



ESTABLISHING AN OPEN DIALOGUE DOWN UNDER AT MURDOCH MAGAZINES

BY NANCY HROMIN AND DAVID HOVENDEN

In March 2001, the international media company Murdoch Magazines was nominated as one of the top 20 employers to work for in Australia. Renowned for titles such as *marie claire* and *Better Homes & Gardens* and as the world's leading cookbook publisher, Murdoch Magazines has gained the reputation as a great place to work, owing in large part to its values-based leadership style.

Several years ago, company leaders led by Matt Handbury, the new owner and managing director of the business, began to realize that the values they had identified as necessary to

move the business forward in the global marketplace—involvement, participation, honest and direct communication, and learning—were not aligned with the organization's current practice. Most of the problem lay in the company's historically reserved, paternalistic culture, in which its then-100 employees acted nicely to one another, but seldom conversed honestly or spoke out courageously. As the company grew and the market became more competitive, these barriers to effective communication began to impede business and staff growth.

Initiating Organizational Change

To respond to the changing business environment, senior managers decided to focus on sustaining the company's talented staff. After honestly assessing their organization's culture, they realized that they needed to create a work environment where individuals felt inspired to bring more of themselves to work. But in order for people to adopt new behaviors, company leaders needed to effect some organizational changes. Handbury initiated a learning process to align the company's values and behavior; he also introduced new goals and objectives throughout the company, strategic planning conferences for every department, and quarterly performance appraisals.

One of the most radical practices undertaken was "circles," regular dialogue forums designed to encourage open and honest communication and create consciousness around how to give and receive criticism generously. The goal behind circles is to give staff members a safe place to raise difficult or uncomfortable issues that can stand in the way of achieving a healthy work environment. Murdoch Magazines has conducted circles as follows: Members of a business unit (for instance, a magazine's entire staff or the management group) sit together and speak from the heart about issues getting in the way of their individual performances. A senior manager coached in this process facilitates the circle (see "The Circle Process at Murdoch Magazines").

For many Murdoch Magazines' employees, participating in circles has been the most challenging component of the organizational transformation, because they are asked to reveal

THE CIRCLE PROCESS AT MURDOCH MAGAZINES

General Guidelines for Facilitators

- Remind people to sit in silence and listen to others for a specific period of time.
- Appoint a timekeeper.
- Review the purpose of the circles: They are not intended to be an operations or logistics meeting, but a forum for people to "get out of our heads and into our hearts" so they can approach work and business not from an intellectual perspective but an emotional one.
- Emphasize that the circle is a place to speak safely: Any subject can be discussed; everyone has agreed to keep what was said during the circle confidential; and people are to listen carefully to each other, not judge or attack anyone for something they've said.
- Remind people that attendance is mandatory and that they are not required to speak, but are required to be present.

General Guidelines for Participants

- Speak when you are moved to speak; don't speak when you have nothing to say. We are not here to fill silence but to listen/hear what people are saying. It's an opportunity for people to share their feelings as well as their thoughts.
- Speak from the "I" perspective; avoid trying to speak for anyone else.
- If someone asks for feedback or advice, you may respond, but you don't have to. We are not here to heal, convert, or solve people's problems.
- If others have difficulty expressing themselves, it's not appropriate to "rescue" them unless they ask for help.
- If a question or statement is directed at you, you are not required to answer or respond.

and discuss their *feelings* about work and business issues—not their opinions of how to solve a problem. Nobody may speak outside of his or her own experience or argue with or refute what someone else has said. The circle sessions represent a time for listening and reflecting. There are no recriminations for statements made, and anything discussed in the circle is confidential. The circle process has afforded the company a method by which staff members gain insight into how to work together more effectively. In particular, it has helped people articulate and purge strong emotions, such as anger, sadness, and frustration, rather than channel them in counterproductive ways.

Besides circle discussions, another successful effort company leaders have made to align values with practices is their production of a booklet called *the things that matter*, commonly referred to among members of the staff as “the philosophy book.” Through collective participation, including focus groups, all employees contributed to developing the content of this resource. The booklet is now distributed to all new staff and clients, who use it to guide their behavior, business decision-making, and corporate strategy.

Creating the Transformation and Discovery Department

To ensure that organizational development programs keep the new culture alive and congruent, Handbury created the Transformation and Discovery Department. The department helps managers translate Murdoch Magazines’ philosophy into behaviors and competencies by equipping them with tools and skills (see “Linking Values and Competencies”). It also strives to bridge the creative tension that exists between the company’s current reality and where it aspires to be by running organizational learning workshops in disciplines such as systems thinking, mental models, and team learning, as well as providing intensive coaching support.

Although the establishment of a “transformation and discovery” func-

tion has raised many eyebrows and is the subject of much ribbing both inside and outside of the company, it nonetheless reflects a strong commit-

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ment by senior managers to align Murdoch’s corporate culture and business objectives with its management and organizational development practices. In fact, some U.S. business texts, including *Love or Profit: The Art of Caring Leadership* by James A. Autry (Avon Books, 1992), cite the department as an alternative to the more traditional human resources or training and development functions.

The department spearheaded the process through which everyone in

the company contributed to creating the following vision statement: “We will convince advertisers of the extraordinary and untapped benefits that involvement delivers.” This statement has inspired employees to commit to change and provided them with direction in today’s complex, changing business environment. Murdoch Magazines regularly revisits and refines its values with extensive staff consultation and environmental scanning. Although the recent downturn in market conditions has forced the company to limit its previously generous investments in creating a powerful culture, the organizational vision remains strong, and work still continues in this area. ■

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LINKING VALUES AND COMPETENCIES

Value	Supporting Competencies
Participation:	Creates shared vision
Everyone has the opportunity and responsibility to participate to his or her fullest.	<ul style="list-style-type: none"> • Consults widely with others throughout the organization • Readily shares a clear personal viewpoint of the corporate vision • Engages in dialogue about the company’s future <p>Seeks feedback on organizational issues</p> <ul style="list-style-type: none"> • Collaborates with colleagues and team members to determine options • Accesses the company’s formal and informal networks to determine a range of reactions • Engages with external networks to gather relevant information <p>Delegates tasks and responsibilities</p> <ul style="list-style-type: none"> • Encourages and provides support to individuals to complete tasks • Involves team members in developing and reaching consensus on a plan of action • Assesses and coaches each person upon completion of tasks