

# Time to Transform | Part 3

## Stabilise, Optimise, Transform

### Clarifying your Leadership Challenge



“Why don’t my team get it - which bit of ‘existential crisis’ have they not understood?”

“I feel like I am shouting into a void about the need for change in this organisation.”

“When we ‘pull a lever’ as the management team, we find it’s not connected to anything!”

“We can’t just stop BAU for a year, while we change our organisation...!”



These are just some of the frustrations we've heard from senior leaders trying to stimulate change while maintaining or improving operational delivery in their organisations.

For many years we have been working with senior leaders and been helping them to lead change within their organisations.

In this time, we've seen many similar patterns, which seem to have only been exaggerated in the last 18 months or so.

In particular, the old narrative of 'change' then 'run' just doesn't apply. All organisations that we work with are in a new paradigm of 'change' then 'change again'.

# Your leadership metaphors are not my reality....

In response, we hear lots of language about 'building the plane in flight' or 'laying the track as we go'. And while these are common metaphors for change in operational organisations, they simply don't exist other than in the minds of cartoonists and over-optimistic transformation leaders.

To say that it is a choice between 'flying the plane' and 'fixing the plane' or between 'building the track' and 'running the train' is not to be defeatist, negative or stuck in the past. It is to recognise that optimism and willpower alone can't overcome laws of physics, principles of engineering and safety.

We also see people (including consultants and other professional advisors!) bandying this word 'transformation' when what they really appear to mean is 'doing things a little bit better than we are now'. It struck us that the reality of genuine 'transformation', the destruction of the way things are now, in order to create a future state which is very different, was eluding people.

Metaphors are always a bit risky as they are only hinting at the world they are trying to describe, but a good example of 'genuine' transformation is the caterpillar into butterfly. A biologist could no doubt explain how they are the 'same' being but the average lay person would readily admit there is very little of the caterpillar left in the butterfly. Stretching it further, in the period when the 'transformation' is happening, the 'thing' (whatever it is), is putting all its energy into the change, is protected from its external environment by a hard chrysalis and begins by breaking down all that defined 'caterpillar' before building all that will define 'butterfly'.

# So is it really time to transform..?



As we highlighted in our previous blog in this series, [Creating the Conditions for Successful Change](#), we continue to see leaders holding different perspectives on the change or transformation they are seeking in their organisation. These 'lost in translation' differences becoming multiplied to dramatic effect when cascaded down through the wider organisation.

In helping leaders build greater collective **clarity**, there seemed to be a gap for a framework which would help leaders be more intentional about the scope, sequencing and pacing of change within their organisations. This is about balancing the need to disrupt and destabilise, with the need to consolidate gains and restabilise.

We wanted to provide a framework for leaders to consider how they maintain a productive tension between maintaining stability and BAU service delivery, whilst disrupting the status-quo in order to transform into a better, more effective organisation.

# What three words?

## Stabilise

This is about bringing clarity, minimising uncertainty, reducing tension and disruption, focusing people on nearer-term, manageable goals. It is helpful for organisations or teams that have gone through a period of disruption, whether that has been the result of external factors (e.g. a traumatic operational crisis) or internal factors (e.g. a restructuring programme).

## Optimise

This is about incremental, continuous improvement, pushing a system to its current limits. This is the 'steady state' approach in order to maintain organisational health in the face of normal external challenges like workforce pressure, cost pressure, demand pressure etc. It is a helpful leadership approach especially when the organisation is doing well, but hasn't seen any meaningful performance improvement for several performance periods.

## Transform

This is about disrupting established patterns in order to push the system 'beyond its limits'. It brings instability and uncertainty to those involved during the process. To avoid 'disruption for its own sake', or reduction in value, a clear purpose, mission and vision is critical as a touchstone to justify the instability. This should be used sparingly, and is for those times when it becomes clear that the status quo will never again be appropriate to face the future challenges. In some cases the need for transformation will be triggered by an external series of events/reports/directives. In other cases, you as a leadership team may want to get ahead of a future crisis by anticipating and creating the internal disruption for change.

Stabilise, Optimise, Transform is neither a sequential or 'either/ or' framework – all three will be required in different ways and in different parts of your leadership environment at any point in time.



The challenge for the leadership team is to work out which areas of your system need more disruption, which more stability and which are in steady state and can be optimised.

Given the uncertain external environment, while it is helpful to plan periods of 'stabilise' and periods of 'transform', leadership teams don't always have the choice. We can never 'make the weather', we can only give ourselves options for how to respond. It is not always possible to know when disruption will come to you. When it does, it is a leadership choice as to whether you lean in, not let the crisis go to waste and use the disruptive energy to transform a bit of your organisation. Equally, even though you planned your big transformative move for 2024, if your organisation is still reeling from the cost of living crisis and strikes, that may need to go on hold for a bit while you re-stabilise the operation and get performance back on track.

# Our offer to you



This is an invitation to change your mindset about your organisation and your leadership of it. It is a way of breaking down silos and having a common vocabulary to discuss with an executive team what your leadership orientation to which bits of your organisation should be. It allows you to continually be asking whether you are being too disruptive, or not disruptive enough. And it will give your people some confidence that, no matter how disruptive things feel at any point, there will be an opportunity to consolidate gains, regroup and restabilise.

# Annex: Underpinning concepts and further reading

For many years, Deloitte Leadership have shaped some of our thinking on the set of core concepts that were introduced via the National College Director of Childrens Services Programme. A key component of this was the concept of [Adaptive Leadership](#) (Heifetz, Linsky, Turbitt). A core element of this approach is 'regulating heat' in the organisation. Note that it is about regulating. Too little heat and not enough productive work is being done. Too much and the organisation risks burning itself out. More recently added to this has been the work of Bernd Vogel around organisational energy and particularly his concept of balancing '[productive energy](#)' with 'comfortable energy'. We have also been working with the '[Game 2](#)' concept from Peter Nowlan where he is encouraging stepping right out of all the current assumptions and limitations of our current game (Game 1) in order to find a very different approach to creating value from our unrecognised and unreleased potential (Game 2).

If you would like to find out more, please do get in contact.



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