FUTURE 25%

PAST 25%

PRESENT 50%
Kotter’s 8 step change process

1. Increase Urgency
2. Build the Guiding Team
3. Get the Right Vision
4. Communicate for Buy-in
5. Empower Action
6. Create Short-term Wins
7. Don’t Let Up
8. Make it Stick

Creating a climate for change

Engaging and enabling the whole organization

Implementing and sustaining change

Carnegie, Jaques and Requisite Organisation:

a meeting of minds at Conzinc Riotinto Australia.

Organisational Change Management in the Australian Mining Industry

Organization Structure:
- Role Accountability and Authority
- Vertical Layering
- Cross-Functional Relationships

Organization Processes:
- Managerial Leadership Practices
- Felt Fair Compensation

People at Work:
- Individual Capability
- Talent Pool Development

Figure 1.3 Brunel University: Memorial to Jaques
Research on the theories of Elliott Jaques

- 91 PhD dissertations on Jaques’ organisation theory and 63 masters
- Research in Australia, Israel, Argentina, Canada, Sweden, USA and the UK
- Responsible for the term ‘mid life crises’ and ‘corporate culture’

(Craddick 2009, pp. 70-1)
A range of organisational change management models were evaluated

- change strategies of sample organisations: (Dunphy & Stace 1990)
- 7-S model: (Waterman, Peters & Phillips 1980).
- types of environmental organisational change models: (Nadler, Shaw & Walton 1995)
- eight steps to transforming your organisation: (Kotter 1996)
- enduring skills of change leaders: (Kanter 1999)
- three horizons change model: (Coley 2009)
- organisational hologram design process: (Mackenzie 1991)
- three step change process: (Lewin 1951)
<table>
<thead>
<tr>
<th>Step</th>
<th>Area Considered</th>
<th>Specific Areas Evaluated</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Establishing a sense of urgency</td>
<td>Examining market and competitive realities IDENTIFY AND DISCUSSING CRISIS, Potential crises or major opportunities</td>
</tr>
<tr>
<td>2</td>
<td>Forming a powerful guiding coalition</td>
<td>Assembling a group with enough power to lead the change effort ENCOURAGING THE GROUP TO WORK TOGETHER AS A TEAM</td>
</tr>
<tr>
<td>3</td>
<td>Creating a vision</td>
<td>Creating a vision to direct the change effort DEVELOPING THE STRATEGIES FOR ACHIEVING THAT VISION</td>
</tr>
<tr>
<td>4</td>
<td>Communicating the vision</td>
<td>USING EVERY VEHICLE POSSIBLE TO COMMUNICATE THE NEW VISION AND Teaching new behaviours by the example of the guiding coalition</td>
</tr>
<tr>
<td>5</td>
<td>Empowering others to act on the vision</td>
<td>GETTING RID OF OBSTACLES TO CHANGE Changing systems or structures that seriously undermine the vision ENCOURAGE RISK TAKING AND NON-TRADITIONAL IDEAS, ACTIVITIES AND ACTIONS</td>
</tr>
<tr>
<td>6</td>
<td>Planning for and creating short term wins</td>
<td>PLANNING FOR VISIBLE PERFORMANCE IMPROVEMENTS Creating those improvements Recognizing and rewarding employees involved in the improvements</td>
</tr>
<tr>
<td>7</td>
<td>Consolidating improvements and producing still more change</td>
<td>Using increased credibility to change systems, structures and policies Hiring, promoting and developing employees who can implement the Reinvigorating the process with new products, themes and change</td>
</tr>
<tr>
<td>8</td>
<td>Institutionalising new approaches</td>
<td>Articulating the connections between the new behaviours and corporate Developing the means to ensure leadership development and succession</td>
</tr>
</tbody>
</table>
John Paul Kotter is the Konosuke Matsushita Emeritus Professor of Leadership at Harvard Business School.

In *Leading Change* (1996) Kotter argues that companies must change if they are to avoid obsolescence. None have been really successful; many more have failed because they haven’t altered human behaviour. This is the job of the leader.

Rosabeth Moss Kanter holds the Ernest L. Arbuckle Professorship at Harvard Business School, where she specializes in strategy, innovation, and leadership for change.

Her strategic and practical insights have guided leaders of large and small organizations worldwide for over 25 years, through teaching, writing, and direct consultation to major corporations and governments.

Establish a sense of urgency
Create the guiding coalition
Develop a vision & strategy
Communicate the change vision
Empowering broad based action
Generating short term wins
Consolidating gains & producing more change
Anchoring new approaches in the culture

Research the Carnegie/Jaques Organisation Development (OD) intervention at Conzinc Riotinto Australia through the lens of Kotter’s 8 step Organisational Change process

Outcomes of the study

Linking study aims and outcomes to Kotter’s (1996) organisational change process
Establish a sense of urgency
Create the guiding coalition
Develop a vision & strategy
Communicate the change vision
Empowering broad based action
Generating short term wins
Consolidating gains
Producing more change
Anchoring new approaches in the culture

Chapter 4
Chapter 5
Chapter 6
Chapter 7 & 8
Linking study aims and Kotter's (1996) organisational change process

1. Establish a sense of urgency
2. Create the guiding coalition
3. Develop a vision & strategy
4. Communicate the change vision
5. Empowering broad based action
6. Generating short term wins
7. Consolidating gains
8. Producing more change

Chapter 4

i) identify the significant factors contributing to the establishment of the OD intervention project in 1979
ii) associate the linkages between the OD trial at the Woodland CRA mine and the go/no-go decision trigger for the project

Chapter 5

iii) analyse a typical OD implementation during at the Raw Materials Business Unit (the world's largest bauxite mine) at Comalco Weipa
iv) appraise the implementation of system leadership training and development following on from the Carnegie/Jaques' OD intervention

Chapter 6

v) expand on Stage 7 of Kotters model (producing still more change) to analyse the offer of salaried staff employment to the award workforce in the company’s Metalliferous mine and process operations
vi) develop a model for organisational change intervention in the Australian mining industry based on Requisite Organisation (RO) principles and Kotter’s 8 step change process
A year after his graduation from Oxford in 1957, Carnegie was at the top of his MBA class at the Harvard Business School, but he was bored and thinking about dropping out. The Dean introduced him to Marvin Bower from McKinsey, who gave young Rod the same advice Marvin had received 25 years earlier: if he dropped out of HBS he'd spend the rest of his life explaining that he hadn't flunked out. Bower - known as ‘the soul of McKinsey’- offered the young Australian a job as the firm's first summer associate.

I ‘spent 12 years working with McKinsey, seeing how the best enterprises in the world operated’.

(Alumni News 2003)
“A” Players hire A+ Players

Actually, Steve believed that a players hire A players – that is people who are as good as they are. I refined this slightly – my theory is that A players hire people even better then themselves.

It is clear though that B players hire C players so they can feel superior, and C players hire D players.

If you hire B players expect what Steve called “the Bozo explosion” to happen in your organisation.

Slivka 2013
Strategy and the ‘Punctuated Equilibrium’ Model

Corporations tend to follow a strategic orientation evolving through ‘equilibrium periods’

This equilibrium is “punctuated” by short bursts (triggers) of fundamental change known as ‘revolutionary periods’ (adapted from Hunger & Wheelen, 2011 p. 4).

Rio Tinto corporate activities timeline 1873–2012 adapted from (http://www.riotinto.com/aboutus/history.asp)
For future access to resources, we are looking beyond our current licence to operate and thinking about better ways of mining. With our Mine of the Future™ programme we are demonstrating improvements to mining processes that include unprecedented levels in automation, and remote operations that will revolutionise the way mining has been conducted for more than 100 years (Albanese 2008).
Top 10 Mining Companies

- Across the top companies, there was a cumulative 32% increase in revenue, a 72% increase in adjusted EBITDA and a 156% increase in net profit.

- New entrant: Coal India. Following its IPO in October 2010, it’s the largest new entrant.

- The big get bigger. They are also diversifying in other directions. For instance, some have begun exploring the benefits of vertical integration in an attempt to control the entire commodity value chain – from coal mining to steel production to power generation.

Source: Capital IQ.

Note: EBITDA: earnings before interests, taxes, depreciation, and amortization
Refreshing the Mining CEO level 2012/13

- Mark Cutifani is in the process of taking over Anglo American after Cynthia Carroll left in October (underperformance)

- Sam Walsh replaced Tom Albanese in January at Rio Tinto (underperformance)

- Andrew McKenzie at BHP Billiton will take over from Marcus Kloppers in May (culture change)

- Murilo Ferreira is less than 2 years into the running of Vale

- Mick Davis of Xstrata will leave once the merger with Glencore is concluded

- Anglo Gold is looking for a new CEO
2013

Thirteenth International Conference on Knowledge, Culture and Change Management
University of British Columbia, Robson Square
Vancouver, Canada
13-14 June 2013

RO User/Executive Conference
June 16-18, 2013
Atlanta, Georgia USA
(by invitation only)

Kotter’s 8 step change process and RO applied to the Global Mining Industry
Eight Steps To Successful Change - John Kotter

1. Establish a sense of urgency
2. Create a guiding coalition
3. Develop a clear shared vision
4. Communicate the vision
5. Empower people to act on the vision
6. Create short term wins
7. Consolidate & build on the gains
8. Institutionalise the change
The End