

SUCCESSFUL CHANGE – EVERY TIME

By Neville Lake

One thing is certain – your organisation is changing. Not only strategic redesigns, but also mergers, acquisitions, restructures, re-engineering and rightsizing – these changes happen in organisations every day. Many of these have probably happened to you in your career. You may not have always enjoyed the ride.

About 70% of all change projects fail. They either fail outright, or they deliver so little of their original promises that the end result was not truly worth the effort. The personal fall-out along the way is just as devastating as the business consequences.

I have some good news and some bad news.

The bad news is that most people who are involved in the ‘change industry’ will tell you that major change is very, very difficult. It takes a lot of time, it costs a lot of money, it is breathtakingly complex and requires unbelievable amounts of input from experts. They will tell you that it is counter cultural and counter intuitive. That’s the way it is – and that’s the way it has to be.

That’s the bad news.

The good news is this simply isn’t true. The people who tell you this are applying the logic of using bad examples as reference points – which is just an organised way to be wrong with confidence. Or to put another spin on this, *“Why does change take so long? Because consultants bill by the hour”*

The good news is that we are built for change - we do it all the time.

We change in our personal lives – from childhood to adolescence, from adolescence to late teens, teens to single twenties, and then (for many of us) onto long term partners, children and a whole new range of duties and responsibilities. Consider this quote, *“Children today are tyrants. They contradict their parents, gobble their food, and tyrannise their teachers”*. Is that the kind of thing you may have read in a Sunday newspaper in the past month? Well, it was written by Socrates about 2435 years ago, and underlines the need of the next generation to reinvent the rules – to make changes.

We change in our working lives, with technology, process, and market shifts redefining what work is all about, and both creating and destroying whole classes of jobs. This is how it has always been, and if you go back in history you will find discovery, invention and tragedy driving changes all the time.

So, why does change in business fail so often? Why does it seem so hard? Why do we fear it so much? The answer is that change itself is not the problem. The problem is the way that it is designed, communicated and managed.

Change can be quick, it can be decisive, and it can be uplifting. In this article I am going to give you three concepts that will help you make your change remarkably successful:

- Begin at the end
- Make the right decisions
- Get on with it

Begin at the End

There are two types of journey:

- a) The kind of journey where the destination is completely clear. A sea voyage from Sydney to Southampton has a defined starting and ending place. Winds and currents are compensated for throughout the passage to make sure that the destination is reached.
- b) The kind of journey where the destination is not specified. This journey may be defined by a period of time or an amount of money. This is the five-year mission to boldly go where no one has gone before; it is a voyage of discovery.

The biggest problem with most change projects is that they are designed and run like they are a voyage of discovery, when they should be put together and managed like a journey with a fixed destination.

For example saying something like, *“The front line will be more customer oriented as a result of the change”* is a lot more mysterious than it is revealing. Even giving the front line a whole load of new computers and training them to recite the latest mission statement doesn't make it clear what behaviours they have to change. That is too much like a voyage of discovery. People on the front line understand what they have always done, and if they do not understand what behaviours they have to stop, and which new ones they should evidence –then they will keep on doing what they did yesterday.

You need to be a lot more precise – and persuasive. You need to know what is happening now (in detail) and where the gaps are. A lot of businesses say that they have done this – but truly they haven't. The change plans are too shallow to support the structure of new behaviours that will be built – and so they fall over.

One way to test if you have defined the end point in sufficient detail is to make a video of the business in its changed state. You need to take the cameras through every part of the business and describe who is doing what and why, and for whom, and using what resource, for what profit, and producing which customer outcomes. You then need to specify the gaps and deficiencies with the way in which outcomes are produced today. You need to describe what you need to do to be different in

terms of specific behaviours, specific outcomes, processes that need to be followed, supporting systems that need to be used, and what effect this change will have. When you have this level of precision it is much easier to keep focussed on what needs to be achieved.

Let me give you another image, think about what it is like when you are travelling in a car. When you look out of the front windscreen the scene before you is orderly, and you can aim at where you are going. However, when you look out of the side windows, it is a blur. To get a good result you need to be looking out of the front window all the time. In a change project having a clear picture of the end destination allows you to do the equivalent of looking out of the front windscreen. The reason that so often change does not work is that people are managing the blur, and that is very, very stressful.

This level of planning is a lot of work, but it is unavoidable if you want your change to be successful. So, you have begun at the end, now you need to make some decisions and back them up.

Make the Right Decisions

Let me make 4 points:

1. You don't need buy in if you have sell in
2. Answer the question "What's in it for me?"
3. Use the right levers
4. Create early wins

You don't need buy in if you have sell in

There was a great experiment conducted some 40 years ago by a group of scientists who were studying the behaviours of troops of monkeys. One particular troop lived by the sea, and to keep them in one place, the researchers put different kinds of food on the beach. The monkeys spent hours separating the sand from these delicacies, and so provided long periods of uninterrupted observation.

One monkey, named IMO by the researchers, created its own set of rules. IMO took the food to a nearby stream and dumped handfuls of the wheat/ sand mixture into the water and then picked up the wheat that floated on the surface. Clearly a smart monkey IMO saved a lot of time, and a few gritty encounters. Yet it took a while for some of the other monkeys to copy IMO, and there were a large number who paid no attention to IMO at all.

The reason being that IMO was a low ranking juvenile female. By contrast, the researchers captured the big alpha monkey and taught him a far less sophisticated trick. Within four hours all the monkeys in the troop were applying the lesson learnt by the dominant monkey. So, if the monkey at the top clearly shows what they want, and those further down can see the benefit – then it will happen.

Exactly the same applies to people (we really haven't come that far at all).

There is now a fair amount of literature to suggest that in the necessary swing away from 'command-control' models to more 'participative-democratic' approaches the application of power has been diluted too much. People at the top need to be aware of their power, and use it wisely. People inside an organisation will trust a credible leadership team who have thought through the options, made some clear decisions, and can support their actions.

For example, a little while ago I was running a meeting at the beginning of a change programme. I was standing at the whiteboard inviting ideas and possibilities. After a while someone said, "*Neville, do you know the best way for us to proceed?*" I had to admit that I did. The CEO then said, "*Then why don't you just tell us, and we will go along with your recommendations.*" This really brought it home to me that people are prepared to trust those who have thought deeply about all the possibilities and who have designed an option that has the greatest chance of success. They do not want to go down the same path themselves to arrive at the answer.

Think about it - the average manager works more than 50 hours a week, they haven't got the time or the energy to be bought into every change process. Make a case. Sell it in a persuasive way. And tell people what they are expected to do. You will find that your change will happen a lot faster and smoother, but – and it is a big but – you have to tell them in the right way.

Answer the question "What's in it for me?"

A lot of people will tell you about the importance of communication – but the secret is that it is neither the quantity nor the quality that makes the difference, it is the perspective.

Let me illustrate this with an image. Imagine that you are at the ground floor of a busy building in the city. At this level you are aware of the traffic, the people rushing by, the noise, the fumes, and the temperature. Now go to the executive floor. It is quiet, sanitised, and at a constant temperature. You are hardly aware of the people and traffic, from here you can see the mountains in the distance, the cliff faces of the other buildings, the sparkling ocean.

Now if you were to write about the 'reality' of this business from the perspective of the executive floor... it would make no sense to someone at street level. That is where most communication goes wrong. People in at the middle senior level of businesses send out tedious newsletters, blizzards of memos and detailed emails about the change process from THEIR point of view.

What you need to do is to communicate from the perspective of the person receiving the message, or (to put it more crudely) you need to answer the fundamental question, "*What is in it for me?*" Because there are different needs, then you will probably need different kinds of messages for different people. Because some

groups like to read what is going on, while others would prefer to be told in person, so you also have to use different forms.

People will do what makes sense to them from *their* point of view. If it doesn't make sense, then it won't get done. Too often what is asked is ill-defined, or illogical and when this happens then your change is over – no question.

However, let me offer you a note of caution. When you use your power and communicate in this way you need to work hard to be totally credible and absolutely honest. There are many traps that you need to avoid. For example, do not promise at the beginning of a change programme that there will be no job losses. Everyone will remember that statement, and if it turns out that some jobs are lost – even a very small number – then the credibility of future statements will be poisoned. In a nutshell:

- Be sure and be straight
- If you do not know – then say so.

So, you now have a clear end goal, a group of people who know what they have to do and understand the personal benefits. The next step is to harness that enthusiasm by using the right levers.

Use the right levers

Imagine something really heavy, say a life-size granite statue of an elephant. Imagine leaning against this statue – you could not budge it at all. However, if you had a fulcrum and a lever long enough, toppling it would be a piece of cake. With the right lever you could move a building. With the right lever you could move the world.

Too many change programmes are the equivalent of getting lots of people to push against the granite elephant. These programmes are made up of low impact projects, which are poorly resourced and funded (because everyone is already busy with their full time jobs). When you have a look at these projects you typically find that everyone is working hard, and lots of energy is expended – but really not much happens that has a lasting impact on the business.

You need to find the big projects and events (or sometimes even symbols) that by their nature have a ripple effect that causes lasting change across your business. Sometimes these are IT projects, but they could also be a transformation in the way that you give and gain value from your customers, a new way to get work completed, a shift in strategy that leads your business into a new place, or a new management team.

The way to identify the right levers is to have your end point absolutely clear and then ask the question, *“If we could only do one thing that would take us from where we are today to where we need to be in the future – what would have the greatest and most lasting effect across the whole business?”*

Turn that question around and around, play with some options, test them, get some creative people involved and you will find the one or two levers that will truly make a difference. Now you know what needs to be done – you have to get some early wins.

Create early wins

No matter how important or beneficial your change is there will always be groups of managers, employees, customers, shareholders (or all of these) who believe that if you can stay calm amidst the chaos of change - then you haven't properly understood the situation. You need to create some early wins, otherwise these hand wringers will erode - and may ultimately undermine - your change.

Also, if the hardest thing is to create the initial impetus for change by defining the end points, the second hardest is it to give it momentum. Early wins are a powerful way to create that momentum. Think of any sporting event - there is a huge psychological advantage for the team that achieves rapid successes. Identify the early wins that are available in your change and make sure that they are trumpeted as soon as possible. If you have to bring some projects forward and disturb the natural sequence in order to achieve an early win – then do so.

Get on With It

When you change from one state to another then you pass through what William Bridges calls “The Neutral Zone.” This is when you are phasing out what you are doing today, and introducing what you will do in the future, but you are living with elements of both. There is disruption, discomfort, and often-depressed levels of performance. You want to make the time spent in the neutral zone as short as possible.

Ask the question, “*What is the shortest possible time in which this change could be introduced?*” That is the shortest time without the gaps built in for executive rubber stamp meetings, and without unnecessary data gathering, and without the thousands of other delays that come together to bog down so many changes.

It is a strange paradox that we are all time poor, and our lives are often totally out of balance to meet the pressures of the working day, and yet we have an unhealthy – almost pathological - disregard for the value of time. Much can be accomplished in an hour. A week is a long time. Months are too long for many change programmes. When a change needs to be made then make it – fast.

Every change is a step up to your next change. It will never stop. Each step along the way needs to be properly conceived and executed. In this article (there is an accompanying video that you can soon view online on www.lakegroup.com.au) I have given you some ideas that you can apply. These ideas will shorten the time needed to make a change and lengthen the time that it has a beneficial impact. Good

luck with your current change, may it give you the outcomes you need - until the next time change is required.



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