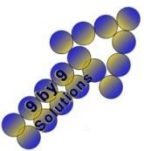




Change Leadership

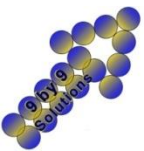
Thoughts on the
science and art of implementing
culture change that lasts



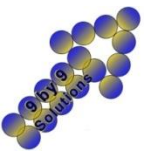
Doug Wilson
dwilson@9by9Solutions.com

By definition
Leaders create change
Managers value stability

Its one thing to start change
Quite another to successfully
finish it

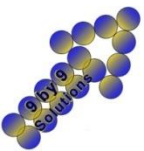


Change can be organizational
or
Change can be individual

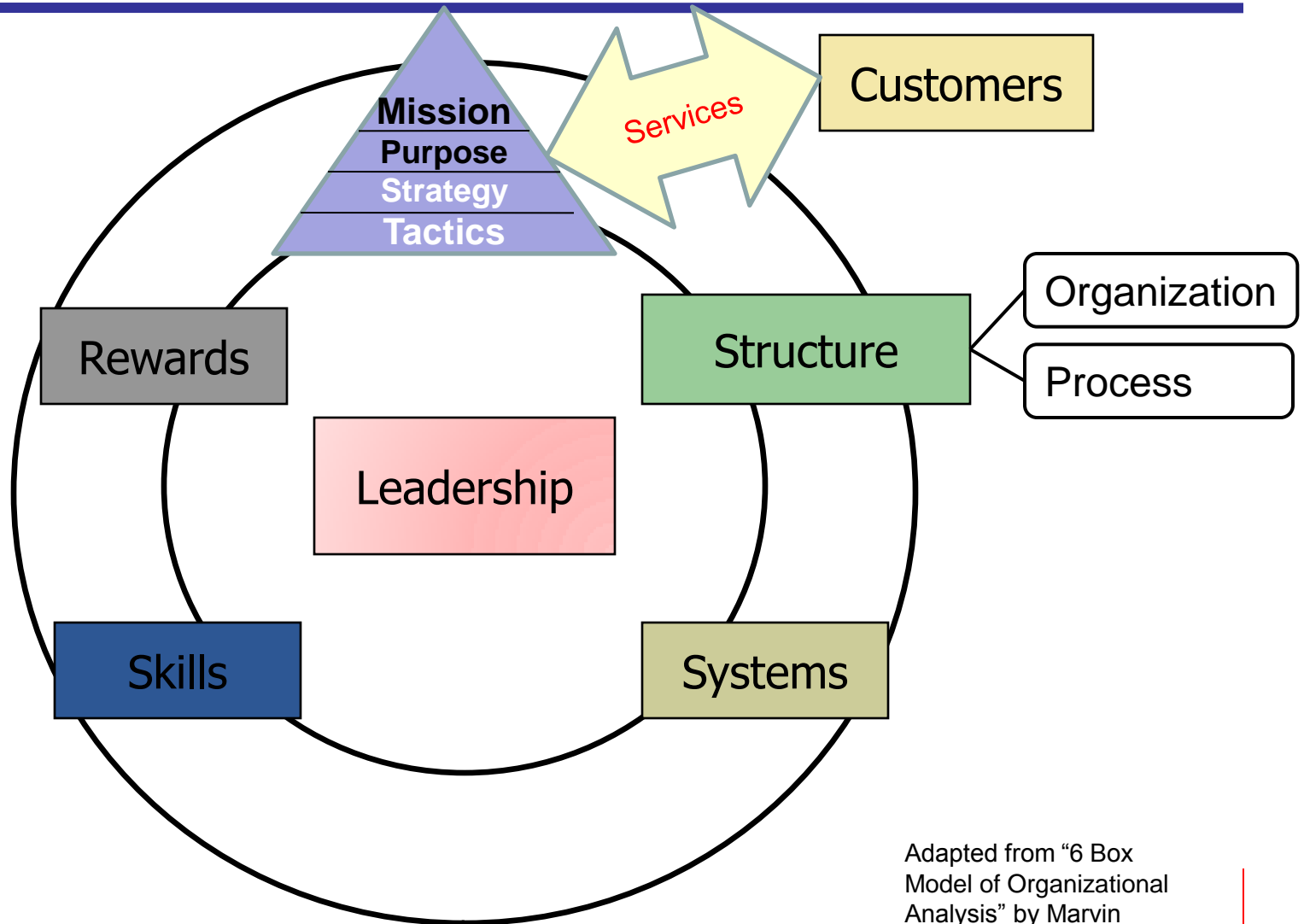


How Successful Are We In Managing Change?

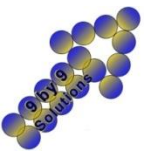
- 15% chance of successful change
(Ken Blanchard & Associates)
- 67% of TQM efforts failed (Arthur D. Little)
- 70% of reengineering initiatives failed
(Power Projects)
- IT Projects
 - 1 in 6 IT change initiatives such as ERP and CRM systems turn out to be money pits, with cost overruns averaging **200%** and schedule overruns of almost **70%**, (McKinsey)



Changing Organizations



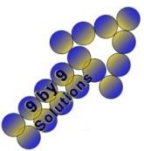
Adapted from "6 Box Model of Organizational Analysis" by Marvin Weisbord



Drift or Step Change

Which change approach fits?

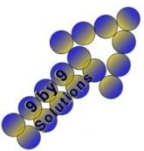
	Drift	Step Change
Belief	People need to behave differently	Organization needs different focus
Goal	Not sure but want something better	Clear target with specific success objectives
Direction	Point in a general direction	Specific direction with specific plan
Driver	Informal organization	Formal management initiative
Required actions	Better training and encouragement will create results	Entire organization change is required
Metrics	Know it when we see it	Define success measurements of project and results
Results	Results less certain	Results planned



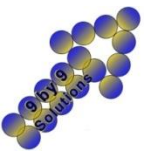
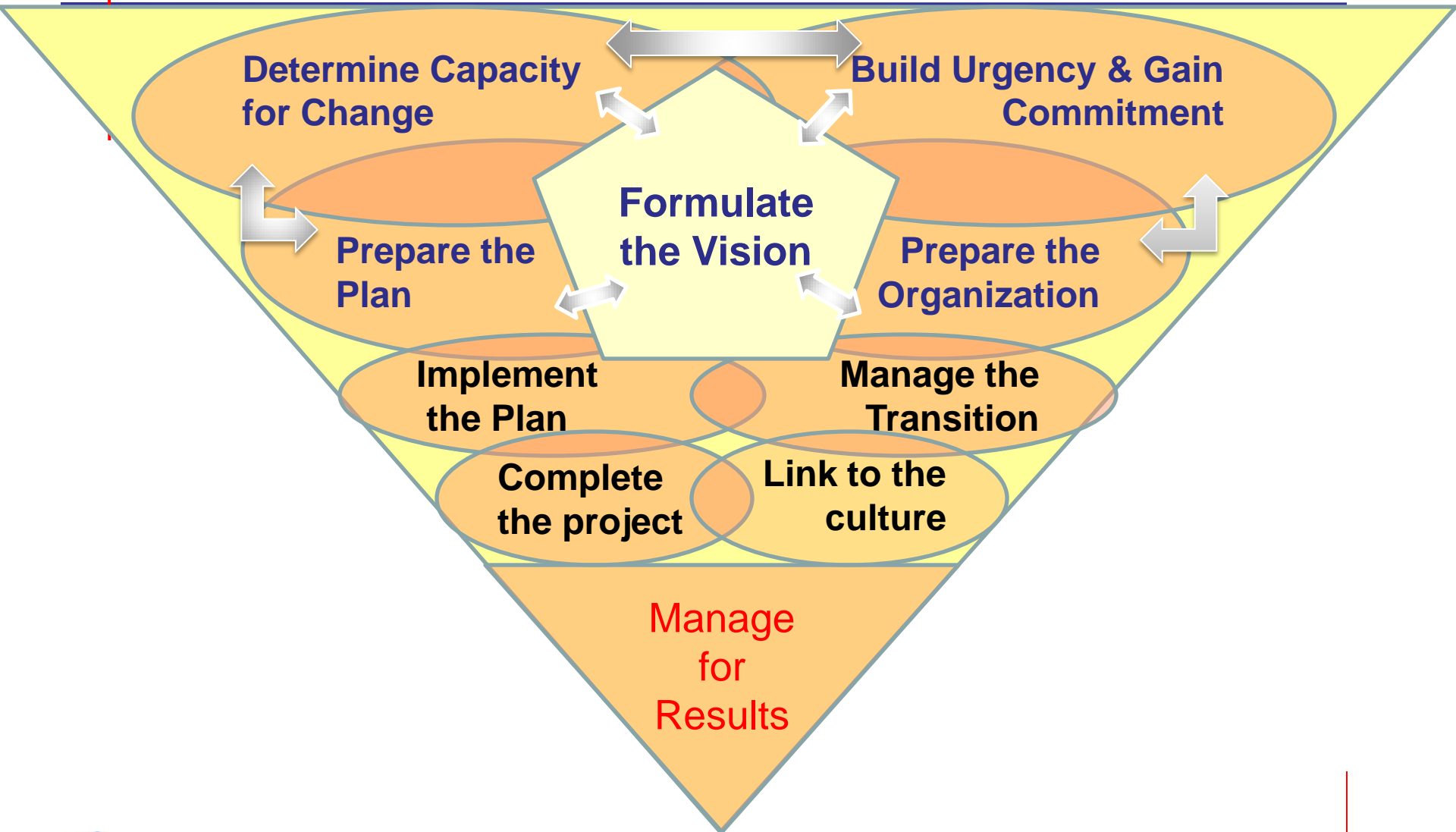
The most general lesson to be learned
from successful change efforts is
That change goes through a series of
phases, that in total,
usually requires a considerable length of
time.

Skipping steps creates only the illusion of
speed and never produces satisfactory
results.”

John Kotter
Harvard Business School

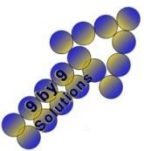


The Integrated Change Process



Creating the Change Vision

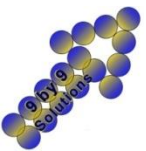
- Change vision provides a picture of a future with specific benefits
- 3 purposes of a change vision
 - Specifies direction
 - Gives meaning
 - Guides efforts



Characteristics of an Effective Vision

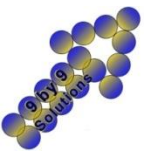
- **Sensible to Mind**

- **Appeals to the Heart**



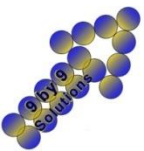
Peter Drucker

**The key to a successful strategy is
the willingness to slough off
yesterday**



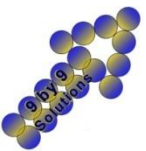
Build Controlled Urgency

- Fan the flames
- Increase contact outside the organization
- Sell the vision
- Communicate reality



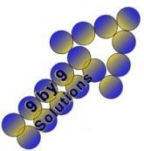
Build Commitment

- **3 Groups**
 - **Hot**
 - **Lukewarm**
 - **Cold**



“All top executives and a majority of **leaders** in an organization must believe that substantial change is absolutely essential.”

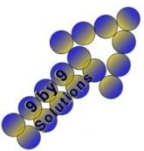
John Kotter
Leading Change



Requirements for Effective Change

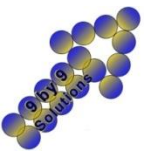
A. Detailed Project Plan – Work Plan

B. Change Management Plan – People Plan

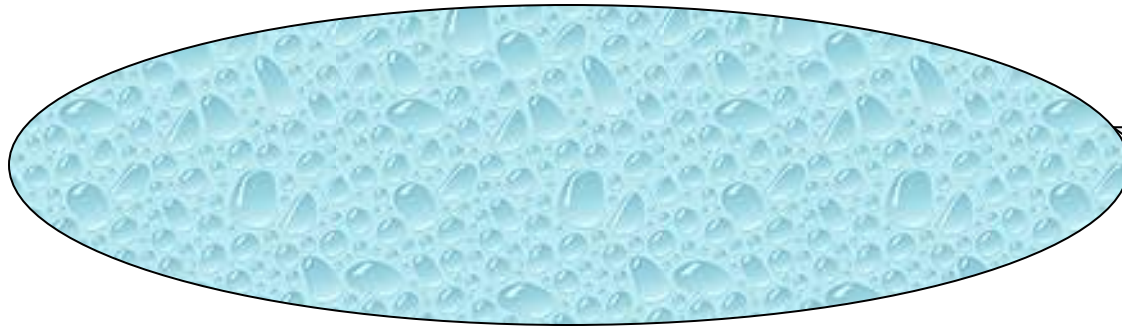




Preparing the Organization



Phases of Culture Change



Unfreeze

Move

Refreeze

What →

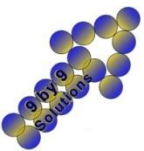
Why →

Who →

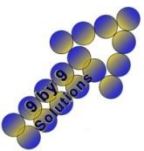
How →

When →

How well →



Phase I - Unfreezing the
Organization

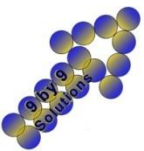


Kurt Lewin's 3 Phases of Change

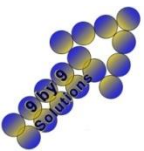
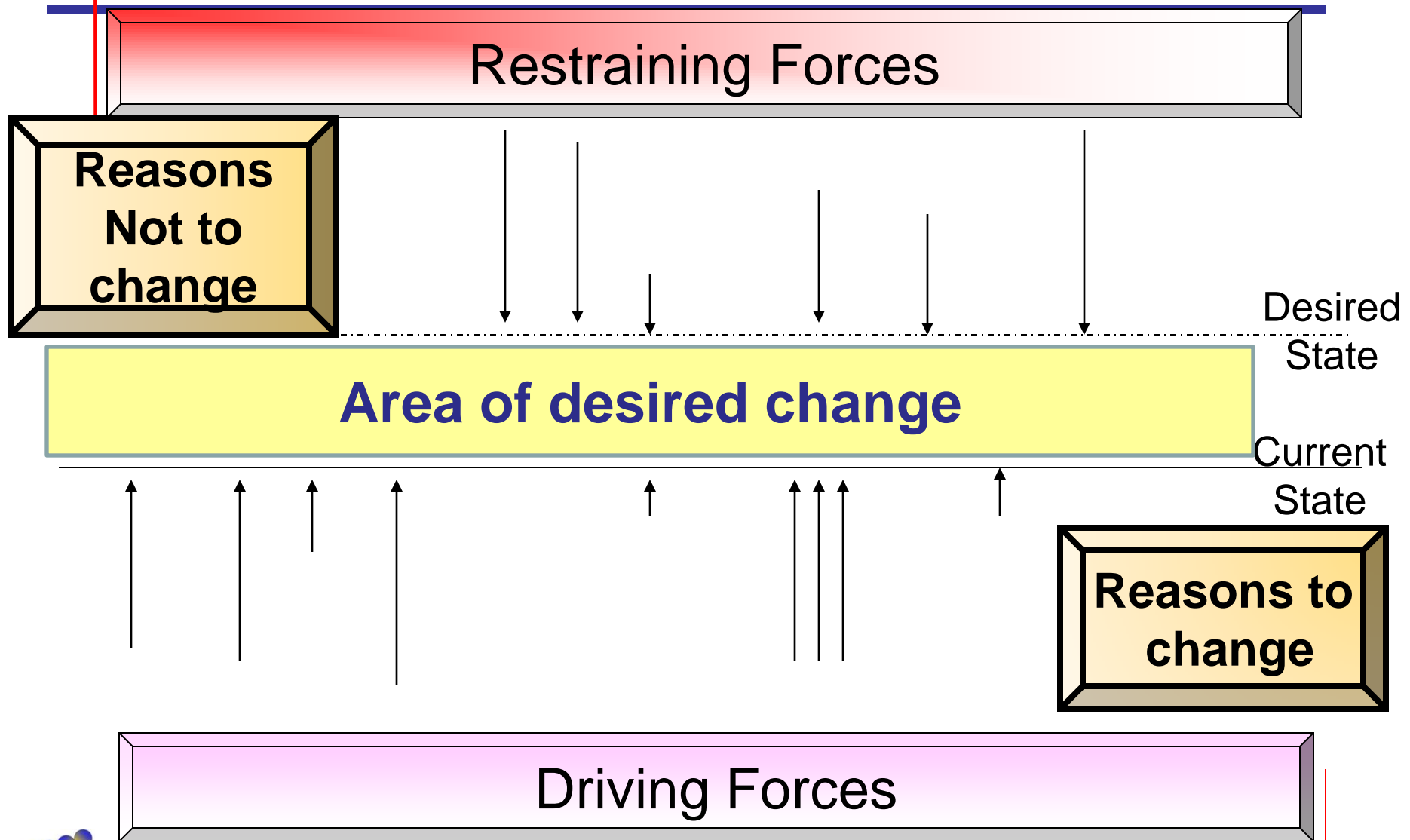
- **Unfreezing** – How do I prepare the organization to change?

Do not expect people to understand or embrace easily the need for change

- **Moving** – How do I manage the chaos?
- **Refreezing** – How do I stabilize and maintain desired results?



Unfreezing - Force Field Analysis

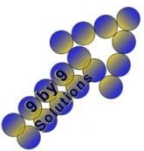


Unfreezing

- Create controlled urgency

What It Is Not	What It Is
Demanding new behavior	Create realization that there is a better way
Limited communication	Challenge with new information
• Filtered through middle management	• Facts, examples, statistics, outside experts
1 way downward	2 way discussion
From upper management through middle management only	Through supervisors

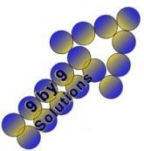
- As a rule of thumb, leaders under communicate during change by factor of 10





Phase II – Moving Phase

Most mismanaged phase of
change management



Kurt Lewin's 3 Phases of Change

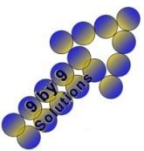
- **Unfreezing** — How do I get the organization ready to change?

Do not expect people to embrace easily the need for change

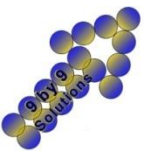
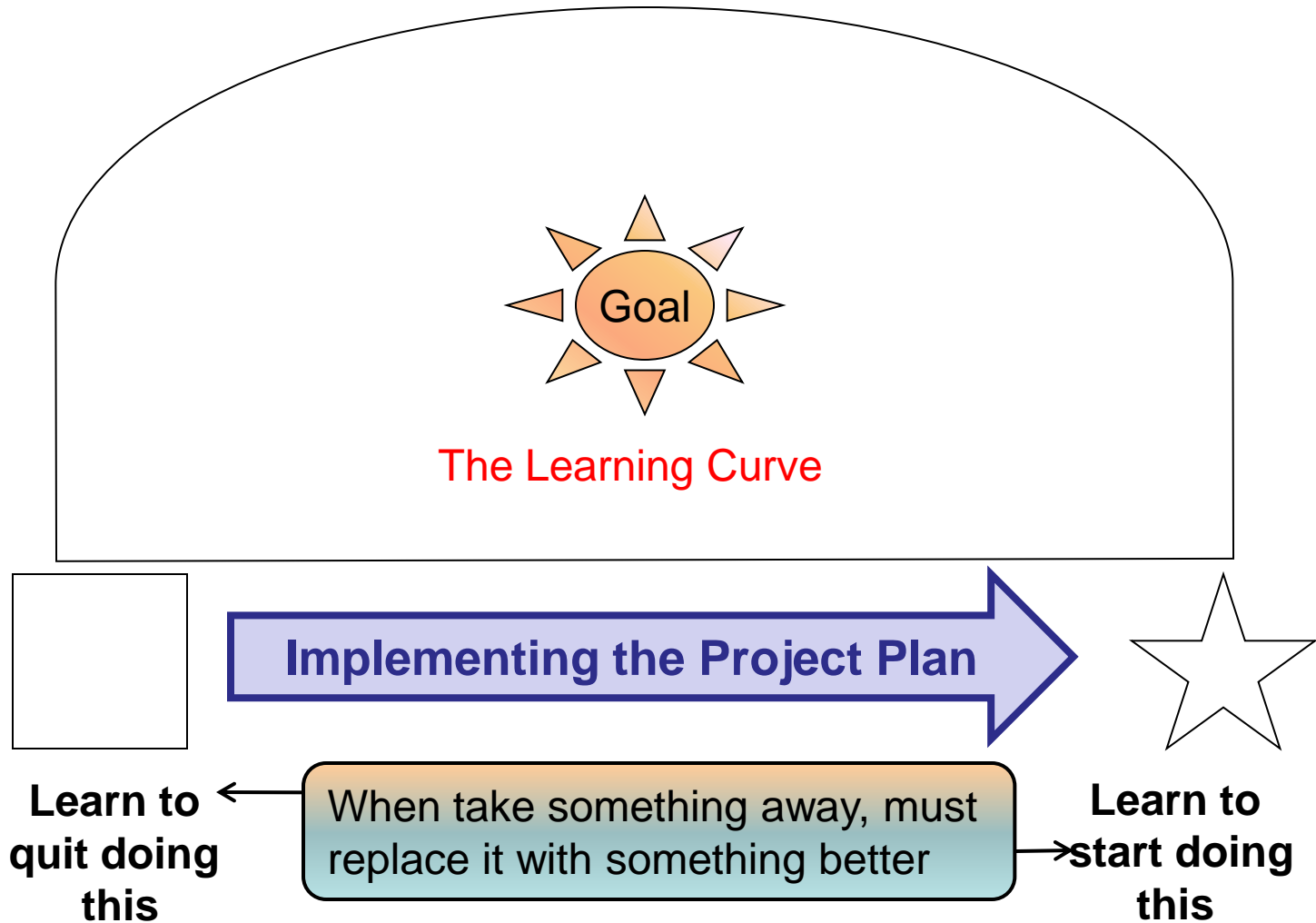
- **Moving** — How do I manage the chaos?

Even though the content of change may be radical, the implementation process has to be methodical
People are just as concerned with the process as with the result

- **Refreezing** — How do I stabilize and maintain desired results?

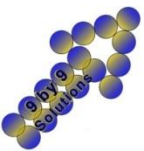
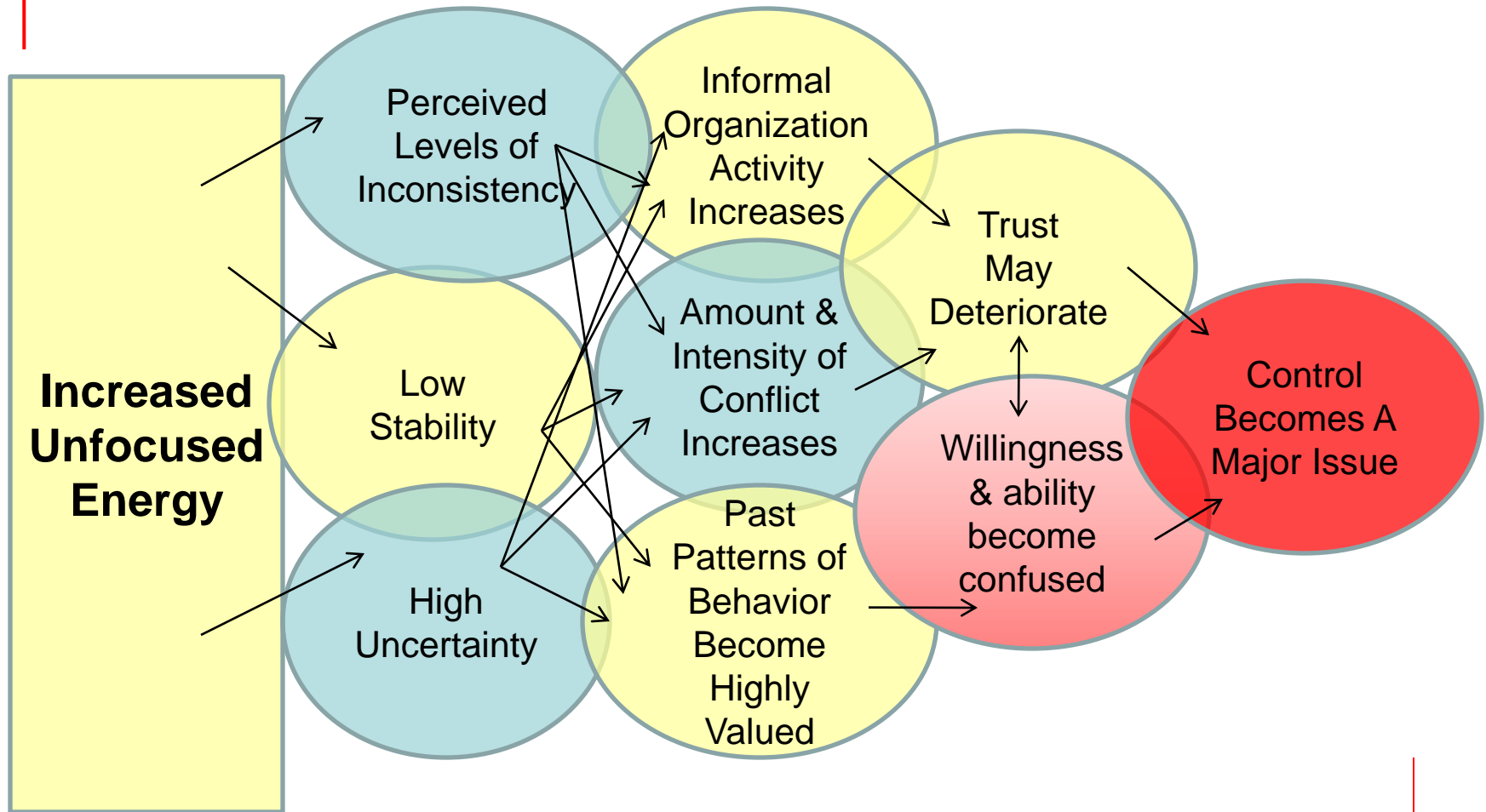


Phase II – Moving



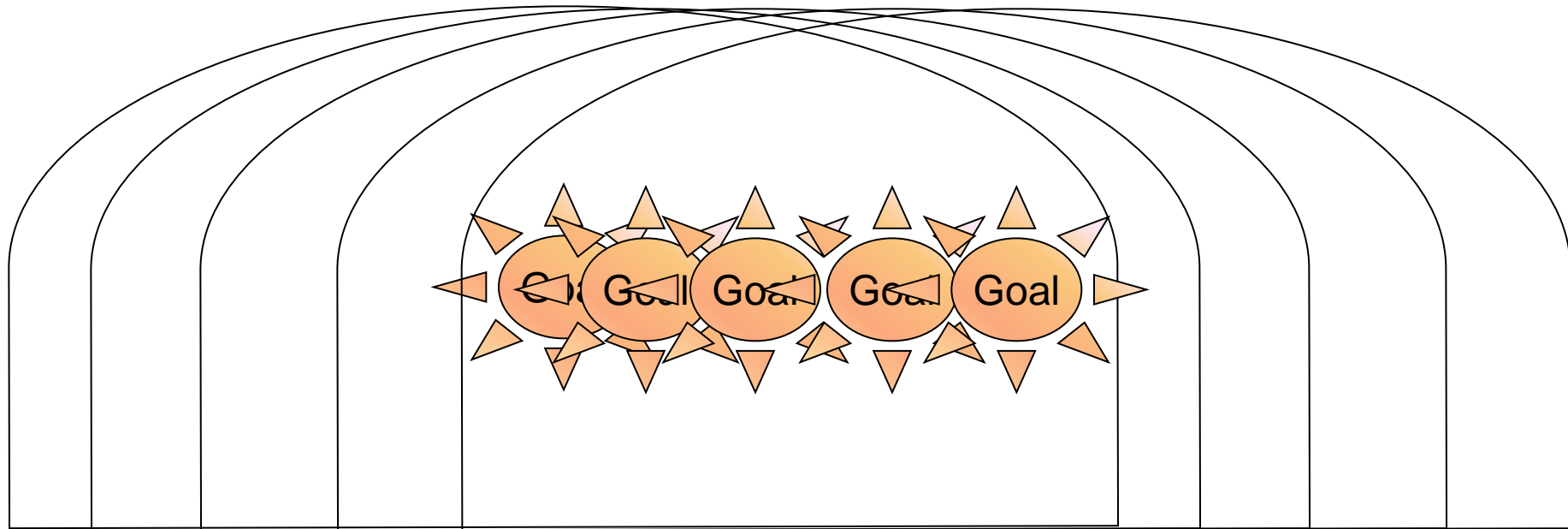
Problems in the Moving Stage

This is why most change efforts fail – failure to manage the chaos

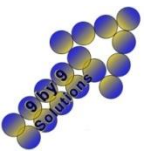


Implications of Multiple Changes

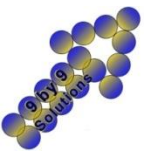
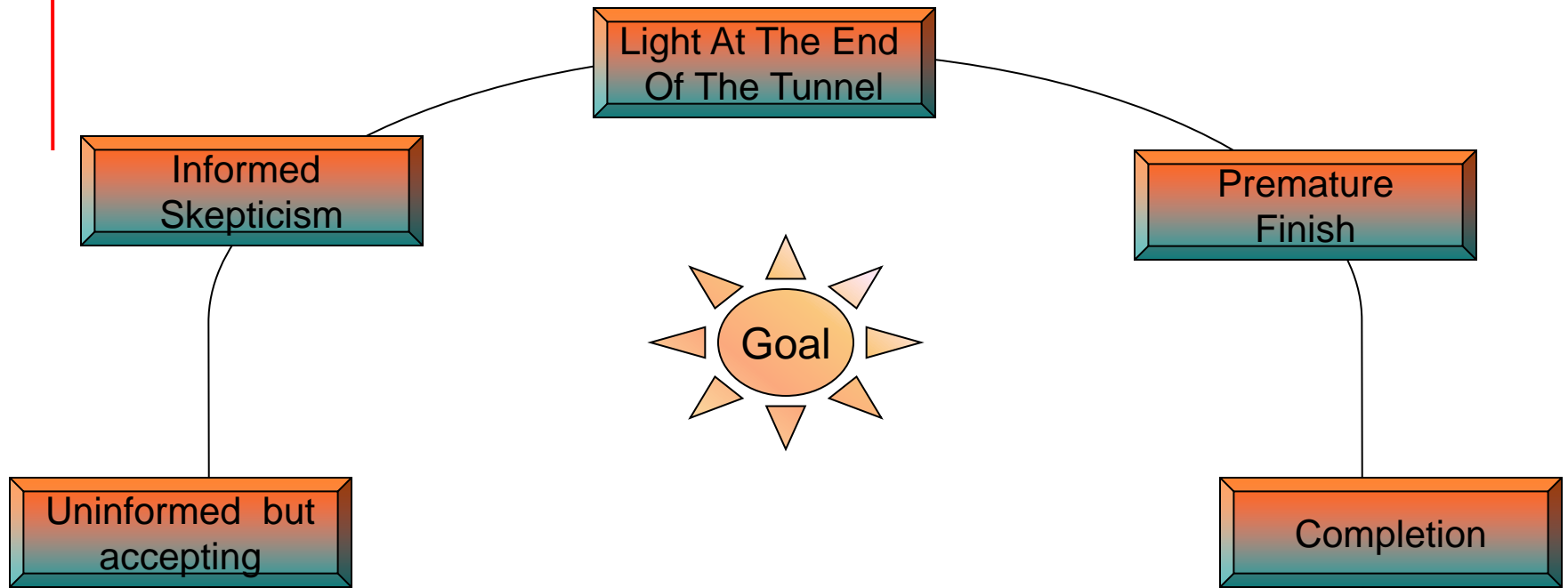
Stress is added to organization as staff unlearn one skill and learn new skill.



Stress on staff is compounded when new changes are added before previous change efforts are completed

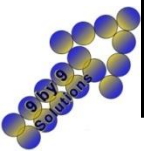


Moving Phase



Leader Actions through Change Process

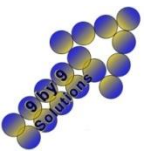
Phase	Issue (s)	Leaders Actions
Uninformed but Accepting	“Piece of cake”	<ul style="list-style-type: none"> •Keep vision fresh, •Communicate reality
Informed Skepticism	“Not worth it” Give up, check out	<ul style="list-style-type: none"> •Refresh Vision, Hope •Ask for commitment
Light At The End Of The Tunnel	“Got it”	<ul style="list-style-type: none"> •Celebrate small wins •Define next steps •Focus on end result •Involve others
Premature Finish	Quit too soon	<ul style="list-style-type: none"> •Celebrate success •Emphasize remaining details •Transition ownership
Completion	Project never ends	<ul style="list-style-type: none"> •Celebrate completion •Document learnings •Reward success



Planning for Short Term Wins

People are motivated when they are making progress toward something significant

- Importance
 - Provides evidence that effort is worth it
 - Supporters need encouragement
 - Builds momentum
- Criteria
 - Visible
 - Related to change effort
 - Unambiguous
- When
 - Throughout moving phase



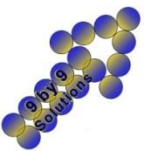
Communication

- Communicate what?

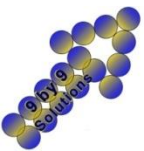
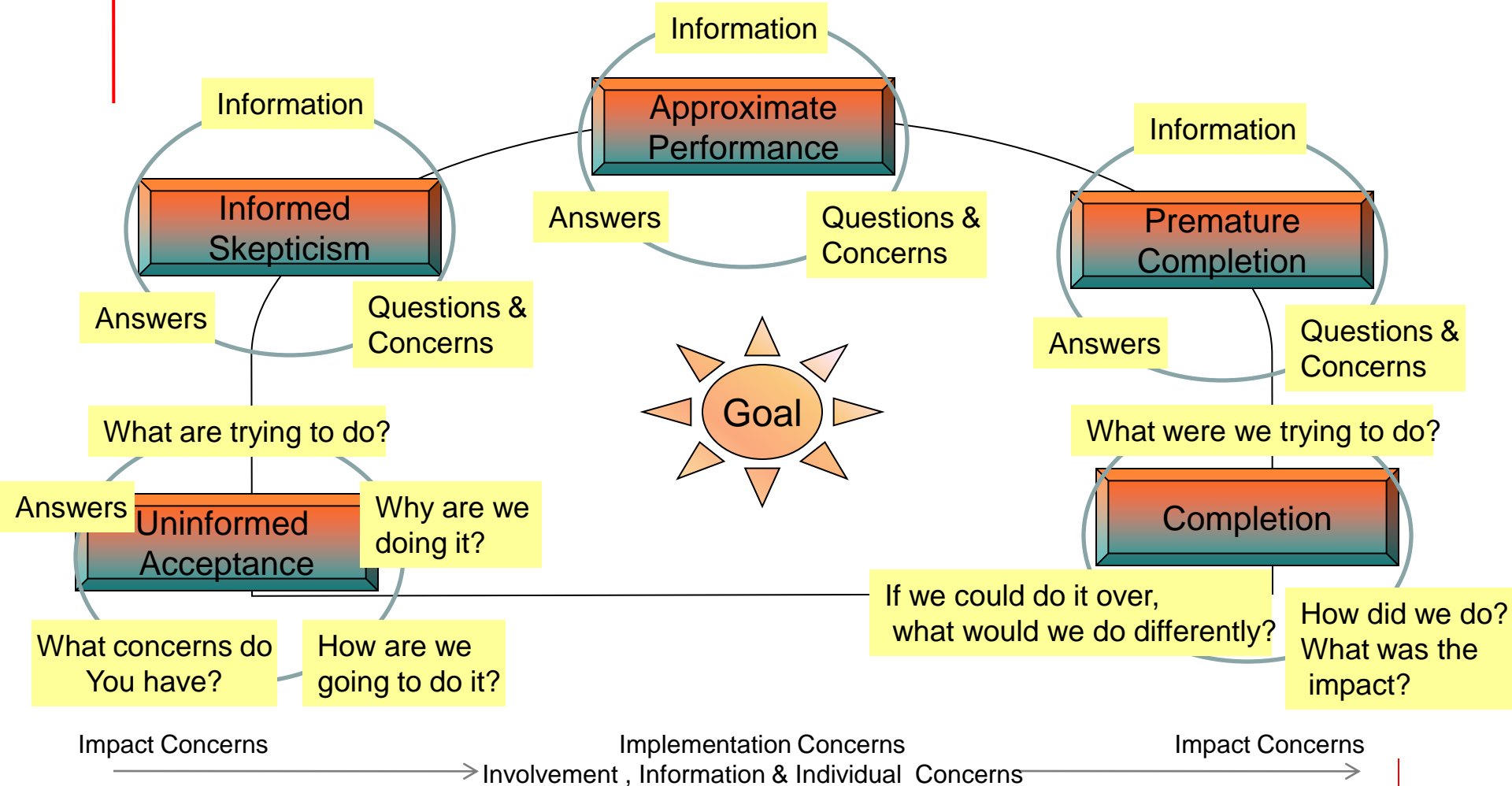
Address Concerns		
Answers to questions	Solicit input into decisions	Performance feedback
Status	Learning's	Changes

- Findings

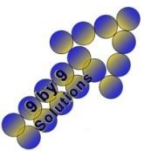
- Need formal process to collect and answer questions
- Need to respond in timely fashion
- Need to communicate **through supervisors**



Phase II – Communication



Phase III – Refreezing



Kurt Lewin's 3 Phases of Change

- **Unfreezing** – How do I get the organization ready to change?

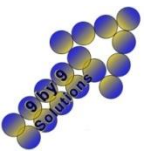
Do not expect people to embrace easily the need for change

- **Moving** – How do I manage the chaos?

Even though the content of change may be radical,
the building process has to be methodical
Most people are just as concerned with the process as with the result

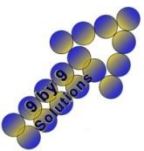
- **Refreezing** – How do I sustain and maintain desired results?

At some point, you have to burn the boats



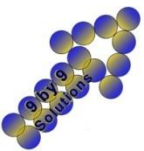
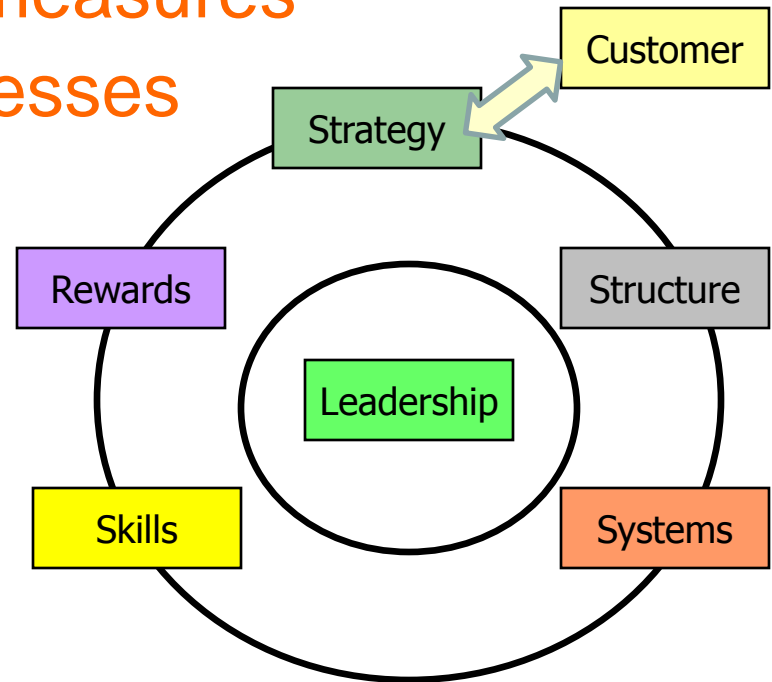


Asked how he became a WWII Hero
“They burned my boat”
JFK

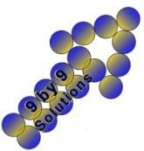


Phase 3 – Refreezing

- Change expectations and measures
- Change structure and processes
- Modify systems
- Continue to build capability
- Modify rewards system
- Leadership



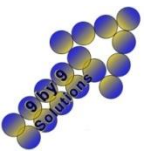
Sustaining the Gains



How Do We Do it Right?

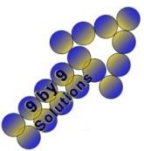
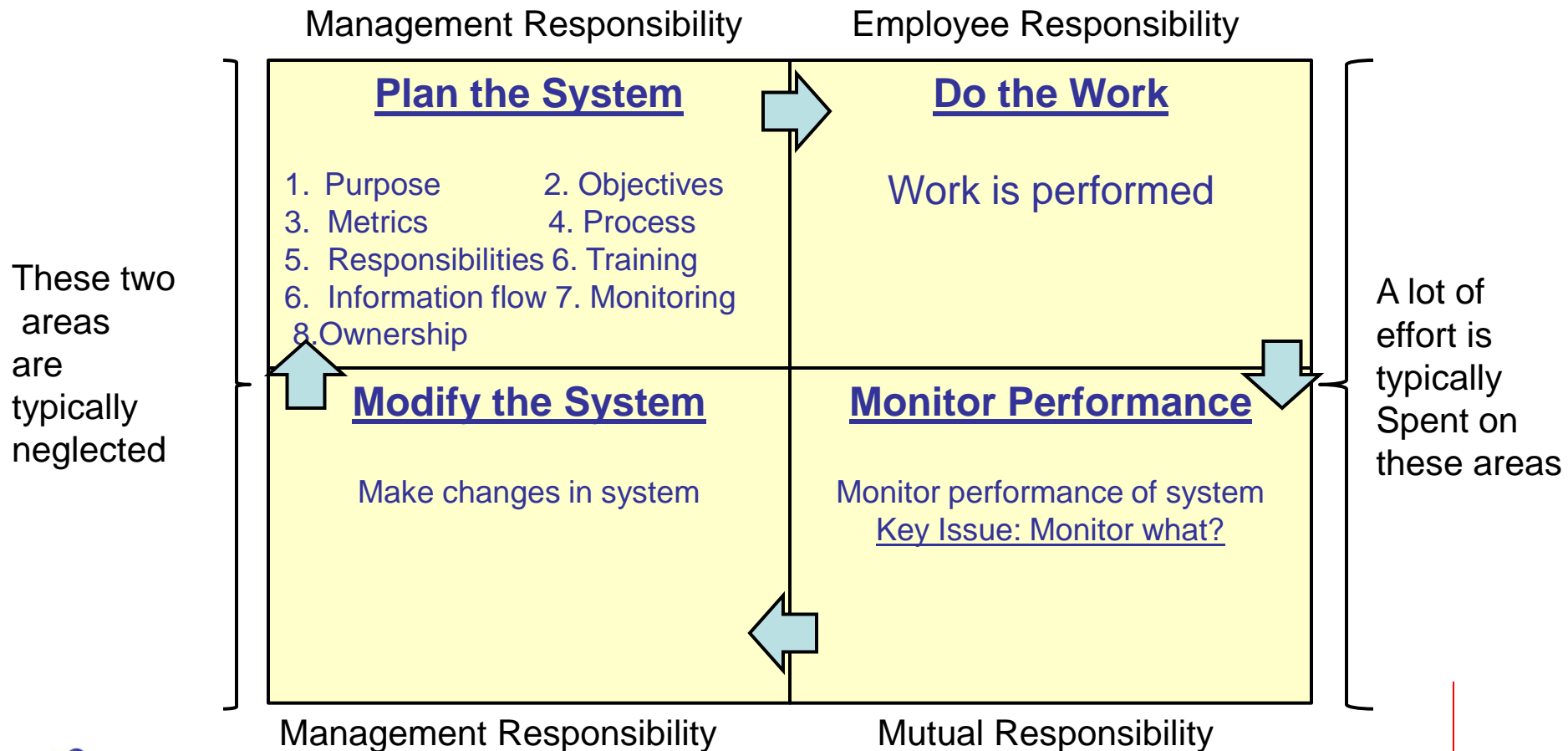
Leading change is a total
leadership effort

Not a training effort

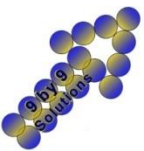


Key Lessons Learned

13. Continued attention to quality must be formal



What Can Go Wrong?



Quality Culture Change Issues

7 deadly sins of change management

Unfreezing

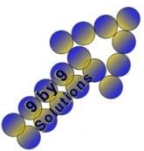
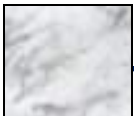
1. Lack of clarity or agreement on what success looks like
2. Senior and middle management think they support but don't
3. Little or no urgency
4. No plan
5. Organization is not prepared or no champions (telling is changing)
6. Absentee ownership
7. Antecedents, behavior and consequences not planned or aligned

Moving

1. Lukewarm leadership support
 - Lack of Senior leadership attention
 - Middle management resistance
 - Supervisors treated like staff
2. Focus on wrong group
3. Short term successes not planned or recognized
4. Under communication and lack of meaningful feedback (Failure to address questions and conflict quickly)
5. Capability development on knowledge (not application)
6. Unwilling to praise approximate performance
7. More change is implemented diluting attention

Re-freezing

1. Change never ends, evaluated or celebrated
2. Leadership does not oversee on-going results
3. Old process and systems not dismantled
4. Management monitors and rewards based on old criteria
5. Misaligned consequences
6. Application capability development not continued
7. Lessons learned not discussed



Questions?

For more information
dwilson@9by9Solutions.com

