CHANGE MANAGEMENT THROUGH TRANSFORMATION

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INTRODUCTION

The Australian Bureau of Statistics (ABS) is preparing for major transformation to position the organisation to meet future challenges and ensure sustainability. A key consideration of any transformational change management program is the extent to which an organisation's existing culture will need to change to achieve success.

This paper discusses an approach to understanding, influencing and developing organisational culture through the development of a culture change plan.
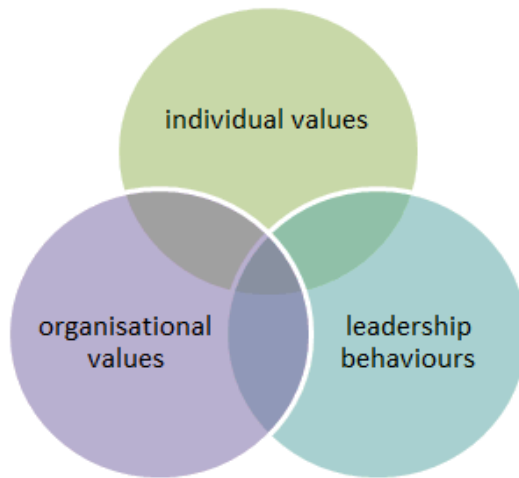
ORGANISATIONAL CULTURE

When people think of organisational culture, they often think in terms of behaviours, or "the way we do things around here". However, organisational culture is broader than this, and it is important to understand how the elements of culture are intertwined, and how the ABS might need to change its culture to successfully achieve transformational change.

A popular definition of organisational culture is the shared norms and expectations that govern the way people approach their work and interact with each other ... which shape how organisational members believe they are expected to behave in order to "fit in", "get things done", and at times simply "survive".[1]

Other views are that organisational culture is all of the following[2]:

a.   how organisations "do things" - i.e. patterns of behaviour;

b.   shaped by incentives – e.g. monetary rewards, status, recognition, advancement, sanctions;

c.   a jointly shared description of an organisation from within - e.g. values, beliefs;

d.   the sum of values and rituals which serve as glue to integrate the members of the organisation - i.e. the values and rituals that reinforce the organisation's story;

e.   a control system which promotes and reinforces "right" thinking and behaving, and sanctions "wrong" (which can become impediments to survival when there are substantial organisational changes);

f.   the organisation's immune system - prevents the wrong people from entering the organisation in the first place; and

g.   dynamic and constantly shifting in response to internal and external changes.

A high performance organisational culture is one in which individual values, organisational values and leadership behaviours are aligned.[3] In other words, the area of overlap between the three is maximised.

Organisational culture is critical to the success of any major transformational program as it influences the way that staff manage and respond to complexity, ambiguity and change, and increases capacity to manage risk.[3] Common outcomes of poor organisational culture are:

    a.   staff disengagement and loss of motivation;

    b.   factionalism and the emergence of silos and counter cultures;

    c.   underperformance across all areas of business;

    d.   time and effort diverted to resolving conflicts, engaging in unproductive debates and disagreement; and

    e.   poor leadership decision making because the values of staff and leaders are not aligned with the collective organisational values.

According to Human Synergistics[4], leaders who focus on long term success and build "constructive cultures" have a 43% greater impact on productivity than those who focus on the short term. They report:

    a.   constructive cultures are those where employees are encouraged to strive, excel, experiment, learn and grow, support and help each other and build relationships;

    b.   passive/defensive cultures are those where employees are encouraged to do what they're told, keep out of trouble and avoid being in the wrong place at the wrong time; and

    c.   aggressive/defensive cultures are those where employees try to be noticed - to be seen as the "brightest light bulb" or "smartest kid in the room" - and do things perfectly. The environment is competitive and people tend to be critical of others.

The ABS has characteristics which could place it in all three of these culture types at times, and work is required to shift the ABS to a position where the constructive culture is the norm.

CURRENT ABS CULTURE

The ABS culture has served the organisation well and has helped the ABS become a leader in statistics. ABS employees strongly uphold the Australian Public Service (APS) Values[5] and ABS Values[6], which are well embedded in the ABS culture:

APS Values
- impartial
- committed to service
- accountable
- respectful
- ethical

ABS Values
- integrity
- trust of providers
- relevance
- professionalism
- access for all
- service

Observations about some current ABS behaviours include:

a. a tendency to focus on data/statistical collections and business priorities rather than taking a holistic or corporate view;

b. holding data confidentiality and privacy dear to our hearts, which can at times lead clients to think the ABS is not responsive to their needs if they are not provided the information they request;

c. in embracing the nature of impartiality, the ABS thinks of itself as a provider of data rather than working in partnership with customers to understand and provide what they need to fulfil their underlying policy requirements;

d. a tendency to, at times, be risk averse. There is a tendency to want to see the underlying detail fully spelled out and tested before fully committing to decisions;

e. the steps taken to ensure the excellence of ABS statistical outputs can get in the way of data which better meets customers' requirements (e.g. "fit for purpose" and timeliness); and

f. the ABS has a number of sub-cultures across its many work areas and offices. Some of these may not fully align with the future ABS vision.

FUTURE ABS CULTURE

While the ABS' organisational culture has contributed to its success to date, there is a need to adapt to a changing environment and learn new ways of operating. Although there is an expectation that the transformed ABS will have the same core values, mission, independence, and the same care for data quality and corporate reputation, there is an acknowledgement that there is a need to develop new ways of thinking about business delivery. This will require a change to some behaviours and mindsets including:

Customer focus

a. greater service delivery culture - both to internal ABS clients and external customers;

b. ability to listen, truly hear what customers are saying, engage and be more responsive;

c. willingness to do everything we can, while still meeting legislative obligations, to meet customer needs, and enable maximum use of our data;

d. thinking of the ABS as being in the information management business and not just in the business of statistical output;

e. valuing and expanding our ability to tell the story behind the data to truly add value for customers; and

f. providing integrated, coherent statistical information.

Enterprise focus

a. corporate rather than local solutions;

b. we need a "fit for purpose" culture, rather than a perfection culture - we need to be comfortable with taking risk;

c. reuse rather than directly collect or build - this is fundamental to the success of the "assemble to order" business model, integration of data, and reuse of metadata;

d. greater cross-disciplinary collaboration to break through organisational silos; and

e. we need to act to maximise organisational outcomes, rather than local outcomes.

Business focus

a. solution based culture - instead of extensive debate and finding the perfect consensus, there is a need to expect faster decisions and more action;

b. we need to look to the international, national and APS communities first for solutions and seek ways to collaborate if we do need to build;

c. we need more emphasis on planning and more disciplined project management to deliver projects on time, budget and to agreed quality and scope;

d. we need to get better at conducting business - including internal budget management;

e. we need to adopt a risk management approach, instead of a risk minimisation approach; and

f. agile methods to develop new technology infrastructure and systems will require new ways of thinking, and clear links with project management.

Behaviour focus

a. we need to focus on preparing, developing, supporting and motivating our people to deliver and sustain a transformed ABS;

b. we need to be more active in seeking information;

c. increased bravery and resilience;

d. increased personal accountability; and

e. with the breadth and depth of change required across the ABS over several years, the adoption of a "change culture" is essential and incremental success should be celebrated.

CULTURAL CHANGE PLAN

The ABS transformational change program will require new behaviours and ways of thinking about the ABS' business as well as changes to organisational processes and practices to reinforce these behaviours.

A cultural change plan will:

a. provide a profile of the ABS' current organisational culture in terms of the behaviours required to meet organisational expectations, problem solve, adapt to change and perform effectively;

b. determine what we want people to be thinking/feeling/saying in five years' time and create an "ideal" culture for the future ABS;

c. assess gaps between the current and "ideal" organisational cultures; and

d. develop a plan to focus cultural change efforts on those key activities which will provide the biggest impact to the future success of the ABS.

The culture change plan will take account of and build on existing work in the ABS, as appropriate, including the capability layer of the ABS enterprise architecture, the ABS People Capability Framework, and ABS Desired Leadership Attributes and Behaviours. Sub-cultures will also be considered in the context of the current organisational cultural profile, particularly where these vary from the ABS corporate culture. The culture change plan will enable us to understand and challenge the assumptions driving our current behaviours: why they are there, what they are for and whether they are still relevant, as well better understand our collective readiness to change.

Results of this cultural change plan will be used to develop a comprehensive strategy to ensure new behaviours and mindsets are developed and reinforced by complementary activities, including:

a. development and refinement of leadership programs;

b. revision of the ABS Leadership Charter;

c. development of change management training;

d. incorporation of desirable behaviours in Development and Performance Agreements and discussions;

e. reinforcement through ABS Recognition and Reward programs;

f. recruitment;

g. refreshes of corporate resources such as the ABS Corporate Plan and ABS People Plan; and

h. "on the job" application of behaviours backed up by coaching and mentoring.

CONCLUSION

The development of the "ideal" organisational culture will provide the ABS with a benchmark against which it can track progress with both cultural and broader organisational transformational change. The success of the ABS' transformational change program will depend, in part, on how quickly and well we can undergo any necessary culture change. Cultural change must be enduring and will take many years; efforts to reinforce any "new" behaviours are likely to be required for some time after the business process and systems aspects of the transformational change program have been implemented.

REFERENCES

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