

It seems that elephants can dance



Photo: NZDF
(CC BY 2.0)

A story of change where the odds weren't great, but the leadership resolute.



KAREN TREGASKIS

Defence has successfully implemented a major change to the way they develop military capabilities. Creating real and enduring change for organisations of their size and complexity is no small task. This brief case study highlights how Defence managed to avoid some common errors I see occurring across many organisations wanting to create significant change. Some of these errors have been identified and published by John Kotter¹ and others are my own observations.

A COMPELLING CASE FOR CHANGE

The Ministry of Defence and the New Zealand Defence Force are jointly accountable for developing and managing defence capabilities. Anyone who has worked around defence capability management will tell you it is a costly business. It is a system that sits within a series of wider systems—it is large, highly complex and in many ways, cumbersome.

By early 2015 there had been several reviews that all painted a picture of a fractured and under-performing system. At the same time, ageing military capabilities meant that new investment was becoming critical if New Zealand was to continue to have a sufficiently credible and capable Defence Force into the future. The investment required was heading towards NZ\$20B over 10-15 years—the largest in a generation. The combination of these factors meant that the need for change had become urgent and critical.

And so, the Ministry of Defence and the New Zealand Defence Force, together, embarked on a five-year journey of change. Creating change across one organisation is hard enough; leading it across two organisations more than doubles that challenge. Throughout their journey they did some things very well and avoided some common mistakes. Ultimately, despite the odds, they managed to create a significant change that, so far, has stuck.

It is commonly quoted that 70% of major change initiatives fail; within a couple of years they can dissolve without trace. Which is why, in my view, this story is worth telling.

VISIONARY LEADERSHIP THAT WAS SERIOUS ABOUT CHANGE

The then Secretary of Defence, Helene Quilter, and the Vice Chief of Defence Force, Kevin Short jointly led the change programme. They were serious about achieving the change Defence² needed. The tone they set was one of unwavering commitment and of genuine partnership. These two leaders were extraordinary in many ways.

From the outset, they were determined that Defence would have a credible, repeatable and effective Capability Management System. They created one of the best authorising environments I've encountered. They made it clear that the Defence Capability Change Action Programme (DCCAP) was a high priority. They sought and accepted advice. They commissioned a relatively small but impactful programme office with experienced experts to help. At times they were very brave. They were always resolute. And they were patient.

¹ Kotter, J. P. (1996). *Leading Change*. Harvard Business School Press.

² Throughout the paper, 'Defence' refers to both the Ministry of Defence and the New Zealand Defence Force, jointly.

In 2015 they worked with a wide range of partner organisations (other government agencies, the defence industry and other militaries) to describe a shared vision for the Defence Capability Management System. They put a target date on that vision (2020) and then they published it, effectively holding themselves publicly accountable. This vision became a critical blueprint for the change.

They welcomed external scrutiny and advice, to help them ensure the change they were seeking was being achieved and would endure well into the future. This included having experienced, credible external experts on the programme governance board and regular independent review.

Consequently, they avoided common error #1 – senior executives failing to dedicate the required effort, resources and sustained focus to make the change real.

And also, common error #2 – lack of a clearly articulated, practical and shared vision of the desired future³.

SOUND 'SYSTEM' THINKING

Defence understood that their capability management system really was a system. To perform well, all elements of the system needed to be working effectively. Every part of that system was included in the programme's mandate:

- **Leadership and governance** - developing co-leadership and oversight across the whole system
- **People** – creating a professional, integrated workforce, including organisational design, roles and responsibilities, training, behaviours and culture
- **Processes** – the design and codification of a new way of 'how we do things here' with supporting guidance and information
- **Tools** – from an extensive on-line knowledge base through to a range of project and portfolio tools
- **Infrastructure** – from the ability to co-locate cross organisational teams through to modern communications and information support
- **Relationships and partnering** – improving engagement with other agencies and the Defence Industry

This meant that the change was wide and deep. Each component part, over time, reinforced the rest of the system.

Defence avoided common mistake #3 – assuming that by changing technology or infrastructure everything else will also magically change.

3 Kotter, J. P. (1996). *Leading Change*. 'Developing a Vision and Strategy'. Harvard Business School Press.



SOME IMPROVEMENT WAS DELIVERED EARLY

The system was complex and severely fractured. Fixing all of it was going to take time. So, the programme focussed on the most critical pain points first. This allowed for some improvement to be delivered to the business environment within the first 12 months. At first these improvements were relatively small and fragile, compared to the size and scale of change needed. However, as each improvement built on those delivered previously, the changes became more robust and increasingly impactful.

The corollary to this was that the leaders were also willing to not address areas of obvious need – they were deliberate, transparent and patient about living with risk in some areas of the system whilst the most critical areas were addressed first. People who were living with these challenges found this frustrating and struggled, at times, to keep the faith. However, over time, all the major pain points were resolved and, to quote Mark Manson⁴, Defence are now dealing with much "better problems".

Also, because the programme did not wait until the entire solution set was fully designed before implementing early changes, some elements needed to be adjusted again later to stay aligned with the overall operating model. This was neither expensive nor disruptive because it was an intentional approach to the change – the programme did not let 'good' be sacrificed by reaching for perfect.

Defence avoided common error #4 – failing to deliver something tangible and useful to the business early, and regularly⁵.

4 Manson, M. (2016). *The Subtle Art of Not Giving a F*ck: A counterintuitive approach to living a good life*. Harper Collins.

5 Kotter, J. P. (1996). *Leading Change*. 'Generating short-term wins'. Harvard Business School Press.

CHANGE THAT WAS BUSINESS-LED

The programme team were a group of experts brought in to be partners, facilitators and supporters of the change. Defence understood that only the business itself, not the programme team, could actually lead and deliver real and enduring change.

If you want to go fast, go alone.

If you want to go far, go together.

African proverb

The Business Change Executives on the programme board were held jointly and individually accountable for ensuring the change

was being supported, led and implemented across their areas of responsibility. These busy executives devoted hours, every week, for several years to make it happen. Their personal dedication and unwavering leadership made a significant difference to the programme.

A genuine 'co-design' process was taken throughout—consequently all the senior and middle managers and internal experts spent many, many hours in workshops and discussions, working through the design of the new system and resolving a myriad of problems and issues together. At the same time, these managers and experts continued in their day jobs. They worked hard and long. The more common experience in many organisations is that change is not well supported by managers in the middle—this is often unintentional. Many have not had the opportunity to learn good change leadership skills and they are often not well-supported by their authorising environment. At Defence, the majority of these managers were genuine change leaders. They had the support of their executives as well as a clear mandate for the change. They put their shoulders into the effort and brought their considerable influence and intellect to bear in creating a better future, together.

The programme board attempted to let some business-as-usual activity slide to take pressure off their people, although this proved challenging. Consequently, the co-design approach was slower and at times messier than the traditional approach programmes often take – where a select few are taken out of their day jobs to work with the programme offsite, or in a dedicated area. However, as a result, the agreed new ways of working are genuinely owned by both organisations, have proven to be robust and are able to endure well into the future.

Common error #5 was avoided – doing change 'to' the business rather than 'with' the business

© 2019 Tregaskis Brown

MEASURES THAT FOCUSED ON THE CHANGES AND BENEFITS

As important as it was to do the traditional *project progress* monitoring across the programme, Defence also carefully monitored *programme performance*. Every quarter the programme reported on *performance* against:

- The expected benefits
- The change vision and intended future state (the International Exemplar)
- Resolution of the pain points and problems that had been identified across the system

The focus on *programme performance* rather than just *project progress* kept the leaders clearly focused on what mattered most. It also enabled better governance insight and more effective independent review. And the programme could identify early when an approach wasn't working and make adjustments along the way.

Common error #6 that Defence avoided – applying project thinking to a programme of transformational change

THE CHICKENS WERE NEVER COUNTED BEFORE THEY HATCHED

Throughout the programme, pain points were not considered to be resolved until both organisations were fully satisfied. Each new component of the system that was produced was not accepted as 'complete' by the programme board until it had been implemented and proved to be working effectively. Every component was then monitored in the business-as-usual environment to ensure it was fully embedded.



Photo: NZDF (CC BY 2.0)



Photo: NZDF (CC BY 2.0)

in five years' time, much of what was achieved remains deep within their organisational DNA and that they have continued to improve on what they have today.

I hope Defence will avoid common error #8 – assuming success is permanent

The change Defence achieved is impressive. I believe they have proven that elephants *can* dance⁷.

Defence were determined to ensure that change was well-embedded before the programme was closed and the leadership focus shifted to new things. Consequently, Defence decided to keep the programme open, in an increasingly scaled-back way, for 2 years longer than originally intended. This meant performance monitoring, leadership focus and expert support for the business continued to be in place as the new system was embedded and improved.

Common error # 7 appears to have been avoided – declaring victory too soon⁶

BEYOND 2020

Defence can be confident that they have implemented and embedded the changes they needed. The future state they envisaged back in 2015 is now largely their reality.

The system is now, clearly, better. However, it is not without its issues and is by no means perfect. The wider environment continues to change—sometimes rapidly. Consequently, there is still much to be done and new challenges continue to emerge. But Defence are not complacent. They are refreshing their vision to 2025. They understand the need for ongoing improvement and to continue to anchor the changes they worked so hard to achieve. I am hopeful that

⁶ Kotter, J. P. (1996). *Leading Change*. 'Anchoring New Approaches to Culture'. Harvard Business School Press.

SUMMARY OF COMMON ERRORS

1. Senior executives failing to dedicate the required effort, resources, and sustained focus to make the change real.
2. A lack of a clearly articulated, practical, and shared vision of the desired future.
3. Assuming that by changing technology or infrastructure everything else will also magically change.
4. Failing to deliver something tangible and useful to the business early and regularly.
5. Doing change 'to' the business rather than 'with' the business.
6. Applying project thinking to a programme of transformational change.
7. Declaring victory too soon.
8. Assuming success is permanent.

⁷ Gerstner, L. V. (2002). *Who says elephants can't dance? Inside IBM's historic turnaround*. HarperCollins.

© 2019 Tregaskis Brown

ABOUT THE AUTHOR



Karen Tregaskis, Founding Partner, led the Tregaskis Brown partnership with the Defence Capability Change Action Programme from 2015 through to 2020. Tregaskis Brown provided subject matter expertise, facilitation, advice and support throughout the five-year change journey.

Karen is a sought-after advisor to executive teams on the governance and effective control of portfolios and major programmes of change. She is valued by her clients for her ability to challenge their thinking and to help turn strategy into action.

Tregaskis Brown was a Category 1 Finalist at the 2018 Minister of Defence Awards of Excellence to Industry (for provision of services under \$15 million). [Watch the story behind the nomination.](#)