Relationship capital and the dark side of change management

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RELATIONSHIP CAPITAL
AND
THE DARK SIDE
OF
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To the chickens outside of my study window; they are a reminder of how simple life should be and my own example of relationship capital and swarm theory.

Learn as if you could never have enough of learning, as if you might miss something.

Confucius 551–479 BC (Bullivant 1999)
Declaration

I certify that this thesis has not previously been submitted for any other degree and is not currently being submitted for any other degree or university award.

I certify to the best of my knowledge that all help and assistance in preparing this thesis has been acknowledged. To the best of my knowledge all sources and information used has been acknowledged, through the referencing system, in this thesis.

Richard Buss
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Abstract

This study examines the issues of leadership, relationship capital and the dark side of change management in a public sector organisation undergoing a statewide restructure. Following the announcement of the restructure the area organisation for which I work undertook a change management process in order to comply with the outcomes set as part of the restructure. In this research, the leaders and staff are observed and interviewed in order to examine their responses and behaviours in a change management process. The methodology used is a qualitative methodology that uses action research cycles to observe and measure the reactions and behaviours of people at different points within the change management process.

The study found that the relationships people have in a work setting are important in the process of change and that people use these relationships, psychological contracts and the ‘small world’ phenomenon during the change process in order to attempt to minimise the impact of the changes upon themselves and their work setting.

The study also observes, and the participants articulated, the dark side of change management – that is, behaviours and thoughts towards the process of change and to other people that are not interpreted as optimal behaviour in a change management process. This dark side is a strong determining factor in the rationale for the acceptance of change by the staff and a strong characteristic in the leaders interviewed.

Overall, the study is a journey which explores the stages and behaviours of participants during a change management process. It highlights the resistance to change that individuals have and the processes that they will undertake in order to minimise the impact of the change process upon themselves and their place of work.
Style key

- Quotes from participants in the current study are in *italics*.
- Diary notes are the reflections from the notes taken during the study by the researcher.
- The phrase, ‘the current study’ refers to this study and research conducted on the restructure and change management process for this thesis.
Chapter 1
Introduction

There is no more delicate matters to take in hand, nor more
dangerous to conduct, nor more doubtful in its success, than to set up
as the leader in the introduction of change. For he who innovates will
have for his enemies all those who are well off under the existing
order of things, and only lukewarm supporters in those who might be
better off under the new (Machiavelli 1446–1527)

1.1. Why the journey began

This study concerned the complex interaction between leadership and change in
an Australian state-based public sector organisation that was undergoing a major
restructure. I was working in this organisation and had the opportunity to explore,
first hand, what Dunphy (1991) calls one of the central problems in society today,
the management of change.

There were three very distinct events which occurred at approximately the same
time and these led to me wanting to examine the issue of change management and
leadership. Firstly, the state government announced a restructuring of public
health services in New South Wales (NSW), which provided an opportunity to
undertake this research. Thus, this study examined two large rural organisations
which were being amalgamated to form one new area organisation. Additional
relevant information is provided in Appendix 1 which outlines the state
organisation’s perspectives and rationale for the restructure.
The second event was my listening to a radio interview on personal relationships discussing a book titled *The R Option: Building Relationships as a Better Way of Life* (Schluter & Lee 2004). The interview discussed ‘relationship capital’, which is about love and relationships in a personal setting. However it made me think about how work relationships occur and their influence in a work setting and their role in change. Given my previous experience in change processes as a manager, I realised that this might be a critical component of successful change not hitherto explored in any detail. A subsequent literature review, described in Chapter 2, confirmed this possibility.

Thirdly, through my experience as a manager in a number of change management situations I was deeply aware of how negatively staff were affected by and responded to leadership behaviour and the change process. In thinking about this ‘dark side’ of leadership and change the following questions arose: Are there behaviours and subsequent events that occur that are negative in a change management process? If these behaviours exist, how do they manifest or act out? Are there particular individuals or groups of staff who have these thoughts and corresponding behaviour and actions? In my current role, as the Director of mental health services within an Area Health Service provides the opportunity to both be affected by the restructure and have some influence as a leader over the process and outcomes of the restructure. This position is responsible for the leadership of mental health services and was responsible for the implementation of the restructure, the change management process and the conclusion and completion of the restructure for the mental health component of the health service undergoing the restructure. In addition during this action research my role changed, which is discussed in chapter 5.

In addition to these three events I have had ongoing doubts about the usefulness and veracity of the theories and research on leadership and change management that are reported to be effective during a change management process. These doubts were based on what I observed to happen in the work setting. What I saw appeared to be different to what I have read and been taught about effective change management and leadership. These nagging thoughts on change management and leadership have largely remained untested until this current
study provided an opportunity to explore these topics and to participate in and add to the research debate.

As described later in this chapter, and in much greater detail in Chapter 4, this study uses qualitative methods under the broader methodological umbrella of action research. The methodology also uses grounded theory and as ideas and concepts are observed or discussed these are explored through further research and included in the literature review chapters. One of the techniques used in action research is reflection recorded through the use of diary notes. These appear throughout the study and are intended as a form of soliloquy and a source of data. The first diary note follows.

Diary notes:
I examined my thoughts and behaviour and have reflected that, as a general rule, I don’t like change. It sets up within myself a barrier and I feel the need to immediately challenge the process. Before being able to accept a change in the workplace, I have to firstly test out the new work product or change. This was usually done by pushing the limits or boundaries of the process to try to find holes and weakness in the model of change and to test other people’s robustness in the delivery and rationale for the change. I have been known to rebel and belittle the process, testing to see whether the process of change was here to stay and that it was robust and able to stand up to a large degree of scrutiny. This behaviour has been interpreted as being ‘resistant’ to change and ‘not adaptive’ to the new approaches. I have been labeled a ‘recalcitrant’ and a ‘dinosaur’ because I did not seem to be able to accept a change process at face value, having to test out the boundaries and limits of the process and product prior to any level of acceptance. The issue that this raised was, do others react the same way to change? This question is explored in the current study because this apparent resistance may affect the behaviours of people in the process of change.

Somewhat surprisingly, at least to myself, if I was satisfied that the change and the process had been robust and worthwhile, I tended to overcompensate for my previous attitude and become a true believer. People have often misinterpreted this behaviour as ‘having seen the light’ or a ‘conversion’. This type of behaviour is of course larger than just related to change; it is part of my personality and part of my overwhelming desire to please others. While the current study was not a therapy session, it is of course worth examining the literature that links us as people to our
leadership styles. This leadership cannot be examined in isolation from the person and the role in which they find themselves.

My doubts about the veracity of some of the literature on change management and leadership provided some of the motivation and rationale for this current study. That is, I wanted to explore whether or not the disparity between the theories and what I observed is limited to my experience or it is also the experience of others who are involved in a change management process. Once the research commenced the literature reviews, chapters 2 and 3, were researched and the writing began. As themes or new ideas were introduced from the interviews and conversations these were examined and added to the literature review chapters. These chapters were finalised after the research had concluded as the ideas and concepts were being continually explored and updated. An example of this is the inclusion of swarm theory which was a concept added as a result of the observations of behavioural patterns of the participants, hence the use of a grounded theory approach is used as a framework for this study.

1.2 What is being studied?

Over the past few decades, there has been increased interest in the literature on the concept of change management, which has become a focus as a management tool and has become part of the ‘management speak’ in most organisations (Cameron & Green 2004, Fullan 2001, and Doppelt 2003). Additionally, in our daily work lives there are often changes occurring, many of which are not designed or determined by the individual, which lead people to feel that they have little or no control over most workplace changes and the processes involved in managing the changes. This can lead to resistance to the change process, as found by Watson (1971), Coetsee (1999), Dent and Golderg (1999), Coch and French (1999) and Bovey and Hede (2001). People as a whole do not find change easy and can find it distressing or become resistant to it – see, for example, Smollan (2006), Keifer (2004), George and Jones (2002), Kotter (1996), and Kouzes and Posner (1995). Hence, change in organisations can be a challenging and
sometimes expensive enterprise (Petouhoff, Chandler & Montay-Schultz, 2009). This is particularly true in the context of this study where change was forced on individuals rather than occurring as a natural phenomenon.

Given the problems associated with forcing change, the idea of actually ‘managing’ change to improve outcomes to make the process smoother in organisations has become popular (Pettigrew & Whipp 1991, Barnes 1995, Mabey & Mayon-White 1993, and Tichy 1982). In fact there has been an explosion of literature on the topic with a huge list to be found on the internet of organisational consultants wanting to apply their particular change management formulae.

The restructuring of my organisation provided an opportunity to study the leadership, change management processes and reactions of people undergoing change and then compare the findings with current theories. It was not the intention of the research to study either the rationale for the restructure or its eventual outcomes. Rather, it concerned the behaviours of people involved in the process of change.

The study also explored the extent to which leaders of the change used particular theories or methodologies during the change process hence the literature review chapter provide a history of the theories and concepts in change management and leadership.

The current study pays particular attention to personal or ‘relationship capital’ (Schluter & Lee 2004) that may be used during a change management process. This aspect of change is explored to determine if this has an effect upon the individual, the organisation and ultimately, the change process itself. Relationship capital is a phrase usually used in reference to personal intimate relationships and is a concept that has not been widely examined and incorporated into the theoretical frameworks on change management. As a working definition relationship capital is defined as relationships that people have at work and the values that are attached to these relationships. The question explored is: if relationship capital is a successful part of our personal lives, can this be
transposed and have an influence in a work settings? As a general statement, in relation to the literature, outside of the reporting of overt reactions and behaviours of individuals to change, the discussion and exploration of the humanistic variables in the concept of change management has been less well explored. Outside of broad-brush strokes and clichéd words such as, honesty, integrity and trust, the issue of the humanistic side of the change equation in a change management process appears on the fringes of the literature, yet it may play a significant part in the rationale of the individual to accept or reject change.

Diary Note:
If one considers that often an external person or agency was brought in to manage change or at least lay the foundations for the change process, it appeals to my thought process that, staff must be immediately suspicious as to the level of relationship that this person has to the organisation and the people within it. Is the involvement of particular people a reason for the failure or success of the change management processes when the individual leading the change may have little or no relationship to the workers?

The theories on change management are examined in detail in the literature review of this study with particular interest in the roles and functions of individuals and in particular the leaders in a change management process. Some of the theories on change management provide a strategic framework for the change without placing a high level of importance on the people involved, who were either conducting or involved in the change management process. The role of the individual, their thoughts and emotions on the process of change and how they may interact and have a place in a change management process are examined in the current study.

Lastly, (but of no less importance), the current study examines the dark side of change management. Are there tactics or methods to produce changes that are not universally accepted as good, for example lying, cheating and betrayal? Do people use these attributes in the process of change and are these more widely used by the individual conducting the change than some of the current theories in the literature would suggest? Many of the reviewed change management and
leadership theories place an emphasis on positive qualities such as honesty, integrity and loyalty (Burke, Sims, Lazzara & Salas 2007, Stogdill 1991, and Graham 2002) but not on the negative attributes people may have in a change management process. The concept of the dark or ‘unspoken’ side of change management (Whicker 1996) is considered in order to determine if it has a significant role in the change management process. As part of the dark side the issue of toxic leadership, a term coined by Whicker (1996), and explored by authors such as Lipmann-Blumen (2004), Kellerman (2004) and Price (2005) is examined and this is further expanded upon in the literature review in this study in Chapter 3.

1.3 Research Questions

To begin the process of looking at my previous doubts and observations of the process of change management, I started with some generalised thoughts, or as described by Dick (2005) and Swepson (1998), ‘fuzzy’ ideas on what parts of the process of change management needed to be explored. These are succinctly described in broad terms below and then further expanded upon throughout the study.

- The overall process of change that is seen as being able to be influenced by the local managers and workers. While change is inevitable and in most cases predetermined by others, the current study questions participants about the sphere of influence that they may have.
- The process of adaptation to the change and the factors that inhibit or assist in the acceptance of a change. For the individuals involved what, if any, are their processes of adaptation and what factors influence the individual during the process of change?
- The factors that individuals see as important to themselves, the organisation and staff, in the change management process are examined. As with all perceptions there are a multitude of possible
angles, however it is the issues that are important to the individual during the change process that are part of the current study.

- The factors that the workplace or particular group see as important in the change management process. Change can affect the individual in many ways but may also have the capacity to change the way in which a group reacts, behaves and deals with the change. The current study explores any consistent methods or models that people may apply to themselves and to groups.

- The factors or traits that people attribute to the leader of the change process and the values or attributes they place on their work relationship with this leader. The question of whether this work relationship changes in any way from the perspective of the manager and the leader is examined.

- The factors or attributes that are considered important to the participants in relation to the change manager/leader. The current study is interested in relationship capital and how it influences the process and decision making. Are the relationships that individuals have important or relevant during a change management process?

- The dark side of change management is also explored. Do people during a change process behave in any negative ways?

1.4 Methodology

A qualitative methodology provides the framework for the study. An action research approach is utilised through observations, interviews and conversations in a work environment that was undergoing a significant change process. The methodology includes consideration and utilisation of the principles of grounded theory (Glaser & Strauss 1967), Ethnography (Bailey 1987), and Sacred Textualities (Settelmaier & Charles 2001). These underlying frameworks are discussed in detail in Chapter 4. Participants are observed and interviewed in a number of phases or research spirals that allow for the observation and reporting of events and attitudes as they occur and over the whole of the change process as opposed to a single phase or point in the change process. Grounded theory is
utilised as the theories and ideas on change management and leadership were developed during the study as opposed to the study attempting to prove or disprove existing theories.

The factors and process are examined from a number of perspectives. These perspectives and how they are dealt with are part of the methodology. In summary the main perspectives taken into consideration are:

- The literature – what does it say about the issue of change and leadership?
- Self – the researcher as a participant in the process
- The leaders who were in the process of conducting the change process
- The staff who were effected by the restructure
- Other persons who were external to the organisation but were undergoing a similar process of restructuring.

The current study provided an environment and an event in which the concepts of change management and leadership could be examined through an action research model. The separate chapters on change management (Chapter 2) and leadership (Chapter 3) provide an in-depth literature review and detail previous studies, theories and ideas. This is followed by the rationale and methodology (Chapter 4) for the current study and a framework in which this is conducted. The findings (Chapter 5) are then provided prior to the discussion section (Chapter 6) which is the interpretation of the interviews, conversations and observations in relation to previous studies and theories and in addition provides new ideas and concepts on the ideas of leadership and change management within the context provided by the current study.

1.5 Limitations and delimitations

As with many studies there are limitations to the application of the findings. The current study’s findings are limited to the restructure and change management
process that was occurring during the time of the study. The general findings of the study may provide guidance and a focus for future change management events, particularly in a public sector organisation. As discussed in the methodology section, the study continues to add to the debate and literature through the qualitative approach taken, rather than proving a particular hypothesis or replicating previous events and findings.

1.6 Summary

The study, as indicated, is a qualitative approach to the examination of leadership and change management. The intent of the study is to add to the discourse and literature on the processes involved in a change event and the leadership strategies used. The study examined a change management event as it occurred and through interviews and observations, attempts to provide a theoretical framework for the events and reactions of participants in these events. A number of potential theoretical frameworks are discussed in the literature reviews of Chapter 2 and Chapter 3, with a view to providing a link between the change management events and the theoretical frameworks. In particular the study examines relationship capital, psychological contracts, the ‘small world’ phenomenon, the dark side of change and swarm theory. The exploration of these notions and theories, within a public sector organisation, provides additional research and an original contribution to the field of change management.
Chapter 2
Change management
A seductive response to complexity

There is surely nothing quite so useless as doing with great efficiency that which should not be done at all (Peter Drucker 1999).

If you read the academic literature, too often change comes across as a remarkably bloodless activity: establish a vision, design the program, and paint the numbers. We interrupt this program to deliver a dose of reality: it doesn’t work that way. In the real world of change leaders desert you, your staunchest allies cut and run, opposition comes from places you least expect, and your fiercest opponents can turn out to be your most vital supporters. In other words when emotions are running high and the stakes are even higher, people act like people (Charles Fishman 1977).

They understand that change is a contact sport (Miller 2002).

The current study has a focus on change management and is inextricably intermeshed with the thoughts and actions that people have towards the process of change. An actual change management event is the focus of the current study and provides the background for the interviews, conversations and questions asked during the study.

The field of change management can be confusing and sometimes complicated to study with many research theories and ideas on the best methods to achieve a change in the desired direction. Simplistically, change management can viewed as involving the application of many different ideas from engineering, business and psychology. Literature from all these fields is used to influence and progress the theory of change management. As changes in organisations appears to have
become more frequent out of an apparent necessity for survival, the body of knowledge known as ‘change management’, has also grown to encompass more skills and knowledge from each of the abovementioned fields of study. While the expansion of knowledge and increased application of change management may be a desirable trend overall, the result for many change leaders, according to some research, is a growing confusion about what change management really means (Change Management Learning Centre, 2007, p.1).

To produce change is easy, but to control change is more difficult. Change is generally begun by altering one element or part of a system and this, in turn, can create further changes. A simplistic example would be that the lack of rain causes drought (Namias 1955, Potts 2004, Meze-Hausken 2004, and Speranzaa, Kitemab and Wiesman 2008), which, in turn, leads to a whole range of other environmental or economic changes or adaptability, for example, loss of income for farmers, acid soils and higher product prices. The same concept could be employed in examining social change – as an example, the removal of a worker or a subsidiary of an organisation will bring about change. This may be in the form of an impact on the productivity of the employees, in the case of decreased numbers of workers, or in the case of a subsidiary being removed the focus, aims and objectives of the organisation may change. In these examples, where change is viewed or constructed within a context or timeframe, it is rather simplistic to say that a lack of rain causes drought, as there are many factors which may cause a drought, and a reduction in rainfall may be due to such things as ocean currents and global warming and so the events and interactions continue. These interplays create a notion of change that is not unilateral; but rather is a multilayered, multifaceted and complicated set of events within a system that have far-reaching implications. Therefore, what is important in the examination of a change process is the ability to define the context or parameters in which it is examined. This definition will allow the changes that occur to be better understood or interpreted.

From the simplistic concept of change, there is the ongoing development and complexity of the change process and the reactions that occur as a result of the change process. The development of change management is a way of defining the connectiveness of events, and activities and the dynamics of the existing social or
work arrangements that are modified or influenced by the change process. At the beginning of a change process there may be unseen, unplanned or unpredictable outcomes of the change. The process of change management and the attempts to provide a methodology for studying change in organisations explained by some of the theories on change management that are examined in the current study. These include linear approaches and theories (Szidarovszy 1992 and Heeger 2003), chaos theory (Hadamard 1954, Pioncare 1900, Lorenz 1961, Gleick 1987), and complexity theory (Selman 1990 and Rosenhead & Mingers 2001). All are examined in more detail later in this chapter.

Generally in a social systems context this is referred to as change management. The current study is interested in the changes that occur in a particular social system. The changes examined are introduced or forced changes, in the form of an announced predetermined restructure. How this change process is managed and the effect it has on the individual’s work relationships is one of the focuses of the current study.

As indicated above there does need to be a distinction made between ‘scientific change’, in the form of experiments and chemical reactions and ‘social change’. In scientific or manufactured change, the product of the change process is usually predictable and repeatable. For instance, if hydrogen and oxygen molecules are added together at a ratio of 2:1, water will be produced (Granger 2002). This can be replicated in any setting and the result will always be the same. What are controlled in this type of scientific change process are the effects and outcomes of the change. Social changes are not as predictable for the reasons explored below.

The changes being examined in this current study are social changes. Social change by its very definition involves human beings and, therefore, cannot be as precise or predictable as a scientific experiment as at least one of the variables, the human beings involved, are never identical in their responses to change. Just as no two humans are exactly the same, their predicted responses to change may be similar, but are never identical. Therefore, the introduction of social change cannot be identical in different places and settings where it might be introduced. However, patterns or predicted types of behaviours and responses may be evident.
The current study examines the trends or similarities in the participants’ reactions to changes to determine if there are certain ways in which a change management process can be conducted that produces similar or more predictable outcomes. The literature is also examined to determine if there are particular guidelines or processes that will assist in making social change a more predictable process.

There are many ways in which organisational change has been defined, however in this current study, Moran and Brightman’s (2001), assertion that it is ‘the process of continually renewing an organisation’s direction, structure and capabilities to serve the ever changing needs of the internal and external customer’, provides an appropriate basis for a definition. An organisational change is therefore defined here as a change that is required to improve services and better meet the needs of both the internal (the staff) and the external (the clients or patients) customers. The rationale for the changes to the organisation examined in the current study is contained in Appendix 1.

From the literature on change management, there is a vast array of research to consider. The current study concentrates and examines change management in the context of the human behaviour displayed within an organisation undergoing a change process. This may sound slightly simplistic, however, within the boundaries of the definition of change management, there are a number of considerations. As indicated by Nickols (2000) there are three areas of concern regarding the study of change management. Firstly, the task of managing a change from a reactive to a proactive posture, and determining how it is to be measured and defined to demonstrate the level of change that has occurred. Secondly, change management is an area of professional practice with considerable variations in practitioners, all of whom presumably have an influence on the change process and on the final outcomes of any such process. Thirdly, the body of knowledge consisting of models, methods, techniques and other tools is large and so the distilling of relevant information that can be used or is useful in a particular change management process may be difficult to source. The current study examines some of the historical and more recent change management theories with these three concerns in mind.
2.1 A history of change

In relation to industrial processes, change has often occurred outside of any industrial relations or governing process. This has occurred because the changes have been technologically focused rather than workforce focused. This has been of particular importance in relation to workers’ rights, responsibilities and conditions of employment. For example, during the Industrial Revolution (1750–1830), change management usually occurred with the workers’ employment being terminated with no level of consultation or compensation.

The questions of interest are: who the leaders of the industrial revolution were, did they have a change management plan, and did they think about what the final product of change would be? I suspect the answer is no. There was, more than likely, not one leader, but many and they all may have been operating with a different end point in mind, but somehow it all came together to be later called the ‘Industrial Revolution’. This example of the introduction of a change and its impact and influence on random or unrelated events through to the eventual outcomes may today be studied using ‘complexity’ and/or chaos theory (Lorenz 1961). The more recent theories associated with change management, including complexity theory, are examined in more detail later in this chapter.

The concepts of ‘Small World Phenomena’ (Milgram 1967) and ‘Relationship Capital’ (Schluter & Lee 2004) are explored in this current study as two possible alternative explanations for why people may accept or reject a particular change. Both of these ‘explanation’ are included in the current study as they acknowledge that the links or relationships that people have may be a contributing factor to their reactions towards a change process.

Another question examined is, is it reality or just another myth that by involving people in a consultation process in relation to change, the process of consultation will bring about an easier and more successful process of change? The use of consultation does appear, on the surface, to be of benefit in a change process.
However, this will be explored with the participants in the study. A part of the current study the issue of a consultation process being used as a ‘smoke screen’ to cover the real direction of the change to be undertaken is explored. Of interest in the study is the concept that, by using consultation as a technique in a change process an organisation or individual may be able to indicate that a particular process was successful or an outcome achieved because of the consultation that occurred. This study explores the ‘reasonableness’ of this concept by examining the consultation process that occurs within the restructure and change management process. An additional rationale for the inclusion of the exploration of consultation processes in the current study is the idea of the ‘dark side’ of a change management processes. The role of persuasion and manipulation can be part of the dark side of change management and these methods may be used in the consultation process to achieve the desired outcome. In direct relation to this idea, by using persuasion with the participants in a consultation process, the outcome may be manipulated to favour the outcome desired. The dark side of change management is explored in the current study to determine if it is used in the change management process and if it has any effect on the perceived outcomes of the restructure.

In the more recent past, the language used in the presentation of the concept of change management has attempted to soften the process by providing more humanistic tones to the wording and the environment in which change management is conducted. Recent articles and published books have used phrases such as ‘downsizing’ (Cameron 1994, Vahtera, Kivimaeki & Pentti 1997, Davis 2003, Chang & Strang 2006 and Martikainen, Maki & Janitti 2008) or ‘rightsizing’ (Robiner & Crew 2000 and Chu & Siu 2001) in relation to reducing the workforce. These are examples of language used to hide the true meaning of the process and outcome. In the past, workers were sacked or retrenched; now they may be ‘excess to requirements’(NSW Health 2007), ‘career transitioning’ (Briggs 2008 and Australian Public Service Commission 2008) or ‘changing careers’ (Sullivan 1999, Grimshaw, Beynon, Rubery & Ward 2006). In 2004, Don Watson wrote a book on what he termed ‘weasel words’ and their use in modern language which demonstrates the use of terms or words as descriptors of events. John Ralston Saul (1995) in his book, The Unconscious Civilization, cites this use
of language as a way for companies and communities to protect themselves through the use of their internal language or jargon.

In examining the concept of change management, the literature is resplendent with methods and ways in which the process of change management could and should occur. In examining a web-based article the words used in the first of the ten principles of change included ‘the human side’, ‘people issues’, ‘key stakeholders’, ‘redesign process’ and ‘fully integrated process’ (Jones, Aquirre & Calderone 2007). A quick search of companies providing advice on the process of change management found that change management itself has become an industry with many consultants and companies making a livelihood determining how change management should or could occur in a particular circumstance by extolling the virtues of particular models or theories of change management. The constant is change and the variable is the language or methods used to explain or rationalise the change process. McNamara (1999) concluded that the topic of organisational change has reached an ‘evangelical proportion’. How participants in this study perceive and deal with the language of change is explored through the interview process.

The factors that affect managers and workers in the process of change in a public sector organisation appear to be less well represented in the literature reviewed. The majority of the literature examines change management from the point of view of how the process should be conducted and what are the correct attributes or values of the process and the change managers. The examples and situations examined in the literature are usually taken from the private sector which appears valid as the issue of change and the need for adaptation to issues such as the markets, profits and shareholders make the process or need for change more important to the survival of an organisation in the private sector. An additional rationale for the focus on the private sector may be that there is more funding available in the private sector for research into the change management process and outcomes.

In addition, the current study is interested in the effects that the change has on the individuals conducting the change process, the leaders, and on those who are
affected by the change, the staff. It does not examine the rationale for change as
the state government organisation, in this particular case, determined the rationale
prior to the restructure being announced. Whether the restructure was ‘good or
bad’ is not explored but rather the focus of the study is on how people thought
about and dealt with the change.

2.2 Pick a number/pick a product

In the examination of the literature on change management, it appears that at	
times, it may suffer from the same fate as the literature on leadership, which is
discussed in the next chapter – that is, the range of frameworks and theories on
change management make the literature and the findings both confusing and
contradictory. In simple terms the selection of a change management approach
could be considered a pick-a-product type exercise as there are so many analytical
models and frameworks of change management available. For example the
following models are all readily accessible and are described as models for
successful change management: the Six Box Organisational Model (Weisbord
1976), the 7-S Framework of Waterman (1980), the Star Model (Galbraith, 2002),
the Nadler and Tushman Congruence Model (1988), The Burke-Litwin Model
(2002), Cycles of Organisational Change (Thompson 1994), growth processes for
profound change (Senge et al. 1999), the Eight Stage Process (Kotter 1996), and
the 5 factor model of Cameron and Green (2004). These are a few examples of the
models available on the topic of change management. All the models or concepts
are from off the shelf textbooks on the subject of change management. Given the
large range of models and conceptual thinking on change management, only some
of these are further explored in the current study. Those examined provide a
historical perspective or are relevant to the restructure and changes in the current
study.

Every model of change management has an audience and therefore a rationale for
being the change model of choice for a particular issue or situation. Once they are
accepted as being appropriate for specific situations, change management models
are often more broadly interpreted or promoted as being suitable for implementing all change management processes. This makes more difficult the task of distinguishing what models may be more relevant in particular change processes. A further rationale for the exploration of change management models is to determine if the participants in the current study used any of these models or concepts as they moved through the change process. This would then provide a background and rationale for some of the behaviour or the structuring of change events throughout the process. In addition the whole organisation may subscribe to a particular model or set of events. This is true for the Queensland Health System that has published a set of documents on the change process within Queensland Health. These change management documents are:

- Changing Models of Care Framework
- Introducing Devolution through Cost Centre Management – 'how to' guide
- Managing Organisational Change – 'how to' guide
- Supporting Employees through Organisational Change – 'how to' guide
- Tools and Processes for Implementing Organisational Change – 'how to' guide (Queensland Health Website 2008).

While no set of documents is available and used by the state government organisation in this study, particular individuals within the system may have a frame of reference for their preferred model of change management. Therefore, it is important to examine and raise this issue with participants in the current study.

### 2.3 Goals of change management

As the phases of a particular change are moved through, the goals of the change management process may also change. Some have likened this process to the five stages of grief in relation to death and dying proposed by Dr Kubler Ross (1973), which are denial, anger, bargaining, depression and acceptance. The stages of
peoples’ emotions are examined and discussed in the different stages of the current study within the context of the goals set by the organisation during the change process. There is no overall organisational consensus on change management methodology rather the organisation at a State level provided the prescriptive framework and definite outcomes that were required in the restructure. In the current study, the three types of goals defined by Nickols (2000) formed part of the research phase of the study. The three goals are:

1. Transforming goals, which are concerned with identifying the differences between the two states, the actual situation and the desired situation. To put this another way, transform goals are to do with the impact of change, and whether the original goals of the change process have been achieved. Other researchers such as Paton and McCalman (2000) and Cameron and Green (2004) argue that a knowledge of the current circumstances of the organisation are important and the context within which the change occurred must be taken into account – that is, it is necessary to have a historical understanding of the organisation or events. This historical understanding is perceived as a crucial part of the responses to the change process. In addition the understanding of the context and the environment within which the change is taking place is an essential element of a qualitative research methodology, which is the chosen methodology of the current study. The transforming goals can be identified in the current study as the researcher, myself, is part of the situation being studied. I am able to be part of and understand the ‘before’ and ‘after’ phases of the change and in addition have a historical perspective of the organisation which is seen as an important element in the interpretation and understanding of the change.

2. Reduced goals are concerned with determining ways of eliminating the differences between the actual situation and the desired situation. As an example, if the desired outcome of a change process is to restructure groups or organisations to make them similar in their outlook or service, then consideration for the use of a ‘reducing goals’ approach would be appropriate. In the current study the desire of the leaders to have a new similar organisation created from two existing and differently structured organisations is the desired outcome. Therefore, a reducing goals approach from those in charge of the restructure
would and should be significant. This reducing goal is more of a ‘planning’ rather than ‘doing’ goal, as it is the consideration of what tasks and issues are needed to reduce the differences that is important at this stage of change. Again, the relevance of this approach to change to the current study is high as the merging or bringing together of two entities, two area organisations, into a new single, area organisation, is part of the restructure goals and it is during the restructuring process that the change management process was planned and commenced.

3. Apply goals, which according the Nickols (2000) are concerned with putting into place operations that actually effect the elimination of these differences between the actual and desired states. This is a ‘doing’ goal and in the current study this is considered to be the enacting of the restructuring plans and the change management process within the area organisation.

The three goals of Nickols (2000) provide a relevant underpinning to the research phases of the current study. Through the goals described, the phases of the current restructure can be segmented into an action research framework that incorporates the phases of the restructure and the change management process. Transforming goals are incorporated into the planning of the current study and the historical understanding of the organisation in relation to the context of the restructure. Reducing goals are found in the first phase of the current study in which the interviews and conversations with the participants are conducted. Applying goals are found in the phase in which the conversations with the affected staff commence and phase two of the interviews. Finally, in the current study, the transforming goals are embedded in the re-examination and the reflection of the actual events and processes that occurred during the restructure and the change management process. The methodology is further strengthened using convergent interviews and conversations in the different phases of the study.

There are a set of skills or attributes that are required to enact each of the goals discussed above as these goals can form the basis of a change management model. According to Nickols (2000) the skills required in change management are: political skills, analytical skills, people skills and business skills (Nickols 2000, p.6–9). The skills or attributes of the leaders in this current study are observed,
discussed and considered and, in particular, the change management skills of the leaders are explored from three perspectives: their own perspective (self reporting), the perspective of the staff and from the researchers observations and perspective during the study.

It is worth noting that the process of change in an organisation is considered different from the process of organisational development. Organisational development is (ideally) a planned long-term improvement process, based according to Robbins (1994) on humanistic-democratic values. The changes in the current study are forced changes, imposed through the announcement of a restructuring of the organisation, rather than developmental changes through the allowance for the organisation to change of its own accord. The restructure in the current study from the perspective of the participants is conceived and driven within a given time frame and with intended changes therefore it creates a change rather than the changes being allowed to develop within the organisation. Therefore, the current study examines a change management rather than an organisational development event. According to Barlett (2001) there is a set of forces including globalization, the information age, the service economy, deregulation and the knowledge revolution that are all factors that are moving organisations away from organisational development and into change management. Given the pace and frequency of changes, it is suggested by Hayes (2007) that organisational development may actually be change management and that the notion of organisational development may be defunct because change has become so discontinuous. Certainly, within this current study, what is being studied is a process of forced change and falls under the heading of change management rather than the development of the organisation. It is important to differentiate the process of change as the steps, timelines and implementation of change are different when viewed using a developmental model as opposed to a change-managed approach.

The question of why organisations need or are required to change is important to consider in order to provide a historical perspective and a context for some of the answers, attitudes and reactions of the participants in the current study. Todnem (2005) argues that for an organisation to survive with some level of success,
change management is crucial, as change is an ever-present feature in the life of the organisation. It is worth noting that some organisations such as those in the public sector do survive even though they are unsuccessful, that is, they may not operate and do not survive or perish in a profit/loss type scenario. Their role and function is more than just economically driven. Rather, public service organisations mostly deal with social issues, such as welfare, housing and health, and are not intended to operate at a profit. The distinction may need to be made at this point that the change being explored in this study is a significant change process. While change is a feature of everyday work, the restructure in this study is significant and has an effect upon over 100,000 employees within the state government organisation, over five thousand of whom work in the area organisation. As an illustration of the scale of the restructure, a small everyday change may be the introduction of a new clinical assessment format into a part of the area organisation. This change will require people to be trained and to modify the way in which they work. However, this is not a change equivalent to a restructure, which affects people’s positions, managerial structures and in some cases their location or actual employment.

In a review of previous literature, Todnem (2005) identifies two areas of agreement in studies on change management. Firstly that the pace of the change has never been greater than in the current business environment and secondly that change triggered by internal and external factors comes in all shapes, forms and sizes and affects all organisations in all industries. The concepts of the pace of the change and the triggers for the changes are explored in the literature review and through the interviews and conversations conducted in the current study, as the context of why the changes are occurring can be an important aspect to acceptance and engagement of people in the change management process.

There appears to be some level of agreement about the frequency of change in organisations explored in the literature. Burnes (2004), Thornhill, Lewis, Millmore and Saunders (2000), Graetz, Rimmer, Lawrence and Smith (2002), Senge et al. (1999) and Brewer (1995), to name a few, all indicate that change is constant and its occurrence is on the increase within organisations. Yet while this may be a fact of organisational life, other researchers such as Reiley and Clarkson
(2001) argue that people need routine to be effective and to improve performance. It has been suggested that organisations will not be successful or efficient if they are constantly changing which appears to contradict the claim that constant change is occurring within organisations. The current study examines whether any link exists between the change process and the effectiveness of the workers within the area organisation.

The formal conceptualisation of the notion of ‘change management’ appears to be a recent phenomenon (Greener & Hughes 2006, p. 205), in that change has been a constant within organisations but the notion that it can somehow be ‘managed’ to produce better, quicker or more effective outcomes is a more recent concept. In the current study the issue of change management and how it is managed in an organisation that is undergoing a restructure is considered. For this reason it is worth considering what the literature has to say on the topic of change management and what are the common themes or aspects associated with a process of change management.

2.4 The evolution of change management

Change management as a concept and a tool for change, which has been and continues to go through a number of theories and phases. These theories and phases are examined in a sequential historical order to provide both a background and a rationale for the responses of the participants involved in the restructure and change management processes examined in the current study.

2.4.1 Linear and hierarchical change theories

Lewin (1951) proposed what is now considered a classic, three-stage model of change. This is a process of, ‘unfreeze, mobilise and refreeze’ the change process within an organisation in a linear timeline and event sequence. With this linear approach to change management there is an assumption that managers can drive
change from the top down and that the outcomes and stages of change are predictable. All the stages can then be mapped in a detailed change management plan and the outcomes are assumed to be predictable in this linear model of managing change. Over time and through experience these assumptions and the use of a linear process have been challenged and it has been suggested that change management is a much more complicated process.

From the work of Lewin (1951), other similar linear approaches to change management developed. The concept that change occurs in phases and that these can be tracked or sorted in a linear or sequential fashion across the change process is a founding feature of these approaches. An eight-phase model was developed by Cumming and Huse (1989), and Bullock and Batten (1985) developed a four-phase model of planned change. It has been more recently suggested that a linear approach to change can continue to be applied successfully.

This linear approach to change maintains the control of the change process at the top of the organisation and therefore this model works in a hierarchical manner. If all the phases are controlled from the one hierarchical point and the phases are entered in a sequential manner through the control of one person or part of the organisation then change, measured from the perspective of the top of the organisation, may indicate that the change occurs in a controlled and predictable linear fashion. However this may not be consistent with the perspective or findings of people in other parts of the organisation who are being affected by the change. This is similar to the concept that ‘history is written by the victors’ and so might the success of the change be viewed from only the one perspective in the linear model.

A further concern with a linear approach to change is that it is people who are being affected and as previously stated they are not usually predictable in their reactions to change. Higgs and Rowland (2005) suggest that linear change could be made to occur in a hierarchical manner by equipping others within the organisation with a range of change tools, which they can determine how to use in pursuit of the overall direction. While this finding may be correct, there are some limitations in this thinking as the giving of authority or change tools to other
people within the organisation does not fit neatly into the concept of hierarchical structures and processes. In addition, Higgs and Rowland (2005) do not define what ‘change tools’ are required for this process to be successful.

The concept of a linear approach to change still has some currency in the field of change management and according to information on the internet, an information management company states, that it is generally accepted that change management and configuration are best planned and implemented concurrently (Bicker, TSO Consulting 2004, p. 1). While this source is anecdotal and does not appear to be research-based, it is used as an example of how the linear-type model is still being promoted as a change management tool that is reported to work successfully in a change management process. The internet page states that planning to implement change management should be undertaken concurrently with configuration management and release management planning. From the information provided, the approach being promoted is a before, during and after stage concept. In addition, change must be planned for according to the needs of the organisation and during this planning the changes desired must be configured or determined and then the two elements, configuration and release management, go forward together in the change process. It appears from the article to be like the basic principle of going into battle with a plan. However, the linear approach fails to recognise that the plan may need to be changed or altered during the change process in order to get the desired result. The linear approach in this context offers no room for contingency planning or adaptability during the change process.

As the models and theories of change management have progressed and adapted there appears to be a consistent level of consensus in the literature that approximately 50%–70% of all change programs initiated fail to reach their goals (Higgs & Rowland 2005, Woodward & Hendry 2004, Strebel 1996, Sirkin, Keehan & Jackson 2005). Kotter (1995) indicates that of the over 100 companies he observed attempting to restructure, only a few were successful in the process. Litchenstein (1996) proposes that much of the failure was due to the failure of the change managers as they are trained to solve complicated problems rather than complex problems. Therefore he surmises that change managers continue to
pursue solutions in a linear or sequential manner. It has been argued that managers continue to attempt to arrive at definitive solutions rather than to cope with the dilemmas of the change (Higgs & Rowland 2005, p. 123).

One of the most quoted contemporary change theorists is John Kotter who in 1995 developed what he called a blueprint for successful change. The method he uses is to analyse previous change management processes within companies. From these he examines the issues that he perceives led to the failure of the change process. From this analysis, he proposed his theory. He evolved a model called ‘The eight stage process of creating major change’ (Kotter 1995, p. 21). These eight steps have been changed in title and explanation slightly over time, by Kotter and others; however they can be summarised as:

- Establish a sense of urgency
- Form a powerful guiding coalition
- Create a vision or develop a vision and strategy
- Communicate the change vision
- Empower others to act on the vision
- Plan for and create short-term wins
- Consolidate improvements to produce more change
- Institutionalise new approaches.

Each stage is associated with the eight fundamental errors that Kotter found in his examination of change processes. According to Kotter (1995), the stages need to be progressed in a sequential manner, sometimes operating in multiple phases at the one time but never getting too far ahead without a solid base. If this sequence of events is not followed, then according to Kotter (1995), it almost always creates problems. Kotter’s model can be defined as a linear approach to change and while there are a number of steps, they are sequential and linear in their interpretation for a successful change process.

The eight principles of Kotter (1995) appear to be the foundation on which many other change management strategies and theories have been built. Simons (1999),
and Mento, Jones and Dirndorfer (2002), as examples, all use this linear approach as the grounded base for change management practices within their theories of transforming change. While Kotter (1995) provides a framework for change management processes within an organisation, his theory appears to have suffered the same fate as other linear models of change, that is, it has been unable to adapt to changes in the environment. Further, the model is unable to provide a flexible way of dealing with any new changes as they emerge. Linear models are required to be driven in a hierarchical fashion, with the change being derived from the top down through the organisation. This linear approach is a limiting factor of the model. Although it is a linear model of change, Kotter’s (1995) research is extremely useful as he constantly reminds people of the difficulties involved in a change management process and in addition the difficulty in gaining the engagement and commitment of people to the change process. The eight-step process defined by Kotter (1995) began to define the barriers and key strategies to the successful implementation of a change process and through these definitions began the process of examining change as a process that needs to be managed. The work also prompted other theories and designs of the change process.

Whilst change is defined as a complex process some authors, Beer and Nohia (2000), continue to define change as a linear process that can be driven from the top down and implemented uniformly throughout an organisation. The view of change being a predictable process and therefore allowing for a linear and uniform approach to be controlled by the change management process has been challenged and there is a recognition that a top down, hierarchical approach to change management can have unexpected or perverse outcomes. Other researchers such as Woodward and Hendry (2004) found that it is impossible to define and resolve all eventualities in an organisation that is undergoing change. What becomes apparent throughout the debate on change processes is that the nature of the change is not always controllable or predictable.
2.4.2 Re-engineering

There have been many fashions or trends in the defining of change management and the proposed process to be undertaken to successfully manage the change. One of the more recent theories is the concept of ‘re-engineering’. Re-engineering began in the 1990s under the banner of business process redesign. Dr Michael Hammer, a Massachusetts Institute of Technology computer sciences professor, and James Champy, introduced the concept of re-engineering in the early 1990s with the release of their book, *Reengineering the Corporation: A Manifesto for Business Revolution*. Hammer and Champy (1993) define the process of re-engineering as, ‘the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance, such as cost, quality, service and speed’. Neidhart (2007) describes the process as becoming a buzzword in the 1990s, appearing at first to be a silver bullet intervention that would forever fix and perfect businesses. Using the re-engineering concept, businesses would radically redesign themselves by changing current processes, information systems, business strategies, and the overall organisational structure of the company which in turn is meant to create a more efficient business. Re-engineering is implemented when an organisation determines that the current systems or ways of working are no longer efficient, or that it is failing to compete with other organisations. Corporations, under the re-engineering model, place value on streamlining jobs by investing in technology instead of employees with the rationale that the advance of technology would free up task-oriented jobs previously held by people. Hall, Rosenthal and Wade (1993) discuss five ways to redesign successfully using a re-engineering process. These are:

- Set an aggressive re-engineering target
- Commit 20%–50% of the chief executives’ time to the project
- Conduct a comprehensive review of customer needs, economic leverage points and market trends
- Assign an additional senior executive to be responsible for the implementation
• Conduct a comprehensive pilot of the new design.

The significant difference with re-engineering management, as opposed to previous linear change management processes, is the combining of three concepts:

• Technology
• A business process
• A ‘clean sheet of paper’ change program concept.

One of the negative aspects of re-engineering is that many companies and industries saw the process as a way of downsizing service delivery without taking into account the effects this could have, particularly on the people within the organisation. In many cases the complicated nature of this downsizing is more than just a reduction in the number of staff with the simplistic concept that re-engineering equated to a reduction in productivity costs and therefore increased profits, which is a major flaw with the interpretation of the model. Davenport (1995) concludes that re-engineering started out as a code word for mindless bloodshed when it is supposed to be the last word in industrial age management. Neidhart (2007) wrote that re-engineering became synonymous with downsizing when companies such as Pacific Bell in 1995 announced the reduction of 10,000 employees as a result of ‘re-engineering’. Apple Computer publicised a cutback of comparable proportions shortly after Pacific Bell, again due to the re-engineering of the company (Davenport 2003). It was estimated that 2.6 million jobs were cut by 500 of the largest firms in the US between 1984 and 1993 owing to massive overhauls under the label of ‘re-engineering’ (Sheridan, 1997).

Hammer and Champy (1993), some of the fathers of re-engineering, admitted later to paying little attention to the human element when first defining the concept. They used such expressions as, ‘in re-engineering, we carry the wounded and shoot the stragglers’, and ‘it's basically taking an axe and a machine gun to your existing organisation’. This terminology is said to have resulted in massive layoffs for some companies that were quick to ‘fix’ their businesses via re-
engineering. The reputation of re-engineering led to warnings about the simplistic interpretation of change management processes.

Davenport (1995) claimed that, when the next big thing in change management hits, try to remember the lessons of re-engineering; don’t drop all your ongoing approaches to change in favour of a handsome newcomer and don’t listen to the new approach’s most charismatic advocate only, but rather to the most reasoned. Talk softly about what you are doing and carry a big ruler to measure the results (Davenport 1995).

2.4.3 Inclusion and systems theories

The concept of re-engineering is a top-down process with management deciding on the type and extent of the change. More recently, other research has considered the idea of the involvement of the employees in the change management process. Useem (2001) and Breen (2001) examine the model of ‘trickle up leadership’ in which they found that, if people are too intimidated or too reluctant to help their leaders lead then the leaders will fail. In models such as re-engineering, the management usually only hears of those issues or changes that people are willing to let them know about. As an alternative Useem (2001) proposes a model of trickle up leadership that includes ‘before you lead up, you've got to team up’ so that managing-up can occur in a safe or consultative environment. This model introduces the concept of ‘team’ and an approach to change that involves people in the process of decision making and ultimately the design and implementation of the change.

The concept of inclusion and consideration of the worker in the process of change management can often be ignored as change is seen as a process of changing structures only rather than a process that involves, in many instances, staff and other people all of whom require consideration. The inclusion and recognition of the importance of people in the change process is emphasised by Kouzes and Posner (2002) who list their five exemplary leadership practices as:
• Challenging the process
• Inspiring a shared vision
• Enabling others to act
• Modelling the way
• Encouraging the heart.

While this model is more of a guide to leadership within an organisation than a model for implementing change, it indicates the importance of relationships, connection and the involvement of people in a change process and that change is more than a process as it involves the leader and the persons who are being affected by the change. Robbins et al. (1994) indicate five reasons why individuals may be resistant to change. These are

• Habit
• Security
• Economic factors
• Fear of the unknown
• Selective information processing.

Again, this model of resistance begins a dialogue about a change management process involving people and takes into consideration human factors such as resistance. With the inclusion of human elements such as resistance into the dialogue on change management, there is then a necessity to adjust the models to incorporate these new factors. From this theoretical base the five practices of exemplary leadership put forward by Kouzes and Posner (2003) is a concept that attempts to engage individuals with a view to lessening their resistance to change.

The concept of the involvement of people in the process of change had been introduced and from this introduction the term ‘learning organisation’ developed. The process of change in a learning organisation is seen as a journey and one of learning and adaptation. Senge (1990) re-introduced the idea, or at least marketed the package, of the ‘learning organisation’. This was popularised in the book, The Fifth Discipline: The Arts and Practice of Learning Organisation. A concept of
Senge’s book is that the successful organisation must and does continually adapt and learn in order to respond to changes in environment and therefore grow. While Senge’s (1990) presentation of these concepts is perhaps the most widely known, there are many other researchers who have examined the learning organisation. For instance work by Schon (1978) on organisational learning and Chris Argyris in the late 1970s on the concept of double loop learning and organisational learning along with the concepts of self directed teams and organisational learning by Fred Emery in the 1970s, all added to the concept of organisational learning. Senge (1990) popularised the theme of learning organisations by defining organisations as being structures in which people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspirations are set free, and where people are continually learning to see the whole together (Senge 1990). By marketing the concept in an easy to conceptualise model, Senge successfully brought the ideas previously explored by others into a popular format.

The five disciplines according to Senge are:

- Systems thinking
- Personal mastery
- Mental models
- Shared vision
- Team learning.

The first three disciplines have particular application for the individual, and the last two have group application. It is hypothesised that people who excel in these areas are the natural leaders of learning organisations. While examining change management, the model proposed by Senge is a package and is the placing together of other people’s ideas and philosophies into a well marketed and relatively easy to understand package. It is this packaging that may be behind the success that led to the popularity of the work of Senge. The reason for quoting Senge’s model as part of the current study is because it is influential and
demonstrates how theories on change processes can be modulated, simplified and popularised.

Since introducing the concept of the five disciplines in leadership and change, Senge (1997) has changed the frame of reference slightly and indicates that for companies to change they need to stop thinking like mechanics and start acting like gardeners (Webber 1999, p.178). The ability to sustain change is more daunting than the optimistic presentation that is offered in the ‘fifth discipline’ and the task of making change happen requires business people to change the way they think about organisations. Senge (1997) indicates that most leadership strategies are doomed to failure from the outset and that the majority of strategic initiatives that are driven from the top down are marginally effective at best. Senge’s idea is that organisations should now be viewed as communities of practice rather than as rigid hierarchies and that any change process should examine all the change agents as part of, rather than as separate from, nature with all the elements interconnected and all having a role to play in the process of change. While Senge presents the concept of the organisational leadership in a five-point framework and then changes it to have a heart, he was not the first to postulate these thoughts. He may be one of the more popular but he is certainly not the first.

To consider a change process without taking into account the context within which it will occur will always provide only a partial picture and may be one of the reasons for the frequent failure of change management processes. The context and environment in which the change takes place needs to be considered and is one of the fundamental principles of ‘systems theory, which argues that all things operate in a system and very rarely operate in isolation.

Karl Ludwig von Bertalanffy’s, General System Theory (GST) in the late 1930s is a founding piece of work that attempts to use systems as an explanation for the way in which things operate. The concept of the theory is that a system is an entity which maintains its existence through the interaction of its parts. The interconnectedness of events and parts means that they all react to change. The theory comes from a biological perspective that links parts of nature into a larger
ecological or worldly system. There are many others, who added to the debate, such as the anthropologist, Mead in the 1920s and Bateson who in the 1970s used cybernetics to describe and explain systems. What is important to note is the change from a linear and hierarchical approach to change management to one that includes and considers the whole system in which the change will occur. Ackoff and Emery (1972) in examining a systems theory approach use the phrase ‘purposeful systems’, which is a teleological approach to leadership and change. In their view all things are designed and directed towards an end result and there is inherent purpose within systems. The complex system is examined and understood by examining its parts to explain the whole by viewing the system. A systems approach uses an expansionist vision which views everything as part of a larger whole in which all the parts are interrelated. This is inherently different from a linear approach to leadership and change as it considers the whole system with the leader being a part of the system.

Senge (1997) extends this original systems thinking by arguing that viewing or perceiving a company as a ‘machine model’ tends to fit with what most people believe, which is that conventional companies work in a robotic machine-like fashion. Senge (1997) argues that one way to examine this concept is to examine interpersonal relationships and that approaching each other in a machine-like way is not the best approach to deal with each other or a change process. People should be aware that the process of changing a particular element of a relationship is a lot more complicated than the process of changing a flat tyre on a car. Senge (1997) argues that successful change requires a willingness to change, a sense of openness, a sense of reciprocity, even a kind of vulnerability. He argues that organisations continue to try and drive change when what is needed is to cultivate the change and if the organisation undergoing the change is to be seen as something other than a machine it must be treated as part of the messy living world, which in turn would profoundly shift peoples thinking about leadership and change. He uses nature as an example, pointing out that nothing that grows starts large – it always starts small. To put it simply change is part of a system and that system has other humans attached to it in a change management process. It is argued that no one is in charge of making the change process grow and expand;
instead, the growth occurs because of the interplay of diverse forces and according to Senge (1997), these fall into two broad categories:

- Self-reinforcing processes which generate growth
- Limiting processes, which can impede growth or stop it altogether.

The evolution of a systems approach to change management processes has allowed for the focus to be shifted from the process of the change as an internally driven, linear type approach to be expanded to include and incorporate the system and environment within which the change takes place. From a systems approach to change management eminated a more expanded approach that not only examines the system but the patterns that emerge from within this system. This became known as chaos theory of change.

### 2.4.4 Complexity and Chaos

It has been previously argued that change is an unpredictable process, especially in management and as described by Marion and Uhl-Bien (2007), complexity theory can, like natural selection, provide an explanation of how new things emerge. There is a realisation that approaches to change that attempt to place a high level of predictability or certainty on the outcome will usually have a high failure rate. From the work of systems theory, newer more expanded change management theories began to emerge that take into account the complex process of change. The concept that outcomes of interactions cannot be predicted but rather patterns of behaviour may emerge, in turn led to the concept of change management being linked to complexity theory. Complex systems are influenced by their history, that is, they have memory and each agent is unable to comprehend the system as a whole, that is, their understanding is rather localised to their own sphere of interaction.
Complexity is the science of non-linear dynamics and takes its roots in chaos theory, which had its origins more than a century ago in the work of the French mathematician Henri Poincaré (1854–1912). The discoverer of chaos can plausibly be argued to be Jacques Hadamard, who in 1898 published an influential study of the chaotic motion of a gliding free particle. The works of Popper (2004), Weaver (1940s) and Friedrich Hayek all added to the field of complex systems. The theories of Herbert Simon (1996) on artificial intelligence and complex systems, and Karl Weick (2001) on loose couplings in organisations added to the field of systems thinking and complexity theory. From complexity theory and its application to mathematics, physics and more recently change management, the importance of relationships has emerged. Identifying the relationships between parts of the system is crucial to understand the patterns of complexity in such a way that outcomes become predictable.

Litchenstein (1997) and Shaw (1997) view the changes in the nature of the conversations between the people in the system as being the key that leads to the emergence of new behaviour. Higgs and Rowland (2005) indicate that the process of change is not linear but rather a complex set of interactions, and therefore change is seen as a messy rather than a linear activity and from these interactions comes ‘emergent change’. Emergent change cannot be driven from the top down or in a uniform way but rather, as a change process is implemented, patterns begin to emerge and it is these patterns that become important in assisting the change manager in reflecting on and moving forward the change management process. Snowden and Boone (2007), in acknowledgement of the complexity of theory principles in leadership, devised the ‘Cynefin Framework’ in which decision making is viewed through five contexts, the simple, complex, chaotic, complicated and disordered. Complexity theory has also been expanded to include the concept of heutagogy, defined as learner-centred learning, and the idea that people only change in response to a very clear need (Hase & Kenyon, unpublished). In this framework, it is argued that leaders can, by understanding the context within which they are working, or by identifying the context that will assist their decision-making and behaviour patterns, contribute positively to the situation. The focus is being placed on the patterns in the change process rather
than a simple linear approach. This provides the foundations for complexity theory to be used as a change management tool.

2.4.5 Summary of the theories

The concept of change management has moved through a series of interpretations and models. From the linear, freeze, unfreeze models of early change management pioneers through to a process of re-engineering which examines change from a purely functional or profitable basis, through to more humanistic and systemic involvement in change management. The introduction of systems thinking and the inclusion of relationships into change management led to a focus on the patterns of behaviour by using complexity to predict and deal with change. The exploration of the relevance to human behaviour of some theories and approaches taken from the scientific fields of research such as complexity and chaos theories is explored. In the current study the use of models or theories of change management are examined in a qualitative research framework. It was important to determine what theories, underlying principles or behaviours are used by the leaders to understand and interpret the changes taking place. An understanding of the processes used by the change leaders may give some insight and yield possible explanations for the leaders and staff behaviours during the restructure process examined in the current study.

This abbreviated history of change management theory highlights the different aspects to change and indicates there is no single approach or way of working that is absolute and right but rather, that change management theories have developed in phases. The historical context is important in highlighting the different approaches that may be used by the participants in the current study.

2.5 Defining the change

Understanding the types of changes that are required and the context in which they are to occur is important in determining an appropriate strategy in a change
management process. There are a number of ways in which change can be categorised and most are related to the extent of the change and whether it is seen as organic (often characterised as bottom-up) or driven (top-down). (Northumbria University, 2007)

One of the noticeable issues in examining the evolution of change management within organisations is that change is rarely viewed as being different in different organisations, mostly conceptualized as a top down hierarchical process. An alternate change management process may be required in particular settings. Palmer, Dunford and Akin (2006) argue that changes can be either first or second order changes. First order change is seen as incremental and second order change is seen as transformational (Palmer et al. 2006, 78). Others, such as Wanda, Orlikowski and Hofman (1997), have suggested a model that recognises three types of change:

- Anticipated changes, which occur as intended
- Emergent changes, that arise during the processing
- Opportunity based changes that are introduced during the process in response to opportunities, events or breakdowns.

They propose that a change process, rather than having a beginning and an end, is ongoing. Furthermore, they believe that managers cannot anticipate all the changes made during the processing and therefore must be receptive to emergent changes that occur. These changes can occur through opportunities that are created during the change process. This concept has led to the model called ‘improvisational change management’ (Wanda, Orlikowski & Hofman 1997). Change is no longer seen as linear or predictable but rather, as situations arise they are used to change or adapt the change management process. This adaptable and flexible model is in contrast to others such as Lewin (1951), Kotter (1995) and Nickols (2000) who see the change process as a linear systematic process. The contrast between the improvisational and the linear models is that some researchers see change as a revolution while others see it as evolution with a beginning, middle and end.
Ackerman (1997) distinguishes between three types of change, which is a slight variation on the theme proposed by Wanda, Orlikowski and Hofman (1997). These are:

- Developmental change, which may be either planned or emergent; it is first order, or incremental. It is change that enhances or corrects existing aspects of an organisation, often focusing on the improvement of a skill or process.

- Transitional change, which seeks to achieve a known desired state that is different from the existing one. It is episodic, planned and second order, or radical. Much of the organisational change literature is based on this type.

- Transformational change, which is radical or second order in nature. It requires a shift in assumptions made by the organisation and its members. Transformation can result in an organisation that differs significantly in terms of structure, processes, culture and strategy. It may, therefore, result in the creation of an organisation that operates in developmental mode – one that continuously learns, adapts and improves.

What is important to consider in the current study is not only the change management processes to be used but also the type of change being experienced by the participants. The restructuring of the organisation, in the current study, was designed to fundamentally alter the basic nature of the organisation and so can be classified as second order, transformational change. Palmer et al. (2006) further define transformational change as type one, which is seen as entrepreneurial to professional management. The current restructuring is associated with a rapid growth in demand and therefore there appears to be a need to change the operating systems and the way in which sections of the system are managed to meet this demand.
2.6 Relationships in change

Change management theories have moved in their focus from a linear process to the creation of the process and the inclusion of relationships that are affected by the change. These relationships include the relationships between all the parts of the system and relationships between the people involved in the change process, sometimes referred to as relational leadership theory by Uhl-Bien (2006) or interpersonal relationships by Nutall (2004). Research has focused on these relationships, sometimes referring to ‘magnet people’ and ‘magnet institutions’. These are people and organisations that others strive to have a relationship with. Research by Fritz (2001), Lowndes (2001), Rothwell (2002) and Upenieks (2003) all indicate the advantage of being a ‘magnet’ and having a strong relationship with others. In terms of the relationships between people, previous change management theories appear to place more emphasis on the traits and goal setting of the individual through the setting of vision, values and what they as the individual, usually the leader, bring to the change management process. More recent theories such as complexity theories and the work on systemic cybernetics have reframed views of the individual in the workplace to examine them in terms of the systems and the individual connections or relationships with others within the organisation.

Authors such as Rock and Garavan (2006) Stroh (2007) and Weymes (2002) examine the role of relationships rather than leadership as a way of sustaining successful organisations. Weymes (2002) argues that for centuries, managers and others have been captivated by the relationship between organisational leadership styles and success, where the focus has been on change occurring due to the power within hierarchical organisations or relationships. He states that, ‘we remain captured by the military metaphors of General von Bertalanffy which formed the foundation for the command and control style structures introduced by Max Weber, the father of sociology, at the turn of the 19th century’ (Weymes 2002, 319). The analysis by Weber of classes, status groups and parties suggests that these are some of the factors influencing social groupings and are considered important factors in a change process (Haralambos 1981, p. 44). Weber examines
the success of leaders and their traits rather than any focus on the relationships within the change process. From the literature review it becomes obvious that the models of change management have moved from the class, control and function models to those of a systemic inclusion and recognition of the individual as part of the change process.

Weymes (2003) suggests that the success of any organisation is vested in the formation of sustainable relationships and that the primary purpose of leadership is to influence the feelings and emotions of those associated with the organisation, to create the emotional heart of the organisation and to determine the tenor of the relationships between people both inside and outside of the organisation (Weymes 2003, p. 320). He concludes that all organisations big or small, private or public, are no more than groups of people who have come together for a specific purpose and it is the power of the relationships and not the strategy or associated systems and processes that make the difference. Weymes focuses solely on the relationships between the people and while this model may sound attractive, it may also be idealised rather than real in many organisations. The current study explores the relationship between people in the system and the concepts put forward by Weymes (2003) to determine if relationships do influence the process during a time of change.

In the more traditional model of organisational structure, the Chief Executive Officer (CEO) usually has a hierarchical chain of command. Orders from the CEO are usually carried out with little or no overt questioning. Therefore it could be argued that any innovation or inspiration from any point below the CEO is limited as all the necessary decisions are made by the CEO and all that is left is for the task to be completed. The traditional models of hierarchical management suggest that there is little room or allowance made for questioning the decision or the process to be undertaken to achieve the goals of the decision. A traditional hierarchical structure continues to exist in some public sector organisations. One of the issues that does need to be considered in the current study is the bias known as the ‘fundamental attribution error’, whereby leaders who are unknown are often assumed to be better and larger than life. Popper (2004) writes that the
closer people get to the leader, the more the leader becomes a creature of flesh and blood with vices and virtues rather than a idealised stereotype.

It has been suggested by Weymes (2003) that in the creation of knowledge, innovation and inspiration are key factors required and these can only come to the fore in an organisation or system that allows them to develop and be heard. The challenge for a CEO is to develop a system were this can occur and so presumably a level of sustainable relationships can be developed and maintained (Weymes 2003, p. 320). It could be argued that knowledge creation is only one of many change management tools and there may be many other factors that add to knowledge creation. As an example, it has been suggested by Soo, Divinney and Midgley, (1999), Nonaka (1994) and Nonaka and Takeuchi (1995) that the formal networks in the workplace are less important that the informal networks in knowledge creation. The ‘dynamic theory’ of organisational knowledge creation suggests that organisational knowledge is created through a continuous dialogue between tacit and explicit knowledge via four patterns of interactions which are: socialisation, combination, internalisation and externalisation. The success of the creation of knowledge management throughout an organisation is seen as a key to success and for this success to occur, a changing environment needs to take into account both knowledge and learning. The environment has to be facilitated by the CEO or leader for this knowledge to grow. The relationships between individuals within a system have become recognised as important in the change processes. The idea that the knowledge contained within the organisation and in the individual workers is important and an integral part of a successful change management process is a move away from strictly linear approaches. Knowledge management is an important element in a change management process, and therefore the actual way in which this may be used as a change management tool is explored in the interviews and conversations in the current study.
2.7 The relevance of the internet

The rationale for the inclusion of this section is that internet-based information is often not research-based and is mostly opinion rather than researched facts. However it is important in the current environment to take into account what the internet has to offer. It is important because people undertaking change management do use the internet as a resource and often find information on change management from this resource rather than by conducting an academic literature search. This is due to a number of factors. However, the most obvious are the accessibility and the availability of the information on the internet and that the change managers are not conducting an academic exercise therefore they rely on the most accessible information. How people then behave in a change management process may be influenced and guided by the information obtained. For these reasons it is worth examining change management ‘internet style’ as it may provide an insight into the techniques used in the current restructuring process. Firstly worth noting is that the number of articles is staggering with the results of a Google search for change management netting nearly 200 million results (Brin & Page 2008).

The biggest changes to the way leadership is viewed may be on the internet. Consider the way Google uses group smarts to find what you’re looking for. When you type in a search query, Google surveys billions of web pages on its index servers to identify the most relevant ones. It then ranks them by the number of pages that link to them, counting links as votes (the most popular sites get weighted votes, since they're more likely to be reliable). The pages that receive the most votes are listed first in the search results. In this way, Google says, it “uses the collective intelligence of the Web to determine a page's importance” (Miller 2007). This process is not based on the academic rigour of the information rather the most popular.

Wikipedia, a free collaborative encyclopaedia, has also proved to be a big success, with millions of articles in more than 200 languages. Each article can be
contributed to by anyone (Wales & Sanger 2001). It is now possible for huge numbers of people to think together in ways we never imagined a few decades ago. No single person knows everything that’s needed to deal with problems we face as a society, such as health care or climate change, but collectively we know far more than we were able to access and use prior to this technological development. A word of caution in relation to the reliability of the information contained on a ‘wiki’ – it may not be researched as it takes a consensus over credibility approach to data and the information posted has at times being false. This was demonstrated by a journalist Brian Chase who in 2005 deliberately posted false information on Wikipedia in order to demonstrate the lack of rigour and checking of this source of information (Helm 2005).

The concern that the change management techniques subscribed to by the change leaders in the current study may be accessed from the internet as opposed to evidence based material is discussed as part of this chapter. The information on the internet is presented using a collective swarm theory approach, which is based on popularity as opposed to an evidence approach. This phenomena of a popular approach is not new, it has been provided through books and personal accounts in the literature prior to the internet however the accessibility and range of information makes the internet potentially more influential. On accessing a topic via a search engine such as Google, the information that is presented is based on the popularity of the site as opposed to the accuracy or research base of the information. By using this technique to gather information on change management the evidence base for the intervention may be lacking. This may make the use of the change management literature and the reactions the changes more part of an unconscious collective indolence and mass reaction process rather than one which is appropriate and evidence based. Unconsciously through the manner in which data is prioritised and presented on the internet, we may be in an era where the notion of swarm behaviour may be more pertinent than ever before due to the ability to easily access internet-based information.

Diary Note:
Heard on a radio interview, when George Bush [senior] became President of America, 13 years ago [this note was written in 2006] there were 50 websites on the Internet. Today there are over a billion.

The role of the internet in change management is being acknowledged by researchers and as found by Pitt, Murgolo-Poore and Dix (2002), one of the most significant changes in corporate change and in the resulting management of change has been the nature of intra corporate communication. The intranet has added and fostered this process.

In reviewing change management there appear to be many prophets, many of whom appear to have a unique set of principles from which all change can be managed. It is often implied by internet sources of information on change management that as a result of the application of these principles or models, change will occur in the desired direction and brings about the intended outcomes. The current study examines via interviews and conversations the theoretical frameworks, information sources and current models on the process of change management accessed the participants and whether they influence their approaches to the change management process.

### 2.8 Some other factors to consider in change

In the interviews and discussions with the leaders and the staff there are additional factors explored in the examination of the change management process. These are psychological theories that relate to persuasion, small world phenomena and psychological contracts. These are introduced briefly under the overall topic of change management, as they may be factors that influence change leaders or those experiencing the process and outcomes of change.
2.8.1 Psychological theories and persuasion

How people achieve change and the methodology used is explored in the current study. The change management theories discussed to date have predominantly dealt with the ‘who’ and ‘how’ rather than any particular behaviour traits of the change managers or others involved in the change process.

The field of social psychology is the study of human behaviour and interactions. There is a vast set of knowledge and theories on the behaviour and reactions of people to different situations and events. The whole field of psychology is intertwined with the current study, however the exploration in depth of the psychology of human behaviour and reactions to events cannot be covered in the current literature review. Where it is appropriate, notions such as social inclusion theory are discussed as part of the findings of the current study.

In relation to social psychology, several general principles have been discovered by researchers in social attraction and interactions. Byrne (1961) found three salient features of social interaction:

- **Proximity** – physical proximity increases attraction, as opposed to long distance relationships that are more at risk.
- **Familiarity** – mere exposure to others increases attraction, even when the exposure is not consciously realised.
- **Similarity** – the more similar two people are in attitudes, background, and other traits, the more probable it is that they will like each other.

According to social exchange theory, relationships are based on rational choice and cost-benefit analysis. If one partner’s costs begin to outweigh his or her benefits, that person may leave the relationship, especially if there are good alternatives available. With time, long-term relationships tend to become
communal rather than simply based on exchange. In the work setting studied in this research the social exchange through psychological contracts is explored.

One issue that is worth consideration is that of persuasion, which does fall under a behavioural trait or skill and its intervention in leadership does have its roots in the field of social psychology. Persuasion is a form of influence; it is the process of guiding people toward the adoption of an idea, attitude, or action by rational and symbolic (though not always logical) means. It is a strategy of problem-solving relying on ‘appeals’ rather than force.

Paul Preston (2005) openly discusses the ways and means used to persuade people in a change management process. Baldwin and Grayson (2004) call these techniques ‘influencing skills’ and argue that leaders use their influencing skills strategically to communicate their vision, to align the efforts of others and to build the commitment of others. Charbonneau (2004), Schein (1999) and Fatt (2002) all examine the issue of persuasion and its legitimate use in change management systems. Essentially, it is viewed as a tool that can be used as part of the process and is seen as an effective change management ‘tool’. The notion of persuasion is discussed with participants to determine if and how it may be utilised during a change management process.

2.8.2 The ‘small world’ phenomenon

The concept of relationships and the reasons people change are addressed in the theory of the ‘Small World Phenomenon’. A brief history of the theory assists in understanding the phenomenon that actually began as a fictional story.

In a short story, ‘Chains’, a Hungarian writer Karinthy Frigyes who wrote fictional works in the early part of the 20th century, proposed that the number of acquaintances grows exponentially with the number of links in the chain. Pool and Kochen attempted to prove this hypothesis in the 1950s, however it was not until Stanley Milgram in 1967 ran a social experiment that the theory was ‘proved’. It then became popularised and is sometimes referred to as ‘six degrees
of separation’. Milgram’s postcard experiment demonstrates that when postcards are randomly sent between people and they are sent to another person until they reach someone known to the original sender it takes six steps or less for a link, in which the individuals know each other, to be formed (Kleinberg 1998, Case 2001).

What is interesting in a change management context is that in a large organisation such as the area organisation in the current study, links or relationships between individuals must and do exist. The issue to then consider is, are these relationships known to the leaders or to those involved in the change management process and what effect do they have on the individuals’ decision-making processes? A question explored in the current study is, do people sometimes change because of these links or relationships rather than as the result of the change management process? In a rural area, where the current study was conducted, there are many links and relationships that can affect the outcome of a change within a large organisation. In many instances these links are not defined or known and they cannot be controlled in a linear type change management process but rather may be part of the patterns of chaos that form in the process of change.

The notion and inclusion of the ‘small world’ phenomenon in a change management process best aligns itself with a view of the processes from the stance of complexity theory, which observes and deals with the patterns that emerge from the process of change. Plesk and Wilson (2006), in examining healthcare management, found that organisations such as health departments, are both complex and adaptive systems that appear to allow new and more productive management styles to emerge. The biggest barrier to this adaptive approach is found to be the managers themselves who have risen within a hierarchy based on command and control methods of management (Plesk & Wilson 2006, p. 749). This hierarchical model of leadership is usually based on formal relationships and links and is more linear in its formation. This may mean that issues such as the ‘small world’ phenomenon and relationship capital may not readily fit into a more traditional linear type change management technique. The notion of the ‘small world’ phenomenon is included in the current study as it may be an issue that influences the processes and outcomes of change.
2.8.3 Psychological contracts

Hiltrop (1995) defines psychological contracts, in relation to employment, as the understanding people have about the commitments made between themselves and their employer. A psychological contract is the individual’s belief in and the interpretation of a promissory contract, whether this is written or unwritten. Maquire (2002) writes that psychological contracts are a set of expectations held by an individual employee, which specifies what the individual and the organisation expect to give each other in the course of their working relationship. One of the areas of the concept of psychological contracts that is important to note is that these contracts may be unspoken and could lead to the employer and the employee having a different interpretation of the ‘contract’. By their very nature these contracts are about expectations of people and behaviour rather than the actual job description and day-to-day work. In the context of the current study, psychological contracts are explored as the expectations that people in the organisation have with each other. It is worth considering whether these expectations have an effect on the process and outcomes of the change management process. The current study explores the expectations of people during the restructure and discusses whether an individual’s agreement or otherwise to a particular change process is linked to any psychological contract with the organisation or leader. Some individuals’ psychological contracts may be to the actual benefactor of their work, for example in the provision of healthcare this could be with the actual patients who receive care and treatment.

Psychological contracts may underpin some work relationships and provide a framework for capturing complex organisational phenomena. Psychological contracts give the perception that the employee is able to some extent influence their destiny in the organisation. This perception and perceived level of predictability could be an important key motivator in peoples’ ‘acceptance’ of the change process. The concept of psychological contracts may also be an important factor in the development and continuation of trust between employers and employees, which is seen as an important factor in successful change management (Lines, Selart, Espedal & Johansen 2005; Hase, Kouzmin & Sankaran...
unpublished). The leaders and the workers in the current study were asked if they had any perception or expectations that they have an influence over the manner in which decision making and the change process were occurring in their particular part of the organisation and whether this influence was based on the notion of a psychological contract.

Studies by Hiltrop (1996), Atkinson (2002), Maquire (2002) and Balkundi and Kilduff (2005) all argue that organisational change may heavily influence psychological contracts and social networks. During a change process the employee will reappraise their existing psychological contracts in order to re-evaluate and renegotiate both their own and their employer’s obligations. Given that the issue of psychological contracts is examined during a restructure process, it may be an appropriate time to reflect, for the participants and the researcher, on any changes to psychological contracts that they might have with the organisation.

Two types of psychological contracts have been defined by MacNeil (1985). These are ‘transactional’ contracts which refer to specific, often monetary exchanges such as pay for a particular skill and secondly ‘relational’ contracts, which are more open-ended, generalised agreements, which seek to sustain a long-term contract (Hallier & James 1997, p. 224). Given that the current study involves a public sector organisation, it is more likely that the psychological contracts involved would be relational contracts. In a public sector organisation such as the one in which the current study occurs, the payment of a bonus or payment for a particular skill is limited by industrial awards and legislation. In addition, any ‘over award payments’ have to be ratified by a state government organisation, which makes the concept of ‘transactional contracts’ less likely to be a factor. Not only are state government organisations more tightly regulated than those in the private sector, the private sector often uses performance-based or transactional contracts as a legitimate method of employment and remuneration. In addition to and related to psychological contracts, the issue of relationship capital is examined extensively in the interview process. If the participants’ psychological contracts are based on relational contracts this may indicate that the two issues of relationship capital and psychological contracts are interconnected. If an individual’s psychological contract is ‘stronger’ with individuals that they
have a ‘stronger’ relationship capital with, it could indicate that the two issues are closely aligned and may partially explain why people accept change.

During a time of change the examination of the reasons why people adopt the change may provide an insight into the psychological contracts individuals may have. Of interest in the current study, is with whom individuals have the psychological contract and whether the psychological contract is with the whole of the organisation, their particular workplace, a particular individual or the recipients of their work. Further explored are the differences in the psychological contracts with the different individuals or parts of the organisation the participants may have.

Trust of the employer and the organisation has been shown to increase commitment to an organisation and to the effectiveness of the organisation during times of change. Skinner (2005), Holton (2001) and Burke et al. (2007) found that management and employees could effectively achieve organisational goals if they trust and cooperate with each other. Luthans and Sommers (1999), Walston and Chou (2006) and Zaheer, McEvily and Perrow (1998), found that the reaction to any change or downsizing of an organisation is viewed and interpreted differently depending on the different perspectives of the people involved, including the managers and front-line employees. If issues such as trust and cooperation are important elements in a change management process then the concept and exploration of these elements are important to consider in the current study and are included.

Ferres, Connell and Travaglione (2005) found that trust is a critical element in determining the success of the change management process. It is interesting to note that their findings indicated that trust of the organisation is not decreased as a result of redeployment. In the current study some of the people interviewed were redeployed following the initial phase of the restructuring process. Ferres, Connell and Travaglione (2005) explore the question of where the workers place their trust, and whether this trust is placed in the organisation as a whole or in particular individuals within the organisation. Again this raises the issues of
psychological contracts and relationship capital, both of which are explored in the current study.

2.9 People’s reaction to change

An important aspect to consider when dealing with change management is, are there certain or predictable ways in which people react to change? There appears to be a myth that people resist change in whatever form it comes. People are portrayed as being resistant to change and as having a desire for all things to remain static. Consistently, peoples’ reactions to a change process are portrayed as being negative, as indicated by Watson (1971), Coetsee (1999), Dent and Golderg (1999), Coch and French (1999) and Bovey and Hede (2001).

Nickols (2000) and Wissema (2001) indicate some change management strategies focus on the individual rather that on the process. These are based on the type of change occurring and the predictable reaction that some people will have to that type of change. Nickols provides four types of behaviours that may be exhibited by individuals, these are:

- A rational empirical strategy. In which people’s reactions and behaviour are seen as rational and they will follow their self interests once it was revealed to them. Change management using this approach is based on the communication of information and the proffering of the incentives to the individuals involved in the change management process.

- Normative re-educative strategy. In which people’s behaviour is in the context of a social human response. This response, it is argued, would mean that people would adhere to cultural norms and values. Change management is therefore based on redefining and reinterpreting the existing norms and values and developing people’s commitments to new ones.
- A power coercive strategy. In which people are seen as compliant and therefore would generally do what they are told or can be made to do. Change of this type is based on the exercise of authority and the imposing of sanctions for the non compliance with the change.

- An environmental-adaptive strategy. The change management process is based on the building of a new organisation with the gradual transfer of people from the old to the new (Nickols 2000, p. 10).

If the restructure being examined in the current study is reviewed under the strategies of Nickols (2000) then the most likely category the behaviour and change would fall under would be the environmental-adaptive strategy, as there is the building of a new organisation taking people from two old structures to make one new entity. However given the change involves a number of individuals there is an element of a ‘normative re-educative strategy’ involved in the change process.

Smollan (2006) examines the concept of how people react to change from three perspectives; cognitive, affective and behavioural. He argues that often the emotional side of people is neglected in a change management process and change managers should consider the ‘affective’ component. As change is a process that usually unfolds over time it should be acknowledged that the person’s response to these changes will be as dynamic as the changes themselves and therefore their reactions and affect may change over time and during particular components of the change process. This changing of the individual’s reactions and behaviour to the change process over a time period is examined in the current study through the phases and cycles of interviews and conversations. These cycles in the current study do make it possible to explore any changes in the participant’s reaction to the process over time. Kiefer (2002), and George & Jones (2001) found that the more complex the change the more likely the response to the change will be more negative and more intense, leading to more resistance (Smollan 2006, p.144). The restructure examined in the current study took place.
over a three-year period, involving over five thousand local staff over a large geographical area, and it therefore fits the bill of a complex change process and it was predictable from previous research that there was likely to be a level of negativity and resistance to the restructure and the change management process.

There appears to be a multitude of factors involved in determining the level of resistance that an individual or group may have to a change management process. Smollan (2006) puts forward thirteen propositions or factors that can have an effect on the individual during a process of change. These are grouped into three categories: the cognitive process, the behavioural process and the external components. According to Smollen (2006), cognitive responses to change are mediated by the:

- Perceived favorability of the outcomes of change
- Perception of justice
- Perceived speed and timing of the change.

Cognitive, affective and behavioural responses to change can be moderated by:

- The employee’s emotional intelligence
- The employee’s disposition
- The employee’s previous experience of change
- The leadership ability of the change manager
- The emotional intelligence of the change manager
- The employee’s perception of the leader’s trustworthiness
- Organisational culture
- The change context.

And finally, the employee’s responses to change are moderated by:

- Changes and any stress-related issues outside of work.
All these variables are important to consider in determining how a person may react and deal with the process of change. One of the major concerns with the approach of examining and considering the variables associated with each person in the change process is that in a large organisation, such as the area organisation in the current study, this level of knowledge and commitment to each individual is hard to obtain, measure and control. However, overriding all of these is the sheer number of people involved. Every one of the components listed above can have an effect, either individually or in combination with other factors in the change process. In addition other factors such as the trust a person has in the change management process may influence each and every one of the factors. Lastly, the attitude and behaviour of the employer may also have an effect on the outcome and therefore on other people’s reaction to the change process. In summary, the number of issues and people involved in a change process may make the consideration of any one individual an unrealistic expectation of the change management process.

2.10 The public sector

The location of the current study is within a public sector organisation. It is therefore important to examine the literature and previous processes of change management that may have been undertaken in a public sector organisation to determine if the change management process and outcomes are different from those of private sector organisations. In addition any reflection of the change management process needs to consider if these differences are important in the overall process and outcomes. Berwick (1994) indicates that clinicians ought to be playing a central role in making changes in the health care system that will allow the system to offer better outcomes, greater ease of use, lower cost, and more social justice in health status. Instead, most of the proposed changes that are today called ‘health care reform’ are actually changes in the surroundings of care rather than changes in the care itself.
There are a number of studies which examine change management processes within the public service and the health system (Weil 1998, Exworthy & Halford 1998, Wilson 2000, Proehl 2001, Skjorhammer 2001, Rondeau 2002, Wallick 2002, Pollitt & Summa 2002, Davis 2003, Stewart & Walsh 2007, and Flynn 2007). These also include Garside (1998) who found that most people working in health care do not wish to change their location, style or mode of working. They not only do not embrace and engage with any planning for change; they actively resist it (Garside 1998, p. 8). This finding makes the staff of the public system similar to the private sector in respect to the resistance to change, and based on this study and others already examined, it appears that the resistance to change is a universal rather than a particular industry or organisationally based phenomenon.

Smina and Nistelrooji (2006), and Seren and Baykal (2007) found that the reasons for strategic change in public sector organisations are mostly found in abrupt and predominantly exogenous jolts such as the changing of policies or legislation, technological changes, top management replacements or reorganisations such as the joining together or breaking up of public agencies. They argue in their study that this type of change requires a large-scale strategic change management process in order to regain congruence between the organisation’s goals, the environment and the organisation. Therefore in these circumstances public sector organisations have a tendency to adopt a strategic management-inspired approach for the generation of change in a top-down hierarchical fashion. This approach of top-down change is found to be a challenge in public organisations as, ‘public sector organisations are characterised by a multitude of decision makers, a larger diversity of stakeholders, more intensive organisational dynamics and more bureaucratic organisational design (Smina & Nistelrooji 2006, p. 100). The findings suggest that while some change processes are driven or orchestrated from the top, it is the size of the public sector that makes this process difficult and therefore it requires a more traditional hierarchical approach to the change management process.

Given the findings of Smina and Nistelrooji (2006) it is not surprising that they describe change management in the public sector as ‘top down radical shock
strategies’ and the ‘exercise of political clout’ where strategic change is achieved by way of a pre-designed top-down implementation process after the content of the new strategy has been formulated (Smina & Nistelrooij 2006, p. 100). This purely top-down approach has been shown to have a large capacity to fail. The culture of health organisations has been described by Seren & Baykal (2007) as a power culture in their study on the hospital system. A power culture was defined as one which has a single source of power encompassing the whole organisation, with authority as the focal point and seen as the most important element in reaching a desired outcome.

The use of exclusively ‘top down’ or ‘bottom up’ approaches to change management have been shown to have a higher likelihood of failure. It appears that a simplistic either/or approach is also likely to result in the failure of the change process. The use of both approaches simultaneously has been considered as a solution by some researchers (Beer 2001, Hickson et al. 2003, Coram & Burnes 2001 and O’Brien 2002). From an overarching perspective it is obvious that the initial change management process design in the restructure examined in the current study used a top-down, hierarchical approach. The production of ‘Planning Better Health’ (2004), which is the formal document which outlined the restructuring process, indicated that the decisions and parameters of the change within the system were already defined before employees were informed. This is shown by a statement in the ‘Planning Better Health’ report: ‘to help meet these challenges the NSW Government is undertaking the most significant reshaping of health administration since 1986’ (Planning for Better Health 2004, p. 2). The change process initially set up by the state government organisation fits into the mould of ‘top-down’ approaches that have been described and used in other public sector organisations. What is of interest in the current study is if this approach was consistent throughout all layers of the organisation or if alternative strategies to the change management process were used.

Change within the health system in other countries is described in the work by Bamford and Daniel (2005), which indicates that structural change has been a constant feature of the United Kingdom (UK) health system for many years. The constant changes have made the health system similar to what other industries and
services are faced with – that is, frequent change. Some researchers believe that the constant change is due to the behaviour of the leaders, for example Reiley and Clarkson (2001) state that leaders become addicted to the dynamics of change and hide the potentially destructive nature of ongoing change. One of the negative effects this has on an organisation may be that the performance of the organisation appears to be reduced and the process of change becomes a constant, which can then have a follow-on effect on the ongoing performance of the workers and productivity within the organisation. In the interviews and conversations for the current study the notion of the loss of productivity and the constant changes are discussed.

Freeth, quoted in Bamford and Daniel (2005) found in a study on the National Health System (The name of the National Health System in the United Kingdom) that the disestablishing and creating of new organisations has affected everyone employed in the system at some point in their career and often on many occasions. They found that unfortunately many people come through this process of change feeling bruised, disenchanted and demotivated. As a consequence the laudable aims of the change program are all too often lost in the noise of the process. In addition the research by Bamford and Daniel (2005) in examining the models of change management within the public health system in the UK found that no single model of change management is adequate to characterise the change processes that they were investigating. This finding has been interpreted as meaning that from all the models and theories considered, linear to complexity, not one adequately covers all the aspects and situations faced during the process of change.

In an Australian study conducted by Braithwaite, Westbrook, Hindle, Iedema and Black (2006) on the restructuring of health services it is reported that restructuring on the grounds of improved cost efficiency is flawed. The study examines twenty hospitals and the relationship between structure and efficiency. The study includes all the large teaching hospitals in both NSW and Victoria. The authors conclude that the results might trouble those who advocate major restructures or who perennially tinker with structure in an attempt to improve efficiency as restructuring is not seen as an effective strategy to achieve better efficiency. In
addition the study reports that restructures can be highly disruptive, leading to low morale and a system that has been ‘disturbed or perturbed’ by and during the change process. Of interest, an industrial body quoted this research indicating that ‘restructuring fatigue is also a major issue for Public Service Association members [the PSA has many members based within the health services] with the associated upheaval, job losses and continually doing more with less’ (Happ 2006, 2). Dwyer (2004) found in a study on the restructuring of the Australian health system that reviews of the health system were established largely to address financial imperatives, upward pressure on demand for services and accountability concerns mostly in a highly political context.

It appears that the state government organisation which is the subject of this study does attempt to assist leaders during these transitional periods. The Australian public service conducts leadership courses and leadership capability is examined and taught by the Australian Public Service (APS). The APS Commission developed a framework identifying critical success factors for performance in APS leadership roles now and into the future. This Senior Executive Leadership Capability Framework complements the APS values by promoting behaviours and relationship management in line with modern requirements that emphasise inspiring and motivating, rather than commanding and enforcing. The leadership capabilities that comprise the framework of leadership that the APS determines as desirable are that the individual: shapes strategic thinking, achieves results, cultivates productive working relationships, exemplifies personal drive and integrity, and communicates with influence (The Australian Public Service Commission 2003). Taking into account the previous work conducted on restructuring in health, the current study examines the restructure to determine if there is a consistency between the previous findings and the current restructure and its outcomes.

One of the aims, in theory, of the theory of change management is to attempt to understand and provide a standard methodology and set of procedures for the process so that predictable outcomes can be achieved and in some cases replicated across different settings. In the current restructure the outcomes stated in ‘Planning for Better Health’ (2004) are to produce an end product, through a
The process of restructuring which is to reduce management and to place, with the resulting savings, more funding back into clinical services. The achievement of this stated outcome is not measured in the current study, however the rationale and intended outcome are examined and explored through the responses of the participants.

One of the elements of ‘success’ to consider from the literature and the research examined is that change management processes are believed to have a better chance of being successful if they are seen as being visible and as having open channels of communication in order to promote seamless transition when the changes take place. Whilst visibility and open communication are often said to be desirable in change management processes in both public and private organisations, the current study examines what process is undertaken to achieve them and whether they are seen as being of value to the change process by the participants.

2.11 It’s a sham

From the research discussed it has been assumed that change management is a legitimate and robust process, however there are some researchers who view the whole notion of change management as a sham, a fraud, and claim that it does not work. Griffith (2002) indicates three basics of change management:

- A change management program, designed to take a system from point A to B
- Actions are to be taken by groups or an individual responsible for bringing about a change
- There are skills associated with the actions to be taken.

Griffiths (2002) contends that in all three dimensions, change management fails, not because the wrong approaches, methods or technology are chosen but because the choices are illusory: “there can be no such thing as successful change
management program, actions or skills. In short the whole industry is a fraud” (Griffiths 2002, p. 298). He bases this on what he describes as three myths;

- To know is to act differently: the assumption that changed practice follows automatically from seeing the need for change, may be incorrect
- All change can be treated the same way: that once you have found a technology for introducing change you can use it elsewhere, whatever the nature of the change and whatever the circumstances
- When things change, nothing stays the same (Griffith 2002, p. 298–299).

While much of the literature reviewed has indicated and promoted the change management process and structures as worthy, it is appropriate to add the cautionary and contrary position on the process of change management as it serves to remind us not to accept without challenging.

This chapter provides a short background to the history of change management as a context for the current study. This background and examination of the theories on the process is useful as it provides a context for the comments and thoughts of the participants during the interviews and conversations. From the research examined it is obvious that restructuring within the health system, and indeed other public sector organisations, is not new and therefore the actual rationale for the change process is not a focus of this current study but rather, the focus is the process of change itself and how and why this does impact differently on different parts or people within the organisation.

The current study is not just a reinvention of the wheel in a change management process but rather that it examines interesting and worthy parts of the change: the individuals, their relationships and their motivations in the change process. Through the examination of additional factors such as relationship capital, psychological contracts and the dark side of change management, another wheel
has been added to the processes and thinking concerning change management practices.

*Reinventing the wheel is the pastime of fools. After all, whoever invented the wheel was an idiot. Whoever invented two wheels was a genius (McGovern 2002).*
Chapter 3
The Myth is Leadership

Leaders are dealers in hope (Napoleon 1769-1821)

For nearly thirty years, I have persisted in the belief that leadership can be defined, studied and understood. I am, however coming to the conclusion that it cannot (Washbush, 2005)

‘Leadership begins with a vision’; it is about having restlessness about the status quo. It is about execution (Warden 1999, 85).

3.1 Introduction

Leadership is one of the most common and least understood phenomena in the world (Burns 1978) and according to Snyder, Dowd and Houghton (1994) a common catchcry is that poor leadership is the primary cause of the declining effectiveness of operational methods and strategies. If this is so, then it is worth examining if leadership has an impact on an organisation especially during a time of restructuring and the introduction of a change management process.

Much has been written about leadership and what the term leadership refers to and represents. However, it is vital to explore the role and influence of leadership when examining the concept of change management in a public service organisation. The interactions and dynamics between the leader of the change and the process of change is a focus of the current study. Therefore, in considering the concept of leadership a clearer understanding and interpretation of the behaviours of the participants in the current study should be provided. Issues that are explored and observed are the aspects of leadership that assist in a change management process, including any traits, characteristics, behaviours or
contingencies that are indicators of successful or appropriate leadership in a change management process.

In order to provide a context and the relevant background information, it is important to consider what research has found on the notion of leadership. Interestingly, some researchers and commentators openly admit that the information on leadership theory is voluminous, and much of it confusing and appears at times to be contradictory (Robbins, Waters-Marsh, Cacioppe & Millet 1994, Kanter 1999 and Bridges & Mitchell 2000). Champy (2003) states that there are more books on the shelves that try to explain the source of greatness than any manager could possibly read or rationalise into a single theory for personal growth and development.

The process of examination began by obtaining a dictionary definition of a leader: ‘one, who or that which leads’ (Macquarie Dictionary 1991, p. 1007). Secondly a definition of the concept of leadership was obtained in an attempt to expand the understanding of the topic. Leadership is defined as ‘the position, function, or guidance of a leader’ (Macquarie Dictionary 1991, p. 1007). The dictionary definition does not make the role and functions of a leader clear, much less how leaders are expected to achieve outcomes.

Kets de Vries (1994) writes, ‘when we plunge into the organisational literature on leadership we quickly become lost in a labyrinth: there are endless definitions, countless articles and never ending polemics. As far as leadership studies go, it seems that more and more is studied about less and less, to end up ironically with a group of researchers studying everything about nothing’. While examining the concept of leadership in order to provide a more comprehensive understanding of the behaviours and attitudes of the participants in the current study, it is important to sift through the literature on leadership. This will allow the observation, interviews and conversations to be compared to previous research in an attempt to determine what aspects of leadership are significant in a change management process.
Leadership in a traditional organisation, such as a public service organisation, is usually vested within the management, which has a hierarchical leadership structure in which the more senior staff occupy the leadership roles. This traditional structuring and thinking on leadership has been more recently challenged by some researchers such as Sherman and Schultz (1999) who argue that managers are obsolete and that the fate of companies is outside the control of management. This concept is further examined through the linking of the success of an organisation in a change management process and the role of the leader. Leadership is often associated with success and how this is achieved is explored in the current study. The argument put forward by Sherman and Schultz (1999) is examined to determine if the role of the leaders within an organisation is indeed obsolete.

Within the literature reviewed the words and phrases used to define or indicate leadership are immense and there is resonance with the argument of Kets de Vries (1994) as there is a huge quantity of literature on the topic of leadership with a large number of corresponding phrases used to describe leadership, including the phrase ‘the dark side of leadership’, used to describe the negative traits of leadership and organisations (Vaughan 1999 and Hase, Davies & Dick unpublished), which is explored in the current study. In order to place a historical perspective on leadership the next section provides some of the historical aspects on the topic. Some of the literature reviewed appears to be a reinvention of previous models and theories with the alterations occurring in the language or phrases used to describe leadership and its role but this is the nature and evolution of the topic.

3.2 A mini history of leadership theories

In order to further consider and provide some understanding of the concept of leadership and the styles that may be used by the participants in the current study, this section provides a background and historical journey through some of the major theories on leadership. The research and therefore the literature on
leadership have evolved through a number of phases, commencing with the notion
of personality traits. Allport and Odbert (1936), cited in Funder (2001), found
17,953 words to describe the way people are psychologically different from each
other (for example shy, trustworthy, laconic, phlegmatic, kind, conscientious,
anxious). Leaders, according to this trait theory, have certain personality traits
which, according to early theorists cannot be taught and therefore leaders are
‘born not made’. More contemporary theories now indicate that leaders learn to
lead and are not ‘made’ (Cohen 1998, Powell 2005, Ruvolo, Petersen & LeBoeuf
2004).

Prior to the examination of the different theories on leadership it is worth
examining the research on Australian leadership. In Australian corporate and
public life, leaders have been traditionally personified as the out-front tough hero
type. Sinclair (1994 and 1998) reveals that the qualities of leadership that are
valued and rewarded are displays of fortitude and physical toughness, self-
reliance and invulnerability, stamina, endurance, emotional stoicism and
resilience in the face of trials and difficulties. These qualities, according to
Sinclair and Wilson (2002) resonate with the myths and legends of Australian
history and they remain embedded and taken for granted in many of our
institutions as the mark of and requisites for leadership (Sinclair & Wilson 2002,
p. 22). As Pagonis (1992, p.107) points out, ‘whether you are running a company
or feeding, clothing and equipping an army, the bedrock principles of leadership
do not change: know your stuff and listen hard and your troops will fight like
lions for you’ . Others such as Keene (2000) and Bolden (2007) contradict this
type of leadership style seeing the lone hero who transforms organisations single
handed as long ago been dispelled as a myth).

It should be recognised that leadership is influenced by cultural factors. For
example leaders in Poland or Thailand may not have the same leadership styles as
those quoted for Australian leadership. It is well documented that leadership is
dependent upon culture and therefore the context in which the leadership occurs
can have an influence over the rating of the leadership as a success or otherwise.
Earley and Mosakowski (2004) define the ability of leaders to understand and
cope with different national and corporate values as ‘cultural intelligence’ and
that leaders should understand and have the ability to know the cultural nuances and issues associated with dealing with different nationalities.

The view portrayed of Australian leadership is challenged by others who define real leaders as breaking this mould by inviting feedback and admitting they do not have all the answers. Peace (1991) argues against the armour-plated hero and argues for the human being to replace the myths of the leaders. This is described as soft management, which is being able to demonstrate a human side to leadership.

From the literature on Australian leadership it becomes apparent that leadership is measured in many different ways using differing methodologies. In order to provide a historical context and to highlight the phases of research and the theories, the next section of this chapter provides a set of theoretical frameworks in which leadership can be examined.

### 3.2.1 Trait theory - core skills and values

Thomas Carlyle (1888) developed a theory known as the ‘Great Man Theory’ in which he argues that great leaders possess certain traits or attributes (Robbins et al. 1994, p. 469). This theory has been cited as the beginning of the trait theory of leadership. The view of Carlyle was that leaders create everything that humanity enacts, and that the sole reason for success is the leader, socially, politically and spiritually, rather than anything being due to situational factors (Popper 2004).

Some characteristics or traits have been found to correlate to a slight extent to leaders in a number of studies on leadership. These characteristics or traits are that leaders tend to be bigger, taller, heavier, have better physiques and health, have a higher energy level, are more attractive, more intelligent and more self confident than their followers. Leaders have also been found to be better adjusted, more dominant, more extroverted and to possess greater interpersonal sensitivity (Niles-Middelbrook 1974, p. 500).
Stephen Covey (1989) writes that good leaders demonstrate qualities that the ancient Greeks identified as ethos, pathos and logos. ‘Ethos’ pertains to personal values and the leader demonstrates a track record that embodies those values. ‘Pathos’ involves the ability to listen deeply and empathise and ‘Logos’ is the root of the word logic and relates to the ability of the leader to think rationally and strategically (Edelman & Hiltabiddle 2006, p. 28). From the qualities outlined by Covey (1989), the leader is endowed with certain values and traits, which are the fundamental underpinnings of this theory in which the leaders demonstrate a set of traits or qualities that are considered to demonstrate good leadership.

Research on traits has indicated a number of core skills and values that are required to be a leader. Some researchers such as Hoppe and Houston (2004) indicate that the traits of leadership are vast and all encompassing and that leaders should bring everything they have to their work – their passions, values, energy, optimism and a full range of experiences and competencies. For individuals to reach their maximum in terms of performance, productivity and effectiveness they must bring their whole selves, their whole social identities, into their work environment. Other researchers such as Kets de Vries (1997) indicate that effective leaders are conscientious, extroverted, dominant, self-confident, energetic, agreeable, intelligent, and open to experience and emotionally stable. From these examples it can be seen that the range and expectations of the traits of leadership are expansive and all encompassing. One needs to question if it is only these traits that are the key to the success of the leader and whether there are certain traits that are more significant or important.

It appears that the list of traits, and therefore the perceived expectations of the leaders and therefore the expectations about what leaders should be like, rather than becoming refined and narrowed down over time, are being expanded by researchers to a level that may be considered as too broad or encompassing to be of any real value in determining the traits of leadership. In order to stress this point some of the traits of effective leadership are listed below:

Yukl (1998) indicates that the traits that predict effective leadership are:

- High energy and stress tolerance levels
- Self confidence
- Internal locus of control orientation
- Emotional maturity
- Personal integrity
- Socialised power motivation
- Moderately high achievement orientation
- Low need for affiliation (Yukl, 1998, p. 244).

Other research examined indicates that a leader:
- Is active, not reactive
- Is someone for whom work is an enabling process not a disabling one
- Takes risks
- Is Honest
- Has empathy (Zaleznik, 1977)

or
- Has a strong vision
- Has strong beliefs
- Has the courage to act
- Must have discipline
- Must have energy
- Must have determination
- Must have zeal
- Must have courage (Snyder et al., 1994)

or
- Has drive
- Has desire to lead
- Is honest and has integrity
- Is self confident
- Is intelligent
- Has job-related knowledge

(Robbins, Bergman & Stagg, 1997)
still more traits are listed:

- Ambition
- High energy
- Desire to lead
- Honesty
- Integrity
- Self confidence
- Task-related knowledge (Stogdill, 1991)

and more:

- Self awareness
- Self regulation
- Motivation
- Empathy
- Social skills (Goleman, 1998)

Other researchers cite traits such as honesty, competency, inspiration, courage and being forward looking, while still other researchers and authors use phrases such as vitality, endurance, decisiveness, persuasiveness, responsibility, intellectual capacity, inclusive, learning and self awareness (Wood & Vilkinas 2004). Precisely what all these, sometimes referred to as ‘weasel’ words (Watson 2004), mean and how these characteristics are measured or compared appears to be lacking in many of the journal articles and studies with the words appearing to be used in a social rather than a scientific manner. On reviewing these lists of traits, it is legitimate to consider whether the words used to describe traits are independently measured or are these just lists of descriptive words that the authors think should be attributed to a leader. Whilst the words may sound comforting and logical and worth aspiring to, are they an appropriate measure of leadership that adds to the understanding of the concept, or are they a set of traits that describe and predict what leadership should be, rather than what it actually is?
3.3 An initial research question

To commence the current study, I asked a broad selection of people the following broad question;

*Can you give me an adjective that has not been used in the academic literature to describe good leadership?*

The aim of this question is twofold. Firstly, to compare the responses of people to the literature and secondly, it is a way of highlighting that so many words have been used and in so many different works and social environments that the relevance of some of the traits and words used may be so diluted as to be meaningless. This question highlights that the range of traits used to describe leadership can be overly broad.

From an examination of the literature, listed below are the words or phrases used to describe leadership qualities. All these are from referenced articles cited in the current study:

<table>
<thead>
<tr>
<th>Ability to articulate</th>
<th>Achieve quality outcomes</th>
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<tbody>
<tr>
<td>Aggressiveness</td>
<td>Agreeable</td>
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<td>Approachability</td>
<td>Argumentative</td>
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<td>Arrogance</td>
<td>Assertive</td>
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<td>Attract people</td>
<td>Attractive</td>
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<tr>
<td>Autocratic</td>
<td>Behaviour out of the ordinary</td>
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<td>Behaviourally sound</td>
<td>Better adjusted</td>
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<tr>
<td>Bigger</td>
<td>Brave</td>
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<tr>
<td>Build commitment</td>
<td>Business acumen</td>
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<tr>
<td>Challenging</td>
<td>Charismatic</td>
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<tr>
<td>Cooperative</td>
<td>Cognitive empathy</td>
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<tr>
<td>Cognitively sound</td>
<td>Collaborative</td>
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<tr>
<td>Commitment</td>
<td>Competent</td>
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<tr>
<td>Competitive</td>
<td>Conceiving</td>
</tr>
</tbody>
</table>
Confident  Conscientious
Consistency  Cope with complexity
Courage  Courageous
Cowardly  Cultural intelligence
Customer focus  Deceitful
Decisiveness  Desire to lead
Determined  Disciplined
Dominant  Drive
Effective  Effectively manage
Egocentric  Emotional empathy
Emotional endurance  Emotional stability
Emotional stoicism  Emotionally mature
Emotionally sound  Emotionally stable
Empathic  Empowerment
Encouraging  Endurance
Energetic  Environmentally sensitive
Ethics  Ethos
Evaluation  Evolving
Execution  Extroverted
Fear of failure  Flexible
Fortitude  Generous
Good health  Great
Greedy  Have purpose
Have vision  Heavier
Heroic  High achievement orientation
High energy  High stress tolerance
Highly Adaptable  Honest
Human  Humble
Impulsive  Industrious
Innovation  Innovative
Insensitivity  Inspirational
Integrated  Integrity
Intellectual  Intellectual horsepower
Intelligence  Internal locus of control
Interpersonal    Interpersonal sensitivity
Invulnerable     Job related knowledge
Know their facts  Know their stuff
Lateral thinking  Lead
Learning         Listen hard
Logos            Low need for affiliation
Quality judgments Manipulative
Measured         Mental agility
Mistrusting      Modest
More intelligent Motivated
Motivational     Narcissistic
Open to experiences Opportunistic
Optimistic       Organising ability
Outgoing personality Participative
Passionate       Pathos
Patience         Perfectionism
Perfectionists   Perseverance
Persistent       Personal integrity
Persuasive       Physical toughness
Plan strategically Planning
Political intelligence Political savior faire
Politically skillful Possess energy
Priority setting Proactive
Productive       Purposefulness
Reassuring       Reformers
Resilience       Responsive
Self assured     Self awareness
Self confidence  Self expression
Self preservation Self regulation
Self reliant     Sense of purpose
Share a vision   Social skills
Socialised       Soft
Spiritually sound Stamina
Steering         Strategic
In reviewing the list of leadership traits above and reflecting on the original question asked in relation to leadership, it is difficult to find an adjective that is not listed above. In the responses it was indeed hard to find an adjective not already used to describe good leadership. This research question does highlight the issue of the overuse of the descriptions of leadership qualities. Winston & Patterson (2006) examined the term leadership, on which they found 26,000 articles which they describe as ‘a lot of blind men describing a moving elephant’ (Winston & Patterson 2006, p. 6). A list of leadership dimensions is contained in Appendix 2.

Are the qualities listed only possessed by leaders? It is worth considering if the traits of the non-leaders, usually the employees, are the opposite of these listed or could the employee also possess these attributes or traits. It appears that unless the literature and research wishes to describe the majority of the population, the non-leaders, as undisciplined, lazy, unintelligent cowards who are dishonest, lack empathy and vision and have no job-related knowledge, then it must be acknowledged that the traits described above can be applied to more than just the leaders.

This raises the further concern that these traits may be aspects of human behaviour rather than specific leadership behaviour. Reinforcing the concern that the traits can be applied to all people, however are they being defined differently
for leaders. These concerns add to the doubts as to the value of traits being used as a legitimate method of defining and measuring leadership.

One of the criticisms of the trait approach to describing leadership is that it appears that little consideration has been given to the issue of cause and effect. As an example, does having the position or title of ‘leader’ make a person feel self-confident or does the person come to the job with the trait of self-confidence? Robbins et al. (1994) suggest that although studies do show a correlation between traits and leadership, this correlation has a weak significance of between +0.25 and +0.35 (Robbins et al. 1994, p. 470). As described by Robbins, Bergman and Stagg (1997) research efforts at isolating these traits resulted in a number of dead ends. No set of traits has been identified that can always differentiate leaders from followers and effective leaders from ineffective leaders. (Robbins et al. 1994, p. 569). Therefore, while it appears easy to attribute traits to leaders it is difficult to determine if these traits are in fact traits that are unique to leaders.

The issue of using traits to describe or define leadership is further complicated when one considers the day-to-day work and interactions of a leader. Concern has already been raised about whether the traits used to describe leaders can be measured, however, further concern is the issue of, for whom are the traits being measured and defined. To put this simply, are the traits being measured from the viewpoint of the workers, managers, the researcher or others? In order to expand upon this concern about the use of traits to describe leaders, the issue of ‘honesty’ in leadership is now explored in more detail.

A trait of leadership that is frequently referred to is honesty (Graham 2002). Further exploration of the trait and the context in which it is used will assist in determining whose honesty is to be measured and how it is to be done. The rationale for this additional exploration of honesty is to use this as an example in order to extrapolate from the research the strengths and weaknesses of trait theory. At the extremes of the definitions, honesty and dishonesty appear to be relatively easy to describe. However, the more subtle aspects of this trait in a leader are more difficult to define and measure. Whilst the word ‘honesty’ is a comforting quality to associate with leadership there arises the question of
whether this trait has any value in identifying what determines effective leadership.

To cite a recent Australian political example of ‘honesty’, the ‘children overboard affair’ (2001) is considered. In this political affair it was claimed by the Immigration Minister and the Prime Minister of Australia, on the advice of a ministerial advisory system, that when a refugee boat was intercepted in Australian territorial waters by the Australian customs, children on the boat were thrown overboard by their parents so that all the asylum seekers on board would be taken to mainland Australia. Was the prime minister being honest when he claimed that children were thrown overboard? Was he demonstrating effective leadership? The statement that the children were thrown overboard did create a change in the perception of some of the Australian public. Some Australians came to believe that refugees would do anything to get into Australia, including hurting and risking the lives of their children. It was also an effective leadership strategy in that, according to political commentators, it assisted the Liberal party to win an election and caused some of the Australian public to change their perceptions of refugees. However, the information given by the Prime Minister was not honest, as the children were not thrown overboard. Subsequent enquiries indicated that the ministerial advisory system and hence the government knew this fact but persisted with the lie or misrepresentation of the ‘children overboard affair’. The old saying that ‘honesty is the best policy’ may not be true and effective leaders may need to be loose with the truth, and use persuasive language and other techniques included in this current example of dishonesty. Is honesty a good trait to have in a leader? In this case being dishonest was good leadership as it assisted in winning the federal election.

Trust is another word that is frequently used in the research as an issue, trait or attribute of leadership (Mishra & Mishra 2008). The issue of trust is explored in the current study and is included in this chapter on leadership. Cole and Cole (1999) acknowledge the issue of trust in leadership and reveal that the issue facing managers on how to build trust and preserve it in their working relationships is important to leadership qualities. Their emphasis in on the relationships leaders have with those whom they lead: While many leadership
gurus have defined leadership in terms of personalities, follower perceptions, influence on task/goals (and the list goes on), we prefer to define leadership in terms of a cooperative, positive relationship with their followers (Cole & Cole 1999, p. 1).

The issue that could affect the working relationship the most may be ‘trust’ and the essential ingredients for trust in a workplace are to:

- To be dependable so that employees know what to expect
- Recognise and accept each employee’s unique contribution
- Keep people informed
- Confidential information is kept confidential
- Competently displaying the knowledge and behaviours to complete job responsibilities (Cole & Cole 1999, p. 2).

According to the authors, the challenge is to exhibit these qualities on a consistent basis. Simmerman (1999) found that only 35% of workers characterise the level of trust between senior management and employees as favourable. ‘The successful leader knows that many workers have been brought up to consider their employers as their natural enemies’ (Prentice 2004, p. 107) or, as described by Maccoby (2004) they (the followers) have an anarchic ideal of leadership. The current study examines the issue of trust in the interviews and conversations with the participants to determine if it is a factor in leadership and secondly if it is a significant factor in the change management process.

In summary, trait theories use attributes or traits to describe leaders. Leaders are meant to be distinguished from followers because they exhibit certain traits usually accepted as traits of good leadership. It is not surprising that this seemingly simplistic theory has lost some credibility especially as there are so many conflicting traits to describe leadership, as highlighted in the lists above. The words and traits are overused, making them meaningless in the context of leadership.
Following the theories on traits to describe leadership subsequent theories based on the behaviour of the leaders were developed.

### 3.4. Behavioural theories

As trait theory began to diminish in relevance, behavioural theory gained recognition as a more popular method of describing and measuring leadership. After the idea of trait theories on leadership lost credibility, the research appears to turn away from the notion of traits to one which examines the behaviour of the leaders. Stogdill’s review of leadership in 1948, in which he states that a person does not become a leader by virtue of the possession of some combination of traits, is identified as the starting point for behavioural theories on leadership. In a simplistic form, behavioural theories propose that specific behaviours differentiate leaders from non-leaders (Stogdill 1948 and Stogdill & Bass 1992).

At the State University of Ohio, two categories of leadership were originally defined in a study. These categories are ‘initiating structure’, which is the extent to which the leader is likely to define and structure their role and those of their subordinates. The second category is, ‘consideration’ – that is, the extent to which a leader is likely to have job relationships characterised by mutual trust, respect and a regard for the feelings of their subordinates.

Behavioural theories began to attempt to place certain behaviours into grids or matrix structures to demonstrate and indicate a correlation and relationship between different behaviours and leadership styles. Leadership styles are defined using behavioural theory with grids used to describe all types of behaviour and leadership styles. A few examples of these matrixes are shown below:

Synder, Dowd, and Houghton (1994) developed a matrix structure in which there are four types of leaders – those who:

- Deliver on commitments and share the company’s values
- Do not deliver on commitment and do not share the
company’s values

- Have difficulty delivering on commitments but share the company's values
- Deliver on commitments and do not share the company’s values

Alternatively, there are five key positions that could be placed into a grid that produces eighty-one positions or types of behaviours to describe leadership. These five positions are:

- Impoverished
- Task
- Country club
- Middle of the road
- Team (Blake, Mouton, Barnes & Griener 1964 quoted in Robbins et al. 1997, p. 573)

A major limitation of the behavioural theories appears to be their inability to agree on a definition of good leadership and the variations to leadership which occur in different times, cultures and workplaces. In some environments certain behaviours produce successful leaders however, at other times the same behaviours produce unsuccessful leadership. As a simple example of this lack of consistency of behavioural theory to describe leadership is Nelson Mandela, the previous President of South Africa. At different points in history his behaviour, and therefore according to behavioural theory, his leadership style, has him branded a criminal and at other points the president and saviour of the country. The examination of the behaviour of Nelson Mandela when he was a political activist could not have predicted that he would become the leader of the country and in the eyes of many throughout the world, one of the best leaders and peacemakers in recent history. He was a leader to many in the black population and a criminal to others in the white population (Mandela 1994 and Sampson 1999). Interestingly the different groups and cultures could interpret the behaviour at these extremes. Of interest is the further contradiction between conventional
ideas about leadership and what Nelson Mandela described as leading from behind. He said that a leader is like a shepherd; he stays with his flock, letting the most nimble go out ahead, whereupon the others follow, not realising that all along they are being directed from behind (Hemp 2008, p. 127)

Two main attributes of behavioural grids discussed above is their focus on the people and the product, or the outcome. The actual defining of the behaviours that produce a good leader remains problematic. Behavioural theories using a grid type matrix appear to be overly simplistic in their approach, as they do not appear to be flexible and able to provide a predict set of behaviours over time to describe or define leadership, as highlighted in the example of Nelson Mandela.

3.4.1 Emotional intelligence

From the initial theory of defining behaviour attributed to leadership a more recent approach has been the introduction of the concept of emotional intelligence. Emotional intelligence has a focus on the behaviour of the leaders that emanates from the emotional intelligence demonstrated by the leader. One of the main foundations of theories about emotional intelligence is the concept that by ‘reading’ the emotions of the organisation, the emotions of the people around them and their own emotions, leader are able to demonstrate and utilise their emotional intelligence (Curuso 1997). Daniel Goleman (2004) indicates that emotional intelligence is an essential ingredient in successful leadership. The five concepts central to emotional intelligence are:

- Self awareness
- Self regulation
- Motivation
- Empathy
- Social skills (Goleman 2004, p. 88).
It is of interest to note that in earlier articles who quoted Goleman, there were only four essential elements of emotional intelligence. This does indicate that the concept has changed and grown over time. These four concepts are:

- Self awareness
- Self management
- Social awareness
- Relationship management (Goleman, Boyatzis & McKee 2001)

In the 1920s a psychologist, E.L. Thorndike, examined the issue of social intelligence. As with Pavlov (1927) who used dogs in his classical conditioning experiments, Thorndike used his cats. Thorndike (1920) concludes that animals learn mechanically by trial and error, and the ease with which animal behaviour can be manipulated by providing a reward gave rise to the notion that people’s behaviour can be manipulated in the same fashion. For instance, people may learn from past experiences and apply this knowledge to current situations using different levels of intelligence including what is described as social intelligence.

Young (1996) defines social intelligence as one of three main notions of intelligence. These are abstract, concrete and social intelligence. Abstract intelligence is described as the ability to understand and manipulate situations through the use of verbal and mathematical symbols. Concrete intelligence is described as the ability to understand and manipulate situations through the use of objects. Social intelligence is the ability to understand and relate to people and as Thorndike stated ‘to act wisely in human relations’ (Young 1996, p. 1). The defining of the types of intelligence and then applying these to leaders continues to be adapted and changed over time.

Social intelligence includes the concepts of ‘intrapersonal’ and ‘interpersonal’ intelligence. Intrapersonal intelligence is to do with the ability to monitor one’s own emotions while interpersonal intelligence is to do with one’s ability to monitor others’ emotions. Both these forms of intelligence involve the ability to discriminate amongst these emotions and use this information to guide one’s
thinking and actions. From the initial work on social intelligence the term emotional intelligence is given to the area of emotional involvement in the decision making process. Mayer and Salovey (1993) identify five domains of emotional intelligence: self-awareness, managing emotions, motivating oneself, empathy and handling relationships.

Goleman’s (1996) work on emotional intelligence developed into areas considered personality traits by other theorists such as Murray (1998) who states that emotional intelligence deals largely with personality and mood. Emotional intelligence has also been linked to transformational leadership styles (Leban & Zulauf 2004) and it is argued that the personality aspects of the individual cannot be changed and therefore this is a limiting factor in the use of the concept of emotional intelligence as a way of defining leadership. As stated simplistically by Murray (1998), work success is mostly cognitively driven and emotion by itself will not get you far.

It is recognised in the work of Goleman that different jobs call for different types of emotional intelligence (Murray 1998, p. 2). This was reinforced by Caruso (1997) who lists the ‘amount’ of emotional intelligence required in different jobs. A botanist requires the least and a psychiatrist requires the highest amount of emotional intelligence (Caruso 1997, pp. 1–3).

Miller (2002) believes that good leaders delay implementation of change until a common picture is built among key decision makers about the purpose of the change, the cost of failure, the conceptual solutions, and in particular they spend time understanding the impact of change (Miller 2002, p. 365). Rooke and Torbert (2005) believe that good leaders are differentiated from other leaders not so much by their philosophy of leadership, their personality or their style of leadership but rather by their internal ‘action logic’. Action logic is defined as how the person interprets their surroundings and how they react when their power or safety is challenged. Both the process described by Miller (2002) and the idea of action logic have been extrapolated as particular behaviours that a leader is required to have in order to be successful.
Behavioural theories appear to suffer from the same shortcoming as trait theories, which is the inability to successfully and consistently identify the relationship between the behaviour of leaders and their successful performance. While behavioural theories including emotional intelligence identify certain behaviours and emotions that are required by leaders, it is the inability to consistently apply these behaviours to the role of leadership that weakens this approach. The interviews and conversations in the current study examine the issue of leadership.

3.5 Contingency theories

Whilst both trait and behavioural theories of leadership do not adequately explain all aspects of leadership and in particular successful leadership, there have been further theoretical attempts to explain leadership through the examination of contingencies. Contingencies can be defined as the elements or factors in the environment within which the organisation is situated. Contingency theory argues that management style and organisational structures are influenced by various aspects of the environment, the contingency factors.

Burns and Stalker (1961) distinguish between mechanistic systems and organic systems in which each part of the system is reliant upon the other. Their work examines organisations as part of a larger system and identifies the interrelationships between the parts of the system. This work led to the concepts contained within contingency theories in which the system, as they interpreted it, has six essential characteristics:

- Interdependence
- Openness
- Unity
- Rationality
- Objectivity
- The importance of teamwork and cohesive groups (Limerick et al. 1998, p. 41)
Contingency theory examines the relationship between style and effectiveness, and whether the style of the leader is an indicator of the effectiveness of their leadership. Some of the contingency models include: the Hersey-Blanchard (1960s) situational theory (which has a focus on followers’ maturity), the path goal theory of Robert House (1971) and the Vroom-Yetton leadership model (Vroom & Yetton 1976) which have all attempted to explain leadership.

Contingency theories attempt to provide a framework for the processes used by an organisation in their interactions with the external environment. This includes the examination of contingencies or external issues that have an effect on the internal performance of the organisation. Avolio, Gardner, Walumbwa, Lathans and May (2004) consider leadership as a process rather than the domain of a single person and leadership is proposed to be a social exchange between the leader, the followers and the factors or contingencies influencing a particular situation. This theory provides a rationale as to why some leaders succeed in certain situations and fail in others, because the success or failure is based on three factors: the leader, the followers and the situation. All three factors have the ability to change the interplay between the other factors which can therefore affect or alter the outcome of the change process. Therefore, contingency theory offers a broader explanation or rationale for the success or failure of a change management process. Previous theories, trait and behavioural theories, place the importance of success on the attributes or behaviours of the leader rather than use the multifactorial approach taken by contingency theory. The followers, the situation and the leader all interconnect to produce ‘leadership’ as it is a process, not a person (Drury 1999, p. 1). The fundamental shift from the previous theories is that this approach examines the leader within the context of the organisation, however the leader is still required to have competencies in the role.

Diary note
There is some concerns about just examining the situation and not the people involved with all their traits, personalities and behavioural patterns. Surely this is not an either or situation.


3.6 Competencies

Competency models attempt to identify what competencies are required of a leader for a specific job in a particular organisation. David McClelland (1973) examines specific competencies for leaders in particular positions, which has been generalised by other researchers into a model of competencies for leaders. From this initial work emanates one of the more popular and commonly quoted models developed by Hogan and Warrenfeltz (2003). This model provides four competencies that are seen as important to leadership;

- The ‘Intrapersonal Domain’ – internal standards of performance
- The ‘Interpersonal Domain’ – social skills and a talent for building and maintaining relationships
- The ‘Business Domain’ – the abilities and technical knowledge
- The ‘Leadership Domain’ – the ability to influence and build a team (Hogan & Kaiser 2004, p. 6)

Kouzes and Posner (1987) devised a competency based model of practices that enable leaders to perform effectively. These behaviours are:

- Challenging the process
- Inspiring a shared vision by having a purpose, mission, goal or personal agenda with a desire to make things happen and to change the way things are done
- Enabling others to act, by getting support and assistance from those who must make the project work through the enabling of teamwork, collaboration and the empowering of others
- Modeling the way by planning, steering and measuring performance with evaluation outcomes
- Encouraging followers. This includes the celebration of accomplishments and rewards at all stages of the process (Kouzes & Posner 1987).
Kotter (1990 and 2007) explains the roles of leaders as being not about making plans or solving problems and not even about organising people but rather as preparing the organisation for change and to assisting the organisation to cope.

There have been a variety of models of leadership that can be categorised as contingency models. These have been developed and refined over the years and in order to provide a historical perspective for an understanding for the current study these are included below in a summary format.

### 3.6.1 Fiedler’s model

This model identifies three situational variables that influence the change management process:

- The leader-member relationships
- The structure provided for the particular task
- Position power.

This model was developed with an instrument called the LPC or ‘least preferred co-worker questionnaire’. There are two types of leaders defined in this model, ‘task’ and ‘relationship’ orientated leaders, and each functions better under different conditions within the organisation. Results using this model found some conflicting outcomes and it is argued (Robbins et al. 1994) that some additional variables could be added. The model attempts to identify leadership categories, variables and domains however it has been found that this model is unable to cover every leadership style, every contingency and all eventual outcomes.

### 3.6.2 The Hersey-Blanchard situational theory

This leadership model was developed by Professor Paul Hersey who wrote *The Situational Leader* and Ken Blanchard, a management guru who later became
famous for his *One Minute Manager* series. They created a model of situational leadership in the late 1960s in their work, *Management of Organisational Behaviour* that provides a framework for the analysis of the requirements of a particular situation and for the leader to adopt the leadership style most appropriate for that situation. The model rests on two fundamental concepts: leadership style, and development level.

Hersey and Blanchard characterise leadership styles in terms of the amount of direction and support that the leader provides to their followers. They categorise leadership styles into four behaviour types, which they classify as S1 to S4:

- **S1: Directing** Leaders define the roles and tasks of the followers, and supervise them closely. Decisions are made by the leader and announced, which means that communication is largely one-way.

- **S2: Coaching** Leaders still define roles and tasks, but seek ideas and suggestions from the follower. Decisions remain the leader's prerogative, but communication is much more two-way.

- **S3: Supporting** Leaders pass day-to-day decisions, such as task allocation and processes, to the follower. The leader facilitates and takes part in decisions, but control is with the follower.

- **S4: Delegating** Leaders are still involved in decisions and problem solving, but control is with the follower. The follower decides when and how the leader will be involved.

Importantly no one style is considered optimal or desired for all leaders to possess because effective leaders need to be flexible, and must adapt themselves according to the particular situation.

In the Hersey-Blanchard model the style chosen by the leader is dependant upon the workers’ job and psychological maturity. The model assumes a correlation between the role of the leader and the maturity of the workers which means that the higher the level of maturity of the workers the lower the level of control and
involvement is required by the leader. As summarised by Robbins et al. (1994), some researchers provide partial support for this theory while others found no support for its assumptions. The limiting factor is the wider application of this theory to all workplaces or leaders. The ability to define and measure the maturity of the workers and how these are factored into the leadership style is not clear. These shortcomings have limited the theory’s usefulness in the measurement of successful leadership.

3.6.3 The path goal theory and adaptive theories

The path goal theory states that a leader’s function is to clear the path toward the goal of the group by meeting the needs of subordinates. Martin Evans (1970) and Robert House (1971) developed the model jointly.

The path goal theory is based on the expectancy theory of motivation. The leader’s job is viewed as coaching or guiding workers to choose the best paths in order to reach their goals. It is also based on the precepts of goal setting theory and argues that leaders need to engage in different types of leadership behaviour depending on the nature and the demands of a particular situation. It is the leader’s job to assist followers in attaining goals and to provide the direction and support needed to ensure that their goals are compatible with the organisation’s goals. Path goal theory identifies a number of leadership styles: achievement-oriented, directive, participative, and supportive.

In achievement-oriented leadership, the leader sets challenging goals for followers and then expects them to perform at their highest level with the leader showing confidence in their ability to meet this expectation. This style is appropriate when the follower suffers from a lack of job challenge.

In a directive leadership style the leader informs the followers what is expected of them and then informs them on how to perform their tasks. This style is appropriate when the followers have an ambiguous job.
Participative leadership involves the leaders consulting with followers and asking for their suggestions before making a decision. This style is appropriate when the follower is using improper procedures or making poor decisions.

Lastly, in a supportive leadership style, the leader is friendly and approachable. The leader shows concern for the followers’ psychological wellbeing. This style is appropriate when the followers lack confidence.

Path goal theory assumes that leaders are flexible and that they can change their style as required in different situations. The theory proposes two contingency variables, the environment and the follower characteristics, that moderate the leader’s behaviour-outcome relationship. The environment contingencies are viewed as outside the control of the follower-task structure, authority system, and work group. However the environmental factors determine the type of leadership required if the follower outcomes are to be maximised. In this model the characteristics of subordinates are a determining factor in how the environment and leader are perceived. Effective leaders clarify the path to help their followers achieve goals and make the journey easier by reducing roadblocks and pitfalls. Research demonstrates that employee performance and satisfaction are positively influenced when the leader compensates for the shortcomings in either the employee or the work setting.

In contrast to the Fiedler’s contingency theory, the path goal model states that the four leadership styles are fluid, and that leaders can adopt any of the four depending on what the situation demands. The model is adaptive to situations and takes into account the leader, the followers and the environment in which the change takes place.

In examining an adaptive leadership approach researchers such as Glover, Friedman and Jones (2002) were influenced by the work of Jean Piaget (1952) on the developmental stages of children and their cognitive development. From this they extrapolate that adaption has been at the core of human experience throughout the ages (Glover et al 2002, p. 16). Adaptive change is required to both the leaders and the organisation as successful change is seen as a sustainable
alteration in the relationship between the organisation and its environment therefore the adaption is a fundamental change in the way the world and the systems are viewed and responded to. Glover et al (2002) refer to assimilation and accommodation processes in a matrix form whereby high accommodation and high assimilation provide the most adaptive leadership. Glover, Rainwater, Jones and Friedman (2002) provide four ingredients that assist leadership. These are: cultural competencies, knowledge management, creating synergy from diversity and holistic vision (Glover et al 2002, p.18). Adaptive leadership is seen as being open to change and being adaptive to the environment and circumstances in which the change is occurring. Brown (2008) examines complex adaptive systems and incorporates into an adaptive approach the work of Doolittle (2002) and six overlapping attributes for a complex system. The thrust behind this approach to leadership is to promote adaptability in a complex systems that are non linear in nature. This field of adaption and its understanding is enhanced by the work of Trompenaars and Hampton-Turner (2001) who incorporate and model cultural factors and the importance of understanding and considering culture into successful adaptive leadership.

3.6.4 The leader-member exchange theory (LMX)

This theory is also known as the ‘Vertical Dyad Linkage Theory’ and examines the exchange between the leader and the workers, and moves away from the assumption that the leader treats all workers in the same manner. The workers or subordinates form two groups, the inner and outer group (Deluga 1998).

It is stated in the LMX theory that leaders often have a special relationship with an inner circle of trusted assistants and advisors, to whom they give high levels of responsibility, decision influence, and access to resources. In return this in-group pay for their position by working harder, being more committed to task objectives, and sharing more administrative duties. In addition they are expected to be fully committed and loyal to their leader. The outer group, on the other hand, is given low levels of choice or influence. This places constraints upon the leader as they have to nurture the relationship with their inner circle whilst
balancing the giving of power with ensuring they do not have enough power to strike out on their own (Changing Minds 2007). This model has some similarities to psychological contracts and relationship capital discussed in the previous chapter.

3.6.5 Transactional and transformational leadership

Kuhnert and Lewis (1987) define transactional leadership as occurring when one person takes the initiative in making contact with another for the purpose of exchanging something of value. Transformational leadership occurs when decisions and actions are based on more than just the compliance of the workers and the decision involves taking into account their beliefs, needs and values. This notion of leadership has been linked to emotional intelligence (Leban & Zulauf 2004). The original concept came from the work of Burns (1978) and Bass (1985) who wrote on leadership using a framework of transformational and transactional leadership.

Charbonneau (2004) when examining transformational leadership in the military found that, with training in rational persuasion and inspirational appeal, transformational leadership is enhanced. This transactional and transformational leadership model takes into account the role and the engagement of the followers, which is seen as an important part of the success of leadership in a change management process. The level of engagement in the process of the restructure examined in the current study is considered and discussed throughout the interviews and conversations.

An interesting and noteworthy debate has occurred in England over the leadership of the National Health System (NHS). There is a move for the NHS to, adopt a process of influencing followers or staff by inspiring them or pulling them towards the vision of some future state. The newspaper reported this process as transformational leadership as distinct from a top down transactional leadership style (The Guardian 1999, p. 25). Given that the current study is conducted in a
similar public organisation it is important to explore the types of leadership trialled in other countries to provide a contrast with styles utilised in the restructure considered in the current study.

### 3.6.6 The learning manager in the learning organisation

This particular model promotes a process of participation and delegation within the organisation. The main thrust is that the leader learns from others within the organisation and decisions are made in consultation with others who are able to influence the decision making process. From this notion of learning organisations emanates the notion of self-directed or self managed teams. A number of models of decision-making have arisen following these principles including the ‘normative decision model’ and the ‘Vroom and Yetton decision making flowchart’ (Yukl 1998, p. 130). More recently Reicher, Haslam and Platow (2007) identify what they consider to be the secrets of effective leadership that, they say, radically challenge conventional wisdom of leadership. These ‘secrets’ are:

- Leaders must understand the values and opinions of followers rather than assuming absolute authority.
- There are no fixed traits of good leadership as most desirable traits depend on the nature of the group being led.
- Leaders must try not only to fit in with their group but also to shape the group’s identity in a way that makes their own agenda and policies appear to be an expression of that identity (Reicher et al. 2007, p. 24).

Given the background and history on leadership that has already been discussed it appears to be rather patronising of past theories for the article by Reicher et al. (2007) to claim to reveal a new ‘secret’ of leadership. Others have dealt with all the three concepts in depth for decades prior to this more recent study. This repetitive reinvention from the literature on leadership fails to value the research
on the topic and the list of words used to describe leadership continues to expand without any real theoretical underpinnings and validation of the research. This appears to be a common problem in the leadership debate.

Leadership and the models of what is and makes an effective leader vary in their application and the factors that are involved. The current dominant model appears to be the contingency model. However within this model there is no agreement on whether leadership style is fixed or flexible. The main criticism of the contingency approach is that the cause and effect approach it promotes is retrospective in nature. The critics claim the model cannot predict and only provides detail after or during the event and therefore it cannot be used to predict with any certainty what type of leader is required and in what situation and who the best leaders will be. While each variable in the model is contingent upon each of the others there is no predictability across situations and different organisations that has been proven to provide a universal relevance to all organisations. As summarised by Robbins et al. (1994), it is far too simplistic to consider subordinates as being guided to goal accomplishment based solely on the behaviour of their leaders.

3.7 Attribution theory

This theory was developed from a cause and effect model of relationships first proposed by Fritz Heider (1958) and his notion that attributions are the result of the fundamental cognitive processes by which people ascertain cause and effect so that they can solve problems (Martinko, Harveyn & Douglas 2007). It examines what causes are attributed to events and as a result attributes certain qualities to the leader involved in the event. This is similar to trait theory, as the leader is given certain traits or attributes, however the difference is that others involved give these attributes to the leader. Leadership is seen as an attribution that people make about other individuals.
Attribution theory and some models of leadership have in common the view that the leader’s behaviour is a function of the leader’s attributions, which in turn are functions of the subordinates’ behaviour. In other words, leaders make attributions based on the subordinates’ behaviour and these attributions influence the way the leader behaves towards subordinates. Attributes including the characteristics of intelligence, outgoing personality, strong verbal skills, aggressiveness, understanding and industriousness are all said to make a good leader in the attribution theory of leadership (Robbins et al. 1994, p. 496). Green and Mitchell (1979) appear to have been some of the first researchers to propose a model of how the members’ behaviour lead to information cues that influence the leader attributions. This in turn influences the leader’s behaviour directed towards the member, however they cautioned that the link between leader attributions and leader behaviour may not be as strong as predicted.

In the early 1980s the American Hospitals Association appointed a committee to examine leadership in the hospital system. Warden (1999) emphasised that many of the imperatives for good leadership set by the committee are still valid today – that is, that leadership is about creating strategies for actually delivering on promises made to communities and influencing others in the organisation to make choices and take actions that would most benefit those we serve (Warden 1999, p. 160). The current study explores these attributes of the leaders involved in the current study through the use of a qualitative methodology.

McDonald and Gandz (1992) identified twenty four key values of leadership that they categorise into four general values which are based on organisational forms. These values are to assist in the notion that the attributes of the leaders are important in successful change management strategies and the leadership used to complete the change management task. The four general values are:

- Relationship orientated attributes which examines such issues as forgiveness, humor, moral integrity and social equality.
- Change orientated attributes which encourages values such as the adaptability, experimentation, creativity and development
• Task oriented attributes which encourages values such as aggressiveness, initiative and diligence
• Status quo orientated attributes which encourages values such as cautiousness, formality and logic.

Researchers such as Snyder et al. (1994) in their examination of leadership attribute values such as humility and integrity as core qualities which leaders need to have if they are to undergo continual improvement. This led to others from the field of total quality management and similar models, such as the Total Quality Partnership model (Sandbrook 2001) to develop and to conceptualise four core practices of leaders:

• Knowing the facts
• Applying concepts to reasoning and learning
• Identifying improved methods or procedures
• Trying for perfection.

Miller (2002) states that part of successful leadership is adaptability and leaders need higher adaptability levels than others within an organisation. Miller believes leaders need two building blocks: adaptability, which is the inbuilt coping mechanism during change and secondly, a set of beliefs that the leader holds about what makes change successful. Leaders who have low adaptability are more likely to block change strategies or tactics because they are unwilling to undertake the personal transition associated with major change. Miller (2002) believes that a leader will succeed when they are very adaptable and exhibit the right change leadership behaviours. Bennis and Thomas (2002) add to this concept by suggesting that past experience and ‘crucibles’ (transformational experiences) bring about the changes in people which inspire them to be great leaders. Great leaders are seen in their model as possessing four great qualities: the ability to engage, a distinctive and compelling voice, a sense of integrity and, most critically, an adaptive capacity (Bennis & Thomas 2004, p. 45).
Miller (2002) states that the following attributes were top line indicators for adaptability: optimism, self-assurance, innovation, collaboration, purposefulness, structure and being proactive. Interestingly Miller (2002) felt that the best leadership qualities come from actual ‘scar tissue’ – that is, experience. This approach is similar to the ‘fake it until you make it’ approach to leading and change, which is to act as if you have the knowledge and experience while actually gaining the experience or scar tissue. Overriding all the attributes and personal mores and folkways of the individual, it may be actual ‘game time’ and being involved in a few change management situations that produces the best change leader.

Gill (2003) provides an integrative model of leadership in which he proposes that leadership needs to be reflective of its cognition, spirituality, emotions and be behaviourally sound. The model examines vision, values, strategies, empowerment, motivation and inspiration as key components of leadership. Effective leaders are also meant to be empathetic, which is the ability to view situations from another person’s perspective and to share in their thoughts and feelings about attitudes, beliefs, hopes and fears. There are two basic types of empathy: ‘cognitive empathy’ in which the leader sees things from another’s perspective, and ‘emotional empathy’, which makes the leader feel the emotions of the other person. To put the concept in a simplistic framework it is to ‘rule with your head, not your heart’ approach to leadership. According to Fracaro (2001) empathy is a powerful management tool that can be used to identify and solve problems. Using it in the communication process is an attribute of an effective leader.

In the examination of attribution theory and leadership Martinko et al. (2007) write, ‘we acknowledge that attributions probably account for small but significant proportions of the variance in leaders’ behaviours and that there are boundaries and conditions under which leaders are more or less likely to engage in the cognitive effort necessary to develop explicit attributions’ (Martinko et al. 2007, p. 565). Attributions theory on leadership has a part to play in the understanding of the concept of leadership and as described in the Gilbert (1995)
snowball analogy of attribution, error is relevant – that is, a small error can compound and produce large and significant consequences over time.

3.7.1 Charismatic leadership

On further examination of the attributes of leaders, theories such as ‘charismatic leadership theory’ have evolved and have become more popular over the past decade (Conger & Hunt 1999). This group of theories is an extension of attribution theory as the theory indicates that the followers attribute to leaders of heroic or extraordinary leadership abilities when they observe certain behaviours. Charismatic theory lists a number of key characteristics or traits including:

- Self confidence
- Vision
- Ability to articulate the vision
- Strong convictions about the vision
- Behaviour that is out of the ordinary
- Appearance as a change agent

Tuomo (2006), in referring to charismatic leadership, cautions against the use of manipulation, which is the dark side of charisma and if this is to be avoided leaders need to be ethical.

In the development of any discussion on leadership the argument as to what are the core skills or attributes required to be a leader frequently appear to galvanise researchers and endless lists of words are used to describe the traits, behaviour or attributes of good leadership. From the short list of attribution theorists quoted above the following are attributes assigned to leadership:
<table>
<thead>
<tr>
<th>Trait</th>
<th>Description</th>
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<tbody>
<tr>
<td>A distinctive and compelling voice</td>
<td>Ability to engage</td>
</tr>
<tr>
<td>Adaptability</td>
<td>Adaptable</td>
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<tr>
<td>Aggressiveness</td>
<td>Appearance as a change agent</td>
</tr>
<tr>
<td>Behaviourally sound</td>
<td>Cautiousness</td>
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<tr>
<td>Cognition</td>
<td>Cognitive empathy</td>
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<td>Collaboration</td>
<td>Creativity</td>
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<td>Diligence</td>
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<td>Emotive</td>
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<td>Environmental sensitivity</td>
<td>Experimental</td>
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<td>Forgiveness</td>
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<td>Humility</td>
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<td>Industriousness</td>
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<td>Innovation</td>
<td>Integrity</td>
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<td>Intelligence</td>
<td>Logic</td>
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<td>Moral integrity</td>
<td>Optimism</td>
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<tr>
<td>Outgoing personality</td>
<td>Proactive</td>
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<tr>
<td>Purposefulness</td>
<td>Self confidence</td>
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<tr>
<td>Self-assurance</td>
<td>Sense of integrity</td>
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<tr>
<td>Social equality</td>
<td>Spirituality</td>
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<tr>
<td>Strong verbal skills</td>
<td>Structured</td>
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<tr>
<td>Understanding</td>
<td>Visionary</td>
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### 3.8 Some more recent thinking

This section examines some of the more recent ideas and concepts on leadership.

### 3.8.1 Collaborative individualism and social sustainability

Although they are included here as part of a discussion about leadership, it could be argued that collaborative individualism and social sustainability constitute an organisational reframe and a way of thinking about the organisation into the future. This approach places the long-term view of the organisation ahead of
leadership so that people view the organisation rather than the leader as the entity. Limerick, Cunnington and Crowther (1998) devote a chapter in their book, *Managing the New Organisation*, to the topic of collaborative individualism. Their view is dominated by a need to work together with a common vision and mission with the overriding point that the individual has rights and the freedom to reject the hierarchical organisation and bureaucratic rules. The workers are an integral part of the success of the organisation and therefore the leadership role is no longer dominant but part of the organisation’s success. Teamwork and being part of the group is also seen as being less important than the individual.

One of the gurus of collaborative individualism, Peter Drucker (1999), in an article on ‘Managing Oneself’ states that: ‘in effect managing oneself demands that each knowledge worker think and behave like a chief executive officer. Knowledge workers outlive organisations, and are mobile. The need to manage oneself is therefore creating a revolution in human affairs’ (Drucker 1999, p. 74).

There are limits to the self-organisation concept and nearly a decade on from the quote from Drucker (1999) is it correct that the knowledge worker as a concept has survived and outlived the organisation? The assumptions in this model need to include: that people are of similar intellectual and conceptual ability, people are all equally motivated, there is no gender, racial or other bias in the community and people all wish to work in a non-hierarchical structure. These assumptions are unlikely to be valid in a workplace and therefore there are severe limits to this theory. To expand on one aspect, gender. Males make up slightly less than 50% of the world’s population but earn 88–95% of the world’s wealth with 0.5% of the highest paid officers in a survey of 799 companies being female (Angier 1999, p. 31). One has to consider if true self organisation can emerge and survive under these constraints, it is unlikely.

Drucker’s (1999) concept of the collaborative individual and the ability to manage oneself appears to rely on Western elitist principles that do not hold true for the majority of the world’s populations. The ideology of the frameworks may not match the reality of the workforce structure in the majority of the world’s countries. The reason for raising this point is that in the majority of the research
presented so far the focus has been very narrow, that being the Western world’s view of management and organisations. In developing countries, the role of leadership and the cultural aspects associated with the dynamics of change management are different from those of the research and literature quoted. However, the current study is conducted in a Western democracy and therefore the research reviewed is relevant. It is in the translation of any findings or trends that this aspect needs to be considered.

3.8.2 Synthesising leadership

The *Harvard Business Review* (2006) examines breakthrough ideas in leadership, and raises the issue of the ‘Synthesising Leader’, which is the ability to decide what information to heed, what to ignore and how to organise and communicate what is judged as important (Gardner 2006). The Australian Health Industry Executive Management Competencies were developed in an attempt to define and categorise competencies. Competencies are defined into two broad areas, interpersonal and strategic leadership. The interpersonal category covers issues such as:

- Motivation and inspiration to others
- Valuing diversity
- Building commitment to the organisation
- Attracting and retaining good people
- Leading and developing an effective team
- Managing issues with external groups.

The strategic category covers issues such as:

- Conceiving, evolving and building commitment to vision
- Integrated information
- Achieving quality outcomes
- Planning strategically
• Making quality judgments
• Mental agility and self expression
• Confidence in the ability to take measured risks
• Effectively managing self
• Innovation and lateral thinking
• Flexibility and responsiveness.

While the concept of the synthesising leader is described as a breakthrough idea, all the research on leadership so far reviewed has one common element: that leaders have a decision-making role which is important and relates to the notion of power. This role may include the capacity or attributes to determine and filter what information is important and linked to power and control issues. The concept of the synthesising leader appears to be a new method of expressing already presented skills attributed to leadership.

3.8.3 Complexity theory

Complexity theory appears to be an alternative approach to examining the concept of leadership (Styhre 2002, Keene 2000, Lewis 1994, Beeson & Davis 2000, Smith 2003, Pepper 2002, Uhl-Bien, Marion & McKelvey (2007) and Marion & Uhl-Bien 2007). Complexity theory did not originate as a management or leadership theory but rather it emanated from biology and ecology. The actions of large complex systems are often unable to be explained by conventional rules and many phenomena cannot be explained in conventional models of thinking or linear interactions. This difficulty is a major problem for advocates of management (Hout 1999, p. 162). Complexity theory is closely aligned with chaos theory because in chaos there is predictability and patterns where random events come together to make up a whole or a pattern. A situation is said to be complex when the details cannot be understood but the whole, or general result, can be understood, by the ability to make patterns (Lissack 1999, p. 3).
Weather patterns are one area where complexity theory is used to describe and predict future patterns – that is, to look for the unexpected and unexplained in any scenario or fitness landscape. A ‘fitness landscape’ is the metaphor used to describe the environment in which the organisation works. These environments are not fixed but continually undergo change and deformity. The deforming occurs because the outside world alters and because the existing players and technologies change and impact upon one another, and because new players, species, technologies or organisational innovations enter the playing field (Lissack 1999, p. 4).

There is a move towards using complexity models in management. Essentially the models work with a systems view with these systems being organic, non-linear and holistic. Complexity theory argues that leadership is a far more complicated process than formerly imagined and actions result from a complex collection of variables including the personal attributes and traits of the leader, their behaviour, the followers and their traits, attitudes and behaviour, as well as the situation and all of its variables including, location, timing and funding. In the words of Drury (1999) the process of leadership may include elements of which we are totally unaware.

Sherman and Schultz (1999) argue that business today is not only faster but also fundamentally different and it moves in a non-linear fashion. They believe this has two major implications for business: they work best when self organised and they have self-emergent strategies. Self-organised companies have a structure that forms rather than being imposed. The customer dictates the shape or structure of the organisation, ‘the invisible hand of the marketplace should displace the visible hand of the manager’ (Hout 1999, p. 163). Organisations are seen as having fluid boundaries and self-organisations are seen as the right way to understand what occurs (Hout 1999, p. 168). Self-emergent strategies are a replacement for the old strategic thinking and planning in old structure organisations. Strategies should emerge and assumptions should not be made about the marketplace. Within this framework strategic planning can only be made for the short term and a hoped for direction can be set but not ultimate goals (Santosus 1998, p. 5).
A similar approach is offered by Limerick et al. (1998) with the concept of ‘Metastrategic Management’, which argues that the problem of identity needs to be continually addressed and the focus needs to be on the management of meaning. Metastrategic management sets the cycles that allow for the setting of strategies to be in tune with the environment and marketplace rather than just with the organisation. Although similar, the ‘Limerick’ model relies on the founding vision and identity (values and mission), which in the realm of complexity theory are not important issues.

Complexity theory in management has three main principles: a non-linear world, a self-organising workforce and a self-emergent strategy. How do these concepts and the theory assist in understanding leadership and the organisation and the expectations in the work environment? As with all models, people try to define rules. Santosus (1998) gives three main rules:

- Managers should attend to relationships at all levels within their organisations
- Small changes can have large effects
- Interesting and unpredictable properties can be expected to emerge from the system.

An important element of complexity theory is how individuals relate to one another and how this affects the culture, creativity and productivity of the organisation. A bottom-up approach where all individuals are listened to and participate in leadership is desired. This, it is argued, leads to an organisation that is more willing to change and is more adaptable, and is therefore more able to survive in the complex and unpredictable corporate world. Leaders are seen to set the direction and to be comfortable in having to evolve, adapt and change as the environment changes. Leaders have to be accessible, responsive, acknowledge and value other people’s contribution at all levels, create opportunities for people, build trusting relationships and walk the talk (Santosus 1998, p. 8).
Lewis (1994) and Keene (2000) both write that even if the system within which the leader is operating is complex, it can be kept on track with a few basic rules. Quoting studies on the flight of birds and then computerised simulations of their flight, they point out that there are three rules which if followed allow the computer to exhibit the complicated flight patterns of a flock of birds. These rules are: follow the leader, move towards the centre and don’t get closer than three feet to another object. By focusing on the basic rules an organisation can predict patterns in a complex system. This approach of applying simple rules to complex tasks has also been used in artificial intelligence (McCarthy & Hayes 1969 and Walsh 2008) and swarm theory (Miller 2007). The implications for the change managers are that examining the complexity of the system reinforces the emphasis on individual skills and understanding. Secondly, re-organisation will not work unless all the implications of the rules for the ways that interactions have to change are taken into account and thirdly, the law of reciprocity is a very good basis for influencing without authority – something all managers have to do (Lewis 1994, p. 17). Martin (2007) coined a term for leaders who welcome complexity and use this approach to find the best solutions. He called them ‘integrative thinkers’ who are able to hold in their head and deal with two opposing ideas and solutions at the same time and use the tension between these ideas to form a new solution out of the complex environment.

The examination of complexity theory reveals that it can provide a framework for the change manager and leader to consider in the process of change, as it allows for flexibility and patterns to emerge as the change occurs.

3.8.4 Swarm Theory

In an article on swarm theory Peter Miller (2007) writes that a single ant or bee isn't smart, but their colonies are. Swarm theory examines how animals behave and react as a swarm. Dorigo (2007) defines swarm intelligence as a study of the collective behaviour of systems composed of many individuals that use forms of decentralised control and self organisation to achieve their goals. The study of swarm intelligence appears to be providing insights and understandings that can
help understand and manage complex systems. Authors such as Bonabeau, Dorigo and Theraulaz (1999), Ng (2003) and Miller (2007) examine swarm theory and how it may be adapted to industry and military robots. The general questions posed include: How do the simple actions of individuals add up to the complex behaviour of a group? How do hundreds of honeybees make a critical decision about their hive if many of them disagree? What enables a school of fish to coordinate its movements so precisely it can change direction in a flash, like a single, silvery organism? The collective abilities of such animals, none of whom grasps the big picture, but each of whom contributes to the group's success, seem miraculous. Can the collective behaviour of people be examined in a similar manner?

Miller (2007) writes that during the past few decades researchers have come up with intriguing insights, for example in an ant colony no one is in charge. No generals command ant warriors, no managers boss ant workers. The queen ant plays no role except to lay eggs. Even with half a million ants, a colony functions just fine with no management at all. It relies instead upon countless interactions between individual ants, each of which is following simple rules. Scientists describe such a system as self-organising. That's how swarm intelligence appears to work – by simple creatures following simple rules, with each individual acting on local information. No ant sees the big picture, no ant tells any other ant what to do but the bottom line is that no leadership is required and even complex behaviour may be coordinated by relatively simple acts (Miller 2007).

The ingredients of smart group behaviour, decentralised control, responses to local cues and simple rules of thumb all add up to a shrewd strategy to cope with complexity. 'We don't even know yet what else we can do with this,' says Eric Bonabeau (1999), a complexity theorist and the chief scientist at Icosystem Corporation in Cambridge, Massachusetts. ‘We're not used to solving decentralized problems in a decentralized way. We cannot control an emergent phenomenon like traffic by putting stop signs and lights everywhere. But the idea of shaping traffic as a self-organizing system, that's very exciting’ (quoted in Miller 2007)
According to Miller (2007) social and political groups have already adopted crude swarm tactics. During mass protests eight years ago in Seattle, anti-globalisation activists used mobile communications devices to spread news quickly about police movements, turning an otherwise unruly crowd into a ‘smart mob’ that was able to disperse and re-form like a school of fish. The behaviour of crowds and the emergence of the discipline of social psychology appears to be similar in its attributes to individuals who operate in a crowd or swarm. Some of the current writing about complexity theory appears to describe a gathering of people as a crowd and a gathering of animals as a swarm. What appears different in swarm theory is the unconscious/genetic response as opposed to the reaction response described in crowd psychology. Chari and Kehoe (2002) in a paper on the ‘robustness of herds’ use the concept in the financial sector when examining market behaviours – that is, people have a herd mentality that moves and influences the market.

An important truth about collective intelligence according to Miller (2007) is that crowds tend to be wise only if individual members act responsibly and make their own decisions. A group will not be smart if its members imitate one another, slavishly follow fads, or wait for someone to tell them what to do. When a group is being intelligent, whether it’s made up of ants or attorneys, it relies on its members to do their own part. For those of us who sometimes wonder if it’s really worth recycling that extra bottle to lighten our impact on the planet, the bottom line is that our actions matter, even if we don't see how.

Miller (2007) writes, ‘think about a honeybee as she walks around inside the hive. If a cold wind hits the hive, she'll shiver to generate heat and, in the process, help to warm the nearby brood. She has no idea that hundreds of workers in other parts of the hive are doing the same thing at the same time to the benefit of the next generation’. As concluded by Miller (2007) if you're looking for a role model in a world of complexity, you could do worse than to imitate a bee.

As far as humans are concerned there are drones, developers and leaders in this world. Therefore, while using swarm intelligence within a company would likely boost profits, the human systems themselves run the risk of glitch or failure if the
right people are not doing the right job. Therefore, corporate success is still mostly about finding the right people or technology and using them effectively (Miller 2007).

Swarm theory can be applied to the role of the leader. While noting that none of the articles reviewed move swarm theory out of the role of economic decision making processes there may be a role for this theory in the study of leadership. Each individual part of the swarm plays a part to create a whole or a reaction to a threat or a change. In the current study on change management it may be the swarm intelligence that leads to the change with the role of the leader being small and insignificant. However, the role of the leader is vital at the commencement of the process and ultimately the end product. Just like the bee who feels the cold first and starts to shiver, hence starting a reaction in the whole swarm to shiver and therefore increase the temperature of the hive, it may be the leader who receives the information first and begins a reaction in the change process that is then carried on by the swarm. To continue with the example of the shivering bee, if no other bee reacts then the swarm will eventually perish; it takes the reaction of others to create the change. If no one reacts to the chief executive’s news of the change then the change is in danger of not progressing. Why the staff react to change in certain ways is more important than how they react because as the swarm reacts and moves so does the agenda and therefore the change. The role of the change leaders may be very limited, however their input may ultimately create the swarm behaviour.

Swarm theory is similar to previous human theories on crowds and crowd psychology. The psychology of how people act as a collective is part of social facilitation theory and was a concept developed by Freud and others (Le Bon 1895 and Trotter 1953) that an individual in a crowd behaves differently that if acting alone. The notion is not dissimilar to the collective unconscious in the work of Jung (1964). Attempts at explaining the behaviour of crowds using convergence theory argue that crowd behaviour is not a product of the whole crowd but is carried into the crowd by influential individuals. In the current study these individuals may be the executive leaders and the Department of Health. At a
lower level closer to the staff the influence is in the hands of the leaders of the particular workplace and it is these leaders that are interviewed and observed.

While noting that swarm theory does not address the dynamics of personal power and politics, in examining the role of the leader in a change management process it is worth considering swarm theory, were the changes may be produced through a collective effort rather than through the solo work of the leader. Every person affected by the change has a reaction and their behaviour may ultimately move the organisation in towards a desired outcome. The role of each individual, whether it be the leader or the worker, is less important that the collective behaviour of the swarm.

3.9 Experience – does it matter?

One of the less explored areas of leadership is the amount of time spent by an individual in the leadership position. An issue worth considering is, if a person’s leadership style changes over time, and if leaders learn on the job, can it be concluded that experience creates changes in the person’s leadership style? Certainly much has been written on the stages of leadership in a new organisation. Arriving, taking hold, immersion, reshaping, consolidation and refinement are all stages that are deemed to be part of the introduction of a new leader (Gabarro 2007). Groysberg, Mclean and Nohria (2006) examined the portability of leadership between organisations and found that this was an important factor in leadership style and experience. Brousseau, Driver, Hourihan and Larsson (2006) in a study on leadership style found by comparing leadership styles that time did play a major role and that the most successful managers and executives often become even more open and interactive in their leadership styles and even more analytical in their thinking styles as they progress through their careers.

Schaeffer (2002) found that leaders move through various styles of leadership, depending upon the challenges they face, so that the style fits the particular need at the time. A leader may begin or join a company as an ‘autocrat’ where it is
essential to move quickly in order to rescue a company, through to the ‘participative’ leader, ensuring that after the change, long-term success of the company is ensured and finally through to a ‘reformer’ who demonstrates what is possible.

What these studies indicate is that leadership style may not be solely dependent upon the individual but rather that it is dependent upon the experience of the individual, especially their experience in leadership roles. In addition to being aware that leadership styles change over time the current study also examines the issue of relationship capital. The current study explores relationship capital to determine if the time a person spends in a role allows them to build and foster their relationship capital. Further, this relationship capital is explored to determine if it is an asset or a hindrance in a change management process.

3.10 Bad, but sometimes effective, leaders

The research reviewed so far indicates the issues or traits associated with good leadership, but are there traits or personality types that characterise bad leaders? Before examining ‘bad’ leadership it is worth noting that the incomplete leader is not always seen as negative and that a level of incompleteness in a leader should be expected as leaders are not flawless and a good leader finds others who can make up for their incompleteness (Ancona, Malone, Orlikowski & Senge 2007). These negative or bad traits or behaviours, while undesirable and potentially harmful to an organisation, are seen as gaps and opportunities rather than a negative. Tierney and Tepper (2007), and Goleman (2006) in research on high toxicity leadership indicates that there is an interrelationship between leadership and organisational dysfunction and in quoting Kets de Vries (1995) state that some leaders go far beyond the abnormal ways of functioning, they go off the ‘deep end’.

Hughes (1996) examines the common traits of dysfunctional leaders, which include being:
• Argumentative
• Interpersonal
• Insensitive
• Arrogant
• Scared of failure
• Perfectionist
• Impulsive (Hughes 1996, pp. 184–185).

Jones (1997) found that dysfunctional leadership is less about performance and more about ego. He indicates negative traits of dysfunctional leadership that include:

• Favoritism
• Racism
• Sexism
• Nepotism
• Cronyism
• Ageism.

In an article that examines leadership through intimidation, Kramer (2006) discusses the traits of an intimidating leader. These include:

• Getting up close and personal
• Being angry
• Keeping them guessing
• Knowing it all.

The listing of traits for bad or negative leadership attracts the same criticism as listing traits for positive leadership in that they are broad, hard to define and difficult to migrate to all situations. Kramer (2006) cautions that these traits can also produce effective leaders and desired results. Overall he rates political intelligence as the hallmark of great intimidators. ‘Don’t have a reputation for being a nice guy – that won’t do you any good’ (Kramer 2006, p. 91). He adds
that leaders with social intelligence use empathy and soft power to build bridges, whereas politically intelligent leaders use intimidation and hard power to exploit the anxieties and vulnerabilities that they detect.

Don Manvel (CEO, AVL Michigan Holding) when commenting on leadership states ‘the lesson I learned was that business is a competitive sport for tough players – those who play it nice, quite often fall behind. In tough times, you simply can’t afford to take prisoners’ (Edelman & Hiltabiddle 2006, p. 30). As a counter to this Eric Schmidt indicates that ‘the successful nice guy manager makes people feel very supported, to the point where they feel ready to accept judgments that override their personal interests’ (Edelman & Hiltabiddle 2006, p. 26). The counter arguments on the issue of leadership are not new however these conflicting statements highlight that maybe all types of leadership are good and it is the environment within which they operate that determines whether they are successful or otherwise.

In a survey published in the *Harvard Business Review*, Rooke and Torbert (2005) found that only 5% of leaders are characterised by mistrust, egocentrism and manipulativeness. The authors refer to these leaders as ‘the opportunists’.

Kets de Vries (1998) examines the issue of self-destructing managers and adds qualities such as narcissism, mirroring, emotional illiteracy and a fear of letting go to the qualities of bad leaders. Maccoby (2004) found narcissism to be a strength in leadership and by way of explanation says he found that these people (narcissists) generally have compelling vision and attract followers. However, there are differences in gender and the role of narcissism in leadership (Jorstad 1996). More and more businesses are employing narcissists as they are finding that there is no substitute for narcissistic leaders in an age of innovation (Maccoby 2004). One employer who employs what has been called the ‘toxic leader’ is the US Army. Williams (2005) states that toxic leadership exists in the US Army, and the army seems to tolerate it.

Sinclair (1996) counsels against seeing leaders as all good and being infatuated by the concept of leadership. She claims that all leaders have a dark side, and the
paradox is that a leader who is destined for greatness may turn out to be wicked
and a leader who seems to be invincible is often brought undone by a flaw or
moment of weakness. Sinclair (1996) adds that few leaders are all good and that
greatness in public is often accompanied by pettiness or worse at home (Sinclair

The findings of Sinclair (1996) were further emphasised by Zaleznik (2004) who
asks the question ‘was leadership mystique merely a holdover from our childhood
– from a sense of dependency and longing for good and heroic parents?’ This
questions the notion of ‘charismatic leadership theory’ in which the followers
make attributions of heroic or extraordinary leadership abilities when they
observe certain behaviours including: vision, sense of purpose, consistency,
strong personal commitment, assertion, unconventional behaviour, self-
confidence and charisma. Zaleznik’s (2004) view of leadership is important
within the current study as leadership, successful or otherwise, is viewed from the
perspective of the followers, who place values on the leaders. Of interest is
whether the values placed on the leader are related to the relationship capital that
the workers attribute to the leader. Also considered will be the issue of the leader
being perceived as bad or negative, which may be due not to the actions of the
leader but rather to the workers’ displeasure at the restructure and change
management process.

In all that has been written and said about leaders styles, traits, behaviours or
qualities, there has often been an underlying assumption that the leaders are
rational beings. Coutu (2004) in an interview on leadership found that leaders are
like the rest of us and that many of their patterns of behaviour and inner drives to
succeed come from past events in their lives, having strong supportive mothers
and rather remote absent fathers. This study reminds us that leaders are people
and they have their own ‘psychological baggage’.

The link between personality and leadership style is well documented. Judge,
Bono, Ilies and Gerhardt (2002) examine seventy-eight previous studies on the
relationship between personality and leadership and find a clear link between the
two. To put it simplistically, who we are as a person determines how we lead.
Kellerman (2004) argues that the literature has been fixated on the good in leaders and that in fact flawed leaders are everywhere and ‘some leaders achieve great things by capitalising on the dark sides of their souls and that leadership is not a moral concept. Leaders are like the rest of us, trustworthy and deceitful, cowardly and brave, greedy and generous’ (Kellerman 2004). Kellerman (2004) identifies seven types of bad leadership:

- Incompetent
- Rigid
- Intemperate
- Callous
- Corrupt
- Insular
- Evil

The first three types are classified as incompetent and the last four as unethical. Dotlitch and Cairo (2003) identify eleven behaviours that can derail leaders’ careers. These are:

- Arrogance
- Melodrama
- Volatility
- Excessive caution
- Habitual distrust
- Aloofness
- Mischievousness
- Eccentricity
- Passive resistance
- Perfectionism
- Eagerness to please (Burke 2006, p. 93).
Clements and Washbush (1999) in examining the dark side of leader/follower dynamics suggest that leaders fail due to:

- A failure to look inside
- Mirroring
- Narcissism
- Emotional illiteracy
- An unwillingness to let go.

Others have found that overachievers as leaders are damaging to the organisation and must be resisted in organisations wanting to empower their staff (Spreier, Fontaine & Malloy 2006 and Tierney & Tepper 2007). Titanic leaders often create titanic interpersonal problems as big as the empires that they build (Tedlow 2001, p. 70). The traits or attributes that are assigned to so-called bad leaders may not be flattering, however the effectiveness of leadership cannot be determined on good or bad behaviour. Rather it should be measured on outcomes. At times people with bad behaviour are effective because they produce outcomes. In the current study the topic of bad leadership or the dark side of leadership is explored and therefore, it is important to take into account the phrases, adjectives, and behaviours used to describe bad leadership.

It is appropriate to conclude this section on bad leadership with a quote: ‘Let’s face it; to lead is to live dangerously. While leadership is often depicted as and exciting and glamorous endeavour, one in which you inspire others to follow you through the good times and the bad, such portrayal ignores leadership’s dark side: the inevitable attempts to get you out of the game’ (Heifetz & Linsky 2002, p. 65)

3.11 So does leadership work?

Some of the research reviewed above argues that while a change process has to be well managed, change also requires effective leadership to be successfully introduced and sustained. Effective leaders, according to Duncan and Warden
(1999), pose strategic questions and challenge their staff to pursue the answers. They are adept at taking calculated risks in the strategies, tactics and business decisions made by their organisations and they allow subordinates enough authority to successfully perform their jobs, to disagree on issues and to arrive at their own conclusions (Duncan & Warden 1999, p. 225). What is not so apparent is whether these types of leadership attributes ensure that the change process is successful.

Miller (2002) summarises that leadership, as a dynamic for change appears to be ineffectual and that seven out of ten change efforts that are critical to organisational success fail to achieve their intended results. Other research has found that in the field of corporate investments 28% of change initiatives are abandoned before completion, 46% are behind schedule or over budget and 80% are not utilised in the way that was intended or are not being used six months after being installed (Miller 2002, p. 360). Higgs and Rowland (2000) agree, stating that some have estimated that as many as 70% of change initiatives fail.

Less research has been published about leadership in public sector organisations as most research appears to be conducted in the private sector. Grazier (2005) quotes a health care leader saying ‘I think fundamentally and spiritually, healthcare leaders are here to serve and be other-centered and to protect and promote, and plan for the community resource’ (Grazier 2005, p. 359). Paul Preston (2005) concludes that the pressures of care giving, the limitations of operating and managing under tight budgets and strict regulations, and the emotional components of medicine, illness, workplace politics and basic human interactions, are the source of health care conflicts that in turn fuel problematic or difficult behaviour. The effective leader is able to deal with these problems professionally, not personally. In doing so, Preston (2005) concludes, the leader encourages a high level of commitment and performance from all stakeholders of the organisation. From these studies it appears that the type of leadership required in health may be different from that needed in the private sector.
3.12 Are there any followers left?

A point worth considering in the debate on leadership is that given all the words used to describe leadership there may be very few followers left. Judging by the research on leadership it would seem that everyone involved in a change process could be defined as a leader at some level within an organisation. Leaders are sometimes not those in charge or leading and in other research the leader is the chief executive, as rank is argued to not be the most significant factor in change management (Banham 2008). From the literature reviewed, the diversity of the definitions of leadership and the situations in which the leadership is measured make any singular definition of leadership difficult. As indicated by Kellerman (2007), Cavell (2007) and Kotlyar and Karakowsky (2007) there are no leaders without at least one follower – that’s obvious. Yet the modern leadership industry is built on the proposition that leaders matter a great deal and followers hardly at all.

It could be argued that exactly who the leader is, in most research not well defined and this has led to a misuse or overuse of the term, leadership. To demonstrate this point the title of ‘leader’ is examined in a typical organisation. Is the leader the chairperson of a board, all of the board members, the Chief Executive Officer, or other members of the executive, the sector director/manager, the floor manager/team supervisor or someone else within the organisation? All these people may be leaders but they are leading from different places within an organisation and in addition may be leading the change process with differing agendas. Each of these people or groups of people could be called or seen as a leaders depending upon the point of reference from which they are being viewed. This makes it difficult when trying to define leadership, or identify the behaviours or traits that they have because each of the leaders mentioned above will need a separate set of skills or may be judged on different criteria of success in their leadership endeavours.

It is worth considering an alternative view of leadership: that in fact there may be very few leaders. In the organisation in which the study is conducted there may
only be one person who is the leader, the director general of the state organisation. All the others are not leaders but followers in some form or other and a different title may need to be given to these ‘followers’. They may all add to the leadership but in absolute terms they are not the overall leader. This point must be kept in mind when examining leadership to ensure that this label is not used to describe everyone who contributes to the process of the restructure in the current study.

In the child’s game ‘follow the leader’, the leader is the one the rest of the children follow, so it might be as simple as saying the one who is followed is the leader, which is how leadership has been defined by some (Gigerenzer 2006 and Kort 2008). This definition may then create the problem that by having such a broad definition, the concept of leadership may have been diluted to a level that makes it irrelevant. As the review of the research has demonstrated, there are so many different methods of defining leadership. In addition there are different types of followers and as Bossidy (2007) indicates the relationship is a two-way one with the leaders expecting things of the follower, such as being involved, generating ideas, collaborating, and anticipating, just as much as the follower expects things from the leader. Kellerman (2007) examines the work of others that indicates that there are different types of followers with some research indicating ‘dominance’ versus ‘submission’ and ‘activity’ versus ‘passivity’ as measures of the follower. As the single most important measure Kellerman (2007) indicates that ‘level of engagement’ is that factor. Popper (2004) defines three types of emotional relationships that exist between leaders and followers: regressive, symbolic and developmental. All of these involve a particular type of relationship with the leader. Regressive relationships involve being projective with sometimes destructive consequences as the fault and weaknesses of the leaders are ignored or minimised. Symbolic relationships are usually unconscious psychological processes and may have an element of surrender of self or diminishing of self worth by the individual to the leader. The leader becomes a symbol of a task or issue. Developmental relationships are those in which the follower grows with the leader and the role of the leader can be seen as ‘more parent like’, providing a sense of security. Popper (2004) states that economic, social, cultural and organisational circumstances all have differential effects on the probable existence of these relations. Shamir (1995) adds to the debate by
seeing leaders who are distant (such as prime ministers) as having different relationships with people than close leaders (managers and supervisors), which is important as the current study examines the level of relationship participants have within the different levels of the organisation based on distance.

Maccoby (2004) defines two key elements of leadership, which is essential a summary of the model proposed by Kouzes and Posner (1987), which is being able to lead and to attract followers. Maccoby (2004) indicates two parts to the leadership equation as being, leaders are required to lead and they must be able to attract followers. To do this he details the need for transference within the leadership style (Maccoby 2004, p. 77). Transference is the ability to get others to adopt your thoughts or ideas. Therefore, it is the ability to have others view issues from your viewpoint and this, it is argued, would lead to agreement and therefore, for followers to emerge.

A nagging thought when examining successful leadership is that it may be measured by the wrong criteria. Leadership success is usually measured as individual and usually this success is also measured in who follows. Robbins et al. (1997) use an old expression in relation to leadership, that it has been long known that some leaders cannot lead a horse to water and many employees cannot follow a parade and that it is too simplistic to consider subordinates as guided to goal accomplishments based solely on the behaviour of their leaders.

Leaders who are viewed as being successful are usually those who have increased the wealth of the company and the dividends to the shareholdings. These leaders appear to be measured not on the process used to achieve the outcome but on the outcome alone. If we are trying to define leadership qualities, traits, behaviours or contingencies, we may be missing the point. Leadership may be about none of these but rather the measurement of the end outcome. A warm, articulate, person-centred leader who does not achieve a profit may not be judged to be a good leader although they possess the right leadership attributes. Measuring the journey and the leadership style rather than leadership outcomes may be the incorrect manner by which to measure successful leadership as leadership may have little to do with the process and how it is conducted and all to do with outcomes.
A shift of focus to outcomes (results) rather than inputs (the leader) may be a better way to determine what produces an effective change process. So much time is spent trying to define the leadership qualities that are needed to provide change with little examination of the end product. A better approach is required, commencing with the examination of successful change and then working backwards to determine what or who created the successful change. This may assist in determining who the real leader is. Washbush (2005) hypothesises that the leader’s contribution to the success may just be the title leader and leadership is whatever the boss says it is (Washbush 2005, p. 1079).

God is undefined and to some a myth as he/she cannot be physically quantified, dissected and investigated. Yet the concept of a God has a huge impact on the lives of many people, who follow and believe. Is the myth of leadership the same? People are prepared to follow and believe without having the ability to quantify, dissect and investigate to a point where research can categorically identify the traits, competencies, behaviours and intelligence of leadership satisfactorily in all situations. Is the concept of leadership like that of God – some follow, some believe and see him/her as a great leader? Does it matter that God’s existence cannot be ultimately proven as he/she has a value and works for some. In the same way, leadership may be a myth, but an important one.

3.13 Leadership is/isn’t management

The issue of leadership versus management is an issue that requires some exploration in the context of the focus of the current study. The debate about the differences between leadership and management and the relationship to change is ongoing and continues in the literature. The debate has mostly focused on whether leaders and managers can be contained in the same person and if leaders and managers have different attributes, traits, behaviours or expectations.
Robbins, Waters-Marsh, Cacioppe and Millet (1994) indicate from their perspective that a leader is a manager. Buckingham (2005) does not agree that leaders and managers are the same and indicates that great leaders tap into the needs and fears we all share, they perform their magic by discovering, developing and celebrating what is different about each person who works for them. Alternatively, for Kotter (1990), management is about coping with complexity and leadership by contrast is about coping with change.

Mulligan and Barber (1998) write on the ‘yin and yang’ of change, which they equate to the social and emotional considerations, which they see as the domain of leadership and the technical aspects of change which they see as the role of management (cited in Gill 2003, p. 309). Gill (2003) argues that leadership and management theory have developed along separate lines that have never fully or usefully converged or joined to examine both leadership and management. Nevertheless, each track provides a distinct dimension and set of requirements for effective leadership. These tracks are the study of:

- Cognitive or rational processes sometimes known as cognitive intelligence
- The need for meaning and worth in people’s work and lives – spiritual intelligence.
- Peoples emotions or feeling – emotional intelligence
- People’s actions or behaviour – behaviour skills in leadership.

Expanding on the ideas of Daft (2003), McCartney and Campbell (2005) present a model and argue that it is possible for an individual to be a leader, a manager, both or neither, and therefore their model can have a person as both the manager and the leader.

Snyder, Down, and Houston (1994) believe that leaders can be distinguished from managers on the basis of vision, strong values and beliefs and the courage to act to make their visions real. Furthermore, they suggest that a person with vision, who cannot articulate beliefs and values or inspire others, is a dreamer rather than
a leader. They state that leaders must possess the energy, discipline, determination, zeal and courage required to complete the job. Robbins, Bergman and Stagg (1997) make the distinction that managers are appointed and leaders are not necessarily appointed; they may emerge from within the group. Hamel (2006) identifies typical management tasks as:

- Goal setting and laying out plans
- Motivating and aligning efforts
- Coordinating and controlling efforts
- Accumulating and allocating resources
- Acquiring and applying knowledge
- Building and Nurturing relationships
- Identifying and developing talent
- Understanding and balancing the demands of outside constituencies (Hamel 2006, p. 76).

Gardner, on leadership, states that leaders distinguish themselves from managers in at least six aspects:

- They think long term
- Leaders grasp there work areas relationship to their surrounding reality
- They reach and influence constituents beyond their jurisdictions
- They place heavy emphasis on the intangibles of vision, values and motivation.
- They have political skills
- They think in terms of change and renewal (Warden 1999, p. 9)

Bryman (1992) indicates the danger of leaders who have ‘vision’ as these visions could quickly become nightmares if they are relentlessly pursued irrespective of whether the vision is achievable or not. Bryman (1992) is of the opinion that leadership and management are the opposite sides of the same coin, in that many visions can be achieved only through the actions of managers who implement...
visionary ideas. Leadership by itself will not bring the vision to reality and the vision will only become reality through staff empowerment, and the leader’s willingness to remove obstacles that get in the way (Warden 1999, p. 85). Zaleznik (1997) proposes that managers are more concerned with how ‘things’ get done and leaders are concerned with what the ‘things’ mean to people.

The research quoted attempts to distinguish the difference between leadership and management and although closely linked, they may represent different parts and outcomes in a process. In the current study, the two are not separated. The people interviewed are managers in charge of the implementation of a restructuring process. They were also leaders in this process and so while the debate about leaders and managers is recognised and considered, in the current study the two potential roles are not separated.

### 3.14 So what does it all mean? – a summary

In reviewing the literature and what is written about the traits or qualities of leadership the first point to highlight is that the literature is immense and confusing. It appears that no adjective has been left unturned in trying to define leadership and its qualities. The descriptions of leaders can be the total opposite of each other but as long as there is an opposite adjective, then the adjective is used to describe good leadership. The literature reviewed demonstrates that no one style, set of traits, level of intelligence, social situation, emotional level, political stance, or type of relationship, level of emotional intelligence or cognitive intelligence has proven to be a successful measure of leadership in all type of change management situations. This raises the question, can the research be relied upon to give a consistent definition of leadership. As stated by Washbush (2005) if everything is leadership then logically nothing is leadership.

Leaders are human and if this fact is used as the starting point for defining leaders then it should be accepted that no word or theory is able to define all leadership qualities or behaviours. Leaders are human and therefore each leadership style will be different. Examining the individual may be measuring the incorrect ‘set of
measures’ and an alternative would be to examine the circumstances first and then subsequently define what type of leadership is needed to achieve the desired outcome. The answer may be in some cases a tyrant, in others, someone with emotional intelligence and in others a narcissist. Even if the leaders are hand picked it is worth remembering, from the research provided, that leadership has been shown to make a limited difference and studies have shown that leadership accounts for 14% of the variance in a firm’s performance (Joyce, Nohria & Roberson 2003).

Is the literature on leadership contradictory or does it just appear to be contradictory? Hogan and Kaiser (2004) agree that the amount of literature on leadership is immense. However, they break it down into two distinct categories, ‘the troubadour tradition’ and ‘the academic tradition’. The troubadour tradition is defined as the self-serving and account settling memoirs of former CEOs and politicians and is a vast collection of opinions with very little supporting evidence. It is entertaining but unreliable. The academic tradition is a collection of dependable nuggets but it is also a collection of decontextualised facts that do not add up to a persuasive account of leadership (Hogan & Keiser 2004, p. 4).

In summary, the literature on leadership is about as contradictory as when Xenophon (504 BC) described leadership when writing about the personal requirements of an elected general:

He should be ingenious, energetic, careful, full of stamina and presence of mind ... loving and tough, straightforward and crafty, ready to gamble everything and wishing to have everything, generous and greedy, trusting and suspicious.
Chapter 4
To justify is to exist

What you do is probably less important than how well you justify it
(Dick 2005, 11)
Everyone sits in the prison of his own ideas
(Albert Einstein)

This chapter discusses the methodology used and the theoretical underpinnings and justification of the chosen methodology which is qualitative analysis.

4.1 The plan

In order to determine a methodology the first consideration was to determine a series of key issues to be examined. The initial thoughts on the current study and the outcomes required are listed below:

- What did I, as the researcher, know? – The context
- What did I, as the researcher, want to know? – The research question
- How would I, as the researcher, determine what methodology to use?
- How would this methodology assist in the measurement of the outcomes?
- Could the chosen methodology be justified?

The most important consideration in devising the methodology was the manner in which the questions above are examined and answered.
4.2 The context – a little of what I know

The context within which the current study occurs was an important consideration in determining the methodology as it provided the background to the restructure and change management process undertaken. The restructure and the change management process were the focus of the observations, interviews and conversations which are the major sources of the information for the current study.

The state and area organisations undergoing the restructure and change management process both function with a central hierarchical managerial structure and is headed by one person, the director general of the state organisation. Within the state organisation there are separate departments or centres which specialise in the provision of specialist services across the area organisations. The director general reports to a minister within the government of the day. Appendix 3 provides information on the structure of the state organisation.

Following the restructure, the state organisation is divided into eight separate geographical ‘areas’. Each of these areas has its own infrastructure with a chief executive (CE) in each area who reports to the director general at a state level.

Each area has its own internal management structures. However this structure has to be firstly ratified and agreed to by the director general at the state level. The managerial structures within the area that require ratification are in the more senior levels within the organisation, which are Level 1 and 2 managerial positions. These are the chief executive (Level 1) and the executive directors (Level 2) of the different components within the area. A managerial flowchart which outlines the levels and positions of the organisation involved in the current study is contained within Appendix 3,

As the structure within the area descends past Level 2, the new structure for this component was planned and implemented at a local level. The restructure and
change management process examined in the current study focuses on the staff, their thoughts and the changes, predominantly from Levels 3, 4 and 5.

The organisation at a state level decided to restructure the area organisations in an attempt to set financial targets for monetary savings in non-clinical areas with the aim of these savings being reallocated to clinical service delivery. In order to achieve this goal each area was able to design its local lower-level structures (Levels 3, 4 and 5) however the amount of savings and redistribution to be achieved was predetermined and agreed to by the state organisation. The savings and redistribution of funds was part of the rationale for the structure, its design and implementation. Put simply each area organisation was able to do what they wanted as long as it was in agreement or complied with the aims of the state organisation.

The interviews, described later in this chapter, were held with participants from Level 2 to Level 5. There were also staff interviewed who worked in the other newly formed area organisations within the state. The conversations and observations, described later in this chapter, occurred throughout all the levels.

My substantive position is a Level 3 position, however during the course of the current study I spent a proportion of my work time in a Level 2 position. Both my involvement as the researcher and the changing of the level of my employment are discussed in more detail later in the current study, as they are important issues in the context of the methodology, the observations and the responses provided by the participants.

An issue that may have had an influence on the restructure of the organisation at the state level were political factors. Whilst the official communicated aim of the restructure was to redistribute existing funding into clinically orientated services, there may also have been an underlying issue of the negative news coverage that the organisation, both at a state and local level, was receiving at the time which could have had an influence on the announcement to restructure. To change or restructure often equates in the public’s mind with the idea that ‘something constructive is being done about the particular problems or issues’. While the
rationale and political landscape that may have contributed to the decision to restructure is not debated or commented upon in detail within the current study, it is worth noting that the day-to-day operations of the organisation and the issues that are being confronted are complicated and may reflect an ever-increasing demand for high quality services, often translated into high cost services, in a diminishing fiscal landscape. Additionally, they may be complicated by factors that are unknown to the researcher and the participants.

The current study was conducted in a geographically and demographically rural area. The area organisation is one of the larger workforce employers in this rural region and often generations of families have worked for, or supplied services to, the organisation. Often local parts of the organisation have been the foci of community fundraising efforts to pay for new equipment and buildings. The organisation, although a public service organisation, is viewed as part of the local, financial, social and emotional capital of the cities and towns in which parts of the organisation are located. This has meant, in the past, that any change to the way in which the services function has had an impact on the town and its residents. Conversely the residents have demanded a voice and to be part of the decision-making process when there were to be changes made. This phenomenon is consistent with findings of previous research (Wiseman, Mooney, Berry & Tang 2003) and (Donelan, Blendon, Schoen, Davis, Binns 1999).

The rationale for the local community wanting a voice in the restructure and change management process is that these changes affect their local communities. As a direct result of restructure many people’s work will be affected with some losing their positions and even their employment. Although there were no forced redundancies within the restructure announced there are mechanisms that allow for people’s roles and functions to be changed. In addition, casual or non-permanent staff may not be provided with the amount of work previously offered to them.
It is worth noting that the availability of other similar types of positions and work is generally lower for this rural population group than for those in metropolitan areas. As one staff member during an interview indicated:

_Even if I don’t like what is happening I have no choice but to stay, there is nowhere else to get work. In Sydney I could go to another hospital or service close by and get similar work but here I have no choice_ (Interviews and Conversations 2006).

In addition to having limited choices, it is noted that the staff affected by the restructure, in terms of the changes to the structure and positions, are mostly ‘support staff’ who hold positions such as administrative assistants, pay clerks, store persons and finance personnel. In general, they are usually paid less and are less qualified than those in the direct clinical environment such as the doctors, nurses and allied health staff.

The reactions of workers to the restructure were probably influenced by the type of work they did. Firstly, it may have been more difficult to get another position in a non-clinical field of work, as the supply/demand issues were different to those facing clinical staff, for whom in the main there was a shortage of supply and therefore there was a high demand for their services. Secondly, there was a perceived lack of understanding of the roles of the ‘support staff’ by the clinical staff which meant that the level of support and ‘public outcry’ at the loss of roles and functions was different for the two staff groups. As a general theme any reduction in doctors and clinical services would have been responded to more negatively in the media and in the public domain than the loss of support staff.

In addition, the general public usually has limited sympathy for public service organisations in which the bureaucrats and support staff are often portrayed as not being as productive or as hard working as people in the private sector (Buelens & Broeck 2007). The local newspaper articles reviewed in the current study illustrate this point. In general terms the message presented was of ‘a reduction in staff numbers to create a better clinical system’, and this created a positive media response. One of the consequences of this media portrayal of the restructure was
that it left the staff who were affected by the restructure with little understanding or sympathy from the public.

The restructure of the area organisation was announced as a method of reallocating funding into frontline clinician services through a reduction of administrative and support staff functions. In order to achieve this goal of increasing efficiency the geographical boundaries of existing organisations was also altered. The pre-existing sixteen organisations within NSW were reduced in number to eight. An obvious outcome of this changing of geographical boundaries was that each of the new area organisations expanded in geographical size and complexity. As a consequence, there was now to be one head office instead of two and one CE instead of two. The rationale for the restructure and the consequent reduction in staffing numbers was replicated throughout all the top tiers of the new organisation, and savings were achieved by eliminating duplication in capital costs and by reducing the number of positions required to manage the organisation.

In the current study the important context was the changes made to the employees’ work in relation to the size, range and level of responsibility of their roles within the new organisation. In many cases, as discussed above, this required the collapsing of two existing lower-level management positions into a single new position using the same strategy and process used for the chief executive position. In order to achieve these changes there were many factors that contributed to the new expectations and work lives of those involved and these factors were explored with the participants through the interviews and conversations conducted in the current study.

The outcome of the restructure was predetermined and a number of circulars and guidelines were available to advise the staff and general public of the process, expectations and agreements. The workers affected by the restructure were initially unaware of the timelines for the implementation of the changes. However as the change management process began these timelines were placed onto a public website and the information made available to all staff. A selection of this information is provided in Appendix 1.

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The information provided above on the context in which the change management process took place is important for understanding some of the issues raised in the interviews and conversations in the current study.

4.3 The research question – what I would like to know

There are two major categories of research methodology, broadly described as quantitative or qualitative. In order to make the distinction between the two main competing research methodologies clear, definitions of each are provided:

- Qualitative analysis is a non-numerical analysis, generally limited to nominal variables rather than ordinary variables or interval variables, or observational data analysis of a non-statistical nature (Bailey 1987).

- Quantitative analysis is the analysis of numerically coded data, specifically ordinal, interval and ratio data, and often involving computations of statistical measures and tests of significance (Bailey 1987, p. 469).

These definitions, whilst accurate, do not provide a rationale for the selection of either methodology for research purposes. A quantitative approach to research usually contains three stages. Stage one, which takes place at a conceptual level, consists of defining the concepts and writing a proposition stating the relationship between them. Stage two is to define ways to measure the concepts at an empirical level. This includes writing testable hypotheses that link the empirical measures of the concepts. The final stage, three, consists of gathering and analysing data in an attempt to verify the hypotheses (Bailey 1987, p. 52). This classic sequential quantitative approach is not used in the current study. The rationale for not using this approach is expanded upon in this chapter.
There appears to be limited research on the factors that are important in the change management process within a public service organisation. The current study aims to document the process of a restructure to provide commentary on the change management process as perceived by those affected, including myself as the researcher and observer.

The current study involves information gathering in a workplace setting. The study was longitudinal and took into account concepts and issues from a range of perspectives and participants. It does not include ‘hard data’ and does not begin with a formal hypothesis. In reviewing the requirements for the current study and the information explored and gathered it was considered that a qualitative approach was the most appropriate.

As with many qualitative research topics the research question started as a broad concept rather than a specific hypothesis with exact parameters and measurements detailed in a research question. The methodology to assist with this flexible and grounded approach needed to allow for all the parameters to develop so that the research grew and added to the literature and debates, both during and after the research. ‘Form should follow function’, therefore the research methodology should be informed by the research questions rather the reverse. For these reasons a multi-model approach that uses a methodology that falls under the broad heading of qualitative analysis was used.

Most of the literature reviewed examines change management from the point of view of how the process should be conducted and what the attributes or values are in the process and in the ‘change manager’ that are important. The issues or processes that are important to the participants in a change management process are less well defined in the literature. Therefore the factors that are important in the process for the participants and for the individual conducting the change process are explored and discussed in the current study. In examining organisational change as described by Cao, Clarke and Lehaney (2003), this current study concentrated on changes to organisational functions and organisational culture, through the perspective of the individuals affected by the change.
4.4 What is of interest?

What was of interest in the current study can be loosely defined as:

- The process of change management that was seen as being able to be influenced.
- The process of adaptation to the changes and the factors that inhibit or assisted in the acceptance of the change.
- The factors that individuals saw as important in the change management process.
- The factors that the workplace or group saw as important in the change management process.
- The factors that people attribute to the leader of the change management process and the values or attributes they place on their relationship with this person.
- The factors or attributes that were important to the participants regarding the change manager.
- The concept of ‘relationship capital’ and how this affected the process of change and the level of involvement individuals had in the process.
- The issue of the ‘dark side’ of change management.

The factors and process were examined from a number of perspectives:

- The literature – how did it inform the study on the topic of change and leadership?
- Self – as the researcher, a change leader and as a participant in the change management process.
- The leaders who conducted the change management process.
- The staff who were affected by the restructure
- Other persons who were external to the organisation and who were undergoing a similar process of restructuring
Part of the formula for successful research is to justify what is being researched and then to justify and explain the methodology, or according to Dick (2005) the other way around. The conclusions that are drawn can be more accurately extrapolated and interpreted if the methodology is robust. The more reliable and valid the methodology, the greater was the ability to interpret the findings as having relevance to the research setting and to other similar environments. Therefore it is important to demonstrate a level of understanding of the chosen methodology. For the current study the methodology had to be relevant to the environment in which the study was conducted. Therefore a qualitative methodology best fitted the requirements of the current study.

4.5 A mini history of qualitative research

The term qualitative research is an umbrella term covering several forms of inquiry. It would be useful to open the umbrella to give some insight into the methodology chosen from the forty-plus types of qualitative methodologies available.

An abbreviated history of qualitative research does not do justice to this field of research but it is worth considering that the umbrella term covers a range of approaches and methods of enquiry. The basic thread or commonality in qualitative research is a view that reality is constructed by individuals interacting with their social worlds. Researchers are interested in understanding the meanings people construct, that is, how they make sense of their world and their experiences (Merriam 1998, p. 6).

Many of the genres of qualitative research methodology have their base in a community or social function. Researchers measure human existence and attempt to make sense of the function from a particular cultural or historical aspect of the society or community. A failure to take into account these cultural or historical perspectives could lead to a limited understanding and interpretation of the events.
Simplistically there appear to be a number of underpinnings to the use of qualitative research. Firstly, this methodology allows for the understanding of the phenomenon from the participant’s and the researcher’s perspective. Some argue that it is essential to have this understanding from the participant’s perspective [the *emic* or insider’s perspective versus the *etic* the outsider’s view (Pike 1967)]. To have an *emic* perspective the researcher has to come from within. To expand on this concept in relation to the current study, the researcher was both part of the organisation and part of the study. Therefore this research takes an *emic* perspective. The point being emphasised is that the current study was not an external evaluation or experiment but rather the approach was one of interaction and inclusion of the researcher.

A second characteristic of qualitative research is that the researcher is the primary instrument for data collection, recording and analysis. A person is part of the collection process rather than a questionnaire or a computer-type data gathering technique. The researcher therefore has to be adaptive and responsive as the study evolves in order to explore the ever-changing responses in the cyclical process. The current study fits this criterion.

In order to conduct qualitative research, a third requirement becomes quite obvious, which is that the research usually involves fieldwork and the researcher must go to the persons and/or their environment to explore and to observe their behaviour. The location for this research was the actual environment in which the people worked and lived and rather than the research being conducted in a setting foreign to the participants, it was conducted in their own environment.

From this approach comes the fourth characteristic of qualitative research: the research primarily employs an inductive research strategy. Often there is a lack of theory or the existing theories fail to completely explain a particular phenomenon, and therefore the research builds on the abstractions, concepts and theories to provide further explanation which adds to the construction of a theory.

Lastly, the research builds towards a theory rather than simply providing proof of an existing theory. By employing inductive research strategies, the research
focuses on process, meaning and understanding. Therefore the product is descriptive. In order to use this approach in the research the design needs to be emergent, flexible and responsive to change. Simplistically the design takes a word rather than a numbers approach to research.

4.6 Choosing from the methodology shopping trolley

The next step in choosing a methodology was to examine the forty-plus approaches covered under the heading of qualitative methodology to determine the most appropriate for the current study. In order to make this selection a general understanding of the approaches is required.

The methodology could be summarised by stating that a qualitative approach was used in the current study that encompasses action research and action learning, based on the principles of grounded theory using ethnography and ethnographic representations with an ongoing focus to the development of sacred textualities. However, it would be jumping ahead of history and the contextualisation of the field and its relative movements, phases and historical context if each of the parts of qualitative research was not expanded upon.

Qualitative research, as argued by Denzin and Lincoln (2003), must work within the context of a complex historical field. Seven historical movements in qualitative research have emerged. These movements as described and dated by Denzin and Lincoln (2003) may still be operating or overlapping. These movements are:

- Traditional 1900 – 1950
- Modernist or golden age 1950 – 1970
- Blurred genres 1970 – 1986
- Crisis of representation 1986 – 1990
- Post modern 1990 – 1995
• Post experimental 1995 – 2000
• The future (inc sacred textualities) 2000 - present

Diary Note
Of the last few movements listed above it is worth noting they lasted for 5 years or less. Given that we are past the average for these movements we might be in ‘post future’ movement but not yet have labelled it.

It is important that the historical context be considered when using a qualitative approach. The methodology has a history and each historical element has a social context in which it developed in an attempt to understand the environment being researched.

The ‘traditional’ period was associated with a positivist foundational paradigm. The modern or golden age and blurred genres movements are connected to the post-positivist arguments and also started to include hermeneutics (the understanding of texts), structuralism (the understanding of language, culture and society), semiotics (the understanding of signs and symbols), phenomenology (a philosophical trend that takes the intuitive sense of conscious experience), cultural studies (the understanding of ideology, nationality, ethnicity, social class, and gender) and feminism (an understanding of the right of women to have political, social, and economic equality with men) (Denzin & Lincoln 2003)

The ‘blurred genres’ phase examined critical interpretive theory which led to the crisis of representation phase in which reflective text and representation became important and the linear explanation of events and outcomes was refuted leading to the post modern and post experimental stages.

Diary Note
Has the need to sound scientific created a complex set of words to justify the methodology, word salad to impress the real scientist - what is this approach afraid of?

Books and careers are constructed on the history and contextualisation of the qualitative research methodology and no justice can be done to the overall topic in
this short summary other than to highlight that the methodology has form and function and has and continues to evolve over a substantial period.

The phases as outlined by Denzin and Lincoln (2003) are useful to conceptualise the way in which the current study progressed. These phases are defined as,

- Phase 1. The researcher as a multicultural subject
- Phase 2. Theoretical paradigms and perspectives
- Phase 3. Research strategies
- Phase 4. Methods of collection and analysis
- Phase 5. The art, practices and politics of interpretation and presentation.

4.7 The participants

The number of participants varied throughout the phases of the current study. Participants interviewed were asked to participate or self selected as they had an interest and were in a leadership position during the restructure. There were twenty two participants interviewed of which two were external and five were non leaders (staff). The conversations included forty five individuals.

As part of the current study, in the second cycle of interviews (phase 2) some external participants were interviewed as part of the convergent interviewing and reviewing of the information process undertaken. This process allowed for either conformation or querying of some of the issues that had been raised in the initial interviews. These convergent interviews allowed for confirmation of information as either being only relevant to a particular person or workplace or as having a wider relevance.

In subsequent phases of the current study some non-leaders were included in the conversations. This was a technique used to verify the information, behaviours
and attitudes of the leaders. In addition it was used to explore and further understand the effects of the restructure on the clinical (Level 5) staff.

Each participant was formally advised of the process and aims of the current study. All participants were informed of the current study and the rationale for the interview process. If people elected not to be involved they were not excluded from any meeting or discussion in the course of their normal duties and functions of their work.

Factors that had the potential to influence the findings of the current study included place of work, level/grade of employment, gender, age, length of time in a managerial position, physical location within the organisation, previous and current work relationships and current versus previous job requirements of the participants.

Participants were interviewed on the topics of change management and the restructuring process. The interview technique used open-ended questions rather than a scripted interview. The interview, after the explanation of the current study and the option of the signing of confidentiality forms, began with questions about the general concepts of change management and the restructure process being undertaken by the organisation. A copy of the participation and confidentiality forms used with the participants can be found in the Appendix 4.

The interviews were conducted over 24 months. The time commitment for the interviews was nil outside of any of the participants’ normal working hours. The information was collected in the work environment and participants did not have any out of pocket expenses and nor were they paid for their involvement. The interviews were short, approximately 30 minutes, and most participants were interviewed more than once over the course of the study as it moved through the different phases.
4.8 Interviews

Any technique that is used in research to collect information has both advantages and disadvantages. A large amount of information can be obtained from an interview process. Information from Bailey (1987) indicates the advantages and disadvantages of using interviews. The advantages of the interview methodology such as flexibility and the response rate outweigh the disadvantages for the information required to be collected in the current study. In addition the use of interviews is a method consistent with the underlying principles of qualitative analysis and therefore is consistent with the chosen methodology.

4.9 The conversations

Another source of information was the conversations held with people outside of a formal interview process. These are referred to as ‘conversations’ as they were usually a discussion that occurs on the topics of leadership, change management and the restructure process. Many of the conversations commenced as staff became aware of the current study and were either interested in it or interested in providing their opinion on an aspect of the change management process.

The usefulness of these conversations was threefold. Firstly, they provided a wider information source and therefore more opinions and thoughts could be gathered. Secondly, it allowed an opportunity to road test previous opinions or thoughts provided through the interview process and provided the ability to have a convergent thought process to investigate if an opinion expressed in an interview was more widely held. These conversations gave additional robustness to this process. Thirdly, these conversations were exactly as described, conversations and the staff appeared to be more candid as they did not have to express a particular view in a more formal process. Rather, their view could be expressed in a non-formal setting.
4.10 Information collection

In addition to the interviews and conversations, information was collected from minutes and meeting data, emails and diary notes. One of the distinguishing features of this type of research according to McKay and Marshall (2001) is the active and deliberate self-involvement of the researcher in the study. The researcher was viewed as a key participant in the research process and as found by Avison, Baskerville and Myers (2001), the use of qualitative analysis such as action research emphasises collaboration between the researchers and practitioners, which was consistent with the approach of the current study.

Existing meetings and events were used to collect information rather than separate meetings being set up or conducted exclusively for the purpose of the current study. Minutes of these meetings and notes taken were useful as they allowed for reflection and gaining of information on the process and aspects of change management that were important to the individuals and groups within the change process.

Email is a frequently used method of communication within the organisation. The collection of de-identified emails assisted in examining the process, dialogue and thoughts of the participants on the restructure process. Emails that have been forwarded or group emails that were sent to people who were not part of a participation group were not used, as the original author may not have been aware or informed of the current study.

A diary of events was kept by myself as the researcher. This was in the form of dictaphoned and written notes. This process allowed for a record to be kept of the actual events and issues. This record was used when reflecting on events. The diary acted as a memory prompt for reflections and assisted in the recollection of particular events. Coughlan and Coghlan (2002) found that most researchers note their observations and experiences in a journal and over time learn to differentiate between different experiences and ways of dealing with them, which is similar to the approach taken in the current study.
As part of the current study a staff forum web page, commonly referred to as a blog, was established on the organisation’s intranet site. A staff forum is an interactive computer site where individuals can add comments or discussions on a particular topic. In this particular case, the site was set up specifically for this study and to gather opinions on the restructure and the change management processes. The site was well publicised via staff meetings and emails and provided all the staff of the organisation with the ability to comment, interact and gather opinions on both the change management process and the changes being proposed. The staff forum was open to all staff of the organisation and was not limited to those in a particular clinical or managerial area. The site could be accessed and information added without the individual having to be identified. It was thought that this level of anonymity would encourage people to respond in a more honest and open manner. Information from the staff forum was then used as convergent information and incorporated into the responses.

Information was obtained from a variety of sources and as the researcher I had to be cognisant of the weighting given to the information supplied via these sources. While no formally weighting system was adopted the information obtained outside of the interview process was used as convergent information to further enforce or challenge the information provided in the interview process.

4.11 In my own organisation

As part of the justification of the methodology the issue of conducting a study in one’s own organisation requires both exploration and explanation, as it carries advantages, risks and the need for ethical considerations. In order to commence the study permission was received through the ethics committee of the local health organisation. In addition as the researcher the ethical considerations of the study versus the outcomes of the restructure and the potential conflicts in outcomes and process were acknowledged. As I was in charge of parts of the restructure process in my roles within the organisation I was able to influence and intervene in the restructuring process, this further potential conflict was taken into
account and acknowledged. This issue is further discussed in the findings in Chapter 5.

Holian (1999) and De Guerre (2002) in the examination of research conducted within one’s own organisation found that it had an effect during the research and for a long time after the research was complete. An immediate consideration was that exposing the organisation to research does cause change regardless of the research question or outcomes, as the dynamics within a group are disrupted or changed when one person changes their role or function by becoming the researcher. By myself becoming the researcher the dynamics and standings within the group changed and this was recognised and acknowledged within the current study’s methodology. The following steps or issues were taken into account in order to ameliorate this issue:

- Recognition of the fact
- The keeping of a diary by myself as the researcher
- The use of convergent interviewing techniques
- It was emphasised that the issue of change management was about changes for the sake of the organisation rather than for the sake of the current study

A further issue for consideration was that the findings need to be reported with objectivity, clarity and precision, as there will be a blending of my own thoughts and observations with those of the participants. While the researcher attempted to conduct this reporting in the most naturalistic way, it has been argued by post structuralists and post modernists that there is no clear window into the inner life of the individual (Denzin & Lincoln, 2003, p. 31) and therefore there cannot be objective observation as there are always filters of race, culture, ethnicity, sex, social class and life experience. In addition, seldom do those observed or questioned on their actions provide a full explanation of their actions or intent. These previous findings by Denzin and Lincoln (2003) are relevant in the current study as some participants interviewed were affected by the restructure and more poignantly their potential work position in the restructure was affected by my
decision-making outside of this research process in my day-to-day managerial role.

4.12 Can the methodology be justified?

The methodology of the current study takes into account four general areas of qualitative research. These are the concepts of action research, grounded theory, ethnomethodology and sacred textualities. A brief simplistic history and context of each of these fields is provided to justify the theoretical underpinnings of the methodology used.

4.12.1 Grounded theory

A grounded theory is a theory generated or discovered from data rather than being abstract and tentative. A grounded theory is developed by entering the fieldwork phase of research without a hypothesis, describing what happens and then formulating explanations as to why it happened based on the observations (Bailey 1987, p. 54). This approach allows the observations and information gathered to be explored and the conceptual frameworks of potential explanations or theories added as the study progressed. As part of this approach the literature review chapters were written as the research progressed.

The ‘Torvill and Dean’ of grounded theory are Glaser and Strauss. The publishing of their book, The Discovery of Grounded Theory, in the late 1960s is cited as the beginning of grounded theory. Grounded theory is a qualitative research methodology with the researcher being the primary data collection point. The researcher in the analysis of the data strives to derive meaning from the data. The end result of this type of qualitative research is a theory that emerges from the ground up and is grounded in the data, hence the use of the term grounded theory. This approach differs from other qualitative research methods in its emphasis on the development of a theory.
A grounded theory is usually described as a substantive rather than a grand theory (Merriam 1998, p. 17). A substantive theory has a specificity and therefore is useful to practice and everyday situations rather than being based on measuring global concerns.

Grounded theory has a number of phases during the research and these phases can be overlapping and in broad terms consist of: data collection, note taking, coding, using memos, sorting and writing. The research is emergent. It is similar to action research in that it aims to understand the research situation, it fits the situation, it works, and it helps people to understand the situation (Dicks 2005, p. 4). A grounded theory approach is used as the themes are emerging as opposes to already being identifiable themes or patterns for which other approaches such as thematic analysis would have been more appropriate (Aronson 1994, p.1).

The current study methodology is consistent with grounded theory as the collection of data was via interviews, notes, a diary, meeting minutes and a staff blog. The information gathered through all these sources were sorted and coded. Within the current study these sources often overlap however the theoretical framework of data gathered and analysis was achieved using a grounded theory methodology as the explanations for the observations emerged from the events and actions during the study.

Grounded theory can be linear in its approach as it can be used to measure and record the issues at distinct points in time. What was required in the current study was an approach that utilised the methodology of grounded theory but could also have a continual or spiral timeframe of measurement during the phases of the study. For this reason action research was also considered a vital component of the current study. In addition, in order to conceptualise the current study into a sociological context and to provide a reflection of the persons involved, ethnographic representation was included the methodology.

The themes and concepts in the research emerged from a grounded theory approach. As an example the radio interview on ‘relationship capital’, described previously, led to the exploration and possible explanation and then theoretical
underpinnings and usefulness of this concept in the workplace. Similar emerging of ideas and concepts on the ‘dark side’ and ‘swarm theory’ arose from discussions and literature reviews that build these concepts into some possible new approaches to change management. The use of a grounded theory approach was a fundamental part of the emergence of new themes and ideas for the way in which change management could be conducted.

4.12.2 Ethnography

Ethnomethodology emphasises and recognises the fact that the lay public attempts social explanations of events just as social scientist do (Bailey 1987, p. 273). This method is concerned with studying the commonsense features of everyday life.

Ethnography is defined as a ‘portrait of people’. Ethnography is a form of research that focuses on the sociology of meaning through close field observations of sociocultural phenomena. Typically the ethnographer focuses on a community, such as a worksite. The researcher usually has a number of selected informants who provide information on the community within the research. Often the initial informants provide other relevant persons, or informants, from whom additional information is gathered. The informants are usually interviewed a number of times, building on the data and information from the community. The process is intended to reveal common cultural understandings related to the phenomena under investigation. This is a descriptive rather than an analytical approach in which the researcher is part of the culture, or enters it in order to gain the information from the informants.

In general terms the research should be natural, as it observes people in their natural environment. In addition an understanding of the behaviour exhibited is paramount and the research is discovery-based. So, in using this method the following features apply, which are consistent with those of Genzuk (1999):

- People’s behaviour was studied in an everyday context rather than in an artificial experimental setting
• Data was gathered from a range of sources, however observation and formal conversations were the usual method of data gathering
• Data collection was unstructured, as the information gathered altered the research and the subsequent interviews or conversations
• The focus was small, taking in a single setting or group
• The analysis of the data involved interpretation of the meanings and functions of human actions.

In general terms one of the advantages of ethnomethodology is that it is longitudinal and it can take into account verbal and non verbal behaviour. The disadvantages are that samples are usually smaller than survey type studies and that this is not an appropriate methodology for examining a product rather than a process (Bailey 1987, p. 287). The current study used an ethnomethodological framework as this method allowed for the observations and collection of data to be conducted in a manner that was consistent with the intent of this study.

4.12.3 The development of sacred textualities

Settelmaier and Charles (2001) argue that the modern era of qualitative research has arrived through the advent of the seventh movement of qualitative research which is sacred textualities. This movement is concerned with the moral discourse and conversations about democracy, race, gender, class, nation-states, globalisation, freedom and community. This movement also explores the notion of a non-competitive, non-hierarchical relationship to the earth, to nature and to the larger world. These are the underlying concepts behind the notion of sacred epistemology. This movement takes into account a worldview called perennial philosophy which links us all in a ‘great chain of being’ or ‘great nest of being’. According to this view we are linked, body mind and soul, hence the term sacred, to the planet and to others. A good example of the use of this movement in recent times is responses to the problem of global warming, which is thought about and acted on, albeit slowly, on a global scale or for a global rather than individual motives.
As the current study examined the data and perceptions of the participants, the context within which they work and an understanding of their environment was taken into account. With the onset of globalisation, mass media, global concerns and the perception of the system rather than the individual within, it is relevant to consider this movement in relation to the current study as individuals may act in a particular manner for the greater good of all rather than for the individual. The attachment of the individual in a spiritual way to these other elements needs further consideration in the current study and therefore the concept of sacred textualities was used.

4.13 Action research

As defined by Altrichter et al. (2002) action research is an enquiry with people rather than research on people. Action research is a framework rather than a unilateral approach and within this framework the qualitative data and modes of participation can vary depending upon the research topic and the issues being examined. The approach has been used in diverse settings for research including universities (Haslett, Molinuex, Olsen, Sarah, Stephans, Tepe & Walker 2002) through to aboriginal housing governance (McIntyre 2003) and the introduction of new technology (Olesen & Myers 1999). This research methodology is flexible, adaptable (Sumara 1998 and Mersed 1998) and was appropriate to the processes being examined in the current study.

The main aim of qualitative analysis and in particular action research is to improve practice by using action and reflection in a real time situation, usually using a cyclic or spiral approach (Ellis & Keily 2000). Action research is designed to assist people gain a better understanding and then allows this understanding to be applied to the process of change (Crane & Richardson 2000 and De Guerre 2002).
Action research is described as a methodology which has two aims, one of action and one of research (Dick 2005, p. 4). The action is to bring about change in a particular community or organisation and the research is to increase the understanding of the individual or organisation. The action in this research is the restructure and the research is the observations of the participants during this event. As the name suggests this methodology is non static, meaning the results or outcomes are ongoing and do not just measure a particular point in time of an organisation or system. In the study the events are measured throughout the period of the restructure and broadly placed into three distinct phases.

Kurt Lewin (1947) suggests that action research is a spiral process of planning, which involves reconnaissance, taking action and fact finding about the results of the action. Since this initial inception of action research as a model it has been refined and expanded. Corey (1953) suggests that action research is the process by which practitioners and researchers, attempt to study problems scientifically in order to guide, correct and evaluate their decisions and actions. In 1970, Robert Rapoport included the issue of ‘ethics’ into the work of action research, this being that the methodology and action taken from the outcomes of the application of action research have to be ethically based.

David Hopkins (1993) suggests that action research is an informal, qualitative, formative, subjective, interpretative, reflective and experiential model of inquiry in which all individuals involved in the study are knowing and contributing participants. In 1994 Emily Calhoun suggested that action research is a fancy way of saying ‘let’s study what’s happening and decide how to make it a better place’ (Earl-Slater 2002, p. 130). All these additions and variations in focus over time still view action research as a living process that involves phases of research and as more information is collected this is used in the next part of the research process.

The methodology of action research allows for the research to be flexible and grow as the information and understanding of the issues expand. For this reason the research is often undertaken in a cycles. Each cycle has been described as having three phases, which are, planning, action and review, or alternatively
sometimes a four-phase model is used, in which the phases are reconnaissance, planning, action and reflection.

**Figure 1. Pictorial representation of action research spirals**

![Diagram of action research spirals]

*Source: Kemmis (1983)*

Others such as Schaafsma (1997) suggest a five cycle process or ‘moments’ in a concerns-based networking model of change, using action research. These five cycles are:

- **Plan** – to do the changes
- **Do** – implement the change
- **Check** – critically evaluate and make adaptations
- **Act** – replanning/taking action
- **Reflect** – critique the outcomes/models and findings

This cyclical approach has sometimes been described as a spiral but the intent of these descriptions is to describe the method as non-static and to indicate it has a
number of points of reference and action as opposed to the one static point of measurement. Regardless of whether a three-, four- or five-cycle approach is used, the core objective of the research methodology is not lost; these cycles allow the research to be responsive and deal with situations or information as it presents rather than having to complete the research and then measure and conduct another research project to examine the information received during the initial research.

The cycles and the research move developmentally so that strategies can be developed, implemented, observed in action and then reflected upon (Crane & Richardson 2000 and Sankaran 2001). The cycles, while developmental, may not be consecutive, as they can overlap, be repeated or extended in order to fully understand the changes or issues found within a particular cycle. Mostly, and as with this current study, the research commences at the planning stage. The cycles are flexible in nature as described above but they are also systematic – that is, the researcher must able to readily identify which particular phase the research is in at any time, so that the direction and clarity of the research is not lost.

One of the other fundamental attractions for the current study of action research is that the model requires participation, which was a fundamental component of the current study. Some researchers argue that participation leads to a greater commitment and therefore action (Dick 2005). Action research methodology stresses the importance of actively engaging its participants in the process of a democratising social enquiry and it encourages shared learning (Whitehead 2005, p. 523).

One of the criticisms of this approach is that it may be considered a romantic aspiration, overemphasising peoples’ willingness and capacity to participate in a program of reform (Kemmis & McTaggart cited in Denzin & Lincoln 2003, p. 337). Moreover, the approach is criticised as it often only involves middle management and the senior managers and executives are normally isolated and not involved in the questions about basic organisational values and directions, which may limit the findings of the research being conducted.
Another criticism of action research is made by Stephen Kemmis (1983) who suggests that action research is a form of self-reflective enquiry undertaken by participants in a social situation in order to improve its rationality and to justify their own professional practices and the situations in which those practices are carried out. Johnsen and Normann (2004), Walker and Haslett (2002) and Morton (1999) address ethical issues and conflicts of interest between the researcher and the participants in action research, which must be considered in the phases of the action research project being undertaken.

There is some debate regarding the differences between action research and action learning. McTaggart (1994) argues that action learning too often means:

- Applying routines invented by others
- Believing reasons invented by others
- Servicing aspirations invented by others
- Realising goals invented by others
- Giving expression to values advocated by others.

In contrast to action learning, action research involves participating in the praxis of invention and the construction of new ways of working, in the justification of new ways of working and new working goals, and in the formation of more complex and sophisticated ways of valuing work, work culture and its place in people’s lives (Wilson 1995, p. 7).

A qualitative case study approach was also considered. While the event, the restructure, can be seen as a ‘case’ it was observed through a number of phases and through the observation and interviewing of a number of participants. Robert Stake in Denzin and Lincoln (2003, pg 134) indicated that case study is not a methodological choice but a choice of what is to be studied’. Stake (2003) indicates that ‘perhaps the majority of researchers doing casework call their studies by some other names. As the current study had phases and actions, that involved a number of participants throughout the organisation the methodology it is more clearly described as action research, within the broader filed of qualitative research.
As part of the methodology, the current study engaged action research and examined the systems and ways of working through an active dialogue with those interviewed and participating in the current study.

4.14 And so?

The question remains as to why a qualitative approach was chosen for the current study. The topic of the current study, change management processes, involves an actual workplace and therefore a research approach that could incorporate the research into everyday work practice was an advantage. Secondly, the methodology should allow for lessons learned in each cycle to be incorporated and used in the findings and ongoing work practices of the organisation.

Using a qualitative research methodology in a work setting made it possible to provide a learning cycle and therefore the participants and the researcher were able to learn and adapt their strategies as part of the research and as part of the actual change management process undertaken in the organisation. The main feature of the action research framework according to Dicks (2005) is the deliberate and conscious reflection and sceptical challenging of interpretations. In addition, not only does the researcher have to conduct the research but also in most circumstances they have to take a role in the responsibility for the changes.

The cyclic approach of action research allowed for the process of iteration, which is the process of examining aspects of the research to be re-examined in different ways through a series of investigations or cycles. By using cycles the research becomes responsive to change and is therefore better equipped to influence the direction of the research and the actions. This can lead to change during the cycles of the research, which in turn can lead to more robust conclusions and findings.

One of the disadvantages of using an action research methodology is that it is sometimes less understood than more traditional forms of research. This lack of understanding can often be the mistaken perception that this methodology is less
rigorous or robust than traditional measures. Researchers such as Heller (1993), Kock, McQeen and Scott (1997), McKay and Marshall (2001) and Eden and Huxham (2005) address this issue. While this perception is incorrect it is sometimes used as a simplistic retort to a complex and relevant research methodology. What is important in any research methodology is the appropriateness of the methodology and the rigour associated with the interpretation of the events within the research.

In traditional forms of research the questions being asked or measured start with a very precise question (Dick 2005, p. 11). The starting point is defined and the research question detailed so that the study is able to answer a particular question. In dealing with change management and leadership in an organisation the question being asked was not as precise. The results obtained from the current study using a quantitative methodology would be limited or at very best a static representation of a single point in time and therefore it is not the appropriate or chosen methodology.

Dick (2005) and Swepson (1998) use the word ‘fuzzy’ to describe the process of the initial questions and methodology of action research. It is the responsiveness of the approach and the flexibility that makes action research the most reliable methodology to use in the current study due to the environment in which the research was conducted. The strength of the methodology is the clarity that can be achieved in using a cyclical method that adapts to the learning that occurs during the process of the current study. Given the theoretical underpinnings of the qualitative approach which includes the framework of grounded theory, an ethnomethodology approach, an action research cycles methodology and the use of the qualitative frameworks is a highly relevant and appropriate methodology for to the current study.
4.15 The plan

The current study was interactive and took into account the local issues, the thoughts of the participants and at the same time had an ongoing understanding of the issues and the possible rationale behind individuals’ and the organisation’s strategies. The plan for the current study uses three initial steps and three phases. The initial steps were: action, observation and reflection. The three phases were:

- Phase 1 – Interviews and conversations – post the announcement of the restructure but prior to the change management processes commencing
- Phase 2 – Convergent interviews and clinical staff conversations – during the change management process
- Phase 3 – Interviews and conversations after the change management process.

These steps and phases provide the framework for a plan and a systematic method of conducting the study. The phases are expanded upon in the findings and the discussion chapters.

4.15.1 Action

The initial actions were to interview the leaders affected by the restructure (Phase 1) and the self-reflection and reflections about the issues by myself as the researcher. From these initial actions emanates a further cycle, which was comprised of additional interviews and the conversations (Phases 1, 2 and 3) that are conducted to clarify issues or points and allow for the convergence of the data. The cyclical approach used in the current study meant that frequently a number of themes and issues were being ‘road tested’ at the same time in different locations and with different individuals and processes.
An interesting observation is that action research cycles are not as they are often portrayed, uni-dimensional and orderly. In the current study there were multi-dimensional cycles all occurring and interlinking all at the one time. No one part of a cycle was actually completed before another part of the cycle began and nor was one cycle complete before another was spawned from the information already gathered.

4.15.2 Observations

There was a beginning point for this collection but no real end. rather there were cycles in the ever-changing process of change. There were artificial deadlines and timelines within the organisation but the reactions that the restructure brought was an evolutionary process that was never static and always alive and changing. This made the observations and collection of data a continuous practice.

The observational methods used were the direct interviews, conversations with participants and the documentation of behaviour and events both within the workplace and within myself as the researcher. These were grouped and reflected upon to identify common themes and/or behaviours during the phases of the change process.

4.15.3 Reflection

As part of the action research cycles there are points of reflection or evaluation (Kemmis 1983). In the current study, these reflections are a multi-dimensional process. To have a defined point in the research cycle at which these reflections occurred was difficult as they occurred as the study developed and as additional information was gathered. The reflection by the researcher was continuous. There has to eventually be a point in the cycles where reflections for the period of the research occurs. Every interview, meeting or conversation was a point of reflection and these reflections are summarised and examined in the next chapter. This evolution of research cycles and reflection was only possible by having a
range of different vantage points. This was achieved from a number of perspectives: reviewing the literature, formal interviews, conversations and phases of the restructure. Every reflection point influenced the next cycle or event that unfolded which was in turn recorded and reflected upon.

In summary, the methodology used provided a well-defined, researched and relevant tool for the type of research that was conducted and it was appropriate for the particular questions being considered. This qualitative approach is a robust and well-tested methodology that provides both a flexible and responsive approach. In summary, action research makes one a bricoleur, which involves having to learn to borrow from many disciplines to achieve a robust and valid methodology.
Chapter 5
The Findings
What do people think?

Behind closed doors we all know about an unwritten secret
(Interviews and Conversations 2006).

Change management is a process of being seen to be seen to follow
the correct process (Interviews and Conversations 2006).

Five main themes and points of discussion were identified from the interviews and conversations. These are: change management, leadership, relationship capital, the dark side, and learnings and conclusions.

From the interviews, conversations and observations of the current study a number of themes emerged over the phases of the action research. The thoughts, ideas and observed behaviour of those who participated in the current study formed the nucleus of the ideas and thoughts on the change management process, the restructure, leadership, relationship capital and the dark side of change management.

A range of issues or threads emerged from the interviews and conversations which were placed into general topic areas. These were then explored and refined into themes or common areas that are grouped together for the purpose of reporting the findings. This grouping into themes allows for the previous literature and research to be compared to the current findings to determine if the theories on leadership and change management are consistent with the current findings. These themes are reported in detail in this section of the study and then triangulated with the literature and previous research in Chapter 6, the discussion section.
**Change management**

The exploration of the concept of change management is divided into a number of discussion areas. These are:

- 5.1 The change process
  - 5.1.1 Consultation
  - 5.1.2 Implementation
  - 5.1.3 Does one size fit all?
  - 5.1.4 Change management behaviour
  - 5.1.5 Chaos theory in change
  - 5.1.6 Timelines
  - 5.1.7 Culture
  - 5.1.8 Vision and values
  - 5.1.9 Honesty

### 5.1 The change process

*History is nothing but the soul’s old wardrobe

(Heinrich Heine)*

*Change management is a game and like life a joke, it is a serious game but we need to have fun*  *(Interviews and Conversations 2006).*

Participants in the current study were interviewed on their thoughts and processes involved during a change management process. The participants were able to articulate and identify the different changes as they occurred within their working environment. Change was considered to be a constant within the work environment and it was consistently reported as a daily occurrence within the workplace. Change in the workplace referred to all types of change from a new policy being implemented to a new staff member starting. What was different about the current restructure was the depth and size and potential impact of the
change. The change was viewed as substantial and as having a high impact on the whole of the workplace. The change was highly publicised in the media, and the scope of the raft of changes was substantial. Therefore, the restructure was differentiated out from other ‘changes’ that occur on a daily basis and viewed as a major event.

Participants were initially questioned on their understanding of change in general, the current change in relation to the restructure and their understanding and thoughts on the change management process being undertaken by the organisation. In relation to the first question, participants had an understanding and expectation that change continues to occur on an almost continual basis within their workplace. Todnem (2005), Burns (2004), Senge et al. (1999) and Brewer (1995) suggest that change is a constant phenomenon in the workplace and that there is an expectation amongst workers that change is part of modern work life. The findings of the current study concur with the previous research as participants did indicate a constantly changing environment to which, in the main, they had become accustomed and which they accepted. The change brought about by the restructure was seen as outside the scope of ‘normal’ or ‘constant’ change, but a process that had been experienced before by some participants.

*We have done this before, changed our boundaries. This is nothing new (Interviews and Conversations 2006).*

*We constantly change the way we manage health but our patients have not found new ways of getting sick (Interviews and Conversations 2006).*

*Another restructure – they seem to be getting more frequent (Interviews and Conversations 2006).*

In relation to the participants’ understanding and use of the term ‘change management’, it was obvious from the responses that all the managers interviewed utilised a framework or set of rules in change management processes. A typical procedure applied in a change management process by the managers
interviewed was to attempt to have a set of rules, guiding principles or policies to guide the process. As an example from the responses:

*Establish the ground rules and the rules of engagement first – always go back to a policy direction (Interviews and Conversations 2006).*

*There was to be a process. What that is nobody has got right just yet. But there must be a process (Interviews and Conversations 2006).*

There are directives and circulars within the organisation that are applicable to the rights of displaced staff and the manner in which they are dealt with. For example ‘Displaced Employees’ (Department of Health circular 2005, p. 517) is a readily available and relevant document. It must be noted that although this circular is clear in its intent and outcomes it is not a document that prescribes a change management process. Rather, it prescribes an industrial relations process for dealing with affected staff and outlines this process. It does not deal with any personal issues or impacts the restructure may have on individuals. Other similar state organisations, such as Queensland Health (2008) have produced a set of documents that do provide guidance and a process for dealing with the human elements and potential effects of the change management process. In response to the particular restructuring directives that were provided by the state organisation, the leaders felt that they were theoretical and not based in the actual reality of the process required in the local change process. For example:

*Like most generals they see the battlefield as a victory, without really seeing the pain and blood of war (Interviews and Conversations 2006).*

*They have a good theoretical base and appear to be sound strategies until they are put into place and in a different environment, that is actually on the ground, in the trenches, the theory does not match the reality, we are dealing with people, flesh and blood. We see the pain and suffering that the theory produces (Interviews and Conversations 2006).*
These responses reflect the participants’ thoughts on the theoretical and textbook views of change management versus the actual reality of the implementation and completion of a change process. In the minds of the participants the reality and the theory appear to be far removed from each other.

As the war rages on the textbooks seem less and less relevant (Interviews and Conversations 2006).

The overall objective is made up of small steps like a jigsaw; sometimes we only saw the end picture (Interviews and Conversations 2006).

Where you start and are told you are going ends up completely
different. Nothing ordered and predictable about planning the change
(Interviews and Conversations 2006).

One of the identified concerns of the participants with the current restructure was that it was perceived, designed and driven from a relatively external and distant source, that being the department of health (DoH) in Sydney. The relevance of the DoH to many of the participants was limited at best, as the day-to-day work of the participants involved little interaction or reporting to the state entity (DoH). Rather, the local Area Health Service was the most relevant governing body to the participants. The view that this was an externally driven process had some validity as the planning occurred at a state level and the changes were devised at a state level and then each area organisation was required to implement them. The planning and initial implementation was also external to the smaller work areas of the larger area organisation. An additional and related issue, in terms of the buy-in or ownership of the process and relevance to the local staff, was that the reasons given for the changes to the structure of the area organisation did not to resonate with the expectations or wishes of the participants and in many ways did not make sense in terms of the commitment to providing best clinical care and treatment for the population. Participants were able to indicate to the researcher their discontent with the decision to restructure, with the prescribed changes and with the intended
of the restructure process. Participants did have clear views on the worth of the restructure process and its implications for clinical care, which then had a flow-on effect in terms of some of the change management strategies undertaken by the leaders at a local clinical level.

The global concepts and expectations of the change management process were described by participants in the current study as vague and unrelated to clinical outcomes and the clinical or managerial work of the individual. However, the participants clearly articulated that due to the size and scope of the restructure announced there would be a substantial change and impact on their particular part of the organisation. They understood the extent of the changes that the restructure would bring, even though they did not fully understand its global rationale or the effects the changes would have.

_They said there was going to be a restructure, but there was no information on how it would affect me or my staff. Just global attributes of the change rather than specifics (Interviews and Conversations 2006)._ 

The participants, on hearing the announcement of the restructure, began preparing for the potential changes without having a full knowledge of the changes that were likely to occur. From a psychological perspective the cognitive preparation for potential changes ‘such as these does allow for commencement of an individual’s cognitive protective mechanisms, as they initiate protective behaviours and strategies to prepare for the potential outcomes. These protective behaviours and strategies in turn provide an individual with a level of personal cognitive protection when confronted with the outcome of a particular event (Raphael & Newman 200). This allows for an individual to be prepared, and in relation to the restructure, when the changes were announced the individual could then commence the preparation of their thoughts, arguments and behaviour in relation to the impending change process. The cognitive preparation for events such as a restructure is usually based on previous experience and exhibited behaviours are usually based on these past experiences.
The last restructure was a disaster and there is no evidence that this won’t be (Interviews and Conversations 2006).

When the participants were questioned on change management processes they appeared to have a set of pre-existing ideas and responses that they relied on during the change management process, which were related to their past experiences and knowledge. From these past experiences, many of the participants verbalised a theoretical process of change management that had a goal, a rationale and a desire to change for the right reasons. The participants were able to articulate a process of change that had steps and processes. This type of systematic approach is similar to those described by Nichols (2000) and Kotter (1995) in regard to the setting of goals, the provision of a rationale and the planning of events.

To do this you need a clear plan and information on the change process so that as a leader you can explain the changes, explain the process and to articulate a way forward. The rationale for this is so that people are involved and are part of the process and so that they will follow (Interviews and Conversations 2006).

Try to look for commonality and how things are being done, examine how others will be affected by the change and communicate, look from others’ point of view and try to understand others (Interviews and Conversations 2006).

There appeared to be an acceptance by the participants that a process was required in order for the changes to be implemented. This process as articulated by the participants required a series of steps or phases and the involvement of staff in the process of change. According to the participants, the involvement of staff was required at both the planning stages and during the change process. Some participants in management roles expressed the view that it was valuable to inform the staff of the process and the steps that were required to enact the changes. Participants also indicated that there was value in having a consultation process with the staff.
The theory is to have a clear goal, be logical and to be worthy. The next step is to work out the degree of consultation required (Interviews and Conversations 2006).

I don’t like it when I am not told – it’s no different for the staff – we all have one thing in common: we are human and have similar fears and failings no matter what our role in the organisation (Interviews and Conversations 2006).

There was also a more cynical view expressed, which was that the theoretical framework of change management was applied after the decision to restructure had already been announced. Participants indicated that the use of many of the theoretical change management techniques recommended through research and the literature were flawed when it came to utilising them in a real life situations. In the minds of the participants there was a separation between the decision to change (the planning) and the implementation of the change management process and the separation in this restructure caused some concerns. It was confusing to participants be consulted about a restructure after the decision to restructure was already announced and had been made at a state level. It appeared to them that they were being consulted about the changes that were planned and the outcomes required rather than the initial decision to restructure. As indicated by the participants:

The current change management process uses working parties, taskforces, glossy letters, staff forums and information to staff as part of the process of change management. This is consistent with some of the theories of change management however it is all a waste of time as they (the overall leaders) have already decided what they want to do. It only works when there is no smokescreen (Interviews and Conversations 2006).

Why ask me about the changes, they are already decided. To me it’s like a teacher deciding I am going to write a hundred lines and then asking me if I want to use a blue or black pen. The decision to punish me has already been
made and the consultation is on the trivial elements. The discussion if it is to be meaningful should happen before the punishment is even decided (Interviews and Conversations 2006).

The participants expressed the view that the larger state organisation had decided on the outcomes required from the restructure prior to the consultation process. The majority of those interviewed or spoken with indicated that decisions had already been made in regard to the overall changes required. The participants expressed concern that their engagement in the restructuring process was not sought from the beginning and that the significant decisions had already been made which in turn had an effect on their involvement, thoughts and behaviour during the restructuring process.

*We are not asked if we want to restructure but we are told that we are being restructured. We may be consulted but only on detail, not the plan and rationale (Interviews and Conversations 2006).*

The involvement of people in a consultation procedure during a change management process is well documented as being a positive initiative. Systems thinkers such as Bertalanffy (1930s), Mead (1920s) Bateson (1970s), Higgs and Rowland (2005) and Senge (1997) to name a few, express the view that change requires a process of consultation and involvement of those affected by the change to be a success. This involvement should be from the outset and should include consultation on the actual changes and not simply be introduced at the implementation phase of the change process, as described by the participants.

The information received from the interviews and conversations raises the question of whether it would have been realistic to have the staff involved in the initial decision to restructure, especially in such a significant change process in a state-wide organisation. It was unrealistic to expect that the participants who were interviewed would be part of the state decision-making process, as the level at which they manage is not at a high enough level within the hierarchy. However, no matter how unrealistic it would have been to have a state-wide consultation process involving all staff, raising the issue of their non-involvement in the initial
decision appears to give the participants a rationale for disagreement and a pretext for displaying negative attitudes or behaviours towards the implementation of the restructuring process. Smina and Nistelrooij (2006) indicated that in large organisations change is usually hierarchical and driven from the top down. This finding is consistent with the change process described by the participants in the current study.

The lack of involvement in the initial decision-making process led some participants to claim the real reasons for the restructure were not the written ones provided by the DoH. Some of the participants felt that the change process was politically motivated rather than being based on the provision of more comprehensive and improved clinical services. Participants indicated that the decisions to restructure and the process to be undertaken were not made from the ‘ground up’ but rather from the ‘politician down’.

*Restructures buy political capital (Interviews and Conversations 2006).*

The current study does not offer an opinion on the appropriateness of the DoH decision to restructure, as this decision and the rationale as to the appropriateness of the process had already been determined and is not important to the observations and interviews of the current study. The study examines the change management and leadership process following this initial decision by the DoH. However, the process used to make the initial decision does appear to have made a fundamental difference to the attitudes and behaviour of all those involved in the current study. The process undertaken created an environment in which the participants claimed they were not part of the original decision to restructure. This in turn allowed the participants to develop an attitude of taking little or no responsibility for any of the changes and the change management process that followed.

*We change to get the government re-elected. What we need to do is to see what benefit we can achieve locally from the changes being made (Interviews and Conversations 2006).*
I have no knowledge of why we need to change, so what I do is go along for the ride and see what benefit it may bring to my part of the organisation (Interviews and Conversations 2006).

I change because I am told to – not because I am weak but because I live in reality (Interviews and Conversations 2006).

Not my call so not my fault in the end (Interviews and Conversations 2006).

Clearly some of the participants were able to reframe the decision-making process and the rationale for the decision into a reality that suited their personal views or into outcomes they desired in relation to the restructure. If, as suggested by some participants, the change was made for political reasons then this rationale was reframed to suit the ‘reality’ of the individual.

Change is full of politics, the reason for the change is political so that leaves people with two options – get out or get on with it. So people at our level understand the role of politics and some things are worth arguing about but this (the restructure) is not one of them (Interviews and Conversations 2006).

Health is a political process where change is for the four year term, so all you have to do is, outwit, outsmart and outplay in order to survive (Interviews and Conversations 2006).

[Apologies to the ‘Survivor’ television program are warranted.]

What is worth highlighting from these responses is the open acknowledgment of the lack of ownership of the change process and therefore most likely, in some, a lack of commitment to the original statements and rationale for change provided by the DoH or the local area organisation. During the interviews some of the participants indicated a lack of commitment to the restructure. However, their reframing or thoughts about alternative rationales for the change management
process did not appear to hinder or halt the managers from commencing a process of change in their workplaces. From the interview responses, a level of commitment to a change process was evident. However, the potential changes were reframed by each person to a level and outcome where they felt they could be committed to or benefit from the changes and outcomes.

*I as the leader will not sell them (the staff) short; they don’t care if its bullshit at a state level they only care if it affects them. I will break trust for the greater good and to protect the staff. They (the staff) think I am telling them the truth and they will trust me in the future* (Interviews and Conversations 2006).

Having to undertake change in the private business sector is often a survival mechanism. Change in the private sector is often undertaken in order to survive economically or to increase overall profit margin. In most public sector organisations, neither of these motives usually applies as public sector organisations are usually operated by the government and provide mostly essential services such as infrastructure and public utilities. Public services traditionally do not set out to make a profit and are not driven by shareholder dividends. In addition, public services cannot go broke. They can spend over their allocated budget and this does not necessarily put them out of business. There may be other consequences for not keeping spending to the allocated budget or for the non-achievement of key performance indicators, especially for those involved in leading the organisation, but generally the organisation, as opposed to the individual, usually survives. Public sector organisations are essentially different from those of the private sector, and therefore it may be plausible that the reasons for the restructure were the result of other influences, such as politics, or clinical practice rather than being driven purely by financial market forces.

*Opinion poles not profit margins (Interviews and Conversations 2006).*
Essentially it is the role of the organisation to uphold the political agenda of the government of the day. This is the reason we change (Interviews and Conversations 2006).

The responses quoted above highlight the tension that the participants expressed in relation to the restructure. They felt that the ‘real’ reason was often different from the media- or community-friendly reasons that were communicated to the general public. There was a sense that the general community had a perception that government-operated businesses or the public service were overstaffed, management heavy, bureaucratic and inefficient in their service delivery. If this perception of the public service is held by the community it then allows for a reduction in managerial and support staff to be portrayed as a positive media story, and a strategy of government that is usually well received by the wider community. As a counterpoint in the private sector, if for example the banks or a finance institutions were decreasing their staff numbers under the banner of reducing ‘inefficiencies’, this would normally be portrayed by the media as a negative strategy. The participants interviewed clearly articulated their concern over this anomaly. However, interestingly, in most cases they accepted and understood the differences in the attitudes the community had regarding the two types of organisations.

Participants who did not believe the official reasons given for the restructure and the messages being ‘sold’ in relation to the outcomes to be achieved stated that they were restricted in their ability to express their views. In most government agencies, comments and provision of information to the media by staff is against a ‘code of conduct’ and therefore a person may have placed their employment at risk if they decided to ‘go public’ with their thoughts and feelings. The ability of the organisation to continue to sell its rationale for the restructure was greater than the ability of any individual who worked for the system to express a contrary view. A tension expressed by those interviewed was that while there may have been a need at a state level for the restructure, there was no need for it at the local level.
The ability to articulate the benefit of the state-wide change at a local level was seen as a challenge by those interviewed. However, the announcement and subsequent restructure presented an opportunity for the participants to localise the implementation process to the advantage of their particular part of the organisation. The initial mindset with which many of the participants commenced their involvement in the restructure process was one of not having been included, leading to a feeling of being separated from the decision making process. This in turn allowed them to reframe the restructure to suit their needs or environment.

5.1.1 Consultation

*If we followed the book on restructuring we would be here for years – we have to be political and play the game, it is understanding the game that is important (Interviews and Conversations 2006).*

Consultation can be defined as a process that organisations implement to provide information to staff and to determine the best outcomes or methods for the resolution of a particular issue. Theoretically, a consultation process at its conclusion should have a consensus model or pathway for progressing the particular issue. All parties involved in the consultation should have had input and then agreed on the final solutions. Consultation at a more basic level is a process that involves the staff and management talking and understanding each others’ points of view on proposed changes prior to any decisions being made. If consultation is used as part of a change management technique then an agreed way forward should be reached prior to the adoption of the actual methods and the potential outcomes of change management process. From the interviews and conversations a counter argument to the theoretical view on consultation was provided by some of the participants who articulated their perspectives on the reality of the consultation process.

*Consultation does not mean agreement – it is just a discussion prior to making a decision (Interviews and Conversations 2006).*
Consultation does not mean that your way of doing things is the only way. Staff need to understand that in consultation we may listen but not adopt their idea (Interviews and Conversations 2006).

We will consult but we may not change our minds (Interviews and Conversations 2006).

In the current study it is apparent that the change process began at a state level prior to any area organisational consultation processes being commenced. This method of consultation employed by the state organisation set up the immediate dynamic of a resistance in some participants.

The leaders interviewed clearly articulated that they did not make the initial decision to restructure and this was expressed in their behaviour and attitudes. Interestingly, while the leaders had no control over the already articulated and written desired outcome of the state restructure, they were willing to commence a process of consultation with their staff. From the interview process the leaders expressed theoretical thoughts about the process of consultation but when questioned further they felt that the way in which the initial decision to restructure was made was part of a process that they, as the leaders, needed to understand and accept, as this was the reality in which decision making is made within large public sector organisations

We all play the game, the government, leaders and workers. Leaders engage because it looked like the right thing to do rather that it was the right thing to do. A process for the sake of the process (Interviews and Conversations 2006).

We restructure for inappropriate reasons, we then consult to show the right process and we then change because we have to. Every issue is a forced function but that is the reality (Interviews and Conversations 2006).
Participants articulated views about the reality of the environment within which they operated and their scope of control. They were willing and able to then reframe the restructure into a change management process that was meaningful at least to themselves or their part of the organisation. The participants understood that they worked for a large state organisation that was making decisions based on a state rather than an area organisation level. This understanding appeared to provide a level of acceptance of the reality of the decision making process adopted at a state level. This level of knowledge and the intellectual understanding of the impossibility of including every person in the initial decision making process was clear to the participants. However, the behaviour of the leaders during the change management process appeared to be inconsistent with their intellectual understanding of the process. The behaviour of the participants as the change management process commenced and progressed throughout the organisation is explored and expanded upon later in this chapter.

*It is a global thing (the restructure) I need to make it a more local thing and relevant to the staff (Interviews and Conversations 2006).*

Some change management theories, for example Nickols (2000), suggest that a successful change management process involves people at all levels in the initial consultation and design of the change. In relation to the current restructure this did not occur. However, in reality it could not have occurred given the geographical size, the number of staff employed and the complexity of the restructure in terms of its effects on different components of the organisation. At a local area level of the organisation all the staff, both managers and workers, were in the same predicament as they were not part of the initial reasoning and design of the change. Both groups clearly articulated their lack of involvement, yet they were prepared to be involved in a local area organisation change management event.

*It’s like bluff poker when everyone knows you have a bad hand (Interviews and Conversations 2006).*
Change management theory often indicates that in order to gain acceptance of a change process the people being asked to change should be involved in the decision-making process in relation to the rationale for the changes and the implementation of the change management process. Using the current study as an example, it appears that it is the process of change, rather than the decision to change that involved the staff. The consultation on the change management process was undertaken in definitive work areas or clinical programs within the area organisation. The following list shows the steps involved in the restructure and which part of the organisation was responsible for each of them:

- Decision to restructure – the state organisation
- The number of staff positions to be eliminated and saving targets – the state organisation and Level 1 of the area organisation
- The work areas from which the staff decreases would occur – Level 1 and Level 2 of the area organisation
- Consultation on the change management process – Level 2 with Level 3 and local union representatives
- Consultation on the implementation of the change process – Level 3 with staff
- Implementation and completion of the change management process – Level 4 and the staff Level 5

As shown above the staff were involved at a much lower level than the theory suggests is required. Staff were involved in the change management process but not the decision to restructure. The reason this issue is highlighted and explored here in some detail is that it is difficult to believe that in similar large organisations, both public and private, that the ‘on the ground’ staff (Level 5) and the managers (Level 4) are routinely involved in the initial decision making processes. The theoretical processes of consultation described appear to be unrealistic and impossible to implement in a real work situation in a large organisation. Furthermore, all people within the organisation may accept that this task is impossible and reframe their involvement in a change management process to accept this reality, as was the case in the current study.
The process of consultations happens at my level with my staff, the rest is already decided so there is no use consulting on that, it is a done deal (Interviews and Conversations 2006).

The rhetoric of the theory and the actual implementation of consultation may be poles apart in many change management processes. In reality, the stated rationale for the change is filtered and altered throughout all levels of the change management process. If there are filters and reframing at every level of an organisation, which appeared to be the perception and possible practice in the current study, then why are people still prepared to change and ‘go along’ with the process of change, contrary to the suggestions of some of the theories on change management?

Dairy Note
If I use myself as an example, I was not part of the design for the current change and restructure. I was not consulted about the restructure, its form or timing. I do not know the ‘real’ reason for the restructure. The actual facts of this particular change management process is not important but rather why as a senior manager I have actively engaged in the change process. Is it out of loyalty? Then to whom, I am not associated with those who have made decision to restructure. It is not for the Relationship Capital as I am unaware of who made the change management decision so therefore I have no Relationship Capital with the decision maker. This is not in any way a negative statement but more of a reality check, I engaged in the change process not for the vision, values and relationship with those decision makers. So Why?

Using personal reflection, my rationale for being involved and committed to a change management process included the consideration of basic survival and the provision of items such as food, shelter and finance. These are all part of my everyday reality. I have to place a high level of importance on the capital world within which I work and live. I acknowledge that there is a necessity to work and produce an income for my family and future. In addition, I recognise that I could have gained the ability to provide for my family through other means such as from employment in another organisation or field of work, however in the current restructure these options were not immediately available to me. While I may not
have believed in all aspects of the change I had been able to reframe the change into outcomes that were liveable and deliverable, both personally and for the part of the organisation within which I work. I rationalised that the changes resulting from the restructure could be made to the local part of the organisation at a level that would not compromise me as a person to the extent that I would have to cease my employment with the organisation. The process was made to be liveable and survivable due to my internal reframe, and therefore I adopted the consultation phase of the change management.

From the interviews this appeared to be a shared view.

*My commitment is not to the leader but to debt, lifestyle, location etc.*

*(Interviews and Conversations 2006).*

*Some of my worth is my Job but my worth is not what I get paid*

*(Interviews and Conversations 2006).*

*Change will come and go but my constant is my family and the need to support them and my lifestyle* *(Interviews and Conversations 2006).*

*Bring on the change as long as it pays the bills* *(Interviews and Conversations 2006).*

*Live life not work* *(Interviews and Conversations 2006).*

The theory, which suggests that the engagement of all staff in the decision to change is important, is unrealistic. Is it realistic to expect that the Minister or the government of the day could or would actually be able to take into account all individuals’ considerations or points of view prior to making a decision? In the current state organisation this would have required taking into account the views of over 100 000 staff *(NSW Health public website 2008)*, which is clearly unrealistic. In the area organisation there are over five thousand employees and in order for any decision to be made it is obvious that even at an area level, all
persons cannot be involved in the process of deciding the change. The size and number of levels within the organisation, at both a local and state level, made the consultation process difficult but also made the changes different and unique for each part of the organisation. This lack of initial consultation was accepted as a reality by the participants. During the restructure I wrote this rationalisation:

Dairy Note
When the change management process was announced the changes announced had to be localised in order to make the process meaningful and the outcomes understandable and relevant to the local work site. The process has been announced and so my job is to sell the message rather than plan the message.

If my personal manner of dealing with this level of change is a microcosm of how others may and do adapt to change, then it may stand to reason that at every level there must be some acceptance that the individual is not receiving the full or right explanation and rationale for the change process. This theme was found in some of the participants’ responses.

Senior staff understand the process of change but you cannot convey the message that it is a smokescreen to others; you just need to keep them (the staff) calm and don’t convey your cynicism to the staff. Don’t let them see your fear (Interviews and Conversations 2006).

Do you really think I know all the reasons for the change? I get told enough to keep me going and then I tell the staff enough of what I know to keep them going. A merry-go-round of deceit and deception but that’s the reality – we all know, understand and work by it (Interviews and Conversations 2006).

You can throw a rock into a pond but you cannot control the ripples. In other words you can begin a change process but in a large organisation you have no control of how the process is conducted and completed (Interviews and Conversations 2006).
A change process can and does occur without the engagement of all persons in the initial process. People are engaged in the process of change without having all the facts and information, and they know that this is the situation. In the current restructure, once the process of change had been announced there was little that an individual could have done to stop the change process from occurring. In other times of change there may be riots and protests and strikes, however, outside of these sometimes extreme measures, the level of individual or group resistance is often not enough to halt or alter the process.

In general terms, consultation in this study was a concept that was usually broken down to a point were the individual could reframe the issues and changes into a size or meaning that was applicable to themselves or to their part of the workforce. It seems that individuals need to reconcile themselves to change and act accordingly.

*Consultation needs to be relevant and at a level of the process where consultation can change the outcomes. So we are not consulted on the overall process as we cannot change it (Interviews and Conversations 2006).*

### 5.1.2 Implementation

**Consultation versus implementation**

I have been guilty of conducting a process of consultation with the knowledge that the decision on the changes that were to occur had already been made. This process was conducted, not to discredit or belittle the workers, but because the change process and outcomes had been thought through and there were no other options available. In other situations I had already been informed as to outcomes that were required and therefore the outcomes of the consultation process were already determined. Using these rationales I believed that all that was required was for all the staff to agree with my or others’ original thought processes and preconceived outcomes so that the decision and the consultation process could be
completed. Many people may argue that this is a very narrow and self-centred approach to change management and they would be correct, but it is the reality of some consultation processes.

At other times, in relation to predetermined consultation processes, their outcomes and my behaviour, agreements with more senior managers in the organisation had already been made prior to the consultation processes. These agreements meant that the outcomes of the consultation processes were already determined prior to any consultation taking place. This model of management produces a persuasion or manipulation process rather than one that could be considered consultation. Unfortunately, from a theoretical point of view, the behaviour described above is not isolated to myself as the responses from the current study indicate that at times these methods were perceived as an appropriate model of consultation.

*My job is to persuade staff to make the right decision (Interviews and Conversations 2006).*

*My role is to make staff see the right direction (Interviews and Conversations 2006).*

*If we had to wait for everyone’s pathway and opinion we would never finish. The role of a leader is to lead in certain directions (Interviews and Conversations 2006).*

*It’s decided so make the staff aware of that and move on, don’t consult what you don’t control (Interviews and Conversations 2006).*

Within the current study the delegated boundaries and parameters of the decision-making and the responsibility of the leaders at a local level was not clear. The leaders were unsure of their level of authority to accept, reject or alter the changes and the change management process. Given this level of uncertainty, the participants interviewed attempted to bring the level of control regarding the changes to a level that could be dealt with in their immediate working
environment. The intention was to concentrate on what was within their control rather than concentrating on the goals of the larger area and state organisation.

I can only make changes to my part. I do not control the rest and so concentrate on what can be achieved for this part of the organisation (Interviews and Conversations 2006).

The organisation can look after itself; I consult to look after my part of the structure (Interviews and Conversations 2006).

Whilst some of participants interviewed observed the change and the restructure as a positive occurrence, it was often from the perspective of what benefit the changes could have for themselves and/or for their particular part of the organisation. The current restructure also presented an opportunity to deal with additional issues that required changing which were outside of the scope of the restructure. The participants argued that these additional issues could be addressed and changed under the umbrella of the current restructure process. The restructure was therefore used to address other internal issues even if they were not part of the immediate rationale for the change. In some instances decisions were made to change services or roles of individuals which were deemed to be of benefit to the leaders or parts of the organisation and these were achieved under the guise of the restructure. Some people may refer to this behaviour as an ‘opportunity cost’. As an example, some internal area organisation services were not operating well and so rather than examining the reasons for these malfunctions the current restructure was used to abolish the existing service. It appeared in some cases that it was easier to build again rather than try to rebuild.

So much smoke and mirrors that the whole process could be used for local good (Interviews and Conversations 2006).

Under the restructure we were able to move accountability for service delivery to other parts of the organisation (Interviews and Conversations 2006).
*If there is to be change we could fix all that is broken, a good chance for a spring clean (Interviews and Conversations 2006).*

One of the issues taken into consideration in the current study is that of consultation versus implementation. Whilst it is widely acknowledged that the participants interviewed were not involved in the initial decision making process, they were in fact in control of the implementation process. A state decision was made to conduct the restructure process, but the knowledge and understanding of possessed by those decision makers about the details of each work area was very limited due to the size and complexity of the different work areas. The original decision makers are not able focus on the details and the actual micromanagement of the implementation process but rather their focus was on the initial decision and the end results or outcomes that were to be achieved.

*The role [of the state organisation] is to decide and my role is to implement, to put into place something that will work locally (Interviews and Conversations 2006).*

It must be assumed that the originators of the restructure were only interested in the outcomes rather than the day-to-day detail of the change management process. In this particular restructure there were defined outcomes which included the amount of funding to be reallocated to clinical areas as a result of the reduction in expenditure on support services. Exactly how this outcome was to be achieved was not a level of detail that was dealt with by the original decision makers. The leaders interviewed were responsible for the implementation and outcomes at the local area organisational level. Participants in the current study indicated that they had no control of the overall process but rather, their control over aspects of the implementation process.
5.1.3 Does one size fit all in the implementation phase?

If you are good at your job you pick a persona for each situation – you pick a quiver, this is the same for management (Interviews and Conversations 2006).

I don’t mind implementing the decision – that’s my role and level of authority. It makes sense (Interviews and Conversations 2006).

As a manager I get paid to put into place changes. It goes with the job (Interviews and Conversations 2006).

A one-size-fits-all type change management approach is often seen as desirable and achievable. The literature on change management reviewed in this study is shown to be unrealistic by the comments and the behaviour of the participants in the current study. This is because the models and theories of change management are often applied to situations for which they were not intended.

It was observed and discussed with some of the participants that the behaviours and reactions of the participants was often explained or rationalised as being due to the manner in which the change management process was applied. Additional observations revealed that the different parts of the organisation reacted differently to the change management process. These observations may indicate that not only were there differences in the behaviours of the participants but that reactions also varied depending upon the workplace environment in which the change management process was being applied.

I try to work with the staff for the best outcome and get them involved (Interviews and Conversations 2006).

Staff are best told not sold so the way forward is to tell staff not ask them (Interviews and Conversations 2006).
In regard to the reactions and behaviours being different in various parts of the organisation, it is important to attempt to place these findings and observations in context. The current restructure merged together two previously separate area level organisations. Prior to this restructure the two organisations had separate head offices, leaders and infrastructures. Feedback from the interviews and conversations indicated that the most vocal location, which was also at times the most difficult location to gain support and acceptance for the initial decision to restructure, was the previous head office that was not the location chosen for the head office of the new area organisation. There was obvious and palpable antagonism towards the staff and the new head office. The initial resistance to the state decision to restructure was found in both previous area organisations, however the ongoing and most vocal resistance came from the previous Area organisation that lost the most. This loss was in terms of the location of the new head office and therefore work opportunities for staff and a sense of a loss in status.

_I get told what to do by people who do not work here and would not understand how it worked (Interviews and Conversations 2006)._  

_A new way of working that is a reality, a new boss, a new broom. That is the way it works and that is what is expected (Interviews and Conversations 2006)._  

A comparison of the emotions and thoughts of staff in the two previous head offices provides some insight into the change management process and the acceptance of the changes that occurred. When participants were comparing the two previous head office locations, they reported clear differences in the cultures, structures and the work behaviour of the staff and their leaders. The head office that was to be phased out had a history that was displayed and recognised on formal boards of honour and trophies in cabinets. By contrast, the other head office, the one that became the head office of the merged organisation had none of these, no displays or mementos from the past. The difference between the organisations was in part explained by the participants interviewed who indicated that:
The two organisations had different leaders and culture. They (the old head office) were proud of their history and what had been achieved. It had a good feeling and culture going into the building. The new head office by contrast does not recognise anything that has gone before (Interviews and Conversations 2006).

The following response was from a person interviewed who was located at the new head office.

It’s a workplace not a museum, we don’t need trophies to recognise the work we have done (Interviews and Conversations 2006).

But later from the same person:

There is no recognition for the work that has been done. You could work away and nobody knows, that’s what is frustrating about the restructure, people don’t know what you do but still they want to change you workplace (Interviews and Conversations 2006).

This was from a person in the new head office:

Two cultures coming together is a healthy mix and we should embrace and learn from the differences to make a better system (Interviews and Conversations 2006).

From the interviews it became obvious that this particular participant was defending the new system against any criticism from other staff (from the old head office) even though they themselves were not totally satisfied with the changes being undertaken. The participant was accepting of the initial decision but not of the local organisational changes. This phenomenon is recorded throughout parts of the current study and could be described as cognitive dissonance, which is a term first described by Festinger (1957), which refers to
the behaviour or thought process of defending what you think or have ownership of, even if you are not happy with it yourself.

*It is hard to hear criticism of the old when I was part of building it but if I am willing to learn then the criticism must be heard (Interviews and Conversations 2006).*

*It worked well before so just keep it working, there is no need to change the model (Interviews and Conversations 2006).*

A further issue worth noting in relation to the change to a single head office is that the old head office not selected as the new head office appeared to function as a collective with a sense of teamwork and leadership. For example the staff had lunch together, organised social events and attempted to form bonds through joint work and social activities between the separate work areas located in the building. In contrast, the new head office did not have this type of collective environment and did not attempt to create it. It was observed that there were people who worked one floor apart who had never interacted on a social basis. The new head office operated differently to the way described by the participants who worked in the previous head office.

There are at least two possible explanations for the comments above that require further exploration. The issue of leadership and the culture within the two organisations has been described by the participants as distinctly different. The different cultures in the original area organisations were observed by the participants and a major rationale given was in relation to the leaders and their styles of leadership. Secondly, in relation to the buildings, the geography and structure of the office layout may have been a factor in the ability of the staff to meet and interact. Both these issues were discussed with participants and overwhelmingly, they indicated that leadership was the major and absolute contributor to the differences between the two head offices.

An alternative explanation may be that this was a case of ‘the grass is greener on the other side’. One of the negative effects of the restructure that became apparent
during the current study was that people visiting the previous head office were viewed as outsiders, who did not belong or worse were viewed as the enemy. Due to the restructure and the placement of most of the newly created positions within the new head office, the number of people who were seen as outsiders, to the old head office, became the majority of the new senior managers and change personnel. They were referred to in one interview as the ‘Mexicans’, the invaders and the foreigners.

*You won; we lost. The Mexicans have arrived (Interviews and Conversations 2006).*

What is of interest in the current study is that although this behaviour of cognitive dissonance has been previously documented and therefore should have been a predictable factor within the change management process, it appears that little was built into the current change management process to deal with this aspect of change. It was only after it became apparent that there was open hostility towards the change process that it was decided by the senior management that a response would be put into place to deal with this issue. There was no consultation about this response to the negativity outside of Level 1 and Level 2 of the area management team. The lack of initial planning for this level of hostility and cognitive dissonance does indicate a lack of local organisational planning in relation to the potential behaviours of staff. The actual mechanics of the change process were discussed and then communicated to the staff, however this information was in relation to the rules, regulations and rights of the organisation and those affected by the restructuring process. What may have required further consideration and planning was the reaction and behaviour of individuals towards the process of change.

*Have they heard of the phrase ‘passive-aggressive’. Don’t worry I will be seen to be doing the right thing but in my own time frame (Interviews and Conversations 2006).*

*They don’t plan for reactions and they don’t have to as the process is bigger than the people (Interviews and Conversations 2006).*
They think they can just come in here and change things, that's not the way it will be. We have rights and opinions in this process (Interviews and Conversations 2006).

People’s reactions will come and go but the restructure is here to stay (Interviews and Conversations 2006).

Diary note:
We’re late, we’re late for a very important date. The Mad Hatter from Alice in Wonderland is a reminder of how chaotic the process is. But like the Mad Hatter, he got to the tea party and the organisation got to complete the restructure, but it was madness

A further issue which was apparent from the responses of the participants was that the changes and the change management processes were viewed and judged from the perspective of the individuals’ circumstances. In this restructure the responses and attitudes are so very different in the two locations. However, when the state changes were announced and the area organisation put into place a change management process it was the same process for the whole of the new amalgamated area. It may have been more beneficial to examine the needs and differences of the two previous organisations and then put into place change management processes and strategies that met the individual needs of the organisations.

Using the examples above there does not appear to be a ‘one size fits all’ in a change management process. This particular change deals with one of the most unpredictable species on the planet, humans. Into this mix is thrown culture, geography, distance and personal agendas from which it is hard to imagine a common way of changing and working will emerge.

The more senior management (Level 1 and Level 2) are not as directly exposed to the staff’s behaviour and attitude towards the restructure and the change management process due to the fact that their direct dealings with the staff are less
than that of the Level 3 managers. There is no formal mechanism, such as a change management meeting, for the Level 3 staff to formally advise on the issues and behaviours as they occurred. This hierarchical managerial structure could be a reason for the lateness of the organisation’s recognition of and response to the behaviour of individuals and groups during the change process. The rationale for this lack of involvement appears clear from conversations with some of the Level 2 executives.

You cannot get involved in the emotions of the process. If you start to take into account individuals then the process will never be completed on time. The focus has to remain on the end product (Interviews and Conversations 2006).

People may get upset as their job is changed but there is a larger picture than this. Stick with the end outcomes and the process through the rules and guidelines will take care of itself (Interviews and Conversations 2006).

Of course people will become upset and that needs to be dealt with but that is not my role (Interviews and Conversations 2006).

The change process affected the behaviour of all the staff, the managers and the workers and these manifested in the behaviour of the staff towards each other. The process required to manage the change may have required adaptation to take into account the differences between the different organisations.

5.1.4 Change management behaviour

One of the more disturbing observations was the level of hostility displayed to staff members by some of the leaders and vice versa during the change management consultations. Clearly in some of the consultations the Level 3 leaders had more information on the restructure and the change management process to be undertaken than the staff, however when requested by the staff to
share this additional information the managers were unwilling or unable to do so. It appears that this behaviour may have been a protective mechanism which may have been operating for three possible reasons. Firstly, it may have been in order to protect the information, secondly, to protect the staff and thirdly, the managers intention may have been to protect themselves and possibly their authority as leaders. One of the common behavioural traits which appeared to be exhibited as a self-protective behaviour was a display of hostility or aggression. This defensive behaviour was evident in many of the consultation processes observed.

The observation of aggressive behaviour is in contrast to the views expressed by the majority of the leaders interviewed. In these interviews they expressed a desire and a willingness to be honest and open with their staff during the change management process. One of the common words used to describe the interactions with the staff was ‘honesty’. The phrase is examined in more detail below. However it is worth noting here that the rhetoric and the observed actions of the participants were at times inconsistent.

*You should be able to be honest with the staff and let them know what the process and situation is about but I do have a level of information that would not be helpful to the staff at this stage in the process and so I will not be letting people know this (Interviews and Conversations 2006).*

Interviews with staff members:

*I know they [the managers] have more information and they cannot tell us but that’s how it works – get real, it’s the rules we play by (Interviews and Conversations 2006).*

*Managers have all this information but don’t let us know about it. This sets up a ‘you and us’ dynamic. Why don’t they let us know all that is going on and going to change? It breeds hostility between the managers and the staff* (Interviews and Conversations 2006).
Change brings with it tension. Open communication does help but it is still stressful to be involved in (Interviews and Conversations 2006).

Honesty

One of the topics explored in the interview and some conversations was the concept of ‘honesty’. One of the questions asked during the interviews was how the participants could justify being dishonest to staff and any rationale they had for being dishonest. The reply by the participants was almost universally summarised in a single word: ‘compromise’.

You tell people what they need to know but if we had to be honest and explain ethics and morals we would never get any change. You tell people on a need-to-know basis and hold back information that is not useful to the staff (Interviews and Conversations 2006).

I hide the dark side of change as it has a hidden agenda but I have to look credible to bring my team along with me and so I give selective information; it’s about the spin (Interviews and Conversations 2006).

I have to be open and honest but I will use bribes, give them [the staff] something that benefits them in a small practical way. The bigger the bribe the more difficult the person and for some people the bribe is never going to be big enough, so this is when I use the 80/20 rule – work with the 80% (Interviews and Conversations 2006).

It is beyond my understanding at a state level so I influence my bit of the pie. It’s about mateship and allegiances. I need to look after my job and interests so I weigh up my relationship with the staff, looking for the most palatable way to tell them and censor for the better good of others (Interviews and Conversations 2006).
Honesty appeared to be a commodity that was able to be traded. The leaders were able to easily reconcile their behaviour when not telling the truth. The leaders indicated in many of the interviews that they are just ‘doing their job’. What was of interest in the current study was the concept of ‘work honesty’. The question asked was if the word honesty has a different meaning in the work context as opposed to social or other types of relationships.

*With internal partners I go to them with everything including problems as they understand and are like-minded people. With external to my unit partners I am more selective and tell them only what they need to know or hear (Interviews and Conversations 2006).*

*If you had all the time in the world during a change management process then you would have time for honesty (Interviews and Conversations 2006).*

*On a relationship level you get back what you put in so for an internal partner I would have a 90 % relationship and 10 % work relationship, for an external partner this is a 60/40 % split and for an external manager it is a 100 % work relationship. I rely on trust with the internal partner and the further away the person in the system gets the more it is a work relationship and the less trust I have in the relationship (Interviews and Conversations 2006).*

*Honesty at work is different. It is about saying what you can say not about telling what you know (Interviews and Conversations 2006).*

*I am as honest as I am allowed to be (Interviews and Conversations 2006).*

*Being honest is a good thing but it is not possible in the work setting all of the time (Interviews and Conversations 2006).*
The change is not about being honest; it is about the change
(Interviews and Conversations 2006).

From the responses of the participants, work honesty appears to be a different type of honesty than home or social honesty. Honesty appeared to be a commodity that was used and changed depending upon the different situations in the work environment. Honesty was described as an expandable concept at work and was different from the more narrow definition of honesty that the participants applied to other aspects of their lives. It was thought that honesty was a constant principle of overall behaviour in all situations. The responses from the interviews and conversations indicate that this preconceived notion of the constancy of honesty is not applicable to all situations. Participants were able to articulate the level to which they were dishonest with the staff. The exploration of the concept of honesty indicates that work relationships may be built and formed at a different level than other relationships. Does this mean that other traits such as relationship capital in the workplace may be different to relationship capital in a social or home situation?

5.1.5 Chaos theory in implementation

One of the observations during the restructure was the level of chaos that surrounds any part of the change management process. Change and change management have sometimes been described as having a beginning, middle and end. Some researchers such as Lewin (1951), Cumming and Huse (1989) and Bullock and Batton (1985) indicate a linear process to change which has stages, steps or building blocks that run in a sequential manner and it is an orderly process of change. This linear and orderly process was not as easily implemented or achieved as previous research has suggested.

Observations of the current change process clearly indicated that the process was disorganised and non linear. There may have been a beginning point which can be easily defined as the date of the announcement of the restructure. What is harder
to clearly define or articulate is any middle or end point. The observation was made that some of the rules of engagement appeared to be made up and invented as particular situations arose rather than being implemented in an orderly and linear type approach to the change. The reinventing and changing of particular elements of the process during the restructure makes it difficult to define or measure any clear linear process or outcomes. Further observations were made that the changes made at particular points in the restructure were at times a reaction rather than a strategic examination and adaptation to patterns or trends that were emerging from the change. Some of these reactions were those of individuals reacting to issues rather than the being in the interests of the organisation. At times, as one part of the restructure was thought to be complete it actually brought about further changes and a new round of consultation. One of the examples from the restructure was the agreement thought to have been reached with one of the trade unions. There was an endorsed process of consultation agreed to with the industrial delegate and this was thought, by management, to be the conclusion on particular components of the restructure. In reality this agreement became the rationale for one of the members within the industrial organisation to initiate an industrial dispute with the organisation due to the process that was originally agreed to. While there were rules for the conduct of the restructure that were defined by the state organisation, these were broad parameters and these policies left all parties, leaders, staff and the trade unions confused. This confusion was due to the existence of different interpretations that could be applied to the rules from the different perspectives of each of the parties involved in the restructure.

*The process has many players all with a different set of rules and goals (Interviews and Conversations 2006).*

*We just go day by day, blow by blow as the end goal changes everyday (Interviews and Conversations 2006).*

*Plan, what plan? Just push forward (Interviews and Conversations 2006).*
There was a perspective put forward by some of the participants that the different interpretations of the rules by the services and individuals involved in the restructure had left all parties involved moving in an ever-diminishing circular struggle for the highest moral ground. For example, the industrial organisations and the local management had agreed to set up a range of meetings on the process and outcomes of the restructure process. This process then commenced and a number of meetings occurred with an understood endorsed process for any conflict resolution. It was actually recorded that all the parties involved endorsed the process. When an additional union delegate became involved in the restructure this previously agreed-to process became the rationale for an industrial dispute. Industrial action was threatened if the previously agreed-to process of consultation was not amended. This behaviour highlights that a change management process usually involves many different factions, sides, rules and pathways, all of which have different or conflicting end results that they wish to achieve. Every one of these factors can be differently understood or interpreted by the different people involved, which was further complicated by the agendas and outcomes desired by the different parties involved. This example highlights the difficulty in applying a linear process to a change management situation that has a number of organisations and external agencies involved.

The process of change is not orderly and in this study required significant modification and changes over the course of the restructure. The application of the change management process at times appeared to be random and as the patterns of individuals’ behaviour and the changes emerged these were dealt with rather than planned for. While the framework of chaos theory was not used in the restructure, the approach of examining and then changing due to emerging patterns is consistent with the chaos theory. Higgs and Rowland (2005) found that the process of change is not linear but rather a complex set of interactions. Using this approach change is regarded as a messy rather than a linear activity. The difference in the current study from the situations usually examined using chaos theory was that a linear process and preconceived outcomes were planned for at the commencement of the change management and any changes made during the change management process were survival techniques rather than adaptive and conceptualised methods of responding. In addition, the original outcomes of the
restructure were fixed, which implies a linear as opposed to a complexity or chaos approach to change management.

*If the rules are not set at the beginning then the interpretation becomes a weakness in the end (Interviews and Conversations 2006).*

*The agendas surround you, the reasons given may not be the actual reasons. Like a battlefield without knowing who is friend or foe (Interviews and Conversations 2006).*

On reflecting on the restructure, there could have been a reduction in the level of chaos and changes that occurred. Conversations with other leaders from different area organisation who were also undergoing similar restructuring described a process that was different again than the area organisation being observed. This was despite the fact that all the area organisations where working under the same industrial rules and parameters established by the state organisation. The ability of each area organisation to interpret the rules and to implement their own change management process created some of the chaos. The industrial associations did consult with the state organisation, and therefore they have had a state-wide perspective as well as being aware of all the area organisations’ implementations. The area organisation appeared to have only its own area perspective and did not actively seek information on the change management planning from other area organisations. There may have been many reasons or causes for this isolation, however one of the most tangible was the competitiveness of the new area executives in relation to information sharing during this phase of the restructure. The industrial associations were able to use the differences in the change management process in the area organisations to their advantage. The level of chaos could have been reduced in a number of ways: firstly, by a recognition of the weakness of each area organisation having its own change management process. This could have been prevented when the restructure and its outcomes were first devised at a state level. Secondly, the application of a consistent state-wide change management process would have prevented many of the industrial issues and reduced the ability of individuals to influence the change process.
Diary note

If change management was like a sport we would have one set of rules. There are international rules for games such as cricket and soccer. All participating countries and teams have to abide by these rules. It would be extremely difficult to play a game where the sets of rules were different for the two teams, It would end in confusion. Setting up a change management process where there are over a dozen teams all ‘playing’ under a different interpretation of the rules can only lead to chaos. It also allowed the trade unions to become the referees and control the ‘game’. Not the desired outcome but in hindsight a predictable one.

An additional observation in relation to the behaviour of the industrial association, was that the changes to the process demanded by different members of the association may have had more to do with a process of internal control within the industrial association than with the actual area organisation’s restructuring process. Within the industrial association there were changes occurring and apparent shifts in their internal control. Therefore these dynamics could have influenced the behaviour of the industrial association’s employees. Although unconfirmed, it appeared that the process of consultation was changed to demonstrate within the industrial association which person or part was more in control and had more ‘power’. It may have been unfortunate, however the vehicle or process to demonstrate this power shift was the area organisation’s change management process. This is a timely reminder that all the different organisations and individuals involved may have their own agendas which are unrelated to the change management process yet have an influence on the process and the potential outcome.

As a consequence of what appears to have been a ‘power play’ within the union, the process and timelines announced for the changes became delayed. At the point of delay the area organisation indicated the delay was due to the changing process and was caused by the industrial associations, whereas the industrial associations said the delay was the fault of the area organisation because of its less than optimal implementation of the change management process. The actual people who are affected by the outcome of the restructure and the change management process were mostly unaware of these issues and only observed the delays in the process. The conflicting explanations given by the union and the area organisation
for the delay became part of a struggle to win the hearts and minds of the staff. The industrial associations and the area organisation placed their different interpretations on the process that led to the delay and so at times it appears that the only casualties were the staff who had to wait. The timelines that were set for the restructure were an important aspect of the change management process and these are explored in more depth below.

5.1.6 Timeframes

One of the more important aspects of the restructure identified by the participants was that of the timeframes which were provided for the events and completion of the change management process. The participants expressed a sense of excitement and relief at the announcement of the restructure as there had been months of speculation and rumour about the changes. The restructure was a newsworthy event and it appeared that all the staff were speculating and discussing the process that would be followed at the area organisation level to determine how these changes would affect each individual and their workplaces. Some participants expressed a sense of relief and an ‘I told you so’ attitude as the rumour mill had been busy and most of the staff were aware of the possibility of the restructure. When the restructure was finally announced the participants described a feeling of ‘excitement’.

*Well it’s game on (Interviews and Conversations 2006).*

As a general observation, the feelings of excitement were quickly replaced by a sense of fear of the unknown as the possible organisational and personal consequences of the restructure process were thought through. The initial euphoria and excitement was quickly replaced with cynicism, fear and suspicion. There was a cynicism about the way in which the restructure was announced and suspicion of the rationale given for the restructure. Most of the people interviewed or spoken with saw the process of the restructure as being of a short duration and believed that following the consultation process, the remaining elements of the restructure would take a ‘couple of months’ to complete.
This will be done by Christmas [said in July] (Interviews and Conversations 2006).

They want this done quick so the process and completion they say should only be a few months (Interviews and Conversations 2006).

The state-based organisation originally provided a commitment to timelines and dates for the completion of the restructuring process and this announcement served to reinforce the views of the staff. In reality, the timelines and end dates proved to be much longer than those actually articulated and published. As indicated by one person later in the restructure:

The timelines always move – you wonder why they did not build that into the timelines. (Interviews and Conversations 2006).

The reality during the restructure was that the timelines altered and became extended for a variety of reasons. As each timeline was extended this created a ‘knock-on’ effect which meant that the next stage or task of the restructure was unable to be implemented or to be completed. As an effect of this knock-on the second tier of the executive, (Level 2) structure could not be finalised and recruited until the chief executive (Level 1) position was appointed. As the appointments at each level became delayed it meant that the timelines set for the completion of the restructure could not be met, which then moved the timelines and extended the length of the restructure. While this shift in the timelines is understandable, as this is the reality of many recruitment processes, it is these extensions that gave the participants the opportunity and a rationale to disengage and criticise the restructure.

They can’t even keep to their timelines – what hope for us? (Interviews and Conversations 2006).

They set the timelines for the restructure so they need to keep faith and keep them (Interviews and Conversations 2006).
From the interviews and conversations the issue of the extending timelines during the restructure appears to be a substantial negative and blocking point to the successful implementation of the change management process. When the organisation, state or area, provided information on the timelines and the steps to be undertaken in the change management process, the participants felt that this information needed to be accurate and most importantly the timeframes set by the organisation needed to be adhered to. As the timelines set by the organisation became extended some of the participants interpreted this as a sign of disorganisation and provided a ready-made rationale for the failure of the change management process. This particular process gave participants a reason to voice their opposition and provided a tangible and valid reason for the participants’ criticism of the restructure process and of the intent or outcomes of the change management process. It was viewed as a sign of faith to some that the timelines were kept and when this did not occur it allowed participants the opportunity and a rationale to distance themselves from the change management process. Time is one of the absolutes in a change management process, which usually has many variables leading to different interpretations of events and situations. During this process time remained a constant that could always and easily be measured. As times and dates set are measurable items, any changes can be easily identified, and therefore the issue of timelines may have a level of importance placed onto them simply because during change, the ability to measure them is an easy reference point.

It is also worth noting that participants focussed their criticism on the timeframes of the change management processes rather than on the overall restructure, maybe knowing that the overall outcomes of the state restructure could not be changed. However, some participants believed that criticism and negativity towards the change management process at an area or local level may have had the potential to change the local outcomes. In some cases it was possible for the focus of the area organisation’s change management process to be altered and moved. These local criticisms may not have changed the overall state outcomes of the restructure but they may have shown and given a level of local control and a local
‘win’ in the change management process. The feeling of having a level of control, no matter how small, was reported as being important by the participants.

The often quite fundamental issue of an organisation setting realistic timelines appears to be critical if it wishes to have staff remain supportive in a change management process. Secondly if the timelines could not be kept then this information and explanations for changes to the timelines should be provided to the staff. This strategy of informing the staff will at the very least keep them informed and could lead to a reduction in the risk of people using this particular aspect of the restructure as a pretext for their resistance.

5.1.7 Culture

It appears that one of the cornerstones in the understanding of the context of the current study, and the rationale for the behaviour and comments of the participants, is to understand and be aware of the environment or culture of the organisation within which the participants worked. The methodology section expanded on the context and cultural aspects of the restructure process.

In relation to the announcement of the restructure, all the participants interviewed felt that they were not part of the original decision process to restructure the organisation. Participants appeared to deal with this lack of involvement in the decision-making process by downplaying the impact that the restructure would have on their particular work area or area of control. None of the participants felt empowered to publicly speak out or comment on the restructure and in particular on their interpretation of the rationale and feasibility of the restructure. A common response from the participants was for them to break down the components of the perceived changes to a level where they could attempt to determine how the restructure directly affected themselves and their particular section of the organisation.
The trouble with criticising the restructure is that it is massive but people are left in limbo – the way to handle it is if our model is working we are left alone (Interviews and Conversations 2006).

One method of self protection was for the participants to organise the smaller components of the area organisation into little fortresses. This appeared to be an attempt to immunise their particular work from the effects of the change management process and as much as possible from the effects of the restructure. They attempted to do this by ensuring that their particular service or part of the organisation was operating well in the hope that their efficiency would result in their being left alone. While this approach did not prevent the restructure from occurring, it appeared to be more effective for those parts of the organisation that were clinically based. This was mainly due to the fact that the restructure was primarily concentrated on the administrative side of the organisation with the focus on the reallocation of funds towards clinical services. Therefore, regardless of how well functioning and successful some of the non-clinical work areas were, they remained the focus of the restructure. The focus on particular areas regardless of how they were functioning highlights that the restructure was not concerned with the area organisation’s functioning within the non-clinical areas. Rather, it was concerned with the outcomes required by the state organisation. An alternative view expressed was that from a public perception and for the public’s acceptance of the rationale for the restructure, the non-clinical areas were the more sellable or palatable areas in which to save costs.

Some of the participants of the current study described the culture of the organisation as being ‘in despair’ at the beginning of the change management process. Some also articulated the opportunities the change management process might provide for themselves at an area level while remaining negative in their discussions in relation to the state organisation. In general it was apparent that older participants were more cynical and less positive about the impending changes.
I have seen this all before. The changes are made not for our sake but for the benefit of other. My job is to lessen the impact on others (Interviews and Conversations 2006).

The younger participants in terms of ‘public service years’ were generally more positive about the changes.

The change may be good as we can then put on more clinical staff. The changes may give others and me opportunities (Interviews and Conversations 2006).

It appears that the older staff may have had most to lose in a restructure. This was due to the way in which the restructure was devised. Many of the management positions were occupied by longer-serving staff members and therefore it could be assumed that the changes in structure initially would have the greatest impact on the more senior positions within the organisation, as the managerial positions were the first to be restructured and changed.

This section on culture highlights that each individual, and indeed each part of the organisation, has a unique culture or interpretation of the organisation and this affects the progression of the restructure process. It would be unwise to embark on a process of change management based on a singular perspective of the culture of the organisation. Therefore it is important that the change management process takes into account as many of these different cultural viewpoints as possible. Through this exploration of a change management process there is a strong argument for the need to examine the culture of the organisation and individuals within it so that some determinations can be made about expected behaviours and therefore the outcomes of the change process. Determinants such as age, seniority and place of work all affect the individual’s perception, which in turn has an impact upon the workplace culture and on the change management process.
5.1.8 Vision and values

As the change management process commenced, the general question was raised with the participants as to why they engaged in the process of change. Participants were questioned about the vision or values statements articulated by the state and area organisations and whether this articulation was part of their rationale for engaging in the change management process.

*There are visions and values, what they are I cannot recall (Interviews and Conversations 2006).*

The literature and commentary on leadership indicates that if people are provided with a vision and a pathway forward it can assist in increasing people’s willingness to engage in the process, as they are able to determine the direction in which the organisation is heading (Yeh, Smith, Jennings & Castro 2006). According to Hall, Rosenthal and Wade (1993), defining a clear vision and a more professional, more efficient and more successful company can build morale. In a radio interview, this issue was being discussed with an executive who had dramatically increased the numbers of girls enrolled in the ‘Girl Guides’ in the USA. When asked about this success she said it was due to the organisation having a vision and values statement. The families and the girls joining felt that they knew what the organisation stood for. Can the same be said for the staff involved in the current study?

The participants in the current study were questioned in relation to the vision and values of the organisation and the meaningfulness of these values in relation to their involvement in the change management process. All the participants interviewed made negative comments about the vision and value statements. A sense of ownership or allegiance to the vision and values was not articulated by those interviewed. This was in spite of the fact that nearly all the participants were aware of the vision and values statements of the local, area and state organisations. The participants did recall having read, and in some cases being part of the creation of, the vision and values. However no participant was able to recall them in any concise or accurate manner. The participants could not
articulate any major benefits in either belonging to or promoting the statements of intent from the vision and values statements of the organisation. The vision and values of the current organisation are in Appendix 5.

There is a vision and values statement but it is not a creed we live or die by but a set of words and principles that guide us, to where I am not sure (Interviews and Conversations 2006).

Diary note
Vision and Values are like the National Anthem; we all know it but cannot remember the words. We are fond of it and it fills us with pride even if we have to mumble or hum the words. The nation’s vision and values are remembered but cannot be recalled.

As one participant stated

Words like trust, honesty, loyalty, and shared vision are from the text books and are ‘bullshit bingo’; it does not happen in the real world (Interviews and Conversations 2006)

Some participants reported that they deliberately distanced themselves and their particular part of the organisation from the overall area organisation’s vision and values. Participants in the current study in some cases actively chose to not align themselves with the larger state or area organisation as they indicated it was advantageous for themselves as leaders to have their part of the organisation work separately or against the main restructure. In some examples the restructure became viewed as the common enemy and as a method of bringing the local services closer together and to rally for a their own singular cause:

Shared vision means shared responsibility. I or my team are not responsible for the restructure, so why share the vision? (Interviews and Conversations 2006).

I tell my staff I am cynical at a state level but what can we gain from it at a local level, it [the restructure] is beyond our control so being
cynical is OK as it gets people on my patch beyond the issue and working together. This is manipulation but in reality change management is about manipulation (Interviews and Conversations 2006).

Vision and Values give us something to work towards; it is a good thing but the actions needed to get to the meaning of the words is not clear (Interviews and Conversations 2006).

Participants were openly cynical about the vision and values and about the restructure. This may be explained by the number of restructures that had occurred in some of the participants’ working lives. There have been at least two and in some cases three restructures of the state organisation that have occurred in the majority of the participants’ working lives. When questioned as to the overall effectiveness of the previous restructures and the outcomes of the change management processes, many of the participants were critical and felt that the previous restructures had not achieved the intended or communicated outcomes. One participant pointed to a previous restructure which had promoted the ‘rightsizing’ of management to provide more on-the-ground clinicians. This had not resulted in a large number of clinical staff or funding being provided to frontline services at an area level. For this reason participants were not committed and saw no benefit in aligning themselves with the current process which was seen as negative and the ‘I know better than to be fooled by that rhetoric’ type response was common in the interviews.

Been there done that, it’s like the Ronald Macdonald School of management, get down low and go, go, go. Keep your head down and it will pass (Interviews and Conversations 2006).

It’s no use getting too wound up by it. Decisions have been made and I have heard the bullshit before (Interviews and Conversations 2006).
It’s like telling a child, this will hurt but it is for your own good. The child does not believe it and we should not believe it with the restructure (Interviews and Conversations 2006).

As a point of personal reflection, it is understandable that the participants were unable to view the placing or funding of one or two more employees into the clinical setting as a major achievement created by the restructure. If viewed from the state organisation’s perspective, the rationale becomes more valid as the outcomes are more substantial. The outcome of the previous state-wide restructure equated to over one thousand staff being employed into clinical positions across the state. From the state organisation’s perspective this was certainly newsworthy and a substantial outcome, but at the local area organisation level it is was not seen as being worth all the changes made to achieve these goals as the actual number of staff placed into clinical settings is exponentially less in each smaller clinical location.

As stated in some of the interviews:

Local pain for a state gain (Interviews and Conversations 2006).

A further issue worthy of consideration is the fact that public service organisations seldom go out of business. In private business, to not restructure or to successfully restructure is often the difference between survival and oblivion. Not having this outcome and level of risk hanging over the heads of those interviewed does afford them the luxury of not having to actively engage in the process and to be cynical or negative towards the restructure and the change management process. If the participant’s job is not directly affected then the level of risk to their employment is less, and therefore the level of investment by the staff in the change management process and outcomes may be less in the public system.

I will just play a dead bat; the organisation will need to place me and pay me so why should I worry about things? Let them worry; they started this process (Interviews and Conversations 2006).
Diary note

The above comment was said again and again in various forms but in reality when it came to the crunch in terms of work placement I observed that the rhetoric was left behind and people did actually care about their future work placements. In addition if their work placements were not as they desired they certainly did care and were actively in there ‘batting’.

_I don’t want to go to the home for broken managers. I want to keep my status and position, a manager now and a manager after_ (Interviews and Conversations 2006).

_I don’t want a role change; I like my job and status it brings, so why do I need a bigger job for the same money?_ (Interviews and Conversations 2006).

The vision and values statement of the organisation gave a focal point to the Level 1 and Level 2 positions and an articulation of the state organisation’s role and function. While the participants could not remember exactly what the vision and values were, they did concede that they did exist. Their existence was important to some and it gave participants some a sense of belonging in either supporting or rejecting these visions or values of the organisation.

5.2 Leadership

This section on leadership examines the responses to the interviews and conversations on the topic of leadership. The section also contains observations on leadership during a change management process. The section contains:

5.2.1 The Interviews
5.2.2 Leadership style
5.2.3 A vampire in charge of the blood bank
5.2.1 The Interviews

*Why follow the leader? Because there are no others. People fought with Napoleon but they may not have liked him (Interviews and Conversations 2006).*

*Leadership is necessary in organisations – strong leadership equals strong organisation (Interviews and Conversations 2006).*

Participants appeared prepared to accept aspects of the restructure, into which they had little input. However they did not express the same acceptance of the change management process. An explanation put forward was that the leaders accepted the restructure and changes because they had little or no choice. However some of those interviewed were able to influence the outcomes or processes so that they and their staff could deal with or benefit from them.

*In this process I lead the staff, sure some decisions have been made but if we are to go ahead then the changes need to be put into place and the outcomes reached. I am happy to lead the staff through this process knowing the limitations (Interviews and Conversations 2006).*

*Leadership does not mean limitless power and decision-making. I work for an organisation and so have to lead my staff in the direction set by others. I am comfortable with this (Interviews and Conversations 2006).*

*The world has very few leaders. We are all limited by something or someone. It’s not an open cheque book approach; I lead with the constraints of the organisation (Interviews and Conversations 2006).*

One of the clarifications sought in the interviews was, who the leaders of the restructure were. The overall leaders in the restructure were from the state organisation and were unknown to the participants and staff. The leaders in the area organisation’s change management process were those in the Level 1, 2 and
3 positions within the managerial structure. While there was a recognition that there are some people (secondary leaders) who are lower down in the hierarchical structure of the organisation who did lead parts of the change management processes, for the purpose of the current study the leaders were narrowed down into a definable group of people who had overall responsibility for the outcomes of the change management process. The main focus of the phase one interviews was on participants who had a direct responsibility for ensuring that the restructure was completed for their part of the area organisation.

*Leadership is who is in charge. I make the decisions so I suppose that makes me the leader (Interviews and Conversations 2006).*

Even with this distinction being made in relation to leadership, some of the participants indicated that people at a local level leading the change management process were in fact just following orders. There was a sense from the participants that the level of control and input they had into the restructure did not make them the leaders in this process.

*We are all led by something or someone but if you are responsible for something you are the leader (Interviews and Conversations 2006).*

*Although I lead it is with the understanding of the restrictions placed on the role (Interviews and Conversations 2006).*

*Well I suppose I am the leader although I don’t make all the decisions but in reality that is not the role of leaders – to make every decision (Interviews and Conversations 2006).*

Diary note
In a hierarchical system such as the public service it is much like the military. There is one commander in chief, however there are many section commanders and battalion leaders. These ‘secondary leaders’ may not agree with the commander in chief however their job is to do the job. In large and hierarchical organisations, such as the one in the current study, is this ‘chain of command approach’ to leadership the reason
why people sell a message that they have no input into, little belief in and have questions regarding the outcome?

Participants interviewed who described themselves as leaders in the process also recognised the limitations placed on the responsibility of the role. If the leader described themselves as the leader then this was exhibited in their behaviour and style during the change management process.

### 5.2.2 Leadership style

When the concept of leadership was raised with the participants the issue of leadership styles became an important determinant of their success in the change management process.

*I have read a lot about leadership style but in the end it comes down to me, what I am comfortable with and willing to do (Interviews and Conversations 2006).*

*Leadership style is about how I go about things. I hope that my style is about me (Interviews and Conversations 2006).*

*There is a lot said about style but you can only try to be yourself. Some styles are said to be better than others but I have to present as genuine to the staff, and they know me (Interviews and Conversations 2006).*

But others saw leadership style as:

*It’s about the smokes and mirrors – just do what it takes to get the job done. Style is a waste of time if you are not going to get things done (Interviews and Conversations 2006).*
Pick a style of leadership that suits the day – that’s the job of a leader (Interviews and Conversations 2006).

Be yourself at home but this is the office. If a bastard style gets results today then I am a bastard (Interviews and Conversations 2006).

Give me the information and outcome that you want and I will give you a leadership style (Interviews and Conversations 2006).

Style is whatever you want to be. Read the literature – any style will work and they can’t tell you what doesn’t work so be intuitive (Interviews and Conversations 2006).

Style is nothing without substance; results trump style (Interviews and Conversations 2006).

It’s not about my style it; is about what style works to get the job done (Interviews and Conversations 2006).

Leadership styles appeared to be the same in the current study as the literature reviewed in the leadership chapter suggests; that is, there are numerous words and behaviours to describe leadership style but there does not appear to be a definitive set of attributes, traits, skills or behaviours that describe leadership style to an extent where they can be replicated in other change management situations. Leadership style appeared to be as individual as the individual who is leading, although many acknowledged that leadership style needed to be adapted to the particular situation at hand. Through the interviews and observations a rather broad categorisation of two types of styles emerged in the current study. These styles were classified as, ‘personal’ – this was determined as the style of leadership was closely aligned to how the person presented in all situations and can be described as the actual person, and secondly ‘adaptive’ – where the leadership style appeared to be adapted to the situation and the style was not the natural persona of the individual. It was suggested by the participants that an adaptive style is better suited to short-term issues and quick solutions to issues
and a personal style was deemed to be better for a long-term strategic approach to
management, as a relationship is built with the staff.

5.2.3 The vampire in charge of the blood bank

In a quirky twist of fate, and not by design for the current study, during the second
phase of the current study I became the person in charge of ensuring that the goals
and targets of the restructure were met for the area organisation. This acting role
placed me in charge, at an area level, of the human resources, restructuring and
change management processes.

The commencement of the role was at the time when the majority of decisions
made in relation to the restructure and the overall outcomes required from the
change management process had been finalised. Whilst the decisions had been
made as to the overall outcomes, the process of consultation the enactment of the
change management process had just commenced. In addition there was a very
short timeframe to conclude the change process, to have the outcomes achieved
and reported back to the state organisation. To reiterate, the outcomes agreed to
were the removal of a defined number of administrative positions and a
reallocation of the financial savings to provide funding for new clinical services.
The agreed outcomes were then to be audited and assessed by the state
organisation.

A scoping exercise of the current situation at the commencement of the role
indicated that in many of the work areas there had not been a clear process or
direction established as to the progression of a change management process. At an
area organisation level some agreements had been reached at managerial Levels 1
and 2 as to the actual number staff positions to be removed and in which
departments and work areas these positions are located. However, the process of
how to achieve the outcome and what change management strategies and
processes to adopt had not been fully conceptualised, completed or agreed to by
the staff.
In the acting role, one of the first tasks that was required of me was to commence and/or complete a change management consultation process. In some of the work areas meetings with the staff had commenced but no agreement had yet been reached on the final structure and the operational aspects of service delivery in the new area organisation. To complicate the consultation process to be undertaken, the internal area organisation structure thought to be required by Level 1 and 2 had already been determined and there did not appear to be any allowances made for additional ideas or changes that may have been provided through the consultations. What had already been determined were the number of staff required and the locations of the new workplaces. The detail that had not been determined was the actual processes and workloads to be undertaken by the new workplaces and services. Therefore, the change management process in reality could only focus on the models of operation. The actual consultations were in reality more general information sessions as the staff had only been provided with limited detail as to what the outcomes were to be and what had already been determined. Due to the limits imposed by the established decision-making process, the change management process became one of persuasion – or worse, one of coercion, as the decisions about the reduction in staff numbers had already been determined.

The document they are making decisions from is inaccurate and this has been told to them but it makes no difference. The outcome is predetermined with no recognition of any other ways to do it or the fundamental errors made (Interviews and Conversations 2006).

Staff know that a target figure has been set for the area to achieve and they know the area has decided how to achieve this so pretending to consult is worse than no consultation (Interviews and Conversations 2006).

To illustrate the consultation process undertaken, a particular meeting is described. A meeting was arranged with the staff from a particular work area to discuss the restructure and their particular workplace. The new model of operating was put forward by management which included the reduction in staffing
numbers and a substantial change to job functions. The staff appeared to clearly understand that if they agreed to the structure being proposed by management their positions would be lost or changed. However there was no ability to change or negotiate on the original decision regarding the reduction of staffing numbers.

As a point of reflection there was no existing work relationship between the staff of this particular workplace and myself. I had no detailed working knowledge of the staff members’ roles and functions within this workplace, yet there was an expectation that within the space of a single meeting an agreement on the predetermined outcome had to be achieved. Whilst the outcome of the meeting is not important in the context of the current study, what is important was the exploration of the rationale to commence and conduct a change management process under these circumstances.

The own reflection was why as the leader in this situation was I prepared to take on the task and move forward in implementing a structure that I had no real knowledge of. In addition I believed that this level of ‘rightsizing’, and utilisation of the workforce and the work function redesign had a high probability of failure in the long term. On reflection about the internal personal reasons I chose to promote the outcome requested by senior management, phrases such as self-pride, self-worth and self-promotion come to mind. All these phrases reflected upon are self focused rather than organisationally based which highlights that the personal desire to succeed was more about myself than the organisation. This issue was further examined in the interviews and conversations to determine if there was any convergence with these personal thoughts and behaviours with those of the participants.

It is worth noting that as the leader of the meeting I had a couple of internal reasons for denying any responsibility for the changes. These were, I did not set the original goals or plans and secondly I was only acting in the position and would not be responsible in the long term for the outcomes of the decision. My rationale and personal goals appeared to be focused on the short term without taking responsibility for the long-term ramifications. This self example is used to demonstrate how easy it was to rationalise the decision-making process and to
place the responsibility for one’s actions outside of yourself, and into the process. The next step was to consider whether, if I was able to rationalise my behaviour and leadership so easily, could other people behave in a similar manner?

On further reflection I questioned if there was an appropriate manner in which to deal with the situations highlighted in the meeting described above and should or could I have changed the process and the outcomes? As I examined this process in a realistic manner I knew that in reality any other outcome would not have been acceptable to the Level 1 and 2 leaders in the area organisation. The result of not having reached the outcome would have been further meetings in order to implement the predetermined decision. What became obvious from the observations of the behaviours of the workers and their industrial representatives was that both these groups, as well as the area organisations leaders, all understood the situation and the ultimate outcome of the consultation process. A level of resistance to the changes was displayed and alternative structures were presented, however it appeared that all parties knew that these would not be accepted. Was this consultation process a charade conducted in order for management to indicate that they had consulted, for the industrial association to indicate that they represented their members and so the staff could say that they had put forward alternatives? In speaking with a person who attended the meeting this became apparent:

*I feel sorry for you but I realise you have no options; this has to move forward and we all know the result required. So we all dance the dance without any public acknowledgement (Interviews and Conversations 2006).*

From the perspectives gained in the current study it may be correct, as is quoted below, that leadership in the change management process is not about making decisions but rather, about the implementation of a process. From the observations during the change management process I can only concur with the statements of the participants:
Leadership is not about the decision making in this process but rather about implementation of the already set timetable (Interviews and Conversations 2006).

It’s been run and won, by the government and the trade unions at a state level so dance how you want to but the tune has already been chosen. Better to dance the steps that have been prepared than be seen to be out of step (Interviews and Conversations 2006).

We all talk about making decisions on what has already been decided (Interviews and Conversations 2006).

The success or otherwise of the overall restructure at the area organisation level was the responsibility of the leaders who were interviewed. As the outcomes required were predetermined, it was the change management process that became the tool to accomplish these outcomes. Each part or section of the area organisation developed or constructed its own models or process of change management in order to accomplish the outcomes required. No centralised or common methodology was used as no framework was provided and nor was there any training or education provided on the process, potential issues and behaviours likely to be encountered during the change process.

The interviews explored the issue of why the leaders were prepared to enact or become involved in a change management process. To some of the participants, the reward, in terms of monetary remuneration, for driving the change and getting outcomes required by the state and area organisations was no more than they previously received. Within the public service, positions at Level 3 and below do not receive bonus payments or financial incentives for completing the goals of the organisation. Therefore it could be safely assumed that for these employees, financial incentives are not a motivating factor. From the observations and the descriptions provided by the participants, the level of commitment and pride attached to achieving the goals was very high. Contrary to the actual observed behaviour, the stated commitment to the workplace was without exception high.
I take pride in my work and in those I lead. My job is to lead and protect and so in the restructure process I have tried to keep the focus on what is best for this part of the organisation (Interviews and Conversations 2006).

I take pride in what I do. People have made decisions, which is fine, so how I implement them is what my pride is about (Interviews and Conversations 2006).

It appeared that the personal or ‘self” approach was taken by participants as they focussed on local area organisational issues. Through this focus the leaders stated that they were able to survive both in terms of their own working life and in terms of their particular part of the organisation being able to move forward and survive. This level of involvement and commitment to the process and the changes at an area level was achieved at the same time as not agreeing with the overall state organisation’s rationale for the restructure. The ability to reframe the restructure was important as the leaders stated that they could manage or at least accept the larger organisation’s message without having to agree with the overall aims, vision and values. The most important message to deliver and sell may be the local rather than the overall broader message. Having a more locally focussed change management message may be more important in achieving the larger goals and outcomes of the organisation than attempting to have people commit to the overall visions and values of the larger organisation. Some of the leaders interviewed actively protected staff from the larger message of the organisation.

There is a lot of crap but it’s not my decision so I try to keep my integrity, try to be honest about the level of choice people have and try to keep a connection with the people, I am only the messenger (Interviews and Conversations 2006).

Change is telling the truth without my opinion so I give them the information without my spin on it, trying to keep the message relevant (Interviews and Conversations 2006).
What’s the saying – buy local, eat local, stay local, it’s the same advertising we should use in the change process (Interviews and Conversations 2006).

Flows of information in any organisation are usually hierarchically controlled and this was no different in the process of the restructure. It was obvious that a hierarchy of control of the information the leaders received existed. Communication on the actual number of positions and the financial amount to be redistributed was not readily available to the change management leaders at Level 3 and below. This process of filtering information was replicated throughout all the layers of the organisation.

They think by not letting us know the real reasons that they are protecting us, from what – the truth? We are told the same spin as the public. It would be better to tell us the real reasons (Interviews and Conversations 2006).

Everybody likes to think they are searching for the truth when in reality all they want is an answer (Interviews and Conversations 2006).

There was a feeling amongst the participants that they were not told all the facts in the restructuring process. These feelings manifested in the participants’ statements that they were not being told the ‘truth’. This word ‘truth’ was consistently used by the participants to describe their feelings about the level and accuracy of the information that they were provided with. It is therefore worth considering what was meant by the term and its use in the context of the restructure.

In the conceiving and determining of the need for a restructure process of a large public sector organisation, was there only one rationale or set of reasons for the change? In the interviews some participants speculated that the restructure was politically motivated in order to assist in getting a better public image for the system and therefore assisting in getting the government of the day re-elected. Others speculated that it was to remove local input through the removal of the
boards of management. Other participants saw the centralisation of control to the state level in the decision-making process as the reason. Still others viewed it as an effective utilisation of funding that is provided to the organisation every year and to ensure that the level of clinical activity and clinical service to the public increased. The reality from the interviews was that for every person interviewed there was a theory or an idea about why the change process was occurring. No person interviewed knew at any absolute level the real reasons for the change process. This led to a number of reflections – firstly, that there may be no single reason for the change and secondly, the truth in the message was often judged and based on the perceptions of the receiver of the information and not the provider, and lastly that the word truth is an emotive one which can be used to discount the flow of information and to provide a context from which participants could protect themselves from ownership of the state restructure.

Diary note
In theory change is a decision that is made based on facts and the rationale for the change should be clear. This appears to be rarely the case. Change is conducted with ‘some’ ideas about the rationale and outcomes but rarely is the process like the textbooks suggests. The possible reason is that we are dealing with a product that has feelings, emotions and is swayed by others – yes, we are dealing with people.

If the people affected by a change process are not made aware of the rationale for the changes or believe the actual reasons are different from the ones being publicly promoted, this allows for the process of reframing to fit the individuals’ belief systems. Participants were able to reframe the information provided to fit their way of thinking of how the system worked or how they conceived the system. For some of the participants, the outcome was negatively reframed:

*Change brings out the worst in people. Give them a reason for change and they will find a conspiracy (Interviews and Conversations 2006).*

In any change process the level of commitment to change may be influenced by the level of control that the individual felt their particular part of the organisation had.
In order to achieve this [the restructure] we need to prioritise. I become passive/aggressive, triage information and filter out what is important, become political and play the game, as I will need some things from people in the organisation (Interviews and Conversations 2006).

I have withdrawn from speaking up and being a spokesperson. No longer – I was young and cocky but now I get out of the spotlight so I am left alone so I can do my job so I can be off the agenda (Interviews and Conversations 2006).

In reviewing the leadership aspects of the change management process, there appears to be no singular set of leadership criteria that can define the leaders in this particular restructure. Leadership remained a concept that was hard to define in terms of a set of behaviours or values. The only certainty was that leadership existed and that each leader saw their role in a different light, but most importantly they saw themselves as the leaders. Each leader reframed the state message and then led from their individual perspective or set of beliefs rather than from an organisational perspective. In the change management process the success of the individual parts of the area organisation in adapting the message of change according to their own set of beliefs and values appears to have been more popular than having the larger state organisation’s visions, values and outcomes as the focus.

5.3 Relationship capital

This section deals with the findings of the study and the concept of relationship capital. This concept was explored in the interviews and conversation and the responses from the participants are discussed. This section contains:

5.3.1 An introduction to relationship capital
5.3.2 The use of relationship capital
5.3.1 **An introduction to relationship capital**

To reiterate, relationship capital describes the relationships that people have at work and the values that are attached to these relationships. It also speculates that people change or alter their behaviours based on the relationships that they have with other people in the workplace.

As previously discussed, some of the participants interviewed indicated that the level of information that they were provided with in the process of the restructure was a critical factor to their leadership style, especially when they were presenting information to their staff. In particular, for a number of participants, it was very important to them as the leaders that the staff they were dealing with and who were being affected by the changes ‘knew’ that they, as the leaders, had integrity and honesty and therefore could be trusted. The participants indicated that they had a desire for people to perceive them as having provided all the available information on the process and rationale for the restructure and the changes it would bring. If they were trusted and perceived as being honest participants indicated that as leaders they could take forward the message of the organisation. From the findings in the previous section on honesty, it appears that people at times wanted to portray themselves as honest as opposed to actually be honest.

*I trust in God not leaders (Interviews and Conversations 2006).*

A conclusion that could be drawn is that this desire to be observed as honest could have been connected to the concept of relationship capital. If a higher level of positive relationship existed between the leader and their staff then there was a perception that the resistance of the staff to the restructure would be less.
addition participants, indicated that if there was an honest and trusting relationship between the leader and the staff, then the staff knew that the leader would not go beyond a certain point they felt it would result in a negative consequence for the staff.

*I want my boss to remain as honest as he is; I believe we do have a sense of trust and loyalty (Interviews and Conversations 2006).*

*Given a bottom line such as an agreed structural change, the leaders have to perform so we cannot be honest with the staff as we are constrained by time and money. So you become paternalistic, ignore 90% of your thoughts and ideas and have faith in the system as they [the workers] will be looked after (Interviews and Conversations 2006).*

Could it be relationship capital that provides the framework for values such as trust and loyalty to be used as effective change management tools? In order to test this notion the interviews and conversations explored the boundaries participants placed on their behaviour. Was there a point of deception that would not be crossed by the leaders due to the relationship between the parties involved in the change process? In the interviews there were individuals who articulated very clear boundaries as to what they stood for and they articulated certain points that they would not go beyond. When this was discussed as a theoretical framework their responses were clear, with a description of reasonable behaviour including adjectives such as being honest, open and transparent. Within the interview process the issue of dishonesty was discussed in terms of behaviours that the leaders would be involved in to ensure that a change occurred. From the responses it became less clear and more open to interpretation as to what was acceptable behaviour. The question asked in the interviews was, ‘as the leader if you have not informed your staff of all the information that you have in relation to the restructure, how would you reconcile this behaviour?’ The answers to this indicated a well-formed rationale as to the participants’ behaviour. For example:
I want people to know I am honest and open, giving them as much information as I can about the change. Staff know me as an honest person (Interviews and Conversations 2006).

Later in the interview:

My responsibility are my staff and then the area and lastly the state. I protect my own and I would bend the truth to do so (Interviews and Conversations 2006).

Another participant’s comments:

To be an effective leader you have to have a good relationship with your staff and let them know what you know. To be honest and truthful is a good recipe for success (Interviews and Conversations 2006).

Later:

You cannot expect me to tell them [the staff] everything I know and feel. To bend the truth is to be kind to both the staff and the process; it gets this [the restructure] over with quicker and they will thank me for it (Interviews and Conversations 2006).

Another Participant emphasised the importance of trust:

My leadership is built on the trust I have with my staff and the with me (Interviews and Conversations 2006).

But later in the interview explained that he did not feel obligated to tell his staff everything:

The staff trust me to tell them everything that is important. I don’t have to tell them some of the more negative thing.; they just trust me to deal with it (Interviews and Conversations 2006).
It was expressed in the interviews that the ‘positive values’ held by the leader were a critical factor for the staff to accept the leader. Further, the participants believed that the better the staff understood the values of the leader assuming these were mostly positive, the more they would accept the process or the leader’s explanations of the changes. This was due to this perceived level of understanding of the leader’s values. There appears to be an assumption that the leaders values and belief systems which are similar to those of the staff being affected by the change. This assumption, judging from the responses, was not always accurate.

*Nice guys finish last, so I become cunning, as dishonest as I have to be, wave goodbye to my morals and ethics and will lie. For instance saying ‘I will support you in this’ when I know I won’t. Leaders wear masks as I am supportive of my staff and smile while at the same time I want to smash things’* (Interviews and Conversations 2006).

*Books are politically correct and if you wrote about what really happens you would not get published (Interviews and Conversations 2006).*

*At times it is better not to tell the whole truth; it makes it easier to get results in the short term. The larger process is more important than a little white lie, so you have to balance the outcome versus the lie but I still have to feel comfortable with myself (Interviews and Conversations 2006).*

*Restructures come and go but I don’t so I want to have a good working relationship with my staff (Interviews and Conversations 2006).*

So who or how were the decisions made in the workplace?

*In any process there will be an 80/20 split, 80% will go with you and 20 % won’t – the role is to support the 80%. The rest will either follow, fall off or resign (Interviews and Conversations 2006).*
Every leader has detractors. I won’t and can’t please everyone, so I try to listen, learn and do the best for the majority (Interviews and Conversations 2006).

From the interviews it appeared that some of the leaders played a dual role of being the leader in the decision-making process when the advantage or message was positive and in their favour and then playing the messenger role when they did not agree with the decisions made at an area or state level.

That the change process occurred in such a large organisation and the original decision to restructure was made at a state level, appeared to have bred a ‘management decided’ type culture and response by the staff. The leaders were able to use this culture to their advantage and at times they claimed to be only the ‘messenger’. The messenger was portrayed as someone who was not responsible for the restructure, the changes or the outcomes but rather someone who was just following orders from above. This tactic was used at times to communicate mostly the negative messages by advising the staff that they as the leader did not have the overall control in the process as the changes had already been determined. When questioned about this tactic many leaders did not know who the ultimate decision maker was or how the decisions were made but were comfortable with using the system to their advantage. One could argue that this is not leadership and could be called ‘messengership’.

It was strongly argued by some participants that they did not make the initial decisions and claimed that their denial of responsibility was legitimate leadership. What seems apparent in the current study was the somewhat contradictory ‘whatever it takes’ mentality in some of those interviewed, and many of those interviewed took the stance of ‘I as the leader must just do it’. This behaviour was also contradictory as some participants indicated that they would take no responsibility as they were the messenger and then at other times indicated that they would do whatever was required to secure the changes and outcomes. While these approaches appeared contradictory they could be reconciled, as the leaders
were able to revert to the explanation that ‘I am only the messenger’ and this safety net may have provided people with the courage to move forward.

*In the short term it is easier to just agree with others in the change process just to get the change happening (Interviews and Conversations 2006).*

*It is going to happen anyway [the change]. Lets just get it done and dusted (Interviews and Conversations 2006).*

These responses provide an alternative explanation for the behaviour as the leaders interviewed were Level 2 and 3 and therefore not the ultimate area or state organisation leaders. There was pressure due to the timeline, and outcomes expected. The pressure of these expectations may be an explanation for some of the contrary behaviour exhibited and discussed.

A possible consequence of this behaviour was that targets were achieved. However there could be additional or unforeseen ‘costs’ in the longer term. This process of change management may produce short-term goals that assist the leader but in the longer term lead to other issues or problems. The leaders did require the short-term gain of just getting the issue over the line and the outcomes achieved.

In many of the change management processes observed in the current study there was a focus on the short term. Phrases such as ‘let’s deal with the current issues and then worry about the longer term aspects later’ were widely used and the attitude it expresses was often the explanation for the processes used. This explanation or rationale was not used solely by the leaders, as the trade unions and the staff often agreed to this strategy with the use of a review clause.

*We agree to a reduction in the positions as long as there is a review of the workloads within 12 months (Interviews and Conversations 2006).*
This comment was made in the overall context of the leaders, staff and trade unions agreeing to a local area process within a framework of nobody agreeing with the intent and outcomes required by the state restructure. This reframe and reduction of the issues to a local service level was a tactic used by all parties involved, which appears to be a reasonable response in a deadlocked situation.

In order to test the rationale provided by the leaders some of the workers were questioned about their understanding of the restructure and the change management process. Some workers felt that they just wanted to complete the restructure so that they could concentrate on their work. Some responses from the workers included:

*Let me know what I have to do and I will get on with it (Interviews and Conversations 2006).*

*Management knows what it wants and has to do, so why don’t they just tell us so we can get on with it? (Interviews and Conversations 2006).*

*The change is going to happen anyway whether I agree or not, so just make the changes (Interviews and Conversations 2006).*

Diary note
This is what I refer to as the Nike theory or response – Just Do It

As part of the explanation it is worth adding that many of the leaders and staff determined that the long term was in fact the short term as change is occurring constantly and before all the changes of the current restructure are complete there will be other changes made. In the modern workplace there may be no long term as change can be occurring constantly.

*We will have just completed this restructure when the next will be announced so whatever we do will be changed shortly. Just go along with it as it will all change back soon (Interviews and Conversations 2006).*
It is worth noting that this was correct and a few months after the completion of the restructure a further two restructures were announced. The first was a process of centralising functions at a state level through the redistribution of resources from an area level and the second was an area organisation clinical services restructure.

A further issue examined in relation to the behaviours and attitudes of the leaders interviewed was the concept usually referred to as ‘managing up’. According to one view of management, leaders and managers have to manage in two directions, firstly the staff they manage (managing down) and secondly to the leaders above them (managing up). The leaders interviewed had expectations and timelines placed on their performance by the leaders above and did not want to be viewed as incompetent or unable to achieve the tasks.

*I am employed to get result, I am judged on the outcomes and achievement more than on the process (Interviews and Conversations 2006).*

*If I produce the results how I got there becomes less important (Interviews and Conversations 2006).*

*I want to keep my job and I am not going to lose it over the staff’s unwillingness so I set my goals to those set for me by the CEO. It’s simple – we all have to answer to someone (Interviews and Conversations 2006).*

5.3.2 The use of relationship capital

This section describes the events and phases of the restructure, from inception through to implementation with a focus on the concept of relationship capital.
Phase 1

Phase 1 included the pre implementation of the change management process and the formation of relationships that were being developed in order to achieve aspects of the restructure.

One of the methods used in a dispute between different groups in the restructure involved the use of relationship capital. When dealing with industrial disputes the organisation examined alternative methods of interacting with the different people and groups involved. As part of this strategy the area organisation determined which of their staff had the best working relationships with particular representatives of the trade unions. It was a planned tactic to foster these relationships and to use the person with the best relationship as the spokesperson for the organisation. This deliberate tactic of using pre-existing relationships was not called relationship capital by the area organisation however instinctively the tactic was used. This tactic appeared to be widely used and accepted.

Another approach adopted could be called the ‘no relationship stance’. In some instances where there was an individual who was new to the process and who did not have a history of events, this person was used as it was thought that they would be perceived as being more neutral. It was observed that the ability to play the ‘no relationship card’ was a short-term strategy and only appeared valid at the commencement of a process. Once the process or the issues had become long standing, relationships or agreements had been formed and therefore a level of relationship capital had been established.

You can only treat them as strangers the first time they come to your door. After that they are friend or foe (Interviews and Conversations 2006).

Clearly the assumption that a relationship, whether good or bad, was beginning to be built after the first encounter was obvious from some of the responses:
The longer you stay in the system the more people know and remember you. Often in change is it harder to stay to finish the process than begin because you have to hang around to see the results and put the words and agreements into action (Interviews and Conversations 2006).

Once a relationship was established then the engagement, rules and a process commenced which normally required all parties to become locked into general agreements and principles. Once this had occurred the relationship had commenced.

People in charge find it gratifying or a comfort when they know you are going to stick around and have dealt with you before. They may not like some of the past decisions but are familiar with the person and who you are (Interviews and Conversations 2006).

Personal relationships do make the difference if there is a connection with a person. It is assumed that if there is a relationship then the person will change more easily, often for the relationship rather than for the gain of the larger system – what is important is relationships (Interviews and Conversations 2006)

Relationships are important in a change a management process. Relationships are based on some degree of trust and faith. Relationships bring flexibility (Interviews and Conversations 2006).

What makes good change management are good interpersonal skills, having the ability to have an overview and concentrate on the detail as well as having good relationships (Interviews and Conversations 2006).
5.3.3 When two tribes go to war

This section describes the initial meetings of the two management teams of the former area organisations prior to the commencement of the change management processes but after the announcement of the restructure. The section explores the issue of relationship capital during this phase of the restructure. It is an important phase to examine as new relationships were forming and the new organisation was forming and therefore the exploration of this phase may provide insight into the formation and change of relationship capital.

To commence the process of change in one particular work area, a number of meetings were arranged with the aim of discussing the models of structures. The first dilemma raised was who would lead the process as there was no single leader at this stage of the restructure. After substantial posturing from both organisations the meetings went ahead but with no person with the authority to make any final decisions. The consequence of not having a single leader was that not all the information and ideas were acted upon. On reflection and on examination of documentation and the presentations, there was an enormous amount of work and discussion that occurred. However there were no obvious outcomes or decisions made that were formally recorded because it could not be decided as to who the leader was. The meetings produced a set of documents which were the foundations for the new local service organisation which meant that although they were not acted upon people became aware of the most likely changes and outcomes of the restructure.

Diary Note
As a point of honest personal reflection I engaged in the process of meetings and discussions for two reasons: to look good and to check out the enemy. To be seen to be constructive was almost as good as being constructive with the added advantage of the ability to check the other side’s ideas and firepower in a meeting where you did not have to commit to anyone or anything.

Initially the meeting focused on each management team demonstrating their methods of dealing with managerial issues and the organisational structure. There was no obvious consistency in the models presented, nor any desire to have the
other organisation’s structures or proposed models to be acknowledged as being more functional.

It was important to myself and others in the meeting at this time to consider the relationship capital that had been acquired as the meetings had a sub-agenda of measuring up the potential opposition for managerial positions that became available through the restructure. Each of the two old organisation had an existing leader that was initially backed by their managerial representatives at the meetings. Participants from both old organisations demonstrated an unwillingness to contemplate or to actually swap sides until either their leader was no longer in the position or the new leader requested their input. This meant that while some of the ideas put forward may have produced a better outcome for the staff, the leaders remained wedded to their existing structures. As one of the existing leaders it was important to show loyalty as I interpreted this as a display of force and certainly took note of any deviations from the staff.

The contents of the meetings were at a theoretical level as the actual restructure had not commenced. On reflection there were many times when changes were announced and a new model was presented as ‘theoretical’, and what became obvious through observations and previous experience was that many ‘theoretical’ models were the actual plan and desired outcome of the organisation. This appears to have been done for three reasons. Firstly, when these were presented as theoretical they may have posed less of an initial threat to participants. Secondly, the process could be called consultation by the presenter, and thirdly this may actually have been all the planning that had and would occur at a senior level. If the participants of this initial theoretical planning and consultation process did not provide initial strong negative comments to the ‘theoretical’ proposals then the presenter could perceive this response as an endorsement of their plan. If there was a strong negative response the theoretical plan could be removed for amendment which provided time for the leader to consider their strategy after initially road testing the plan in a theoretical framework.

In the current restructure a theoretical plan was written, however there appeared to be a limited ability to determine its impact at an area organisation’s level as
there was no ability to commence any action on the plan. The planning for the local service remained unendorsed in preparation for the potential new leader of the service. There were four or five plans developed from different interest groups including each old organisation, smaller managerial groups and clinicians. Even at this very early stage there were other plans that had been conceived but had not yet been made public. It appeared that all of the individual plans were conceived and developed in isolation from both the state and area organisations’ planning structures. On reflection a great deal of planning work was conducted without any knowledge of the overarching direction that had been endorsed at a state level. There was a level of naivety on the part of some clinical and managerial groups who appeared to believe that if a plan was presented to the leaders it would be accepted and endorsed even if it did not follow the parameters and outcomes already set at a state level.

What became obvious and important during this phase of the restructure was the awareness of, and the building of, relationship capital. This was achieved by some leaders through the demonstration of their high level of influence within the organisation, and an outward demonstration of staff remaining loyal and on their side. I observed that all the leaders gathered factions or groups of people together and it was apparent that there were deals and promises made which no doubt had an impact on relationships.

*Don’t panic. Remember, whatever the outcome, I [the leader] will look after you (Interviews and Conversations 2006).*

*If you follow this plan you will end up benefiting and being promoted (Interviews and Conversations 2006).*

*The plan we have developed will be the way forward and if we stick to it we will come out on top (Interviews and Conversations 2006).*

The other method used to promote relationship capital was to devalue the other organisation and their ideas.
I have heard X (leader’s name) is moving on. They don’t want to be a part of this and are looking elsewhere (Interviews and Conversations 2006).

Did you see their plan? No idea about how this is going to work; their plan and structure will never get up (Interviews and Conversations 2006).

Remember we know the chief executive and some of his thinking; they don’t and their structure will never get up (Interviews and Conversations 2006).

This could be construed as the dark side of relationship capital as factions were formed and deals made prior to any actual restructuring taking place. Whilst called the dark side, it appears to be part of the unwritten rules of management and restructuring that this type of behaviour was prominent and seen as acceptable. To promise or promote something that has not yet been produced appeared to be common practice. People positioned themselves and in some instances distanced themselves from some people and moved closer to others who were perceived as having a more influential role.

Participants all acknowledged the existence of behaviours on the ‘dark side’ and considered them to be acceptable. Further along the scale, beyond the ‘dark side’, are behaviours which could be described as being from the ‘black side’. These behaviours included campaigns and lies spread about individuals through to the more severe destructive, bullying and harassment. Individuals attempted to discredit each other, sometimes by spreading misinformation about others’ work or about particular events and in some cases these attempts were successful. In most cases the intended beneficiary of this behaviour was not the organisation but the perpetrator.
5.3.4 The interviews

It is important to note that the current study was an added focal point for many of the participants already involved in the restructure. This added focus by its very nature, involving as it did interviews and observations, created additional awareness in participants of their roles and behaviours.

The process of interviewing the participants brought into focus the issues of change management, its theoretical underpinnings and the process of implementation. Having been interviewed on a topic had an impact on the thoughts and behaviours of the participants in the general work setting. The leaders in most cases, expressed in the interviews their personal views on the process of change management, and continued to point to the theoretical benefits of the restructure in the workplace. This articulation of the theory on change management provided the participants with an opportunity to set the principles for implementing the change management process in the workplace. Unfortunately many of the models put forward in the interviews appeared to be largely based on simplistic principles.

Involve the staff by setting a direction and review as you go to make sure things go to plan (Interviews and Conversations 2006).

On reflection, a reason why some of the change management models discussed were linear and simplistic may have been that the participants in the planning phase made a determination that these types of approaches were the right and safe ones to place in an official plan. In other words, terms such as consultation, respect, honesty, clear directions were all considered safe and politically correct phrases and jargon which are used in any written documentation. This may be one reason why correct language whilst but the observed behaviour did not match the rhetoric.

Diary Note

It would be a best seller if the plan contained some ‘real thoughts’ on the process.
Take Mr X’s job, make his life miserable, go against what the Unions want, lie, cheat and steal to give me an advantage etc etc. Great reading but nobody would readily put their name to it. A career-limiting plan in all senses of the word.

Of interest, the ‘dark side’ of change processes discussed in the interviews was not subsequently discussed or articulated by any of the participants in other workplace meetings. The leaders interviewed had expressed their views on the restructure and the change management process which included their thoughts on the dark side of management. When the issue of the dark side of change management was raised in subsequent meetings, the topic was a ‘no go zone’ with it remaining as a more personal hidden issue. As the researcher, while I had knowledge that people did and had articulated a dark side, I felt that I could not breach the confidential nature of the interview process and discuss these in the more public meetings. After the meetings I was approached by at least two of the leaders separately.

*I was not going to mention how I would really deal with it (change management) in that meeting, stick with what looks good on paper (Interviews and Conversations 2006).*

*I hope you realise that the bullshit theory will have to do for the meetings. You know what I have said. Nothing has changed but I am not risking my thoughts be known (Interviews and Conversations 2006).*

The non-disclosure of the behaviour and intent did not appear to be a symptom of people being dishonest, but rather an indication of the mores of the workplace which considers the topic of the dark side of management as unmentionable in public and politically incorrect to discuss in a work setting. As the leaders were not able to openly acknowledge the potential dark side it remained a covert behaviour. The responses make it difficult to reconcile the theoretical implementation plans with the thoughts that drove the actual behaviour of the leaders.
Throughout the interviews and the conversations it became apparent that the staff were not immune from also exhibiting a dark side. If the leaders had been able to articulate their own thoughts and openly discuss their dark side with their staff, it may have been a beneficial process as the acknowledgment could have made the behaviours and reactions of their staff more predictable. In the planning phase of the change management process there was a belief expressed by the leaders that the staff would behave in a predictable and mostly positive manner. The rationale for this prediction was that providing staff with information and a logical argument would mean that the staff would work productively and cooperatively with the leaders to ensure that the change process occurred. This level of what can only be described as naïve thinking existed in the leadership group and in denying their own dark side, managers may not have realistically considered that others would utilise dark tactics to promote themselves or exploit particular elements of the change process to further their own needs. One other possible explanation of the thought processes of the leaders was that they may have actually believed that the restructure process was a positive event and that it would not have any negative consequences for the organisation. This was a naïve thought process but certainly a small minority of the leaders firmly believed in the restructure as a positive event that should not be questioned or resisted.

The level of deviance and resistance by the staff and some of the leaders was not planned for in the initial phases of the change management process. The process of change was seen by leaders as linear, with the focus of the planning being on the role of the leaders rather than being planned for from the perspective of the staff and their associated trade unions. It was assumed that a well written plan would allow for a trouble-free linear change management process. The planning process was conducted from a singular perspective by a singular group of like-minded leaders who were unwilling to publicly acknowledge their own dark sides and negative thoughts on the restructure. If the plan had been designed from a multi-focal perspective then it may have reflected and predicted some of the issues and behaviours of the staff, which may in turn have led to a design that was less linear. In general, the plan relied on the assumptions that all persons involved were altruistic and agenda free. The current study demonstrates that these assumptions are totally incorrect.
5.3.5 Phase 2 – The restructure has commenced

Once the initial meetings and planning had occurred the local services prepared for the change management processes to commence at their particular level. The changes occurred level by level – for instance, if a staff member on Level 3 was affected by the restructure, changes to their position did not commence until all the changes were complete at Level 2. From my observations it appeared that each level of the area organisation made no attempt to learn from the experiences of the level above it or to alter the process of implementation. There was no formal process of examining the patterns or trends that emerged as the process progressed. This lack of examination and interpretation of the change management process at each individual level had the effect of limiting the process to being linear in nature. Examination of systems of this kind from the perspective of chaos theory suggests that it is advisable to have a planning process that is adaptable and able to alter as the process unfolds.

I don’t want to know the detail, just the agreed outcome. If I get drawn down into the detail then I am not effective in making the overall issue occur. Set the outcomes and if others agree, then make sure that they achieve these outcomes. I don’t need to know how it is done (Interviews and Conversations 2006).

My role is strategic – set the direction; your role is to deliver, and I leave the planning up to you (Interviews and Conversations 2006)

From one end of the spectrum, quotes from the staff on change:

Easy to say; hard to do. Do they [managers] ever think of how complicated this is and what it means to us on the ground? (Interviews and Conversations 2006).

Might be a great idea but it will never work in reality (Interviews and Conversations 2006).
You can tell a bureaucrat made that up; it will never work in a clinical setting – good in theory, bad in practise. It’s in the detail the bureaucrat never has (Interviews and Conversations 2006).

At the other end of the spectrum:

Let me know what I have to do and I will get on with it (Interviews and Conversations 2006).

Management knows what it wants and has to do, so why don’t they just tell us so we can get on with it? (Interviews and Conversations 2006).

The change is going to happen anyway, whether I agree or not, so just make the changes (Interviews and Conversations 2006).

In relation to the building of relationship capital, the leaders actively used the period between planning (Phase 1) and the restructuring (Phase 2), to converse with other leaders, managers and staff, usually in the service delivery area in which their new area of control was to be. When questioned on this process the responses were varied:

It is an obvious and vital step to get known and to build bridges and relationships with people. If I don’t get the job, then no harm done but it gives me a head start. I know and they know [other managers] that we need each other to work (Interviews and Conversations 2006).

I used this time to gather inside information and to find out what is wrong in the service so I know what to fix. If you have a problem and it is the first thing I fix then this will give me a head start and make me look good (Interviews and Conversations 2006).

But others did not think this process was appropriate:
Some worked the room and the system. I preferred to wait and see who got what job and then get to know them (Interviews and Conversations 2006).

Absolute crap. Shook a lot of hands but if you don’t get the job you look like a fool. How many people do you see trying to gain an advantage? Just not my style, it’s fake’ (Interviews and Conversations 2006).

While there are different styles and timing, all those interviewed acknowledged the manner in which the relationships affected their working lives:

I hate it, it’s not my natural style but you need to have a working way with others in the system (Interviews and Conversations 2006).

Now that I have moved I have to move my loyalty. Having a way of working is important and I now have new managers around me who I need to get on with (Interviews and Conversations 2006).

Never forget where you come from and who your friends are, but whose hand are you shaking now, they can make or break your work future (Interviews and Conversations 2006)

Diary Note
All is fair in love and war, if you win. I saw people talk the rhetoric and process all the way up until the time that they did not get a position or promotion in the organisation. From the observations it seems to be that people are happy to go along with things but always reserve the right to bring out the dark side.

Dealing with human nature means dealing with the human.

It appeared that the participants did understand the value of positive work relationships and they fostered or expanded these at different times during the restructure process. As to the types of relationships and with whom they were formed, these appeared to be based on personal rather than organisational plans.
All participants in the current study acknowledged that relationships required fostering and building in preparation for and during the change management process. Participants viewed the work environment as so competitive at the time that the restructure was announced that this level of personal relationship capital was treated as almost ‘confidential information’. How the participants gathered data and received information was viewed as personal or confidential. This included protecting their sources of information. In this competitive world of management, people had their own networks that they did not readily share. Relationship capital in this context was used as a method of gaining an advantage or to ensure that the leader’s level of influence was not diminished.

5.3.6 The ‘yes but no’ syndrome

A further observation made during the restructure was of the practice of agreeing to changes without any intention of implementing them. I observed workers and leaders agree to structures and processes, but when the consultation and agreement process was complete they reverted to previous methods of operating.

The behaviours described above could be simplistically labelled as passive-aggressive behaviour and may reflect the underlying belief system of the participant. During a change management process, not knowing the fundamental belief systems of the individuals involved may leave the behaviour of the staff unchanged despite any in-principle agreements which may have been reached.

*Have they heard of the phrase ‘passive-aggressive’? Don’t worry I will be seen to be doing the right thing but in my own timeframe*  
(Interviews and Conversations 2006).

Another factor discussed by the participants that had an effect on work relationships was the issue of ‘work distance’. Work distance is the distance measured through hierarchy or tiers within the structure of the organisation that separated people, for instance there is a greater work distance between a person on tier 1 and tier 4 than between a person on tier 1 and tier 2 of the organisation.
Work distance was shown to affect relationship capital, which was perceived to be higher the closer the work distance. As the hierarchical work distances lengthened, the relationship capital was reported as being less. This appeared to be logical as the participants communicated more with their immediate bosses, with the next level on a more infrequent basis and with the level above, only once or twice a year. Pictorially this can be shown in two ways, with relationship capital being higher the larger the number on the graph:

**Graph 1: Relationship capital of a staff member with other staff.**

* The vertical access measures the perceived relationship capital as a percentage (%)
-R/C represents relationship capital
Graph 2: Relationship capital from a manager’s perspective.

* The vertical access measures the perceived relationship capital as a percentage (%)
- R/C represents relationship capital

Whilst it is not suggested that relationship capital could be measured as precisely, linearly or simply as it is shown in the graphs, it was reported in a numerical manner when rated by the participants. There will always be exceptions and outliers and as indicated in the theory of the ‘small world’ phenomenon there are friendships, relationships or other factors that explain why some participants not closely linked in work distance have a high relationship capital.

5.3.7 On relationships and leaving

During my time of acting in the Level 2 position, which involved direct responsibility for the local restructuring process, I formed relationships with other employees. When I ceased to occupy this position, these relationships changed. These changes are explored below in some depth as they provide an example of how quickly relationship capital can adapt and change.
The detachment from the role of leading the restructure occurred easily, which came as a surprise. This raised the issue of the depth of the relationships that had been formed in this role as the relationship capital only appeared to last for the immediate period for which I was in the role. I did ponder the shallowness of the relationships and questioned whether the relationships were formed to service the ultimate goals of the restructure or whether the relationships were based on something firmer.

The question of whether the relationships in a change management process are like other relationships such as marriage or friendship was discussed with participants. Does a work relationship carry the same levels of commitment and ties as other social or emotional relationships and are these work relationships built on trust and honesty or just on a work needs basis? To answer this in part, I re-interviewed some of participants who had ‘accepted’ new positions in parts of the organisation that they originally indicated they had little or no relationship with. The questions asked explored their reasons for accepting these positions.

The interviews found that the level of responsibility, the salary and the work conditions –for example, not being on-call, overrode the relationship issues. There was a belief that new relationships could be formed and made workable. Participants expressed a belief that they could form these relationships with those who were once seen as the opposition.

_Its like rugby league, one year you play for a team but if you swap over to, say, the Roosters, your loyalty goes to the new team (Interviews and Conversations 2006)._ 

_I know it will be different now that I am on her team; before I was an outsider but now I am an insider so my relationship with her should get stronger than before (Interviews and Conversations 2006)._ 

Reflecting on relationship capital in the work environment, it may be like sport, where people do change sides and form new bonds. It is human nature to do so. One of the major issues in the changing of sides and the effect it had on
relationship capital was the issue of who decided the person was going to change sides. In the secondary interviews, those who decided to move themselves did so with more control over their destiny and in the interviews indicated a greater desire to keep the existing relationship with the part of the organisation they had left as well as developing a new relationship to their new part of the organisation. In the interviews where the person was forced to change sides, the level of desire to keep a relationship with the previous management was much lower and in some cases the participants no longer wanted any relationship and were actively hostile towards previous work relationships:

I have been let go and betrayed (Interviews and Conversations 2006).

This resulted in what was described as a ‘divorce’ from one part of the area organisation but interestingly, the strength of their relationship to the new part of the organisation was also expressed as far less than if they had chosen this new career path for themselves. The formation of new relationships in the new work environment was also described as limited. These participants were cautious; they had been psychologically traumatised by their experiences and as a natural human reaction had become hostile and then withdrawn. The existing workers in the part of the organisation in which they are placed were also observed to be slightly hesitant to form a relationship with the new worker.

Diary note

The process is similar to introducing a new pet into the home. The intruder is viewed with suspicion and hostility and takes time to become a member of the pack. Human behaviour at times mimics those of the animal world, which is no surprise as we are part of it.

Returning to my own experience, shortly before I had completed the acting position at Level 2 within the area organisation I experienced a level of detachment from the workplace and the staff with whom I had worked. The detachment was not an indication of displeasure or separation; rather it was a recognition that the relationship had changed. There are points in the detachment process where this was more obvious, such as the level of attendance by the staff
at meetings and while no harsh words were spoken, the completion of tasks by the staff diminished. There was a realisation that my effectiveness in the position had diminished due to my imminent departure. I became ineffective in change management, the importance of the relationships I had formed in the position as part of the change management process had diminished and therefore the ability to use these relationships had also diminished. It was apparent that the level of respect had not diminished. Rather, it was simply the fact that I was no longer going to be on their team and nor were these staff going to be on my team.

Relationship capital was observed and does exist in a work context. Participants indicated, and observation confirmed, that staff were willing to engage in the change management process and adapt to new methods of working based on relationship capital.

_If they [the Leaders] think it is alright I will follow (Interviews and Conversations 2006)._ 

5.4 The dark side

This section of the discussion reports on the responses and observations that can be considered as the dark side of the change management process and the behaviour and attitudes of the staff and leaders. It contains the following sections:

5.4.1 Bad men do what good men dream
5.4.2 Control
5.4.3 Power
5.4.4 Fear
5.4.5 That’s what we leaders do
5.4.1 Bad men do what good men dream

Robert Simon (1996), a forensic psychiatrist, wrote a book entitled *Bad Men Do What Good Men Dream*, in which he examined the minds of rapists, stalkers, serial killers and psychopaths. In essence the book described the degree to which people act out in these violent and destructive ways and how these possibilities are contained in all of us. He states that good men and women have bad dreams and dark impulses that they keep under reasonable but not perfect control and that few among us are saints (Simon 1996, p. 313). It is not being suggested that the leaders in the current study have a dark side as severe as a person with criminal intent. However all, according to Simon (1996), have the ability and the potential thoughts. Therefore, in the observations and enacting of behaviours and responses it is little wonder that the dark side may emerge. The phrase ‘the dark side of leadership’ was used by Manfred Kets de Vries when describing the behaviours of leaders (Dearlove 2003) and to describe a range of psychological/ psychiatric conditions that may be part of the makeup of leaders. In his list of conditions he includes narcissism, the Monte Cristo complex and delusions.

One of the major complicating factors in a change management process is the human factor, which has emotions, motives and non-altruistic reasons for being involved in change. From the conversations and interviews it became obvious that the changes were accepted or engaged in for a multitude of reasons and often these reasons were not the same as those the organisation gave for implementing the restructure. As found by Ariely (2008) honest people cheat and when tempted they are willing to be a little dishonest regardless of the risk. Ariely found that the level of cheating increased when the reward was not a cash reward, and he found that non-monetary exchanges allowed people a greater psychological latitude to cheat. Participants in the current study were no different.

One of the more significant views expressed by the leaders interviewed was their belief that they had a ‘managerial or leadership’ duty to enact the changes and deliver the outcomes of the restructure. In order to deliver the outcome and to demonstrate or maintain a level of control, some of the participants appeared to take a less than conventional approach to the change management process. During
the interviews the participants indicated their awareness of the theoretical components of change management. However their observed behaviour was not consistent with the views they expressed.

Although some participants were initially reluctant to discuss the issue of any negative thoughts or actions in a change management process, there was recognition by all participants that the way in which they conducted themselves in the restructure process was not ‘textbook’ in process or outcomes.

_Telling others the truth will give others and advantage in the process (Interviews and Conversations 2006)._  

Essentially, people involved in the restructure process had their own fears, desires and insecurities. The participants interviewed in Phase 1 were at that time uncertain of their own future employment and at the same time had to participate in the change management process to produce the outcomes of the restructure. Participants had to sell the message of the restructure that they themselves were part of and were affected by. In order to maintain an advantage during this phase there was a perceived need, according to some of those interviewed, to be deceptive and not allow others to fully understand the process and the issues associated with the restructure and the change management process

_To keep in front I don't tell people all I know, they don't need to see my fear and possible outcomes (Interviews and Conversations 2006)._  

From the conversations with clinical staff, it was apparent that they were aware of and understood the concept of the dark side and the deals, motivations and reasons for why information and people were treated in a particular manner by the leaders.

_For them as managers it’s all about the power: the power of knowing what is coming and the power of not letting us know (Interviews and Conversations 2006)._
The leaders don’t think we know but we can tell when they are lying and not telling us the whole story. The way the managers are, they don’t tell you everything (Interviews and Conversations 2006).

It was not surprising that the staff understood the notion of the dark side as they also articulated the use of the dark side of behaviour during the restructure process as a way to advance their own interests. They were not passive pawns used by the leaders and often this appears to have been the reverse with the staff being more manipulative than the leaders. Some of the staff openly admitted, usually after the change management process was complete, that they were able to alter the change process in order to meet their own needs or to promote their particular clinical needs or field of interest.

Diary note
It appears that all manner of people use the dark. This should not be a surprise as in our everyday lives we manipulate and reframe to suit our circumstances and to place us in the best light we use the dark side. People are still people at work; they just might be more subtle about how they operate.

From the interviews there emerged four main categories of reasoning or rationale for the use of the dark side in the change management process. These could be broadly categorised as: control, power, fear, and what managers do. Each of these broad categories is discussed separately.

5.4.2 Control

A tactic discussed by some of the leaders was to provide limited information to the staff in an attempt to maintain power and a sense of control. This behaviour led to an increase in the degree of suspicion and lack of trust between the staff and the leaders. The issue of information management was observed as an important aspect of control. The issue of who knows what information, and where the information came from, was an important issue that at times led to and bred suspicion. Of interest during the interviews were the interactions described by the concept of the ‘small world’ phenomenon, as some of participants interviewed
indicated that they had connections and the ability to gain information from sources other than the leaders. Within the state and area organisations there appears to have been many people connected via work and personal relationships and this allowed people to gather information from a number of independent sources, often at a level higher than that provided by their leader. This ‘small world’ phenomenon was acknowledged by the participants with many of the leaders also acknowledging that the staff were able to access information from different sources.

*Some staff seems to know more than me; it’s hard to know who to believe and where information is coming from (Interviews and Conversations 2006).*

*At this time all information gets a run, people seem to find sources for information (Interviews and Conversations 2006).*

Leaders indicated a desire to remain in control of their work environment. This generally for two related reasons: firstly so that they could appear to be in control of the situation and secondly to actually remain in control. The rationale provided for this cognitive process was that the staff would continue to follow them because the staff felt that their leader remained in control. The first reason was self-centred and the second was staff-centred. Dwyer (2006) indicates that the simplest way for a leader to lose control of a change program is to allow the rumour mill to develop and then grow. The leader and their team will inevitably be caught up in reacting to rumours, thereby reducing the time they can spend on the consultation process that is considered to be the building blocks of change.

### 5.4.3 Power.

*Information is power (Interviews and Conversations 2006).*

To some participants the statement above appeared to be an absolute. If people have information they have power because information is knowledge and
knowledge is power. Participants expressed the simplistic notion that whoever has the most information on the restructure must by virtue of this fact be the most powerful.

*He who knows the most wins (Interviews and Conversations 2006).*

*To have information gives you an inside running and knowledge – it puts you in front of the pack, it gives control, it gives an edge* (Interviews and Conversations 2006)

*If I know the timing of events and who is who in the zoo at the time, then I have an advantage (Interviews and Conversations 2006)*

*To know anything is more power than knowing nothing (Interviews and Conversations 2006).*

What participants determined as important knowledge were issues such as, when was an event to commence, what are the rules to that event, and who was controlling or organising the event. An example provided was the displacement and redeployment of people within the area organisation. Participants were aware of the what was to occur as this information was part of a government circular available to all staff. It was the ‘who and when’ it was to be applied that was important. Participants felt that if they knew the starting point and the focus of the organisation on particular issues then they would hold some level of power due to this knowledge.

Interestingly, the timing of information flow was at times no more than a few minutes between the leaders and the staff but it was viewed as important as to who had this information first. With the provision of an email system to most employees in the area organisation, information flow was rapid and the staff were able to gather information from a number of points within the system. The participants indicated that if their level of knowledge acquisition was only a few minutes faster than that of the staff then it appeared to satisfy the principle that information is power.
I received it first that’s all that matters. Like kids you only have to be one step in front for them to think you know everything (Interviews and Conversations 2006).

5.4.4 Fear

The observations revealed that one of the most obvious but less articulated aspects of the restructure was a sense of fear. The ‘what will happen to me’ response was common in many of the participants. Participants tended to draw on simplistic ‘friend or foe’ battlefield-type scenarios. Who the participants could rely on for information and for the provision of support for job opportunities and promotion was important and their fear drove them at times to form relationships on the basis of who they thought could provide these things. The observation and reporting of fear was a significant and common response.

An interesting phenomenon that was acknowledged as being a factor in the workplace was relationship capital based on fear, ‘fear capital’. This fear was described as the fear of the unknown or the fear of being excluded from a position or a team. In some instances this fear led people to form work relationships with people who were previously described as ‘not my cup of tea’. Participants clearly articulated that a work relationship could be built and maintained with a person they did not have a liking for. It was difficult to change the work environment and positions within the organisation but it was described as harder to not have a permanent place of work.

I get on with them because I have to; I form a relationship to not be excluded and to gather some form of job security. It’s not hard to do; you have to survive (Interviews and Conversations 2006).

Another element of relationship capital based on fear was observed when a particular leader was feared by participants. However, it was the fear of the leader’s behaviour that led to relationships being formed. Retribution and
personalised insults such as belittling and scorn make people fearful of being the recipient of the behaviour and through the formation of a relationship with the leader the participants believed they gained some protection.

*Even if we don’t like a person there is an element of attachment as ‘they are the boss and you don’t want to get offside with them’ type mentality (Interviews and Conversations 2006).*

*In order to survive we have to show loyalty to the leader, especially in times of change as the leader can make or break the change for us (Interviews and Conversations 2006).*

A further aspect of relationship capital based on fear was the moving of staff by management within the restructure to demonstrate the negative consequences of not agreeing to the restructure process. Staff who were vocal in their disagreement to the restructure were moved and used as an example of the ability of the organisation to industrially finalise the change management process and the restructure. It was change by fear, and in the strong words of one participant,

*It is like and military organisation – that is, they begin to execute people until the others see it our [the organisation’s] way and an agreement is reached (Interviews and Conversations 2006).*

While the words used are very strong no extreme level of this behaviour was exhibited. However, the issue of persuasion and coercion was applicable to some situations. What was of interest to the current study was the ease with which this happened in a work situation and how easily it was accepted by all parties as just a work issue or practice.

One of the observations of relationship capital was the level of shallowness or survivor mentality in the relationships that are formed at work. It appeared that relationship capital at work is a different construct than in other areas of our lives such as the relationships with family and friends.
As the process of change commenced, so did the alliances and the building of work relationships within the area organisation. All of the leaders interviewed in Phase 3 indicated that they had fostered a stronger relationship with the person who was appointed to a leadership position above them at the expense of relationships with previous leaders. Participants were also aware of the potential and perceived work practice of promoting those with whom there was an existing relationship.

*I understand the person and the way they do the job so it makes it easier if I employ that person in that job. I know what I am getting* (Interviews and Conversations 2006)

It appeared that the fear of not being provided with potential promotional opportunities required participants to change relationships. Fear of not being provided with information drove them to form new relationships in order to obtain this information.

*I want to know, need to know, I don’t want to hear it from my staff* (Interviews and Conversations 2006)

*I want to be seen and remain in charge. Therefore I need to have as much information as possible* (Interviews and Conversations 2006).

*Information is power and I want the power, and my staff expects me to have the power and information* (Interviews and Conversations 2006).

5.4.5 That’s what we leaders do

From the interviews and observations, some of the behaviour of the leaders in some situations can only be described as ‘acting in the way they thought a leader should act’. The tough, decisive, in-charge type was outwardly displayed, however it was underpinned by the perception that behaviours such as deception,
untruthfulness and dishonesty were tolerated in the change management process, especially if the outcomes required from the restructure were achieved.

*I tell staff what they want to hear rather than what they need to hear (Interviews and Conversations 2006).*

*As a manager I have to act as a manager and at times this means not telling the whole truth but staff know that (Interviews and Conversations 2006)*

*I use external bodies and reference groups to get change. I use the external group to influence the system rather than try it internally, and they [the organisation] usually listen to external experts first’.*

(Interviews and Conversations 2006)

Clearly the staff suspected or realised that the leaders had access to additional information that they were not providing to the staff. During the conversations staff indicated that this behaviour, while not desirable, was the way in which the organisation functioned and so it was expected.

*I know I can’t be told everything (Interviews and Conversations 2006).*

*I understand that at times managers can’t tell us all they know. That is just the game we play – I know you know (Interviews and Conversations 2006).*

Many of the staff spoken with indicated that they had access to additional information and used these sources to converge information and gather additional information. Staff articulated that additional information was at times provided by leaders whom they had a close work relationship and understanding with. This behaviour of the staff in being able and confident to find other sources of information gave them a greater sense of control and ability to understand the process and outcomes required by the restructure. This independent accessing of
information was interpreted by the staff as lessening the perceived power of the leaders and lessening the fear they themselves had of the process.

The advent of the technological age brought with it the ability to access detailed information quickly and easily. The introduction of the internet and email allows information and data to flow at a much higher speed and in greater volumes than before. The ability of organisations to limit access to information, such as restructuring plans and outcomes, is now more difficult. Staff are able to access information from many more sources and in greater detail than ever before. The management plan for the current restructure did not anticipate this. At times the technology was used to provide positive and orchestrated information, for example by the selective release of positive information at a time and pace set by the leaders. What was not anticipated was the ease with which information that was not directly provided or promoted by the leaders was available and distributed. It was observed that information that was ‘confidential’ appeared to be sent to others on a regular basis through the email system. What should be taken into account in the planning of a change management process is the ease with which all information flows and the organisation should not attempt to restrict access to information it disseminates.

5.4.6 Phase 3 - what did the organisation learn?

The restructure was not undertaken as a learning exercise. However, during the process of change many organisations take time to reflect and learn from the process. The state and area organisations will restructure again and therefore any learning from the current restructure would have some currency for the implementation of any future restructures. A further benefit of a debriefing may be for the leaders to explore and contemplate their roles and behaviour in the process. Within the area organisation there was no overall debriefing or post-restructure learning exercises in preparation for any future events. There was a strong reluctance to go over the issues and whilst participants had produced
outcomes there was little willingness to examine the process that resulted in the achieving of those outcomes.

The corporate knowledge of the restructure process was vested within a limited number of individuals. Most of these people have relocated to other positions or places of employment. The only corporate learning left in a hard copy form are the databases of people who were redeployed, or who had priority of employment and the formal agreements reached with the industrial organisations. These documents were the outcome of the process rather than the content and actions taken throughout the restructure and will not serve as learning tools for the future.

For some participants any postvention learning exercise was seen as a negative as the events were still too fresh and the participants were unwilling to discuss them in a more open forum.

_We are still trying to rebuild, trust, team morale and clinical governance for the staff. The changes go on and it’s not over_  
(Interviews and Conversations 2006)

For others it more personal

_Another one over with and I survived (Interviews and Conversations 2006)._

_It’s over why go back? The next one will not be the same (Interviews and Conversations 2006)._

_Why would you want to rake over the ashes of discontent?_  
(Interviews and Conversations 2006)

Participants indicated that they did not want to re-examine events or have a postvention exercise. Observed in other individuals involved in the restructure was the behaviour and thoughts that any retrospective examination of the events was a waste of their time. Their view was that the particular job or process was
complete and therefore keep moving forward. For others any public non-
discovery of their dark side and real thoughts on the process of change remains a
comfort.

The level of crap I had to sell and the way in which I had to do it
makes me just want to move ahead (Interviews and Conversations
2006).

You knew the process was not right and people got hurt, but I had to
do it. I am not proud of that but would do it again to survive
(Interviews and Conversations 2006).

Participants may themselves have changed through the process of the restructure
by reflecting upon their reactions and the manner in which they coped with
events, however many did not want to acknowledge any changes in their
leadership style. This may lead to the conclusion that people can be exposed to
many different ways of working. However many of those interviewed appeared to
retreat to their natural leadership style which they perceived as having worked
before. Survival is a strong instinct.

Has the organisation learned new leadership styles or changed existing ones?
Firstly, in such large organisations there is a tendency to have a hierarchical
management structure with an assumption that those at the top are the leaders. No
obvious changes to the hierarchical leadership structure of the organisation were
evident at the completion of the study. It appears that the organisation required
and maintained a hierarchical structure.

The more people participate in decision making the more they own the
issues and the less leaders are seen to be the problem when it goes
wrong (Interviews and Conversations 2006).

It’s like a group hug – they feel good but does it make a difference in
the long run? Managers need to manage, so let them [the staff] feel as
if they are making decisions but as long as they are making the right
decision (Interviews and Conversations 2006).

Let the staff make the decision but if you can’t persuade them to make
the decision you want, you should not be in management –it’s your job
(Interviews and Conversations 2006).

As the researcher and the person conducting part of the change management process there were many points of learning. Firstly, the process of change management deals with people and these people have many agendas and thoughts on a process that are not necessarily articulated at the beginning or during the process of change. People do have their own ambitions and desires, which are mostly not attached to the organisation’s needs. However, the organisation and the person often require one another for survival. The level of compliance during the change process may simply be a factor of economics as people need work and work needs the people.

While some researchers indicate that change is constant and that we change every day, and therefore conclude that people don’t mind change, I observed that people don’t mind change if they have some certainty and know the direction of the change process. In addition, at some level the change has to suit the individual. Lastly, people accepted change because they had to; it paid the bills and they had limited choices.

Change, while it appears to be happening every day, is an expensive item. If the real cost of change, including factors such as lost productivity, lost workforce motivation and lost worker commitment were taken into account then it may change our thoughts on change. Rarely does it seem that all the costs are taken into account before a change process is embarked upon.

People are very resilient and ‘move on’ from a process of change quickly. Most of the participants have adapted and moved on with their work. Most, having had their say, and having won or lost, appear to have progressed and left behind the restructure process.
5.4.7 So why don’t organisations learn?

It would be harsh, but mostly true, to say that little was learnt. The state organisation had a process plan, and the area organisation developed a communication plan but neither plan was able to be adjusted for new learnings. As this overarching planning filtered down throughout the area organisation the detail and local service planning appeared to diminish. At times an almost passive approach of waiting to see how a service would be affected and then reacting to the situation was evident. At the point within the restructure were the most detail should have occurred, and where the process of change management should have been implemented to inform the outcomes of the change process, the planning ceased. The areas within the service delivery settings in which staff were most affected could have been the areas were the most useful change management process could have occurred. This would have allowed the service delivery staff an opportunity to work through the changes and provide alternatives and different perspectives on the effect of the changes and the process to be undertaken to achieve the changes. This would have resulted in a change management process rather than the symptom management process that eventuated.

*Once it is over you don’t feel like going back. I would do things differently next time (Interviews and Conversations 2006).*

I then asked this participant what they would do differently and they replied:

*I would protect my staff more. I would be less reliant on the timelines provided and I would position myself better when it came time to look at my job (Interviews and Conversations 2006).*

And someone whose needs were not well catered for in the restructure:

*The whole process leaves a bad taste. I did nothing wrong and was moved. Next time I would be more active with the union and I would not be led by the rhetoric and timelines of the smokes and mirrors. You*
need to realise people are attached to jobs and this affects people badly (Interviews and Conversations 2006).
Chapter 6
The Discussion:
What the findings may mean

The literature review sections and the findings of the study indicate that there were some similarities between previous research and the findings of this study. This section aims to reflect on both the literature and the findings in a discussion of viewpoints or theories that could add to the ongoing dialogue on leadership and change management.

6.1 Change management

To refresh, the definition of change management in simplified terms is, a systematic approach to dealing with change, both from the perspective of an organisation and on an individual level. Nickols (2000) claims that change management has at least three aspects: adapting to change, controlling change, and effecting change. Whatever theoretical model is used, the core notion of change management is a proactive approach to dealing with change. Nickols’s model demonstrates a proactive and managed approach to change.

The definition above indicates that the desire to be proactive and the attempt to have some control over the change that is occurring are essential the elements of change management. It is essentially to attempt to ‘manage’ the change process. Many of the approaches examined in the literature imply a process or set of steps that could be used to assist in the management of change. From the literature reviewed these include:

- the linear approach of Lewin (1951)
- the phase models of Cumming and Huse (1989) and Bullock and Batten (1985)
- the blueprint phase model for change of Kotter (1995),
• the adaptation, by Simons (1999) and Mento, Jones and Dirndorfer (2002)
• the inclusions and systems modeling approaches used by Useem (2001), Kouzes and Posner (2002), Senge (1990), Mead (in the 1920s) and Bateson (1970)
• the more recent complexity and chaos theories on change management described by Marion and Uhl-Bien (2007), Karl Popper (2004), Warren Weaver (1947) and Friedrich Hayek (1952), Litchenstein (1997), Shaw (1997), Higgs and Rowland (2005), and Snowden and Boone (2007).

These models have all added to the debate and knowledge on change management and the systems within which to view and orchestrate a response to the change occurring. All the theories or research listed deal with how change is perceived and then how it should be managed. Clearly, from the literature there is no one model or view that provides a clear manner in which to manage change. However, the constant is the belief that change can be managed.

The responses of the participants in the current study clearly demonstrate that there was a distinct desire to manage the change during the restructure and the participants displayed behaviours which can be attributed to the attempt. On reflection, it appears that there was an attempt by some leaders to use the three goals of change management described by Nickols (2000) – transforming, reducing and applying.

Firstly there was an observed behaviour of attempting to identify the differences between the desired state and the actual state. The leaders were intent to identifying the differences between the desired situation and the actual situation and then finding ways to minimise the differences (reducing goals). All the leaders put into place operations that effected the elimination of these differences, which were described as applying goals. These applying goals ranged from
consultation meetings through to formal planning and timelines for changes to occur. What is important is the actual formulation and application mechanism of the change which occurred with all the leaders. The leaders showed a desire to follow a formula or a set procedure to manage the change process. Whether they recognised or implemented the exact three-stage model as proposed by Nickols (2000) or used other methods or models, the important thing here is that all the leaders did attempt to plan and implement set strategies during the restructure and these can be described as an attempt at managing change.

In relation to the leaders’ attempts to follow some formula or coherent structure they appeared to undertake a systematic approach. To quote a comment made during the interviews that summarises the thoughts of most of those interviewed: *the theory is to have a clear goal, be logical and to be worthy. The next step is to work out the degree of consultation required* (Interviews and Conversations 2006).

Although it is based on old theories, a linear or hierarchical approach was adopted by most of the leaders in the organisation. It was evident from some of the steps and behaviours observed that the Lewin (1951) model of unfreeze, mobilise and refreeze still had some resonance with some leaders. Using a model that moves in sequential stages was utilised and seen as effective by some participants. This was apparent in a tier-by-tier approach to the restructure and the manner in which information was intended to flow and the actual change process which occurred in a sequential manner. Higgs and Rowland (2005) argue that managers continue to attempt to arrive at definitive solutions rather than to cope with the dilemmas of the change, and in a hierarchical public service, the linear approach still drives many of the processes used to manage the change. This statement by Higgs and Rowland (2005) was consistent with some of the behaviours observed due to the linear approach to change management that was adopted.

The literature reviewed indicates that there are many approaches, steps and supporting theories that have evolved in attempting to produce a model to manage change. This involvement of people in the change process, and the attempts by management to engage people in the process of change, were evident in the
current study. The involvement of people in the process of change is examined by John Kotter (1995) in the eight stages of change model, which includes phrases and actions such as ‘communicate the change vision’ and ‘empower others to act on the vision’. Systems thinkers such as Bertalanffy (in the 1930s), Mead (in the 1920s) Bateson (in the 1970s), Higgs and Rowland (2005) and Senge (1997) to quote a few, argue that change requires a process of consultation and involvement of others to be a success. The leaders in the current study attempt to engage people in the process which is consistent with social exchange theory, which indicates that when leaders engage in communication and share information with subordinates, the subordinates are likely to reciprocate by communicating more often and openly with superiors on a variety of topics (Burke et al. 2007). Consultation was important and seen as a necessary step by the leaders in the current study. Even in their comments and damnation of the consultation process – for example in comments such as consultation does not mean agreement; it is just a discussion prior to making a decision or comments such as we will consult but we may not change our minds (Interviews and Conversations 2006), there was a recognition that the process of consultation had to occur as part of the management of the change. The study indicated that the depth and meaningfulness of the consultation process varied but the consistent theme was that consultation had to occur even if it was just for the sake of the process itself.

Useem (2001) examines the model of ‘trickle up leadership’ and states that if people are too intimidated or too reluctant to help their leaders lead, then the leaders will fail. This model introduces the concept of the ‘team’ and an approach to change that involves people in the process of decision making and ultimately the design and implementation of the change. Kouzes and Posner (2002) find that the inclusion and recognition of the importance of people in the change process was paramount and Hill, Mackenney and Dickinson (2007) when examining the British public health system, indicate that public involvement should be part of the governance of all health and social care organisations and should involve people from the start of any change process and ensure they remain involved throughout the process. As stated in their research, don’t just ask people for their views and then exclude them from the rest of the process. The findings of their
researcher are confirmed in part by the current study as the leaders did involve and bring the staff with them through the change process. This was at times with a level of cynicism and reluctance but there was a clear understanding that consultation was expected both by those in higher management positions and by the staff and their industrial representatives. The whole system embraced, to some extent, a consultative and inclusive approach to change management without at times demonstrating an evidence base for this method of change management. The political correctness of having the process was the overriding factor for some. This is highlighted in the comment: We all play the game, the government, leaders and workers. Leaders engage because it looked like the right thing to do rather that it was the right thing to do. A process for the sake of the process (Interviews and Conversations 2006).

More recent theories such as complexity theories and the work on systemic cybernetics have reframed views of the individual in the workplace. This has led to the examination the individual in terms of the systems and the individual connections or relationships they have with others within the organisation. From the observations and interviews, it can be concluded that these approaches are not well embedded, understood or used by the participants in the current study. To many of the leaders interviewed these approaches carried a risk as there is a perception that using these systems approaches could be viewed as a deviation from accepted practice. Added to this is the level of justification that may have been required to take a complexity theory view on change in a hierarchical public sector organisation was deemed to be a risk. Leaders who were participants in the current study were concerned about others higher up in the organisation believing that they did not have control of the change process if they have adopted a view informed by complexity theory. This is because a complexity view involves observing and adapting to patterns rather than having a definitive process and outcome. There is a change management step-by-step process embedded in the minds and actions of the participants in the study that while at times not effective was still the ‘safe’ approach. The process of trying to manage the change is well entrenched in the leaders and there is a sense of having to have some control or management of the process so that the outcomes can be interpreted as being due to the actions of the leaders. The actual techniques and theoretical framework
behind each of the leader’s action varied and in many cases what appeared to be a linear process in fact adapted and changed as the actual change process developed and moved. Each change brought about a new linear strategy rather than an approach of allowing the change process to develop. The outcome of this was an ever-increasing tension and tightening of control. More and more control was imposed on the system to ensure the result required by the leaders. So what started out as a consultation process becomes a dictatorial outcomes-based approach to change management.

An explanation of complexity theory from authors such as Litchenstein (1997) and Shaw (1997) argues that changes in the type and nature of the conversations between the people in the system are the key that leads to the emergence of new behaviour. Higgs and Rowland (2005) indicate that the process of change is not linear but rather a complex set of interactions. This understanding was not evident in the behaviour of the leaders who wanted more control and ownership of the change process as opposed to allowing the change to have its own pathways and endings. Many of the conversations were about information gathering rather than information sharing. They were about control rather than a sense of leading to new positive adaptive behaviours.

Change management should have been a framework within which the participants were involved. Leaders and the staff felt they should have had a framework around the change as this would have assisted in controlling the change. The leaders in the current study were still quite fixated on the linear-type management of the change process. The staff equally wanted staged, organised and processes-driven change. This was in stark contrast to the reality as this could not occur in such a large work environment over such distances, geography, culture and time. However, the expectation of a linear process was strong on both sides. People wanted to be led and managed through a change process. It is worth reflecting that people were expected to lead and it was through this expectation of the staff that the leaders were given the imprimatur to lead. Leaders are not born; they are ‘expected’.
Part of the dilemma faced by organisations is the phrase ‘change management’ which by its definition has an expectation of a managed process. This proved to be unrealistic in the current study. There were outcomes that had to be achieved but the processes used to achieve these outcomes were as varied as the leadership styles and influences within the different work areas. In future, it may be worth lowering the expectations of a ‘change management’ process and being more accurate by describing of the work of the leaders and the managers as being more to do with ‘change outcomes’. That would to indicate to the staff the outcomes required are more important than the process of getting there.

The majority of the literature reviewed on change management relies on the traits, behaviours or actions of the leaders in the process of change. The literature reviewed is filled with words such as trust, honesty, and openness that are used to demonstrate good leadership skills and essential components of a change management process. In reality, relying on the individual in the process of change will hamper the use of more contemporary change management approaches. If the patterns are the focus of the change process then the individual becomes less important in achieving the success of the change and the change becomes less reliant on each individual. Previous research has shown that where the emphasis is placed on individual leadership there is a high failure rate of the change process. Higgs and Rowland (2005), Woodward and Hendry (2004), Strebel (1996), Kotter (1995) and Litchenstein (1996) all quote the high failure rate of change management processes. Griffith (2002) indicates that change management is a sham and he may be correct as the process should be more concerned with the outcomes rather than the individual in the process. The process of managing change may be obsolete. Instead, it should be the outcomes that are managed.

The process undertaken may have been a change process that was needed to be managed in order to produce the predetermined desired outcomes. To call the process a ‘change management’ process may be inaccurate as it was more a ‘change control’ process as the focus was on the control of issues as opposed to the management of the process. The use of the word ‘management’ and all that it implies, with consultation, conversations, choice and so on is not what occurs in many so-called change management processes but rather, these are change control
processes used to achieve the original outcomes and goals set prior to the undertaking of the change. The process in the current study was not a genuine change management process as it had some ‘givens’. Therefore, a change control process may be a more accurate description. This leaves one to consider what should be defined as a ‘change management’ process.

6.2 Leadership

A relevant quote on leadership comes from Kouzes and Posner (1995) who state, you cannot capture a river in a bucket and they believe the same can be said for leadership. We can investigate, analyse, and examine leadership, but in this endeavour we too often fail to capture its true essence. The literature review section in the current study on leadership and the observations and interviews clearly indicate that leadership styles are diverse and can be described and observed in a multitude of ways.

As previously stated, whatever has been written and said about leadership, it does exist. The current study clearly indicated that there were people within the organisation who took the lead on certain tasks during the restructure. In a hierarchical structure, such as the public service, these leaders were at certain levels within the organisation and performed a range of tasks with clear outcomes required. As described by Kouzes and Posner (1995) some people want to be leaders and see themselves as leaders, while others rise to the occasion. In either case they see what needs to be done and do it. The staff observed in this study expected leadership from their leaders and reported that their leaders were the people with the expected abilities to solve and move forward the agenda of the restructure. Natural leadership as described by Kouzes and Posner (1995) appeared to be more difficult to observe in the hierarchical managerial and leadership structure in the current study. The staff wanted to be led and have somebody guide and move forward the change process. It must be said this desire to have a leader arose for many differing reasons. Some staff wanted to be genuinely led, others wanted someone to blame and others wanted someone to
protect them. All these ‘wants’ could be reframed and placed into the expectations of the leader.

The study had a view, as stated in the opening review on leadership, that poor leadership may be a primary cause of the declining effectiveness of operational methods and strategies (Snyder, Dowd and Houghton 1994). This assumes that both good and bad leadership could be defined and replicated and that leadership was responsible for the outcomes of a change management event. The study did not observe one type of leadership that was more successful or that was more prominent. Rather it found that leadership styles and strategies are as varied as the leaders. These styles of leadership are at times deemed to be good or bad from the viewpoints of others, rather than being assessed according to the outcomes achieved. The viewpoints of staff were often very subjective and based on the needs and wants of the individual rather than the actual behaviour of the leader.

The literature on leadership is large and as demonstrated in the interviews, the list of words and phrases used to describe good leadership appears to be endless. The staff within this study had a strong sense of the role and function of leadership, even if they could not describe the steps required or undertaken, they could describe the overall action expected of themselves as leaders or of their leaders. This was often described as, the moving forward of the agenda, the resolving of issues and to manage the process. This expectation was noted in many of the interviews and conversations with comments such as: Leadership is who is in charge. I make the decisions (Interviews and Conversations 2006).

In examining leadership, many of the leaders noted that their leadership style was an extension of themselves. The literature indicates that leadership style is varied with many articles exposing the right mixture or qualities to have as a leader including work by: Carlyle (1841), Niles-Middelbrook (1974), Edelman and Hiltabiddle (2006), Covey (1989), Hoppe and Houston (2004), Kets de Vries (1997), Yukl (1998), Zaleznik (1977), Snyder et al. (1994), Robbins, Bergman and Stagg (1997), Stogdill (1991), Goleman, (1998), to name a few of the research authors who write on leadership styles. In their research they found a variety of styles and attributes of leadership. The style of the leaders was often
interpreted as an emotionally based assessment of the leader based on the perspective of the person observing the style, rather than an independently measured and judged style. This observation from the current study demonstrates that leadership continues to be observed and judged from the perspective of another person in the system who usually has their own needs and desires which makes it difficult to attribute leadership qualities to people other than through the perspectives and biases of others.

The perspectives of other people on the leader can be based on relationships. The range of early theories and thinking on relationships, such as leader member exchange (LMX) theory and transactional leadership all are based on a premise that the relationship or exchanges between the leader and the followers is a conscious process and the behaviour and relationship is understood and created at a conscious level. This level of consciousness in the relationship is questioned by authors such as Popper (2004). However, the current study demonstrates that the conscious thought processes in regard to psychological contracts and relationship capital clearly exist and these are conscious thoughts of both the leaders and the staff.

Some participants in the study had a preconceived idea of leadership, which usually was concerned with job completion. This is exemplified in the following comments: bastard style gets results today then I am a bastard or Give me the information and outcome that you want and I will give you a leadership style (Interviews and Conversations 2006). Kouzes and Posner (1995) describe this type of approach as ‘people are like tea bags, you never know how strong they will be until you put them in hot water’. The approach of some participants which was that to get the job done or to achieve a certain goal was the most important aspect of the change process rather than any regard for the process or sustainability of the outcomes. This was observed and discussed during the interview process.

The conducting of a process of consultation was observed and seen as a fundamental component of the work of the leaders. This was still the case even when the leaders did not fully believe in the process or its intended outcomes as
they (the leaders) still continued the process of consultation. This was interpreted by some leaders as a demonstration of good leadership as it involved a preconceived desirable process in relation to change management. The literature on consultation from authors such as Yukl (1998) and Reicher, Haslam and Platow (2007) indicates that the use of consultation in a change management process was crucial to the successful outcome and the involvement of others in the decision making process. Although some of the leaders did not believe in the value of the consultation process they implemented and continued the process in order to conform to the expectations of others.

In reviewing the leadership aspects of the change management process, there appears to be no singular set of leadership criteria that can be applied to the leaders in this particular restructure. Leadership remains a concept that is hard to define in terms of behaviours, style or values. The only certainty is that leadership existed and each leader saw their role in a different light, but most importantly they saw themselves as the leaders. In doing so each leader appeared to reframe and lead from their individual perspective or set of beliefs rather than from an organisational perspective. They often led with their own interests in mind.

In the change management process the success of allowing the individual parts of the area organisation to attempt change according to their own set of beliefs and values appears to have been more successful that having the larger state organisation’s visions and values being the focus. To reframe a popular notion – ‘you can take leadership out of the person but you cannot take the person out of leadership’. In other words, the personal traits and behaviours of the individual are often displayed in their leadership style. The outcomes required by the state organisation were set and so there was little risk in every leader having their own style as the end outcome has already been determined. The risk that the diversity of the leaders’ individual styles posed for the area organisation, and for the individual teams, was that mixed messages and pathways could develop and confuse the staff at a local level. The more senior in the organisational structure the leader was, the more important the theoretical aspects of change management became. The perception that the right steps were being undertaken, and that the outcomes were achieved was important to the leaders.
Osborn and Hunt (2007) in examining leadership and the use of complexity theory, note that many complex adaptive systems will naturally self organise to seek greater fitness in an uncertain world. The system itself can and has a desire to adapt to changes and if this is applied in conjunction with elements of swarm theory as described by Miller (2007), the overall health system has a desire to adapt to changes and does so automatically. It can be argued that the patterns of change are made by the swarm, the staff of the health system rather than by just a few decision makers, although not discounting the concepts and reality of personal or organisational power within the change process. More importantly, the end product would then be produced through the collective conscious of the swarm all moving in certain directions with an innate knowledge of survival. There was a clear understanding of the goals and outcomes required and while change management was undertaken, the absolute end product was defined. Therefore, what was proposed was that the pathways to the end could be created by the swarm. Swarm theory suggests that in a swarm certain behaviour is adopted and perpetuated throughout the swarm until the job is complete or the threat diminishes. In the same manner, the restructure can be dealt with by the swarm, and while the interactions and processes are complex, the staff in general terms move in ways that allow the outcomes to be achieved. Individuals within the swarm may disagree but as a collective the health staff moved in a direction that allowed the outcomes to be achieved.

The next question to consider is what is the role of the leaders if this approach of using a complexity model based on swarm theory of change is adopted? This study suggests, from the interviews and observations, that the leaders can commence a process for the restructure, similar to throwing a rock into a pool, but then the swarm deals with the ripples and moves in directions that make the process in the end orderly and able to reach its goals. The leader is no more than, but very importantly, a catalyst for the process of change. They play a role but the overall direction and outcomes are controlled by a larger mass of people who move in mostly predictable directions. It is the general workers, ‘the swarm’, who move in patterns that eventually allow us to make sense of the restructure.
In order for the swarm to operate and to be effective there has to be a mutual understanding and likeness. This is also part of the social psychology findings of Byrne (1961) in which he found that the three salient features of social interaction are proximity, familiarity and similarity. The more similar two people are in attitudes, background, and other traits, the more probable it is that they will like each other. As with animals, different species do not usually swarm together, so there needs to be a likeness in the herd and in this case it was being in the same organisation going through the restructure. In order to behave as a herd there needs to be some common understandings and communication systems, therefore, it is assumed, that to have a human swarm there has to be some commonality that binds the people together. It is proposed from this study that there has to be relationships between people in the swarm and that the relationship capital that exists motivates and contains the swarm to move in certain directions and as a result produces predictable outcomes.

Whilst individually people may not have agreed with the restructure or the change management techniques being used, the whole of the organisation continued to move in a fairly passive manner towards the new structure advised by the department and the senior leaders within the organisation. Some dissent and minor industrial actions occurred but even this level of dissent was not enough to move the whole organisation (swarm) from its intended outcomes. This behaviour is similar to the notions of social facilitation theory or crowd psychology originally described by Freud, Le Bon (1895) and Trotter (1914) that people in a crowd act differently as a crowd than they do as individuals.

To conclude this summary on leadership the findings of Kouzes and Posner (1995) are relevant. Leadership is not just about leaders. Nor is leadership about some position or place in an organisation or community. In today’s world of unrelenting changes in technology, marketplaces, organisational alliances, mergers and partnerships of increasing global competitiveness of accelerating diversity of ideas along with a rainbow coalition of individual backgrounds, beliefs, abilities, and experiences, of continuing reengineering of processes and
right sizing of organisations and flattening of organisational forms, leadership must be everyone’s business.

6.3 Relationship capital

The current study clearly indicates that the way in which the leaders managed and led was influenced by the relationships that they had with other people at work. The expectations of the staff of their leaders appeared to be based on previous knowledge, experience of the leader’s style and there was a genuine involvement in the maintaining of relationships that existed between the leaders and the staff. This has also been found in previous research such as that of Weymes (2003), Popper (2004), Seyda and Ulku (2007) and Stroh (2002). Others such as Wharton Executive Training (2008) find that the quality and impact of a person’s work, and the profitability of a business, depend upon relationships with customers, co-workers, and competitors; with suppliers, distributors, and support services; and with direct reports, senior managers and boards. The current study found that work relationships do exist and they are important contributing factors to the behaviour of the leaders and the staff during a change management process.

Stroh (2002) find that communication should be used to build trust, commitment and mutual satisfaction and mutual control of relationships with all the important stakeholders in the organisation and that building these relationships will provide a strong base for dealing with issues. Many of the leaders in the current study used communication in this way and attempted to continue to build their relationships with the staff.

The current study found that there were psychological contracts between leaders and staff. These psychological contracts demonstrated an expectation of the staff by the leaders that within the change process the staff loyalty or assistance would be ‘repaid’ in the restructure. Bossidy (2007), when writing on the expectations of leaders of their staff, writes ‘It’s well understood that the relationship between the boss and his or her direct reports are important ones and figure strongly in the
success of the team’. Kelleman (2007) finds that the ‘level of engagement’ is the determining factor in the follower being a follower of a particular leader. The current study supports the findings of both Bossidy (2007) and Kelleman (2007) that the relationships and the engagement of the staff are important to the leaders and to the outcomes.

In the workplaces observed for this study, relationship capital existed and was a factor in the decision making of people during the change process. There are psychological contracts that do appear to have influenced the decision making of the leaders and the staff during the change management process. Whilst it was difficult to know and understand the nuances of all relationships in the workplace, it was important to consider relationship capital in a change management event as it is a significant contributing factor.

The role and influence of the ‘small world’ phenomenon was a further factor considered in the study. There were relationships that existed between people throughout the organisation, towns and the state that had an influence on the decision making of the participants in the study. It is reasonable to acknowledge that this phenomenon does exist during a change management process. The difficulty was in the ability to deal with or influence these unknown factors in any particular measured and concise manner. In this respect, the more contemporary theories on change management such as complexity theory would allow for a much more flexible mode of change management and would be able to take into account, but not necessarily control, the issue of the ‘small world’ phenomenon. As the ‘small world’ phenomenon impacts upon the change process it should be the patterns that it creates which are dealt with and observed rather than the phenomenon itself.

While behaviours such as persuasion were observed, the study confirms what other have already observed and documented, which is that persuasion is a tool used during a change management process. As previously discussed, the work of Paul Preston (2005) Baldwin and Grayson (2004) Charbonneau (2004), Schein (1999) and Fatt (2002) all acknowledge persuasion as a tool that can be used as part of the process and is seen as an effective change management technique.
Persuasion was a technique used in the current study and this confirms some of the earlier findings.

6.4 The dark side

Contrary to the words, ‘there is no dark side of the moon really’, of a famous song by Pink Floyd – ‘Eclipse’ (1973), there is a ‘dark side’ and it is present in change management. Ignore it at your peril because the dark behaviour does indeed exist.

It comes as little surprise that there was an observed and reported dark side to leadership. What comes as a surprise is the venom and blackness that was evident in some of the responses and behaviours observed. Leaders showed a loathing and hate for the process, for those involved and at times for their own staff.

The depth of the dark side was interesting. Previous studies and research from Goleman (2006), Kets de Vries (1995), Hughes (1996) Jones (1997) Kramer (2006) Rooke and Torbert (2005) Maccoby (2004) Sinclair (1996) Coutu (2004) Kellerman (2004) Clements and Washbush (1999) Tedlow (2001), all indicate that people and leaders have a dysfunctional or dark side and have ulterior motives and rationales for their behaviour patterns. Ariely (2008) finds that even honest people cheat. However the behaviour of the leaders in this study was at times more dark that just cheating; it was at a level of producing fear, retribution and self promotion. The use of the dark side was described and rationalised by the leaders as a legitimate thought process and behaviour. It was described as acceptable by many of the leaders and by others it was seen as being, if not acceptable then at least understood.

The psychology of human interaction has demonstrated that leaders, like the rest of humanity, have a dark side and that the level of narcissism in leaders tends to be a significant factor that sometimes motivates people to lead. The leaders interviewed in this study did not have their behaviour analysed against psychiatric criteria as described in the DSM IV or ISD 10 criteria, which are both psychiatric
diagnostic tools. They were not leaders who had personality disorders or who suffered from delusions of grandeur or narcissistic tendencies, yet they were willing and did act in ways which could be considered to be bad, untruthful and deceitful. The list of negative characteristics that were observed and unearthed in this group of leaders was astounding. The rationale for this behaviour was always couched as being ‘for the good’ of the staff or the organisation, with a pretext that they, the leader, understood what was best for the staff and ultimately the way in which the restructure was presented and undertaken.

The dark side appeared to be used as a control mechanism, which may be an obvious statement, however it may reflect the way in which the leaders view change management. Change management is viewed as a methodology that can be prescribed to an event so that it can be managed and controlled in a way that produces predictable outcomes. If the leaders had adopted a complexity theory view of change then there may have been little need for a dark side to emerge as the patterns of behaviour in a complexity theory approach are important rather than the actual outcomes. There would be no need to manipulate, persuade and move people in directions. Rather, the change process itself would bring this about through its complex patterns and interactions. To consider this one step further, if the ‘swarm’ (the organisation’s staff) had also understood the techniques and manner in which change operated and moved, meaning that while the process was complex and was not controlled by the leaders, it was controlled by the intuition and/or genetics of the swarm. If this approach had been adopted then there may have been little need for the dark side of management to exist and operate as its impact would have been seen to be limited.

One of the compounding factors was the organisation in which the study occurred. It is hierarchical in its structure and management. The more hierarchical a structure, the more likely that control of a process is seen as both desirable and achievable. If the outcome of a change management process is viewed as achievable then the control of a process may be more important. If the control of the process is important then the use of control techniques such as the use of the dark side of management may be more frequently used.
6.5 Limitations of the study

The findings of this study are limited to the actual events and the environment in which they occurred. One of the limitations of this study is the ability to replicate the exact study, this is not possible. Similar events may produce similar findings but the exact study cannot be replicated. The findings are broad and are not meant to provide the definitive answers to the questions raised or the definitive response to leadership and change management. As discussed in the methodology section the study adds to the debate and literature rather than proving a particular theory or replicating certain events.

Broadly speaking, the study provides an insight into the issue of leadership in a changing environment. The study provides some thoughts and findings on the issues of psychological contracts, relationship capital and the notion of the dark side of leaders in a change management environment.

Future research should consider the ongoing development of the themes of relationship capital, swarm theory and the inclusion of a ‘chaos theory’ approach to change management. There are a number of additional themes and concepts which could be explored in future research, for instance psychological contacts, small world phenomena and ‘freedom without limits’ and their usage in the development of change management techniques and strategies. As society and organisations change so will the context in which a change management event takes place therefore ongoing exploration of newer concepts or sacred textualities will need to be considered and added.

6.6 Learnings

The first point worthy of note is the difficulty in defining a beginning and an end to the current study. The current study will never be finished as the observation and changes to human behaviours and reactions evolve and change as often as the systems surrounding them change. The current study was a small investigation
into the work lives of some leaders and staff. The work environments examined in the current study will change again and more than likely, so will the responses of those interviewed. The changes made to the area organisation by the restructure and the potential influence of the current study’s processes have no guarantee of remaining and not undergoing further change. If change is a constant then you cannot ask people to believe that ‘this current change’ is the permanent solution, as there will be further changes and further restructures. This in fact became the case with two components of the service undergoing restructuring as this is written.

While the outcomes of the restructure were important to achieve for the leaders, the reverence given to the change management process may be counterproductive in some situations. Given that the possibility of future changes being announced is high it would be more advantageous to reframe the current restructure as part of a process of continual change. The acceptance of the constancy of change could allow for it to be viewed as an ongoing non-highlighted or special process. The amount of planning and ‘noise’ involved in the announcement and subsequent change management process signalled to people that the change was a special event rather than an ongoing adaptation response to the changing environment. The more an event is normalised or contextualised, the lower should be the resistance to the process. The current overemphasis on consultation adds to the process of highlighting the change management process as different or special.

Many of the participants felt that the word ‘consultation’ was overused. There are many aspects of the restructure that could not be changed whatever the length and level of consultation. The identification of what factors can definitively be consulted upon and changed could lessen the process and improve the outcomes. Participants clearly articulated that they wanted to be informed as to what area of the change they could have a decision-making role in. In many instances this was very limited and yet the process of consultation was at times expansive.

The limiting factor in the proposal above is the political buying power the process of consultation has. To be able to demonstrate a process of consultation is often more important than any outcomes of the consultation. Again quoting Dick
(2005), what you do is probably less important than how well you justify it. Without a demonstrated consultation process the organisation and its leaders are left vulnerable to criticisms due to the fact that consultation is viewed as politically and morally correct and is expected to occur in current change management ideology.

While not suggesting that consultation should be abandoned in all its forms, the current study highlights the confusion as to the process, its depth and its expected outcomes. This is underlined by the dark side of the behaviour and attitudes of the leaders who misused the process. It could be more effective to narrow down the consultation process to include only those issues that the organisation is able and willing change.

It is worth reflecting on the overuse of the term ‘change management process’. In the current study the process was to produce an outcome which was known and predetermined. The change management process therefore was not to examine the changes and then adopt a best model of operating for the organisation; rather, it was to do with how best to implement the changes that had been decided on. The assumptions upon which this process was based are different to the assumptions in the more contemporary work on complexity theory and the examination of patterns and random events to bring together a process that creates and moulds the outcome as it evolves. The leaders may have examined, and may have wanted to take into account, these events and patterns. However, the ability to deviate from the set outcomes was very limited. Changes did occur, however the ‘management’ part of ‘change management’ was not related to these changes. Rather, the management part was often the managing of the consequences of the changes. The behaviours, attitudes and noise were the processes the leaders managed rather than the change process itself. It was a role of containment.
6.7 Conclusion

The study has been a journey which did not intend to prove or disprove certain theories on leadership and change management. The intent of the study was to add to the discourse and literature on the processes involved in change and the leadership strategies used. The study demonstrated that leadership can be described as everything and nothing. Traditional thinking on leadership appears to be a list of actions rather than a concept. The same can be said for change management – much of it is a list, a step-by-step, approach rather than the use of a more contemporary approach of fluidity, complexity and chaos. While being attractive, the ‘risk’ of using approaches which emphasise fluidity, complexity and chaos appears to be higher in a public service organisation based on a hierarchical controlled management structure.

Work relationships do exist and are used in change management processes. Therefore, they should be considered when dealing with change. People have psychological contracts and constructs that both hinder and progress change. If during a change process the patterns of change are considered within a chaos, complex and swarm theory framework, it may become apparent that the manner in which people react and deal with the change does have some predictability. Leaders should be encouraged to use these newer concepts to guide their change management approaches.

A significant amount of the research and discussions which examine leadership and change appears to be a series of words and phrases that are meaningless without the original context and environment within which they were produced. It may be more productive to disregard the lists and notions and deal with change as a complex issue in a complexity theory framework with an expectation that due to issues such as relationship capital, psychological contracts and the ‘small world’ phenomenon, changes may be more appropriately examined with these more contemporary perspectives in mind.
Without learning, the wise become foolish; by learning, the foolish become wise.

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8. Appendices

8.1 Appendix 1 – Information on the restructure

Reproduced below is the information from the NSW Health Public Website.

Starting with the Minister for Health’s message on the restructuring process to be undertaken and the rational for these changes.

The Health Minister's Message

The NSW health system is one of the best in the world.

To ensure that it continues to meet the highest possible standards, the NSW Government is committed to investing record resources in the state's public hospitals, almost $10 billion this year alone.

The health system is confronting many challenges - an ageing population, increasing demand for ever more costly services and chronic medical workforce shortages.

To help meet these challenges, the NSW Government is undertaking the most significant reshaping of health administration since 1986.

These initiatives will create a forward-looking health system that will build better clinical networks that can deliver enhanced services to communities across the state.

The reforms the Government is undertaking will create a more streamlined administrative structure that will unlock resources, which will be directed to frontline clinical services.

The first step is to combine the 17 existing Area Health Services to create eight larger Area Health Services.

This process will realise a number of benefits.

It will minimise administrative duplication, delivering additional funds for expanded clinical services. That means more resources dedicated to the work of doctors, nurses and allied health professionals.

It will link Areas that are experiencing medical workforce shortages with Areas where it is easier to recruit clinical staff, allowing improved distribution of
specialist medical positions into Areas that have traditionally had difficulty attracting specialist staff. Larger Area Health Services will also have greater capacity to attract specialist workforce.

It will also improve academic and teaching linkages between the Area Health Services.

The NSW Government recognises that community involvement in the health system is crucial and I am taking steps to ensure that clinicians and local communities are given a greater voice in health decision-making.

To do this, each new Area Health Service will be served by an Area Health Advisory Council, which will comprise community representatives and clinicians.

These Councils will provide direct input to the Area Chief Executive Officers and give a voice to the many communities who currently invest time and initiative in their local hospitals.

The Government will also establish a new body to be known as the Health Care Advisory Council.

This body will be the peak community and clinical advisory group in NSW. It will be required to provide advice to the Government on how the health system can best meet the current and emerging health needs of the community.

To do so it will draw on the expertise of 13 new Health Priority Taskforces. These Taskforces will bring together clinical, academic, community and consumer experts to focus attention on particular health challenges.

At the same time, NSW Health is embarking upon a significant change to the way it does business.

This involves creating a new body called HealthSupport which will provide the health system with corporate and business support services such as procurement of linen and food, warehousing and distribution. Savings achieved through the streamlining of these services will also be reinvested into frontline health services.

There will also be changes to the Department of Health. The Department will now be given a greater focus on strategic health planning and statewide clinical policy development and health system performance monitoring and improvement.

A consultation and implementation phase will now begin. I have appointed the Rt Hon Ian Sinclair and Wendy McCarthy AO to begin a process of travelling around NSW to conduct consultations with local communities and facilitate their involvement in the reform process.

I encourage everyone who has an interest or a view to express to embrace the opportunity to have their say.

Details on how to do that are contained in this booklet.
Meeting the growing demands of our health system is a complex task and no single initiative will provide all the answers, but the process we begin today will build strong foundations for the NSW health system for generations to come.

A General Overview

Health services in developed nations are under pressure.

Demand for health care is rising. The cost of health services is increasing. Community expectations about modern medical treatment keep going up.

Much of the pressure on health systems is associated with an ageing population and the development of new treatments.

In Australia, the proportion of people aged over 65 has been steadily rising and will increase dramatically over the next two decades as the 'baby boomer' generation reaches retirement age.

People over the age of 65 use hospital and health services at four times the rate of the total population.

The other factor placing pressure on the health system is the emergence of new treatments. As new medical technologies and medicines are developed, doctors and their patients expect that they should be made available through the entire public health system - often at considerable cost.

These factors are having a major impact on health systems throughout Australia and the developed world.

Governments everywhere, including NSW, are facing the challenge of keeping pace with this relentless increase in demand and maintaining the quality of health services.

The NSW Government's key objective is to maintain and enhance patient access to the health services they need. This means allocating the maximum funds possible from the health budget to direct patient care.

Health is the largest portfolio in the NSW budget, accounting for 27% of state expenditure. The health budget for 2004-2005, which stands at $9.97 billion, has increased by 7.6% since last year and 106% since 1995.

This major funding increase will support a program of reforms of the NSW health system over the next four years that will refocus the delivery of services on individual patient care. The NSW Health reforms for 2004-2008 are aimed at:

- Improving quality care and patient safety.
- Improving patient access to public health services.
- Ensuring the health workforce matches demand for health services.
- Improving the health of the NSW population
- Improving efficiency and reducing the costs of health administration.
• Meeting the increase in demand for mental health services.

Another key priority for NSW is the reform of arrangements between the Commonwealth and State Governments for the delivery and funding of health services.

The lack of effective coordination between State and Commonwealth governments currently leads to overcrowded emergency departments, waste and inefficiencies. This inevitably impacts on the quality of patient care.

Consideration was also given and the ability to provide back consultation at a State level was available

**Consultation with Clinicians and Community**

The reforms of health administration will give doctors, nurses, allied health workers and local communities a greater say in health decision-making.

A Health Care Advisory Council (HCAC) will be established as the peak clinical and community advisory group to set future directions for the NSW health system. The HCAC will provide advice to the Health Minister and the Director-General.

At an Area level, Area Health Advisory Councils will be established by law to strengthen clinical and community involvement in the planning and delivery of local health services.

Under the old Area Health Service structure, clinicians were represented by only one member on the Area board. Under the new administrative structure, the Area Health Advisory Councils will include a number of clinicians from a range of disciplines to elevate clinical input into local health decision-making from across the Area.

**New peak clinical and community advisory council**

The Health Care Advisory Council (HCAC) will be the peak clinical and community advisory body on health in NSW and will replace the existing Clinical Council.

The HCAC will have a wide membership, including the Chair of the Clinical Excellence Commission, the Chair of the NSW Health Participation Council and senior practising clinicians. It will be supported by the following Health Priority Taskforces:

• Aboriginal Health
• Acute Care
• Child Health
• Chronic, Aged and Community Health Care
These taskforces will provide advice on policy directions and service improvements, channelling the thoughts and opinions of community members and clinicians. The work of the Greater Metropolitan Transition Taskforce established under the Government Action Plan for Health will move to a new phase as the Metropolitan Clinical Taskforce. The Taskforce will work with the Area Health Services and will be supported by a series of clinician-led sub-specialty based groups.

**New Area Health Service governance structure**

Clinician and community involvement in health system governance will be strengthened at a local level through the formation of Area Health Advisory Councils.

The Advisory Councils will be established to give doctors, nurses, allied health workers and local communities more say in how local health services are provided. The Councils will advise the Area CEO and are intended to strengthen clinical and community involvement in the planning and delivery of health services.

The establishment of Area Health Advisory Councils is intended to build on existing consumer and community participation structures at a local level and not replace them.
The Area Health Advisory Councils will be established under the *Health Services Act 1997*. Members will be appointed by the Minister for Health. Meetings of the local Advisory Councils will be attended by Area CEOs.

Generally, the proposed role of the Councils will be to:

- Obtain the views of clinicians, patients and the community about the accessibility, quality and safety of the health services provided by the Area Health Service, ensuring that appropriate local consultation mechanisms are in place.
- Incorporate the views of clinicians, patients and the community in the planning, delivering, monitoring and evaluation of health services provided by the Area Health Service, including the Area Clinical Services Plan.
- Work with the Clinical Excellence Commission to promote the delivery of safe and quality clinical services based on best available evidence and the most clinically and financially effective models.
- Report to the community and clinicians about Council and Area Health Service activities to improve health service accessibility, quality and patient safety.
- Provide advice to the Health Care Advisory Council about Area Health Service activities that may have statewide implications for the delivery of accessible, quality and safe health care services.
- Monitor the Area Health Service's performance in promoting and establishing clinical networks.
- Monitor the Area Health Service's performance in relation to major health initiatives and annual clinical and consumer performance targets based on key performance indicators (the 'dashboard' indicators).
- Develop a two-year work plan for approval of the CEO.

It is proposed that Advisory Council members receive sitting fees, determined with reference to Advisory Council remuneration rates under the Premiers Department June 2003 *Guidelines for NSW Board and Committee Members: Appointments and Remuneration*.

**Clinicians and community to be consulted**

The Minister for Health has established a *Clinical and Community Advisory Group* to consult with clinicians and the community on the functions, terms of reference, composition and operation of the Area Health Advisory Councils.

The *Clinical and Community Advisory Group* will consist of prominent community representatives including the former Federal MP, the Rt Hon Ian Sinclair AC, Wendy McCarthy, AO. The *Advisory Group* will also include clinicians from metropolitan and rural areas and some representatives of existing Area Health Boards to ensure effective transition. The *Clinical and Community Advisory Group* will conduct consultations with clinicians and the community about:
The functions of the proposed Area Health Advisory Councils.
The composition and operation of the proposed Area Health Advisory Councils.
How the functions and operation of the proposed Area Health Advisory Councils will assist in ensuring that the principles of consumer and community participation as outlined in the *Framework for Managing the Quality of Health Services* and the NSW Health and Equity Statement *In all Fairness - Increasing Equity in NSW* health across NSW can be addressed.
Exploring the linkages between existing Area clinician, consumer and community participation structures (including Area Health Service Quality and Clinical Councils) and the proposed Area Health Advisory Councils.
Exploring the linkages between the HCAC, Clinical Excellence Commission and the Area Health Advisory Councils.
The ongoing role of the Health Participation Council given the changes to statewide and Area clinical and community participation structures.

**How to have your say**

Clinicians and local communities are encouraged to respond to the proposal for the functions, terms of reference, composition and operation of the Area Health Advisory Councils outlined in this document.

The *Clinical and Community Advisory Group* will hold meetings in metropolitan and country locations across the state over a period of two months following the announcement of the new structure. Meetings will be held at a number of venues across NSW including:

- Albury
- Bathurst
- Bega
- Broken Hill
- Dubbo
- Gosford
- Lismore
- Newcastle
- Port Macquarie
- Queanbeyan
- Tamworth
- Wagga Wagga
- Wollongong

Locations for meetings will be advertised in local media outlets and on the NSW Health website.

You can also respond to the proposals concerning the functions, terms of reference, composition and operation of the Area Health Advisory Councils by writing to:
What effect will the changes have on clinical services?

One of the major aims of the restructure of health administration in NSW is to deliver more resources to frontline clinical services. The savings generated by the restructure will be directed to enhance funding for doctors, nurses and allied health workers and the services they provide.

Each new Area is required to develop a Healthcare Services Plan to map the future of delivery of health services, marshalling and utilising the resources of each hospital in the Area for the benefit of the entire region.

The strengthening of clinical networks within and between Areas will build more collaborative clinical linkages between developing Health Services and established Services. Each new Area Health Service is to contain at least one major teaching hospital, or will have strengthened clinical and teaching links with major teaching hospitals in other Areas.

This will assist in supporting clinical staff and promoting greater consistency in the planning and management of clinical services. It will also help to reduce existing barriers to the integration and coordination of clinical services.

The changes in health administration will result in significant enhancements to direct patient care, which will create expanded employment opportunities for clinical staff. The changes will also give doctors, nurses and allied health workers a greater say in the planning and delivery of health services.

How will additional funds be directed to frontline health services?

The process of streamlining administration and introducing more efficient arrangements for corporate and business services, such as procurement, warehousing and security, will fund additional clinical services in each Area.

The savings achieved in each Area through this administrative streamlining will be allocated to direct patient care services in local health facilities, which will create additional employment opportunities for clinical staff.

What effect will the changes have on community volunteer groups?

The role and activities of community volunteer groups will be maintained under the new structure. The relationships that volunteer groups have with particular hospitals and/or health services will continue.
All funds donated for specific hospitals or health services will be retained for that purpose.

The funds will be held in trust by the new Areas in the same way that they have been held in trust by existing Area Health Services.

**What impact will the restructure have on health employees?**

The process of streamlining administration and reducing duplication within the health system will result in a reduction in administrative positions over a period of approximately 18 months.

This will occur in consultation with health service unions.

The changes in health administration will result in significant enhancements to direct patient care, which will create expanded employment opportunities for clinical staff.

NSW Health intends to redeploy employees who are displaced as a result of the restructure to other positions for which they have relevant skills and experience, or for which they can gain relevant skills after reasonable training.

For displaced employees who are unable to be placed within their Area Health Services, potential placement within the health system and the NSW public sector will be pursued. The Department will establish a process for the statewide co-ordination of placement of displaced staff within the health system and liaison with the Public Employment Office on placement within the broader NSW public sector.

Where an employee is redeployed to a position with a different classification, the employee will derive his or her conditions of employment from the award and/or determination covering the new classification. Redeployed employees will retain or have all entitlements (eg, annual leave, long service leave and sick leave) transferred in accordance with the provisions of the Public Sector Employment and Management Act 2002, Transferred Officers Extended Leave Act 1961, relevant awards, determinations and Department circulars.

To assist staff who accept placement requiring geographical relocation, the Health Administration Corporation will be making a determination, which provides for the meeting of certain relocation costs, subject to certain conditions for those employees whose relocation arises from the restructure.

Redeployment should preferably be to a position of equivalent grade. Where the employee is substantively appointed to a position of lower grade, salary maintenance provisions will apply. Voluntary redundancy may be offered where redeployment is not practical. There will be no forced redundancies.
How will the changes affect corporate and business services?

The process of streamlining administration and introducing more efficient arrangements for corporate and business services will fund additional clinical services in each Area. The process of reforming corporate and business services will take time to finalise and will be implemented in consultation with health service unions.

The new arrangements are aimed at replacing the numerous individual systems for functions such as procurement, warehousing and security, with statewide or region-based shared services models.

The savings achieved through this administrative streamlining will be allocated to direct patient care, which will create additional employment opportunities for clinical staff.

Initiatives to implement the NSW Health priorities 2004-2008 include:

**Clinical excellence and patient safety**

The NSW Government has committed an additional $60 million over four years to further improve the standard of quality and safety in the health system.

Key initiatives include the establishment of a new Clinical Excellence Commission in 2004 to guide system-wide reform and improvements in quality and safety.

The Commission has new powers and responsibility for providing a clearer focus on patient care through development of a uniform system to ensure safety and quality standards across the NSW health system.

The Commission is responsible for conducting state-wide quality audits of NSW hospitals. It will also have the role of engaging expert clinical teams, as required, to address quality issues within the health system.

Other initiatives include an advanced incident monitoring system to monitor and measure safety standards across the state. The monitoring system will help to improve the reporting and management of incidents at a local, regional and state level.

**Improving patient access to public health services**

Providing improved access to health services, with a particular emphasis on older patients, is a key priority for the NSW Government.

The Sustainable Access Plan developed by the NSW Department of Health, is designed to enhance access to services by:
Providing additional capacity equivalent to 1000 new beds to meet the winter increase in demand for care and 'transitional care' beds for older patients waiting for nursing home placement;

Introducing an Access Block Improvement Program at nine metropolitan hospitals with busy emergency departments to identify and remove causes of delays in admitting patients to hospital.

Additional funding of $57 million has been allocated this year for measures to speed up hospital admissions, and a further $35 million has been allocated to reduce waiting lists.

**Ensuring the health workforce matches demand for health services**

NSW is developing a Workforce Action Plan, covering the entire health system, which addresses issues relating to the supply, distribution, education and skills of the state's health workforce.

The Plan is aimed at developing a more flexible workforce with less rigid role definitions. The key elements of the Plan are to:

- Ensure workforce distribution matches demand for health services
- Develop innovative approaches to health education and training
- Use best practice in workplace assessment and planning.

The objective of this approach is to establish the NSW public health system as the health employer of choice.

Other health workforce initiatives include the establishment of new physician training networks, which come into effect in 2004. The networks, which have been established by NSW Health and the NSW Medical Training and Education Council, will address shortages of clinicians in outer metropolitan and regional NSW. Another priority workforce issue is the fast-tracking of medical specialist training networks.

NSW will maintain its efforts to increase the numbers of nurses in the public health system. There has been an increase of more than 2600 nurses in NSW over the last two years. NSW nurses now receive the highest pay rates in Australia.

**Improving the health of the NSW population**

Improving the health status of the NSW population is a continuing priority for the State Government.

Life expectancy in NSW is among the highest in the world - second only to Japan - but some health issues need particular attention, including aboriginal health, drug and alcohol abuse and obesity.
One of the key aims of NSW Health is to prevent illness, injury and disability and improve access to health services across the state.

This focus on what is known as 'population health' involves developing strategies to improve the health status of the community as a whole through health education and illness prevention. Improvements in population health have the potential to reduce demand for hospital care and related services.

NSW Health is implementing initiatives to focus on cannabis treatment and youth drug detoxification. It is addressing alcohol abuse through the development of an Alcohol Clinical Services Plan and an Interagency Alcohol Communications Taskforce.

NSW Health is also the lead agency in implementing the *NSW Government Action Plan for the Prevention of Obesity in Children and Young People 2003-2007*, which includes implementing strategies to promote healthy diets and lifestyles for children.

The State Government is addressing the needs of disadvantaged groups in the community, such as low-income earners, Aboriginal and Torres Strait Islander Peoples, single parents and refugees, through implementing the programs outlined in *In All Fairness - NSW Health's Health and Equity Statement* and the whole-of-government *New Ways of Doing Business*.

Another population health priority is the establishment of the NSW Cancer Institute, which has been allocated funding of $205 million over four years to support cancer research, enhance prevention and early detection programs and commission best practice cancer treatment programs.

**Restructure of NSW Health Administration**

In 2003, at the request of NSW Health, the Independent Pricing and Regulatory Tribunal (IPART) conducted a review of health administration in NSW.

The review recommended streamlining health administration and reducing duplication between the Department, Area Health Services and hospitals. It also recommended improvements to accountability in the administration structure and increased clinician and community involvement in health service decision-making processes.

The restructure of health administration, to commence today, will involve amalgamating the existing 17 Area Health Services into 8 larger Areas.

The restructure will include the establishment of a Health Care Advisory Council as the peak clinical and community advisory group for the Health Minister and Director General. Clinical and community involvement in health system governance will be strengthened through the formation of local Area Health Advisory Councils.
The new structure will enable continued improvements to health service delivery, facilitate the integration of support services, streamline management structures and reduce administrative costs. Together with new arrangements for corporate and business support services the changes to health administration will deliver savings of approximately $100 million a year, which will be redirected to frontline health services. (NSW Health 2005)
# 8.2 Appendix 2 Leadership Dimensions of Winton and Patterson (2006)

## Leadership dimensions

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| **1. Encouragement** | **Encourage the heart** *(LPI Leadership Practices Inventory; Kouzes & Posner, 1995)*  
   | **Support** *(Ragins, 1989)*  
   | **Cheerlead, support, and encourage more than judge, criticize, and evaluate** *(Blanchard, 1996)*  
   | **Provide encouragement needed for continuous improvement** *(Fitz-enz, 1997)*  
   | **Encourage and reinforce** *(Wilson, George, Wellins, & Byham, 1994)*  
   | **Improves self-encouragement and mental skills** *(Dinkmeyer & Eckstein, 1996)* |
| **2. Risqué** | **Takes risks** *(Napolitano & Henderson, 1998; Bradford & Cohen, 1984; Wilson, O'Hare, & Shipper, 1990)*  
   | **Risk taker** *(KA-I; Shaskin & Burke, 1990)*  
   | **Ability to take risks** *(Cain, 1998)*  
   | **Make tough decisions** *(Cain, 1998)*  
   | **Seize opportunities** *(Bradfore & Cohen, 1984)*  
   | **Making and taking risks—creating opportunity** *(Taffinder, 1997)*  
   | **Seizing chances when presented** *(Cox & Hoover, 1992)*  
   | **Personal risk** *(Conger & Kanungo, 1998)*  
   | **Experiments and takes risks** *(Yeung & Ready, 1995)*  
   | **Take initiative beyond job requirements** *(Bergman, Hurson, & Russ-Eft, 1999)* |
| **3. Active** | **Fast** *(Cox & Hoover, 1992; Kanter 1995)*  
   | **Participate actively** *(Kent & Moss, 1990)* |
| **4. In front** | **Be first** *(Cox & Hoover, 1992)*  
   | **Symbolize company to the outside world** *(Deal & Kennedy, 1982)*  
   | **Enhance the company’s image** *(Heskett & Sclesinger, 1996)*  
   | **To go before** *(Richardson—New Dictionary of the English Language, 1844)*  
   | **A guide** *(Buzzan, Dottino, & Israel, 1999; Cox & Hoover, 1992; DePree, 1989; Edinger, 1967; Naisbitt & Turbene, 1990; Richardson—New Dictionary of the English Language, 1844; Rost, 1993)*  
   | **Conductor** *(Richardson—New Dictionary of the English Language, 1844)*  
   | **Represent the organization** *(Plachy, 1987)*  
   | **Control actions** *(Cox & Hoover, 1992)* |
| **5. Feedback** | **Provide feedback** *(Staub, 1996)* *(SMP)*  
   | **Giving feedback** *(Dinkmeyer & Eckstein, 1996)*  
   | **Focus on strengths** *(Dinkmeyer & Eckstein, 1996)*  
   | **Provide specific and frequent feedback to improve team performance** *(Kanter, 1995)*  
   | **Remain open to criticism** *(Gastil, 1997)* *(Smith, 1996)* *(Kanter, 1995)*  
   | **Advocates feedback** *(Napolitano & Henderson, 1998)*  
   | **Observe themselves-feedback** *(Smith, 1996)* |
| 5. Trust | Build trust (Kouzes & Posner, 1995)  
Builds trust by reducing fear (Ryan & Oestreich, 1998)  
Trust subordinates (Smith, 1996)  
Trust associates (Smith, 1996)  
About trust (Bennis & Goldsmith, 1997)  
Trust (Ulrich, Zenger, & Smallwood, 1999; Wilson, George, Wellens, & Byham, 1994)  
Trusting staff to deliver (Essex & Kusy, 1999) | Inspires trust (Bennis, 1997)  
Generates trust (Bennis, 1997)  
Develops trust across a network of constituencies (McGee-Cooper & Trammell, 1995)  
Creates an environment that encourages trust (Deming, 1986) |
|---|---|
| 7. Flexible | Flexible (Kanter, 1997)  
Flexible about people and organizational structure (Maccoby, 1981)  
Conceptual flexibility (Heskett & Selesinger, 1996)  
Principled flexibility (Stauff, 1996) |
| 8. Inform | Information sharing (Daft & Lengel, 1998; McGee-Cooper & Trammell, 1995)  
Share information (Bergman, Hurson, & Russ-Eft, 1999)  
Inform every employee (Barnes, 1996) |
Partnerships (Daft & Lengel, 1998)  
Perceives others as part of the same whole rather than as separate  
Goal for people to feel a sense of belonging to something bigger and more important than just an individual job (Daft & Lengel, 1998)  
Possesses willingness and ability to involve others (Schein, 1992)  
Elicit participation (Schein, 1992)  
Ability to convince others—including those you cannot interact with face-to-face to support you (Sadler, 1997)  
Helps people to see themselves as components in a system (Deming, 1986)  
Connects people to the right cause (Murphy, 1996)  
Create enthusiastic support for the goals of the business (Fitz-enz, 1997)  
Strategic alignment (Heskett & Selesinger, 1996)  
Break down barriers (Shelton, 1997)  
Partnership building (Essex & Kusy, 1999) (Daft & Lengel, 1998)  
Feels personal value comes from mentoring and working collaboratively with others (McGee-Cooper & Trammell, 1995) |
| 10. Togetherness | Reduce barriers by encouraging conversations (Daft & Lengel, 1998)  
Break down barriers between departments/people (Shelton, 1997)  
Encourage openness (Bradford & Cohen, 1984)  
Promote openness (Barnes, 1996)  
Synergizes stakeholders (Murphy, 1996)  
Seeks synergy (Napolitano & Henderson, 1998)  
Build group synergy (Buzzan, Dottino, & Israel, 1999)  
Builds an sense of unity (Daft & Lengel, 1998) |
| 11. Clarity | Increase clarity and agreement (Bushe, 2001)  
Refine our perception of what we aspire (Chatterjee, 1998)  
Perceives-defines-expresses reality (DePree, 1989)  
Demonstrate extraordinary levels of perception and insight into the realities of the world (Schein 1992)  
Clear objectives (Cox & Hoover, 1992) |
|---|---|
| 12. Lead the way | Formulate and define purpose (Bernard, 1938)  
Leaders are in front of those they lead (Grint, 2000)  
The head of the firm (Fairholm, 2001)  
Knows where it is going (Munroe, 1997)  
Focused (Kanter, 1997)  
Determination (Cox & Hoover, 1992; Meyer, House, & Slechts, 1998; Snyder, Dowd, & Houghton, 1994)  
Determines where business is going with broad internal and external objectives (Timpe, 1987) |
| 13. Coordination and collaboration | Concerned with transformation of doubts into cooperation (Long, 1963)  
Foster collaboration by promoting cooperative goals (Kouzes & Posner, 1995)  
Collaborators (Cox & Hoover, 1992; Kanter, 1997)  
Brings out people’s abilities to coordinate (Jacobson, 2000)  
Gets people to move along with him/her and each other with competence (Jaques & Celmint, 1994)  
Causes others to act or respond in a shared direction (DuBrin, 1997)  
Champions of cooperation-understanding-knowledge (Waitley, 1995)  
Collaborative and interdependent (McGee-Cooper & Trammell, 1995)  
Coordinator (Quinn, 1988)  
Advocate partnering and collaboration as preferred styles of behavior (Fitz-enz, 1997)  
Understands benefits of cooperation and losses from competition (Deming, 1986)  
Build collaborative relationships (Napolitano & Henderson, 1998) |
Build teams (Bradford & Cohen, 1984; Crosby, 1997; Ulrich, Zenger, & Smallwood, 1999)  
Build self-managing teams (Bridges, 1996)  
Team builders (Ragins, 1999; Snyder, Dowd, & Houghton, 1994)  
Build a team spirit (Harning, Alexander, & Heaton, 1999)  
Build relationships with people (O’Conner, 1997) |
| 15. Achieves | Achievement (Downshome, 1994; Stogdill, 1950)  
Makes things happen (Harris, 1989; Namus, 1989; Sadler, 1997)  
To cause progress (Cox & Hoover, 1992) |
| 16. Creative                      | Creative (Bennis & Goldsmith, 1997)  
|                                  | Creative and innovative ability of work force will help their company break away from the pack and remain competitive in global economy (Buzan, Dottino, & Israel, 1999)  
|                                  | Creative thinking (Harung, Alexander, & Heaton, 1999)  
|                                  | Creativity indefinitely (Buzan, Dottino, & Israel, 1999)  
|                                  | Is an original (Bennis, 1997)  
| 17. Innovative                  | Innovate (Bennis, 1997)  
|                                  | Develop fresh ideas to long-standing problems and open issues (Snyder, Dowd, & Houghton, 1994)  
|                                  | Innovating (Bennis & Goldsmith, 1997)  
|                                  | High level of innovation (Cox & Hoover, 1992)  
| 18. Fresh Thinking              | Think in new and fresh ways (Lombardo & Eichinger, 1997)  
|                                  | Brings the organization out of the box (Jacobson, 2000)  
|                                  | Capacity of a human community-people living and working together to bring forth new realities (Senge, 1990)  
|                                  | Initiating (Bennis & Goldsmith, 1997)  
|                                  | Developing perceptual alternatives (Drinkmeyer & Eckstein, 1996)  
|                                  | Open mind that welcomes the novel and unusual ideas (Schem, 1992)  
|                                  | Ignite innovation (Corbin, 2000)  
|                                  | Meet the challenge of oneself to improve (Lombardo & Eichinger, 1997)  
|                                  | Make improvements continuously (Barnes, 1996)  
|                                  | Greatest effort and most insightful thinking (Wadsworth, 1997)  
|                                  | Conceptual skills (Bennis, 1997)  
|                                  | Uses intuition and foresight to balance fact-logic-proof (McGee-Cooper & Trammel, 1995)  
|                                  | Stays current with emerging trends (Napolitano & Henderson, 1998)  
| 19. Problem-solver               | Solve problems that arise (Murphy, 1996)  
|                                  | Acknowledge problems openly (Barnes, 1996)  
|                                  | Urge consideration of counternintuitive alternatives (Lombardo & Eichinger, 1997)  
|                                  | Avoids role of chief problem-solver (Smith, 1996)  
|                                  | Sound analytical and problem-solving skills (Cox & Hoover, 1992)  
|                                  | Make decisions that solve problems (Bergman, Hurson, & Russ-Eft, 1999)  
|                                  | Initiation of acts that result in consistent pattern of group interaction directed toward solution of mutual problems (Hemphill, 1949)  
| 20. Customer                    | Exhibit strong customer orientation (Yeung & Ready, 1995)  
|                                  | Focus on customers (Barnes, 1996)  
|                                  | Visualize the business through the customers eyes (Heskett & Sclesinger, 1996)  
|                                  | Respond to customer needs (Bergman, Hurson, & Russ-Eft, 1999)  
| 21. Character                   | Character that inspires (Montgomery, 1961)  
|                                  | Character (Bennis, 1997; Danzig, 1998; Donnithorne, 1994)  

<table>
<thead>
<tr>
<th>22. Plans/guides/directs</th>
<th>Demonstrates personal character (Ulrich, Zenger, &amp; Smallwood, 1999)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide guidance (Staub, 1996)</td>
<td></td>
</tr>
<tr>
<td>Mobilize to shared aspirations (Kouzes &amp; Posner, 1995)</td>
<td></td>
</tr>
<tr>
<td>Influence shared direction (Seeman, 1960; Shartle, 1956)</td>
<td></td>
</tr>
<tr>
<td>Establishes direction (Conger, 1992)</td>
<td></td>
</tr>
<tr>
<td>Directing activities of a group toward shared goals (Hemphill &amp; Coons, 1957)</td>
<td></td>
</tr>
<tr>
<td>Development of a clear and complete system of expectations (Batten, 1989)</td>
<td></td>
</tr>
<tr>
<td>Act in ways that results in others acting or responding to a shared direction (Shartle, 1956)</td>
<td></td>
</tr>
<tr>
<td>Process of arranging a situation (Bellows, 1959)</td>
<td></td>
</tr>
<tr>
<td>Articulate strategy (Yeung &amp; Ready, 1995)</td>
<td></td>
</tr>
<tr>
<td>Giving direction (Jacobs &amp; Jaques, 1990; Mileham &amp; Spacie, 1996)</td>
<td></td>
</tr>
<tr>
<td>Sets the purpose or direction (Jaques &amp; Clement, 1994)</td>
<td></td>
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<tr>
<td>Direct and command (Cox &amp; Hoover, 1992)</td>
<td></td>
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<tr>
<td>Sets clear and agreed goals (Eales-White, 1998)</td>
<td></td>
</tr>
<tr>
<td>Set standard of performance (Deal &amp; Kennedy, 1982)</td>
<td></td>
</tr>
<tr>
<td>Planning and organizing (Managerial Practices Survey)</td>
<td></td>
</tr>
<tr>
<td>Regulate the course (Rost, 1993)</td>
<td></td>
</tr>
<tr>
<td>Call forth authentic action in response to issues (Terry, 1993)</td>
<td></td>
</tr>
<tr>
<td>Determine strategy (Moxley, 2000)</td>
<td></td>
</tr>
<tr>
<td>Make things happen (Harris, 1989; Namus, 1989; Sadler, 1997)</td>
<td></td>
</tr>
<tr>
<td>Bias toward action (Bennis, 1997)</td>
<td></td>
</tr>
<tr>
<td>Employs dynamic planning (Napolitano &amp; Henderson, 1998)</td>
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<thead>
<tr>
<th>23. Understands skills of followers</th>
<th>Knows the work of subordinates (Donuthorne, 1994)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Skillful deployment of personal qualities (Pettigrew, 1988)</td>
<td></td>
</tr>
<tr>
<td>Takes responsibility for knowing-understanding-enabling the creative people in the organization (DePree, 1989)</td>
<td></td>
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<tr>
<td>Discover-unleash-polish diverse gifts (DePree, 1989)</td>
<td></td>
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<tr>
<td>Guide the organization (Wadsworth, 1997)</td>
<td></td>
</tr>
<tr>
<td>Guides a traveler/hand that leads/head that conducts (Crabb, 1839)</td>
<td></td>
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<tr>
<td>Guide a group to consensus (Naisbitt &amp; Aburdene, 1990)</td>
<td></td>
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<tr>
<td>Guide group in a beneficial direction or valuable destination (Wadsworth, 1997)</td>
<td></td>
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<tr>
<td>To guide (Cox &amp; Hoover, 1992; Richardson, 1844)</td>
<td></td>
</tr>
<tr>
<td>Guide the workforce so they feel valued (Buzan, Dottino, &amp; Israel, 1999)</td>
<td></td>
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<tr>
<td>Guide organization to new levels of learning (DePree, 1989)</td>
<td></td>
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</tbody>
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<thead>
<tr>
<th>25. Deals with change in organizations</th>
<th>Course of action is changed (Bogardus, 1934)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work in systems that are trying to change (Vaill, 1998)</td>
<td></td>
</tr>
<tr>
<td>See new possibilities (Kanter, 1995)</td>
<td></td>
</tr>
<tr>
<td>To take charge to make things happen (Sadler, 1997)</td>
<td></td>
</tr>
<tr>
<td>Seek change (Sadler, 1997)</td>
<td></td>
</tr>
<tr>
<td>Coping with change (Kotter, 1990)</td>
<td></td>
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<td>-----------------------</td>
<td>---------------------------------------------------------------</td>
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<tr>
<td></td>
<td>Acts that help the group achieve objectives (Cartwright &amp; Zander 1953)</td>
</tr>
<tr>
<td></td>
<td>Group functions (Cartwright &amp; Zander 1953)</td>
</tr>
<tr>
<td></td>
<td>Assist a group (Boles &amp; Davenport 1975)</td>
</tr>
<tr>
<td></td>
<td>Build self-managing project teams (Bridges, 1996)</td>
</tr>
<tr>
<td></td>
<td>Moving a group in a direction through mostly noncoercive means (Kotter, 1990)</td>
</tr>
<tr>
<td></td>
<td>Build teams (Bradford &amp; Cohen, 1984; Ulrich, Zenger, &amp; Smallwood 1999)</td>
</tr>
<tr>
<td></td>
<td>Promote teamwork (Wilson, George, Wellins, &amp; Byham, 1994)</td>
</tr>
<tr>
<td></td>
<td>Get everyone to pull together (Bradford &amp; Cohen, 1984)</td>
</tr>
<tr>
<td></td>
<td>Directing and coordinating activities of others (Bhal &amp; Ansari, 2000)</td>
</tr>
<tr>
<td></td>
<td>Fuse together two or more groups or philosophies-producing unity (McLean &amp; Weitzel, 1992)</td>
</tr>
<tr>
<td></td>
<td>Create a unified will to pursue direction (Kent, Crotts, &amp; Aziz, 2001)</td>
</tr>
<tr>
<td></td>
<td>Build group synergy (Buzan, Dottino, &amp; Israel, 1999)</td>
</tr>
<tr>
<td></td>
<td>Support team effort (Bergman, Hurson, &amp; Russ-Eft, 1999)</td>
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<tr>
<td></td>
<td>Create work teams (Barnes, 1996)</td>
</tr>
<tr>
<td></td>
<td>Support the team even during a loss (Kanter, 1995)</td>
</tr>
<tr>
<td>Communicates new direction (Kotter, 1990)</td>
<td>Influence planned change (Harris, 1989)</td>
</tr>
<tr>
<td>Build bridge to positive and productive change (Meyer, Houze, &amp; Slehta, 1998)</td>
<td></td>
</tr>
<tr>
<td>Help organizations adapt to change (Jacobson, 2000)</td>
<td></td>
</tr>
<tr>
<td>Helps individuals, departments, and organizations adapt to change (Jacobson, 2000)</td>
<td></td>
</tr>
<tr>
<td>Enable continuous change and movement toward some desired destination (Bradshaw, 1998)</td>
<td></td>
</tr>
<tr>
<td>Identify themselves as change agents (Tichy &amp; Devanna, 1990)</td>
<td></td>
</tr>
<tr>
<td>Promote change (Wilson, George, Wellins, &amp; Byham, 1994)</td>
<td></td>
</tr>
<tr>
<td>Manage changes required to realize the vision (Bergman, Hurson, &amp; Russ-Eft, 1999)</td>
<td></td>
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<tr>
<td>Leaders change first (Change Mentor, 2001)</td>
<td></td>
</tr>
<tr>
<td>Serve as a catalyst and manager of strategic change (Yeung &amp; Ready, 1995)</td>
<td></td>
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<tr>
<td>Willingness to change (Greenleaf, R. K., edited by Beazley, Beggs, &amp; Spears, 2003)</td>
<td></td>
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<tr>
<td>Institutionalizes change (Harris, 1989)</td>
<td></td>
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<tr>
<td>Propensity for instituting change (McLean &amp; Weitzel, 1992)</td>
<td></td>
</tr>
<tr>
<td>Manage change (Ulrich, Zenger, &amp; Smallwood 1999)</td>
<td></td>
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<tr>
<td>Involve others in planning, introducing, implementing and integrating change (Change Mentor, 2001)</td>
<td></td>
</tr>
<tr>
<td>Heal wounds inflicted by change (Murphy, 1996)</td>
<td></td>
</tr>
<tr>
<td>Make change happen and work as change agent (Schein, 1992)</td>
<td></td>
</tr>
<tr>
<td>Embraces change (Napolitano &amp; Henderson, 1998)</td>
<td></td>
</tr>
<tr>
<td>Coordinating leadership tasks in change cycles (Crosby, 1997)</td>
<td></td>
</tr>
<tr>
<td>Embraces change (Napolitano &amp; Henderson, 1998)</td>
<td></td>
</tr>
<tr>
<td>Enlarges capacity for change (Napolitano &amp; Henderson, 1998)</td>
<td></td>
</tr>
</tbody>
</table>
| 27. Unifies | Mutual stimulation (Pigors, 1935)  
About joining and coming together (Daft & Lengel, 1998)  
Attract to persuade (Richardson, 1844) |
|----------------|--------------------------------------------|
Deal with incompetence (Smith, 1996) |
| 29. Is an example | Humility (Collins, 2002)  
Fierce resolve (Collins, 2002)  
Is a Models for followers (Munroe, 1997)  
Be an example (Covey, 1996)  
A model (Covey, 1996)  
Go ahead of (Cox & Hoover, 1992)  
Show the way (Cox & Hoover, 1992; Richardson, 1844)  
Create a path (Cox & Hoover, 1992; Hesselbein, Goldsmith, & Beckhard, 1996)  
Deals with own discouragement as one way of modeling (Dinkmeyer & Eckstein, 1996)  
Provide role models (Deal & Kennedy, 1982)  
Model the way (Kouzes & Posner, 1995)  
Mentor (McGee-Cooper & Trammell, 1995; Quinn, 1988)  
Show the way to induce to follow (Richardson, 1844)  
Leads by example (Vaughn, 1997)  
Models values (Napolitano & Henderson, 1998) |
| 30. Servanthood | Serves (Farling, Stone, & Winston, 1999; Laub, 1999; Russel, 2001; Munroe, 1997)  
Motivated by desire to serve others (McGee-Cooper & Trammell, 1995)  
Helpful individuals (Jacobson, 2000)  
Are generous and magnanimous (Smith, 1996)  
Do unto others-serve (Smith, 1996) |
| 31. Persuade | Impress will on those led (Moore, 1927)  
Make people like it (Titus 1950)  
Persuasion (Dufrin, 1997; Hollander 1978; Spears & Lawrence, 2002) |
| 32. Empowerment | Share power and control (Maccoby, 1981; Schein, 1992; Ulrich, Zenger, & Smallwood, 1999)  
Empower and engage employees (Covey, 1996)  
Not fear the strengths in subordinates (Drucker, 1997)  
Releases intelligence, creativity and initiative of others (Simmons, 1996)  
Activating talents of others (Rusaw, 2001)  
Concern for empowerment (Shelton, 1997)  
Influences people to think-feel-take positive action to achieve goals (Capezio & Moorehouse, 1997)  
Empower each individual to take actions that are needed to achieve vision (Beck & Yeager, 2001)  
Transfers ownership of work to those who execute the work (Belasco & Stayer, 1994) |
<table>
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<tr>
<th>33. Challenge the status quo</th>
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<tbody>
<tr>
<td>Challenges the status quo diplomatically (Caroselli, 2000)</td>
</tr>
<tr>
<td>Challenges the status quo positively (Caroselli, 2000)</td>
</tr>
<tr>
<td>Challenging the process (Kouzes &amp; Posner, 1995)</td>
</tr>
<tr>
<td>Does not maintain the status quo (Conger &amp; Kanungo, 1998)</td>
</tr>
<tr>
<td>Challenge the norm (Taffinder, 1997)</td>
</tr>
<tr>
<td>Go beyond the status quo (Taffinder, 1997)</td>
</tr>
<tr>
<td>By confronting and challenging the status quo-searches for opportunities (Yeung &amp; Ready, 1995)</td>
</tr>
<tr>
<td>Busts the bureaucracy (Shelton, 1997)</td>
</tr>
<tr>
<td>Breaks down hierarchy (McGee-Cooper &amp; Trammell, 1995)</td>
</tr>
<tr>
<td>Maintain a sense of outrage (willing to take the heat and pressure from above to correct wrongs) (Smith, 1996)</td>
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<tr>
<th>34. Power</th>
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<tbody>
<tr>
<td>Power to influence thoughts and actions of others (Zalenik, 1992)</td>
</tr>
<tr>
<td>Power over decision-making process of community life (Lowery, 1962)</td>
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<tr>
<td>Ability to use power effectively (Koontz &amp; Weiheich, 1990)</td>
</tr>
<tr>
<td>Ability to use power in a responsible manner (Koontz &amp; Weiheich, 1990)</td>
</tr>
<tr>
<td>Power (Ragins, 1989)</td>
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<tr>
<td>Exert power through dignity (Heskett &amp; Sclesinger, 1996)</td>
</tr>
<tr>
<td>Personal power (Fairholm, 2001)</td>
</tr>
<tr>
<td>Share power (Maccoby, 1981; Ulrich, Zenger, &amp; Smallwood, 1999; Schein, 1992)</td>
</tr>
<tr>
<td>Participative approach to management and willingness to share power (Maccoby, 1981)</td>
</tr>
<tr>
<td>Power of the authority of the office (Deming, 1986)</td>
</tr>
<tr>
<td>Power of knowledge (Deming, 1986)</td>
</tr>
<tr>
<td>Power of personality (Deming, 1986)</td>
</tr>
<tr>
<td>Induce obedience, respect, loyalty, and cooperation (Moore, 1927)</td>
</tr>
<tr>
<td>Position of authority (Olinstead, 2000)</td>
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<tr>
<th>35. Technical</th>
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<tbody>
<tr>
<td>Technical competence (Bennis, 1997; Hinkin &amp; Tracey, 1994; Smith, 1996)</td>
</tr>
<tr>
<td>Technology foresight (Heskett &amp; Sclesinger, 1996)</td>
</tr>
<tr>
<td>Comfortable with advanced technology (Bennis, 1997)</td>
</tr>
<tr>
<td>Advance technology transfer and venturing (Harris, 1996)</td>
</tr>
<tr>
<td>Display technical skills (Bergman, Hurson, &amp; Russ-Eft, 1999)</td>
</tr>
</tbody>
</table>
| People-oriented | Identify, evoke, and use the strengths of all resources in the organization—the most important of which is people (Batten, 1989)  
Relational (Edinger, 1967)  
Interpersonal (Moloney, 1979; Schriesheim, Tolliver, & Behling, 1978)  
Interpersonal interaction (Schriesheim, Tolliver, & Behling, 1978)  
Read and understand others (Staub 1996)  
Skill in building relationship with others (O’Connor, 1997)  
Generates confidence in people who were frightened (Bardwick, 1996)  
Concern for well-being (Shelton, 1997)  
Focus on relationship (Humphrey, 1987)  
Friendly (Kanter, 1997; Tyagi, 1985)  
Reciprocal relationship (Kouzes & Posner, 1995)  
Caring (Maccoby, 1981)  
Focus on interpersonal interactions to increase organizational effectiveness (Schriesheim, Tolliver, & Behling, 1978)  
Responsibility to represent followers needs and goals they want to achieve (Plachy, 1987)  
About people (Bennis & Goldsmith, 1997; Maccoby, 1981; Mileham & Spacie, 1996)  
Knowing people are the primary asset of any organization (Buzan, Dottino, & Israel, 1999)  
Engage the whole person (Corbin, 2000)  
Emotional side of directing organizations (Barach & Eckhardt, 1996)  
Interpersonal skills (Hinkin & Tracey, 1994)  
Sensitivity to members needs (Conger & Kanungo, 1998)  
Treats with respect (Tyagi, 1985)  
Change people’s physical state of being (Blanchard)  
Create emotion by generating certainty in people who were vacillating (Bardwick, 1996)  
Concerned with what others are doing (Grint, 2000)  
Helps people see themselves (Deming, 1986)  
People skills (Bennis, 1997)  
Understands people (Deming, 1986)  
Sensitive to what motivates others (McGee-Cooper & Trammell, 1995)  
Guide workforce so they are valued as part of the team (Buzan, Dottino, & Israel, 1999)  
Believe in people (Tichy & Devanna, 1990)  
Nurturing humane organizations and communities (Crosby, 1997)  
Support individual effort (Bergman, Hurson, & Russ-Eft, 1999)  
Guidance (Wilson, George, Welmins, & Byham, 1994)  
Nurture the right relationship processes (Barnes, 1996)  
Studies results with the aim to improve his/her performance as a manager of people (Deming, 1986)  
Humanity (Napolitano, & Henderson, 1998)  
Tries to discover who—if anybody—is outside the system and in need of special help (Deming, 1986) |
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<thead>
<tr>
<th></th>
<th>Take care of people (Smith, 1996)</th>
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<tbody>
<tr>
<td></td>
<td>Thank people (Smith, 1996)</td>
</tr>
<tr>
<td></td>
<td>Appreciate people (Smith, 1996)</td>
</tr>
<tr>
<td></td>
<td>Recognize people (Smith, 1996)</td>
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<tr>
<td></td>
<td>Recognition (SMP)</td>
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<tr>
<td></td>
<td>Show compassion (Bergman, Hurson, &amp; Russ-Eft, 1999)</td>
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<tr>
<td></td>
<td>Nurture the leader-follower relationship (emotional) (Smith, 1996)</td>
</tr>
</tbody>
</table>

37. Diversity

- Richness of deep diversity—that will lead to deeper unity (Terry, 1993)
- Confronts diversity at every turn (Terry, 1993)
- Reaches across boundaries (Terry, 1993)
- Understands that people are different from each other (Deming, 1986)
- Fully utilize people regardless of race, gender, ethnic origin, or culture (Fitz-enz, 1997)
- Seek and cherish diversity (Smith, 1996)

38. Self

- Control actions (Cox & Hoover, 1992)
- Improves self-encouragement and mental skills (Dinkmeyer & Eckstein, 1996)

39. Independent

- Work well alone (Handy, 1989)

40. Facilitator

- Facilitator (Naisbitt & Aburdene, 1990; Quinn 1988)
- Facilitates by asking questions, drawing people out to guide group to consensus (Naisbitt & Aburdene, 1990)

41. Culture

- Ability to act in a manner conducive to responding to and arousing emotion (Kouzitz & Weilrich, 1990)
- Promote culture (Wilson, George, Wellins, & Byham, 1994)
- Serve as a catalyst and manager of culture change (Yeung & Ready, 1995)
- Integrate different cultures, sectors, and disciplines (Drucker, 1997)
- Build or create culture (Schein, 1992)
- Maintain and support the culture (Schein, 1992)
- Posses skills in analyzing cultural assumptions (Schein, 1992)
- Consciously promote a clearly articulated, stimulating culture (Fitz-enz, 1997)
- Protect culture from perils of crisis (Murphy, 1996)
- Listening to followers without judgment increases followers’ creativity (Michalko, 2001)
- Creates an environment that encourages trust, freedom, and innovation (Deming, 1986)

42. Environmentally aware

- Environmental sensitivity (Conger & Kanungo, 1998)
- Make sense of happenings in their world that otherwise would not make sense (Pieffer, 1977)
- Aligns assets and skills of the organization with the opportunities and risks presented by the environment (Timpe, 1987)
- Ability to block out the unnecessary and concentrate on the necessary (Cain, 1998)
- Are expected and perceived to make contributions to social order (Hosking, 1988)
- Demonstrates uncompromising environmental responsibility (Kanter, 1995)
| 43. Training | Concern for growth (Shelton, 1997)  
Promote training and development (Syrett & Hogg, 1992)  
Maximizes the capability of people to fulfill purpose (Jacobs, 1997)  
Coach the development of personal capabilities (Belasco & Stayer, 1994)  
Encourages others to learn quickly (Belasco & Stayer, 1994)  
Deliberately causing people-driven actions in a planned fashion (Crosby, 1997)  
Coach people (Vaughn, 1997)  
Willing to teach skills (Smith, 1996)  
Develop followers (Eales-White, 1998)  
Guide the organization and people to new levels of learning and performance (DePree, 1989)  
Concerned with self-development and the development of others (Maccoby, 1981)  
Commitment to growth of people (Spears & Lawrence, 2002)  
Promotes continuous learning (Napolitano & Henderson, 1998) |
| 44. Communication | Provide a system of communication (Bernard, 1938)  
Influence through communication (Tannenbaum, Wesccher, & Massarik, 1961)  
Influence exercised in a situation and directed through the communication process (Tannenbaum, Wesccher, & Massarik, 1961)  
Frequency of communication tied to job performance (Kaemar, Witt, Zivnuska, & Gully, 2003)  
Articulate vision-values-strategy (Yeung & Ready, 1995)  
Align people by communicating (Kotter, 1990)  
Frequently communicate (Syrett & Hogg, 1992)  
Unshakable commitment to communication (Essex & Kusy, 1999)  
Active listening improves the leader-follower relationship (Rutter, 2003)  
Positive communication leads to positive actions (Cooperrider & Srivastva, 1987)  
Encourage followers to speak their mind (Sims, 2005)  
Good communication skills (Miles, 1997)  
High quality interpersonal communication leads to high quality leader-follower interaction (Campbell, White, & Johnson, 2003)  
Provide open communication and information to personnel-customers-suppliers (Harris, 1989)  
Actively communicate a wide range of information to employees (Covey, 1996)  
Creating and communicating meaning in formal and informal forums (Crosby, 1997)  
Use language to touch the heart (Heskett & Slesinger, 1996)  
Have communication skills (Stettner, 2000)  
Engages in dialogue (Napolitano & Henderson, 1998) |
| 45. Humor | Uses humor to take the edge off during stressful periods (Dubinsky, Yammarino, & Jolson, 1995)  
Utilize humor to keep perspective (Dinkmeyer & Eckstein, 1996) |
| 46. Self-confident | Dares to be themselves (Munroe, 1997)  
Self-awareness (Bennis, 1997; Bushe, 2001)  
Self-esteem (Bennis, 1997)  
Secure sense of strengths (Miles, 1997)  
Possess a belief in self (Heskett & Schlesinger, 1996)  
Self-confidence with humility (Heskett & Schlesinger, 1996)  
Understands oneself (Crosby, 1997)  
Determination (Cox & Hoover, 1992; Snyder, Dowd, & Houghton, 1994)  
Submit self to mirror test and find comfort with person there (Drucker, 1997)  
Self-efficacy (Harung, Alexander, & Heaton, 1999)  
Confidence (Meyer, Houze, & Slochta, 1998)  
Determination to achieve (Meyer, Houze, & Slochta, 1998)  
Awareness of self (Spears & Lawrence, 2002)  
Conscious of weaknesses and strengths (Maccoby, 1981)  
Disciplined and determined (Snyder, Dowd, Houghton, 1994)  
Decisive (Implicit-leadership-theory measure) (Harung, Alexander, & Heaton, 1999; Smith, 1996)  
Conviction (Bardwick, 1996; Taffinder, 1997)  
Focused and disciplined (Napolitano & Henderson, 1998)  
Welcomes criticism and fights paranoia (brutally honest with self) (Smith, 1996) |
|----------------|------------------------------------|
| 47. Optimistic | Identify and combat discouraging fictional beliefs (Dinkmeyer & Eckstein, 1996)  
Models optimistic philosophy (Dinkmeyer & Eckstein, 1996)  
Optimism (Napolitano & Henderson, 1998)  
Enthusiasm (Vaughn, 1997) |
| 48. Knowledge | Superior intelligence (Crabb, 1839)  
Think deeply (Kanter, 1995)  
Possess learning agility for self-knowledge (Lombardo & Eichinger, 1997)  
Think through problems (Lombardo & Eichinger, 1997)  
Critical thinking skills (Harung, Alexander, & Heaton, 1999)  
Knowledge (Deming, 1986; Giblin, 1986; Waitley, 1995)  
Learns fast (Belasco & Stayer, 1994) |
| Analytical thinking (Ulrich, Zenger, & Smallwood, 1999) |
| Learn from mistakes and successes (Kanter, 1995; Kouzes & Posner, 1995; McGhee-Cooper & Trammell, 1995) |
| Learn from failure (Smith, 1996) |
| Crystallized thinking (Meyer, Houze, & Slecta, 1998) |
| Expertise (Bardwick, 1996) |
| Think strategically (Heskett & Selesinger, 1996) |
| Learns unceasingly (Deming, 1986) |
| Logic (Anguini & Adams, 1998) |
| Seeks opportunities to learn (Kanter, 1995) |
| Seek broad business knowledge (Kanter, 1995) |
| Practice insight by seeing things from new angles (Kanter, 1995) |
| Expands information and access to new knowledge (Napolitano & Henderson, 1998) |

| 49. Influence |
| The role of the manager/leader is to motivate (McGregor, 1960) |
| Interpersonal influence (Tannenbaum, Weschler, & Massarik, 1961) |
| Process of influencing the activities of an organized group (Rauch & Behling, 1984) |
| Process of influencing the activities of an individual or a group (Hersey & Blanchard, 1988) |
| Attempt at influencing the activities of followers (Donnelly, Ivancevich, & Gibson, 1985) |
| Art of influencing others to maximum performance (Cohen, 1990) |
| Influence through communication (DuBrin, 1997) |
| Influential increment over and above mechanical compliance with the routine directives of the organization (Katz & Kahn, 1978) |
| Leadership requires power to influence the thoughts and actions of other people (Zalenik, 1992) |
| Influence process to get people to willingly do what must be done and do well what ought to be done (Cribbin, 1981) |
| Process of influencing the activities of an organized group (Stogdill, 1950) |
| Influence over movements and actions of others (Crabb, 1839) |
| Influence attempts that avoid the invocation of power and relative status (Whyte, 1943) |
| Influencing people toward cooperation (Tead, 1935) |
| Ability to persuade or direct men (Reuter, 1941) |
| Influencing activities or an organized group to goal setting/achievement (Stogdill, 1958) |
| Influence behavior toward desired end (by word or deed) (Engstrom, 1976) |
| Acts which influence to shared direction (DuBrin, 1997; Seeman, 1960; Shartle, 1956) |
| Influences decisions and actions of others (Lowry, 1962) |
| Influence agent (Edinger, 1967) |
| Influence actions of others in shared approach (Gibb, 1959) |
| Process of influence-persuasion (Hollander, 1978) |
| Two-way influence relationship (Hollander, 1978) |
| Influential increment over and above mechanical compliance (Katz & Kahn, 1978) |
| Influence members that is successful (House & Baez, 1979) |
| Influence activities of an individual or group (Stogdill, 1950) |
| Influences group activities (Rauch & Behling, 1984) |
| Influence behavior of another individual or group (Hersey, 1997) |
| All about influence (Maxwell, 1993) |
| Influence planned change (Harris, 1989) |
| Influences dreams (Danzig, 1998) |
| Influences individuals or groups to think (Capezio & Moorehouse, 1997) |
| Influence between leader and follower (Hollander, 1978) |
| Influence activities of organized group (Rauch & Behling, 1984; Stogdill, 1950) |
| Ability and willingness to influence others so they respond willingly (Clawson, 1999) |
| Influence outside of formal authority (Blank, 1995) |
| Social influence that aids and enlists support to accomplish (Cherners, 1997) |
| Interpersonal influence directed to attaining goals achieved through communication (Donnelly, Ivancevich, & Gibson, 1985; Dukin, 1997; Tannenbaum, Weschler, & Massarik, 1961) |
| Influence people so that they will contribute (Koontz & Weihrich, 1990) |
| Influencing actions of individuals, groups, and organizations to get results (Olmstead, 2000) |
| Organizational influence (Hinkin & Tracey, 1994) |

50. Goal-oriented

| Influence toward goal achievement (Stogdill, 1958) |
| Toward goal achievement (Donnelly, Ivancevich, & Gibson, 1985) |
| Efforts toward goal achievement in a given situation (Moloney, 1979) |
| Toward the attainment of some goal or goals (Donnelly, Ivancevich, & Gibson, 1985) |
| Inspires as to goals (Munroe, 1997) |
| Accomplishment of a goal through the direction of human assistants (Prentice, 1961) |
| Successfully marshals his human collaborators to achieve particular ends (Prentice, 1961) |
| Gets them to move along together with competence (Jaques & Clement, 1994) |
| Influences goal setting and goal achievement (Stogdill, 1950, 1958) |
| Stimulates accomplishment of goals (Davis, 1942) |
| Organized efforts to achieve goal setting and achievement (Stogdill, 1958) |
| Cooperation toward goal (Tead, 1935) |
| Cement unifying men for cooperative action to achieve given objectives (Titus, 1950) |
| Cure behavior towards objectives (Edinger, 1967) |
| Move towards production goals (Boles & Davenport, 1975) |
| Influence to common objectives or compatible goals (Gibb, 1959) |
| Aimed primarily at attaining goals (Hollander, 1978) |
| Influence to goal attainment (Moloney, 1979) |
| Elicit goals (Staub, 1996) |
| Adopt personal-active attitudes toward goals (Zalenznik, 1989) |
| Causing willing effort to be expended to achieve purpose (Jacobs & Jaques, 1990) |
| Accomplish common task or goal (Chemers, 1997) |
| Achieve organizational goals (Meyer, Houze, & Slechta, 1998) |
| Responsible to accomplish tasks (Fairholm, 2001) |
| Helps the group to achieve its goals, increase effectiveness (Bushe, 2001) |
| Accomplish the leaders agenda (Crosby, 1997) |
| Provide transcendent goals (Batten, 1989) |
| Evaluates progress towards objectives (Murphy, 1996) |
| Goal clarification (Hinkin & Tracey, 1994) |

51. **A force**
- Principal dynamic force (Davis, 1942)
- Key dynamic force (DuBrin, 1997)
- Competitiveness (Roberts, 1990)

52. **Values**
- Rational exchange of values (Schlesinger, 1967)
- Articulate values (Yeung & Ready, 1995)
- Operate from a set of inspiring core values and beliefs (Fitz-enz, 1997)
- Define, shape, and use core values (Heskett & Schlesinger, 1996)
- Common ground based on shared values (Daft & Lengel, 1998)
- Values based (Meyer, Houze, & Slechta, 1998)
- Ensure structures and systems in organization reflect values (Covey, 1996)
- Higher states behavior in terms of principles, values, and intentions (Kent, Crotts, & Aziz, 2001)
- Have values and beliefs that serve as basis for direction and action (Snyder, Dowd, & Houghton, 1994)
- Show tolerance of diversity and intolerance of performance, standards, and values (Fitz-enz, 1997)
- They are value driven (Tichy & Devanna, 1990)
- Models values (Napolitano & Henderson, 1998)
- Well-integrated values system (Cox & Hoover, 1992)
- Live the values of “my unit” (Heskett & Schlesinger, 1996)
- Develops core values (Napolitano & Henderson, 1998)

53. **Resourceful**
- Resourcefulness (Giblin, 1986; Napolitano & Henderson, 1998)
- Adaptive (Bennis & Goldsmith, 1997)

54. **Loyalty**
- Loyalty (Roberts, 1990)

55. **Mission**
- Create a path-finding mission (Hesselbein, Goldsmith, & Beckhard, 1996)
- Ensure structures and systems in organization reflect mission (Covey, 1996)
- Alignment of the workforce to the mission (Essex & Kusy, 1999)

56. **Commitment**
- Commitment from people (Ulrich, Zenger, & Smallwood, 1999)
- Gain commitment from members (Conger, 1992)
- Develop commitment to carry vision (Oakley & Kurg, 1994)
- Voluntary commitment of followers (Nanus, 1989)
- Encourage commitment (Dinkmeyer & Eckstein, 1996)
- Mobilize individual commitment (Ulrich, Zenger, & Smallwood, 1999)
57. Manages
Manage systems and keep them as stable and serviceable as possible (Vaill, 1998)
Set standards (Smith, 1996)
Understands and conveys to other the meaning of a system (Deming, 1986)
Takes a systems approach (Napolitano & Henderson, 1998)
Pumps life and meaning into management structures and brings them to life (Barach & Eckhardt, 1996)
Align and ensure the match between organization and strategy (Covey, 1996)
Engender organizational capability (Ulrich, Zenger, & Smallwood, 1999)
Fully commit to a long-term strategy of building a valuable institution (Covey, 1996)
Assembly and reassembly of organizational components, including projects, teams, locations (Essex & Kusy, 1999)
Effective management of risk (Cox & Hoover, 1992)
Active management by exception behavior (Waldman, Ramirez, & House, 2001)
Good management (Fairholm, 2001)
Management skills (Humphrey, 1987)
Blend multiple organizational models (Corbin, 2000)
Understands a stable system (Deming, 1986)
Manage projects through cross-functional teams (Barnes, 1996)
Manage cross-functional purposes (Bergman, Harson, & Russ-Eft, 1999)

58. Listening
Listening (Dinkmeyer & Eckstein, 1996; Spears & Lawrence, 2002)
Attentive to what is said (Tyagi, 1985)
Listens (accepts ideas, criticisms, feedback) (Smith, 1996)
Listen more than tell (Heskett & Sclesinger, 1996)
Asks what and why (Bennis, 1997)
Listens deeply (McGee-Cooper & Trammell, 1995)
Listens respectfully (McGee-Cooper & Trammell, 1995)
Most likely to listen first (McGee-Cooper & Trammell, 1995)
Listens and learns without passing judgement (Deming, 1986)
Listens without judgment (Deming, 1986; McGee-Cooper & Trammell, 1995)

59. Resources
Organize resources—human people (O’Connor, 1997)
Organize wide range of resources (Rusaw, 2001)
Art and process of acquiring, energizing, linking, and focusing resources of all kinds (Bradshaw, 1998)
Focus on resources (Bradshaw, 1998)
Champions of resources (Waitley, 1995)
Have resources needed to form networks (Kanter, 1995)
Provide resources needed for continuous improvement (Fitz-enz, 1997)
Dedicate resources to process innovations (Kanter, 1995)
Cultivate diverse resources (Napolitano & Henderson, 1998)

60. Energy
Energizes (Bennis & Goldsmith, 1997; Namus, 1989; Senge, 1990)
Breathes life into the organization (Senge, 1990)
| 61. Attractive/approachable | Attract followers (Bennis & Goldsmith, 1997; Richardson, 1844)  
|                           | Friendly (Kanter, 1997; Tyagi, 1985)  
|                           | Easy to approach (Tyagi, 1985)  
|                           | Approachable (Smith, 1996)  
|                           | Visible and approachable (Smith, 1996) |
| 62. Healing               | Healing oneself and others (Spears & Lawrence, 2002)  
|                           | Heal wounds inflicted by change (Murphy, 1996)  
|                           | The organizational environment must be one of healing (Kerfoot, 1999)  
|                           | Healing is one of the characteristics of servant leaders (Greenleaf, 1970) |
| 63. Selection of people   | Selects the right people (Murphy, 1996)  
|                           | Knows future lies in the selection-nurturance-assignment of key people (DePree, 1989)  
|                           | Select the most talented team members available (Kanter, 1997; Shin, 2004)  
|                           | Values alignment (Brown, Ledford, & Nathan, 1991; Kristoff, 1996) |
| 64. Responsible           | Responsible (Fairholm, 2001)  
|                           | Responsible attitude (Maccoby, 1981)  
|                           | Uses power responsibly (Kouzts & Weilhich, 1990)  
|                           | Responsibility (Auguinis & Adams, 1998; Roberts, 1990) |
| 65. Dedicated             | High dedication to the job (Cox & Hoover, 1992) |
| 66. Time management       | Use time effectively (Smith, 1996)  
|                           | Manage time and resources (Bergman, Hurson, & Russ-Eft, 1999) |
| 67. Networks              | Networking (MPS) |
| 68. Ethics                | Emphasize ethics (Syrett & Hogg, 1992)  
|                           | Have ethics (Stettner, 2000)  
|                           | Display professional ethics (Bergman, Hurson, & Russ-Eft, 1999)  
|                           | Sancioning conduct (enforcing ethical conduct-laws-norms) (Crosby, 1997) |
| 69. Integrity             | Integrity (Ulrich, Zenger, & Smallwood, 1999)  
|                           | Leadership acts with integrity (Kanter, 1995)  
|                           | Exudes integrity (Smith, 1996) |
| 70. Courage               | Courage (Roberts, 1990; Snyder, Dowd, & Houghton, 1994)  
|                           | Courageous individuals (Tichy & Devanna, 1990)  
|                           | Passion and courage (Napolitanos & Henderson, 1998) |
| 71. Reflection            | Reflects feelings (Dunkmeyer & Eckstein, 1996) |
| 72. Emotion               | Create emotion by generating action where there was hesitation (Bardwick, 1996)  
|                           | Create emotion by generating strength were there was weakness (Bardwick, 1996)  
|                           | Create emotion by generating expertise where there was floundering (Bardwick, 1996) |
| 73. Human resources       | Human resources frame (Bolman & Deal, 1991)  
<p>|                           | Human resources management (Gratton, Hope-Hailey, Stiles, &amp; Truss, |</p>
<table>
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<tr>
<td><strong>74. Conflict resolution</strong></td>
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</table>
|   | Negotiate resolution to conflict (Murphy, 1996)  
|   | Resolves conflict diplomatically and finds common cause (Kanter, 1995)  
|   | Interpersonal competencies to resolve conflicts in a constructive manner (Harung, Alexander, & Heaton, 1999)  
|   | Resolving residual conflict in formal and informal courts (Crosby, 1997)  |
| **75. Decision-making** | 
|   | Make decisions (Bergman, Hurson, & Russ-Eft, 1999)  
|   | Making decisions and implementing decisions about legislative, executive, and administrative policy (Crosby, 1997)  
|   | Decisiveness (Harung, Alexander, & Heaton, 1999; Roberts, 1990)  |
| **76. Disciplined** | 
|   | Develop self-discipline (Barnes, 1996)  
|   | Well-organized life (Cox & Hoover, 1992)  |
| **77. Ambiguity** | 
|   | Tolerates ambiguity and paradox (Napolitano & Henderson, 1998)  
|   | Deal effectively with complex, ambiguous, and contradictory situations (Lombardo & Eichinger, 1997)  
|   | Ability to deal with complexity, ambiguity, and uncertainty (Tichy & Devanna, 1990)  |
| **78. Effective** | 
|   | Effectiveness (Munroe, 1997)  
|   | Lead effectively (Bennis & Goldsmith, 1997)  |
| **79. Boundaries** | 
|   | Sets parameters (Napolitano & Henderson, 1998)  |
| **80. Internal** | 
|   | Inner locus of control (Harung, Alexander, & Heaton, 1999)  
|   | Internal locus of control (Cox & Hoover, 1992)  
|   | Intrinsic motivation (Cox & Hoover, 1992)  |
| **81. Financial** | 
|   | Broker (Quinn, 1988)  |
| **82. Personality** | 
|   | Personality in action under group conditions (Bogardus, 1934)  
|   | Interaction of specific traits of one person and other traits of many (Bogardus, 1934)  |
| **83. Stays the course** | 
|   | Stay the course (not follow fads) (Deming, 1986)  
|   | Constancy of purpose (Deming, 1986)  
|   | Don’t totally change direction (Deming, 1986)  |
| **84. Authentic** | 
|   | Authentic Leadership Model (Avolio, Gardner, Walumbwa, Luthans, & May, 2004)  
|   | Authentic (McGee-Cooper & Trammell, 1995)  |
| **85. Inspires and motivates** | 
|   | Simulates, motivate, and coordinated the organization (Davis, 1942)  
|   | Inspires others to go (Munroe, 1997)  
|   | Motivates and inspires (Kotter, 1990)  
|   | Motivates by satisfying basic human needs (Kotter, 1990)  
|   | Causes people to respond with vigor (Danzig, 1998)  
|   | Inspires people to understand the social, political, economic, and technological givens (Crosby, 1997)  
|   | Produces movement in the long-term best interest of the group (Kotter, 1996)  
|   | Recognize that people must motivate themselves (Cain, 1998)  
|   | Inspire extra effort (Bradford & Cohen, 1984)  
|   | Catalyze, stretch and enhance people (Batten, 1989)  
|   | Motivates and coordinates (Davis, 1942)  |
| 86. Direction of the vision | Determines direction (Timpe, 1987)  
|                           | Process of giving purpose (meaningful direction) to collective effort (Jacobs & Jaques, 1990)  
|                           | Leadership revolves around vision-ideas-direction (Bennis, 1989)  
|                           | Sets direction for vision (Ulrich, Zenger, & Smallwood, 1999)  
|                           | Create and describe the vision (Bergman, Hurson, & Russ-Eft, 1999)  
|                           | Create direction (Kotter, 1990)  
|                           | Consistently provide the organization a clear direction (Kanter, 1995) |

| 87. Inspires the vision | Rally men and women to common purpose (Montgomery, 1961)  
|                         | Exhibit conviction in creating a vision (Hesselbein, Goldsmith, & Beckhard, 1996)  
|                         | Marshalling, energizing, and unifying of people toward the pursuit of vision (Kent, Crotts, and Aziz, 2001)  
|                         | Challenging a team of people to reach to a vision (Beck & Yeager, 2001)  
|                         | Create a compelling vision (Shelton, 1997)  
|                         | Establishment of a thrust toward a purpose (Kent, Crotts, & Aziz, 2001)  
|                         | Inspiring a shared vision (Kouzes & Posner, 1995)  
|                         | Create a vision with meaning (Bennis, 1997)  
|                         | Inspires pursuit of a shared vision (Napolitano & Henderson, 1998) |

| 88. Articulates the vision | Articulate tangible vision (Yeung & Ready, 1995)  
|                           | Convey vision (Syrett & Hogg, 1992)  
|                           | Looks at the horizon (Bennis & Goldsmith, 1997) |

| 89. Sells the vision (buy-in) | Integrate agreed vision of the future (Simmons, 1996)  
|                             | Present vision so that others want to achieve it (O’Connor, 1997)  
|                             | Ability to get members of the organization to accept ownership of vision as their own (Oakley & Kurj, 1994)  
|                             | Infuses dreams-inspires vision (Danzig, 1998) |
| 90. Guides the vision | Provide guidance through shared vision (Stabu, 1996)  
Guides the vision (Munroe, 1997)  
Work into context by providing vision (Eales-White, 1998)  
Ensures structures and systems in organization reflect vision (Covey, 1996)  
Claim the future through reconnaissance (Heskett & Slesinger, 1996)  
Strongly define a sense of purpose and vision (Bennis, 1997) |
| --- | --- |
| 91. Visionary | Transcend the vision (McLean & Weitzel, 1992)  
A broad view, a new territory of the organization’s direction (Martin, 2001)  
Develop vision (Bradford & Cohen, 1984)  
Creates the big picture (Eales-White, 1998)  
Have a vision (Kanter, 1995; Snyder, Dowd, & Houghton, 1994)  
Ability to see clearly (Sadler, 1997)  
Knows the future (Heskett & Slesinger, 1996; Spears & Lawrence, 2002)  
Has a long-range perspective (Bennis, 1997)  
Are visionaries (Tichy & Devanna, 1990)  
Has eye on the horizon (Bennis, 1997; Bennis & Goldsmith, 1997)  
Thinks completely (big picture) (Napolitano & Henderson, 1998) |
| 92. Stamina | Physical stamina (Roberts, 1990)  
Emotional stamina (Roberts, 1990)  
Perseverance (Danzig, 1998)  
Build stamina (Smith, 1996) |
| 93. Miscellaneous | Pragmatic (Cox & Hoover, 1992)  
Preserve what makes the company special (Deal & Kennedy, 1982)  
Charisma (Danzig, 1998; Whetten & Cameron, 1983)  
Respectable (Maccoby, 1981)  
Is his/her own person (Bennis, 1997)  
Unconventional behavior (Conger & Kanungo, 1998)  
Enhance the quality of work life (Harris, 1989)  
Initiation and maintenance of structure (Stogdill, 1974)  
Consistently make effective contributions to social order (Hosking, 1988)  
Must be able to leverage more than his own capabilities (Bennis, 1989)  
Answers the question what is really going on (Terry, 1993)  
Balance (Napolitano & Henderson, 1998)  
Do the right thing (Bennis & Nanus, 1985)  
Create follower-ship (Staub, 1996)  
Be chief (Cox & Hoover, 1992)  
To begin (Cox & Hoover, 1992)  
Capable of inspiring others to do things without actually sitting on top of them with a checklist (Bennis, 1989)  
Art of mobilizing others (Kouzes & Posner, 1995)  
Orchestrate a 360 worldview (Corbin, 2000) |
<table>
<thead>
<tr>
<th>Characteristics</th>
<th>References</th>
</tr>
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<tbody>
<tr>
<td>Talk more than others</td>
<td>Kent &amp; Moss, 1990</td>
</tr>
<tr>
<td>Make federations of corporations</td>
<td>Bennis, 1997</td>
</tr>
<tr>
<td>Agile</td>
<td>Bennis &amp; Goldsmith, 1997</td>
</tr>
<tr>
<td>Astuteness</td>
<td>Giblin, 1986</td>
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<tr>
<td>Producer</td>
<td>Quinn, 1988</td>
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<tr>
<td>Compatibility</td>
<td>Giblin, 1986</td>
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<tr>
<td>Order the chaos</td>
<td>Corbin, 2000</td>
</tr>
<tr>
<td>Quality</td>
<td>Danzig, 1998</td>
</tr>
<tr>
<td>Give a point to the working lives of others</td>
<td>Birch, 1999</td>
</tr>
<tr>
<td>Hard work</td>
<td>Miles, 1997</td>
</tr>
<tr>
<td>Multi-tasking</td>
<td>Essex &amp; Kusy, 1999</td>
</tr>
<tr>
<td>Values others input</td>
<td>McGee-Cooper &amp; Trammell, 1995</td>
</tr>
<tr>
<td>Accountability</td>
<td>Roberts, 1990</td>
</tr>
<tr>
<td>Pragmatic approach</td>
<td>Cox &amp; Hoover, 1992</td>
</tr>
<tr>
<td>Persuasion</td>
<td>Spears &amp; Lawrence, 2002</td>
</tr>
<tr>
<td>Break major tasks into bite size chunks</td>
<td>Gower</td>
</tr>
<tr>
<td>Tenacity</td>
<td>Napolitano &amp; Henderson, 1998</td>
</tr>
<tr>
<td>Empathy</td>
<td>Spears &amp; Lawrence, 2002</td>
</tr>
<tr>
<td>Timing</td>
<td>Roberts, 1990</td>
</tr>
<tr>
<td>Credibility</td>
<td>Roberts, 1990</td>
</tr>
<tr>
<td>Handles emotion in self and others</td>
<td>Bergman, Hurson, &amp; Russ-Eft, 1999</td>
</tr>
<tr>
<td>Ensures that boundaries are porous and permeable</td>
<td>Bennis, 1997</td>
</tr>
<tr>
<td>Learn from adversity</td>
<td>Cox &amp; Hoover, 1992</td>
</tr>
<tr>
<td>Descriptiveness</td>
<td>Bushe, 2001</td>
</tr>
<tr>
<td>Curiosity</td>
<td>Bushe, 2001</td>
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<tr>
<td>Appreciation</td>
<td>Bushe, 2001</td>
</tr>
<tr>
<td>Attitude of mind</td>
<td>Birch, 1999</td>
</tr>
<tr>
<td>Desire</td>
<td>Roberts, 1990</td>
</tr>
<tr>
<td>Procedural justice</td>
<td>Hinkin &amp; Tracey, 1994</td>
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<tr>
<td>Autocratic</td>
<td>Leadership Scale for Sports, LSS</td>
</tr>
<tr>
<td>Dependability</td>
<td>Roberts, 1990</td>
</tr>
<tr>
<td>Type A personality</td>
<td>Cox &amp; Hoover, 1992</td>
</tr>
<tr>
<td>Functionality</td>
<td>Ragins, 1989</td>
</tr>
<tr>
<td>Accountably to make it safe to learn from mistakes</td>
<td>McGee-Cooper &amp; Trammell, 1995</td>
</tr>
<tr>
<td>Industriousness</td>
<td>Auquinis &amp; Adams, 1998</td>
</tr>
<tr>
<td>Shifts paradigm</td>
<td>Napolitano &amp; Henderson, 1998</td>
</tr>
<tr>
<td>Summons old-fashioned work-place virtues like loyalty-commitment-on the job exuberance</td>
<td>Wadsworth, 1997</td>
</tr>
<tr>
<td>Promote an entrepreneurial spirit in innovative ventures</td>
<td>Harris, 1989</td>
</tr>
<tr>
<td>Judgement</td>
<td>Bennis, 1997</td>
</tr>
<tr>
<td>Excellence</td>
<td>Harris, 1989 (SLP)</td>
</tr>
<tr>
<td>Self-renewal</td>
<td>Napolitano &amp; Henderson, 1998</td>
</tr>
<tr>
<td>Stewardship</td>
<td>Spears &amp; Lawrence, 2002</td>
</tr>
<tr>
<td>Controls ambition and ego</td>
<td>Smith, 1996</td>
</tr>
<tr>
<td>Passion</td>
<td>Napolitano &amp; Henderson, 1998</td>
</tr>
<tr>
<td>Winston &amp; Patterson (2006)</td>
<td></td>
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<td>---------------------------</td>
<td></td>
</tr>
<tr>
<td>Tests assumptions (Napolitano &amp; Henderson, 1998)</td>
<td></td>
</tr>
<tr>
<td>Open mind (Cont) (Schein, 1992)</td>
<td></td>
</tr>
<tr>
<td>Reach out to partners (Schein, 1992)</td>
<td></td>
</tr>
<tr>
<td>Does not expect perfection (Deming, 1986)</td>
<td></td>
</tr>
<tr>
<td>Maintain high standards of dignity (Smith, 1992)</td>
<td></td>
</tr>
<tr>
<td>Share their passion and expertise (McFarland &amp; Senn, 1993)</td>
<td></td>
</tr>
</tbody>
</table>
8.3 Appendix 3 – Tiers of the organisation.

State organisation
Area organisation

Tier One

- Chief Executive

Tier Two

- Executive Directors
  - eg Director of Workforce Development, which was an acting position held by the researcher at one point during the research.

Tier Three

- Directors
  - The substantive position held by the researcher was at this tier.

Tier Four

- The Leaders interviewed

Tier Five

- Staff
Organisational Chart

Chief Executive

Executive Directors

Directors & Program Managers

Network Leaders

Tier 1

Tier 2

Tier 3

Network Leaders

Network Leaders

Network Leaders

Network Leaders

Tier 4

Tier 5

Staff

Staff

Staff

Staff
8.4 Appendix 4 – Information provided to Participants.

Southern Cross University

Invitation to participate in a research project consent form

Project title: Change Management In a restructuring Government Organisation

Dear

I am currently enrolled undertaking research as part of my PhD. This research is investigating ideas and issues with regard to change management. The thesis research that I am doing is examining the change management process in a restructuring organisation. This is examining the change management process in the restructuring of the Northern Rivers Area Health Service and Mid North Coast Area Health Service.

I am inviting you to participate in this research as you are part of the current management team within the organisation to be restructured. Your involvement will include your usual participation in management meetings and meetings concerning any process and structural change. There may also be an opportunity for an individual interview on your thoughts and issues concerning restructuring and the change management process.

It is important to note that at no time will you be identified or any of your comments or concerns be attributed to you as an individual. All information collected will be de-identified and therefore there will only be trends or issues rather than individual comments.

I have asked you to be involved in the research however your involvement is voluntary and if you do not wish to participate in the research then in no way will this affect any current working or issues in any meetings that you attend.

Thank you for considering being involved in this research and if you have any questions you may wish to call me on 02 6620 7587. My university supervisor is Dr Stewart Hase and he can be contacted on 02 6620 3166.

Yours sincerely

Richard Buss
Purpose of the study and research process

To examine change management processes in the restructuring organisation the research process will be a collection of e-mails, notes and meetings with relevant staff in management or coordinating roles within the Mental Health Services who are part of the change management process.

In addition there may be individual interviews which may take up to an hour. If you agree to the interview process this will be recorded however no individual comments or final issues in the write up of the thesis will be attributed to you as an individual. At no time will you be able to be identified as an individual within the research.

Your rights to privacy and security of records

Any information collected including interview notes, transcripts and minutes of meetings will be kept in a locked and secure place. A copy will be kept under locked and secure conditions at the researcher’s place of work.

If you would like to access any of this information you may do so by contacting my directly.

Problems associated with conducting this research

If you have any issues concerning the conduct of this research you may wish to contact Mr John Russell, Ethics Complaint Officer, at the Graduate Research College on 02 6620 3705 or email jrussell@scu.edu.au or alternatively you may wish to speak with my supervisor Dr Stewart Hase or contact him directly on 02 6620 3166 or email shase@scu.edu.au.

What is of interest is:

- The process of change, that is seen as being able to be, influenced by the local managers and workers
- The process of adaptation to the change and the factors that inhibit or assist in the acceptance of the change
- The factors that individuals see as important in the change management process
- The factors as a group that the workplace or group see as important in the change management process
- The factors that people attribute to the leader of the change process and the value or attributes they place on the relationship with this person.
- The factors or attributes that are important to the participants regarding the change manager
- What are the attributes or values (culture) of the new organisation. Are these build on the old models and if so what is brought into the new model and what is left behind.
Consent to participate in a research project

Project title: Change Management In a Restructuring Government Organisation

Part A: For the participant to complete

☐ I have read and understood both pages of the introductory letter regarding research on change management process in a public organisation.

☐ I am over the age of 18 years and would be pleased to be involved in the project.

☐ I agree to an short interview if required

  OR

☐ I do not agree to an interview

☐ I understand I will remain anonymous in any publication arising from this research,

☐ I understand that all references in my interview to third parties will not be incorporated in published work unless the third party consents.

Your name: ............................................................................................................

Your signature: ........................................................................ Date: .................

Name of witness: ................................................................................................
(independent from project)

Signature of witness: ........................................ Date: .................

Date: ...........................................................................................................

Part B: For the researcher to complete

I certify that the terms of this research have been carefully explained to the participant by letter and follow-up discussion (if any), and that the participant appears to have understood.

The participant has indicated the following restrictions are placed on any data generated during the research (note if none apply):

.................................................................................................................................

.................................................................................................................................

Name of researcher: Richard Buss

Signature of researcher: ................................................................. Date:
8.5 Appendix 5 Vision and Values Statement.

Vision, Purpose, Values, Goals and Strategic Directions

Vision

- Healthy people - now and in the future

Purpose

- Promoting healthy living and providing quality accessible health care for the people of the XXXX

Goals

- To keep people healthy
- To provide the health care that people need
- To deliver high quality services
- To manage health services well

Values

- Respect and dignity
- Care and compassion
- Honesty and integrity
- Equity, access and fairness

Strategic Directions for NSW Health

- Make prevention everybody's business
- Create better experiences for people using health services
- Strengthen primary health and continuing care in the community
- Build regional and other partnerships for health
- Make smart choices about the costs and benefits of health services
- Build a sustainable health workforce
- Be ready for new risks and opportunities