A Handbook of Business Transformation Management Methodology

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CHAPTER 2

Meta Management

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2.1 Overview

Every business transformation is different. The success depends on the complex interplay of actors in a multifaceted ecosystem. According to this understanding, the focus of meta management as the fundamental discipline in BTM² lies in providing a frame that helps to manage the complexity of business transformation.

This chapter presents Meta Management as a general discipline for business transformation, which is based on a holistic and integrative management approach. Meta Management is business-driven value-oriented, and integrates three pillars, namely: management disciplines, transformation lifecycle and leadership. A business transformation process is only successful if the leaders are aware of their roles and communication and have established a solid culture. These meta management principles are also sketched in this chapter since their implementation constitutes an important basis for the success of the overall BTM² framework.

In summary, the following (general) guidelines need to be considered to execute a successful business transformation project:

1. Orchestrate the individual management disciplines as an integrated and holistic approach.
2. Specify the cascade of the overall transformational goals for each management discipline and organizational member.
3. Install and establish the transformation lifecycle with the four phases: envision, engage, transform and optimize.
4. Assign roles and involve the business transformation manager in the process of transformation.
5. Create commitment across all involved parties and facilitate the buy-in from all important stakeholders and employees.
6. Cultural environment is set by skillful use of communication in order to provide a clear purpose and good understanding of transformation need, benefits, risks and change needed.
2.2 Pillars of Meta Management

Meta Management provides the overarching frame for different management disciplines (e.g. Strategy Management or Risk Management) and offers the linkages among the management disciplines, leadership, culture and communication which allows the transformation process to be effective. In summary, the method has the following advantages:

- It provides an iterative lifecycle model (envision, engage, transform, optimize), which allows understanding business transformation as a holistic process.
- It offers an overall business transformation structure, including management layers, formal and informal management roles.
- It focuses on the dimensions of the balanced scorecard for planning and controlling measures. Thus, meta management reuses a widely used performance management method.
- It delivers decision criteria for choosing the right leaders and promoters for key positions and facilitates transformational leadership.
- It helps to create culture and values on the basis of transformation principles and guidelines to internalize and institutionalize the transformation goals.
- It provides communication and engagement principles, and supports feedback loops.

This chapter does not provide a detailed cookbook. It is much more a coherent and consistent framework that reduces complexity, but which still must be adapted to the specific company by using the experience of involved individuals. Each company and each business transformation is different. Thus, simply copying “recipes for success” from one company can produce disastrous results at another.

2.2.1 BUSINESS TRANSFORMATION GOAL SETTING

The first important pillar of Meta Management is dealing with management disciplines, which are coherently integrated within this approach. BTM² includes several management disciplines: Strategy Management, Value Management, Risk Management, Business Process Management, Program and Project Management, Transformational IT Management, Organizational Change Management, as well as Competence and Training Management. Typically, each management discipline has a foundation set of knowledge, requirements and processes, which traditionally have their own set of assumptions, theory and terminology, rendering them largely opaque to colleagues in other disciplines. In turn, this can result in an unconnected overall process, which risks fragmentation and a lack of clarity and cohesion across the entire change chain. To overcome such risks, BTM² integrates and extends these disciplines, and provides a multidisciplinary view on business transformation.
The intention of Meta Management with respect to management disciplines is the orchestration of the overall set of these disciplines within change management, as set out in Figure 2.1.

The eight management disciplines are chosen in a logical way and are of two types.

1. **Directional**

The three disciplines of strategy management, value management and risk management can be referred to as the strategy loop of the BTM². Here, the transformation strategy is defined considering time and budget restrictions as well as associated risks. Moreover, the directional disciplines of BTM² create the case for action and vision of the future and set the direction for the transformation effort.
2. Enablement

It encompasses the management and synchronization of changes ranging from IT through process to organizational, plus the creation of new competencies through training and education, orchestrated through an organizational program management capability. The last of these is not about creating a “super-manager” but having people at all levels in the transformation who are well trained and knowledgeable about transformation. “Enablement” can also be referred to as the feedback loop of the BTM², where the strategy is being implemented and lessons learned. This learning feedback leads to the adjustment of the transformation strategy.

CHALLENGES CONCERNING THE MANAGEMENT DISCIPLINES:
1. To understand interdependencies between management disciplines.
2. To orchestrate the management disciplines efficiently.

KEY MESSAGE:
Business transformation has to balance economic, social and technical aspects. This requires the involvement of fields such as management, psychology and IT, which are mirrored in the nine management disciplines.

2.2.2 TRANSFORMATION LIFECYCLE

The second pillar of meta management is a transformation lifecycle, which provides an overall map of the change territory and allows understanding of the iterative nature of business transformation. Based upon the transformation lifecycle, the business transformation can be efficiently organized. The mistake that hampers a smooth business transformation is considering the transformation process as strictly linear; in essence, the transformation process is iterative and goes through different stages in recurring cycles. Therefore, a stage model with recurring phases is required. Figure 2.2 shows the four steps: envision, engage, transform and optimize. The management disciplines described in Section 2.2.1 are involved in all stages of the transformation lifecycle model since almost any aspect, from the transformation rationale to implementation options, may need to be revisited as the transformation and business context evolve. Inevitably, however, the emphasis will be more on the directional disciplines in the early stages and the enablement disciplines later.

In the following, we summarize the four phases of the transformation lifecycle and show the outcome and the requirements for each phase.

Envision

This phase embraces the “why” as well as the “how” question of change. “Why is business transformation needed and how capable is the organization to manage the transformation?” This phase diagnoses the need for business transformation. In addition,
the strategy and vision in dealing with the change need are developed. This step therefore combines both analytical capabilities with creativity and foresight. A further goal of the “Envision” phase is to create commitment to the developed strategy within the top management team. Vision is usually at the heart of the transitional process (Collins, 2003) but this does not necessarily mean grand vision – that is, the vision for the entire organization. On occasion, transformation may take place with a department or a business unit. Nor does it mean that business transformation requires visionary leaders (Goffee and Jones, 2000) if this is taken to mean charismatic, guru-like figures. It simply indicates that business transformation must have a clear focus and objective. A major question for managers is: “How capable are we as an organization to do this and to get a stakeholder agreement on the plan?”

**Expected outcome:**
1. Recognition of the need for business transformation
2. Identification of strategy and vision

**Requirements:**
1. Analytical capability
2. Creativity
3. Foresight
Engage

This phase represents the mobilizing of commitment in the organization. Involvement and communication are essential here, as well as the establishment of discrete projects to deliver change and drive momentum. Engagement would entail delivering both behavioral and attitudinal buy-in to the transformation. For that, transformation requires a clear understanding throughout the entire organization of what change is required, why it is required, how it is to be achieved and measured, and who is responsible. Detailed planning and continuous alignment with the business functions is required in order to gain commitment throughout the entire organization. The involvement within the middle management and employees especially is required to facilitate the transformation process.

**Expected outcome:**
1. Communication of transformation
2. Establishment of discrete projects

**Requirements:**
1. Detailed planning
2. Alignment with business functions

Transform

Transformation could include reorganization, new business processes and relationships, including creating new business entities, such as shared service centers, relocation and redeployment of staff, creating and utilizing new capabilities and enhancing employee competencies, and changing their behavior, attitudes and shared values. People need to understand the need for transformation and commit to a pace which is acceptable to them while enabling inhibiting walls between departments and businesses to be removed. The rational and the emotional elements have to be brought together to win hearts and minds.

It also usually involves transformations to the organization’s IT capabilities, operations, business processes, systems, technology and software. Changing the IT successfully at a speed which allows the organization to remain competitive is often the critical enabler of a transformation.

**Expected outcome:**
1. New business units (e.g. service centers)
2. New business processes
3. New relationships

**Requirements:**
1. People’s understanding and commitment
2. Changing the IT successfully

Optimize

Transformation must be embedded and internalized as the new “business as usual”. The institutionalization of transformation – ensuring that quick wins are consolidated, processes and achievements are measured, and any laggard behavior is addressed – will create the conditions for effective business transformation and ensure that change capability is enhanced.
**Expected outcome:**
1. Measurement of processes and achievements
2. Laggard behavior is eliminated

**Requirements:**
1. Internalize, institutionalize, and optimize transformation
2. Create stability

Business transformation in practice is often messy and, to some employees engaged in it, unclear, as multiple activities vie for attention and the realities of dealing with obstacles confounds the best-laid plans. The iterative nature of change must therefore be encompassed. This is one of the most difficult management capabilities. The constant iteration and the preparedness to return to phases of the cycle to solve problems and reinforce messages is a key element of the transformation process.

**CHALLENGES CONCERNING THE TRANSFORMATION LIFECYCLE:**
1. The iterative nature of business transformation must be encompassed.
2. To deal with unintended consequences.
3. Effective and efficient change of IT.

**KEY MESSAGE:**
The constant iteration and the preparedness to return to phases of the cycle to solve problems and reinforce messages.

The ability of the transformation agent to move between the phases of the transformation lifecycle and to review the implications of change interventions and deal with unintended consequences is highly valuable and rare. Senge (2006) argued that change management has both theory in abstract and theory-in-use, the latter being the real enactment of the change process. Usually, theory-in-use represents a deep level of behavior and attitude, and reaching this level will not take just one meeting or one set of training activities.

This, of course, raises the question of who will be the transformation agent in such a holistic and iterative process. This topic will be addressed in the next paragraph.

**2.2.3 MANAGEMENT ROLES INVOLVED IN META MANAGEMENT**

The four phases of the transformation lifecycle are executed by several management roles.

In change management theory, an often neglected aspect of the process is the need to build a coalition (Jick and Peiperl, 2002). Though this appears implicitly in a number of change models, the dimensions of the team needed and their roles has been largely missing from major change conceptualizations. In the practical sphere, the composition of GE’s transformation project teams in terms of a champion (high-level supporter of the change process), sponsor (responsible for operational accountability) and project manager (who oversees the day-to-day running of the business transformation) has been a strong pillar in terms of identifying the roles required. However, this approach has been
light on detail over the particular accountabilities of each level, and also there is no real acknowledgment of the importance of the informal management roles required to make change happen. In the following we highlight a number of management roles, both at a formal and informal level, required in order to execute meta management (see Figure 2.3).

**Figure 2.3 Organizational structure of Meta Management**

**Formal management roles**

The formal management roles have a hierarchy reflecting both expertise and power. At the apex is the executive steering committee, which is responsible for the creation of the meta management framework and facilitating capability, culture and the environment for change.

The business transformation manager takes strategic decisions and manages the overall transformation program from beginning to end. He or she reports in the role of a key adviser to the executive steering committee and has a complete overview of all change programs, plans programs together with program managers, and considers dependencies between programs. His or her key interest is to make the overall transformation strategy happen and to realize the proposed business change and value. He or she stays in this role for the entire transformation roadmap, from the early planning (envisioning) phase until the optimization phase.

The program manager steers the individual programs in alignment with the business transformation goals and decides on policy, governance, reporting, document standards and program structures, and is accountable for finance, controlling and resource
management of the program, as well as the benefit realization of his or her program. He or she also needs to break down this program into manageable projects, select the right project managers, coordinate the interdependencies of the projects, and build the bridge between project, program and over transformation strategy.

The project manager initiates, plans, executes and closes a project, and is accountable to the program manager for accomplishing the stated project objectives with respect to value, quality, cost, time and scope.

It is a central tenet of effective teams that clear roles, responsibilities and accountabilities are assigned (Katzenbach and Smith, 2005). This formal delineation of key management roles for transformation gives a more explicit characterization than current approaches, and the dual directional arrows stress that this is not a purely hierarchical approach but one which favors feedback loops at every touch-point. What is also important is the addition of the informal set of roles, which facilitates transformation within organizations. The informal side of organizations has long been recognized as having strong potential for either aiding or constraining transformation (Cooper and Argyris, 1998).

**CHALLENGES CONCERNING FORMAL MANAGEMENT ROLES:**
1. To find people with domain knowledge and power.
2. To assign roles, responsibilities and accountabilities appropriately.

**KEY MESSAGE:**
An organization with these particular management roles has clear roles and responsibilities that help to drive business transformation as an integrated program of manageable projects. This favors feedback loops.

*Informal management roles*

In the following, several informal roles are described which are empirically well founded, especially in the literature about innovation management (Gemünden et al., 2007).

The *power promoter* provides sponsorship at the highest level of leadership and the most powerful lever for transformation. He or she empowers the transformation program and project managers but does not mix sponsorship with project management. Power is used only exceptionally and where it is absolutely necessary to drive transformation forward. Misuse of power creates distrust and resistance.

The *relational promoter* delivers social competence, charisma and persuasive power, combining a strong network with a certain level of expert knowledge. With extensive relationships and a sound knowledge of internal matters, the relational promoter creates the willingness to change. This frequently requires the support of “opinion leaders” to implement transformation, and the relational promoter plays the role of intermediary due to his or her considerable social expertise and experience in situations of conflict. Usually people trust this person because of his or her personality and their long working time and commitment to the company.
The *functional provider* gives the transformation program a very high level of expert knowledge. He or she has considerable interest (and experience) in the topic of transformation and works in the line. This informal role is also very important because the functional promoter can answer specialist questions with expert know-how and has a good reputation as a specialist in the organization.

We find these informal management roles at all described levels of transformation: at the overall transformation level, the program level and the project level. In terms of content, the promoters differ in their degrees of specialist detail: strategic, tactical or operational.

The combination of these (informal) management roles in itself requires a great deal of coordination. For this to be ensured, the business transformation manager will be involved in the whole of the transformation process. This puts great demands on an individual since a transformation agent runs a number of risks, including isolation, being negatively perceived, unable to reintegrate back into the organization and being made a scapegoat in the event of poor execution (Beer and Nohria, 2000). So a good degree of courage, resilience and spirit are required on the part of the business transformation manager (Bossidy et al., 2002). In addition, of course, the skill and behavioral set for such an individual is unevenly distributed in the population – individuals who possess such a repertoire are highly sought after and valuable. Part of an organization’s responsibility to ensure its sustained success is to develop and retain such individuals.

### CHALLENGES CONCERNING INFORMAL MANAGEMENT ROLES:

1. To find people with sociality and perspicacity (in particular an appropriate business transformation manager).
2. Great deal of coordination.

### 2.3 Meta Management Principles

The transformation purpose and the highest transformation goals must be efficiently communicated, and guidelines to create cultural “ground” for transformation must be established.

Meta Management also provides guidelines to internalize and institutionalize the transformation purpose and goals. A successful business transformation is grounded on the following principles:

- Business transformation objective: define clear and comprehensible goals.
- Communication and coordination: communicate and “live” the vision.
- Leadership: “Walk the talk.”
- Culture and value: define values and facilitate internalization.

These principles are explained in the next sections.
2.3.1 BUSINESS TRANSFORMATION OBJECTIVE

For a meta-routine such as business transformation, the coordination between separate management disciplines is essential. An approach that has gained broad acceptance is the balanced scorecard. As we stated earlier, although the balanced scorecard does not describe a change process, it nevertheless provides a valuable model by which different management disciplines can be integrated through the identification of mutually supporting goals.

The balanced scorecard is an ideal tool for a well-balanced goal definition within a business transformation project. Goals are operationalized through key performance indicators (KPIs) and serve as a basis for value management, evaluation and feedback. The recognition given to the different aspects of organizations is important. At a very broad level, change has been classified into economic aspects and organizational aspects (Beer and Nohria, 2000), with the economic aspects tending to dominate, primarily because of their greater capability to be measured and often the immediacy of their impact. However, the organizational aspects are no less important, given the need to build both employee and structural capability into the organization to ensure sustainable success. The dual requirement to build economic and organizational capability, highlighted by Beer and Nohria, is given a fine-grained working through, with the core financial and process metrics aligned with customer and people dimensions.

The other major benefit of the balanced scorecard is its relative simplicity in terms of breaking down the major aspects of the strategy and, for our purposes, the transformation goals, and enabling clear linkages between the core activities. Furthermore, it provides a clear rationale for the cascading of transformation goals through and across the levels of an organization. In this sense, the balanced scorecard provides strong support for the communicative aspect of the transition.

**KEY MESSAGE:**
The balanced scorecard is an ideal tool for a well-balanced goal definition within a business transformation project.

2.3.2 COMMUNICATION AND COORDINATION

For transformational efforts to be successful, the transformation agenda must be able to deal with *communication* within and between departments and businesses. However, what is often overlooked is the need to develop a common understanding of a transformation effort as a first principle. This essential first step – the Communication Principle – has often been an implicit ingredient in transformation efforts rather than an explicit one, but the whole change enterprise rests on this step. Without a compelling articulation of the need for transformation, the mobilization of commitment from the workforce will be not forthcoming. Communication involves:
• the communication of reasons for transformation ("why can’t we stay the same") is needed – that is, its purpose and the main goals;
• establishing a common language to ensure unambiguous interpretation of key concepts – for example, through a glossary; and
• the communication of transformation values, principles and guidelines to create the cultural “ground” for transformation.

Specifically, this principle is not responsible for communication within and between individual disciplines. Though this activity is very important, it forms part of the regular communications process within organizations.

Difficulty with communication has long been viewed as a major contributing factor in the lack of transformational success. The importance of communication in change processes is undoubted and there are numerous models and practical prescriptions, highlighting communication intensity and channel choice (Garvin and Roberto, 2005).

At the heart of communication approaches is a basic process framework which identifies:

1. the characteristics of the sender of the message;
2. the content of the message; and
3. the characteristics of the recipient.

Under the first dimension rests the credibility and trustworthiness of the sender. The second dimension addresses the issue of tailoring the message and the salience of its content. The third dimension identifies the capability of the receiver to understand the message (their absorptive capacity) and also the motivation of the receiver to act upon it.

The need to segment stakeholders to the transformation process is a requirement in order to gauge reaction to the change and the degree of acceptance and resistance that is encountered. The literature identified a number of typologies of stakeholder identification that address different tiers of business transformation:

• 1st tier: Those **imminently affected** by the business transformation – for example, people working in HR being relocated through the creation of a shared service center.
• 2nd tier: Those **directly affected** by business transformation – for example, people from the HR department affected through changed business processes.
• 3rd tier: Those **indirectly affected** by transformation – for example, internal and external customers of HR through an altered HR service delivery.

Naturally, each of these tiers may have different attitudes towards the transformation program, ranging on a broad continuum from highly accepting of the transformation to strongly resistant. Those on the first and second tiers who are positive about the transformation would become ambassadors for the program and would aid in spreading the benefits and the vision of the transformation. Persuading those indirectly affected is also important since though they may not be in the frontline of changes, their effect on organizational morale, should they distribute negative messages, is considerable (Hardy, 2009). Figure 2.4 shows the four dimensions of the balanced scorecard (customer, financial, process and people) in combination with the three tiers in order to address the specific communication needs within the organization.
One fundamental enabler for an effective transformation process is the identification of a clear line of sight between the overarching organizational goals and the goals defined for the individual employee. This means that the cascade of overall transformational goals must be made specific for each management discipline and organizational member. Furthermore, the cascaded goals must be meaningful for the employee in terms of motivational content as well as relevant language that enables them to understand both “What’s in it for me?” and “What am I supposed to do?”. Though communication is important, obviously, for such a process to work, it is clear that acceptance of the transformation message is dependent not only on the message content but also on the credibility and trustworthiness of the leadership.

This means that “one message fits all” does not achieve the desired objective. Depending on the respective target groups’ functional and hierarchical affiliation within the company, the communication must be individually adapted. Naturally, this does not mean that contradictory information should be provided; the communication of strategic objectives is standardized but it must be adapted for individual target groups in terms of its significance.

**CHALLENGES CONCERNING THE COMMUNICATION PRINCIPLE:**
1. Need to segment stakeholders to the business transformation process.
2. Identification of a clear line of sight (define transformational goals for each management discipline and organizational member).
3. Individually adopted communication principles.
2.3.3 LEADERSHIP

Once the transformation process is accepted, leaders need to help employees to interpret proposals for transformation (Garvin and Roberto, 2005). Skilled leaders use "frames" to provide context and shape perspective for new proposals and plans. Because transformation initiatives are open to numerous interpretations and filtering, it is important that employees are helped to gain a shared and consistent understanding of what the transformation requires. A prime mechanism is the establishment of a clear working language for the transformation process, in which all major concepts are defined – for instance, in a glossary – and measures are identified and understood. This shared language of transformation can be a constant reference point as the change moves into different areas of the organization, where different professional and technical languages can distort the meaning of the change concepts.

The basis for leadership is to build an organization that can effectively achieve its goals. There is a wide range of leadership theory, from instrumental approaches to inspirational ones (Bass and Avolio, 2012); all center on the nature of the relationship between the leader and the followers. In light of the arguments from the resource-based view of the firm that competitive advantage stems from valuable, rare and hard-to-imitate resources (Barney, 1991; Wright and McMahan, 1992), and the related literature on the importance of using talent for developing ideas and sustaining success, the emphasis on transformational leadership (Bass and Avolio, 2012) is not surprising. It is no coincidence that the transformational agenda in transformation management should mesh with the dominant view of transformational leadership. BTM² suggests a new leadership approach, which has the following characteristics:

- The role of the business transformation manager must allow for sufficient responsibilities and power to manage the overall transformation.
- The business transformation manager must have the respective competences and capabilities for such a complex task.

For the relationship between the leader and the follower, the dimensions include the following:

- Provide vision and sense of mission, gain respect and trust.
- Use symbols to focus efforts, express important purposes in simple ways.
- Promote intelligence, rationality and careful problem-solving.
- Give personal attention, treat each employee individually.
- Live the transformation: “Walk the talk.”
- Be clear in what is accepted and what is not.
- In conflicts, find fair solutions and avoid winners and losers.

The link between transformational leadership and involvement is direct – transformational leadership embodies the idea of empowerment and involvement (Bass and Avolio, 2012). Furthermore, implicitly bound up with leadership style is the issue of organizational culture. Traditionally, leadership style has direct effects on the culture of an organization and vice versa, showing the example that others might imitate and also articulating the key values. All organizations have cultures of some kind, and there
is huge variation, ranging broadly from integrated (unified culture) to differentiated (a set of subcultures with potential for either harmony or conflict) and fragmented (no clear coherence among sub-groups) (Conyon and Leech, 1994). These are not static descriptions but rather represent a dynamic, with organizations becoming more or less unified over time depending on changes both within and external to the firm.

### CHALLENGES CONCERNING THE LEADERSHIP PRINCIPLE:
1. Sufficient responsibilities and power to manage the overall business transformation.
2. Respective competencies and capabilities for the transformation process.

### KEY MESSAGE:
Intersection as wide as possible between the leadership role, his or her competencies and his or her responsibilities. Moreover, the position of a transformational leader must be seen as a position with high reputation: leaders need to be selected carefully, they need to have shown outstanding achievements in earlier change projects and their career path must be planned clearly.

#### 2.3.4 CULTURE AND VALUE

In addition to the shared language, it is important that a cultural environment is set by skillful use of communication. For communication to work, there must be a cognitive element where employees understand what is being proposed and what it means for them. However, there must also be an emotional aspect to the communication, to ensure both yielding to the change message and commitment to it. Ensuring that the cultural ground is fertile is a major task of the communication principle. Employees need to feel that the organization has a purpose and that the change will contribute to their sense of what the organization stands for and is congruent with its core values.

To move towards the unified end of the continuum, the following three elements are required:

1. the right people;
2. leadership example; and
3. socialization (Robbins and Judge, 2009).

Socialization involves the immersing of employees into the values and objectives of the transformation, and the internalization of these objectives and values (Schein, 1995). Central to this is the instilling of a sense of belonging, together with a non-coercive approach to the transformation, allowing autonomy for the employee. In essence, the journey between the axes (see Figure 2.5) finds resonance in the distinction between control and commitment (Walton, 1985). Control represents a strong behavioral focus on compliance enforced by appropriate incentives and sanctions, but commitment, at an affective level, entails the sense of identification with the business transformation and the belief in the overarching goals of the process (see Figure 2.5).
Figure 2.5  Core values and internalization as part of Meta Management

In Figure 2.5 the two key aspects are combined, namely communication principles and intrinsic basic needs. First, the communication principles cover partner-oriented or relationship-oriented approaches, comprising the aspects of appreciation, empathy and openness. Employees who are appreciated during the transformation process will have higher commitment and positive intent towards it. Empathy is important in understanding what people are going through as the business transformation affects their working lives and relationships, and openness is crucial in order to bring any constructive voices to the table or to surface conflict and resolve it.

Second, the intrinsic basic needs highlight the requirement to focus on motivation in the transformation process, rather than pure rewards and sanctions. Again, there are three fundamental elements. First, the transformation must be driven by autonomy – people must be given responsibility and freedom to enact the transformation process. The alternative is to get somebody to do something by using extrinsic motivation tools such as rewards or sanctions, but it is not possible to force people to like something. Second, the competence need highlights the importance of employees moving outside their comfort zone to embrace new practices and skills. Third, the sense of belonging identifies the need for individuals to belong to an attractive group or company, one that has clear identity, and whose transformation is sound and compelling.

Addressing both the communication principles and the intrinsic needs will increase the internalization of the business transformation objectives, leading to the greater likelihood of the effectiveness of transformation.

However, it is possible to internalize new forms of behavior, although this presupposes voluntariness, social integration and a feeling of doing the right thing.
2.4 Conclusion

The meta management chapter summarizes the guiding elements to create the right environment for successful business transformation. The chapter reflects leadership principles, core values and behaviors, and communication principles, as well as organizational structures that facilitate business transformation.

Business transformation is a complex and difficult process. The reason for that is the amount and diversity of stakeholders and interests, unclear expectations and responsibilities, and ineffective leadership and communication resulting in resistance, conflicts, anarchy and lack of support. Such complexity explains why many business transformation initiatives do not succeed, because there is no “meta management” of the overall process. This concept has rarely been discussed in the traditional change management literature. This chapter outlined some of the fundamentals of the meta management concept building on well-established principles, theories and experience from a number of disciplines, including stage models, stakeholder management, the balanced scorecard and transformational leadership.

One of the staples of change management research concerns the planned or emergent nature of change. In this chapter, transformation is conceptualized as a planned activity, but within meta management, there is flexibility to allow for changes in the environment and for fresh information to be factored into the overall process. In this way, Meta Management may be likened to a dynamic capability, bringing together different elements of change and allowing for their combination and recombination to ensure the sustained effectiveness of the organization. Large companies can suffer from sluggishness, inertia, bureaucracy, silo structures, poor communications, disenfranchised management and employees, and stifled entrepreneurial spirit, which, in combination, tend to inhibit or
even prevent innovation, integration and learning. Understanding transformation from a holistic perspective is essential if the processes and relationships that regulate change are to be leveraged effectively. In the following chapters, we explore the various disciplines that make up organizational transformation.

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