

WHARTON *on...* Change Management

Introduction

EFFECTING CHANGE MANAGEMENT SUCCESSFULLY is one of the most important and most difficult competencies for organizations to develop. While the lion's share of change management efforts fail—or quickly fade away after some initial success—the programs eat up huge amounts of resources. How can organizations wring positive returns from change management and avoid backsliding?

The articles below, from top leaders who have successfully executed change management programs, offer insight and examples on how to approach this knotty management challenge.

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Fiona MacLeod of BP Offers Steps to Make Change Management Sustainable

Why do so many change management efforts fail? Fiona MacLeod, president of BP Convenience Retail USA & Latin America, says that too often, the intended change “is not sustainable—and sustainability is absolutely crucial.” Corporations are “addicted” to serial change management programs that consume massive resources but ultimately fail to solve the problems they aim to address, MacLeod says. “If people get it intellectually but don’t get it emotionally, I don’t believe the change will be sustained.”

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CEO Ellen Kullman Taps Change Management to Steer DuPont through the Economic Storm

The financial crisis has confronted many companies with the biggest test of their change management capabilities in years. For the largest firms—like DuPont—the challenges were only compounded. CEO Ellen Kullman has steered her firm through the economic storm by adhering to four principles: focus on what you can control; adjust your business model; communicate continually with employees; and maintain pride around the mission.

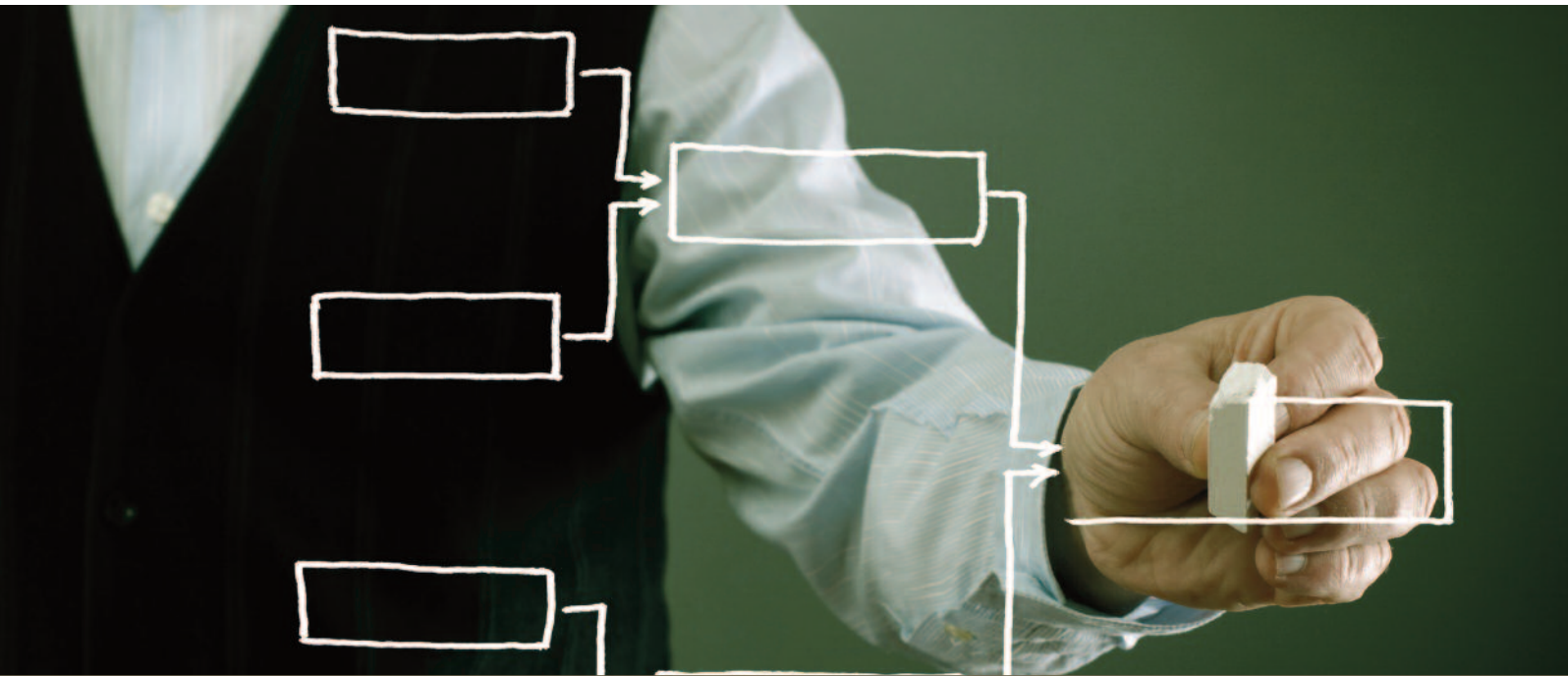
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Ara Darzi, the United Kingdom’s Health Minister, spoke with Wharton management professor Michael Useem about the British National Health Service (NHS). “One of our biggest opportunities is to invest in the tremendous leadership pool we have in the NHS,” Darzi says. But a big question is, “how do you promote that leadership gene that exists in the system? To do that requires a mindset change, a behavioral change, across the system. That is the type of transformational change that we are thinking of at the moment.” Darzi, a surgeon, was appointed Health Minister by British Prime Minister Gordon Brown. Read an edited transcript of the interview.





Fiona MacLeod of BP Sees Most Change Management Efforts as Unsustainable

Why do so many change management efforts fail? Fiona MacLeod, president of BP Convenience Retail USA & Latin America, says that too often, the intended change “is not sustainable—and sustainability is absolutely crucial.” Corporations are “addicted” to serial change management programs that consume massive resources but ultimately fail to solve the problems they aim to address, MacLeod says.

After 20 years of experience leading change management programs in the U.S., Europe and New Zealand, MacLeod says, “What really struck me is why so many of these change management programs fail,” only to be followed by similar initiatives within one or two years, often before the original program is completed.

At a recent Wharton Leadership Conference, co-sponsored by the Center for Human Resources and the Center for Leadership & Change Management, MacLeod urged her fellow leaders to ask themselves: “How can we . . . free ourselves from our addiction to episodic change and move to a much more healthy habit of continuous business improvement?” She compared the phenomenon to a yo-yo dieter who loses weight only to put it back on because he has not come to understand what’s causing his weight gain, or has failed to adopt the healthy lifestyle that would keep the weight off.

London-based BP is the third largest global energy company and one of six

so-called “big oil” companies, with vertically integrated operations to drill for, refine and market petroleum products. Globally, BP reported revenues of \$367.1 billion in 2008. Its *ampm* stores in the United States and Latin America—the name is a reference to the fact that they are open day and night—were launched by ARCO, the old Atlantic Richfield Co., a U.S. oil refiner and marketer that BP purchased in 2000. BP gasoline is marketed under the ARCO brand on the West Coast of the United States. The company also uses the BP brand in North America and elsewhere, and the ARAL brand in Europe. In addition to gasoline, the markets offer the usual assortment of convenience store goods.

No ‘Big Splashes’

Many change management programs are doomed to failure because “the change we are putting in place is not sustainable—and sustainability is absolutely crucial,” noted MacLeod, who is based in La Palma, Calif. Change initiatives wither in an organization for several reasons:

- New leaders are often more concerned with “making a big splash” than with following through on a long-term plan to monitor change and keep the program on track.
- Organizations often revert to old habits because employees do not understand why change is needed, or they lack the tools and training required to sustain the new approach.
- Nothing changes because ownership of the change rests with an external team or consultants, rather than with the leaders responsible for running the business.

Business leaders must own the change agenda and take responsibility for following through on implementing every step in the plan and tracking results to make sure that change continues over time. “Never assume that leaders get it . . . We need to take probably 10 times as long in engaging, empowering and educating our leaders as we actually think we do,” MacLeod said.

Getting the commitment of leaders is essential to avoid the common pitfall of turning change management into a charade. “You have a workshop, learn some change management jargon, you maybe do some team building, and have

make decisions, how they simplify the business . . . And crucially, all of this has to be done in the spirit of open communication and respect . . . If [people are] uncertain and they don’t feel respected, the change will never stick,” MacLeod said.

Since joining BP in 1988, MacLeod has specialized in business transformation, developing the required breadth of skills in a variety of marketing, HR, supply and distribution roles across the UK and Europe. She has led operational, strategic and marketing elements of the retail business, and most recently led the restructuring of BP’s European marketing



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Fiona MacLeod, president of BP Convenience Retail USA & Latin America

MacLeod urged managers to attend to “the soft side of change” with programs to fully engage leaders and employees in the process of creating change and sustaining it. “As business leaders, we’re very good at the rational part” of change: identifying what’s wrong and how to fix it. But the soft side of change management—in terms of really engaging people—is just as important. If people get it intellectually but don’t get it emotionally, I don’t believe the change will be sustained.”

To be engaged, employees must understand the case for change. Managers should provide data showing what’s not working and how the change will fix the problem. “Develop your killer slide to make your business case whenever you give a presentation. It’s not only why you’re changing, but what it’s going to look like when you’re done. People need to have a sense of what the future looks like, so be very clear on that,” MacLeod advised.

a pile of flip charts . . . and actually none of the [steps] are properly measured or followed through and it ends up being a waste of time.”

It’s important also to shift the emphasis of change management from “big splashes” to “everyday performance improvement.” You can prevent the typical reversion to old habits by providing tools and training required to continually measure progress toward specific change objectives. “Put written charters and contracts in place. These contracts need to be in people’s performance reviews, not something separate,” MacLeod said. “You need to constantly look at them and discuss them with people.”

Changing the culture to reward the desired behavior is critical to success. Make “heroes of our day-to-day deliverers, not those who make the biggest splash. You reward people on how they treat the customer, how they

businesses. A native of Scotland with a master’s degree from Glasgow University, MacLeod was tapped to head the U.S. convenience retail business in 2006, providing her biggest challenge yet: restructuring the business and transforming the brand for about 1,800 stores from California to Pennsylvania.

MacLeod’s project was part of a broader BP reorganization initiative announced in October 2007 to improve the company’s efficiency and narrow its performance gap with competitors. When MacLeod embarked on her restructuring program, she had to figure out what was wrong and, more importantly, why three previous initiatives had not worked. She did not want to make the same mistakes.

“The key thing was making our business purpose clear,” MacLeod said. “We thought we were there to fill up lots of stand-alone convenience stores and tie up lots of capital, when actually our

purpose was to monetize the gas we made at our refineries and make sure we had a secure position in the marketplace for the long term. The question was . . . how could we put that change in place in a way that would stick.”

She chose a bold plan that would require wrenching change. Among BP’s 1,800 retail outlets nationwide, 800 were company-owned and -operated. She would change the business model to 100% franchised with a revamped *ampm* store brand and new marketing programs to compete more aggressively.

Selling 800 stores to franchisees would eliminate 10,000 jobs at BP, virtually all of the people employed in BP’s convenience retail business. The total included 9,500 store employees and an additional 500 support staff at two headquarters. For the store employees there were no guarantees they would be hired by the new franchise owners. MacLeod and her team faced significant people management hurdles in readying the stores for the conversion process in only 18 months. She would have to motivate store employees to reduce overhead and improve operations, even though they faced “huge uncertainty” about future employment. “Our people were displaying the classic signs of change fatigue.... People were very jaded” and lacked confidence that they could make things better, she said.

“Confidence is absolutely crucial in making change stick. If people are confident in their leadership, themselves and the business purpose, you are way more likely to get a change that is sustainable and actually turns into continuous improvement,” MacLeod noted. To build confidence, her team drafted a business case and showed

it to the “biggest cynics” in the organization, asking them for a critique and to suggest how to make it work. MacLeod said she built trust by speaking directly to store employees, explaining how the plan would help them beat the competition, and showing that “we had genuine empathy for what they were going through.”

So that employees would know what was expected and see their progress, her team communicated month-by-month performance objectives, including specific plans to reduce overhead costs. “We focused every single day on engaging our people,” using town hall meetings, small team meetings and the web to promote continuous improvement, MacLeod said. To prevent backsliding, she offered employees retention bonuses that would be paid at the time the store was sold to the franchisees if the stores were delivered to their new owners with strong financial controls and safety records. “People were very motivated to make sure the business continued to run in a very healthy way.”

Celebrating success, recognizing achievement and making people feel good about the business were important tools for sustaining momentum. “People got rewarded for simplifying and improving things. Importantly, it’s as much—if not more—about the recognition of your peers as it is about financial rewards,” MacLeod said.

Know Your Destination

Organizational design helped to lay the foundation for change. “I put my winning, end-state organization in place from day one” rather than waiting to decide which employees would stay to support the

franchises and which would leave,” MacLeod stated. “We had people who knew they would be leaving in 18 months and they stayed motivated for the entire period because we had been very straight with them. People want and expect clarity from their leaders.” Planning was critical to reduce risk as the team rolled out new concepts. “We did lots of road mapping and tested our plans before we went to market,” MacLeod said.

In the end, tracking measures showed that employees improved and simplified operations throughout the conversion period, producing \$700 million a year in cost savings. Selling the stores freed \$1.2 billion in capital for BP to redeploy more productively. Pulse surveys showed morale steadily improved, even though 70% of those responding knew they would lose their jobs, according to MacLeod. “The thing I’m most proud of is how our people responded . . . You can do some really tough things as leaders and you can do them in a way that people feel valued and respected.”

She noted that “it’s very easy to get addicted to the change pattern by not getting the change right in the first place, not making the tough calls or bold decisions up-front, maybe going for something half-way, and then allowing things to slip back.”

Ultimately, MacLeod said, not just corporations, but the global economy depends on leaders to break the cycle. “The economy needs businesses that are clear on why they exist, clear on what their business model is, and have measures in place to know when they need to make adjustments. We need organizations that can manage continuous improvement in a predictable way.” ➦



CEO Ellen Kullman Draws on Change Management to Steer DuPont through the Economic Storm

The financial crisis has confronted many companies with the biggest test of their change management capabilities in years. For the largest firms—like DuPont—the challenges were only compounded. CEO Ellen Kullman steered her firm through the economic storm by adhering to four principles: focus on what you can control; adjust your business model; communicate continually with employees; and maintain pride around the mission.

DuPont began to feel the impact of the financial crisis began about a month after the collapse of Lehman Brothers in September 2008. Sales volume slid, good customers cancelled orders and employees were gripped by fear and uncertainty. As the environment worsened and sales fell by up to 50% in some units, Kullman ordered two traumatic restructurings. Perhaps more importantly for DuPont's future, Kullman also concluded that the company faced a "new reality" requiring fundamental changes if it were to remain successful.

Her challenge was balancing the need for immediate action to maintain the company's financial stability during the crisis, while focusing on strategic objectives that would preserve the company's leading market position in the future. Among the highest hurdles: motivating employees to work on the things they could control and avoid becoming paralyzed by the market's volatility.

Speaking at the 13th Annual Wharton Leadership Conference, co-sponsored by the Center for Human Resources and the Center for Leadership & Change

Management, Kullman described how she changed the company's thinking about its business model, while reinforcing its 200-year-old culture of innovation. "The question is, given the megatrends in the world and given the new economy, what changes do we have to make to continue to be successful? . . . There is no playbook for what we are experiencing today," said Kullman, a 20-year DuPont executive.

In April, DuPont announced first-quarter earnings of \$0.54 per share, 59% lower than a year earlier, reflecting a severe

decline in industrial demand due to the global recession. The company increased its 2009 fixed-cost reduction goal to \$1 billion and reduced capital spending by \$200 million in an effort to preserve cash and better position the company for economic recovery.

Kullman's first step was "understanding the dynamic relationship between what should not change . . . and what has to change—and having absolute clarity on that." Deciding what would not change was easy: the company's commitment to science and innovation as primary drivers of growth since its founding in 1802 as a maker of black powder. Deciding what to change was far more difficult.

Kullman identified three trends that would transcend the current crisis and provide a strategic framework for the company's annual \$1.4 billion investment in research and development—increasing agricultural productivity, reducing dependence on fossil fuels and protecting lives.

Four Principles

But organizing the company to respond to these long-term trends during a period of extreme uncertainty required strong leadership and specific initiatives "to change the way we think," said Kullman, who joined DuPont in 1988 as a marketing manager for medical imaging, and was named executive vice president and a member of the office of chief executive in 2006, and president in October 2008. Prior to joining DuPont, Kullman, who has a B.S. in engineering from Tufts and a master's in management from Northwestern, worked at GE.

She shared four leadership principles that she has implemented to guide DuPont through the financial crisis since October 2008.

The first principle: Focus on what you can control. Kullman realized she needed to shift the company's attention from what was going wrong to the immediate action required to protect DuPont's financial position as revenues fell dramatically. "Last October, I saw a lot of people who looked scared and didn't know what to do," she said. So, she directed DuPont's management to "figure out those . . . things we can do something about, and get about doing them."

"We realized that what we had to protect . . . mostly was our financial stability and



"There's nothing like a bad economy to get people confused about what their mission is. They start thinking their mission is to reduce cost. That's a tactic, that's not our mission."

Ellen Kullman,
CEO, DuPont

flexibility, so we had to focus on cash. We're a company that spent 207 years focused on earnings and the cash seemed to show up. All of a sudden, it's a new world and we had to adjust every single business person's mindset around the notion that earnings are nice, but cash is more important," Kullman said.

To preserve cash, she issued four financial directives: Maximize variable contribution dollars, drastically reduce spending, zero-base capital expenditures, and significantly reduce working capital. Maximizing variable contributions required "a tremendous amount of

coaching" to teach the sales force how to think about pricing in a downturn and how to engage with customers who "didn't want to talk."

Promoting DuPont's innovations—901 new product launches last year and a record 500 in the first quarter of this year—proved an effective way to generate sales and increase variable contributions. "There's nothing like a new product, a new innovation that allows you to go out and talk to that customer," she said.

One approach involved finding new markets for existing products, such as selling an engineered polymer designed for India's railways to China. "We needed to get our people in India working with our people in China," Kullman said. The interaction resulted in an \$18 million order. Another involved introducing improved versions of widely-used products, such as Kevlar for bullet-resistant vests and Nomex for fire-resistant suits. DuPont is hoping that U.S. economic stimulus programs could create a market for upgrading the equipment of "firefighters . . . police, and even the military."

The second of her leadership principles for the crisis has been to "adopt a new trajectory by rethinking your business model." For DuPont, that meant "getting people to think differently" about a business model that had always measured success based on plant capacity and capital investment: "We invent, we build, we make, we sell," Kullman said. The change has involved developing service-based models providing new ways to engage with customers and monetize products. Although it is difficult to get people who are very successful to embrace change, she has found that they are willing to try new models when markets are in disarray and when there's uncertainty about what will work in the future.

Kullman led a new trajectory 11 years ago when "we decided to take our safety capability and see if we could create a business out of it." It wasn't easy. "We spent 200 years trying to figure out how to create a very safe environment for our people. We have lots of methodologies . . . but we didn't know how to sell it, how to create a contract around it. Believe me, the lawyers were really concerned about our liability."

The new venture started as a pilot with a small team that brainstormed with Wharton faculty and “made a lot of mistakes” in initial customer pitches over six months before “figuring out a value proposition that played.” The service was a logical extension of DuPont’s industrial businesses because “our sales force is calling on plants that have serious issues around safety [in which] we can help.” Result: In addition to annual revenues in the hundreds of millions of dollars, DuPont’s safety and protection business creates “relationships with customers around the world that we can leverage” across all of the company’s business lines.

More recently, DuPont’s applied biosciences unit developed a high-performance plastic polymer, grain Hytrel, made from renewable agricultural sources that addressed the auto parts industry’s need for sustainable products. As a newcomer, DuPont was able to win business from a demanding global parts maker, Denso Corp., by providing “real innovation” in sustainability that “they think is important to their future.”

The ability to address broader customer needs through high-value services—going beyond the traditional “make-sell” business model—is critical in deciding which new technologies will receive funding, Kullman said. But how do you incite the change required for new trajectories in a global organization with 60,000 employees in more than 70 countries? Kullman recommends a viral approach, starting with a small pilot program in one area, generating interest, and communicating its success to other parts of the business. “If you try to change everybody at once, you’re changing nobody, so you really have to start in one area, or a couple of areas, and show success.”

Getting Employees’ Attention

Kullman’s third crisis leadership principle: Communication is key. “I’m a firm believer that there is a direct correlation between growth and the success of our communication. When we have an aligned team that understands” very clearly what the goals and the tradeoffs are, “that’s when things can absolutely happen,” Kullman said.

“The first step is really getting their attention, and that’s a very hard thing to do with all the noise” in the world today, she said. But getting through to employees is vital because their natural tendency is to “hunker down,” hoping the crisis will pass and “everything will go back to normal.”

In announcing two restructurings between December 2008 and May 2009—unprecedented at DuPont—Kullman insisted that her leadership team “get out in front of the troops” with a consistent message. “It’s not something they can delegate.” She personally went to plants in Germany and Ohio where there were layoffs and “answered very tough questions about the deal [employees] thought they had with DuPont.”

If company leaders aren’t willing to “get out and communicate on the really tough issues, then the credibility our organization has in the decisions we are making is always going to be called into question,” Kullman said.

There is a risk that business leaders will grow tired and stop communicating after delivering the message five or six times. “We think they’ve heard it and move on to another message, [but] all we’ve done is confuse them. It takes 15 or 16 engagements [for employees to understand] that this is what we need to do and this is where we need to go.” Economic uncertainty has made the task more difficult, “but I think maintaining that

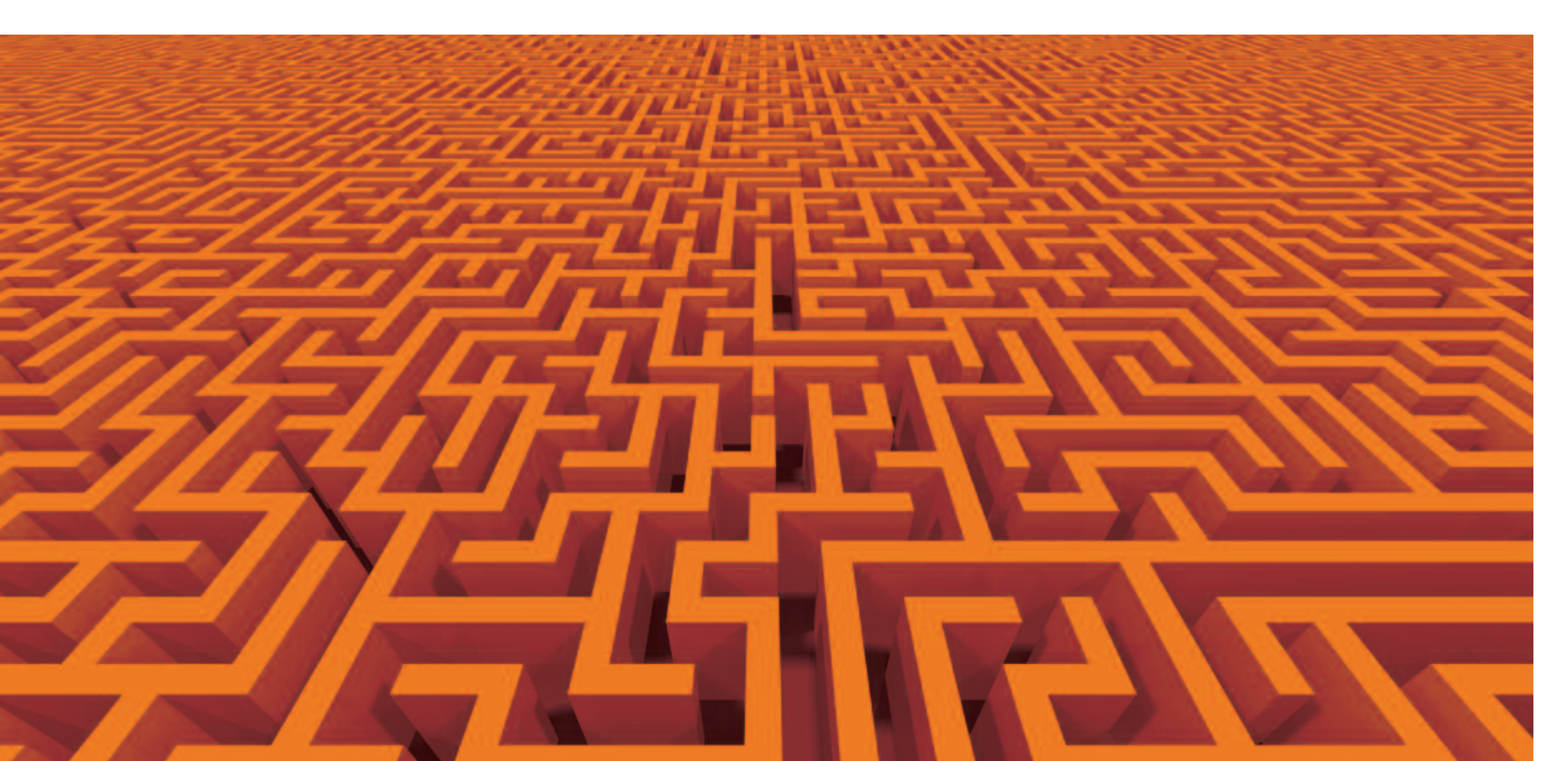
communication—the strength and alignment around it—is more critical in today’s environment.”

The last of her four crisis leadership principles is to maintain pride around the company’s mission. “There’s nothing like a bad economy to get people confused about what their mission is. They start thinking their mission is to reduce cost. That’s a tactic, that’s not our mission,” Kullman said.

During informal weekly meetings with employees, Kullman said she was amazed that the “number one question was about whether we are going to stick with our mission.” She quickly realized that “people are scared [and] people want direction.” Making sure that people understand the mission—and linking their daily activities to the company’s broader purpose—is essential to reducing fear, maintaining morale and keeping employees motivated, Kullman said.

DuPont’s mission is “sustainable growth,” defined as increasing shareholder value by reducing the company’s environmental footprint—and that of its customers, Kullman said. The mission includes “denominator strategies,” such as reducing waste and fossil fuel usage at its chemical plants. It also involves “numerator strategies,” such as inventions supporting biofuels, photovoltaics and other forms of renewable energy, or hurricane-resistant building materials that help save lives.

“It’s really critical that we maintain the focus on the mission and keep reminding people of it. People have a lot of pride in the mission and they want to understand that the mission is not going to change, even though the world around it has changed tremendously. You’ve got to capture that heart and soul,” Kullman said. “That’s how we’re going to be successful.” ✚



Ara Darzi of the British National Health Service Discusses How to Change a Large System

Ara Darzi, the United Kingdom's Health Minister, spoke with Wharton management professor Michael Useem about the British National Health Service (NHS). "One of our biggest opportunities is to invest in the tremendous leadership pool we have in the NHS." But a big question is, "how do you promote that leadership gene that exists in the system? To do that requires a mindset change, a behavioral change, across the system. That is the type of transformational change that we are thinking of at the moment." Darzi, a surgeon, was appointed Health Minister by British Prime Minister Gordon Brown.

Knowledge@Wharton: Welcome to Philadelphia. Based on almost two years in office as Health Minister, are there general guidelines for the structuring and operating of national health systems that you can offer?

Darzi: Thank you. It's nice to be in Philadelphia. May I just add that first, I am a clinician academic and continue to be a clinician, working two and a half days a week. But at the same time, the Prime Minister very kindly asked me to serve, and it's been my privilege to do so for two

years. Working in the National Health Service (NHS) and also being part of policy making for the NHS, I'm a great fan. Last year, we celebrated its 60th anniversary. It has stood its test of time.

What really attracts me about the NHS is one of its principal values: Everyone has access to care, irrespective of their ability to pay. For free. That is a very unique value. We have a universal health care system. I think that value actually is more relevant 60 years down the line than it's ever been. As you know, it's a tax-funded

system. The government has significantly increased the expenditure in the NHS from somewhere around 42 billion pounds in the year 2002 to somewhere approaching 110 billion pounds next year. That's massive growth. We've done many reforms in the NHS over the last seven or eight years. I had the privilege of designing where we are heading for the next phase of our reform, which I articulated in my report last July. [It contains] a very clear statement: "Quality will be the organizing principle of the NHS."

Knowledge@Wharton: Talk through some of the implications for providing health care given the downward pressure that comes from fewer taxes, fewer pounds coming in from the tax rolls, and other consequences of the economic crisis. What is being done to cope with the fact that this is going to be a very difficult 12-month stretch?

Darzi: I think most of us have grave concerns about the economy, and I think all governments across the globe are working very hard dealing with the

causation of this problem. As far as health goes, certainly within the NHS, I made the point earlier, we've increased the expenditure to about 110 billion pounds. That's more than doubling the expenditure in the health system. What drove my report at the time was [that] quality was an organizing principle. There are two things that the NHS has as unique advantages during these difficult economic times.

First, because it's a health care system that looks after you from cradle to the grave, it should start with—and we are investing in—prevention. Prevention is

going to guide your actions in the next several years, is to focus on developing ownership and leadership on the part of all players, all participants, in the health system: patients, physicians, nurses, administrators, pharmacists. It's a difficult goal to achieve, especially on the massive scale that you have proposed. If you could say a couple words about how you're going to go about developing that sense of identity as a leader on the part of all of the players, so that they indeed feel that they own the system, that the problems are theirs, and that they have an obligation to address the problems and solve them.

on to the next phase, in which they feel empowered to make that change happen. I think what's important for us, as clinicians—and I will say “us,” me, too—is that when you are empowered, accountability comes with it. I think, for the first time, and certainly in this phase of reform, it's not just individual accountability; it's a collective accountability around the team looking after a patient.

I'll give you an example. If you look at a patient pathway, from the day they are referred from their primary care physician into a hospital setting—treatment is done in hospitals by multiple teams—then back

“Quality will be the organizing principle of the NHS.”

Ara Darzi, United Kingdom's Health Minister



better than cure. Prevention is cheaper than treating illness. Many of our interventions are: “How do we introduce evidence-based measures in prevention?”—whether these happen to be lifestyle-based diseases or [others]. I'll give you obesity as a good example. We look at obesity as seriously as climate change, because we believe, from a health perspective, that it could have the biggest impact on the health of our population.

The second thing is quality. It's like many other sectors. Let's not forget that quality may be cheaper in health care. Quality's not more expensive. It may be cheaper. Doing things right the first time, giving patients access at an earlier stage of their disease—that in itself will make health care costs cheaper. So on the one hand, I'm reassured because we have a universal health care, which is tax-funded.

Knowledge@Wharton: One of the central thrusts in your report, which is

Darzi: I couldn't agree more. I think one of our biggest opportunities is to invest in the tremendous leadership pool we have in the NHS. The question is, how do you activate that? How do you promote that leadership gene that exists in the system? That, in itself, requires more than just saying, “Go out there and be a leader.” Leadership has to have a purpose. It's leadership for quality that I'm looking for from the Health Service, from those who work in the Health Service.

To do that requires a mindset change, a behavioral change, across the system. That is the type of transformational change that we are thinking of at the moment. More importantly is what we've learned from the next stage review, which I led. There were 10 regional reports. Clinicians felt that they were actually involved, challenging themselves with evidence-based care, and designing the pathways of care. So there was ownership in that process.

Besides the ownership, we need to move

to the primary care physician, we need a way in which there is a collective accountability across the pathway of care. That is what we need to work on and develop within the NHS, and that's exactly what we're doing. I announced in my report what I call the National Leadership Council, which is the opportunity for the NHS itself to develop and promote leadership skills within that accountability framework that I described.

Knowledge@Wharton: Let me ask several personal questions. As a surgeon, you are in control of the surgical theater. As a member of the House of Lords and a Minister, that control is shared with many other individuals. There are forces over which you, indeed, can exercise very little control. Guide us through your own experience in moving from a clinician, a researcher, to a person responsible for a national health system.

Darzi: It was a fairly steep learning curve. [As for] my role in the House of

Lords, I'm a member of a team of five. We are five ministers in total, and the Secretary of State for Health, who is in the House of Commons, is Alan Johnson. I've benefited a lot from his mentorship and the mentorship of many other colleagues in the House of Lords who welcomed me and mentored me for my initial introduction there. You started by describing me as a clinician and an academic. I'm a professional. I talk about what I know. My role in the House of Lords is to bring that clinical flavor to what I do in health care policy. That, in itself, the support that I have received from many noble Lords in the House, [means that] I've been very fortunate in having some fascinating debates, very interesting debates. The chamber itself is full of exceptional people with all sorts of different backgrounds. So, when you take a bill through, as I did—my first bill was the Human Fertilization and Embryology bill—I can't remember having heard any debates of that quality ever in my life before. So it was a great privilege to be part of that, and be personally responsible for leading that bill through.

Knowledge@Wharton: Let's go back a little bit on your career. To do it over again, would you pick a career in medicine, and in particular, would you pick a career in surgery?

Darzi: Absolutely. There's no doubt in my mind. It's not just picking it. There are two privileges in life. One is to serve your patients, and that is the most gratifying thing you can ever do. In surgery, you tend to see the benefits of that more quickly, because you will see the outcome of the interventions you've been involved in with your colleagues from a patient's perspective. The second privilege is to serve in public service itself. I've been

fortunate enough to do both. But ultimately, I'm a clinician, I'm a surgeon, and when I'm finished with this job, I'll [return to practicing surgery]. Let's not forget, as I said, that I do this two days, or two and a half days a week.

Knowledge@Wharton: Let me ask about that. You wear two hats, you have two jobs, you're in senior administrative roles and you are part of, in effect, politics in Great Britain. But you also are in surgery several days a week. How do you balance the two very different worlds in the same week, in the same day?

Darzi: It is tough. I do work very hard. But it's enjoyable. And let's not forget the reason I'm doing the two jobs. That is exactly the purpose of my appointment. The Prime Minister and the government were very keen that [they have] someone who was an active clinician, who could come in and be part of a bigger team of five other colleagues in which I led a major review, where clinicians were very active players in that review, designing the future of the NHS. So I don't see [the two different worlds] in any way opposing each other. I think they are very much aligned, and, as I always remind my civil service colleagues in the department, it's not uncommon that I do my four days in Whitehall, and then I go to my operating theater. I am constantly asking what some of my colleagues will think of this policy or that policy. It's my "testing bed," as I call it. And that, in itself, has been very, very powerful for me.

Knowledge@Wharton: As I recall, the Prime Minister called you to 10 Downing Street and offered you the position you hold now. It did come as a surprise. If there's been one surprise since then, something you have had to

master that you didn't appreciate, or didn't really anticipate, what would that be? What is the biggest surprise you have faced since the initial offer itself?

Darzi: How long do you have? You know, when you go into a new job like this, you have many, many anxieties. In relation to that, I was tremendously surprised by the amount of positive welcome that I had from everyone, and the support I've received from, not just government, but people within the House of Lords and others. Everyone has this passion in our country about the NHS. That is fascinating. It's part of our social culture now. Those positive things weren't just within the NHS: When I went outside the NHS, that was very obvious to me as well. So, as I said, it's been a tremendous experience for me, and I very much hope one day I can look back at it and say I had the privilege of making a contribution in the NHS.

Knowledge@Wharton: Professor Darzi, that takes me to my final question. The day will come when you do step out of your position, and as you anticipate that day sometime in the future, what do you hope will be said about your legacy in this role on behalf of the British people?

Darzi: Time will tell. Another person will have to answer that question rather than me. I believe what I would like to be said is [that I] focused our minds on what matters most—with quality being the organizing principle of any health care system. It is quality that wakes me up in the morning to come to work, it is quality that my patients expect from me.

Knowledge@Wharton: Professor Darzi, thank you for taking time to talk with us. 🌟