

# CREATING A WINNING CULTURE

How do you quickly change the culture of a business unit of nearly 400 people that is part of a company in a crisis? How do you mobilise everyone, rather than just a select few leaders, in order to maximise everyone's potential? **Text** Brian Bollen

**T**hese are but a few of the questions faced in early 2010 by Joe Katz, the incoming Chief Executive Officer (CEO) of ING's Corporate Credit Risk Management (CCRM) business unit and Margit Hunink, member of the CCRM Management Team.

The answers are to be found in the story of how ING worked closely together with Boudewijn Bertsch, a faculty member of RSM's Executive Education and Organisational Development department (EOD) in a programme designed to bring about significant change quickly and effectively. A key element of the programme was the involvement of all employees representing all hierarchical levels, accelerating their mobilisation and eliciting their ideas while enhancing their individual levels of engagement.

The international financial crisis that began to unfold in the summer of 2007 demanded that banks everywhere develop an even sharper focus on credit risk management. ING was no exception, but the style of leadership at CCRM was largely top-down and content-driven and needed to change to further improve the unit's performance. Underpinning everything was the broad perception of a lack of clear, inspired communication on the part of those in positions of leadership. This weakened confidence in the ability of those leaders to manage the business, and its people, successfully.

Under Joe Katz, the division embarked on a journey to change its culture with the aim of creating a more inspiring and coherent high-performance work environment. A number of priorities for improvement were identified: Strategy, Communication, Recognition, Inspiring Leadership and Teamwork. The initial stages of the change programme can be divided into three clear phases.

## Phase 1: discovery

Phase 1, constructed around a series of high impact 100-day projects, with teams formed of mixed groups of staff, explored possibilities for improvement in Strategy, Communication, Recognition and Team Work. 'Using these groups had two major benefits,' observes Margit Hunink, the initiator of the change programme and the person with responsibility for it. 'One, you create momentum for change: if you ask people for recommendations, then you have to act. Two, we acted, early on in the change process, in the new behavioural style, listening to our staff and connecting rather than pushing the message across.'

Each 100-day project provided a number of recommendations for improvements related to their focus area. In addition, all groups unanimously stressed the importance of improving the people management skills of CCRM's leaders or managers.

In order to make the CCRM managers more receptive for this required change in leadership style, some 60 of them were asked a number of simple questions about leadership. Who inspires you? Why do they inspire you? How does that compare with your own department? How does it compare with the broader ING? These sessions generated simple answers. People take inspiration from how leaders behave, how they speak and how they interact. This exercise, combined with the results of the 100-day projects, made it clear that CCRM needed 1) a more inspiring vision, and 2) to translate that vision into action through a more people-oriented leadership style.

## Phase 2: planning & preparation

Phase 2 was the design of a Change Intervention Calendar, and the carefully planned training of a group of CCRM staff as Facilitators, in preparation for a grand unit-wide Strategy Day. Rather than implementing an old-fashioned top-down cascade-like translation of the strategy, CCRM's management team chose to ask all employees – on the same day – to identify what they could do to contribute to the vision and strategy.

'I said, give me 50 people from your organisation and make them available for one day,' recalls Boudewijn. 'I will give them the practical tools they will need to help engage everyone in CCRM.' He then worked on preparing for the Strategy Day with a team hand-picked by Margit Hunink, creating and co-writing a guide to support CCRM Facilitators, packed with collaborative tools and approaches to engage all CCRM employees.



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Despite a degree of scepticism from some members, the senior management team agreed to follow the approach. ‘On the big day my role was virtually zero,’ he says. ‘I was the co-designer, the orchestrator, the adviser behind the scenes. It is much more effective to run this kind of event with people internally; this has more impact than using outside facilitators.’

At the same time, the management team started thinking about how to follow on after the Strategy Day using a change intervention calendar.

### Phase 3: mobilisation

Phase 3 started with the first Strategy Day and the successful engagement

and mobilisation of 375 people. During the day, all output and ideas from employees were recorded and subsequently synthesised in a report for the management team. This led, amongst many things, to the design and implementation of four leadership courses in 2011, a short-term job rotation scheme and smaller scale group events to track progress and to continue the involvement of CCRM employees in moving the performance culture forward.

### Enthusiastic response

The consensus of the change team is that the widespread enthusiastic reaction to the first Strategy Day, and the complementary events since, had

validated the approach. In September 2011, CCRM organised a second Strategy Day using its own in-house facilitative capabilities to the fullest, and drawing confidence from the progress achieved.

Joe Katz concludes: ‘We have some way to go on our change journey but it is well under way. The first steps are always the hardest, but we are changing the culture to one that is far more inclusive. The challenge now is to keep up the momentum we have built, and resist the temptation to revert to natural strengths. We need to keep challenging ourselves and our own creativity.’ A 2011 Winning Performance Culture survey showed improved scores for Team Work, Leadership, Strategy, Communication and Recognition, reassuring the management team that they are on the right track.

Concludes Boudewijn Bertsch: ‘Joe Katz and his management team recognised that to make a step change they needed to alter established behaviour patterns. They realised they needed leadership from everyone. Today’s leadership requires that formal hierarchically appointed leaders unlock the collective intelligence of their people so that they can step forward – lead – with their ideas and approaches. This means that leaders must also know how to be followers! I admire Joe Katz and Margit Hunink who were both willing to follow my provocative suggestions. They set a new standard within ING for changing their business culture fast. They did it by taking a risk, just what you would expect from risk managers!’ ■

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