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Constructing corporate capability in changing contexts: The innovation journey of strategic management development at BankWest

Moira Watson

*Edith Cowan University*

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Constructing Corporate Capability in Changing Contexts:
The Innovation Journey of Strategic Management Development at BankWest

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FAIM, GAICD

This thesis is presented in fulfilment of the requirements for the degree of
Doctor of Philosophy

Faculty of Business and Law
Edith Cowan University
December 2014
USE OF THESIS

The Use of Thesis statement is not included in this version of the thesis.
Declaration

I certify that this thesis does not, to the best of my knowledge and belief:

(i) incorporate without acknowledgment any material previously submitted for a degree or diploma in any institution of higher education.

(ii) contain any material previously published or written by another person except where due reference is made in the text; or

(iii) contain any defamatory material.

Moira Watson

11 December 2014
Abstract

This thesis is about an unfolding management development process over time. Interconnections influencing corporate capability are explained and insight provided into the social construction of strategic organisational change. Studies of strategically-focused change don’t generally address the part management development plays in innovation and corporate capability construction. This research thus fills a persistent knowledge gap in the understanding of the way management development is provided within organisations and the value of the process.

This empirical study is in the process research tradition. A longitudinal, in-depth case study of BankWest, an Australian financial services company undergoing significant change between 1997 and 2009, is used to investigate how management development is constructed and assess the role it plays in constructing corporate capability. This unique study combines a constructionist paradigm, a contextualist and a processual design, temporal bracketing strategies and a narrative analysis to scrutinise organisational change and innovation, detail the role of management development, and identify its constitutors, enactors and integrators. Through linking literature on management development, capability, change and innovation, a novel and interwoven analysis of strategic change endeavours is produced.

The findings of this study show that management development can be an enabler of strategy to gain or maintain organisational competitive advantage and to design, apply and advance change approaches. Through the adoption of a capability-driven perspective, strategy can be actualised, desired managerial identity and behavioural productions can be facilitated, and organisational capability and manager capability can be aligned to achieve strategic, operational and professional outcomes. The manager of management development is identified as the central player crafting the strategic change endeavours’ purposes, practices and positions through conversations with other organisational actors that enable composition and rendition of the management development events.

Three major contributions to knowledge are made First, theoretical understandings of management development as a strategic change endeavour from capability and innovation perspectives reveal how and why people act as they do within changes processes. The production of a framework that models management development’s role in innovation provides new empirical insights into how organisational actors through networks of conversation socially construct change. Second, management practice is informed through a narrative analysis of polyvocal accounts of individuals engaged in the management development process. A framework of strategic change endeavours is provided that practitioners could use to increase understanding and provide considerations for future action. The exploration of management development as a socially constructed reality
illuminates how it is constituted, enacted and integrated and enables managers of the process and change agents to adapt insights to their local situation. Third an understanding of how research into contemporary corporate companies is undertaken is provided by illustrating how management knowledge can be built and making explicit the inter-relationship between the researcher and the research product.

This study empirically identifies and portrays strategic change endeavours through the lens of management development before locating them within the wider context of capability construction and innovation. The reflexive approach taken enables the tale to be told of how the research was undertaken. This thesis thus provides valuable contributions to management theorists and those undertaking research and offers practitioners insights that can be applied to constructing management development and change programs within their own organisations.
Dedication

I dedicate this thesis to

Peter, Emma and Laura

You have been by my side throughout this journey

The Road Not Taken
by Robert Frost

Two roads diverged in a wood, and I—

I took the one less travelled by,

And that has made all the difference.
Completing this PhD thesis has been quite a journey. While at times it has been a challenge it has also been an indulgence. Being able to successfully traverse the many highs and lows of this undertaking was due in no small part to the unfailing support of many people.

A/Professor Llandis Barratt-Pugh, thank you for choosing me as the winner of the Australian Research Council scholarship. This thesis had its genesis in you inviting me in and your ongoing gift of time and wisdom enabled me to meld the worlds of BankWest and Edith Cowan University. Thank you for your continual guidance, advocacy, insightful comments, clear judgements and for your inspiration. My thanks also go to Professor Rowena Barrett, A/Professor Peter Standen, Professor Beth Walker and Dr Janice Redmond for your support through this process.

The people at BankWest have been pivotal to this research. You willingly gave your time to respond to my questions and share your experiences and I thank you all for your largesse. I acknowledge the support of Bruce, Margit, Bill and Craig, and I particularly thank Tania for your continuing help and kindness.

Thank you Jack, Alma and Irene for your legacy of intellectual curiosity, perseverance and ability to work in ambiguous spaces. Nancy and Bruce, thank you for your belief in my capacity to see this through and for your understanding of the importance of the task. Patrick, Marie, Di, Elaine, Karen, Bernie, Chris, Brad and Vanessa, thanks for your ongoing support. Irena, I have greatly appreciated your enthusiasm and encouragement and have valued your many cogent and creative insights that have stimulated my thinking.

Finally, I thank my husband, Peter, for your unswerving confidence in my ability to do this, for all the ongoing practical help and encouragement, and for your generosity in giving me space to undertake this journey. To my daughters, Emma and Laura, who have lived the majority of their lives with me completing this research, thank you for your forbearance and all your help. Without you three, these pages would never have been produced.

Moira Watson
Perth, Western Australia
11 December 2014
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Part 1: Constructs
1

Orientation

Opening

This chapter is an introduction to the context and content of the thesis. It is the first of three chapters that provide the thesis constructs. The chapter provides a background to the research, explains the research focus and aim, overviews the research design and methodology, highlights the limitations of the research, describes the significance of the study and depicts the structure of the study. Figure 1 shows the structure of this chapter.
Management development and its continually changing relationships with the construction of corporate capability is the focus of this study. These complex, contested and often hidden inter-relationships are the heart of this research. This study examines the management development process as it unfolds over time within the financial services industry in Australia. It explores this phenomenon using a case study of BankWest, a company that between 1997 and 2009 transitioned from a small regional bank headquartered in Western Australia (WA) to a part of HBOS, one of the largest banks in the world, through to being a part of the Commonwealth Bank, the largest in Australia. The selection of BankWest as the case arose because it was the industry partner in the successful Australian Research Council Linkage Grant (ARCLG) application made by Edith Cowan University, which established this research (Barratt-Pugh & Standen, 2001) and, as such, it can be considered an intrinsic case study (Stake, 1994).

The impetus for the research stemmed from Karpin’s (1995) conclusion that Australia required management development that fostered soft skills, interactive and enabling management styles and an attitude of valuing diversity and innovation. The ARCLG application proposed to examine the building of such management capabilities at BankWest by investigating how videoconferencing and online training packages were used in regional locations, thus determining appropriate learning architecture configurations that were supportive of organisational culture change and had an impact on business performance.

The proposed research assumed a stable environment in which change was static (K. Lewin, 1951) and was structured as action research (Carr & Kemmis, 1986; Patton, 2002). A comparative and experimental research approach focussed on managers’ and participants’ experience of learning via videoconferencing and online learning in regional sites within WA, and on performance data collected before and after the introduction of the new technology. Within six months of the research commencing, changes in BankWest, including the abandoning of videoconferencing as a training tool, required that the research be refocused.

In the refocusing of the research a view of change as an ongoing process of improvisation enacted by organisational actors dealing with the everyday of organisational life was adopted (Orlikowski, 1996). Change is seen as a dynamic process that occurs rather than exists (Sztompka, 1991) with actors who take actions embedded in contexts. A constructionist paradigm (Guba & Lincoln, 1998) is employed with its stance that change is a socially constructed reality given meaning through the interactions of organisational members (Berger & Luckman, 1967), leading to a pursuit of knowledge aimed at understanding the lived experience of BankWest members (Schwandt, 1994). A contextualist approach with a processual perspective is used to investigate the actual process of management development (Dawson, 2003a, 2012; Pettigrew, 1985c, 2012; Van de Ven, 1992). This orientation views
change as a sequence of occurrences unfolding in a designated time period in a specific
context and enables understanding of how phenomenon evolve over time and why they
emerge in particular ways and is considered an appropriate way of empirically recording a
phenomenon whose nature was “dynamic, complex, involving intense human interaction”
(G. Johnson, Langley, Melin, & Whittington, 2007, p. 52). By blending a structuration view
(Giddens, 1979), the construction of management development is seen to occur through
managerial actors drawing upon organisational structures in their formation of rules and
resources that facilitated their actions, at the same time reproducing and amending those
same structures.

The aim was to attain a comprehensive understanding of management development’s
construction and its contribution in constructing corporate capability in an innovating
organisation, thereby providing insight into strategic change endeavours. The complexity of
relations that underpin management development processes requires long and deep field
study. Dispersing resources over a range of comparative studies would run the risk of
collecting multiple superficial data. The choice was made to focus on one large organisation
where management development was a prominent corporate activity and gain rich cultural
data through being embedded within the organisation over an extended period of time.

The investigation is framed within a conceptual scheme influenced by Habermas’ (1987)
theory of knowledge-constitutive interests, which sees that knowledge does not exist in
isolation but is produced as a result of individuals’ social and historical conditions, is
enmeshed in past and current social structures and can only be understood relative to their
experiences. A first-order analysis (Van Maanen, 1979) is undertaken using a narrative
strategy (Langley, 1999), which produces an analytical chronology of management
development at BankWest that emphasises the words of the organisational members. A
second-order analysis (Van Maanen, 1979) using change, management development,
capability and innovation theories provides interpretations of the study. As a result of all of
these choices, this thesis is longer than readers may expect.

**Focus**

Management development is a paradox. It is often hailed as a means of effecting company-
wide change, implementing strategy and achieving competitive advantage (Alagaraja, 2013;
Huselid, 1995; Luoma, 2000c; Teece, Pisano, & Shuen, 1997). Management development is
regularly positioned as a powerful and prestigious human resource development (HRD)
activity garnering high-level organisational support and significant resources in order to play
out corporate expectations. When portrayed as a way of promoting the alignment between
organisational and individual manager capability, management development is seen as a means to drive the business strategies of the innovating company (Garavan, Costine, & Heraty, 1995; Luoma, 2000b) and capable managers become a means to develop corporate competitiveness (Law, 2008). However, the experience of those involved with management development practices is not always clear. For participants, sponsors, and managers of the process, management development is multi-faceted and invested with various meanings (Lees, 1992; Mabey & Finch-Lees, 2008). Its outcomes are multiple (Gold, Thorpe, & Mumford, 2010) and its impact often ambiguous (De Cieri & Holland, 2006; Peel, 1984). As Hopfl and Dawes (1995) observe, management development is not value-neutral. Management development has various agendas (Lees, 1992) and is engaged in to achieve different and often competing purposes (Garavan, 2007; Mabey & Finch-Lees, 2008; Woodall & Winstanley, 1998).

Management development is enjoying a resurgence of interest from both academics and practitioners and there continues to be a high investment in this activity (Gold et al., 2010; Mabey & Finch-Lees, 2008; Sheehan, 2012). The process of how management development is constructed in corporate organisations within Australia has not been a widely studied phenomenon (Holland & De Cieri, 2006; McGraw, 2014). Despite the ongoing interest in the innovating nature of organisations and the contribution managers make within organisations (Andriopoulos & Dawson, 2009), there is limited empirical information about how managers are actually developed and how such management development influences, and is influenced by, organisational change (Longenecker & Neubert, 2003; Sheehan, Garavan, & Carbery, 2014; S. Watson, 2008). This thesis addresses this knowledge gap.

In today’s changing organisations, how is management development constructed and what role does it play in the construction of corporate capability? This is a research issue that is important for management practice and theory. Large and small organisations that are continually innovating are increasingly investing in management development to achieve capability and competitive advantage (Gold et al., 2010; Mabey & Finch-Lees, 2008). However, such investment has often been shown to be a leap of faith without appropriate return (Garavan, Heraty, & Barnicle, 1999; Kamoche, 2000; Kempster, 2009; Peel, 1984; Thomson, Mabey, Storey, Gray, & Iles, 2001; Thorpe & Gold, 2010). Why and how companies engage in management development at particular times has not been much examined and there is little research that analyses the management development process in context illustrating its constraints and enablers and its productions and integrators as it unfurls over time (Knox & Gibb, 2001; Luoma, 2000c; Mabey, 2002; Mabey & Finch-Lees, 2008; Sheehan et al., 2014; Smith, 2006).

Management development is a lens through which organisational change and innovation may be observed. With the organisational environment providing the rationale for management
development the process may be viewed as a means of transmitting desired organisational learning (Giddens, 1984; Kamoche, 2000) or innovating capability (Leonard-Barton, 1995; Nonaka & Takeuchi, 1995; Rogers, 2003; Teece et al., 1997; Van de Ven, Polley, Garud, & Venkataraman, 2008; Zaltman, Duncan, & Holbeck, 1984). Recursively management development creates and maintains corporate capability that contributes to organisational change. Though there has been a considerable amount of research focused on organisational change, the multifaceted ways in which change strategies unfold makes describing, explaining, managing, predicting or controlling these strategies difficult (W Warner Burke & Litwin, 1992; Van de Ven & Poole, 1995). Organisational change can be chaotic (Gleick, 1988) and investigation and theorisation can be challenging for researchers as the information available is often conflicted and confused (Langley, 1999).

Examinations of organisational change, including innovations such as management development, generally focus on two kinds of questions (Van de Ven & Huber, 1990): the ‘what’ question that investigates the antecedents or consequences of change and the ‘how’ question that describes and explains how changes arise, develop, mature or conclude over time. The first is concerned with the inputs and outputs of change and is typically studied using a variance theory methodology (Mohr, 1982; Van de Ven & Poole, 2005a), the second concentrates on the events of change and uses a process theory approach to explain temporal ordering and sequencing derived from a story or historical narrative within an organisational setting (Poole, Van de Ven, Dooley, & Holmes, 2000). It is the second type of question that is the focus of this study.

In considering strategic change endeavours the focus in this research is on those management development events that arose as a response to organisational directions that are important to the ongoing survival of the organisation and which involve different functions and levels of managers (Van de Ven, 1993). For this study a range of management development activities occurred in the organisation. In making the selection of which to track, Johnson’s (1987, pp. 4-6) concepts of strategy were taken into considerations in assessing whether the intent of the management development events was to deal with uncertainty of future directions, required an integrated approach involving managers across boundaries, and were a means of dealing with change and complexity. Accordingly, this study deals with strategic management development.

Figure 2 illustrates the focus of this study. Changing organisational contexts create dissatisfaction with the conditions in the organisation and this shock stimulates processes of management development as a strategic means to solve organisational problems. Through organisational conversations particular change concepts of management development are initiated and shaped into programs. Organisational networks of actors inter-relate and change content is developed that influences individual managerial performances thereby executing
organisational identities. The resulting management development productions of new managerial conceptions, procedures or roles are incorporated into repertoires and linked and embedded in particular change circumstances of the organisation over time, becoming new ways of working. Recursively, such changes feed back into perceptions of the need for further strategic change endeavours.

By considering how management development programs are constituted, how performances are enacted, and how the productions are integrated, this contextual study examines the process of management development’s birth, evolution, demise, and transformation into various forms and assesses its role in corporate capability construction in a changing organisation striving to initiate and implement organisational innovation. The study describes the management development process and analyses it in context, illustrating the ways of particular strategic change endeavours.
Aim

This study makes a contribution to knowledge of management development as a strategic change endeavour through an exploration of capability construction and innovation. How the process of management development is constructed over time within a changing Australian corporate entity is explored. The process by which managers are developed is considered and how the management development process is influenced by organisational innovation and its impact on corporate capability construction is assessed.

Using a longitudinal case study of BankWest, an iconic WA financial services organisation undergoing ongoing changing, this study addresses the central research issue of

- How is management development constructed and what role does it play in the construction of corporate capability in changing contexts?

The specific guiding research questions consider, in an innovating organisation,

- How are management development programs constituted?
- How are management development performances enacted?
- How are management development productions integrated?

This study achieves what Ichniowski, Kochan, Levine, Olson and Strauss (1996, p. 339) identify as a pressing need of getting into the “black box” to see “how and why people perform as they do” in their enactment of change processes. By focusing on the interactions of organisational actors in constructing strategic change endeavours empirical insights into change enactment are provided a contribution is made to overcoming the gap in knowledge about “how change is actually accomplished” (Tsoukas & Chia, 2002, p. 568).

Design

A constructionist stance with a subjectivist epistemology within a relativist ontology is employed. Though a choice not often made by management researchers (Alvesson & Deetz, 2000), such a paradigm has strength (Easterby-Smith, Thorpe, & Lowe, 2002) in enabling investigation of how BankWest’s management development process proceeded over time. As the examination of the management development process is within the context of a corporate organisation that is socially constructed, the different realities constructed by the individuals involved in the research are acknowledged and incorporated into the research process.
The purpose of this research is to increase understanding of how the process of management development is constructed within a corporate context of an innovating company and to gauge the contribution that management development makes in the constructing of corporate capability, thus providing insights into strategic change endeavours. The ontological, epistemological and methodological assumptions of the constructionist stance provided a philosophical base for the investigation of the management development process within the case of BankWest. As the prime focus involved understanding the contexts in which the process of management development was journeying, Habermas’ (1987) theory of knowledge constitutive interests influenced the structuring of the research design. Case study was selected as the enquiry strategy as it is a comprehensive and rigorous research approach comprising an all-encompassing method (Yin, 2003) and one that was matched to the research problem (Stake, 2005) and paradigm (Guba & Lincoln, 2005).

This longitudinal study used a participant observation research meta methodology of document analysis, interviews, direct participation and observation, and introspection (Denzin, 1989b), based on contextualism theory (Pepper, 1970) to track the structuring of the process (Dawson, 1994; Pettigrew, 1990; Van de Ven & Huber, 1990) of management development at BankWest between 1997 and 2009. Narrative structured as a chronology was chosen to tell the story of the BankWest case (Czarniawska, 1998; Dawson & Buchanan, 2003; Langley, 1999). In line with Langley (1999), this sensemaking approach was further enhanced by a temporal bracketing strategy that arranged the organisational story into designated periods or episodes (J. Hendry & Seidl, 2003). Using techniques advocated by Van de Ven, Angle and Poole (1989) these critical events were mapped and analysed using Tichy’s (1983) consideration of triggers, and the dominance of technical, political and cultural cycles, as well as the adjustments and outcomes observed. Further readings of the account were taken by viewing the events through perspectives from the fields of management development, change, capability and innovation.

Undertaking research into social phenomena within twenty-first century organisations is not a linear, goal-directed activity as is often presented in research methods textbooks (Bryman, 1988a). Instead, research of this nature involves a spiralling and iterative activity of data construction, interpretation, critique and reflection, which is influenced by assumptions, funding, relationships, politics and opportunities. In line with the reflexive approach (Alvesson & Skoldberg, 2000) adopted and, as is often the case with contextual and processual research, the tale is told of this researcher’s engagement in this form of management research as an aid to the understanding of the product of the research enquiry and the issues involved in researching in contemporary organisations.
Limitations

Contextual and processual research has weaknesses and strengths as well as limitations and advantages (Pettigrew, 1985c). By taking a contextualist approach the aim was to avoid the ahistorical and aprocessual forms of much research that sees a process as a single event separate from its antecedents that give shape, substance and sense (Pettigrew, 1990). The study draws from Van de Ven’s (1992) view that processual research is founded on an historical developmental perspective focused on the unfolding of sequences of incidents, activities and stages of a particular entity or issue. The empirical case is limited by the organisation selected and the interpretations of the individual and collective actions of the players in the innovating management development process.

The decision was made to undertake a single case study. The use of a single case has raised concern, however as Mintzberg (1979, p. 583) asks rhetorically, “What ... is wrong with samples of one? Why should researchers have to apologise for them?” Different researchers have acknowledged the value of using a single case study (W. G. Dyer & Wilkins, 1991; Mintzberg, 1979; Pettigrew, 1985b, 1985c). By focusing in-depth on this intrinsic case (W. G. Dyer & Wilkins, 1991) it was possible to look at events in detail and track their sequencing over time (Zikmund, 2003). This attention to detail supported fine granularity (Harrigan, 1983). This approach enabled exploration of different contexts in different parts of BankWest and the gaining of nuances from multiple stakeholder viewpoints. The result of the study was improved understanding of the complex forces constructing management development as a strategic change endeavour.

A concern often raised about case study research is the limited capacity for generalisation. Gummesson (1991, p. 78-86) challenges the assumption that generalisation is a desirable knowledge outcome and queries the meaning of generalisation. In his view, the value of generalisation in in-depth studies is the identification of certain phenomena whose analysis lay its mechanisms bare and provide insights that other researchers may use as guidance in their studies. As Yin (2003, p. 10) comments, the single case is like a single experiment, it is generalisable to “theoretical propositions and not to populations or universes”. This is supported by Bassey (1981, p. 85) who contends that “the relatability of a case study is more important than its generalisability.” This case study does not provide statistical generalisability but uses within case comparisons to improve analytical generalisability and enable the transferability of results.

Another limitation is the time perspective chosen. A key assumption underpinning processual research is the dynamic nature of the effects of time: temporal considerations are vital as time “is not just ‘out there’ as neutral chronology, but also ‘in here’ as a social construction” (Pettigrew, Woodman, & Cameron, 2001, p. 700). This study comprises a
contextual and processual perspective on an innovating management development process within a changing Australian financial services company. The timeframe selected for this study covers the stewardship of two chief executives between 1997 and 2009, which is around 10% of the history of BankWest. The selection of this period was influenced by the funding requirements of the Australian Research Council and was determined pragmatically by the timing of the research, the research design and the research focus. The aim of the study is to generate understanding of the management development process as a strategic change endeavour through a description of what was occurring, why, where, when and how over the time period. The participants in the process of management development are the units of analysis and capturing their lived experiences (Dawson & Buchanan, 2003), both retrospectively and in real-time, enables the formulation of description that is constructed by the stakeholders within that context. Describing the chronologies and events and establishing relationships among context, process and outcome (Pettigrew, 1985c, 2012) enables determination of patterns and structures in the changing settings. In this case, a limitation was presenting those temporal connections parsimoniously enough for a thesis.

**Significance**

BankWest is an example of an Australian organisation reconfiguring in a global economy. The opportunity to “catch reality in flight” (Pettigrew, 2001, p. 566) over retrospective and real time (Pettigrew, 1985a) as the company transitioned from a small regional Australian bank to a part of one of the largest banks in the world through to being a part of Australia’s largest bank is unique. Studying how management development is handled in such a context and deriving insights into strategic organisational change endeavours has both theoretical and practical significance.

Authors have pointed to a persistent knowledge gap in understanding of the way management development is provided within organisations and the value of the process (Kearney, Harrington, & Kelliher, 2014; Mabey, 2002; Mighty & Ashton, 2003; O’Connor, Mangan, & Cullen, 2006; Sheehan, 2012). The need to investigate the role played by management development in the formation of corporate capability has been highlighted by Luoma (2000c), and the importance of exploring the process has been promoted by Storey (1990), Knox and Gibb (2001), Mabey and Finch-Lees (2008), and Kearney, Harrington and Kelliher (2014).

Noting this continuing dearth of research, Smith (2006) emphasises the need to investigate the role of management development in shaping the ability of organisations to undertake successful change processes, particularly in Australia. Studies that examine the process of
management development and its construction in Australian corporates are few (McGraw, 2014) and the knowledge about how the actual development of managers is conducted and its influences in organisational changing is limited (Holland & De Cieri, 2006; S. Watson, 2008). This study contributes to filling this gap by providing empirical insights into the management development process within the context of the Australian financial services industry and illuminating the construction of strategic change endeavours, thereby meeting Dawson’s (2003a, p. 25) call for research that addresses “broader understanding of the complex untidy and messy nature of change.”

This study focuses on the longitudinal process of organisation-wide management development design and implementation within the Australian financial services sector. The adoption of a contextualist approach and a processual methodology provides a view into strategic change endeavours enabling the role management development plays in the construction of corporate capability to be detailed and the constitutors, enactors and integrators of the process to be identified. The evaluation of one organisation in-depth allows assessment of what has occurred in its change journey. An integrated analytical perspective drawing from management development, capability, innovation, and change theories provides a unique contribution to those fields of study.

In line with the constructionist stance of this research, the research design allows a comprehensive presentation of how organisational change endeavours are constituted, enacted and integrated. Through the use of a chronological narrative, a highly descriptive account of various change endeavours occurring within a contemporary financial services company is provided (Czarniawska, 1998; Dawson & Buchanan, 2003; Langley, 1999). Using a temporal bracketing strategy (Langley, 1999) and processual analysis techniques (Dawson, 1994, 2012; Pettigrew, 1997, 2012; Van de Ven et al., 1989; Van de Ven et al., 2008), management development events are explored and synthesised. By providing a first-order analytical account (Van Maanen, 1979) of how organisational members and change participants engage in management development in their innovating journey to constructing corporate capability, an understanding of the internal life of processes of change and the way in it is constructed through participants’ interactions is aided. The interpretations offered through the second-order analysis (Van Maanen, 1979) provide a view of management development from innovation perspectives within a strategic change framework to assess its role in corporate capability construction. The use of a reflexive methodology (Alvesson & Skoldberg, 2000) and the telling of the tale of the researcher’s journey through this study highlights the interplay of the research process and its products thus contributing to understandings of how contemporary management research can be undertaken.
Finally, there have been continuous calls for research to make a contribution to management practice (Dawson, 2003a; King & Learmonth, 2014; Pettigrew, 1985c, 2012; Rynes, McNatt, & Bretz, 1999; Van de Ven et al., 1989). Through the lens of management development this study offers practitioners insights into the construction of strategic change endeavours and highlights the role played by particular actors in change processes. Awareness is raised of the iterative nature of change and the influences involved in enacting and integrating change. Although practitioners may not use the study “instrumentally” they may use it “conceptually” for “general enlightenment and for influencing future actions” (Rynes et al., 1999, p. 872).

The study facilitates organisations to make connections applicable to their changing contexts. In the case of BankWest, the study has already informed practitioners in positioning management development within its people processes and provided some principles for designing management development to ensure whole of Bank access, appropriate use of methodologies and achievement of desired outcomes within contexts undergoing continual change. In addition, the interactions of an embedded researcher have made significant contribution to BankWest strategy through continual reflection on processes and the introduction of academic and external knowledge.

**Structure**

This thesis is presented in three parts comprising six chapters. The relationships of the chapters are illustrated in Figure 3: Thesis Outline, which is presented in the form of the BankWest Tower, an iconic building that dominates the Western Australian Perth CBD skyline. Starting with the foundations of Part 1: Constructs the design of the thesis flows upwards towards the roof of Part 3: Conclusions. The inclusion of the picture is in line with the use of visual images as promoted by Thompson (1988).
Figure 3: Thesis Outline
Part 1: Constructs comprises three chapters.

• Chapter 1, this chapter, is an overview of the thesis. It provides the background to the research study, its focus and its aim. The design of the study is overviewed, the limitations are specified and the significance is explained. Figure 2 details the organisation of the thesis.

• Chapter 2 provides perspectives derived from a review of the literature associated with management development. First, the review explores the constitution of managers and management. Second, the changing managerial contexts are discussed. Next, concepts of what management development is, why it is done and in what ways are examined. Then, the notions of strategic management development and its relationship to competitive advantage, capability and innovation are scrutinised. Finally, the review looks at the evaluation of management development impact and concludes with identification of the research gaps.

• Chapter 3 details the research design and methodology used in the study and establishes the background to the central research issue. The concerns associated with undertaking research in contemporary organisations are told through a reflexive tale of the researcher’s experience and insight. The chapter explores the options for undertaking research in social organisations, the research paradigm used and the value of a longitudinal case study approach for examining the process of management development within a specific context.

Part 2: Case comprises one chapter.

• Chapter 4 tells the story of management development at BankWest. It traces the Bank’s evolution from 1895 and details the management development events occurring under the CEO’s stewardship from 1997 until BankWest was 100% acquired by Halifax Bank of Scotland towards the end of 2003. It continues telling the management development story with the formation of HBOS Australia from late 2003 through to the appointment of the new CEO in mid 2004, through HBOS’ merger with Lloyds TSB in 2008, the sale of BankWest to the Commonwealth Bank of Australia in 2008, concluding with the exiting of the CEO in 2009. These findings are presented and analysed in the form of a narrative chronology derived from the participant observation meta method used in the research incorporating document analysis, interviews, participation, observation and introspection. In the presentation of these findings emerging patterns and themes are signposted and the dimensions and characteristics of strategic change endeavours are highlighted.
Part 3: Conclusions comprises two chapters.

- Chapter 5 takes the findings presented in Chapter 4 and offers interpretations of the empirical material in light of the research question presented in Chapter 1. These interpretations occur through an integrated framework drawing from perspectives from the literature in management development, capability, change and innovation. The study’s conclusions on strategic change endeavours are presented and a framework for considering the construction of management development and its impacts is modelled.

- Chapter 6 highlights the value of the research and describes the contributions made by this study. Outlined are the implications of the study for theoretical, practical and methodological perspectives. Some limitations of the study are acknowledged and future research options are identified.

**Closing**

This introductory chapter has provided an orientation to this thesis and equips the reader with the research framework and structure. Management development is identified as a strategic change endeavour through which change enactment may be accomplished. In addition, the significant opportunity is noted to investigate the role played by management development in the formation of corporate capability and build knowledge about how the actual development of managers is conducted and its influences in organisational change and innovation.

The following two chapters provide details of the literature foundation upon which this study is built and the research design and method that was constructed. In Chapter 2 the literature associated with management development is reviewed and synthesised. In this next chapter the diverse perspectives of management development are integrated while the critical issue and questions are developed and the theoretical foundations of the study are mapped.
Chapter 1 was to orient the reader of this thesis through the setting of the scene. In this chapter perspectives provided through literature associated with management development are reviewed. Existing knowledge, both theoretical and practical, that makes up the concepts of management development is explored, a theoretical foundation for the research is built and research gaps identified. Figure 4 shows the structure of this chapter.
Management development is a complex and extensive field with many perspectives and fuzzy boundaries and coming to grips with it is “rather like wrestling an octopus” (Lee, 2007, ix). Wexley and Baldwin (1986, p. 287) comment on the atheoretical nature of the management development field, which they observe has “resulted in a body of literature that can generally be described as descriptive, anecdotal, nonempirical, and faddish.” Thomson, Mabey, Storey, Gray, & Ile (2001, p. 13) observe that the “state of theory in management development leaves something to be desired” due to the many unanswered questions in the contributing building blocks and because “the area of management development has yet to benefit from a coherent theoretical approach.” Mabey and Finch-Lees (2008, p. 10) describe the field as one subject to “anecdotal advice” and “fashion”.

Stewart (2005) observes that the complexity of ‘managing’ and ‘developing’ combined with the issue that ‘management development’ has little consistent or definitive meaning (Garavan, Barnicle, & O'Suilleabhain, 1999) means the process is often problematic. Management development is not value-neutral (Hopfl & Dawes, 1995). Management development does have various agenda (Lees, 1992) and is undertaken to achieve different and often competing purposes (Mabey & Finch-Lees, 2008). Accordingly, taking Garavan’s lead (1997), for the purposes of this review management development is considered inclusively. There is no attempt here to present one picture of management development; instead different perspectives constructing management development are portrayed. In line with the predominance of the literature in this area, there is a concentration in this review on the functionalist stance (Burrell & Morgan, 1985), however, this is not seen as the only way to understand management development. Rather than taking such objectives as given, alternate goals are considered in accord with the reflexive and constructionist view taken in this research (Cunliffe, 2003).

The particular interest in this study is the development of managers as a formal activity within an Australian corporate. As such, in line with Mumford and Gold (2004), the management development literature discussed is predominantly linked to formalised and structured systems within larger organisations. The role of “situated” (Fox, 1997), “unconstrained” (Burgoyne & Stuart, 1976) or “informal and incidental” (Marsick & Watkins, 1997) learning and development is not this review’s focus. It is acknowledged that wider life experiences contribute to the development of managers and, as Watson and Harris (1999) note, such experiences, whether before or after assuming the manager role, may be as significant as structured management development, however, such “life learning” (T. J. Watson, 2001) is not within the constraints of this review.

“Where does the science of management stop and the art of leadership begin?” is a question posed by Mabey and Finch-Lees (2008, p. 29) in their discussion of the “dubious dichotomy” of management and leadership. Like Storey (2004b) they point to the enormous
and expanding literature on leadership and the trend to distinguish leadership from managership. They and Storey (2004a) also point to a shift in the debate towards an encompassing leader-manager, a concept advocated by Hamlin (2007), who considers managerial leadership to be an integral part of the everyday life of most managers. In this study there is no attempt to separate managers and leaders. The term that is used is ‘manager’, which includes leader. Similarly, when discussing ‘management development’ this is taken to include the development of leaders as well within these constructs.

This research is concerned with how management development occurs in an organisational context. As Jansen, van der Velde and Mul (2001, p. 106) observe, empirical research into such management development “is scare”. As this study is concerned with management development within an Australian corporate, the literature deemed most relevant to this review is mainly within a Western discourse. Also, recognising that shifts in the image of ideals of management have a primarily Anglo-American and English-language currency, this review, unless otherwise stated, is structured within this discourse.

The review examines the underpinnings of management development highlighting areas that are discussed in later chapters. It first looks at the constitution of managers and management then explores changing managerial contexts. What management development is, why it is done and in what ways are discussed in sequence. The notion of strategic management development and its relationship to capability and innovation are scrutinised. Finally, the evaluation of management development impact is examined.

**Who are managers?**

Managers operate in a variety of organisations performing a wide range of tasks and undertaking different roles within varied specialities at various levels in response to a multitude of demands. Like many writers who privilege managers as individuals undertaking “a universal process that comprises a number of technical functions” (Alvesson & Willmott, 1996, p. 10), Karpin (1995a, p. 63) views managers as existing to achieve “results with and through others” and being “responsible for the control or direction of people, a department or an organisation”, a perspective that for many years has been explored in much of the literature, including management textbooks (Bartol, Martin, Tein, & Matthews, 2005; Mintzberg, 1990; Salaman, 1995; Samson & Daft, 2012; R. Stewart, 1988). This cadre of people (Easterby-Smith et al., 2002) undertakes management, a concept ascribed an assortment of meanings (Child, 1977).
Conceptions of what management is, and therefore who managers are and what they do, have varied over time in relation to shifting representations of organisational workings and characterisation fashions (du Gay, 1994; Huczynski, 1993). Wexley and Baldwin (1986, p. 286) comment that management includes a variety of occupations with different “responsibilities, skills, attitudes and values” and it is a term used as a “catch-all phrase” to portray frontline to CEO positions occupied by people who may or may not manage people and who may or may not have manager as their title. They make the point that this distinction is ignored in the literature, which they see considers management to be management. Garavan, Barnicle and O’Suilleabhain (1999, p. 192) agree that ‘manager’ and ‘management’ have been broadly and variedly defined and interpreted within the literature and advise the importance of considering their nature, “if that is possible”, within a discourse.

Grey (1999) explains that management as a general concept originated from the French verb *menager* meaning housekeeping. Scarborough and Burrell (1996) propose that this denotation as controller of domestic services signified the putative occupational group of management’s humble beginnings of dealing with such things as chimney soot, a besmirched image they say was not sanitised until the 1950s. Willmott (1997a) traces the etymological derivation of the term ‘management’ to the Italian *maneggiare* referring to the idea of handling a horse, in the sense of an ostler rather than a rider (Scarborough & Burrell, 1996). Willmot (1997a, p. 163) considers this semantic root is useful because it expresses “the social divisiveness of management as a contradictory process – a process in which a person simultaneously takes responsibility for and seeks to control a valuable, yet wilful and potentially resistant, resource.” Alvesson and Willmott (1996, p. 29) see that the *maneggiare* metaphor is useful as it “conveys the understanding that managers form an elite group or stratum, that is different from, and superior to, those they ‘handle’.” This construction of management as an activity carried out by a privileged social or occupational group (Drucker, 1979) designated as managers who do management (Kotter, 1982; Mintzberg, 1973; T. J. Watson, 1994a), is the one most commonly presented.

What constitutes management has been the subject of ongoing discussion by academics, consultants and practitioners and has been presented in a vast array of literature dealing with different aspects of the idea. This literature has tended to speak of Anglo-American conditions and predominantly North American experiences, which Grey (1999) considers is the discourse most actively propagated through world politics, (Locke, 1996), management education (Fox, 1997; Whitley, Thomas, & Marceau, 1984), management gurus (Huczynski, 1993; Jackson, 1996), and organisation theory (Burrell, 1996). The history of management thought has drawn upon different research traditions and been exhibited using both theoretical and pragmatic approaches to knowledge (Easterby-Smith et al., 2002; Gummesson, 1991; Lawler, 1985). As Alvesson and Deetz (2000, p. 5) comment,
management as both a concept and a category is “a social construction filled with history and political motives.”

Salaman (2004) considers the nature of managers is contestable arguing there is no established opinion on what managers should do or what they need to do it. Being a manager is an ambiguous state (Chia, 1997). Pollard (1965) points out that the designation of ‘manager’ had its genesis at a particular time in organisational history. Willmott (1994) sees that managerial identity and purpose has been historically framed within organisations. For du Gay (1994) ‘manager’ is a contingent creation rather than a transcendental self-evident category and he considers the character of the manager to have undergone considerable re-interpretation in line with changing understandings of work practices within organisations. Once a title accorded to people at or above the first-line of supervision in an organisation’s hierarchy, the changing form of organisations has made the traditional means of defining a manager increasingly problematic (Easterby-Smith et al., 2002). Mabey and Finch-Lees (2008) see the rhetoric of managers as scientific, rational and controlling who deal with predictability whilst operating within stable structures is a reality not embodied by many contemporary organisations. This is in line with Sambrook (2000) who notes that some writers who favour a processual approach (Dawson, 2000; Pettigrew, Ferlie, & McKee, 1992; T. J. Watson, 1994a) consider management to be more a complex mix of economic, political and social processes, involving persuading, bargaining and exchanging rather than some rational, idealised process. As organisations move towards innovative forms of organising (Pettigrew et al., 2003) the conceptualisation of manager is changing from concentrated models where responsibility for moving the company forward is in the hands of a few to distributed models where all individuals are expected to take responsibility for company success (Sanchez-Runde, Massini, & Quintanilla, 2003). The rise of interest in dispersed leadership and autonomous teams has seen the notions of empowered followers and followership coming to the fore (Western, 2008). Though the authenticity of the empowerment view has been challenged (J. R. Barker, 1993; Willmott, 1993), it does point to the recasting of the role of managers and the meaning of management (Grey, 1999).

Within the discourse on management, an influential reconfiguring of managers has arisen around the leader-manager duality. The dichotomy of manager versus leader has attracted much discussion within the literature (R. A. Barker, 1997; DuBrin, 2007; Kotter, 1990; Stonehouse, 2013; Zaleznik, 1977). The general tenor of such thinking is a presentation of managers as those who bring order to organisations by providing stability, structure and systems, which is contrasted to leaders who are depicted as using vision, inspiration, creativity, passion, innovation and courage to effect organisational change. Leaders are cast positively as the answer to the organisational issues in today’s global knowledge society while managers assume the derogatory ‘other’, more suited to the out-dated industrial age with their functionalist and mechanistic mode of operating (Western, 2008). Popularly
captured by exhortations that “managers are people who do things right and leaders are people who do the right thing” (Bennis & Nanus, 1985, p. 21) the argument on the distinctions between managership and leadership continues unabated (Muczyk & Adler, 2002) though the worth of such debates has been disputed (Clegg, Dwyer, Gray, Kemp, & Marceau, 1996). Generally the divide is explored though the use of two-dimensional frameworks, which Yukl (1999) argues oversimplifies complex phenomena and encourages stereotyping and Kotter (1988) warns leads to dysfunctional consequences. Mabey and Finch-Lees (2008) consider such categorisations to be dubious arguing that factors such as delayering of organisations, developments in leadership theory, inclusion of non-Western or feminine leadership concepts, and the suspect reification of corporations and elevation of corporate leaders, challenge the relevance of such dichotomisations for today’s organisations.

As times and milieux have changed, the “making up” of managers into particular conceptions has reflected changing ideals of managers within corporations. (du Gay, 1996; du Gay, Salaman, & Rees, 1996) From humble beginnings in animal husbandry and domestic service, management as an occupation has risen to its “present exalted role as the engine of economic progress” (Clegg & Palmer, 1996, p. 14). While managership was once the dominant discourse, leadership has emerged to occupy a separate space with its popularising of images of individuals who combine aspects of current political ideology with a future focus, delivered in the language of TV evangelism and sport (Grey, 1999). It remains to be seen whether the “cult of the individual, flamboyant leader” will continue or whether there will be a return to a “measured style of business leadership” and a subsequent shift to ‘managers’ rather than ‘leaders’ (Mabey & Finch-Lees, 2008, p. 32). Perhaps if Mintzberg’s (2005) call for the reunification of leaders and managers is heeded and his proposal to diffuse this responsibility through the organisation is accepted then, as foreshadowed, “the end of management” (Fletcher, 1973) may eventuate and there may well be a demise of managers altogether (Grey, 1999).

**What is changing for managers?**

Managers in contemporary organisations are experiencing increasing demands as their organisations operate in changing contexts, which, many argue, requires enhanced managerial performance (Butcher, Harvey, & Atkinson, 1997; Doyle, 2000; Storey, 2011; Vlooberghs, 1998; Woodall & Winstanley, 1998). At all levels, managers have been targeted for their “criticality” in strategically influencing organisational performance and refocus (Doyle, 1995; Garavan, Barnicle, et al., 1999; Kanter, Stein, & Jick, 1992). Managers have long been characterised as the key resources who have the ability to unlock the potential of
all other production factors within the company (Storey, 1989, 1990). Today managers are seen as a central part of organisations with lynchpin roles in brokering knowledge, constructing learning environments and making meaning of organisational life (Mabey & Finch-Lees, 2008).

In Australia the centrality of well-developed managers to company success has been the subject of a range of State government-funded reviews and six major Commonwealth government-funded reviews over a period of twenty five years from 1970 to 1995 (Barratt-Pugh, 2005). The last of these reviews, known as the Karpin Report after its chair, took three years, produced 30 research studies and 28 recommendations for developing an enterprising nation and “renewing Australia’s managers to meet the challenges of the Asia-Pacific century” (Karpin, 1995a, 1995b, 1995c). In the first part of the twenty-first century, the development of the management cadre remains a focus in Australia (Holland & De Cieri, 2006; McGraw, 2014; Murray, Poole, & Jones, 2006) as well as internationally (Gold et al., 2010; Henderson, 2002; Luoma, 2005; O’Connor et al., 2006; Ruth, 2007; Sambrook & Willmott, 2014; Wang & Wang, 2006).

The development of managers in Australian corporate organisations is currently occurring in times of change. Indeed, it has become axiomatic to say that constant change is a feature of present-day organisations. Changing technologies, changing markets, changing business configurations, changing strategic directions, changing shareholder expectations and changing customer requirements are some of the themes seen as contributing to the drive for organisational change (Brewer, 1995; L. Clarke, 1994; Clegg, Kornberger, & Pitsis, 2005; Graetz, Rimmer, Lawrence, & Smith, 2006; Pettigrew et al., 2003; D. Turner & Crawford, 1998). In line with other “Anglo” countries (Avery, Everett, Finkelde, & Wallace, 1999), corporate managers in Australia are seen to be experiencing the effects of changing (Dawson, 2003b). As companies are changing, the expectations of the development of managers are also changing (Garavan, Barnicle, et al., 1999). There has been a growing focus on ensuring that managers are prepared for the next “waves of change” (Morgan, 1988) and that individual and organisational capabilities are developed to enable future competitiveness (Hase, Cairns, & Malloch, 1998; Luoma, 2000b; Ulrich, 1997). Management development’s capacity to carry out a strategic role and enhance individual and organisational development has been claimed as the “new paradigm” (Burack, Hochwarter, & Mathys, 1997) in organisational change.

Despite the effusive rhetoric about the ‘new’ organisation, change is considered by many writers as a constant in contemporary corporations in Australia, with Rafferty and Parker (2006, p. 366) commenting that change in organisations is becoming increasingly common as companies respond to changing contextual factors. However, whether change is an exception and the norm is stability, is a point still being argued by some writers, (Clegg et
al., 2005) while others see everything as continually changing and advocate a process-based approach to viewing change (Andriopoulos & Dawson, 2009; Dawson, 1994, 2003a, 2012; Pettigrew, 1985a, 2012; Pettigrew et al., 1992; Van de Ven et al., 1989; Van de Ven et al., 2008).

The “fetish of change” (Grey, 2003) has produced many perspectives on organisational change, such that the “ideas and techniques of change management are now a global industry led by international consulting firms, gurus, a few high-profile chief executive officers, mass media business publications, and business schools” (Pettigrew et al., 2001, p. 704). The character or magnitude of change has been topical in academic circles for around 65 years with debates ensuing on, for example, whether change is

- phased (K. Lewin, 1951; Schein, 1987)
- contingent (T. Burns & Stalker, 1966; Stace & Dunphy, 2001; J. D. Thompson, 1967)
- evolutionary or revolutionary (Greiner, 1972)
- transitory (Beckhard & Harris, 1977)
- first-order, second-order or third order (Bartunek & Moch, 1987)
- punctuated equilibrium (S. L. Brown & Eisenhardt, 1997; Gersick, 1991)
- life cyclical, teleological, dialectical or evolutionary (Van de Ven & Poole, 1995)
- developmental, transitional or transformational (Akerman, 1996)
- part-system or whole system (Bunker & Alban, 1997)
- episodic or continuous (Weick & Quinn, 1999)
- theory E or theory O (Beer & Nohria, 2000)
- intended, partially intended or unintended (Palmer & Dunford, 2002)
- variance, process or contextual (Burnes, 2004; Dawson, 1994; Mohr, 1982; Pettigrew, 1985b; Pettigrew & Whipp, 1991; Van de Ven & Poole, 1995)
- emergent, planned or situated, (Langley & Denis, 2006; Orlikowski, 1996).

Although these are different conceptualisations of change, there has been a tendency in much of the literature to see changes in external conditions as drivers of organisational change (Burnes, 1996; D'Aveni, 1994) and management thinking concentrating on the part that managers can play in bringing about change in the organisation in order to remain in alignment with an altered external context (Barney, 1995; Davis & Meyer, 1998; Eisenhardt, 1989b; Nadler & Tushman, 1999). This approach is reflective of a rational, linear logic that sees managers analysing, choosing and implementing strategic change by aligning internal structures, processes and arrangements in accordance with predetermined strategy (Chaffee, 1985; Rumelt, Schendel, & Teece, 1991). In this “Commander Model” (Bourgeois & Brodwin, 1984) the CEO and senior management are assumed to have considerable authority and power and the lower levels in the organisation are considered to be compliant. Strategic
change endeavours thus involve the deliberate re-structuring of the organisation in response to changes within the external environment.

In moving from a perspective that focuses on the ways in which senior management can structure, form and apply levers to the organisation to achieve strategic change (Astley & Van De Ven, 1983), Chaffee (1985) describes the adaptive model as an alternative. The consideration of strategic change as evolutionary or incremental has been explored by Quinn (1993, p. 66) who acknowledges that change is “by no means orderly or discrete” and often involves forming alliances to overcome uncertainties and harness political factors. Mintzberg and Waters (1985) highlight the interplay of events and actions within and outside the organisation and their influence on the shaping of strategic change. The notion that managers do not always have access to an objective and clearly defined organisational environment within which to act and instead must be more interpretive (Chaffee, 1985) has been considered by G. Johnson (1987, 1992), who emphasises that the action of managers is based on their readings of events and symbols occurring within their context.

Understandings that strategic organisational change is contextual and is more of a fluid and dynamic process shaped by political, cultural and technical dynamics (Tichy, 1983) within organisations that are fragmented rather than unitary have been developed by authors such as Pettigrew (1973, 1985a, 2012, 1987), Van de Ven and his colleagues (1993; 1989; 2008) and Dawson (1998, 2000, 2003b, 2012). Those researchers adopting a contextual and processual understanding of change consider developmental sequences of individual and collective events, activities and actions unfolding in context over time (Dawson, 2003b; Langley, 1999; Pettigrew, 1997; Van de Ven, 1992). Such an approach sees change occurring on multiple levels in multi-faceted and multi-dimensional ways embedded within and jointly created with both temporal and organisational contexts (Dawson, 1994; Nutt, 2003; Pettigrew, 1985c; Van de Ven & Poole, 1995). This simultaneous viewing of the process and context draws from Giddens’ (1979, 1984) structuration theory and ideas of duality of structure. It is a perspective that views the actions taken by organisational actors as both producing and reproducing organisational features, which are considered as both outcomes and constrictions of activities in organisations (Nutt, 2003). As a result, organisational processes and practices, including change, are constituted, enacted and integrated through the ongoing agency of organisational members over time in a situated manner (Orlikowski, 1992).

The organisational role that managers play in change practices has been examined in a range of studies (Balogun, Gleadle, Hailey, & Willmott, 2005; Jarzabkowski, 2005; Mahdi & Dawson, 2005; Orlikowski, 1996; Pettigrew et al., 1992; Rouleau, 2005; Sanchez-Runde et al., 2003). The part that managerial capability plays is seen as a distinct competitive advantage (Drucker, 1992). The way in which managers add value is said to have changed from one of controlling resources based on “simple order” and “simple logic” to one of
releasing “the energies of people inside the organisation, to create an enabling context for performance” (Butcher et al., 1997, p. 9). There has been a growing volume of literature and case studies on enabling management styles based on flexibility, adaptability, valuing people’s contribution and organisational learning (McKenna, 1999), which argue that technological and social changes are generating requirements for new management systems and organisational structures and a changed role for managers. Within a best-practice discourse Mabey and Finch-Lees (2008) discuss how such trends are appropriated as a strategic rationale for management development. They and others (Alagaraja, 2013; M. Clarke, 1999b; Garavan, Barnicle, et al., 1999; Lees, 1992) have noted that, despite the rhetoric that managers’ focus on command and control needs to give way to engage and enable, the functional perspective remains the dominant way of conceiving of management development.

What is management development?

Management development continues to be an issue for discussion within both business and academic worlds (Burgoyne & Reynolds, 1997; Sheehan, 2012). There is a divergence of views about management development and the field is characterised by “a lack of coherence and agreement” (Vloeberghs, 1998, p. 645). Management development, according to Lees (1992, p. 89), “is an ambiguous concept, attracting multiple and often conflicting definitions, and conveying different things to different people both in the literature and in organisations.”

The ambiguity surrounding management development has led to a myriad of definitions in the literature reflecting different ontological and epistemological assumptions and particular axiological and contextual views. Wexley and Baldwin (1986, p. 277) comment that “management development may still be one of the most ill-defined and variously interpreted concepts in the management literature”. Kellie (2004) concurs, citing the elusiveness of a management development definition. Taking an alternate perspective, Sambrook and Willmott (2014, p. 42) consider definitions to be difficult as they “presume the existence of some ‘essence’ of a phenomenon, whith they aspire to capture in a seemingly authoritative, decontextualized manner.” They point out, however, that ‘definitions’ can be valuable as heuristics for orienting discussion.

The diversity of conceptualisations of management development is illustrated by the following views of management development, presented chronologically:

The systematic improvement of managerial effectiveness within the organisation, assessed by its contribution to organisational effectiveness (Morris, 1971).
Management development tends to be viewed as a broadening, educational process by means of which the individual is initiated, shaped or fitted to the attitudes, values, rites and rituals of successively higher levels within the organisation (Robinson, 1986).

‘Management development’ is a term which embraces much more than simply education or training. It is that entire system of corporate activities with the espoused goal of improving the performance of the managerial stock in the context of organisational and environmental change (Lees, 1992).

The complex process by which individuals learn to perform effectively in managerial roles (Baldwin & Padgett, 1994).

The total, continuous improvement process through which managers develop their competence for successful personal and enterprise performance. This includes learning through a variety of formal and informal, structured and unstructured experiences including learning from the work role and from work relationships; from self development; from formal training; and from tertiary and higher education programs (Karpin, 1995c).

Management development tends to be more practical, emphasizing a repertoire of skills … a narrower, and formal, set of practices which are frequently done to people by professionals to make them learn (Fox, 1997).

We may define appropriate management development as a dynamic capability or as a learned pattern of collective activity through which the organization systematically generates and modifies its routine in the pursuit of encouraging and developing managers to balance efficiency and adaptiveness (Espedal, 2005).

An intentional future-oriented activity, which utilizes both formal and informal learning experience in order to grow an organization’s managerial expertise, and which continually both shapes and gets shaped by the organizational context in which it takes place (Luoma, 2006).

Examinations of these definitions reveal that variety of interpretations about what is, and what is not, considered to be management development. The purpose of management development varies with some considering it to be the support of organisational change and development, while some see it as supporting the self-development and career development of managers. For others the focus is on reinforcing organisational values or attitudes. Many of these definitions place the emphasis on structured aspects of the management development process. As Law (2008) observes, the differences between these definitions arise because different researchers take different approaches to studying management development.

Mumford (1993, p. 6) comments that “both the definition of management development, and the working practices aimed at meeting that definition, have emphasized formal, planned and deliberate processes which originate from, and are often monitored and controlled by, people and forces other than the individual manager involved.” Managers are viewed from a functionalist (G. Morgan, 1997) perspective as resources who need to have things done to them to improve their effectiveness and thereby improve corporate performance; what Lees (1992) calls the “garage” perspective and Kirkbride (2003) terms the “mechanic” view of management development. This technicist view (Rigg, 2007) is the mainstream treatment of
management development, which understands it as a process that exists primarily to enhance the capabilities of managers with an aim of enhancing organisational performance and ultimately that of the nation (Constable & McCormick, 1987; Karpin, 1995a, 1995b, 1995c; Winterton & Winterton, 1996, 1999). Such approaches have been criticised for their unidimensional view of causality (Kamoche, 2000).

Management development is predominantly seen as being driven by organisational requirements rather than individual manager needs. Learning is only mentioned in some definitions, all offered from 1995 onwards, and this learning is linked to organisational needs or what Talbot (1997) sees as manager “formation”. Such definitions adopt a unitarist perspective that oversimplifies the process of management development, assumes single uniform solutions for management learning and ignores the complexities of political dynamics within the context (Burgoyne & Jackson, 1997). There is little appreciation of managers as “individuals with the power to generate meaning or make significant contributions on how learning happens in organizations” (Cullen & Turnbull, 2005, p. 337). Considering management development primarily from the needs of the organisation stems from an organisational development perspective that considers management development exists to look after the interests of the organisation (Jansen et al., 2001).

The division between management development for personal self-development and management development for organisational development is picked up in the literature (P. Brown, 2007; Burack et al., 1997; Cannon, 1995; McClelland, 1994; Molander, 1986; Patching, 1999; Storey, 1989, 1990). The inherent tensions within these often competing rationales of developing the resourcefulness of managers versus developing the capability of the organisation is noted by Rigg (2007) and Garavan, Hogan and Cahir-O’Donnell (2009). Woodall and Winstanley (1998, p. 9) capture this debate by arguing that organisational development emphasises the needs of the organisation to “grow and change” and self-development focuses on “ways in which an individual can help themselves to grow and change in ways which are of benefit to their career aspirations” and they posit management development as the “nexus” between the two perspectives.

Thomson et al. (2001) differentiate between ‘management development’, ‘management education’ and ‘management training’. This distinction is one discussed in the literature (Easterby-Smith & Thorpe, 1997; Fox, 1997; Karpin, 1995c; Kellie, 2004; Mumford, 1993; Silver, 1991; Thomson et al., 1997; Werner & DeSimone, 2006; Wexley & Baldwin, 1986; Willmott, 1994). There is general agreement that in the past ‘management education’ referred to a broadly-based process of learning that generally took place in an institution such as a university or college with ‘management training’, on the other hand, referring to a narrower vocational-oriented and skills-based process occurring within organisations. Huczynski (1983, p. 1) considers the delineation between the three to be “an area of not very
fruitful debate”. Woodall and Winstanley (1998, p. 9) support this, commenting that today the boundaries between the three are “quite fluid” and that such definitions are no longer as “discrete as they once may have been”. They argue that management development may include management education where participants undertake a management degree at a university and complete related work-based projects in their company. Similarly, they see management training as no longer relegated to a lower status where “practice is taught rather than theory”, instead claiming it as “one string in the bow of management development”. In Talbot’s (1997) view, the distinctions have analytical value but are not particularly useful for understanding management development. Easterby-Smith (1994) considers the distinctions to be increasingly blurry. As Garavan (1997) observes, rather than trying to distinguish between development, education and training it may be more appropriate to recognise that they represent different perspectives that increasingly overlap in the modern changing business world and there is value in seeing them as an integrated whole. Mabey and Finch-Lees (2008) also comment on the overlap and blurring of boundaries, and they cite the epitome of such convergence as corporate universities (Arnone, 1998; Holland & Pyman, 2006b; Paton, Taylor, & Storey, 2004; Yorks, 2005). The overlapping is discussed by Fox (1997) who proposes management learning as a new disciplinary area of practice and knowledge. He presents management learning as both a subject area and a research community covering management development, management education, management training, human resource development, and informal managing and learning processes. Mabey and Finch-Lees (2008) see value in such a perspective as it emphasises the processes of learning and the role of the group in learning, and acknowledges the influence of contextual factors on the definition and formation of particular management capabilities.

Why do management development?

Management development is usually considered necessary both to the organisation and to the individual. Management development is presented as “value-free” with the assumptions that support it rarely being given attention (Hopfl & Dawes, 1995). Mighty and Ashton (2003) observe that there is limited knowledge about how the process of management development contributes to individual and organisational effectiveness. Similarly, Mabey and Ramirez (2005) comment that there is a gap in what is known about companies’ investment in management development or its resulting benefits. As O’Connor, Mangan and Cullen (2006, p. 330) point out, the reasons why organisations actually invest in management development are “infrequently addressed in both the literature and in practice”.

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The rationales for organisations investing in management development are perhaps best captured by Lees (1992) in his seminal critique of ten reasons why organisations undertake management development. He sees that the management development process can be constructed as the intersection of three variables – individual career, organisational succession and organisational performance – and argues that these three are theoretically reconcilable but in practice there exists tensions between them. Harrison (1997, p. 357) observes that much of the ambiguity of management development “arises from the difficulty of achieving fit between those variables, especially when each can be so differently interpreted by the key parties” each of whom “bring their own belief systems and political and social ambitions to bear” on the management development system. Woodall and Winstanley (1998, p. 7) highlight the conflicts arising from the contradictions in meeting all the purposes gathered under the management development label suggesting the incompatibility of promoting diversity versus supporting teams established on “common corporate values and culture; meeting role requirements versus promoting innovation and transformational leadership” and addressing managers’ personal development needs versus managing organisational performance requirements. They question the “mixed messages” arising in these dichotomies and argue that “political agendas” influence the pursuit of management development by “different actors” whose differing goals produce outcomes that are the result of “power plays and manoeuvring”. Garavan, Hogan and Cahir-O’Donnell (2009) agree pointing out that companies have a assortment of reasons for investing in management development, many of which are often in conflict, thereby impacting on the provision of management development activities. As Lees (1992, p. 91) comments, in the “socio-political domain of management – a complex dynamic of hopes and fears, ambitions and opportunities, threats and disillusionments, conflicts and contradictions” there is a gulf between the “promises of management development” and the realities of management.

What management development is for, is often considered in tandem with conceptualisations of what management development is. Storey (1989, 1990) sees management development as a corporate tool and identifies five objectives:

1. Engineer and manage organisational cultural change.
2. Pursue quality improvement, cost reduction and profitability.
3. Structure and change attitudes and embed company values.
4. Forge a common company identity and approach.
5. Broaden the role of line managers.

The first of these, which Storey (1989, 1990) notes has the largest volume of literature addressing it, is similar to Lees (1992) functional-performance rationale that sees management development existing to “directly improve managerial functioning and thereby corporate performance” (p. 193). Lees (1992) identifies ten “faces of management development”, many of which he argues are usually hidden but are nonetheless still
significant. Of the ten, the most popular is the functional-performance view. Though the other rationales, driven by psychological, mythical, social, political, organisational, legitimatory, compensatory, psychic or ceremonial interests are not explored to any great degree in the literature, they still play an immense role in the overall development of managers beyond that of corporate tools (Garavan, Barnicle, et al., 1999). Cullen and Turnbull (2005) consider Lees’ contribution to the management development field as significant because it addresses different perspectives and forms the basis of much of the theory, which regularly start with considerations of why do management development. It is for this reason that Lees’ rationales are used to guide the following discussion.

**Functional-Performance**

A rationale of functional-performance is the predominant assumption behind both the mainstream corporate and academic view of management development (Garavan, Barnicle, et al., 1999; Mabey & Finch-Lees, 2008; Mumford & Gold, 2004). From this perspective, management development is seen as organisationally driven with intent to directly improve managerial functioning and thus corporate operations. There is an assumed tight coupling between “the characteristics of the development activity and changes in managerial performance” (Lees, 1992, p. 93) and the management development to performance link is seen as unproblematic (J. Stewart, 2005). This rationale is underpinned with assumptions of mechanistically identifying needs and matching these against development to produce precisely defined role performances that can easily be assessed and repaired as in a “garage” (Mabey & Salaman, 1995, p. 147). Mabey, Salaman and Storey (1998a, p. 172) point out that such an approach often results in a closed loop where corporate funding is only given to successful management development interventions so those interventions that are chosen are ones that can demonstrate success as defined by the company. Management development operates at the individual manager level focusing on imparting competencies and at the group level seeking technical or social change across the organisation. At the national level the aim is to “create a supply of sufficiently trained and developed managers to improve corporate competitiveness and aid national economic recovery” (Lees, 1992, p. 92), an exhortation that has been captured in a range of reports into management development (Constable & McCormick, 1987; Galvin, 1997; Handy, 1987; Karpin, 1995a, 1995b, 1995c).

**Agricultural**

An agricultural rationale is encapsulated by the phrase “grow our own managers” (Lees, 1992, p. 94) and often speaks to the need to “renew” or “die” and “feeding” so as to “bear fruit” (Hitt, 1987). It focuses on the “perceived need to cultivate and grow managers internally” (Garavan, Barnicle, et al., 1999, p. 194). It shares many resemblances to that of
functional-performance but differs in that it assumes the development of managers takes place mainly on-the-job and that managers take individual responsibility for their development. Within this rationale management development is generally seen as a one-to-one process, centred on people. Mumford and Gold (2004, p. 15) comment that the agricultural metaphor is attractive and helpful as seeing “growing in the sense of enabling people to develop by fertilising and supporting development ... encourages movement away from some of the more mechanistic ideas about management development.” Lees (1992, p. 94) notes that where this rationale is dominant in the organisation they have a “make” rather than “buy” mentality and management development is seen as a strategic, organisation-wide process. As Vloeberghs (1998, p. 650) comments “creating possibilities for people to grow in fact comes down to developing the organisation.”

**Functional-Defensive**

A functional-defensive rationale most often occurs in organisations well protected from the pressures of competition. Typically, there is a belief in such companies that “the organisation is in good shape and that managers at all levels are performing satisfactorily” (Lees, 1992, p. 95). In these organisations management development is not linked with strategic planning and processes for management control. There is minimum development and what occurs is provided just in case it may be useful in the future. Mumford and Gold (2004, p. 16) interpret this rationale as companies making inefficient use of the development they provide. Though managers may wish to put into practice some of their new ways of thinking senior management denies them the opportunity. Hopfl and Dawes (1995) illustrate this rationale in practice in their discussion of a water company’s senior management removal of support for a management development program aimed at engendering empowerment in middle managers. At the point the middle managers began making suggestions and the senior management considered their prerogative to manage was under threat the program was curtailed. This rationale can lead to dysfunctional managerial behaviour and management development may become a counter-productive force (Garavan, Barnicle, et al., 1999).

**Socialisation**

The socialisation rationale places management development as a mechanism for transmitting organisational culture and attitudes (Kamoche, 2000). Management development is seen as a means for creating individuals who are “wholly in tune with the prevailing beliefs and methods of working in an organisation” (Hopfl & Dawes, 1995, p. 15). Inducting managers into the corporate ethos and values and developing the same managerial “thought templates” (Lees, 1992, p. 95) is a feature of this rationale. This “cultural learning” (Alvesson & Willmott, 1996, p. 103) or “cultural doping” (M. Clarke, 1999b; P. Johnson & Duberley,
ensures the dominance of prevailing company thinking and is premised on the assumption that companies have the right to control the behaviour of managers and that managers will easily understand the transmitted messages received as they unquestioningly engage in management development activities (Ackers & Preston, 1997; Legge, 1995; Salaman, 2004; Willmott, 1993).

**Political Reinforcement**

Within the rationale of political reinforcement management development acts as a means for communicating the organisation’s political order as defined by the chief executive. Tightly coupled to the particular view of how the performance of the organisation is to be improved, management development is used to “reinforce the political credibility of those who are shaping the organisational vision” (Lees, 1992, p. 96). Characterised as a “cascade” (Mabey & Salaman, 1995, p. 147) the chief executive’s perception of how the organisation must proceed is translated into management development programs that flow down the organisation. There is an assumption that the diagnosis and prescription of such perception is correct (J. Stewart, 2005). Featured often in culture change programs the chief executive’s agents “mould and influence people’s beliefs, meaning, values and self-understandings” (Alvesson & Willmott, 1996, p. 100). Management development is used as a means of normative control (Cooper & Corn, 1995) and propagation of the organisational dogma contributes to the company’s self-serving need for organisational credibility (M. Clarke, 1999b). Management development is thus “as much concerned with the regulation as with the realization of potential” (Hopfl & Dawes, 1995, p. 19).

**Organisational Inheritance**

An organisational inheritance rationale justifies management development as a key for individuals to establish their right to organisational succession and career fulfilment. Performance appraisal rituals that determine an individual’s promotion options are characteristic of this rationale. Mumford and Gold (2004) see that this rationale captures the idea that movement between jobs is based on formal promotion criteria. Lees (1992) notes that these formal statements are often not in line with what actually occurs within the company with decisions about successions and terminations more likely being made on political grounds. He also comments on the ambiguity that arises within this rationale with those who are endorsed by the organisation often manifesting the “crown prince” syndrome believing they are the anointed ones and therefore not required to participate in management development versus those managers who believe they need to “prove” themselves before they are considered for promotion (Lees, 1992, p. 99).
Environmental Legitimacy

The environmental legitimacy rationale centres management development as a mechanism for signalling conformity with internal expectations and obtaining legitimacy from external stakeholders. Mumford and Gold (2004) characterise this rationale as a process through which a supposedly professionalised management is supported by a professionalised system of management development thus adding to the legitimisation of management. Regardless of how effective the process, this rationale expects that the organisation will have a management development department or enact those representative activities. As Lee (1992) notes, in such cases the organisation is preoccupied with ensuring that managers are in touch with the newest organisational thought and practice, there are visible means for rapid promotion, and there is public demonstration of succession and career planning. Depending on the corporate fad, management development acts as a means of opening up career options, reinforcing the elitism of the organisational hierarchy, cultivating a managerial professional stereotype or emulating the competition.

Compensation

A rationale of compensation places management development as a form of recompense for the “deprivations of employment” through the offering of a type of “welfare substitute” (Lees, 1992, p. 100). Management development becomes a fringe benefit of employment that assists in making work more bearable by providing an alternative focus of interest thereby maintaining motivation and reducing employee turnover. Mabey and Salaman (1995, p. 147) note that though such activities encourage the development of learning habits and being placed on courses helps motivate managers and engender organisational commitment, this approach “deflects attention from the causes of alienation – offering a palliative instead.” This perspective is captured in the use of coaching by companies who offer it as a sop to senior managers and executives who consider themselves overstretched and stressed (Mabey & Finch-Lees, 2008, p. 173).

Mumford and Gold (2004, p. 16) consider ‘compensation’ an “odd term” to describe the process of offering a reward for continued employment. They consider such a situation may have been likely in the first 30 years of management development in the UK but deem it unlikely that today managers are “simply sent on courses because it is their turn or because a month in a relatively pleasant environment is perceived as a sort of holiday.” Mabey and Finch-Lees (2008, p. 92) offer an alternate perspective in their discussion of a study of executive coaching in a major UK retailer where “expensive coaching” was used as “a reward”.

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Lees (1992, p. 101) sees management development that focuses on the internal accreditation of managers, uses methods such as outward-bound courses or meditation weekends or is provided to maintain commitment and motivation in those managers unlikely to move further in their careers, as patronising and “often an uneasy combination of thinking in respect of such activities; that the expected stimulation is to be partly a reward, an end in itself, and partly a hoped-for means of improving functional performance.” Mabey, Salaman and Storey (1998a, p. 173) interpret such an approach as “deceptive – and morally dubious – to ‘use’ education in this manner.”

Psychic Defence

A psychic defence rationale sees management development acting as a psychological release valve allowing managers a means to discharge emotions and maintain cordial relationships with their superiors and subordinates. Management development is used as a social system to “defend the psyche against persecutory anxiety” (Lees, 1992, p. 101) arising from managers’ career drives. Mabey, Salaman and Storey (1998a, p. 173) ask, “Would greater self-development and self-determination in the workplace necessarily lead to unbridled and selfish anarchy?” Garavan, Barnicle and O’Suilleabhain (1999) consider that through the regular implementation of appraisal procedures delivered in an illusory objective way, it appears that an ordered system of managerial succession is created and fears of competition are shifted to an external site and to an external power to manage, thus freeing managers from responsibility. Mabey and Salaman (1995) make the point that there are typically only a few management development activities that would provide such a displacement opportunity.

Ceremonial

The ceremonial rationale views management development as a symbolic system that places legitimacy on managers’ social progression through the organisation. The use of rituals confirms the movement of managers through different status points denoted by the “careful arrangement of symbols and ceremonies” (Alvesson & Willmott, 1996, p. 100). As a ritual, management development serves “to incorporate managers more closely into a priesthood of organisational thinkers whose knowledge is believed to hold the key to personal and organisational success, and thereby to sanctify them (in a corporate sense) for their journey through the hierarchy” (Lees, 1992, p. 103). Mumford and Gold (2004) consider ceremonial rituals endorse the passages of managers through the organisation and bind managers further into the organisation by commemorating attainment. Mabey and Finch-Lees (2008, p. 92) illustrate this ceremonial rationale in their description of managers gaining access to an “elite” coaching program by achieving success in an assessment centre, which they see as an
example of “ritual initiation into senior ranks” and “a ceremonial status passage serving to certify the managers in their new position”. They see the assessment process as a means to “usher in new organizational myths and create new beliefs” with the coaches then serving to “reinforce such myths and legitimize the new regime.” As Preston (1993, p. 20) notes, organisational rites communicate messages about organisational culture through which a manager’s “sense of collectivity, recognition and belonging can be heightened and sustained.” Ritual, symbolic action and organisational language legitimise management development and “serve to maintain a shared meaning that something is happening” (M. Clarke, 1999a, p. 41).

O’Connor, Mangan and Cullen (2006) point out that Lees’ (1992) rationales for management development investment still remain an unchallenged concept and highlight the significant lacuna in the understanding of why organisations continue to make substantial investment in management development. They note that the ten faces express the organisational rationales for investing in management development rather than the view from the participants in the process. Lees (1992, p. 89) acknowledges this, commenting that what has been “largely overlooked has been the internal organisational perspective on management development – what it ‘looks like’ to managers on the inside.” Garavan, Heraty and Morley (1998) observe that there is a scarcity of research into how management development is constructed within wider organisational contexts. They comment on the rarity of research that takes account of the influences constructing the process whilst making an assessment of its contribution.

Lees (1992, p. 103) does not present the ten rationales as mutually exclusive, instead he observes that they can occur in different combinations because management development is a “loosely-coupled world” that can mean “different things to different managers at different levels”. He argues that all involved “construct and negotiate some kind of social reality they can live with” and the entire process of management development is “conducted as if it all made sense”. As Talbot (1997) observes, the ten faces of management development may appear cynical, however they do correspond with viewing organisations as a system comprised of competing values (R. E. Quinn, 1988) with the faces of management development representing its different organisational purposes and corresponding practices, and it is on this basis that they are used in this research.

What are Management Development Practices?

Management development is often defined by its activities, which Woodall and Winstanley (1998) point out are subject to fads and fashions. Changing views of management development are reflective of changing concepts of management. The perspective held by
organisations on management and the role of managers determines their expectations of managing and thus how they shape management development (Storey & Sisson, 1993). As noted, the constitution of ‘management’ has little consistency (Garavan, Barnicle, et al., 1999; Talbot, 1997; Thomas, 2003) with some authors seeing it as a difficult task to “make any coherent sense of management” (Alvesson & Willmott, 1996, p. 9). Similarly, ‘development’ is a diversely understood notion (Garavan, 1997; Kellie, 2004; Lee, 2003). This combination of a “disputed process (development) and a contested object of that process (management)” makes the “outcome (management development) … less clear than it could be” (Talbot, 1997, p. 119). Wexley and Baldwin (1986, p. 286) argue that there is a need to recognise that management development is “a multifaceted, complex, and long-term process” and that “there is no one best way” of developing managers as the process is contingent on the “individual, the type of managerial job, and the organization” (p. 343).

As ideas of what makes up management have changed so too have the repertoires of management development interventions. Changes in organisational contexts have also influenced the provision and focus of management development within enterprises as they have cycled through new management practices (Smith, 2006). Woodall and Winstanley (1998, p. 141) observe the popularity of particular management development practices has evolved through a “natural selection” process with new methods displacing older ones in line with the dominance of ideas about what constitutes good management and management development practices are “a product of management history.” From this perspective the following is a “tip-toe through the management tulips” (Lamond, 2005, p. 1278) of seminal ideas (Clutterbuck & Crainer, 1990; Huczynski, 1993; Jackson, 2001; Sibbet, 1997) commonly found in management tomes that trace selected histories of management thought (Clegg et al., 2005; Linstead, Fulop, & Lilley, 2009; Mullins, 1996; Winfield, Bishop, & Porter, 2004) whose influence is then each related to contemporary thoughts about management development and its practices.

Managing Routinely

Modern management viewpoints have been heavily moulded by western thinking arising from America and Europe (Kamoche, 2001). With Fordism, management focused on exceptions and became removed from daily activities (Price, 2004). Weber’s view of managers as charged with attaining a “high degree of calculability of results” (Pugh, 1971, p. 25) offered ideas on stability and predictability, which have continued to appeal to managers to the present day (Huczynski, 1993). Cunningham and Dawes (1997) consider that this perspective is often demonstrated in management development that takes a bureaucratic management model and assumes this culture for all organisations as encapsulated by the 1990s competency-based models such as the UK’s Management Charter Initiative. The
concepts of generic uniform standards of managerial competencies are also captured in the Australian Frontline Management Initiative arising from the Karpin Report (1995a, 1995b, 1995c). Woodall and Winstanley (1998, p. 81) comment that mechanistic and bureaucratic organisational approaches are often encouraged through competency-based management development with competencies becoming a “straitjacket” that stifles “innovation and flexibility”, which they see as a problem for organisations “highly involved in adaptation and change”.

**Managing Scientifically**

The notions of how to manage people at work were influenced in the early twentieth century by Taylor’s (1911) scientific management and Fayol’s (1949) administrative management, which created an image of manager as controller (Western, 2008). Though this classical view was later shown by researchers such as Mintzberg (1973), Pettigrew (1973), Kotter (1982) and Hales (1986) to bear little resemblance to what managers actually do, it is a view that continues to exist with management being presented as a depersonalised activity unlinked to the actuality of managing (Buchanan & Huczynski, 2004). That management development should be tied to what managers really do rather than images of ‘good’ managers is a call often made in the literature though rarely answered (Lipshitz & Nevo, 1992). Rather than development attuned to the what and why of managing as experienced by managers themselves (T. J. Watson, 1994a) there is a sidestepping of ‘reality’ that often shows up in management development practices that “implement over-simplified, incomplete, generic and often idealised perspectives and models of organisational and managerial life” (Doyle, 2000, p. 592). Salaman (2004, pp. 60-61) comments that the generic standards of the competency-based approaches are “enormously appealing” with their underpinning notion of “scientificity” providing an “externally validated, internally legitimate system to identify and assess individuals” thus rendering management and managers “knowable” and “open to new forms of intervention, analysis and modification”.

**Managing Psychometrically**

The move from work as physical to cognitive productions carried out in social settings gained traction in the early to mid 1900s through the influence of Munsterberg (Bartol, Martin, Tein, & Matthews, 1998) whose application of industrial psychology to employee selection, work design and training programs laid the foundations for current personality research and psychometric testing in recruitment, selection and ability studies (Price, 2004). Assessing the suitability and capability of managers through the use of ‘scientific’ instruments is a key in many companies’ management development programs (Woodall & Winstanley, 1998). The ‘personality approach’ is often used to explore those traits in
managers that can be measured and then correlated in some way with performance measures (Trehan & Shelton, 2007). Companies use Myers-Briggs Type Indicator (Myers & McCaulley, 1985), Belbin (1993, 2000), NEO-Personality Inventory (Costa & McCrae, 1985), Goleman’s (1996) EQ assessment, and tools such as Saville and Holdsworth’s Inventory of Management Competencies to “match an individual’s personality with that required for a current or future management task or role” (Woodall & Winstanley, 1998, p. 116). Though there is not agreement about the value of such instruments with some writers questioning their reliability (Senior & Swailes, 1998) and others seeing them as valid predictors of job performance (Salgado & Rumbo, 1997), they continue to be used to provide feedback to managers on the basis that they “increase the level of self-awareness of their strengths and weaknesses as managers so that areas for performance improvement may be recognised” and management development needs identified (Mumford & Gold, 2004, p. 69).

Assessment of managers’ behaviour and skills through the use of multiple-perspective self, subordinate, peer and superordinate 360-degree feedback has become an increasingly common management development tool (Alimo-Metcalfe, 1998; Baldwin & Padgett, 1994; Garavan & McCarthy, 2007; R. Harrison, 1997; Holt, Pollard, & Radcliff, 2010; Ostroff, Atwater, & Feinberg, 2004). Thomson et al. (2001, p. 124) consider that 360-degree feedback tools can be a catalyst for “real learning” in management development. Mabey and Finch-Lees (2008) caution against the inherent conservative bias of 360-degree feedback tools pointing out that they favour the dominant organisational group thereby reinforcing gender, ethnic, cultural or other stereotypes. They outline a range of studies that have shown the benefits of using 360-degree feedback for manager development and improvement but question its value when the tool is used for evaluative purposes as part of performance management. An alternate perspective of the personality approach is provided by Mabey and Finch-Lees (2008, p. 108) who propose a Foucauldian (Foucault, 1982, 1988) view of manager formation where such examination practices “objectify managers, by providing ways in which they can be rendered visible, knowable, calculable, discussible, and hence governable” and promote confessional practices where managers knowingly “participate in the constitution of their own ‘subjectivities’ by embracing, to the point of taking for granted, technologies that become part of their basis for self-knowledge and identity.”

Managing Socially

Managerial identity within social settings of work was influenced by Follett (Bartol et al., 1998) who emphasised the importance of groups and argued that individuals should be integrated within the organisation, that leadership was more than applying power or charisma and managing involved both psychology and sociology (McKenna, 1999). Follett’s understanding of how power, legitimacy and authority intersects with the managerial
situation is seen as a forerunner for contingency and situational models of leadership (Mullins, 1996) that are often used in management development. Though these models are claimed to have universal application there has often not been much supporting research for such theories (Clegg et al., 2005, p. 241), not that this form of deficiency has hindered their popularity with managers of management development (Huczynski, 1993, p. 35).

The importance of social aspects and human relations in work gained prominence through the research of Mayo in the 1920s, which dominated management thinking until the 1950s (Clegg et al., 2005). It represented a shift away from the ‘hard’ approaches of Taylorism and Fordism towards ‘soft’ people management (Price, 2004) and was the beginning of a conception of managers as therapists (Western, 2008). The human relations approach contributed to the contemporary quality of work life debate (Nankervis, Compton, & McCarthy, 1993), its manifestation in notions of the learning organisation and empowerment (Clegg et al., 2005, p. 37), its application in the drive for organisational excellence (Peters & Waterman, 1982) and its embodiment in management development activities such as T-groups (Bradford, Gibb, & Benne, 1964; K. Lewin, 1948; Wohlking, 1971), transactional analysis (Berne, 1964), structured game experiences (Coverdale, 1967) and action learning (Revans, 1980). Clutterbuck and Crainer (1990) see this transference of psychological relationships to management development situations as a continuing pattern more recently picked up by ideas and techniques such as body language (Pease, 1981; Pease & Pease, 2006), neuro-linguistic programming (Bandler & Grinder, 1979; Bandler, Grinder, & Satir; Tosey, 2010) and positive self-image development (Tice, 1995; Tice & Tice, 1990).

Managing Motivationally

In the 1950s and 1960s the human relations movement broadened into a behavioural approach characterised as neo-human relations (Huczynski, 1993). This approach incorporated the work of Maslow and his hierarchy of needs (Dye, Mills, & Weatherbee, 2005), which was formalised by McGregor (1960) in his Theory X and Theory Y assumptions that managers make about employees. The belief that the behaviour of managers can affect the motivation of their staff received impetus from Herzberg, Mausner and Snyderman’s (1959) work on the influence of work-related needs. Huczynski (1993, p. 79) sees that both McGregor’s and Herzberg’s work positioned the manager as a “developer and facilitator of the performance of the technical and social systems” and encouraged managers to believe that ensuring workers’ psychological gratification would ensure optimum productivity.
Western (2008, p. 33) comments that within management development there are an abundance of tests based on motivational theories that give a “pseudo-scientific empirical legitimacy to this approach” by proffering a preferred leadership style that all managers need if they are to be successful, thereby encouraging an homogenising and often hegemonic approach. For Woodall and Winstanley (1998) task-based or work-based management development practices such as special projects, job rotation, shadowing, secondments, acting up, taskforces, working parties and action learning (Marquardt & Waddill, 2004; Pedler, 1997; Revans, 1980) all draw from Maslow’s theory of motivation. Kennedy (1999, p. 93) notes that from McGregor's work stemmed much of today’s “emphasis on empowerment and the manager as coach and leader rather than controller.” Compatible with McGregor’s Theory Y assumptions, the focus on work teams, collaborative management styles and the use of action learning are management development practices much in use today (Woodall & Winstanley, 1998).

Woodall and Winstanley (1998, p. 189) consider that Herzberg’s and Maslow’s theories evolved into today’s systems aimed to promote better job design whereby the “motivators of greater responsibility, recognition and personal growth can all be activated through job enrichment in order to assist individual learning” through “task-based management development methods.” Western (2008) argues that the focus on managing motivations signifies a shift in the role of managers from leading an aspect of the organisation to managing the emotions of employees for productivity improvement. He sees the popularisation of emotional intelligence (Goleman, 1996) with the increasing use of assessment tools to measure personal levels and the undertaking of management development to improve it as a clever linking of the scientific and human relations approaches to management.

**Managing Therapeutically**

The implementation of psychological theory into the workforce led to the rise of the therapeutic approach to managing (Western, 2008). As the shift moved from a focus on motivation to a concern with manipulating employee emotions, a range of tools such as Blake and Mouton’s (1965, 1985) Managerial Grid, which was later renamed the Leadership Grid and expanded upon by Blake and McCanse (1991), came to the fore. The model drew from Likert’s (1961, 1967) Systems 4 Theory, which saw the task of management as ensuring all interactions and all relationships were experienced by organisational members as supportively building and maintaining their sense of personal worth and importance (Clutterbuck & Crainer, 1990).

The influence of therapeutic techniques often shows up in management development that uses coaching for more senior managers and executives and is focused on achieving a
balance between being people-centred and production-centred, (Woodall & Winstanley, 1998). Characterised as “the newest kid on the therapeutic-managerial block” (Western, 2008, p. 98), coaching has been growing phenomenally since the 1970s (Mumford & Gold, 2004). Coaching of managers is diversely used by companies (Lees, 1992) as a means to remedy deficiencies, ensure organisational fit, sharpen performance, provide a palliative, expand thinking, discharge concerns, create corporate elites, obtain psycho-social support, actualise roles and achieve acculturation (Fee, 2001; Mabey & Finch-Lees, 2008; Mumford & Gold, 2004; Ryan, 2008; Thomson et al., 2001). Western (2008) considers that coaching is an effective management development tool with its one-to-one focus and structuring of a space for reflective thinking and also sees it as a means for organisations to reaffirm and reproduce within managers particular ideas and ideologies, which he cautions are not always benign, a view also explored by Mabey and Finch-Lees (2008) and du Gay, Salaman and Rees (1996).

Managing Popularly

Management ideas go through fads and fashions (Jackson, 2001). Huczynski (1993) explains how ideas become transformed into marketable commodities through productivisation using techniques such as developing learning aids and running training events, which are then promoted and regularly revamped to ensure product innovation. Huczynski (1993) points to the fact that despite robust empirical evidence demonstrating the validity of such models and the ongoing challenges made to their values and prescriptions, it is the product’s single solution perspective and its claim for universal applicability that continues to appeal to managers and strongly influences management thinking as it is presented (often uncritically) in numerous management development programs throughout the world. Through such interweaving of consultant, business school and business press (Caulkin, 1997) management ideas have been created, selected, processed and disseminated to managers in a popularisation process (Clark & Salaman, 1998).

Since the 1980s there has been a raft of managerial techniques that have waxed and waned (Abrahamson, 1996; R. G. Eccles, Nohria, & Berkley, 1992; Greatbatch & Clark, 2005; Micklethwait & Wooldridge, 1996; Pascale, 1990) with the cycles between each trend becoming shorter and the peaks higher (Jackson, 2001). Huczynski (1993) and du Gay (1990) argue that the latest theories are newcomers in a series of management idea families that have entered the consciousness of consultants, academics and practitioners. The difference between the earlier ideas of bureaucracy, scientific management, human relations and neo-human relations and the latest incarnations is their claim to transform the practice of management and the performance of organisation in an almost magical way (Greatbatch & Clark, 2005). Purveyed by presenters such as Covey (2004), Kanter (1989), Senge (1990a),
Hammer and Champy (1993), Peters (1982), Drucker (1997), often using the ubiquitous TLA or Three-Letter Acronym (Buchanan & Badham, 1999, p. 155), these theorists capture the managerial zeitgeist with their reframing of contemporary management problems in ways that resonate with managers (Clark & Salaman, 1998). That many of these ideas represent new wine in old bottles (Huczynski, 1993) with the original flaws still present (Abrahamson, 1996) has not prevented their panaceas being consumed (Fulop & Linstead, 1999). As the trends work their way through organisations, often mandated from the top (Jackson, 2001), management development is influenced for a period of time by popularised concepts regularly simplified for easier consumption (Boot & Reynolds, 1997) that are adopted (Smith, 2006) and used to “usher in and sustain the new regime” (Mabey & Finch-Lees, 2008, p. 139). With each wave the “character” of the manager is differently “imagined” (du Gay et al., 1996), conceptions of organisational behaviour evolve and managers are variously constituted (Clark & Salaman, 1998).

**Managing Transformationally**

Managerial identity as hero or heroine has been influenced by the ascendancy of the transformational leader as part of the “New Leadership” paradigm (Bryman, 1992). This new way of thinking about managing emphasised vision, charisma and inspiration in leaders and offered empowerment for the follower (Trehan & Shelton, 2007). Western (2008) points out that the focus on heroic leadership (Huey, 1994), or what he terms leader as messiah, came to the fore at a time when the US needed to turnaround the economic slump of the 1970s. At this point there was an increase in the speed of institutional change and Japanese economic success catalysed rethinking of leadership to a more dynamic, larger-than-life leader able to reshape the desired corporate culture in turbulent and uncertain environments. Stories of leaders who had turned their company around abounded in the 1980s and early 1990s (Greatbatch & Clark, 2005) and their epic tales of battles with organisational fiends defeated by shining virtues (Clark & Salaman, 1998) were bought by managers in airport bookstores throughout the world (Burrell, 1989). Understandings of managers as entrepreneurs, culture creators or visionaries rose to dominance within organisations (Sveningsson & Alvesson, 2003) and in university business schools the ‘culture’ of corporations emerged as a central theme (Willmott, 1993).

The image of transformational managers became encapsulated by the four Is of idealised influence, inspirational motivation, intellectual stimulation and individualised consideration, which were measured by the Multifactor Leadership Questionnaire (Bass & Avolio, 1990, 1994). A tool that has produced inconsistent results (Tracey & Hinkin, 1998) within a framework that imbues leadership with trait-like qualities and presents leading as elitist (Fulop & Linstead, 1999), the MLQ has been used to develop managers throughout
organisations (Northouse, 2004). Though practitioners regularly employ the MLQ, theorists debate whether or not managers can be developed into transformational leaders and Western (2008, p. 114) points to the paradox of such people being “both common and at the same time, exceptional.”

**Managing Messianically**

During the 1990s, questioning of the image of the transformational leader intensified, which Fulop and Linstead (1999) see was due to rapid changes in the business environment, a disillusionment with failed entrepreneurs, and the mismatch of women in the workforce to the male dominated image of the heroic-leader. They position post-heroic leadership as the current model with its emphasis on leadership teams, rotating leadership positions and sharing of power. Western (2008) considers that post-heroic leadership is part of the messiah discourse of managers with the charismatic leader image being toned down with humility and quiet but focused influence. He sees today’s calls for dispersed leadership, networking, matrix organisations and greater collaboration to be delivered by leaders with ethics, humility, focus and resilience as a blend between manager as therapist and manager as messiah, which is captured in the latest characterisations of manager in the spiritual leadership (Fernando, 2008) and the eco-leadership literature (Wheatley, 1992).

Fulop and Linstead (1999) see utility in reorientating management development to focus on the activity of managers as networkers, strategic actors and influencers in organisational networks. Mabey and Finch-Lees (2008, p. 30) note that recent management development approaches have emphasised the “relational element of leadership residing in the networks, commitments, trust and mutual exchange between members of a community” where “leadership is emergent rather than prescribed, self-evident rather than appointed”. As part of this reorientation Woodall and Winstanley (1998) point to the value of management development practices that emphasise self-development and critical reflection.

Tracking the changing conceptions of management and concomitant management development practices over the last hundred years provides a history of the past to enable understanding of the present. Modern management knowledge and managerial identity are wrapped in the legacies of old debates (Townley, 2002). Characterisations of the manager affect the management development practices employed by companies within their structuring of human resource development.
How does management development relate to HRD?

Management development can be seen as a particular form of human resource development and is one of the most commonly offered HRD approaches (Werner & DeSimone, 2006). Indeed, within the HRD field, management development is often pursued as the “Holy Grail” (Hill & Stewart, 2007b). The paradox of HRD (Short, Bing, & Kehrhahn, 2003) enables it to be investigated from many stances (Alagaraja, 2013; Garavan, Heraty, et al., 1999; Grieves & Redman, 1999; Lee, 1998, 2001; McClean, 1998; McGoldrick, Stewart, & Watson, 2001; McGuire & Cseh, 2006; Swanson, 1999). These competing perspectives of HRD rest upon different philosophical frameworks incorporating alternate ontological, epistemological and axiological elements (McGoldrick et al., 2001) that determine considerations of HRD purposes (Sambrook, 2004). This variability in relation to the purpose of HRD arises from its underpinning root disciplines. HRD is a field with an interdisciplinary foundation (McGuire & Cseh, 2006).

Garavan, Gunnigle and Morley (2000) suggest that academic discussion about HRD can be gathered in two streams: one examining the assumptions, philosophical underpinnings and values of HRD (Barrie & Pace, 1998; Fenwick, 2005; Garavan, McGuire, & O'Donnell, 2004; Hopfl, 2000; Kuchinke, 2000; Mankin, 2001; McClean, 1998; McLean, 1999; Sambrook, 2004) and the other focusing on understanding the role and contribution of HRD in organisations (Brooks & Nafukho, 2006; McGuire, O'Donnell, Garavan, Saha, & Murphy, 2002). Garavan, Heraty and Barnicle (1999) summarise the variations in the literature of HRD under three major strands: reactive, proactive and strategic.

In the first strand HRD is considered a reactive activity that is linked to a traditional view of classical management or systems thinking where there is an expectation that HRD will provide solutions when requested by management. This is a context where the strategy of the organisation is determined by senior management then cascaded down the organisation in a rational or linear fashion. Management development within this environment operates either unsystematically or with isolated tactical approaches (Burgoyne, 1988). It has a functional orientation where management development is regarded as ‘good’ (Thomson et al., 2001) for the individual and the organisation and exists to serve the organisation’s instrumental goals (G. Morgan, 1997). The development rationale is based on unitarist ideals and managers are seen as ‘objects’ to be processed by the management development specialists who design and deliver programs based on their assumed professional expertise and knowledge of individual and organisational requirements (Doyle, 2000). Managers are considered as “a ‘parade’ of individuals who are marching purposely forward in step in one direction to the same tune” (Burgoyne & Jackson, 1997, p. 60). Where there is any attempt to determine individual development requirement this is often carried out through needs analyses.
(Woodall & Winstanley, 1998) used to reveal managers’ “hidden incompetence” to be “cured later with development activities” (Luoma, 2000d, p. 16).

In the second strand HRD takes a more independent and proactive position and is viewed as providing opportunities to develop competency at the tactical level. Management development underpinned by competency-based orientations leading to the UK’s Management Charter Initiative (Constable & McCormick, 1987; Handy, 1987; Leman, 1994; Winterton & Winterton, 1996) and Australia’s Frontline Management Initiative (Barratt-Pugh & Soutar, 2002a, 2002b; Karpin, 1995a, 1995b, 1995c) are characteristic of this position. The management development function may adopt a marketing orientation (Walton, 1999) with a focus on promoting and selling the benefits to its line function customers (Doyle, 2000). The function is concerned with cost-benefits of its service and there is interest in showing the return on investment (Mabey & Finch-Lees, 2008; Mabey & Salaman, 1995). Achieving horizontal integration by establishing close links with other HR functions is often a goal with the management development specialist operating more as a business partner (Kirkbride, 2003; Ulrich, 1997).

The third strand positions HRD in a strategic role with strong links to corporate goals. Strategic management development is considered as a means to enhance the organisation’s strategic capability and corporate performance and there is a focus on achieving vertical linkages with business strategy and horizontal linkages with other HR functions (P. Brown, 2007). Management development within this perspective highlights the utilisation of human resources within the organisation and focuses on their contribution to achieving strategic objectives and building corporate capability (Burgoyne, 1988; Garavan et al., 1995; Luoma, 2000b; Walton, 1999).

**How strategic is management development?**

The idea that management development must be strategic, business-led, focused and integrated with the rest of HR policy and practice has gained much currency since the 1980s (Burack et al., 1997; Constable & McCormick, 1987; Heisler & Benham, 1992; McClelland, 1994; P. Miller, 1991; Osbaldeston & Barham, 1992; Temporal, 1990; Thomson et al., 1997), however it has lacked a strong conceptual framework (P. Brown, 2003) and the “gap between rhetoric and reality has been wide” (Woodall & Winstanley, 1998, p. 20). Thomson et al. (2001, p. 91) point out that generally it has been assumed that management development must be in some way connected with business strategy, however, “there is very little literature and even fewer empirically grounded studies which explore this linkage.” Luoma (2005, p. 646) supports this, observing that though many writers argue for the
Linking HRD to strategy has been variously explored in the literature over the last thirty years (A. Adams, 2012; Boxall, 1996; De Cieri & Holland, 2006; Garavan, 1991; Garavan et al., 1995; Grieves, 2003; Grieves & Redman, 1999; Hanson, Hitt, Ireland, & Hoskisson, 2011; C. Hendry & Pettigrew, 1986; Higgs, 1989; Horwitz, 1999; Keep, 1989; Luoma, 2000c, 2006; Torraco & Swanson, 1995; Walton, 1999). The placement of ‘strategic’ before management development establishes people as valuable resources requiring investment (C. Hendry & Pettigrew, 1986) and their development as organisationally-planned activities that benefit both the individual and the organisation (Garavan et al., 1995). It is presented as a business-led approach that proactively targets development interventions to achieve corporate objectives consistent with strategic planning and cultural change requirements (Beer & Spector, 1989).

Seibert, Hall and Kram (1995, p. 563) see the connection between business strategy and management development as the “weak link” and promote the view that if management development is to truly provide value to the company then it “should start with a company’s strategy and the resulting business needs” and use experience-based learning to integrate with business strategy. This style of normative approach is common in the literature with authors such as Osbaldeston and Barham (1992, p. 18) declaring management development to be a “major strategic tool” and urging that it “should be integrated with business strategy” and that it should be “at the heart of business strategy”. Despite the lacuna of empirical studies demonstrating the nature of this link (Thomson et al., 2001), strategic management development, “like motherhood and apple pie”, is “unimpeachable in theory” (Garavan, Heraty, & Costine, 1996, p. 22).

Brown (2004, 2007) considers strategic management development as integrated interventions aimed at enhancing the organisation’s strategic capability and corporate performance. Management development as a strategic activity links the process with the total management of the organisation (Luoma, 2005; Ulrich, Brockbank, & Yeung, 1989). The value of management development being linked with strategic management is commented on by Burgoyne (1988, p. 40) who notes that management development is different from other areas of HRD in the influence it has on people outside management positions because “managing shapes both itself and non-managerial work.” He identifies a six-step ladder of organisational maturity through which management development progresses as it moves from a position of no relationship with strategy through to integration with strategic management. He argues that such progression can only occur in the context of a total management development approach in which the crafting of organisational strategy includes “mightiness” of management development as a “competitive factor”, they do not investigate the formation of the strategy to management linkage, instead they describe cases where the link already exists and extol the resulting virtues.
a focus on both “hard” systems like performance appraisal and development needs analyses and “soft” systems like culture, attitude and management style. Walton (1999, p. 88) adds a seventh level to Burgoyne’s list to cover the “strategic leverage of learning and development processes to enhance the core competences of the organisation.”

Mumford (1993) identifies three approaches to management development used by organisations when managing management development relative to their strategy. “Informal managerial” involves accidental processes that are task-focused, developmentally understructured, and owned by managers with no clear development objectives. “Integrated managerial” uses opportunistic processes that focus on both task and development. Owned by managers, the managerial activities are used for learning in a planned way and are reviewed as such. “Formalised development” centres on planned processes that occur away from normal managerial activities. Structured and owned by developers, management development has clear development objectives and explicit intentions.

Luoma (2005) merges Burgoyne’s and Mumford’s models to produce a three-stage model of strategic management development. “Sporadic” management development is not coordinated, target setting is not explicit and managerial ownership is not strong. The content of management development is only loosely aligned with particular development needs or future organisational aspirations and learning is of benefit to individuals rather than the organisation. “Reactive” management development is employed in response to identified issues or expected failures in performance. Financial, technological, or product and market-related considerations of strategy determine management development, which offers some consistency in formal learning designed to be of benefit to the organisation rather than individuals. “Integrative” management development comprises formal and informal initiatives integratively focusing on aspects of current strategy or directed towards novel strategy. Management development’s input to strategy is intentionally sought and the process benefits both individuals and the organisation. Luoma (2005) applied this model in an empirical study charting management development at a national level in Finland assessing the linkages between an organisation’s positioning on strategic management development, managers’ strategic awareness and the perceived effectiveness of the activity and concluded that management development interventions can only be strategically meaningful to individuals if they can see a linkage between their perceptions of strategy and their learning. He calls for managers of management development to recognise the realities of management and highlights the importance of seeing management development as a dynamic and holistic system encompassing different initiatives that are integrated with other forces shaping managers’ work. To support this he argues for research that uses individual managers as the unit of analysis and takes their perspectives into account.
The positioning of management development within an organisation has received some attention in the literature (Garavan, Barnicle, et al., 1999; Horwitz, 1999; Kirkbride, 2003). The idea that management development is an integral part of a wider organisational system is advocated by Doyle (1995) who considers it in relation to the context and reality of managerial work. Ready, Vicere and White (1994) outline the requirement to integrate management development with strategic objectives and the wider HR systems and processes. Garavan, Barnicle and O’Suilleabhain (1999, p. 196) consider that “management development is at one and the same time both a system and a process, and as an open system, it interacts dynamically with variables from other environmental and organisational subsystems, activities and processes.” Garavan (2007) discusses the importance of integrating management development horizontally with other human resource management activities and the need to have high-quality management development managers who are appropriately located and oriented (Lepak, Bartol, & Erhardt, 2005; Ulrich, 1997) within the organisation.

The priority accorded to management development within an organisation and its corresponding positioning within an organisation’s structure has been commented on by Thomson et al. (2001) who note that where organisational precedence is given to management development and where that prioritisation is given shape through formal policies, there are close associations with the amount of development conducted and with the perceived outcomes of those interventions. Garavan (1991) prescribes the presence of management development plans and policies as a key characteristic of strategic human resource development. Mabey (2002, p. 1143) concurs seeing such statements as indicators of strategic importance as they suggest “a thoughtful rather an ad hoc approach to developing managers.” Garavan (2007) observes that having an overarching mission statement specifying organisational commitment to learning that is linked to planned management development supported by organisational policies, systems and resource provision emphasises the proactive long-term nature of strategic management development and ensures that if the value of management development is questioned then the value of the organisation is also questioned.

Thomson et al. (2001) consider that the extent to which an organisation is centralised or decentralised influences how management development is structured with centralised management development offering the opportunity to build a corporate-wide cadre of managers and maintain the “corporate glue”. Garavan (2007) sees there is a tendency to decentralisation with increased responsibility for management development falling to line managers with a corresponding role change for management development processionals. Mabey (2002) discusses the centralise-decentralise divide and concludes that the literature is separated on who should take responsibility for management development. Thomson et al. (2001) propose that the allocation of responsibility for management development determines
the degree of impact within the organisation. Where the locus of control is centred in management development managers as part of a centralised HR then the judged impact within the organisation is greater.

The role of the manager of the management development process has been explored by Garavan (1995c) who considers that stakeholder theory provides insights into how the strategic HRD process operates. He suggests two models of managing this function: the “single sovereign model” in which ownership and control resides in the process manager; and the “steerer model”, which requires the process manager to guide the function in consultation with other stakeholders. In the single sovereign model Garavan considers the function to be reactive with an underpinning focus on maintaining existing values and systems. Essentially viewed by the organisation as a cost, there is a focus on one-off events, which are often faddish and not linked to corporate strategy, and the provision is not based on recognised need but determined by the process manager’s opinions. In this model the dominant philosophy of the process manager is one of a subject matter expert who maintains a lot of control over development activities, uses instructing methods and has a preference for large groups. In the steerer model Garavan sees the function emphasising corporate strategy through a proactive approach that emphasises team and organisational processes. Perceived as a long-term organisational investment, the function is central and underpinned by a change focus that ensures values and systems mirror the needs arising from the organisation’s environment and strategy. In this model the role of the process manager is one of a learning facilitator, an adviser and a change agent. The prevailing philosophy is existentialist emphasising one-on-one learning, self-development, self-evaluation and an organic approach to development. Ownership and control of the function is shared among the stakeholders requiring the specialist to collaborate and compromise.

Garavan (1995b) sees a steerer model being central to the effective management of a strategic HRD function. The importance of stakeholder mindsets is pivotal in this model as the value positions held by the stakeholders, particularly the managers of the process, influence their actions and determine how they perceive management development should occur or become in the future (Garavan, 1995a). Though the stakeholder linkages are often complex, the relationships mould the character and process of management development within the organisation (Mabey, Salaman, & Storey, 1998b). Doyle (2000) promotes a relational perspective for management development arguing the need for the process manager to manage the relationships between organisational variables upon a foundation that recognises the interplay of social, cultural, political, rational and functional contexts. This view is supported by Burgoyne and Jackson (1997, p. 68) who present their arena thesis highlighting the importance of managers of management development taking account of competing and contested interests and ensuring they hone their “political sensitivity and be especially attuned to the complex legitimizing dynamics that prevail within their
organizations.” Harrison (1997, p. 130) also emphasises the importance of political skill for the managers of the management development process and uses the analogy of a military activity requiring assessment of role, position, resources, skills and organisational context to identify what is feasible and required to achieve strategic success. Garavan (2007) positions management development managers as key components of any strategic management development and, reflecting Giddens (1984), argues that they both influence and are influenced by the context, the stakeholders and the characteristics of management development within the organisation. Whether the managers of the management development process are part of the “dominant coalition” (Cyert & March, 1963) and in a position to strategically affect firm directions will be determined by their values, competencies, credibility and integrity (Garavan, 2007).

For many organisations worldwide the debate on the strategic nature of management development has become embodied in the corporate university (Werner & DeSimone, 2006), a concept that is increasingly seen as a component of the field of strategic HRD (Holland & Pyman, 2006a, 2006b; Prince & Stewart, 2002; Walton, 1999). Views of what constitutes a corporate university range on a continuum from a process focus through to a strategic imperative (Holland & Pyman, 2006b). Meister (1994, 1998) sees corporate universities as providing companies with a means to offer in-house training. Fee (2001) represents them as sophisticated flexible learning techniques. Walton (1999) characterises them as a mechanism for companies to create and manage knowledge and Holland and Pyman (2006a) consider corporate universities as a key strategic element in organisational human capital creation and management. Whether corporate universities represent a repackaging of the company’s training function or a strategic focus on management development is a tension explored by Eccles (2004).

Holland and Pyman (2006b) see the prominence of corporate universities arising from the focus on the knowledge-based economy and human resource management. They consider the emphasis on the increasing importance of intellectual workers is reflected in the resource-based view of the firm (Barney, 1991, 1995) with its characterisation of the strategic management of human resources. Antonacopoulou (2002) offers an alternate perspective describing corporate universities as the instillers of a paradigm in management development that is shaping an ideology of corporatisation and commercialisation with an emphasis on consumption, relevance, performativity and short-termism to systematically produce learning to achieve profitability. Dealtry (2010) acknowledges both these views painting the knowledge worker as key to strategic advancement and listing a range of issues that he sees are influencing and accelerating the emergence of corporate university activities. Prince and Stewart (2002) argue the importance of surfacing and understanding the particular circumstances of the organisation rather than applying universal models to individual corporate universities, thereby highlighting the capability perspective.
How does management development relate to capability?

Connecting management development and capability requires adoption of a “people-centred perspective” (Luoma, 2000b). Writers with this capability view have focused on the key role that people play in achieving corporate directions (B. E. Becker, Huselid, & Ulrich, 2001; Boxall, 1996; Gunnigle & Moore, 1994) and securing competitive advantage (Porter, 1985). Prahalad and Hamel (1990) were among the first in this area to introduce the term ‘core competence’. They argued that organisations can possess unique resources that allow them to be competitive and that people have the abilities that underpin the services and products of the company, so they form the basis of business strategy (Ghoshal & Bartlett, 1999; Grundy, 1998; Hamel & Prahalad, 1996; Pfeffer, 1994; Stalk, Evans, & Shulman, 1992; Treacy & Wiersema, 1993). This thinking gained prominence in the 1990s and is discussed in the literature under a variety of names, for example, distinctive competence (Fiol, 1991; Selznick, 1957), core capabilities (Stalk et al., 1992) organisational competencies (Capelli & Crocker-Hefter, 1996), combinative capability (Kogut & Zander, 1992), organisational capability (R. M. Grant, 1996; Ulrich & Lake, 1990) and innovative capabilities (Burgelman, Kosnik, & van den Poel, 1988; W. M. Cohen & Levinthal, 1990). This focus was a departure from the dominant view of the 1970s and 1980s that posited achievement of competitive advantage through rational environmental analyses with corresponding logical decisions made on financial, technological and product-markets (Garavan et al., 2000).

The notion that a company’s internal behavioural patterns has the capacity to be a source of competitive advantage is captured by Ulrich (1997, p. 10) who considers that “capabilities are the DNA of competitiveness. They are the things an organization always does better than its competitors do.” This concept of capabilities providing competitive advantage draws primarily from three theoretical perspectives (Garavan et al., 2000).

Transaction cost theory (B. Klein, Crawford, & Alchian, 1978; Williamson, 1981; Williamson & Masten, 1999) centres around the make-or-buy argument (Lepak & Snell, 1999). Initially, transaction cost theorists focused on why firms organised internally those transactions that might otherwise be conducted in markets (Coase, 1937). Transaction cost theory enables explanations based on comparative efficiency, for example, the option of buying in managerial talent at market prices versus expending resources developing that capability ‘in-house’. In this sense, market transactions and internal production of management development can be considered as alternatives (Teece, 1984).

Human capital theory (G. S. Becker, 1964; Conner, 1991; Flamholtz, 1999; A. C. Preston, 1996; Schultz, 1961) draws from economic theory originally propounded in the seventeenth century (Nerdrum & Erikson, 2001). In the 1960s researchers such as Schultz (1961) and
Becker (1964) considered the relationship between investing in developing the skills and knowledge of employees and the performance and future productivity of that company. From a management development perspective human capital refers to the knowledge, skills and abilities that have economic value for a company and is considered to be “the profit lever of the knowledge economy” (Bontis & Fitz-enz, 2002, p. 224). The need to support organisational learning and workplace-based knowledge construction (Senge, 1990b) has assumed a greater importance as enterprises, now the prime societal grouping, determine the agenda for developing managers. Developing systems of management development to capitalise on new forms of collective learning while serving multiple constituencies is a key challenge for companies (Orlikowski, 2002). Strategically leveraging the power of people within the organisation is seen as a means to ensure competitive success and sustainability. It has also been increasingly recognised that the advantages offered by intellectual capital is enhanced by social capital, which enables the transfer and development of knowledge through networks, interpersonal contacts and social relationships (Nahapiet & Ghoshal, 1998; Raider & Burt, 1996). Competitive advantage thus comes from both the calibre of people attracted to the organisation and the capacity of those people continually developing their capability (Kamoche & Mueller, 1998; Steen, 2006; Storey & Quintas, 2001).

Resource-based theory was articulated by Wernerfelt (1984) and derived from Penrose’s (1959) approach of looking at an organisation’s broad set of resources, the resource-based theory of the firm perspective has served as a foundation for strategic human resource management (Wright, Dunford, & Snell, 2005). The resource-based view is premised on the belief that not all resources are of equal importance nor do they have the potential to be a source of sustainable competitive advantage. By focusing on those that are rare, valuable inimitable and nonsubstitutable (Barney, 1991) the chances of superior performance are increased (Fahy, 2000) as firms are more able to implement new value-creating strategies not easily duplicated by competing firms (Barney, 1991, 1995; Conner & Prahalad, 1996; Nelson, 1991; Prahalad & Hamel, 1990, 1994; Wernerfelt, 1984, 1995). Kamoche (2001) sees such resources to be valuable when they perform activities at the heart of the organisation’s strategy and argues the importance of utilising the full potential of human capital such as managerial know-how to achieve competitive advantage.

The combination of the three theories constitutes a capabilities perspective and highlights the value and uniqueness of human resources, providing a basis for the strategic role of HRD (Garavan et al., 2000). The strategic transformation of managerial skills and expertise into capabilities that enables the organisation to achieve its objectives (Kamoche, 2001) is central to this perspective and is one explored by Makadok (2001) in his analysis of capability building. Through the utilisation of management development an organisation can strategically leverage managerial capabilities embedded in dyadic and network relationships (H. H. Dyer & Singh, 1998) for knowledge acquisition and innovation giving it an
organisational advantage (Ghoshal & Moran, 1996) and a means of creating, sharing, exploiting and evolving change approaches (Teasley, Kodama, & Robinson, 2009).

The fundamental importance of developing capabilities has been recognised as a strategic issue, especially in relation to organisational change (Teece et al., 1997). Woodall and Winstanley (1998) adopt a capabilities perspective in their positioning of management development as a core competence, which they see could occur in two ways. First, management development as an enabler of strategy develops managers in ways that facilitate putting other core competences into practice. Second, management development itself constitutes a core competence that sustains competitive advantage. They make the point however that there has been very little evidence of organisations intentionally identifying management development or any component of HR as a core competence (p. 26).

The concept of capabilities has been extended to dynamic markets (Teece et al., 1997) in an attempt to explain how and why particular firms maintain a competitive advantage when rapidly changing (Amit & Schoemaker, 1993; Barney, 1991; Dierickx & Cool, 1989; Peteraf, 1993; Reed & DeFilippi, 1990). These dynamic capabilities are the means by which firms change their routines, products, services and markets over time (Easterby-Smith, Lyles, & Peteraf, 2009; Eisenhardt & Martin, 2000; Teece et al., 1997). Helfat et al. (2007, p. 1) characterise dynamic capabilities as “the capacity of an organisation to purposefully create, extend or modify its resource base”. They argue that such capabilities are directed towards effecting organisational change and discuss the role played by managerial resources in reconfiguring the organisation. The capacity of managers to effectively employ such capabilities in high-velocity markets (Eisenhardt, 1989b) is dependent on their ability to cope with external competition whilst managing the required internal resource configurations and creating unpredictable advantages out of opportunities that arise at different times (Eisenhardt & Martin, 2000). Adner and Helfat (2003, p. 1012) discuss dynamic managerial capabilities as the ways in which managers “build, integrate, and reconfigure organizational resources and competences” to effect decisions on improving company performance. They see such decision-making as a managerial combination of the expertise and human capital necessary in making decisions, the social capital that delivers access to applicable information, and the cognition that comes from beliefs and mental models that creates biases in the actions taken during innovating times. Hayes and Pisano (1994, p. 78) capture this common theme of dynamic improvement or innovation through presenting capabilities as a firm’s abilities to “switch gears … relatively quickly and with minimal resources.”

Espedal (2005, p. 138) sees that management is a core competence that contributes to a firm’s outcomes and he positions management development as a dynamic capability through which the firm “systematically generates and modifies its routine in the pursuit of encouraging and developing managers to balance efficiency and adaptiveness.” Kamoche
(2001, p. 48) comments on the need for organisation’s to continually retrain managers to suit new requirements, or to “substantially readjust” their “attitudes and working styles … in order to fit into the new environment.” Both these views support Penrose’s (1959) idea that it is the firm’s ability to utilise the capabilities of unique resources such as managers in new ways that enable it to achieve competitive advantage. This purposeful approach to innovation is aligned with Tranfield and Smith’s (1998) view of competitive advantage being driven from the “inside-out”, a position also supported by Foss (1997) and by Castanias and Helfat (1991, 2001).

Luoma (2000c) explores capabilities as a source of competitive advantage and describes them as behaviours exhibited by a collection of people in a particular organisational context over time. He notes that ‘capabilities’ are often used synonymously with ‘organisational capabilities’ to “underline that they are owned by the business, not individuals” and explains that they are behaviours that are not “directly connected to tangible resources” but are ones that “come alive in a certain organizational setting” (Luoma, 2000c, p. 775). The notion that capabilities are specific to companies at certain points and evolve over time is commented on by Kamoche (2001, p. 53). The organisational ownership of capabilities is a view supported by other commentators (B. Becker & Gerhart, 1996; Kamoche, 1996; Nkomo, 1988). Collis (1994, p. 145) also concurs with this view characterising organisational capabilities as “socially complex routines” that are “embedded in firm routines” and are a product of the entire system of the organisation. He argues that organisational capabilities are not vested in a single individual as they are supra-individual and they are “not only manifestations of observable corporate structures and processes, but also reside in the corporate culture and network of employee relations.”

Corporate capability is an intangible asset (Walters, Halliday, & Glaser, 2002) that provides companies with competitive advantage due to its capacity to influence organisational structures and management processes (Achtenhagen, Melin, Mullern, & Ericson, 2003; Sanchez-Runde et al., 2003). Corporate capability can be considered a type of strategic resource (Foss, 1997; Foss, Knudsen, & Montgomery, 1995) because it is valuable, rare, inimitable, non-tradeable, and non-substitutable (Barney, 1991). Corporate capability, or collective organisational learning (Prahalad & Hamel, 1990), results from the combination of individual manager capabilities and organisational capabilities encapsulated in processes, activities or routines (R. M. Grant, 1991). The embedding of this in the organisational or knowledge environment (Davenport & Prusak, 2000; Drucker, 1993; Nonaka & Takeuchi, 1995; Peters & Waterman, 1982) comprising organisational leadership and culture, organisational structure and roles, and people, physical and technology infrastructure, enables the company to innovate (Demarest, 1997; Pettigrew & Fenton, 2000; Pettigrew et al., 2003) and achieve competitive advantage (Pemberton & Stonehouse, 2000; Pemberton, Stonehouse, & Yarrow, 2001). Indeed, this capacity to innovate has long been seen as the
greatest source of competitive advantage (Schumpeter, 1934) with the output generally construed in terms of financial, market or organisational performance (Tidd, Bessant, & Pavitt, 2001).

Since companies are continually changing there is a need for the corporate capability to continue even though individual managers may leave the organisation (R. M. Grant, 1991). Corporate capability follows a lifecycle requiring a management development system aimed at renewal (Steen, 2006). The continual renewal of corporate capability stimulates innovation (Sanchez & Heene, 1997; Teece et al., 1997). Management development promotes the alignment between organisational and individual manager capability so that it drives the business strategies of the innovating company (Garavan et al., 1995; Luoma, 2000b). The organisational environment provides the rationale for management development and in turn management development can be seen as a means of transmitting the required organisational learning (Giddens, 1984; Kamoche, 2000) or innovating capability (Burgelman et al., 1988; Leonard-Barton, 1995; Nonaka & Takeuchi, 1995; Rogers, 2003; Teece et al., 1997; Van de Ven et al., 2008) thus recursively creating and maintaining corporate capability that achieves organisational change. In changing contexts, management development becomes both an innovation capability and a means to develop organisational innovativeness (Zaltman et al., 1984). It is this approach that is used in this thesis.

Sago (2003, p. 16) has commented that “the search for a competitive advantage has become businesses’ version of the quest for the Holy Grail.” Whereas traditional thinking on competitive advantage gave priority to physical resources over human resources (Garavan et al., 2000), adopting a capability view inverts this relationship (Luoma, 2000c). A capability-driven perspective considers that management development is fundamental to the process of actualising strategy. Organisations that emphasise capability strategically identify the desired behaviours and management development as a form of HRD is targeted at generating these behavioural productions. Management development is a capability that facilitates the changing and managing of other resources in the organisation (Steen, 2006). Luoma (2000c) notes that before HRD can make its impact in such a role it needs to be aligned to other aspects of HR such as selection, appraisal, rewards and communications. He makes the point that HRD no longer focuses on fixing existing performance gaps. Instead the requirement for HRD comes not from daily organisational operations but rather from the aspired future state expressed in corporate strategy, thus making “capability-driven HRD proactive in nature” (Luoma, 2000c, p. 777). In organisations that apply this corporate capability approach, management development is used as a central means to implement strategy (Luoma, 2000a; Winterton & Winterton, 1999) and can itself become a key strategic differentiator between organisations (Steen, 2006) as they seek to innovate.
How does management development relate to innovation?

Management development and innovation are fields that are not often linked (Aliaga, 2005; Law, 2008) though the value of doing so has been acknowledged (Sheehan et al., 2014). It has been recognised that HR practices such as management development can play a key role in enhancing a company’s competitive advantage (Alvarez & Barney, 2000; Garavan et al., 1995; Law, 2008; Luoma, 2005; McClelland, 1994) and, indeed, such practices can be seen as a precursor of innovation (Carneiro, 2000; Gupta & Singhal, 1993; Leonard-Barton, 1995). However, there has been little research that has explicitly looked at this relationship, particularly from an empirical perspective (de Leede & Kees Looise, 2005; Jimenez-Jimenez & Sanz-Valle, 2008; Sheehan et al., 2014).

Like the management development field, the field of innovation is extensive and draws from many perspectives (Damanpour, 1991). Innovation and its nature, determinants, processes, practices, patterns, types and results have been often discussed (Coopey, Keegan, & Emler, 1998; Damanpour, 1991; Downs & Mohr, 1976; Haeffner, 1973; Kimberly & Evanisko, 1981; Knight, 1967; Ravichandran, 1999; Van de Ven et al., 1989; Zaltman et al., 1984). However, no single innovation theory has emerged (Fiol, 1991), an outcome Wolfe (1994) considers appropriate as innovations are not all alike. Whilst there is no single agreed definition of innovation there is agreement that innovation involves aspects of newness and change (Andriopoulos & Dawson, 2009; Rogers, 2003; Van de Ven et al., 2008). What ‘newness’ and ‘change’ means, however, has been variously conceptualised and debated (T. Burns & Stalker, 1966; Coopey et al., 1998; Damanpour, 1991; Van de Ven, 1986; Van de Ven & Rogers, 1988).

The distinction between technical innovations focusing on new products, services, and technologies, and administrative innovations focusing on new policies, procedures, and organizational forms, has been addressed by researchers (Daft & Becker, 1978; Damanpour & Evan, 1984; Dewar & Dutton, 1986; Knight, 1967), who have generally promoted keeping the two separate. Van de Ven et al (2008), building on Leavitt’s (1965) idea that the majority of innovations involve both new technical and administrative aspects, assert that such a distinction may result in a disjointed classification of the innovation process. They argue that understanding the close connection between technical and administrative innovation is vital to understanding management innovation. Management development is an example that bridges the delineation through its transmission of innovating capability in either context. This is echoed by Sundbo (1997) who discusses strategic innovation as a core paradigm in both technical and administrative settings, and by Teece (1980) who observes that administrative innovations and technological innovations may be equal in regards to their capacity to enhance productivity.
The idea that innovation has a purpose in making a difference, bringing about change, improving performance or contributing to organizational effectiveness is one that is commonly expressed (Damanpour, 1991; de Leede & Kees Looise, 2005; Grønhaug & Kaufmann, 1988; Rogers, 2003; Tidd, Bessant, & Pavitt, 1997; Van de Ven, 1986). Read (2000) comments that, as a general concept, innovation is seen as a popular managerial phenomenon that companies need to embrace as a strategic key for achieving success in competitive global business environments, which is also discussed by Kearney, Harrington and Kellihier (2014). Over time, many researchers have proffered normative theories of innovation with a variety of prescriptions for improving the organisation’s innovative capabilities (Lawson & Samson, 2001), yet the nature of innovation processes driving company advancement still remains unclear (Andriopoulos & Dawson, 2009; Ehlen, van der Klink, Roentgen, Curfs, & Boshuizen, 2014).

The complex nature of innovation has been captured by a range of models derived from various academic traditions and theoretical perspectives, many of which view innovating as comprising a series of inputs that undergo a transformation that results in some outputs (T. Burns & Stalker, 1966; Damanpour, 1991; Nonaka & Takeuchi, 1995; Poole et al., 2000; Rogers, 2003; Tidd, 2001; Van de Ven et al., 1989; Zaltman et al., 1984). Wolfe (1994) explores this input-transformation-output structure in his categorisation of the streams of organisational innovation research into innovativeness, process and diffusion theories.

Wolfe (1994) sees the innovativeness research stream dealing with assessing the antecedents and determinants of organisational propensity to innovate. He notes that much of this research has adopted a static view of change and has tended to focus on the influence of structural variables with minimal attention given to managerial characteristics or how the determinants of organisational innovation interact. Structural factors and their relationship to organisational propensity to innovate have been the subject of a variety of research, much of it inconclusive (Avermaete, Viaene, Morgan, & Crawford, 2003). Adams (2003) comments that the relationship between innovation and structural factors is ambiguous and identifies the need to consider the interplay of other factors such as resources and people.

The focus on resources and people factors as determinants of organisational innovating has been explored within the resource-based view with proponents arguing that companies’ development of competitive advantage occurs through their resource base (R. M. Grant, 1991; Wernerfelt, 1984, 1995). Whether these resources are physical such as buildings, equipment and raw materials; or intangible such as brand, reputation, and people’s knowledge, skills and attitudes; or financial such as cash, debt and equity; the emphasis is on their effective deployment so as to add inimitable value (Barney, 1991). The capacity to innovate is essential to deal with changing external factors and to respond faster and better than competitors in exploiting new products and market opportunities (S. L. Brown &
Eisenhardt, 1997; R. E. Miles & Snow, 1994). Innovation enables valuable and scarce resources to be developed within the company. Management development is a means to develop innovative capability that is difficult to imitate. Though there has been extensive debate about mobilising innovative capability there is still limited understanding of how companies can achieve this aim (Foss et al., 1995; Sheehan, 2012).

Wolfe’s (1994) second categorisation of process research as examining how and why innovations start develop and finish. He points out that this type of research considers the impact of time and takes into account the dynamic nature of the development and implementation of innovations. Van de Ven et al’s (1989) research is a pre-eminent example of this type with its examination of how the process of managing innovation comprises motivating and coordinating people to originate new ideas through engaging in transactions in relationships with others to achieve the designated outcomes within changing organisational contexts. These factors of people, ideas, transactions, outcomes and contexts inter-relate during the initiation, development, and implementation or termination of the innovation journey (Van de Ven et al., 2008). This approach considers the nature of innovation over time and explores the narrative that describes what led to what in the particular circumstance (Andriopoulos & Dawson, 2009; Poole et al., 2000; Van de Ven & Huber, 1990; Van de Ven & Poole, 2005a). In this way it has similarities with the contextualist approach that employs a processual perspective (Dawson, 1994, 1996, 2000, 2003a, 2012; Pettigrew, 1985a, 1985b, 1985c, 1997, 2012; Pettigrew & Fenton, 2000; Pettigrew et al., 2003). Such an approach is useful in considering management development from an innovation standpoint. It presents an opportunity to emphasise the interaction between innovation and context as an ongoing process and facilitate multilevel analysis of the research phenomenon, thus satisfying a call made by Mabey and Finch-Lees (2008, p. 48) to better illuminate the management development arena.

Wolfe’s (1994) third categorisation of diffusion research considers innovation over time and/or space from creation to dissemination and adoption as it spreads through potential adopters. In his seminal work on diffusion, Rogers (2003) identified that factors influencing diffusion include the characteristics of the adopter, the adopters’ social network, attributes of the innovation, environmental characteristics, the communication process, and the characteristics of the promoters of the innovation. Rogers found that particular innovation attributes influence diffusion: relative advantage, compatibility, complexity, trialability, and observability. He also explored the role adopters of innovations played and characterised them as innovators, early adopters, early majority, late majority, and laggards. In his model he noted the importance of change agents in influencing the innovation adoption decision in a direction desired by the organisation. Working from this concept, Rogers and Shoemaker (1971) detailed the seven roles of change agents and highlighted their importance in the innovation adoption decision. Rogers (2003) further explores the innovation decision process
and identifies five stages of knowledge, persuasion, decision, implementation and confirmation. This approach provides opportunities to consider the role of stakeholders in the management development process and their interaction in times of change.

Slappendel (1996) considers the distinctions between input, process and output made by Wolfe (1994) a useful organising device but argues such approaches do not reveal the underlying role of individuals and structures, nor their intersects. She proposes three perspectives for viewing organisational innovation: individualist, structuralist and interactive process.

The *individualist perspective* sees individual characteristics and actions as the key source of change in organisations with individuals acting as self-directing agents steered by their own goals and not constrained by external forces. Rogers and Shoemaker’s (1971) view of change agents fits within this perspective. As Slappendel (1996) notes, the idea that innovative decisions involve a single individual are unlikely to be valid in organisational settings, an assessment borne out by Van de Ven et al.’s (1989) research.

The *structuralist perspective* assumes that organisational characteristics determine innovation and these external constraints shape the behaviour of the actors (Astley & Van De Ven, 1983). Seeing the organisation from this view has seen different structural factors studied to investigate their role in innovation including company size (Damanpour, 1991; Damanpour & Evan, 1984; Kimberly & Evanisko, 1981), complexity (Blau & McKinley, 1979; Damanpour, 1991), and centralisation (Kimberly & Evanisko, 1981; Zaltman et al., 1984) though the outcomes are often contradictory.

The *interactive process* perspective is proposed by Slappendel (1996) as a way to amend the partial picture presented by the individual and structuralist perspectives. She sees such an approach valuing non-rational organisational behaviour and emphasising the dynamic nature of change with the result that longitudinal case studies become a means to explore the development of innovation over time. By accounting for individual and structural factors and analysing their interaction it becomes possible to examine how a process emerges, evolves and expands or terminates within an organisation at particular periods and more clearly assess its impact.

### How is management development impact evaluated?

Evaluation of management development remains an ongoing preoccupation with practitioners increasingly seeking to justify the monetary value of programs or their contribution to strategy (Anderson, 2010; Easterby-Smith, 1994; Mabey & Finch-Lees,
Organisations continue to invest in management development however such investment is mostly considered to be largely an act of faith (Garavan, Heraty, et al., 1999; Gold et al., 2010; Kamoche, 2000; Mabey & Finch-Lees, 2008; Peel, 1984; Thomson et al., 2001). There is an accepted rhetoric of the broad benefits of management development but empirical studies of the specific impact of management development are few and far between (Mabey & Finch-Lees, 2008, p. 66; Thomson et al., 2001, p. 160). Mighty and Ashton (2003) observe that there is little known about how management development actually contributes either to the development of individual managers or the effectiveness of their organisations and Mabey (2002) points to the persistent gap in research that maps how management development is evaluated at an organisational level.

The impact of management development particularly and HRD generally are assumed from a functionalist perspective to improve the performance of individuals and increase the competitive advantage of organisations and, ultimately, national competitiveness (Constable & McCormick, 1987; Karpin, 1995c; Mabey & Finch-Lees, 2008). However, Winterton and Winterton (1999) argue that there is a dearth of robust empirical evidence to support such a hypothesis and the methodological tools that could be used to test the proposition are somewhat under-developed. Thomson et al. (2001, p. 92) point out that despite various attempts to clarify the linkage between management development and business strategy “the nature of that relationship remains relatively obscure.” It may be intuitively obvious that the way in which managers are developed within an organisation is intrinsic to the development of corporate capability (Mabey & Finch-Lees, 2008) but such common sense has not often been subject to careful analysis (Gandolfi, 2007; Kearney et al., 2014; Woodall & Winstanley, 1998).

The evaluation of management development and broader HRD outcomes and impact is fraught. Mumford and Gold (2004) note that a single meaning for the term ‘evaluation’ is not easily found. They consider evaluating to be closely connected with organisational views of management development with the criteria used to make judgements being strongly influenced by the value sought by stakeholders thereby affecting the purpose of evaluation, the overall approach and the methods used. Mabey and Finch-Lees (2008) agree pointing out that any measure of management development at either the organisational or individual level is only possible if criteria are clearly established. Since a variety of interest groups coalesce around and influence the objectives and operation of management development, they argue that support for a particular initiative can be obtained from a plurality of purposes thus leading to situations where the same management development intervention can be evaluated completely differently by a variety of stakeholders. Even when the objectives are stated, these may differ from the actual values and intentions of those sponsoring and initiating the intervention (Lees, 1992). Whether determining the cost of a management development practice, assessing the fit between organisational strategy and management development
policies and practices, judging the degree to which particular activities are designed and delivered or their impact, the criteria varies. De Cieri and Holland (2006) note that there are numerous pitfalls in measuring management development citing using items that are easily distinguishable or taking a short-term outlook. They emphasise the importance of evaluation in any strategic HRD arguing that a focus on cost effectiveness is not sufficient and that it is necessary to broaden to considerations of efficiency through cost metrics, effectiveness through measures of fit between programs and strategy and their effect on people, and impact measures that assess the value added to an organisation by a program.

Winterton and Winterton (1996) propose that the impact of management development be considered in terms of the benefits derived. They categorise the benefits from the viewpoints of differences in individual performance, organisational performance, business performance, organisational strategy and HRD systems and processes. Mabey and Finch-Lees (2008) note that some organisations use a stakeholder perspective to strategically evaluate management development. This is based on the idea of a balanced scorecard, which was promoted by Kaplan and Norton (1992, 1993, 1996) who saw that strategy formulation and evaluation should focus on four perspectives: financial – interests of shareholders, customer – satisfying customers, internal business – processes, innovation and learning – learning and growing. Walton (1999, p. 47) sees that the balanced scorecard is of particular interest to management development managers “because of the emphasis it gives to learning.” He comments that though many organisations that have adopted the balanced scorecard methodology have focused on the innovation component there are others that have emphasised the “organisational learning” component. Mabey and Finch-Lees (2008, p. 58) argue that only through the simultaneous satisfying of all four perspectives can an organisation maintain its ability to satisfy any particular group.

An oft-cited and enduring framework for assessing the effectiveness of management development within organisations is the four-level tracking of Kirkpatrick (1994) covering reaction, learning, behaviour and results. Winterton and Winterton (1996, p. 9) consider the four levels to be complementary, “each offering insights into a different aspect of the effectiveness of the adoption of a development or training initiative.” Werner and DeSimone (2006) regard the framework as a useful way of looking at the possible consequences of management development and highlighting that HRD efforts often have multiple goals. Phillips (1996) argues that return on investment is the logical fifth level of Kirkpatrick’s framework, which is supported by Mumford and Gold (2004) who see that if each level of evaluation is completed in sequence a direct link may be shown between management development and an organisation’s results.

Mabey and Finch-Lees (2008) consider there are three factors spurring the quest to establish return on investment for management development. First, they see it can be a means for
validating development as a business tool enabling the organisation to become more cognisant of profitability mechanisms and allowing managers of management development to be considered as strategic partners in the businesses rather than non-strategic costs. Second, it can validate employee personal development and it can help justify the costs of management development. Finally, they note that the immediate benefits of management development are not always financial citing such impacts as improved morale, improved response, greater flexibility, improvements in quality leading to greater customer loyalty and new business, improved management style, better project tracking and enhanced understanding of the value of HRD, many of which are aspects also noted by Winterton and Winterton (1996).

Mabey and Ramirez (2005) comment on the difficulty of quantifying the impact of management development due to the difficulty of measuring development that occurs on-the-job or in an un-programmed manner and the case that often the effects of such development may take months or years to accrue and impact diffusely rather than precisely. They also highlight the problem of establishing means to track links in the chain between management development and improvement in individual through to collective performance. Despite these difficulties, Mabey and Ramirez (2005, p. 1068) argue that where an organisation focuses on the development of its managerial cadre then over time this leads to improvements in “morale, motivation and corporate capability”, and ultimately a more productive organisation. This is echoed by Mabey (2004) who proposes that a management development system that is properly aligned, and therefore distinctive and idiosyncratic, represents a core capability, a view that was earlier outlined by Stalk, Evans and Shulman (1992) and was captured within Tomer’s (1987) concept of organisational capital. Mabey (2004) argues that such an aligned system can trigger a virtuous cycle of HR connecting business and people development thereby improving the likelihood of building a cadre of talented and committed managers who see their development being supported by senior management thus increasing individual motivation and the credibility of management development. This aligned system can progressively facilitate an increase in overall organisational performance, which if linked to management development will reinforce the virtuous cycle (Barratt-Pugh, 2005; Leman, 1994; Winterton & Winterton, 1996).

Rather that evaluating the impact of management development in unitarist ways, the adoption of a pluralist approach enables consideration of non-financial indicators and the acknowledgement of the existence of multiple interests (Kamoche, 2001). The nature of the impact will be dependent on the rationale for initiating management development and the intent for its development and delivery (Hill & Stewart, 2007a). As Mabey and Finch-Lees (2008) argue, moving beyond a functionalist viewpoint also recognises the reality of evaluation as both a social and political process operating within a particular organisational context and includes the viewpoints of multiple stakeholders.
Summary

This review of literature has explored broadly-ranging perspectives of management development, a field that is “multivocal and theoretically pluralistic” (Cullen & Turnbull, 2005, p. 353). Management development has been the subject of much research most of which has been carried out from a functionalist perspective with little focus given to other means of illuminating the field.

Management development continues to attract interest yet the understanding of why organisations engage in the process is not well-researched (O'Connor et al., 2006). Kuchinke (2000, p. 281) notes that there has been very little research conducted that explores the day-to-day realities of management development, “its spheres of influence, or its ability to shape corporate agendas, and this should become a core area of research and debate within the field.” There have been ongoing attempts to link management development to business strategies to enable achievement of competitive advantage and the development of corporate capability, often with minimal empirical support (Kearney et al., 2014).

As a source of competitive advantage the expertise and know-how of managers have been identified as intangible assets that can provide “premium value” (Walters et al., 2002) for companies as they have the capacity to influence management processes and organisational structures (Achtenhagen et al., 2003; Sanchez-Runde et al., 2003). This collective organisational learning (Prahalad & Hamel, 1990) arises when individual management capabilities are combined with organisational capabilities encapsulated in processes, activities or routines (R. M. Grant, 1991). Where this is embedded in the organisational or knowledge environment (Davenport & Prusak, 2000; Drucker, 1993; Nonaka & Takeuchi, 1995; Peters & Waterman, 1982) comprising organisational leadership and culture; organisational structure and roles; and people, physical and technology infrastructure, the company has a capacity to innovate (Demarest, 1997; Pettigrew & Fenton, 2000; Pettigrew et al., 2003) and achieve competitive advantage (Pemberton & Stonehouse, 2000; Pemberton et al., 2001).

As companies are continually changing there is a need for the organisational capabilities to continue even though individual managers may leave the organisation (R. M. Grant, 1991). Management development can be seen as a means of engendering the capacity to innovate while the organisational environment in turn provides the rationale for management development (Giddens, 1984; Kamoche, 2000) thus recursively creating and maintaining corporate capabilities. Capability-driven management development requires an organisational orientation that considers it as a key means of executing strategy (Luoma, 2000a).
Mabey (2002, p. 1140) identifies a “persistent gap in our understanding of the way management development is provided” within organisations and concludes that research that maps the dimensions of management development within companies is “well overdue”. The role management development plays in the formation of corporate capability has not been greatly explored in any integrated way (Luoma, 2000c) and certainly not within an Australian company experiencing continuous change. Longenecker and Neubert (2003) point out that previous research has focused on management development occurring in stable environments. They argue that the stability assumption is one that no longer holds true for contemporary organisations and that as organisations change there needs to be parallel changes in management development. Smith (2006) notes that many studies of new management practices have acknowledged the role of development but rarely has development been the focus of the research. From an Australian perspective he emphasises the need for investigations that seek to understand the role of management development in shaping the ability of organisations to undertake successful change processes.

Storey (1990, p. 9) argues that management development research is “obscure” on the question of “the real dynamics of why some organisations engage in particular practices”. Storey considers there is a paucity of data at the organisational level that “synthesises” the elements of management development and gives insight into the role of management development in companies. He suggests that the lack of data becomes even more problematic if the aim is to understand how one set of management development practices “interrelate with another” and that this missing piece is “further compounded if the aim is to appreciate how a technique is actually applied – i.e. if one tries to probe the process question.” In Storey’s view, “if it is intended to seek out a study which locates the practices and processes of the management of managers within their organisational and environmental contexts, then very few studies would even begin to meet the requirement.” Eleven years after Storey’s comments, Knox and Gibb (2001) reemphasise this continuing gap in research into management development. More recently, Mabey and Finch-Lees (2008, p. 48) promote the value of undertaking qualitative research that studies the processes by which management development “evolve, diffuse and become institutionalized” and call for an approach that “gives equal weight to both macro and micro factors” acknowledges the context and gives due consideration to diversity thereby making “real progress in illuminating the arena of management development.”
Closing

This chapter indicates the diversity of understandings framing the management development concept. The theoretical roots and evolving inter-relationships between management development purpose, practice and position were explored and the interlinks to concepts of change, HRD, strategy, capability and innovation examined. It was noted that a significant research gap exists in our understanding of how in a continually changing organisation management development is constructed and what role it plays in the construction of corporate capability. The need to gain insights into strategic organisational change endeavours within Australian contexts was highlighted. Understanding how the programs of management development are constituted, how management development performances are enacted, and how these productions are integrated in an innovating context are key research questions.

The next chapter outlines the research design and methodology used in this study. Explored are the options for undertaking research in social organisations, the research paradigm used in this study and the rationale for choosing a case study approach.
Chapter 1 provided an orientation to the research background and Chapter 2 reviewed perspectives from the extant literature. This third chapter of Part 1: Constructs details the design of this study. The options for undertaking research in social organisations are explored, the research paradigm used in this study is elucidated and the value of a case study approach is detailed. Chapter 3’s aim is to present the research design and methodology used in this study. The structure of this chapter is depicted in Figure 5.
The aim of this research is to generate an holistic picture of how the process of management development is constructed in an innovating corporate organisation and to understand the contribution management development makes in the construction of corporate capability over time thereby providing insights into strategic organisational change endeavours. The purpose of this contextualist and processual, longitudinal deep case study, is to investigate

- How is management development constructed and what role does it play in the construction of corporate capability in changing contexts?

The research questions consider, in an innovating organisation:

- How are management development programs constituted?
- How are management development performances enacted?
- How are management development productions integrated?

Undertaking research into social phenomenon in corporate organisations in 21st century Australia entails many choices for the researcher. Building social science knowledge in this way requires consideration of the research purposes, paradigms, perspectives and procedures (Patton, 2002). The adoption of a “reflexive turn” (Weick, 1999) in organisational research focuses the researcher on thinking about the influences that pre-understandings continually have on the conceptualisation, carriage and claims of the research (Easterby-Smith & Malina, 1999; Palmer & Dunford, 1996). Being reflexive means striving for “ways of seeing which act back on and reflect existing ways of seeing” (Clegg & Hardy, 1996, p. 4). In this research a reflexive approach has been adopted that acknowledges the “complex relationship between processes of knowledge production and the various contexts of such processes as well as the involvement of the knowledge producer” (Alvesson & Skoldberg, 2000, p. 5).

Changing company praxis was the architecture of this research. The structuring of the research was essentially a “political” activity (Punch, 1994), which was strongly influenced by issues related to “getting in, getting on, getting out, and getting back” (Buchanan, Boddy, & McCalman, 1988). Rather than portraying the research in terms of “reconstructed logic” (Silverman, 1985, p. 4) I have used first person in choosing to tell my story about the research process as a PhD candidate, embedded researcher, and author, which is a feature common to a reflexive approach especially contextual and processual research (Dawson, 2003a; Pettigrew, 1985a). In the Tales of the Researcher, presented fully in Appendix 1 and précised in this chapter, I summarise the phases of the research as it actually unfolded and highlight the influences on the research design.
Tales of the Researcher

This research portrays the process of management development within BankWest over the period 1997 to 2009. BankWest evolved from a small regional WA bank to a part of HBOS Australia, a member of HBOS plc, one of the world’s largest financial services organisations, which itself was taken over by Lloyds TSB Group plc, the largest UK bank, through to being subsequently purchased by the Commonwealth Bank of Australia (CBA), Australia’s largest. This research involved me relating with many of the members of both HBOS Australia and HBOS UK between 2002 and 2013 as I sought to understand how the process of management development had been, and was being, constructed at BankWest. I came to the study with expectations of being a detached observer collecting data using an experimental approach and exited with an understanding that I was a bricoleur (Denzin & Lincoln, 2005a) constructing data and piecing together a quilt of the changing process of BankWest’s management development through my reflexive activities (Alvesson & Skoldberg, 2000) as the “instrument” of the study (Patton, 2002, p. 14).

The research design was an iterative construction based on the nature and evolving direction of the research, which was continually shaped by the interweaving of the stakeholders, the researcher and the topic through opportunistic approaches (Buchanan et al., 1988; Hakim, 1987). Whilst in the field I developed a view of management development as a social technology (Mulcahy, 2000) with a capacity to be both initially designed then reshaped over time and be influenced both by its own characteristics and the social process of change and the interpretations and meanings given to it by managerial actors (Giddens, 1984). I saw management development as aiding managerial actors to share identity and interact, thereby developing knowledge of the organisation and its players. Through change endeavours that aligned effort, enabled them to learn by doing, and supported their participation, managers could develop knowledge that allowed them to coordinate across time and space, develop capabilities, and learn how to innovate.

Knowledge was considered from the constructionist paradigm that sees there is no objective or single reality rather multiple individual and social constructions determining alterable “realities” (Guba & Lincoln, 1998). This paradigm considers the goal of knowledge to be understanding the lived experience from the participants’ perspective (Schwandt, 1994). I was also influenced by the work of Habermas (1987) who saw that knowledge is created by people who have been influenced by historical and social conditions (Carr & Kemmis, 1986). Rather than an ahistorical approach, Habermas’ preference is inherent in contextualism theory, which see phenomena to be constantly changing (Pepper, 1970; Pettigrew, 1985c). I considered change as a developmental sequence of events that emerge through the activities and practices engaged in by organisational actors over time in context.
(Dawson, 2003a; Langley, 1999; Pettigrew, 1997; Van de Ven, 1992) and adopted a contextual and processual perspective as a way to investigate BankWest’s strategic change endeavours. The role of strategic change endeavours in building individual and organisational innovative capabilities at the strategic, operational and professional levels became the focus.

The research used a conceptual framework derived from a development chain suggested by Leman (1994) and Karpin (1995a, 1995b, 1995c) in their management development reports (see Figure 6), which I modified to more clearly capture the intention of this research (see Figure 7). The conceptual framework underpinned my consideration of the management development process as it unfolded and guided the analysis of the complexity of the strategic change endeavours as they began, diverged, converged and ended within different contexts. Different representation strategies were used to ensure the writing was both insightful and critical and the resulting thesis could be considered authoritative, persuasive and credible, able to “successfully withstand the ordeal of an academic rite of passage (i.e. the achievement of completing a doctorate)” (Jeffcutt, 1994, p. 252).

(Based on Leman 1994 and Karpin 1995a; 1995b; 1995c)

Figure 6: Causal Chain of Management Development
Figure 7: Conceptual Framework -
Management Development and the Constructing of Corporate Capability
The full version of the *Tales* in Appendix 1 provide an inside account of the nature and complexity of the research process within this study and my role in the production of this thesis. By being transparent about the choices made in the study and exploring these in a reflexive writing style I have enabled the reader to observe the mirrors with which the magic tricks were performed (T. J. Watson, 1994b). In this way the account aids in the understanding of not just the product of the research enquiry but the issues involved in researching in twenty-first century organisations.

**Research Paradigm**

This research sought to gain insights into strategic change endeavours through the development of an understanding of the process of management development as an expression of an innovating journey towards corporate capability occurring over time within the social setting of a changing BankWest. To achieve this, a research approach was required that enabled examination of a process in action through consideration of a range of issues and perspectives. In deciding the approach three questions were used (Creswell, 2003):

- What knowledge claim is being made?
- What strategies of enquiry will be employed?
- What methods of investigation and analysis will be used?

**Knowledge claim**

The claim about what warrants knowledge in the social sciences is underpinned by assumptions. All research is based on assumptions. Our assumptions about what is knowledge, the nature of reality and the kinds of beings humans are, construct our ontology. Our assumptions about the best way to enquire and the relationship between the enquirer and the enquired, construct our epistemology. Our assumptions about how we gain knowledge of the world influence our methodological choices of techniques used to enquire into specific social contexts. This ontological, epistemological and methodological net is the interpretive framework or paradigm that guides research action (Guba, 1990; Guba & Lincoln, 1994; Hussey & Hussey, 1997; Ticehurst & Veal, 1999).

Heron and Reason (1997) argue that axiological considerations of the role of values in a study are an underpinning assumption. Though omitted in Guba and Lincoln’s (1994) earlier work, their more recent considerations include axiology (the branch of philosophy dealing with ethics, aesthetics and religion) as a basic belief (Guba & Lincoln, 2005). Creswell (1998) defines a paradigm in terms of ontology, epistemology, axiology and methodology.
and also includes rhetorical assumptions, arguing that they structure the style of writing and the language used. Elucidating paradigmatic assumptions within research has become commonplace since the time of Kuhn (1962) and in the research community there are still contentious issues that are the subject of much philosophical debate (Guba & Lincoln, 2005).

In exploring human issues there are a range of schools of thought about knowledge claims. Guba and Lincoln (1994) identify positivism, postpositivism, critical theory and constructivism. Positivism has been the dominant research view for hundreds of year and is characterised by an ontology of naive realism, and a dualist and objectivist epistemology that casts the investigator and investigated as independent entities whose values and biases are sought to be removed from the study using experimental and manipulative methodologies (Guba & Lincoln, 1994). Positivists are both reductionist and deterministic who assert that knowledge consists of verified hypotheses that can be accepted as facts or laws (Lincoln & Guba, 2000). They consider that only verifiable claims based directly on experience can be claimed as genuine knowledge (Patton, 2002). Postpositivism represents those scholars who challenge the absolute truth of knowledge and argue that it not possible to be positive about knowledge claims when studying human behaviour (Creswell, 2003). Postpositivism is characterised by an ontology of critical realism, an epistemology of modified dualism within which objectivity is a regulatory ideal, and the use of modified experimental methodologies that seek to falsify rather than verify hypotheses (Lincoln & Guba, 2000). Postpositivists assert that empirical evidence may be used to distinguish between claims, test hypotheses and determine belief but that knowledge is conjectural and finding absolute truth is not possible (Creswell, 2003). They claim knowledge to be comprised of nonfalsified hypotheses that can be regarded as probable facts or laws (Lincoln & Guba, 2000). Critical theory is a collective term covering a diverse group of researchers who are joined by their common assumption of the value-determined nature of enquiry (Guba & Lincoln, 1994). Critical theory is characterised by an ontology of historical realism that assumes a virtual reality shaped by cultural, social, political, economic, ethnic, and gender values that are reified over time into a series of structures; a transactional and subjectivist epistemology within which the investigator and investigated are interactively linked; and the use of dialogic and dialectic methodologies that enable the transformation of ignorance and misapprehensions into more informed consciousness (Guba & Lincoln, 1994). Critical theorists “seek not just to study and understand society but rather to critique and change society” (Patton, 2002, p. 131). They claim knowledge as comprising a series of structural and historical insights that are transformed as time passes (Lincoln & Guba, 2000). Constructivism is premised on a recognition that no worldview is uniquely determined by empirical or sense data and that truth is a matter of consensus, there are no meaning for facts except within a value framework, causes and effects exist only through imputation and phenomena are only able to be understood in a context (Patton, 2002).
Constructivism is characterised by a relativist ontology that assumes realities are constructed (Guba & Lincoln, 1994). Within a transactional and subjectivist epistemology the investigator and the investigated are interactively linked and create the findings through the use of hermeneutical and dialectical methodologies that seek to distil a more informed consensus construction (Guba & Lincoln, 1994). Constructivists claim knowledge as comprising those constructions about which there is relative consensus among those who are trusted and competent to interpret the substance of the construction (Lincoln & Guba, 2000).

Heron and Reason (1997) concur with these as major paradigms framing research and add a fifth – participatory. They consider this worldview to be closest to critical theory and characterise it as having an objective-subjective ontology, including the cooperative methodology of coresearchers, with a wide way of knowing that confirms the role of practical knowledge. Lincoln and Guba (2000, p. 167) concede this view and include the cooperative/participatory worldview as a major paradigm arguing that as a form of inquiry it is “post-postpositive, postmodern, and criticalist in orientation.”

Creswell (2003) discusses postpositivism, advocacy/participatory and constructivism and includes pragmatism as a knowledge claim. Pragmatism draws from the late nineteenth and early twentieth century work of Peirce, James, Dewey, Mead and others (Cherryholmes, 1992; Diggins, 1994) and links theory and praxis. It has a practical orientation that seeks to clarify meaning and is driven by consideration of consequences (Cherryholmes, 1992). Pragmatists see that research “always occurs in social, historical, political, and other contexts” and that researchers “choose the methods, techniques, and procedures of research that best meet their needs and purposes” (Creswell, 2003, p. 12). For pragmatists, what is important is providing solutions to research problems (Patton, 2002).

This research into the process of management development is within the context of a corporate organisation that is socially constructed. The ideas of social constructivism or constructionism have been developed by authors such as Berger and Luckman (1967), Lincoln and Guba (1985) and Shotter (1993) and explored by Schwandt (2000), Crotty (2003) and Guba and Lincoln (2005). Stake (1995, p. 170) defines the concept as “belief that knowledge is made up largely of social interpretations rather than awareness of an external reality.” Schwandt (2000, p. 197) claims that we all come from this position “if we believe that the mind is active in the construction of knowledge.” He goes on to argue that constructionism “means that human beings do not find or discover knowledge so much as we construct or make it … against a backdrop of shared understandings, practices, language, and so forth.”

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1 Constructionism is preferred to constructivism and is reflective of Lincoln and Guba’s (2000) shift in their 1985 to 2000 work. See also Easterby-Smith, Thorpe & Lowe (2000). It is acknowledged there are differences between the terms, see Gergen & Gergen (2002) and Crotty (1991).
From a constructionist stance, reality is socially constructed and given meaning by people, it is not objective and exterior (Easterby-Smith et al., 2002). It is a position that recognises “what we take to be objective knowledge and truth is the result of perspective” (Schwandt, 1994, p. 125) and is “developed and transmitted within an essentially social context” (Crotty, 2003, p. 42). Steedman (1991, p. 54) considers that it is the interaction of context with that which is being observed that produces meaning, which is “constructed”.

Ontologically, this research takes a relativist view of being, which acknowledges that there are different realities constructed by the individuals involved in the research. It is recognised that there is not one reality, multiple realities exist (Guba & Lincoln, 1994). There is no “quest to capture a single reality” (Charmaz, 2000, p. 523). The research employs a subjectivist epistemology where the researcher and the respondent co-create understandings within the everyday world of BankWest (Denzin & Lincoln, 2000). These premises are consistent with Habermas’ (1987) theory that knowledge does not exist in isolation, people construct it (Carr & Kemmis, 1986).

**Theory of knowledge-constitutive interests**

This research draws from Habermas’ (1987) theory of knowledge-constitutive interests and his conceptualisation of knowledge as being produced as a result of individuals’ social and historical conditions (Carr & Kemmis, 1986, p. 134). Knowledge is enmeshed in past and current social structures and can only be understood relative to the issues people have been exposed to and continue to be involved in during their lives. For Habermas, knowledge is created by people. Knowledge is the product of deliberate human actions. Different kinds of knowledge are formulated in relation to different types of cognitive interests. Habermas distinguishes between technical interest in the control and manipulation of the physical world, practical interest in communicating with and understanding others, and emancipatory interest in self reflection leading to enlightenment. Each of these cognitive interests relates, respectively, to one dimension of social media: work, language or power (Habermas, 1987, p. 313). Each nonreducible cognitive interest corresponds to a different type of knowledge or type of science. Each type of knowledge has its own form of methods and its own claims to validity. Habermas considers these knowledge-constitutive interests as “transcendental” because they are assumed before any cognitive act and therefore “constitute the possible modes of thought through which reality may be constituted and acted upon” (Carr & Kemmis, 1986, p. 134).

Habermas considers these interests legitimate in themselves, arguing their illegitimacy only when their claims “exceed the limits established by the conditions of possibility” (J. B. Thompson & Held, 1982, p. 7). In presenting the production of knowledge in this way, Habermas seeks to effect the systematisation of a theory of self-reflection that
simultaneously considers the role of human interests, the conditions of the possibilities of knowledge and the role of power structures (Ottmann, 1982).

Habermas’ (1987) theory of knowledge and human interests has received criticisms (Bernstein, 1985) and it is recognised that its use is not entirely unproblematic (Alvesson & Willmott, 1992b). Like Willmott (1997b), however, I considered it to have heuristic value and like others (Alvesson & Willmott, 1992b; Mingers, 1992; Stablein & Nord, 1985) I saw this as a valuable conceptual scheme and one that I could use for framing an investigation into the process of management development over time within BankWest by considering objective, social and subjective views.

**Enquiry Strategies**

A researcher’s assumptions about knowledge claims influence the choices made about strategies of enquiry, which provide specific directions for procedures to be used in a research design (Creswell, 2003). The enquiry strategies comprise the capabilities, assumptions and practices used by the researcher as they move from a paradigm and a research design to the interaction with the empirical world (Denzin & Lincoln, 1994).

In undertaking research in a social setting there are a number of enquiry options. Yin (2003) summarises enquiry strategies as experiments, survey, archival analysis, history, and case study. Denzin and Lincoln (2005b) discuss case study, ethnography, grounded theory, action research, and clinical research. Creswell (2003) comments on the broad range of enquiry strategies and highlights ethnographies, grounded theory, phenomenological research, narrative research and case studies. Patton (2002) notes the overlap amongst these options and also points to their differences, which he sees are reflective of varying experiences with and emphases within research traditions. As Denzin and Lincoln (2005b, p. 379) observe, each of these strategies has its own history and complex literature with its “own set of preferred ways of putting strategy into action.”

In considering the options for enquiry in this research, those of experiments, surveys, archival analysis, history, ethnography, grounded theory, narrative research, action research and case study were explored. Each of these is discussed below and reasoning for the final choice of case study is explained.

*Experiments* require a control over behaviour and events that was not available in this research situation. Though the original ARCLG application was centred on this strategy it was not appropriate to the actuality. Experiments deliberately disassociate a phenomenon from its context and necessarily “strip” variables that could influence findings, thus
detracting from its relevance (Guba & Lincoln, 1994). As this research desired to understand the process of management development within the changing contexts of BankWest, this strategy was not employed.

Surveys do not require control over behavioural events and enable a focus on contemporary events, both factors appropriate to this research situation. However, surveys are most useful in answering questions of who, what, where, how many, how much (Yin, 1994), whereas this research was interested in understanding how and why, so this enquiry strategy was deemed inappropriate.

Archival analysis is concerned with questions such as who, what, where, how many, how much (Yin, 1994). It is a predictive strategy that seeks to describe the prevalence of a phenomenon (Yin, 2003) and therefore did not meet the goals of this research. Though archival analysis was deemed inadequate as a single strategy for this research, the process of analysing archival materials was used as part of the participant observation method (Denzin, 1989b).

History as an enquiry strategy is commonly used when there is virtually no access to live personal accounts of the events being investigated (Yin, 1994). It is distinguished by “dealing with the ‘dead’ past – that is when no relevant persons are alive to report, even retrospectively, what occurred and when an investigator must rely on primary document, secondary documents, and cultural and physical artifacts as the main source of evidence” (Yin, 2003, p. 7). In this research, the history of BankWest’s management development since 1997 was a focus, however there was access to people who could comment on what had occurred and as such a history alone was deemed inappropriate. What was considered useful was to use an historical worldview (Pepper, 1970) in understanding the changing events of the process of management development over time within the contexts of BankWest.

Ethnography would have been appropriate as an enquiry strategy for many of the issues in this research such as investigating a phenomenon within its context using a variety of data sources (Fetterman, 1988; Goldbart & Hustler, 2005). However, ethnographies tend to be defined by a focus on society and culture (Fetterman, 1988; Patton, 2002) and produce a cultural portrait of the social group (Creswell, 1998). In this research, the focus was not on a cultural system rather it was bounded (Creswell, 2003) to the process of management development and as such this research is not an ethnography, though it uses many ethnographic methods (Tedlock, 2000).

Grounded theory is a theory generating enquiry strategy based on actual data acquired in the field (Corbin & Holt, 2005; Glaser & Strauss, 1967; Strauss & Corbin, 1998). Though it is often used as a general reference to inductive research, it consists of “quite specific methods and systematic procedures” that encourage the researcher to strive for “objectivity” (Patton,
In adopting this enquiry strategy the researcher attempts to “derive a general, abstract theory of a process, action, or interaction grounded in the views of participants in a study” (Creswell, 2003, p. 14). In this research, which was grounded in the contexts of BankWest, the aim was not to generate theory, instead a “theory after” (Creswell, 1998, p. 87) approach was used where theory was employed to illuminate perspectives of events and aid in achieving the aim of understanding in a reflexive way (Alvesson & Skoldberg, 2000).

Narrative research is a form of enquiry that draws from traditions in oral history, drama, literary theory, film philosophy, folklore and psychology and assumes that people “construct their realities through narrating their stories” (Marshall & Rossman, 2006, p. 117). It is concerned with the “production, interpretation and representation of storied accounts of lived experience” (Shacklock & Thorp, 2006, p. 156). The narrating of emergent actions and events enables the exploration of the unfolding of organisational endeavours (Van De Ven & Poole, 2005b). Though this research was not a narrative enquiry, it did use narrative techniques in examining records and enabling the participants in BankWest’s management development process to tell their stories, which were then analysed and retold into a chronology using extended narrative vignettes (M. B. Miles & Huberman, 1994). Through this strategy it was possible to provide contextual detail using “thick description” (Denzin, 1989a) as a narrative chronology for the purpose of this thesis (Clandinin & Connelly, 2000).

Action research as a form of enquiry aims to solve specific organisational problems by engaging the people in studying their own problems in order to solve those problems (Carr & Kemmis, 1986; Patton, 2002). Action research blurs the line between theory and practice as it is research within a social setting undertaken either by the participants themselves or in collaboration with a researcher (Noffke & Somekh, 2005). In line with the ARCLG application this research began as action research however action research’s defining nature of commitment to collaborative enquiry by participants to engage in sustained change (Kemmis & McTaggart, 2000; Somekh et al., 2005) was not possible at BankWest and this enquiry mode was thus abandoned.

Case study is an enquiry strategy that is used when there is a need to understand and explain complex phenomena (Remenyi, Williams, Money, & Swartz, 1998). Case study enables the in-depth exploration of a process bounded by time using a variety of data gaining procedures (Creswell, 2003; Patton, 2002) and a range of sources (G. Johnson et al., 2007) including historical and real time observations (Van De Ven & Poole, 2005b). Case study is very much within the constructionist paradigm of social science (Stark & Torrance, 2005) as it recognises the context in which the phenomenon exists and enables exploration of the social world as it occurs at the level of subjective experience. A case study enquiry strategy was selected as it was considered to be the most suitable to enquire into management development as a process within the changing contexts of BankWest. As Eisenhardt (1989a,
notes, a case study is an enquiry strategy that “focuses on understanding the dynamics present within single settings” and can employ an embedded design using multiple levels of analysis.

**Case Study Approach**

Yin (1994) identifies organisational and management studies as situations in which case study is an applicable enquiry strategy. He sees the strategy as appropriate when there is a desire to define the topic broadly, to cover the phenomenon and the context in which it is occurring and to make use of multiple data sources (Yin, 1993). Hakim (1987) sees case study as a useful enquiry strategy when the research is being conducted in a private sector organisation and is about processes of change. Benbasat, Goldstein and Mead (1987) see case study enquiry as a means to understand organisational phenomena. Chetty (1996) considers case study research to be a rigorous strategy that enables investigation of a phenomenon as a dynamic rather than static process.

Stake (2000, p. 435) believes that case study “is not a methodological choice but a choice of what is to be studied.” According to Yin (2003, p. 9) case study research is useful when “a ‘how’ or ‘why’ question is being asked about a contemporary set of events over which the investigator has little or no control”, a position supported by Van de Ven (1992). The capacity to use different sources of data within a case study enables a researcher to examine a phenomenon and consider the findings holistically in order to provide a “rich description” of the changing process in context (W. G. Dyer & Wilkins, 1991; Pettigrew, 1990). Hartley (1994, p. 212) also subscribes to this view noting that “a case study allows for processual, contextual, and generally longitudinal analysis of the various actions and meanings which take place and which are constructed within organizations”. A case study enquiry strategy was therefore considered appropriate as the research was concerned with the contemporary issue of management development with a focus on investigating how and why this phenomenon was occurring within the changing contexts of BankWest over time.

Though criticised as a “portmanteau term” (R. Burns, 1994, p. 312) that is used by different people to mean different things in different ways (Merriam, 1998, p. xiii), a case study strategy was selected as is it provided a process for examining a contemporary phenomenon, a delineation of the bounded context of the phenomenon, and a description of the phenomenon derived from analysis of multiple sources of evidence (Benbasat et al., 1987; Eisenhardt, 1989a; M. B. Miles & Huberman, 1994) and enabled the production of “an intensive, holistic description and analysis of a bounded phenomenon” (Merriam, 1998, p. xiii) using descriptive data (Mintzberg, 1979).
This research involved study of the single case of BankWest. It is a “classic” case study approach (W. G. Dyer & Wilkins, 1991) that focuses on telling the complex story of a changing BankWest through a focus on the management development journey between 1997 and 2009 in a clear and concise way. Undertaking an in-depth analysis of social phenomenon using a single case study strategy has been well-accepted in management literature (Dawson, 2003a; H. K. Klein & Myers, 1999; Mintzberg, 1979; Pettigrew, 1985a) and in doctoral studies (Remenyi et al., 1998).

Yin (2003) lists five rationales for a single-case study:

1. It is a critical case in testing a well-formulated theory.
2. It represents an extreme or unique case.
3. It is representative of a typical case.
4. It is a revelatory case.
5. It is a longitudinal case.

In this research, the second, fourth and fifth were considered most appropriate. Being located within BankWest as it transformed from a small regional bank in Australia to part of HBOS plc, one of the largest financial services company in the world, to part of Lloyds TSB Group plc then to the CBA was a unique opportunity. Being able to research the developments from both emic and etic perspectives (Schwandt, 1994) and provide insights into strategic change endeavours viewed through corporate evolution of the management development process was seen as valuable. The opportunity to observe and analyse this phenomenon was not accessible to anyone else and the revelatory value is considerable. The investigation of BankWest occurred over six years of real-time observations and the case study tells the story of the innovating journeying of management development over a 12-year period. Discussions of how management development has changed over time and the importance of it as a strategic change endeavour with its focus on different relationships are seen to benefit future researchers. As Pettigrew (1990) notes, a case study can be valuable as an holistic and multifaceted approach to investigating changes in organisations.

In this research it was deemed necessary to consider the experience of the stakeholders over time in the process of management development within the contexts of BankWest and, as such, it is a longitudinal case study. Longitudinal approaches, as opposed to cross-sectional studies, signify retrospective analysis of history combined with contemporary real-time observations of processes of changing over time (G. Johnson et al., 2007). Many process researchers have adopted a longitudinal study mode (Dawson & Palmer, 1995; Pettigrew, 1985a; Van de Ven et al., 1989). Understanding the historic events and the influence those antecedent events have on contemporary changes in creating shape, signification and structure (Pettigrew, 1990) of BankWest’s management development process required consideration of the theory of contextualism (Pepper, 1970; Pettigrew, 1985b, 1985c, 1990), value of a contextual approach and processual perspective (Dawson, 1994, 1996, 2003a,
Case Study and Contextualism Theory

Contextualism theory has as its point of origin historical events as they are represented in a production of knowledge. For the contextualist, these “incidents of life” are dramatised in “acts” that are complex and composed of “interconnected activities with continuously changing patterns” (Pepper, 1970, p. 233). Events in the past are not the contextualist’s only interest; understanding the event as it is happening within its setting is the focus. Events in context are underpinned by acts of changing, which are considered ever present in contextualism. “Thus history is not just an event in the past but is alive in the present and may shape the future” (Pettigrew, 1990, p. 270). Considering only the here and now moment is not the contextualist’s way of conducting research.

Contextualist analysis of events takes a dispersive worldview where “facts are taken one by one” and the universe is taken as “multitudes of facts” in a non-determinate order (Pepper, 1970, p. 142). Categories of texture and quality determine the reporting of changing events. Texturally, the significance and meaning of these events can be explained by referencing them to the context in which they occurred and their relationship to other entities at that time (White, 1973). The quality of the change is determined through a tracing of the evolution of elements of events in the present by considering their past origins and recognising their capacity to influence emerging future events. The point at which the tracing ends is where the element or “strand” merges into the context of some other event or converges to produce a new event (Pepper, 1970). This concept of strands incorporating those elements that directly contribute to the quality of texture, and context as those elements that indirectly contribute, is similar to what Pettigrew (1990) sees as internal and external context and Dawson (2003b) categorises as the substance of change occurring within a specific context influenced by organisational politics. For contextualists, following the strands and context means the end will never be reached as there will always be another contributing element to pursue.

Contextualists consider phenomena to be continually changing. Change is endemic not derivative. The understandings of these phenomena are linked to the immediate context in which they occur and depend on the way in which the flow of reality is viewed. As the viewer’s perspective alters, understandings are also changed (Lyddon, 1995). In developing these understandings, it needs to be recognised that what is being seen is from a particular vantage point at a particular time and in a particular situation. Gadamer (1976) sees that acquiring these “horizons” means learning to look at what is being distinguished as being
part of a larger whole and acknowledging that the past has formed the present whose horizon is continually forming. Though contextualists focus on the horizontal or process level of analysis, vertical analysis is not ignored (Pettigrew, 1990) but it is a supporting feature of the holistic analysis.

**Case Study and Contextualist and Processual Perspectives**

Contextualists view the “flow” of time as a “wavelike motion” in which certain phenomena are marked as more or less significant (White, 1973, p. 19). As Klein and Myers (1999, p. 73) point out, contextualism requires that the process being investigated is “set in its social and historical context so that the intended audience can see how the current situation under investigation emerged.” This process perspective has been described by Pettigrew (1997, p. 338) as the consideration of “a sequence of individual and collective events, actions, and activities unfolding over time in context.” A processual view enables understanding of occurrences in a particular social setting during a designated time period (Van de Ven, 1992). Such a perspective is concerned with comprehending not only how things evolve over time but why they evolve in particular ways (Van de Ven & Huber, 1990). There is an interest in the way things “emerge and reveal themselves over time” and in “critical junctures that may stimulate rapid change as well as processes that serve to maintain and sustain existing ways of doing things” (Dawson, 2003a, p. 26). In taking such a processual view there is an acknowledgement that the repertoire of routines and structures of the past both enable and enforce future actions and behaviours (Giddens, 1979, 1984; Sztompka, 1991).

For a researcher working contextually with a processual perspective the role is to account for and explain “the what, why and how of the links between context, processes and outcomes” (Pettigrew, 1997, p. 340). By organising events into significant phases the researcher is able to mark the trends occurring in processes over the flow of time thereby “catching reality in flight” (Pettigrew, 1990, p. 268). The interpretation of patterns in events occurring in socially meaningful time periods over particular chronologies may be linear, directional and cumulative or non-linear, radical and transformational (Sztompka, 1993). In developing process theories the researcher seeks to explain processes across different levels of analysis and use these to link the occurrences within a context enabling descriptions that lead to holistic explanations (Pettigrew et al., 2001). Understanding the pattern in events is the key to developing process theories (Langley, 1999).

According to Pettigrew (1992, 1997) conducting longitudinal research on processes underpinned with a contextualist mindset centres on five guiding assumptions:
1. Embeddedness, studying processes across a number of levels of analysis recognising that they are contained within contexts that both construct and are constructed by them.

2. Temporal interconnectedness, studying processes in past, present and future time recognising the cruciality of history in shaping the future.

3. A role in explanation for context and action recognising the duality of context in the production of action.

4. A search for holistic rather than linear explanations of process recognising the links between multiple levels of contexts, actions and outcomes.

5. A need to link process analysis to the location and explanation of outcomes recognising how processes within contexts shape consequences.

In this research these guiding assumptions were used to shape the conduct of the research and build up the case of management development at BankWest as an analytical chronology in which patterns in the story were discerned and clarified (Pettigrew, 1997). A key focus in this research was retaining the “rich contextual nature of the processual data” to enable the reader to draw their own “useful insights and explanations” (Dawson, 2003a, p. 118) of the change process from the multiple narratives of the lived experiences (Dawson & Buchanan, 2003) of the actors in BankWest’s management development.

**Case Study and Narrative**

A case study strategy is a narrative device that allows the telling of a tale. It is a story told about a bounded system, be it an organisation, event, process or person, to bring forth important observations about these aspects (Ely, Anzul, Freidman, Garner, & McCormack-Steinmetz, 1991). Narrative is often used in case studies as an answer to the problem of how to “translate knowing into telling” (White, 1987, p. 1). Some constructionists consider narrative as the product of particular contexts that must be considered within the particular organisational boundaries of the case study (Gabriel, 1995). Adopting a narrative approach within a case study stresses the “lived experience of individuals, the importance of multiple perspectives, the existence of context-bound, constructed social realities, and the impact of the researcher on the research process” (Muller, 1999, p. 223). Such an approach links well with a contextualist stance of recognising the “relative and multifaceted nature of truth among people involved in the research process” where “concepts and meanings are thereby shared and traded” and acts in contexts are “not so much discovered by a process of detached knowing as they are created by a process of making” (Pettigrew, 1985c, p. 227).

Narrative has often been used by those who tell “tales of the field” (Van Maanen, 1988) and increasingly has been used in social science research dealing with organisational change and development (Boje, 1995; Czarniawska-Joerges, 1997; Dawson, 1994; Dawson & Buchanan,
The use of narrative to tell organisational sagas (Czarniawska, 2004) is an approach that is gaining in relevance (Czarniawska, 1999). The narrative approach pivots on the idea that we tell stories about our lives as they unfold. Thus life as lived and life as narrated interact mutually, informing and transforming (Bruner, 1987; Widdershoven, 1993).

Though we use narrative to organise and record our personal and social experiences, the stories we tell do not literally recreate the interaction rather they express aspects of what happened as we individually make sense of our involvement (Schwandt, 1994). Langley (1999) presents narrative as a strategy for sensemaking seeing it as a means to create boundaries and anchor contextualist and processual research. Narrative may be employed to both “configure and evaluate events” and offer “form and meaning to the past, presenting it as events and themes, and implicitly supplying interpretations and explanations” (Parker, 1999, p. 23). Narrative can be “retrospective meaning making”, a way of organising “events and objects into a meaningful whole, and of connecting and seeing the consequences of actions and events over time” (Chase, 2005, p. 656). From this perspective, hermeneutics with its parts-to-whole thinking is an integral feature (Polkinghorne, 1988).

Narrative is a way of knowing centred on stories, which Czarniawska (1998) considers can take at least four forms: be written in the fashion of a story, collect stories of the organisation, see organisational life as story making and organisational theory as story reading, and use literary critique as disciplinary reflection in crafting stories. In this research, the four narrative forms were at times variously combined to give alternate readings of the field. I saw BankWest as an organisational story and collected the stories of the participants in the changing process of management development. I sought a multiplicity of views and considered how a variety of stories could be reproduced and how pluralistic experiences and alternate voices could be authored within the narrative (Dawson & Buchanan, 2003). I presented the case study as a narrative chronology of the lived experiences (Dawson & Buchanan, 2003) of participants in BankWest’s management development, interpreted the stories through different theoretical lenses (Czarniawska, 1999) and considered issues of metaphor (Palmer & Dunford, 1996), trope (Skoldberg, 2002), symbolism (G. Morgan, 1997) and emplotment (Czarniawska, 2004) in the crafting of the story (Clandinin & Connelly, 2000).

Narratives are written or voiced by authors who take a specific view for specific audiences, depending on their motive (K. Burke, 1945). In seeking to construct a narrative the research choices are influenced by which prefigurations the researcher brings to the task. A central question for researchers revolves around which voice to use in their presentation. Chase (2005) presents a typology of three voices or narrative strategies that researchers can deploy in their interpretation and representation of their research: authoritative, supportive and
interactive voice. In this research I adopted all three voices. In presenting the story of BankWest’s management development process I chose a supportive voice that enabled the participants’ voices to come to the fore. I used a sociological approach (Chase, 2005) and presented long quotations of their experiences with minimal comments from me. Though my voice was muted I still made choices about my authoring role (Dawson, 2003a) and figuration (White, 1987) of the accounts in deciding which parts of the story to include in the case study and how to organise and edit those parts into the text. I used an authoritative voice in my interpretation of the BankWest story. When I was interviewing participants I was interested in engaging them in the development of their particular stories, but when I moved to interpreting, my interest was on what, how and why questions (Chase, 2005; Yin, 2003) that expanded my understanding of what they were communicating and enabled their stories to be explored through alternate theoretical lenses (Czarniawska, 1999) for the purposes of this thesis. My use of the interactive voice is entwined within the reflexive stance (Alvesson & Skoldberg, 2000) of this research. Within this thesis the Tales of the Researcher, presented fully in Appendix 1, most clearly captures my interactive voice as I tell my story of the research experience. As part of the enquiry method (Richardson, 2000), I used all three voices in my writing about the research in varied ways for presentation to different audiences (M. Watson, 2004a, 2004b, 2006, 2007, 2008, 2010, 2012, 2014).

**Methods**

The third element of a research approach is the specific methods of obtaining and analysing data. Burrell and Morgan (1985) consider that methods are either nomothetic or ideographic. Nomothetic methods derive from an objectivist approach to social science that focuses on manipulating and measuring variable to test hypotheses from a positivist position. Ideographic methods draw from a subjectivist approach to social science that considers that organisations and the social world can only be understood through gaining intimate knowledge of the context and the inhabitants. Ideographic methods enable the nature and characteristics of the situation to unfold during the investigation. Ideographic methods were considered most suited to this research, as the aim was to understand the dynamics of the constructing of management development within BankWest over time.

In investigating management development within BankWest, participant observation was adopted as a meta method for working in the field as it “simultaneously combines document analysis, interviewing of respondents and informants, direct participation and observation, and introspection” (Denzin, 1989b, p. 158). Participant observation enables the researcher to explore how the “activities and interactions of a setting give meaning to certain behaviours or beliefs” (Bogdewic, 1999, p. 48). It is common to use participant observation in
conducted process research (Dawson, 2003a). With this meta method the researcher is immersed in the situation and the separation of the researcher and researched is reduced as the researcher hears, sees and begins to experience what the researched do (Rossman & Rallis, 1998).

**Document analysis**

Understanding the process of management development within BankWest came in part from reviewing documentation and archival records including text, graphic, audio, video and computer materials. Documents were seen as a means of providing information about current events and gaining insight into past events (Hodder, 2000). Documents examined were:

- Letters, memoranda, speeches, presentations, interviews, emails and file notes
- Distribution lists, agendas, announcements and minutes of meetings
- Policy statements, announcements and briefings
- Corporate and individual videos, databases and electronic files
- Project files, proposals, business cases, progress and status reports
- Newsletters, updates, bulletins, media releases and notice board information
- Corporate score cards, 90 day plans, budgets, performance plans and strategic plans
- Development plans, programs and materials
- Studies and evaluations of tools, projects and processes
- Process and results of cultural investigations and assessments.

Documents were used to develop a chronology of key events, track the course of events, infer developments and raise questions, verify names and titles, provide specific detail on items raised in interviews or through observation, and corroborate or contradict information gained. In line with Yin (2003, p. 87) I did not treat the documents as containing the “unmitigated truth”, instead I recognised that they had been written for other purposes and other audiences and as such were providing a version of constructed meaning (Denzin, 1989b; Johnston, Leach, & Liu, 1999) that could have been influenced by changing values and contexts over time (Dawson, 1994; Stark & Torrance, 2005).

**Interviews**

Interviewing the past and current members of BankWest and the wider HBOS Australia, provided understanding of the process of management development at BankWest. Insights into the factors affecting the company were also gained by interviewing members of HBOS in the UK. According to Kvale (1996) the process of interviewing in research may be
compared to a journey and the researcher to a traveller. Within this metaphor the researcher wanders through the landscape observing the terrain and conversing with people encountered. The researcher explores the area, either as an unknown territory or through the use of a map, seeking out items that arouse interest. The researcher wanders along with the people, asking questions that enable the locals to tell their own stories of their lived experience. When the researcher returns from the travels an account of the journey to be told to different audiences can be developed. It is this traveller metaphor with its focus on interviews as a construction site for knowledge production (Kvale, 1996) that remains a theme throughout this thesis.

In this research both group and individual interviews were conducted with stakeholders over an eleven-year period. Both forms of interviews were held predominantly on one of the sites of HBOS Australia or one of the sites of HBOS in the UK. In the case of individuals who had left BankWest the interviews were conducted at their new place of work or at a meeting place. There were 118 individual interviews held with BankWest staff in Australia and 25 individual interviews held with HBOS staff in the UK. Eight group interviews, conducted as focus groups, were held in Australia involving 60 participants. Around 15% of those people interviewed were interviewed more than once. Interviewing began in 2002 with the majority concluding in 2008 and follow-on interviews finishing in 2013. The interviews were seen as opportunities for individuals to relate memorable moments or their insights of incidents (Dawson, 1997) and as such were listening spaces where meaning was constructed through the interchange of viewpoints (W. L. Miller & Crabtree, 1999). The respondents were viewed as meaning-makers (Warren, 2002) who could, from their own perspectives (Kvale, 1996), collaboratively assist me to understand BankWest’s management development process. Accordingly, the interviews were conducted using a conversational or dialogic style (Foley & Valenzuela, 2005), a form of discourse (Mishler, 1986) jointly constructed where respondents were encouraged to narrate their experiences of aspects of management development at BankWest. I recognised that I was asking some individuals to relate events distant in time (Halinen, 1998) and that there could be issues of recall and tendency to rationalise actions taken and also that they might feel the need to provide me with answers they thought I wanted to hear or considered were socially acceptable (Johnston et al., 1999).

By interviewing widely and using information and insights gained from my document analysis, observations and participation I focused on “getting the story straight” (Buchanan, 2003) with the understanding that there were competing histories and no single accurate account of these events (Dawson, 1994, 1996, 1997).

The respondents were chosen using a purposive sampling technique that involved a “deliberate choice of subjects relevant to topic” (Sarantakos, 1987, p. 55). Individuals were selected to be interviewed because they were identified as information-rich sources. Through snowballing potential interviewees were also identified. (C. Lewin, 2005). I wanted to obtain
a slice of perspectives on aspects of the management development process throughout BankWest over the different time periods so I sought information from participants in the management development and their managers, the varying managers of the process, functional heads, managers generally and staff. The interviews were loosely structured (Alvesson & Deetz, 2000). A topic guide was used for each interview with the questions tailored to the person’s role and the type of information sought (Patton, 2002). I began each interview with some relatively closed identifying questions that set the stage for the interview and established rapport (W. L. Miller & Crabtree, 1999). I then moved to open-ended questions that were designed to elicit narratives from the respondents on their conception of aspects of the management development journey and expansion on particular themes (J. C. Johnson & Weller, 2002) Floating prompts and steering, depth and housekeeping probes were used throughout the interviews to draw out rich context (W. L. Miller & Crabtree, 1999) and enable my understanding of what management development is, was, and might be (Habermas, 1987).

The interviews variously lasted from thirty minutes to two and one-quarter hours. The initial interviews were keyed in while they were occurring. Once recording equipment had been purchased most of the latter ones were audio-recorded. Recording the interviews enabled me to concentrate on the respondent and encourage their conversation rather than limiting my attention to notetaking. Most interviews were fully transcribed, which allowed me to review the entire conversation rather than truncated notes (Silverman, 2001). Respondents were asked if they wished to see their transcribed interview and, if so, it was sent to them with a request to read the transcription and make further comments. From a technical interest (Habermas, 1987) my aim was to ensure the information gained was as accurate as possible. By engaging the respondents in reviewing and commenting on their transcripts I sought to create negotiated outcomes (Lincoln & Guba, 1985) that were reflective of the contexts of BankWest. This process was also useful as a way of corroborating and legitimating the research (Gilchrist & Williams, 1999).

The eight group interviews, conducted as focus groups, were held in 2003 and 2004. Focus groups are a “sound method” of enquiry that offer a way for “researchers to listen to the plural voices of others” (Madriz, 2000, p. 848). Focus groups were used as they provided the opportunity to observe the interaction of these specific working groups (D. L. Morgan, 1997). Participants hear the responses of other group members and are able to make additional comments beyond their own initial responses, which is in line with a recognition that events occur in a social context and are often influenced by discussions with other people (Patton, 2002). Four focus groups were held between October and November 2003 (Rossman & Rallis, 1998): two in Sydney, one in Melbourne and one in Perth. The focus groups were set up with the declared purpose of providing input into this research through a review of past and current management development, which would thus assist BankWest to
reshape the provision. Two focus groups comprised eight managers, one group comprised nine managers and one group comprised ten managers from similar parts of a line of business who participated for up to three hours, inclusive of morning or afternoon tea. I conducted the focus groups in partnership with the BankWest Organisational Development (OD) Consultant, who introduced me to the groups and remained to answer business-specific questions as they arose and deal with those who arrived late or left early (Krueger & Casey, 2000). Like the individual interviews, the focus groups were audio-recorded, and the OD Consultant and I also took notes, which helped in the analysis of intermingling voices (Kvale, 1996). Four focus groups with a total of twenty-five participants were held in April 2004 with Retail Managers from WA as part of the Bank’s preparation for expanding into the direct banking arena through the Bronson project. Each of these two-hour focus groups were designed to elicit views on aspects of culture, communication, empowerment, recognition and leadership and were conducted by an HR consultant in partnership with me. These focus groups were not audio-recorded instead each of us took intensive notes that aided in logging all the comments.

Compared to individual interviews, focus groups can generate greater breadth of information (Madriz, 2000). The focus groups enabled the gaining of several perspectives, producing multiple stories and diverse experiences (Belle Brown, 1999), which are the hallmarks of processual research (Dawson & Buchanan, 2005). Contrary opinions were able to be explored, which generated new areas of enquiry (D. W. Stewart, Shamdasani, & Rook, 2007) that I was able to consider further in individual interviews. In the focus groups the interactions among the participants enhanced the data quality as they provided checks and balances on each other (Krueger & Casey, 2000). The focus groups were all held on BankWest sites, which also aided the quality of the data (D. L. Morgan, 1997). Pragmatically, the focus groups enabled me generate a large amount of data in a short time at diverse locations (Patton, 2002) and as such was a parsimonious methodological choice (Frankel, 1999).

**Participation and Observation**

The interviews provided me with attitudinal and perceptional data within specific contexts that I was able to supplement, confirm or question as a result of my participation and observation. Over time my role moved iteratively between a continuum of complete separation in the setting as spectator to complete immersion in the setting as full participant (Patton, 2002). Initially, I was the complete observer who strived to remain detached from what I was observing and to make everyone I met aware of my researcher status and the nature of the research. As I was able to get in more (Buchanan et al., 1988) I adopted the
roles of observer as participant: still detached and carrying out my role with “objectivity and sympathy”; and participant as observer: more involved and carrying out my role with “subjectivity and sympathy” (Bogdewic, 1999, p. 57). The distinction between observer as participant and participant as observer is not sharp and as Bogdewic (1999, p. 57) notes the value in distinguishing them enables the researcher to move about the continuum adopting the “posture best suited to the situation.” Whilst undertaking a role as consultant and manager within the company in the latter part of the research period I moved more to the role of complete participant, which enabled me to gain a wider range of observational research data. Where I identified value in using statements people had made or in interviewing them, I subsequently contacted them and sought their permission to make use of their comments or secured their agreement to be formally interviewed.

The process of participant observation enabled me to “get under the skin” (B. A. Turner, 1971, p. viii) of BankWest. I was able to gain an insider’s view of what was happening within BankWest not only seeing what was occurring but also feeling what it was like to be part of the organisation (Patton, 2002). By observing and participating in “naturally occurring talk” (Silverman, 2001, p. 159), “being around” (B. A. Turner, 1971, p. viii) and watching and engaging in the “interpersonal events” (Whyte, 1955, p. 287) I was able to mediate frames of meanings (Giddens, 1976) and integrate what was said with what was observed, which aided me in determining how the process of management development was constructed and what this meant as it unfolded over time. My view continuously shifted between emic and etic perspectives (Vidich & Lyman, 2000) as I sought to understand the process of management development within BankWest as an insider whilst retaining the ability to describe it for outsiders (Patton, 2002).

**Introspection**

This research used a reflexive process (Alvesson & Skoldberg, 2000) based on the circularity of hermeneutics (Kincheloe & McLaren, 2000). In seeking to interpret the process of management development within the technological, cultural and political contexts of BankWest over the time period of 1997 to 2009, I continuously alternated between the worlds of theory and praxis. This dialogue between the two worlds was ongoing and “a process where theoretical framework, empirical fieldwork, and case analysis evolve simultaneously” (Dubois & Gadde, 2002, p. 554) over time expanding my understandings of the complexities of management development.

The value of a longitudinal case study as advocated by Pettigrew (1990) and Dawson (1994) becomes clear when tracking the structuring of management development during BankWest changes. Using retrospective and real-time data from 1997 to 2009 the various iterations of
management development were mapped. Handled from both emic and etic perspectives (Schwandt, 1994), data sources included:

- Interviews with staff and frontline, tactical and strategic managers.
- Formal and informal consultations with staff and managers.
- Participation in team meetings, training sessions, focus groups, interviews, strategic planning events and business planning.
- Networking and engaging in social activities.
- Observations of work practices and staff interchanges.
- Review of print, video, electronic documents and fields of literature.

Like Pettigrew (1985b), who uses contextualism as his theory of research method, in this research events were organised into significant phases to mark the trends occurring in management development over the flow of time, enable analysis of their interconnectedness to continuities and changes at other levels and a gauging of their significance. As this is a layered and nested case study (Patton, 2002, p. 447) data analysis considerations were viewed chronologically, regionally, structurally, event critically and systemically.

The interpretation and analysis occurred continuously throughout the research process rather than being restrained to the end product. The general strategy was one of iterative cycles moving through practical observations to theoretical views to research questions to ongoing data construction\(^2\) illuminated by the literature review, theoretical frameworks and impressions, intuitions and insights (Dey, 1993). As data was constructed from the participant observation processes systematic notes were made and memoing undertaken. Congruence and conflicts were noted and queried leading to further questions to explore in the field. Matrices were used to categorise and compare and these were continually upgraded as new information was obtained and reflections indicated additional directions. Guided by the literature, theoretical observations were made and propositions developed on the meaning of what was being found.

The research and interpretive process is depicted in Figure 8, which highlights how the research engagement began and ended with the reflexivity process involving describing the research background, aims, questions, assumptions and the field. As data was identified a spiral of analysis occurred involving organising, connecting, corroborating and legitimating ending with representing the account then resuming the iterative spiral again.

\(^2\) Data construction is used rather than data collection in acknowledgement of the epistemological, ontological and methodological assumptions of this study where knowledge and reality are considered to be constructed socially with the researcher having an active role in the research process (2003)
In concert with the metaphor of Shiva’s Circle (Crabtree & Miller, 1999), I moved iteratively between levels of data construction, interpretation, critique and reflection. These levels were linked to Habermas’ (1987) theory of knowledge-constitutive interest but it was not intended that they be separately treated. Quadri-hermeneutics (Alvesson & Skoldberg, 2000) was applied to keep the levels in focus and to see the levels mirrored in each. I saw it as vital to enable continuous integration and interplay between the levels in framing and reframing perspectives in a “refractory process” (Alvesson & Skoldberg, 2000).
From a technical interest (Habermas, 1987), data construction entailed identifying components of management development, observing events “objectively”, keeping notes, transcribing taped interviews and making categorisations of occurrences, types and relationships using a data log. Employing colligation (White, 1973), different strands of management development were picked out and their links to different events at BankWest explored. The form of management development was considered chronologically, regionally and structurally with results recorded and archiving used to maintain an evidence chain. Data triangulation (Yin, 2003) was used to corroborate the “facts” (Denzin, 1978). Reflexivity at this level involved keeping close to the empirical material, making “raw” interpretations and relating the “evidence” to academic theories as a means of theory triangulation (Yin, 2003) to enable development of theoretical views Alvesson & Skoldberg, 2000).

From a practical interest (Habermas, 1987), data interpretation was focused on understanding what management development means and has meant within BankWest over time from a range of layered perspectives. It was recognised that the empirical “facts” are a reading of different possibilities (Denzin, 1978). The combination of methodological techniques used within this research enabled the process of management development to be not only triangulated (Denzin, 1989b) but indeed crystallised, in line with the notion that there are more than three sides from which to view a phenomenon (Richardson, 2000). Different approaches were combined to enable divergent perspectives to be surfaced (Eisenhardt, 1989a) and various frameworks for management development were explored to facilitate appreciation of how diverse people think and feel about particular aspects. In the focused conversations of interviews, focus groups and informal approaches, comment was sought not only on what is or what was but also on what might be possibilities for management development (Habermas, 1987). Notes were continually made, considerations recorded and interpretations discussed with internal and external stakeholders. At this level reflexivity involved revealing meanings and developing insights. Different theoretical frames were applied as patterns took shape and themes emerged leading to new cycles of insights and interpretive possibilities. With each cycle of insight gained from both the theoretical and empirical worlds, frameworks were modified (Dubois & Gadde, 2002) and ideas generated as data and theory dynamically interacted (Coffey & Atkinson, 1996).

From an emancipatory interest (Habermas, 1987), data critique considered the historical, political, cultural and structural forces that have formed and continue to form management development at BankWest. The focus was on illuminating values and beliefs underpinning the structuring of management development. Attention was given to how dominant influences created forms of management development in particular contexts. In the focused conversations comment was sought about how management development should be, which was contrasted with views emerging from other sources, enabling consensus, conflict and omissions to be surfaced and discussed. At this level reflexivity involved questioning
prevailing ideas, views and practices, and posing questions that went against accepted positions. Alternate theoretical perspectives were applied that presented counter-images and challenged ways of looking at management development.

From a self-reflection interest (Habermas, 1987), data reflection was continuously happening as the research moved back and forth between the levels. Because management development was understood as a socially constructed phenomenon whose form at BankWest accorded with particular times, the patterns emerging in the data were not considered neutral but rather expressions of contexts. Principles of perspectivisation, contrasting and dramatisation (Alvesson & Skoldberg, 2000) were used to provide assorted outlooks on management development’s evolution. BankWest was considered from multiple metaphors and theoretical lenses provided different readings (G. Morgan, 1997).

The analysis of this research into the process of management development within BankWest followed the ideas of Gummesson (1991, p. 79) who points out that the aim of case studies is not “a superficial establishment of correlation or cause-effect relationships” rather it is “to reach a fundamental understanding of the structure, process and driving forces” of the phenomenon. A process of abduction was used to see patterns and reveal deep structures (Alvesson & Skoldberg, 2000). This combination of induction and deduction positions abduction between proposition development and theory construction and involves “working from consequence back to cause or antecedent. The observer records the occurrence of a particular event, and then works back in time in an effort to reconstruct the events (causes) that produced the event (consequences) in question” (Denzin, 1978, p. 110). The value of this approach was that it facilitated inspiration from the data without the need to deny previous useful concepts (Denis, Lamothe, & Langley, 2001). Abduction enabled me to start with a particular aspect of the process of management development and then account for that phenomenon by relating it to broader concepts (Coffey & Atkinson, 1996) in an ever-deepening circle (Kincheloe & McLaren, 2000). The use of abduction fits well within the constructionist paradigm and ideographic approach used in this case study, which sought to understand the process of management development within the contexts of BankWest’s innovating corporate capability journey.

The data analysis involved a first- and second-order approach (Gioia & Chittipeddi, 1991). In the first-order analysis (Van Maanen, 1979) I adopted a narrative strategy to construct a detailed story of the corporate capability journey from the different data (Langley, 1999) and provide context for the levels of analysis (Dawson, 2003a; Pettigrew, 1985a). The use of a temporal bracketing strategy (Langley, 1999) enabled the organisation of the data into periods that facilitated identification of patterns and enabled comparisons. Using narrative vignettes (M. B. Miles & Huberman, 1994) that preserved the chronological flow was a useful strategy for “providing ‘vicarious experience’ of a real setting in all its richness and
complexity” (Langley, 1999, p. 695). The chronological narrative accounts emphasise the voices of stakeholders in the process of management development to tell a story of strategic change endeavours undertaken over around 12 years within an innovating BankWest. In line with Langley’s (1999) comments, my presentation of the narrative in rich detail gives the reader scope to judge the authenticity and integrity of the story and the applicability of the ideas to their own context (Golden-Biddle & Locke, 1993).

The process of management development within BankWest is filled with subtleties and as such narrative is an appropriate sensemaking device (Langley, 1999) and one that has been used by other researchers (Balogun & Johnson, 2004, 2005; Dawson & McLean, 2013; Maitlis, 2005). Though I realised that there were competing versions of events and no one “true” account (Dawson, 1994, 1996, 1997) I aimed to get the first-order analysis as accurate as possible so as to avoid second-order interpretations that were “thin, hollow, and perhaps altogether faulty” (Van Maanen, 1979, p. 542). Drawing from the narrative account, additional readings of the data were taken to provide a second-order analysis (Van Maanen, 1979). This examination of the first-order findings used theoretical perspectives from the fields of management development, capability, innovation and change to generate “interpretations of interpretations” (Van Maanen, 1979, p. 541). In this way it was possible to determine deeper patterns, locate underlying explanatory dimensions and create further insights (Gioia & Chittipeddi, 1991) into how strategic change endeavours function within corporate capability construction.

**Research Quality**

In writing the thesis I was conscious of the need to produce a trustworthy empirical contribution (Nutt, 2003), which would inform the readers and enable them to draw conclusions from the data upon which they could base future actions (Guba & Lincoln, 1981). As this is a constructionist study the considerations were about ensuring the research met the criteria of credibility, transferability, dependability and confirmability, as discussed by a range of authors (Denzin & Lincoln, 2000; Guba, 1981; Guba & Lincoln, 1998; Lincoln & Guba, 1985; Nutt, 2003).

The credibility or truth-value of the data is demonstrated through the recording of the long-term association with the phenomenon within the field setting of BankWest. Over six years I was positioned as a participant observer who witnessed the unfolding of the process of management development. This prolonged engagement enabled persistent observation and tracking of how the process operated. Various reflections were produced and recorded in journals. These insights constructed the reality of BankWest and were evaluated by diverse
members of BankWest through informal and formal discussions, review of interview transcripts, and critiques of different versions of the narrative. The scrutiny of these member checks identified any misunderstandings that may have occurred, confirmed the integrity of the interpretations, facilitated refinement of the narrative, and enabled ongoing checks of understanding of what was being observed (Johnston et al., 1999). Different perspectives of management development were substantiated through triangulation (Denzin, 1989b) or crystallisation (Richardson, 2000) of different sources of data gained through methods of document analysis, interviewing, participation and observation. The viewing of the phenomenon from different theoretical perspectives added range and depth to the analysis and referencing existing literature enabled questions to be formulated about whether my findings were aligned with or distinct from extant research (Hartley, 1994). The constitution of the phenomenon from at least two points enabled assessment of congruences and discrepancies in the results and an assurance that the process had been adequately described (Flick, 2007). To test the developing insights peer debriefings were held with academics supervising the study and with other academic colleagues and the critiques from this jury of peers (Guba, 1981) enabled timely redirection of the study.

The transferability or applicability of the results was aided by application of Thorngate’s (1976) postulate of commensurate complexity, which proposes that the development of theoretical forms using different research strategies cannot simultaneously satisfy criteria of accuracy, generality and simplicity. In this study the presentation of the findings using a narrative strategy where the voices of the people from BankWest were prominent meant the accuracy was high with lower simplicity and generality (Weick, 1979). As Langley (1999) notes, the use of a temporal bracketing strategy increases the accuracy and the use of integrated theories in the interpretations produced moderate simplicity and moderate generality. The combination of strategies was designed to compensate for the limitations of applying just one and encouraged a view of the data from different perspectives. By writing “lushly” (Goffman, 1989, p. 131) and providing the participants’ story in a complete as possible detail with their own “thick description” (Denzin, 1989a) I sought to create for readers an assurance of “truth” (Adler & Adler, 1994) upon which they could confidently judge the appropriateness of abstracting or applying these findings to their own contexts.

The dependability or consistency of the research was enhanced by the transparency of the research process, as detailed in the Tales of the Researcher. The research process, its different phases, the formulation of the research questions and their changes in the course of the research, the selection of research methods, the explanation of decisions taken and how that influenced the construction of the data and the production of results were made clear and understandable to readers (Flick, 2007). A record was maintained of the processes of the study, including keeping transcripts of interviews, to facilitate assessment of the degree to which the study accorded with appropriate research practice (Guba, 1981). By adopting a
reflexive approach to the methodological proceedings and being clear about what was done and why in the research process readers could determine how different the results may have been if different decisions were taken at specific points. To aid in dependability the research process and data analysis process were reviewed with BankWest members and with academics supervising the study. In addition, peer review occurred through discussion with colleagues and through presentations at workshops and peer reviewed conferences within Australia and internationally (Barratt-Pugh & Watson, 2004a, 2004b; M. Watson, 2004a, 2004b, 2006, 2007, 2008, 2010)

Finally, confirmability or data neutrality was ensured by maintaining all raw data whether transcripts, memos, documents or notes. A reflexive journal was used to consider parts of the research process and enable assessment of its veracity. Shifts in my orientation towards the study were noted and discussed with academic supervisors. The information on the integrity of the research gained through triangulation of the data, method and results were continuously discussed with supervisors and with BankWest sponsors and members. Confirmability was also sought through the application of different theoretical perspectives in the analysis of the results, which converged and provided consistency of meaning (Flick, 2007; Nutt, 2003).

**Research Design Limitations**

All research designs can be discussed in terms of relative weaknesses and strengths. Whichever strategy is selected there are always trade-offs in terms of the researcher’s time and resources, interests, purposes, and ability to undertake the research within the particular situation (Weick, 1999). There are no perfect designs (Patton, 2002, p. 223). Choices need to be made between breadth and depth, between width and height (Hofstede, 1968, p. 104). Decisions have to be taken on perspectives, units of analysis and sampling approaches.

The research design was an evolving one, in line with many qualitative studies (Patton, 2002). Emerging from the world of practice the study had to deal with the changing cast of organisational actors and the need to maintain ongoing access within discontinuous business developments. Strategically managing relationships and taking advantage of opportunities as they arose was a key focus (Buchanan et al., 1988). To successfully deal with numerous organisational changes of directions and staff changes I was limited by the research strategies that were applicable to the changing situation and would enable the study to continue to survive.
Case study enquiry strategies have received criticism for their data overload (M. B. Miles & Huberman, 1994). Their analyses have sometimes been characterised as “intuitive, primitive and unmanageable” (M. B. Miles, 1979, p. 597). It is acknowledged that criticisms of a lack of rigour and increased bias are often levelled against case study as an enquiry strategy and it has been argued that case studies can at times be superficial (Parkhe, 1993). To mitigate against these concerns, this study employed a research design based on a specific research issue and defined research questions that were explored through the application of consistent protocols with the resulting data systematically stored and considered. The research involved an in-depth study of an organisation over 12 years using multiple methods and within-case comparisons (Yin, 2003). Multiple sources of data triangulation (Stake, 2000) and crystallisation (Richardson, 2000) were used to guide decisions about research saturation (Eisenhardt, 1989a). As Harrigan (1983, pp. 400-401) notes, “using several data sources and measures of phenomena provides cross-checks on data accuracy and enrichment of the conclusions researchers might present.”

The research was designed on the basis of a meta method of participant observation incorporating document analysis, interviews, participation and observation, and introspection. Though this methodology is one often used in process research (Dawson, 2003a) and decreases the distance between the researcher and the researched (Rossman & Rallis, 1998), it brings with it a range of limits. While company documentation provided information about past and current events it was recognised that they had been written for other audiences and other purposes and often tended to present issues in a positive light. To overcome this bias they were used as a means to develop chronologies, identify issues, and corroborate or contradict information gained through other means. Interviews with people who previously or currently participated in BankWest’s management development were used to gain perspectives and develop insights on the process. The susceptibility of interviewees to forget, embellish, misdirect or rationalise actions taken was understood and this bias was mitigated through interviewing widely and checking details against document analysis, observations and participation. This process found that though there were individual differences in the accounts there was a “consistency of repertoire” between the interviewees indicating that they “were drawing from a common narrative” and the documents and observations did not expose a “parallel narrative” (Dunford & Jones, 2000, p. 1223). The six years of participation and observation enabled me to get below the surface of BankWest (Rossman & Rallis, 1998) to gain an insider’s view of what was happening. There were additional documents that could have been read, people who could have been interviewed, events that could have been attended, or activities that could have been observed, which may have provided more insights into the change endeavours. The decision was taken however to conclude the engagement in the field after introspection and triangulation from all sources revealed a saturation point had been reached (B. A. Turner, 1971) and the level of data
construction was sufficient to produce a lushly described narrative analysis and enable a range of interpretations of the management development process.

The changing nature of BankWest was initially seen as a problem, which was overcome by the adoption of a contextual perspective using a processual longitudinal case study enabling the varying factors to be appropriately considered. The emergence of the conceptual framework provided a means to consider the multiple relationships constructing management development within a changing BankWest over time. During the research period eight papers and presentations were produced that map aspects of the study’s conceptualisation, progress and insights (M. Watson, 2004a, 2004b, 2006, 2007, 2008, 2010, 2012, 2014) and four papers and presentations were jointly written dealing with management development in adjacent settings (Barratt-Pugh & Watson, 2002, 2003, 2004a, 2004b). The presentation and discussion of these papers with practitioners and academics facilitated the challenging of ideas and their subsequent refinement thus improving the transferability of the research (Hartley, 1994).

**Closing**

This chapter positioned the research design for this study as a constructionist study. The process of management development at BankWest was investigated using a longitudinal case study with participant observation research methodology based on contextualism. Narrative was used to present the chronology of management development events. The value of a reflexive interpretation was presented and the actual unfolding of the research approach was revealed. Chapter 4 applies this approach to the case and tells the story of BankWest’s management development process from 1997 to 2009.
Part 2: Case
BankWest

Opening

The previous chapter detailed the design and methodology used to scrutinise how management development is constructed and what role it plays in the construction of corporate capability. This chapter, which is Part 2 Case, begins with a foregrounding of the first one hundred years then analyses the New Way, Customer Focus, Good to Great, Local to Global, and Transition phases. The structure of this chapter is shown in Figure 9.
This chapter is a first-order analysis (Van Maanen, 1979) of empirical evidence, which is presented as a contextualised examination of the findings in the form of a narrative account. Congruent with Czarniawska (2004), the narrative is structured around three dimensions: a chronicle of what is happening; a mimesis of how it looks; and an emplotment of how come events, decisions and actions are connected.

In this chapter the chronicle begins with BankWest’s inception in WA in 1895 and overviews the chronological order of occurrences until December 1997. The register of events from 1997 to 2009 are then detailed with some contributory connections provided (White, 1987). The categorisation of incidents derive from consideration of structuring moments (Giddens, 1979, 1984) around which social actors take action and construct meaning that guides their action.

The mimesis recreates the world of BankWest into a text using setting and voices. The setting describes the context of BankWest’s management development in spatiotemporal terms, as discussed by Czarniawska (2004). Temporally, a feedforward approach is used to present the history combined with a feedback approach that selectively reverses the narrative in time. The spatial dimension is achieved by zooming in from describing organisational events to divisional activities to the particular management development events under investigation. Conversely, from the detailed description of particular management development events the narrative selectively zooms out to the broader contexts. The voices used in the mimesis have been chosen to carry the story and progress the organisational drama (Skoldberg, 1994). They are derived through the participants’ common experiences backed up by observations, engagement and reading of documents. In line with Habermas (1987), contrasting and multiple voices were selected, alternative interpretations sought and reflexive introspection made on what was not being said (Alvesson & Skoldberg, 2000).

The emplotment follows White’s (1973, 1987) view that representation of phenomena in a narrative centres around a structure introduced to enable the reader to make sense of the events. The conceptual framework presented in Figure 7 in Chapter 3 and also in Appendix 1 provides the overall structure. The temporal connection is provided through consideration of a narrative structure originally developed by Labov (1977, 1982) and subsequently modified by Coffey and Atkinson (1996, p. 58), which was adapted to suit this context (see Table 1). As explored by Czarniawska (2004), the emplotment involves the construction of characters, the attribution of functions to events and actions and the application of interpretative themes.
Table 1: Narrative Structure

<table>
<thead>
<tr>
<th>Structure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abstract</td>
<td>What was this about?</td>
</tr>
<tr>
<td>Orientation</td>
<td>Who? What? When? Where?</td>
</tr>
<tr>
<td>Complication</td>
<td>Then what happened?</td>
</tr>
<tr>
<td>Evaluation</td>
<td>So what?</td>
</tr>
<tr>
<td>Result</td>
<td>What finally happened?</td>
</tr>
<tr>
<td>Coda</td>
<td>How did it finish? What's next?</td>
</tr>
</tbody>
</table>

The use of a narrative strategy (Langley, 1999) enables analysis and description of the evolution of BankWest’s management development story from a contextual and processual perspective (Dawson, 1994, 1997, 2003a; G. Johnson, 1987; Pettigrew, 1985b, 1990, 1997; Pettigrew & Whipp, 1991). Employing a temporal bracketing strategy (Langley, 1999) enabled the narrative to be divided into periods of management development activities based on continuities within the period and discontinuities at the edges (Langley & Truax, 1994). The chronology incorporates analytics to enable clarification of sequences across levels of analysis, identify linkages between levels, and determine themes of analysis (Pettigrew, 1990). The text is constructed from interpretations of bankwide management development events that focused on achieving some strategic business direction or enhancing some organisational strategy and are plotted around the theory of the thesis (Czarniawska, 2004, p. 125). In line with the constructionist perspective of this research and the acknowledgement that the narrative is a major product of the research (Langley, 1999), the case is structured to facilitate the reader in empathetically experiencing the richness and complexity of the setting (Lincoln & Guba, 1985, p. 359). Though the inclusion of much primary data lengthens the case, as Dawson (2003a, p. 138) notes, “The rich tapestries of these contextual stories lie at the heart of processual research.” Accordingly, the writing is lush (Goffman, 1989) and the actors’ story is presented with narrative detail and their own “thick description” (Denzin, 1989a) resulting in a polyphonic collage (Czarniawska, 1998, p. 67). To create for readers a feeling of verisimilitude (Adler & Adler, 1994) and a sense of déjà vu obtained through “vicarious experience” (Langley, 1999), the different viewpoints of the actors are presented in a complete as possible form within the confines of the requirements of a PhD thesis.

In this narrative there are included some visual images of people, perceptions, programs or physical surroundings that illustrate aspects of that time within BankWest. In line with P. Thompson’s (1988) advice, this material is included to give the reader another sense of historical immediacy. As Parker (1999) comments, including such visuals may provide more symbolic and less precise information than the verbal text, however, they are a means to gain entrance to that time and to travel alongside the process for part of the reconstructed journey.
First One Hundred Years

BankWest began on 21 January 1895 as the Agricultural Bank of Western Australia, having been established by the Government of WA to help develop the colony’s farming industry.

Technically it was not a bank, as it did not collect deposits from the public, its liabilities being government bonds. As a government instrumentality that lent exclusively to farmers, in the early years the Bank played a key role in assisting with the development of new farming areas and responding to the changing needs of WA. In 1911 there was an expansion of activity as it became a mortgage bank. In October 1945, reflecting WA’s economic growth and diversification, the Bank became a full trading bank and was renamed the Rural and Industries Bank of Western Australia. In 1956 a further expansion of the Bank’s charter occurred when a savings bank division was added.
By the late 1980s the Bank moved onto a more commercial footing as a reinforcement of its independence from the State Government and the requirement to operate more effectively in the increasingly competitive market. The drive for commercialisation was assisted by major changes to the Bank’s governing Act in 1988, including the transition from a Board of Commissioners to an independent Board of Directors. On 1 January 1991 the Bank became incorporated as the R&I Bank of Western Australia Ltd.

The impact of reductions in property and share asset values in the late 1980s and poor lending practices during that period resulted in the Bank declaring losses for the 12 months to 31 March 1990 and for the nine months to 30 September 1991. As a consequence, the Bank reviewed all of its activities with the aim of restoring its profitability, which was achieved in 1992. In 1993 the Bank undertook another major review and restructure. This time the goal was to increase the sustainable value of the Bank by moving away from areas achieving a low return and putting more emphasis on its competitive strengths.
On 26 April 1994 the Bank changed its name to Bank of Western Australia Ltd. It adopted the trading name of BankWest and took on a new corporate identity and livery to clearly identify the Bank with the State as a whole. As a preparation for privatisation, the Bank implemented another round of wide-ranging structural and operational changes as it moved from low value areas to areas more in line with its desired competitive strengths.

In 1994 BankWest was a full service bank headquartered in Perth, WA. It provided a comprehensive range of financial services to meet the commercial, rural, housing and personal markets. The Bank provided services throughout WA to a population more than 1.7 million through an extensive network of branches, agencies and electronic banking facilities. With total assets of $9979 million, almost 600 000 customers and more than 3200 staff, BankWest was a market leader in WA and the strongest growing state and largest export earner.

BankWest competed in WA with the major national banks of Commonwealth, National Australia, ANZ and Westpac plus several regional and foreign banks and a range of non-bank financial institutions. Despite this competitive environment, BankWest, through its knowledge of the local market, varieties of products, and strength of its brand, was able to maintain about 24% of the State’s banking market. BankWest had the highest home state market share, in terms of loans and deposits, superior to that of any other regional bank listed in Australia.
BankWest’s interstate offices in Sydney, Melbourne, Adelaide and Brisbane provided an important geographic diversification to the main market in WA. At 30 September 1995, interstate loans totalled $917 million and deposits $574 million, representing 11.7% and 11.9% respectively of total loans and deposits. BankWest also maintained representative offices in Singapore and London with the Singapore office providing a presence in the increasingly important Asian market to refer business to BankWest’s Asian Banking Centre in Perth and to interstate offices, and the London office representing the Bank in treasury matters and referring business introductions to the corporate lending units in Perth, Sydney and Melbourne.

On 1 December 1995, after almost 100 years under government ownership, BankWest was 100% acquired for $900 million by the Bank of Scotland (a 300 year old major UK clearing bank) and its wholly owned subsidiary Scottish Western Australian Holdings Ltd. The Bank of Scotland and BankWest had a number of similarities. Both had regional headquarters and both had a strong local customer base and a long history in their respective home markets. It was considered a “nice coincidence that BankWest was celebrating its centenary in the same year as Bank of Scotland was celebrating its tercentenary and that the purchase was completed on 30 November, St Andrew’s Day, when the final celebratory dinner for Bank [of Scotland] customers was being held in Edinburgh” (Saville, 1996, p. 804).

1995 was the year that Bank of Scotland commenced an expansion of its activities in Australia. In addition to acquiring BankWest, Bank of Scotland established the operations of Capital Finance Australia Ltd., a provider of personal, business and property finance products, and BOS International Australia, a provider of corporate lending.

As part of the sale agreement for BankWest, 49% of its shares were offered to the public at $2.05 per share in a prospectus formally registered on 20 December 1995. Completing the privatisation process, the Bank was listed as a public company on the Australian Stock Exchange on 1 February 1996 where 38 647 000 shares were traded with the share price reaching a high of $2.74 and closing at $2.58.
Hailed as the “year of achievement”, BankWest’s first year as a privatised financial institution saw the launch in April 1996 of Strategy 2000 – a five year strategic framework aimed at laying the foundations for future growth by expanding the Bank’s direct banking capability, developing a stronger sales and service culture among staff, expanding the corporate and business banking operations, broadening the Bank’s financial services base and realigning the distribution network. Some branches were closed, others were upgraded and some were opened as super banking centres offering extra tellers and extended lending hours. A major review of retail banking fees was completed and a new fee structure introduced. Key service delivery standards were developed and the first priority for staff became “delivering customer value”.

In March 1997 the Bank formed PEEP, the Profit Enhancement and Efficiency Program, as a vehicle for further progressing Strategy 2000 initiatives. PEEP had a key role in informing staff about the Bank’s direction and making recommendations for establishing key actions under different initiatives. Raising the share price from around $2.50 was a key driver, which was presented as opportunities for improving operating efficiency and growing revenue within this “year of restructuring” that culminated in the retirement on 30 November 1997 of the Bank’s deputy chairman and managing director since 1989. Using a transition mode, in May 1997 a new chief operating officer was appointed who on 1 December 1997 took up the role of Managing Director for a seven-year term.
Coming to BankWest after a long career with the National Australia Bank, at that time the country’s largest bank, the Managing Director’s appointment marked the end of a period of restructuring focused on system changes and ushered in the beginning of restructuring more focused on people changes. As described by the Manager Occupational Health, the new Managing Director was seen as a different type of leader with a different type of approach:

In the timeframe before this MD you had a conservative CEO and it was like going from the dark ages into a new completely new era with the new MD who was seen to be incredibly progressive in some ways. When this MD came on board there was a lot of uncertainty and people were thinking, ‘Oh crikey, what’s this guy all about?’ But when he showed his colours I think he was very dynamic and quite productive, given where the organisation had been. Had he been any more proactive he probably would have blown everyone out of the water. Sometimes he was a bit slow to make a decision and to drive something, but I think it was very clear that he was really trying to stamp his brand of a new way of doing things.

**New Way**

As the new Managing Director took up his role in December 1997, WA had a population of almost 1.8 million and the economy was growing at a record pace, outperforming all other State economies, at a time when financial crisis was affecting several emerging market countries in Asia. BankWest had an average share price of $2.78, had 26.2% of all bank advances and 24.5% of all bank deposits in WA, had over 3300 staff, serviced 600,000 customers and had total assets of $1397 million. Supported by offices in Adelaide, Brisbane, Melbourne and Sydney, the interstate markets accounted for about 25% of BankWest’s total lending. The representative office in Singapore was still operating but the London office had been disbanded after Bank of Scotland had acquired BankWest at the end of 1995.

The first half of 1998 saw the Managing Director concentrating on establishing “BankWest’s new cultural practices”. Human Resources took on a more strategic role than previously and had a key role in helping the Bank “embark on a new voyage”. A staff cultural tool was developed in January 1998 and introduced in March as an employee opinion survey to benchmark the environment within the Bank as perceived by the majority of staff. The findings of this survey contributed to the decision to investigate the value of Investors in People (IiP). This international standard comprised a framework for providing training and development of people as a means to improve business performance. The 27 October 1998 business case for IiP developed by the Head HR Development and Training proposed that BankWest “make a commitment to IiP and aim to be accredited by 20 June 2000” as “IiP will assist the Bank to achieve its strategic goal of creating a vibrant culture and will improve some of the issues that were highlighted through the employee opinion survey.” The
Executive approved the business case and HR began establishing processes to “enable the Bank to meet the standard.”

In February 1998 work began on developing a set of core organisational values. A vision of being “recognised as the leading national provider of financial services in our chosen businesses” and a mission statement to “deliver superior value to our customers and create an exciting and rewarding environment for our people leading to increasing wealth for our shareholders” were developed. Launched in August 1998, the New Wave packaged the vision, mission and the ten Guiding Principles. The Managing Director strongly supported the concept throughout BankWest telling staff that:

The success of the New Wave depends on your enthusiastic approach because it keeps every one of us focused on what is important. If you remember the three elements of our mission – delivering superior value to our customers, creating an exciting and rewarding environment for our people and increasing wealth for our shareholders – and if you continually refer to the Guiding Principles, you will enhance your role in the Bank and we will all benefit.

New Wave was promoted by the Managing Director and key managers through presentations and seminars. Staff members who demonstrated the behaviours of New Wave were featured in videos and magazines. In November 1998 discussions began between the Managing Director and managers in HR about the formation of a New Wave Panel, which would be responsible for promotion and “encouraging BankWest members to live the Guiding Principles”.

On 8 December 1998 a new organisational structure was announced. With the share price averaging $3.10 an intensive review had identified potential growth areas and highlighted priorities for adopting a more “customer-focused approach”. As part of the restructure
Human Resources was renamed People and Organisational Development and became known as POD. It had the mission of providing specialist resources to all areas of the Bank to “develop and nurture our people and culture to make us the best”. Within the WA Financial Services division, which had responsibility for core banking business in WA, a new Human Resources Development unit was established to provide training specific to business units in that division, a separation that marked the beginning of the Bank’s move to decentralisation.

In January 1999 BankWest set out on its journey for IiP accreditation with POD establishing a bankwide-working group to review processes and documentation and to link training and development to corporate goals and business objectives. The New Wave Panel, established in January 1999 and reporting directly to the Managing Director, began its work of ensuring the New Wave “rolled into the Bank” delivering the vision and principles to “guide our future”. People were exhorted to “surf the wave” and the resulting “evidence of positive changes as a result of people working together and being focused and effective” was captured in videos and newsletters and promoted at breakfasts and balls. There was some cynicism from staff about New Wave, however the general reaction from staff was positive.

New Wave began to permeate the organisation as the New Wave Panel supported and drove the rewards and recognition program of acknowledging “individuals and teams who adopt the Guiding Principles in their working environment”. Nominations for monthly, quarterly and annual champion awards were introduced and opportunities to attend feedback forums and breakfast with the Managing Director were featured. New Wave was seen by many as a “cultural initiative” that the Managing Director introduced, which drew from his experience in the National Australia Bank. It was recognised that BankWest was not operating at its best and that there needed to be a vehicle to provide a sense of common direction at that time and change the way in which the business was operating, as commented on first by two members of the Executive and then the Manager Professional Development:
The MD was a major advocate of New Wave, which was something for the times. You’ve got something that’s come out not very long after being the R&I changing to BankWest. You’ve got the CEO who had it in transition, whose job as CEO at the time was to bed down this new organisation and get it in place, fix up the screw-ups of the early 90’s financially, you know, boom, boom, boom. Then this MD takes over the helm and ‘Oh hang on I’ve got this new entity it still feels like I need something. I need something to effect the change and bring the people together.’ New Wave was a great vehicle for doing that.

§§§

The MD was a values based leader. He was establishing a strong values-based culture with the New Wave and he really saw that for us to be successful as an organisation we needed a highly committed and engaged workforce. He was basically driving the people agenda on the basis of we need to shift the culture, it needs to be values-driven against the Guiding Principles and we also need a strategy that really underpins the business.

§§§

The MD’s perception was that the way the business was operating was not optimal and was symptomatic of a sort of victim territorial approach to business. It wasn’t as if there was a fatal flaw in the way that we were doing business, but there was a shift in the way that the business was operating. It was moving away from being a purely WA centre of business to a whole of Australia business. At the time the eastern states business was already set to overtake the WA loan book. So there was an intentional shift in focus and some of the patterns of behaviour that had built up over the years were seen as being inimical to and problematic for the way that the Executive were wanting the business to move and flow over the ensuing ten-year period. New Wave was born out of a strategic realisation and a need to realign. It was very definitely sponsored by and driven by the MD and his Executive at the time, some of who were willing co-sponsors and one or two others whose involvement was by default rather than by enthusiasm.

Growing out of the employee opinion survey of 1998, in May 1999 a People Index was introduced. This quarterly survey sent to sampled staff sought to gain an understanding of how people felt about working at BankWest and to identify key issues. The results were then used to determine directions for people initiatives.
Running parallel with the cultural changes being introduced into BankWest, the Managing Director led a renewed focus on improving business performance including strategically targeted management development.

**Continuous Performance Improvement**

Arising out of the Profit Enhancement and Efficiency Program, the Managing Director went across to Bank of Scotland in December 1997 to view their operating processes. Upon his return he issued the following letter to staff:

> As a public company our performance is always under the microscope. Analysts and of course our shareholders examine all facets of our business. For these reasons, it is important that we continue to improve ourselves and our performance and that we operate at optimum efficiency and effectiveness in everything we do. Over the years, the Bank of Scotland has been successful in this regard. Their cost-to-income ratio for the Group for the year ending 1997 was 52.5 per cent, but if BankWest is excluded from these results the Bank of Scotland cost-to-income ratio becomes 50.9. There is clearly scope for us to improve our performance. The Bank of Scotland has recently employed an effective process for their operations, which instils a continuous improvement methodology within key areas of the Bank. I am keen to understand the potential benefits of applying their approach within BankWest and have commissioned a feasibility project, to be headed by the Head of Human Resources Development and Training, to begin in February 1998. This project team will include a few people from the Bank of Scotland and three members from BankWest.

After the project team returned from the Bank of Scotland and had conducted a bankwide analysis, they recommended to Executive that the Continuous Performance Improvement system be introduced as a form of workforce management and productivity improvement, whilst “also providing more job satisfaction for staff”. A business-processing consultant who
had worked with Bank of Scotland, was contracted and a pilot of the CPI system began in March 1998. As one of the analysts recalled:

They started off the pilot in Loans Services Unit and they started doing time and motion studies and there was a whole team together who did that. It was really because at the time the Bank wasn’t performing as outstanding as it was supposed to in its first three years from 1994 when BankWest was announced and the share price was still at the $3.00 mark. They needed something that they could see that their staff was working to capacity and it was also introduced as a productivity exercise.

Progressively, CPI was expanded across different areas of the Bank. As the then Head of OD saw it:

It was a sort of a productivity system where they measured how long activity took by various people’s job functions, allocated time to those and then got them to track them on a daily basis and at the end of the day told them how productive they were. There were productivity targets set for departments and you’d be familiar with it if you were familiar with the Tavistock management approach of the 1950s.

To assist managers in the operation of CPI, OD analysts were deployed to provide system training:

All the managers were trained on CPI. I designed and ran CPI courses on how to use the toolkit, how to control the workforce, what to do to manage absences. It was really basic training on understanding the system and motivating people to become more efficient and getting them to look for improvements. I had done this sort of training before so I adapted that to the CPI system. I suppose the training was good, it increased stats and understanding and that type of thing, but at the same time people didn’t really change.

At that time the CPI system was aimed at quality enhancement and was presented as a management tool to provide effective and efficient use of resources such as time, people, systems, workflow and processes. After the management control system was installed managers used this to “streamline their operations to obtain greater efficiencies”, as a CPI analyst recalled:

The Bank’s strategic focus was to increase sales, increase revenue, increase profits, increase the share price, and that entailed increases in resources. CPI was the way to provide the limited resources where they were most needed. CPI was to assist the business areas in ascertaining when, where, how many. CPI wasn’t about imposing the decision on the business it was purely a process re-engineering tool for the business to use. CPI was different from PEEP. CPI wasn’t focused on cost-cutting the people but more efficient systems to increase the business capacity as opposed to reducing resources. Really, it was clever management. CPI mixed three management models: the rational goal model used Taylorism – time and motion studies, systems; the human relations model focused on gaining productivity from people; and the open systems was about adapting and planning for a continually changing environment. CPI used both scientific and HR management models to get continuous improvement. It was about working smarter not harder.
To achieve the people efficiency goals, six days of development over four months was provided for managers by members of People Development in four-hour workshops covering:

- CPI system overview, the message and the method
- Coaching and counselling to enhance performance
- Role and task balancing, reaching performance targets
- Determining employee drives, motivating for performance, communicating the right message
- Providing performance feedback, coaching and counselling
- Conducting performance reviews, managing teams, achieving productivity.

The management development was designed to improve the Bank's efficiency and effectiveness, introduce the management control system as a model for achieving business unit objectives, train staff in the use of CPI and provide managers with a toolkit. According to one of the management development designers:

CPI was one of the latest management consultancy kinds of things to come through. The OD area went in as a group and we would go through and look at productivity improvements, changing structures even, changing processes, refining processes. There were some job losses but not huge. In conjunction with that we wanted to get the team leaders and senior staff into some training because at that point in time there had been nothing for them for so long. We wanted to give them some basics in line-management, and it was just basics, over 12 half-day modules.
The development was seen as an imperative in making sure managers understood the CPI system and could successfully implement it in their area. The CPI was seen as useful by the participants, as captured by the comments of a service manager:

The CPI training made it very clear how the system worked and what we needed to do to meet the targets and how we were supposed to manage and improve what we did. It was also useful to meet other managers from different parts of the Bank and many of us caught up afterwards to support each other in in putting into practice the implementation of the system.

Towards the end of the pilot the way in which CPI was provided began to alter with the emerging need to include corporate practices as an element in the change strategy, which was being driven by the Managing Director. As part of this cultural shift, focal areas for BankWest were developed listing key corporate goals under four pillars of people, financial, operational and customer, and this “balanced scorecard” was implemented in April 1998 across the Bank in each division to give “a clear focus on what we need to achieve across all aspects of the business”.

HR played a key part in driving the new cultural change agenda with one of the division’s key goals being the improvement of managerial performance. The employee opinion survey of March 1998 had captured staff views of leadership and management development in the Bank:
The high level of poor staff morale and dissatisfaction by professionally qualified staff has its roots in the poor leadership and management styles and lack of accountability of the senior managers.

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Training and job rotation appear to be regarded as a cost rather than an investment. This is compounded by low rates of staff renewal.

This sort of feedback, combined with a 24% satisfaction rate with training and development, initiated a review conducted by HR in April 1998 of the approach to leadership and management development throughout the Bank. The review found that there was a lack of cohesive focus and a proliferation of “ad hoc responses to development needs in the area of leadership and management competencies.” With the advent of the Guiding Principles and the focus on changing organisational practices it was considered timely to introduce a common approach to leadership and management development.

Leadership Development Program

In April 1998, a new training consultant was appointed to HR Development and Training who, with the formation of POD in December 1998, became the Manager Professional Development. Over this time he began working directly with the Managing Director and key stakeholders from the lines of business to develop the BankWest Leadership Development Program. As the then Manager Professional Development told the story:

It was really a product of some discussions that I’d had fairly early on in the piece with the general managers and other players and there was clearly an appetite for something structured because the nature of the business in BankWest was that each division was very separate, had its own identity, its own sub-culture. It was a bit of a patchwork quilt of an organisation. One of the drivers in the New Wave cultural program that was brewing at the time was to create more of a single entity mindset through crossover points to ensure greater collaboration and consistency and cultural homogeneity across the business. There was a real culture of independence in each of the business units and they almost seemed to be intentionally separating, creating separate sub-cultures rather than creating any sense of integration. There was a need for the leadership pool to have a corporate focus rather than an individual business unit focus. One of the things that the MD wanted very definitely to do was to create that single corporate mindset and bring people together and install a common frame of reference and a common language around which to frame discussions about culture and behaviour in the leadership space.

Although a lot of work appeared to be done in the guts of the business in terms of skills interventions at a role or a task level, there had been very little for really quite some time done at the high-end to establish and build a leadership cadre. So some of the things that came through those discussions and sort of were counter-pointed by the conversations I had with the MD gave me some raw material that, combined with the focus and the emphasis of the New Wave cultural renewal program, provided sufficient clues to what I needed to work on. The program's primary aim was to bring about a sustainable shift in leadership practices and behaviours in the Bank towards full alignment with our overarching values and Guiding Principles and success in
realising our vision. The key themes were corporate consistency, collaboration, and mobilising or translating the leadership potential into leadership performance. We saw that the LDP was a strategic platform for us to capture the momentum of New Wave and to give it a bit of a lasting life.

The initiation of the program was seen to be a shift from unstructured individual development of managers to a long-term organisational focus on systematically developing the leadership capability within the Bank.

The Manager Professional Development drew up the business plan for the LDP, which was approved by Executive on 17 November 1998. In this plan the initial phase was identified as 1998-2002 with the intention of targeting three groups within the organisation

1. Strategic – 60 senior executives with a “vision horizon of three to five years”
2. Tactical – 120 unit managers with a “business focus of 12-24 months ahead”
3. Operational – 300 frontline managers and team leaders “whose priorities are limited to the immediate term and the current budget cycle”.

The program was developed in line with the Bank’s new vision and in recognition of “change, complexity and competition – the three Cs” that were seen as “the dominant forces shaping the business environment and consequently the nature of business leadership.” According to the Manager Professional Development:

The focus was on developing key leadership roles in line with our Guiding Principles of being an owner/manager, a driver of growth, a promoter of excellence, and a model and catalyst. I see that leaders and managers are complementary and that was one of the reasons why we took the focus that we did and branded the program as the Leadership Development Program.

While there was an absolute basket full of management occurring in the business, there was not a great deal of leadership. We were dealing with a complexity. We were putting in all of the necessary processes and systems and controlling and organising and doing all the planning and keeping a handle on the business ensuring that we complied and did the right thing, and generated results. But there was some vacuum in the appearance of any sort of visionary leadership; the capacity to envisage, translate the vision, engage, mobilise and align the business to the whole of the business view.

There were bundles of management and not enough leadership occurring. So that’s why we picked that spot as ripe for an intervention and a rebalancing of the focus because, though the two are sometimes divorced, We should be looking at leader-manager almost in one breath. We needed to do something to try and bring more of the leadership component to the roles of that senior management collective because they were doing the management bit quite successfully. In true Kotter terms, given that the senior leadership needed to be that guiding coalition for New Wave, we had to not only sweep them along with the wave but hopefully slightly ahead of it.

The LDP was designed around a staggered implementation with the focus first on the strategic then the tactical groups then later the operational group. For the strategic and tactical groups the LDP was planned to occur around four stages.
The first stage of audit and diagnosis, involved administration of a multipoint competency assessment for the participant and four to six appointed raters (peers, direct reports, internal customers and manager). Participants were required to complete this BankWest Leadership Dimensions Full Circle Feedback 360° instrument to evaluate their alignment with the Guiding Principles. As a POD consultant observed:

We’d taken the Guiding Principles, the balanced business strategy and our existing competency framework and developed an in-house instrument, using the Full Circle Feedback software. The purpose of this instrument was to calibrate the degree to which an individual manager’s actions aligned with BankWest’s preferred dimensions of behaviour.

The Human Synergistics Life Styles Inventory (LSI) 1 and 2, which analysed the participant’s thinking styles and leadership behaviour patterns, was also undertaken. From a POD consultant’s perspective:

The essential question that this instrument helps the subject to address is, ‘What causes me to act and lead in the way I do?’ Its focus is to measure 12 key thinking and behavioural styles, which are either effective or ineffective in organisational life, for both task and interpersonal functions. The results are recorded in a circumplex that shows the style of the individual according to the amount of constructive/blue, passive-defensive/green and aggressive-defensive/red variables. LSI is widely used and respected with long-term studies strongly endorsing its validity and reliability.

The LSI aimed to improve the “constructive styles” and to “make the culture more blue” with high achievement, high self-actualisation, high humanistic-encouraging and high affiliative behaviours. Finally at this stage, participants would be involved in business simulations to “highlight performance in a range of critical leadership competencies and the application of the Guiding Principles.”

On the basis of the output from the diagnostic instruments the second stage involved the drafting of a learning plan for 1999-2000 by each participant. The third stage was core workshops covering diagnosis of competencies and behaviours, feedback on the 360° instruments, situational scenario discussion with the Managing Director and general managers, and personal action planning. The final stage focused on individual development arising from the learning plans. For strategic and tactical participants completing learning plans, a menu of possible leadership developmental opportunities was identified. The balance of interventions was mapped out for each participant to accommodate preferred learning styles and to ensure that responsibility for development was shared. A matrix was developed to guide decisions on which interventions were appropriate for each competency or Guiding Principle.
The basis for the construction of the LDP was the use of the 360° instruments. The Manager Professional Development provided the thinking behind the inclusion of these two processes:

I had some fairly clear clues about what I needed to build in to the LDP so I went underground and did the conceptual design and then worked with Human Synergistics over in Sydney to do the detailed design work. Essentially there were a couple of primary inputs to the program and those were two different 360° profiling processes: the Human Synergistics LSI and the Full Circle Feedback. The latter focuses on service competencies and those service competencies were built to express different behavioural competencies as they related to the core values of the business at the time. The whole structure and the individual items within that instrument were designed by us in combination with Full Circle Feedback at the time. So it was real for people and related to the New Wave values. The LSI by contrast looks not at surface behaviour but at the drivers and shapers of behaviour and intentional motive, so it operates at a deeper level.

Part of the intent behind the LDP was to help people to reshape their demonstrable behaviours and actions by looking at the source of those behaviours, which was sort of captured and articulated through the LSI. I used the LSI because my experience told me that for a proportion of participants there is a bit of tension created between my worldview and the worldview of others. It’s the old force idea that if the pain of change is greater than the pain of staying the same then people will take the path with the least resistance and stay the same. In order to provide the potential catalyst for people to see that remaining the same is actually not an option and that they needed to make a personal behavioural change in order for the organisational behaviour in New Wave terms to take effect, there needed to be a prompt. We tried to help that leadership collective and the individuals within it to take some accountability for personal behavioural change in order for them to act as catalysts to the business cultural change that was articulated through New Wave. As a means to prompting that personal sense of need to change, need to shift, I thought the LSI was the most appropriate instrument for the LDP.
**Strategic Leadership**

Originally scheduled to begin by March 1999, the delivery of the first of the LDP components to the strategic group was not until May 1999 due, according to the Manager Professional Development, to the need to ensure key stakeholders were “on-board with the program”:

At the time, I would have to say that the program came to light probably in spite of not because of the GM HR. I at the time very definitely had my Head’s blessing to create and deliver, but there was a bit of resistance on the GM’s part, perhaps because it was radical what we were doing. It was certainly a bit of a departure for BankWest; it was a little more personal, more potentially intrusive, and closer to the bone than anything that had been done previously. It was a departure from the content of the Management 101 style of program, which individuals or parts of the business had entertained, and I think the GM was a little bit nervous about it but I managed to get past that hurdle. I’d done the groundwork ahead of getting any really engagement with the GM so the raw product was already there and when I discussed it with him I think he started to feel a bit of discomfort but we worked through that. Having the MD’s support was one of the reasons why the GM actually didn’t have too many legs to stand on. The MD himself initiated the early dialogue with me and we maintained it to ensure that what that I was doing suited his purposes.

We got the Executive backing to just go ahead. It really didn’t take much getting across the line after the conceptual design was presented to Executive at the time. It was intentionally designed to strategically support New Wave and some of the work that we did dovetailed with some of the values-based work that we were doing in other ways with New Wave. Because it was also designed to hit the soft spots and the pain spots that the GMs had identified for me in our early discussions, it was an easy sell. It was not a case of persuading the Executive to take it on. It got a very quick and painless green light.

The guiding intention of the MD was very definitely seen in the program, which was why it was given fairly good credence across the business. The LDP was fundamentally a product of the MD’s invention and my prosecution. People attached it to the MD and me, because the MD was deliberately a visible presence at every session and our intent was aligned and some of the messages that he transmitted were entirely consistent. So I think that it was probably seen as very definitely sponsored by the MD but driven and owned by me.

This view on the design of the LDP was echoed by the Managing Director who saw the program as a means to effect change and improve business performance:

I was wanting at that time to bring the thinking in the organisation in line with the new cultural vision I was leading. There were some outlier behaviours that needed to change and I wanted the leadership groups to be aligned. I was very clear about what was needed and I worked with HR in the program planning. The leadership program was a way for me to spotlight the direction required to achieve our business objectives and to begin building the change structures.
On 28 April 1999 the sixty members of the strategic group were sent an invitation by the Managing Director to attend the LDP. From the perspective of the Manager Professional Development the LDP was constructed to ensure the components were “complementary”:

The LDP was structured in such a way that it was building layer upon layer. We had a two-day residential at the Vines Resort. The group was deliberately socially engineered such that it cut right across the business. It was front-ended by some work around the Full Circle Feedback instrument so there was a pre-workshop debrief and a presentation of the FCF 360° results to allow people time to incubate and process those results in the lead-in to the workshop. The LSI results were not worked through until the workshop itself. The workshops were co-facilitated with Human Synergistics and myself. So we had a double header: one person in the business and a consultant. Subsequently, I then chaired the in business facilitation mode with one of the senior consultants in Human Synergistics so that pattern continued. It was very structured process.

We moved from a conceptual design to the detailed design, development and very quickly onto delivery and we rattled through the first workshops, which were deliberately top-down. We captured in that first series of workshops each of the general managers and the development heads as well as others. We wanted that audience first so that when we took it out beyond that and rolled it down to section managers and team leaders and high potentials, we had not only the formal acceptance and agreement on the part of the senior leadership team, but having been through the process themselves they were in a better place to use the language to support and to provide and to act as sounding boards and coaches to those who followed. We nailed that quite successfully.

The LDP process was generally considered to be a very powerful experience for the participants, as illustrated by the comments made by the then Head of People Development:

I was on the first LDP workshop out at the Vines. The Managing Director stood up and put his LSI profiles down that he got from the NAB. He displayed them and said, ‘My expectations of you are to show improvements in your profile. If you choose to get this feedback and do nothing with it, you will choose ultimately to be judged on your leadership effectiveness, not on the change in profile, but on the view of leadership effectiveness.’ That had a fairly profound impact on that group.

The most successful piece of it, the Full Circle Feedback process, didn’t get momentum and a lot of that was largely around the competency framework that we used for it. What really grabbed the organisation’s imagination in the first instance
was this notional red, green and blue behaviour. Still now, even though the use of the LSI tool has really dropped back in preference for other 360°s, it provides a language for, ‘That was red or that was blue behaviour. You were really green in that meeting.’ We did see, for people who had the personal motivation, significant improvement in leadership effectiveness as a result of that. For me, it also proved to be almost a life-changing experience and for my satisfaction in my functional role as a leader of a business unit.

Following the workshop the participants worked on their leadership development plans, which were initiated at the residential workshop. Also initiated at the workshop were the action learning groups, which were established in August and comprised six to eight peers from different functions who were expected to meet every six to eight weeks for about three hours. The Manager Professional Development structured the action learning groups as “multi-disciplinary, multi-divisional” teams to undertake “holistic assessments of what was important in the business” from a corporate perspective.

Over the next few months the action learning groups met. They were to work through refining their leadership development plans, “challenging members to complete them” and work together to complete organisational projects, however, as the Manager Professional Development commented, some different outcomes were produced:

People went out of the program with a personal development plan that captured the essence of the two 360° processes and at a group level there was the action learning process that started at the workshop and continued quite some way beyond. There were some groups who really did deliver and produce some intellectual heat and some real business outcomes, a few others just sort of limped along and didn’t really cut much ice. At the corporate level I think it did act as a means to transmit some corporate messages, to build some corporate cross-business mindsets, to make some relationship and create connections across the business and to act as an enabler of New Wave thinking. It was only one of many parts of that platform that was deliberately designed to fulfil its mandate to move the New Wave agenda forward.

At the same time as the action learning groups for the strategic group began, the LDP for the tactical group was initiated.

**Tactical Leadership**

In line with the business plan approved by Executive, the LDP for the tactical group began in August 1999 with an invitation from the Managing Director requesting their participation in “the next wave” and informing them that the LDP was “a major initiative which supports the achievement of our vision and which recognises the importance of our Guiding Principles in that achievement”. The Manager Professional Development remained accountable for the tactical program with a professional development consultant taking day-to-day responsibility for developing the program:
We wanted them to focus on understanding their own profiles from the 360°s and to benchmark them against others. We had the LSI data from the strategic group that had gone through before so we wanted them to spend some time talking about the differences between that and the tactical group. It was about exploring their assumptions about leadership values and seeing what their priorities were for development needs.

Mirroring the strategic group, the tactical LDP participants had a briefing to outline the overall program and introduce the 360° feedback instruments, attended a small group meeting to receive feedback on the BankWest Leadership Dimensions Profile, and participated in a two-day residential workshop at the Vines Resort in October covering “developing insights and feedback from the LSI, exploring the concept of leadership, and developing a Leadership Development Plan. The program received mixed responses from the participants:

The MD’s invitation to the LDP was clearly a command performance. There wasn’t really an option not to attend. We all participated in the 360° type profiles and it was a time where it was a fairly new initiative and they were looking at the top 200. It was fairly exciting from an HR perspective in that we felt that the data would give us some kind of feedback and information. They presented different kinds of profiles they’d collected from different groups, like the Executive versus the senior management versus the other people in the top 200. It was incredibly interesting because there was so much red up the top and the behaviours, from an HR perspective, were just so far off what we were aiming to achieve.

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The MD presented his LSI at night and I think one of his strengths was always the openness with which he actually discussed things. I think in many ways I perceived that as being quite powerful in a sense that he was saying, ‘Look, I’m willing to bare all and I’m not the greatest and we’ve all got things to work towards.’ But I think equally the environment and the atmosphere was very positive and it was quite conducive to people saying, ‘Look I’ve had a kind of bruise that I’ve received feedback that I don’t like.’ I think there were a couple of people who were still licking their wounds but beyond that I think it was a good environment and people felt that it was one that was fostering some positive kind of development.

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I found the LSI and the 360 interesting as it gave you a view of yourself as others saw you and it was really interesting to then look at the direct feedback about how it impacted them and the way they saw you. I didn’t find with any of those exercises that it came as a total surprise but it was very useful just to reinforce your identity as a leader and then to draw out perhaps the occasional blind spot you have to have a look at as well. It was valuable to take the opportunity to reassess my goals and to develop a personal vision about where I wanted to get to, what it was that I enjoyed doing within my role and the things that motivated me in roles that I’d been in. It enabled me to look at the way in which you operate, the way in which you interacted with people, the impact you had on people by the way in which you performed in the leadership role. It was certainly effective in terms of spending some time looking at myself and the way I interact with people and my leadership style. It was effective organisationally in terms of bringing together people on the program who have potential in terms of leadership capabilities and further leadership opportunities and it was effective in developing good relationships with the people that were on the program. I think that it helped as well in building the relationships with that leadership group. It’s difficult to look at a program in isolation and say it made this difference. It just all adds to the experiences that you have and helps you in the way
in which you develop your leadership skills. It did help me to develop my leadership abilities, yes most definitely. It certainly was an outcome that was a beneficial one that made me a better leader than I was prior to that.

For the tactical program a greater emphasis was placed on action learning with a session at the Vines being used to explore the process, an inclusion commented on by a POD consultant:

We were using action learning because we considered it to be a powerful catalyst for change and a way of getting transfer of new leadership skills to the workplace. It was something that other major companies such as Citibank, Shell, Westpac and Bank of Scotland were using at the time. Leadership’s not a teachable set of skills. It’s a complex and flexible competence. We set up cross-functional groups of around six or eight to work together for the next 12 months on their development plans. We also wanted them to work through a topic like change management, building high performance teams, systems thinking or whatever. We also planned to set up a discussion database but things changed and that didn’t really take off.

The action learning groups had varied success, as perceived by a sector manager and a POD manager:

Some action groups like executive level were given specific projects to work on, the rest of us were just assigned action groups to work with to be co-accountable for our development plans. So we’d catch up every four to six weeks and just hold each other accountable. It was certainly a good idea though it did tend to fall towards catch up and having a chat but you certainly could take it as far as you wanted to and the model was good.

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The action learning groups actually didn’t really grow legs. We had a couple of meetings but it was quite challenging in terms of actually getting all the people together to work on outcomes. At the Vines we were given objectives or things that we were to work on and then we were to take them away as part of the action-learning group but I don’t think we actually achieved much with ours at all.

The action learning groups for both the strategic and tactical groups wound down by March 2000, as the then Head of People Development recalled:

The action learning groups were formed toward the end of the first program at the Vines in 1999. Each of the LDP participants split into groups and they took a topic. One of the topics, and probably the best example, was a review of remuneration within the organisation. A GM chaired that group and a manager from HR was involved in it as well and it did result in a refocus of our remuneration. Each group was supposed to present something back to Executive but probably only half of the groups did something that was meaningful. After that, there was no action learning groups. It was more about business in the organisation, focus in the organisation. The action learning groups depended on the people in them. It wasn’t anything mandated that they had to do. Some of the action learning groups continued to meet regularly for lunch when they were all collocated wanting to catch up, but it was about the focus and commitment from the Executive at the time about how important these things were, and it was deemed in the scheme of things that they drop away.

Following on from the LDP for the strategic and tactical groups, the LDP for the operational group began to be rolled out in mid 1999.
Operational Leadership

As identified in the LDP business plan, a different approach for the operational group had been envisaged. Team leadership training was covered as an integral element of CPI installations and the Manager Professional Development saw that this would act as the basis of the core provision of LDP for the operational group:

The program had been successfully piloted in 1998. In consultation with the lines of business we then revised and expanded it to represent eight days of training. While continuing to be centred on all four New Wave leadership roles, the emphasis for 1999-2000 was to be the management and enhancement of performance – in whatever terms that was measured in the individual business units.

Case studies, scenarios and skills practice exercises were designed to be reflective of the particular work context of each CPI installation. The reshaped and expanded modules were run as workshops from July 1999 to March 2000. One of presenters explained how the training looked at implementing the CPI system and considered aspects of management development within the context of New Wave:

We expanded our communication with the business and met with groups of team leaders and managers to get their buy-in to the new developments in the course. The first part of the course was meant to attain a level of buy-in from participants. It was to assist in their understanding of what CPI was and how it would assist them. We also discussed how they could assist their own team members through the change period, for example, open communication, realising different reasons for resistance with ideas on how to positively manage them. After the installation, we looked at the need for managers to balance ‘doing’ with ‘managing’ and the importance of making time for individual team member needs and team needs. We used the GROW coaching method of empowering the coachee. For motivation we reviewed a number of different theories so as to provide participants with a toolbox of options to try back in the workplace. Every team member’s motivated by something different – and it probably won’t be money. We contrasted old style management of tell, do, don’t question just agree, versus today’s leadership of consultative, innovative, motivational. We ended with the characteristics of effective teams, the practical team building tools and the empowering approach. Throughout the development we were emphasising the messages from the MD about New Wave and the importance of the four leadership roles. The management training was really essential to making the changes we needed in business operations.

GROW

- GOAL setting for the session as well as short and long term
- REALITY checking to explore the current situation.
- OPTIONS and alternative strategies or courses of action.
- WHAT is to be done, WHEN, by WHOM and the WILL to do it.
The changes to the CPI symbolised a different approach to business operations and were indicative of the importance being placed on developing a new culture within BankWest and ensuring appropriate staff capability, as commented on by a People Development consultant:

I think CPI became different training. Before it was mainly policy and procedure-type training. It was dry training. Whereas I think a clear indication of the MD’s influence was on the sort of training we ended up doing for the CPI. We used to base some of the development days on the vision and the values and the behaviours. ‘This is what’s expected from you. This is what the MD says is expected. You are supposed to work together. You’re supposed to be leading in an appropriate manner and communicating in an appropriate manner with your team. It’s considered important by our organisation.’ So CPI was quite a cultural shift for the organisation.

Participants found the CPI leadership development program effective, as illustrated by a centre manager:

The CPI training evolved from a focus on technical systems to a means to get out the messages about New Wave. From about mid-1999 it was very much about making sure people understood what it meant to work in the new BankWest. The MD was leading this new agenda and it was important for everyone to get in behind it. The training was quite different to what we’d done before. Like other managers, I springboarded off it with my team and we focused on applying the messages to improve our service and deliver the results. It did make an impact: there were better attitudes, better morale, better performance, which led to a better culture.

By December 2000 the use of the CPI project teams ended and the installations of the CPI system ceased at the beginning of 2001. However, the concept and processes continued to be used in some parts of the business for up to two years. On 7 December 1999 the Manager Professional Development resigned. The position was not immediately replaced as the resignation coincided with a change in the management development strategy for the Bank arising in part from a bankwide review of operations presented as a focus on customers.

**Customer Focus**

Fuelled by a Board desire to continue to increase the shareholder value from the 1999 third quarter average of $3.75, in November BankWest initiated the ICE project, a major bankwide initiative aimed at Improving the Customer Experience by improving processes, systems and procedures. In a letter to staff on 16 November 1999 the Managing Director outlined the reasons for the project:

In recent years we have improved many areas of our business, but we have fallen short of our own high standards in one area - customer service. The increasing level of customer complaints and general dissatisfaction is unacceptable and I have decided to address this fundamental issue.

In mid-December we are launching a review of customer service within BankWest, under the project banner Improving the Customer Experience. To achieve our vision, it is essential that we do more than merely meet our customers’ expectations; we must delight them with our service whenever they deal with the Bank. Improving the Customer Experience will strengthen our competitive advantage.
The project began with the retail business, examining both internal and external customer service throughout the Bank and looking for ways to lift service standards across all customer channels and support units. To support an increased customer focus a project was established within POD in November 1999 to develop BankWest Competencies 2003: Building Organisational Capabilities. With People Index results for 1999 running below 60, this project aimed at identifying the “knowledge and behaviours required for effective performance in managerial positions across the Bank” and was based on the belief that “developing our people will lead to improved organisational performance”. This initiative was a second attempt to achieve a capability framework, as a then POD consultant explained:

The competency thing started about 1995. I’d just come from the ANZ and they’d been looking at competency-based stuff as well. It was the flavour of the month at that time. Anyway, the Bank had this set of competency assessment forms that were used from 1996. An HR consultant developed it. It was really complex. It ran for a few years but it wasn’t supported so it died off. When we looked at it again in 1999 the project manager didn’t look at anything that had been produced before, she just started from scratch. She called them Competencies 2003 to differentiate them from the previous ones.

A steering committee was established to oversee the project and approve the final capabilities for each functional level of senior management, middle management including technical non-management roles, frontline management such as team leaders and branch managers, and general administrative staff. As the project manager reported:

We put a lot of work in across the Bank in developing a new set of bankwide generic competencies to replace the old ones. We called them Competencies 2003 as we had a three-year timeframe in mind. We worked with a consulting group to develop the process with senior management and link it up with succession planning and other support systems. There was a steering committee that oversaw the project and then we ran focus groups throughout the Bank with over a hundred people participating. We looked at the different functions for frontline management, professional and middle management, and the senior management and then we considered the balanced scorecard of people, customer, operations and financial. We grouped the competencies under job practices with the behaviours in the competencies underpinned by our Guiding Principles. Once we had drafts of the competencies we sent them out to a range of people who had different interests so we could make sure we’d really captured all situations.

Capability profiles were initially developed for general managers and heads of departments then cascaded to the tactical management levels. The profile was divided into the attributes to be used in selection, promotion and succession planning and into the competencies to be used in selection, performance management, training needs, career development, rewards management, promotion and succession planning. Attributes were considered to be the technical knowledge, cognitive capability and emotional intelligence that people brought to the job. Competencies were the practices people engage in when doing the job and covered embracing the unknown, thinking strategically, leading own team, leading others, achieving commercially, achieving decisively, and achieving results.
The introduction of ICE influenced all areas of BankWest with divisional heads initiating discussions about how customer focus could be progressed. The Head of People Development had held discussions over the preceding months with the general managers and managers of training functions in the lines of business about the impact of the implementation of the balanced scorecard and IiP on people development. These consultations identified the need to “increase organisational alignment, integration and efficiency of training functions” and to “delight our customers and deliver a consistent approach to service delivery throughout the organisation”.

A 17 December 1999 paper to the Executive from the Head of People Development proposed the centralisation of training functions to People and Organisational Development in order to “align training and development to meet business objectives, achieve cost effectiveness in the delivery of training, and achieve consistency across the organisation and ensure an organisational view is adopted in all areas of training and development.” The proposal was approved by Executive and subsequently implemented from 9 February 2000. As the then Head of People Development recalled:

I recentralised the whole of all of the skills based training in the organisation back into HR. And I also set up in the area of HR strategy, so the role became Head of People Strategy and Development. Essentially we took control over the people agenda in terms of its planning and its capability. What was really driving all of this was the shift in transition between the MDs. We pulled this strategy component into People Strategy and Development because we felt that that was integral to what we needed to do in HR to really underpin part of the New Wave and what we wanted to do with IiP and so on.
The new People Strategy and Development took on the role of New Wave Panel support and was divided into six sections: policy and strategy; leadership development; credit skills and relationship management development; management development; sales and service training; and systems and procedures training. The LDP fell within the leadership development section and, until the new manager position was filled, the professional development consultants ran the LDP on an “action as needed” basis.

**LDP Phase Two**

The new Manager Leadership Development was appointed into People and Organisational Development on 1 March 2000, having come most recently from a “boutique HR consulting organisation” where:

> My specialty at that time was more around the assessment of potential, particularly cognitive capacity. Industrial psychology was my specific industry training and I’d been trained in special tools around that. I’d also done a lot of team development work and using a lot of tools to enhance team development and some coaching at executive level.

Initially, the Manager Leadership Development continued the second phase of the LDP for the strategic and tactical groups in line with the 1998 business plan. With the share price dropping down to $3.50 in April 2000 and the ICE financial strictures operating in BankWest at the time, some adjustments to the LDP were required as commented on by the Head of People Strategy and Development.

The LDP went from a two-day residential to a one-day in-house and that was reflective of the resources that were given to it at the time. But there were still LSI retests that were done and still one-on-one feedback that were driven from POD at that time. The intent and target of that second LDP stayed the same. It was meant to be more of a, ‘This is another opportunity for individual reflection’, and to see what people had done and how they had progressed in terms of increasing their leadership effectiveness.

During April 2000 the Manager Leadership Development undertook a review of the program:

> I looked at all aspects of the LDP and gained input from key stakeholders and the participants in the program. It became obvious that linkages between work being done by managers and the LSI were unclear. The program was not contextualised. The value of the LDP in reaching our strategic goals was not clear. The FCF we were using was not adequately combined with LSI and there was a lack of one-on-one LSI feedback. We also had a lack of internal LSI expertise and were reliant on Human Synergistics. I found there was not enough time devoted to development planning and there was little focus on team development. There wasn’t an objective succession planning process. We’d had these action learning groups running with the strategic and tactical groups but there was some mixed success. One of the key things was that LDP initiatives were not supported by the people systems in the organisation and return on investment was difficult to measure.
A leadership development strategy paper developed by the Manager Leadership Development was presented to Executive in May 2000 and subsequently endorsed. The key areas of focus for this strategy were to enhance the “current leadership capability at the strategic and tactical leadership levels” and identify “future strategic management capability within the Bank and make accelerated development interventions available for the appropriate candidates.”

The strategy for accelerated development interventions was progressed with the strategic and tactical group being advised in May 2000 of the opportunity to nominate themselves to “engage in an extensive and comprehensive accelerated learning program for a minimum of six months.” Staff who demonstrated the ability or “potential to move into strategic management roles” were to have the opportunity to participate in projects of “high strategic value to the Bank”, engage in “community projects, coaching and peak events.” Planned to commence in October 2000, this program subsequently became independent of the LDP and was established as the Accelerated Development Initiative.

In June 2000 strategic and tactical managers in Perth and Sydney were welcomed to the second phase of the LDP and advised that they would have the opportunity in July to undertake an LSI retest or, if they had not participated in the LDP in 1999, a first time evaluation. They were asked to complete a 360° competency survey through the Competencies 2003 project as the competencies used in the 1999 FCF had become obsolete. They were also asked to nominate for a feedback workshop in August where the LSI and
competency feedback would be discussed. The LSI retest workshop generally received favourable comments from participants with comments being made that it was “very good the second time round”, it had a “good structure and logical process” and it was “good to refresh some of the LSI aspects”.

The competency survey attracted the least positive comments with participants suggesting that the “competency profile lacks credibility and needs some thinking through” and the “link between the competencies and the LSI was not clearly explained enough”. Different 360° tools were investigated and competency surveys developed and implemented in January 2001. The 360° process was not successful and subsequently called into question the entire value of Competencies 2003. Perspectives on the demise of this process are given, first from a POD consultant and second from the Manager Leadership Development:

I didn’t have confidence in the way it happened. She got in a consultant who drafted some questions then got together with a group of staff from an area and went through what their job entailed. She then replicated that across the organisation. What was produced was very complex and I wasn’t convinced about the process. I mean for a function she asked five or six people then developed competencies for the Bank. Anyway, it never really got up. It was too involved, too complex for the Bank at the time. It ended in early 2001. There were questions about the quality of the product and its applicability. It didn’t have a champion so it didn’t have any traction.

When I joined, the department was in the process of identifying competencies. They’d gone through a whole series of focus groups at the various levels, so frontline, middle management, senior management and general management and they’d gone through quite an extensive process to identify competencies. So what we then did was an LSI and a competency 360° and incorporated that into the LDP. It was a bit of a disaster the leadership competency stuff though. I think because we went into 360° too soon. We just launched straight into a competency thing. We didn’t do a lot of stakeholder management. People didn’t even understand the competency framework let alone the 360° so it wasn’t very useful feedback either. So we only did the 360° once and never did it again.

The decision not to continue with it pretty much came from me. We did try and do a bit of communications around the competency framework but it wasn’t very successful. So based on feedback that I got from customers I just dropped the 360°. We pretty much dropped the whole thing and we really only used it for selection. We did include it in the Accelerated Development Initiative for 2001. We used the competencies very strongly in the interview process for the first ADI but that was really the only practical application it had at that point.

The LDP was modified in line with this type of feedback and was influenced by changes occurring within the Bank as a result of Project Star. Established in December 2000, Project Star had been analysing the Bank’s strategies and operating model against the new vision. This review involved BankWest personnel, executives from the Bank of Scotland and consultants from the Boston Consulting Group who were determining the operating changes to be made in order to achieve the new vision “and its demanding goals by 2005.” Project Star focused on the reconfiguration of the WA metropolitan retail network, establishment of national business banking division, better identification of customer needs, separation of
product manufacturing and distribution functions and a review of all central and administrative costs. Comments on the establishment of Star and its objectives are provided by two of the then POD heads:

At the time the strategies that Boston Consulting Group was talking with us about were across the value chain. As a regional bank we had to decide what was our focus. For example, someone else could manufacture credit cards and we’d deliver. At the time Ansett was part of the Star Alliance, which had a whole bunch of airlines who operated as different parts of a global network. That’s what we wanted to do. We wanted to create a virtual whole Bank without doing all the bits outside. That’s why we called it Star.

We had Project Star with BCG in late 2000 early 2001 and that followed a poor result of the organisation in 2000. So it was again about how BankWest was performing and Board satisfaction that led to a changed focus. There was a Board strategy retreat that was held late 2000 and it was essentially looking at where we were going, what our strategies were. They engaged BCG to form Project Star, which essentially looked at how we could increase shareholder value. They had plans around what our share price should be, where it should go, and there were plans for a $10.00 share price and how could we generate that much shareholder value in what we were doing. We were sitting around $3.70 and there were plans of getting it to around $5.00 at a certain time. So it was initiated at Board.

On 2 April 2001 the first outcomes of Project Star were announced. As a result of the review of the operating model and strategies, BankWest was restructured into two national lines of business: Consumer Solutions and Business Solutions to “maximise growth opportunities”; and three new support divisions: Finance and Corporate Services, Risk Management, and Corporate Office and Strategic Projects. A CEO headed each of the lines of business and the existing MD became the Group Managing Director (GMD).
Presented as a “structure for the future”, the restructure was well received by the market with BankWest’s share price increasing to $4.45 by end of June 2001, as explained by one of the heads in Finance and Corporate Services,: 

Project Star led to the change and the organisational restructure that occurred in 2001. It led to the formation of the Consumer and Business divisions. But it essentially put into place product manufacturing and the sales distribution.

In the Finance and Corporate Services support division, the central resource of People and Organisational Development was renamed Corporate People Solutions and was headed by the Chief People Officer. Corporate People Solutions was refocused to provide strategic services in industrial relations, occupational health and safety, remuneration, and organisational development. The Manager Leadership Development became the Manager OD, retaining her existing portfolio and taking on project responsibilities. At this point there was a divide in the provision of leadership development programs and management development programs such as the Frontline Management Initiative.

**Frontline Management Initiative**

Stemming from the new organisational structure effected on 8 December 1998 to lift the share price from its $3.10 average and influenced by the intentions of the first Leadership Development Program and the IiP journey, a decision was made at the beginning of 1999 within the Bank’s WA Financial Services to focus more on management development, as the then Manager Human Resources Development recalled:

I first came in to a very specific training role because our training was all decentralised and every department had their own training function. POD did have a training function but it was very specific, it only delivered training where it impacted on the whole Bank. So when we introduced the CPI model they delivered training to the whole Bank because that model is delivered corporately. So I was brought in because one division wanted to do a lot more work in management training, sales training etcetera and there wasn't a resource in BankWest and they didn't have a budget to go externally. There were only three of us working in that area and we just delivered to the biggest section in the Bank, which was WA Financial Services with about 1300 people.

POD was asked by WA Financial Services to provide advice on appropriate management development options. In January 2000 the Executive approved the adoption of the Frontline Management Initiative (FMI), a nationally accredited, competency-based and workplace-learning program. The proposal to the Executive presented the FMI as a way to “upskill current supervisory staff to improve productivity, profitability and the organisation’s competitiveness in an increasingly globalised economy.” Designed for frontline managers seeking a formal qualification directly related to their work experiences the FMI covered five core areas – becoming a manager, leadership, managing people, managing operations,
managing safety; and six elective areas – building teams, managing information, managing quality customer service, continuous quality improvement, managing change and developing people.

The FMI was proposed to operate as a partnership between BankWest and a Registered Training Organisation who would deliver and assess the program. In this way the program would “allow flexibility for BankWest business drivers to determine the application of FMI with linkages to strategy”. The capacity of the FMI to be structured around the changing needs of the business was one of the benefits that Executive members found attractive:

The FMI was flexible enough to meet current and future BankWest business objectives. We liked that it could be tailored to our needs and that we could customise it around liP and our capability framework. Incorporating BankWest’s business intent, organisational culture and work practices was a key feature.

The FMI was to be structured as a vocational certificate with eight modules delivered one each month then repeated. As part of the modular assessments it was expected that participants would be “required to deliver projects and solutions in line with current BankWest processes and systems, which will result in procedures continually being assessed, questioned and streamlined to become more effective.” The Executive agreed to the funding for two facilitators, course development, external consultancy fees, materials and eight days “out of the business” for managers. It was agreed that the frontline managers would attend one day of training for each of the eight modules and that they would be given two hours a week for completion of projects for their assessments.

Within WA Financial Services a manager and a senior consultant were assigned the FMI project. As a POD consultant observed:
We needed FMI because the LDP had just started to provide for the senior and middle management groups. We’d had CPI training but BankWest hadn’t really implemented leadership development for the frontline group in the past five years and the results of the skills shortages in managing teams were evident in the findings of the employee opinion survey and the People Index. Also, we were working towards getting IiP accreditation and we needed line managers who could lead our staff to meet the needs of the business.

From the perspective of the manager of FMI:

The decision to implement the FMI was made as the result of an identified organisational need to provide professional development and support for our first tier of management. Before that we were all doing our own thing and it wasn’t until IiP came along that we all started to pull together.

With the centralisation of training and development under POD in February 2000, the existing business skills development within WA Financial Services was reassigned and placed under credit skills and relationship management development and a new manager position was advertised. The Manager Human Resource Development from the WA Financial Services division took up the new role of Manager Management Development within People Strategy and Development on 9 February 2000 and FMI became a bankwide offering for the entire operational group of managers who were “directly accountable for the supervision and management of almost 3000 employees”.

On 28 March 2000 a request for proposal was given to the identified preferred suppliers – two universities, two TAFEs3, and two commercial providers – to enable them to detail how they would provide the FMI. Central TAFE’s Centre for Business Solutions was selected and between April and June 2000 worked with the FMI project team to develop the required framework and materials, which was considered successful by the FMI Senior Consultant:

BankWest’s requirements for FMI focused on the ability to customise the program to contain considerable reference to the Banks’ vision and mission, policies and procedures, tools and general jargon. Alignment of national competencies with those of BankWest and the ability to assess participants internally were also key requirement for the project. CBS exceeded our expectations on all counts with their flexibility to meet our project requirements and the delivery of participant workbooks, leader’s guides and support materials.

In June 2000 IiP accreditation was gained, making BankWest the first bank in Australia to achieve the standard, and the FMI was structured to incorporate this achievement. IiP attainment coincided with BankWest’s launch of its new brand positioning of “We hear you” in the “Year of the customer”, which promoted BankWest as listening to its customers, understanding what they’re wanting, acting on their suggestions and following them through to the end. Through the ICE project’s focus on customers a new visioning process started on 4 September 2000 with the result of “Customers choose us for the best financial solutions” launched in November 2000.

3 Technical and Further Education colleges are vocational education and training institutes.
The FMI began at BankWest in July 2000 for supervisors, team leaders and operational managers and was communicated widely through email, the intranet, and at team meetings, which the FMI Senior Consultant observed attracted considerable interest:

We thought, maybe we’ve got 100 people who will go through it and then we’ve got swamped and had over 220 – 230 people now who have done module one.

The first module was run in a series of workshops using workbooks designed by CBS, which for subsequent modules were modified. The FMI was planned around a four-step process of half-day workshops, compilation of a portfolio of evidence, formal review by a workplace assessor and accreditation by Central TAFE\(^4\), a process commented on by one of the participants:

There were workshops held every month on different modules that we could attend and they introduced the topic. They were good because we could meet different people from across the Bank. We got a workbook that had information and exercises in it and there was a guide to how we could show competency for our portfolio of evidence. We also were sent an email telling us what we could do to officially pass the unit and that was also on the InfoBase. From the date of the workshop we had about six weeks to collect our evidence and then we organised for people to come and do our assessments.

The FMI Senior Consultant explained that projects were not used:

The two-hours a week project work was an idea we had in the initial scoping of the program. Once we started rolling it out it became the responsibility of the individual manager to implement. We lost focus of projects fairly quickly.

\(^4\) A vocational education and training institute
To accommodate the needs of regional WA, Sydney and Melbourne the Manager Management Development proposed a pilot to trial the use of videoconferencing in delivering the FMI “as well as supporting the participant’s line manager to ensure that each individual receives adequate coaching as well as access to other learning materials.” The GM of POD deferred a decision, requesting additional information on costs, participants, timing and support. Four months after the start of FMI the Manager Management Development reviewed the program and identified some “training issues”:

FMI was really well supported by HR, you had to nominate and I think good news stories got out really so at the beginning more and more people wanted to come on board. It just grew really through natural development more than anything else. Because it was really well budgeted for it wasn’t an issue, we could just take more people as they wanted to come in. The whole focus at the beginning was it had to deliver to the business so that’s how it all began and then as the work pressures increased people started saying, ‘Can we have shorter workshops?’ Non-attendance started to rise.

We estimated that approximately 80% of course cancellations were due to work pressures such as absenteeism, workloads or conflicting priorities. Most of these cancellations were occurring in the 48 hours leading up to a scheduled program. About 50% of all cancellations didn’t provide us an explanation. While people were cancelling due to workload conflicts we were receiving feedback that customer contacts had been unusually slow in that third quarter 2000. We had got the IiP accreditation in June and we thought maybe the focus on development and the momentum had slipped.

We had some coaching modules aimed at managers of FMI participants and they had a poor response rate, despite LSI feedback indicating coaching was a developmental need of this group collectively. That being the case, what level of support were FMI participants receiving in gaining their accreditation? We had a whole lot of participants in module one who were reluctant to be assessed and subsequently register for module two. What sort of support were they getting? What behaviours were being modelled by their managers? We really needed the commitment from senior managers and heads of to attend the coaching workshops.

In December 2000 the FMI team identified strategies to “increase return on investment in 2001.” An online assessment process through TAFE’s WestOne was investigated but by June the idea was abandoned due to “limited opportunities” for implementation. A decision was made to offer FMI at Diploma level for “selected participants”. Communication about FMI was expanded with regular announcements on the intranet, meetings with key stakeholders and briefing sessions for POD and strategic managers. To “leverage external networks”, a relationship established by the Manager Management Development in September 1999 with an Edith Cowan University researcher who was evaluating the FMI nationally, facilitated BankWest’s inclusion into the NCVER study and consideration of an Australian Research Council grant application to investigate the use of learning technologies.

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5 National Centre for Vocational Education Research is Australia’s independent body owned by the federal, state and territory ministers responsible for vocational education and training. It collects, manages, analyses evaluates, and communicates research and statistics about vocational education and training nationally.
The Bank’s existing videoconferencing equipment was planned to be piloted with eastern banking and regional WA.

In April 2001 the management of the FMI shifted into the newly formed chief operating office of the Consumer Solutions channel brought into effect through Project Star. Continuing the process started in 1998, the new structure included further organisational decentralisation of some HR aspects. Corporate People Solutions was retained as a central resource to “set overall policy and provide people services to the support divisions.” Within each of Consumer Solutions and Business Solutions a chief operating office was established to act as a service provider to the division and a driver of business performance. These offices also took on training and personnel functions “consistent with the lines of business philosophy”. Though FMI moved to Consumer Solutions the Manager Management Development retained his title and the program continued to be available to staff bankwide.

To facilitate a wider reach for the FMI plus other training and development, on 10 April 2001 a business case was presented to Executive for “becoming a video capable organisation” that would enable training for Consumer Solutions to be delivered to regional WA and to other BankWest sites throughout Australia, which was endorsed. In August, a new videoconferencing suite was purchased and the existing one upgraded. There was an increased focus on raising awareness of the value of videoconferencing. According to the FMI Senior Consultant, the interest in videoconferencing was accelerated by “the cost involved with bringing people in”:

> Videoconferencing is a lot more cost-effective. Also there’s the impact of pulling people out of their locations; it could be two-days travel here and back and then it may be taking them away from their families for two or three days, which sometimes isn’t viable. So the videoconferencing format definitely gives us a lot more flexibility to reach these people.

Though promoted as an “answer” to meeting the development needs of regional WA and the eastern states, videoconferencing was not used extensively in the FMI, as explained by the FMI Senior Consultant:

> We used videoconferencing for some people in the Melbourne office in early 2002 for three or four modules. There’s obviously some constraint but as long as you look at the activities you are delivering it can be quite a good tool; familiarity with the technology is going to be paramount for that. The modules that we did were reasonably well received. We didn’t expand the use because the model we were running meant that people from the rural areas were flying in to Perth so there wasn’t a need to use that technology. With Melbourne the technology was there so the emphasis was on using it as best we could. In the first instance it was a budgetary driver, ‘We spent all this money on setting up this technology, we’re going to use it.’ The other driver was the Manager FMI who really got excited about the potential of it and was working with the supplier and trying to get it rolled out for as many different types of programs possible.
At the beginning of 2002 the Manager Management Development took on additional responsibilities and in March 2002 the FMI Senior Consultant moved into a different area, factors he considered were the beginning of the FMI decline:

In 2002 the Manager Management Development’s team grew and he took on all the trainers and his focus was spread. My role was very much driving the program. In doing the design, delivery and evaluation there wasn’t much time left to promote the program to the more senior managers who probably needed to understand what was going on, what the roadblocks were, what were some of the successes. I did lobby fairly hard to have the qualification recognised and aligned to certain managerial positions because that would have helped embed the program within the structure of the company.

One of the big downfalls was not engaging the managers of the participants enough. A majority of managers felt that by sending their managers off to do the program they were having their skills developed just by attending and they were not taking on board the ownership of facilitating the learning from the program back into the job. It wasn’t driven from the higher levels. The hierarchy weren’t getting involved enough to drive the wins of the program or its profile at the highest level of the organisation. I didn’t see that as my role. The final crux was that I landed another job and I wasn’t replaced and then it just seemed to die around April 2002.

Initially they got a couple of trainers in from CBS to run a few of the modules. It had less of a profile than when I was there actually running it. The frequency of the workshops died down. The efforts in getting out and about to encourage managers to sign their people up for the program died out. There were a lot of branch managers who participated and there was a bit of a stigma attached to attending the workshops from Business who felt they were serious bankers and here they were in workshops with a whole pile of women who were branch managers. That scared off the business side of the Bank. Also, we as an organisation didn’t really define what we wanted our managers to do; we didn’t have core statements and consistent expectations across the board. Clear frameworks of capability would have helped, especially clear links about what’s required in a role and the fact that a program has the ability to deliver those interventions. I felt it was me just driving it at the end so with me not there it just faded.

You’ve got to have someone waving the flag for any HR initiative or program. If they’re not being absorbed or supported into what is the manager’s routine they just sit on the periphery and they don’t get the support they need. So as well intentioned as FMI was it wasn’t supported at the right levels. What was developed and run on the programs was pretty good but it just didn’t catch within the organisation.

From February 2002 to accommodate the “business needs” a greater use was made of recognition of prior learning and self-pacing, a decision that received mixed reaction from participants:

With FMI as team leaders we started off going to facilitated sessions and then we ended up finishing self-paced. The momentum within the organisation fell off because initially there were a lot of people going onto facilitated sessions and then other areas stopped attending. My manager was a very strong supporter of it and her support of us through that program was very good.

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I attended three workshops initially and then I ended up doing some of the modules through portfolios of evidence, which was good. It’s probably a style of learning that suits me. I really enjoyed FMI and it probably wasn’t so much from a formalised training perspective it was my first exposure to a coach-type person. He was
obviously an assessor but he did provide me a lot of feedback. It helped in terms of some of the structure of leadership. I gained some insights into what it meant for me to be a leader and what I was trying to do and how as a leader I was driving BankWest’s business strategies.

The FMI impacted BankWest with 27 people qualifying with the Diploma in FMI. Other impacts were identified by the participants:

It has opened all managers’ eyes to the skills involved in actually managing people. Before the likes of FMI came along really it was deemed that if you’d been in a job long enough and you knew it well enough then you automatically progressed to a management role or team leader role. FMI has highlighted that to be a manager you do still need a skill set.

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I realised that the Bank was prepared to invest in me and my development, so it’s the impact of feeling valued. I learnt new thing in FMI that changed the way I did things. The FMI meant you also had your management team with a more consistent approach to the business, all talking the same language and thinking along the same lines.

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FMI helped BankWest achieve some outcomes around sales leadership and management practices and helped build that capability in the company and develop more of a sales-focused culture

From those managers who actively supported the FMI the value was clear:

At that point I was manager of the Call Centre and I saw this as the perfect opportunity for my ten team leaders to participate in it to enable them to enhance their management skills. I was fairly committed to the FMI. The thing I liked about it was that they attended face-to-face but then there was a portfolio of evidence. I liked the fact that they were being assessed externally because what it gave me was a feel of where people practices within my areas sat, not just within BankWest but externally and that gave me a good feel whether we were on the right track. All my people went through it and all of them actually got their Diploma in Frontline Management. One was promoted to a managerial position, another one has just recently been promoted to a retail manager position, and one got promoted to a service manager position within the Customer Help Centre.

For others in BankWest FMI was not seen as an imperative and it continued to decline in 2002 and stopped completely in 2003 with Project Refocus. From the Manager Management Development’s perspective:

I think it stopped because I’d say some people in the organisation wanted it to stop because we weren’t having a lot of success. We were having a lot of people starting and not many people finishing and BankWest, being the place that it was, you could be selective with your statistics and if you wanted to kill it you could kill it. There wasn’t a lot of support from line managers, despite what they said, so the participant would come on the program, go back to gather evidence and if their manager wasn’t supportive it just died. As soon as you had line manager support of the program it was successful but if you didn’t it was an absolute disaster.
Two of the managers of training from the lines of business commented:

It ended because it didn’t have the support from the managers of the people that were going on the program. I doubt whether many of them would have even bothered to have talked to their people pre or post the training to find out what they were getting out of it, what they could implement now. So they lost faith in it and if they don’t support it then it makes it difficult to continue on with something.

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When the manager of FMI left it stopped. It never really had the support of the Executive. It was typical Bank. We start things and then go on to something new. I think it takes so long to get things up that by the time they’re implemented we’ve moved onto something else.

This latter view was supported by the Manager Leadership Development:

It stopped because the manager of FMI left. There were a few left that needed to continue. I had some discussion with the Call Centre and they continued. With Telesales there weren’t the resources so they didn’t go on.

A different take is provided by the Manager OD who made the decision about continuation:

It stopped essentially because the business didn’t want it and I didn’t want it either. It was too complex. I don’t agree with all that assessment. What the business wanted was something simple.

Finally, the Chief People Officer provides a view on the importance of timing and context on the FMI journey:

We got a lot of momentum going with improving our capability of our front line managers and supervisors. There were a couple of restructures that happened in the late nineties that saw a lot of our personal banking and large branch managers leave the organisation and there were a couple of restructures that saw layers of management stripped out of the organisation so there was a real gap in our capability of our supervisors. With the FMI we had a lot of momentum in developing our frontline managers.

It didn’t work because we didn’t let it. It stopped for two reasons: one, cost constraint; two, people felt that the process was too onerous, that the need for a portfolio of evidence and workplace assessments was onerous for the benefits that you got. The other thing that failed significantly with the program is that we had a change of leadership with the retail division and they did not support or value the outcomes that were to do with the FMI. So we didn’t embed it down enough in the organisation then a couple of its key supporters left through a resignation and a couple of others left through a restructure. We erred in the commerciality of the workplace assessment process. It was too process-oriented for what the business wanted to do.

Also the organisational climate changed early 2003 because we’d suffered some corporate losses, which meant as a publicly listed company we had to release results in February 2003 that did not reach our forecast. Our share price was savaged from its peak of $4.80 in June 2002 down to around $3.75 as we’d lost some money through Selwyn Mines, we’d had a major fraud in our retail division, and we’d had a fraud in our trade/finance area. From 2003 we launched an initiative called Project Refocus and we were basically trimming parts of the organisation to enable us to keep control of our own destiny as BankWest, and that meant that programs such as FMI with its questionable process and outcomes was stopped as a way of cutting costs.
Over the time of FMI, the Bank had invested in another form of management development for senior managers – the Accelerated Development Initiative.

**Accelerated Development Initiative**

The Accelerated Development Initiative was instigated as part of the Bank’s focus on talent management. Arising from the analyses of existing senior staff undertaken in 2000 as part of Competencies 2003: Building Organisational Capabilities, a need was revealed to ensure the appropriate attraction, development and retention of current and future staff into leadership roles. It emerged that attracting and retaining the required expertise was “critical to the Bank’s future”. The Manager Leadership Development was instrumental in formulating the ADI as a way of “developing an executive leadership pool” within a succession planning strategy:

> The ADI really began in 2000, the year I got here. I got quite involved in the executive succession planning process and chaired that for quite some time. A lot of the conversation around succession at the time was we’ve actually got this gap at executive level and how do we actually go about filling that gap. So I put a paper in to Executive and said ‘Look we can actually have a high potential program. This is how I propose we select the people and it’s specifically to try and address some of these gaps in the succession plan.’

The succession planning strategy of 31 October 2000 proposed the commencement of an ADI, and the establishment of “a rigorous process of succession planning”. The Manager Leadership Development considered that:

> From a business perspective we needed to ensure there was a ready supply of internal talent for key positions, both then and in the future. We had to make sure that staff with high potential were retained and that we had the right sort of achievement culture. I saw that if we were going to deliver against business requirements we needed to make ongoing accelerated development opportunities to high potential candidates. We had to establish an objective, transparent and comprehensive process for identifying and developing internal talent. At that time we wanted to become an Employer of Choice so that talent would come knocking on our door.

The Executive approved the succession planning strategy on 6 November 2000. A Succession Planning Committee comprising the two general managers from the lines of business, the General Manager People and Organisational Development, the Head of People Strategy and Development and the Manager Leadership Development was established to oversee the succession process, including the ADI. With Executive approval, work began on the construction of the ADI program.

The ADI was conceived as a pilot for between 12-15 individuals in the Bank considered as having senior executive potential. The program was aimed at “developing the key talent in the organisation and ensuring executive leadership consistency”. In December 2000
invitations were sent out to all managerial staff. People who considered they met the selection criteria were required to submit an application form showing their level of achievement over the previous two years, evidence of leadership competence, team leadership and membership capability in a business role, evidence of commitment towards professional development, an explanation of the Guiding Principles, and a description of their career aspirations and what they would bring to the ADI. Two internal referees and two external referees were required as was sign off of their application by their business head and general manager. Gaining the requisite organisational support was key to the selection process, as commented on by one of the successful applicants:

The ADI was just advertised generally to say ‘We’re looking for the top ten future potential, high potential, future leaders’, but you had to be nominated. So I asked my general manager whether she would support me being put forward and she said absolutely and she did so that’s how I got initially onto the shortlist.

Forty-two applications were received for the ADI, 20 of whom were chosen by the Succession Planning Committee to progress to the next stage of the application process with three being placed on a watchlist as members of a future leadership group. After a series of psychometric testing and interviews that rated them on the measures for “effective behaviour in the role” they were ranked and the recommendations were submitted to the Succession Planning Committee who on 26 February 2001 made the final selection of 13 ADIs and seven people to be placed on the watchlist.

The final design of the ADI program was determined by the successful applicants’ development needs identified through their interview feedback, the results of the testing process, manager input and organisational and succession requirements. Key projects were identified that involved participants working together to address business and organisational needs. The remainder of the ADI was designed to be individually tailored and self-paced development for the participants. The basic framework of the ADI centred around a series of workshops covering the competencies and emotional intelligence, mentoring, external coaching, participation in projects, “power talks”, shadowing and secondments as appropriate. Each individual was assigned a budget that they could allocate to specific learning events as part of their
development plan. To provide these services the Manager Leadership Development sought proposals from external consultants, who indicated their capacity to deliver all or part of the program. Four universities and nine consulting companies submitted their proposals with one university and three of the companies being shortlisted. According to the Manager Leadership Development the final selection was made:

Because of their strong focus on action and workplace learning. The principal was also highly regarded, having occupied the role of Professor of Business at Monash University. His referees all applauded his level of strategic thinking and his ability to push people to realise their potential.

On 28 March 2001 in a letter to all staff the Managing Director announced the ADI:

I am pleased to announce the first participants in a new program designed to develop the future leaders of our organisation. This program will be run in conjunction with our other development initiatives, such as the Leadership Development Program.

Called the Accelerated Development Initiative, the program is based on the belief that there is an enormous amount of untapped potential at BankWest. ADI is designed to rapidly develop senior executive leadership competencies and will involve a blend of one-on-one coaching, formal training from external organisations, project-based work, and tailored developments.

On 9 April 2001 the ADI was formally launched with the ADI group attending two days of orientation in Perth. Topics covered during the orientation were emotional intelligence, use of the LSI, wellness and strategic thinking. The group also attended a series of workshops with external consultants to assist them in compiling their development plans. The ADI participants had the opportunity to book an executive health assessment as part of their work and life balance and were given access to an exercise physiologist and dietician as part of this process. The orientation emphasised the purpose of the ADI as a program “to build the skills and leadership for the future”. The potential impact of Project Star was acknowledged and discussion centred around how the Bank was becoming structurally “flatter” and the “prospects of advancing through promotion were becoming more difficult.” Participants were reassured that they were considered “talented people” who the Bank was trying to retain by offering them more “challenges and more opportunities to contribute at strategic levels.” These messages were congruent with the concepts of the program held by the participants, as encapsulated by one of them:

The program was sold as something that would develop you personally as a leader. There were some expectations, within some of the other candidates, about us being the next leadership group and we’re going to be fast tracked but I had no misconceptions about that. There was a select group of 20 people in leadership roles and there were 13 of us. We’re not going to lose 13 people out of that group and we’re not growing that significantly so therefore do the numbers. That’s not what that program is about. So I did it on the basis that I’m going to get something out of this personally and everything from career development to health aspects.

I think from the organisation’s perspective it’s about talent retention. So from their point of view it’s like we’re not growing that quickly but yet we still want to develop our next level of leaders. It’s about a message, ‘Yes, you are important to us. Yes,
you may not be in a role that is high profile at the moment, but one day maybe you will be and we think you are the next level.’ So from an organisational perspective it’s about being seen to invest, and also recognising who your next rung of people are so when one of those twenty people from that top layer does go off then you know, ‘Well actually, we’ve got three of them succession planned to this role.’

After the orientation the participants next met as a group on 18 May 2001 when the GMD presented an overview of the thinking behind Project Star. This briefing emphasised that recent BankWest shareholder returns of $3.80 had “lagged the majors”, however, BankWest’s size “should not be seen as a barrier” and the Bank had options in how it optimised performance. For BankWest to expand it had to increase market share on the east coast through focusing on small and medium enterprises and commercial business – a “high growth opportunity perhaps under-served by current players”, and it needed to reinvigorate the existing WA operations. It was emphasised that there was a requirement to meet the needs of stakeholders and better utilise technology in doing so in acknowledgement that by “third quarter 2002, registered internet banking users in Australia is expected to total 3.3 million”.

Against this backdrop the ADI group came together again on 28 May when they commenced “Journey One: embracing the unknown and thinking strategically”, a program that received mixed feedback from the participants:

There was also one particular week that we went to Adelaide for a week away, a week where it was linked into an MBA type course, which didn’t quite work. There were some parts that were really quite useful because I think it was meant to link into getting your accreditation into an MBA program but that program wasn’t really good at all.

After the residential the participants returned to their workplaces and began compiling their development plans, which were subsequently signed off by the Succession Planning Committee. The group was split into sub-teams to work on key projects, due to be completed by the end of February 2002. Each participant selected a coach of their choice from the preferred supplier list and different participants attended different meetings and workshops run by external consultants and members of the Executive. In structuring the ADI program the Manager OD considered there were some key requirements:

In setting it up I identified some critical success factors for the ADI. It was really important to continue to have the support of the Executive. I arranged for participants to attend some of the formal Executive meetings and individual Execs took a role in running workshops for the ADIs. We also set up opportunities for the ADIs to work on key projects. These could have been done better. There were some issues with the sorts of projects people wanted to do and some of the teams had difficulty finding the time to focus on their projects.

From 15 to 19 October the ADI group undertook Journey Two as a residential in Melbourne focusing on the competencies of sustaining achievement in self and others. The value of the program was commented on by the Manager OD:
Each participant was required to give an update on how they had progressed since Journey One, and level of disclosure was very high. The week as a whole demanded a great deal of self-reflection and disclosure, a powerful personal learning experience in itself. Overall the calibre of speakers was very good. The underlying theme of sustaining achievement was supported throughout the week and the structure and content of Journey Two flowed well.

The MD’s input on day one set the scene for the week. His candour and honesty and his very wise advice on effective leadership were a powerful introduction to Journey Two, and his ‘personal lessons on leadership’ were referred to throughout the week. The focus on community responsibility was particularly powerful. It highlighted the need for organisations to become more involved with the community.

The value of Journey Two was not equally recognised by the participants as illustrated by two of them:

The second journey was a lot more guest speakers and listening rather than the doing element. I got exposed to learnings and concepts about being a leader that I normally wouldn’t encounter unless you went and did a post grad or an MBA. It was good. It helped stretch the mind and we had those strategic discussions and I get a lot out of that.

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I guess for me the ADI didn’t hit the mark. I didn’t find it accelerated my development and I wasn’t convinced that the couple of organisations we were using were sophisticated enough for what we were trying to do. We were BankWest. We were seen as one of the biggest high-profile organisations in Australia and we were using what I’d see as mediocre training partners.

Throughout the ADI the participants worked with their coaches on their development plans, which were influenced by the results of their LSI, a process participants considered useful:

It was immersing you in the whole different pieces so that you could start to think about professional development, your personal work/life balance, how you manage people, what your LSI circumplex looks like in terms of your 360°, what people actually see you as, did that match what you thought you were like. I found it very valuable. It was interesting for me to see how I was perceived to be acting and how I felt that I was acting. We did that process once at the start, once at the end and I did another one shortly after it as well and the gap closed. For me it was reinforcement. The gap closed but still there were learning for me. It wasn’t as though it was a perfect circumplex but it was a relatively good one and I knew there were areas that I could improve on.

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I found it very beneficial. I also had done an LSI before with the LDP. For me, like a lot of things, I listened to it and I analysed it and I took parts out of it and I did the same with the LSI. As a tool I use it and have used it since that day with my management team. I know people with blue profiles and I know what they achieve in the organisation and how they are respected in the organisation. I aspire to that myself and I try and set that standard. I’ve actually changed my behaviours quite substantially to the first time I did that. It’s hard sometimes when the pressure is on, you sort of revert back.

The ADI culminated in a formal evaluation of the graduates, in which they were required to make a presentation in May 2002 to the Succession Planning Committee detailing the
changes to their personal profile, the features of their development program, their achievements and their strategy for the future. At the graduation ceremony on 28 May 2002 the graduates of the ADI program received a certificate and shared some of their experiences with the new 2002 ADI group.

The Executive’s funding of a second ADI group was one of the indicators of the success of the program. From Executive’s perspective, as the ADI was occurring as the same time as Project Star, the participants were “considered for key roles in the restructure” and the “majority of the group were appointed to significantly bigger roles” with one participant being “promoted to a director role as a direct result” of having completed the ADI. For the participants, these career changes were more nebulously linked to the ADI:

I don’t think it helped me get my next position. I mean I would have been appointed to my position regardless of the ADI, so I don’t think it was because of that. So for me the ADI didn’t hit the mark at all, whereas something like my MBA was stretching.

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The ADI program, rightly or wrongly, made me make a lot of changes in my personal and work life. It was a wonderful experience to go through. It contributed to my career progression absolutely. I wouldn’t say it was the impetus but it gave me a boost and also allowed me to have a bit of a profile.

Though not directly related to achieving career progression, the participants considered that the ADI impacted on aspects of their life:
The ADI for me was a bit of a life-changing experience because I confronted a lot of things from a personal perspective. It was probably away in the subconscious and then it raised itself at that program. I then had the opportunity to discuss that with my manager and work through that. The program was useful as it helped me make those life choices and get my priorities in line and me comfortable with those outcomes.

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The ADI program was an excellent opportunity to accelerate personal development. I received enormous benefit in the areas of leadership, strategic thinking and my own self-awareness. I really worked through what it meant to be a leader at BankWest and what I needed to do to be a member of that group. Being part of the ADI team was also a great opportunity to get to know other high potential people around the organisation and be part of a strong team culture. I found the executive coaching was invaluable as a means of challenging me to think outside the box.

Many within the Bank saw ADI as a useful means to develop and manage talent, as commented on first by a member of Executive then a participant:

The risk of putting a talent development project up is that you get people who apply through the process that were told by their business leaders that they are talented and then they don’t make it. The other risk is that if you don’t manage your talent effectively then they will leave.

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I think that the organisation gets a lot out of ADI and instead of people festering away going, ‘Oh when am I even going to get a chance to do something different because does the organisation even know about me?’ there was that transparency. And actually I think it was also not just for us it was a message to the rest of the organisation that actually we are investing in our people.

Another perspective on talent was offered by a divisional head:

The ADI has always had its limitations. It was a very political environment when the first ADI came about and was very much around, ‘These are our golden children let’s give them everything, let’s build them up and oh, look aren’t they successful,’ and no wonder because they’ve had all this special treatment and input. I think the bit that concerned me and has always concerned me with the ADI is the way and means by which people are actually selected and tapped on the shoulder to participate. In the organisation we say challenge, think outside the square and show courage, but we don’t really mean it because the people who actually do things differently usually aren’t regarded for that. There’s still a degree in my mind of little boxes on the hillside and we like that sameness and that consistency. I think sometimes it’s more around who you like versus actually the skillset of the person. I’ve always thought that and what I’ve observed has appeared to be a reflection of that. I don’t know if we actually really touched the talent pool or whether we just touched the people that we thought were the talent pool.

In line with the increasing focus on developing talent the Manager OD had been realigning the provision of the Leadership Development Program during this time and now passed the ADI management to one of her organisational development consultants to facilitate her concentration on expanding the LDP.
LDP Building Leadership Potential

Following on from the restructuring arising out of Project Star, the Manager OD reviewed the provision of the Leadership Development Program:

In 1999 and 2000 the LDP had focused primarily on creating self-awareness through the use of LSI. This proved to be very successful and significant improvements in constructive styles had been made at all levels of senior management over a period of two years. However, there had been no formal program in place to build leadership and management skills in the organisation at these levels. Employees had generally sought such development externally on an ad hoc basis. I thought the restructure of BankWest was an opportune time to reposition the LDP, given that leadership was one of the key levers for organisational culture change.

In May 2001 I put a paper to Executive highlighting the need to identify the critical leadership behaviours and management practices to help build the new culture, to deliver cost-effective solutions to rapidly fill the gaps and to coach for high performance. I believe that it is through leadership that we achieve competitive advantage and good management levels the playing field. We need both. We needed to develop managerial leadership in our organisation to build our capability and achieve the strategic organisational changes we required. I proposed a program to develop and support the principles of clarity of purpose, empowerment, continuous improvement and accountability throughout the organisation by enhancing managerial leadership. I recommended we run a coaching for high performance program and a series of other development activities, both structured and unstructured. It was endorsed.

Under the banner of Building Leadership Potential, an LDP nomination process was implemented in June 2001 where nominators were asked to assess nominees against management practices and leadership behaviours under the leadership competencies of embracing the unknown, thinking strategically, leading own team, leading others and achieving. To assist nominators in selecting participants who would “best benefit from attending the LDP” the scope of the program was set to individuals reporting to a director or chief officer, having at least five direct reports or being in a critical organisational role and receiving satisfactory performance review ratings over the preceding two years. Though the nomination process was different to how LDP had been previously handled, it was favourably received, as typified by a comment from a commercial banking manager:

I was given a letter to sign and told, ‘Congratulations at being nominated to go on the course,’ and that was the good part about it, the recognition of being chosen.

As part of the nomination process, directors and chief officers were asked to highlight some broad development needs for their nominees. These were collated and some key collective needs identified. Through consultation with the Executive the focus of the 2001 LDP was determined, as noted by the Manager OD:
There were some areas that we thought were critical to effective leadership and vital to the Bank achieving its short-term and long-term goals. So negotiating and influencing, change management, coaching, process design and improvement and things to do with strategy. As a result of this process we designed the workshops of Strategy, Building High Performance High Level Teams, Coaching.

External consultants were contracted to deliver the workshops, which ran in half-day to two-day formats between September and December 2001. The Leading Strategy workshop provided by a University of Western Australia professor “created considerable interest” and a waiting list emerged as a result. The coaching workshops were held in Perth and were mostly well-attended. They were specifically designed to “support the principles of Project Star focusing heavily on clarity, empowerment and accountability”. The other areas were addressed through a combination of workshops and other interventions, as commented on by the Manager OD:

We had a couple of one-day public speaking skills workshops in Perth and Sydney and these were followed by ones on negotiating and influencing. The consultants were quite out there and they got excellent feedback with a lot of interest and demand. We also had development workshops and continued on with the LSI and we started the Leadership Impact, which is an advancement of the LSI.

Participants generally found the workshops to be useful:

I did those speaking and negotiation skills, the PP1, PP2, and those were good. The facilitator was quite a dynamic livewire, the ex-lawyer, and it was different because it was so non-traditional to a banking course. I suppose that’s why it caught a lot of people’s attention. It certainly threw you out of your comfort zone early on and then you could actually see, on the day that you were participating, how you shifted.
The coaching modules I found fantastic. On the empathy one I actually learned some new techniques where the rest were just reminders of things that I’d already been taught but that I found very good. We were only small groups of around ten, which was very good because the interaction then is a lot easier. The involvement of the participants was a really important part of it. I found that quite powerful.

Not all participants considered the LDP to be useful, as illustrated by two managers:

I had a series of coaching modules at one stage and don’t think I ever got around to doing the empathy course. Manager OD used to ask me, ‘How can you have zero in the empathy score?’ Well, depends on the questions you ask. I did do some of the PP1, PP2 courses. They were quite memorable. The coaching modules I did I didn’t really get on with the woman, who was running them; I just felt she was doing too much pocketbook psychology.

It didn’t really achieve what I thought it should have achieved. I think it was more you were fulfilling the course for the compliance that someone had put you on the course in the first place. They obviously had an initiative to develop their staff, so let’s put them on a course as opposed to the benefit being the other way around. It was good when you were identified as a candidate for this LDP but then it fizzled out and because we saw it fizzling away I suppose we lost recognition it was actually worth something because it just lost momentum. A lot of that was to do with the leadership change that was happening in the Bank at that time as a result of Project Star. There was certainly the self-gratification of being recognised as someone to be put on it but if you look back now and say what did I really get out of it other than a few LSI tips there wasn’t a lot else. For the LDP I’ve obviously got the files to show for it on the bookshelf but it was a program that unfortunately fizzled.

The issues with the LDP were recognised by the Manager OD who observed:

Overall it lost momentum. We made a large financial investment in the use of LSI as a leadership development tool but significant changes in behaviour and culture cannot be made without clear commitment from the top. The LSI retest data at the tactical level indicated that there had been no significant improvements in the constructive styles. We recognised that we needed some breakthrough development to bring about positive changes.

While the demand for leadership development was strong, commitment to the program was not always evident. A number of workshops needed to be cancelled at the eleventh hour due to last minute cancellations. Other workshops were poorly attended and therefore not cost-effective, since many were conducted at a reasonable cost by external consultants. No doubt the extensive change and restructuring the Bank underwent during 2001 also diluted the focus on leadership development.

We also had several leadership and management development interventions taking place across the organisation, such as the FMI, the Retail Manager program as well as the LDP. These were run independently of one another and as a result duplication and confusion often occurred. I saw that synergies did exist and there was opportunity for some streamlining and alignment to occur to deliver more targeted and cost-effective development interventions. Return on investment for many of the programs was questionable. There wasn’t any strong incentive to actually demonstrate the acquisition of skills. While programs such as the FMI did require a demonstration of competence, the skills transfer to the workplace was not rigorously monitored or reinforced.
The flexibility of the courses was another issue. Short, sharp interventions were more palatable to staff. Where programs were run over a day or longer they were not as well received, due to high workloads. We also needed to give more support for the east coast as we were running most of the programs in Perth yet Sydney had a strong desire for leadership development.

There was a key issue with fundamental management skills being lacking at all levels. These included the skills and knowledge required to deal with performance issues, special reviews, EEO issues, budgetary tasks, delegation, conducting effective meetings – the list goes on. Look, until those gaps were closed the program wasn’t going to deliver optimal results, because both management and leadership competence is necessary for good leadership.

In December 2001 the Manager OD recommended to Executive a continuation of existing activities plus a key focus on renewing the LSI commitment through the executive leadership team taking a more active role in developing “constructive behaviours” and the directors becoming more involved in “people development” by attending and leading some LDP activities. A decision was made to explore a specific program for directors and continue the focus on the middle to senior managers.

For 2002 and the first quarter 2003 the LDP for middle to senior managers comprised a series of two-hour to one-day workshops. The LSI refresher series was a half-day that focused on the LSI measures and benchmark circumplex, understanding and using feedback, the organisational impact of LSI and LSI and emotional intelligence. In the LSI development workshops each of the LSI styles were explored for two hours. The humanistic-encouraging was aimed at “embracing empathy: understanding what empathy really is, why it matters and how to be more empathetic with others.” The perfectionist workshop explored the origins of perfectionism and assisted participants to design strategies for developing “a more constructive approach”. The achievement and self-actualising workshop discussed self-regulation and impulse control and “how to handle mistakes, respond to criticism and ask for what you want”. Participants found these workshops useful:

There were a number of LSI workshops that were available for us to attend looking at our circumplex and identifying our areas of development. They were smaller groups of about ten and quite interactive and were fairly short as well as really interactive and quite practical. We had to work quite hard in the workshops and there were also the follow-up actions as well. The LSI identified something I probably already knew about but really couldn’t put a name to and it highlighted to me the desired behaviours in this organisation from a leadership point of view.

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I had my team leaders complete the LSI as well because I think it can give you some focus, it sort of highlights and clarifies what is expected of you and what the organisation is wanting from its leaders and that can happen at all levels whether you’re a head of department right down to a team leader.
The coaching program comprised the same four half-day modules from 2001. The workshops for public speaking and negotiation skills were each a day and used activity-focused methodology requiring participants to be “up on their feet learning to read and negotiate information in an emotional exchange”. From the presenter’s perspective:

Business is concerned with performance. These training programs offer an innovative approach to corporate training by carefully structuring theatre practices to fit within business environments.

The Performance Presentation workshops received mainly positive feedback however some staff did not appreciate the methodology:

I didn’t like the way the PP1 was run. I didn’t feel comfortable with that whole acting focus. Some bits like the breathing exercises and how to vary your voice were good but I didn’t like being put on the spot. I was self-conscious and I wasn’t confident about doing that. I swore I’d never go to another one of the series.

Managers saw that the LDP provided them with other opportunities:

The LDP wasn’t the same group of people running through, which was good. I found because everyone has got such different experience and a different outlook it just enhanced the program because you were getting to network with different people in the Bank who you may not come across at all during the course of your business but it’s a different experience level as well. I think everyone needs to do those courses because it’s about developing a leadership team that are on the same path and I don’t believe that we are all on the same path. Sometimes it’s because the Bank hasn’t put something in place and set what the expectations are of leaders, whereas I think LDP started doing that and that’s why I think everyone should have to do it, it should be mandatory.

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It did have an impact on the way the business was run. All of the managers in Lending Support Unit went through it and we found that we all had different areas so we could all help each other. We then also felt it was important that the team leader level below us gain the same picture and language. Those people were probably in their first management kind of position and it helped them at a different level. Whether it’s the LSI or whether it’s a different model I think just having that clarity as to what’s expected helps and then the support of the programs to help develop those areas that are in need.

In the last quarter of 2002 the Manager OD did a review of the LDP and based on the stakeholder consultations moved in 2003 to the development of a more structured provision for operational managers based on a series of integrated workshops. The decision taken by the Executive in December 2001 to extend the LDP to the directors was shepherded by the GMD as he saw it as a means to increase the People Index of 58, add to the share price of around $4.00 and link with some key strategies he was pursuing following his 1 August 2001 launch of Good to Great.
Good to Great

The Good to Great “journey” aimed at embedding Project Star initiatives and creating a “culture of customer focus, ownership and accountability for outcomes”. Promoted as a means to become a “truly great Australian company” that is “staying ahead of the race”, Good to Great sought to refocus on customer needs to grow the business, deliver quality of service to engage customers, become a nationally recognised bank for small business, and being recognised as doing things in a smart way. Good to Great was formulated at a time when the major shareholder, Bank of Scotland, was working through its 4 May 2001 merger with Halifax Bank (a major UK mortgage provider) and the formation of Halifax Bank of Scotland. Holding a controlling interest of around 55% of BankWest there was increased media speculation that HBOS was seeking a buyer for its share. BankWest had a range of approaches from potential buyers the most substantial being St George, Australia’s fifth-largest bank, whose talks of a possible merger ended on 31 August 2001 with a resulting 10% slump in the share price to $3.86. Additional merger talks with Development Bank of Singapore, ANZ and NAB also failed to come to fruition. Other factors impacting on Australia’s economic activity and causing distraction for BankWest’s Board and management were the defeat of the Liberal government in WA on 10 February 2001, the refusal on 27 August by the Australian Federal Government to allow the Tampa with its 434 mostly Afghani boat people to enter Australian waters, the terrorist attack on the American World Trade Centre and the Pentagon on 11 September, the collapse of Ansett Airlines on 14 September, and the Liberals winning the Federal ‘unwinnable election’ on 10 November 2001. Combined with the tighter competition and higher costs resulting from the introduction of the Goods and Services Tax in July 2000, the Bank was still able to maintain its status as the market leader in WA with 25.7% market share and an increase of 4.3% in underlying profit to $237.8 million, before provision and income tax. The need at this time for BankWest to have a unifying focus was clear and the Good to Great approach is commented on by an Executive member:

There was a lot happening at that time. Essentially what the GMD was looking for was a bit of a refresh around the New Wave, something to say, ‘Really we need to take it to the next level. We don’t want to lose the New Wave, we don’t want to lose the values but we want to move from being a good organisation to a great organisation.’ The GMD was travelling overseas, stopped in at the Singapore airport, picked up Jim Collins’ Good to great book, read it on the way back, was quite taken by it and that was the start of something that he felt we needed to do and it also became a common language around things like, ‘Get the right people on the bus’, and we used it for a couple of quarterly leadership forums. He gave a copy of the book to everyone for Christmas at the end of that year and it was really to say we were good now we need to be great.

I think the CEO’s job is to decide organisational strategy and the GMD was someone who’d like to have simple things for people to hang their hat on. We used to use the book a lot and say, ‘Well, if we’re going to become a truly great organisation then we need to become better at these things’, and we used lots of the Jim Collins examples like the flywheel and we spoke quite a lot about that. It just created a springboard for
Accountability in the organisation had been a key issue since November 2001. Developing a culture of achievement and “building an accountable environment” were seen as dependent on sufficiently “well-motivated staff who are adequately trained with identifiable objectives and clear processes for achieving”.

On 1 February 2002 the GMD sent a letter to the directors:

The recent People Index tells us that we have much work to do. We need to focus on recognising our people for the efforts they make. We also need to make them feel valued by the organisation as well as provide them with the appropriate growth and development opportunities. All this requires good leadership.

The Leadership Development Programme in 2002 has many things on offer, and all are focused on developing a constructive culture at BankWest. The LSI retest data at manager level for 2002 tells us that we are not progressing as well as we should at this level. We must not lose momentum in developing this culture because global research and experience shows it will be critical in enabling us to achieve our ambitious goals. It is my expectation that you and your teams attend the LSI refresher sessions and the coaching workshops, which are being conducted on a regular basis throughout the year. I would like to see attendance at these sessions form part of your balanced scorecards and 90-day plans this year. I look forward to sharing and reviewing with each of you the plans you have put in place to develop your own leadership skills as well as those of your managers.
The GMD also initiated discussions with members of Corporate People Solutions about a leadership development director effectiveness program that was ultimately called Riding the Wave.

Riding the Wave

On 7 March 2002 the GMD met with the Chief People Officer, the Manager OD and an external consultant to discuss ways of creating a “strong leadership culture”, as commented on first by the GMD then the Chief People Officer:

Development with the senior group is ad hoc. There has been some leadership development and we’ve pushed through some new ways. Some step up but some don’t respond because they lack the broader aspect. We haven’t got executive leadership right. We need a much better plan and more executive development and more of a focused approach. It’s difficult with a small group; it’s hard to get consistency, to get the balance right. It’s very hard for them to commit to development as the emphasis is on getting the business numbers.

We’re building a significant organisation. BankWest was a WA bank, now it’s heading to a national bank. We have to get the bulk in the organisation. We need talent and we need to be more sizeable so that small knocks don’t hit us. We want dependable long-term consistency. The banking industry is changing a lot and we need different skills. We have to change the culture at BankWest. Previously it was ‘do as you’re told’, now we’re changing to a culture where we need a lot of individual accountability and people who can do it differently. We have to deliver on some key growth strategies and we need to recognise that before we were playing in the WAFL⁶ now we’re playing in the AFL. We have to get the organisation up to play in the AFL. We have to get our people to do the basics like kick and mark, and we need people who can play in an AFL grand final and can score the winning goal.

We’ve been with the Bank of Scotland for seven years so we can leverage off them and do more than a regional bank but we haven’t got the people with the right talent so we make compromises all the time. We want to go from good to great, which means doing things exceptionally well. That means we need great people. We can’t

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⁶ Western Australia Football League, which is part of the Australian Football League
find enough senior people, even recruiting from the east. We can’t get them out of the Bank of Scotland, which I think is a reflection of change and instability as they are still working through things after their merger with Halifax last year and we are reshaping. What we need to do is develop our talent in-house and we need to develop the right attitude and mindset and get the Directors looking forward.

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What we were looking for was a rebirth and re-focus on leadership following the 2001 restructure of Star. The GMD was looking for a different way to energise the senior people around what they should be doing on a leadership perspective. What we felt that we needed was something more structured and more regular than perhaps in the past so the Manager OD and the external consultant were doing a lot of thinking and debriefing around all of the work that we’d done through the LSI and the coaching. The GMD was also someone who quite liked innovation and different thinking, and different approaches so a lot of this Riding the Wave really came out of, ‘OK, we’ve set ourselves a plan through Star.’ We had a $10.00 share price objective and the share price then was around $4.40, so we needed something to say, ‘Well, if we’re going to get there we need to have fully engaged committed leaders who are inspiring the workforce to be innovative.’

Against this backdrop the need for leaders able to captain the Bank through uncertain times and achieve the vision of greatness was seen by the GMD as an imperative. The resulting program was therefore structured around four key performance areas of people leadership, communication, value-based leadership and performance management and incorporated the LDP tailored to the directors. At the launch the GMD told the directors that this program would make them “become better leaders”, 25% of their discretionary bonus was dependent on them “demonstrating these behaviours”, there would be a “positive impact on team effectiveness and the Bank as a whole” and that this was “the opportunity to pioneer great leadership at BankWest”. The Chief People Office commented on the program structuring:

It was launched at one of the GMD’s directors’ briefings in April 2002 and it was something quite novel. We got plastic sabre swords that were sheathed and the person’s line manager had to make a positive affirmation about a person and also something that they’d like them to focus on. These were handed out then we had to draw on the sheath, the comments were written in nice sort of handwriting in gold pen and we then had to discuss this with our manager. The program then was structured around a whole range of things that were sent to us to remind us what we were supposed to be doing at a given time. There was also a leadership competency profile linked to the Guiding Principles that we were given at the time and the things that we were sent like a mousepad, party hat and party were quite whacky and to be frank it didn’t go down well at all in the culture.

We kept a learning journal, which was part of this reflection of leadership. Each month there were different activities and tasks that we had to do or were supposed to read and capture in the journal. But again, no follow-up, no sitting down and discussing or anything on that. It was part of the innovation, which to really have worked would have required us saying, ‘Right, we’re going to commit and Manager OD and external consultant are going to meet with all of you monthly and we’re going to find out what you’re doing, share best practice’, which didn’t happen. It was all done individually with the line manager of which some were involved and some weren’t. There were some changes in behaviour but really what needed to have happen was the GMD take it to the Executive and say, ‘OK we’re going to do this and I expect and demand your full support’, which he didn’t do.
The impact of Riding the Wave was limited, as commented on by the Director of Asset Finance and the Director of Value Improvement.

What we were looking at were the BankWest Guiding Principles and how people acted and behaved. Each month there was, ‘This is what this particular Guiding Principles means, the way we expect you to behave and rah rah.” I think it was positive. Those sorts of things are timely reminders and are helpful and as props I think are quite useful. Riding the Wave was really the leadership part of promoting the organisation to become innovative and the success of the business going forward. I think the concept of the New Wave was successful when it was introduced through to when it was phased out with HBOSA. Riding the Wave had some value in it in terms of reminding people but I didn’t notice a significant behavioural change or a change in the way people did things. It was moderately effective.

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HR were driving this thing, what the directors do and these monthly newsletters, and I didn’t really read them or do anything about them. I just thought they were telling you to do what you should already know how to do anyway, and also you just tended to when the heat’s on and you have 50 million things on the go, you don’t open them ‘cause you sort of know what’s going to be in them. It all just faded away in the same way that those HR newsletters with ‘February is value your colleagues month’ faded. Nothing ever happens about them. No one ever asks you about them, it’s never mentioned in a performance review, but the machine keeps running, and these things keep coming out. Why? Who wants them? Who follows up on them? That’s the thing with these things, I don’t think it was focussed, and I don’t think it had a strategy that was driving it, and anyone running it really. How do you know when you’ve got there? It was tied to our incentives but I don’t think they ever did anything about that.

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The program end began with Project Refocus in January 2003, as described by the Chief People Officer:

The expectation was that there were going to be some clear measurements in place if you didn’t do these things it would impact your bonus. Unfortunately 2002 was a year where bonuses weren’t paid because of the performance of the organisation. It was a Selwyn in that year and in May 2003 we knew that HBOS were coming in to
take over and really from there things just fell away. But it was the clear intent that it was a refresh, a re-energisation and it was, ‘You as a leader have got to do things and we’re going to give you some KPIs and we’re going to measure you against that and it will impact your bonus.’ I think the desired impact would have been there if the performance of the organisation was better.

Look, the resolve wasn’t really there. I mean we’re talking 12 or so months after this was launched everything was different. HBOS came in at May 2003 and at the AGM in August put an offer on the table to buy the minority shareholdings. After that a lot of uncertainty came in then about what we’d be doing, who would be our MD and so on. It became evident at the end of 2003 that the GMD wasn’t going to be continuing, not that that was public then, but he was advised before Christmas so it was just wrong time, wrong place.

It was very much driven through from a divisional perspective but also through the GMD’s quarterly reviews. It was happening around uncertainty you know a couple of bad years of major losses or fraud, fighting for survival and a share price at the end of December 2002 that had come down to around $3.75. In early 2003 we launched a major cost-cutting initiative, Refocus, and that was really the beginning of the end. We let about 10% of the workforce go and that was really about getting our cost base in shape, which I guess then enabled us to really be taken over or offered in that way. So that’s really what killed this program. It was essentially that the focus on the organisation changed. We weren’t investing in leadership we were cutting costs, we were letting people go so all of this stuff fell away.

The Manager OD pointed out that the program was not considered successful:

I often went to the GMD and said, ‘This is what I propose we do’ and he often said, ‘Yes’ but he wasn’t very strong in terms of making sure things were followed through. The director effectiveness program was great in theory but he never really pushed it through and I think one of the reasons that it wasn’t successful was, again, it was a really bad year for the organisation. We tied incentives to them achieving certain things but no incentives were given out that year. So everybody knew that they weren’t going to be getting incentives anyway and the GMD wasn’t prepared to say, ‘Well despite the fact that you haven’t got incentives you still haven’t met these particular measures.’

The lack of results from Riding the Wave mirrored the absence of achievements gained through the Good to Great initiative, whose value is commented on by the Director of Value Improvement and by the Chief People Officer:

The GMD gave us this book at the Christmas function in 2001 and asked us to consider some of the issues that were in the book. The GMD didn’t explain it well at all. So, when he handed them out to all of the directors for Christmas it was just sitting on your table, wrapped up in a bow, and nothing was said about it. And it was only later on at one of the leadership forums was there a discussion around Good to Great but most people hadn’t read the book. Did we do much with this thing? Not really, we had one or two discussions on it, and then we never heard about it again

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In terms of the outcomes of using Good to Great probably the reality is there was not a lot. When you are an organisation with the balance sheet the size of BankWest the scope is limited. We had some fairly major losses, one with Daswani in 2001 and another major loss with Selwyn Mines at the end of 2002 as well we had a fraud down in Bunbury, we had a fraud in Melbourne, and the organisation’s ability to sustain that sort of thing was very minimal. There wasn’t enough revenue coming in from multiple streams that if you had a loss like that it hit the bottom line and you delivered a soft profit. So, it’s very difficult to keep saying we’re a great organisation
when we announced another bad year. We got momentum and then we had a loss so with the resources downturn we said we’ve got to get out of the resources sector. Strategically now that wasn’t a very good decision but it was the right decision at the time because with Selwyn Mines we had around a $20 plus million loss to one exposure and on the profit that we had that meant going under the line. What BankWest wasn’t able to do was to string two good years in a row together. So you need to get into this virtuous circle of success and success breeds success and we never quite got onto that path at BankWest.

During 2002, Good to Great did impact the organisational operations with divisions focusing on operationalising their “picture of greatness”. In regard to people issues, Business Solutions adopted a “proactive role in assisting with the development of HR strategy” and structured their people initiatives in the areas of recruitment, retention and development. Consumer Solutions focused on “creating an achievement culture, getting the right skills, in the right place at the right time and on building clarity, empowerment and accountability”. They saw achieving a People Index above 60 as a priority and a way of measuring progress and structured their people initiatives around service, leadership and processes. Corporate People Solutions saw their role as “accelerating greatness” through “great ideas, great value and great solutions”. They took a project focus covering payroll, salary packaging, policy and procedures, performance management system, enterprise bargaining, and a skills development framework including the need to focus on middle to senior management succession through a second ADI.

Middle to Senior Management ADI

I am pleased to announce the Accelerated Development Initiative team for 2002. This year’s ADI has been designed to develop our next generation of middle to senior management and will involve a blend of one-on-one coaching, formal training from external organisations, project-based work, and tailored developments. This promises to be an enriching experience both on a personal and professional level, and will add considerable benefit to BankWest.

This letter from the GMD in January 2002 presented the new ADI to BankWest and signalled his endorsement for the program. The ten ADI participants were selected through the same process as the first program with the only difference being a general call for applications rather than direct targeting of managers.

Conducted with the aim of filling the “critical gap” in the middle to senior management levels, this second ADI was sponsored by the GMD and managed by an organisational development consultant who considered the purpose of the ADI was two-fold: 

One is to actually meet the needs of the succession plan of the organisation and fill critical gaps to lessen the impact of turnover and the other is to show a commitment to developing our high potential people so that we don’t lose them.
The ADI Manager saw that a key outcome of the ADI was the creation of managers who were excellent people leaders:

What we’re trying to create are people that can move from one area to another, so not technical specialists but leadership specialists who are smart enough to pick up the technical stuff wherever they go. What we actually want are really good people managers and functional managers who can lead change.

The point is to identify high potential management people to take into the next echelon of management. It’s the same intent as the first but it’s a different level. So basically the ADIs usually come from a need on the succession plan and the last time the succession plan identified there was a gap at the head of level so they took people that were up and coming head of’s and then when I ran the program the gap sort of pointed more to around the mid to senior management level so we took the lower group.

Taking a key learning from the first program the ADI Manager ensured the expectations were clearly set:

The program’s really just evolved over time, each time, so always with a development plan, always with some catch-up and always with a facilitator. When the first program ran there were no identified roles for people and we lost a lot of those people. So the thirteen people on the first program all thought they were going to be head of by the time the program finished. So with hindsight I knew I had to make sure that the expectations weren’t set at the beginning falsely and that the people on the program knew that they would get the opportunity to fast-track development and spend more money on development and have special attention, but whether they were successful or not would be up to them as far as being the right people for the roles that became available.
This was an appropriate move with the result that participants were clear about the purpose of the ADI:

I thought it was going to give me some opportunities to do some self-development that I may not have got previously; the opportunity to meet other people across the organisation and give me some more contacts, to be a part of pieces of work that I just wouldn’t have been able to previously.

The ADI consisted of one residential, intensive coaching, a focus on networking and group work, as well as technical training in the areas of project management, mind mapping and speed reading. Though similar in many ways to the first ADI the new manager aligned the program more closely to her interests:

It wasn’t completely changed, the ADI’s always been focused around individual development plans, there’s been group get-togethers. I quite liked the coaching, counselling type role so that just became part of the program because that was just part of me. I built in coaching because I have an interest in it.

Participants found the program useful for their own development:

It was effective in kind of opening avenues and understanding what types of things I can do for development. I think a lot of it was on the onus of the individual to really take what they could out of it, certainly for the group settings.

It was very good, not only from the soft skills awareness campaign I basically put on and became aware of but also just for my own personal profile. This Bank is a small bank so it doesn’t take much to get involved and noticed. I think this gave me an accelerated ability to get to know a lot of senior management that were around at the time and gave me a profile amongst that leadership group that I was somebody that they saw with future potential. From a personal point of view it was all positive. I was aware that I was being watched so I made sort of every effort to fulfil what I was doing.

For some participants the ADI contributed to their retention within the Bank:

It probably contributed to my continued tenure with the bank because at the time BankWest was pre-HBOS acquisition. The Bank as it was, in my view wasn’t probably the place where my personal career could be long-term. It was too small, the scope of opportunity was a little bit narrow and the type of dealing that the Bank was involved with was a little bit restricted because of its size. So as a result the ADI certainly gave me that quicker growth in a smaller environment. Subsequently HBOS came along and it’s a whole different bank now and I suppose the fact that I’m still here is because ADI pulled me through that learning curve, kept me very engaged through that period of time to have then kept me there when HBOS came along and it was just a natural fit.

In January 2003 Project Refocus began and subsequently affected the ADI. Arising out of a 2002 strategic review of the Bank’s operations, this project aimed to “identify changes to quickly and radically reduce the Bank’s costs for financial year 2003”. Service, productivity, project and fee reviews were implemented, cost control measures were put in place, projects were deferred, some training was ceased and no new recruitment was allowed. By the end of
June the share price had risen to $4.30 and around 10% of staff had either left the Bank or had been placed into other positions. From the GMD’s perspective Project Refocus was a means to implement required efficiency measures:

We had had some bad debts and the poor results meant we needed to take some action. Project Star had given us some cost reductions and improvements in earnings and we invested that in new technologies and new business processes over the next two years. We wanted to raise our share price up from around the $3.75 mark and Project Refocus was about implementing our long-term strategy of leveraging our position in WA and growing national niche markets. We did have some redundancies and some staff moving across the business but overall it was about continuing to make changes that improved our performance and positioned us to grow in an increasingly competitive environment.

The impact of restructuring is commented on first by the manager of the ADI program and then one of the participants from the first program:

The major impact was on the first program and that was the first restructure in 2001, actually both restructures impacted the first program. From the second program we lost one person to a restructure and that was a very bad timing issue and perhaps the organisation’s fault for giving this person the opportunity to take a retrenchment. At that time, whether it was right or wrong, no one got any choice in the matter they just went. In some instances I think the organisation, again because it was a self-elected process, didn’t really support those people enough to give them that option. Definitely we lost some people that we had put a lot of money into and I think that was the key.

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After our graduation in May 2002 half the group left within six or so months. They were made redundant, had other opportunities and that kind of stuff. So from that perspective what message did that send to the wider Bank? It was quite ironic to everybody in the organisation. Those people weren’t insulated. That didn’t happen. So within the group, the ADI was affectionately known as the Accelerated Departure Initiative.

Whether ADI people should have been protected from the restructure comes back to what’s best for the organisation at the end of the day. These people had been targeted as the potential crop of leaders and the ADI program can be a process where you test that theory and see whether people are good enough for what the organisation wants. By selecting the group of people they did in our year, who were the next heads of potentially in the next two years, there wasn’t enough movement at that top end. I think the timing was out in relation to cost cutting. It was centred around a development program for the Bank rather than for the individuals.

Despite the restructures impacting on the ADI, the manager considered it a success:

There were ten people on that program and eight out of the ten people who remained got their mid to senior management positions. So it was a success in its own right definitely but I can’t but wonder whether half of those wouldn’t have got those positions anyway. Certainly one or two of them were being ADI influenced, the rest of them I’m just not sure how they got there, but the program was definitely a success.

The participants also considered the ADI to be successful and, in contrast to the first ADI, saw the ADI more directly contributing to their career choices and advancement:
I think it did help me in my career path. I think it’s more to do with giving more confidence that I can do what I want to do and achieve what I’d like to achieve. From a personal perspective it gives me more confidence that other people do recognise your ability.

The ADI gave me the opportunity to do a strategic role, which I wouldn’t have had the opportunity to do if I hadn’t been successful for the ADI program.

In reviewing the success of both ADI programs the ADI Manager rated the 2000/2001 program as 46% successful with six participants remaining, each of whom had “achieved significant career milestones”. The low retention of this program was identified by the ADI Manager as:

- Not protecting high potential candidates during periods of major organisational restructure.
- Not providing ADI participants with ongoing support after the completion of the program.
- Not providing support to individuals who are put into a stretch role and expecting them to achieve stretch targets with little leadership or organisational support.
- Providing a false level of expectations to those who were on the program as to what they would achieve at the end of the program.

The 2002/2003 program was rated as 80% successful with eight out of ten participants remaining. From the ADI Manager’s perspective:

- At this level it was easier to give realistic expectations to the participants and the organisation was able to offer a broader range of developmental roles and opportunities for them to move into quickly.

During the time of the ADIs the Bank had progressed key initiatives arising out of Project Star including reconfiguring the branch retail network.

**Retail Managers**

Begun in May 2001, Network Transformation focused on achieving the commitment to becoming a “great organisation” and developing its strategy of “superior customer service, more capable and incentivised people, relentless pursuit of goals and smarter use of technology”. Network Transformation’s $59 million investment over five years aimed to recreate the branch operations to “a place where customers come for advice on financial solutions, ask questions, buy products and trial new technologies in a professional environment”. With the focus on becoming “retail stores”, Network Transformation involved changes to job roles and an increase in training and development. Branches were renamed as customer service centres and were progressively refurbished to enable staff to “effectively interact with customers” and to “meet and greet” them. Operational improvements began to occur with a major investment in technology and upgrades to computer systems. New
neighbourhood banks were established as part of pharmacies and newsagencies. A transaction migration project was implemented to “educate customers on smarter ways to do their banking” and encourage staff to spend “less time behind the counter processing transactions and more time providing advice and enhancing sales”.

This “new way of banking” required education for both staff and customers. Seen as part of the Good to Great journey, the Director Retail Solutions acknowledged that Network Transformation was “a get fit strategy” aimed at creating a “great environment for customers and staff” and its success depended on the ability of the Bank to achieve cultural shifts:

The retail segment deals with over 550 000 customers. It’s the largest part of BankWest but it’s not the most profitable. We need to be more innovative, focus more on marketing and improve profitability. The retail sales network comprises 1200 staff who consume most of my time. Many of the tellers are part-time mums who mostly don’t want to go through this journey. Retail Solutions’ major challenge is developing the retail network and engaging people in the transition. We’ve got to move from a traditional, high-cost network to creating retail networks that sell to customers. To help achieve this we need different sorts of managers. Retail Solutions needs people with great attitude, then we can do anything. Getting people with the right attitude and strong leadership within those locations is a priority. We need development programs that build leadership capability in our managers so that they can then enable BankWest to achieve its goals. I can go into a location and sit down with a leader and understand how that location will go in two minutes. If the manager is wrong they poison others; if they’re right, then the place flies.

To achieve the transformation of the branch network into retail stores, all positions were reviewed and a new structure introduced on 1 May 2002. The existing customer service manager positions were abolished and plans progressed to replace them with retail managers.

In May 2002 a focused search for retail managers began. Unlike previous customer service manager positions, the expectation was that the retail managers would “provide exceptional customer service through their team by providing leadership in action.” Their role was to coach their staff and “drive sales performance and achieve sales targets”. By mid-May the first 15 retail managers were selected, 14 of whom came from outside the Bank and by the end of May the second 15 were secured of whom 13 were external appointments. The selection of these managers was undertaken in a different way to that previously used by the Bank, as explained by one of the retail managers:

The recruitment was fairly unusual in that I was headhunted by a retail recruitment agency. They called me and said that they had a management position and they sold me the concept of the role without revealing who the role was with. I did some
psychometric testing and I was interviewed. I was subsequently offered a position with BankWest. My response was one of great surprise, given that it was a retail position and that I had no previous banking experience or knowledge. They wanted people management, sales exposure and experience.

Employing retail managers who did not necessarily have banking backgrounds but did have strong sales experience was considered a “bold move” but one that was required if “traditional banking was to make way for a more sales-focused retail environment”. The Director Retail Solutions wanted a new type of development program to realise this innovation, as observed by the Manager Management Development:

To make the network a success we knew we had to do something radical because we were just not getting the behaviours from our experienced managers. Very early on we said, ‘We’ve got to support these people or this is not going to work because this is high risk.’ In designing the training I met with all the key stakeholders from sales, from compliance and said, ‘OK, what do these people really need?’ We’d just sit around and nut it out. Area managers had a huge influence actually. I sat down with them and they helped design the program. So it was very much working with our customers to design a good program for them. We included things like leadership models that we used, self-awareness, stuff on performance, being a manager at BankWest. We focused a lot on the soft skills like teamwork but also HR industrial relations and performance reviews.

Prior to taking up their appointment these new managers went through unpaid training to induct them into the Bank’s “high priority processes and procedures, as well as management philosophy”, a process commented on by one of the retail managers:

We went through a training program prior to actually physically starting in the locations that had been chosen for us. The program was all day Sundays and also for three hours four nights per week with Friday evening off. That training program I, along with others, had envisaged would show us and teach us the Bank operating systems, policies and procedures, but that proved not to be the case. The program was management development. A bit of panic started to set in amongst the group towards week three, as we discovered that we weren’t going to be given any real basic tools to operate within the environment. The message that came across very, very strongly and repeatedly was that there was no intention to show us how to go into the core banking system or how to open an account or how to look up accounts. We were told we weren’t to get involved in direct customer contact; that the intention of the role was to oversee and to motivate the staff within the locations and change the culture to that of a sales culture, to focus on sales and away from a reactive service environment to that of a proactive sales and service environment. They didn’t want to find us actually serving on the counter with customers one-on-one, which obviously made a lot of sense but on reflection now we would have benefited and the organisation would have benefited greatly from showing us the basic tools because once you were in the location you felt very much out of your comfort zone and very disempowered. In this situation you couldn’t be a problem solver because you didn’t have any understanding. So we were put in extremely green behind the ears.

The retail managers considered the purpose of the training was to “get people on the same page”:

I believe that they were trying to establish a consistency of management and that the intention of putting us through the management training was to try and bring us to a similar management style, management level, way of managing people so as to minimise any impact to the business. I would imagine that they had envisaged a downturn in business and a downturn in morale as a result of such significant change.
at that level. I think they were looking for a manager. I think the perception of what they were looking for versus what in reality could happen on a brass tuck level was different.

This training was seen as successful by the Manager Management Development:

I think it was a pretty standard program, nothing flash about it, but it was well funded and resourced and the other reason it was successful is because it was really needed. I mean if we didn’t train these people they would have left overnight. Also they were highly motivated, many of them had come from retail environments where they were working stupid hours and not getting paid. At the start they thought this was a bit of a dream run and were super motivated. They wanted to learn everything they could so yes we had their buy-in from day one.

The training however was seen as inappropriately targeted by the retail managers who typically commented:

When we had the management training they focused on team building, Myers Briggs and balloon blowing. We didn’t need that. We were already managers. What we needed was to understand the BankWest systems and what it meant to be a manager at BankWest.

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They obviously didn’t look at our resumes. They didn’t know we ran multi-million dollar businesses. They thought we stood around folding shirts or selling shoes. They didn’t understand we were managers already. When they employed us they were looking for replacements for customer service managers. They didn’t understand that we were more than supervisors.

Equipped with what was seen as “limited training”, on 17 June 2002 the retail managers started in their locations, a situation that they found particularly difficult:

I think there should have been more time spent on the systems like Host, Transaction Manager, the telling systems, e-mail systems because it was a big learning curve for us to come in and not know anything about banking. We should have been told what the office accounts were to get an understanding of all that sort of stuff because we relied a lot on the point of references in the branches when we joined to help us get through that. To some extent I think it lost us a lot of credibility. No one had banking experience. Everyone was from a retail background. We were told we were brought in to teach banking staff how to sell. That was our main role to come in as retailers and try and change the culture by focusing on the behaviours of staff and to some extent the head office staff’s thinking. A big part of our job was to be the coaching and training of bankers on how to become retailers and how to look for opportunities. There was resistance. We had come in and we didn’t know anything about banking and we were going to manage them and try and tell them what to do.

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We quickly formed a network with other retail managers during that time. We became very close socially and professionally and were our own support group. In some cases our line managers were not supportive of the initiative and that was very, very difficult to deal with, being in a position where you weren’t supported from below and you weren’t supported from the area managers above. We were being supported from director level and other very senior level but of course the people that you were working with on a day-to-day basis were not supportive of your obvious initiative. Not that any of us took that personally but we just had to work through that and it was a difficult time, very stressful.
In September to November 2002, feedback sessions conducted by the Manager Management Development with the retail managers revealed that many were experiencing difficulties with building a retail culture within existing staff and improving sales level while ensuring budget control and compliance with BankWest requirements:

I think the perception of the role was to be on the shop floor walking, talking to customers, dealing with customers, directing customers, and coaching, motivating, developing staff. I don’t believe that we as an organisation gave due consideration to how we were going to achieve the compliance aspect of the role. It very quickly became apparent that there was a mass of paperwork, administration, emails, phone calls, memos, compliance checking that had to be done and had to be done by the manager. So it physically was not possible to have the retail manager on the floor for six hours a day. Compliance is a legal obligation of the bank and it is crucial that that compliance component within each branch is given due care and consideration.

Over the first year some additional training was provided for the retail managers, who found this less than satisfactory:

We did have sporadic sessions of training on Oracle but we were never given Host training and that is actually the core banking system that allows you to input customer accounts and so on. Part of the role on a daily basis is to make decisions on whether you will allow, for example, sectoral customers to overdraw their account, and you need to be able to look at that account and make an informed decision. So you have to ask at what risk those decisions are being made as they are on some occasions probably making some uninformed decisions on behalf of the Bank.

We did a lot of the management and sales-based things. We needed more the technical side of the business. What we did do was very good but a big part of it should have been learning the Bank systems. We struggled. Eventually, some of us started to leave.

The Manager Management Development interpreted the demise of the training from a different viewpoint:

I think the training was a really good survival strategy to get them up and running. We’d go out and then support them one-on-one post the workshops, which was really important. The program gave consistency because what we wanted to say in the training was, ‘You can be who you are but there are some consistent messages we want to send and we want you to adhere to.’ The other reason it worked was we had really strong support from the senior managers. What didn’t work was just the amount of ongoing training required and just being able to support them enough and that all came down to timing and their ability to leave the business. It was difficult.

Like everything, it just died a natural death because everyone gets too busy and there’s not enough money around. We had staff shortages no matter what anyone says and they just couldn’t get out of the office and once we’d trained them people said, ‘Well they’re trained now.’ The other thing too is that we had this common debate of you can be a leader without knowing the business. I totally disagreed. I thought you had to have a basic knowledge of the business or you wouldn’t get respect so there has to be a level of competency. I think it all started to fall over there because the retail managers were so flat out running the business they couldn’t get enough technical training and then I think they started to lose confidence and the support just started to go. Then from there it all unravelled and they left.
The first retail managers began leaving in April 2003, a situation commented on by two of them:

People left because what we were told we were coming to do in the Bank was not really the role. We thought there would be paperwork but not the amount that was coming. So a lot of the RMs turned around and said, ‘That’s not what we were told we were coming into the Bank to do. We were coming here to teach and coach bankers how to become retailers.’ If they had the support to do that part of the business and let us do our part of the business, they would have kept a lot more of us. We were coming from a retail background, we were not paper or report oriented. We were brought in to do sales. Some of us who left didn’t grasp the reports or weren’t enjoying that part of the business.

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It was quite difficult and I think as a result there was a high departure rate, it’s sitting at 70% or thereabouts who subsequently left the Bank. A lot of it was due to this initial integration but also that the retail managers required training and support in specific areas and there was not a big reaction to that. It was a very reactive approach.

No further ongoing training for retail managers was provided during 2003, a year in which 80% of the retail managers left the Bank and 10% moved into other positions. These changes mirrored the refocusing that was occurring in the Bank.

Begun in January 2003, Project Refocus impacted the provision of all forms of training and development within the Bank. The training for retail managers was deferred, the FMI ceased, Riding the Wave began to wind up, and the videoconferencing equipment was dismantled and put into storage. Training within Consumer Solutions and Business Solutions was refocused into procedural skills training. Corporate People Solutions reassumed responsibility for people functions across the Bank and responsibility for leadership and management development was transferred to OD, which was focusing on providing a new modular Leadership Development Program.

**LDP Coaching for High Performance**

Towards the end of 2002 the Manager OD reviewed the provision of the LDP and through consultation with stakeholders and participants determined the need for a more structured program involving workshops. A design and delivery plan involving OD consultants was initially established but a decision was made in January 2003 to contract the Training Manager of CBS Solutions, an IT subsidiary of BankWest, to develop the program. As she told the story:

I actually had started the work on a project-basis in January of 2003, and they were working out payment transfer pricing with IT to develop the LDP. They’d done the training needs analysis and identified that there was these core areas that frontline
managers needed. We had some meetings and I was told I had four-hour workshops to run and to go ahead and develop them. I wasn’t given anything. I knew what to do because I’ve been doing this work for ten years. I knew what topics should go in there just from that experience and knowing what the audience was likely to need. I had discussions with Manager OD and some of the business partners at the time around what performance management system they were using and around development plans, so just your usual gathering data. I then went ahead, knowing what managers need to do day-to-day, just filling in gaps because they said they hadn’t had anything for quite a while. I did draw up a plan that encompassed probably similar to what we have now – executive, leadership, management development – but they indicated just to concentrate on the frontline at the time. I think that was because of budget and resource constraints.

In April 2003 the Training Manager gained a new appointment:

I had the role as Training Manager at CBS Solutions and that moved back into BankWest IT and then as part of Refocus they decided they didn’t need a HR manager and a training manager in IT, which was congruent with the structure. This role of Organisational Development Consultant – Management Training was available at that time and a few people competed for it and I was the lucky candidate.

The OD Consultant then needed to put in place the new program:

The challenge was only having sessions of four hours of delivery time and with not much of a budget and resources to deliver a package but it was just-in-time training and more a bit of presentation a bit of theory and then some practice. For four-hour sessions that worked well. I didn’t decide to run workshops. Ideally I would have run day courses but they said that the business couldn’t allow people to come off the floor for that long so that’s why they said they just wanted the half-day modules. I wasn’t privy to those discussions because they were prior to my time, so it was very much do this and deliver this product.

I had no involvement with any of the stakeholders because I started here in April but I’d started to work on the program development in January. So really HR was my customer then and they gave me the information that I assumed that they would have done the background work for. Some parts of the business had been running with the FMI but I think unless you had someone to drive that, and the guys that were driving that got made redundant anyway, it doesn’t work. So just as with any other organisation there’s different learning but it’s about becoming better managers who are more effective managers. The objectives were to equip managers with knowledge and practices to make them more effective leaders and in turn if you have that right it should show in improved organisational performance and business results. That’s my philosophy anyway; it’s anything that we do in learning and development should later be translated into the business results because the key for me was managers getting work done through people so if they can do that more effectively then they should get more work done or better work done.

The OD Consultant used email and announcements on InfoBase to launch LDP Coaching for High Performance on 28 May 2003 and workshops commenced on 17 June 2003 with a focus of “assisting managers to develop their skills and knowledge so that they can manage and motivate people effectively to achieve the Bank’s vision and goals” and promoted with the aim of assisting managers in their “day-to-day management of people”. As noted by the OD Consultant, the program was well received:

The target audience was the frontline team leaders and retail managers. As I worked with them it highlighted that we had the right content. For a lot of them it was brand new material. The knowledge gap was quite evident. The positive thing was that they
embraced the material because they hadn’t had anything done like that before. For the participants it wasn’t compulsory to go on but highly recommended from the Retail area in particular. People were there to learn and because they did the first module, enjoyed it and learned something then they’d nominate on the others.

In July a one-day Introduction to Management was also commenced, which was well attended and ran for 60 half-day workshops. The LDP had 747 attendees who found they received a range of benefits:

One of the key outcomes has been the effect on meetings. I’m now running meetings in an organised way, they’re run for a specific purpose, are not postponed and are at set times. Through conducting team meetings like this the group was able to identify improvement opportunities, implement and evaluate these and that’s resulted in improved morale.

Understanding communication style preferences has enabled me to get better results from each staff member. I have found I am communicating with my staff better, and am able to explain my expectation clearly in a way in which they understand. I have also has success in implementing SMART goals into my routine. I also now know how to complete development plans, which is beneficial for staff development and meets FSRA compliance requirements.

By having the confidence to address an under-performer we have been able to improve productivity and sales results. If I had not attended the program, I would not have been skilled to lead the performer as effectively.
In October and November 2003 focus groups were held with different parts of the business on the east and west coast to explore views on the LDP. Participants identified additional areas in which they would like development covering dealing with change, understanding staff motivation, developing potential, and using appropriate HR policies and procedures. Participants saw that the purpose of these programs was to “make better managers”, “ensure consistency of message” and “develop common concepts and culture”. They saw the Bank investing in the LDP “because it’s the done thing”, “they have to from a profile perspective”, to make certain that managers “are across regulatory requirements” and as a way for the Bank to assure it had “covered off on risk management and compliance”. Participants also considered the LDP was part of the strategy the Bank used to “retain and reward staff”.

The focus group feedback and the success of the 2003 program meant plans were put in place for expanding the numbers of modules in 2004 to include listening and empathy skills, on-the-job instruction, change management, and occupational health and safety and HR legislation. The program was well received with 889 attendees, 78% of whom rated the program content and material as excellent. The OD Consultant commented that, “in 2004 there was a greater focus on evaluating return on investment” and that:

There was a range of cases of ROI that we gathered. As an example, after one LDP module on rewarding, recognising and motivating employees, the manager from Busselton branch introduced an incentive scheme, based on a scheme she designed during an activity I created for the course. The introduction of the scheme enabled the branch to go from very low base of 2 credit card protections sold with 70 commission points generated, to after the training, 23 sold and 805 points generated. The manager told me that she was rapt in the result and that staff actually enjoy themselves trying to cross-sell product. This is a good example of how the LDP provides managers with models, skills and encouragement to change and try new practices in the workplace and achieve great business results.

As the LDP was being rolled out, BankWest was undergoing a series of significant changes. On 9 May 2003, HBOS plc made a proposal to acquire all the outstanding shares in BankWest under a share scheme arrangement. Since the 1995 sale to the public of 49% of BankWest shares as part of the Bank of Scotland’s acquisition, they had increased their stake to 57% through open market share purchases and their proposal was to buy the remaining 43% for $1.05 billion. The effect on the market was dramatic with the share price increasing over the previous day by 70 cents to $4.38 with a 1763% increase of shares traded. On 18 August 2003 the share scheme was voted on and approved by shareholders, who received $4.25 plus a dividend of ten cents per share. The share price represented a premium of almost 16% on the traded share price of $3.68 the day prior to the announcement and a premium of around 22% to the weighted average price over the previous three months of $3.48. On 26 August 2003 the Federal Court of Australia approved the share scheme and trading in BankWest shares on the Australian Stock Exchange ceased, thereby signifying the ending of another phase of the iconic WA financial services institution.
Local to Global

With the 2003 Halifax Bank of Scotland buy out of the minority BankWest shareholders a 108-year evolution took a new turn. BankWest changed from a small government owned WA bank, to a publicly listed regional bank operating in five Australian States with total assets of $24 billion and around 3000 staff, to a wholly-owned subsidiary of HBOS, a multinational banking group with total assets of more than $1010 billion, around 60 000 staff and more than 22 million customers, two million more than Australia’s population. BankWest became the major part of HBOS operations in Australia, the other HBOS Australia subsidiaries being Capital Finance Australia Ltd., BOS International (Australia) Ltd and St Andrews Insurance (Australia), which was established by Bank of Scotland in 1998 to provide life, general and investment related products including wealth management. A member of Executive explains the change in ownership impact:

For HBOS total ownership was the only vehicle to create more value with BankWest. After the 18 August proposal was accepted by the minorities we were reassured that it would be business as usual for BankWest. All lines of business within HBOS are run autonomously and the same applied to BankWest. We were told that the Board would remain in place, Executive would set and implement strategies and HBOS would assist in implementation of these strategies as and when required. HBOS’ operating philosophy of running independent business units is one of the reasons that they have been so successful to date, exceeding all pre-merger growth targets. HBOS see this as a growth story. Although BankWest represents approximately 3% of HBOS revenue, when combined with BOSIAL, Capital, St Andrews, the total for Australia is 5%, around our continuous disclosure amount, so therefore a significant part of their business. The discussions we’ve had with HBOS have left me feeling even more positive about the proposal than previously.
The focus in BankWest was now moving to ways of becoming a key part of HBOS’s Australian operations. However, as a senior manager commented, the HBOS purchase caused some instability:

At a May 2003 leadership forum that the GMD had he was called out of it and told about the purchase from HBOS then in August 2003 we had the special meeting of the organisation for the shareholders to vote. So that period we really legally couldn’t do anything. The GMD was there but it was more of in a caretaker role and you couldn’t do anything because there was a period of time where we had to get approval from the shareholders for the HBOS buyout. So that was in August they approved that and the GMD stayed on until the following May so it was almost a year, which in his contract that would have been seven years. Then there was a huge gap before we got Integration so we had a committee that was managing our day-to-day business. There was quite a long period where we didn’t really have a CEO; I mean it was very hard for the GMD as he couldn’t make decisions so it was by committee. The Integration Committee was BankWest’s Executive plus the MDs of the other three businesses as well as some key UK people. It was well over a year where there wasn’t a lot happening and it was quite a difficult period. There wasn’t a lot of drive forward. There was a heck of a lot of work being done but it was to get the group to come together. We were all hanging out for the new Chief Executive to come on board.

When it was announced in January 2004 that the HBOS Australian subsidiaries would integrate, a major focus of these companies became the determination of options to enable HBOS Australia (HBOSA) to come into effect on 1 October 2004 and to ensure the continuity of business during the transition and leading into 2005. Under the direction of the Integration Committee, chaired by HBOS’s Divisional Chief Executive, Strategy and International Operations, a series of restructuring occurred across the four companies during 2004.
May 2004 marked the ending of the seven-year appointment of BankWest’s Group Managing Director. On 1 July 2004 the Chief Executive of HBOSA was appointed. Formerly of Westpac, one of Australia’s big four banks, the announcement to staff by HBOS’ Divisional Chief Executive Strategy and International Operations explained his appointment was on the basis of his “strong mix of retail, corporate and international experience and his experience to lead HBOSA through its very exciting growth plans”. His extensive experience was highlighted as being “a key contributor in our drive to replicate our UK track record of offering competitive, value-for-money and customer-focused solutions for the benefit of Australian customers”:

The appointment is another key milestone in the process of bringing our existing businesses together into a single platform under the HBOSA banner. Good progress has been made on the development of the framework for integration in the last six months and appointing an HBOSA CEO is critical in continuing to drive forward. The prospect of building on our already well-established brand values in Australia, together with the opportunities presented in the Australian market through the support of the wider HBOS group is very exciting. There was a lot of interest in the role and we wanted to ensure that we picked the best person for what is a unique opportunity in the industry. That process has now been concluded and I am confident that we have made the right choice. I am sure that all of our colleagues in Australia will welcome him to his new role and give him every assistance in ensuring that we knock spots off the competition.

From the new Group CEO’s perspective, he was drawn to the role:

I was convinced that HBOS was serious about undertaking an aggressive expansion role in Australia and growth was an attractive proposition for me and an opportunity I didn’t think I would get anywhere else. I was aiming to meet the aspirations of the parent company in the UK, that is, to grow the business significantly. BankWest is already established in WA. I saw this as an opportunity to use the size of our UK parent, its brand, customer approach and financial expertise to expand within WA and grow on the east coast. I liked their culture in terms of the way the business operates. HBOS talks about a federation model, which really means that the CEOs have a large amount of autonomy in terms of running their business but are held accountable for the result that business makes, and that appealed to me. I thought that was a good way to run a business. I also felt that there was a high level of integrity in the people that I met and I was attracted towards that.
The Group CEO was seen to embody where the new HBOSA was destined to go, as described by the Chief People Officer:

When we were just BankWest the GMD was very focused on the people aspects. He was people and value-centred and reckoned that if you got the people issues right then the business outcomes would come. The HBOSA Group CEO is very much a numbers man. The GMD’s focus was on building the people. The Group CEO is focused on getting the numbers right. The GMD would deal immediately with someone who was acting unethically regardless of whether they were key to the business or not. The Group CEO would think long and hard about the action he should take if that person was key to business growth. The GMD cared very much about building the values in the organisation – the Guiding Principles, New Wave. The Group CEO cares very much about building the business outcomes – if we don’t get the numbers right we won’t be here. It’s a very HBOS sort of view.

The first priority for HBOSA is to deliver against the business plan. The focus under HBOS and the Group CEO means that you get a right to get further investment and support if you deliver against strategy, so the first priority is delivering. I think you need a balance. I think where we possibly got it wrong in BankWest was not enough focus on results and accountability for that. There is no doubt that in HBOS the pendulum has swung but I think the time will come where we have to have more of a focus on people than what we have now. So it’s a balance about what’s right in the organisation now.

On 20 July 2004, Corporate People Solutions was renamed Human Resources as part of the Group Functions Division and the Chief People Officer became Head of HR for HBOSA. At the end of August 2004 the new HR vision of “a highly effective team delivering HR solutions that enable business success” was announced along with a new service delivery structure for HBOS Australia. Aligned to the HBOSA divisional structure, an HR business partnering model was adopted with generalist and specialist services provided to lines of business through customer management plans developed along business processes. Each of these processes was assigned to an HR manager and their team was structured to provide appropriate services to lines of business. As the Head of HR commented, the new structure was deemed to be successful:

I’d had some good feedback from the business about the new way of operating and in December the Group CEO said that HR was leading the way in relation to cultural change in supporting the HBOSA business. I know we’d only begun the journey, but it was very pleasing to be acknowledged in this way.

September 2004 was the start of the new CEO of HBOSA’s roadshows to staff. Sharing our Strengths were two-hour presentations to enable staff from WA, South Australia, Queensland, Victoria and New South Wales to hear directly from the CEO and senior executives. Presented in large venues, around four thousand staff progressively heard the messages of how and why HBOSA was formed and the opportunities presented by having a very large parent company prepared to invest in people, products and processes. At one of the WA presentations a question about training and development sparked a vigorous debate and was a catalyst for a training review begun in November 2004. The Group CEO requested the Head of HR to review the governance of training across HBOSA, a task that was managed by the OD Consultant:
BankWest had its own training structure and then we moved from BankWest to being part of a group with HBOS UK as the parent company. We then had the introduction of new players so the whole structure completely changed and with bringing new players in the idea was to align our training activities. At that time I felt that there was a lot of overlap. Also there were a lot of areas just running off and booking training with x, y and z and that could be improved on to be more cost-efficient.

Towards the end of 2004 we started to prepare a report, a training review, on the various companies’ training activities. Each culture has got its own training needs as such but collectively as HBOS we should be looking at what we are doing and not overlap. Up to May 2005 we did a lot of research to go through that many companies and we made a recommendation that we form an HBOSA training governance board.

In her report of 21 June 2005 the OD Consultant identified the gaps in HBOSA’s “training and development capability” and highlighted the “duplication in training programs being offered” and the “fragmentation in delivery and follow-up”. An opportunity to “improve synergies (knowledge and resources) amongst staff within various training departments, and introduce HBOSA training standards” was noted as was the disparity of “training and development across HBOSA”, attributed to “inadequate support at senior leadership levels brought about by budget restrictions, particularly at BankWest”. The report’s main recommendation of forming an HBOSA training governance board chaired by the Manager OD and comprising key stakeholders from training departments and the business areas was based on the need for HBOSA to “better deploy a robust, focussed and cost-effective training model across HBOSA, which supports our colleagues to develop skills and realise potential to achieve business and personal success at work, and which meets governance requirements”, as commented on by the OD Consultant:

I worked with the other training managers and we plotted out what this governance board would do. Essentially we wanted it to ensure and oversee all of the training and development at HBOSA so that it was an integrated approach and all of it clearly aligned with business objectives. All the leadership, people management and sales leadership training would be handled by HR, which would centrally develop it and deliver it or outsource it and ensure it was aligned to HBOSA leadership frameworks. Sales and technical skills would be the responsibility of the Divisional training departments. The board would make sure that all training and development was designed, developed, delivered and evaluated using a common HBOSA methodology and approach. There would be a consultative approach with the business to ensure relevance and that the business was getting a return on investment.

The report was due to go to Executive at the beginning of July 2005 but the week before the Exec papers were meant to be in, the Corporate and Business Division had a restructure and essentially all but one of the training staff in Perth were made redundant and the others were relocated to Sydney to run the training area out of there. I thought that at that time it wouldn’t be the best time to be raising a paper to Executive about training governance when one of the training bodies had been dismantled. So we shelved it, as it just didn’t make business sense to do that at that time.

The initiation of the training review contributed to the reassessment of the OD Consultant’s role and a title change to Manager Leadership Development. In November 2004 a new OD Consultant was contracted to develop and facilitate the LDP, which for 2005 was restructured and rebranded as the Management Development Program.
Management Development Program

At the end of 2004 beginning of 2005 I worked with the Manager Leadership Development to review the LDP. We went through what was on offer, revamped it and repackaged it and restructured it under themes. We were conscious of the requirement to leverage the shift to HBOSA. We wrote comprehensive workbooks that combined some of the LDP material and some of the FMI material. There was a two-day introduction to management that introduced new managers to managing people in HBOSA. Then under the theme, managing people, we took the LDP modules and added in a coaching module and an operational risk module. I also changed them all to HBOSA and updated and expanded them. Influencing people covered off the five PP courses. Then there were some particular courses like profiling for personal development and developing teams that involved LSI, MBTI and 360° tools. I linked it into things that were on offer from HBOS like the online Management Knowhow. We called it Management Development rather than Leadership Development because it was essentially Management 101, whereas previously the program was aimed at the more senior leadership group. Because managers get work done through others, the core aim of the program was to equip our frontline managers to enable their teams to achieve greater productivity, innovation, flexibility and quality.

These comments by the OD Consultant capture the refocusing of the MDP, which continued to run in mainly half-day workshops for 2005. The workshops were considered very successful with 923 participants over the year. ROI was a continuing focus with participants completing a post-course evaluation and an action plan, which was followed up within 90 days to determine “transfer of learning back into the workplace and whether learning outcomes had been achieved and translated into effective business practices.” At the follow-up participants were asked to provide examples of their success in implementing their action plan and the benefits experienced from their perspective, their team and their department:

I conducted two staff reviews, both of which had to have the scores reduced. Both staff members left the reviews satisfied that the result was fair and both have improved their performance. The module reminded me of the methods of delivering constructive rather than destructive feedback. My team has benefitted as feedback is given in a more immediate time frame, rather than waiting until review time. My department is now running more efficiently, as any issues are raised and dealt with immediately, in a positive manner.

I have recently completed development plans with all of my staff and will again be going through that process next month. The material from the course was very useful in suggesting some different areas and ways to develop. I found the course really useful and felt comfortable and confident. It is benefiting the department as we are continually striving to have a flexible workforce that can go anywhere where the volumes are within Retail Services. So we have been able to assist staff with multiskilling outside the department.

I have found the training invaluable. There is constant on-the-job training for all Retail staff due to constant launch of new products and services. I find that since completing on-the-job instruction module I am much better prepared to deliver the training required to my staff. As a result it gives the whole team a confident approach to a new product thus enhancing the sales opportunities and resulting in better results for the CSC.
In February 2005 the Manager Leadership Development was approached by the Business Transition Manager of Retail Services to provide the MDP for a group of team leaders and training partners who were in the process of being appointed for the Bank’s expansion into the direct banking arena through the Bronson project. Bronson began in August 2003 when a project team was formed within BankWest Consumer Solutions to investigate options for increasing growth within the Australian retail banking business. In October 2003 a secondee from HBOS was appointed to head up the project. The Project Director brought with him the HBOS experience of “running business in HBOS Retail Strategy”, which was responsible for most of the profit and loss of the Bank and the balance sheet and a lot of the strategy”. He gave shape to the project, which was named to symbolise a break out from a traditional bank to a new bank. As a project team member commented:

There was a project that Halifax worked on when they were breaking out of being a regional building society into a proprietary limited company bank and it was called McQueen, which was from Steve McQueen from The Great Escape film. When the Project Director came over here he said, ‘How about we just carry on that theme?’ We decided on Bronson, which was Charles Bronson, who was the Tunnel King.

The Project Director refocused activities and the number of staff was increased. They began investigating a range of growth options for a national retail strategy and developing the business case. In 2001, part of Project Star had focused on “maximising the value of the WA franchise”, now the research phase of the Bronson business case identified that BankWest’s retail market share in WA was reaching its maximum and future growth would therefore need to come from the eastern states. It was acknowledged that the business had a competitive product range but, other than the mortgage broker channel, had limited distribution outside of WA.

In March 2004 a strategy was approved by the HBOSA Integration Committee and subsequently by HBOS Group Management Board in May 2004 to consolidate the WA market share and the mortgage broker business as a platform for growth. It was agreed that four national growth initiatives would be launched focusing on “maximising remaining market share growth opportunities, increasing processing and service efficiency and sales effectiveness, and increasing customer retention to protect intrinsic value.”

Bronson became a key focus leading into the newly restructured Retail Bank, which was largely product led and focused on building up deposits. In March 2004 the Bronson team was restructured to align with each of the national growth initiatives of deposits, credit cards and physical presence, supported by a range of auxiliary functions. Launch dates were set for delivery of each of the initiatives: deposits by October 2004, credit card in February 2005, and a pilot of six physical presence locations in the eastern states between November 2004 and March 2005. A “fit for launch” approach was adopted to meet the deadlines comprising
a focus on delivering essential functionality for the launch followed by a normalisation period to embed processes and then a linked process improvement phase.

In May 2004, delays in gaining funding approvals from the Integration Committee for parts of the execution phase of the deposits business case was putting pressure on the “uncompromising timeline” of the launch dates and made recruitment of staff a key priority. The Project Director sought to establish Bronson as a bankwide priority and worked with HR and business units to determine the resourcing requirements, the process for recruitment and the business risk management strategies covering staff who moved from the business to Bronson. Once Integration Committee approval for the business case was received on 8 June 2004, the drive for staff intensified.

As more and more staff joined Bronson the issue of “building a culture in the group” began to emerge and actions were taken to achieve the vision for Bronson to “become the customer champion financial services provider in Australia, initially through direct channels”, as described by an HR consultant:

We needed to build a culture because of the nature of the project, which was extremely demanding, very high intensity, very tight to the point of unrealistic deadlines. In doing that we realised there was going to be a lot of burnout, particularly because it wasn’t just one launch, it was a series of launches. The environment was also something quite new to the Bank, a little revolutionary. It was the launching pad for HBOS. The national retail growth strategy was their first foray into the Australian market after taking us over so it was very strongly driven out of the UK. With the Project Director coming from the UK and being at the helm, then this was the platform to do it. In effect it sort of created that change of culture anyway. Whether it was intentional or not, you were always going to get that slight change in culture when you’ve been bought by another company; it’s always going to happen but that was where it sort of started to become apparent.

With the launch of the new TeleNet online deposit due in October there was strong focus within the project on achieving deadlines, which the Project Director saw was handled as:

There were those who actually wanted it to fail, they wanted the whole growth innovation to go away. There was a group of people who weren’t sure and who didn’t know whether or not they should be on the bus, so they basically hedged their bets and waited. Then there were a third group of people who looked at it and jumped on it and got stuck in and invested a significant amount of personal risk themselves. It wasn’t really until the Group CEO arrived and actually started to give that kind of direction in sort of July 2004 that we started to go around the corner. We were actually around the corner in about December 2004 and then it was like the old JFK quote of ‘Success has many fathers, failure is an orphan.’ It was pretty difficult up until that time.

10 October 2004 was the launch during the 6.00 pm television news in Sydney of the new TeleNet deposit products offering 6%, significantly higher interest rates than competitors. Drawing from the HBOS Retail Bank’s approach, advertisements with the theme of “Join the Rebellion” showed images of a bubblegum-blowing nun on a scooter using the internet and a mobile phone against a background of pumping music. Supported by full-page newspaper
advertisements, strategically placed billboards, and radio and television spots, the markets in New South Wales, Victoria and Queensland were progressively targeted in October using the rebels of Billy Idol, Robin Hood and Ned Kelly. Internally the theme was “Rebels with a Cause”, which was communicated to staff as “Employees with a genuine desire to challenge the current banking status quo and to champion a better deal for customers by delivering better service and products.”

The marketing campaign was highly successful returning 375% of target by December, as the Project Director commented:

The achievements of 2004 were incredible. In a year we built our TeleNet business from concept to launch and delivered over a billion dollars of growth. It took ING Direct well over a year to do the last of these alone and we did it in thirteen weeks. The most interesting development was in relation to interest rates with ANZ and CBA launching online saving products for some of their existing customers at 5.3% and 5.4% to presumably restrict outflows into the TeleNet saver. Given $335 million of inflows into TeleNet came from CBA and $181 million from ANZ, it’s not surprising they launched new products.

During this time, work had been proceeding on developing the new credit card processes to enable a February 2005 launch. Training requirements were identified to support the
implementation of the credit card for impacted call centre teams covering sales, service and processing. The training plan identified that programs would need to be designed to “equip colleagues with the required skills and knowledge to deliver a good customer experience in a compliant manner, whilst supporting the principles of the proposition.”

Establishing the systems required to operate the new credit card proved more complex than originally projected and the launch date was pushed out to 28 March 2005. Recruitment for the new team leaders and training partners began in January and the new staff started on 8 March. The Head of Cards Processing noted the need for induction:

We ran the project slightly different this time. Staff didn’t think they were just coming onto a project they thought they were coming into a business as usual area. We felt that from a deposit perspective we hadn’t necessarily paid enough attention to the training. We also had a dedicated training workstream this time on the project, which we hadn’t had last time. We felt the team leaders needed about three weeks of management development, and then they would go on and do the four weeks of intense training with their teams, so that gave the team leaders seven weeks basically then they were into pilot.

The workstream training leader met on 10 February with the Manager Leadership Development who recommended a customised one-day program supplemented with occupational health and safety (OHS) and compliance modules as “the MDP’s not designed to be delivered in a block; they need time to digest the information gained and practise the skills.” The Business Transition Manager, who was the interface between the Bronson Project and ongoing business, was not “comfortable with this approach” and considered “three days of support is not enough”. With a proposed 8 March start a compromise was reached, as explained by the Manager Leadership Development:

I didn’t think it was appropriate to have them all up-front. The program wasn’t designed in that way. Direct wanted to do it that way because they were looking for a fill-in. They had to have the new managers on board two-weeks earlier than they planned. Direct had wanted to push back the start date because the project wasn’t ready but the recruitment agency had already given the managers a start date so it couldn’t be changed. Anyway, given the late advice we didn’t have the resources to deliver it that way. I said to them that we didn’t even know what their skill level would be. I told them it would be better if the managers spent time in the business in between so they’d have an idea of how we did things around here. Direct wanted it done this way because the previous training for the retail managers hadn’t worked so well and they wanted to make sure that this training would be successful.

The management development for the new Cards Services and Cards Processing team leaders and training partners was delivered in day-long workshops by the OD Consultant and Manager Leadership Development. The program comprised three modules dealing with an induction to management, overviewing MBTI and how to lead. The remaining modules were customised to Retail from the MDP and covered on-the-job training, coaching, recognition and reward, change, operational risk and compliance, development plans, empathy and listening, HR processes and OHS, performance issues and conflict. As the Manager Leadership Development explained:
Topping and tailing was the design approach. We only had a short time so we took most of the existing modules and worked in the specific Retail content. We oriented them to include Retail’s approach of being innovative, taking risks and focusing on customers and gave them a high-energy delivery style.

The participants completed the first eleven modules from 8 March to 22 March 2005 and the last two modules were completed on the 5 and 11 May. Participants considered the program to be well balanced and well presented and rated its value as very good or excellent. 86% of the participants considered that it had helped them prepare for their role as team leader or training partner:

The MDP was useful as it gives you an insight into the culture of BankWest and also the types of practices you need to be a successful. It gives you a consistent approach and it gives all the new inductees a common language and understanding. It’s very beneficial and definitely gives a very good introduction to management practices generally, and specifically for BankWest.

Some participants found the value of the MDP in preparing them for their roles to be limited though the value of going through the induction as a group was acknowledged:

If I hadn’t have done it, it wouldn’t have made any difference to me personally because I’ve had a lot of experience in managing in this industry as such. At the same time it was good for everybody to go through the same process so that we’re all on the same page because people do have different ways of looking at the way they manage. It was nice to know where the Bank would like us to come from.

Participants commented on the timing and structuring of the MDP:

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**Team Reward/Recognition Programs**

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<tr>
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<tr>
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<td>Did the team achieve its objective? Did it achieve its targeted results?</td>
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<tr>
<td>Process</td>
<td>Did the team comply with policies/procedures?</td>
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<tr>
<td>Participation/enthusiasm</td>
<td>Did one or two individuals do all the work, or was it truly a team effort? How positive were team members?</td>
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<td>Replication</td>
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<td>Lessons learned</td>
<td>What did the team learn from its experience? Did it evaluate its methods and interactions to determine how to do better in the future?</td>
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It was good to have time in the business at the same time that we were doing the training. Some of the management training would be more relevant to be done while we were with our staff because we could think of real applications of it.

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The one thing that I would like now we’re in our roles is to be able to occasionally revisit, because obviously with everything that we’ve learned from that time until now and also with our general work schedules it’s not always possible to review. I believe in stopping to sharpen the axe. I’ve actually made it a point to revisit that more often for myself, but having formal time to do that would probably be better. I really enjoyed it and found every aspect of it relevant.

Participants identified action items that they had committed to during the MDP and commented on their success in implementing these actions into the workplace. Participants were able to identify how aspects of the modules had translated into workplace actions ranging from dealing with change, handling performance issues, developing goals, giving positive feedback, motivating and communicating effectively.

The participants saw there were benefits to themselves, their team and their department as a result of undertaking the MDP. Participants commented that the MDP had made them “more aware”, “more organised”, more “natural and honest” and “more sensitive to needs”. They considered that the MDP had given them greater confidence in carrying out their management role and that the MDP had made them a “better leader”. The importance of the MDP in assisting individuals become more capable in their role was a key outcome.

The benefits to the department from the participants undertaking the MDP were seen to result in managers who were “more aware of what is required”, more “capable” and “more efficient”. Participants commented that the development of their skills, knowledge and attitudes provided their teams with more effective managerial capability, which they saw enhanced performance and translated into a greater customer experience leading to increased benefits for the company:

Well they’ve put in place managers that are aware of what is required in terms of leading, developing, setting goals, achieving more what Cards Services wants out of a business. The MDP, in conjunction with our management, has made us really use the time that we have effectively and it’s allowed us to spend a lot more time with our staff to develop them and it’s partly because of the course that we’ve done that.

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I think it’s translated to the customers. Customers are dealing with more confident staff and it’s a lot better customer experience than dealing with someone who doesn’t really know what they’re doing or they’re not very confident in what they’re doing. So it makes the customer more confident in dealing with the Bank overall.

Participants considered that one of the key benefits of the MDP was the opportunity to bond with other team leaders and training partners as this collegiality had sustained business performance and facilitated business improvements:
It was very good to have all of us coming together. It’s helped us because when there is an issue that requires the cooperation of the two different departments we already know the leadership team from that department so we know who to call and they know who to call and there’s a familiarity that helps when you need to get somebody to do a favour for you.

Generally, participants considered the overall induction useful:

I think the induction as a whole is definitely valuable because, for someone who’s come out of a non-banking background, it gives you a good solid understanding of what’s required in BankWest specifically in a management role. It gives you a broad foundation as far as management skills and communication skills go in the banking industry.

Participants found aspects of the overall induction not useful:

The value of the total induction I put as a 2½ on a scale of 1-5. The MDP component was very good but some of the content of the other bits was probably unnecessary.

During this time staff had been employed to enable the credit card to be launched in April. However, further system issues saw the credit card launch date being set back until 29 May 2005. As staff had already been employed the time was used in piloting and in training through scenarios. These delays impacted on the team leaders and training partners’ view of the induction and they noted the difference between the expectations promoted in the training and the actuality of the work environment.

The MDP as part of the induction for Cards Processing and Cards Services team leaders and training partners was seen as a critical initiative that affected the way these managers viewed their role, the development of their staff and the changes in the organisation. The MDP was seen as delivering benefits to the individuals, contributing to the development of a “leadership culture” and assisting in the “return of bottom line results”. All of the participants considered the MDP had assisted them to understand the style of management required by the company and consolidated their management capabilities. The importance of the MDP in helping to improve the returns to the company was summed up by one participant who commented:

I feel that it has made me a better leader from the point of view that it’s made me aware of all the different bits we did in the MDP. I am a better leader and I am more aware, more sensitive to their needs, the problems they’re having, their development, what they want to see in the future. If I’m a better leader and therefore leading my team in a better way, then my team is going to perform better so in the end the department will perform better, which will benefit the company.

From the viewpoint of the Manager Leadership Development:

Though the way the MDP for Bronson was set up was not ideal, the outcomes were really positive. Not only did the participants gain real value but HR was seen as able to respond in a very professional way to the needs of the business. It was certainly handled better than the previous retail manager training and I see that HR added real strategic worth in its provision of the MDP.
The Head of HR summed up Bronson’s organisational value:

Project Bronson was the largest product launch that BankWest Retail had ever done. The first part of Bronson was the online deposits – highly, highly successful and that was a big swing for this organisation. It gave us the courage to do other things. MasterCard Zero we learnt a lot from, it was also a big swing and the most pleasing thing out of that is that we haven’t said ‘You are accountable for this, it didn’t work well we’re going to fire you.’ If you do that as an organisation then you will kill innovation and risk taking. So there is no doubt that project Bronson has demonstrated to the organisation that we can do a major product launch, we can aggressively take on the majors and we can win. It’s influence is around innovation, product development and our preparedness to say we don’t want to be on the back seat any more we want to be up there driving and we want to be leading the charge to say to customers we can give you a better deal.

Whilst management development was being provided for Bronson, HR was also concentrating on developing an HBOSA Accelerated Development Initiative.

**HBOSA ADI**

On 3 March 2004 in a proposal to BankWest Executive the ADI Manager sought approval to conduct two new Accelerated Development Initiative programs “running concurrently, with a new and improved format, which seeks to add increased value to HBOS Australia.” The ADI Manager reported:
When I put forward the proposal for two programs it was for me to continue with one and then for each of the HR consultants to potentially take the program and run it further down the line in their own areas. It was well accepted but nobody ever gave the resources to it so whilst it was a good idea there wasn’t a lot of commitment from a financial or FTE extent so we didn’t go ahead with it.

The changes occurring as a result of the transition to HBOSA were reflected in the modifications made to the ADI proposal presented by the ADI Manager in May 2004 to the interim HBOSA Executive for approval. This proposal centred on one group and emphasised the value of announcing an HBOSA ADI as a means of delivering “a message of our commitment to encourage and support our high potential colleagues to develop and progress with the organisation.” It highlighted that an HBOSA ADI would be seen as “a very positive HR initiative across each entity as we deliver a holistic program that encourages the participants to network, share ideas and learn from each other.” The proposal was endorsed and the first HBOSA ADI was initiated targeting people who were considered to have the ability to progress to a level reporting directly to a head of function within two years. It was agreed that candidates would be nominated by senior management rather than calling for applications. HBOSA Executive through its sub-committee the HBOSA ADI Executive Talent Committee supported the program, which qualified nominated candidates, made the final selection and monitored participant progress. Making sure the ADI was representative of HBOSA and ensuring the continual involvement of the HBOSA Executive were considered to be important strategies by the ADI Manager:

I got huge support from HBOSA from the Executive. Participants are now nominated by their head of through their CEO. The CEO’s come with a nomination and are now accountable for the people on the program effectively and it’s in their best interests if their people succeed as well as the organisation’s best interests and they’re held accountable for those that aren’t doing so well. It’s good and that’s probably the biggest change that’s happened in the program since I took it over.

Political support was very important. In 2004 we had just come together as HBOSA so it was more critical at that time for me to make sure that each entity was represented on the ADI. One or two of the people on the program I might not have recommended going through but for the good of the future program and the buy-in of the organisation that was important at the time.

From an OD perspective we had to have an HBOSA not a BankWest program as it was a really good way to get the organisation moving together, to promote this value of people across the organisation because at the time when we came together initially there was a lot of them and us and just different organisations, different thoughts. Also, it was a good opportunity for me to actually work with other entities as well so to get a buy-in there. In that light we started with nominations from the entities, so that was the key difference and I think that’s really delineated the past two programs...
and the future ones. It was interesting because people came in very cautiously so they weren’t really quite sure what the outcome of this program would be. We ended up with two people from CFAL, one person from BOSI, two from Retail, someone from Business, someone from Finance, and one person from Group Functions so there was a good spread of divisions. IID didn’t get anyone in there. We also had a good spread of east and west coast with four and four.

Following the selection process used in the previous ADIs, eight applicants were chosen out of a shortlisted 13 from a pool of 32 nominations and began the ADI program in October 2004. The interest in the ADI is captured by one of the participants:

It was a tremendous opportunity to get a good feel of HBOSA. It was the first HBOSA ADI and it was good to mix and get a feeling for what the other businesses were about. In 2004 we’d really only just come together as a group and I felt it was a really good opportunity to do a little bit of peer networking and get a greater understanding for what the new HBOSA was all about.

Development planning, coaching, project participation, workshops and opportunities for job swaps or acting in other positions comprised the ADI, which is commented on by a participant:

It was a little bit more flexible than I thought it was going to be. I thought it would be a structured program where you met every couple of weeks and you had team training if you like. But it wasn’t quite like that at all. The first thing that you had to do was develop your own business case or development plan and that went to the Executive for approval. So what that meant was I really had to look at all my strengths and weaknesses and which areas I needed to develop. We did an LSI and that helped identify the areas where we could develop and what our personality traits and our management styles were. I put in my business case and development plan, which was then approved by Executive related to those points.

The ADI Manager saw a new benefit as:

Clearly one of the main successes of the program was actually bringing four people from Perth and four people from Sydney together who became quite good friends and they’ve now swapped; some of them have gone to Sydney to jobs and they’ve got their own network already in Sydney and vice versa. So that was clearly one of the wins of the program.

The participants echoed this sentiment:

ADI from an organisational perspective really is about succession planning and identifying the key talent within the organisation and instead of allowing that key talent to drift away through a lack of nurturing, actually identify it and then support it. It’s very easy to just give people development and then keep them in the same roles but then the next step, which is the most important step, is to give that person a shot, actually taking them out of where it is that they are, taking them out of their comfort zone and putting them into situations where they can really prove themselves and show what they’re made of. That’s the value of ADI.

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My secondment happened because I went and talked to my CEO. He said that with all the changes at the time that perhaps it was a good idea that I look outside Business and that ADI Manager had spoken to him about an opportunity to work in Strategy because I had expressed as part of my development plan a desire to look at Group Strategy. One of my major projects was working on the advantage and opportunity
initiative that the Group CEO was responsible for. It was a project driven out of the UK and we were looking at international expansion. I worked heavily on that project and that was a great opportunity to look at the business from a different perspective and look at the strengths and the weaknesses of HBOS not just HBOSA and then how we would move those, if we wanted to, to international markets or different markets. Great exercise, great opportunity.

Participants needed to make adjustments for the program:

One of the biggest things that I found a challenge, and I know everyone did on the course, was the fact that the organisation was going through a lot of changes, still is. One of the things that the Group CEO was trying to do was to say, ‘Well, the leadership groups have different styles within HBOSA but largely I can say that we’ve been, particularly in BankWest a regional bank, kind of motoring along at a steady pace let’s say 5 kilometres per hour, if we’re going to get to where we want to go we need to be moving at 55 kilometres per hour.’ That really had a big impact on everyone. As a leadership team it was not just workload but the pace you were trying to get things done in your day-to-day job. That’s probably the biggest challenge that I had with the ADI. We were doing this at a time of a big increase in pace, because I don’t think that pace has changed now but I think it’s like when you start running faster for the first time it’s harder because you’re not used to it and you’re balancing that with this. It was a challenge.

For the participants a prime benefit of the ADI revolved around networking and “establishing a name”:

The key things that that ADI gave me were the contacts and a support group of people that I felt comfortable discussing and talking through issues and even career guidance. I made really good connections and some powerful friendships that have helped me to think about issues in a different light with a bit of peer group guidance as well. It’s given me the confidence to talk to these people and given me a support group.

Some participants found that the ADI was a springboard for a new career while others considered that they would have made the change without the ADI, though they valued the exposure:

ADI for me was a critical catalyst. What it did was made me step away from what I was doing in my legal role and reflect in a number ways on what it was that I wanted to do going forward. ADI really made me make that vision and help make that decision. What it also did for me in a concrete way was give me a better idea of my skill-base and my potential because the exams that we had initially showed the areas where I also had strength and that excited me about exploring that a little bit more.

Had I not done ADI, I probably wouldn’t have applied for the Head of Operations position because I just wasn’t in that frame of mind beforehand. The position was advertised and it was a competitive process but I think what ended up being the potential was that the Group CEO required someone who had an analytical mind and ability to deal with problems and be able to juggle a number of balls at the same time. The legal side gave me that, but that wouldn’t have been enough because he didn’t want a lawyer in the role so by being able to do ADI working out what my management skills were I was able to then explain that it was really where I was going and that ADI had helped that. So ADI helped me really work out and to be able to communicate why I was suitable to the role. ADI was not a precondition to getting this job but this job was part of my ADI development. If it had not been for ADI on a personal level I would not have got the job I’m sure of it.
ADI didn’t really contribute to my career path but getting into the program is probably a help to my career. Getting more exposure to the leadership team and in an environment where you are seen as someone with potential are both good things for your career. On the flip side why it was not as much benefit for me as perhaps other people is that the role I was promoted into already had a lot of access to the leadership group so the work I do interacts with them all on a regular basis whereas I think someone else on the group that might be doing a presentation to the leadership group for the first time there would be huge benefit for not only seeing what that’s like but also them being able to see you and how you actually do.

In some instances the ADI worked as a retention strategy:

I would think with a lot of the changes that were going on in my business that without the ADI and without the opportunity of doing a secondment and moving into other areas of HBOSA I may have been lost to the organisation. So I think it was very effective for me, it helped me understand HBOSA, understand the opportunities that were out there, to look beyond the boundaries I’d almost set for myself. I think that was quite powerful.

The participants considered that the ADI returned a range of organisational benefits:

From an organisation point of view I see it providing a number of benefits. One is that you are progressing the development of talented individuals in the organisation. Two, you are hopefully increasing your chances of retaining talented people in the organisation. Three, you are providing greater networking and interaction between talented individuals within the organisation so that they are able to learn off each other and share experiences that might apply outside their normal day jobs thus creating a stronger network in the organisation of the leadership group.

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It sends a very important message to all employees that the organisation is investing in their development and it really drives a good example of a performance culture. It’s probably one of the biggest benefits as well as the ability to retain talent and build greater networks within the business.

To other members of the Bank the value of the ADI was not so clear and the process of selection was questioned:

I don’t think ADI is useful for the Bank. I think it causes too much angst in the sense of ‘What has happened to these people. Where have they gone?’ I can tell you there are two that have gone onto bigger and better things and some have left the organisation. It creates a false hope and a false perception for colleagues. There’s a lot of questions about the capability of the people on the ADI.

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I had a dreadful manager who was on the ADI. When she did get on the ADI and we found that she was pushed on there because everyone supported her because she was so fantastic, it really proved beyond a reasonable doubt that it’s how many butts you kiss not whether you’ve got the talent or you can contribute to the Bank.

Participants were aware of the negative comments:

ADI people are often called the golden girls or boys but you’re always going to get that sort of negative reaction. In a performance culture there’s winners and losers. People can choose to perceive that negatively but I think that’s their own choice and it’s probably the wrong one.
The value of the ADI overall and its future positioning were summed up by the Head of HR:

We probably had four or five people from that first program that have since left the organisation and that was more of a function of probably us getting our selection wrong than being the design of the program and it’s probably the same with the second group as well. But given that we are now into our third group and the Group CEO would ideally like to have even five times more than what we have at the moment, there is no doubt that it has been a pipeline of talent for us as an organisation.

Now under HBOSA it is certainly has the profile in the organisation. People want to get on it, they want to be part of it and as the Group CEO moves around the organisation, he sees it being an essential plank in our people strategy for HBOSA. So therefore the concept of the ADI has stood the test of time. I think it could be done in a different way and the model has been evolving as we have gone through it.

The ADI concluded in December 2005. Drawing from the participant feedback, the Executive Talent Committee reviews, and the information gained through a range of surveys plus observations, the ADI Manager assessed this program as having a 75% success rate with all participants remaining in the Bank and six out of eight attaining new positions. In considering the effectiveness of the program the ADI Manager saw one of the “key learnings for 2005” as a requirement to strengthen communication throughout HBOSA, which she believed would be assisted by the continued representation of the ADI at the Executive People Planning Days, a process begun in 2005 and held twice a year to examine succession planning for the top 60:

The communication between HR and the entities of HBOSA has improved, due to representation of the ADI at the Executive People Planning Days and I believe the understanding of the program and its intention is a lot clearer. This has enabled us to think more clearly as to whom we might nominate for 2006.

There is a need to link our high potential program more closely to our succession planning process and people planning days and to improve input and buy-in from Executive into ADI. We must create opportunities for our high-potential colleagues to advance quickly from a career perspective. The future success of the program is in part about the opportunities we can offer to these people.

Plans for expanding ADI for 2006 in line with an integrated HBOSA were actioned with approval from Executive in September 2005. Other opportunities for collaborating with and leveraging HBOSA were being identified throughout the organisation during 2005 as further restructuring occurred across the four companies during a time of transition.
Transition

As part of building the new entity, work began in HR on the development of a new set of values, as explained by the Manager Leadership Development:

In BankWest we had the Guiding Principles, which were our ten values. With the formation of HBOSA there was some talk at different levels about how appropriate BankWest values were to the new organisation. Around October 2004 the New Wave Panel did a survey and the feedback was that New Wave needed a revamp. In the east there was a lack of credibility with senior management not embracing the Guiding Principles. In the west though it was much more favourable and there was greater impact on staff. In OD we’d looked at what the UK did with their value proposition and the colleague commitments, did some best practice research and talked with key people then we sat down and developed up some draft values. The Manager OD went to Executive and they had a look at the different values we’d developed, which were about 22. The Group CEO’s input was very important, he was very high on the customer commitment one and integrity, so he had a lot of input and then Executive agreed on the five HBOSA values.

The HBOSA values were communicated to all staff in February 2005 and their embedding was handled in a similar way to BankWest’s New Wave nomination process.

On 6 May 2005 the Group CEO announced a change to the HBOSA Executive, explained by the Head of HR:

The Group CEO wanted to increase the focus on governance and people management across the Group so HR moved out from Group Functions and directly reported to the Group CEO as a Division. I became a member of the Executive We had earned the ultimate ‘seat at the table’. It was a very strategic move for HR in HBOSA.

In HR the focus turned to deploying a recruitment process to support business growth across HBOS Australia; centralising HR transactional activities; developing an HBOSA capability
framework; and providing 360° leadership surveys, performance measures, ordered ranking and succession planning. Many of these built on the work of HBOS’ Executive and OD.

A review of HR had begun in November 2005 following announcement of HBOSA’s corporate strategy to 2010. With the intent of implementing HBOS’s core business “formula” into Australia by “building world-class businesses” the people requirements were identified as building capability in sales effectiveness, credit, risk and leadership. As part of the refocusing, a range of discussions with stakeholders saw the decision made in late 2005 to discontinue IiP accreditation, as explained by the Manager OD:

IiP was a BankWest initiative and it wasn’t really relevant to where HBOSA was going. I spoke with the key stakeholders and there wasn’t a great deal of support; some of them didn’t even know what IiP was or that BankWest was accredited. I didn’t think it was something we should continue. It had just become a form-filling exercise and I was the one filling in the form. We’re still very committed to investing in our people; we’re just doing it differently.

2006 began as HR was experiencing some staffing and refocusing changes. In January the Manager OD left to take up a one-year secondment opportunity with HBOS’ Executive and OD and the Head of HR announced his intention to leave HBOSA. In February the Group CEO met with all of HR and announced that the Head of HR position had been shortlisted to four from a pool of 40 applicants:

HBOSA has a good reputation in the market place. We are seeking to be a major influential player. We’re on track to do that. We’re becoming a national organisation that is different from the organisation we were and still are today. There is so much opportunity for us to do things with HBOSA colleagues that will make us different. What I hope to do is resist the urge to do too much. When I was at Westpac I saw HR come up with lots of ideas but it was constrained by what the frontline could handle. What we do at HBOSA is constrained by the resources at the frontline.

It’s important to understand that the organisation overall is not seeking to defend its position, to hold onto what it had. In WA it’s a bit different because of the large share of the market held by BankWest. Unlike the other banks in the east we are not a defender; we are an aggressor who is developing new markets. That means the culture has to be different. We have to move to a culture that is much more performance-oriented. We have to move towards excellence. We have to let people know clearly what it is that have to do to perform. We have to set out the performance criteria then let our colleagues know what the standards are then measure their performance. We have to reward those who are performing and penalise those who aren’t performing. We have to move away for mediocrity to meritocracy.

We are focusing on developing our managers. We recognise that we need to tell some of them what to do. We need to tell them how to sit down with people and tell them they are doing well, doing a fantastic job and exceeding expectations. We also need to tell them how to handle people who are not doing well. Managers need to be able to say to these people that they are not meeting the agreed standards. Now we’ve got our managers going through Pathway, a program that tells them how to be an effective manager, how to deal with people. This will help us build the performance culture we need to be excellent.
In line with the end of 2005 review, HR began to be restructured and in February 2006 a contract Head of OD and Support Divisions was appointed to lead the building of the critically identified capability of the operational, tactical and strategic leaders. At the end of March 2006 the HR strategy of LEAD was announced with a focus on leadership, engagement, attraction and development as the means to meet the people requirements. In April 2006 the Head of HR left HBOSA and in June 2006 a new CEO of HR was appointed having come from an HR general manager role at Westpac.

HR’s continued consolidation of the development of people capability for HBOSA became OD’s focus during this transition period. Since early 2005 work had been progressed on developing a capability framework for HBOSA, which as the Manager Leadership Development described, was later subsumed within a Leadership Commitment strategy developed by HBOS:

Originally it was from a top-down approach. HBOS UK had an executive framework that they’d used to identify key behaviours for their managers and a 360° was run alongside that. I had been working on a capability framework for managers in Australia linked to that. I shelved that when the new Leadership Commitment came through from HBOS in August 2005. I used those leadership behaviours to identify expectations for our top leaders and what they’re being measured against and drilled that down further to a team leader level. We made three streams to make it manageable and to match our structure.

We went about designing programs to meet their needs based on a needs analysis that we’d completed at the beginning of 2005 and also looking at what worked with the old LDP, which was successful but could be done better. A consultant designed programs for us, I developed some and we kept two external providers developing and designing some of their programs. We developed the program in-house and then went out to market with the Leadership Commitment to around 60 external providers. From that we ended up with a panel of preferred suppliers. We presented the concept to Executive in October 2005 and they endorsed it.
Based on the Leadership Commitment, the HBOSA framework for development of managers, leaders and executives revolved around HBOS’ people strategy of “creating outstanding leaders, focused on visible leadership of teams; shaping strategies and plans to differentiate our businesses; building capability to secure our long term success; delivering on our promises.” The Manager Leadership Development explains how the framework, launched in October 2005, was branded:

Manager OD actually came up with Pathway. I remember us having a discussion one afternoon and brainstorming around different names. It was essentially that learning and development needs to be owned by the individual and the organisation needs to support it. It was along the lines of find your own path and look after your own destiny and we’ll support you with the information you need for that pathway.

**Pathway**

January 2006 saw the start of Pathway across HBOSA, which was promoted via email and key briefings. Using the Leadership Commitment capabilities of Lead, Shape, Build and Deliver as common to all leaders in HBOS Australia, this integrated suite of management development, leadership development and executive development programs provided training courses, coaching, on-the-job training, and reading options for the four levels of team leader, functional leader, strategic leader and organisational leader, as commented on by the Manager Leadership Development:

Pathway is different to what we had before but the structure is essentially the same. The way in which it is different is that it is a supported program where some modules were deemed to be compulsory by business units and the CEOs endorsed the program as well. For the first time across the board there was just one point of access for management and leadership development that was accessible to any division within HBOSA. Also, the programs were integrated and directly related to achieving our strategy. Structurally they are the same as before as basically the courses, whether LDP or MDP, involve a piece of knowledge or a skill that someone needs and they’re going to come in to a facilitated course and hopefully walk out with some of that. What is different is we were given more time to deliver what we believe would give more quality education so the program structures were around two-day and one-day courses, which are working really well.

For the executives, the Group CEO had had discussions with the Head of OD and there were some areas around accountability that the Group CEO from his experience recognised the managers needed to be aware of. From that we kicked off the EDP and then from an OD perspective we included the 360° from HBOS UK as part of that, whereas last year we’d run that separately. In the UK, HBOS run the 360° as part of their leaders’ development and it’s very much a development plan delivered, but having the new four organisations if you’re going to create some HBOSA benefits of cross-pollination between the different divisions you’ve got to really bring everyone together. So that’s how the EDP came about.
For the strategic leaders, Pathway provided the Executive Development Program, the importance of which was outlined by the Group CEO on 2 April 2006 in an email to the Executive:

I spoke at the pilot Executive Development Program this week, which reminded me that I had not really outlined why I feel this program is important for us now. I am happy to discuss this at Executive but in summary the logic goes as follows. We are seeking to compete aggressively and take market share from the majors. To do this our people, particularly our management, have to be better than our competitors. We also have to ensure that our culture is one that strives to outperform the market and this requires superior management. My sense is that the management teams in general are not appropriate for this change in strategic direction and you have made a number of changes consistent with this. Additionally, we have not been clear with our leaders and managers about what is required of them to be a high performance manager and I believe we need to do this to achieve our strategic goals. The EDP is designed to provide our key managers and leaders with a clear outline of the attributes they will need to exhibit to be successful for their own careers and for HBOSA. This is a pilot, which we will review at the conclusion to determine whether it is achieving our objectives.

The Group CEO actively promoted the EDP and worked with HR in its construction, as explained by the Head of OD and Support Divisions:
It was a set of four workshops, the first being a two-day workshop and the other three being one-day workshops scheduled across the year with the audience being the top 60 managers or leaders within HBOSA across all different lines of business. It was felt that we should be doing something for that group and the course content was developed based on what was thought should be done informed by a needs analysis we’d completed that identified issues.

The first two-day workshop covered off broadly accountability and achievement, achievement culture particularly being a key driver of the Group CEO. The second one-day workshop covered off performance management coaching, reconfirming the approach that people take in complex circumstances like a state or a national manager not achieving targets. The third workshop covered off the quite challenging task of communicating to teams what the organisational vision or strategy and values are and again that was introducing some models about how to do that. The fourth workshop, which has yet to be run, is broadly to cover off the importance of top managers or executives having work and life balance. The Group CEO at a recent meeting I think was challenged by the concept of culture, doesn’t quite understand what he means by that when you have to get down to developing content. As a result although we’ve gone ahead with workshop three, and it actually has probably been the most well-received one, the content of workshop four is still very much in question.

Workshop four did not eventuate as the feedback being received from participants indicated a mixed response to the value of the program, as commented on by the Head of OD and Support Divisions:

In the end we put the fourth workshop on hold. In the discussions I was having with the CEOs and heads of there was some concerns about the level of the program and how appropriate the topics were to the issues we actually had to address. I talked with the Group CEO and we decided to can it at that time.

From the participants’ perspective some derived benefit from the EDP, commenting that they “enjoyed the opportunity to receive new ways to frame the process of management” while others considered that the exercises that were “aimed at demonstrating how we work did not relate effectively to the workplace” and that the program was “more like a general management course rather than a challenging executive leadership course”. The pace of the program was an issue for many who saw the program as “slow” and labouring simple points resulting in a “loss of focus”. Many participants raised concern about the purpose and what was trying to be achieved. The EDP had variable impact, as captured by three participants:

EDP had more value than I expected. There was some good networking and it was valuable getting people together. I linked in with my equivalent in the West and we’re now rolling out a national program. It helped me to relate to others. It came at a good time for me as I had been approached by another bank about joining them but the EDP made me realise HBOSA really has a growth future so I stayed. I think it’s extremely important that everybody goes on these programs so that we’re all hearing the same messages. It gives us a common language and it’s important for cultural change.

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We are swimming with our head above the water in choppy water and it doesn’t take much for people to take in water. I’m concentrating on people swimming and moving forward rather than style. I’ve got lots of staff going through steep waves and I was looking for the EDP to help me with navigating them through. The EDP was a bit
disappointing; it was too slow, not inspiring and was condescending. The quality and depth was lacking and we’re spending big dollars on it. There’s bits of value coming out but not proportionate to what we’re investing. The greatest value was the link to our strategy plus the networking and hearing other people’s comments. Fantastic we’ve done it, and I don’t want to stop it, I just want it modified.

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Having cross-functional leaders sharing ideas and networking in the EDP is an excellent idea. The leadership group is quite diverse in general experience and in banking experience ranging from 5 to 30 years. Some found the EDP great, others not. The Group CEO’s endorsement was vital as people then treat it with the seriousness it deserves. EDP has made some difference. I found the 360° invaluable for gaining an all-round perspective of my performance and I’ve adjusted my style because of it and my people are giving me positive feedback. I know a few of the other Heads who did some deals and are now making changes to the way they are structuring their business, so that’s some positive outcomes. I think programs like this are about building up the capability of people and lifting performance so that they can actively contribute to where we’re going. These programs are about progressing our strategy. It is important that everyone is clear on where we have to go and everyone is primed for change. If you can get everyone focusing in the same direction and thinking outside the box then we’ll do things differently and smash our competitors. It’s also about retaining people because if we don’t do development in this market then we won’t keep them.

For the operational managers Pathway was offered as the Management Development Program covering roles of the managers, workplace practices, and professional development. For the tactical leaders the Leadership Development Program comprised leadership and team effectiveness, with access to the roles of the manager series. Both groups could access programs from the preferred supplier list including the Performance Presentation workshops, which had been operating since 2002.
For the emerging leaders a 2006 ADI was run by the Manager Leadership Development as part of Pathway on the same lines as the 2005 program for 22 participants who undertook intense development, comprising a combination of personal development needs, networking and profile building. The program was considered a success as by mid-year, 18 of the participants already featured on the Top 60 executive succession plan and by the end of year 12 had achieved a significant promotion or expansion of job responsibilities.

Pathway was being positioned as an enduring structure for the provision of management and leadership development programs in HBOSA. While it was acknowledged that work was required to link Pathway more clearly to 360°, ranking, and performance management, there was a desire for Pathway to continue to play a key role in HBOSA, as captured in April 2006 by the outgoing Head of HR:

What we tend to do is jump on a new bandwagon rather than seeing things through. I think one of the real lessons is saying the core elements of management and leadership remain the same; that if you stick to the knitting and you stay on a path and resist the temptation to radically change it, you’ll develop a culture around leadership and management and coaching in the organisation. If there was a lesson that I could pass onto my successor it’s, ‘We have Pathway, we have it launched, we’ve got these programs, stick to it, stick to it for two or three years, don’t just rebrand it.’ Unfortunately, we have to adopt what comes out of the UK and that did change things from last year to this year. But we have to just stay with the one thing. We might call it something different but the core elements are going to stay the same and we must link promotion to it, ‘You are not going to get promotion to a bigger management role if you haven’t done the training.’ It’s like sales training, like credit training; people have to do it to get promotions or to get job increases. We’ve got to have a culture that values leadership. We are not going to take aggressive market share to grow to 15% unless we have people who are capable of creating a high performing culture, who are highly motivated engaged employees and who execute strategy. Pathway is a core plank to the overall growth and the Group CEO has supported it so has the Executive. He is saying that to deliver our plans we must make sure that we’ve got highly effective leaders. Pathway’s got to succeed. We’ve got to make it succeed and we’ve got to resist the temptation to change it because change feels good.

In August 2006 Pathway received endorsement from all levels of the organisation as indicated by the comments at the time from the Group CEO and the Head of Network West:

In order to be successful with our strategy we have got to have the best management team. The reason that we need the best management team is because we are the aggressor, we are not defending the customer base here we are trying to attract a customer base. In order to get customers to come to us we have to have the best people and therefore we have to have the best managers to manage those people. Pathway is structured on the Leadership Commitment and provides a consistent basis upon which we can attract, measure, assess and reward our people. It enables us to attract people, they can see clearly what are the attributes that we need from people, what are the things that we are really looking for. It’s a good tool for assessing potential and measuring people against those attributes.

Pathway does have a role in achieving change in the organisation. The management team is operating at mark 6 and it needs to go up to 8. These programs clearly tell managers what it is that they need to do, not that it’s selling product or processing product, but rather to be good at managing. I don’t think that the thing we have done very well, or that any organisation does, is articulate clearly what it takes to be a
good manager. We need to be clear with our senior people what it is they need to do to be a good manager. Being a good manager is important for our success. You need to be able to create a vision for your people, interpret that vision for the organisation to the area that you are responsible for. I think you need to be able to articulate the strategy for the organisation as a whole in terms of the business that you are responsible for. You need to have a clear understanding with the people that report to you what it is that they need to do to be successful. I think you need to measure them regularly and provide them with feedback, good and bad, on how they are going against that and you need to reward and penalise the people based on their performance against the agreed performance criteria.

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I’m a big fan of Pathway actually. I was pleasantly impressed when I saw the information start to come through. I’ve used a lot of that stuff for my own development. It’s part of my formalised coaching sessions with my manager so we use it from the top and it’s encouraged in the business as well. Once we’ve got an intranet site that’s certainly going to make things a little bit easier. What we now need to do is link all of our programs into that, we need to have a direct link in succession planning so it’s just one place you can go to understand the profile of someone and understand what their development needs are. I think that’s probably the next step. It might be longer term but I think Pathway is definitely a jump in the right direction.

By the end of 2006, Pathway was deemed successful with its MDP and LDP having 1800 attendances from 2073 eligible managers. External suppliers were drawn from a preferred panel of 16 with 75% providing services to HBOSA for 797 attendances. In the end-of-year return on investment report, participants found the overall program to be valuable stating a knowledge improvement of between 20% and 123% for different courses with an average of 54%. Participants believed that the program “improved focus”, “made communication to staff more effective” and “influenced team culture” through their behaviour. Both operational and tactical managers considered that Pathway had helped improve business performance, commenting that:

I developed a board game that is performance based. Staff get to progress when performance meets or exceeds target. It also highlights skill gaps that can drive development towards achieving target.

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In the east we’re the aggressor whereas in the west we’re the defender. We have to be innovative and earn our place. My team is now doing things differently and our sales have increased month on month.

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There is now a process in place for handling difficult complaints. I allocate the work to coordinators and use workflow techniques to ensure that staff members are coping with their cases. I hold discussions with all staff regarding their progress and I have a strong open door policy. There has been a 70% improvement in complaint resolution as a result.

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We have generated over 150 new credit card insurance sales through staff who were once negative to the sales process.
During 2006 HR’s role in HBOSA had been changing as the new HR structure took effect and the process of aligning with the varying needs of the business continued. From the Head of OD and Support Divisions’ perspective:

I think the role of HR in HBOSA is going to continue to change because I’m getting the sense that it has not been delivering the value that was probably required and it was difficult for the function as a whole to have as much impact as it could have. I’m hoping with the change in structure and the change in the CEO of HR that we can start now to actually be more of a business partner with a lot of the transactional service-based functions being done in a shared services environment. Hopefully HR does start to be seen as a valued advisor or consultant to the business able to handle business issues first and foremost to do with people, but I think time will tell.

We as a function need to be smart enough to identify what are the true priorities and brave enough to be able to say that some things just won’t get done for 12 months or two years. If we try to do everything that was required of us or desired of us right now I couldn’t imagine any HR function of any size being able. We need to make them understand that we are going to do some things but there are equally some things we won’t be doing now, they will be part of the future HBOSA changes.

The changing view of HBOSA’s future was captured in the Group CEO’s roadshow to staff throughout Australia in August 2006. The vision of becoming “a major Australian financial services company” was encapsulated as “operating as a national business”. It was stressed that the organisation was continuing to grow and would be supported by HBOS, who were keen to “prove to their shareholders that the HBOS model works.” Some clear messages were delivered about managing the speed of growth so as not to “go off the rails” and focusing on systems to ensure “reliability, customer focus and efficiency”. A key consideration was a concentration on the “people agenda” to enable “building culture consistent with values”. The Head of OD and Support Divisions explained how this view was being translated within HR:

At the end of August we had our HR strategic planning days and almost all the things were business priorities and people priorities and we force-ranked them by a SWOT, did all that sort of analysis. Coming out of that was the HBOSA People Strategy, which covers off four strategic themes: meeting the people resource needs to support the growth plans of the business; realising the potential of leaders to achieve optimal business results through people; investing in HR systems and processes to support people in achieving business growth; and continually enhancing HR capability in line with business goals. Under each of these we developed our three-year strategies plus our short-term priorities to end of December 2006, mid-term to end of 2007 and long-term priorities to end of 2008.

Under the leadership theme we decided we needed to focus on doing a needs analysis of the business, embedding the Leadership Commitment and facilitating an achievement culture across all of HBOSA. The Group CEO wants, because of our strategy and our very high growth planning, to have a culture that really drives people to achieve, not just effort. The role of OD is to focus on the leadership group and try to develop the capability of that group by actually focusing on developing their leadership. It’s like having a specialist coaching team that looks after a certain aspect of what you’re doing with the team. It’s not everything about the game, but it’s a certain aspect of it and we are really trying to give them some opportunities to develop in an area that is not necessarily their day-to-day role and it’s not just management skills it’s about leadership capability and how they go about leading their people.
In September and October 2006 HR was reorganised to provide “more clearly” the HR LEAD strategy through a three-prong focus on:

1. Designing “key HR programs for business unit deployment” and operating as a “centre of excellence and knowledge” through a new Head of HR Solutions and a new Head of Remuneration and Benefits.

2. Delivering “cost-effective HR transactional services” through a shared service approach focused on “hire to retire” HR systems interfacing with the business.

3. Personalising the “delivery of core HR programs” and providing “tactical advice to managers” through a reorganisation of the HR business partners under the Heads of HR for each business division.

As a result of the reorganisation OD became part of the new HR Solutions, along with the Employee Relations and OHS functions, a situation commented on by an OD Consultant:

We certainly lost our status in the reorganisation process. Previously OD reported directly to the HR CEO and in fact, Manager OD was the 2IC and often acted as the HR leader. With the new model we were grouped with the misfits, downgraded a tier and we couldn’t deal direct with the business; we had to put everything through the HR business partners. We definitely lost our power base.

The provision of development for managers was also reviewed and on 8 September the Manager Leadership Development became the Manager Executive Development, an OD consultant became Manager Leadership Development and another became Manager Management Development. In splitting the roles the intent was to more “clearly delineate the service to our customers” and to enable more of a “team approach” to “how we focus on managers”. On 3 October 2006 the Manager Executive Development announced her resignation and on 31 October left to take on a role with another organisation:

I’ve got a great opportunity in this new job working strategically in capability development across the whole company, nationally and internationally. With all the changes happening here I’m not sure where this current role will go and how much influence I’d have if I stayed.

On 12 October 2006 the newly appointed Manager Leadership Development announced his resignation and left on 9 November:

I don’t think it’s heading in the right direction. HBOSA has a huge turnover issue and HR is the worst performing of any division. Management development is about enabling the managers of people to be capable of taking the company where it needs to go and being able to manage and lead people, through the engine room, to take the company where it needs to go. It is about equipping them with skills so that they can guide people in the right direction for as long as possible with the least amount of turnover and all those other organisational issues in the workplace. It’s also about retention so that the people believe that they are valued in the organisation and are getting the skills they want. At the moment, that’s not happening in HR or HBOSA.
In a 13 October email to all HR staff the Head of OD and Support Divisions commented on the resignations saying:

We are thinking about how to replace these two key people and structure our team going forward to ensure we can achieve a number of our strategic initiatives, particularly that of further enhancing and growing our leadership development programs.

The remaining manager took on all responsibilities and the title of Manager Leadership Development while HR continued its review. On 15 November 2006 all of HR from around Australia met in Perth for a team day where the HBOSA vision was presented as achievable through a differentiator of the “quality of our people”. The HR CEO presented the people strategy as key to achieving HBOSA’s growth objectives of profit before tax of 290% and staff increases of 76% by 2011 with a cost to income of 41.4%. During the day activities focused on how HR could deliver both HBOSA and Divisional people strategies by moving from “team silos to a collaborative one team”, from “product led to business led” and from “activity driven to results driven”. A presentation on how HBOSA was concentrating on expanding its east coast business was the context for a key message of how HR would focus on “continually enhancing HR capability” to “enable delivery of expertise to the business and strengthening relationships and communication with the business” by “working as a team – sharing knowledge and successes” and “leveraging UK HR”.

On 16 November the Head of HR Solutions met with the OD team for a planning day. The group determined their purpose as “providing the tools and mechanisms to HR to deliver to the business, in order to support increased employee engagement and increased retention”, which were identified as “key business drivers”. They decided they would be “aligned with and support other specialist areas”, be “a centre of excellence, with specialist skills and knowledge providing guidance, advice and support” and be “aligned to the HBOSA identity”. The target audience for OD’s products and services was identified as the Heads of HR for each division “as they know their customers’ needs and the context for implementation” and it was agreed that OD would access processes and materials from the UK wherever possible. The work of OD was categorised into three areas:

1. Capability development focused on strategy, program development, advice and delivery through provision of:
   - leadership development programs and a mentoring program
   - team development dealing with change transition and team building
   - individual development incorporating executive coaching, advice on external programs, development planning tools and a resource database
   - the Leadership Commitment framework incorporating 360 degree feedback, coaching model, and development tools
• technical skills strategy and development of a community of practice with the other divisions.

2. Employee engagement focused on HBOSA identity, strategy development, surveys such as People Index and data analysis and recommendations from exit information.

3. Talent focused on strategic workforce planning, succession planning and talent management.

The need for OD to again have a dedicated manager was discussed and on 15 December 2006 another structural change resulted in the contract Head of OD and Support Divisions moving to take on the permanent role of Head of HR Group Functions and Support Divisions. As the Manager OD incumbent had extended her UK secondment an external consultant who had worked previously with the Head of HR Solutions and the CEO of HR was appointed as acting Head of OD:

A colleague of mine needed a hand to help the OD team get a strategy happening, to get it moving again, given some of the dislocations that had happened. I had a very short timeframe in my mind when I came as it was planned to be a three-month contract.

Throughout this time HR had been working on implementing the HBOSA People Strategy. A perspective on an aspect of this process is provided by a HR manager:

Prior to the August 2006 HR strategy days Leadership Development had commenced planning for our annual needs analysis. During the strategy days it was identified as a top priority. For the needs analysis it was about a quarter of the way through so they
refocused it and ran interviews and focus groups with strategic and organisational leaders, did an online survey with frontline and functional leaders and held a series of consultations across the Divisions targeting particular stakeholders. They also used the end-of-module review that Pathway participants did during 2006.

Writing it up was tricky, as the political landscape had changed. When the needs analysis began it was just a regular Leadership Development TNA but by the end of 2006, the beginning of 2007, when the Manager Leadership Development was doing the report there were other agenda operating and the analysis became a means to start these conversations about HR strategically reviewing all of HBOSA’s training. The report identified that the Group and Divisional leadership and management development operated independently and they weren’t aligned; there was no organisation-wide learning, training, and development strategy; different ideas and models of leadership and management were being used; the Leadership Commitment wasn’t embedded; and people weren’t sure what they were supposed to be and do as a leader. There was a series of recommendations made with the prime one being the development of a LT&D strategy for the whole of HBOSA, which would identify the approach required for leadership and management development and how other training should be aligned. The HR CEO presented the report to Executive and they endorsed a strategic review of training provision within HBOSA.

The strategic review was owned by the Head of HR Solutions and conducted by the Manager Leadership Development and the acting Head of OD and ran between February and April 2007, the outcomes of which are described by the acting Head of OD:

The review’s objective was to assess the ‘state of the nation’ in leadership and in learning, training and development within HBOSA and to identify key improvement opportunities. We interviewed senior management and pivotal stakeholders, conducted surveys and facilitated focus groups. We used a stepped approach so that as we found out what was happening from one source that insight was incorporated with the next person or group we interacted with. We used the analogy of upgrading the engine while in flight.

In doing the review we found that there was a patchy understanding and use of the Leadership Commitment as a dominant logic for leadership within HBOSA, with some people using it and others not, so its penetration as a leadership development model was incomplete. I’d had conversations with key business leaders and it was felt we that we needed to improve the quality of leadership development but there was limited confidence that Pathway could meet the needs of the business. For LT&D it became clear that there was no single point of accountability and different business units had different levels of investment, capability and capacity. There was limited ability for HBOSA to gain economies of scale from the different business LT&D initiatives and to measure impact and effectiveness.

During the review the acting Head of OD proposed that Pathway be restructured and the HR Leadership Team accepted this change. Others saw this view of the need for change differently, as explained by a Leadership Development Consultant:

The Head of OD is based in Sydney, as are the majority of the HR Leadership Team including the Head of HR Solutions and the CEO HR, and their view is very much influenced by that location. Right from the formation of HBOSA there’s been an uneasy relationship between the four companies. BankWest has always been prominent in the West; it’s been around the longest and it’s the largest part of HBOSA. It has an iconic history that is not always appreciated by the others. In the West the Pathway programs have always been well received and well attended. Around 70% of them are delivered in Perth with the balance spread between Sydney, Melbourne, Adelaide and Brisbane. Due to the spread there is often a lack of numbers and because of budget that means that scheduled programs don’t run. The
cancellations cause angst and our reputation has been affected. To damn Pathway though is not fair. In the needs analysis that we completed in January 2007, over 90% of the managers found the Pathway courses highly useful in helping them improve their leadership of the business and highly effective in assisting them to become better managers. About 95% of our frontline and 80% of our middle level leaders thought the quality of the MDP and LDP were better than other programs they had completed. That data came from all of HBOSA, not just Perth.

From April 2007 the Leadership Development team focused on building up the visibility of Pathway, particularly with tactical leaders. By the beginning of August, overall enrolments had increased, participant satisfaction had improved, and some business outcomes were being reported, which is captured by a national manager:

Pathway had a bit of a rocky start in Sydney but it has certainly gained traction this year and lots of managers know about it and talk about what happened on the courses and how they are helping. There was a whole range of people who attended and it was great to spend time with different parts of the business exploring HBOSA issues. I learnt a lot and I’ve been putting that into practice with my teams and we’ve had some wins both here in Sydney and in Perth. Even though we’re going through so much change we’ve been able to build new markets and increase our customer base as well as retain our existing customers. I think the courses are good and helped me as a leader so I was on target with the guys and I’ve been able to keep them firing in the right direction.

Leadership Development saw the increasing positive response to be due to better marketing, an improved level of support from the HR Leadership Team, increased communication with the HR business partners, and a focus on touchpoint events with the business. Awareness of the value of Pathway was aided by the Group CEO’s promotion of its significance at his July Roadshow and the positive feedback provided by the CFO who had completed a Pathway course. However, by the end of August 2007 it was generally accepted that Pathway was “a variable brand” that functioned well on the west coast and less well on the east coast.

In September 2007 the acting Head of OD became the permanent Head of Capability Development, a role he considered timely:

I didn’t choose the title Capability Development; the Head of HR Solutions named it. I did see that it encompassed more than leadership and it positioned the place for more. Also, Organisational Development had seemed to run its race and it was BankWest-linked rather than HBOSA-linked. Capability is about what makes a place sustainable. Capability development is about what the skills, competencies and capabilities are that will make the business sustainable. It’s beyond leadership development; it includes technical, operational and all areas of development. It should be in response to strategy.

Following this appointment it was agreed that Pathway would be wound down and a new brand developed that was “better aligned to organisational needs”. This decision was in line with ongoing planning to create an HBOSA corporate university.
Throughout 2006 various executive members of HBOSA had continued their practice of travelling to the UK to meet their counterparts and observe business operations in HBOS. It was a time of change in HBOS as a new CEO had taken up the reins on 31 July 2006. Identified as heir apparent in January, the new CEO was a “retail whizzkid” who had overseen Halifax's retail banking since 1999 and was focused on business expansion, more share buybacks, greater fiscal discipline and “targeted international expansion”. His concentration was on achieving the core strategic themes of growth, sustainable return on equity, differentiating performance in cost and risk management, step-change in service standards, and “less is more” for resource/capital allocation.

As part of the internationalisation expansion plans a new role in HBOS Group HR was established in January 2006 with the appointment of a Head of HR, International, who had responsibility for driving the HBOS people strategy internationally in Ireland, Europe, North America and Australia. In light of the appointment of the new HBOS CEO the people strategy was reviewed and in October 2006 HBOS People Strategy II was released, which retained the features of the first and articulated how these could be implemented in an integrated way to “create a truly unique and non-replicable competitive advantage for HBOS”. HBOS had an ambitious business plan of increasing its market share to 15-20%, achieving a return on equity of around 20%, improving revenue growth and cost leadership, getting customer service right, and growing the UK franchise by expanding internationally.

From the viewpoint of the HBOS Head of HR, International, the way to do this was through leadership and creation of a performance culture across all of HBOS:

People Strategy II was the means to help HBOS succeed through its people. It was about building our leadership capability to deliver long-term success through initiatives like the Leadership Commitment and getting our leaders to really demonstrate Lead, Shape, Build and Deliver and through people accessing HBOS University (HBOSU). We knew that if we were going to punch above our weight in the competition we had to attract the best talent into HBOS and nurture it and retain it. We needed people to say ‘I want HBOS on my CV’. We also had to help all colleagues realise their potential and ensure that any performance below expectations was addressed rigorously. From an international perspective we knew we had to quickly develop integrated processes for managing our people globally if that 10% of colleagues outside the UK were going to deliver the expected 10% PBT. It was important that all colleagues, not just those based in the UK, had access to the personal development they needed to do their job so they could deliver consistently outstanding performance.

HBOS had been concentrating on developing a performance culture through its emphasis on the Leadership Commitment, which had been progressively linked to selection, setting business objectives, development, talent management, performance reviews, promotion, and remuneration and benefits. As commented on by the HBOS Head of HR, International, the Leadership Commitment was intrinsic to the performance management system and:
It provided a means to set clear business objectives with tangible outcomes and clear leadership objectives. It’s not happened overnight; it’s taken two to three years. People now set objectives based on the Leadership Commitment and managers review potential performances based on the Leadership Commitment and business outcomes. We were saying that people who do those things make a more successful business. So how you assist people to deliver that performance agenda was the next issue, and that’s where HBOSU came in.

Following the first people strategy and the implementation of the new HR operating model in 2005, which used a shared services model for transactional and specialist services, it was acknowledged that a fully integrated learning and development proposition was needed for senior leaders to address the strategic objective of “developing the most outstanding top 200 leaders and their successors”. Establishing a corporate university was seen as the means to provide a “pan-HBOS” approach to leadership development as explained by the HBOS Head of Executive and OD:

We don’t talk about learning and development; we talk about HBOSU because HBOSU is integrated leadership development for Level 5+, which is the top 2500. Before HBOSU we used to offer leadership development using a federated model with each operating division delivering to Levels 5 and 6 as part of their own learning and development proposition. It was only at Level 7+ that we offered a pan-HBOS solution. HBOSU was about taking costs out, improving service so we could be ready for it, whatever it is, and making our existing investment in the development of our people work harder. With HBOSU we wanted it to be the main access point for all the leadership learning and professional development for Level 5+. It was about aligning our learning and development offering to HBOS’ strategic needs. The shift wasn’t easy. HBOSU took three and a half months to launch but it took one and a half years to get people to agree that it was the way to go and to see the value add.

On 19 June 2006 HBOS opened the doors to HBOSU with a soft launch offering a “one stop shop” for all leadership and professional learning and development across the group and reinforcing the commitment to leadership capability through a wide variety of learning opportunities. The HBOS Head of Executive and OD provided the background:

In the build-up to going live in June we did an introduction of the HBOSU name through an online survey of development needs in May plus we held focus groups, one-on-one discussions and 360s to help us build a picture of what was important to build a curriculum. We’ve created a clear branding for the look and feel of HBOSU so colleagues can easily identify and navigate on the website to the new proposition, which brings many of our existing programs and solutions under one umbrella. We had a project team building HBOSU and we’ve now transitioned to a permanent structure governed by an Advisory Board that ensures HBOSU is accountable to the business. We had a program of direct communication to Level 5+ colleagues using leaflets, emails, GroupNet articles and links on divisional web pages to let them know about the new offering. In July we started an email trailer for our forthcoming events and in August we did a desk drop leaflet for our September series of high-profile events. In September we did our official launch with our first masterclasses
using key speakers and they were a hit, with colleagues saying, ‘You absolutely must go on that program’, because they gave really practical support in pulling the levers to drive business performance.

In line with the internationalisation strategy a range of HBOS staff took up roles in HBOSA and the staff visits between the two organisations increased. With the focus on transplanting the HBOS model to Australia, building a consistent culture became a key consideration, which was encapsulated within HBOSA’s 2006 people strategy with its aim to leverage HBOS by accessing processes and materials wherever possible. At the beginning of 2007 discussions began between senior HR leaders in both organisations about the feasibility of setting up a HBOSA University (HBOSAU) modelled on HBOSU. HBOS Head of Executive and OD provided a perspective on this proposal:

When I first raised the idea of expanding the HBOSU concept outside of the UK, the Head of HBOSU didn’t see the value. It took some quite robust discussions over a couple of months to gain acceptance of franchising the model. Now, he’s right behind it and he’s been working with the Australian Leadership Development team to advise on components.

In HBOSA the need for such an arrangement had been identified through the 2006 needs analysis, which found learning, training and development was not strategically aligned, and recommended a refining of Pathway and a strategic review. The strategic review was conducted between February and April 2007 and advocated linking and leveraging learning, training and development across the Group, governed through HR with central management of generic offerings and divisional management of particular programs and services. It also recommended that the businesses fund the centre, which would move to developing a leadership academy.

After the endorsement by stakeholders during midApril and the HR Leadership Team’s 23 April 2007 approval of the strategic review’s recommendations, work began on implementation, which is outlined by the Head of Capability Development:

During the strategic review it became clear that there was interest in setting up something like the UK has with their university so we had started conversations in April with HBOS’ Head of HBOSU and the Client Services & Technology Manager about how they ran their operation. They were very helpful and sent through a range of material and they began to look at how some of their licenses for their online tools might be extended to Australia.

In May the Manager Leadership Development presented the concept of HBOSAU to the HR Leadership Team and talked about how we could reshape Leadership Development so we could wind down Pathway and wind up HBOSAU. We then set up a project team that looked at things like the governance, the platform for distribution, IT issues, and how we were going to provide the service and communicate it. We had a timeline of going live in December 2007. We were able to fast track because we had HBOSU as a model. We also set up an Advisory Body of some of the Heads of HR to oversee the build and ensure the goals set by the Learning Council were implemented.
The Head of HBOSU commented on considerations for the set up of HBOSAU:

HBOSU is a high-quality product. It’s well marketed, professionally staged, well-supported electronically, with well-appointed facilities. We have a substantial budget that supports the experience. It’s definitely a five star production or a Rolls Royce model. For HBOSAU you may not have this capacity but I think it’s important to let people know there is a model already in the organisation. It might help in the launch to let people know we’ve done some work together. It is important to position this as an evolution of HBOS and that in essence it’s a franchise operation. It’s not a fly by night it’s supported by the parent company.

The Leadership Commitment is central to HBOSU. Whatever you do, whatever suppliers you use, whatever models you employ, they have to be linked to Lead, Shape, Build, Deliver. It makes something like running a corporate university across the whole organisation easier. Once a quarter we run a Leadership Commitment conference focusing on either Lead, Shape, Build or Deliver. We get a high profile external speaker who talks around an issue then there is a panel and Q and A. Unless the Leadership Commitment is embedded then you’ll find that HBOSAU will struggle to become more than another form of leadership development.

As part of the broader Learning Training & Development (LT&D) strategy implementation the Head of Capability Development negotiated the establishment of the Learning Council to...
act as a governing body for identifying overarching learning priorities across HBOSA that supported HBOSA business strategy and ensured appropriate implementation and spend:

The Learning Council was an attempt at creating a point of integration across the whole of the organisation. It gives height to the learning discourse because its membership has a CEO, a CFO and other senior people from each Business Unit. It’s a point of integration as it’s really the only place where learning is discussed in this way and it has enough seniority to have some grunt behind the issue. I don’t think I could have got the conversations up about the university in any other forum; it would have remained an isolated thing. Certainly we couldn’t have been looking for money in a different forum. We needed to establish a body that had the authority to have those conversations on behalf of the Executive.

The Head of HBOSU commented on the value of having a Learning Council:

Because your Learning Council has high-level people it’s a great way to ensure that HBOSAU is strategically focused. You can use it to address key issues and determine the way forward. However, with your Learning Council, be careful that you don’t become a dumping ground for every new idea that doesn’t seem to fit anywhere else. It’s really easy to say, ‘Yes’ and then you scramble to find the resources to deliver. The Learning Council can set up the governance model so it’s really clear about the parameters for HBOSAU operations. If someone then comes up with a great idea for what HBOSAU should do you can take it to the Learning Council and they can then discuss whether it’s appropriate, whether it suits more than one division, whether we want to do it. If they debate it and say, ‘No’, then that’s a neat way for you to be able to respond in the negative, and if they are positive then you know that it fits the whole of HBOSA.

Another prong to the LT&D strategy was the establishment of the Business Unit Learning, Training and Development groups to work together as an operational taskforce to improve the effectiveness of the HBOSA offerings, as explained by the Head of Capability Development:
There was a range of technical, behavioural and leadership programs operating across the businesses and they were happening with little communication or consideration of the synergies that could be realised. There was no conversation about learning at the tactical level. So by bringing people together you get Retail talking to CFAL in that forum and it’s now OK to do that. That group of business representatives are developing a framework of courses linked to the Leadership Commitment and will produce an HBOSA-wide learning calendar for Levels 1 to 3.

Within this context between May and December 2007 the Leadership Development team designed a range of programs, resources, events and services, as described by a Leadership Development Project Officer:

We reviewed what we were offering through Pathway and retrofitted some aspects to Lead, Shape, Build, Deliver. We also reviewed what HBOSU had and adapted their ideas to suit our context. We created an Inspire program for Levels 6-8, an Engage program for Level 5 and a Connect program for Level 4. Unlike the UK, we planned to cover Levels 4-8 rather than just 5+ as we judged that was the way we would have the greatest impact. In some ways it was really a branding or marketing activity.

As part of the shift to HBOSAU the management of the ADI was brought into the Leadership Development team and the design and delivery of the program was reviewed. Changes were made to shift from solely a focus on individual development to focusing on strategic issues, building cross-functional teams and building professional capability. As the Head of Capability Development explained, June 2007 saw the introduction of a pilot of a strategic laboratory process:

ADI as it was wasn’t making sense. I couldn’t see what was the individual benefit and what was the organisational benefit. I didn’t know what was the ROI for the organisation except on the number of people we kept but I wasn’t clear on whether keeping the people was the best for the organisation. For the individual there wasn’t clarity about what purpose ADI was serving. The idea behind the strat lab is to be able to put people together from different parts of the organisation to enable them to work together on a complex organisational wide issue, to show them what’s required to work at the higher ends of the organisation, to give them a robust methodology to solve an organisational issue. It exposes them to working cross-functionally on that issue, and it helps them to open up their horizons and think more strategically. It’s not what they do day-to-day so the strat lab gives them more wider thinking options.

Started in April 2007 with a development planning workshop, the new ADI program had 22 participants drawn from Levels 4 and 5 and involved funded individual development opportunities plus four group workshops, a lunch with the HBOSA CEO, a presentation to the Executive on the strategy laboratory project outcomes, and in March 2008 a final wrap-up and celebration. In addition to the strategy laboratory the program also included innovations such as coaching provided through a range of HR personnel, development assessment involving 360 feedback, online personality assessment and a leadership capability interview. The program was considered successful, as noted by members of the HR leadership team:

The program has been improving year by year. This year is significantly better than last year’s program. It’s much clearer that it’s about identifying the talent and fast-tracking their development across HBOSA – building the talent pool.
The development-planning workshop was good as the starting point of the program and the strat lab has been an excellent way for the group to build networks and step up to the demands of higher responsibility and higher thinking.

The participants also saw the ADI as a success, commenting:

I really enjoyed the opportunity to be working on the strat lab question as part of a group from different functional areas within the business. The personal support offered by key senior management and Executive members, particularly at the ADI workshops, has been very encouraging.

The program gave me a solid understanding of market issues and where HBOSA was positioned in relationship to competitors. I came to appreciate the influence of HBOS on our activities and how the parent determines a lot of what we do. There certainly is a bigger world than your own to consider. I also developed my understanding of what it means to be a leader in HBOSA and what the expectations are for people at my level. I’ve now got a clear development plan for the future including the possibility of doing a stint over at HBOS.

It’s given me more confidence to get out there and interact and talk to Exebs and other senior people outside of my usual business line. It’s been a challenge to allocate the time to the program, especially during those first months when the program was being put together on the fly and did not provide a lot of direction. By the end I was comfortable that I could deliver on all fronts, so maybe the program became better organised or maybe I did! I’ve been able to leverage off the networking and I’ve formed a relationship in Melbourne where we are both making changes in our businesses that are delivering some real returns for the company.

The success of the pilot saw that format being adopted for the 2008 program with some modifications based on improvement feedback provided by the 2007 participants and the stakeholders, as explained by a Leadership Development Consultant:

We did a review of the ADI process and decided that the program would be better run aligned to the calendar year. Because we were moving to HBOSAU we designed the program around four workshop journeys covering the Leadership Commitment. We also changed the nomination and selection process as in 2007 we had 44 nominations for what ended up being 22 positions, which meant we had to turn away half of the nominees. The idea for 2008 was that rather than have post-nomination disappointment and the hassles that brings with the business, the participants would be nominated from the beginning by applying more stringent selection criteria. The nominees came out of the success planning process through discussion with each business Head of HR and based on the allocated places available to that line. We actually got more than 20 nominees so we had a panel selection process set up to assess capability, capacity and motivational fit and cull the numbers but it didn’t go ahead. In the end, the Head of Capability Development and the Manager Leadership Development felt it was better politically if nobody was cut, so by mid-October we had 28 participants from Level 4 and Level 5, which Executive signed off on.

The first workshop journey was held in Sydney on 13 and 14 February 2008 and provided participants with the context for ADI and explored the Leadership Commitment, strategic thinking, team work, motivation, leadership flexibility and the HBOSA change model.
Group CEO outlined the strategic directions for HBOSA, positioned ADI within HBOSA, and shared his own leadership journey. He spent some time detailing how the collapse of the US subprime mortgage market and the resulting global credit crunch were impacting HBOSA. He shared his views of the timeline of events, which had crystallised with the folding in April 2007 of a US subprime mortgage provider, New Century Financial Corporation, and the July losses for investors in two of US investment bank Bear Stearns’ hedge funds who dealt with subprime mortgages through collateralised debt obligations. He spoke about the problems of UK mortgage provider, Northern Rock, who had moved into subprime lending through a deal in 2006 with US investment bank Lehman Brothers and had expanded its business through dependence upon wholesale money markets to securitise its mortgages. Northern Rock’s 73% exposure to the wholesale market, compared to HBOS’ 43%, meant they were reliant on short-term financing and were therefore very affected by the drying up of the money markets after BNP Paribus Investment Partners, the asset management arm of one of France’s largest banks, announced on 9 August that they had frozen three of its funds that were invested in US subprime markets as it could no longer value them fairly. The Group CEO spoke about Northern Rock’s application to the Bank of England on 13 September 2007 for emergency financial support after it was unable to secure loans from elsewhere, a move that triggered the first run on a UK bank since 1866 and saw thousands of depositors queuing down the street the following day to withdraw £1 billion. He reassured the group that despite HBOS’ million of dollars write-down of assets due to the credit crunch, the parent company was still forecasting a good year as its balance sheet exposure to US subprime mortgages was running at less than 0.1% and the run-on effect for HBOSA was minimal, especially given that growing HBOSA was a key part of HBOS’ international strategy.

That evening over drinks and dinner the Group CEO’s comments around the credit crunch was the main topic of conversation for the participants:

I appreciated the Group CEO sharing his view of what’s happening internationally with the credit crunch. There’s been a lot of chat about the impact it will have on HBOSA so it was good to hear, first-hand, the most senior insider view and know that our expansion plans are still on track. Getting the opportunity to understand our strategy and discuss its implementation is one of the benefits of being part of ADI. We’re all hearing this at the same time and as key leaders we have the chance to discuss what we need to do and how we need to operate with our teams and guide them through this next period.

The restructuring of the ADI was part of a multi-pronged strategy to run a series of soft launches of HBOSAU. The main soft-launch had been scheduled to occur in December 2007
however this was deferred until ongoing funding for the university had been secured. In November the Head of Capability Development presented a paper on the updated ADI and the formation of HBOSAU to the Executive who endorsed both proposals. The HBOSAU proposal described how the establishment of the university would contribute to the “strategic development and direction of HBOSA through its focus on people as critical factors in achieving sustained competitive advantage by enhancing and retaining human resources.”

On 22 February 2008 the Chief Executive HR & Corporate Affairs announced that the Executive had agreed to the $1.8 million funding that had been put forward by each of the divisions to support HBOSAU. Executive accepted the Learning Council as the HBOSAU governing body and acknowledged the need to plan for additional funding required in 2009 and onwards.

On 1 March 2008 the Manager Leadership Development left and on 6 March the Capability Development unit was renamed Leadership Development, a situation commented on by a Leadership Development Consultant:

With having got the green light from Executive on the funding for HBOSAU and with the Manager Leadership Development leaving it was timely to look at a bit of a reorganisation. The name Capability Development was dropped and we all became Leadership Development, as the business understood that easily and it aligned the Perth and NSW teams and provided a consistent shopfront. After a bit the team really exploded and we had about five people in Perth and fifteen in Sydney. There were two communication specialists, three admin a couple of online specialists and a range of program managers and consultants. We were focused on continuing the build of HBOSAU and its implementation and also on beefing up the work we’d been doing around embedding the Leadership Commitment and we were also working on improving the programs for Levels 1 to 3. It was odd though. Before we had been providing all the leadership development in-house with a small team based in Perth then we went to this outsourcing model where we used external providers for everything, but the size of our team increased by four times. Even though the majority of the work was in Perth, the new people were mainly based in Sydney, which was where the Head of was located.

On 20 March the first event of HBOSAU happened with a soft launch masterclass, Leading Change to Deliver Results Successfully, delivered in Perth by a professor from Switzerland’s International Institute for Management Development who had previously provided this program to HBOSU. The program was well attended and received positive comments:

It was fantastic to have someone of this calibre deliver the program. The focus on leading change initiatives was really relevant to what was happening in HBOSA and being introduced to the HBOSA change model gave me a framework for unpacking our change plans. I liked the concept of getting stakeholder buy-in and it helped me reframe the urgency of change so I could put that process into improving what we’re trying to achieve as we grow.

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This was something very different to what I’d attended before and the fact that the professor had worked with HBOS was good as she explained how the change model worked and how it had been used. So I went from that and relooked at some of the
change plans I was working on and I switched over to the new model. It was a useful way to make sure everyone was working on the same basis and we were in tune with our parent.

The enhanced Leadership Development team continued building the infrastructure for HBOSAU expanding the already designed programs, adding in a coaching panel and a mentoring service, and creating the website. A range of branding materials such as pads, pens, mousepads and stressballs were sourced and labelled HBOSAU and these were used as takeaways at the information sessions held prior to and after the launch of the HBOSAU website on 1 July 2008. As explained by a Leadership Development Consultant, a strong focus was also given to running sessions on the Leadership Commitment:

We knew from the HBOSU experience that we had to embed the Leadership Commitment across the business if HBOSAU was really going to be different and was going to be taken up. We ran these engagement pieces to make sure people understood how the Leadership Commitment worked.

In August 2008 the Executive agreed to the provisional amount of $1.8 million to be included in the HR & Corporate Affairs 2009 budget. With the ongoing funding assured, the expansion of HBOSAU continued with a number of the consultants receiving training in a range of psychometric tools:

We knew that Executive were supportive so I and a few of the other consultants had begun becoming certified in different team assessment and development tools. I did the training in Human Synergistics’ LSI and the Group Styles Inventory, and I also did Team Management Systems’ Team Management Profile and SHL’s 360° Feedback and Development. With HBOSAU, because we were using external providers to run all the training, we internal consultants were brokers with the business and also ran coaching and these team development sessions.
Progress on HBOSAU was impacted with the announcement on 18 September 2008 that Lloyds TSB, the UK’s fifth biggest bank, was to takeover HBOS plc, the sixth largest. The acquisition terms set up HBOS shareholders to receive 0.83 Lloyds shares for every 1 HBOS share, which valued HBOS at £12.2 billion ($A28.06 billion). The merged entities meant that Lloyds TSB would become the biggest UK bank in current accounts, mortgages, savings, personal loans, credit cards and household insurance with 142 000 employees, 28% home loan market share and nearly 50% of the UK savings market. Seen as a rescue plan for HBOS, the deal was brokered by the UK government following a 66% decline of its share price since 15 September 2008 after the US Lehman Brothers, the world’s fourth largest investment bank with $US639 billion of assets, had declared bankruptcy.

The collapse of Lehman Brothers marked the start of a new phase in what many were now calling the Global Financial Crisis. As the housing and stock market collapse worsened, governments around the world stepped in to rescue key financial institutions. In October 2008 the Australian government announced guarantee arrangements for bank deposits and wholesale funding. They also announced a fiscal stimulus package worth $10.4 billion including payments to families, seniors, and carers, an increase in the first homeowner payment, and an increase in training places, measures that came at a critical time for BankWest as commented on by a divisional head:

"We were bleeding money. There were millions that had walked out the door. We even thought there might be a bit of a run. The bank guarantee stopped some of the panic, though people were still not confident."

With the impending shift to Lloyds TSB ownership halting HBOSAU expansion a review was initiated, which was impacted by the 8 October 2008 announcement that BankWest and St Andrews would be sold to the CBA for $2.5 billion, 20% below book value. HBOS was to receive $2.1 billion of cash with the balance being a return of excess capital in BankWest. HBOSA's corporate business, BOS International (Australia) Limited, and its asset finance company, Capital Finance Australia Ltd, would be retained by HBOS along with their HBOSA Treasury operation. This deal made the CBA Australia’s biggest bank with over 1100 branches, 11 million customers, 22.5% of home lending and the largest share of household deposits with a market share of 33.6%.

HBOSAU was renamed the Leadership University and work began on replacing the HBOSA Leadership Commitment with the CBA’s framework. Other changes were noted by a Leadership Development Consultant:
It was a disturbing time with some of our contractors leaving and us stopping our communications. We also stopped doing coaching and team development and we reduced the amount of services we offered. It was really a time of review on what we were going to carry forward into the new CBA model.

Across the Bank a series of other changes were also implemented including halting the physical east coast expansion of the targeted 160 new branches that had begun with the Bronson project. The existing 33 new branches in Victoria, New South Wales and Queensland were retained as they were seen to offer the CBA an opportunity to operate seven-day-a-week stores in shopping centre locations.

On 19 December 2008 the BankWest and St Andrews sale to the Commonwealth Bank was completed. As the year drew to a close members of the Executive either left the organisation or were deployed into other projects. The Group CEO took leave at Christmas 2008 and concluded his contract on 5 January 2009. The new BankWest Managing Director, a senior manager from CBA, was appointed in December 2008 and took up his role on 6 January 2009.

As 2009 began to unfold the Leadership Development team continued their reshaping of the management development provision, as explained by a consultant:

> We were rebranding everything and jettisoning things that didn’t fit the new CBA way. We had to refocus everything to the new Leadership University and ensure that what we were offering would fulfil the change mandate.

Though this narrative concludes here, looking back to 2009 shows that BankWest has continued to operate in a changing environment. The importance of having managers who are attuned to organisational values, are focused on achieving strategic and operational goals and have the ability to lead people is still considered the requirement and a key for BankWest’s continuing operation. The role that strategic change endeavours of management development play in constructing corporate capability in these changing contexts is the ongoing story of this innovation journey of BankWest.

**Closing**

Beginning with BankWest’s inception in WA in 1895, this chapter overviewed the first hundred years then used the voices of the stakeholders to present the story of BankWest’s management development process from 1997 to 2009. The cultural, political and technical influences forming the events and the impact management development had on its stakeholders were analysed. The next chapter provides some interpretations of this case using a range of viewing points informed by literature. It synthesises the study, answers the research questions, models inter-relationships, components, and impacts, and presents a framework of constructing management development as strategic change endeavours.
Part 3: Conclusions
5

Interpretations

Opening

In this first chapter of Part 3 Conclusions, concepts of management development, innovation, capability and change are amalgamated to provide additional readings of the rendition of the account presented in Chapter 4. The structure of this chapter is illustrated in Figure 10.

Figure 10: Chapter 5 Structure
This research has produced an holistic picture of how the process of management development is constructed in an innovating corporate organisation. It explored the contribution management development makes in the construction of corporate capability over time thereby providing insights into strategic organisational change endeavours. The research considered the issue of

- How is management development constructed and what role does it play in the construction of corporate capability in changing contexts?

The research questions considered, in an innovating organisation:

- How are management development programs constituted?
- How are management development performances enacted?
- How are management development productions integrated?

The observation of the journey of the process of management development at BankWest in the preceding chapter provided an opportunity to descriptively examine the changing nature of an organisation innovating over time. The chronological narrative account used a first-order analysis (Van Maanen, 1979) and emphasised the voices of stakeholders in the management development process to tell a story of strategic change endeavours undertaken over around 12 years within an innovating organisation.

Using the conceptual framework presented in Chapter 3 as the envelope, this chapter presents a second-order analysis (Van Maanen, 1979) of management development applied to innovation within a strategic change framework to assess its role in corporate capability construction. The interpretation strategy involves two viewing points. First, the management development events are interpreted from the perspectives explored in Chapter 2 and comment is made on their connections to the literature. Second, the narrative accounts of management development analysed in Chapter 4 are reviewed within the framework offered by Van de Ven and Poole (1989) then considered in light of the broader literature. The chapter then considers the research questions of constitution, enactment and integration of management development as underpins to the research issue of corporate capability construction. The chapter concludes with a synthesis of the study and the modelling of management development’s inter-relationships, components, and impacts culminating in a framework of constructing management development as strategic change endeavours.
**Viewpoint One**

BankWest’s move towards achieving corporate capability through management development is considered as an innovation. As discussed by Van de Ven, Angle and Poole (1989), the management development events were purposeful, concentrated efforts by BankWest to develop and implement substantial and novel organisational ideas entailing a collective effort of considerable duration requiring greater resources than held by the people undertaking the initiative. Appendix 2 shows a chronological listing of the changes related to BankWest’s management development journey. From this listing of events a critical event chart was developed (M. B. Miles & Huberman, 1994), shown in Appendix 3, which identifies the management development events between 1997 and 2009, grouped as strategic, tactical and operational, and describes the triggers, influences, inputs, adjustments and impacts. These processes of change have been conceptualised as a “sequence of events or activities that describe how things change over time” (Poole et al., 2000, p. 19).

In line with the conceptual framework discussed in Chapter 3, and following Tichy (1983) who views organisational change as cycling between three dimensions over time, Appendix 3 notes the triggers of these change endeavours and categorises the dominant influences as technical, political, and cultural. It is recognised that these cycles of organisational focus can peak and trough between the technical view with its emphasis on organising social and technical resources to produce desired output of organisational effectiveness and efficiency, the political view that sees the exercise of power as key, and the cultural view that perceives change coming about through altering the cognitive schemes and norms of the organisation’s members.

The inputs into the management development events are noted in Appendix 3. These inputs are derived from Chapter 3’s conceptual framework of management development’s purposes, practices and positions.

In examining the purposes, *why* the management development event occurred is considered. Lees’ (1992) ten faces, as discussed in Chapter 2, are used to categorise the management development events as functional performance, agricultural, functional defensive, socialisation, political reinforcement, organisational inheritance, environmental legitimacy, compensation, psychic defence and ceremonial.

Consideration of the practices employed examines the *what* of management development. The interventions used are in line with those explored in Chapter 2’s discussion of managing routinely, scientifically, psychometrically, socially, motivationally, therapeutically, popularly, transformationally and messianically.
The positions occupied by management development take into account who is involved. Luoma’s (2005) three-stage model of sporadic, reactive or integrative management development is used as the assessment tool. This combines Burgoyne’s (1988) six levels of maturity of management development progression with Mumford’s (1993) three types of management development used by organisations when managing management development relative to their strategy.

Who takes responsibility for the process and the extent to which management development is centralised or decentralised is part of the consideration of its positioning (Garavan, 2007; Mabey, 2002; Thomson et al., 2001). The management of the process of management development is key and Garavan’s (1995c) model of single sovereign and steerer is used. The single sovereign model positions the manager of management development as a subject matter expert who uses large group instructing methods. The steerer model emphasises corporate strategy through a proactive approach that stresses team and organisational processes underpinned by a change focus. The manager of management development is a facilitator of learning, an adviser and a change agent who tends to emphasise one-on-one learning, self-development, self-evaluation and an organic development approach.

The adjustments made during each management development event are shown in Appendix 3 and the rearrangements made to each innovation during its lifespan are noted. Finally, the impacts within BankWest of each management development event are recorded. The categorisation of these impacts derives from Chapter 3’s conceptual framework and considers changes in managerial, organisational and business performance. Rather than trying to establish causal connections between investment in management development and professional, operational and strategic impact, evaluation of the effectiveness of the management development events are “pragmatic, subjective and interpretative in orientation” (Garavan, Barnicle, et al., 1999, p. 203) and mainly derived from those “on the receiving end of management development in action” (Meldrum & Atkinson, 1998, p. 529). In assessing the impact of the change endeavours, Tichy’s (1983) technical, political and cultural change cycles are considered as well as Van de Ven et al’s (2008) journey of change model, which sees that outcomes of one event often become the trigger for the next.

The triggers for these change endeavours can be categorised predominantly as cultural initiatives where organisational management focused on building strongly shared sets of goals and perspectives and common ways of working and speaking together as a means to solve the organisational issues (Bolman & Deal, 1991; Kanter, 1984; Pascale, 1985; Peters & Waterman, 1982). Table 2 summarises the influences on the management development events in terms of Tichy’s (1983) discussion of technical constructs emphasising organisational effectiveness and efficiency, political constructs considering the exercise of
power, and cultural constructs viewing change occurring through modifying the cognitive schemes and norms of the organisation’s members.

Table 2: Cycle Analysis of Influences on Management Development Events

<table>
<thead>
<tr>
<th>Technical</th>
<th>Political</th>
<th>Cultural</th>
<th>Technical/Cultural</th>
<th>Political/Cultural</th>
<th>Technical/Political/Cultural</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>0</td>
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<td>7</td>
<td>3</td>
<td>1</td>
</tr>
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</table>

Of the 17 management development events 94% of the cycles had a cultural component. Given the nature of change at BankWest during this period the dominance of cultural influences within the management development events was aligned. This emphasis on cultural-focused change as a means to bring about the desired levels of corporate capability accords with the view of Tushman and O’Reilly (1997) who argue that culture is at the core of innovation within organisations. At BankWest management development was seen as a way of providing managers with a repertoire of actions and responses to move the desired change forward by exploring organisational routines and systems and changing individual attitudes thereby leading to changes in individual behaviour. As Beer, Eisenstat and Spector (1993) note, this common approach of programmatic change did not necessarily address the key factors of building a company mindset for innovation. Using culture management as a form of social control and a means to create “cultures of change” (Andriopoulos & Dawson, 2009, p. 251) through the various change endeavours was not always successful.

One of the strategic, one of the tactical and all of the operational management development events undertaken at BankWest were for functional performance reasons (Lees, 1992). These change endeavours aimed to motivate, develop and retain the expertise and talent of managers thereby improving individual and organisational performance (Mabey & Finch-Lees, 2008). In the case of the operational events, workshops were designed in a mechanistic fashion with managers being removed from the workplace, checked out with diagnostics, repaired or fitted with higher performance parts, tuned-up and then returned to service. This garage (Lees, 1992) or toolbox (Mabey & Finch-Lees, 2008) approach sought to ensure that individuals and the organisation ran at optimum efficiency. In all but the HBOSAU and the Pathway LDP and MDP the manager of management development designed the workshops from a single sovereign perspective (Garavan, 1995c) where provision was predominantly reactive, was based on that person’s view of what was needed and was delivered through large group training methods. With the exception of the Pathway MDP of 2006 the balance of the operational events used interventions based on either managing routinely, which drew from ideas of work compartmentalisation (Braverman, 1974), bureaucracy (Weber, 1947) and competency-based training (Cunningham & Dawes, 1997) or interventions based on managing scientifically, which presented managers in an idealised and over-simplified way
as controllers who systematically planned, organised, coordinated and controlled (Bartol et al., 1998; Buchanan & Huczynski, 2004; Doyle, 2000; Western, 2008). The operational events were all reactive (Luoma, 2005) with the process benefiting the organisation. HBOSAU, Pathway LDP and Pathway MDP operated for functional performance purposes as well as socialisation reasons (Lees, 1992) and all were integrative (Luoma, 2005). This correlation between purpose and positions of management development is reflective of a mindset that sees tactical and strategic managers more as leaders who require a development program driven by whole of organisational concerns in contrast to operational managers who only require “sheep-dipping” (Thomson et al., 2001, p. 104) into standardised managerial thought.

Around 65% of the management development events had a socialisation rationale (Lees, 1992) spread across the strategic, tactical and operational. These change endeavours sought to induct managers into the corporate culture through presenting the prevailing company perspectives and ideas and encouraging managers to share the same thinking models, understandings, language, and views. At the strategic and the tactical levels socialisation was mainly coupled with political reinforcement (Lees, 1992) where the chief executive’s vision of how the organisation should proceed was cascaded through the organisation (Mabey & Salaman, 1995, p. 147) via management development. Excluding Riding the Wave in 2002 the remainder of the strategic and tactical events were run from a steerer perspective (Garavan, 1995c) where the managers of management development worked with others and brought together different interests that influenced the construction of the event. In each of these instances the change endeavours were integrative (Luoma, 2005) with the process benefiting both individuals and the organisation. The operational Pathway MDP of 2006 was also run from a steerer perspective and was integrative, however, the remainder of the operational events that had a socialisation focus were run from a single sovereign perspective and were reactive. The impacts of these events were professional enhancement, development of a leadership cadre and common language as well as changes to business practices and improved business outcomes. Management development was used as a tool to promote change as well as a mechanism to produce change as managers’ attitudes and behaviour and their perceptions of reality were shaped by the process (Berger & Luckman, 1967; D. Grant, Keenoy, & Oswick, 2001). Management development operated as a “powerful ordering force” (Alvesson & Karreman, 2000, p. 1127) constructing and validating reality by ruling-in acceptable ways of talking and behaving, and ruling-out conversations and actions that were unacceptable to the reigning corporate culture (D. Grant & Hardy, 2004).

All of the ADI had an agricultural focus (Lees, 1992) of home-growing managers. The agricultural focus was combined either with an organisational inheritance rationale (Lees, 1992), where the nominated participants were considered to have gained entry into an elite group, or with a political reinforcement rationale (Lees, 1992), where participants’
development and assessment of performances adhered to the prevailing political order. These change endeavours were more focused on one-to-one development processes arising out of a personalised growth plan than large group batch training. Designed around the results of psychometric testing that were seen to produce a match indicator of personality and type to future roles (Alimo-Metcalfe, 1998; Costa & McCrae, 1985; Goleman, 1996; Myers & McCaulley, 1985; Woodall & Winstanley, 1998), the participants assessed their “strengths and weaknesses as managers” and identified areas for “performance improvement” (Mumford & Gold, 2004, p. 69) as they strived to become “made up” into particular conceptions of BankWest managers (du Gay, 1996; du Gay et al., 1996). All of the events, which were integrative (Luoma, 2005), run from a steerer perspective (Garavan, 1995c) and centralised (Thomson et al., 2001), were shaped, executed and embedded in line with the managers of management development’s views of the existing and forthcoming organisational reality and their judgements of what were suitable change endeavours to reach the vision of corporate capability. These managers of management development applied their schemata to ideas that appealed to their backgrounds and experiences and applied their energy to raising the idea into reality (Van de Ven, 1986). As Ford (1999) observes, this activity could be seen from a structural-functionalist view (Burrell & Morgan, 1985) as the change agent attempting to align the events to a perceived objective reality, and from a constructionist view (Guba & Lincoln, 1998) as an acknowledgement of multiple alterable realities where the change agent sought to create opportunities for participants to determine their own performances and results. The ADI events provided the setting and the medium through which change could be promoted and through which change could be produced (Ford, 1999). The development of a leadership cadre with shared language and understandings provided a means to constitute a new reality in the participants’ minds and achieve “successful leadership of change” (Dunford & Jones, 2000, p. 1208).

Thomson et al. (2001) propose that the extent to which an organisation is centralised or decentralised will impact the process of management development. They see that it is most likely that a centralised organisation will have a centralised management development function and that even a decentralised organisation will still retain management development centrally. At BankWest this was certainly the case in 64% of the instances where the Bank had decentralised but the management development function remained centralised. The FMI event of 2000 began as a centralised function then when the bank became decentralised moved to Consumer Solutions in 2001 as a decentralised function though still offering whole-of-bank provision. The Retail Managers event of 2002 was the only instance where the function was decentralised at the same time the Bank was decentralised. In line with the findings of Thomson et al. (2001) this event was not seen as being particularly successful and the judgement of it being sub-optimal meant that when Retail wanted a similar event in 2005 it was run centrally.
Summary

Management development is an innovation and involves the purposeful development and implementation of substantial and novel organisational ideas comprising a collective effort over time and requiring greater resources than those held by the people undertaking the initiative.

Change endeavours cycle through times when particular technical, political or cultural influences dominate.

Cultural initiatives are the predominant trigger for change endeavours with the organisation’s management focused on building strongly shared sets of goals and perspectives and common ways of working and speaking together as a means to solve organisational issues.

Management development is a means to move desired change forward through the exploration of organisational routines and systems and the changing of individual attitudes leading to changes in behaviour.

Operational management development events are undertaken for functional performance reasons with the aim of standardising managerial thought through improving individual and organisational outcomes in a mechanistic fashion. The events are designed by the managers of management development around concepts of managing routinely and scientifically and are reactive with the process benefitting the organisation.

Tactical and strategic management development events are predominantly undertaken for socialisation reasons mainly coupled with political reinforcement with the aim of inculcating managers with the same thinking models, understandings, language, and views in accordance with the CEO’s organisational vision. The managers of management development work with others to design the events, which are integrative with the process benefitting both individuals and the organisation.

Management development events are opportunities through which change can be promoted and through which change can be produced. The impacts of management development events are professional enhancement, development of a leadership cadre and common language as well as changes to business practices and improved business outcomes.
Viewpoint Two

This view considers the narrative accounts of management development between 1997 and 2009 as presented in Chapter 4 and undertakes a second order analysis (Van Maanen, 1979) using Van de Ven and Poole’s (1989) framework for studying innovative change processes combined with views from extant literature.

Between 1997 and 2009 at BankWest a range of changes happened within the organisation as new services, programs, products or administrative arrangements were designed, developed and deployed. This journey of change can be interpreted as a series of innovations that involved new ideas being cultivated and effected to achieve desired outcomes by people who engaged in transactions in relationships with others in changing organisational contexts (Van de Ven et al., 2008). These changes are described as events. Following Van de Ven and Poole’s (1989) framework, Appendix 4 chronologically codes these management development events across five conceptual tracks:

1. Ideas – intent of the event
2. People – individuals and groups involved in the event
3. Transactions – relationships and steps taken by people involved in the event
4. Context – happenings outside of the event
5. Outcomes – assessments of the results by event participants and stakeholders.

Following is a discussion of the key findings under each category with a linking to the broader literature.

Ideas

According to Van de Ven et al. (2008), innovation ideas are not unitary phenomena that remain stable over time as they are operationalised. This held true at BankWest where management development ideas were invented and reinvented, proliferated into other ideas, were reborn, discarded or terminated in concert with changes in context. These ideas were not spur of the moment initiatives; rather they had varying gestation periods and emerged within particular settings that were being influenced by a range of internal and external contextual factors at different times (Dawson, 1994; Nutt, 2003; Pettigrew, 1997; Van De Ven & Angle, 1989). The emergence of these ideas can be considered as examples of situated change (Langley & Denis, 2006; Orlikowski, 1996) where the change endeavours operated within an evolving organisational context undergoing ongoing periods of change and adaptation.

From the initiation of Continuous Performance Improvement in 1998 through to the formation of HBOSAU in 2007, management development had various expressions.
However, its essential essence centred on the idea of it being a corporate tool that could be used to pursue improved corporate performance through engineering cultural change, enhancing profitability, changing attitudes, building a common leadership identity and approach, and broadening the role of managers, as discussed by Storey (1989, 1990). In line with the commentary by Kamoche (2001), Makadok (2001), and Teasley, Kodama and Robinson (2009), BankWest used management development as a strategy enabler to obtain or sustain organisational competitive advantage and craft, utilise and evolve change approaches. This approach can be seen as a capability perspective that draws from a combination of transaction cost theory, human capital theory and the resource-based view (Garavan et al., 2000).

To varying degrees BankWest adopted a capability-driven perspective that saw management development as a way of actualising strategy, generating desired behavioural productions, and facilitating the changing and managing of other human resources. Management development ideas promoted the alignment between organisational capability and manager capability in order to drive business strategies (Garavan et al., 1995; Luoma, 2000b). The organisational context provided the rationale for management development and in turn management development was seen as a means of transmitting the required innovating capability thereby creating and maintaining corporate capability that achieved organisational change (Leonard-Barton, 1995; Nonaka & Takeuchi, 1995; Rogers, 2003; Van de Ven et al., 2008). Management development was both an innovation capability and the means to develop corporate innovativeness (Zaltman et al., 1984).

The ideas underpinning the management development events comprised a series of conversations (Ford, 2000) that communicated the concept, content and circumstance of change. These change endeavours built on each other bringing the past and the future into the present by “responding to, reaccentuating, and reworking past conversations while anticipating and shaping subsequent conversations” (Ford, 2000, p. 2). In each of the iterations there was continuous recasting of the change ideas as they played out in a dynamic interaction between action and context. The events constructed the reality and by “shifting the focus of conversations” were designed to be a means by which managers could contest or assimilate the ideas and assumptions and open “new opportunities for action” leading to enactment and integration of the constructed reality to “produce breakthroughs in organizational performance and change” (Ford, Ford, & McNamara, 2002, p. 113). As the context changed those ideas that provided opportunities for achieving the organisation’s goals surfaced and led to the appearance or disappearance of the management development events.
The complexity of management development at BankWest necessitated the involvement of a group of people who variously participated in the initiation, production and linking of each event. In line with Van de Ven et al.’s (2008) observation, there was not one person who worked with a constant set of full-time people to shape the ideas, execute and embed them. At different times the change endeavours at BankWest involved those people who were in the roles of the GMD or Group CEO, the Executive, Heads of, Business Leaders, Contractors and the Manager Management Development, each of who engaged and disengaged as their interest or needs dictated. Van de Ven and Angle (1989) liken this process of fluid engagement to the garbage can model proposed by Cohen, March and Olsen (1972), where decision making “occurs in a stochastic meeting of choices looking for problems, problems looking for choices, solutions looking for problems to answer, and decision makers looking for something to decide” (Eisenhardt & Zbaracki, 1992, p. 27). At BankWest the change endeavours did result from the intermingling of stakeholders’ ideas, problems, issues, opportunities, decisions and solutions. However, the choices made were not solely the result of random confluences but were influenced by perturbations in the technical, political or cultural environments (Tichy, 1983), which saw organisational actors taking actions that produced, reproduced or altered the events, their constraints and their outcomes (Giddens, 1984).

In accord with the observations made by Bower (1970, 2007), the decisions around shaping, executing and embedding the management development events often started as a discrepancy – a degree of discomfort experienced by the manager with how things were versus the belief in where they needed to be. This discomfort often emerged over time and became part of the agenda setting whereby an organisational problem was prioritised and a need to change identified and management development became the innovation to cope with the problem and effect the looked-for change (Rogers, 2003). At BankWest this perceived need to change came either from a desire to solve an organisational problem or as a result of an individual’s passion for a particular solution. The former saw examples such as the GMD recognising the need to raise the share price and improve productivity thereby implementing Continuous Performance Improvement as a way to raise the cost-to-income ratio in line with the Bank of Scotland, or the POD Consultant introducing the FMI as a means to improve the People Index by upskilling supervisory staff to improve productivity and profitability and compete effectively in a more globalised economy. The latter was exemplified by the GMD initiating the Leadership Development Program as the means to install a common frame of leadership culture and behaviour and develop a single corporate mindset to support his New Way agenda, or the Manager Leadership Development restructuring LDP Phase Two and creating the ADI as leadership development solutions in line with her psychology background of creating cognitive capacity. To overcome the perceived discrepancy the change agent
operated in dyadic and network relationships taking on a range of managerial roles at varied times to bring ideas to agreement and reality by working with others to develop, manage, and connect the change endeavours.

In ways richer than that of Lewin’s (1951) linear change model of planned unfreezing, changing, and refreezing, with its underpinning normative framework and assumption of a singular change management approach (Dawson, 2003b), the construction of events at BankWest involved multiple negotiations between the stakeholders. From the expression of the initial change concept through to the production of the change content through to the adaptations to suit the change circumstance, the key organisational actors engaged in a “social-relational process of organizational design and change” (Dachler, 1992, p. 169), with the change agent working in collaboration with others to constitute, enact and integrate the change endeavour. While each of the stakeholders performed their own role, which was often specialised and differentiated, many of them worked together as a group to move the organisation forward in the desired direction within the particular context operating at that time (Denis et al., 2001; Pettigrew et al., 1992). The common keys to the advancement of the strategic change endeavours were the managers of management development.

**Transactions**

Throughout the management development process at BankWest the people involved in managing its concept, content and circumstance operated in an expanding and contracting network of relationships that converged and diverged on ideas (Van de Ven et al., 2008). These transactions or exchanges linked people together as they negotiated and renegotiated, committed to and recommitted, and administered and readministered the ideas (Van de Ven, 1986). The ways in which people interacted in the different management development transactions at BankWest have similarities to the observations made by Angle and Van de Ven (1989) and Van de Ven et al. (2008) about the organisational leadership functions involved in managing innovations, which they describe as:

- institutional leader (sets structures and settles disputes)
- sponsor (procurers, advocates and champions)
- mentor (coaches, counsels and advises)
- entrepreneur (manages innovation unit or venture)
- critic (challenges investments, goals, progress).

In this management development journey the GMD or Group CEO acted as the institutional leader and in some cases the sponsor. 40% of the events saw the GMD or Group CEO taking a key role in the initiation of the change endeavour and its shaping. For the Retail Managers event, which began as a Retail-specific innovation, the Director Retail Solutions carried out this same function. In two thirds of the events the Executive took a sponsor role of deciding
the merits of the case and allocating resources for each event, thereby signalling their recognition of the importance of the process as a strategic activity (Blanchard & Thacker, 2013). The GMD or Group CEO alone or in concert with other Executives also took on the championing aspect of sponsoring the events providing their support behind the idea, overcoming resistance or indifference, boosting the prominence of the innovation, and fitting the event into the context (Rogers, 2003). In each of these instances the involvement of top management was prominent at the conception of the innovation with them taking a hands-on approach to determining the need for the change endeavour, allocating resourcing, providing legitimacy and credibility for the event, and shepherding the concept through corporate levels.

In 60% of the events the initiation was undertaken by the entrepreneur, the Manager Management Development, who, as Garavan (1995c) outlines, operated either as the owner of the process taking decisions based on individual judgement or worked with others in a consultative manner, to draft the idea, design the concept plan, and negotiate support and resources. At different times the Head of HR and the Head of OD acted as sponsor, mentor, and critic in the change endeavours, advocating and championing the events as well as challenging decisions and progress.

As the content of the management development event began to be produced top management’s involvement lessened with them being most visible in communicating the change endeavour. In all instances, the production and execution of the change content saw the Manager Management Development take the prime role of developing and implementing the change practices. Where the event morphed into another rather than being terminated, the top managers once again came to the fore in connecting the innovations in consultation with the Manager Management Development, who also strived to maintain the engagement of stakeholders and adjust the event to suit the changing context. For just over a quarter of the events the Manager OD was the manager of the innovation and for the remainder coached and counselled the Manager Management Development. In 40% of the events contractors played a part by assisting the Manager Management Development in shaping the idea, designing concept plans, and developing the endeavour. The business leaders as participants in the event were constants throughout the change endeavours with their role varying from experiencing the event to being a sponsor advocating and championing the event to being a critic challenging the goals, outcomes and progress.

The transactions at BankWest are reflected in Balogun et al.’s (2005) study on internal change agents where they identify five categories of practices engaged in by these individuals:

1. adjusting measurement systems
2. aligning agendas/selling
3. engaging in stage management
4. gathering intelligence
5. managing up.

In the instance of CPI in 1998 the GMD as change agent brought in the new CPI measurement system, aligned the Bank to the initiative through his communication and use of positional power, and set up a specific project team to establish the initiative and oversee its implementation including the reporting to Executive, which he used to maintain focus on the agenda. For the LDP of 1998 the GMD led the customer focus shift of the New Wave and promoted it through meetings, presentations, seminars, videos, magazines and general communication to increase its diffusion through the organisation (Rogers, 2003). He worked with the Manager Management Development to initiate the LDP and actively participated in the program to ensure the participants and the organisation appreciated its value. He established the New Wave Panel to assist in delivering the message, which combined with the employee opinion survey and People Index provided intelligence that enabled him to ensure senior manager support. In Riding the Wave in 2002 the GMD used four key performance areas and the issuing of bonuses as measurement means to encourage the directors to support the change initiative, launched the program at one of the directors’ briefing and used ongoing briefing sessions to maintain the agenda. The consultant and Manager OD gathered intelligence and fed that back to the GMD to enable him to continue to engage the senior managers.

Similarly with the Manager Management Development as the change agent, the FMI of 2000 saw, for the first and only time, the introduction of a competency-based system and the issuing of qualifications for those who completed the program. Leveraging off the iIP accreditation and the brand positioning of Year of the Customer, the Manager Management Development used email, intranet, team meetings and New Wave events to engage people in the value of the change initiative and ensure the messages were communicated adequately and in ways that motivated people to adopt the ideas (Rogers, 2003). Reviews, surveys and module feedback were used to gather intelligence and the information that was gained enabled lobbying with the participants’ managers to engage their support. Like the earlier ADI, the HBOSA ADI of 2004 offered participants the chance to engage in a high profile change program. In this instance applicants had to be nominated by senior management and they had to be qualified by the Executive. The Manager Management Development used the Executive Talent Committee to champion the change initiative and drive it through the business to ensure a whole of HBOSA program. The selection of participants was influenced by political considerations of getting a representative group from the whole company. The inclusion of work placements operated as a stage management technique making the program visible whilst achieving the agenda of bringing together the new entity. The Manager Management Development gathered intelligence about the program through surveys, participant feedback, Executive Talent Committee reviews plus observations and
used this to position the ADI at the Executive People Planning Days thus engaging the CEO and the Executives to continue their support of the program. Both the GMD and the Manager Management Development employed the practices noted by Balogun et al. (2005). As change agents they enrolled others in the change endeavours, organised the contexts and those that worked in them, and used their personal power and the power of the system to achieve their objectives.

It is clear that the initiation of each change endeavour at BankWest did not follow the same process not did its production and linking proceed sequentially or orderly. As observed by Bower (1970) and Burgelman (1983), key actors shaped the management development process. In some instances such as the CPI, Strategic LDP and Riding the Wave, the GMD used a top-down approach to change (Manz, Bastien, Hostager, & Shapiro, 1989), instigating an event, presenting a vision of where the organisation needed to go and influencing the Executive, Heads of and Manager Management Development to follow the direction. In other instances such as the MDP in 2005 the influence for change came more strongly from the need to incorporate Retail’s development in more a bottom-up approach (Andriopoulos & Dawson, 2009). In instances such as LDP Coaching for High Performance, HBOSA ADI, Pathway, and HBOSAU, the Manager Management Development took more of a middle-up-down approach (Nonaka, 1988), combining strategic macro information and hands-on micro information to take the lead in creating and executing the event in line with a personal understanding of organisational objectives, a belief in what was required and an understanding of the needs of Business Leaders. At times at BankWest these approaches coexisted and were iterative, due to the imperatives of the management development process within the particular political, cultural and technical environments that were operating at different intervals. Pivotal to the success of the strategic change endeavours was the ability of the managers of management development to transact ideas about concept, content and circumstance with others in the management development network.

**Context**

The setting of BankWest provided the organisational environment within which the ideas of the varied strategic change endeavours were developed by people and transacted within networks. Such events did not operate in a vacuum, instead, in line with Giddens’ (1979, 1984) theory of structuration and ideas of duality of structure, the change endeavours were a reflection of the interaction of the internal and external factors constructing and influencing the organisation over time (Dawson, 1994; Nutt, 2003; Pettigrew, 1997; Van De Ven & Angle, 1989). Aspects of context that affected the development of the management development process are included in Tichy’s (1983) description of technical, political and cultural dynamics that considers organisational change as rotating between these three
dimensions over time. Also germane to this consideration is Pettigrew’s (1990) discussion of outer context covering the economic, social, political, and sectoral environment in which the organisation operates, and the inner context covering the structure, culture, and political environment within the organisation through which change ideas have to progress. Additionally relevant are some of Dawson’s (2003a) categorisation of external contextual factors, namely changes in competitors’ strategies, changing social expectations, technological innovations, changes in the level of business activity, and his listing of internal contextual factors covering human resources, administrative structures, technology, product or service, history and culture.

In the case of BankWest the initiation of each of the change endeavours had an extended incubation period, during which people engaged in various activities that established the conditions for innovation (Angle & Van De Ven, 1989). During these gestation periods many of the activities were not purposely aimed at a change endeavour, however, some prompted people’s acknowledgement of the necessity for change. One example is the development of CPI, which began when PEEP was formed in March 1997 to raise the share price by improving organisational performance and saw the new GMD travel to Bank of Scotland on his appointment in December 1997. He brought back to BankWest the imperative for change and the idea of CPI and shepherded its introduction in March 1998. The subsequent CPI training was initially structured around basic line management training then, with the organisational shift to adopting the GMD’s New Way, CPI morphed in 1999 into the operational arm of the LDP, which had a new but shorter gestation period, built on the CPI, and shifted to focusing on transmitting the new cultural messages. Another example is the development of Pathway’s 2006 Executive Development Program, which can be traced back to the August 2003 formation of HBOSA and the appointment in July 2004 of the Group CEO who had a desire to ratchet up BankWest’s performance levels and produce strong financial outcomes for the parent company. In February 2005 the Group CEO presented the new values outlining how the different HBOSA businesses were to operate and how staff were to interact with each other. In May 2005 the Group CEO appointed the Head of HR to the Executive and then HR focused on people processes to support business growth. In February 2006 the Group CEO spoke about the departure of the Head of HR and the forthcoming appointment of the new CEO of HR, who had previously worked with him at Westpac, and endorsed Pathway as a means to build the required performance culture. Pathway was designed to achieve the new HBOSA strategy and centred on the HBOSA Leadership Commitment, which was an underpin to its people strategy of building capability and was injected into HBOSA. The Group CEO actively promoted the EDP and worked with HR in its construction to ensure the program provided key managers and leaders with the structure for achieving superior management to outperform the competitors. In a similar fashion to these examples, other events unfolded in concert with changes within the organisation’s context. As Van de Ven and associates (2008) note, the initiation of these
events arose from multiple and seemingly coincidental sources that cumulatively combined to trigger the recognition of the need for change. Actions taken by the change agents intersected with the independent actions of others enabling them to recognise and potentially access new opportunities to facilitate change. On those occasions that the opportunity was actioned, organisational actors adapted their agendas into interdependent joint agreements that enabled achievement of the change objectives within the context at that time.

The decision taken to push ahead with each event was triggered by a “shock” from either the internal or external context, which focused the efforts of different stakeholders. (Van de Ven et al., 2008). The shocks came in different forms and included a new GMD or Group CEO, organisational reviews, implementation of new structures, financial strictures, and changes in personnel. In a 100% of the cases prior to the formation of HBOSA in 2003, these jolts were encapsulated in the share price and the desire to make changes to the way of doing business to improve the level. From the 2003 HBOS plc buy out of BankWest and the resulting removal of the company from the Australian Stock Exchange the initiation of the management development events moved from the considerations of the share price to considerations of ensuring the change endeavours met the needs of the parent company. The shocks were useful for the change agents as they assisted in galvanising support around an idea and facilitated presentation of the change endeavour as a means to help solve a predicament or leverage an emerging opportunity.

The development of the change endeavours at BankWest did not proceed along a fixed path, instead, after the initial ideas that stimulated the innovations, the management development events branched out into parallel or divergent tracks that were influenced by contextual occurrences (Van de Ven et al., 2008). For example, from the initial LDP of 1998 the idea proliferated into the ADI of 2000 whose initiation and shaping was due to the new Manager Management Development’s background and whose production was influenced by the organisational restructuring occurring through Project Star. Also due to Project Star and the IIIP journey, the LDP operational idea emerged as the FMI in 2000, which began with the concept of workshops, portfolios of evidence, workplace assessment and projects but, due to operational requirements, dropped the last very early in the commencement of the program and later added in videoconferencing. The 2002 program, Riding the Wave, which was initiated in line with the outcomes of Project Star and the directions emerging through Good to Great, tailored the idea of LDP to directors and incorporated the LSI and added in the coaching from the ADI, with its execution all focused around four key performance areas. For these and other examples at BankWest the development occurred in cycles, which at times overlapped, and were sometimes undertaken by different change agents who were working to different agenda and different schemata (Bartunek & Moch, 1987). Commonly, however, the events interrelated with one another, with the old and the new merging and becoming a new event. As Pettigrew (2012, p. 1315) has noted, the “interchange between
agents and context over time is cumulative. The legacy of the past is always shaping the emerging future.” The resulting management development event echoed the interaction of both internal and external factors at that time.

Outcomes

BankWest sought to attain corporate capability by the achievement of competitive success and sustainability through the development of collective organisational learning enabling it to innovate within changing contexts. In this 12-year journey the organisational context provided the reasoning for management development and in turn these change endeavours were a means to transfer the required organisational learning or innovating capability thereby recursively creating and recreating corporate capability that achieved strategic change (Burgelman et al., 1988; Garavan et al., 1995; Giddens, 1984; Kamoche, 2000; Luoma, 2000b; Van de Ven et al., 2008; Zaltman et al., 1984). The outcomes of these change endeavours were not evident as single results that heralded a new stable order coming into being, rather the results were more indeterminate with the events often merging into each other and the old integrating with the new (Pettigrew, 2012; Van de Ven et al., 2008).

Judgements of effectiveness of the change endeavours varied with the criteria being used for assessment often shifting over time. At the commencement of the management development events there were expectations that these ideas were useful as a means to solve particular issues such as productivity improvements, performance enhancements, developing a common leadership approach, building a new culture, or building capability for future success. As the innovations progressed the outcome criteria often altered due to changes in the top management or the change agent, alterations to the relationships between stakeholders, or flow on effect of decisions taken by the GMD or Group CEO or the Board, as illustrated by the 1998 CPI where the desired outcome shifted from productivity improvement to performance enhancement in 1999 in line with New Wave. A change in circumstances tended to trigger the managers of management development to redefine the management development events by either pursuing and expanding the offering where the event was deemed successful, such as in the instance of the MDP in 2005, or by modifying or terminating the offering where it was considered the event had failed or was no longer appropriate, such as the instance of Pathway in 2007 where parts were ended and other parts retained as part of HBOSAU. In instances such as the LDP in 2000, the FMI in 2003 or Pathway in 2007 where the manager of management development changed, the decision to continue, modify or terminate the event was influenced by the new person’s schemata of what constituted effective management development (Bartunek & Moch, 1987). Often these choices to diffuse or reject the innovation were also subject to the current fads and fashions of managerial practice (Abrahamson, 1991). At the end period of the change endeavour
summative evaluations became possible and participants and stakeholders were more able to judge the final outcomes of the events and determine the direct and indirect consequences (Rogers, 2003), though these judgements did not always concur, being influenced by where the stakeholder sat and the timing.

At BankWest the outcomes produced through the change endeavours were at the individual professional level impacting on managerial performance, the operational level impacting on organisational performance, and the strategic level impacting on business performance. Often these impacts merged with a change in individual performance leading to a change in organisational performance and, in some instances, to a change in business performance. Similar to the findings of Stensaker and Falkenberg (2007), managers who were engaged in the management development events and were willing to change either adopted the new ideas and worked to adapt the organisational practices to fit, or adapted the ideas to make them more compatible with current practices without destroying the intent of the ideas, or alternatively did both. Through this process the participants constructed and reconstructed cognitive frameworks that enabled them to understand the character of the change endeavour (Gioia & Chittipeddi, 1991) and influenced how they constructed their identity within the organisation (Pratt, 2000).

The most dominant individual outcome was that of formation of managerial identity (T. J. Watson, 2008), where many participants reported that the management development events had changed their view of themselves, improved professional and role enhancement, enabled shared understandings with their fellow managers, and facilitated the development of a common language. This idea of shaping concepts of self and becoming a particular type of manager is in line with notions of a person constructing and reconstructing identity through sensemaking and sensegiving processes (Gioia & Chittipeddi, 1991) in accord with the requirements of their role in an ongoing interaction with the organisational context at a particular time horizon (Clegg, Rhodes, & Kornberger, 2007; Czarniawska & Wolff, 1998; Gioia, Schultz, & Corley, 2000; Sluss & Ashforth, 2007). The management development events presented the organisational view of what constituted an effective manager and sought to facilitate the individuals’ formation and enactment of this identity as they “continuously engaged in forming, repairing, maintaining, strengthening or revising the constructions that are productive of a precarious sense of coherence and distinctiveness” (Alvesson & Willmott, 2002, p. 626).

At the operational level the formation of identity was also strong with participants reporting that the management development events had resulted in collective understandings of managing performance, building networks, achieving consistent language and approaches, developing particular cultures, and building leadership cadres. The opportunity to develop a shared group identity was influenced by interaction with others in similar roles where
person-based identities intersected with role-based identities and produced relational identities (Pratt, 2012; Sluss & Ashforth, 2007). The management development events provided a mechanism for the development of shared interpretive schemes that the managers collectively constructed to provide meaning to the changes occurring within BankWest (Gioia, Price, Hamilton, & Thomas, 2010; Gioia et al., 2000). In line with the findings of Ellemers, de Gilder and Haslam (2004), participants noted that they were more motivated to adopt the ideas and directions presented in the change endeavours where they felt part of a distinct group and used the network of the collective to put the new schemata into practice and work towards communal goals. The participants’ preparedness to implement the new ideas was also strongly influenced by whether their managers supported and scaffolded the change endeavours into the ongoing managing practices (Barratt-Pugh, 2005). Comparable to examples presented by Lerpold, Ravasi, van Rekom and Soenen (2007), the management development events provided opportunities for the managers to form consensual group identities by “doing, acting, and interacting” (Pratt, 2012, p. 26) with their peers. These shared workgroup identities enhanced the enactment of new ways of working in line with the projected ideal and led to changes in managing practices throughout the organisation.

Identity formation at the strategic level was not as consistent as at the individual and operational levels. The creation of a BankWest identity was aided by the management development events with the strategic and tactical LDP of 1998 to 2001, the LDP of 2003 to 2004, the MDP of 2005, and Pathway having the most impact in building organisational features that were central, enduring, and distinctive (Albert & Whetten, 1985). Each of these strategic change endeavours resulted in changes to business performance with managers reporting outcomes such as collaboration on new ventures, increases in sales, enhanced customer experiences, and improved processes. Many of these changes were fed back into the management development process and used as examples for others to follow in a continuing, reciprocal interaction (Giddens, 1984). The formation of corporate identity aligned to changes in context and was “negotiated, constructed, reconstructed, ’sustained’ and projected backward and forward” (Gioia & Patvardhan, 2012, p. 56). The enacted organisational identity was cumulative with the portrayal of the most recent version of desired corporate capability being constructed on the back of previous renderings, which were shaped by past legacies and became integrated into the existing organisational arrangements (Van de Ven et al., 2008). The judgements of the outcomes of management development reflect the prevailing effectiveness criteria of relevant stakeholders at the time.
Summary

Management development operates as both an innovation capability and as a means to develop corporate innovativeness. It is used as a corporate tool to improve organisational performance through enabling strategy to achieve competitive advantage and change.

Different management development ideas emerge at varying times to match the demands made by internal and external contextual factors. Comprising a series of conversations these change endeavours engage managers in ideas that present opportunities for superior organisational performance and change.

The need for change presents as a discrepancy in how things are versus the belief in where they need to be. Management development becomes the innovation to cope with the discomfort and effect the looked for change.

At times using a top-down approach to change and at others a more bottom-up approach, the change agent works with key organisational actors in a social-relational process to constitute, enact and integrate the change endeavours. Influenced by the current technical, political and cultural environment, organisation actors take actions that produce, reproduce or alter the events, their constraints and their outcomes.

The development of change endeavours do not proceed along a fixed path but instead branch into parallel or divergent track influenced by contextual occurrences. Often these events interrelate with another with the old shaping the new and merging to become a new event.

The outcomes of these change events are often indeterminate with judgements of effectiveness varying and shifting over time and being subject to current fads and fashions of managerial practice. Formation of managerial identity is the predominant outcome of management development events, which impacts at the individual professional level of managerial performance, the operational level of organisational performance, and the strategic level of business performance.

Research Viewpoints

Consideration of the issue of how management development is constructed and its role in the construction of corporate capability in changing contexts required an exploration of how management development programs are constituted, performances enacted and productions integrated within an innovating organisation. Though the research questions are presented separately for the purposes of theoretical discussion, they are in practice interlaced and underpin the research issue.
Management development programs are a means to develop corporate capability at BankWest. It is concluded that the initiation of management development programs arise after a gestation period, during which seemingly unintentional activities combine to lay the base for the start of the change endeavour (Angle & Van De Ven, 1989). Though the idea of developing managers as a means to improve corporate performance remains constant, there are various expressions of this idea played out through the management development events.

Situated change (Langley & Denis, 2006; Orlikowski, 1996) produces ongoing periods of variation and adaptation characterising BankWest’s evolution. Dissatisfaction with the conditions in the organisation serve as a shock that stimulate the change agents’ action thresholds to raise the idea of a management development program and initiate novel action to resolve their dissatisfaction (Bower, 1970, 2007; Schroeder, Van De Ven, Scudder, & Polley, 1989; Van de Ven et al., 2008). The change agents’ decisions to initiate events are influenced by the changing technical, political and cultural contexts.

Change agents conceive management development programs as a means to solve organisational problems and their expression are influenced by the passion of managers of management development for particular solutions. In their shaping of the change concept the managers of management development combine their “implicit preconceptions and assumptions” (Dachler, 1992, p. 172) with their knowledge of what solutions could best solve the organisational problem and their views of the organisational reality of what is “going on” (Dachler & Hosking, 1995, p. 4). Conversations between managers of management development and stakeholders interconnect with other conversations to form a characterisation of the required change endeavour (Ford, 2000). The series of social happenings through which the change idea moves in its becoming (Sztompka, 1991) sees the change agents recursively interacting with the social structures and making choices (Giddens, 1984) about the construction of the change concept thereby constituting the management development program.

Managers of management development design concept plans that they generally submit to resource controllers to obtain funding needed to produce the change endeavour. Concept designs for operational managers reflect a functionalist view (Lees, 1992), which envisages managers in a standardised and idealised way and assumes they share a unitarist set of interests and motives (Burgoyne & Jackson, 1997). The design premise for tactical and strategic managers is a socialisation rationale sometimes coupled with political reinforcement (Lees, 1992) that aims at inculcating common views, understandings and language to perpetuate company thinking models and corporate culture (Kamoche, 2000). These design concepts form part of the change agents’ negotiation of support for the
initiative and are supplemented by meetings, data, and one-on-ones to sway and convert people to the value of the change endeavour and sell the change concept in ways that align with the agenda and issues of stakeholders (Balogun et al., 2005). The constitution of management development is thus heavily influenced by the views and approaches of the managers of management development.

Response to research question two: How are management development performances enacted?

From this study of BankWest it is concluded that the progression from the initiation of a change endeavour to its execution occurs in a non-linear way over time. From the concept plans, which tend to be “sales vehicles”, the initial ideas often progress in “divergent, parallel, and convergent paths of development” (Van de Ven et al., 2008, p. 23). Rather than being predefined scripts tightly choreographing the management development events, the concept plans provide a sketch outline of how the change endeavour could emerge at the time of production. The development of the change endeavour is more improvisation than architecture (Weick, 1993). Each presentation arises through a progression of continuing and situated modifications, revisions, and adaptations that build on previous recitals and set the stage for future performances (Orlikowski, 1996).

The managers of management development are the directors of the performances. These change agents enact the change endeavours and through their actions “bring events and structures into existence and set them in motion” (Weick, 1988, p. 306). In developing the endeavour the change agents exercise their power to include or exclude ideas of effective management development and set directions, allocate resources, and manage the content, characterisation and communication of the event. In making these decisions they draw from their schemata (Bartunek & Moch, 1987) of their past experience and their interpretations of what is required for the organisation’s future. The managers of management development seek to both promote and produce change by structuring their communications using language that presents socially constructed realities that align with the organisation’s desired future directions (Ford, 2000; Ford & Ford, 1995; Ford et al., 2002).

The enactment of the performances for operational managers derive from a mechanistic conceptualisation of this group as requiring tinkering with or upgrading in order for them to run at optimum efficiency. The managers of management development operate from schemata of a managerial “ideal state” (Mabey & Finch-Lees, 2008, p. 53) using practices that assume there are definable knowledge, skills and attitudes that participants need to achieve to enhance their own and the organisation’s productivity. Programs are implemented
in the form of large group workshops covering standardised management content developed and delivered under the auspices of the managers of management development who operate as subject matter experts in a single sovereign model (Garavan, 1995c).

For tactical and strategic managers the enactment of the management development performances stems from views that seek to ensure key managers share the same way of thinking and are appropriately socialised into the corporate culture. For the ADI group this rationale operates in conjunction with the notion of cultivating internal talent (Barrett, Thomas, & Hocevar, 1995) and the idea of growing the next crop of tactical and strategic managers by using management development to fertilise the minds of managers into “producing the performance harvest in future years” (Lees, 1992, p. 94). Programs for both tactical and strategic managers run with smaller numbers of participants in the mould of therapeutic discourse (Western, 2008) incorporating techniques such as 360-degree feedback (Holt et al., 2010) coaching (Denis, Langley, & Rouleau, 2007), emotional intelligence (Goleman, 1996), Myers-Briggs Type Indicator (Myers & McCaulley, 1985) and Belbin (Belbin, 1993). In propelling change endeavours forward and guiding the enactment of the performances the managers of management development operate in the steerer model (Garavan, 1995c). They consult, collaborate and compromise with stakeholders to gain views of the organisation’s environment and strategy thereby influencing their perceptions of ways to strategically facilitate the enactment of the change endeavours.

The production and execution of the change endeavours for all managers build on the capabilities perspective, which draws from an amalgam of transaction cost theory, human capital theory and the resource-based view (Garavan et al., 2000). Managers of management development operate on the basis of developing internal talent and retaining high performing talent. They look to embed individual manager capability within organisational processes, activities and routines to enable the company to innovate and achieve competitive advantage. Management development is aimed at renewal to ensure that corporate capability continues even though the individual manager may leave. The managers of management development enact the change endeavours targeting behavioural productions that mobilise the program participants’ drives, knowledge, skills and abilities toward “collective conduct” (Sztompka, 1991, p. 99) that will manifest itself in their management practices and build corporate capability. They use conversations, social interactions and routines to communicate the events and move the change endeavours in the directions they seek to promote at that time (Denis et al., 2007).

Through the interaction in the management development events participants develop frames of reference that they share collectively with other managers and by engaging in social processes actively create new cognitive realities upon which they enact future action (Berger & Luckman, 1967; Burrell & Morgan, 1985; Daft & Weick, 1984; Silverman, 1970; Weick,
These enactments are contextually embedded in the organisation’s technical, political and cultural relationships and are influenced by the participants’ tacit and collective understanding of the organisational directions (Denis et al., 2007) and their preparedness to adapt their management practices to the new ideas, or adapt the ideas to fit their situation, or do both (Stensaker & Falkenberg, 2007). As the organisational concept of the ideal manager changes the management development events present the altered managerial image. Through iterative interactions between the participants, their managers and stakeholders, new individual managerial identities are created and, in a mutual and reciprocallly linked process, new organisational identities are constructed (Scott & Lane, 2000) that represent the desired view of corporate capability.

**Response to research question three: How are management development productions integrated?**

It is concluded that management development productions are linked and embedded within the organisation in an ongoing manner. After an initial period of launch and implementation the management development ideas proliferate and the performances begin to be enacted. Subsequent to introducing the management development events the managers of management development seek to transfer the ideas to individual operating sites and diffuse them to potential adopters. They strive to maintain engagement in the change endeavour by working with sponsors to ensure championing of the idea through their brokering and arranging of the practices to suit the specific organisational context (Rogers, 2003).

Individual managers adopt the new conceptions, procedures or roles and incorporate these into their repertoires, modifying them to fit their local change circumstances and implementation settings (Van de Ven et al., 2008). This process of adoption may take three forms: managers change direction adopting the new practices outright; managers blend the new practices into their old; or the old and the new practices coexist in parallel progression with linkages between the old and the new (Schroeder et al., 1989). Over time the new productions become the new ways of operating and become integrated within existing organisational arrangements.

Through interaction with the ideas presented in the management development events, managers shape their concepts of self and form and enact their managerial identity (T. J. Watson, 2008). Interacting with other managers through the events facilitates the construction and reconstruction of shared group identity and collective interpretive schemes thereby building a cadre of managers attuned to the needs of the organisation (Balogun & Johnson, 2004). The development of shared group identities encourages managers to sustain their efforts in implementing the change endeavours across changing circumstances and to
galvanise their colleagues to adopt corporately desired work behaviours (Ellemers et al., 2004).

From a managerial viewpoint, management development can be seen as a means for organisational control (Alvesson & Willmott, 2002). Change agents use the management development events as deliberate and planned means of communicating new organisational directions. Through this communication vehicle new realities and social structures are constructed as participants develop, focus and maintain behaviours that give them ownership of the innovation and advance the change endeavours (Berger & Luckman, 1967; Ford & Ford, 1995). The introduction of new language transforms the way participants relate with one another and generates new ways of behaving. As these new behaviours are reinforced over time, new structures evolve and beliefs and attitudes about the nature of managing are transformed, which recursively spawns new language and initiates further change actions (Barrett et al., 1995). Management development productions become integrated into the organisational fabric and over time aid in constructing corporate capability.

Response to research issue: How is management development constructed and what role does it play in the construction of corporate capability?

Being an organisation on a journey of change seeking to become more innovative is a nonlinear, dynamic and nascent experience (Van de Ven et al., 2008). In this study of BankWest, developing, adapting and reconfiguring strategic change endeavours to ensure appropriate corporate capability construction requires ongoing and focused design and implementation of novel management development events. The construction of management development at BankWest involves strategic change endeavours that are predominantly cultural initiatives. The focus is on fashioning within the participants and the organisation collective goals and viewpoints and communal ways of working and talking together to solve organisational concerns. Such cultural-focused change has been identified as a means to bring about desired levels of corporate capability and build innovative behaviours (Tushman & O'Reilly, 1997). Within this context management development plays a role as an enabler of strategy that seeks to gain or maintain organisational competitive advantage and design, employ and advance change approaches. It is a tool to promote change as well as a mechanism to provide managers with an inventory of responses and actions to propel the anticipated change forward. Achieving such innovations involves a complex series of events that evolve through the efforts of networks of people who cultivate ideas and effect outcomes in relationships with others in changing contexts over time periods of considerable
duration. In line with the elements of the innovation process as examined by Van de Ven et al. (2008), though each change endeavour is unique there exists patterns of commonality in their shaping, executing and embedding.

**Shaping**

Within periods of situated change (Langley & Denis, 2006; Orlikowski, 1996) fluid political, technical and cultural contexts see change endeavour ideas arise as a result of discrepancies about how things are in the organisation versus a belief in where they need to be (Bower, 2007). Over time this discomfort becomes a key organisational priority and management development is seen as an innovation that can address the problem and provide the needed change (Rogers, 2003). During this gestation period multiple negotiations between stakeholders occur with the change agent working collaboratively with others to characterise the change endeavour and set the stage for the initiation of the innovation (Ford, 2000).

Top management act as the institutional leader, and sometimes sponsor, setting structures, settling disputes, and procuring, advocating and championing management development events, while the managers of management development act as the entrepreneur managing the innovation (Angle & Van De Ven, 1989). The top management role is most prominent at the initiation stage and also where events morph into another rather than being terminated. Managers of management development take the prime role in developing, communicating and implementing the event operating either as the process owner or working with others in a consultative manner (Garavan, 1995c). As the change endeavour progresses different groups of people participate fluidly in its production, engaging and disengaging as their needs or interest determine (Van De Ven & Angle, 1989).

In the construction of management development the ideas evolve iteratively and are continually re-formed as they come into being through a dynamic interaction between action and context that sees the production, reproduction and alteration of events, their constraints and their outcomes (Giddens, 1984). The decision to move ahead with an event is triggered by a jolt from either internal or external sources, which focuses the energies of diverse stakeholders (Van de Ven et al., 2008). Such shocks assist the change agents to rouse support around an idea and expedite demonstrations of the change endeavour as a way of solving a difficulty or leveraging an incipient opportunity. Managers of management development then develop concept plans outlining objectives and resource requirements for the change endeavour. These are submitted to resource controllers and form part of the change agents’ negotiation of support for the production of the innovation.
Executing

In executing the change endeavours the concept plans serve as sketch outlines of how the innovation could be produced at the time of enactment. In ways that owe more to improvisation than architecture (Weick, 1993), the management development events begin to be developed with the initial ideas progressing along pathways that diverge, run parallel, and converge. The events do not always proceed smoothly. Often impediments arise as the context changes and the initial assumptions of the change endeavour alter, resulting in adaptation to the change content.

The productions of the events do not occur in isolation. Each performance arises from an evolution of what has gone before. Events interrelate with one another with the new and the old melding to become a new event (Orlikowski, 1996; Pettigrew, 2012). The directors of the performances are the managers of management development. Their schemata of past experience and their view of current and future organisational requirements guide their decisions on the management development ideas to include and exclude, the requirements for resources and their allocation, and how to develop, communicate and implement the practices. Informed by a series of conversations with stakeholders (Ford, 2000), the construction of the events are influenced by the vibrant interplay between action and context that affect the casting and recasting of the enactments (Giddens, 1984). Managers of management development communicate the undertaking through conversations, social interactions and routines using language that positions socially constructed realities aligned with the future directions of the organisation (Ford, 2000; Ford & Ford, 1995; Ford et al., 2002). With the aim of dynamically creating, extending, or modifying individual capabilities (Helfat et al., 2007), managers of management development target behavioural productions that activate the participants’ motivations and competencies toward communal behaviour that encourages management practices that build desired corporate capability.

Participants in the change endeavours often experience a gap between their experiences and the expected behaviours being projected in the management development program. By participating in the event and interacting with other managers, exchanging stories and experiences, gossiping, and observing symbolic actions, they make sense of what is happening and decide how they should behave (Gioia, Thomas, Clark, & Chittipeddi, 1994; Isabella, 1990; Weick, 1995). Through an iterative and reciprocal process, participants use sensemaking to develop interpretive frameworks for understanding the intent of the change endeavours and sensegiving to influence the meaning construction of others as the group collectively develop and negotiate the new organisationally desired behaviours (Gioia & Chittipeddi, 1991). Through their interaction in the management development events the participants create new cognitive realities that become the basis for enacting future action.
Embedding

The embedding of change endeavours happens in an ongoing manner throughout the innovation cycle as “change is dynamic and cumulative” (Lozeau, Langley, & Denis, 2002, p. 559). Commonly, a new event builds on an old and is shaped by what went before with the results it brings about dependent on its goals, timing, structure, and circumstances (Pettigrew, 1992). Managers of management development operate as “change intermediaries” (Balogun, 2003) maintaining stability in the structuring of the events and ensuring continuity during changing conditions. By working with the organisational leaders, sponsors, mentors and critics (Angle & Van De Ven, 1989) the managers of management development seek to maintain engagement in the change endeavours and ensure the idea is championed. Through the introduction of new language and perspectives they create prospects for action and assist the participants to “break through their habitual ways of thinking, envision futures not possible inside these ways of thinking, and enact that future” (Ford, 2000, p. 31). To enable the change endeavours to take root the managers of management development adjust the ideas to particular sites and transfer them through a diffusion process (Rogers, 2003). They communicate and connect the innovation within the organisation through ongoing conversations. Similar to theatrical improvisation these conversations are created in the moment and unfold in accordance with the needs of the actors and the context in which they occur (Czarniawska-Joerges, 1997; Ford & Ford, 1995).

The management development events provide a situation and a vehicle through which change can be fostered and through which change can be produced. The conversations that occur shift the participants’ reality by initiating change, creating awareness of the need, generating action and providing closure (Ford, 1999). By interacting with other managers in these events inclined participants generate new frames of references about the concept, content and circumstance of change and create new cognitive realities that lead them to change their management practices and integrate the corporately desired change action. Through this process new realities are constructed that become embedded into the organisation and lead to changes in the formation of identity (T. J. Watson, 2008). The outcomes of this identity formation result in collective understanding of managing performance, formation of networks, achievement of common language and approaches, the development of particular cultures, the construction of leadership cadres, professional enhancements, and changes to business and organisational practices. These changes to managerial capabilities enable the creation, extension or modification of organisational resources toward an improved construction of corporate capability (Helfat et al., 2007). Recursively, such changes impact on the management development process with the participants’ experiences in achieving these outcomes feeding back into the change endeavours and being used by others to follow in a continuing, reciprocal interaction (Giddens, 1984).
Judgements of the success and failure of the production of the change endeavour often vary with the assessment measures being used changing over time and diverging between stakeholders (Pettigrew, 1990). At the initiation and shaping stage the events are seen as useful means of solving issues such as improving productivity, enhancing performance, forming common leadership approaches, building different cultures, or constructing capability for future corporate success. With the progression of the innovations and changes in context, conditions and characters, the value of the change endeavour comes into question. A shift in the desired outcome from the event triggers the managers of management development to reshape the events by either continuing and enlarging those judged successful or by refashioning or finishing those judged failures or now inappropriate. Verdicts on the final outcomes of particular management development events become possible at the end period when direct and indirect consequences are more easily seen (Rogers, 2003). Such findings are not uniform and are dependent on the timing, the managerial fashion, and the role and schemata of the stakeholder making the assessment (Abrahamson, 1991; Bartunek & Moch, 1987; Van de Ven et al., 2008). Assessment of management development outcomes is thus context dependent.

**Summary**

Management development programs are constituted through a process of initiating and shaping a change concept by expressing an innovative idea, designing concept plans, and negotiating support for the initiative.

The preconceptions of the managers of management development guide the exploration of what is possible and through their interactions with stakeholders over time they produce “structures, constraints, and opportunities that were not there before they took action” (Weick, 1988, p. 306). These emergent and continuous improvisations (Weick, 1993) actively shape the program design and construct the initial content for the change endeavours.

Management development performances are enacted through a process of producing and executing the change content by developing the change endeavour, communicating the undertaking, and implementing the practices.

The evolution of the change content from the change concept proceeds in a varied way over time with the managers of management development orchestrating the change endeavours.

The managers of management development take a key role in activating management development events by projecting the current and future organisational direction through
social interactions, negotiations and conversations with other organisational actors (Denis et al., 2007) and targeting behavioural productions that build shared management practices and advance corporate capability formation.

The participants engage with other managers developing cognitive frames that shape their self-concept and enact their managerial identity. Over time managers adopt the new conceptions of corporate capability, adjusting to suit their individual circumstances, and use them to guide their decisions on integrating change actions within current organisational arrangements.

Management development productions are integrated through a process of linking and embedding the circumstance by maintaining engagement, adjusting to suit the context, and connecting the innovation.

Managers of management development communicate and connect the innovation within the organisation by facilitating conversations that maintain engagement. They purposively “infect” (Ford, 2000) the organisation with the new conversations and connect thinking so that the conversations spread and the ideas become embedded into the organisation’s conversation network.

As circumstances change managers of management development engage with sponsors in championing, brokering and adjusting the change endeavours to suit particular organisational contexts.

The participants connect and inter-relate with other managers through the events thereby shaping their own identity and developing shared group identities that encourage them to integrate the management development productions and lead their teams toward the desired corporate goals.

Identity formation results in collective understanding of managing performance, establishment of networks, achievement of common language and approaches, development of particular cultures, the construction of leadership cadres, professional enhancements, and changes to business and organisational practices.

Changes to managerial capabilities enable the creation, extension or modification of organisational resources toward an improved construction of corporate capability. Recursively, such changes impact on the management development process with the participants’ experiences in achieving these outcomes feeding back into the change endeavours and being used by others to follow in a continuing, reciprocal interaction.
Synthesis

This study examined how over around 12 years in an innovating BankWest management development was constructed and identified what role it played in the construction of corporate capability in changing contexts thereby providing insights into strategic organisational change endeavours. By considering the accounts of change through an integrated lens of theories of management development, change, innovation and capability it was possible to analyse how innovative management development ideas were initiated and actioned by different people who transacted with others over diverse periods of change to achieve corporate capability (Van de Ven et al., 2008).

This study found that the construction of management development occurred within political, cultural and technical influences (Tichy, 1983) that at different times produced a shock (Van de Ven et al., 2008) that propelled forward a particular view of a need for a strategic endeavour that would address a specific organisational change requirement and overcome the discrepancy between the current reality and the desired future (Bower, 2007). Predominantly cultural initiatives, such strategic change endeavours were purposely designed with a socialisation rationale (Lees, 1992) to develop within the participants and the organisation shared objectives and perspectives and collective ways of working and talking together to solve organisational concerns, bring about desired levels of corporate capability and build innovative behaviours (Tushman & O'Reilly, 1997). As an enabler of strategy that sought to build or sustain organisational competitive advantage and advance change approaches, management development was positioned as an instrument to foster change and provide managers with a range of responses and actions to drive the anticipated change onward. The primarily functional performance practices of management development events adopted a garage (Lees, 1992) or toolbox (Mabey & Finch-Lees, 2008) approach aimed at ensuring the individuals and the organisation ran at optimum efficiency. These practices fostered the alignment between organisational capability and manager capability in order to drive business strategies (Garavan et al., 1995; Luoma, 2000b) and were a way of spreading the required innovating capability thereby creating and maintaining corporate capability that achieved organisational change (Burgelman et al., 1988; Leonard-Barton, 1995; Nonaka & Takeuchi, 1995; Rogers, 2003; Teece et al., 1997; Van de Ven et al., 2008). Management development was both an innovation capability and a mechanism to develop corporate innovativeness (Zaltman et al., 1984).

Throughout the management development process the people involved in managing the change concept, content and circumstance operated within a network of relationships that expanded and contracted and converged and diverged around the construction of the change endeavour. As people negotiated and renegotiated, committed to and recommitted, and administered and readministered the management development ideas (Van de Ven, 1986)
they variously took on the roles of institutional leader: setting structures and settling disputes, sponsor: procuring, advocating and championing, mentor: coaching, counselling and advising, entrepreneur: managing innovation unit or venture, or critic: challenging investments, goals, and progress (Angle & Van De Ven, 1989). Managers of management development were the entrepreneurs who combined their passion for particular solutions with preconceptions of what was possible and knowledge of organisational reality to craft the change endeavour (Dachler, 1992; Dachler & Hosking, 1995). Through conversations with stakeholders using language that communicated socially constructed realities aligned with the desired organisational future direction (Ford, 2000; Ford & Ford, 1995; Ford et al., 2002), the managers of management development orchestrated the events over time. This inter-relationship of context with the purpose, practices and positions of management development and the role of the manager of management development in entrenching the change endeavour within reality to craft the change endeavour (Dachler, 1992; Dachler & Hosking, 1995). Through conversations with stakeholders using language that communicated socially constructed realities aligned with the desired organisational future direction (Ford, 2000; Ford & Ford, 1995; Ford et al., 2002), the managers of management development orchestrated the events over time. This inter-relationship of context with the purpose, practices and positions of management development and the role of the manager of management development in entrenching the change endeavour within the organisation’s conversation network is modelled in Figure 11.
In this examination of the facet of how strategic change endeavours were constituted, enacted and integrated, the form of the change process was revealed showing how change concepts were initiated and shaped, how change content was produced and executed, and how change circumstance influenced the linking and embedding of events. Emerging from each of these was the unfolding of the change process and the identification of a repertoire of the performances of the actors who construct management development. This series of social happenings saw the change idea move from a focus on delineation and garnering support, to producing, communicating and implementing the event, through to engaging, adjusting and connecting the change endeavour in its context. Through this process of becoming (Sztompka, 1991) the managers of management development interacted with the social structures making choices about the construction of management development (Giddens, 1984).

These events did not occur in isolation but arose from an evolution of what had gone before. Events interrelated with one another and the old and the new melded to become a new event influenced by the dynamic interplay between context and action that affected the casting and recasting of the change endeavours (Giddens, 1984; Orlikowski, 1996; Pettigrew, 2012). Throughout the change endeavours the managers of management development functioned as “change intermediaries” (Balogun, 2003), forming the events and ensuring continuity through changing situations. The managers of management development took a pivotal role in merging the interests of top managers with the needs of the participants within the realities of particular business contexts (Barratt-Pugh, 2005). In constructing the management development events they sought to develop within the participants behavioural productions that built shared management practices and advanced corporate capability formation. These dimensions are modelled in Table 3.

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<tr>
<th>Facet</th>
<th>Form</th>
<th>Focus</th>
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<tr>
<td>Constitution</td>
<td>Change Concept: Initiating and Shaping</td>
<td>Expressing an innovating idea</td>
</tr>
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<td></td>
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<td>Designing concept plans</td>
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<td>Negotiating support for the initiative</td>
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<tr>
<td>Enactment</td>
<td>Change Content: Producing and Executing</td>
<td>Developing the endeavour</td>
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<td>Communicating the undertaking</td>
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<td>Implementing the practices</td>
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<tr>
<td>Integration</td>
<td>Change Circumstance: Linking and Embedding</td>
<td>Maintaining engagement</td>
</tr>
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<td></td>
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<td>Adjusting to suit the context</td>
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<td>Connecting the innovation</td>
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This study found that the process of management development played a key role in the formation of managerial identity (T. J. Watson, 2008) leading to the adoption of corporately desired work behaviours (Ellemers et al., 2004) and the construction of corporate capability (Barrett et al., 1995). The management development events provided a situation and a vehicle through which change could be fostered and through which change could be produced. Through their interaction with the ideas presented in the events the participants shaped their concepts of self and formed and enacted their managerial identity. In their engagement in social processes participants constructed and reconstructed cognitive frameworks that facilitated their understanding of the character of the change endeavour (Gioia & Chittipeddi, 1991) and influenced how they constructed their identity within the organisation (Pratt, 2000). The conversations that occurred in the management development events helped shift the participants’ reality by instigating change, generating awareness of the need, causing action and delivering closure (Ford, 1999). By interacting with other managers in these events inclined participants generated new frames of references about the concept, content and circumstance of change. Relating with other managers through the events facilitated the construction and reconstruction of shared group identity and collective interpretive schemes thus assisting in building a cadre of managers attuned to the needs of the organisation (Balogun & Johnson, 2004). The development of shared group identities encouraged managers to sustain their efforts in implementing the change endeavours across changing circumstances and to galvanise their colleagues to adopt corporately desired work behaviours (Ellemers et al., 2004). The management development events enabled participants to develop new language and perspectives that assisted them to assess their habitual ways of thinking, envision different futures, and visualise future actions (Ford, 2000). Their exposure to new language helped transform the way participants related with one another and generated new ways of behaving. As these new behaviours became reinforced over time, new structures evolved and beliefs and attitudes about the nature of managing were transformed, which recursively spawned new language and initiated further change actions leading to the integration of the management development productions and the construction of corporate capability (Barrett et al., 1995).

In this study the outcomes of the change endeavours were not evident as single results that proclaimed a new way of working coming into being at a particular date. Instead the results were more nebulous with the changes emerging over time often through a merging of the new with the old (Pettigrew, 2012; Van de Ven et al., 2008). The management development events impacted managerial performance at the individual professional level, organisational performance at the operational level, and business performance at the strategic level. The change to managerial identity saw individuals who had changed their self-view, enhanced their role, enabled shared understandings with their fellow managers, and facilitated the development of a common language. At the operational level this identity formation resulted
in collective understanding of managing performance, development of networks, attainment of common language and approaches, the building of particular cultures, the construction of leadership cadres, professional enhancements, and changes to business and organisational practices. At the strategic level the creation of an organisational identity resulted in changes to business performance such as collaboration on new ventures, sales increases, improved customer experiences, and enriched processes. These impacts often merged with a change in individual performance leading to a change in organisational performance and, in some instances, to a change in business performance. The changes to managerial capabilities facilitated the establishment, extension or adjustment of organisational resources toward an improved construction of corporate capability (Helfat et al., 2007). Recursively, such changes impacted on the management development process with the participants’ experiences in achieving these outcomes feeding back into the change endeavours and being used by others to follow in a continuing, reciprocal interaction (Giddens, 1984). The enacted organisational identity was cumulative with the portrayal of the most recent version of desired corporate capability being constructed on the back of earlier representations, which were shaped by past legacies and became integrated into the existing organisational arrangements (Van de Ven et al., 2008). The impacts of the management development events in building corporate capability are modelled in Figure 12.

![Figure 12: Impacts of Management Development in Building Corporate Capability](image_url)
Modelling Management Development

The models produced through this study and presented in the synthesis above can be combined as shown in Figure 13. This Framework of Constructing Management Development as Strategic Change Endeavours shows the relationships explored in the study and highlights the details of the process as foreshadowed in the conceptual framework presented in Figure 7 in Chapter 3. This framework of change endeavours is derived from an Australian experience and is grounded in the findings of this study.
In line with the contextual and processual tradition espoused by Dawson (2003a) and Pettigrew (1985b), the framework encapsulates the importance of the internal and external contextual factors within which change takes place and acknowledges the role that views of history and projections of the future play in the process of change. Confirming the findings of Barratt-Pugh (2005), the framework identifies the central role of the manager management development as the entrepreneur crafting the strategic change endeavours’ purposes, practices and positions through conversations with other players that enable orchestration and entrenching of the management development events.

Answering the call from Sheehan, Garavan and Carbery (2014) and other researchers (Kearney et al., 2014; Luoma, 2000b; Mabey & Finch-Lees, 2008; Smith, 2006), the framework provides empirical insights into how management development operates as strategic change endeavours to construct corporate capability in innovating corporate organisations and details how people constitute, enact and integrate change processes. The findings presented here showcase specific activities that are carried out by the actors who construct management development through social interaction involving sensemaking and sensegiving. The revelation of this repertoire of change activities exemplify Stompka’s (1991) process of becoming and note the specific activities that support deliberate change strategies, which are influenced by the dynamic integration of context and action and see the melding of new with old events that recast the change endeavours (Giddens, 1984; Orlikowski, 1996; Pettigrew, 2012).

The framework shows the managerial productions arising from participants’ engagement in the management development process, which help shift their change reality (Ford, 1999) and enable construction of new managerial identity (T. J. Watson, 2008). The development of new language and perspectives assist participants to change their way of thinking and generate new ways of behaving (Ford, 2000). The documentation of how these changes to managerial identity result in changes to managerial capabilities at an individual level leading to changes at the operational and business levels echo perspectives presented by other researchers (Balogun et al., 2005; Jarzabkowski, 2004; Orlikowski, 2002). These changes recursively impact on management development construction in a continuing reciprocal interaction (Giddens, 1984) that over time assists in constructing corporate capability.

Overall, the framework models the process of management development as a strategic change endeavour that occurs within a given context. Its representation is an empirical substantiation of the view of change as situated and a rendering of how organisational actors influence on-going change adaptations and transformational change occurrences. By seeing management development as a socially constructed change experience that is constituted, enacted and integrated through the interaction of the organisational actors in networks of conversations the resulting impacts on the construction of corporate capability are revealed.
Closing

This chapter has used an amalgam of theories of management development, innovation, capability and change to interpret the narrative accounts presented in Chapter 4 to answer the research questions and to model management development. The next chapter summarises the stages of the research and identifies some limitations of the study. The unique contributions made by this research to theoretical, practical and methodological considerations are presented and future research areas are recommended.
6

Implications

Opening

This final chapter of Part 3 Conclusions presents the broader implications of the issues arising from the study’s consideration of the construction of management development and the role it plays in the construction of corporate capability in changing contexts. Through this study’s consideration of how management development programs are constituted, performances enacted and productions integrated within an innovating organisation, insight has been provided into the complexity of social construction of strategic organisational change. The structure of the chapter is illustrated in Figure 14.
In Part 1 Constructs, Chapter 1 overviewed the research issue, Chapter 2 reviewed the literature relevant to the investigation and Chapter 3 detailed the research design and methodology of this study.

In Part 2 Case, Chapter 4 presented a first-order analysis of management development in the form of a narrative chronology expressed through the voices of the stakeholders. The chapter began with BankWest’s inception in 1895 and told the story of management development from the start of the Managing Director in 1997, through HBOS’ 100% acquisition in 2003 to the CBA’s acquisition in 2008, finishing with the HBOSA Group CEO’s exit in 2009.

In Part 3 Conclusions, Chapter 5 interpreted the empirical findings presented in Chapter 4 from the perspective of the research issue and research questions, presented a second-order analysis of the findings and modelled a framework for considering the construction of management development and its impacts. Concepts of management development, innovation, capability and change were amalgamated to provide additional readings of the rendition of the account and comment made on strategic change endeavours. In this Chapter 6, the value of research is summarised with its significance and unique contributions highlighted. The implications of the study for theoretical, practical and methodological perspectives are presented, some limitations of the study are acknowledged and areas proposed for future research.

Value of the Research

BankWest is a financial services organisation that has reconfigured within a global economy. This research took the unique opportunity to study how management development was handled by the organisation as it transitioned from a small WA bank to a part of Halifax Bank of Scotland and Lloyds TSB, amongst the largest banks in the world, through to being a part of Australia’s largest bank, the CBA. The study investigated how management development was constructed between 1997 and 2009 and assessed the role it played in corporate capability construction thereby providing original insights into the social construction of strategic organisational change endeavours.

The study was opportune as access was gained to BankWest, which enabled a real time and retrospective exploration of the phenomenon and the context as it was occurring (Pettigrew, 2001). The study is unique as the reality of the changes occurring within BankWest’s structure and circumstance are documented and, with the passing of time, the capacity to reproduce this study is no longer available. The study provided a novel view into the innovating journey of management development as a means to construct corporate capability
by unpacking how programs are constituted, relating how people enact performances, and mapping how the resulting productions are integrated.

A literature review was produced that comprehensively précises the fields of theories that position management development. In considering management development as a means for socially constructing strategic organisational change, the review mapped the complexity of management development’s contributing theoretical building blocks and formed an analysis of management development theory that reflects the diversity of HRD research discussed by Garavan and Carbery (2014). Through the synthesis, insight was provided into the role of management development and the ongoing need to research how strategic organisational change endeavours form corporate capability in companies undergoing continuous change.

The constructionist research design and case study enquiry strategy employed in this study enabled the in-depth and longitudinal exploration of BankWest’s dynamic management development phenomenon. By adopting a contextualist approach and a processual methodology this study was able to reveal how strategic change endeavours wax and wane with their different forms being influenced by particular technical, cultural and political contexts. As such this study adds an Australian view of change in the tradition espoused by Pettigrew (1985a) and Dawson (2003a). The inclusion of polyvocal accounts within the chronological narrative enables readers to empathetically experience the richness and complexity of management development at BankWest and judge the value of the account for themselves (Czarniawska, 1998; Dawson & Buchanan, 2003). By linking the findings to broader bodies of literature the study achieved the research balance identified by Pettigrew (1997) and Dawson (2003a) and makes a worthy contribution to processual knowledge of change.

This study is significant because it addressed the persistent knowledge gap that exists in the understanding of the way management development is provided within organisations and the value of the process (Kearney et al., 2014; Knox & Gibb, 2001; Luoma, 2000c; Mabey & Finch-Lees, 2008; Mabey & Ramirez, 2005; O'Connor et al., 2006; Smith, 2006; Storey, 1990). Research that examines the role that management development plays in shaping the ability of organisations to engage in innovative change, particularly in Australia, is limited. This study meets the call for empirical studies that link change capacity and action to organisational outcomes (Pettigrew, 2012). It can be considered a rare study as it used an in-depth longitudinal investigation of organisation-wide management development design and implementation within Australian financial services, considered the reciprocal processes involved in strategic change endeavours and the performance outcomes, and provided a comprehensive account of the dynamics of change across time and context.

This study makes a contribution to the expansion of understanding about how change is produced and enacted (Dawson, 2012; Pettigrew, 2012; Tsoukas & Chia, 2002; Van de Ven
The study contributed new knowledge in its finding that BankWest used management development as an enabler of strategy to gain or maintain organisational competitive advantage and to design, apply and advance change approaches. This adoption of a capability-driven perspective actualised strategy, assisted in generating desired behavioural productions, and facilitated the alignment between organisational capability and manager capability to achieve business strategies (Garavan et al., 1995; Luoma, 2000b). Through the management development events managers formed new managerial identities that led to a shift in change reality, the adoption of corporately desired work behaviours and the construction of corporate capability.

The study is noteworthy from the perspective of praxis. This study addressed the call that has continuously been made for academic research that makes a contribution to the world of practice (Dawson, 2003a; G. Johnson et al., 2007; Pettigrew, 1985c; Rynes et al., 1999; Sheehan et al., 2014; Van de Ven et al., 1989). By depicting 12 years of BankWest operations through the lens of management development the study provided practitioners with insights into how strategic change endeavours are constructed and how the role played by particular actors affects the change processes. Practitioners may use the narrative accounts and analysis to consider the iterative nature of change and the influences that enact and integrate change. Through the presentation of change as a process that emerges over time within organisations and as something that can be deliberately enacted by organisational actors, the study enables practitioners to better understand the dynamics of change unfolding within context. The study provided a conceptual framework that practitioners may use as guidance in seeing change as socially constructed and involving a range of stakeholders whose involvement in strategic change endeavours can be facilitated.

Implications for Theory

This study provides an extensive narrative account of how management development is constituted, enacted and integrated, and analyses it in context thereby illustrating the unfolding of change over time. There is a dearth of in-depth case studies that reveal the detail of change activities, particularly within the Australian financial services sector. This study has contributed to filling this gap and by getting into the black box of change has answered questions posed in the literature about how and why people act as they do within change processes (Dawson, 2012; Pettigrew, 2012; Van de Ven & Huber, 1990). This study provides new empirical insights into the interaction of the actors within the process of management development thus increasing understanding of how strategic change endeavours are constructed and their role in constructing corporate capability.
This research expands processual understanding of strategic change endeavours and how they interact within the context in which they are implanted. By adopting a contextualist framework and processual approach this study makes a contribution to a research tradition that emphasises embeddedness with its focus on studying and analysing processes across a range of levels as they occur within the organisational context (Dawson, 1997; Pettigrew, 1990; Van de Ven, 1992). This study has examined change from different levels of stakeholder perspectives and presented those findings in the form of a chronological narrative where competing histories were considered and not treated “as a type of ‘deviant noise’ or ‘disruption’ to dominant patterns” (Dawson, 2003a, p. 119). This first-order analysis (Van Maanen, 1979) used narrative as a sensemaking strategy for organising the events, their precursors and consequences over time and anchoring the research (Chase, 2005; Langley, 1999). This initial analysis exemplified Dawson and Buchanan’s (2003) considerations for enabling alternate voices of the lived experience to be produced that recorded a multiplicity of views and pluralistic experiences. It also satisfied Pettigrew’s (1990) call for research that establishes sequences across and linkages between levels of analysis and foreshadows analytical themes. The second-order analysis (Van Maanen, 1979) took additional readings of the data and presented themes that linked the findings to broader bodies of literature in the fields of management development, innovation, capability and change (Pettigrew, 1997). The dual analysis focus of this study, which continually drew from the contextual richness of the case data whilst also pointing to academic abstractions, aids in balancing the different demands of this type of research as discussed by Dawson (2003a) and thereby makes a worthwhile contribution to processual knowledge of change.

Van de Ven et al. (2008) argue that organisations move along an innovation journey each time new ideas are developed and implemented by people engaging with others to achieve their desired outcomes within changing contexts. They note that many of these innovation journeys are unmapped and further research is required to plot the courses and validate the principles for innovation management. Through the examination in this study of the different ideas of management development, a map of innovation’s core processes has been empirically produced. Until now, there has been no study examining the longitudinal process of management development’s birth, evolution, demise, and transformation into various forms, and assessing its role in initiating and implementing organisational change within an Australian financial services sector. By providing a first-hand view of the unfolding of the management development process over time and its inter-connections and areas of influence within the formation of corporate capability, this study fills this research gap and provides insight into the social construction of strategic organisational change endeavours. In this way it makes a contribution to the innovation and change literature.

This study found that the process of management development performed a key role in the production of managerial identity. Adding to the work of T. J. Watson (2008), Balogun and
Johnson (2004), and Ellemers et al. (2004), this study provided detailed descriptions of how managers form and enact shared group identity through their interaction with other managers in the management development events and identified how such interactions aid in sustaining change implementation endeavours and in galvanising their reports to adopt the corporately desired work behaviours. The study substantiates how new realities and social structures are constructed through the management development events, which communicate the innovation and provide a vehicle for participants to develop, focus and maintain the behaviours that give them ownership and advance the change endeavours (Berger & Luckman, 1967; Dunford & Jones, 2000; Ford & Ford, 1995). The implication of the introduction of new language in transforming behaviour towards adoption of change agendas has been established in the literature (Ford, 2000) and confirmed in this study. The ways in which these changes to managerial identity result in changes to managerial capabilities at an individual level leading to changes at the operational and business levels resonate with viewpoints presented by other researchers (Balogun et al., 2005; Jarzabkowski, 2004; Orlikowski, 2002). The empirical testimony of this study advances knowledge about the formation of managerial identity and adds a contribution from an Australian context.

Finally, this study has produced a framework, modelled in Figure 13, that originally represents the constructing of management development as strategic change endeavours through its combination of knowledge from the fields of management development, capability, innovation and change. Derived from an Australian experience and emerging from the findings of this study, the framework is in line with the contextual and processual tradition promoted by Dawson (2003a) and Pettigrew (1985b) with its recognition of the roles that contexts, views of history and projections of the future play in the change process. The framework provides a response to the call from Sheehan, Garavan and Carbery (2014) for research that explicitly investigates HRD’s role in innovation, a need also identified by other researchers (Kearney et al., 2014; Luoma, 2000b; Mabey & Finch-Lees, 2008; Smith, 2006). The framework provides new empirical insights into how management development operates as strategic change endeavours to construct corporate capability in innovating corporate organisations and details how people constitute, enact and integrate change processes. The framework confirms the findings of Barratt-Pugh (2005) with its positioning of the manager of management development as the central player crafting the strategic change endeavours’ purposes, practices and positions through conversations with other players that enable composition and rendition of the management development events. The framework adds to existing theory with its representation of the process of management development operating within a situated view of change (Orlikowski, 1996) and its depiction of how organisational actors through networks of conversations (Czarniawska-Joerges, 1997; Ford, 1999) socially construct change.
Implications for Praxis

This study tells a story of the unfolding of management development at BankWest over almost 12 years. It is an account unique to that organisation. The chronological narrative presented and analysed in this thesis is not a step-by-step recipe for implementing management development strategic change endeavours for achieving corporate capability. Instead, it is an account that may stimulate the reader’s reflections, ideas, views and questions. It is acknowledged that there will be resemblances and there will be variances between the case presented here and that experienced by the practitioner. Echoing the advice of Ulrich and Smallwood (2003) to “adapt not adopt”, Spackman (2010, p. 57) promotes the idea of “best fit” rather than “best practice” and it is in this tenor practitioners should assess the applicability of the case of BankWest to their situation and take those aspects that most suit. This study thus contributes a view of management development, capability, innovation and change that could be used in a conceptual rather than instrumental way to increase understanding and provide considerations for future actions (Rynes, Bartunek, & Daft, 2001).

Pettigrew (2012) speaks to the value of process studies in relating, evaluating and illuminating change and innovation processes and their capacity to produce important ‘how to’ knowledge, which he sees as crucial in informing management practice. This study adds a contribution to this tradition of process studies of change. By presenting the empirical findings in a narrative form that predominantly comprises the actors’ story in their own words, the practitioner can make sense of the account of change and also form their own view and judgements of the account (Dawson, 2003a). The provision of the framework identifying the process characteristics involved in constructing management development as strategic change endeavours and the delineation of how management development constructs corporate capability could be used as practical guidelines to inform management practice, though it is recognised that distilling lessons is seen by some as an issue (Dawson, 2005).

Finally, this study contributes to praxis through its exploration of management development as a socially constructed reality. Perceiving organisational transformation as ongoing improvisation enacted through the continuing practices of organisational actors who adapt to their local situation (Orlikowski, 1996), may provide insights for managers of the process. By assessing their preconceptions and assumptions and judging these against their view of the organisational reality validated through ongoing conversations with stakeholders, managers of management development could be better equipped to produce change endeavours that match organisational needs. Seeing change endeavours as deliberate opportunities for communicating change could enable change agents to produce events by projecting current and future organisational direction through social interactions, negotiations and conversations with other organisational actors.
Implications for Research Methodology

This study provides a beneficial illustration of how management knowledge can be built through consideration of the research purposes, paradigms, perspectives and procedures (Patton, 2002). The inclusion in this thesis of Tales of the Researcher, précised in Chapter 3 and fully presented in Appendix 1, gives an account that makes explicit the process of social research in twenty-first century organisations. In this way the study responds to the call for research that reflexively acknowledges the relationship between the processes of producing knowledge within various contexts and the degree and type of involvement of the producer of research knowledge (Alvesson & Skoldberg, 2000; Dawson, 2003a; Pettigrew, 1985a). In producing the thesis in this manner authorial strategies for the writing of management texts (Czarniawska, 1999) have been employed to construct accounts that are seen as trustworthy and credible by the intended audience (Jeffcutt, 1994). In adopting a reflexive writing style I have been clear about “the hand behind the text” and have described my role in producing the research like “the type of magician who lets the audience see the mirrors with which the tricks were done” (T. J. Watson, 1994b, p. 78). By overtly describing the circumstances affecting the research and their influence on the research direction, this study has provided a contribution to the craft of management research and the understanding of how management knowledge may be developed.

Within this study the ontological assumptions about the nature of knowledge and reality and the epistemological assumptions about the best way to enquire in appropriate enquirer and enquired relationships have been thoroughly discussed and illuminated. Clear explanations are given for the adoption in this study of a relativist ontological view with a subjectivist epistemology and a constructionist knowledge claim. While such a research paradigm may be the basis of other change studies, there are few that fully elucidate their stance and show how their choice of approach has impacted on the formation of knowledge, a necessity noted and explored to different degrees by authors working in this field (Dawson, 1994, 2003a, 2012; Pettigrew, 1985c, 1990, 1997, 2012; Van de Ven, 1992; Van de Ven & Huber, 1990; Van De Ven & Poole, 2005b). This study makes a research design and methodological contribution to the tradition of processual research through its detailing of the knowledge assumptions underpinning the approach and the resulting knowledge formation and its explanation of management development as a key way for social construction of reality.

Limitations of the Research

It is recognised that there are several potential limitations of this research that should be considered when reviewing this thesis. Other limitations have been addressed in Chapter 1 and Chapter 3.
The first limitation relates to the choice of interpretive paradigm chosen to guide the research action. The selection of a constructionist knowledge creation stance with its relativist ontology and subjectivist epistemology influenced the choice of case study as the enquiry strategy, the adoption of a contextual approach and processual perspective, and a preference for a chronological narrative to translate the knowledge into an account. As the empirical findings are the result of this approach they are therefore subject to the limitation of the researcher’s perspective and capability to understand the dynamics of management development’s construction. Taking the role of research instrument (Gummesson, 1991) meant there was a high reliance on interpretations of documents, interviews, observations and participations, which could have been affected by errors in data generation and analysis. Certain items, events, activities or phenomena could have been overlooked because of my bias. As a way to mitigate this there was an attempt to remain neutral and ensure understanding gained through interviews were triangulated with those gained through documents, observations and participations. In this way I sought to ensure that I could fulfill my role as bricoleur (Denzin & Lincoln, 2005a) and appropriately construct data and piece together a representation of the truth in a research quilt of the changing process of management development at BankWest.

Another limitation was that this study focused on one organisation within one industry and looked at one form of change. Those who come from a more quantitative background could challenge the value of this research and see the study as narrow in that it presents a single-case study of BankWest, an Australian financial services company. They could argue, simplistically, that case studies lack rigour and reliability and do not enable generalising, which they consider can be best achieved through quantitative methods. The converse of this position has been noted as just as simplistic with its claims that “case studies are ‘meaningful’ and ‘rich’ compared with the sometimes ‘dustbowl empiricism’ of quantitative techniques” (Hartley, 1994, p. 208). In reality case studies, like any research design, have both weaknesses and strengths that researchers need to consider and then decide how they will trade-off their time, resources, interests and purposes against their ability to complete the research within that particular situation (Weick, 1999). Although this study has the disadvantages noted by various authors (Eisenhardt, 1989a; Patton, 2002; Yin, 2003), it has been recognised that “a single longitudinal case study can make a major contribution to knowledge” (Dawson, 2003a, p. 119), a view supported by others (W. G. Dyer & Wilkins, 1991; Mintzberg, 1979; Pettigrew, 1985b, 1985c). This case study used multiple embedded case studies to explore in-depth the process of management development in BankWest over 1997-2009. This approach enabled fine granularity (Harrigan, 1983) within the different sub-contexts to provide insight into the complex forces constructing management development and its role in strategic change endeavours. The detailed explanation of the management development process within the changing context enables the reader to determine the applicability and transferability of this case to other contexts.
Finally, this study is limited in its choice of particular theories to guide the conduct of the research and to aid in some of the interpretations of the findings. This study was structured on contextual and processual understandings of change that sees the process of events as a developmental sequence of activities and actions that unfold over time in context (Dawson, 1994; Langley, 1999; Pettigrew, 1997; Van de Ven, 1992). The embracing of this change perspective meant the research considered and accounted for the “what, why and how of the links between context, process and outcomes” (Pettigrew, 1997, p. 340). In seeing change as a dynamic process that occurs rather than exists (Sztompka, 1991) with actors who take actions embedded in contexts, Giddens (1979) structuration theory influenced my viewing of how managerial actors drew upon organisational structures in their formation of rules and resources that facilitated their actions, at the same time reproducing and amending those same structures. The adoption of the constructionist paradigm with its stance that change is a socially constructed reality given meaning through the interactions of organisational members (Berger & Luckman, 1967) led me to pursue knowledge aimed at understanding the lived experience of BankWest members (Schwandt, 1994). I did not seek to produce one view of reality but framed the investigation within a conceptual scheme influenced by Habermas’ (1987) theory of knowledge-constitutive interests, which sees that knowledge does not exist in isolation but is produced as a result of individuals’ social and historical conditions, is enmeshed in past and current social structures and can only be understood relative to their experiences. These guiding assumptions resulted in a first-order analysis (Van Maanen, 1979) using a narrative strategy (Langley, 1999) and the production of the analytical chronology of management development at BankWest that emphasised the words of the organisational members. Additional readings of the data were then taken and a second-order analysis (Van Maanen, 1979) using theories of management development, capability, innovation and change enabled comment on strategic change endeavours within corporate capability construction. Throughout the study, each of these choices meant that the research was limited by not choosing other theories and perspectives, any of which could have provided a different slant.

**Implications for Future Research**

This study documented management development as a mechanism for undertaking strategic change endeavours within a financial services corporation headquartered in WA. There are opportunities for future research to question how this study might apply to other industries within Australia and in other countries. As this was a processual study, different political, technical and cultural environments would provide occasions for developing further insight into the study’s findings.
Though BankWest is unique, the analysis of the identification of the process characteristics involved in constructing management development as strategic change endeavours and the delineation of how management development constructs corporate capability could be used as a conceptual framework for future studies. More in-depth longitudinal case studies could be undertaken examining how and why organisations undertake management development as strategic change endeavours. Other settings could also be studied to confirm and advance the findings of the study.

This research used contextualism theory and a processual perspective to investigate the occurrence of management development. In providing a second order analysis the fields of innovation, change, capability and management development were combined to provide comment on the findings of this research. In the discussion of these, reference has been made to Giddens’ (1979) structuration theory as an underlying process of both change and continuity, based as it is on the idea of duality of social structure. There is opportunity to conduct further process research into management development specifically focusing on how structuration-like theories of process play out when agency and structure parameters interlink and result in particular outcomes.

One of the findings of this study was that the process of management development has a key role in the creation of managerial identity. In looking at how managers form and enact individual and collective behaviours the study highlighted the role strategic change endeavours have in constructing managers’ realities and their social structures and outlined the implications of group interactions and the introduction of new language in transforming behaviour. This study identified a chain between how such changes to managerial identity result in changes to managerial capabilities at an individual level leading to changes at the operational and business levels. Further research that investigates this chain from a perspective of identity formation would add to the understanding of how management development shapes organisational ability to engage in change processes to achieve competitive advantage and develop corporate capability.

This study has documented the activities undertaken by managers of management development in constructing strategic change endeavours. Their role as change intermediaries needs more investigation. One important research issue is to determine how such change intermediaries interpret change and how their schemata influence their choices for action. Another issue is understanding what the constraints and enablers are for managers of management development succeeding in their role. A third area requiring more research effort is how such change intermediaries contribute to change results in distinctive change contexts. A summary of the study’s key findings, contributions to literature and possible questions for further research are shown in Table 4.
Table 4: Agenda for Research

<table>
<thead>
<tr>
<th>Key Findings</th>
<th>Literature Contribution</th>
<th>Future Research Questions</th>
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<tbody>
<tr>
<td>Effective social research within 21st century organisations depends on the</td>
<td>Augments understanding of the nature and complexity of the social research process in the tradition of Whyte (1955), Dalton (1964), Bell and Newby (1977), Hickson (1988), Watson (1994b) and Townsend and Burgess (2009).</td>
<td>What research processes are required to develop contextualist and processual accounts of change? How can</td>
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<td>relationship between the processes of producing knowledge in those contexts</td>
<td>Provides a reflexive account of an Australian corporate that describes the circumstances of how social research can occur and how management knowledge can be built through consideration of the research purposes, paradigms, perspectives and procedures thereby adding to the research of Bryman (1988a), T.J. Watson (1994b), Czarniawska (1998), Alvesson and Deetz (2000), Humphreys and Brown (2002), Dawson, (2003a) and Pettigrew (2012).</td>
<td>stories of change be constructed to provide insights into change process? What are the assumptions that underpin</td>
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<td>and the degree and type of involvement of the producer of research knowledge.</td>
<td></td>
<td>chronological narratives? How can competing narratives of lived experience be accommodated in studies of</td>
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<td></td>
<td></td>
<td>organisational change? How can the relationships between individual and group narrations of organisational</td>
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<td></td>
<td></td>
<td>processes and events be presented? How does the authorial role interlink with audience expectations in the</td>
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<td></td>
<td></td>
<td>presentation of chronological narratives of change? What methodological issues emerge in studying management</td>
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<td>development?</td>
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<td>Construction of management development occurs within particular political,</td>
<td>Identifies the relationship between management development as a mechanism for managing change and improving organisational performance and provides an Australian account of how processes can and do shape outcomes, thereby addressing a persistent knowledge gap and adding to UK and international work (Balogun et al., 2005; Jarzabkowski, 2004; Orlikowski, 2002; Pettigrew et al., 1992; Pettigrew &amp; Whipp, 1991; Pettigrew et al., 2003; Whipp, Rosenfeld, &amp; Pettigrew, 1987; Whittington, Pettigrew, Peck, Fenton, &amp; Conyon, 1999).</td>
<td>How does context influence the construction of management development? How do strategic organisational change</td>
</tr>
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<td>cultural and technical contexts resulting in strategic change endeavours</td>
<td></td>
<td>endeavours such as management development form corporate capability in companies undergoing continuous change?</td>
</tr>
<tr>
<td>waxing and waning in line with the dominant view of required change. Over</td>
<td></td>
<td>How is management development as a strategic change endeavour constructed in other financial institutions and</td>
</tr>
<tr>
<td>time certain change initiatives contribute to the organisation's strategic,</td>
<td></td>
<td>non-financial organisations? What has been the contribution of management development in achieving strategic</td>
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<td>operational and professional outcomes.</td>
<td></td>
<td>change and improved performance?</td>
</tr>
<tr>
<td>Management development performs a key role in the production of managerial</td>
<td>Supplements the work of Balogun and Johnson (2004), Ellemers et al. (2004), Barratt-Pugh (2005) and T. J. Watson (2008) by providing detailed descriptions of how managers in an Australian corporate form and enact shared group identity through their</td>
<td>How do context influence the construction of management development? How do strategic organisational change</td>
</tr>
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<td>identity by enabling managers to form and enact shared group identities</td>
<td></td>
<td>endeavours such as management development form corporate capability in companies undergoing continuous change?</td>
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<td>through their interactions with other managers. Through the management</td>
<td></td>
<td>How is management development as a strategic change endeavour constructed in other financial institutions and</td>
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<td>development events</td>
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<td>non-financial organisations? What has been the contribution of management development in achieving strategic</td>
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<td></td>
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<td>change and improved performance?</td>
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<td></td>
<td></td>
<td>How do management development processes shape managerial identities? To what extent do managers adopt particular managerial identities as elements of their self-identities?</td>
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<td>Key Findings</td>
<td>Literature Contribution</td>
<td>Future Research Questions</td>
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<td>managers form new managerial identities that lead to a shift in change reality, the adoption of corporately desired work behaviours and the construction of corporate capability. There is a chain between changes to managerial identity resulting in changes to managerial capabilities at an individual level leading to changes at the operational and business levels.</td>
<td>interaction with other managers in the management development events and identifying how such interactions aid in sustaining change implementation endeavours and galvanising the adoption of corporately desired work behaviours.</td>
<td>How does management development build managerial identity aligned to corporate directions? How does the relationship between individual managerial identity and corporate identity lead to competitive advantage and the development of corporate capability?</td>
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<tr>
<td>Management development events construct new realities and social structures by communicating innovation through the introduction of new language and by and providing a vehicle for participants to develop, focus and maintain the behaviours that give them ownership and advance the strategic change endeavours.</td>
<td>Introduces an Australian perspective to the work of Berger and Luckman (1967), Ford and Ford (1995), Ford (2000) and Dunford and Jones (2000).</td>
<td>What is the role of language in organisational change? How can language be used in management development constructions to constitute new realities for managers? What is the relationship between change narratives and organisational outcomes? How can organisations have a major influence on the change interpretations of managers?</td>
</tr>
<tr>
<td>Management development is used as an enabler of strategy to gain or maintain organisational competitive advantage and to design, apply and advance change approaches. Adoption of a capability-driven perspective actualises strategy, assists in generating desired behavioural productions, and facilitates the alignment between organisational capability and manager capability to achieve business strategies.</td>
<td>Adds an Australian view of change in the contextualist and processual tradition espoused by Pettigrew (1985a) and Dawson (2003a). The presentation of polyvocal accounts within the chronological narrative of management development enables readers to judge the value of the account for themselves as promoted by Czarniawska(1998) and Dawson &amp; Buchanan (2003). The linking of the findings to broader bodies of literature achieved the research balance identified by Pettigrew (1997) and Dawson (2003a).</td>
<td>How and why do organisations undertake management development as strategic change endeavours? How are strategic change endeavours constructed? What is the relationship between management development and managers’ behavioural productions in the achievement of organisational strategy?</td>
</tr>
<tr>
<td>Developing, adapting and reconfiguring strategic change endeavours to ensure appropriate corporate capability construction requires ongoing and focused design and implementation of novel management development events. Achieving such innovations involves a complex series of events that evolve through the efforts of networks of people who cultivate ideas and effect outcomes in relationships with others in changing contexts over time periods of considerable duration.</td>
<td>Provides an empirical examination of the different ideas of management development mapped to innovation’s core processes, a longitudinal analysis of management development’s birth, evolution, demise, and transformation into various forms, and an assessment of its role in initiating and implementing organisational change within an Australian financial services sector, thus adding to the work of Van de Ven et al. (2008).</td>
<td>How can management development events be structured to facilitate the innovation journey?</td>
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</tbody>
</table>
Key Findings | Literature Contribution | Future Research Questions
---|---|---
Change is a socially constructed process that emerges over time within organisations and is something that can be deliberately enacted by organisational actors. Managers of management development play a central role in crafting the strategic change endeavours’ purposes, practices and positions through networks of conversations that enable composition and rendition of the management development events. Such change and continuity are based upon ideas of social structure. | Confirms the findings of Barratt-Pugh (2005) and adds to the work of Czarniawska-Joerges (1997), Ford (1999) and Giddens (1979). | How do change intermediaries interpret change and how does their schemata influence their choices for action? What are the constraints and enablers for managers of management development succeeding in their role? How do change intermediaries contribute to change results in distinctive change contexts? What role does structuration theory play in management development and the achievement of particular outcomes? How do managers of management development customise the process to suit local conditions? |

**Closing**

This study has recorded a 12 year period of management development at BankWest. Documented has been the Bank’s movement through its many renditions from the Agricultural Bank in 1895 to the Rural and Industries Bank in 1945 then later the R&I Bank in 1991, through to the adoption of the BankWest name in 1994. The story has been told of how strategic change endeavours emerged, developed, terminated or reformed under two organisational leaders and different ownership changes from BankWest’s acquisition in 1995 by the Bank of Scotland, to its purchase by HBOS in 2003, a company that was itself taken over by TSB Lloyds in 2008, through to BankWest’s buyout in 2008 by the CBA and the exiting of the Group CEO in 2009. What this study has examined is now history. Many of the actors have moved onto other stages and those that are left are engaged in new performances.

Though the events and the players have differed during the varied presentations of BankWest’s management development from 1997 to 2009, there have been some themes that have endured the years. First, management development’s capacity to enable strategy and socially construct organisational change, innovation and competitive advantage is enhanced or constrained by the strength of the relationships between the organisational leader, change intermediary and other stakeholders and by the influence of the context in which it is operating. Second, management development plays a key role in changing managerial
identity, which then results in a chain of changes to managerial capabilities within an individual leading to changes at the operational and business levels. Finally, managers of management development play a central role as change intermediaries and their choreography of the strategic change endeavour’s constitution, enactment and integration according to their own scripts produces various compositions and renditions of social construction of change.

In this research, my chronicling of BankWest’s innovation journey has recorded the richness and complexity of management development and animated the characters that construct the events in contemporary corporate companies. Though the chapters of this thesis are written the story of management development is not finished. New casts now play out the changing and ongoing management development drama of constructing corporate capability at BankWest.
Appendix 1

Tales of the Researcher

This research portrays the process of management development within BankWest over the period 1997 to 2009. The selection of this timeframe was linked to the stewardship of two Chief Executives and was a pragmatic judgement determined by the timing of the research, the funding arrangements, the research focus, the research design and the impact of being in the field. During this time, BankWest evolved from a small regional bank within WA to a part of HBOS Australia a member of HBOS plc one of the world’s largest financial services organisations, which itself was taken over by Lloyds TSB Group plc the largest UK bank, through to being subsequently purchased by Australia’s largest bank, the Commonwealth. This research involved me relating with many of the members of both HBOS Australia and HBOS UK between 2002 and 2013 as I sought to understand how the process of management development had been, and was being, constructed at BankWest. I came to the study with expectations of being a detached observer collecting data using an experimental approach and exited with an understanding that I was a bricoleur (Denzin & Lincoln, 2005a) constructing data and piecing together a quilt of the changing process of BankWest’s management development through my reflexive activities (Alvesson & Skoldberg, 2000) as the “instrument” of the study (Patton, 2002, p. 14).

Prologue

In March 2001 a Linkage grant application for a joint Edith Cowan University and BankWest PhD research project was made by Barratt-Pugh and Standen (2001) to the Australian Research Council. The grant application was based on Karpin’s (1995) conclusion that Australian managers required development programs to foster soft skills, interactive and enabling management styles and an attitude of valuing diversity and innovation. It proposed to examine the development of such management capabilities at BankWest through a focus on the use of videoconferencing and online training packages in regional locations in order to determine more effective configurations of learning architecture that support organisational culture change and impact on business performance. In October 2001 the grant application was approved, however BankWest had undergone restructuring, which ultimately affected the appointment of the researcher, the timing of the research, the BankWest sponsor and the operational focus of the project.
The search for a suitable researcher began in December 2001 with the advertising of an Australian Postgraduate Award Industry Scholarship to undertake action research into online learning and videoconferencing as instruments of supporting improved business performance with BankWest. The project was titled *Extending Leadership and Learning: Improving the effectiveness of new learning technology for culture change and improved regional business performance* and the research questions were:

- How do the new learning technologies contribute to a leading and learning organisational culture? – What is the impact on culture change?
- How can organisations use these technologies to improve the equity between urban and regional workers’ access to management development opportunities? – Where are they effective?
- What additional supports do learners require in terms of learner/facilitator interaction? – What relationship is there with other strategic learning support mechanisms?

The project was structured as action research involving a longitudinal, comparative and experimental case study focusing on managers’ and participants’ experience of learning via videoconferencing and online learning in regional sites within WA, and on performance data collected before and after the introduction of the new technology. The competitive selection process for the researcher involved a number of reviews and a series of interviews with Edith Cowan University and BankWest selectors resulting in my being provisionally awarded the scholarship on 1 March 2002. However BankWest was not sure that the project was still viable in a restructured organisation.

At the time of the ARCLG application in March 2001, BankWest had a whole-of-Bank centralised people and organisational development function. The research was designed around the centralised training function and the intentions and methods of that function to support culture change. With the restructure this responsibility was split across the two national lines of business – Consumer Solutions and Business Solutions – with a central structure, Corporate People Solutions, being retained to set overall policy and provide people services to the support divisions. Corporate People Solutions undertook Bank-wide training initiatives and the lines of business each undertook their own product and procedure training. With the change to a devolved model the original research project sponsor moved to one of the lines of business, the videoconferencing facilities were relocated and a review of training was targeted. These factors caused BankWest to reassess whether the research could still happen. To gain support for project continuation my supervisor and I made a series of presentations to key strategic BankWest stakeholders between April and June 2002. Finally, on 14 June 2002 BankWest agreed to the research going ahead and the research project officially began on 1 July 2002, six months later than originally scheduled, with a different sponsor and a change to the operational focus.
The modifications agreed to with BankWest and subsequently with the Australian Research Council retained the emphasis on culture change, regional equity and new learning technology. However, the research was now expanded to consider the role of videoconferencing and online training packages as one series of tools within a wider series of options available for generating management learning and culture change. The original timelines were adjusted and it was agreed that the investigation would take a broader integrative perspective. Initially gathering data on current culture and learning needs, the research would determine what specific roles new learning technologies could play and what were the optimum relationships of mutual support with alternative traditional methods of learning within BankWest.

**Act One**

On 1 July 2002 I began the process of enculturalisation into the research situation at BankWest. Unlike most other PhD researchers I came to a situation that others (Barratt-Pugh & Standen, 2001) had already “choreographed” (Janesick, 1994). As I began my interpretation I found that different members of the audience expected different performances.

From the beginning of the case study I was immersed in the “field”, which was “chaotic, unpredictable” and beyond my full control (Van Maanen, 1988, p. 138). On the first day during my introductory tour of the facilities where I was sited, my sponsor, the Human Resources director, commented that BankWest had “moved on” since the proposal had been written and that there were other more important issues than videoconferencing to be investigated. This view contrasted with that of the manager of the area where my workstation was located. Involved in my interview and selection process, this manager knew of my corporate consulting, organisational development and technology solutions background (Booker, Murphy, & Watson, 1995; I. Harrison & Watson, 2001; Lapham et al., 2002; Mitchell & Watson, 1998; Saggers, Moloney, Nicholson, & Watson, 2002; M. Watson, 1998, 1999; M. Watson & Nicholson, 2000; M. Watson, Nicholson, & Sharplin, 2001) and wanted to use my expertise to help him solve the “problem with a videoconferencing supplier” that he had inherited. When I spoke with the original sponsor of the project he saw that I would need to “push, push, push” the value of videoconferencing to convince the organisation to pick it up. Conscious that both macro and micro politics were operating (Easterby-Smith et al., 2002) and that I was unaware of all the complexities of the expectations, I avoided any commitments and concentrated on becoming familiar with BankWest documents and databases, building personal networks, reading academic literature and completing my revised ethics proposal.
Using the modified ARCLG application as the base, I made an amended proposal on 15 July to the Edith Cowan University Committee for the Conduct of Ethical Research to undertake this research. I had an understanding of the moral, professional and legal principles of undertaking research involving people in an organisation and ensured that was a guiding consideration in the proposal. I recognised that knowledge is not a “neutral product” (May, 2001, p. 60) and that choices about courses of action need to be based on ethical considerations (Barnes, 1979). In doing this research I wanted to ensure that decisions taken had regard for the guidelines provided by Patton (2002) and Punch (1994) and the issues raised by Merriam (1998) and May (2001). The proposal was approved by Edith Cowan University and the ethical considerations of achieving informed consent; being transparent about the researcher’s role, the objectives, and usage of information; showing respect, fairness and cultural sensitivity; and maintaining confidentiality became inherent in the design and conduct of the research (M. B. Miles & Huberman, 1994; Patton, 2002).

I spent the early months “shagging around” (LeCompte & Preissle, 1993, p. 113), getting a baseline understanding of the physical, historical and social environments of BankWest. I began to identify key informants (Fetterman, 1989) at a variety of levels who could provide information, offer perspectives, clarify concepts, explain relationships or act as sounding boards. I was conscious of the need to gain and maintain access (Bryman, 1988b; Jorgensen, 1989; LeCompte & Preissle, 1993) to different parts of BankWest and I used my “tacit knowledge” (Dawson, 1997) of appropriate research practice in corporate environments to do so.

Informally I sought to become part of “gossip circles” (Cunnison, 1966, p. 162) and made a point of building rapport by engaging people in general talk, being in the coffee areas over morning tea, afternoon tea and lunch, haunting the photocopying room, attending every meeting and social event possible, and taking each opportunity to explain who I was and what I was doing. As I moved around the organisation with my notebook, recorder or computer, turning up at all sorts of events, people often made jokes about my being there. However, after a time I found that people accepted my presence without comment (Gummesson, 1991). Indeed, some would later come to me to check my recording of the event with their memory of what had been said. I eventually came to be seen as strange but harmless (Czarniawska, 1998).

Formally I arranged for my sponsor to email my profile and a request to meet with me to senior and middle managers throughout BankWest. I made a selection of people to interview based on what I considered their relevance to this point of the research and then followed up the email with a meeting date and conducted a series of focused interviews. All the respondents agreed to be interviewed. Within these interviews, managed as “conversations” (Buchanan et al., 1988), I concluded by asking them to identify what they would like to see
come out of the research and securing their agreement for me to come and talk with them again. The willingness of the respondents to engage with me and reveal often personal or sensitive information and offer forthright opinions assured me that I was equipped with the right sort of characteristics to undertake this style of fieldwork (Buchanan et al., 1988). Using “snowballing” (McTavish & Loether, 2001, p. 123; Patton, 2002, p. 237) I asked them to identify who else could add to the data and, in some cases, to secure me a referral.

Using a sensitising framework (Denzin, 1978; Patton, 2002) I gathered data by:

- Interviewing executives, managers and staff.
- Holding formal and informal consultations with managers and staff.
- Participating in team meetings, training sessions, strategic planning events and business planning.
- Networking and engaging in social activities.
- Observing work practices and staff interchanges.
- Analysing print, video and electronic documents.

I built up a picture of the key issues in BankWest at the time and identified Network Transformation as the most suitable BankWest development for reaching the goals of the research partnership. Network Transformation involved a $59 million investment over five years focused on updating branches to meet the needs of the new way of banking.

The decision to restructure operations within the Retail Network had resulted in a mix of new and existing staff that were determining their roles and dealing with operational changes, refurbishments and transaction processes in order to achieve the goal of creating a sales and solution-focussed culture. My data sources identified the greatest challenge facing managers within the Retail Network was the building of a retail environment that met Bank requirements and engaged the staff in the transition. For some, this management of competing demands was reported as presenting difficulties. Assisting the managers to perform effectively in their role was highlighted as a key focus for 2003. Achieving this using different workplace approaches and alternate training methodologies was identified as a 2003 initiative. I considered that these two factors supported the goals of the project and would assist in their achievement.

Effective use of technology was a BankWest strategic goal, an operational requirement, and a professional expectation for staff. The technologies that were being used for business processes in the Retail Network ranged from text to voice to visual to a combination. These technologies plus others such as electronic bulletin boards, newsgroups, listservers, computer conferencing, audiographics, audiostreaming, and videostreaming had not yet been explored for their value in assisting managers in carrying out their roles.
I held discussions with staff from Consumer Solutions’ Development Solutions and Consumer Solutions’ Chief Operating Office to identify how this project could intermesh with and inform planned operations. Both areas were supportive and we identified opportunities for mutual benefit. I proposed a pilot group for the research as self-nominated managers and it was agreed that the project would be guided by a group of BankWest associates who would have a strategic focus and would meet quarterly to review progress and provide direction as required. I was to be supported by a project group who would have a consultative focus and would meet with me individually and as a group as agreed. In line with the original brief of the ARCLG application it was expected that I would take an active coaching role in supporting the managers using these technologies.

On 17 November 2002 I gave a research proposal to BankWest decision makers with the title *Leading and Learning: Leveraging technologies for extending capabilities within BankWest*. The key questions were:

- What is the current organisational learning climate with regard to new learning technologies and face-to-face learning, and what are the areas with the greatest utility and leverage for a change from basic skilling toward more integrated workplace learning and development?
- What are the relationships between new learning technologies and face-to-face learning that can contribute with the greatest utility and leverage for BankWest continuing to build a leading and learning organisational culture?
- How can BankWest best integrate these technologies with face-to-face learning to improve the equity between metropolitan and country staff access to training and development opportunities?
- How can BankWest provide required learner support to enable the use of the new learning technologies and optimise learner and facilitator interaction or other aspects of the learning process?

I proposed that in a comparison of country and metropolitan Customer Service Centres the project would:

- Gain managers’ and participants’ feedback on their experience of learning and development using technologies and the impact on their work practices, organisational culture and business performance.
- Compare the learning and development needs and the barriers to learning and development perceived by staff, particularly managers.
- Determine how these technologies are used in conveying information through to assisting in changing behaviours.
- Investigate whether these new technologies support continuing learning and development.
• Evaluate the impact on business performance for the organisation as a whole.
• Develop an analysis process for evaluating the use of these technologies in organisational change programs.
• Disseminate information on best practice in using technologies to facilitate organisational change for improved business effectiveness.

The research used a conceptual framework drawn from the causal development chain suggested by Leman (1994) and Karpin (1995a, 1995b, 1995c) in their reports on management development (see Figure 6).

![Causal Chain of Management Development](image)

**Figure 6: Causal Chain of Management Development**

In the UK, Leman (1994) had explored competency-based management development and developed a relational model between organisational strategy and business performance. This model was later expanded upon by Winterton and Winterton (1996) who evaluated the causal chain of management development, which assumes that management development has a primary impact on individual manager performance creating a secondary impact on improved organisational performance leading to an ultimate impact on business performance that can be traced to the initial influence of management development. In Australia, Karpin’s (1995a, 1995b, 1995c) report on management development drew from the same underpinning framework proposing that improved management development would achieve
not only improved organisational and business performance but also improved employment
growth and national living standards.

Within this framework the research was to examine the integration of technologies on
individual learning, organisational effectiveness and business outcomes. The design was
therefore longitudinal, comparative and experimental. It focused on measuring the
expectations and changes reported by learning participants and managers during the study,
and on performance data collected before and after organisational learning changes. Views
on organisational effectiveness and business outcomes were to be sought from BankWest
senior managers and subordinates.

At a meeting on 26 November 2002 the proposal was agreed and I subsequently moved on
establishing the practical considerations. I left BankWest on Christmas Eve confident that
things were in place to enable a smooth start to the research in the new year.

**Act Two**

I returned from leave in early January 2003 to the beginning of Project Refocus. Following
on from strategic planning outcomes in 2002, this internal review of BankWest activities was
focusing on all major initiatives and areas of duplication in the organisational structure and
examining existing cost management control. Priorities were changed and a variety of
projects, including the arrangements I had negotiated in 2002, were put on hold. Coming out
of Project Refocus was a structural realignment that saw a 10% downsizing of BankWest
staff between the beginning of March and the end of June. Many of the people with whom I
had negotiated the research were affected and left BankWest. During this time it became
obvious that if the research was to be able to continue it would need to adopt a new
operational focus and be reflective of the changes occurring within BankWest.

During the first third of 2003 I felt like I was walking through a maze whose walls
rearranged themselves with every step I took (Patton, 2002, p. 168). The videoconferencing
equipment had been boxed up with an intention “at some time in the future” to shift it to a
more central location. Communicating with the Retail Network via email had been replaced
by a weekly print-based CommsPack, and a number of IT upgrades had been halted. Project
Refocus was challenging all aspects of operations and staff interest was directed to the
ongoing changes arising from the review. Time and confidentiality became major concerns
for my contacts in the organisation and my access to some issues through formal channels
was “blocked” (Buchanan et al., 1988, p. 57). Reacting as positively as I could to the turmoil
I continued to observe the developments and made greater use of my informal networks and
“gossip circles” (Cunnison, 1966) to stay in touch and ensure I was well-placed to make the best use of emerging changes.

My predominant focus to this point was on establishing a practical project to fit the research as structured in the ARCLG application. I went back through the data looking this time for key themes and contrasting these to the intent of the ARCLG application and the issues I was identifying through the literature. Through these constant comparisons (Strauss, 1989) I designed a research approach with the title Leading and learning: Leveraging management development to achieve BankWest outcomes and the research problem of:

- How can management development be strategically structured to achieve organisational and business outcomes within a changing environment?

After discussions with my supervisor and some of my BankWest network I met with my sponsor on 23 April 2003 and we agreed that this was an appropriate focus. A new organisational development consultant for management training was to be appointed on 28 April and it was agreed that I would be linked into her to determine ongoing practical developments. On 16 May 2003 I met with her and gained her agreement that she would act as operational sponsor, the research focus would be BankWest management development, the research would take a whole of bank strategic approach and the outcome for BankWest would be a series of observations that would inform ongoing structuring of management development systems. Ten months after the research had been initiated I felt confident that I had managed the shoals of BankWest’s politics without running aground and, as discussed by Buchanan and associates (1988), having “got in” was now able to “get on” with an agreed direction.

Having satisfied the needs of BankWest I further reviewed the research focus and realised that to this point I had been predominantly melding the “sectional interests” (Deetz, 1985) of the stakeholders and establishing a project in line with the ARCLG application. It now became clear that the original design’s functionalist paradigm needed to be reconsidered (Burrell & Morgan, 1985). Initially, the design was centred around experimental action research with a focus on carrying out research on people, it now became clear that the research needed to move more to a professionalising and empowering research approach with people that acknowledged different interests and took account of pluralist views of knowledge (Hart & Bond, 1995). The research, which had begun with a focus on videoconferencing then incorporated online training packages then widened to physical technologies, needed to be refocused to acknowledge the broader complex influences constructing management development, itself a technology of knowledge (Mulcahy, 2000).

In viewing management development as a social technology, I considered its role in reconciling management practice and learning and thought about how different concepts of
managing were being represented within BankWest’s management development and how this was being considered and actioned by managers in their creation of “new relationships, meaning, subjectivity and structures” (Barratt-Pugh, 2005, p. 26). I understood that managerial actors drew upon organisational structures in their establishment of rules and resources that enable them to act, at the same time reproducing and amending those same structures (Giddens, 1984). The appreciation of the duality of the technology (Orlikowski, 1992) of management development and its capacity to be both initially designed then reshaped over time and be influenced both by its own characteristics and the social process of change and the interpretations and meanings given to it by managerial actors, made me consider its interaction in an innovating context and the challenge of managing knowledge (Whittington & Melin, 2003). I was attracted by Orlikowski’s (2002) “knowing in practice” and reflected on how management development could aid managerial actors to share identity and interact, thereby developing knowledge of the organisation and the players in it; and how through practices that aligned effort, enabled them to learn by doing, and supported their participation, they could develop knowledge that allowed them to coordinate across time and space, develop capabilities, and learn how to innovate.

My emerging perspective that knowledge itself could be seen in different ways was influenced by the constructionist paradigm that sees there is no objective or single reality rather multiple individual and social constructions determining alterable “realities” (Guba & Lincoln, 1998). I was drawn to the concept that this paradigm considers the goal of knowledge to be “understanding the complex world of lived experience from the point of view of those who live it” (Schwandt, 1994, p. 118). I was also influenced by the work of Habermas (1987) who identified three primary cognitive interests as guiding the constituting of reality and the production of knowledge: technical interest in the control and manipulation of the physical world, practical interest in communicating with and understanding others, and emancipatory interest in self reflection leading to enlightenment. I saw the research would benefit from a reflexive approach (Alvesson & Skoldberg, 2000; Rossman & Rallis, 1998) that considered management development from the objective, social and the subjective views (Burrell, 1994). I considered useful Habermas’ (1987) concept that knowledge is not produced by a disinterested knowing subject in a sort of pure intellectual act. Rather, knowledge is created by people. Knowledge is the product of deliberate human action produced through the needs of people who have been influenced by historical and social conditions (Carr & Kemmis, 1986). Habermas considers knowledge to be embedded in past and existing social structures, so that it can be understood only in relation to the issues people have experienced and continue to experience in their lives. Habermas rejects the notion of an ahistorical approach and instead argues for a view of knowledge that acknowledges the influence of history, society and nature on its constitution and reconstruction (Roderick, 1986, p. 51). I noted that this perspective of knowledge production
is expressive of Habermas’ preference for pragmatism (McCarthy, 1984) and its representation is inherent in contextualism theory (Pepper, 1970; Pettigrew, 1985c).

Contextualism theory offered me an insight into the value of considering events in their historical setting. The root metaphor of contextualism is the historic event (Pepper, 1970). For the contextualist, events in the past influence the emergence and playing out of happenings in the present. Contextualists view time as fluid and wave-like within which the occurrence of particular phenomena are considered to be more or less important at certain times (White, 1973). Over time the current and historical antecedents of change give “form, meaning and substance” (Pettigrew, 1990, p. 269) to changing phenomena. How these phenomena are understood is dependent on their link to the context in which they occurred and the viewer’s perception of reality. Understandings change as perspectives alter (Pettigrew, 1985b).

Contextualist analysis of events proceeds from a dispersive worldview that considers phenomena to be in a state of continual change (Pepper, 1970). This view contrasted with the stance taken in the ARCLG application that change was static (K. Lewin, 1951). The BankWest situation required a revisualisation to a dynamic view of changing (Dawson, 1996; Tsoukas & Chia, 2002) that recognises the intersecting of key actors and organisational form (Greenwood & Hinings, 1996; Jarzabkowski, 2004; Nutt, 2003). I saw the importance of antecedent conditions of change and the interlink of contextual factors, both internal and external (Kostova, 1999; Pettigrew, 1985a) and temporal and historical (Pettigrew, 1990; Pettigrew et al., 2001), as captured by Mintzberg and Westley’s (1992, p. 42) comment that, “any change, to be really understood, therefore, has to be viewed holistically and contextually as well as retrospectively.” I recognised that political, cultural and technical influences (Tichy, 1983) had been constructing management development through different times at BankWest and that there was a need to reshape the research to incorporate the longitudinal dimension of the research to “catch reality in flight” (Pettigrew, 2001, p. 566) over retrospective and real time (Pettigrew, 1985a).

In understanding the importance of context in change considerations I appreciated that the underlying meaning of the management development process needed to be defined (Van de Ven, 1992). I explored the approaches of change process theories (Van de Ven & Huber, 1990; Van de Ven & Poole, 1995) and considered variance theories of change with their focus on causal relationships (Mohr, 1982), a category of concepts perspective operationalised by measuring variables numerically (Van de Ven, 1993), and a view of change as a developmental sequence of events that emerge through the activities and practices engaged in by organisational actors over time in context (Dawson, 2003a; Langley, 1999; Pettigrew, 1997; Van de Ven, 1992). This third approach seemed to fit best with my appreciation of the changing nature of management development and the role of
organisational actors within a specific context so I adopted it as a way of investigating these strategic change endeavours (Dawson, 2003a, 2003b; Nutt, 2003; Pettigrew, 1985a, 1997, 1987; Van de Ven, 1993).

The changing nature of BankWest required the scope of the research to widen from solely WA to include BankWest’s operations in New South Wales, Victoria, South Australia and Queensland, which are in fact regional to the WA head office. In thinking about the operations of BankWest as a whole and the different needs of each line of business I explored systems thinking (Checkland, 1985; Checkland & Scholes, 1990; Flood, 1995, 1996; Flood & Carson, 1993; Flood & Jackson, 1991; Flood & Romm, 1996) as a means of building up the richest possible pictures of the situation, clearly identifying the components of the system and comparing real activities to theoretical models. Though I decided against using systems approaches I did retain the idea of using visual images to illustrate aspects of the BankWest journey and enable the reader to gain another sense of the context at that time (Harper, 2005; P. Thompson, 1988). I found it interesting that the only other text that details BankWest’s earlier history uses a similar approach and was written by my cousin (Spillman, 1989).

Management development had been conceptualised as a training activity in the ARCLG application (Barratt-Pugh & Standen, 2001). Consideration now needed to be given to the construction of management development and its purposes (M. Clarke, 1999a, 1999b; McClelland, 1994), practices (Garavan, Barnicle, et al., 1999; Mabey, 2002) and positions (Balogun & Johnson, 2005; Kamoche, 2001; Ulrich, 1997). I was influenced by Giddens’ (1979, 1984) structuration theory and ideas of the duality of structure and his assertion that “structure is both medium and outcome of the reproduction of practices” (Giddens, 1979, p. 5). In acknowledging the dynamic recursiveness between the construction of management development and corporate change, I recognised that consideration had to be given to how managerial practice was being structured (du Gay et al., 1996; Jackson, 1996; Kamoche, 2000; Willmott, 1993).

The need to both simultaneously view the process of management development and the changing BankWest context to determine their structure became clear (Nutt, 2003). In understanding that management development was an ongoing social process I explored concepts of social becoming (Sztompka, 1991; Tsoukas & Chia, 2002) and how specific organisational endeavours support and enact deliberate change strategies and outcomes (Balogun et al., 2005; Jarzabkowski, 2004; Orlikowski, 2002). Recognising that as BankWest had been innovating it had been changing its structures, processes and boundaries (Pettigrew & Fenton, 2000) and that changes in structures were complemented by changes in staff management (Milgrom & Roberts, 1995; Quintanilla & Sanchez-Runde, 2000), I
believed it relevant to consider the determination of management development’s contribution in the new forms of organising (Pettigrew et al., 2003).

One of the emerging themes coming through my reading of the literature and converging with developments within BankWest was a shift from competent managers to capable managers and organisational capability (Bolton, Brown, & McCartney, 1999; Cairns, 1996; Hase, 2000; Hase & Davis, 1999; Luoma, 2000a; Ulrich & Lake, 1990). I began to question concepts of effectiveness and efficiency and the relationships to innovative capabilities (Burgelman et al., 1988; Leonard-Barton, 1995; Zaltman et al., 1984). I thought about management development from strategic, operational and professional levels and considered change at the organisational, business unit and individual levels and the contacts, communications and coordinations between and within each level (W Warner Burke, 2002; Cummings & Worley, 1993; Katz & Kahn, 1980; Nadler & Tushman, 1999; Van De Ven, 1980). This approach was given added impetus as BankWest began another series of changes with Halifax Bank of Scotland’s proposal on 9 May 2003 to acquire BankWest being approved on 26 August 2003. The need to think about management development from a layered perspective became even more obvious and the influence of changing contexts and the role of different stakeholders emerged as key considerations. Reflective of this, on 1 September 2003 the title of the research became, Constructing corporate capability in changing contexts: The case of management development at BankWest with the research issue of:

- How is management development constructed and what role does it play in the construction of corporate capability in changing contexts?

I reviewed the conceptual framework, retaining the development chain suggested by Leman (1994) and Karpin (1995a, 1995b, 1995c) and modifying it to more clearly capture the intention of this research. I saw value in customising this core conceptual framework, as that had proved useful in three other research studies looking at aspects of management development within Australia. The first of these was an extensive Australian National Training Authority/National Centre for Vocational Education Research funded national evaluation of the FMI, which examined the impact of such management development at the individual, organisational and business levels, while assessing the value of more strategic approaches (Barratt-Pugh & Soutar, 2002a). Complementing the national research, a second more focussed study in the minerals and energy industry of WA investigated how a climate of mandatory achievement of management qualifications influenced the learning environment and the processes of learning (Barratt-Pugh & Watson, 2002, 2003, 2004a). Simultaneously, as these research studies provided unique access to organisations involved in radically changing their manager learning practices, a doctoral study was pursuing key case studies, including BankWest, to illuminate the changing nature of manager learning, manager practices, and manager identity (Barratt-Pugh, 2005). Implications for management
development arising from these three studies are discussed in Barratt-Pugh and Watson (2004b).

The conceptual framework shown in Figure 7 illustrates how, over time, political, cultural and technical contexts influence the organisation’s business directions and shape the organisational strategies. Stemming from these is an explicit or tacit strategy for human resource development, which includes the management development process. The management development process, incorporating its purposes, practices and positions, has an impact on managerial performance, subsequent organisational performance and ultimate business performance. The ways in which management development impacts professionally, operationally and strategically contributes to the construction of capability, which in turn has an influence on the organisation’s business directions. The design of the conceptual framework became the underpin for the investigation of the role of management development at BankWest between 1997 and 2009. It provided a framework to gain insights into strategic change endeavours by investigating how management development programs are constituted, what performances are enacted and how those productions are integrated thereby determining management development’s contribution to the construction of corporate capability in changing contexts.

**Act Three**

Assumptions continually influence research decisions and determine how the social phenomenon is considered, investigated, understood and presented. Ways of seeing do indeed become “ways of not seeing” (Morgan, 1993, p. 277). Because the pre-understandings with which I came to this research did not match the actual company research situation, I had the experience in the early stages of the research of negotiating through a continually rearranging maze and trying to develop a way to capture those rearrangements (Patton, 2002, p. 168). Once I stopped trying to set up controlled situations to enable me to capture an objective reality from a group of subjects in an “absolutist” fashion (Ernest, 1994) and recognised that the knowledge that was arising in this research was being socially constructed by individuals (Berger & Luckman, 1967; Crotty, 2003; Easterby-Smith et al., 2002; Lincoln & Guba, 1985) and was more “fallible” (Ernest, 1994), I moved from being a mushroom picker (Alvesson & Skoldberg, 2000) looking for data to be captured, coded and classified to being more of a bricoleur (Denzin & Lincoln, 2000) who was seeking to understand the ways of the people at BankWest on their management development journey (Kvale, 1996).
Figure 7: Conceptual Framework - Management Development and the Constructing of Corporate Capability
The evolution of the research title and research questions after data construction had begun is not unusual and is reflective of the emergent design that is often characteristic of qualitative research (Patton, 2002). Whilst the research interest remained as an investigation of management development within a changing BankWest, the way I approached the study evolved. Instead of a research question focusing on how to achieve organisational goals through management development, I adopted a reflexive approach in line with Alvesson and Skoldberg’s advice (2000, p. 132) and focused on what actually constructed management development, the performances it constructed and their influence on corporate capability construction over time. The underlying consideration of management development as a way of viewing organisational change remained. The modification and refinement of the conceptual framework occurred as I worked in the field expanding my worldview and cycling through induction, deduction and inspiration (Rossman & Rallis, 1998). Whilst journeying through different perspectives I realised that there was no “plum there to be picked” and that I needed to “construct that plum as a function of the process” (Pettigrew, 1985b, p. 265). As people shared with me their narratives of management development over time I found there were many possible interpretations within multiple perspectives that I could develop into different stories of lived experiences (Josselson & Lieblich, 1993).

Whether a researcher should remain distanced from what is being investigated or become involved is a point often debated (Alvesson & Deetz, 2000) and a choice that is dependent on the researcher’s paradigm (Easterby-Smith et al., 2002, p. 43). As this research was conducted within a more constructionist worldview I understood the need to maintain proximity to the events being investigated in order to facilitate my reconstruction and interpretation of the management development phenomenon whilst learning about BankWest “firsthand” (Daft, 1983, p. 543). Due in part to my background in sociology and anthropology, I did not seek the traditional scientific stance of maintaining complete independence in order to ensure validity in the results produced seeing instead that “organizations cannot be studied at a distance” (Crompton & Jones, 1988, p. 72). It often happens in management research, and particularly in contextual and processual research, that the role of the researcher ranges through different participation and observation points (Dawson, 1996; Pettigrew, 1985a). This research study benefited from the changing roles I held as explicit researcher, researcher as consultant and researcher as employee (Easterby-Smith et al., 2002).

I recognised the debate on the proximity of the researcher to events being studied as part of the critique of qualitative research and I was conscious of the need to ensure integrity of the research design and the chosen methodology. I considered the applicability of commonly described rigour criteria of internal validity, external validity, reliability and objectivity and, since this is a constructionist study, chose to aim for credibility, transferability, dependability and confirmability to establish the trustworthiness of the research (Lincoln & Guba, 1985).
The value of this approach is supported by a range of writers (Denzin & Lincoln, 2000; Guba & Lincoln, 1994; Lincoln & Guba, 1985; Nutt, 2003; Patton, 2002). My objective was not to create generalisable theories derived from the discovery of an objective truth, out there, (Alvesson & Deetz, 2000; Charmaz, 2000), instead I recognised that knowledge creation is a social construct (Stake, 2000) and sought to restructure current knowledge and create new learning through understanding, narration, interpretation and explanation. I noted Patton’s (2002) comments about constructionist research and the use of judging criteria of subjectivity, authenticity and reflexivity and saw that this act of enquiry was highly dependent upon me as the research instrument (Gummesson, 1991).

In my engagement with the field I continuously analysed the information I was amassing, seeing patterns emerge, identifying categories, asking questions to elucidate. I did not see data interpretation and analysis as the final step in the research process of producing knowledge, instead I analysed continuously in line with the advice provided by Miles and Huberman (1994), Stake (1995), Coffey and Atkinson (1996) and Orton (1997). As the strange became familiar (Rossman & Rallis, 1998) and I made sense of the setting, events and people, I realised I could answer the research questions and so began the task of telling the story of BankWest’s management development over changing times. Working from my chronology of key dates and events I plotted the narrative (Czarniawska, 2004) utilising a version of a narrative structure originally developed by Labov (1977, 1982) and subsequently modified by Coffey and Atkinson (1996, p. 58), which I adapted to suit.

Table 1: Narrative Structure

<table>
<thead>
<tr>
<th>Structure</th>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Abstract</td>
<td>What was this about?</td>
</tr>
<tr>
<td>Orientation</td>
<td>Who? What? When? Where?</td>
</tr>
<tr>
<td>Complication</td>
<td>Then what happened?</td>
</tr>
<tr>
<td>Evaluation</td>
<td>So what?</td>
</tr>
<tr>
<td>Result</td>
<td>What finally happened?</td>
</tr>
<tr>
<td>Coda</td>
<td>How did it finish? What’s next?</td>
</tr>
</tbody>
</table>

Within the context of each time I analysed why management development was being undertaken, what were the practices, who were the players, where was it positioned, and what were the productions, and I related these to the research questions. I cast the “acts” (Pepper, 1970, p. 233) of management development by selecting those voices that I considered best progressed the organisational drama (Skoldberg, 1994). I concentrated on the actors’ story, seeking to understand their management development experience, meanings and values within the wider political, cultural and technical framework of BankWest over time. I was conscious of the need to tell a coherent account but did not want to “hone away
the rough edges, rationalize complexity or ignore data ambiguity” (Dawson, 2003a, p. 115).
The trick for me was to be sensitive to the context and to the way management development
was being played out without trying to press the material into a particular theory or
“language dominating voice” (Alvesson & Willmott, 1992a, p. 454). Influenced by
Habermas (1987) I sought to present multiple and disparate voices and I reflexively looked
for alternative interpretations and what was not being said (Alvesson & Skoldberg, 2000).

By using a narrative strategy (Langley, 1999) to analyse and describe the evolution of
BankWest’s management development I took masses of data and constructed a story. As I
was working from a contextual and processual perspective (Dawson, 1994, 1997, 2003a; G.
Johnson, 1987; Pettigrew, 1985b, 1990, 1997; Pettigrew & Whipp, 1991) the chronology
incorporated analytics “to clarify sequences across levels of analysis, suggest causal linkages
between levels, and establish early analytical themes” (Pettigrew, 1990, p. 280). By using
plot as the cartoon for each individual event I was able to weft and warp the threads and then
weave them all into one meaningful whole (Czarniawska, 1999, 2004; Polkinghorne, 1988).
Since, from a constructionist perspective, the narrative is a major product of the research
(Langley, 1999) I structured the case to enable the reader to empathetically experience the
complexity and richness of the setting (Lincoln & Guba, 1985, p. 359). By writing “lushly”
(Goffman, 1989, p. 131) and presenting the actors’ story with narrative detail and their own
“thick description” (Denzin, 1989a) I sought to create for readers a feeling of verisimilitude
(Adler & Adler, 1994). In line with Langley’s (1999, p. 695) observation of producing
within readers a sense of “déjà vu”, I aimed to enable their understanding of the case through
“vicarious experience” and thus presented different viewpoints on the management
development process within a changing BankWest in a complete as possible rather than
truncated form.

From mid 2006 to the middle of quarter one 2007 I drafted the first-order analysis (Van
Maanen, 1979) of the chronological narrative of this study spanning the period December
1997 to January 2007. In accordance with the ARCLG agreement between Edith Cowan
University and BankWest I submitted the case story analysis to the organisation for review.
As both the organisational sponsor and operational sponsor of the research had left the
organisation I met with the Group CEO and explained the situation and provided the case to
him to read. After he had made some notations the Group CEO referred the case to the Head
of Group Strategy who went through and made detailed comments and raised queries. In my
subsequent meeting with him he praised the analysis as an insightful presentation of the
developments within BankWest and commented, “I didn’t realise what an influence I had on
so much of what’s happened at BankWest until I read the story.” The Head of Group
Strategy was satisfied with the accuracy of my presentation of events however was
concerned that I had retained the names of the CEOs whilst using only titles for everyone
else. He felt that some voices were presenting the BankWest GMD in a “less than favourable
light” and as he was “still around in Perth it could be a problem.” I conceded his point that there should be consistency in the use of names and titles and agreed to the exclusion of their names. I successfully negotiated the retention of certain voices as I argued they were germane to the story and conceded the omission of three comments on strategy that were considered to “give away our strategic processes to our competitors”, as I judged them to be non-critical to the management development account and considered it more opportunistic to retain the company’s good will (Buchanan et al., 1988).

Whilst making the required changes to the case in the second quarter of 2007 I realised that the ending needed to change. A needs analysis of leadership development undertaken between August and December 2006 had identified that provision of learning, training and development was fragmented across HBOSA and there was not a clear understanding of what it meant to be a leader in the organisation. Stemming from this, a strategic review of learning, training and development undertaken during the first part of 2007 highlighted the need to reorganise HBOSA’s approach to leadership development, embed the behavioural framework of the Leadership Commitment and enhance cultural identity. At different levels in the organisation there were conversations occurring about the value of establishing an HBOSA corporate university.

I decided this turn of events was serendipitous and I needed to take advantage of the opportunity (Dawson, 2003a, p. 103). Though such a development had not been foreseen and it meant I needed to continue my participant observation, I judged that such an “untidy” (Bryman, 1988a, p. 10) research episode added significant value to the journey of management development at BankWest. The worth of this decision was enhanced by the opportunity I had in May 2007 of interviewing HBOS’ Head of Executive and OD who met with me while visiting Australia and who provided me with valuable insights of the influence of the parent company on BankWest’s management development process. This insight was further deepened when I was able to visit HBOS’ operations in Edinburgh, Dublin and London in October 2007 where I participated in a variety of events and interviewed a range of players in the management development process. My UK visit commenced two and a half weeks after the run on deposits of Northern Rock bank. Wherever I went in HBOS the talk was about the first visible UK bank-run in over 140 years and the staff openly contemplated the ongoing ramifications for HBOS. The comments were heightened by ongoing media discussion of the flow on effects to other banks and their showing of the lines of Northern Rock depositors who had formed outside the various branches withdrawing £1 billion on 13 September 2007 and around £4.6 billion over a few days.

When I returned to HBOSA at the beginning of November 2007 the work on establishing the corporate university, HBOSAU, had progressed. A project team had been established and
had begun to identify the parameters of the university. Over the next eight months the team built the foundations of HBOSAU and it was launched in July 2008. As HBOSAU was being implemented in 2008 the world credit crisis impacted and on 18 September 2008 TSB Lloyds Group plc took over HBOS plc and planning for the expansion of HBOSAU was put on hold. On 8 October 2008 the CBA bought BankWest and a review was undertaken of all activities to enable the merger. On 19 December 2008 the CBA completed its purchase of BankWest and from then on a range of senior staff left the organisation culminating with the Group CEO’s departure on 5 January 2009. To incorporate these developments I extended my analysis and rewrote the ending to the case to cover the stewardship of two CEOs of BankWest between 1997 and 2009.

Deciding when to conclude the account of BankWest’s management development was a choice I made. In choosing this time series my perspective of events was framed by the changes I saw and impacted how I judged and explained those changes. “Where we sit not only influences where we stand, but also what we see” (Pettigrew, 1985a, p. 1). In selecting particular aspects of the BankWest story my authorship came to the fore as I reflected on the evolution of management development at BankWest. As Pettigrew (1990, p. 274) notes, “Truth is indeed the daughter of time.”

**Epilogue**

There is an iterative affinity between the researcher’s interests in particular forms of knowledge production and the constitution of the field of investigation in specific ways thereby leading to the production of commentaries that seek to enhance prediction, improve understanding or reveal exploitation (Habermas, 1987). Permeating my interpretations of the data was a rich, contextual knowledge of BankWest gained from the perspectives of researcher, consultant and manager.

In considering the process of management development as it unfolded the challenge of analysing the complexity of these strategic change endeavours surfaced. Making sense of process data and clearly identifying the how and why of the sequences of events is not easy (Dawson, 2003a; Langley, 1999; Pettigrew, 1997; Van de Ven & Poole, 1995). Though it was clear that different components of management development had varied roles at particular times of BankWest’s iterations, the task was to decide how to trace the beginning of the elements of management development and their divergence, convergence and ending to enable an analysis of the influence of context over time (Pettigrew, 1990). I deemed considering knowledge from different interests (Habermas, 1987) as important so I sought to explore how is, how might and how should management development be constructed.
The relationship of the researcher to what is being researched is a key component of social research. It is the researcher who decides the research topic, determines the literature to connect, frames the research issue, asks the interview questions, probes the answers, then translates, interprets and attributes meaning. The background and idiosyncrasies of the researcher and the experience of specific combinations and dynamics of social influences affect the research product. Often this researcher information is hidden from the reader, which some see as a move to secure in the reader a sense that the research is objective (Alvesson & Deetz, 2000). This study is a reflexive one and so throughout the Tales of the Researcher I have chosen to make explicit the circumstances affecting the research and their influence on the research directions.

This research did not proceed as if in a laboratory or a protected environment. As has been told in these Tales, from the start the research was influenced by the changes that were occurring in BankWest. In addition to changes in the research setting, my progress was affected by events that occurred in my personal life and affected the development of the research. In June 2004 my mother died. On 17 January 2005 I was admitted to hospital for emergency surgery, which saved my life. While I was in hospital my father died on Australia Day the 26 January. I took sick leave from my PhD and in February went onto part-time study and when I returned continued attending BankWest on reduced hours each day. I had follow on surgery in May 2005 and from then until July 2006, I lost a child, an aunt and a brother-in-law. This time was certainly anni horribiles. However, engaging with death and loss made me very reflective and it was also very useful for gaining insights. Like those who relate near death experiences, I too saw the light.

Undertaking longitudinal research in an organisational context presents many challenges. One that occurred for me was in April 2005 when BankWest’s IT department did a review of the computer drives and decommissioned a range that I had been using to source information on past events. As a result I was unable to then access a variety of images that showed BankWest’s history graphically. In a similar instance, IT withdrew support for a variety of software programs and removed them from the system with the effect that though I had an assortment of events detailed on my drives I was no longer able to read them.

Another challenge was in May 2006 when I went to Hawaii to present a conference paper on this research (M. Watson, 2006). The trip went really well and the presentation was favourably received. However, on my return to BankWest I found that the Head of OD had instituted a cleanup of the whole of HR and many of the materials I had collected had been boxed-up and thrown out, because he thought they were old. I was devastated. At that point I was putting together the chronological analysis of the case and each day I discovered another piece that was missing and so had another meltdown. Later that next week, I received an email from the Head of OD explaining that the workplace needed to look less cluttered and
more professional for the arrival of the new HR CEO and that the clean-up was a symbolic step forward. He apologised for causing me “collateral damage” and offered me compensation in the form of “confectionary, body parts or genuine regret”. I had a choice in how to handle this situation and deemed that the relationship was most important so responded that it was really unfortunate that the clean-up happened while I was away and that a range of Bank documents that were in my charge had now been discarded and their loss had impacted on my progress. I accepted his apology and said that I wasn’t at all keen on body parts but chocolate and champagne were always welcome. It was the right response and this relationship flourished and proved very useful in the ongoing research.

Research is not solely a technical task, it is also social process (Pettigrew, 1990). Social research occurs within relationships. For a study concerned with understanding the perceptions of stakeholders in the process of management development over time within a changing BankWest, the relationships I formed with managers, HR practitioners, directors, and participants were pivotal to the success of the research. Without those relationships there would have been no research.

The relationship I developed with the Head of HR as the organisational sponsor enabled me to gain entry to BankWest and provided me with access to key strategic developments in the first part of the research. The relationship I had with the OD Consultant as the operational sponsor enabled me to gain access to a wider part of HBOS Australia’s BankWest as she introduced me to key contacts, copied me into emails about management development and spent time with me discussing my insights, highlighting directions and commenting on developments. When I took on a consulting role within BankWest and HBOSA I maintained a workstation within HR and continued working closely with both the organisational sponsor and the operational sponsor. After both of these people left the organisation I formed a strong relationship with the Head of OD that provided me access to a range of activities. Subsequently as a manager within HBOSA I was able to develop a whole-of-organisation perspective from the inside (Bryman, 1988b) and also gain exposure to information in real time that managers within HBOSA received on a daily basis, which was useful for strengthening relationships and deepening my understanding of the complexities of the managing role. Conversations held with now colleagues enabled me to generate insights, clarify aspects of the case and overcome blind spots thus giving me a greater emic (Denzin, 1989b) view of BankWest operations and facilitating contacts, many of whom I subsequently interviewed for this research. Rather than having a single perspective, and therefore only a partial view, derived from one account, (Van de Ven & Poole, 1995) the multiple perspectives gained from these many relationships added to my understanding of the complex phenomenon of the changing nature of management development. After leaving the organisation my etic (Denzin, 1989b) insight deepened as I reflected on my experiences and enhanced my understandings in the finalisation of this thesis.
In the writing of the different readings of the management development process I recognised that my representation strategy was designed to both engage the reader and at the same time assure them that what they were reading was trustworthy (Nutt, 2003). To achieve this combination of art and science, I followed Patton’s (1990, p. 433) advice on audience engagement by making the writing “exploring, playful, metaphorical, insightful, and creative” whilst also demonstrating that the study was “systematic, analytical, rigorous, disciplined, and critical in perspective”. As Humphreys and Brown recommend (2002) I acknowledge my role as author seeking to produce an artful product that will inform and also persuade and I am clear that these readings are but some of the accounts that could have been told (Lincoln & Denzin, 1994; T. J. Watson, 1994a). In the story of management development at BankWest and HBOSA I used the words and voices of the actual stakeholders in a full a way as possible to explain the process and advance the narrative. Though the rendition reads as a dialogue or a polyphonic collage where each voice is clearly attributed (Czarniawska, 1998), it is in fact an authorial monologue using variegated speech (Czarniawska, 1998, p. 24) where stakeholder contributions and participation were chosen and staged to achieve an account that offers verisimilitude (Lincoln & Denzin, 1994). In the interpretations chapter my authorial voice is the dominant presenter seeking authority and legitimation by referencing other academic texts in ways that support the argument. Until the final draft the findings and literature review were lengthier, however the need to reduce the thesis to meet the university requirements required me to cull a third of the words. For the same reason, the full version of the Tales of the Researcher was moved to the Appendix and a shorter word count version included in the body of the thesis. Overall, the thesis is intended to be authoritative, persuasive and credible so as to meet my need to “successfully withstand the ordeal of an academic rite of passage (i.e. the achievement of completing a doctorate)” (Jeffcutt, 1994, p. 252).

This Tales of the Researcher has provided an inside account of the nature and complexity of the research process within this study and my role in the production of this thesis. Providing such accounts of the process of social research has a long tradition (Bell & Newby, 1977; Dalton, 1964; Hickson, 1988; Townsend & Burgess, 2009; T. J. Watson, 1994a; Whyte, 1955). My revealing of the false starts, the influence of funding bodies and gatekeepers, the importance of politics, the iterations of the cycle of discovery and confirmation, the impact of opportunity, and the way in which I used personal resources to deal with these factors are themes addressed by Bryman (1988a, p. 8) who observes the value of such accounts is to dispel the “idealized, linear, goal-directed model” often presented in research methods textbooks. In line with Pettigrew’s (2012, pp. 1322-1323) advice I have been transparent about “what is being studied and why” and clearly articulated the research issue and questions, the choice of method, types of analyses, and claims of theoretical, practical and methodological contributions. By adoption a reflexive writing style I have let the “audience see the puppets’ strings as they watch the puppet show” (T. J. Watson, 1994b, p. 78). Rather
than using a reconstructed logic and presenting a sanitised version of the process, this account has been presented to aid in the understanding of not just the product of the research enquiry but the issues involved in researching in twenty-first century organisations.

I did it my way
(Adapted from lyrics sung by Frank Sinatra)

And now, the end is near;
And so I face the final curtain.
My friend, 'I'll say it clear,
I'll state my case, of which I'm certain.

I've lived a life that's full.
I’ve travelled each and every highway;
And more, much more than this,
I did it my way.

Regrets, I've had a few;
But then again, too few to mention.
I did what I had to do
And saw it through without exemption.

I planned each charted course;
Each careful step along the byway,
But more, much more than this,
I did it my way.

Yes, there were times, I'm sure you knew
When I bit off more than I could chew.
But through it all, when there was doubt,
I ate it up and spit it out.
I faced it all and I stood tall;
And did it my way.

I've loved, I've laughed and cried.
I've had my fill; my share of losing.
And now, as tears subside,
I find it all so amusing.

To think I did all that;
And may I say - not in a shy way,
Oh no, oh no, not me,
I did it my way.

For what is a woman, what has she got?
If not herself, then she has naught.
To say the things she truly feels;
And not the words of one who kneels.
The record shows I took the blows -
And did it my way!
## Chronological Listing of BankWest Changes

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>21 January 1895</td>
<td>BankWest begins as the Agricultural Bank of Western Australia</td>
</tr>
<tr>
<td>1911</td>
<td>Becomes a mortgage bank</td>
</tr>
<tr>
<td>October 1945</td>
<td>Renamed the Rural and Industries Bank of Western Australia</td>
</tr>
<tr>
<td>1956</td>
<td>Savings bank division added</td>
</tr>
<tr>
<td>1 January 1991</td>
<td>Bank incorporated as R&amp;I Bank of Western Australia Ltd</td>
</tr>
<tr>
<td>30 September 1991</td>
<td>21 months of losses declared</td>
</tr>
<tr>
<td>1992</td>
<td>Profitability restored after review of activities</td>
</tr>
<tr>
<td>1993</td>
<td>Major review and restructure aimed at achieving competitive strengths</td>
</tr>
<tr>
<td>26 April 1994</td>
<td>Renamed Bank of Western Australia Ltd with trading name of BankWest and start of structural and operational changes</td>
</tr>
<tr>
<td>1 December 1995</td>
<td>BankWest 100% acquired for $900 million by Bank of Scotland subsidiary Scottish Western Australian Holdings Ltd</td>
</tr>
<tr>
<td>1995</td>
<td>Bank of Scotland set up Capital Finance Australia Ltd and BOS International Australia</td>
</tr>
<tr>
<td>20 December 1995</td>
<td>49% of BankWest shares offered to the public at $2.05 per share</td>
</tr>
<tr>
<td>1 February 1996</td>
<td>BankWest lists on the Australian Stock Exchange where 38 647 000 shares were traded with the share price reaching a high of $2.74 and closing at $2.58</td>
</tr>
<tr>
<td>April 1996</td>
<td>Strategy 2000 five-year strategic plan launched</td>
</tr>
<tr>
<td>March 1997</td>
<td>Profit Enhancement and Efficiency Program formed to progress Strategy 2000 initiatives</td>
</tr>
<tr>
<td>30 November 1997</td>
<td>Retirement of the Bank’s deputy chairman and managing director</td>
</tr>
<tr>
<td>1 December 1997</td>
<td>New managing director from National Australia Bank appointed for a seven-year term</td>
</tr>
<tr>
<td>December 1997</td>
<td>Managing Director visits Bank of Scotland</td>
</tr>
<tr>
<td>December 1997</td>
<td>Share price $2.78</td>
</tr>
<tr>
<td>1998</td>
<td>New Way’s concentration of establishing new BankWest cultural practices begun. HR took on a strategic role</td>
</tr>
<tr>
<td>February 1998</td>
<td>Core organisational values began to be developed. Vision of being “recognised as the leading national provider of financial services in our chosen businesses” launched</td>
</tr>
<tr>
<td>March 1998</td>
<td>Employee opinion survey introduced</td>
</tr>
<tr>
<td>March 1998</td>
<td>Continuous Performance Improvement pilot begun</td>
</tr>
<tr>
<td>April 1998</td>
<td>Balanced Scorecard introduced</td>
</tr>
<tr>
<td>Date</td>
<td>Event</td>
</tr>
<tr>
<td>-------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>April 1998</td>
<td>Review of leadership and management development initiated and commencement of discussions about the Leadership Development Program</td>
</tr>
<tr>
<td>April 1998</td>
<td>Training consultant appointed to HR Development and Training</td>
</tr>
<tr>
<td>August 1998</td>
<td>New Wave package of vision, mission and ten Guiding Principles launched</td>
</tr>
<tr>
<td>27 October 1998</td>
<td>Investors in People business case approved for achieving accreditation by 20 June 2000</td>
</tr>
<tr>
<td>8 December 1998</td>
<td>Human Resources renamed People and Organisational Development and new Human Resources Development unit established in WA Financial Services division as part of new organisational structure to take effect from March 1999</td>
</tr>
<tr>
<td>December 1998</td>
<td>Manager Professional Development appointed into POD</td>
</tr>
<tr>
<td>December 1998</td>
<td>Share price $3.10</td>
</tr>
<tr>
<td>January 1999</td>
<td>New Wave Panel established</td>
</tr>
<tr>
<td>January 1999</td>
<td>Investors in People accreditation journey begun with bankwide process review group</td>
</tr>
<tr>
<td>May 1999</td>
<td>LDP strategic group begun</td>
</tr>
<tr>
<td>May 1999</td>
<td>People Index introduced</td>
</tr>
<tr>
<td>July 1999</td>
<td>LDP operational begun incorporating reshaped and expanded CPI</td>
</tr>
<tr>
<td>August 1999</td>
<td>LDP action learning strategic groups initiated</td>
</tr>
<tr>
<td>August 1999</td>
<td>LDP tactical group begun</td>
</tr>
<tr>
<td>November 1999</td>
<td>Share price $3.75</td>
</tr>
<tr>
<td>16 November 1999</td>
<td>Improving the Customer Experience launched</td>
</tr>
<tr>
<td>November 1999</td>
<td>BankWest Competencies 2003 project begun</td>
</tr>
<tr>
<td>7 December 1999</td>
<td>Manager Professional Development resigned</td>
</tr>
<tr>
<td>17 December 1999</td>
<td>POD proposal for centralisation of all training approved by Executive</td>
</tr>
<tr>
<td>January 2000</td>
<td>Frontline Management Initiative proposal approved by Executive</td>
</tr>
<tr>
<td>9 February 2000</td>
<td>People Strategy and Development formed and all training centralised</td>
</tr>
<tr>
<td>9 February 2000</td>
<td>Manager Management Development appointed into People Strategy and Development</td>
</tr>
<tr>
<td>1 March 2000</td>
<td>Manager Leadership Development appointed into POD</td>
</tr>
<tr>
<td>March 2000</td>
<td>LDP action learning groups ceased</td>
</tr>
<tr>
<td>April 2000</td>
<td>LDP reviewed</td>
</tr>
<tr>
<td>April 2000</td>
<td>Share price $3.50</td>
</tr>
<tr>
<td>May 2000</td>
<td>Leadership development strategy paper, including ADI concept, approved by Executive</td>
</tr>
<tr>
<td>June 2000</td>
<td>LDP phase two commenced</td>
</tr>
<tr>
<td>June 2000</td>
<td>Investors in People accreditation achieved</td>
</tr>
<tr>
<td>July 2000</td>
<td>FMI began</td>
</tr>
<tr>
<td>4 September 2000</td>
<td>Visioning process begun</td>
</tr>
<tr>
<td>31 October 2000</td>
<td>Succession planning strategy proposed the commencement of an Accelerated Development Initiative</td>
</tr>
<tr>
<td>Date</td>
<td>Event</td>
</tr>
<tr>
<td>-----------------</td>
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</tr>
<tr>
<td>6 November 2000</td>
<td>Executive approved establishment of succession planning framework and commencement of Accelerated Development Initiative</td>
</tr>
<tr>
<td>November 2000</td>
<td>Vision of “Customers choose us for the best financial solution” launched</td>
</tr>
<tr>
<td>November 2000</td>
<td>FMI reviewed and training issues identified</td>
</tr>
<tr>
<td>December 2000</td>
<td>FMI strategies for increasing return on investment identified</td>
</tr>
<tr>
<td>December 2000</td>
<td>Project Star review commenced</td>
</tr>
<tr>
<td>December 2000</td>
<td>CPI project teams ended</td>
</tr>
<tr>
<td>January 2001</td>
<td>Continuous Performance Improvement system installations ended</td>
</tr>
<tr>
<td>2 April 2001</td>
<td>Project Star restructure implemented and POD renamed Corporate People Solutions headed by the Chief People Officer, Manager Leadership Development became Manager Organisational Development, divide between centralised leadership development and decentralised training, FMI management shifted to Consumer Solutions COO managed by Manager FMI</td>
</tr>
<tr>
<td>9 April 2001</td>
<td>ADI formally launched</td>
</tr>
<tr>
<td>10 April 2001</td>
<td>Becoming a video capable organisation business case presented to Executive</td>
</tr>
<tr>
<td>May 2001</td>
<td>Share price $3.80</td>
</tr>
<tr>
<td>May 2001</td>
<td>LDP reviewed</td>
</tr>
<tr>
<td>May 2001</td>
<td>Network Transformation begun</td>
</tr>
<tr>
<td>June 2001</td>
<td>LDP Building Leadership Potential commenced</td>
</tr>
<tr>
<td>June 2001</td>
<td>Share price $4.10</td>
</tr>
<tr>
<td>August 2001</td>
<td>New videoconferencing suit purchased and existing one upgraded</td>
</tr>
<tr>
<td>1 August 2001</td>
<td>Good to Great launched</td>
</tr>
<tr>
<td>October 2001</td>
<td>Share price $4.00</td>
</tr>
<tr>
<td>December 2001</td>
<td>LDP refocus to a director program and a mid to senior manager program approved by Executive</td>
</tr>
<tr>
<td>January 2002</td>
<td>Manager FMI took on additional responsibilities</td>
</tr>
<tr>
<td>February 2002</td>
<td>FMI prior learning and self-pacing introduced</td>
</tr>
<tr>
<td>March 2002</td>
<td>Senior Consultant FMI moved</td>
</tr>
<tr>
<td>March 2002</td>
<td>Share price $4.40</td>
</tr>
<tr>
<td>April 2002</td>
<td>LDP Riding the Wave launched</td>
</tr>
<tr>
<td>1 May 2002</td>
<td>Middle to Senior Management ADI launched</td>
</tr>
<tr>
<td>1 May 2002</td>
<td>Network Transformation restructure implemented</td>
</tr>
<tr>
<td>28 May 2002</td>
<td>ADI final presentation and graduation</td>
</tr>
<tr>
<td>May 2002</td>
<td>Retail managers appointed</td>
</tr>
<tr>
<td>June 2002</td>
<td>Share price $4.80</td>
</tr>
<tr>
<td>December 2002</td>
<td>Share price $3.75</td>
</tr>
<tr>
<td>December 2002</td>
<td>LDP reviewed by Manager OD</td>
</tr>
<tr>
<td>January 2003</td>
<td>Project Refocus restructure implemented</td>
</tr>
<tr>
<td>January 2003</td>
<td>Riding the Wave ended</td>
</tr>
<tr>
<td>January 2003</td>
<td>FMI ended</td>
</tr>
<tr>
<td>February 2003</td>
<td>Share price $3.50</td>
</tr>
<tr>
<td>Date</td>
<td>Event</td>
</tr>
<tr>
<td>------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>April 2003</td>
<td>First retail managers began leaving</td>
</tr>
<tr>
<td>April 2003</td>
<td>OD Consultant – Management Training appointed</td>
</tr>
<tr>
<td>9 May 2003</td>
<td>HBOS proposal to acquire BankWest shares</td>
</tr>
<tr>
<td>10 May 2003</td>
<td>Share price $4.38</td>
</tr>
<tr>
<td>28 May 2003</td>
<td>LDP Coaching for High Performance launched</td>
</tr>
<tr>
<td>17 June 2003</td>
<td>LDP Coaching for High Performance workshops commenced</td>
</tr>
<tr>
<td>July 2003</td>
<td>LDP Introduction to Management commenced</td>
</tr>
<tr>
<td>August 2003</td>
<td>Bronson project team formed</td>
</tr>
<tr>
<td>October 2003</td>
<td>LDP focus groups held</td>
</tr>
<tr>
<td>February 2004</td>
<td>Web pilot agreed</td>
</tr>
<tr>
<td>June 2004</td>
<td>Web pilot undertaken</td>
</tr>
<tr>
<td>18 August 2003</td>
<td>Share scheme approved by shareholders, who received $4.25 plus ten cent dividend per share. The share price represented a premium of 17% of</td>
</tr>
<tr>
<td></td>
<td>the average traded share price of $3.40 the day prior to the announcement and a premium of around 22% to the weighted average price over the previous three months of $3.48.</td>
</tr>
<tr>
<td>26 August 2003</td>
<td>Federal Court of Australia approved the share scheme and trading in BankWest shares on the Australian Stock Exchange ceased</td>
</tr>
<tr>
<td>January 2004</td>
<td>HBOS subsidiaries to integrate</td>
</tr>
<tr>
<td>February 2004</td>
<td>Retail Bank formed</td>
</tr>
<tr>
<td>March 2004</td>
<td>BOSI and BankWest Treasury consolidated</td>
</tr>
<tr>
<td>March 2004</td>
<td>Strategy to consolidate the WA market share and mortgage broker business as a growth platform agreed by the HBOSA Integration Committee</td>
</tr>
<tr>
<td>3 March 2004</td>
<td>HBOSA ADI proposal submitted to Executive</td>
</tr>
<tr>
<td>April 2004</td>
<td>Realignment of the support functions into two divisions</td>
</tr>
<tr>
<td>May 2004</td>
<td>Business Solutions and BOSI became Corporate and Business Division</td>
</tr>
<tr>
<td>June 2004</td>
<td>Insurance and Investment Division launched</td>
</tr>
<tr>
<td>July 2004</td>
<td>Asset Finance Division formed</td>
</tr>
<tr>
<td>May 2004</td>
<td>BankWest’s GMD left</td>
</tr>
<tr>
<td>1 July 2004</td>
<td>CEO of HBOSA appointed</td>
</tr>
<tr>
<td>20 July 2004</td>
<td>CPS renamed Human Resources as part of Group Functions Division and Chief People Officer became Head of HR for HBOSA</td>
</tr>
<tr>
<td>August 2004</td>
<td>New HR vision and service delivery structure</td>
</tr>
<tr>
<td>September 2004</td>
<td>Start of CEO roadshows</td>
</tr>
<tr>
<td>October 2004</td>
<td>HBOSA ADI begun</td>
</tr>
<tr>
<td>November 2004</td>
<td>Manager Leadership Development and new OD Consultant appointed</td>
</tr>
<tr>
<td>November 2004</td>
<td>Training review begun</td>
</tr>
<tr>
<td>10 October 2004</td>
<td>Launch of TeleNet</td>
</tr>
<tr>
<td>December 2004</td>
<td>LDP reviewed and Management Development Program developed</td>
</tr>
<tr>
<td>January 2005</td>
<td>Management Development Program begun</td>
</tr>
<tr>
<td>February 2005</td>
<td>HBOSA values launched</td>
</tr>
<tr>
<td>Date</td>
<td>Event</td>
</tr>
<tr>
<td>------------------</td>
<td>----------------------------------------------------------------------</td>
</tr>
<tr>
<td>8 March 2005</td>
<td>New Bronson staff started</td>
</tr>
<tr>
<td>8 March 2005</td>
<td>MDP Bronson begun</td>
</tr>
<tr>
<td>6 May 2005</td>
<td>HR became part of the HBOSA Executive</td>
</tr>
<tr>
<td>11 May 2005</td>
<td>MDP Bronson ended</td>
</tr>
<tr>
<td>21 June 2005</td>
<td>Training review recommended forming an HBOSA training governance board</td>
</tr>
<tr>
<td>August 2005</td>
<td>HBOS Leadership Commitment adopted in HBOSA</td>
</tr>
<tr>
<td>October 2005</td>
<td>Pathway launched</td>
</tr>
<tr>
<td>November 2005</td>
<td>HR review begun</td>
</tr>
<tr>
<td>December 2005</td>
<td>HBOSA ADI ended</td>
</tr>
<tr>
<td>December 2005</td>
<td>Investors in People accreditation discontinued</td>
</tr>
<tr>
<td>January 2006</td>
<td>Manager OD left for a one-year secondment with HBOS' Executive and OD</td>
</tr>
<tr>
<td>January 2006</td>
<td>Head of HR announced his intention to leave HBOSA</td>
</tr>
<tr>
<td>January 2006</td>
<td>Pathway begun</td>
</tr>
<tr>
<td>February 2006</td>
<td>Contract Head of OD and Support Divisions appointed</td>
</tr>
<tr>
<td>March 2006</td>
<td>HR strategy of LEAD announced</td>
</tr>
<tr>
<td>April 2006</td>
<td>Pathway Executive Development Program begun</td>
</tr>
<tr>
<td>April 2006</td>
<td>Head of HR left</td>
</tr>
<tr>
<td>June 2006</td>
<td>CEO of HR appointed having come from an HR general manager role at Westpac</td>
</tr>
<tr>
<td>19 June 2006</td>
<td>HBOSU soft launch</td>
</tr>
<tr>
<td>July 2006</td>
<td>Leadership Development TNA begun</td>
</tr>
<tr>
<td>31 July 2006</td>
<td>HBOS CEO appointed</td>
</tr>
<tr>
<td>August 2006</td>
<td>HR strategic planning days</td>
</tr>
<tr>
<td>August 2006</td>
<td>Group CEO roadshow</td>
</tr>
<tr>
<td>September 2006</td>
<td>HR reorganised to provide the HR LEAD strategy</td>
</tr>
<tr>
<td>October 2006</td>
<td>HBOS People Strategy II released</td>
</tr>
<tr>
<td>31 October 2006</td>
<td>Manager Executive Development left</td>
</tr>
<tr>
<td>9 November 2006</td>
<td>Manager Leadership Development left</td>
</tr>
<tr>
<td>11 November 2006</td>
<td>Manager Leadership Development appointed with responsibility for executive, leadership and management development</td>
</tr>
<tr>
<td>15 November 2006</td>
<td>HR strategy day</td>
</tr>
<tr>
<td>16 November 2006</td>
<td>OD planning day</td>
</tr>
<tr>
<td>17 November 2006</td>
<td>Leadership Development TNA refocused</td>
</tr>
<tr>
<td>15 December 2006</td>
<td>Head of OD and Support Divisions moves to Head of HR Group Functions and Support Divisions and an external contract Head of OD appointed</td>
</tr>
<tr>
<td>January 2007</td>
<td>TNA completed</td>
</tr>
<tr>
<td>February 2007</td>
<td>Manager Leadership Development and A/Head of OD began the strategic review</td>
</tr>
<tr>
<td>April 2007</td>
<td>Strategic review completed</td>
</tr>
<tr>
<td>23 April 2007</td>
<td>HR Leadership Team approved the strategic review recommendations</td>
</tr>
<tr>
<td>Date</td>
<td>Event</td>
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<td>------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>April 2007</td>
<td>Collapse of US subprime mortgage market</td>
</tr>
<tr>
<td>May 2007</td>
<td>HBOSAU project team established</td>
</tr>
<tr>
<td>June 2007</td>
<td>HBOSAU Advisory Body established</td>
</tr>
<tr>
<td>June 2007</td>
<td>HBOSAU Learning Council established</td>
</tr>
<tr>
<td>June 2007</td>
<td>ADI brought into Leadership Development and a pilot of a strategic laboratory process introduced</td>
</tr>
<tr>
<td>July 2007</td>
<td>Business Unit Learning, Training and Development groups established</td>
</tr>
<tr>
<td>July 2007</td>
<td>Group CEO roadshow</td>
</tr>
<tr>
<td>September 2007</td>
<td>Head of OD permanently appointed as Head of Capability Development</td>
</tr>
<tr>
<td>September 2007</td>
<td>Pathway wound down</td>
</tr>
<tr>
<td>13 September 2007</td>
<td>Run on Northern Rock UK</td>
</tr>
<tr>
<td>November 2007</td>
<td>Proposal on HBOSAU presented to Executive and endorsed</td>
</tr>
<tr>
<td>22 February 2008</td>
<td>$1.8 million funding announced for HBOSAU</td>
</tr>
<tr>
<td>1 March 2008</td>
<td>Manager Leadership Development left</td>
</tr>
<tr>
<td>6 March 2008</td>
<td>Capability Development renamed Leadership Development</td>
</tr>
<tr>
<td>20 March 2008</td>
<td>HBOSAU Leading Change to Deliver Results soft launch</td>
</tr>
<tr>
<td>1 July 2008</td>
<td>HBOSAU website launch</td>
</tr>
<tr>
<td>August 2008</td>
<td>$1.8 million agreed by Executive for inclusion in the HR &amp; Corporate Affairs 2009 budget</td>
</tr>
<tr>
<td>15 September 2008</td>
<td>Lehman Brothers declare bankruptcy</td>
</tr>
<tr>
<td>18 September 2008</td>
<td>Announced that Lloyds TSB was to take over HBOS plc</td>
</tr>
<tr>
<td>October 2008</td>
<td>Australian Government announced bank deposit guarantee arrangements</td>
</tr>
<tr>
<td>8 October 2008</td>
<td>Announced that BankWest and St Andrew’s would be sold to the Commonwealth Bank for $2.5 billion</td>
</tr>
<tr>
<td>October 2008</td>
<td>HBOSAU renamed as the Leadership University</td>
</tr>
<tr>
<td>October 2008</td>
<td>Physical east coast expansion begun with Bronson halted</td>
</tr>
<tr>
<td>19 December 2008</td>
<td>Sale of BankWest and St Andrews to the Commonwealth Bank was completed</td>
</tr>
<tr>
<td>December 2008</td>
<td>New BankWest Managing Director appointed</td>
</tr>
<tr>
<td>5 January 2009</td>
<td>Group CEO left</td>
</tr>
<tr>
<td>6 January 2009</td>
<td>New BankWest Managing Director took up role</td>
</tr>
<tr>
<td>January 2009</td>
<td>Management development provision continuing to be reshaped</td>
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## Appendix 3

### Management Development Events 1997 to 2009

<table>
<thead>
<tr>
<th>MD Event</th>
<th>Triggers</th>
<th>Influences</th>
<th>Inputs</th>
<th>Adjustments</th>
<th>Impacts</th>
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<td><strong>Strategic</strong></td>
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<td><strong>MD Event</strong></td>
<td><strong>Triggers</strong></td>
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<td><strong>Tactical</strong></td>
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## Appendix 4

### Coding of Management Development Events into Conceptual Tracks

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<thead>
<tr>
<th>Event</th>
<th>Ideas</th>
<th>People</th>
<th>Transactions</th>
<th>Context</th>
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<tr>
<td>Riding the Wave</td>
<td>Creating a strong leadership culture to become more innovative.</td>
<td>Managing Director, Executive CPO, Manager MD, Contractor, Business Leaders</td>
<td>Managing Director, initiated, sponsored and endorsed the event. Manager OD designed the concept and gained support from CPO and Managing Director. Managing Director shepherded the initiative through the Executive. Manager OD designed the program around four key performance areas. Program launched at directors' briefing April 2002. Participants engaged in LSI workshops, coaching, learning journals, focus points, monthly discussions. Program began to end with Project Refocus in January 2003. Program wound up in May 2003.</td>
<td>Share price $4.40 March 2002. Need for a rebirth after Project Star. Going from Good to Great. People Index 58. 25% discretionary bonus linked to program. Project Refocus 2003. HBOS acquisition proposal May 2003.</td>
<td>Minimal impact on being innovative. Some changes in behaviour.</td>
</tr>
<tr>
<td>Retail Managers</td>
<td>Achieve a cultural shift.</td>
<td>Director Retail Solutions Manager MD, Area Managers, Business Leaders</td>
<td>Director Retail Solutions required a new development program. Manager MD designed the program in consultation with stakeholders. Participants engaged in workshops supported by post one-on-ones. Manager MD conducted feedback sessions in Sept to Nov 2002 that identified</td>
<td>Network Transformation. Project Refocus. Good to Great.</td>
<td>Shared understandings and common language.</td>
</tr>
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<tr>
<td>LDP Coaching for High Performance 03-04</td>
<td>Equip managers to be effective leaders to improve organisational performance and business results.</td>
<td>Manager OD OD Consultants Manager MD Business Leaders Director Retail Sales</td>
<td>Manager OD reviewed program end of 2002 in consultation with stakeholders and identified need for change. OD Consultants designed concept. Manager MD was contracted to deliver the program. Manager MD developed the program. Manager MD used email and InfoBase to launch the program May 2003. Participants engaged in ½ day workshops. Manager MD held focus group in October and November 2003 on the LDP and the feedback contributed to expansion of modules in 2004. Manager MD proposed the use of webconferencing in February 2004, which was endorsed by Director Retail Sales. Manager MD sourced providers and ran a pilot in May and June 2004. Manager MD and OD Consultant reviewed program end of 2004 and it became the MDP.</td>
<td>Project Refocus 2003. Formation of HBOSA 2003. May 2004 BankWest Managing Director left. July 2004 CEO HOBSA appointed. CPS became HR July 2004. Training review began November 2004.</td>
<td>Changes in business practices and outcomes. Changes in managing practices.</td>
</tr>
<tr>
<td>MDP 05</td>
<td>Equip frontline managers to enable their teams to achieve greater productivity, innovation, flexibility and quality. Delivery of a good customer experience in a compliant manner.</td>
<td>Manager MD OD Consultant Business Transition Manager Retail Business Leaders Head of HR</td>
<td>Manager MD and OD Consultant reviewed program end 2004 beginning 2005 and redesigned program to incorporate HBOSA, FMI and Fish! Participants engaged in ½ day workshops that ran until end of 2005. Manager MD was approached in February 2005 by Retail to provide MDP for Bronson, and a program was negotiated. Manager MD and OD Consultant reviewed program end 2004 beginning 2005 and redesigned program to incorporate HBOSA, FMI and Fish! Participants engaged in ½ day workshops that ran until end of 2005. Manager MD was approached in February 2005 by Retail to provide MDP for Bronson, and a program was negotiated. Manager MD and OD Consultant reviewed program end 2004 beginning 2005 and redesigned program to incorporate HBOSA, FMI and Fish! Participants engaged in ½ day workshops that ran until end of 2005. Manager MD was approached in February 2005 by Retail to provide MDP for Bronson, and a program was negotiated. Manager MD and OD Consultant reviewed program end 2004 beginning 2005 and redesigned program to incorporate HBOSA, FMI and Fish! Participants engaged in ½ day workshops that ran until end of 2005. Manager MD was approached in February 2005 by Retail to provide MDP for Bronson, and a program was negotiated.</td>
<td>Needs analysis January 2005. Training Review May 2005. Emphasis on ROI. Bronson. Capability Framework being developed since mid 2005.</td>
<td>Changes in managing practices. Improved business outcomes. Development tool. Understanding of culture. Consistent language and understandings. Clarity on Bank strategy. Skills in dealing with change.</td>
</tr>
<tr>
<td>Event</td>
<td>Ideas</td>
<td>People</td>
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</table>
References


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