

Marconi and what the company could do to improve its image and build shareholder value. He ended by explaining that there was enormous upside potential for investors (including the people in the room, all of whom had substantial options packages).

### STRATEGY CONSULTANT: PRESENTATION AND WORKSHOP

A consultant discussed the findings of his study of Marconi's strategy. He was very forthright in telling the managers that, in his assessment of the buying behavior of the customers, Marconi's past strategy of becoming an end-to-end global supplier of telecommunications equipment was "fundamentally flawed." He forecast that Marconi's position in some product areas was unsustainable. The group debated the findings and their implications, with many suggestions for action.

### WORKSHOP: COST CUTTING

Parton set the scene for the final workshop by challenging the managers to come up with radical actions to reduce Marconi's cost base by £200 million by September 2002.

All ideas generated were captured regardless of the fact that they may not have had unanimous support. Some ideas raised had large-scale radical implications—like closing certain businesses or selling important assets. The suggestions were highly consistent across groups.

At the end of the workshop there was a presentation by one of the executive team members who announced a draft plan for

4,000 redundancies to be completed during the following financial year.

### PARTON'S CLOSING SPEECH: LEADERSHIP, BUSINESS PROCESSES, ACTION PLAN

The last session was a presentation by Parton titled, "Leadership—Getting the Basics Right." Parton summed up the key messages from each speaker and the list of actions the managers had agreed to as a group. He then outlined what he meant by getting the basics right, as follows:

- Building from the ground up.
- Simplicity and robustness in execution.
- Delivering relentlessly on commitments.
- Establishing a platform for growth.

Parton went on to outline the specific actions and behaviors he expected of each of his managers to improve the way they managed and led their people, and what they in turn could expect from him.

Behaviors expected of Marconi leaders:

- Be highly capable and respected for their contribution.
- Say with clarity and honesty what they think and feel.
- Challenge the status quo, to improve business performance.
- Be confident and expect to succeed.
- Be team players, fully aligned behind the company's goals.
- Be ambassadors for the company, internally and externally.

- Be good managers, consistently achieving results.
- Be great leaders, leading by example and living our shared values.

What Marconi leaders could expect from Parton:

- A role model: "I am not asking you to do anything I am not going to do myself."
- Clear objectives for the company.
- A personal interest in the performance and development of every person at the leadership conference.
- Ensure that every one of the top 100 leaders had his or her own Personal Development Plan and opportunities to satisfy development needs.
- Communicate with the leaders and involve them in decision making.
- Performance measurement: "Are we doing what we said we will do?"

Parton insisted that he would want total commitment from the leaders in order to achieve the objectives:

We have an exceptional challenge. We need an exceptional team working exceptionally well together, and we are that *team*. We want leaders who are 100 percent committed. If you are not with me, come to me and I will help you exit the business.

## CONFERENCE CLOSING

Unlike the earlier management conferences, the conference ended quietly. Parton's message, style, and intent were quite clear to everyone: "Get back to basics." There was no applause as Parton finished speaking, but the message clearly got through to the attendees. There were lots of private discussions as they departed, and many made plans to get together and discuss issues.

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### Reading

## Organizational Frame Bending

*Principles for Managing Reorientation*

**David A. Nadler**

**Michael L. Tushman**

One of the hallmarks of business in the past decade has been the attempts by

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large organizations to manage large-scale planned change. In some cases—AT&T, Chrysler, and Apple, for example—the efforts have been dramatic and have captured public attention. Other cases, such