



The Journey of the Change Story

Using Story to Navigate a Merger, 2007

Photo | Yarn patterns merge, by installation artist Pae White, South London Gallery 2013

The client:

Business Design Team of the newly merged government department, Her Majesty's Revenue and Customs (HMRC)

The challenge:

In 2005 a merger was announced between the departments Inland Revenue and Customs and Excise. It was common knowledge that these departments had very different internal cultures, with the Financial Times describing the merger as "mating the C&E terrier with the IR retriever". The merger would likely result in a headcount reduction of 12,500 people, with 2,500 deployed to frontline activities. Many of the new leaders came from the private sector and faced the task of unifying two public sector organisations that were rich in history and had slow staff turnover, ingrained cultural traits and strong financial and social remits. Faced with the vastness of this change journey, HMRC invited Sparknow to help at a key turning point. They especially wanted to assess how well the change was being communicated, and to identify barriers to change, as well as opportunities for improving effectiveness. What could get everyone moving in the same direction, towards a shared future?

The solutions:

Sparknow designed and ran a series of six workshops for 160 staff across three locations. The workshop design was flexible and responsive, allowing for a tailored approach to the priorities and objectives of different units. In various settings in the organisation, this might be about reviewing the effectiveness of the change communications process, engaging with employees' feelings around the merger and change journey, or evaluating barriers to achieving successful change. One group, for example, wanted to explore issues of morale, celebrate successes, and identify what had worked well in the past in order to carry these things into the future.

One of the merged teams was keen to share customer stories to see the similarities and differences between the teams that had come together. Another group wanted to build understanding between the employees of the merged departments, to find common values, and to discover what they wanted to take with them on the journey.

Notes on approach:

We worked with HMRC to:

- Open up a space of active listening where employees had a chance to share their opinion and views, vent their issues and be heard, enabling them to move on to the next stage of the change journey. This was in line with our research on applied neuroscience and the SCARF model, which you can read about in [Rewiring the Organisation](#).
- Build trust. By starting with a trigger story of "customers", participants were able to swiftly put behind them misperceptions, assumptions and suspicions between the different "tribes", and to begin to build new relationships across the newly merged organisation.
- Bring understanding to leadership. Workshop participants co-created stories – from the matter of fact to the fantastical. The best of these stories were used to communicate to senior leadership the frontline experience of the change in a vivid, even visceral way. These stories helped the Board to properly hear and engage with potentially uncomfortable truths about the change journey at the frontline. Insights included where resistance to change was highest, how it was triggered, and what was within the leadership's power to adapt, such that they could navigate the change *with* their employees, instead of *to* them.

Additionally, some immediate change opportunities surfaced during the workshops. For example, a specific process change emerged as one of the unintended consequences of the merger which was causing an immediate impact on customer service. And so as well as achieving their initial project aims, the client experienced additional benefits unforeseen at the outset.

"It sounds simple but we got the Executive Committee to listen and think about what the stories were telling them, which was very powerful. We were able to convey how employees were feeling. One of the messages we heard from the frontline was that these people had a lot of things they could tell us to help us create a very successful department, but they couldn't see the opportunities. They wanted us to listen to them. Since then we've been working to develop these opportunities at the frontline."

Client lead

Key to the success of this project was putting workshop participants in the role of storytellers. This empowered them to give challenging messages from the frontline of change back to leadership, in a way that provoked and engaged the Board, as opposed to antagonising and disengaging them. This approach is partly inspired by Hermann Hesse's story "The Dwarf", about a master storyteller:

"The [master storyteller's] story floated naturally and slowly from the balcony of the palace into the boat of the trader and drifted from the boat into the harbour and onto the ship and to the farthest spot of the world. It did not matter who his listeners listeners were. They would all actually imagine themselves on this voyage."

Hermann Hesse, *The Dwarf*

Key words:

Merger, culture, customers, internal communications