

Speech by Mr John Hynes, An Post Chief Executive, at the Insurance Institute of Dublin's 25th Annual Dinner at the Burlington Hotel on Saturday 2nd December 1995.

Ladies and gentlemen, I am honoured to be a guest of the Insurance Institute of Dublin on such an important celebration the 25th annual dinner.

The members of the Insurance Institute of Dublin are in the process of embracing change in a positive, practical way. That is not easy. It is never easy.

The growth of network based computing has spurred new approaches to changing organisations - we all hear and read about business process re-engineering, process redesign, total quality management, and so on.

We have been busy in this area ourselves in An Post - 520 computerised post offices, new track and trace systems, new mails centre, etc. And we have made money in the process and invested £70 million modernising the postal service. When making change think and act "big" - it is as difficult to make small changes as big ones.

However the rush of new ways of "engineering" organisations has not been matched by a similar rush of new ways of managing people. I have not met many managers who say to me "Hey John - I feel great - I've just been re-engineered ! "Most people are just happy they ended up on the "right" rather than the "down" side of organisational sizing.

Re-engineering is a design idea - it doesn't tell you anything new about "managing in" change.

In the human relations field the experts refer to the design and implementation of "socio-technical" systems - meaning designing and managing the social aspects of organisational systems is just as critical as the technical aspects so loved by the Re-engineers.

I'll tell you where I stand on this. Managing the social aspects of change is the real work of managers. In my book managers who can't cut it here are unfit to be general managers. What is more in the change business you have to be a leader as well.

Remember there is a big difference between authority and power or influence. I know lots of people - maybe you do to - who are in authority positions but can't seem to be able to influence events.

This is usually because these so-called leaders are just managers - or are - even worse - mere organisation men who rise through the management ranks by avoiding every Leadership "moment of truth" that ever came their way. By the way never underestimate Organisation Man - his success is no accident, it is just that his skills and talents are misdirected.

Leaders rely on three qualities - energy, competence, and integrity. When really effective leaders go astray it is usually because of shortcomings in the integrity area. Think about failures in Irish business and you may see what I mean. With integrity people will follow you out of respect - without it they merely follow you out of fear or self-interest. Remember, leaders are (usually) not loved - but they are respected.

When it comes to embracing change - itself a fearful thing to do - people elect to follow you into the unknown. Before they will join in the change process they will want to trust you, they will want to feel you won't let them down.

They will know they are safe with you when they believe in your integrity and honesty of purpose. Never underestimate followers ability to shrewdly assess your standing on this dimension.

Embracing change involves learning new ways of working and relating to others by all in the organisation. Radical change means learning a new set of beliefs or values.

Let's think about learning for a moment.

It is not the same as training - which is the systematic acquisition of skills and knowledge. Learning takes place when there has been a change in behaviour - or as we say negatively "your man knows it all - but he has learnt nothing".

People elect to learn - they make that decision themselves. Managers can provide training - leaders get people to act on their training and start learning - by experiencing success and failure.

So it is with organisations who have to learn how to change. We all can think of companies whose chief executive knows what to do, who have received consultants reports on what to do, and - most importantly - whose management and staff know what to do, and which have done virtually nothing. These companies have mastered knowing what to do but still have failed at the learning - because organisational behaviour has not changed.

Why do organisations elect not to change? Usually because the prevailing values of the organisation act as a "closed gate" barring the entry of change. Think off IBM and their attitude to the PC. In their "mainframe" minds the gates (pun!) were closed to the PC and DOS operating systems.

What is required is a new leader focused not so much on the task elements of change but one focused on the management of change and the leadership of people. One who will push open the gate barring entry to change. This is called "double loop" learning, in which a new task and a new way of changing are both learned together.

In An Post we - having just weathered a major round of radical change - are preparing for another voyage away from the comfort of what we have already learnt and into the "unknown" of a rapidly changing world in the messaging, distribution, and payments businesses. I and my colleagues are looking forward to the journey. We have experienced change and we have learnt from it.

What have I learned? I have learned that people elect to learn and elect to follow their leader (a person usually not chosen by them). You will know you are a leader when you experience the respect of people - including their respect for you expressed as criticism of your own performance. Beware the absence of real criticism - it can mean that respect is absent, or that organisation man is present.

Thanks.

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References

The points about individual learning and organisational learning are drawn from an excellent (and short) book called:

"New organisations from old"

How to survive and prosper in a changing environment.

Taylor OE, and singer EJ

Institute of Personnel Management 1983