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Managing change and the implications for leadership

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Abstract

The contention that change is now the only certainty for arts organizations has almost become a cliché. This is largely because different external drivers of change have combined to create a perfect management storm. Despite this challenging organisational and policy context, there remains a significant gap in our understanding regarding "how change happens and how we can shape its outcomes" (Peacock, 2008, p. 334). This chapter addresses this gap by providing a critical overview of the academic and grey literature on managing change in the arts and by comparing and contrasting the theory with the lived experience of arts managers, leaders and workers. It does this by presenting the findings of an evaluative case study, conducted by the author, of a major change initiative in a large regional producing theatre in the UK.

The findings of case study generate fresh management insights into the process, challenges, barriers and impacts of organizational change in the arts. On the basis of these findings, the chapter provides recommendations to support the effective management and leadership of change. The chapter concludes that although change often emanates from external forces, arts organizations should aim to become "evolving organizations" (Tushman and O'Reilly, 1996) and adopt Peacock's (2008) "emergent model" of change in order to remain in a constant state of readiness to respond to new and emerging drivers of change.

Introduction

The contention that change is now the only certainty for arts and cultural organisations has almost become a cliché. This is largely because different external drivers of change have combined to create a perfect storm for arts managers and leaders. For example, the financial drivers for change (caused largely by the global financial crisis of 2008–09 and the ensuing public and private funding cuts to the arts) are being compounded by the increasingly complex expectations of audiences (for example to participate and co-create) and by the proliferation of digital technologies and the dazzling opportunities that they present.

Despite these disruptive external factors, very little research has been conducted into change management in the arts, and even less into how leaders can shape and lead a change initiative. As Darren Peacock (2008) argues, there is "a gap in our understanding about how change happens and how we can shape its outcomes" (p. 334). This means that arts and cultural organisations tend to embark on change initiatives in the dark, often reinventing the wheel or repeating the same old mistakes. The lack of insight into how change happens also means that managers and leaders can feel unsupported and isolated when tasked with leading and implementing change in their organisations. But perhaps even more worryingly, arts and cultural organisations often put their heads in the sand and hope in vain that the need to change will magically disappear. It has justifiably been argued that this reaction has created a dangerous state of inertia that is now damaging the sector and holding it back (Bolton et al., 2011).

There is therefore a significant management gap in this key area of organisational activity. The aim of this chapter is to address this gap by providing an overview of the core theories pertaining to change management and applying them critically to the arts and cultural sector through a case study of a large regional theatre in the United Kingdom. The chapter will explore the core drivers and processes of change and discuss the implications of these for arts managers and leaders. It will highlight the importance of a clear vision and the need for open communication during a change initiative and conclude with a call for a more professional focus on this increasingly vital area of management activity.

Why managing change is important

Not-for-profit organisations are undergoing a radical transformation across the globe and this shift is forcing arts and cultural organisations to become much more responsive to change (Cohen, 1999). There are several factors driving this transformation, including:

- public funding cuts and pressure to diversify income streams;
- the need to fund the arts and culture through innovative models;
- the imperative to collaborate with a diverse range of external partners;
- the rise of participatory culture, co-production and co-creation;
- the need to engage with audiences in a relational way rather than market to them in a transactional way;
- the rise of sophisticated interactive digital communications technologies;
- the ominous reality of ageing audiences and the need to attract younger/future audiences.

One of the most significant challenges facing the arts and cultural sector is therefore the urgent need to develop effective strategies to ride this wave of change. Indeed a number of scholars and industry commentators are starting to argue that only the most adaptive organisations will survive. This is a sobering assessment of the current state of play, and it highlights the imperative to inculcate a culture of change. These kinds of wake-up calls should focus the minds of arts managers and leaders and galvanise their organisations into action, because it is becoming ever more apparent that the status quo is not an option. Change doesn't just happen magically in an organisation: if it is to culminate in a positive outcome and endure then it needs to be planned and managed very carefully. So we will now move on to consider how change happens and what it looks like in action.

Change as a complex process

There is an ongoing argument amongst academics about whether change is evolutionary and internally motivated, or revolutionary and externally driven. Freeman (1994) argues that both types of change are valid, and that the choice of approach should depend on the organisation's circumstances and strategic objectives: where evolutionary change "acts to reinforce and refine the organisation's existing vision, strategy, structure, and processes", revolutionary change "acts to transform them" (Freeman, 1994, p. 214). We have noted that a number of external factors are driving change in the arts and cultural sector. But sometimes, change can occur from within, perhaps motivated by the vision of a transformational leader, or by the recruitment of a new staff member. Increasingly, change is happening organically through processes of action research, where organisations evolve by doing something different – by collaborating with a new strategic partner, for example. What we can appreciate from theoretical and practical insights is that change sometimes needs to be *both* evolutionary *and* revolutionary – it needs to keep nudging an organisation's strategy forwards while allowing for a new and transformative vision and a proactive response to new external drivers.

In the past, change was often equated with, and indeed believed to be dependent on, a state of crisis (Welch and McCarville, 2003) or on a sudden environmental change (Fouts and Smith, 1999). But nowadays there is a degree of theoretical consensus around the idea that change is a *process* rather than an end in itself; that it is *emergent* and never finished or complete. The emergent model of change reflects a post-modern, post-structuralist understanding of organisations as "systems of flux and transformation" (Morgan, 1997; Peacock, 2008, p. 338). To reflect the development from the revolutionary towards evolutionary theory, Peacock (2008) distinguishes three different models of organisational change (see Figure 1), which depict what he refers to as reactive, proactive and emergent change.

<u>Figure 1: Three models of change in organisations</u>

<< Figure 1 here>>

Source: Peacock, 2008, p. 336.

As you can see, in Model 1 change is occurring in a reactive way: the organisation is creaking under the pressure of this change, which is imposed suddenly and violently from outside. This might, for example, be in response to a funding cut or to new legislation on protecting audience data. This model represents a typical process of change in a non-agile organisation that is not ready for change. In Model 2, you can see how change is happening in a more proactive way, although this is being met with resistance from some staff members or maybe from volunteers or even the board of directors. A common example of this might be the arrival of a new CEO who joins the organisation with a new artistic vision or leadership style which generates conflicts amongst those who prefer the status quo. This again illustrates a typical model of change that is often encountered in the sector; but in this case, although many people in the organisation are still not ready for change, its leaders are trying desperately to push it through. The problem here is that they have not prepared the organisation for change in advance, and the culture is therefore not receptive. In the third model, change is *emerging*; it is being *enabled*, perhaps via a distributed leadership style, and it is messy and contingent. Perhaps most significantly, you can see here how change is occurring beyond the walls of the organisation, involving external stakeholders such as audiences, community leaders, schools, funders and philanthropists. This is, at least in theory, the ideal change scenario, because it requires organisations to be in a constant state of readiness for change, to be *change-ready*. This vision again perceives organisational change as a process rather than a one-off outcome or project.

Although change can often appear to be imposed on us, seemingly out of the blue, it is important to consider organisational change as an internal collective process because change is never finished or complete. Peacock thus advocates the emergent model of change as the most appropriate one for modern organisations, which, he argues, must remain in a constant state of readiness to respond to new drivers for change. In this respect he agrees with Alain Rondeau (1999), who contends that cultural organisations are subject to a combination of internal and external forces that compel them to change in order to survive, and with Chris Bilton (2007, p. 118), who defines organisational change as "a process of incremental adaptation to external changes and internal intentions". Bilton argues that an evolutionary, incremental model embeds change into an organisation's culture and encourages "the agents of change and the agents of continuity to work together" (p. 126). Indeed Bilton goes on to claim that tensions such as these are what actually drive organisations forward and enable them to evolve. We can see here how change can act as a kind of fuel that propels organisations towards their future strategic goals. Accordingly, organisations that don't change or actively resist change soon run out of fuel and end up stuck in the sand as they are overtaken by their competitors.

When we consider change as a process, it can make it appear messy and contingent, and therefore a little intimidating and even chaotic. The skills required to manage change thus challenge some of the existing thinking on arts management, which traditionally involves achieving stated objectives via the activities of planning, organising and controlling (Byrnes, 2009). So it is maybe disconcerting to managers when scholars depict organisational change as "a pattern emerging from chaos" (Bilton, 2007, p. 116). If arts managers need to control, how can they possibly manage chaos? Bilton means here that sometimes things need to get worse before they get better, especially in a scenario of transformational change. A prime example of this from outside the arts and cultural sector would be a political demonstration or even a riot which ultimately culminates in a positive social outcome. So it is important to remember that as well as planning, organising and controlling, effective arts managers also need to *lead* (Byrnes, 2009). We will explore the relationship between leadership and change later in the chapter, but suffice to say for now that change requires significant leadership skills, including the ability to manage people and processes, which as we all know can sometimes be very messy indeed! As Stacey (2003) argues, the management theories of organisational change are generally flawed by two misconceptions: the assumption that organisations exist separately from employees, and their inability to deal with paradox.

Some further reassurance about the positive aspects of chaos is provided by chaos theory itself, which informs us that behavioural patterns that might appear to be random can actually be integral to the effective development of natural ecosystems, including organisations. Complexity theory also provides some useful insights into processes of change, offering a useful post-structuralist framework for enabling change based on a "dynamic, interdependent, contingent and unstable view of reality" (Peacock, 2008, p. 339). Some scholars argue that perceiving industries and organisations as complex systems enables managers to improve their decision-making and find innovative solutions (Levy, 1994). Others go even further, claiming that applying complexity theory to organisational change can actually produce a "quasi-equilibrium state, just short of the point where a system would collapse into chaos, at which the system maximizes its complexity and adaptability" (Grobman, 2005, p. 370). This suggests that arts managers should actually embrace complexity and chaos, and interpret them as preconditions of positive change.

Managing change

It is all very well for academics and other external commentators to argue about structures and processes of change; but even when the right preconditions for positive change are in place, there are myriad reasons why change initiatives often fail in reality. Many organisations lack the necessary vision or confidence for change, while others are overly complacent about their public funding or shy away from any kind of organisational conflict. As Welch and McCarville (2003) note: "Change suggests a loss of control, increased uncertainty, as well as a threat to traditional procedures, values, and status levels" (p. 23). So there are many reasons *not* to engage positively with change and this is what can lead to a state of inertia.

Because managing change is inherently complex and chaotic, generally involving a diverse range of unpredictable stakeholders and outcomes, it is important to appreciate what tends to go wrong and to troubleshoot likely problems in advance. Every change process is unique because every organisation and staff member is unique. This means that change is contingent and needs to be managed in a different way in different contexts in different organisations; there is not a one-size-fits-all solution to managing change. Although existing studies and theories of managing change can be very useful, for example by highlighting common issues and providing tried-and-tested strategies for success, ultimately it is incumbent on managers to determine the right way to manage change in their own particular situations and organisations.

The change management literature focuses heavily on leadership, and this is often to the detriment of middle managers and other line managers, who play a vital role in organisational change by communicating regularly with frontline staff (Lewis et al., 2006). This is where Robert Hewison and John Holden's (2011) work on distributed leadership comes to the fore, illustrating how leadership (and therefore change management) is the responsibility of everyone in the organisation. Or, as Bilton puts it: "Rather than directing change, managers provide a climate within which change can occur" (2007, p. 134). So you can see here how a 'change-ready' organisational culture is a vital pre-condition for positive and enduring change.

The challenge for leaders and managers, however, is that organizational culture is not always easy to manipulate. Scholars are divided into three camps here:

1. Those who maintain that culture is manageable
2. Those who claim that culture can sometimes be manipulated
3. Those who insist that culture is immune to management action

(Ogbonna and Harris, 1998).

The truth presumably lies somewhere in the middle of these positions, but because every organisational culture is different, some will inevitably be more flexible and manageable than others. Ogbonna and Harris argue that the goal of organizational change is to effect genuine *value-level* change, which they define as employees' "authentic willingness" to change rather than "resigned compliance" (1998, p. 285). So another important consideration for managers is how to garner active

buy-in from their colleagues. A further challenge, which is related to the need for organisational buy-in, is the need to manage the positive and negative roles that organizational sub-cultures can play in supporting or resisting change initiatives. Existing studies highlight, for example, how the cultures of individual departments can often shape the identity and engagement of employees more than the wider organisational culture itself (Smollan and Sayers, 2009). So getting middle managers on board is certainly one important key to success.

Peacock's model distinguishes between 'managing change', 'change management' and 'enabling change', suggesting that there are three common approaches to dealing with change amongst arts and cultural managers. According to the model, 'managing change' refers to a reactive management response to an unanticipated or uncontrollable event. This a little confusing, as managing change is a generic term commonly deployed to describe how those in positions of leadership deal with aspects of change. Peacock's point here, however, is that effective change managers need to be *proactive*; they need to anticipate change and integrate it into everyday working practices. Likewise, 'change management' in the model seems to refer to the act of implementing change or pushing a change initiative through (or perhaps even down) an organisation. Again, this is a little ambiguous, as change management is another umbrella term invoked generally to cover the same activities and issues as managing change. So we could argue that these distinctions are predominantly semantic. However, 'enabling change' represents a particular approach to managing change; it implies a distributed and relational leadership style and a more postmodern perception of organisational behaviour. The different characteristics of traditional and change-ready managers are outlined in Table 1.

Communicating change

Another vital prerequisite to managing change effectively is sophisticated communication, and there is a general consensus in the academic literature that successful change management is dependent on the following factors:

- open, participative discussion;
- regular, planned and honest communication;
- full and early disclosure of relevant information.

According to Welch and McCarville (2003), communication of change should aim to:

- crystallize the need for change;
- relate the change initiative to common objectives;
- clarify employees' roles in creating change;
- promote new behaviours to facilitate its implementation.

However, despite all the best efforts of managers and leaders, some employees will always react negatively to change and try to preserve the status quo, whilst others will seek reassurance and support. To minimize resistance to change and maximize employee engagement, change managers have been counselled to listen as much as possible and create an environment where employees can "vent" (Lewis et al., 2006, p. 123). Lewis et al. also highlight the benefits of informal, succinct, motivational, and jargon-free, face-to-face communication, whilst emphasizing the need to manage employees' negative emotions and highlighting the positive role that stories and metaphors can play in the change process. This last point is echoed by Macaulay et al. (2010), who claim that the story of change itself can help an organization make sense of itself and construct its new identity. Stories help to build or redevelop an organisation's identity and have a powerful impact on both the internal cultural and the external brand, so if change leaders can (re)create positive stories during a change initiative, this can rally staff around the mission and provide positive momentum.

Like stories, metaphors can also act as powerful symbols, and they can be deployed by managers to visualise the need for change and provide a positive image of what change might deliver. Peacock (2008) claims that people's beliefs about organisations are embedded in the metaphors they use to describe them. In order to illustrate his claim, Peacock cites Morgan's (1997) eight common

metaphors to construe organisations: machines, organisms, brains, cultures, political systems, psychic prisons, flux and transformation, and instruments of domination. We can see here how potent some of these metaphors are and how they might impact (positively or negatively) on people's perceptions of an organisation. Just ask yourself: would you want your organisation to be perceived as a brain or as an instrument of domination?! We can also appreciate here the connections with the theories of change explored earlier in the chapter: change-ready organisations are more likely to be perceived as organisms, brains, cultures, flux and transformation. Some of these metaphors may appear a little abstract, but they illustrate how imagery and metaphor can be harnessed by change managers to create positive mental constructs of organisations in other people's minds. They are thus an effective tool to adopt when undertaking a significant change initiative and can help managers to not only make, but also to crystallise and illustrate the case for change.

It is important to acknowledge, however, that there are sometimes very valid reasons for resisting change, such as fear of redundancy, of losing control, or being overworked, and sadly change does not always result in a better outcome. Managers and leaders need to understand and deal with these anxieties and existing studies of change have revealed how exploiting informal networks can allow change leaders to access the knowledge of key stakeholders and thus head-off potential resistance and mitigate against the rumours and misinformation that can proliferate during periods of change. Another acknowledged tactic is to actively seek out sceptical stakeholders or 'blockers' of change, who can provide a constructively critical, objective and sometimes external perspective. This can reduce the risk of leaders pursuing whimsical or self-interested change and/or adopting a blind position of advocacy. Most arts and cultural organisations can find these knowledgeable and sceptical stakeholders amongst their funders, donors, boards and audiences, as well as, of course, amongst their own staff.

Implications for leaders and leadership

We have seen already that managing change requires a specific approach and skillset that supersedes what is traditionally expected of arts managers. This is because enabling change actually demands sophisticated leadership skills. Scholars are increasingly considering leadership as a process and an inter-personal quality, rather than something that it embedded exclusively in senior people. So there is no reason why managers (or anyone else for that matter) cannot embody the requisite leadership skills to enable organisational change. Indeed as we have seen, departmental managers are often the key facilitators (or blockers) of organisational change because they have an influencing role in sub-cultures. Having said this, effective change management requires a holistic organisational approach based on the strategic alignment of values and key stakeholders around a clear and relevant vision, mission and rationale for change. Organisational leaders are therefore generally in the best position to enable change, as they possess the strategic overview of the organisation and act as temporary custodians of its vision, mission and values. Staff members in particular need to understand why they should personally engage with the initiative and what's ultimately in it for them, and again, leaders are generally best placed to provide this high-level guidance and support. It is inevitable that change will involve staff working in different ways, and leaders are usually the only people who are fully empowered to put in place appropriate support mechanisms (such as dedicated time, training and development) to actively support this operational evolution.

Often the main challenge leaders face during a change initiative is dealing with resistance. Welch and McCarville (2003) argue that employees' resistance to change is inevitable because it upsets their professional equilibrium; raises unwanted questions about their roles; and ultimately threatens their job security. For many employees, change is correlated with pain and their reaction to it can fluctuate from apathy to active resistance (Sharma, 2008). Effective change leaders therefore need to be adept at managing conflict, just as they also need to be able to empathise with their colleagues' concerns and anxieties. However, leaders often struggle to deal effectively with resistance, sometimes precisely because they lack the requisite interpersonal skills to listen, communicate, empathise, and manage conflict. These are the kinds of skills that are often learned the hard way, on the job, and they tend to come with experience, but there are simple tactics that leaders can deploy to deal more effectively

with blockers. For example, Lepine et al. (2000) propose three simple strategies for dealing with resistance to change:

1. Replace resistant employees
2. Invest in training and development
3. Recruit 'change-ready' individuals

The first of these options should really be a last resort and only implemented once other avenues have been explored. There are significant legal implications involved in removing or replacing staff, which is why major change initiatives are often accompanied by organisational restructures. Making people redundant is a painful and complicated process, and it can often involve expensive compromise agreements and culminate in damaging staff morale. It can also often mean that redundant posts cannot be replaced like-for-like, which might leave a vacuum in a key strategic or operational area of the organisation. As we have seen, bringing resisters on board as critical friends, or even winning them over, can be a highly effective strategy and this is therefore a preferred option to replacing or removing them entirely.

The second option of investing in training and development is perhaps an obvious one, but it is a strategy that is often overlooked. As change involves adapting to new ways of working, training, development, mentoring and coaching can all help colleagues to make a smoother transition to the new model, while simultaneously developing their skills, expertise and morale. So this can be a win-win strategy. However, these first two options highlight the fact that change can be expensive and require leaders to carve out or make the case for significant investment in what, as an often intangible, internal process, can constitute a difficult sell to a board, funder or donor.

The final option – the strategy of proactively recruiting change-ready individuals – is what I would consider a game-changer. Recruitment can be a nefarious activity, which is often compromised even further in the arts and cultural sector by nepotism, poor HR processes and the notorious lack of diversity in the field. Job and person specifications are often predominantly skills- and experience-based, and fail to take account of personal values and qualities such as people's propensity for risk, novelty, innovation and change. The advantages of recruiting change-ready individuals to an organisation in such a fast-moving sector are readily apparent, and this smart preventative strategy can ultimately save leaders a lot of heartache, time and money.

The conception of change-ready organisations as paradoxical, complex, chaotic and conflictual that we discussed earlier in the chapter also has significant implications for leadership models and organisational structures. Recent research in the cultural industries (e.g. Hewison and Holden, 2011; Taylor, 2011) has advocated conceiving of organisations as networks, perhaps building on Deleuze and Guattari's notion of the 'rhizomatic network', where organisations function from and across the centre rather than from the top down (Yu, 2004). The significance of organisational structure in facilitating change is not only related to its role as an enabler of change; it also determines how change is communicated across an organisation and provides a platform for its style and model of leadership. Modern leaders increasingly need to lead across networks rather than down traditional hierarchies: with the rise of strategic partnerships, co-productions, crowd-funding, co-creation and consultancy, traditional authority that flows down from a leader via a hierarchy is less important than the ability to operate as part of a network through persuasion, compromise and focusing energy (Holden, 2011). The role of the cultural leader is to act as an "intermediary", bridging creativity and administration, and integrating, mediating or even exacerbating conflict (Glynn, 2006, p. 61). The ability to manage (or invoke) conflict is a core aspect of change management, and it is another reason why relational and transformational leaders are often the most effective agents of change. This is because relational leaders are "enablers", who lead others through delegation and empowerment; they draw on their strong delegation and communication skills as well as on their colleagues' talents to ensure that a shared vision is achieved (Hewison, 2004).

Despite the increasing focus in the change management literature on participatory and distributed leadership (Holden, 2011), there is a general consensus that it is leaders' responsibility to create a strong vision and lead their organisations through change (Lewis et al., 2006). In other words, most commentators agree that leaders should act as 'change agents', whose role is to promote participation and communication, and facilitate the change process. In this sense, leaders need to act as entrepreneurs (or intrapreneurs) because it is their role to envision, drive and implement change. However, some scholars regard leaders' role in initiating change as much less proactive. For example, Peacock (2008) contends that change often comes from outside the organisation and argues that leaders should enable change rather than become the instruments of it, while Bilton claims that if leaders are "locked into a single strategic vision, it becomes much harder for them to respond to change" (2007, p. 117). Stanziola (2011) goes even further, suggesting that leaders are limited in their ability to promote change because organisations' attitudes to risk and innovation are shaped essentially by their location, size and sector. This is an interesting challenge that is certainly open to debate. Whilst location, size and sector clearly have an influence on underlying cultures of risk and innovation, it would be disingenuous to claim that these are the predominant cultural drivers in any single organisation. Table 1 summarises the core theories we have explored so far in this chapter regarding managing change in the arts and cultural sector. It suggests that what separates traditional organisations and their managers and leaders from change-ready organisations are essentially structures, models, attitudes and behaviours, rather than art forms, location and size.

Table 1: Change and organisational characteristics

<< Table 1 here>>

Let's now see how these theories about managing and leading change play out in the real world of a large and busy arts and cultural organisation.

Case study: West Yorkshire Playhouse

Introduction

West Yorkshire Playhouse (WYP) in Leeds is one of the largest producing theatres in the UK. Its mission is to create world-class, relevant and compelling theatre and to transform people's lives by the power and vitality of its work (West Yorkshire Playhouse, 2018). Back in 2011, as part of a strategic change programme called Transform, which was designed to develop the 'resilience' of five of its regular funded organisations that it felt faced immediate opportunities or challenges, Arts Council England (ACE) awarded WYP £1.47m to explore how a regional theatre could operate most effectively in the 21st Century. Based on my own extensive mixed-methods evaluation of this major change initiative, which comprised document analysis, surveys, depth interviews and focus groups, this case study provides an account of West Yorkshire Playhouse's two-year action research project. It reflects in particular on the synergies and gaps between theories and practices of managing change in the context of the arts and culture.

Divers of change

The drivers of change for WYP were both internal and external. Back in 2008, one of the reasons the then chief executive, Sheena Wrigley, had applied for her post was that she felt that WYP was an organisation in desperate need of change: "I've always been really excited by the idea of reinventing things […] and the role had been created with the idea of that person agitating change […]. I'm always interested in what's its next reinvention" (Wrigley, 2012). This sentiment was echoed by the new artistic director, James Brining, who joined the theatre halfway through the process and reflected: "Transformation is a crucial thing for me to deliver" (Brining, 2012). So from the outset, even though the impetus for change had come from outside the organisation, it was clear that both leaders took a pro-active approach to change and perceived themselves as transformative change agents.

Interviews with senior staff at both ACE and WYP indicated that there was an agreement that change at WYP was non-negotiable and that there was an incontrovertible need to re-vision. Indeed this is why WYP was expressly *invited* by ACE to apply for the Transform fund. ACE's regional manager argued that the Transform funding allocated to WYP was not a luxury because the consequences of *not* funding change were too unpalatable: "It was our one opportunity to really have a proper engagement with the organisation for substantial change; we couldn't have done it without that money and that investment" (Arts Council England Officer, 2012). But there was also a strong internal acknowledgement of the pressing need for change. WYP's external change mentor, Richard Watts, described his first staff workshop as follows:

> Most people talked about how they tried to create change and had kind of given up. They felt like they were tired and there was quite a passive perspective about what they could do, but a real consensus about what the need was (Watts, 2012).

This consensus was shared by everyone, Watts felt, except by some long-standing board members. Interviews with Brining (2012) and with the change initiative's project manager, Owen Roberts (2012), highlighted WYP's core strength as producing a "well-made play", but conveyed the sense of staff "running nowhere on a treadmill", of a theatre without an artistic vision or purpose, which Wrigley (2012) visualized as "a donut without a centre".

The change mission

WYP's mission for the initiative was to "refresh and revitalise our theatre in a way that opens up creative opportunity and opens out our buildings, talent and resources" (West Yorkshire Playhouse, 2012). This mission was translated into six strands, which were articulated in the project plan as follows:

1. Produce four creative pilots or experiments;
2. Implement artistic succession;
3. Create a new business model;
4. Develop audiences and communications and re-brand;
5. Develop people and internal culture and strengthen operational processes;
6. Plan for capital investment.

Chiming with ACE's view that WYP needed to broaden its audience base, both Wrigley (2012) and Brining (2012) named a key goal as "porosity", which Brining visualized as the theatre becoming a "crossroads" and Wrigley described as "opening up avenues through which people can pass, whether that's artists, audiences or participants" (ibid.). Wrigley (2012) defined resilience as "having some confidence in what the future's going to look like, driving that future and being more in control of it, rather than always responding to circumstance".

Process, structure, empowerment and barriers

The theatre's decision to take an action research approach quickly revealed inherent strengths and weaknesses. Brining's view (2012) is that it helped the organisation to "crash into the ice flow" whilst Watts (2012) argued that it encouraged "a process-vision rather than an end-vision", which made the initiative more "iterative" and "experiential". This was partly inevitable because there was no clear end-vision at the start of the project, but also a deliberate choice influenced by the appointment of a new artistic director (Brining) halfway through the process. However, although the action research approach secured the active participation of around half of the 60 permanent staff members (engagement in the entire initiative was controversially voluntary), Watts felt that this created a false impression of democratic decision-making which caused tension when top-down decisions were subsequently made regarding departmental restructures and redundancies. Wrigley's view is that while the matrix structure implemented especially for the initiative produced some innovative ideas, which subsequently fed directly into artistic and strategic planning, it also encouraged some ambitious

blue-sky thinking which might never be realised because of the loss of around £0.5m in core funding, leading to a potential sense of disillusionment amongst the staff.

Wrigley and Brining identified the main barriers to change as fear, complacency, inertia, intransigence, passive resistance, false prioritisation and evolution. This confirmed the key barriers to change identified in previous studies but also highlighted how an evolutionary approach to change can actually act as a barrier, as well as an enabler. In this case, this evolutionary approach was interpreted as a complacent belief that change would happen organically and without any proactive interference, whereas the leadership team were convinced that a more revolutionary approach was required. Although Watts felt that 50% of staff engagement was a healthy level of participation, other interviewees were less convinced and some staff members blamed the lack of engagement on the negative leadership of certain line managers and on the lack of clarity regarding the exact role and power of participants. This view was borne out by the change programme's project manager, who identified a problem with powerful sub-cultures or "kingdoms", which gave him the impression of working across several organisations (Roberts, 2013).

Communication

The communication strategy changed quite quickly from a balanced internal and external focus to an exclusive concentration on internal change, and this reflected a general acceptance that the first phase of the initiative had to be about "getting our house in order" (Wrigley, 2012). In Watts's opinion, communicating change is always challenging because "it's not about what you say, it's about what's heard" (Watts, 2012). Perhaps for this very reason, the communications manager identified her key message as "we are *all* the change" and listed her core objective as effecting a positive shift in culture (Loveday, 2012). According to Wrigley (2012), one quick win was indeed a palpable cultural shift, with staff "responding to each other differently and treating other people's ideas differently".

However, the focus groups revealed a lack of shared understanding of the project's goals across the organisation. Participants agreed that one of the aims of the initiative was to explore new working practices internally, but there were differences of opinion about whether this aim was a desirable one. Whilst some participants acknowledged a desire to see internal change as a vital refreshment to prevent "mission drift" and make the organisation more cutting-edge, others felt that they didn't have time to learn to work in a different way because "it just screws up all the other projects that we're working on" (focus group participant, anonymous). In terms of external focus, while some participants acknowledged and supported the aim of "beginning to change artists and theatre-makers' perceptions of West Yorkshire Playhouse" (West Yorkshire Playhouse, 2012), others felt that the internal focus was self-indulgent and thought the project should focus more externally on audience development.

Action learning and impact

When questioned about the creative pilots, most participants felt that they *had* encouraged staff to work in different ways, but many felt that it was just a case of two weeks of working differently and then everyone returning to their old ways of working. There were some concerns that the focus on new ways of working ignored the expertise that existing staff already had, and several participants felt they could have contributed more if they had been given the opportunity but that "management makes all the decisions, there's no involvement from the rest of the staff that may have an interest" (focus group participant, anonymous). Two respondents said they felt forced, rather than encouraged, to participate and work in different (and in their opinion worse) ways.

Over 70% of survey respondents had engaged with the creative pilots, which indicated a high participation from staff in this new area of activity. Most participants were excited by the work they had seen and 73% of respondents were interested in taking part in future ventures of this kind, even though 89% felt that the pilots had not provided them with any opportunities for professional development. Most respondents felt that one legacy of the pilots was that people were already starting

to talk to and about the theatre in different ways. Ticket sales for the Transform Festival were up significantly on the previous year, suggesting that audiences were getting more familiar with the theatre producing and presenting such work. The festival's associate producer reflected the views of many when she claimed that the pilots "marked a milestone" and proved that "change is possible"; but at the same time, "when you come in on Monday it's like nothing ever happened, everyone is just sunk back into their routines" (Letman, 2013).

A recurrent sentiment in the interviews with employees was a frustration with the matrix structure adopted for the change initiative. Staff had generally engaged with the so-called "houses" in good faith and held high expectations of their potential legacies, but were disappointed at the end of the project that their collective thinking seemed to have disappeared with little acknowledgement of any legacy or follow-through into strategic planning. Another problem transpired to be the chairing of the houses by senior managers, some of whom were overly dominant and/or lacked the requisite facilitation skills. This highlighted the theoretical focus on the importance of professional development to support a change initiative. However, participants did commend the matrix structure for facilitating internal communication and improving the culture by breaking down the "corrosive sub-cultures" and diluting what one employee referred to as "the weed-choked well" (Roberts, 2013).

Legacy

The most dramatic legacy of the initiative seemed to be the re-conceptualization of the role and model of a regional theatre as an open, creative development hub which should provide a home for a diverse range of artists and wider stakeholders. As the associate producer expressed it:

> It's not just about being able to present – because if the theatres went, there'd still be places to present shows. So it's about training and development and it's about our social spaces, our role within the community, the people that we work with, it's almost like being an arts centre meets a club or entertainment space, meets a community centre, meets a theatre that presents shows every night. And I think that's what theatre needs to be. I think that's what we're heading towards – and that's what I've learnt which I didn't know when I got here […] a theatre can act as a development agency and lab (Letman, 2013).

This re-visioning seemed to emerge both as a direct result of the action research – particularly as a legacy of the creative pilots – and through the necessity of the funding cuts, which required the theatre to become leaner and produce less work. This has now led to a revitalized artistic vision, based partly on a greater reliance on and positive embracing of co-productions with a range of artistic partners, which in turn has required an acceptance of the different and more flexible ways of working that were trialled through the creative pilots.

Discussion

Although the academic literature generally advocates internal, evolutionary change, the case study of West Yorkshire Playhouse illustrates that in practice, major change is often driven by external forces and funded in moments of crisis. This is perhaps particularly the case in the not-for-profit arts sector, where funding is short-term and subject to whimsical shifts in cultural policy; and it was interesting to note that both Wrigley and Brining listed evolution as a *barrier* to change at WYP. What they meant by this was that there had never been a rupture in artistic policy or funding, and this had inhibited change and engendered a sense of complacency. One key finding from the case study is that intelligent funding can buy vital time for organisational change to take place and support its development; but because of short-term funding patterns, fear and/or inertia, arts organisations often fail to embrace change unless they are forced to. This confirmed the findings of existing studies.

There were clear areas of consensus between theory and practice regarding barriers to change and the vital roles that culture, process, communication, management and leadership all play in a change

initiative. The financial barriers to change highlighted in the literature were also visible in the case study: WYP could not embark on its change programme until specific funding had been secured, and ACE conceded that they had learned the importance of funding change properly. The psychological barriers of fear and uncertainty evident in the theory were also reflected at WYP (and indeed were borne out as redundancies started to occur); but complacency, inertia and resistant managers and board members also emerged as key barriers to change, reflecting perhaps the covert power held by voluntary directors and the un-dynamic career structure that characterises the arts and cultural sector (several managers had been at the theatre for over ten years).

Another area of convergence between theory and practice emerged to be the role that stories and metaphors can play in facilitating and underpinning organisational change. Peacock's (2008) claim that people's beliefs about organisations are embedded in the metaphors they use to describe them was borne out in the interviews, with participants referring to WYP variably as a juggernaut, a donut, a treadmill and a buoy. Wrigley and Brining's approach to leadership reflected Hewison's (2004) definitions of relational and transformational leadership and responded to Peacock's call for leaders to enable rather than dictate change – at least until the funding cut forced the leaders to enact a redundancy programme. The case study also confirmed Lewis et al.'s (2006) theory about the significant role that middle managers can play in supporting or blocking change: the evaluation highlighted the potentially significant impact of subcultures reflected in the academic literature, but it also demonstrated that a positive organisational culture can create the right environment for change to occur. However, the extent to which the organisational culture was managed or manipulated remained unclear, and it remains to be seen whether negative sub-cultures will prevent durable change or whether 'value-level change' will ultimately be secured.

Conclusion

In a period of unprecedented funding cuts and shifting audience demands, change must be a priority for both arts and cultural organisations. However, because of short-term funding patterns, fear, complacency, weak leadership and inertia, many organisations fail to embrace change unless they are forced to. The case study of West Yorkshire Playhouse has shown how evolutionary and revolutionary change can combine to produce a positive change legacy, but one uncomfortable truth emerging from the case study is that crisis and rupture are sometimes prerequisites of positive change. However, change can also evolve incrementally through visionary leadership, through an adaptive structure and culture, and through positive stories and metaphors.

There appears to be a consensus surrounding the increasing need for arts and cultural organisations to become more adaptive and resilient by reassessing their business models and re-visioning their relationships with artists, audiences, funders, businesses and communities. The case study of West Yorkshire Playhouse highlighted the changing role of the regional theatre from a repertory producing playhouse to an open, creative development hub where multiple stakeholders can co-create and co-produce. Substantive redevelopment of this nature demands significant change and investment, and arts organisations need to be supported in this by their funders and other key stakeholders, including their professional networks, donors, audiences and boards.

There remains a significant knowledge gap in the sector about how change happens, why it needs to happen and how to lead it. This chapter has provided a critical overview of the core theories of managing change in the arts and culture, and discussed the implications for leaders and leadership. It has critically applied these theories to a case study of a major change initiative at West Yorkshire Playhouse in Leeds in the hope that current and aspiring leaders will embark on change programmes with greater insight and confidence and instil the structures, models, values and attitudes required to develop change-ready organisations fit for the 21st Century.

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