjectively speaking, luck. This difference between the reality of a situation and how we store and recall it leads to a story becoming simplified over time, and to data points which don't relate directly to the story being lost to memory. In this way the mind suffers from a type of 'survivorship bias' (N. Taleb, 2004, p. 156) where the assumption of system one is that the data it recalls and applies to the situation was all the data there was, which of course weakens the validity of any hypothesis or findings generated on the basis of this mental story or narrative. This is an insidious function of the mind and as time separates the events and the thesis writing here I am very aware that with each recall or mental reliving of the project experience the story rarefies, and the opportunity to build a complete picture of events is reduced. In this work I took steps to reduce this bias by minimising the periodic rewriting of the subprojects for fear of corrupting the reality, by leaving the subprojects as they were while writing the conclusion, and through maintaining a wariness about any causal chain of events which seemed to fit too well together knowing that true reality is rarely so. The Narrative Fallacy simply notes, that we find stories appealing and so are prone to seeing data in a narrative as more true and relevant than data set out in isolation.

As to the link back to action research, the issue of a narrative fallacy is created with the separation in time between the events and the final writing in action research, and by the reflective process itself which seeks to find a central narrative through the data. Both these factors are also part of the strength of action research as noted above, but researchers being unaware of the impact of the narrative fallacy on their action research project, are at increased risk of their findings being detached from the events which stimulated them, and consequently less applicable to others when taking action based on those findings.

The second yet connected reflective bias I wish to note here is Confirmation Bias. As discussed in the contributions section of this thesis and set out by Daniel Kahneman, confirmation bias is the tendency to confirm an existing image of the world when looking at data, and to be blinded to information or feedback which is at odds with this existing opinion or perspective (Kahneman, 2012). Relating this to action research, when a researcher is influenced by the narrative fallacy and is narrowing the story of the project to a clean story line, the tendency to confirm this original story when relooking at events or rewriting sections of the thesis would be significant. In this way the narrative fallacy and confirmation bias conspire in a way to distort the picture of what happened, and consequently reduce the applicable value of the findings and recommendations which stem from it. This challenge is embedded in the fabric of experiential learning generally, but the focus on reflection and the clarifying of questions and answers in the aftermath of events in action research makes action researchers especially susceptible.

Management of these biases for action researchers starts with awareness, without knowing what weaknesses there are in the way we reflect on events, there is no simple way to prevent their occurrence. Perhaps the methodology of action research could itself be changed to account for these biases by for example reducing the emphasis on clarifying the direction of the work initially, or the emphasis on refining data down to a single storyline in the writing of

the thesis itself, but this would likely be an affront to the established thinking on what makes a doctoral level project valid. It would also require a reduction in the clarity of what the research was about, and so would reduce its usefulness for others in the academic and practitioner communities more generally. If all research papers were about a variety of unrelated things, there would for instance be no way to catalogue them for reference. For this reason I see no simple way to systemically reduce the risks of reflective biases in action research, which leaves an awareness and manual compensation for these biases by researchers as the most implementable approach.

Despite these challenges in generating unbiased data from the action research methodology, the data which is generated is in many ways well filtered by experience already. Yes there is the risk that a single experience will be extrapolated into a concept or principle prematurely, but at least the experience occurred once in practice, and the role of the action researcher in the experience goes some way to ensure that they maximise the connectedness with the experience. It is real experiential data gathering with structure and as such is likely to provide increased practical value for others. The process of critical reflection which is so central to action research methodology is where I will finish. This reflection is what links the experience to the findings, sorts through what information needs to be captured and presented, controls for biases as much as possible, and allows for the emotions of the moment to be set aside and a deeper understanding to develop. In the words of Robert Persig *'Try and understand this new fact not so much in terms of your big problem, but for its own sake'* (Pirsig, 1984, p. 400). This ability to reduce the influence of your past or ideas on your observations is at the core of critical reflection, and critical reflection is at the core of action research and this thesis.

List of Appendices (available on request)

Chapters 1 & 2

Appendix 1

Learning portfolio

Appendix 2

Learning plan

Appendix 3

Reflective journal

Appendix 4

Email correspondence

Chapter 3 (subproject 1)

Appendix 5

Culture at Work

Appendix 6

Harcourts Board Reports

Appendix 7

Business owners meeting power point

Appendix 8

Harcourts speeches

Appendix 9

Ben Bernacki interview notes

Appendix 10

Alex Ricciardi interview notes

Appendix 11

Tony Coyles interview notes

Chapter 4 (subproject 2)

Appendix 12

Output document from original team meeting on culture (*ESC Culture doc*)

Appendix 13

Len Moore interview notes

Appendix 14

Kate Moore interview notes

Chapter 5 (subproject 3)

Appendix 15

PNGgold report 30/03/2012

Appendix 16

PNGgold leadership principles

Appendix 17

PNGgold LDP workshop booklet

Appendix 18

Email to Thomas ending first ESC engagement

Appendix 19

PNGgold Organisational Health Survey

Appendix 20

PNGgold Organisational Health Survey Results

List of Refrences

Abrashoff, D. M. (2002). *It's Your Ship: Management Techniques from the Best Damn Ship in the Navy*. New York: Business Plus.

Adelman, C. (1993). Kirt Lewin and the Origins of Action Research, . *Educational Action Research,, 1*(1), 7-24. doi: 10.1080/0965079930010102

Alvesson, M. (2002). Understanding organizational culture. from http://ezproxy.usq.edu.au/login?url=http://www.USQ.eblib.com.au/EBLWeb/patron?target=patron&extendedid=P_254769_0&

Anthony, P. (1994). *Managing Culture*. Buckingham: Open University Press.

Argyris, C. (1990). *Overcoming organizational defenses : facilitating organizational learning*. Boston: Allyn and Bacon.

Argyris, C. (2010). *Organizational traps : leadership, culture, organizational design*. Oxford ; New York: Oxford University Press.

Argyris, C., & Schon, D. A. (1989). Participatory action research and acion science compared: a commentary. *American Behavioural Scientist, 32 (5)*(May-June), 612-623. doi: 10.1177/0002764289032005008

Argyris, C., & Shchon, D. (1978). *Organizational Learning: a theory of action perspective*. Reading Mass: Addison Wesley.

Bacon, F. (1605). *The Advancement of Learning*. New York: Random House.

Banchard, K., Olmstead, C., & Lawrence, M. (2013). *Trust Works: Four keys to building lasting relationships*. London: Harper Collins.

Baylis, J., Wirtz, J. J., & Gray, C. S. (2007). *Strategy in the contemporary world : an introduction to strategic studies* (3rd ed.). Oxford ; New York: Oxford University Press.

Bernardone, G. F. d. (1206-1226). Historically Speaking. Retrieved 14/06/2014, from http://idiomation.wordpress.com/2010/11/18/actions-speak-louder-than-words/

Blanchard, K., Carew, D., & Carew, E. P. (2004). *The One Minute Manager builds high performing teams: Increase satisfaction and productivity to achieve excellence*. London: Harper Collins.

Briggs-Myers, I., Mccaulley, M. H., Quenk, N. L., & Hammer, A. L. (2003). *MBTI Manual: A guide to the development and use of the Myers-Briggs Type Indicator Instrument*. Mountain View CA: CPP.

Brown, A. D. (1995). *Organisational culture*. London: Pitman.

Brown, W. S. (1985). *13 fatal errors managers make and how you can avoid them*. New York: Berkley Business.

Burton, R. A. (2008). *On Being Certain*. New York: St Martins Press.

Carlson, R. (1997). *You can be Happy no Matter What: Five principles for keeping life perspective* Novato CA: Bantam Books.

Chabris, C., & Simons, D. (2009). *The Invisible Gorilla*. New York: Broadway, Random House.

Chen, K. Y. K., M. (2010). *Secrets of the Moneylab: how understanding people will increase your profits*. London: Portfolio Penguin.

Cherry, N. (1999). *Action Research: A pathway to action, knowledge and learning*. Melbourne: RMIT University Press.

Coghlan, D., & Brannick, T. (2005). *Doing action research in your own organization*. London: Sage Publications.

Coghlan, D., & Brannick, T. (2010). *Doing action research in your own organization* (3rd ed.). London: Sage Publications.

Cooper, C. L., Holdsworth, L., Johnson, S., & Books24x7. (2012). *Organisational behaviour for dummies For dummies* Retrieved from http://ezproxy.usq.edu.au/login?url=http://library.books24x7.com/library.asp?^B&bookid=46193

Costley, C. (2001). Organisational and employee interests in programs of work based learning. *The Learning organisation, 8*(2), 58-63.

Covey, S. R. (1990). *The seven habits of highly effective people : restoring the character ethic*. Melbourne: Business Library.

Crane, A., & Matten, D. (2010). *Business ethics : managing corporate citizenship and sustainability in the age of globalization* (3rd edition. ed.). New York: Oxford University Press.

CrewResourceManagement. (1999). Crew Resource Management. from http://www.raes-hfg.com/reports/crm-now.htm

Daft, R. L. P.-M., A. (2009). *The Leadership Experience* (Asia Pacific Edition 1 ed.). South Melbourne: Cengage Learning.

Darwin, C. R. (1861). [Letter to a Friend].

Deutschman, A. (2009). *Walk the Walk: The #1 rule for real leaders*. London: Penguin.

Drennan, D. (1992). *Transforming Company Culture*. London: McGraw-Hill.

Duhigg, C. (2012). *The Power of Habit: Why we do what we do in Life and Business*. New York: Random House.

Dukerich, J. M., Golden, B. R., & Shortell, S. M. (2002). Beauty is in the eye of the beholder: the impact organisational identiforcation, identity, and image on the cooperative behaviours of physicians *Administrative Science Quarterly, 47*, 507-533.

Dutton, J. E., Dukerich, J. M., & Harquail, C. V. (1994). Organisational images and member identiforcation. *Administrative Science Quarterly, 39*, 239-263.

Dwyer, J. (2009). *Communication in Business: Strategies and Skills*. Frenchs Forrest NSW: Pearson Prentice Hall.

Ebbutt, D. (1996). Work Based Learning and issues about Knowledge. *Research in Post-Compulsory Education, 1*(3), 257-272.

Festinger, L. (1957). *A Theory of Cognitive Dissonance*. California: Stanford University Press.

Franklin, B., Woolman, J., & Penn, W. (1909). *The Autobiography of Benjamin Franklin* (Vol. 1): PF Collier.

Fullan, M. (2011). *Change Leader: Learning to do what matters most*. San Francisco CA: Jossey-Bass.

Fulop, L., Linstead, S., & Lilley, S. (2009). *Management and organization : a critical text* (2nd Edition ed.). Basingstoke: Palgrave Macmillan.

Gerber, M. E. (1995). *The E-myth revisited: why most small businesses don't work and what to do about it* New York: Harper Collins.

Gold, J., Holden, R., Iles, P., Stewart, J., & Beardwell, J. (2010). *Human Resource Management: Theory & Practice* London: Palgrave Macmillan.

Grammaticos, P. C., & Diamantis, A. (2008). Useful known and unknown views of the father of modern medicine, Hippocrates and his teacher Democritus. *Hell J Nucl Med, 11*(1), 2-4.

Green, M. (2004). Harcourts Purchase WA's Top Real Estate Group [Press release]. Retrieved from http://www.scoop.co.nz/stories/BU0402/S00071.htm

Grundy, T. (1993). *Implementing Strategic Change*. London: Kogan Page.

Gummesson, E. (2000). *Qualitative methods in management research* (2nd ed.). Thousand Oaks, Calif.: Sage Publications.

Harcourts, R. E. (2014). Harcourts Culture. Retrieved 02/06, 2014, from http://www.harcourts.net/academy/harcourts%20culture.html

Harrison, R. (1970). Choosing the Depth of Organizational Intervention. *The Journal of Applied Behavioral Science, 6*(2), 181-202. doi: 10.1177/002188637000600204

Harrison, R. (2010). *Consultants Journey: A dance of work and spirit*. Everett WA: Starseed Publications.

Hartog, D. N. D., Van Muijen, J. V., & Koopman, P. L. (1996). Linking Transformational Leadership and Organisational Culture. *The Journal of Leadership Studies, 3*(4), 68-83.

Hayek, F. (1944). *The Road to Serfdom*. London: University of Chicago Press.

Hayek, F. (1945). The Use of Knowledge in Sociaty. *American Economic Review, XXXV*(4), 519-530.

Hill, N. (1937). *Think and grow rich* (Facsim. with original foreword ed.). No. Hollywood, CA: Wilshire Book Co.

Hirsh, E., Hirsh, K., & Krebs Hirsh, S. (2003). *Introduction to Type and Teams* (Second ed.). Mountain View CA: CPP Inc.

Hofstede, G. (1981). Culture and Organizations. *International Studies of Management and Organizations, 4*, 15-41.

Hofstede, G. H. (2001). *Culture's consequences : comparing values, behaviors, institutions, and organizations across nations* (2nd ed.). Thousand Oaks, Calif.: Sage Publications.

Jaques, E. (1997). *Requisite organization : a total system for effective managerial organization and managerial leadership for the 21st century* (2nd, rev. ed.). Arlington, VA: Gower Publ.

Jaques, E. (2002). *Social Power and the CEO: Leadership and Trust in a Sustainable Free Enterprise System*. West Point CT: Quorum Books.

Jaques, E. (2006). *Requisite Organization: A Total System for Effective Managerial Organization and Managerial Leadership for the 21st Century* Arlington VA: Cason Hall & Co Pub.

Jaques, E. C., Stephen. D. (1991). *Executive Leadership: A practical guide to managing complexity*. Arlington VA: Cason Hall & Co.

Kahneman, D. (2012). *Thinking, fast and slow*. London: Penguin.

Katcher, B. L. (2010). *The insiders guide to Building a Successful Consulting Practice*. New York: AMACOM.

Kotter, J. P., & Heskett, J. L. (1992). *Corporate Culture and Performance*. New York: The Free Press.

Kroeber, A. L., & Kluckhohn, C. (1952). Culture: A critical review of concepts and definitions. *Papers. Peabody Museum of Archaeology & Ethnology, Harvard University, 47*(1).

Langer, E. J. (1975). The Illusion of Control. *Journal of Personallity and Social Psychology, 32*(2), 311-328. doi: 10.1037/0022-3514.32.2.311

Lencioni, P. (1998). *The five temptations of a CEO : a leadership fable* (1st ed.). San Francisco: Jossey-Bass.

Lencioni, P. (2002a). *The five dysfunctions of a team : a leadership fable*. San Francisco: Jossey-Bass.

Lencioni, P. (2002b). Make Your Values Mean Something. *Harvard Business Review, July*.

Lencioni, P. (2010). *Getting naked a business fable about shedding the three fears that sabotage client loyalty* Retrieved from http://ezproxy.usq.edu.au/login?url=http://library.books24x7.com/library.asp?^B&bookid=34813

Lencioni, P. (2012). *The advantage why organizational health trumps everything else in business* (1st ed.). San Francisco, Calif.: Jossey-Bass.

Lester, S., & Costley, C. (2010). Work-based Learning at higher education level: value, practice and critique. *Studies in Higher Education, 35*(5), pp.561-575.

Lewin, K. (1943). Defining the 'field at a given time.'. *Psychological Review, Vol 50*(3), 292-310. doi: 10.1037/h0062738

Lievens, F., van Hoye, G., & Anseel, F. (2007). Organizational Identity and Employer Image: Toward a unifying Framework. *British Journal of Management, 18*, 45-59.

Lipshitz, R. F., V.J. Popper, M. (2007). *Demystifying Organizational Learning*. Thousand Oaks CA: Sage.

Maesiti, P. (1997). *Attitudes and Altitudes: Principles, Practice and Profiles of 21st Century Leadership*. Mona Vale NSW: Pat Mesiti Ministries Inc.

Marrow, A. J. (1969). The Practical Theorist: The Life and work of Kirt Lewin. *Journal of the history of the behavioural sciences, 8*(2), 261-262.

Marshick, V. J., & Watkins, K. (1990). *Informal and Accedental Learning in the Workplace*. New York NY: Routledge.

Maxfield, C. (2005). *Getting Corporate*. South Melbourne, Australia: IBIS.

Maxwell, J. A. (2005). *Qualitative Research Design: an interpretive approach* (S. Edition Ed.). London UK: Sage Publications.

Mcintosh, P. (2010). *Action research and Reflective Practice: Creative and visual methods to facilitate reflection and learning*. New York NY: Routledge.

Meziro, J. (1990). *Fostering Critical Reflection in Adulthood* San Francisco: Jossey-Bass.

Mill, J. S. (1859). *On Liberty*. London: Penguin Classics.

Moore, A. L. (2013). *Culture at Work: Using Organisational Values to Drive Results*. Brisbane: Executive Support Consultants.

Mullainathan, S., & Thaler, R. H. (2000). Behavioural Economics *International Encyclopedia of the Social and Behavioura Sciences*: National Bureau of Economic Research, Cambridge.

Myres, D. G. (2002). *Social Psychology* (7th ed.). Boston MA: McGraw Hill.

Nankervis, A. R., Compton, R. L., Baird, M., & Coffey, J. (2011). *Human resource management : strategy and practice* (7th ed.). South Melbourne, Vic.: Cengage Learning.

Peale, N. V. (1990). *The Power of positive Thinking* London: Ebury Publishing, Random House.

Pirsig, R. M. (1984). *Zen and the art of motorcycle maintenance : an inquiry into values*. New York: Bantam Books.

Poza, E. J. (2010). *Family Business* (3rd ed.). Mason OH: South-Western Cengage Learning

Ravens, R. W. (1982). What is Action Learning? *Journal of Management Development, 1*(3), 64-75.

Reason, P., & Marshall, J. (1987). Research as Personal Process. In D. Boud & V. Griffin (Eds.), *Appreciating Adult Learning* (pp. 112-126). London: Kogan Page.

Reynolds, S. (2012). *Why People Fail: The 16 obstacles to success and how you can overcome them*. London: Penguin.

Riordan, P. (1995). The philosophy of action science. *Journal of managerial psychology, 10*(6), 6-13.

Robbins, A. (1995). *Notes from a Friend: A quick and simple guide to taking charge of your life*. London: Pocket Books.

Robbins, S. P. (2005). *Management* (4th ed.). Frenchs Forest, N.S.W.: Prentice Hall.

Robbins, S. P., Judge, T., Millett, B., & Boyle, M. V. (2011). *Organisational behaviour* (7th edition. ed.). Frenchs Forest, N.S.W.: Pearson Australia.

Robbins, S. P., Waters-Marsh, T., & Millett, B. (2004). *Organisational behaviour* (4th ed.). Frenchs Forest, N.S.W.: Pearson Education.

Rosenzweig, P. (2007). *The Halo Effect: and eight other business delusions that decieve managers*. New York New York: Free Press.

Ryan, N., Brown, K., & Parker, R. (2003). *Government, business and society* (2nd ed.). Frenchs Forest, N.S.W.: Prentice Hall.

Ryle, G. (1949). *The Concept of Mind*. New York: University of Chicago Press.

Schein, E. H. (1992). *Organizational culture and leadership* (2nd ed.). San Francisco: Jossey-Bass.

Schein, E. H. (1999a). *The corporate culture survival guide : sense and nonsense about culture change* (1st ed.). San Francisco: Jossey-Bass.

Schein, E. H. (1999b). *Process Consultation Revisited: Building the Helping Relationship*. New York: Addison Wesley Longman

Schein, E. H. (2009). *The corporate culture survival guide* (New and rev. ed.). San Francisco: Jossey-Bass.

Schein, E. H. (2010). *Organizational culture and leadership, fourth edition The Jossey-Bass business & management series* Retrieved from http://ezproxy.usq.edu.au/login?url=http://library.books24x7.com/library.asp?^B&bookid=36500

Schein, E. H. (2011). *Helping: How to offer, give, and recieve help*. San Francisco CA: Berrett-Koehler Publishers.

Schein, E. H. (2013). *Humble Inquiry: The gentle art of asking instead of telling*. San Fransisco CA: Berrett-Koehler Publishers.

Senior, B., & Swailes, S. (2010). *Organizational change* (4th ed.). Harlow, Essex, England: Pearson Education.

Shani, A., & Pasmore, W. (1985). Organizational inquiry: towards a new model of the action research process. In W. D.D. (Ed.), *Contemporary Organisational Development: Current thinking and applications*. Glenview, IL: Foresman.

Simon, H. A. (1982). *Models of bounded rationality*. Cambridge, Mass.: MIT Press.

Simon, H. A. (1996). *Models of my life*. Cambridge MA: The MIT Press.

Smith, A. (1776). *The Wealth of Nations*. New York: Bantam Books.

Sowell, T. (1980). *Knowledge and Decisions*. New York: Basic Books.

Sowell, T. (2011). *Basic Economics: A Common Sense Guide to the Economy* (Fourth ed.). New York: Basic Books.

Stanford, N. (2010). *Organisation Culture*. London: Profile Books Ltd.

Stanford, N. (2013). *Organizational health an integrated approach to building optimum performance* Retrieved from http://ezproxy.usq.edu.au/login?url=http://library.books24x7.com/library.asp?^B&bookid=47010

Stanford, N., & ebrary Inc. (2007). *Guide to organisation design creating high-performing and adaptable enterprises* (pp. viii, 343). Retrieved from http://ezproxy.usq.edu.au/login?url=http://site.ebrary.com/lib/unisouthernqld/Doc?id=10235176

Surowiecki, J. (2005). *The Wisdom of Crowds*. New York: Anchor Books.

Taleb, N. (2004). *Fooled by randomness : the hidden role of chance in life and in the markets* (2nd ed.). New York: Thompson/Texere.

Taleb, N. (2013). *Antifragile: Things that Gain from Disorder*. London: Penguin.

Taleb, N. N. (2010). *The Black Swan* (Vol. Second Edition). New York: Random House.

Tannenbaum, R., & Schmidt, W. H. (1973, May). How to choose a Leadership Pattern. *Harvard Business Review*.

Tennant, M. (2004). Doctoring the Knowledge Worker. *Studies in Continuing Education, 26*(3), 431-441.

Thaler, R., & Shefrin, H. M. (1978). *An Economic Theory of Self Control*. NBER Working Paper Series. Working Paper. National Bureao of Economic Research, Inc. Stanford CA.

Thaler, R. H., & Sunstein, C. R. (2008). *Nudge improving decisions about health, wealth, and happiness* (pp. x, 293). Retrieved from http://ezproxy.usq.edu.au/login?url=http://site.ebrary.com/lib/unisouthernqld/Doc?id=10373452

Thompson, A. A., Strickland, A. J., & Gamble, J. (2010). *Crafting and executing strategy : the quest for competitive advantage : concepts and cases* (17th ed.). Boston: McGraw-Hill/Irwin.

Tversky, A., & Kahneman, D. (2000). *Choices, values, and frames*. Cambridge: Cambridge University Press.

Van Der Lann, L. (2013). Triple Dividend Framework, *WRP9000*. Toowoomba: University of Southern Queensland.

Weick, K. E., & Quinn, R. E. (1999). Organizational Change and Development. *Annual Review of Psychology, 50*, 361-386. doi: 10.1146/annurev.psych.50.1.361

Whyte, G. (2007). *Fatal Traps for Helicopter Pilots*. New York: McGraw Hill.

Whyte, W. F. (1991). *Participatory Action Research* (Vol. 123). Thousand Oaks CA: Sage Publications Inc.

Willcoxson, L. M., B. (2000). The Management of Organisational Culture. *Australian Journal of Management & Organisational Behaviour, 3 (1)*, 91-99.

Williams, A., Dobson, P., Walters, M., & Institute of Personnel Management. (1989). *Changing culture : new organizational approaches*. London: Institute of Personnel Management.

Yammarino, F. J., & Dansereau, F. (2002). Individualized Leadership. *Journal of Leadership and Organizational Studies, 9*(1), 90-99.

Yin, R. K. (2009). *Case study research : design and methods* (4th ed.). Thousand Oaks, Calif.: Sage Publications.

Yin, R. K. (2009). *Case Study Research: design and methods* (Fourth Edition ed.). Thousand Oaks CA: Sage Publications.

Zenger, J. H., & Folkman, J. (2009). *The extraordinary leader turning good managers into great leaders* Retrieved from http://ezproxy.usq.edu.au/login?url=http://library.books24x7.com/library.asp?^B&bookid=32989