# Title page

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# Managing people and learning in organisational change projects

## Abstract

**Purpose:** This article assesses the influence of people management practices on the outcomes of organisational change projects through their contributions to organisational learning. The contributions to their outcomes of particular corporate and project-specific people management practices are considered.

**Method:** Case studies of two organisational change projects undertaken by Arts Council England during 2006-07 are used to examine how far and in what ways people management practices influence the outcomes of such projects. Organisational change is considered as an instance of organisational learning, which in turn is examined in relation to the twin activities of developing new ideas and internal sense-making.

**Findings:** Evidence is presented that certain people management practices, individually and in combination, influence the outcomes of organisational change projects significantly through their contributions to organisational learning.

**Research implications:** Research into the influence of particular people management practices, and the contexts and processes through which it is exerted, is necessary to develop more generalisable conclusions. This influence is liable to be invisible to less granular research into people management as a general construct.

**Originality/value:** Research into the use of project management methods specifically to implement organisational change is sparse. The findings of this article contradict findings from research into the influence of people management on project outcomes in general, which suggest that it does not have a significant effect.

## Keywords

Organisational change project; people management practices; organisational learning; explorative learning; internal sense-making

## Introduction

Use of project management methods to implement discontinuous, large-scale organisational change is a standard practice (Chartered Institute of Personnel and Development, 2003; Molloy & Whittington, 2005). Organisational change is discontinuous when it involves an episode of rapid change that is separated significantly in time from other such episodes, and large-scale when the change is enterprise-wide and involves a change in strategy (Al-Haddad & Kotnour, 2015; Todnem By, 2005). Partington (1996) questions the widespread belief that established project management methods are generally applicable to any kind of change and calls for more research into their use specifically in organisational change projects. Shaw (2016) has demonstrated that project management and change management constitute a complex duality, in which project management sometimes complements but sometimes also conflicts with organisational change management. This literature raises questions as to whether there are distinct factors that make a difference specifically to the outcomes of organisational change projects.

Organisational change has been conceptualised as an instance of organisational learning (Achtenhagen et al., 2003; Cyert & March, 1992). This article considers organisational learning from the perspective of the twin activities of developing new ideas and internal sense-making (Achtenhagen et al., 2003). March's (1991) concept of explorative learning is used to inform the discussion of development of new ideas. March (1991) distinguishes explorative learning, which involves searching for innovation through experimentation and risk-taking, from exploitative learning, which involves refining existing ways of doing things but avoiding the risks of experimentation. The concept of explorative learning is particularly relevant to examination of discontinuous, large-scale organisational change because of its association with change that is radical (Achtenhagen et al., 2003). Internal sense-making is a social process whereby meaning is established in an organisation (Achtenhagen et al., 2003). March's (1991) concept of mutual learning, whereby people progressively establish shared knowledge and beliefs, is used to inform the discussion of internal sense-making. Organisational learning is dependent on the interaction between development of new ideas and internal sense-making. Whether or not new ideas come to be adopted depends on how effectively they are diffused among organisation members (Achtenhagen et al., 2003; Kim, 2015). Internal sense-making includes the unlearning of established ideas, a prerequisite for adopting new ones (Achtenhagen et al., 2003; Pettigrew, 2012). The dependence of organisational change projects on organisational learning raises questions as to whether there are particular people management practices that can influence them through their contributions to explorative learning and internal sense-making.

Research that has been carried out into critical success factors in project management in general suggests, surprisingly, that people management has little effect (Belout & Gavreau, 2004; Pinto & Prescott, 1988). Questionnaire surveys limited to professional project managers form the basis for these findings. Belout & Gavreau (2004) argue for more granular research, based on more precise definitions of people management as a construct, and for research drawing on wider perspectives, including those of project sponsors. This article explores possible directions for such more broadly based research. The limitations of existing research into the influence of people management practices on the outcomes of projects raise questions as to whether, and if so how far, people management practices may in fact have a distinct influence on the outcomes of discontinuous, large-scale organisational change projects.

Huemann et al. (2007) propose a broad framework for examining people management practices, which has particular value for this research because it is designed specifically to consider them in the context of project-oriented organisations. This framework highlights two interrelated sets of corporate and project-specific people management practices. Corporate practices include selection, development and individual performance management, and release. Project-specific practices include assignment of people to particular projects, their development and performance management while engaged on those projects, and their redeployment from those projects to other activities. The conceptual model in Figure 1 combines this framework with the perspective proposed above that the interaction between explorative learning and internal sense-making shapes the outcomes of organisational change projects. The model identifies two sets of independent variables (corporate and project-specific people management practices – *italics*) and a set of dependent variables (explorative learning and internal sense-making – **bold**). This article uses this model to analyse evidence from two case studies of organisational change projects undertaken during 2006-07 by Arts Council England (ACE). The two sections that follow draw upon the literature to discuss in

turn how corporate and project-specific people management practices influence explorative learning and internal sense-making.
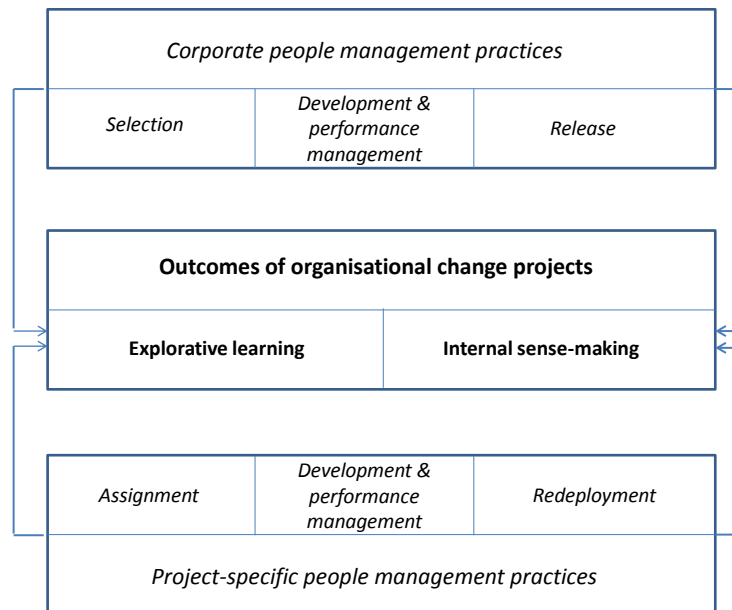


**Figure 1: Conceptual model of how people management practices can influence organisational change projects through their effects on organisational learning**

## How corporate people management practices can influence organisational learning

### *Selection*

Corporate selection practices can involve knowledge grafting, that is, importation of outsiders with knowledge that is novel to an organisation (Huber, 1991; Nag et al., 2007). Huber (1991), for example, highlights General Motors' acquisition of EDS in order to import information systems expertise. This may constitute a significant contribution towards explorative learning. Appointment of outsiders to an executive team often engenders changes in mind-sets, leading to discontinuous, large scale change *(*Fondas & Wiersema, 1997; Schuler & Jackson, 1987). Nag et al. (2007), however, show that outsiders' influence depends on internal sense-making. They describe how a technology-oriented company failed in an attempt to import greater marketing capability by appointing outsiders with business development expertise, because this new knowledge proved too alien to the company's sense of identity to be generally adopted.

### *Development and Performance Management*

Human resource management literature identifies a number of development and performance management practices that can contribute to explorative learning and internal sense-making. Several corporate leadership development practices identified by Day (2000) facilitate explorative learning. These include executive coaching by external consultants, planned job assignments across different countries, and action learning projects. Companies also use sabbaticals to expose people to new and unfamiliar environments (Carr & Tang, 2005; Morison et al., 2006). Sabbaticals could be regarded as an extension of the use of job assignments advocated by Day (2000), although the literature focuses mainly on their use to retain access to employees who might otherwise have been

made redundant during business downturns, or to re-energise unmotivated employees. Corporate seminars that help people build their personal networks across their organisations, and action learning projects that encourage openness to the ideas and involvement of others from across an organisation's internal boundaries, also facilitate enterprise-wide knowledge sharing – a key aspect of internal sense-making (Achtenhagen et al., 2003; Pettigrew & Massini, 2003).

Performance management practices may encourage organisation members to contribute to internal sense-making by sharing their knowledge with their colleagues. Ernst & Young uses its performance appraisal system to assess management consultants' contributions to internal knowledge sharing, while the performance appraisal and reward of partners in Bain takes into account how far they share knowledge with their colleagues (Hansen et al., 1999).

### Release
March (1991) argues that a certain level of staff turnover is beneficial for internal sense-making because it disrupts the development of excessive homogeneity of beliefs among organisation members. Reinganum (1985) shows that replacing an incumbent on a small firm's executive team with a newcomer produces benefits only when the incumbent actually leaves the organisation, which suggests that champions of old ideas have to depart before new ideas can be accepted. Fondas & Wiersama (1997) find that an organisation's processes of socialisation of senior managers, for example giving a new chief executive a 'preview' of the job before actually taking it over, can reduce the outsider's impact in bringing about change. Staff turnover may help counteract such socialisation effects.

Downsizing/restructuring contributes to internal sense-making by helping an organisation unlearn outdated ideas (Achtenhagen et al., 2003; Freeman & Cameron 1993; Pettigrew, 2012). Downsizing/restructuring does not simply reduce the membership of an organisation; it can also be both a symbolic act that signals a break with the past, and a purposeful initiative typically involving substantial changes in an organisation's processes, structures and external relationships (Freeman & Cameron, 1993; Tsai, 2008). Moreover, Achtenhagen et al. (2003) point out that adoption of certain new organisational structures can facilitate increased sharing of knowledge and ideas. It should be recognised, however, that downsizing/restructuring can also be shown to have detrimental effects, arising from losses of tacit knowledge and increased behavioural rigidity among employees, in particular in knowledge-intensive and high-growth industries (Guthrie & Datta, 2008).

## How project-specific people management practices can influence organisational learning

### Assignment
Project-based organising contributes to internal sense-making by facilitating horizontal interaction across structural boundaries (Achtenhagen et al., 2003; Pettigrew & Massini, 2003). Members of organisational change project teams often combine their project-based roles with their everyday jobs, which makes these projects a conduit for sharing knowledge beyond as well as within the project team (Eskerod & Jepsen, 2005). Projects are temporary organisations, however, so they cannot offer clear career paths to their members. In order to attract people to join organisational change project teams, therefore, trade-offs have to be struck between the competency requirements of the project and the learning and development benefits that members of the project

team expect (Huemann et al., 2007; Turner & Müller, 2003). Eskerod & Jepsen (2005) discuss the option of voluntary enrolment, whereby managers call for volunteers to perform organisational change project roles, as a means of attracting team members.

### Development and Performance Management

Training in project management methods is the main focus for the development of people engaged in project-based work (Fabi & Pettersen, 1992). Basic competence in project management is needed if team members are to contribute effectively to the horizontal, social interaction upon which internal sense-making depends (Achtenhagen et al., 2003; Pettigrew & Massini, 2003).

Overlaying project structures across traditional, hierarchical structures engenders a range of conflicts between project and functional roles (Turner & Keegan, 1999). Specifically, the roles of project and functional managers in the performance management of project team members have to be balanced (Fabi & Pettersen, 1992). The flexible ways of working involved in projects create problems in setting appropriate pay levels for project team members (Fabi & Pettersen, 1992). Moreover, the appropriateness of individual as opposed to team-based reward for project-based work is sometimes questioned (McHugh et al., 2001).

### Redeployment

People who have completed their work on a project often face uncertainties about their future deployment. Early consultation with people in this position is important in retaining the benefits of their learning from their project experience, and encouraging people to participate in organisational change projects (Huemann et al., 2007).

The following sections of this article set out evidence from case studies of ACE's projects. The paper then discusses how far, and in what ways, the influences of people management practices that are suggested by the literature are apparent in this empirical evidence, and the implications for future research.

## ACE's Arts Debate and Taking Part Projects

ACE was formed in 2002 through the merger of the former Arts Council of England with 11 English Regional Arts Boards. It used project management methods to implement its post-merger restructuring. During 2006-2007 ACE was undertaking two projects, within a wider, overall project portfolio, which were designed to contribute to discontinuous, large-scale change. Historically ACE had supported art that experts regarded as excellent. It now sought to meet the expectations of public funding of the arts among a wider range of stakeholders. The Arts Debate project was set up to assess these stakeholders' expectations of public investment in the arts, so as to help identify ways in which ACE could create greater public value. The Taking Part project sought to identify ways of increasing attendance at, and participation in, the arts among black and minority ethnic people, disabled people, and people in lower socio-economic groups.

## Research method

A case study approach was used, involving semi-structured interviews, document analysis, and observation. This approach is well-suited to research where a sharp distinction cannot be drawn between the phenomena that are of interest and their organisational context (Gibbert & Ruigrok, 2010).

ACE's Arts Debate and Taking Part projects were selected as suitable cases for this research because they constituted two contrasting projects that were directed towards the same strategic organisational change. The Arts Debate project drew on external influences to support the development of new ideas, and a project team formed mainly from only two groups within ACE's national office carried out the work. The Taking Part project team was created through the assignment of people from a wider range of constituencies across the organisation, with consequent benefits for internal sense-making. Downsizing/restructuring of the national office – ACE's largest office where most of its most senior employees worked - shaped the context for both projects. These circumstances meant that ACE presented what Gray (2014) identifies as a critical case, offering a distinct opportunity to undertake a longitudinal study of the phenomena that were of interest.

Data were collected about these two projects from September 2006 to December 2007. Thematic analysis was used to identify patterns within the data (Braun & Clarke, 2006). The author conducted 22 semi-structured interviews, with 15 different individuals. Seven people were interviewed twice, once in the autumn of 2006 and once in the summer of 2007. The sample of interviewees reflected four main perspectives. Those were, first, four national office staff who were participants in the two projects; second, three regional office participants in them; third, five national office staff who were involved in the governance of these projects; and fourth, three representatives of interested external organisations. The author observed one project meeting in relation to each of the two projects in the autumn of 2006. Overt non-participant methods were used (Gray, 2014). A range of documents about ACE's projects and strategies were reviewed.

## Findings from the case studies

Findings from the two case studies are set out in the following paragraphs, first in relation to the influence of corporate, and then of project-specific people management practices. These reveal how ACE's people management practices exerted significant influence on the two projects through the organisational learning that they supported, but in different ways.

### *The influence of corporate people management practices*

Data from the research that highlight the ways in which corporate people management practices influenced the projects are summarised in Table 1.

**Table 1: Case study data illustrating the influence of corporate people management practices on organisational learning**

| People management practices | Data from the case studies | Observations |
|---|---|---|
| *Selection* | | |
| Selection of outsiders with novel competencies | '[The Arts Debate] is probably … progressing … speedily not least because it's being championed by [XXX], who's come in from outside'.<br><br>'[Assignment of an external contractor as Arts Debate project manager] was very instrumental in all of this …' | Appointment of an outsider with relevant experience to the executive team, and of a contractor with professional project management expertise, had a major influence on the Arts Debate project. |

| People management practices | Data from the case studies | Observations |
|---|---|---|
| Development & performance management | | |
| Development of executives through novel experiences | '… freed from my day-to-day responsibilities as chief executive of Arts Council England … it is a chance to take stock of what's been achieved and think about the future of the arts and Arts Council England' (Hewitt, 2005). | The chief executive's exploration during a sabbatical of the relevance to ACE of the concept of public value was a major influence on the Arts Debate project. |
| Release | | |
| Release of adherents to the *status quo* | 'What we did effectively is give people the choice. You can choose to join this new structure, whereas I think what happened with the merger [through which ACE had been created in 2002] is that some people didn't really have the choice to be made redundant in effect.' | The national office review was a symbol of a significant break with ACE's past, and caused a change in its membership that encouraged new mind-sets. |
| Restructuring of diverse groups in integrated units | 'It's the first time we've got development and the arts in one team. Historically it would have been about us getting a balance between those two things and now we're having to come up with recommendations … where we've agreed on things.' | New structures were implemented that induced collaborative working between different functions. |

The executive sponsor of the Arts Debate project was a recent appointee to ACE's executive board who had recently participated in a public value consultation for another public sector body. Table 1 illustrates how the sponsor's status as an outsider contributed to the pace at which the project was implemented. Moreover, the sponsor brought knowledge to ACE that supported what was seen as a radically innovative project - the title of ACE's project definition document was, 'The arts debate – Arts Council England's first-ever public value inquiry …' (Bunting, 2006). A specialist project manager was appointed on a fixed-term contract to support on-time delivery of the project.

Table 1 illustrates the influence on the project of a sabbatical that the chief executive took from January 2005, and described in a publication in the following May (Hewitt, 2005). The chief executive initiated the project and was active in supporting it, following discussions with people in the UK and overseas during the sabbatical that encompassed the concept of public value.

The national office review set out to make significant cost savings, based on downsizing the national office from a staff of some 200 to around 160. It led to the departure of two executive directors and all of ACE's art form directors. As Table 1 illustrates, under the national office review people were required to make a commitment to ACE's new strategy, and the option of redundancy was available to those who could not. Moreover, the new organisation structure of the national office brought together units that had formerly been separate. As Table 1 illustrates, this facilitated integration of decision-making among these units where previously there had been competitiveness.

*The influence of project-specific people management practices*

Data from the research that highlight the ways in which project-specific people management practices influenced the projects are summarised in Table 2.

**Table 2: Case study data illustrating the influence of project-specific people management practices on organisational learning**

| People management practices | Data from the case studies | Observations |
|---|---|---|
| | *Assignment* | |
| Assignment facilitating management control | '[XXX] basically gave them sort of instructions then that … this is part of your workload, in effect. So I think from that moment on, I think, that was probably the key moment actually. From that moment on everybody had a sense that over the next six months actually [the Arts Debate] is part of my day job.' | Membership of the Arts Debate project team was largely confined to two teams in ACE's national office. The line managers of these two teams became the project sponsor and project leader. This led to strong, hierarchical control over the project. |
| Assignment facilitating stakeholder engagement | 'It felt like a really good mix of … regional people and national people [on the Taking Part project], and people who'd worked on the arts side and people who were more on the policy side, and people who got community art and things … [We] couldn't have done it without that.'<br><br>'It's certainly made my relationships with colleagues, both around the organisation and at national office, much stronger.'<br><br>"One of [the Taking Part project leader's] real strengths is in facilitation and bringing people, bringing you on board …. [the project leader] does facilitate in a really good way, so that everybody has their view, and that actually everybody does take responsibility for different pieces of work". | Membership of the Taking Part project team involved greater diversity of membership from across the whole of ACE. This reflected the priority given in this project team to engaging with its stakeholders across ACE from the outset. The project leader relied on facilitation skills to guide the work of team members who were drawn from a range of different hierarchical structures within ACE. |
| Competency-based assignment | 'It's not probably as democratic as it could be. [We've] set up a register of people to join if they want to do project working, but that's not really brought up many names at all … pragmatism demands you take people who can really help with the project.' | Despite an attempt at voluntary enrolment, assignment was based on individuals' perceived competencies in relation to the project requirements. |

| People management practices | Data from the case studies | Observations |
|---|---|---|
| *Development & performance management* | | |
| Development through experiential learning | 'When we started off with corporate projects [during the post-merger change programme in 2002] … we … had … a project office … We had that dedicated resource ...' | Project team members had some prior familiarity with project management methods through their use and support during the post-merger restructuring of ACE in 2002. |
| Adaptation of the performance management process | Informants said that ACE adapted its performance management system so as to take account of the performance of project team members on their project-based work as well as line managers' assessments of their performance in their everyday work. | The performance management system was adapted to take account of people's project contributions, but the limited use of variable, performance-related pay in ACE limited the practical significance of this adaptation. |
| *Redeployment* | | |
| Redeployment constrained by other priorities | 'We decided we wouldn't [bring project leaders together] because we wouldn't have necessarily had the right people in place. It's the uncertainty.' | The uncertainties arising from the national office review constrained planning for the period after project completion. |

The Arts Debate project team consisted mainly of members of the national office's research and communications teams and an external contractor as project manager. The project leader was the head of the research team, while the executive sponsor was the executive director responsible for the communications team. As Table 2 illustrates, the executive sponsor instructed members of the communications team to treat their assignment to the project as part of their 'day job'. A primary concern was to complete the project tasks within the agreed timescale. As one informant put it, '… the Arts Debate was very clear, we were launching in November [2006], we were closing in May, we were doing the analysis in the summer, we were reporting in October [2007]…'. Appointment of an outsider as project manager on a fixed-term contract, and formation of a compact project team with limited diversity in its membership, reflected an initial concern for efficient and timely completion of project tasks rather than a concern for wider engagement across the organisation.

By contrast with the Arts Debate project, the Taking Part project gave priority to including people from ACE's regional offices as well as its national office in its project team, because those offices managed the relationships with the arts organisations that ACE funded. As such they were responsible for action to increase participation in the arts. As one project participant put it, 'we have to go through this because we have 600 staff, and … it won't make a difference unless we get all of

our staff aligned and doing the work …'. As Table 2 illustrates, experience and expertise in participation in the arts was widely dispersed across ACE's regional offices. Thus there was no conflict here between wide stakeholder involvement and project capability. Project team members reported that their own learning and development benefited from strengthening of their personal networks across the organisation and insights gained from the project. Table 2 illustrates how members of the Taking Part team were motivated by the mutual reinforcement between their project-based and everyday work, as well as the facilitative leadership style adopted by the Taking Part project leader.

Assignment of members to neither team could be regarded as democratic. As Table 2 illustrates, although opportunities were provided for volunteers to put themselves forward for project roles, decisions on assignments to the projects were based on managerial judgements as to who would make the most effective contributions to the projects.

Development support was provided to project team members but as Table 1 indicates, importation of specialised project management expertise was seen as necessary in order to complete the Arts Debate project within the required timescale. ACE adapted its performance management system so as to take people's project contributions into account in their performance appraisals. While this seemed necessary in order to be fair, the limited scope for variable, performance-related pay in ACE's reward system limited the significance of this move. Informants indicated that the intrinsic reward of participating in the projects, including the opportunity to influence strategic decisions, was a stronger motivator.

The close association between the project-based and everyday work of the members of these two project teams meant that they would be able to apply their learning from the projects in their everyday jobs on completion of their project roles. Table 2 illustrates, however, the uncertainties created by the national office review, and there were losses of staff who had gained valuable learning from the projects as a result of it as well as the fixed-term nature of the Arts Debate project manager's appointment.

## Discussion

The evidence from these case studies shows that people management practices can influence the outcomes of organisational change projects through their contributions to explorative learning and internal sense-making. As argued by Pettigrew & Whipp (1991), however, the nature of this influence is complex and diverse, and encompasses the context in which, and the processes through which, explorative learning and internal sense-making occur. Ways in which the data from these case studies confirm and extend insights from the existing literature are discussed below.

### *Corporate people management practices*

ACE's selection of an outsider as a member of the executive team and as executive sponsor of the Arts Debate project, illustrates the role of knowledge grafting in the importation of new expertise (Huber, 1991; Nag et al., 2007). It confirms that an outsider who has not been socialised into an organisation's established ways of doing things can be a force for change (Fondas & Wiersema, 1997; Schuler & Jackson, 1987). This evidence is, however, consistent also with the indications in the literature that an outsider's ability to be an effective change agent depends on the presence of certain conditions. Reinganum (1985), for example, finds that the appointment of an outsider is

beneficial only in small firms, while Nag et al. (2007) point out that conflicts with an organisation's established sense of identity may vitiate attempts to introduce new ways of doing things. As an organisation with some 600 employees at the time, ACE might be regarded as small enough to be susceptible to the influence of an outsider. Moreover, the chief executive's leadership of a range of other organisational changes towards which the Arts Debate also was directed was helping to reorient ACE's sense of identity in ways that were favourable for change.

The chief executive's sabbatical, involving discussion and subsequent documentation of ideas that underlay the Arts Debate, illustrates the contribution that certain forms of leadership development may make to explorative learning (Day, 2000). While Day (2000) emphasises the value for leadership development of planned job assignments over extended periods, including overseas assignments, he is silent on the role of sabbaticals, which might be regarded as a natural extension of this approach.

ACE saw it as a priority to encourage integration through collaborative working and knowledge-sharing among people from the different institutions from which it had been formed in 2002. There is no evidence in these case studies, however, of ACE using its performance management system in the ways that Hansen et al. (1999) describe in management consultancy firms. This reflects cultural differences between ACE and those firms, associated with ACE's limited use of performance-related pay within its reward management approach.

Downsizing/restructuring influenced the two organisational change projects examined in four main ways. First, the national office review illustrates how, as suggested by Freeman & Cameron (1993), downsizing/restructuring can constitute a symbol of change that facilitates unlearning of previous beliefs. Second, it illustrates how, as March (1991) argues, staff turnover can be important in overturning excessive homogeneity of beliefs about established ways of doing things. In fact the national office review altered the membership of the organisation substantially in favour of new beliefs. Third, it illustrates how, as Achtenhagen et al. (2003) suggest, removing internal structural boundaries can encourage horizontal interaction and knowledge sharing across an organisation. Fourth, however, it illustrates ways in which downsizing/restructuring can also have adverse effects, as Guthrie & Datta (2008) found, for example as a result losses of tacit knowledge.

### *Project-specific people management practices*
The evidence of these case studies reinforces the views of Huemann et al. (2007) about the importance of decision-making about assignment for project success, but in different ways. The decisions made about assignments to the Arts Debate project were important in enabling the project to be completed on time. Those made about assignments to the Taking Part project enabled that project team to engage with a range of stakeholder groups across ACE and to provide a diverse range of inputs into the work. These decisions were important also in realising benefits of project-based working that ACE was seeking in terms of encouraging horizontal interaction across its recently merged organisation (Pettigrew & Massini, 2003). These case studies do not, however, support the arguments for voluntary enrolment discussed by Eskerod & Jepsen (2005). Rather, ACE's encouragement of people to volunteer for project roles appears to have had little effect.

Fabi & Petterson (1992) emphasise the importance of staff development in project management knowledge and skills. This did not play a central role in these projects. This may in part reflect familiarity with project management methods that ACE staff had gained during its post-merger restructuring following the organisation's formation in 2002. Advanced project management skills to

support the Arts Debate project, however, were acquired through the appointment of an external contractor. As Fabi & Petterson (1992) suggest, the adoption of project management structures requires decisions to be made about how the roles of project managers and line managers should be balanced in the performance management process. ACE addressed this issue by involving project leaders as well as line managers in the performance appraisal of project team members.

Huemann et al. (2007) highlight the importance of planned redeployment of project team members on project completion in order to retain them in the organisation and make use of their learning from their project experience. These case studies shed no direct light on this issue, because the project team members were, for the most part, drawn from everyday roles in the organisation that they continued to perform while undertaking their project-based work and to which they would return. As well as contributing to the successful outcomes of the two projects, however, as noted above, the downsizing/restructuring associated with the national office review led to a number of uncertainties that had some disruptive effects on the projects while they were in progress and to staff losses, thereby denying ACE the learning of those staff members from their project experience.

## Conclusion

The evidence from these two case studies suggests that people management practices can influence the outcomes of organisational change projects through their contributions to organisational learning, although the limited scope of this research discourages over-extravagant claims as to the generalisability of these findings. The complex and indirect nature of much of this influence, however, for example the role of the national office review in reshaping the context for change, and of decisions about assignment of people to projects in shaping the process of change, means that it is liable to be invisible to research that does not include detailed examination of context and process. Thus Belout & Gavreau (2004), who were surprised by the failure of their own research to establish a significant, positive relationship between people management and project success, call for research based on a more detailed definition of people management and drawing on a wider range of perspectives. Similarly, Molloy & Whittington (2005) argue that detailed examination of the ways in which apparently standard change management methods are adapted and customised in practice to suit particular organisational circumstances is necessary in order fully to understand their impact.

These two case studies, drawing on the framework of corporate and project-specific people management practices proposed by Huemann et al. (2007), and organisational learning theory, suggest ways in which people management practices can influence the outcomes of organisational change projects through their contributions to organisational learning. There is evidence here for the influence of:

- the selection of outsiders in driving forward explorative learning;
- development processes that stimulate explorative learning by exposing insider executives to outside experiences;
- downsizing/restructuring practices that shape internal sense-making through disruption of homogeneity of beliefs that inhibits change, unlearning of old ideas, and breaking down of structural barriers to horizontal interaction; and
- practices for assigning people to organisational change project teams that make them effective as vehicles for both explorative learning and internal sense-making.

Further research to validate and elaborate the themes identified in this article based on larger samples could contribute significantly to our understanding of the roles that people management plays in projects that are directed specifically towards implementing discontinuous, large-scale organisational change. The increasing emergence of organisational change initiatives as formal projects suggests that wide-ranging research into the detail of how people management practices can influence the outcomes of organisational change projects could produce valuable returns for both management practice and scholarship.

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**Biography**

David Shaw is a Visiting Lecturer in the Human Resources and Organisational Behaviour Department of the University of Greenwich Business School. He was awarded a Doctorate in Business Administration by Manchester Business School for research into the influence of organisation design on project outcomes on which this paper is partly based. Before joining the University of Greenwich Business School, David was a management consultant for over 20 years, specialising in the management of organisational change.