

Case study: Managing change through a natural disaster

This is a 'What-if' scenario, created from material collected in 2012, as part of a research project by Alana McDonald, to identify and make available leadership experiences from LDC alumni.

The purpose of the case study is to stimulate reflection and discussion on leadership practice. You can either reflect on the scenario yourself, or use it in a facilitated discussion to examine a group's thoughts and ideas on the scenario.

If you have any comments or feedback, contact toolkits@ldc.govt.nz

You are leading a team responsible for the re-engineering of an organisational outpost of roughly 150 employees. There are strong union links, with employees belonging to more than three union bodies. Historically, the area has been resistant to change, as the last time they were restructured about 15 years prior, significant job loss resulted. Your organisation has developed a plan that will make the necessary budget savings, without redundancies, by way of redirecting resources.

The changes you would be announcing would completely change the way the bulk of staff in the outpost operate, as well as some of their conditions of service. One of the biggest changes to their daily operation would be to up-skill individuals to complete a wider range of tasks, reducing the number of staff needed during a shift. This represented a more holistic approach to work, as opposed to their previous task-focused approach. In addition, allowance remuneration was also modified, as there was a need to reduce cost and link allowances directly to work done.

As a result, roughly 20 per cent of the organisation would receive a net allowance drop, 40 per cent an allowance gain, and the other 40 per cent would remain neutral all would see a change in their hours of work. Your Chief Executive (CE) has supported this direction as a way reducing expenditure and making the office more efficient. You have been given the all clear to go ahead and roll out communications and begin implementation of the proposed changes. This was a good thing, as there were rumours and speculation beginning to ruminate among employees of what was coming.

You organised a number of workshop dates and things were in place to begin the roll out of communication to employees of the proposed changes. Then a significant earthquake occurred. As a result, you decided to postpone the roll out of the proposed changes, as there was too much uncertainty. With this delay, you entrenched back into the analysis phase to refine the model and work pattern. Your organisation responded by flying staff in, so relief could be provided to those

affected by the earthquake to take time off work to sort through any difficulties caused by the earthquake. This was a long process, however, built significant credibility for the management team. It was by this time fast approaching the Christmas period, so a decision was made to re-launch the rollout of the proposal in the New Year. The organisation had exhausted a significant portion of resources assisting the areas employees and their families throughout the aftermath of the earthquake, and now there was a strong need to push on with the proposed changes.

You have again set workshop times with the Union's executive and local leadership to communicate the vision and proposed changes that will be taking place. You have completed the first iteration of workshops and you face resistance however it is agreed that an implementation proposal will be developed and discussed with Unions. You begin to prepare the implementation proposal and variation for consultation with the Unions, when another significant earthquake occurs in the outpost location.

Questions

- Do you decide to push on with your changes and move through consultation to employee meetings and attempt ratification or delay the process again? (bearing in mind, you are now over six months behind the necessary timeframe).
- What are some of the leadership challenges you are likely to face in this situation if you:
 - a) carry on with the proposed roll-out?
 - b) delay the changes again?

Messages from a leader

Work alongside unions

- Keep unions well-informed, as they can act as a champion for your proposals with employees. During ratification meetings with staff it proved important to have union members present, so they could vet inaccurate statements or takeaway points employees may have had of my key messages.

Focus on communicating the positive

- With an organisation historically resistant to change, it's important to focus on the positive, and communicate change with transparency and rationale.

Sometimes trust takes time

- Despite how well an organisation may treat its employees, there can be deep-seated mistrust of management by frontline workers. Don't take it personally, and work hard at being credible

and being trustworthy. Sometimes this may mean biting your tongue, putting in the extra mile—but it will pay off over time. You have to keep visiting sites and talking to people: going anywhere, only when you want something or have bad news to impart, doesn't build a relationship.