



Constant and changing values

Reflection as a valuable basis for real change

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Organisations in change

Change has been THE topic these last years. Packed in terms like »Change Management«, »Business Transformation« or »Learning Organisation«, transitions of organisations are seen as the highest art of management.

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Mission Statements

When the topic of conversation turns towards the mission of a company, the reactions are often very diverse and range from friendly interest to bored rejection.

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EDITORIAL

Loyalty

Mostly loyalty in a company is seen as a duty to be performed by the employees towards their managers. To perform tasks in a reliable, honest and at all times dutiful manner. Can loyalty be one-sided? A clear no: Loyalty is to be seen mutually in every human system – no matter whether in private relations or at work – meaning from bottom up and top down as well as on the same hierarchy level. This is the only way that loyalty can be lived: as a give and take, as loyalty and care, as right and duty, to the same degree and amounts. Loyalty in a company has to be nourished and supported. Forwarding of information, clarity in conversation, transparency in decisions, honest compliments for performed tasks and especially mutual valuation serve as the basis for a loyal cooperation. Discrimination, control or regulation prevent loyal behaviour. Loyalty comes only through enthusiasm and personal responsibility!



Veronika Tetter



Organisations in transition

Fear Is the Enemy of Change

Change has been THE topic these last years. Packed in terms like »Change Management«, »Business Transformation« or »Learning Organisation«, transitions of organisations are seen as the highest art of management.

Changes always trigger fears and resistance. To minimize these, to offer clarity and orientation, to consider psychological and economic factors in equal measure for the necessary re-organisations, to adapt the selection of intervening measures and their pace to the respective form of organisation – this is

Humanistic change management

After all, many things are at stake: The management level is undergoing changes, departments are being consolidated, services are being outsourced, and goal levels are being raised.

And preferably everything at once and immediately: But then failures are programmed and the disappointment about the absent synergy effects is bitter.

Because like a boat, all social systems tend to develop a heavy list after abrupt weight shifts. That is why it is so important that the »Change Manager« modulates his weights shifts very exactly – considering the size and construction of the boat, its technical and personnel equipment – and the sea.

Change management is a balancing act between the further development of the existing (changes of first degree) and radical, structural transition (changes of second degree).

An additional factor that is often underestimated was stated very clearly by Anton Obholzer, organisation consultant, psychoanalyst and manager of the »Tavistock Centers« in London: Every change triggers fear in a person. And out of this fear, resistance arises.

Those who have already been involved in change processes know what he was talking about: About resistances and powers that slow down and block the realization.

It is not enough to set goals and develop concepts. All interventions must take the maturi-



Franz J. Schaudy

ty level of the organisation into consideration.

Just like the hasty pulling of a string of a ball of wool inevitably leads to exasperating knots, changes that are performed too fast or too slow lead to the failure of every

change process, no matter how good the idea was.

Change management in the public health system

Nowadays almost no branch has more pressure to change than the public health system: public, private, denominational hospitals, clinics, outpatient clinics, care facilities...

Still, free access to medical care – independent of salary, social class and education – is one of our highest social values. The demand for best-possible medical care (for everyone), at simultaneously demanded cost reduction seems to be the square of the circle for many. The expenses for health amount to about 10% of the GDP and approx. 330.000 people, 77% of this number are women, are working in this branch.

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The financing structures of the public health system are being questioned and health is seen more and more as a cost and profit factor – as an economic branch; in the English-speaking countries people are speaking of health industry. Radical changes of paradigms are demanded or denied in emotional discussions. Everybody working in the public health system is under a lot of pressure.

This is why a move to new facilities, the restructuring of wards or even only the initiation of a new schedule system can lead to insecurity, de-motivation and lower performance. Extensive information, interdisciplinary meetings and clear, comprehensive decisions assure the quality of the organisation in that course.

Additional burdens – along with the psychologically and physically very demanding daily tasks – arise due to the specific structures of health organisations (»fragmented organisation structures«) and lead to extremely high fluctuation and burn out rates. The duration of professional occupation in the public health sector is rated at only 6 years from a pan-European viewpoint. Reforms, transitions and large-scale changes are inevitable in the public health system.

Franz J. Schaudy
Business psychologist

TIPS for change processes

- > Do not let yourself be fixed to a certain role as change manager. Restrict where necessary, and accelerate only if it makes sense.
- > As change manager, pay special attention to resistances and their cause: fear!
- > It is not enough to set goals and develop concepts. All interventions must take the maturity level of the organisation into consideration.

Literature: Anton Obholzer (1994). *The Unconscious at Work: Individual and Organizational Stress in the Human Services*. 1 edition. Routledge, language English

Mission Statements

Putting the Mission into Practice

When the topic of conversation turns towards the mission of a company, the reactions are often very diverse and range from friendly interest to bored rejection.

Almost every manager has heard of the importance of mission statements for a company once upon a time, however, way too many have not recognized the value in practical experience. For them, mission statements are a nice slogan on the wall that nobody reads and definitely nobody lives; which – just like the picture that has been on the wall next to the reception for years – is not even perceived anymore. Beyond that, the mission setting process only consumes time, according to some managers, which would be used much more efficiently for the value performance of the main task.

Theory or important for the practical experience?

Which significance do mission statements have for the entrepreneurial action? Scepticism is nurtured by a certain amount of confusion concerning the meaning and the content of mission statements. However, it is certainly no occupational therapy with solely theoretical value; many »great« practitioners have realized this for some time now. For example Jack Welch, the legendary CEO of General Electric, who has a completely different opinion: »A good mission statement and a good set of values are so real they smack you in the face with their concreteness. The mission announces exactly where you are going, and the values describe the behaviours that will get you there.«

If one follows Welch, the core of the issue is really the quality of the mission statement. This requires clarity about what one is actually talking about and which purpose the mission is supposed to fulfil. It is also important to clarify one thing: The journey is not the destination; the mission setting process is not the essential value, as it is accepted by some exasperated management advisors as fall back position. What counts and what is real-

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ly useful to the company in reaching its goals is a specific, practical and clearly (acc. to Welch) worded mission statement as well as its determined realisation.

Objectives for entrepreneurial action

So what should be contained in a good mission statement, how should it be worded? Above all, according to Jack Welch, effective mission statements should answer the question: How do we want to be successful in our business area? It therefore reveals objectives for actions within the company and mainly answers the following core questions:

- > What should characterize the company and the interaction within the company?
- > According to which rules do we wish to reach these goals?
- > Which behavioural standards should characterize the cooperation and communication within the company?



Gerald Karner

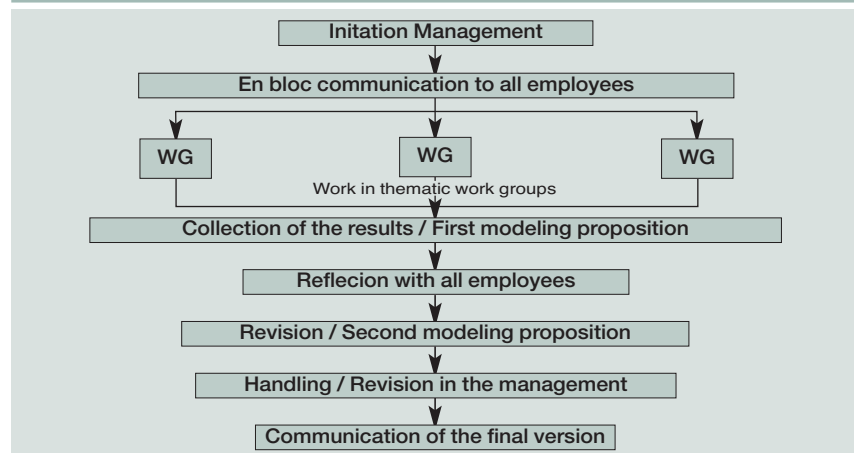
A good mission statement therefore offers clear definitions for the development of the company, which facilitate orientation for employees and decisions for the management. They create guidelines for the coordination of managers and employees internally, but also for the embodiment of the company towards the outside.

Mission setting process

In general, the process of developing a mission statement should include all employees, but be directed firmly and is mainly dependant on the character and size of the company. The bottom line is, and also here one should listen to Jack Welch, that »setting the mission is top management responsibility, and must not be delegated to anyone except the people ultimately accountable for it«.

Gerald Karner
Strategic Analyst
communications@hill.co.at

Example for a model process



Literature: Jack & Suzy Welch (2005). *Winning. The Ultimate Business How-to Book*. Collins, language English





HILL International

Austria | Graz Innsbruck Klagenfurt Linz Salzburg
Vienna | hill@hill.co.at
Bosnia-Herzegovina | Sarajevo | hill.sa@bih.net.ba
Bulgaria | Sofia | hill@hill.bg
Croatia | Zagreb | hill.international@hill-croatia.hr
Czech Republic | Prague |
administration@hill-praha.cz
Germany | Munich Wiesbaden | hillsg@hill.co.at
Hungary | Budapest Pécs Szombathely |
hill@hill.hu
India | New Delhi | india@hill.co.at
Kazakhstan | Almaty | office@hill.kz
Latvia | Riga | info@hill-international.lv
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Romania | Bucharest Oradea | hill@hill.ro
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Slovak Republic | Bratislava | hill@hill.sk
Slovenia | Ljubljana |
hill.international@siol.net
Switzerland | Kloten/Zurich |
office@hillinternational.com
Turkey | Ankara Istanbul Izmir |
office@hill-turkiye.com
Ukraine | Kiev | office@hill.com.ua

HILL Communications

Austria | Vienna | communications@hill.co.at
Bulgaria | Sofia | office@hill-c.com
Kazakhstan | Almaty | office@hill.kz
Romania | Bucharest | hill@hill.ro
Russia | Moscow | hill@hill-moscow.com
Serbia | Belgrade | hill@hill.co.yu

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1030 Vienna, Schwarzenbergplatz 7, Austria
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HILL International GmbH, Schwarzenbergplatz 7, 1030 Vienna, AUSTRIA
Phone +43 1 796 97 98-0, Fax + 43 1 796 97 98-12
E-mail hill@hill.co.at, www.hill-international.com

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Intercultural Competencies of Companies

HILL International supports the Austrian ICEP Initiative for economy, development and global poverty abatement.

The globalisation has intensified the economic relationships between European companies and developing countries. Companies are gaining more and more importance for emerging nations and developing countries from the economic as well as the social viewpoint.

The integration of social responsibility into the management-strategy is a challenge for every company – no matter which size. It is important to take the first step and support corporAID, just like HILL!

The corporAID Initiative:

> CSR – Corporate Social Responsibility is a priori theoretical, corporAID is practical. corporAID brings global poverty abatement into the horizon of Austrian companies

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and accelerates the CSR-discussion through information and networking.

> corporAID illuminates the positive contribution of companies active in emerging nations and developing countries and shows that it is possible for companies to find investment opportunities there that are useful to all. In the belief that economic development is the most important basis for poverty abatement.

> corporAID supports companies in expanding their CSR-strategy in a global dimension. For the long-term well-being of the people in developing countries, for the benefit of those who need it most.

> The corporAID Initiative stands for information, communication, realisation and mainstreaming of global social responsibility.

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