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MA in Human Resources Management

**‘What was the role of leadership in the
transformation of a failing Irish Insurance
business’**

2015

Submission of Thesis and Dissertation

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Abstract

This research examines the role of leadership in the turnaround of a failing Irish insurance business. The economic downturn has led to several insurance companies reducing their cost base, which usually starts with employees losing their jobs. The company the research was carried out in appears to be slightly ahead of the curve at this point in time and the research hopes to show key learning from their change programme. Recent research has indicated that leaders need to have an interpersonal leadership style, demonstrate humility and they need to appear less celebrity like, remote and elite, rather being more human and personally approachable (CIPD 2014). The researcher sought to establish the leadership styles and techniques demonstrated in the company during the change period and the impact these characteristics may have had.

The literature review looked at various theories and approaches to leadership, whilst also looking at the role of leadership in engagement, culture, communications and what part leadership development may have played.

The researcher investigated the turnaround by interviewing leaders from a cross section of seniority within the business, from team leaders to senior managers during the period of transformation. The researcher used qualitative methods via interviews with the ten participants. The findings from the interviews were then compared to results from employee engagement surveys over the period of transformation which specifically looked at leaders' roles within the company. These results also served as a way for the researcher to validate the findings made. The research found that emotional and social competence played a key role in the leader's behaviours and that no one style was apparent. Communication was vital throughout the process and that due to poor communications at the beginning many leaders had to win back trust of their employees. The leaders felt that once the communications had been corrected and trust restored, the buy in to the new vision was easier. The investment in leadership training helped leaders set ambitious goals and increase their capability to manage performance was also found to be a key driver in the turnaround.

1. Chapter 1

1.1 Introduction

The researcher will investigate the role leadership played in the turnaround of a failing Irish insurance business. This study will be of importance for any business seeking to turnaround its fortunes, as the country emerges from recession brought on mainly by the inadequate risk management practices of Irish financial institutions (O'Sullivan and Kennedy 2010). At the time of writing this research two major insurance companies are facing potentially large scale redundancies. The company operates in General Insurance (GI) and Life and Pensions (L&P) industry within the Irish insurance market.

1.2 Insurance Industry in Ireland

In Ireland, the Insurance sector employs 27,000 people with 14,000 of these employed directly by insurance companies both global and indigenous and a further 13,000 employed by companies directly related to the industry such as service centres, consultants and financial advisors. Insurance companies in Ireland manage just under €200bn of assets for policyholders. Of the total insurance assets, €46bn is invested in Ireland, of which €16bn is invested in Irish government debt and €19bn in Irish companies and property. One in every four persons employed in financial services in Ireland is employed directly or indirectly by the insurance industry (PwC2014).

The PwC report also states that the Irish Insurance sector pays over 4% of total net tax receipts, with insurance companies paying a variety of taxes and levies, including corporation tax, taxes on income of employees, VAT and insurance

and pension charges. The total tax payments made by the insurance sector are estimated at €1.6bn. Since 2013 confidence in growth amongst leaders has grown 13% up to 85% in 2015. Yet at the time of writing, one leading insurance company has just announced losses of €16million and another has seen their CEO resign as a result of poor performance. Both of these companies are expected to look for expense savings, which will most probably mean a reduction in employee numbers.

1.3 Background to the Company

The company the researcher used is a wholly owned subsidiary of a Multinational Group. The company's heritage in Ireland began over 100 years ago and today the company has over 1.2 million customers in Ireland.

In 2011 the cost base of the business was circa €200m, which was too high and had not reduced substantially since the business had previously been running with revenues at nearly twice current levels prior to the economic downturn. The General Insurance business reported a combined operating ratio (COR) of 102.2% in 2011, although the underlying rate, not supported by reserve releases, was 106.5%. This means the business was not profitable at an underlying level. It also meant that the company could not price competitively in the market.

The Life and Pension business was operating in a difficult market with reductions in market share and the overall size of the market meant the company was not making sufficient return on the capital invested in the business. New business was being brought onto the books at a negative margin which reduced the return on the capital invested in the business even further. To return to COR and profitability levels in line with the competition in Ireland, and to compete sustainably in the market there was a requirement to reduce costs for the business to around €130m based on Gross Written

Premium (GWP) forecasts. This resulted in a revised strategy that required employment costs in the region of €63m in the end-state.

Redundancy of more than 50% of employees was required as part of the company's cost targets and to ensure the building of a sustainable business on a competitive and fair employee cost framework. A revised set of terms and conditions of employment applied to employees who were retained as part of the future organization. This large scale change programme was not aided by the leaking of the change strategy to the national media prior to any announcements to employees and seen employee engagement at the lowest levels ever (EPS 2011).

At the time of completing this research, the company has just announced half year results showing profits that have increased 80% year on year from 2014 to 2015. The combined operating ratio is now at 93.5% and the share price has increased 67% since transformation took place with employee engagement rising from 34% to 68% as of August 2015.

1.4 Rationale for the Study

This research looks at the role leadership played in the turnaround of a business that had gone through a major transformation process. Goleman (2000) reported that a study by Hay McBer of more than 3,800 executives worldwide, selected from a database of over 20,000 executive established that leadership had a direct impact on the climate within the business and that climate accounted for one-third of the financial results of organisations. Further to this Higgs (2006) concluded after extensive research that leadership behaviour accounts for over 50% of the difference between change success and failure. Research by Northouse (2006) into thirteen industries over twenty years found that leadership accounted for more variations in performance than any other variable. As part of the research carried out for this study, a cross section of ten people managers, from team leaders to senior managers were

interviewed to establish if there was any similar leadership characteristics and approaches they used or changed as a result of the situation they found themselves in.

1.5 Why this Topic is Worthy of Research

The insurance industry is a major employer within the Irish economy. At the time of completing this research, the Irish insurance industry is going through some significant changes. Several insurers, both global and indigenous are reporting significant headwinds at the half year results, which may result in large transformation programmes. The industry is now more competitive than ever within the market.

Leadership is an enigmatic concept and it can take on many forms depending on the situation. Large, bureaucratic organisations require different kinds of leadership. All people managers are regularly referred to as people leaders, these team leaders right up to senior managers are expected to exercise influence without the backing of hierarchy, demonstrate high ethical standards, show humility, open to learning whilst valuing people and show concern for both personal and professional development. Leaders today are expected to possess both a paradoxical combination of humility on one hand and assertiveness and learnedness on the other (Garvan, Hogan and Cahir-O'Donnell 2009).

1.6 Literature on this topic

Leadership is a topic that has been comprehensively studied over the years. From military generals such as Napoleon, sports figures like Michael Jordan to business moguls such as Jack Welch, leadership is something that has intrigued people for hundreds of years.

The literature reviewed on leadership looks at several different theories, that over the years have developed and in many ways they complement one another and together they help gain a comprehensive understanding of what the leadership process is about. The concept of leadership theory is still problematic however, as there are many different theories and producing one that covers all the variables is difficult if not impossible. All that can be done is to draw on the various theories to help try understand the different aspects of leadership without actually relying on one of them for a comprehensive explanation of what is involved. Leadership maybe best defined by what and how leaders do things (Armstrong 2014).

There are many styles of leadership and like theories no one style is better. To greater or lesser extents, leaders can be autocratic or democratic, controlling or enabling, task orientated or people centred. Some of the types of leadership the literature refers are charismatic, transformational, visionary, transactional, and authentic, however as Armstrong (2014) points out typical leaders may exhibit any or even all these characteristics either consistently or in response to the situation they find themselves in.

All people will be asked to show leadership at some stage in their career. How people approach leadership will be based on their definitions and beliefs about leadership. Effective leadership is intended to create change for the better. Leadership uses positive means to achieve positive outcomes. People want leaders who listen, understand their needs and can relate to their

circumstances. The challenge is that employees lead when they are asked to lead (Northhouse 2015).

According to Gold, Thorpe and Mumford (2010) leaders need the ability to analyse and read situations to establish order and clarity in situations of ambiguity. They believe that leadership requires a sense of purpose and an ability to influence, negotiate and express their views often whilst in the face of opposition. A longitudinal study carried out by Kavanagh and Ashkanasay (2006) on the effect of leadership and change management strategies indicate that in many cases, the change that occurs is a result of the strategy that is forced on the leaders themselves.

In this respect, the success or otherwise of any transformation hinges on individual perceptions about the manner in which the process is handled. Communication and a transparent change process are vital, as this will often define not only how a leader will be regarded, but who will be considered as a leader. Leaders need to be competent and trained in the process of transforming organizations to ensure that employees within the organization accept the changes (Kavanagh and Ashkanasy 2006).

1.7 What this Research Hopes to Achieve

In carrying out this research on the role of leadership in the transformation of an Irish insurance business, the researcher hopes to get an insight into the leadership displayed by leaders within the company, if it changed their approach to leading people and how they dealt with the challenges of transformation and also to understand if any leadership training benefitted them. The interviews brought some unforeseen and beneficial insights to light which will assist any future leaders and human resources personnel in the event they are faced with turning a business around after a transformation process.

1.8 Structure of the Dissertation

Chapter One is a general introduction to the company and market it operates in. It sets out the reason for the transformation programme and the difficulties the company faced. It also outlines the rationale for the research and what it hopes to achieve.

Chapter Two reviews the literature and looks at the meanings, qualities, theories and styles of leadership. It considers these and their impact within the business environment. It also takes into account the elements associated with leadership in a business context, such as change, workplace culture, leadership training, engagement and communications.

Chapter Three describes the different research methodologies the researcher engaged in and reason for employing them. It broadens the research objectives and also describes the procedures, who took part, how and why they were chosen along with details on the participants. It then goes on to describe the limitations of the study.

Chapter Four examines the findings and analyses them, bringing them into context with the literature review, theories and earlier readings as part of the research questions and discussion. It considers the results in conjunction with knowledge gained from the insights provided by the participants

Chapter Five considers the results comparing with the hypothesis and the reality and details the conclusion from the study and recommendations for consideration of future businesses. A personal learning statement is completed at the end outlining what the researcher learnt about themselves through the process.

2. Chapter 2

2.1 Literature Review

The literature review will look at the characteristics, theories and styles of leadership. It considers these and their impact within the business environment as the researcher attempts to answer the question, 'what was the role of leadership in the transformation of a failing Irish insurance business?'.

There have been many attempts to understand what leadership is over the years and how leaders can be separated from their followers. People often ask if leadership can be learned, nature versus nurture, are good leaders born or do they develop leadership abilities over time? The answer is yes to both according to McKee, Boyatzis and Johnston (2008). They believe that inborn characteristics are few, and even most of these can be leveraged and enhanced. Far more elements of effective leadership are learned and people gain leadership competencies throughout life and that by intentionally seeking to develop them people can become better leaders (McKee et al 2008).

A summary of academic approaches to the subject of leadership is offered below on schools of thought such as qualities/trait theory, contingency theory, the situational theory, along with the functional approach, the approach which sees leadership as a behavioural category, transformational and change leadership, transactional and charismatic leadership. In addition to these the researcher looks at the role of leadership in change, culture, training, engagement and finally on the subject of communication in relation to leadership. Looking at each of these we can observe their suitability to strategic leadership or managerial leadership.

2.2 Leadership Theories

In order for employees to engage with their company during a period of change, there is a need to have leaders who are trustworthy with the ability to inspire and motivate them. Leadership is essential to the successful strategic management of any organisation (Christy 2013). According to Gold et al (2010) leaders need the ability to analyse and read situations to establish order and clarity in situations of ambiguity. Leadership requires a sense of purpose and an ability to influence others, negotiate and express their views often whilst in the face of opposition

The qualities theory looks at significant traits displayed by all highly regarded leaders. Early approaches to the study of leadership focused on personal qualities and characteristics and did not generally agree on a common set of characteristics, although self-confidence and intelligence did appear in a number of models (Kreitner, Kinicki and Buelens 2002). As Christy (2013) points out, the very act of selecting successful leaders forms a bias which prejudices the results on any analysis. The lack of women in early studies reflects earlier social constraints rather than women lacking leadership qualities. Hofstede (1991) described how some cultures may accept and encourage traits such as risk taking and personal ambition whilst others support collective achievement and social inclusion. The importance of cultural differences can be very apparent in situational leadership approaches which will be covered later. Though certain traits have been identified as being present in good leaders, there is no evidence to suggest that leaders are born; in fact it is more likely that leaders gain their skill and knowledge over time. Emotional intelligence, which centres on how we manage ourselves and handle relationships, via self awareness and regulation, motivation, empathy and social awareness, brought the qualities theory back into focus. This is an area that the researcher will look at later.

The contingency theory as put forward by Fiedlers (1971) incorporates the situation and the group as key variables in effective leadership, the leaders

efficacy is seen as contingent upon the situation and that situation determines if a leader is successful. Fiedler considered the following variables; how much the employees like and trust their leader. How clear tasks are made to employees and how positive the situation is for effective leadership. Also when the leaders position is strong, it gives them power, and increases their ability to influence. These situational factors in combination will determine how favourable various situations will be in organisations. Contingency theories highlight the importance of context rather than trait or skill and the leaders style used at the moment. It also believes that leaders do not need to be effective in every situation, this is where contingency theories fall down to some extent. What should an organisation do in the event that there is a mismatch between leader and the situation? According to Garavan et al (2009) the principals do not include the idea that organisations should develop leaders to adopt their styles to various situations. Instead they advocate that leaders should engage in situational engineering which means changing the situation to fit the leader's style. It is conceivable that this would not be possible in the event that a major change programme was required to be implemented. Leaders should be assisted via training and development to analyse context and develop skills to match leadership techniques to the situations they encounter. Leaders tend to perform best when they are placed in situations that suit their leadership style rather than when the situation is adapted to fit the manager's leadership style.

The situational theory of leadership is based on the premise of what type of leadership actions emerge from the particular situation. Hersey and Blanchard's model of situational leadership (Hersey, Blanchard and Johnson 2001) focus on the leadership style based on readiness or maturity of different groups to complete a task. The four styles suggested by Hersey et al (2001, pp182 -187) are as follows;

Style one telling – this involves high amount of guidance and direction, it is most appropriate for those of low follower readiness, were employees may be unable / unwilling to engage. The leader structures the task and concentrates on step by step instruction. This can be associated with times of crisis within a business, like a major change programme that requires immediate action.

Style two, is selling – high amounts of both directive and relationship behaviours. Most appropriate for low to moderate follower readiness and with low capability. The leader encourages more dialogue to get buy in amongst followers. This again can be associated with a major change programme but is also looking to convince those followers that this is the right course of action.

Style 3 is participating, which shows two way communication and supportive behaviour with low guidance. The leader focuses on discussion, encouragement, and facilitation rather instruction. It is most appropriate for moderate to high follower readiness, but who are inexperienced and possibly demotivated.

The last style is delegation – this involves little support and is most appropriate for high follower readiness. There is little managerial involvement unless significant issues emerge and the focus is on monitoring.

The situational theory is one that the researcher feels very appropriate given the nature of the research question, what is needed however in all of the situations is competent leadership. There times when leaders find themselves with no choice but to adapt themselves as in a major change programme, as found by (Kavanagh and Ashkanasy 2006). Those who are unable to, will ultimately cause more damage to the team and will need to be removed.

2.3 Leadership Styles and Approaches

Leadership style is the approach that managers use in exercising leadership when they are relating to their team members. There are many styles of leadership and no one style is necessarily better than another in any situation according to Armstrong (2014). Similar to Hersey and Blanchard, six styles and when they maybe used were identified in a Hay/McBer research reported by Goleman (2000), they are as follows;

1. Coercive which demands compliance, this style is common when an organisation is going through a crisis or can be associated with employee issues
2. Authoritative which is used when there is a requirement to mobilise employees towards a new vision in the company.
3. Affiliate which is used to create harmony by healing legacy issues and motivate people under pressure in their work environment
4. Democratic builds consensus to get agreement and contributions from the team.
5. Pace-setting, sets high standards and is used to get fast results from a motivated team.
6. Coaching which develops people to improve performance and develop strengths

Each of these styles must be used at appropriate times, but competency is needed from the leader. This is one of the reasons the researcher was interested in leadership training. Pace setting and coercive are associated with dissonant leadership, and authoritative, coaching, affiliate and democratic with resonant leadership.

2.4 Behavioural Approach

Watson and Reissner (2014) describes the behavioural approach as an attempt to identify behaviours associated with leadership. The behaviour category of leadership looks at the effects leaders have on actual performance by examining leadership behaviours and relating them to outcomes. There are two basic ways leaders engage and influence their employees. One is task-oriented leaders who are mainly interested in employees who perform at their best so that they get the job done. The other is relationship orientated whereby they build trust, show respect and generally care about employees, which in turn tends for them to be liked and respected. In this arena, emotional Intelligence

according to Goleman et al (2013) is a necessary trait that all successful leaders possess. It involves self-awareness and regulation of emotions, the ability to motivate and exhibit empathy combined with excellent social skills, this in turn helps to create resonance with others. Resonant leadership believes that leaders are attuned to needs and wishes of the people they lead. They create conditions where people can excel and enhance their capacity for excellence (McKee et al 2008). Resonant leaders listen to their people, inspire trust, they are clear about their values and can respond clearly and empathetically in the moment, even in the face of opposing views coming from their teams. Through demonstrating commitment to values, they can inspire their teams with courage, and create hope through their vision. Resonant leadership incorporates key themes of authentic leadership, which according to George (2003) is a leader's genuine desire to serve others through leadership. They are more interested in empowering people on their teams to make a difference than they are in power, money or prestige for themselves. They lead with purpose that ignites passion, meanings and values that create behaviours. They build lasting relationships and others follow them as they know where they stand, these leaders are consistent, compassionate and self-disciplined. They welcome diverse view points and they lead in a manner that is considered authentic. Leaders need to demonstrate behavioural consistency and integrity, exhibit shared values and engage in, consultation, delegation and the distribution of control when looking to build trust (Whitener et al 1998, Gillespie and Mann 2004).

Behaviour studies are advantageous by offering managers some options regarding behaviours that can be effective rather than a single recommendation for success, thus leaders can be high or low on both orientations. In this respect they have a lot in common with situational leadership theories, which match behaviours to circumstances. In relation to strategic leadership, consideration and structure are both relevant to strategic tasks, but according to Christy (2013) in general behavioural theories have little to say explicitly about leadership in organisational life. There is also some scepticism if emotional intelligence can be the critical aspect in explaining leadership effectiveness and many of the measures of emotional intelligence are considered unreliable.

Woodruffe (2001) suggests that it is misleading to equate emotional intelligence with a specific proportion of performance. Overall, an emotional intelligence view on leadership is useful as it points out that some competencies required by leaders are rooted in emotional skills, it elevates emotional based competencies to a level where they are as important as technical ability (Garavan et al 2009).

Charismatic leadership was described by Conger and Kanungo (1998) as a process of creating an inspiring vision of the future and outlining the importance of the vision. It links into the qualities theories and in particular, the characteristic of charisma and the ability to inspire. Adair (2003) describes inspirational leadership as creating and communicating vision, having a passion and a dynamism that drives the leader and engages enthusiasm and efforts of the led. Conger (1999) points out that this can also lead to exhibiting unconventional behaviour and performing heroic deeds, taking risks to motivate others by setting a personal example. This leadership style has the ability to take a long term view, to inspire trust and confidence which unlocks talent and enables the organisation to achieve exceptionally high performance (Christy 2013).

Charismatic leadership however, relies on a degree of emotional manipulation, so its ethical status as a management strategy is open to contest. Bones (2012) points out that the cult of leadership in the 'L'Oreal generation' led to the infamous Enron crash with Kenneth Lay at the helm. Mullins (2013) and Legge (2005) also advise caution in their consideration of charismatic leadership and it is less than wholly evident that charismatic leadership in itself results in major benefits for organisational performance (Christy 2013). According to Evans (2008) that people at the top who are charismatic get there through the demise of others – they emasculate everybody else along the way. This kind of leadership can be toxic. Where radical change is required in an organisation a leader associated with a former strategy may be far less able to lead in the new direction (Rajan 2002). Bennis (2010) points out that the ability to inspire trust, not charisma, is what enables leaders to recruit others to a cause. The characteristics of charismatic leadership can be vital for a change programme

by fostering a shared vision amongst followers that can inspire them in tough times however; these leaders can also be the very reason that redundancy situations arise and the requirement for change programmes. Charisma is something that a lot of people may struggle to learn and could possibly be considered as one of the characteristics you are either born with or do not possess.

2.5 Functional Approach

The functional approach considers what leaders do effectively rather than what they are (Christy 2013). One of the main advocates of this approach is John Adair, an author who put forward that there are three main areas of managerial leadership; those concerned with building the team, those concerned with developing the individual within the team and those who are directed at the achievement of the task (Adair 1983). This approach has an important appeal in that it suggests that leadership skills can be acquired and that pre-existing characteristics are less important once they learn how to balance the three main areas above. This approach may have proved successful when robust training systems are in place however it has little influence in the type of leadership that is involved in actually creating and driving organisational strategy (Christy 2013). It also may fail to recognise the significance of tacit knowledge for an organisational, that usually is only acquired through experience (Pilbeam and Corbridge 2010). Organisational memory can be vital for leadership, especially team leaders. For those with long service there are chances that they may have already seen previous change programmes and their ability to recall these situations will help them deal with the emotional fallout that occurs in those times.

2.6 Transactional Approach

Transactional leaders trade money, jobs and security for compliance. According to Tavanti (2008) transactional leaders display leadership skills associated with the ability to obtain results, exercise control through structures and processes, to solve problems, to plan, organise and work within the structures and boundaries of the organisation. Tavanti goes on to state that most leaders use transactional behaviours at one degree or another, but that these actions are usually motivated by people's wants and preferences. Garavan et al (2009) points out that transactional leadership is not concerned with initiating dramatic change, but rather with fine-tuning what goes on in the organisation. These leaders would struggle in an environment where money, jobs and security could not be offered. Where these leaders have none of the above to leverage and they are operating in an environment of uncertainty they may flounder under the pressure of the ambiguous nature of a change programme.

2.7 Transformational Approach

Transformational leadership focuses on the basic difference between leading for change and leading for stability whereby leaders create high levels of motivation and commitment by generating and communicating a clear vision and often appealing to higher ideas and values amongst followers (Christy 2013). Rosener (1990 p120) defines it as motivating by 'transforming their individual self-interest into the goals of the group' and by trying to make people feel part of the organisation. Legge (2005) explains how this focus on a shared vision and personal commitment was a characteristic of successful companies. Transformational leaders can articulate values that shape the organisation. They tend to be sociable, open and are interested in justice and equality. They empower team members to think independently creatively and critically.

Legge (2005) however points out transformational leaders will always prioritise business needs over the individual, hence leaving leaders open to charges of hypocrisy. Coopey (1995) also points out that transformational leaders have the potential to believe their own 'greatness' and as such they need to be sufficiently self reflective and have the capacity to separate themselves from idolization. Transformational leadership may work well for senior managers however is it realistic to expect people leaders at all levels in a business to act solely in the interests of the business. This is an especially pertinent issue were team leaders are working closely with colleagues over a large number of years.

2.8 Change Approach

Change leadership overlaps with many of the themes of transformational leadership above, whereby leaders contextualise, mobilise and help create the vision of the future for employees. Higgs and Rowland (2001) identified a distinct set of leadership competencies that are associated with the process of successfully implementing a major change programme, these are;

Articulating the need for change by presenting the case for change and engaging with others to buy into requirement. Then they need to create structural change by ensuring that all employees understand the key issues faced by the business and are supported with a consistent set of tools and processes. The need for engagement is central to any change and that must be something the leader addresses in order to build commitment. Effective monitoring and review processes are required to ensure that the change is implemented and sustained. Facilitating and developing capability are then required to ensure that employees are challenged to find their own answers. Garavan et al (2009) note that change places a unique strain on the leadership of a business. Many of these are similar to issues the researcher alluded to above such past relationships and the uncertainty that the leader may also find themselves in. For that reason it is essential that self awareness and self regulation are vital characteristics to handle anxiety, be assertive when needed and be able to cope psychologically.

2.9 Change

Change remains constant for senior management and transformational change involves large scale change affecting behaviours and more essentially the culture of the organisation (CIPD 2014). Many things cause organisational change. These can include: challenges of growth, global markets, economic downturns and changes in strategy, technological change and customer pressure. All organisations are in flux: changing their focus, expanding or contracting their activities and rethinking their products and services. Balogun and Hope Haileys (2009) report into change management during the economic downturn, forced change into a period of proactive and often transformational change. They found there was a focus on performance based turnaround on short term profit and margin improvement rather in depth transformations to address fundamental issues causing underperformance. Some of the current issues facing the companies in the insurance industry have been caused by this exact practice.

There are several models of managing change, these include Lewins (1951) where change is managed by unfreezing the present stability of the organisation and motivating those affected to accept change. Then develop new responses based on new information and finally refreezing the stability of the organisation once new future changed conditions have been adopted. Lewins suggested methodology for analysing change known as the 'Force Field analysis' where restraining or driving forces are analysed such as those who see change as unnecessary or feeling threatened by it. The critical forces as assessed for their criticality then steps are taken to increase driving forces and decrease restraining forces.

Thurley (1979) described five approaches to leading change. First is Directive whereby change takes place, usually during a time of crisis, by the exercise of managerial power without consultation. The bargained approach, respects that

power is shared between employers and employees and is only introduced after negotiation with employees or their representatives. The 'Hearts and Minds' is where management believes it knows what is right, and seeks employees to buy in and share its vision but does not necessarily seek involvement or participation. An analytical approach involves the analysis and diagnosis of the current situation through the setting of objectives, design of change process, evaluation of results and then the determination of objectives for the next phase of the change process. Finally action based looks at the way managers behave in practice as opposed to the analytical, theoretical model. This sort of approach usually starts with a belief there is an issue that needs to be addressed, though not well defined. Through trial and error the issue is clarified and a framework for solutions can be revealed (Armstrong and Taylor 2014).

According to Beer et al (1990), change is a conversion experience. They prescribe six steps to concentrate on what they call task alignment. They are to mobilize commitment to change through joint analysis of the problem. Development of a shared vision on how to achieve goals. Foster consensus for the new vision, competence to bring it to life and cohesion to take it forward. Let it flow from the top down and organise without forcing the issue. Each department will find its own way in the organisation. Create formal policies, systems and structures to monitor and adjust strategies in response to any problems that arise.

Employees can oppose change for various reasons, amongst the reasons put forward by Armstrong and Taylor (2014) are the shock of the new, financial fears, inconvenience, insecurity, symbolic fears, threat to interpersonal relationships, threat to importance or skills or competence fears. Leadership for any change process is vital. Throughout a period of transformational change employees will look to a leader to instil confidence and as Schein (2010) describes to create psychological safety. In order to achieve this, the change leader, according to Schein must be prepared to implement eight steps. The first is a compelling vision for the change, a sink or swim analogy could be applied highlighting that they will be better off to learn the new way of thinking

and working. If the new way requires up skilling or new knowledge then formal training should be provided. Employees cannot learn something new if they don't have the time, resources or valid feedback on new practices. Therefore practice fields are very important so that employees can learn without disrupting the organisation.

The promotion of the new values need to be displayed by leaders in the organisation by being role models. Employees must be able to see the new behaviours and attitudes if they are to be taken on-board. Support groups need to be able to air and discuss any problems they encounter with others so that they can support each other and jointly learn new ways of dealing with their issues. Finally, a reward and discipline system and organisational structures that are consistent with the new ways of thinking and working. Schein (2010) believes most transformational change programs fail because they do not create the above conditions and that in order to really see change through it requires real commitment and time to achieve it. The culture of the business is key to any change programme.

2.10 Culture

Hofstede (2001) described culture as the collective programming of the mind distinguishing the members of one group or category of people from others. Schein (2010) describes three levels of culture in organisations, they are the artefacts, the visible structures and processes, followed by the espoused beliefs and values which are the strategies, philosophies and goals in the organisation and finally the underlying assumptions, these are the taken for granted beliefs, perceptions, thoughts and feelings. Schein (2010) believes that culture and leadership are two sides of the same coin, on one hand cultural norms will designate how an organisation will define leadership and on the other hand it can be argued that leaders only role of importance is to create and manage culture. If an organisations survival is threatened then because elements of its

culture have become maladapted, it is ultimately the function of leadership at all levels of the organisation to recognize and act to manage this situation.

Any culture change starts with an analysis of existing culture. The desired culture is then defined, one which enables the organisation to function effectively and realise its strategic objectives (Armstrong and Taylor 2014). According to Schein (2010) culture change involves unlearning as well as relearning. The anxiety caused by new learning can cause difficulty in launching the transformation process and engaging the employees. For this reason, we will look at leadership training in the context of transformation programmes.

2.11 Leadership Training

According to Watson and Reissner (2014) many organisations believe that there is a shortage of leadership and management skills even amongst their most senior employees. Additional development opportunities are offered by some to newly appointed managers while others do not, mainly due to budgetary or time restrictions and believing it is not particularly required. Watson and Reissner (2014) goes on to say that of these organisations, there is an intention to use any training funds to develop leadership skills with emphasis on performance management, people management and change management. This type of training is generally aimed at improving leaders ability to think strategically and think in the long term. This in turn should see an improved standard of behaviour in leadership roles and consequently lead to the attainment of organisational goals. All of these are vital components in any transformation programme.

According to Burgoyne (2010) leadership development involves the acquisition, development and utilization of leadership capability or the potential for it. Burgoyne goes on to identify the following leadership development activities; job placements with the purpose of leadership capability, training and development, context sensitive coaching, formal education and mentoring, as well as soft

organisational development processes, like hearts and minds initiatives, culture change and team building.

The essential elements of leadership development as put forward by Bolden (2010) are reflection, practice, self awareness, personal support, opportunities to apply learning and relevance to work. When reviewing an organisation's overall approach to leadership development several issues must be taken into account, the current amount of development in practice and policies in place, the culture of the organisation, any budgetary constraints, where the company is strategically at presently and where it wants to get to. Schein (2010) believes that group sessions help leaders overcome any doubts they may have on new behaviours and values without fear of being ostracised by others in the business. Boyatzis et al (2013) cite a case study of a finance company in America that following the economic downturn in 2008, introduced a leadership development programme which looked at three components, emotional intelligent leadership, coaching for intentional development and the future. The programme was anchored in emotional intelligence, resonant leadership and holistic balance. It encouraged leaders to be more mindful of their behaviours. The results of the programme, have seen dramatic changes in fortunes with the company recording new profits, revenues and growth. The measurement of success of leadership development put forward by Bernthal and Wellins (2000) suggest using a set of lead and lag measures. Lead measures such as increased job satisfaction and engagement, increased perception of growth opportunities and employees completing development plans and the percentage of participation in learning and development activities. The lag indicators of reduced turnover, talent retention, increased leadership diversity, increased performance related to strategic goals, lower external hires for key positions and a positive return on investment from action-learning projects.

According to Garavan et al (2009) the development of non senior managers in leadership development has been highlighted as both positive and negative. From a positive perspective it has been viewed that it is important as they are closer to the work and the individuals on the frontline. This gives them a view of

what is really required from a development perspective. By involving them, this gives increased leadership cadre and then in turn better contribution to the transformation of an organisation and a broader organisational change. However, non senior managers have many duties and may lack time and enthusiasm for leadership development. This can also lead to compartmentalisation of what they believe to be important due to focusing on their day to day work and less subjectivity and accuracy in determining the leadership development needs (Garavan et al 2009). Though this maybe the case in some areas by not involving team leaders you potentially run the risk of the non senior managers not taking accountability for the leadership development process in their areas and there may also be elements of managers not wanting to give opportunities to talented employees in their area for fear of losing them to another department / exposing any perceived short comings they have about their own performance.

Financial reasons are often the reason for none or limited amounts of leadership development. The ability to demonstrate return on investment (ROI) can be difficult to do due to the requirement to isolate the impact of the leadership intervention from other contextual factors that could influence the results and the ability to convert costs of leadership development into financial results. The requirement to distinguish between direct and indirect costs and the need to prorate the cost over its anticipated lifespan is important for the leadership development programme (Garavan et al 2009). According to Philips (1997) a fully allocated fixed costs model should be used, that organisations need to include a charge for the fixed assets associated with the development intervention i.e. the strategic drivers in the company. The ability to accurately convert the results of the development programme into financial benefits will prove difficult but engagement with all stakeholders in order to secure a fuller picture will assist. These may include sales, quality and response times but they should not be taken in isolation. The isolation of effects of the leadership development will present a significant challenge but by getting estimates from leaders involved will serve in enhance the credibility of any subjective analysis

that is undertaken (Garavan et al 2009). One metric can be used to determine leadership efficacy is employee engagement.

2.12 Engagement

Leaders role in employee engagement is crucial , they need to recognise that power and influence that they have and how it impacts those around them. Towers Watson global workforce survey (2008) showed that high employee engagement resulted in a 28% growth in earnings per share and a 19% increase in operating income. From an individual perspective employees that are engaged are more likely to be satisfied in both their life and job, along with having better mental and physical health (Schaufeli and Salanova 2007). This translates into lower intention to leave the company (Schaufeli and Bakker 2010) and higher organisational commitment than non-engaged employees (Schaufeli et al 2008).

Lawler (1969) described three characteristics that help to motivate employees are; feedback employees should be able to give and receive genuine constructive feedback. Ideally they should be able to evaluate their own performance. Their job should make the most of their abilities they value to perform their role effectively. The philosophy should be everyone has the ability to succeed and the aim being to achieve extraordinary results with ordinary people. They should also have a high degree of autonomy in their goal setting and be able to define the paths to these goals (Armstrong 2008). An engaged employee is someone who is aware of the business context, and works closely with colleagues to improve performance within the job for the benefit of the organisation (Bevan et al 1997). A key element of engagement is the use of honest, open and transparent communications, the ability to give a message that can be either bad or good, in a timely manner. When two-way communication breaks down the trust will also (Whitener et al 1998). However, in a change programme, the idea of employees being able to give feedback on the changes they may not agree with could be counterproductive to gaining buy

in from all employees on the new vision. This can be particularly be an issue were a comment section is placed below a company announcement on the staff intranet or in an online company chat forum.

2.13 Communications

Leaders need to be able to effectively communicate strategies, proposed changes to work practices, terms and conditions, structure and policy changes of an organisation. Employees also need the opportunity to communicate upwards their comments and reactions to what is proposed will happen or what is happening and how it affects them (Armstrong and Taylor 2014). A variety of communication methods, should be used from face to face and town hall sessions to staff intranet, as well as written communications via email and letter. The strategy for communications will provide for what information the organisation wants to make available and how it provides it (Armstrong and Taylor 2014). The holding back of information can result in breaches of trust if not managed carefully.

Consideration of the work environment culture and creating a positive attitude to work by treating employees fairly, recognizing their value and providing support can help employees treat customers the same. Open, honest communications is essential for this to happen (CIPD 2013). In order to build trust, according to (Whitener et al 1998 and Gillespie and Mann 2004) leaders must communicate in a method that uses accurate information, explains decisions and openness and communicates a shared vision. The performance management process can also help with this, whereby managers can look for employees to demonstrate not just what they do but also how they do it (Armstrong 2008). Opportunities to contribute should not just be via a formal consultation process but also through a work environment that encourages employees to have their say and that management set up tasks forces to look at contributions from employees and implement any new initiatives where possible.

The importance of communication to explain, engage and commit people to the programme cannot be understated. The role that leaders can also play is to ensure that employees are fully engaged in the design and implementation of the change. Communications is a vital part of a change management programme to increase commitment and generate trust (Armstrong and Taylor 2014).

2.14 Conclusion

People leaders are regularly put into situations where they must show a range of skills to deal with day to day and large scale challenges. The style they adopt will depend on the situation they find themselves in. Most academics believe that there is no one style / approach that fits all and in the context of a major transformation programme that is very much the case. Leaders need to realise the power and influence they have upon their followers, and as such they will face a variety of challenges in their roles. These can be personal and work related. The ability to be self aware and apply self regulation is vital in the transformation of any business. The need to inspire people and get buy in to the new vision will take trust and motivation of employees. Leaders who can do this whilst being empathetic, remaining assertive and focussed on the outcomes required will thrive when they are faced with situations of uncertainty. For these reasons resonant leadership which incorporates emotional and social competence, could be considered a key attribute for any company facing a period of change, the ability to attune to the needs of the people around them whilst they are clear about their values and can respond clearly and empathetically in the moment, even in the face of opposing views coming from their teams. Through demonstrating commitment to values, they can inspire their teams with courage, and create hope through their vision. Communication, culture and engagement are all of significant importance when turning around a business. Communications that is honest and transparent can help to remove uncertainty and build trust amongst employees, this is especially

important as employee who do not trust their leaders will not attach themselves to any new company vision. Employees who are engaged will contribute more to a company, this should in turn lead to more positive financial results. Leaders do set the tone within a company and they can be at fault for undesired culture but they are also the ones who can change it through their words and actions.

The ability of leaders to use their social skills when working with employees during a period of change, to 'walk the talk' and demonstrate their commitment to their values may help to build buy in and raise engagement. Armstrong (2014) states, that many team leaders are appointed or promoted to their roles with some idea of what is expected of them but with little appreciation of what leadership skills they need. Leadership training should help enable leaders to focus on improving their ability to think strategically and avoid short wins for long term gains. This in turn should also see an improved standard of behaviour in leadership roles and consequently lead to the attainment of organisational goals. Boyatzis et al (2013) example shows the benefits of focusing on the person and their behaviours. For the researcher, this could be one of the most vital aspects of business transformation.

3. Chapter 3

3.1 Research Question

The researcher intends to answer the question

What was the role of leadership in the transformation of a failing Irish Insurance business?

The main objectives of this question are

1. To examine what were the leadership characteristics during the period of transformation
2. To establish if perceived leadership styles have changed as a result of the transformation
3. To investigate the impact of leadership training to raise levels of engagement and performance
4. To draw conclusions and to make proposals and recommendations for any future leaders on requirements for a successful turnaround of a business

3.2 Research Methodology

In this section the research methodologies considered will be identified and the preferred methodology to conduct the research chosen. A justification for the chosen approach will be given which will explain the advantage of the methodology over the other methodologies considered. The type of data collected will be outlined and the methods employed to analyse the data collected. The limitations of the chosen methodology will also be discussed.

3.3 Research Philosophy

According to Saunders, Lewis and Thornhill (2012) research philosophy is the predominant term that is related to the development of knowledge and the nature of that knowledge. Any research philosophy the researcher adopts contains key assumptions about the way the researcher views the world; these will underpin the research strategy and methods chosen as part of that approach. This has a substantial impact not only on what the researcher does but how the researcher understands what is being examined. There are three main ways of thinking about research philosophy, these are ontology, epistemology and axiology (Saunders et al 2012).

The above view is often challenged in that your choice of research is either positivist or interpretivist research philosophy. The research question is the basis for any research as it determines what the researcher addresses. Pragmatism argues that the key determinant of the epistemology, ontology and axiology you adapt is the research question (Saunders et al 2012). Guba and Lincoln (1994) who also share the view that questions of method are not as important as questions of paradigm, and that to choose between one position and another is unrealistic.

Ontology is concerned with nature of reality; the two aspects of ontology are objectivism, which is based on how social entities exist independent of social actors. The second is subjectivism which is based on understanding the meanings that people attach to social phenomena (Saunders et al 2012). Objectivists would tend to view the culture of an organisation as something it has where as subjectivist would view culture as something the organisation is (Smircich 1983).

Epistemology is what constitutes acceptable knowledge in a field of study. A resources researcher considers data that is real, this is data that you can observe and will lead to production of credible data. This data cannot be subject

to bias and therefore is more objective. This is embracing what is known as positivist philosophy. However, the feelings researcher is more concerned with feelings and attitudes as social phenomena have no external reality. This acceptance of an interpretivist philosophy. Interpretivism advocates that is necessary for any researcher to understand the differences between humans in our roles as social actors (Saunders et al 2012).

Axiology looks at what roles our values play in our research choices. The role the researcher's values play in every stage of the research is of great importance if the results are to be considered credible (Saunders et al 2012). The researcher will need to be conscious that at all stages of the research their values will be demonstrated. The fact that the researcher will conduct interviews suggests that they value personal interaction with participants more highly than those expressed in an anonymous questionnaire. Once the researcher is clear on their own values it should assist with what is decided to be appropriately ethical (Saunders et al 2012).

The researcher in this study, relates most to the feelings researcher and is more concerned with feelings and attitudes as social phenomena. This is acceptance of an interpretivist philosophy. The researcher believes that it is necessary for any researcher to understand the differences between humans in our roles as social actors (Saunders et al 2012). In making this decision the researcher exhibits axiology skills as honesty on values were required, it was apparent to the researcher that any bias here could impact on conclusions from data being demonstrated.

3.4 Research Approach

The research approach can involve the process of deduction, which is the development of a theory that is subjected to a rigorous test and induction which is building theory. According to Robson (2002) there are five consecutive stages through which deductive research will develop. The five are listed below as:

1. Deducing a testable proposition between two or more concepts from theory
2. Expressing how the concepts are to be measured which propose a relationship between two specific concepts
3. Testing the concept measurements
4. Examining the outcome of the inquiry
5. If required, modifying the theory in light of the findings

A key characteristic of deduction is generalisation and in order to generalise statistically about consistencies in human social behaviour it is necessary to select a sample size of sufficient numerical size that lends itself to be measured quantitatively.

Induction is about building theory, it collects data and the theory is developed as a result of the data analysis. Social science researchers tend to be wary of deduction approach as they allowed for a cause-effect link to be made between variables without an understanding of the way in which humans interpreted their social world (Saunders et al 2012). Followers of induction would also be critical of deduction because of its nature to construct a rigid methodology that does not allow for alternative explanations of what is happening. Developing that understanding is the strength of induction. The inductive approach is likely to be concerned with the context in which events were taking place, therefore a study of a small sample of subjects may be more appropriate than a large sample approach (Saunders et al 2012).

The researcher decided upon an inductive approach, due to the belief that any data being collected required an understanding of the way in which humans interpreted their social world (Saunders et al 2012). It was also important for the researcher to try to allow for alternative explanations of what is happening in the company the research was taking place in.

3.5 Research Design

The research design is crucial to how the researcher will go about answering the research question and sub-objectives. An exploratory study will look to find new insights into what is actually happening, it can be particularly useful in clarifying the precise nature of an issue. The principal ways of conducting are literature research, interviews and focus groups. Its main advantage is that it is flexible and adaptable to change (Saunders et al 2012). Descriptive research tries to depict an accurate profile of persons, events or situations (Robson 2002:59). This can be an indication of or an extension to a piece of exploratory research. It is necessary to have a clear picture of the phenomena on which you wish to collect data prior to the collection of data. Description in management and business research has a very clear place, it should however be thought of as a means to an end as opposed to an end in itself, this means that the research project utilises a description that is likely to be a forerunner to an explanation. Explanatory research places emphasis on studying a situation or issue in order to explain relationships between variables (Saunders et al 2012).

The research design the researcher adopted was an exploratory study, by looking to find out exactly what was the role leadership played in the transformation of a failing Irish insurance business. The researcher had hoped to gain new insights into what the leaders within the business actually done and what issues they faced. By having flexibility and adaptability it would allow for the researcher to probe any unexpected phenomena that they came across.

3.6 Research Strategy

The main research strategies are experiment, which seeks to study causal links between variables, survey which looks to collect large amounts of data and is mainly associated with deductive approaches, next is case study which is a strategy for doing research which involves an empirical examination of particular contemporary phenomenon within its real life context using multiple sources of evidence according to Robson (2002:178). Action research is a strategy that involves researchers in the process from the opening design of the project through data collecting and examination to final conclusions and actions arising out of the research. Grounded theory involves theory building using a combination of induction and deduction; it is helpful for research to explain behaviour. Ethnography is an inductive approach that seeks to explain the social world the research subjects inhabit in the way that they describe and explain it, and finally archival research is a strategy that makes use of administrative records and documents as the principal source of data. These can be used in combination in the same research project (Saunders et al 2012).

The researcher decided upon a case study basing their research upon an actual event that took place in the company the research was carried out in but also using the grounded theory strategy to establish the role of leadership during the transformation period. The researcher chose not to use experiment due to the nature of data collection and the use of an inductive approach but also against ethnography due to the time restrictions involved.

3.7 Research Choices

The terms quantitative and qualitative are widely used in business and research management to differentiate between data collection techniques and data analysis procedures. Quantitative is mainly for data collection or analysis that generates numerical data whereas qualitative is a data collection or analysis technique that generates non-numerical data (Saunders et al 2012). The

research choice can contain either multiple methods which can consist of both or mono methods, which consist of singular method to analyse data. Questionnaires are often associated with quantitative and interviews with qualitative. Each of these methods have their own strengths and weaknesses, Bryman (2007) found that researchers are likely to be influenced by a number of factors, amongst them commitments to particular methods, expectations of those likely to form the audience for the findings and methods the researcher is comfortable using.

As the researcher had outlined above their philosophy and approach, the researcher wanted to ensure that if they were to follow a qualitative approach, they had to be sure that this method was appropriate. Yin (2003) points out that the analysis of qualitative data should not be seen as an easy option as it is a demanding process. Many researchers draw a distinction between qualitative and quantitative, with qualitative data providing the opportunity to explore the richness and fullness of the subject in as real a manner as possible (Robson 2002). Qualitative data is based on meanings expressed through words, by exploring the concept of leadership with participants in a real life event this could be essential. Quantitative research may fail to gather the insightful data on leadership that qualitative can by the researcher asking probing questions. Quantitative is primarily based on meanings derived from numerical data and this method would not provide the rich insights the researcher was searching for. For this reason the qualitative method was chosen.

3.8 Secondary Data

The researcher decided that reanalysing of secondary data, data which has been collected for another purpose (Saunders et al 2012), would prove invaluable in helping to validate and prove reliability of data obtained through qualitative methods. The researcher had access to employee engagement surveys from the period of 2011 to present day. These surveys contained data that measured leadership as part of the overall survey. The surveys themselves

were administered by a third party provider and every employee in the company was sent a link to complete, with the exception of those absent from work due to long term sickness. All surveys were completed anonymously by employees and were kept strictly confidential by the third party provider.

3.9 Research Population and Sample Size

The environment in which the research is based is a company in the Irish insurance industry that has recently gone through a significant downsizing. The research population the study was defined by the number of people leaders in the company during the period of 2011 till 2015. The ten people leaders selected was based on purposive sampling, this is sampling that the researcher believes will provide the best information for the research. The sample were chosen based on the criteria that they were impacted by the critical incident, present in the business during the transformation, they were people managers and that had seen their team size reduce as a result of the transformation. The secondary data used was based on responses by all employees in the company to annual employee engagement surveys. These surveys were administered by a third party provider and covered all of Ireland.

3.10 Research Time Horizons

The research represents a moment in time in the company. Many cross sectional studies take place over a short time due to time constraints. This cross sectional study used qualitative methods of interviews conducted over a short period of time and the use of secondary data that gave a snap shot of employee sentiment towards the business and its leaders annually from 2011.

3.11 Research Techniques and Procedures

The researcher used semi-structured interviews. The use of interviews can help to gather valid and reliable data which are relevant to the research question (Saunders et al 2012). The researcher tried to give the participants as much notice as possible before the interview. Each participant was met prior to the interview and was given a brief overview of the study being completed by the researcher; this helped the participants to feel comfortable when the moment came to sit down with the researcher at the pre-arranged time. The researcher explained that they would remain anonymous and that the company would also be anonymous, this helped to allay any fears they may have had about speaking openly.

The research contained interviews with people managers ranging in seniority from team leaders at level C to senior managers at level F. The advantages of carrying out semi-structured interviews were it allowed the researcher to be flexible and adaptive, observing of body language, probe responses and investigate motives and the ability to clarify responses; it also allowed the possibility of exploring data that may be complex or open-ended. The researcher carried out interviews to gain qualitative information to build insights available from employee survey scores during this time period. The gathering of data via two methods of collection, this is known as triangulation. Triangulation is the use of two or more independent sources of data or data collection methods to corroborate research findings within a study (Saunders et al 2012).

Two trial interviews were held to establish themes and any important issues that could arise. These trials also helped the researcher to fine tune their questions and interview style. Insights gained from the two trials led the researcher to the decision not to record the interviews but to take notes at each interview. All participants in the trials and in the sample group upon contact had expressed some slight hesitation with use of recording devices and upon contacting the sample group before meeting, all expressed a preference not to be recorded.

The interviews ranged from 25 minutes to 60 minutes in length with transcribing taking on average 1.5 hours per interview. The researcher had established with the participants that any clarifications could be sought and also that they would be able to review the typed and completed interviews for their final sign off. The researcher was conscious of their own bias and concerns, so took care to ensure that they did not impact the research. This was done through the phrasing of questions and the affirmation to each participant before every interview that all information would be gathered solely for the use of the study and for nothing else, any issues that may arise related to work would need to be addressed separately at another time, date and location.

Once the data had been typed, the researcher interacted with the data by reading through each response, underlining and highlighting areas that the researcher could identify with key themes. The researcher asked the participants to give examples where possible to help form a narrative. Saunders et al (2012) describe a narrative as an account of an experience that is told in sequence indicating a flow of events that help the participant and researcher to establish the meaning.

The data was then categorised into pieces of data that were then subject to open and axial coding. In grounded theory according to Strauss and Corbin (2008) the disaggregation of data into open units is called open coding and the process of axial coding is the forming of relationships between categories. This categorisation helped to identify important themes and brought the focus of the research question into a new light.

3.12 Participant Profiles

A brief outline of all ten participants, all of which are people leaders from a personal and professional basis follows.

1. Male 46, senior manager level F, member of the senior leadership team, 5 years service, team reduced from 42 to 9.
2. Female 41, mid-senior manager level E, 22 years service, team reduced from 40 to 30.
3. Male 59, mid-senior manager level E, 41 years service, team reduced from 33 to 10.
4. Male 49, mid-senior level manager level E, 29 years service, team reduced from 35 to 28.
5. Male 59, mid level D ,13 years service, team reduced from 40 to 29.
6. Male 35, team leader Level C, 16 years service, team reduced from 14 to 7.
7. Male, 52 mid level D, 35 years service, team reduced from 18 to 6.
8. Female, 33, mid-senior level E, 12 years service, team reduced from 22 to 14.
9. Female, 35, team leader level C, 4 years, team reduced from 25 to 20.

10. Male, 37, senior manager level F, 4.5 years, team reduced from 86 to 33.

3.13 Limitations of the research

The limitations of the research arise due to all managers being located in the Dublin head office. Though some of the managers do have reports based outside of Dublin, the primary location for all managers is the head office. The research also had a split of seven men and three women. Ideally this split would have been 50/50 but due to various leave types along with the criteria needed for the study when the interviews were being conducted only three suitable female candidates were available. The non use of recording equipment also presented a challenge however, the ability to cross check all responses with participants mitigated this. The researcher also works in the company the research was carried out and initially this appeared to prevent the researcher obtaining useful data, however after assuring of confidentiality and non use of recording equipment this was over come.

3.14 Ethics

As the company the researcher carried out the research in will remain anonymous there is low risk of ethical issues. However, as the research involved the transformation of a failing business, through interviews it became apparent that competence and capability issues with certain role holders and sensitivities of those interviewed who were impacted by the change programme needed to be respected. The researcher ensured that the research did not embarrass or harm any of the research population and that all data was treated confidentially.

4. Chapter 4

4.1 Research Findings

4.1.1 Introduction

The previous chapter outlined the methodology that was implemented to conduct and gather data required to answer the research question and objectives. This chapter will look at the findings and bring them into context with the literature review.

To ensure the research was reliable, impartial and significant, the researcher took several steps to ensure that all participants had ample time to take part in the review and were comfortable with what was being asked of them. Prior to completing the ten semi-structure interviews, all participants were informed of the reason for the interviews, that all information about them and the company would remain anonymous and that any identifiable information would be removed, such as team names and specific services they were involved in. This helped to put any hesitations they had at ease.

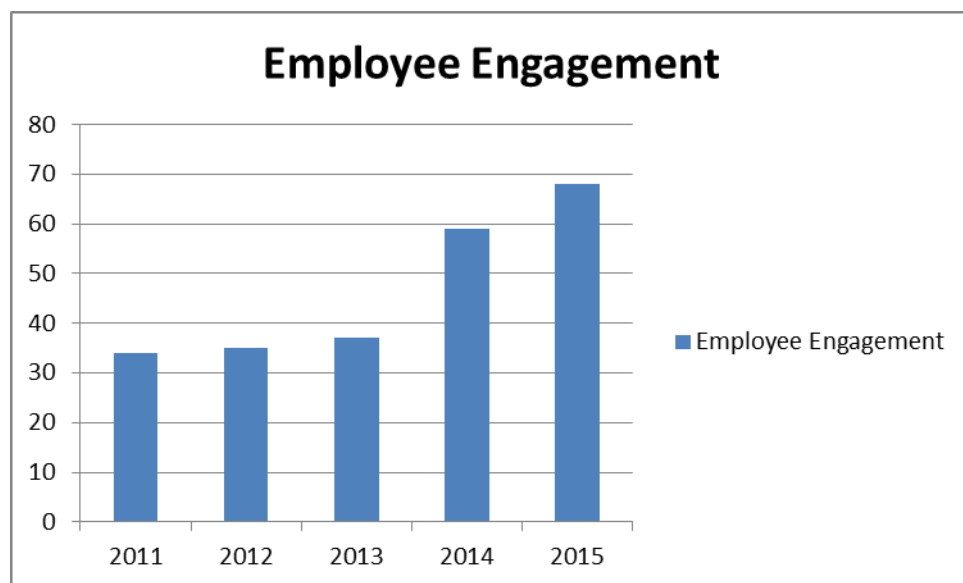
All employees had been through the transformation process as people leaders and they were all more than happy to share their thoughts. The research provided some useful insights and some thought-provoking disclosures from the participants.

4.1.2 Secondary Data results

The following data was collected for the company the researcher carried out in, a third party survey company. The researcher had access to employee engagement surveys from the period of 2011 to present day. These surveys contained data that measured leadership as part of the overall survey. All eligible employees in the company were sent a link to complete the survey, all surveys were completed anonymously by employees and were kept strictly confidential by the third party provider to which the company had no access.

The researcher selected survey questions and the results that most reflect the objective of the study on the role of leadership over the time period. Engagement is rated from 0-100%, the higher the percentage, the more engaged employees are deemed to be. The researcher used this information to help validate responses from participants.

Figure 4.1



The above graph, figure 4.1, shows the engagement scores over the period the transformation took place from 2011 up till 2015. Engagement is a key metric for any business as a company with high engagement results in higher growth and an increased operating income as outlined the Towers Watson workforce survey (2008).

Figure 4.2

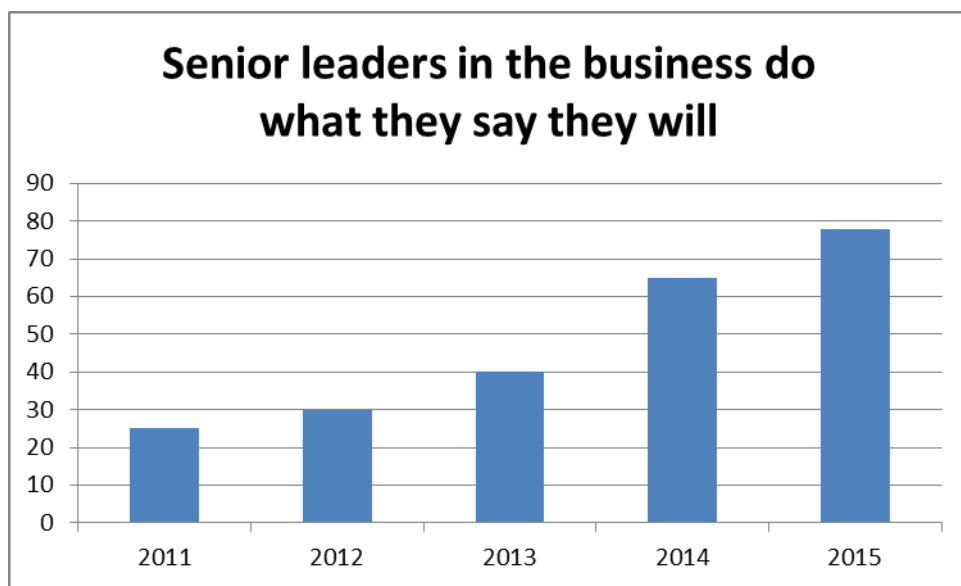


Figure 4.2 shows how employees felt about leaders, doing what they say they will in their business over the transformation period of 2011 until 2015. Leaders who display behavioural integrity, consistency between words and actions is a key method of building trust (Gillespie and Mann 2004).

Figure 4.3



Figure 4.3 shows the role of leaders in communications with the employee and the perceived way they communicate with their colleagues. Communication is extremely significant in any change programme and leaders need to ensure they do so by being accurately and transparent in order to gain trust (Gillespie and Mann 2004).

Figure 4.4



Figure 4.4 represents how leaders hold employees accountable for how they behave in the workplace during the transformation of the business from 2011 until 2015. This is significant, as it helps to create trust and shows employees that everyone will be treated fairly. Dietz and Gillespie (2011) and Searle and Skinner (2011) state trust leads to higher engagement, operational efficiencies and increased individual, group and organisational performance.

Figure 4.5

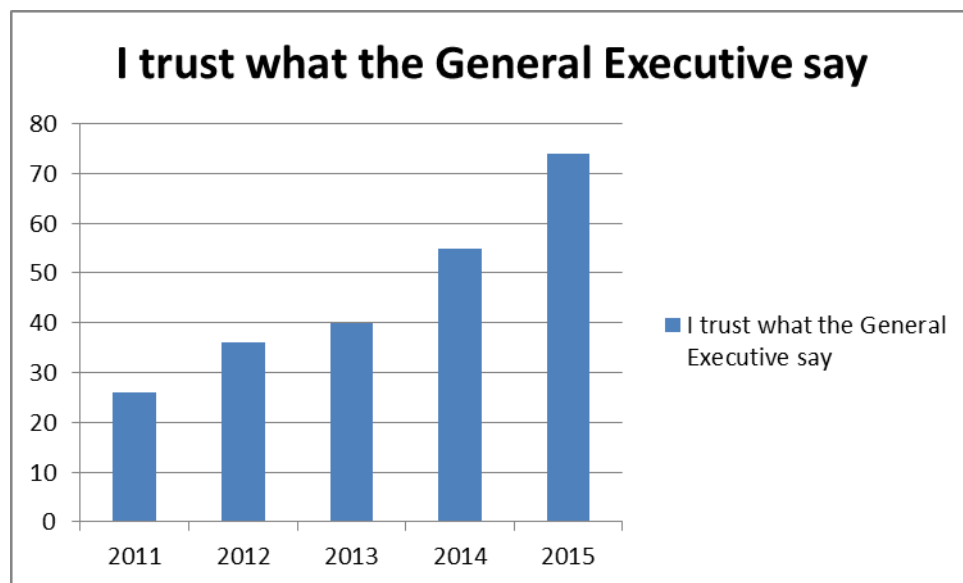


Figure 4.5 shows how employees felt regarding the trust of what the General Executive had to say. Dietz and Gillespie (2011) and Searle and Skinner (2011) state trust leads to higher engagement, operational efficiencies and increased individual, group and organisational performance as well as a positive work atmosphere and co-operation on problem solving.

Figure 4.6



Figure 4.6 shows how employees felt regarding leaders developing their ability to do their job better. Development is something that leaders could influence, by either up-skilling or involvement in work previously reserved for one person or by granting autonomy to employees to carry out their day to day role along work on projects that may help to stretch the employee's abilities.

Figure 4.7

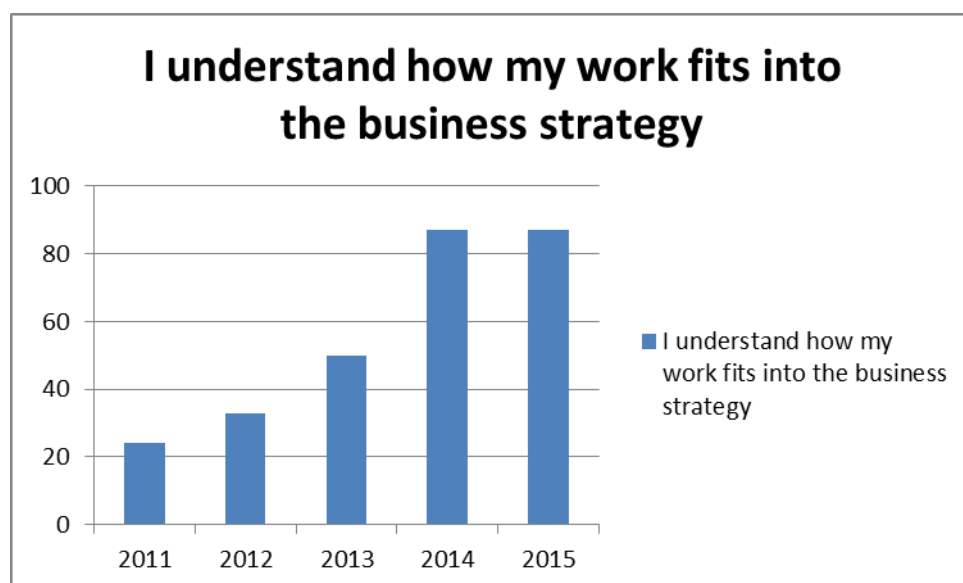


Figure 4.7 shows how much employees understood how their work fit in with the business strategy during the transformation period of 2011 until 2015. This extremely important as in order for employees to understand how their role fits into the overall vision of the company will require leaders being able to create this vision and communicating it successfully (Adair 2003).

4.2 Participant Questions

Each participant was asked the following open ended question – *As people a leader, what characteristics did you feel were most important in your role during the transformation process in the business?* Participants were then asked a series of prompt questions , to ensure continuity across all interview sessions.

A reminder of all ten participants, all of which are people leaders from a personal and professional basis follows.

1. Male 46, senior manager level F, member of the senior leadership team, 5 years service, team reduced from 42 to 9.
2. Female 41, mid-senior manager level E, 22 years service, team reduced from 40 to 30
3. Male 59, mid-senior manager level E, 41 years service, team reduced from 33 to 10
4. Male 49, mid-senior level manager level E, 29 years service, team reduced from 35 to 28
5. Male 59, mid level D ,13 years service, team reduced from 40 to 29

6. Male 35, team leader Level C, 16 years service, team reduced from 14 to 7
7. Male, 52 mid level D, 35 years service, team reduced from 18 to 6
8. Female, 33, mid-senior level E, 12 years service, team reduced from 22 to 14
9. Female, 35, team leader level C, 4 years, team reduced from 25 to 20
10. Male, 37, senior manager level F, 4.5 years, team reduced from 86 to 33

4.3 Findings from the Research

4.3.1 Leadership Characteristics

As a people leader, what characteristics did you feel were most important in your role during the transformation process in the business?

All the participants felt that honesty and openness were key characteristics they needed to demonstrate as leaders going through a transformation programme, in order to gain the trust of their employees, this was important for them as they recognised that work still needed to be completed and in order for this to happen employees needed to believe what they were being told. At the time of transformation trust was at an all time low of 26% in the General Executive team (fig 4.5) and employee engagement for the company sat at 34% (fig 4.1). In order to address the issue the majority of participants increased their communications to their employees, not only to deliver news on the progress of the transformation programme and the results of redundancy selection process but also to dispel rumours that may be circulating in the team or business area. According to Gold, Thorpe and Mumford (2010) leaders need the ability to analyse and read situations to establish order and clarity in situations of

ambiguity. They believe that leadership requires a sense of purpose and an ability to influence others, negotiate and express their views often whilst in the face of opposition. The ability to demonstrate empathy, resilience, self awareness and regulation were also apparent with several participants citing the need to appear calm and lead by example to motivate employees. This links directly to Goleman et al (2013) and the need for successful leaders to demonstrate emotional intelligence, via self awareness and regulation, empathy, ability to motivate and use superior social skills when dealing with employees. Decision making and the ability to be both reassuring and positive but also realistic were cited by several participants as key to their roles as leaders. As outlined by Whitener et al (1998) and Gillespie and Mann (2004) in order to build trust, you must demonstrate behavioural consistency and integrity, have open communication that shares the collective vision and display shared values. An engaged employee is someone who is aware of the business context, and works closely with colleagues to increase performance within the job for the advantage of the organisation (Bevan et al 1997). The result of these approaches by the people leaders can be seen from the year on year increases visible in figures 4.5 and 4.1 in the employee survey questionnaires.

4.3.2 Communication

How important was communication during the transformation period and did your method of communicating with your team alter in anyway?

All participants acknowledged that communications were vital during the period and the majority, 60% of them stated that they did alter their methods of communicating with the teams, the remaining 40% believed they had strong communications methods already in place. The handling of the communications at the beginning of the transformation process appears to have been quite poor, the result of media leaks, rumours and ongoing speculation caused the people leaders considerable strain with their teams. All cited the importance of their communications either via team meetings, town hall sessions, informal team huddles and feedback to individuals. One leader points out that use of frequent communications to senior stakeholders enabled them to instil confidence to release supplementary capital for the redundancy programme when additional redundancies were required. Several participants recognised the need to increase communications not only to inform employees of latest news in the transformation programme but also to dispel rumours circulating throughout the business. Figure 4.3 shows how employees felt towards their leaders communications with them and their colleagues. Communication is extremely significant in any change programme and leaders need to ensure they do so by being accurately and transparent in order to gain trust (Gillespie and Mann 2004). The mid to junior level leaders themselves at times found it frustrating not having the whole picture on the change programme in its initial stages, which in one case caused friction between managers and their use of regular communications.

One people leader felt that the use of third party contractors hindered some of the communications initially, producing large communication packs, that consisted of dozens of questions and answers were too onerous for employees to get relevant information from them, they felt it was their role as the leader to take the packs and get the relevant information from them to their team. Conversely another participant felt that the tight and structured format of the

communications was essential, to avoid any misunderstandings with employees in a 'anything you say, can and will be used against you' manner. All leaders felt it was their duty to deliver news, good or bad as promptly as possible. An interesting aspect that came from several people leaders was about managing expectations, cases where they informed employees they still had roles in the company but the employee wanted to avail of the redundancy package. They had to display empathy and self regulation in these situations, despite the fact that an employee keeping their role when many others were losing theirs, was being taken as bad news. As leaders they felt once they delivered the message, and allowed sufficient time for the message to sink in, they needed to be clear with the employees, that the decision had been made and that it was then time to focus on the future of the business.

Communication is a vital part of any change management programme (Armstrong and Taylor 2014) and by leaders using several methods of communicating they helped to rebuild trust, get team members to buy into the new company vision. The leaders ability to be honest, open, positive and realistic helped to set the tone for the company and re-engage their teams, as per engagement figure 4.1 on engagement shows, going from 34% in 2011 up to 68% 2015 and figure 4.3 showing a rise of 43% in communications over the same period.

4.3.3 Leadership Approach

Has the transformation programme changed how you lead your teams in the business, if so?

Eighty percent of participants believe that the transformation process has changed how they lead their teams, several noting they now have more participative style of leadership. They also have a cited that they are more likely to challenge underperformance now than in the past as seen in figure 4.4 where employees state that their manager now holds employees accountable for their

behaviour rising from 52% in 2011 to 80% in 2015. Driving business performance, creating a sink or swim analogy and changing the culture of a business are all key parts of any change programme and the leader is the most important element in this according to Schein (2010). Participants noted that it was vital for them to lead by example, get involved in the work and be straight with people. One senior leader stated that he now carries out duties that other leaders in his position wouldn't have dreamed of doing. Several of the participants noted that they now had greater focus on costs and sustainability, that as leaders it was important for them to think of the future rather than short term. One participant acknowledged, with new and better leadership from his manager in this area, improved his ability to give more autonomy to his employees has helped them to develop their own capability further. They went on to say they were experiencing poor leadership themselves at the time, and though they tried to shield this from their direct reports, it ultimately filtered down and impacted their roles also as any initiatives the employees came up with would be blocked or criticised by his leader and they would not happen. Development was a item that the leader could influence, by either up-skilling and involvement in work previously reserved for one person or by granting autonomy as the previous example sets out. Figure 4.6 shows the amount that leaders increased development of employees to help them do a better job in their role from 39% in 2011 up to 74% in 2015.

4.3.4 Benefit of Leadership Training

Do you feel that leadership training has helped in your role to date, if so how?

All participants believed that leadership training has helped them in their role in some shape or form. This ranged from the ability to deal with personal employee issues to the capability to have honest conversations, give feedback that is both positive and negative in order to drive performance within their business areas and help with aspiration goal setting. Figure 4.4 shows that employees felt their managers ability or willingness to hold employees

accountable for their behaviour, rose by 28% in the period 2011 up to 2015. This in turn led to employees feeling that senior managers would do what they say they would as per figure 4.2, increasing a huge 25% to 78%. Leadership training took place in group sessions amongst all people leaders of all levels, this allowed people leaders to share their experiences, Schein (2010) believes that group training sessions allow people to learn together the new values and behaviours associated with a change programme without fear of feeling out of favour with other colleagues. The ability of leaders to give feedback is an essential element of employee engagement. Engaged employees show higher organisational commitment (Schaufeli et al 2010). This appears to be inferred from the figures 4.3 shown on communication and figure 4.1 on employee engagement and the upward trend.

The training also led one participant to recognise that vulnerability was not a weakness and that sometimes their employees may have a better idea than their own. This relates to Goleman et al (2013) on emotional intelligence and the ability to recognise that though they may be the leader they may not always have the right answers. This self awareness allowed the leader to form a better relationship with some team members. The focus on goal setting in the training sessions also appear to have helped the majority of participants ensure their teams focused on bigger goals, the right goals for the business strategy. Boyatzis et al (2013) describe how resonant leaders encourage their followers to think bigger when talking about their goals, the target of the goal setting is bigger than just goals, and it is goals with a context of their shared purpose steeped in the bigger picture of the organisation.

4.3.5 Strategy and Performance

Do you feel that you and your teams know their roles in the wider strategy of the company and how their performance influences it?

All participants believed their teams know the strategy in some shape or form. The leaders used team meetings to continue to communicate the company vision, making it real for employees and demonstrating how the work their people carry out impacts the company financials. The survey of employees who know how their work fits into the business strategy rose a massive 63% from 2011 score of 24% as per figure 4.7 to 2015 score of 87%. This rise suggests that leadership communications and the focus on goal setting aligned to business strategy may have played a vital role in the company increasing its profits 80% since 2014. The ability for employees to understand the relevance of the company strategy is of key importance to all leaders, Adair (2003) describes inspirational leaders as being able to create an inspiring vision of the future and communicating this successfully. The leaders within the company had the role of making this strategy clear for all employees. Beer et al (1990) talk about fostering consensus with the new vision and the participants felt that by them meeting with and explaining the strategy to their employees it helped them to understand for example, why they would remove themselves from one line of business in order to pursue a more profitable one in the long term. However, several leaders acknowledged that some of their junior team members or fixed term contractors just don't have an interest due to their own priorities re: demographic / employment type and focusing on their day to day role.

The participants recognized, though the numbers of employees reduced, the work did not and they still had customers to serve through the transformation period. As leaders they knew they would have to work to motivate their employees, those going on redundancy and those remaining. This required emotional and social competence from the leaders in leading those remaining

and those going. The majority of participants felt the need to address any under performance and poor attitudes from team members as soon as possible. The reduced numbers of employees meant that all employees needed to be committed to the goals the company was trying to achieve. The leadership training appears to have assisted with some of these conversations, enhancing the capability of leaders to have difficult, honest discussions but it also enabled them to give positive messages and recognise contributions by employees. The leaders needed all employees performing, as part of this they also got involved in the work themselves. This is further evidence of the leaders 'walking the talk'. This work ethic was important for all employees to see as it would have assisted in making the vision and strategy that the leaders will have been communicating, real.

4.3.6 Future of the Business

Do you feel optimistic about the future of the business?

All participants with the exception of one, felt more positive about the business. The participant who did not share the same view as the other acknowledged however that they were having a bad day. The employee survey score, figure 4.2, reflects that senior leaders are doing what they say they will up from 25% in 2011 to 78% in 2015. The more leaders 'walk the talk' the greater buy in they get from employees on business strategy. The leaders the researcher interviewed appear through leading by example, strong communications, staying true to their values and using characteristics associated with emotional intelligence, to have got employees to become more engaged with the company strategy as per figure 4.1. They are working towards bigger goals which benefit the company, this is similar to the case study Boyatzis et al (2013). The optimism throughout the company seems to be down to the leaders in the business, in one part this is down to their communications on the strategy and vision of the business. The ability to gain acceptance to the new company vision

lies at the feet of the leaders within the business. One of the methods used was frequent communication sessions and linking the strategy to the day to day performance their teams carried out each day. Figure 4.7 shows the increase in employee's understanding how their work fits into the business strategy. This shows that employees understanding increased year on year up to 2015, with half year financials showing an increase in operating profits by 80% since 2014. However though the majority of leaders feel optimistic themselves, several participants express slight nervousness about what the future holds between the possibility of outsourcing and fear of repeating mistakes from the past.

4.4 Analysis of findings

The below findings will be discussed in relation to the literature review and in line with the objectives outlined in chapter 3. The employee survey results in the last section show that the responses from the participants corroborate with results expected to be seen in the employee surveys.

4.4.1 Characteristics

The announcement of the transformation programme caused huge emotional turmoil for employees. The fact that leaks were in the media and poor communications at the start of the programme caused mistrust amongst employees, this then required people leaders to try to win back the trust, even when they themselves faced uncertainty in their roles. This also caused distraction from the day to day running of the business with rumours circulating and causing further disruptions. The researcher found that all people leaders stated that openness, honesty and integrity were common characteristics amongst all people leaders. There was an emphasis on two way communications and the need to continue carrying out the business as usual, all in unusual times. The regular communications sessions appears, as per

figure (4.3) to both team and one to ones, to have helped to rebuild the trust and as *participant 1* states that without it, it would not have been possible to have under gone such a long journey of transformation had trust not been rebuilt. *Participant 4* felt that the level of honesty from the CEO in calling out what was wrong with the business, helped empower him and his team to perform their roles, he believes that this was a big part of the company share price doubling. Schein (2010) believes that culture and leadership are two concepts that are intertwined and if an organisations survival is threatened because elements of its culture have become maladapted, it is ultimately the function of leadership at all levels of the organisation to recognize and do something about this situation.

The ability to be self aware and self regulate their emotions also became apparent, *participants 3, 5, 8*, stated that they needed to be calm and to provide reassurance to their teams. As Schein (2010) states it is important leaders create psychological safety for employees during a period of change. *Participant 3* stated that he was gravely concerned but knew he had to put on a brave front for his team. Emotional and social intelligence as put forward by Goleman et al (2013) appears to have been a vital component for the people leaders, the self-awareness and regulation of emotions, the capacity to motivate and display empathy, this in turn helps to create resonance with others. The senior leaders *participants 1 and 10* , found the requirement to be decisive was essential and maintaining performance was key for all leaders. The ability to exhibit positivity was also important for leaders that employees embrace the changes, with *participant 1* saying they wanted to show the light at the end of the tunnel and *participant 9* was keen to show the benefits of the new company vision. The people leaders appear to have shown a depth of inner fortitude, resilience that enabled them to continue leading their teams in a period of uncertainty and the strength of their personnel values was extremely apparent in particular, *participant 3's* response to assisting employees leaving on redundancy to find work outside and allowing them to leave before the company was prepared too, taking the extra duties on themselves to ensure the employees did not miss out on these vacancies. They also noted there were

more social outings amongst his team during this period, which were important for people to vent and share their frustrations. The leaders all appeared to display the key elements of resonant leadership, mindfulness, compassion, shared hope, vision and emotional and social competencies.

4.4.2 Styles and Approaches

The styles adopted by people leaders vary, and all relate to the situation they found themselves in but there was no one style that people leaders used and as previously discussed many of the styles overlap. At the start of the transformation process Hersey and Blanchards (2001) telling style in the situational leadership model, was very apparent, from leaders giving high amount of guidance and direction to employees who were concerned about their roles. They appear to have adopted an assertive style reminding employees that work had to continue being completed and held regular briefing sessions on what would be the next steps in the redundancy process once they had the information. The transformational approach would have been expected but it appears to have stumbled initially due to the poor communication at the beginning of the process. Eighty percent of participants believe that the transformation process has changed how they lead their teams, several noting they now have more participative style of leadership. The researcher found it interesting some the choice of words used by *participant 10*, such as 'having a tighter grip' on his team, would led the researcher to think this manager's style would be closer to coercive style yet later on he outlines that he lets his team get on with their work, doesn't micro manage but expects them to get the job done.

Behavioural approaches in tandem with those above, in particular a resonant leadership style are very apparent with all participants. As McKee et al (2008) state resonant leaders listen to their people, inspire trust, they are clear about their values and can respond clearly and empathetically in the moment, even in the face of opposing views coming from their teams. Through demonstrating

commitment to their values, they can inspire their teams with courage, and create hope through their vision. The leaders used a combination of assertive and affiliate styles as outlined by Goleman (2000). The assertiveness came about from instructions on work to be completed, addressing rumours, confirming or denying redundancy to addressing under performance. The affiliate style was most apparent when dealing with those employees remaining in the company, participant 7 noted that he had to be conscious when dealing with both sets of employees, those remaining and those leaving, and focus on how to keep them all motivated. *Participant 9* acknowledged that she needed to be authentic with her team, and references that she tried to see the positive side of the situation and outline the benefits of the change programme whilst also being conscious to remain realistic. This ties with Georges (2003) theory of authentic leadership, which sees a leader's genuine desire to serve others through leadership. They are more interested in empowering employees and lead with a purpose that ignites passion, meanings and values. They build lasting relationships and as a result others follow them as they know where they stand, these leaders are consistent, compassionate and self-disciplined.

The majority of participants felt that as a result of the transformation process they had adjusted their leadership style, from a senior manager acknowledging that they now get involved in work they may not have before, to more cost conscious lower level leaders, and a senior leader who had adopted a more participative style. *Participant 7* recognised that the team is central to the work he carries out and how valuable all are members of the team are when the team size reduces. The participants all acknowledged how important communications were in the teams and that the majority of them increased how often and the methods of communication with their employees in particular *participant 4* who acknowledged that his communications had gone from zero to regular as a result of the change programme. *Participant 9* believes that it was a complete overhaul of how the entire company leads people due to all values and strategy being aligned.

4.4.3 Impact of Training

Leadership training was identified by all as having an impact on how each people leader carried out their role. Some found the impact big whilst others felt that it was only of minor benefit, but that ultimately any training provided was welcomed, *participant 3 and 7* noted that the fact training was taking place during that period was a positive message in itself and that *participant 9* felt there was more of a focus on people as a result on the training initiatives. Due to the length of service of some of the managers they had all been through some form of leadership training, though the delivery of the training was different, they felt themes of the courses remains mostly the same. The training modules that took place focussed on goal setting and performance management and they involved group sessions of people managers. According to Schein (2010), the use of group training sessions is important as cultural assumptions are often present in groups, this can help employees not to feel ostracised for learning new behaviours.

The behaviours that the training looked to increase and improve within the people leaders were strategic goal setting and to enhance the quality of performance conversations between people leaders and employees, both of which Watson and Reissner (2014) states are priorities for leadership development when financial budgets allow. This took place following a self reflection questionnaire and the use of role plays amongst the managers. Refresher sessions were then set up two months later and the linking of managers with one another to practice what they had learned. The essential elements of leadership development Bolden (2010) outlines that reflection, practice, self awareness, personal support, opportunities to apply learning and relevance to work. Self awareness and self reflection link directly with behaviours expected from resonant leaders McKee et al (2008). *Participant 8* also expressed that due to the leadership training, she learned, following self reflection, to become more vulnerable and this had helped her to deal with some difficult people in her team and become a better leader.

4.5 Discussion

Leadership remains a fascinating concept and the many approaches and theories all appear to have merit. The style of leadership may depend on the situation they find themselves in and the leader's ability to adapt to the situation. There is no doubt that the any major change process will cause disruption and how leaders deal with this will require a level of emotional and social intelligence (Goleman et al 2013) from all managers involved. The ability of people leaders to gain the trust, inspire and get employees to engage with the company strategy remains some of the most pertinent issues of leadership. Excellent communications are essential for any leader, be they good or bad messages, once employees believe what they are hearing from their leader they will follow them. All participants recognized the importance of communications and their role with it, first reassuring employees, as per Scheins (2010) psychological safety, to communicating the results of the redundancy selection, to sharing and gaining traction with employees on the new company strategy and vision. The ability to hold honest conversations with employees on performance further demonstrated the key role for communications plays in day to day leadership roles. Figure 4.6 ,my manager helps me develop to do better job and figure, figure 4.4 my manager holds people accountable and figure 4.3 my manager does a good job communicating with me and my team all show results trending upwards from 2011 onwards. This reaffirms what the participants had been saying through the interviews. From the participant who gave more of his employees the autonomy to try develop their own capabilities further, to the participants who stated that they wanted employees to know it was ok from the to make a mistake. It also shows that leaders were increasingly tackling under performers from the beginning of the transformation programme in 2011.

All participants felt that they had a good understanding of the company strategy and that they could see how the work they do impacts it, with the exception one.

This is not surprising considering some of them helped to shape the strategy and in fact would be worrying if they did not. These leaders played a key role in ensuring the vision of the company was fully understood by employees, though as there was a cross section of people leaders, some of themselves would have needed to be convinced along the way also. Figure 4.7, employee understanding of how the work they do fits in with the company strategy saw an increase year on year from 2011 onwards, is directly related to the leaders role in ensuring that the strategy is understood by all and links the increase in communications by leaders to their team as per figure 4.3. However, some of the participants believed that some of the junior members of staff may be paying lip service to the strategy and more concentrated on their day to day roles, in particular those on temporary contracts and also younger employees.

The alignment of their goals to the strategy and the use of leadership training were seen as a positive and appear to have impacted their team's performance. Improving leader's ability to think strategically and hold robust performance conversations should improve the standard of behaviour in leadership roles and consequently lead to the attainment of organisational goals. Performance was a key theme that participants spoke of. In particular, the need to address underperformance. Watson and Reissner (2014) highlight that performance management is a key area that businesses would like to improve on if carrying out leadership development. Goal setting was also covered in leadership training and setting of goals that stretch both the employee and their imagination of what they could achieve. All of these are vital components in any transformation programme. Boyatzis et al (2013) described how leaders encourage their followers to think bigger when talking about their goals, the target of the goal setting is bigger than just goals, and it is goals with a context of their shared purpose steeped in the bigger picture of the organisation. This is part of the fundamentals of resonant leadership.

Leaders who can interact and appear approachable to their employees will gain the buy in quicker than those who remain dissonant. McKee et al (2008) who described resonant leadership as listening to their people, inspiring trust, being

clear about their values and responding clearly and empathetically in the moment probably describe the majority of participants in this study. All of the participants had service of 4.5 years up to 41 years. These lengths of service undoubtedly will have seen the participants form relationships with their employees over the course of their employment. This may have led them to potentially making friends of theirs redundant over the course of the transformation period. Making decisions on redundancies would have taken strong emotional and social competence intelligence. The leaders will have needed to be self aware of their own and team member's emotions, their own strengths and weakness and self confidence in their own capabilities. Their conscientiousness in taking responsibility for their own performance will have been seen by their employees, as figure 4.2 shows, employees belief in senior leaders in the business doing what they say they would, steadily rose year on year from 2011 onwards.

The leader who understands the culture of the company will be better able to adapt their style when required to influence any change programme. Schein (2010) states that culture and leadership are two concept that are entwined and if a company's survival is threatened because elements of its culture have become rotten, it is ultimately the function of leadership at all levels of the organisation to recognize and do something to address this situation. Schein also believes that it is the leaders duty to provide psychological safety. Though change is ever present some stability is required, be that in the leadership team or in the work environment. As Lewins model (1951) discusses the freezing, unfreezing and refreezing of conditions when at the right conditions, *participant 2* when interviewed was particularly distant. The researcher tried to get as much information as possible and when they pushed it emerged that participant was experiencing more change in her area with announcements on impacts to roles, she appeared to look 'change weary' to the researcher. The researcher decided that it was best not push any further and was unfortunately unable to follow up with participant due to leave arrangements. As Higgs and Rowland (2001) point out, the need for change must be done by presenting the case for change and engaging with others to buy into requirement. Leaders need to create structural

change by ensuring that all employees understand the key issues faced by the business and are supported with a consistent set of tools and processes. Perhaps, communication has broken down and a clear case and vision has not been presented to the participant on this occasion.

This study has confirmed leadership is not only about what, but how leadership should be carried out. Leaders are the individuals that employees look to when things start to go bad. The leader's ability to handle this pressure and provide reassurance and transparent, honest communication are key skills, along with the ability for leaders to be emotionally and socially aware of the environment they are operating in. The participants in this study had an average employment service of 18 years, they have seen the best and worst of the company over this time and it helped them to keep focus on the future. Investment in people leaders through training played a key role within this study with some of participants citing that, even if it merely served as a refresher for the skills they have already, that investing in them showed them that the company took its people agenda seriously and had a positive impact at a time when all other costs were under scrutiny.

5. Chapter 5

5.1 Conclusion

Leadership demonstrated by participants in this study undoubtedly played a key role in the transformation of a failing Irish insurance business. The characteristics of openness, trust, integrity and strong communications clearly played a significant role. The values expressed by the leaders show a clear strength in their own personal beliefs. Though there was no one apparent style, the majority of participants fit the model of resonant leadership. Resonant leaders are in synch to their employees' needs and wishes. They helped to create conditions where their employees could excel, via autonomy, guidance, support and belief in what they are capable of. Resonant leaders express consideration to their employees and lead them in ethical, resonant ways (McKee et al 2008). Without these leaders and training sessions, any change programme would have failed. Over the course of the interviews it was quite apparent that the study carried out by Kavanagh and Ashkanasay (2006) on the effect of leadership and change management strategies which indicated that the change that occurs is a result of the strategy that is forced on the leaders themselves, this was definitely the case in this study but there was an acknowledgment by some of the leaders that it was required. Performance needed to improve within the business, employees were required to 'do more with less' and had they not had the leadership, that could gain their trust, motivate and inspire them, then the consequences could have been stark for the business. The leaders brought employees through the turbulent times using their own compassion, social skills, decisiveness and inner strength when even at times they themselves were potentially facing the prospect of losing their jobs. Companies should never lose sight of the fact that no matter what cost savings are required, investment in people is just that, investment. They will give your company the competitive advantage in times of transformation.

The leaders' ability to foster a collective vision for the future, through strong communications helped to ensure that employees knew why they were doing, what they were doing. The fact that this company was able to roll out comprehensive training sessions for employees, gives an idea of the financial strength of the parent company backing it. Most companies would have gone to cut the training budget at the first sign of financial troubles. That the company reinvested more money in its people, at a time when it was in the process of paying out redundancy costs to other employees demonstrated its commitment to its people and this was not lost on the participants. The researcher believes that future research is required on the impact that training in emotional and social competencies can achieve for leaders within an Irish context, given that studies are now being carried out in the United States of America.

5.2 Recommendations

The researcher in this study believes that as a result of the findings, companies going through a period of transformation should not lose sight of the need to invest in their people. Though companywide training sessions involving all levels of employees can help to generate positivity amongst staff, the obvious implications are that budgets will not allow this given the reason that they may be required to implement a change programme is down to reduced revenues. For this reason, the researcher recommends that investment in leadership training, with a particular focus on resonant leadership competencies and the new company strategy should be given to all people leaders, in particular those who operate in the customer facing areas. Resonant leaders can help to create conditions where their employees can excel and have belief in what they are capable of. In the midst of any change programme these qualities will be essential and fundamental to long term gains as opposed to short term wins.

The measurement of success of leadership development put forward by Bernthal and Wellins (2000) suggest using a set a lead and lag measures. Lead measures such as increased job satisfaction and engagement, increased

perception of growth opportunities and employees completing development plans and the percentage of participation in learning and development activities. The lag indicators of reduced turnover, talent retention, increased leadership diversity, increased performance related to strategic goals, lower external hires for key positions and a positive return on investment from action-learning projects.

As per table 1.0 below, if the revenue generated by a team that brings a product to market is €3m, with running costs of €2.6m, the profit is €400k – which represents 13%.

Table1.0

	Revenue	Cost	Profit	Percentage
Current year	3m	2.6m	400k	13%
Year 1	3.2m	2.7m	500k	15.6%
Year 2	3.3m	2.55m	750k	22.7%

Then in year one a fully loaded investment in leadership training initiative of €150k was introduced, you could expect to see the revenue and cost rise by €100k. The reason for cost only rising €100k, is you could see a reduction in turnover, sickness, recruitment costs and higher engagement in the team. This in turn can lead to better business focus with productivity metrics increasing and employees who are focused are less likely to make mistakes, which in the financial industry can lead to regulatory breaches and fines. The profit has risen to €500k in this model, which represents a 15.6% increase. Year 2 you could expect to see revenue rise again by €100k, but cost is lower at €2.55m now due to the reasons discussed above as well as the one off training investment cost no longer applicable. This then shows a profit of €750k, which due to the lower cost base gives a percentage rise of 22.7%

As Philips (1997) also points out, the ability to accurately convert the results of the training programme into financial benefits will prove difficult but engagement with all stakeholders in order to secure a fuller picture will assist.

5.3 Personal Learning Statement

The researcher in this study learnt several things about not only themselves but also about the company on which they carried out the research. Firstly the researcher learnt a lot about their own internal bias, through studying about learning philosophies the researcher became aware, through self reflection of their own views on the world and how they view issues in the workplace. The researcher then gained a greater understanding of the concept of emotional and social competence. Previously the researcher would have felt that these competencies were something that people either had or did not, in particular the emotional side. Through extensive reading and interviews with participants, the researcher feels they now understand more comprehensively the internal struggles that employees can go through whilst going through a significant change programme. The researcher also gained key insights from senior leaders and those with significant service on what matters most to them and the integrity that they needed to demonstrate when faced with such a massive change programme. What probably struck the researcher the most was the participant who allowed his employees to leave and take up employment elsewhere, despite the fact that it was putting him under more pressure in their role, but they ultimately just wanted to do the right thing by their employees. That act alone showed the researcher how important personal values and relationships were to them. Finally the researcher now feels they have a greater understanding of the methods of leadership and the theory behind it.

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8. Appendix

8.1 Interviews with participants

8.2 Question 1

As a people leader, what characteristics did you feel were most important in your role during the transformation process in the business?

Participant 1: Felt that resilience, trust, open and honest communications were crucial along with ability to outline the vision, present the positive view of the future. They also believed it was important that mixed feelings and uncertainty be acknowledged when dealing with employees. They believed that without trust they could not have got through the transformation process, give the length it went on for. Finally they believed that the ability to be decisive was vital

Participant 2: Stated that good communications, honesty, positive attitude and commitment. They were very keen to get information out as quick as they could, and believed it was their duty to allay fears, share details and remove rumours that staff got from others in the business.

Participant 3: Believed that communications and trust were vital and that they needed to appear calm to other employees despite the fact they were panicking inside. They felt it was their role to deal with facts not rumours and to hold regular meetings with their employees to dispel any of these. They felt it was important they support their employees even if that meant letting them leave the business before the plan allowed so they could get role externally.

Participant 4: For this participant it was honesty, they felt that there had been too much falsehoods coming from management previously and that a dose of reality was required for all, both managers and employees. People didn't believe the strategy. That now hard work would be required from all, only doing

work that added value. Empowerment given by both him to his teams and them to their direct reports, the ability to actually call things out, be enthusiastic, available and visible to his teams and having integrity all vital characteristics.

Participant 5: Felt as a people leader, that reassurance was most important. They did this by being honest and informing employees as much as they were allowed, from initial plans to final outcomes. If they got that part wrong it would come back to bite them. They felt they had to instill how important each person's role was the more the employee numbers decreased. That it was essential to address any dissatisfied employees as soon as possible.

Participant 6: Believed that it was important to be approachable, open, honest communications and fair. They stated that it was important to address any issues of under performance quickly, they needed all employees going in the same direction as though the employee numbers had reduced, the work load had not. A big challenge for them was maintaining service levels, as their teams workload increased.

Participant 7: For this participant integrity and honesty and open communication was most important. They needed to motivate employees who were staying, and keep those who were due to leave but without an exit date remaining focused was their biggest challenge. Balancing the communications between both of these groups was vital. Motivation was key as everyone was aware of what was going on both internally and our customers externally.

Participant 8: Felt it honesty, transparency, leading by example, flexibility and remaining calm. They believed that self awareness was very important as, their reaction to the changes would become their teams, any complaining they may have felt like doing would have seeped into the team. They also felt respect was required both to and from her managers and employees, especially when tough decisions had to be made and work still had to be done for the customer.

Participant 9: Believed that being positive and the ability to make the strategy real for the team members. They believed that good, open and honest

conversations were essential in order for them to get the buy in for change. That authenticity was crucial, being positive but realistic with people.

Participant 10: Stated that getting performance from their team was important, that maintaining business as usual was required and that any communications had to be clear and consistent for all stake holders both in Ireland and the UK. The ability to get the decision making right was crucial to ensure timely transition to end state model.

8.3 Question 2

How important was communication during the transformation period and did your method of communicating with your team alter in anyway?

Participant 1 found communication hugely important, they seen best and worst from communication during the transformation period. He stated that as a result of the bad communication, there was adverse reaction from employees and employee representatives, loss of trust, which impacted the change programme. Part of the issue he highlights is that the communications was being directed by 3rd party contractors, with communication packs being too big and onerous for employees to get relevant information out of. Communication then improved, he had already well established communication methods both informal and formal within his team so they always knew what was happening and when.

Participant 2 stated it was important and felt the media leaks created doubt amongst employees, caused trust issues for employees, but that she always made herself believable. They didn't really change their style as they always kept regular communication sessions. She did find it frustrating being unable to give information at times and also that other managers in her area became frustrated with her as she keep up her communications sessions.

Participant 3 stated yes, he felt he had to change his style so that it had a calming affect on his team and that they continued to get the work done. He adopted sympathetic style but that he also had to cut to chase, ask people what was on their mind and ally their fears if possible. They had more social outings at this time as a team, which helped some of them vent their frustrations though the company credit card was now gone to cover the cost of these. He felt a major of part of his communications in the change programme was to manage expectations of those who did and didn't get the severance package.

Participant 4 felt it was very important and that it should be transparent. He initially struggled with the many different mediums due to the locations of his teams, a mix of employees on the road and in different offices in the country. He did however endeavour to speak to them regularly and rely the messages he got from the top down, via face to face where possible. His own communications went from non-existent to really strong.

Participant 5 believed that the communications were pretty good though for period at the start they were bad, but that the same message came from both the company and the union. He found this comforting. He kept his communications open and honest with employees both formal and informal. He was straight with them once he had answers on who got redundancy and managed expectations. He also said that at times, though he was open and honest not everyone would listen.

Participant 6 felt it was really important and that he increased his meeting with the team. He said that when the media leaks were happening a lot of information was bad which impacted the engagement survey scores. Trust in senior management was impacted, it was felt they talked the talk but that was it. He believed however that once it put right, communications played a very important part in the turnaround.

Participant 7 found it to be very important and that he gave good news or bad news as soon as possible. The media leaks had caused a lot of issues, so he

had to do a lot of reassurance and manage the fallout of people not getting the severance package. He kept monthly meetings with the team but also made sure to have one to ones with those team members staying.

Participant 8 found the initial announcement quite challenging as the information was being drip fed to her. She now says that her communication style has changed in that she will no longer hold off telling employees any information she has. When the media was outside the building she recognised the fact that this was an unwelcome distraction but that they had a job to do so would hold regular meetings with them and get her direct reports to check on their teams. She felt her face to face communication was most important as it was good to talk about the reality of the situation with her team and they needed that.

Participant 9 believed for her communication be it good or bad was vital as she needed her team to trust her. She would lay out the realities of what lay ahead and be honest with them. She would discuss any big issues that came up in town hall sessions immediately after with team. Her own style didn't change, as she always followed her managers lead. They got together more, had more meetings, used facilities available for conversations with the team but it was never a tick box exercise.

Participant 10 found it very important, very structured and that his own style changed from informal huddles to structured sessions with the team. He outlined that due to some additional redundancies that came about, required regular communications with senior stakeholders in the group to ensure capital would be released and that it was important and that handovers and time lines could be adhered to. He believed the controlled, structured approach help to avoid any misunderstandings in a 'anything that you say, can and will be held against you'.

8.4 Question 3

Has the transformation programme changed how you lead your teams in the business, if so?

Participant 1 acknowledged that it had and that he is now more conscious of cost and sustainability, his thoughts now look towards the long term as opposed to a boom / bust cycle. He states that his new structure facilitates a more inclusive and participative leadership style as opposed to then old hierarchical one of previous. He believes that there is more transparency and cohesion due to the transformation programme. He points out that legacy issues have been addressed and that there is no longer any room for underperformance and poor attitude. He believes that the biggest tragedy of the transformation programme failure to adapt and foresee the issues coming.

Participant 2 states that she hasn't changed as a result of transformation as she has been in the company a while and that she always had structured communications and puts herself in their shoes.

Participant 3 believes he has not changed, but has learnt a lot about the people side to management. He states he his style always been to be straight with people and they trust and like him for that.

Participant 4 found that yes it has changed him, that the experience was another piece of the jigsaw to management. He learned that it was important to give good news as well as bad, and that though he may have not wanted to give some messages on performance, it was ultimately for the benefit of the person. He now has more one to ones than previously either formal or ad-hoc and that sees the important of all employees being informed and having the chance to give feedback.

Participant 5 felt that probably yes, and that this would also be due to him getting a new manager, which gave him more autonomy as his previous

manager was controlling and negative which would filter down to the team. Now he states he can give his employees more autonomy, to do things their way, which helps them to develop and to be positive. He states that some of them are now starting to realise their potential and that they are doing things better than him and he loves to see this. He believes that people shouldn't be afraid to make mistakes unlike it was in the past and that we learn from our mistakes.

Participant 6 states that he doesn't do much different, more regular communication, and tries to ensure that employees all understand the bigger picture. He also points out that he tries to take the pressure off his employees, for them not to be afraid to make mistakes, and that he tries to lead by example everyday, getting into the work, not delegating and putting in the hours.

Participant 7 found that it has made him more aware of the team role, how important the team function was and that you need committed employees despite what a capacity plan may tell you when annual leave or sickness occurs. He had to ensure he removed any key man dependencies and that this also led to better engagement with other areas of the business such as HR and IT. He now says that everyone has to roll their sleeves up and that you can't have one person doing one job and that his team needed to upskill to get to grips with other duties now required.

Participant 8 stated that it has and that she will now fight more for more information before speaking to staff and not just accept that, whatever she is told is as much as she can be told. Her focus on cost has also changed avoid any expense issues. She points out that the format of obtaining money for new initiatives requires robust business cases and money comes from a central unit and opposed to within her own team now.

Participant 9 stated that it had been a complete overhaul for her as they now have common goals, values to guide her and throughout the entire company which ensures all managers are aligned. She believes everyone thinks the same, and that she has more emphasis on people which is a huge difference.

Participant 10 acknowledges that yes it has, that due to him having less direct reports he has a tighter grip on his team, and that he now has a greater visibility of his team on how things are going. He believes that his leadership style is much more involved. He stated that now he finds himself doing things that other senior managers previously wouldn't have dreamed of doing. He states that he doesn't micro manage but lets his team get on with his instructions and expects them to come up with results. He says he doesn't care how they get the results once it gets done in the correct fashion.

8.5 Question 4

Do you feel that leadership training has helped in your role to date, if so how?

Participant 1 stated that it had really helped build capability within the management team, that he helped to create a higher performance culture and helped all to focus on their goals. He believes that it helped both with employee engagement and that it gave them the tools to address issues which had a big impact in the past. Training was carried out in group sessions with self reflection work before hand. He stated that employees wanted feedback, structure, investment and to feel like they are adding value and have a purpose of self, also the training fit in with the company strategy, it helped build resilience and gave employees the tools to get up and go again after the transformation.

Participant 2 felt that in the early years of her career it did help but that the recent training initiatives were too generic and did not address personal cases, diversity issues like parental leave and balancing the team versus business needs.

Participant 3 found that it absolutely had helped and that it was the recent sessions were great. He felt is really help to focus on goal setting as well as on people and feedback skills. He believed that the structure of the courses is

usually the same, but that you come away with parts of relevant information and add to your style as you go, that all these parts add up. He especially enjoyed the real world and group exercises and that it showed a consistency of approach to people management.

Participant 4 believes that yes it has and that at this stage he believed he had the tools in place in lead effectively. That the training sessions were timely reminders, and that even though the even though the methodologies changed , with the self reflection, the message was still the same. He felt the latest session really helped to call out underperformers, though he thought at times the personal sharing of experience was too much, he did feel that the goal setting sessions were excellent and that he got was surprised their was no negative feedback from his team.

Participant 5 had no doubt at all that it had helped him and that you'll always learn or pick up something new. He said the natural reaction to training would be 'on no I'll lose another day as I've so much on' but that it was worth it. He felt that although delivery of training was different, the concepts remain the same and that the training helped reconfirm what you know and reminds you to help address issues and recognise the good work employees do.

Participant 6 acknowledged that it helped and in particular a course he had done when he first became a team leader. This course had help to get used to speaking in front of people and that it also helped to deal with the harder aspects of the team leader role such a personal cases, dealing with the union and HR. He pointed out that people come to you with personal problems and that the recent sessions really helped with that aspect of leadership, helping to know your people.

Participant 7 believes that it has and it hasn't, that the sharing of personal experiences in the groups on dealing with similar issues he'd encounter was interesting but that it didn't have a dramatic effect on him. He did acknowledge

though the fact there was training was a positive message as opposed to a negative message coming out at the time.

Participant 8 felt that there was a lack of training when she first became a team leader several years ago. She stated there was a lot of work in people management but that the most recent training was good, it helped to refocus on feedback and reviews. It also helped her to know it was ok to be wrong sometimes, to be vulnerable, that previously she would get defensive but now will acknowledge when wrong and ask the other person how to fix the issue. She finished by saying that it has helped her with difficult people in the team.

Participant 9 believes that it had helped and that her own employees will have noticed a difference in the conversations she has with them. She felt it had given her the tools to phrase the more difficult conversations, that she has twenty in her team and that over the course of her conversations she has covered off most subjects.

Participant 10 felt that he would probably pick up 10% of the courses and use only 5% but that these all added up over the years and that it ultimately creates a different way of working, so yes over time. He went to say that some of the courses wouldn't be for him, like the goal setting sessions, he believes that he has on internal goal setting and doesn't need motivation to set challenging goals.

8.6 Question 5

Do you feel that you and your teams know their roles in the wider strategy of the company and their performance influences it?

Participant 1 stated yes and that this was one of the key things that had facilitated the turnaround of the business. He said the employees were now joining the dots and that once the strategy and communications were right employees would execute on it once they understand it. He believes that the building

blocks for success start with the people, that they no longer work in bubbles. He finished by saying that leaders have a big role in both the execution and delivery.

Participant 2 felt that it depended on what level the employee was at, that junior members on her team were more focused on day to day work and due to their age they were more concerned with the social aspects of work. She felt she understood the strategy and knew what she was doing but that it could change with new management and that they had no stability in the past.

Participant 3 stated that yes they know, particularly year as it came from the top down and it really clear what our objectives, our brand and strategy are. He goes on to say that some of lower level staff may talk the talk but they may be only paying it lip service. He then said he believes that the longer service guys understand it and see the relevance of it.

Participant 4 said yes and he believes that the communications strategy played a huge part as they were kept simple so people grasped what they were doing and could see the bigger picture. He said upon reviewing his teams goals they were a bit soft, didn't particularly challenge themselves and he asked them to review them, and that now 70% of his people were there now, all linked to the overall strategy.

Participant 5 stated yes and that most of time he feels like he understand though at times he can feel slightly unsure. He pointed out that he had been on the redundancy list but that he just kept his head down and continued on his day job, and that he was then removed from the list. He said that his team would be aware of the wider strategy but that he has a lot of temporary workers in his area, and that they only really seem to take interest when their contract is up for renewal. He also stated that a lot of his employees know that if they perform as expected their contracts wont be renewed.

Participant 6 felt that not whole lot but that his team are really performing and have stepped up. He believes that his team and so busy with the day to day that's all the concentrate on. He goes on to say that he has tried to get them of the bigger picture but also that some of the parts of the strategy are harder to put into place due to the amount of regulation.

Participant 7 states that there is a stronger understanding of the strategy than previous years. He feels that the company has done a good job communicating the vision and he has brought this into his team, though he acknowledges he sometimes has his doubts. He references the fact that the company closed the branch offices and feels that customers want the face to face interaction. He states that the strategy packs used to facilitate discussion with his team really helped, and the fact they spent three hours discussing the strategy was proof of this alone. He finished by pointing out their was no negativity on any sessions the company ran.

Participant 8 felt the area she works in, the strategy has really sunk in. She said they all now see how the fit in the bigger picture. The challenges she feels are with the longer service employees in particular with the risk agenda as they would be quite set in their ways, though they are slowly coming around. In her area she can see lots of growth and that helps make the strategy real. She still believes though that whenever there is any flip flop decisions can send mixed messages.

Participant 9 stated that yes as there has been a lot of work done on the strategy and that they know discuss how this impacts their daily roles an in turn they added these to the annual goals. She felt that this is the first year she experienced that. She points out the fact that they know the strategy, they know when their work will ramp up and why, this all makes it feel real unlike previously when they didn't have any information.

Participant 10 states that absolutely they do but that from the bottom up the challenge is to make the strategy as easily understood as possible. He says

that feedback loops and meetings all assist with this, they may struggle with some of the aspects of the financial metric but that it is vital they all understand it. He goes on to say that by understanding the strategy will help the team understand why they take some business decisions, such as why leaving one line of business is the right thing to do in the long term. He believes that his team know and understand the strategy and they know how their actions can impact on it.

8.7 Question 6

Do you feel optimistic about the future of the business?

Participant 1 stated he does as the business has a well defined strategy, an engaged and committed work force that has addressed its cost base more rigorously than their competitors. He points out that they have managed to retain and attract key talent and that this coupled with the economic recovery and the leaner more adaptable state the company is in gives them the advantage in the market. He felt that as the brand and franchise has come through intact and that employees don't feel like victims and are happy to work there. That the changes were eventually handled well and that now they can make decisions much faster and execute on them much quicker.

Participant 2 felt very nervous about the future as she believes the company is now just small dot in the wider scale of things. She goes on to say that she that she feels like they could be outsourced at any stage and as result of so much change, and additional duties that the work is no longer enjoyable. She points to the fact that they now have to do a lot more recruitment work themselves compared to previous. She acknowledges that the day we carry out the interview, there is more changes taking place in her area and that she is normally a lot more positive but today is a bad day.

Participant 3 stated yes, that for the first time in ten years, everything has changed for the better, from management style, morale, communications, training sessions – in particular the fact that all staff are included in these and he points out that now you also get more questions from the guys on the floor. He acknowledges that all employee questions now get answered but that they may not always like the answers. He finishes by saying that simple things like involving staff in recent initiatives and recognition are all very important.

Participant 4 stated that he does for the business as a whole but that he believes there is still some heavy lifting to do. He felt that those area getting the focus on automation and digital initiatives will fly but that older legacy IT systems still need to be addressed. He recognised that new recruits to the business were delighted to get the opportunity to work there but that a challenge will remain on developing them and keeping them in the business as they are so ambitious. He goes on to say that one of the new senior leaders has come in and brought their own people with them. When they initially on their own joined they leaned on the old managers there and it was good from an integration perspective but now their own people are in and he feels that the old managers are out and that he now gets information second hand. He stated that he doesn't want to see a return to the old ways and that honesty and communication were vital in the turnaround. He believes that it is important that company remains a rational place where people can voice their objections.

Participant 5 felt very optimistic and that there was a different vibe in the business and that there was optimism. He believed that the turnaround in the country coupled with the additional roles, 17 in Dublin alone, in the company at all levels reflected this. He states that the communication is much better and that all people leader styles have changed in the business and that the senior leadership team has made a huge effort in this and that he was glad they were looking at varying the communication methods as at times the town halls were becoming a bit overkill. He finished by stating that although the financial sector had gone through the mill, people still wanted to work in it and that the company brand is really strong and people really want to work there.

Participant 6 states that yes he does, that the company has been through tough times, they are working harder but that there is a lot more development opportunities and that there is a lot more hiring now. He then goes on to point out that the churn in CEOs did not help previously and that stability was required. He acknowledges that management has cut a lot of their own ranks which was positive as he always felt there were more managers than employees. However he then finishes by saying its not great seeing employees returning that the company had they had taken the redundancy package, and that more should be done to reward those who remained with the company. He states that the new salary scales in the company make it impossible for longer serving employees to get salary increase which he feels is not fair.

Participant 7 personally feels yes, that the move with UK branch of the company has strengthened us. He found that due to the branching they now have access to additional expertise and that the UK is now only involved when they need them as opposed to when the change programme began. He sees lots of growth in his area but that also presents challenges. He felt that at times we could take more risks and that senior managers should get involved in the day to day work so they can see the impact of their decisions. He finished by saying with all the extra work coming in they had got more resources which was positive and that it is important to highlight the good stuff happening.

Participant 8 felt positive about the future and with the new business plans. She points out that they are investing in the right areas of digital, systems and the change agenda. She finishes by saying that the additional recruitment campaigns bring confidence but that they'll always have concerns of out-sourcing as part of there migration which the UK.

Participant 9 felt very positive due to the amount investment in people, she seen this as a positive sign of taking employee seriously. She would have concerns regarding out-sourcing but not a pressing concern. She believes that morale has changed, no longer about roles going to the UK but now all about roles in

Ireland. She finishes by saying that the market is changing, the economy is growing and that it is a good sign they are investing in their people, with more emphasis on peoples development as opposed to keeping their head above water.

Participant 10 stated that yes he does, that actions they have taken in pricing has started to come through, that they took the hard decisions and removed the worst performing lines business. They are now growing their book of business only with profitable business. He states that expenses have reduced by 25% and the he acknowledges that the company has now removed a previous sense of entitlement culture, that it is all about performance now and has created a edgy environment where people are not afraid to challenge what they think it wrong and they will look to do what's right for the company.