

Business Psychology in Practice

Edited by

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YSC Ltd

assisted by

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and

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Royal Mail

Association of Business Psychologists

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Contents

Contributors		x
Foreword		xix
Preface		xxi
Part 1	Consulting	1
Chapter 1	Introduction	3
	<i>Pauline Grant</i>	
Chapter 2	What clients want	6
	<i>Charles Mead, Rachel Robinson</i>	
Chapter 3	Make or break – structuring the initial meeting	13
	<i>Anne Hamill</i>	
Chapter 4	The consulting project lifecycle	22
	<i>Siobhan McKavanagh</i>	
Chapter 5	The consulting relationship	35
	<i>Mark Loftus</i>	
Chapter 6	Values-based consultancy	44
	<i>Sue Clayton, Trevor Bentley</i>	

Part 2	The organizational landscape	53
Chapter 7	Introduction <i>Pauline Grant</i>	55
Chapter 8	A fairy-ish story <i>Pauline Grant</i>	58
Chapter 9	Avoid being your own worst enemy! <i>Malcolm Hatfield</i>	66
Chapter 10	The political terrain <i>Kylie Bains</i>	76
Chapter 11	Team development – a case study based on 'appreciative inquiry' <i>Sarah Lewis</i>	88
Part 3	Prediction	99
Chapter 12	Introduction <i>David Thompson</i>	101
Chapter 13	Themes of measurement and prediction <i>David Thompson</i>	103
Chapter 14	Assessment centres: getting more bang for your buck <i>Simon Brittain, Rob Yeung</i>	113
Chapter 15	Technology and large-volume assessment <i>James Bywater, Helen Baron, Howard Grosvenor</i>	133
Chapter 16	Practical issues in running international assessment and development centres <i>Helen Marsh, Penny Markell, Ellen Bard, Mark Williams, James Bywater</i>	145

Chapter 17	High-potential talent assessment	156
	<i>Maria Yapp</i>	
Chapter 18	Assessment in organizations at the crossroads	171
	<i>Malcolm Hatfield</i>	
Part 4	Releasing talent	183
Chapter 19	Introduction	185
	<i>Sarah Lewis</i>	
Chapter 20	Releasing talent across an organization	189
	<i>Kate Oliver, Shane Pressey</i>	
Chapter 21	Teams: systems within systems	201
	<i>George Karseras</i>	
Chapter 22	Unleashing leadership and learning within an international bank	213
	<i>Ellie Boughton, Michael Burnett, James Bywater, John Mahoney-Phillips</i>	
Chapter 23	Releasing talent through coaching	221
	<i>Sue Clayton</i>	
Chapter 24	Why chief executives hire coaches	227
	<i>Janey Howl</i>	
Chapter 25	A case history of releasing talent through coaching	235
	<i>Christopher Ridgeway</i>	
Part 5	Business psychology applied to systems	241
Chapter 26	Introduction	243
	<i>Pauline Grant</i>	

Chapter 27	Best practice performance management in today's commercial reality	246
	<i>Nadine Burton</i>	
Chapter 28	The psychology of customer relationship management	256
	<i>Jo Hennessy, Rod Vincent</i>	
Chapter 29	Improving options for managing risks to business and employee health	269
	<i>Kieran Duignan</i>	
Chapter 30	Psychological principles and the online evaluation environment	280
	<i>Joanne Share-Bernia</i>	
Part 6	Organizational change	291
Chapter 31	Introduction	293
	<i>Pauline Grant</i>	
Chapter 32	Organizational change – an historical overview	296
	<i>David Thompson</i>	
Chapter 33	Using culture and climate profiling to drive organizational change	300
	<i>Paul Brewerton</i>	
Chapter 34	Designing and implementing strategic change programmes	322
	<i>Roy Drew</i>	
Chapter 35	The role of psychology in implementing large-scale change with diverse cultures	331
	<i>Sylvana Storey</i>	

Chapter 36	'Why won't they do what we tell them?'	339
	<i>Richard Plenty</i>	
Part 7	Epilogue	353
Chapter 37	Business psychology – the key role of learning and human capital	355
	<i>David A Lane, Amin Rajan</i>	
References		371
Index		387

Contributors

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Ellen Bard is a consultant at SHL UK Ltd. After completing her Master's degree in organizational psychology at UMIST she worked for PSL, focusing on selection and assessment. Her work at SHL involves the design, implementation and delivery of assessment and development centres through to following up with participants via feedback and coaching.

Helen Baron has many years' experience in the design and implementation of effective employee selection and assessment systems, both paper based and electronic. She is involved in training and consultancy to help organizations audit their assessment procedures and formulate equal opportunities policy. As a leading member of the SHL research and development team she developed many psychometric tests and published widely in equal opportunities and selection issues. Now an independent consultant, she continues her research and development work and presents in conferences internationally.

Trevor J Bentley has many years' experience as a personal and professional development coach with chief executives and executive teams. He has a PhD in organizational development, and is a Fellow of CIMA and a chartered member of CIPD. Trevor leads training programmes for executives and consultants in applying a Gestalt approach in the UK and

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Ellie Boughton is the Regional Product Director, Asia Pacific in SHL where for several years she has consulted in the UK, Europe and Asia Pacific. She has created competency models for manufacturing, fast-moving consumer goods, mining, retail sales and the public sectors. She studied psychology in Sydney and gained a Master's in organizational psychology from the University of New South Wales. Specific interests include using 360-degree competency questionnaires in development and how Internet technology helps this process to be run more efficiently.

Paul Brewerton is managing director of business psychology consultancy Blue Edge. Paul's consulting work focuses on change and development at individual, team and organizational levels and includes coaching, training, team building, diagnostic research and psychometric development. He often works in the areas of organizational culture change and leadership development, the two frequently going hand in hand. Recent assignments included a global culture change programme for a mobile telecommunications company, high-performance coaching for senior executives in the technology sector, and delivery of the Cougar leadership development programme across a range of industries. Paul authored *Organizational Research Methods*.

Simon Brittain is a partner and director of Kiddy & Partners. He specializes in strategic talent management, assessment/development centre design/implementation and one-to-one assessments for senior executives and high flyers. His experience crosses a range of sectors including financial services, automotive, professional services, consultancy, FMCG and hi-tech. Simon joined Kiddy & Partners from a major test publisher, prior to which he worked with a number of consultancies and the Post Office where he was a manager in the occupational psychology unit.

Michael Burnett joined SHL in 1999 and has managed the development and deployment of a range of Internet, PC and pocket PC assessment products. He is now director of production and operations. He previously worked in the UK software industry. At EDS, Michael managed a group providing human factors, change management, training and integrated logistics support to clients on some of the largest IT integration projects in the UK for corporate and public sector clients. Following his graduation in psychology in 1978, Michael worked as a psychologist for the Royal Air Force.

Nadine Burton is a chartered occupational psychologist with considerable consulting experience. She has worked across a variety of sectors, including financial services, retail, FMCG, manufacturing, government and charitable bodies in the UK, Central and Eastern Europe and Canada. Nadine specializes in designing and implementing rigorous yet pragmatic assessment and development solutions for executives and managers. Project work has included the identification of factors that drive effective performance, executive selection, high potential talent assessment and performance management. Nadine has been a director with two leading UK business psychology firms.

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Pauline Grant is a Director of the organizational capability consultancy YSC Ltd. Pauline qualified and worked as an educational psychologist before moving into the corporate world. Now she consults to sectors including finance, retail, construction and fast-moving consumer goods, in some cases working internationally. Often the focus is development: coaching individual leaders or top teams, workshops and consulting around change. She also finds time to do *pro bono* work and chair an ethics committee. She is the author of *Careering Upwards* and was the first Vice-Chair and first conference speaker for the ABP.

Howard Grosvenor is a senior consultant at SHL UK. As well as delivering the core components of SHL's business (training, product and consultancy), Howard has special responsibility for technology-based assessment and the UK portfolio of ability tests. He has experience in both technical and occupational psychology-focused roles. He has worked with a broad range of clients on everything from the design and delivery of development interventions to the implementation of online selection systems.

Anne Hamill is a Director of Strategis Ltd, a consultancy that equips people to cope with rapidly changing work environments. She started her career at ITRU (the Belbin unit), then spent 9 years working across virtually all sectors on government-financed research to identify the highest performance in various job roles and design practical selection and development tools. A past Chair of the Occupational Division of the BPS, Anne's key interests lie in enabling people to manage ambiguity and rapid change and in creating self-directed, highly effective learners.

Malcolm Hatfield has worked for many years as a psychologist in business with EMI, P&O, Chloride, Saville & Holdsworth and partnership, Hatfield Jefferies and is now an independent consultant. He is widely experienced in assessment at all levels from customer facing staff to CEOs and has developed tests in the UK and the Middle East. His current interest is in defining and managing the human requirement needed to support strategic objectives in different types of organizations.

Jo Hennessy is a business psychologist specializing in the development of people at work. A partner in Human Qualities, she previously headed executive development at Brathay & Penna Change Consulting. Her expertise centres on large-scale development programmes and she has extensive experience of identifying the people requirements of a business change, then applying interventions to facilitate the transition. She has worked nationally and internationally in such areas as visionary leadership, motivational management and customer relationship management. Having begun her career at SHL, she is also an expert in assessment methodologies.

Janey Howl is a leadership coach specializing in senior executives, top teams and entrepreneurs. Recognition of the impact of personal issues on organizational performance led Janey to qualify as a life coach. The result is a considerable track record in successful client career transitions and enhanced leadership capability. Howling Success Ltd (www.howlingsuccess.co.uk) is committed to the creation of working lives with passion and purpose. Workshop themes include 'raise your game', 'sustainable development', 'team performance' and 'manager as coach'. Howling Success Ltd also provides master classes in coaching expertise for in-house development staff.

George Karseras is a chartered occupational psychologist and change manager in Atos KPMG Consulting's change and programme management business consulting team. George has built his internal reputation as an expert in designing and facilitating launch events for AKC project teams. He combines business psychology training, particularly systems thinking and family therapy techniques, with project management and his experiences as a sports psychologist to Premiership football to design and facilitate highly pertinent, challenging and involving launch events for newly engaged project teams across the AKC delivery network.

David Lane had an early career in banking and in legal practice, then education and academia with periods as visiting professor at Syracuse and Middlesex Universities and honorary posts at University College London and City University London. He has acted as a professional coach for senior management and consultant on organizational development for major corporations, and has provided research forum and benchmarking projects internationally. He has been a non-executive director and is currently director of the Professional Development Foundation.

Sarah Lewis is managing director of Jemstone Consultancy Ltd, specializing in delivering team, management and individual development

activities. She is particularly interested in approaches that work through an understanding of the power of cognitive processes to affect our behaviour through beliefs, values, stories and accounts. She is also interested in the developing and emerging field of positive psychology. She finds that taking an appreciative inquiry approach to organizational, team or individual issues draws on both these interests and is fun and effective.

Mark Loftus has many years' consulting experience and expertise in the fields of emotional intelligence and relationship development. After graduating from Oxford University in philosophy and psychology, Mark trained at the Institute of Psychiatry in London. In 1993 he co-founded the Oxford Consulting Group, now OCG Ltd, a successful consultancy inspiring change and vitality in individuals and organizations. In addition to his role as managing director, Mark also leads OCG's Assessment and Talent Management practice and is a trusted coach to senior figures in industry.

John Maboney-Phillips is a chartered occupational psychologist and global head of Human Capital Performance for UBS, a leading financial services firm. Working out of the corporate HR function he is responsible for performance management, psychometric testing and assessment standards, staff surveys and succession/talent pipeline metrics. Previously John was head of leadership and management development for UBS Private Banking, and a managing consultant with SHL Group.

Penny Markell is a consultant at SHL UK Ltd. She worked in human resources before taking her MSc and moving into occupational psychology. Her work includes designing and implementing development and assessment centres, more recently on a large international scale, as well as conducting feedback and coaching sessions with participants.

Helen Marsh is a senior consultant at SHL UK Ltd. Her work involves the design, delivery and project management of assessment and development centres. Areas of particular interest and expertise include the development of competency frameworks, simulation exercise design, management development, feedback and coaching.

Siobhan McKavanagh, consultant with 7days Ltd, is an experienced organization development, talent management and change management specialist. She was a managing consultant and team leader for Ernst & Young UK Ltd from 1996 to 2002, and also took an active role in the service offers and thought leadership around HR transformation and

e-HR. She previously worked for Hay Group after starting her career in 1989 with Coopers & Lybrand (PriceWaterhouseCoopers).

Charles Mead, Director of organizational capability consultancy YSC Ltd, trained at Oxford and London Universities in experimental and occupational psychology. He worked as a corporate psychologist for RHR Inc and then held senior HR positions in J. Walter Thompson, Booz Allen & Hamilton and Nabarro Nathanson. For 7 years he was European Personnel Director for Sotheby's and from 1995 to 1998 he was head of human resources for Coutts & Co. Charles's main professional interests currently are in performance management, leadership and motivation in professional and financial services firms.

Kate Oliver has been working as a consultant occupational psychologist since 1993, both in the UK and overseas. In this time she has worked with many leading, blue-chip organizations to help them manage talent and get the best from their people. She is a Partner in Human Qualities, where she specializes in the use of embedded learning for leadership and organizational development. She has a particular interest in applying the skills and techniques of occupational psychology in a commercial setting, to achieve enhanced business results.

Richard Plenty is a business psychologist with particular interest in helping to create sustainable high-performing organizations. He works with top teams and human resources leaders on issues associated with culture and change, often on a global scale. He is founding Director of 'This Is...', a consultancy which works with organization leaders to help shape identity, vision and culture. Previous experience includes coordinating and facilitating strategic change programmes in Europe, Asia and North America with Shell International as an HR Leader and Organization Development Manager. He is a guest lecturer on organizational issues at King's College, University of London.

Shane Pressey is a founding partner at Human Qualities. As an occupational psychologist, she has provided consultancy services for businesses in all sectors for many years and has extensive experience of working with international organizations. Her expertise centres on facilitating integrated team and individual development interventions. Particular areas of interest include executive coaching and management team facilitation. She has worked as a coach with many senior executives, helping them explore their inner motivation and unlock their full potential, through her supportive, challenging and business-focused interventions.

Amin Rajan is the chief executive of Centre for Research in Employment and Technology in Europe (CREATE), a network of researchers advising the UK government, City institutions, multinational companies and international bodies. He is a visiting professor at the Cass Business School, London Metropolitan University, and the Exeter University's Centre for Leadership Studies and is President of the Scientific Committee at Audencia, Nantes Ecole de Management. He has appeared on radio, television and published widely on leadership, business cultures, socio-economic forecasting, globalization, new technologies, and new business models. In 1998 he gained the Aspen Institute's prize in leadership.

Christopher Ridgeway has practised for over 20 years as a business psychologist and has worked with several leading organizations globally. He initially had an academic career teaching and researching at Bradford Management Centre, and moved on to be an HR manager and then director in both the UK and the US. He has published prolifically throughout his career and is a regular contributor to *The Occupational Psychologist*. He is also a counselling psychologist and executive coach.

Rachel Robinson is a director of the organizational capability consultancy YSC Ltd. She joined YSC in 1999 and has worked across the spectrum of YSC's work advising organizations on how to release the potential of their people, so that they can meet their strategic goals. She has been on both sides of the consultant-client fence having previously worked for GlaxoSmithKline plc and Pilkington plc and having sponsored the work of consultants within these organizations.

Joanne Share-Bernia is a management consultant and trainer as well as mentor and coach to leaders in industry and commerce. Joanne is a commentator for CNN television on business psychology. With many years' experience in business consultancy, she works with a range of blue-chip organizations as well as the public and SME sectors. Specializing in change management, team building and Investors in People National Standard, she has undertaken many projects in the measuring-up process and training in change management from individual, team and organizational perspectives.

Sylvana Storey has significant international experience across sectors including oil, nuclear, telecommunications and transport and has consulted on assignments in both the private and public sectors. Her key areas of expertise and experience lie in strategic transformation and facilitation, business psychology processes, and change management and organizational strategy. She has contributed to the implementation of a

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David Thompson heads the group of psychologists working on assessment within Royal Mail. He carried out university careers advisory work before moving into graduate and managerial recruitment. Much of his time is spent designing and running assessment centres for selection purposes and he also retains his involvement in career development through activities in talent management and the identification of managers and professionals with high potential. He is involved in examining occupational psychologists for Chartership and presents papers on assessment.

Rod Vincent is a chartered occupational psychologist. He founded Human Qualities in 1993 and has since grown the business to its current position as a leading occupational psychology consultancy. His 16-year consultancy career has included work across Europe, the US, the Asia-Pacific region and the Indian subcontinent. He was co-editor of *Selection and Development Review* published by the British Psychological Society from 1993 to 1999. Previously he worked with British Steel in a central organizational and management development role, and with SHL where he managed projects for major clients in various market sectors.

Mark Williams is a senior consultant within the SHL Assessment Strategy Team. He is responsible for the design and delivery of assessment and development centre products and initiatives within a broad array of clients, from both the private and public sector.

Maria Yapp is the managing director and founder of business psychologists Xancam Consulting Ltd. With a strong focus on assessment as a core specialism she also consults on performance management, executive team development and coaching for role transitions. She works with blue-chip clients across a range of sectors in the UK and overseas, relating interventions to clients' current and future commercial priorities. She also has a strong interest in the assessment of longer-term potential, having both researched and practised widely in this area.

Rob Yeung is an independent business psychologist working in the areas of assessment and development. He previously worked at the Boston Consulting Group and Kiddy & Partners. He has written seven books on management topics – two of which have been updated and reprinted as second editions. He is frequently asked to contribute to print media including the *Financial Times* and the *Guardian*, as well as broadcast media ranging from CNN and ITN news to *Big Brother*.

Foreword

In the year 2000 a number of psychologists working with businesses decided to come together in a series of meetings to discuss the possibility of creating an association of like-minded individuals. We were all united by three things.

First, we believed that the services and approach we provided our clients were special and different from the traditional offerings of psychologists, and we wanted to create a learning forum to develop these further.

Second, we knew that what we had to offer was hugely valued by the commercial and private sector organizations with which we worked, that they regarded it as distinctive and that it represented a new approach to the application of psychological principles to the challenges of the business world.

Third, we wanted to create a coherent professional identity to demonstrate to the world that a new field of practical psychology was emerging and to develop the market for new entrants and new clients.

Out of these meetings emerged the Association of Business Psychologists (the ABP). This association is now a thriving organization with a very active membership, a full programme of annual conferences, seminars and knowledge-sharing events. Practitioners with a wide range of experience rub shoulders with client and academic members to exchange ideas and collaborate on work projects. One of the results of the ABP's efforts is the introduction of new master's degree programmes in business psychology, which have been set up to cultivate the next generation of practitioners.

Business psychology is a young profession, with its roots in such diverse fields as organization development and learning, 'quality of working life', change-management, complex systems theory, human resource development, assessment, team building, group-facilitation and personal coaching. The practitioners have equally diverse backgrounds embracing

many branches of applied psychology. The uniting force behind this new profession is the desire of each business psychologist to help organizations and their people *realize their full potential* – by applying the insights that psychology brings to individuals, teams and organized communities.

The philosophy behind business psychology is quite straightforward: it is a *practical* profession. We use our knowledge both of the business world and of psychology to challenge and help organizations and their people. Our ‘interventions’ – or activities within an organization – are *systemic*. That is, we understand that we are working with sophisticated human beings and communities in a complex organized commercial world to deliver pragmatic business benefits.

Business psychologists are:

- knowledge sharers;
- enablers;
- critics;
- organizational ‘agents provocateurs’;
- process designers and guides.

Our work can range from helping a chief executive and the management board of a multi-billion pound organization wrestle with developing their strategic leadership agenda, through to providing developmental coaching for an up-and-coming marketing manager facing major personal and organizational challenges.

This book is another result of the ABP’s collaborative spirit. What you see here is the collective creative energy of some of the best and most experienced practitioners in our field, a project launched with enthusiasm and commitment by two of our founder principal members, Pauline Grant and Sarah Lewis. Indeed all the authors are principal members of the ABP. Here you can find a real sense of what business psychology is about. This book is among the first in the field to give you a flavour of our new profession’s activities. I hope it enthuses you, and helps guide your practice and understanding of business psychology. For further information about the ABP and membership details, see www.theabp.org.

Dr Brian Baxter
Founding Chair, Association of Business Psychologists

Preface

When reflecting on the work involved in putting this book together, a metaphor came to mind: one of those wonderful tapestries compiled by many hands. My role has been to encourage and admire some pieces so beautifully done that they mustn't be touched, to rework, gently and carefully, some of the complex and less tidy elements and to find opportunities for individual talents to be displayed. The end-result has, in my view, and I hope in yours, fully justified the work involved.

There were doubters when the ABP started. After all, business psychologists earn their living by their ability to add something special to their clients – something that these clients are willing to pay for. Why should they share that with other people who are competitors? Was it courage or folly to include in our community those who bought our services, thereby removing any mystique about what we do? And would all these people have the time and inclination to collaborate? The venture was an optimistic experiment – one that depended on the confidence of practitioners to share their skills and experiences, warts and all, in the spirit of helping the profession to progress and thereby become even more valuable. This confidence has been shown to exist, and is at least in part underpinned by the knowledge that the market we operate in is both growing and changing constantly, and that together we enhance rather than restrict the opportunities.

The decision to include a category of membership of the ABP that allows non-psychologists and psychologists who are non-practitioners to join the community reflects another important principle: that of learning *from* as well as *with* each other. Our practitioner members benefit from having human resources professionals and other interested managers, academics and specialists from other branches of psychology to provoke thought, add different perspectives and offer diverse experience. The affiliates, those with an interest in business psychology although not themselves practitioners, benefit from having full access to the learning community that feeds that interest.

What follows in this book fulfils the brief that Sarah Lewis and I first put together – that of providing a window on what we do, the body of knowledge and theory that underpins it, and the continual development of practice through experience. Business psychologists cannot wait for research to tell them what to do in the unique and complex situations they are asked to advise on and intervene in. They sometimes have to learn with their clients. You will therefore find in the following pages some candid descriptions of interventions that contribute to the development of better practice and are at the leading edge in the sense of building on, rather than copying, what has gone before. There are also case studies that bring to life what might otherwise seem to be idealistic or speculative approaches. You will find helpful journeys through theory that serve to explain the thinking behind practice and the rationale for it, and some new models and perspectives derived from experience. However, you will also discover some provocative pieces that might stimulate you to challenge some accepted practices and perceptions. This book was never intended as, nor ever could be, a comprehensive account of business psychology but, seen as an exploratory probe, it provides insight into the profession and its practice.

I would like to acknowledge the contributions of:

- Sarah Lewis, with whom the book was scoped and who was a true partner in the editorial endeavour over the major part of the journey from concept to print;
- David Thompson, the willing volunteer to whom Sarah passed the baton for the final editorial stages;
- Stuart Francis, who gladly picked up stray tasks and delivered them with alacrity.

I would also like to pay tribute to my colleagues at YSC Ltd for their continued support and interest. I am truly proud to be part of an organization that, despite being busy, has sustained its commitment to the profession as a whole, a demonstrable example being the flexibility to enable me to work on this book.

The encouragement and advice of Peter Herriot and Adrian Furnham has also been much valued. Both showed their belief in the book from early stages and helped in our quest for a publisher that shared that belief. Colin Whurr and his colleague Margaret Gallagher have been a pleasure to work with.

Finally, the ABP will benefit from the sale of this book as the royalties will be assigned to the Association. The authors have thereby levered the gift they have made to the learning community by their contribution to the book. If that gift provokes thought, encourages self-reflection, gives

cause for admiration, stimulates debate, provides acknowledgement of a job well done or reminds us that we extend ourselves, in Newton's words, 'by standing on the shoulders of giants', it will have been well received.

Pauline Grant

PART 1

CONSULTING

CHAPTER 1

Introduction

PAULINE GRANT

Consultants? ‘They are the people who borrow your watch to tell you what time it is and then walk off with it.’ So said Robert Townsend (1970). This oft-quoted and, let’s face it, frankly derogatory view of consultants makes one wonder why anyone employs them and, even more surprisingly, why anyone would choose to become one. Consultants provide professional advice for a fee. If it’s as transactional as that, why all the fuss about building relationships? Well, the fact is that, just as medical consultants would regard the job as incomplete if they just provided advice, so business consultants generally intervene as well as proffer guidance. They are valued for the results they contribute to as well as, and perhaps more than, the accuracy of their opinions. I could obtain the same advice from two sources but might only value it from one. That’s the one I’d work with. That’s the one I’d trust to care enough to help me make it work.

It is not always apparent why we are chosen for some assignments and yet miss other opportunities. It can take courage and, of course, time – time that we might prefer to spend on the work we have to deliver, to collect feedback and discover what went wrong. Often this reveals that the initial conversation has changed clients’ thinking and that what they now want to do is substantially different from what they originally said. Wouldn’t it therefore be preferable to concentrate on having the kind of relationship that allows us to engage in conversations during this time of shifting sands and moving goal posts?

One of the first pieces of work I successfully pitched for, over a cup of tea at a Little Chef with a human resources director I hadn’t previously met, was won not because of what I knew, but because I was honest about not knowing. The human resources director had already received proposals from other potential providers but had felt they were dealing with things at a level that was too superficial. The neat, stepwise processes they were suggesting made logical sense but didn’t convince her that they would bring the required change in her environment. She was therefore

more attracted by the idea of a starting point that allowed time to get to know the organization and the people.

Whether working internally as an employee of an organization or as an externally commissioned consultant, business psychologists use their expertise as psychologists in an organizational environment. This might seem obvious but I have had many discussions with colleagues about whether we are being psychologists when we work and why what *we* do is special and different from people with expertise in different areas. The reality is that the best business psychologists are being psychologists at all stages and are not restricting this expertise to either the advice or the intervention. Indeed, as psychologists we know that all our interactions, even those over tea at a Little Chef, are also interventions. This section helps all consultants benefit from taking a psychologist's perspective on their interactions with their clients.

We start this section with an overview of what clients want, offered by business psychologists who are effectively poachers turned gamekeepers – Mead and Robinson are consultants who have been on the client side and have substantial experience of commissioning external experts. They offer an insight into clients' requirements. All consultants would benefit from attending to this. Their analysis allows us to understand why some consultant–client relationships work well and others flounder, and that this distinction is not always to do with expertise. Hamill then invites us to take a deep dive into the first meeting with a potential new client and helps unpack the psychological aspects of that interaction. She encourages us to reflect on the potentially different expectations that each party brings to that first meeting and offers practical guidance on how it can be managed effectively. Not surprisingly, the skills of posing questions and summarizing are of paramount importance.

McKavanagh continues with a detailed model of consulting throughout the relationship that will be of special interest to those at early stages in thinking about how they can best deal with clients, or indeed those who tend to muddle through without a coherent framework. She shares experiences of dilemmas and pitfalls that can derail otherwise effective consulting interventions, and provides guidance in avoiding them. We follow this with Loftus's view of the consulting relationship, which provides a further stretch of thinking. He describes a three-phase model with an emphasis on building trust.

The chapter by Loftus confronts the uncomfortable reality that we sometimes let our clients down and that these occasions can be poignant moments in the relationship. I recall a time when I had let a client down and was expecting to be hauled over the coals for a mistake that was likely to have unfortunate ripple effects. Instead, I was met with a mature 'these things happen' response and appreciation of the way I'd handled

revealing the error to them. The relationship was actually strengthened by this event. Loftus's realistic, business-minded overview importantly covers endings as well as beginnings. Finally, Clayton and Bentley provide a thought-provoking discourse that helps us to challenge assumptions and work with organizations as they are and consult in a way that allows authentic dialogue to form the basis of interventions. They remind us that self-awareness is an important component of successful consulting and that there will be some clients we might appropriately decide we should not work with.

We make no apology for the inevitable overlap in the models that different experienced consultants have derived to drive their practice. Indeed, the fact that such overlap exists in the thinking of people who have arrived at their *modus operandi* independently gives some comfort. However, the different nuances and emphases are also of interest and you will find that you have been offered some options. These options are generously described by people who have undergone the pain of learning from experience as well as doing the legwork to discover what they now consider the best approach. Perhaps it is too obvious to say that following their recipes for success carries no guarantee, but skilled consultants who have the potential and motivation to provide a truly valuable service for their clients, and indeed clients who want the best from their consultant relationships, might reflect on how this potential can be wasted by failing to attend to some of the messages in this section.

CHAPTER 2

What clients want

CHARLES MEAD, RACHEL ROBINSON

When delivering business psychology to an organization, the ‘client’ has to be defined at two levels. First, there is the individual who is your entry point into the organization. This person should perhaps more accurately be referred to as the ‘sponsor’. The client is also the organization in which the sponsor is given the licence to operate, whether that is a department, subsidiary or whole company.

As two former sponsors who now work as business psychologists, we thought it would be useful to share our experiences of working with consultants, and in particular business psychologists, in sectors as diverse as pharmaceuticals, fine arts and financial services. We have endeavoured to capture what we valued in consultants and what we looked for when appraising potential suppliers.

So what is it that sponsors look for? Ultimately we were looking for, and subsequently engaged, those consultants who we were convinced would deliver successful assignments. Consultants who deliver have the capacity to enhance the client sponsor’s reputation and credibility as well as their own in the process. The real measure of success for the consultant is to be asked back to do more, hopefully in an even more professionally challenging context.

So what are the factors that lead to appointing consultants who can deliver successful assignments? Reflecting on our different experiences as sponsors, we realized that we used three simple criteria. We wanted business psychologists

- who have the right *capability* – the people who are the best at what they do;
- who have the right *chemistry* with us personally and with our organization – the ones who are able to work in a way that is acceptable and influential;
- in whom we had *confidence* – the people who deliver what they said they will.

These three 'C's are the basis of successful business psychologists' consulting and inform our own practice of business psychology as a basic checklist.

Capability

Sponsors engage consultants for what they do, what they deliver. The link between these two facets is the acid test of capability as far as the client sponsor is concerned. It is not enough for consultants to be the best psychometricians or team builders. This will probably only get them as far as the door of the sponsor's office. As sponsors we want to hear from the psychologists – and, just as important, from other sponsors they have worked for – about the results of what they have done for other organizations. We want to hear from consultants about their understanding of their client organizations, the challenges they helped their client organization frame that raised the bar in terms of the organization's performance, the judgements the consultant made, the advice given to client organizations and, most important of all, the outcome of the intervention and the benefit the organization derived from it.

Understanding

The sponsor wants to assess business psychologists' capability both in terms of their specialist knowledge and also their consulting skills. The skilled business psychologist should start with understanding. The initial steps in building the relationship with the sponsor are as much about asking the right questions as sharing information about previous assignments. It is difficult for business psychologists to frame their professional knowledge and ability unless they build understanding both of the business issues with which the sponsor is dealing and the related organizational context – and test that understanding as they go. In terms of demonstrating capability, the sponsor wants to hear the right questions rather than any answers. They want to be sure a consultant understands the unique requirements of their organization and that the consultant gives due consideration to what are often complex, personal and sensitive assignments.

Ability to challenge

The second important capability that we looked for in consultants was the ability to challenge us. Sponsors do not want consultants who will tell them what they already know or what they think they want to hear. The

best consultants are those who will give us what we don't already know, or don't want to know, as a means to creating a more effective organization. Part of the business psychologist's contribution is to leverage their experience about what is necessary, what is realistic and what is best practice. The best consultants will help their sponsors to think more clearly about the issues they face and help them identify new opportunities to move their organizations forward.

Making judgements

The final element of consulting capability that we looked for in the best consultants was the ability to make judgements about the organization and the issues as a start point for developing solutions and the quality of their advice as to what their solutions might be. Business psychologists need to demonstrate their judgement in offering hypotheses about key factors at work in the organization as well as a range of models, experience, techniques and advice about potential solutions. Consultants who lack opinions, who are reluctant to offer an hypothesis or who present pre-packaged nostrums and conventional solutions clearly do not add the value that justifies their fees!

What our experience suggests about the best business psychologists is that their professional capability is not enough. They possess a parallel capability as consultants based on skills in understanding, challenging and making judgements about the sponsor's business that they exercise from the first time they meet their potential sponsor.

Chemistry

If capability gets a consultant to the door of the sponsor, then it is the chemistry they create between themselves and the sponsor that leads to them being asked back. In particular, great consultants are shrewd about how they build and manage relationships, initially with their sponsor and subsequently with the organization at large. If the client enjoys working with them and the consultants enjoy working with the client, then the chemistry is right. Consultants will do their best work when they are enjoying it.

For a business psychologist this is the key opportunity to demonstrate a core capability – the ability to read other people. In our experience the best consultants read us, our interests and needs, from the word 'go'. They formed hypotheses about our personal needs and, when confirmed, use these hypotheses as the basis for building the relationship and going forward. The most impressive consultants make the terms of the relationship explicit. They create a contract with their client, characterizing the

relationship in specific terms and reviewing the progress of the relationship against that contract. This ensures that both parties know where they stand at any time.

As sponsors, we also considered chemistry at a second level, namely the chemistry between the consultant and the organization at large. The best consultants managed the politics of organizations in an open and realistic manner. Three indications of the consultants' ability to do this emerge early in the consulting relationship.

- First, the best consultants share their observations of the organization and its dynamics early in the relationship. Well-briefed consultants will have started researching this subject before the initial meeting. They will have some view about the dynamics of the organization based on the reputation and current performance of the client and their experience of similar organizations. They will offer their observations as hypotheses early in order to check them. In our experience as business psychologists, organizations are fascinated by objective, outside perceptions of them and intrigued by consultants' experience of other organizations (within the bounds of confidentiality, of course). The best consultants use this as an opportunity to build the relationship with their sponsor and client, using it at the same time to develop and check their reading of the organization's dynamics.
- The second indication is that these consultants discuss *how* the assignment will be best carried out and demonstrate real curiosity about the degree of acceptance, commitment and readiness of the wider organization to engage in the assignment. In our experience, they explore in a realistic way the opportunities and threats to the assignment with the sponsor; at first, to assess the degree of difficulty and likelihood of success of the venture and, later, to share their experience and actively manage the conduct of the assignment to ensure its success.
- Third, the best consultants mould their own approach to fit the organization. They ensure that their own behaviour is congruent with the organization's priorities and preferences. They demonstrate agility and flexibility in style, picking up on the cues of how the organization prefers to work. Getting the right chemistry does not mean solely following instructions, becoming the sponsor's best friend or compromising one's own values. Rather, it means being shrewd about the nature of the relationship required between consultant, sponsor and broader client organization and actively shaping its development.

In our experience, a key tension for business psychologists to manage is the relationship with human resources and line functions. Frequently, business psychologists have strong relationships with either line managers or human resources professionals. If introduced by the line, the

human resources function can often feel usurped or threatened. If introduced by human resources, the business psychologist is dependent on the credibility and clout that human resources has with the overall business. The best business psychologists build and then maintain relationships with both and are sensitive to the power dynamic between these two parties.

Confidence

The final 'C' in what clients look for in consultants is confidence. This is the characteristic that allows them to move from the sponsor's office through the door into the wider client organization. The sponsor needs to trust and respect consultants to feel confident in referring them further into the organization. Establishing their capability with sponsors will go a long way to establishing their respect. Managing the chemistry in an open and deliberate way will establish trust. The third element required for complete confidence in a consultant is the sponsor's experience of delivery. Again, this starts early in the relationship with simple things. The sponsor will expect commitments that are made, however simple, such as returning telephone calls and making sure invoices are accurate and issued in a timely manner, to be met from the start. The key elements in establishing confidence are partnership, open communication (being 'user friendly') and self-management.

Partnership

Our experience of the best consultants was that they worked with us in partnership. The degree of confidence that we invested in consultants was in direct proportion to the extent that we felt comfortable with them as partners. Being a consultant affords the consultant the privilege of concentrating on the intervention, which is a luxury that busy sponsors and others in the client organization rarely have. In our experience, good consultants established a clear and explicit understanding of the roles they would play, also the roles of the sponsor and the role of others in the organization. So, clients look for consultants who define the partnership that is required and, once defined, deliver on their commitments as partners.

Open communication

The best consultants are easy to work with. At no time did we feel that we did not know what they were doing; at all times we had clear expectations

of what they were going to deliver in both the short and the long term. If we needed something, we knew who to go to and how to get it quickly. The best consultants were open and non-judgemental with us. They shared the good news and, more importantly, the bad news when things might not be going as planned. They shared their observations and involved us in developing their judgements and solutions. And they used our experience of the organization to test and refine them.

Self-management

Again, looking at it from the sponsor's point of view, engaging a consultant is different from employing an expert. Employees require managing; they are part of the organization and have loyalties and responsibilities to others in the organization. Indeed the employee expert may become part of the problem. By contrast, consultants manage themselves and manage their clients to make their interventions run well. They monitor their own performance and have their own checks and measures in place. They take responsibility for improving performance when necessary and don't rely on their sponsor to tell them something or someone isn't working.

An illustrative example

In distilling our experience of engaging consultants, including business psychologists, to produce the most important attributes of the best organization consultants above, we are struck by one overriding attribute of the best. It is their ability to tell us something normally uncomfortable to accept, difficult to hear or challenging to our self-concept or our organization in a way that gains our complete attention and ends up creating an opportunity for us or our organization, or both.

A simple example of this occurred in one of our previous organizations, where the chief executive insisted on using 360-degree feedback as part of selecting his leadership team in a major reorganization. The head of human resources (one of us!) was adamant that this was contrary to best practice in using 360-degree feedback. A standoff between CEO and head of human resources ensued. They agreed to engage a firm of business psychologists to advise them. The head of human resources interviewed three different potential consultancies who had all held the same view of best practice, which was concordant with his own. He therefore believed that they would put forward this view and recommend suitable options.

After initial discussions with the CEO, head of human resources and some of the senior executives who would be part of the selection process,

the consultants presented their findings to the head of human resources. Not only were they convinced that the CEO's idea was appropriate, they had changed their position about the use of 360-degree feedback! They had found that the CEO had done such a good job in selling the concept to those who were affected that the senior executives concerned were not just reconciled to the idea – they actively welcomed it. This was uncomfortable news for the head of human resources! However, in their advice to the CEO, they were able to confirm the head of human resources' opinion about best 360-degree practice and reassure the CEO that the head of human resources was acting from professional, not personal, motives. All parties concerned adjudged the subsequent selection process a great success.

The business psychologists concerned would not have been able to manage the complex net of relationships concerned – CEO, head of human resources, senior executives – without demonstrating their capability, establishing the right chemistry and giving all parties confidence in them by displaying many of the attributes above.

CHAPTER 3

Make or break – structuring the initial meeting

ANNE HAMILL

How can a business consultant use the first meeting effectively, to create a situation where it is possible to operate strategically, adding real business value?

In first meetings with a client, each party comes to the table with different aspects of both the problem and the solution:

- Clients bring the problem, but they also know the history, the operational constraints, and the politics that are critical to producing an effective solution.
- The consultant brings professional expertise about solutions but will also often contribute to the understanding of the problem based on experience of similar situations elsewhere.

One of the most delicate of all meetings to handle is therefore the first meeting at which an issue is discussed. Business psychologists are likely to have an advantage in understanding the psychological contracting, reading body language, and so forth. However, they may not always be skilled at the confident structuring of the first meeting.

Over the years, Strategis has analysed what experienced consultants actually do to achieve successful first meetings, resulting in the following practical guidelines on how to manage expectations, achieve the task of uncovering the problem, and create the possibility of adding value through strategic reappraisal.

A common problem with initial meetings is that the consultant initiates the relationship with the client from a position of being an expert. A real-life example may illustrate this. The client (a large utility company) telephones to arrange a meeting to discuss team building in one of its regions. At the first meeting, the client says that there is an urgent need to introduce team building for a large number of people across a region in the next 2 months. It has to be done over the next 2 months due to operational constraints.

The natural expert approach to this situation is to find out as much as possible about the problem, probing to understand which team building approach might be most appropriate. However, this questioning may miss some key issues.

- The person we spoke to isn't the budget holder and decision maker but is a human resources consultant who has been delegated the task of briefing suppliers.
- A key line decision maker defines the need as being to improve cross-functional teamwork in responding to customer problems by creating '10-minute teams' of people from different areas to solve customer problems.
- The primary driver for the work is that 'improving team working' has been set as one of the objectives handed down to the regional chairman. It is therefore imperative to produce hard evidence that 'team working' has improved.
- The extremely tight deadline is only a problem if the solution involves taking large groups off line.

These critical pieces of information are much more likely to emerge if the consultant approaches the initial meeting as a business problem solver, rather than a team-building expert.

In our experience of training thousands of people from many disciplines in consultancy skills, we find that people can sometimes be *more* effective in fact finding at the first meeting when they have little expert knowledge in the problem being presented by the client.

This is because, faced with a technical problem, experts can rarely resist diving into the problem and asking a series of technical questions to find out 'Is this the problem? Is that the problem?', based on their past experience of solving similar problems. They are keen to be efficient in their questioning so they also often fail to summarize what they have learned. As a consequence, they come across as having achieved a much less solid understanding of the whole business situation and requirements.

Diagnostic exercise

Carry out this exercise to diagnose your current approach. This will enable you to identify additional ideas to add to your toolkit to make your first meetings more effective.

You receive an email (below) from a potential client, outlining a problem that she would like you to look at and requesting a meeting. Read the email, and quickly brainstorm all the questions you would ask at the first meeting. Don't try to prioritize or plan your questions – just list any questions you would want to ask, whatever the subject.