

Change Management

Leading Change



Successful change is a team sport, with no spectators; leaders, from the CEO to first line supervisors need to work together to align goals, remove barriers, **communicate** consistent messages, and build a guiding coalition.

Change Leaders have a crucial role in any change process and are hence required to:

- i. Focus the change effort;
- ii. Set the direction of the change;
- iii. Define the organizational aspects;
- iv. Provide consistency.



The change leader has to focus on the change effort: change being an uncomfortable activity for many employees, it is therefore critical to have a leader who can:

- i. Focus in on the main requirements;
- ii. Accurately direct the energy;
- iii. Provide feedback in real time to maximize the focus;
- iv. Set the Direction of the Change.

The change leader has to define organizational identity and provides consistency: throughout the change process by referring to the following change process constants:

- i. Culture;
- ii. Mission;
- iii. Vision.



Real Change Leaders: are individuals who apply multiple leadership and change approaches to lead initiatives that influence others to perform differently and better. These change leaders who deal with change in an effective manner have the following characteristics:

- i. They are always required for a change process;
- ii. They can arise from any part of the organization;
- iii. They need support and resources from senior management;
- iv. Their focus is on the future.



Among the personal characteristics of change leaders, we can include:

- i. Commitment to a better way
- ii. Courage to challenge existing power bases and norms in the organization;
- iii. Personal initiative to go beyond defined boundaries;
- iv. Motivation of themselves & others;
- v. Caring about and enabling employees to perform;
- vi. Keeping a low profile;
- vii. A sense of humor about themselves and their situations;
- viii. Manage risk;
- ix. Emphasize out-innovating the competition;
- x. Responsive;
- xi. Proactive;
- xii. Walk the talk;
- xiii. Communicate all the time;
- xiv. Learn and evolve throughout and beyond the change process that they lead.



Fighting Complacency

It is important that sources of complacency and resistance be dealt with, in a professional and interactive way so that they can be fully understood and resolved as part of the overall change process. The change leader has the responsibility to accomplish this through identifying sources of complacency and acting upon them:

- i. No recognition of the crisis;
- ii. Visible signs that state the organization is successful are all around and not
- iii. appreciated;
- iv. Performance standards are not challenging;
- v. There is a 'shoot the messenger' approach;
- vi. The organization is structured to focus on narrow goals;
- vii. Internal measurement systems make it too easy for employees to reach goals
- viii. without stretching



- x. There is no external feedback on performance;
- xi. Denial is all around;
- xii. Managers are focused on past successes.

Visionary Leadership

The first basic ingredient of leadership is a guiding vision. The leader has a clear idea of what he wants to do, professionally and personally, and has the strength to persist in the face of setbacks, even failures. Indeed, unless we know where we are going, and why, we cannot possibly get there. A research by (Bennis, 2000) indicates that today's business leaders place considerable value on visionary leadership as a tool for organizational change. However, is visionary leadership really the answer?



Bennis identified the characteristics of visionary leaders: he identified three basic ingredients of leadership:

- i. Guiding vision;
- ii. Passion;
- iii. Integrity.

Kotter: what leaders really do?

‘We have raised a generation of very talented employees to be managers, not leader/managers, and as a matter of fact, vision is not a component of effective management. The management equivalent to vision creation is planning; leaders are different from managers, they do not make plans; they do not solve problems; they do not even organize employees. What leaders really do is prepare organizations for change and help them cope as they struggle through it’ (Kotter, 1996).



Kotter identified three areas of focus for leaders and contrasted these with the typical focus of a manager:

- i. Setting direction versus planning and budgeting;
- ii. Aligning employees versus organizing and staffing;
- iii. Motivating employees versus controlling and problem solving.

Bass: visionary leadership works

The notion of transformation leadership (Bass ,1992), which many managers find meaningful and helpful, has distinguished between transactional leadership and transformational leadership, it has identified that charismatic and inspirational leadership were the most likely components to be associated with leadership success.



Gardner: leaders embody a story

Influential research into the nature of successful leaders (Gardner, 1996), gave rise to interesting lessons about visionary leadership. Eleven contemporary leaders, who have really made a difference, were researched in their lives and their work by reading their biographies and tracking down all their speeches, letters, audiotapes and videotapes. The mixture of different types of leaders, combining business leaders and those who influenced our thinking and behaviors without being in a position to lead directly; included among others Alfred Sloan (head of General Motors), Martin Luther King (advocate of African Americans), and Margaret Mead (cultural anthropologist).

Gardner found that those leaders who had really made a difference in the way others think, feel and act, appeared all to have a central story or message. Stories provide background, but also help the followers to picture the future. The story must connect with the audience's needs and be embodied in the leader him or herself.



Heifetz and Laurie: vision is not the answer

Vision might not be the answer, senior executives might need to alter their approach to match the needs of today's organizations; what is needed is adaptive leadership; it is all about challenging employees, taking them out of their comfort zones, letting employees feel external pressure and exposing conflict.

‘Followers want comfort and stability, and solutions from their leaders. However, that is babysitting. Real leaders ask hard questions and knock employees out of their comfort zones. Then they manage the resulting distress. They believe the call for vision and inspiration is counter-productive and encourages dependency from employees’ (Heifetz&Laurie, 1997).

There is a difference between the type of leadership needed to solve a routine technical problem and the type of leadership needed to enable complex organizational change.



Leaders of change should concentrate on scanning the environment, and drawing employee's attention to the complex adaptive challenges that the organization needs to address, such as culture changes, or changes in core processes.

This means not solving the problems for employees, but giving the work back to them. It also means not protecting employees from bad news and difficulty, but allowing them to feel the distress of things not working well.

Goleman: importance of emotional intelligence for successful leaders

Underpinning Goleman's six-leadership style is his work on emotional intelligence. This is worth examining as it sets out all the competencies required to be a successful leader. Goleman's research into the necessity for emotional intelligence is convincing.



First, his investigation into 181 different management competence models drawn from 121 organizations worldwide indicated that 67 per cent of the abilities deemed essential for management competence were emotional competencies.

Further research carried out by Hay&McBer looked at data from 40 different corporations to determine the difference in terms of competencies between star performers and average performers. Again, emotional competencies were found to be twice as important as skill-based or intellectual competencies. Goleman defined a comprehensive set of emotional competencies for leaders, and grouped them into four categories:

- i. Self-awareness;
- ii. Self-management;
- iii. Social awareness;
- iv. Social skills.



Different Leadership for Different Phases of Change

During each phase of the change process, leaders perform different skills or activities.

Cameron and Green: inner and outer leadership

It is always necessary to establish phases of change so that plans can be made and achievements recognized. This phasing also enables a leader to see the need for flexibility in leadership style, as the change moves from one phase into another phase; both outer leadership and inner leadership are required of a change leader in each phase.



Kotter: getting first steps right

Kotter's eight steps to transforming organizations form a comprehensive guide to tackling the process of change (see research article of Week 5). Kotter says that good leaders must get all eight steps right. However, and he predicts that the process will be a great deal easier if groundwork is done well.

Kanter: perseverance

Kanter (2002) highlights the need for keeping going in the change process, even when it gets tough. Too often executives announce a plan, launch a task force and then simply hope that employees find the answers, difficulties come after the change has begun. Kanter says that leaders need to employ the following strategies to ensure that a change process is sustained beyond the first flourish:



- i. Tune into the environment: create a network of listening posts to listen and learn from customers;
- ii. Challenge the prevailing organizational wisdom: promote kaleidoscope thinking. Rotate jobs and create interdisciplinary project teams to get employees to question their assumptions;
- iii. Communicate a compelling aspiration: this is not just about communicating a picture of what could be, it is an appeal to better ourselves and become something more. The aspiration needs to be compelling as there are so many sources of resistance to overcome;
- iv. Build coalitions: the coalition-building step, though obvious, is one of the most neglected steps in the change process. Change leaders need the involvement of employees who have the resources, the knowledge and the political influence to make things happen



- v. Transfer ownership to a working team: once a coalition is formed, others should be brought on board to focus on implementation. Leaders need to stay involved to guarantee time and resources for implementers. The implementation team can then build its own identity and concentrate on the task;
- vi. Learn to persevere: everything can look like a failure in the middle. If we stick with the process through the difficult times, good things may emerge. The beginning is exciting and the end satisfying. It is the hard work in the middle that necessitates the leader's perseverance;
- vii. Make everyone a hero: leaders need to remember to reward and recognize achievements. This skill is often underused in organizations, and it is often free. This part of the cycle is important to motivate employees to give them the energy to tackle the next change process.



Bridges: leading employees through transition

Bridges (1991) has very clear ideas about what leaders need to do to make change work. Bridges says that what often stops employees from making new beginnings in a change process is that they have not yet let go of the past. He sees the leader as the person who helps to manage that transition. We see this as a particularly useful frame of thinking when an inevitable change such as a merger, acquisition, reorganization or site closure is underway. (The three phases of transition are: **ending; neutral zone; new beginning**).

Please also read this week's research article: Revitalizing Your Leadership.



Leading: the endings

Bridge's advices for how to manage the ending phase consist in:

1. Studying the change carefully and identifying who is likely to lose what;
2. Acknowledging these losses openly ;
3. Allowing employees to grieve and publicly expressing our own sense of loss;
4. Compensating employees for their losses. Compensating losses of status with a new type of status. Compensating loss of core competence with training in new areas;
5. Giving employees accurate information;
6. Defining what is over and what is not;
7. Finding ways to 'mark the ending';
8. Honoring rather than demeaning the past.



Leading: the neutral zone

The neutral zone is an uncomfortable place to be, the reorganization has been announced, but the new organization is not yet in place, or understood, or working; anxiety levels go up and motivation goes down, and disharmony amongst the team can rise. Therefore, this phase needs to be managed well, or it can lead to chaos. Bridges' advices for this phase are to:

1. Explain the neutral zone as an uncomfortable time, which can still be turned to everyone's advantage;
2. Choose a new and affirmative metaphor to describe it;
3. Reinforce the metaphor with training programmes, policy changes and financial rewards for employees to keep doing their jobs during the neutral zone;
4. Create temporary policies, procedures, roles and reporting relationships to get through the neutral zone



5. Set short-range goals and checkpoints;
6. Set up a transition monitoring team to keep realistic feedback flowing upwards during the time in the neutral zone;
7. Encourage experimentation and risk taking;
8. Encourage employees to brainstorm answers to the old problems.



Leading: the new beginnings

Bridges' advices for this particular phase would be, to:

1. Distinguish the difference between the start, which can happen on a planned schedule, and the beginning, which will not;
2. Communicate the purpose of the change;
3. Create an effective picture of the change and communicate it effectively;
4. Create a plan for bringing employees through the three phases of transition, and distinguish it from the change management plan;
5. Help employees discover the role they will play in the new system;
6. Build some occasions for quick success;
7. Celebrate the new beginning and the conclusion of the time of transition.



The Change Sponsor

He is someone who has the authority, seniority, power, enthusiasm, and time to lead/carry through/oversee the changes.

The change sponsor may not get involved with the day-to-day management of the change but should support and monitor progress. Usually he is a senior member of the management team given responsibility for effecting the change. The change sponsor must ensure that the necessary resources are available throughout the change process and accepts ultimate responsibility for the successful change implementation: Agrees the change strategy and approach; Is an active champion and role model for the 'new reality'; Monitors and communicates change progress to interested parties.



The Change Manager

He is someone with the expertise to lead the change, and can act as a role model for the new reality. He may be an experienced project or change manager within the organization or, possibly, brought in from outside with specific responsibility for managing the change.

The change manager has responsibility for the day-to-day implementation of the change: Designs the change process, strategy and approach, and agrees these with the change team; Takes responsibility and manages the change progress on a day-to-day basis; Designs the communication strategy and contingency plans for the change; Monitors progress; Facilitates key events to build commitment for the change; Liaises up and down the organizational structure.



The change Agents

They are those employees that really make the difference by implementing the change at lower levels. This will depend on the nature of the change but the role often falls to middle managers because they have the influence and authority to make the change take place.

Effective change agents need to be dedicated to the change process and should be provided with the support and given time to adjust and accept the changes before they are to summon commitment from their departments. Work needs to be undertaken to get commitment from this key group of staff when implementing change, as they are the key to implementing change processes effectively.



Change agents are responsible for facilitating the change through:

- i. Gaining commitment for the changes;
- ii. Facilitating evaluation activities;
- iii. Monitoring and reporting progress of change;
- iv. Consulting and identifying bottlenecks/sources of resistance;
- v. Disseminating lessons learned.

The following seven winning characteristics of the successful change agent are the result of various studies conducted on multiple change implementation experiments:

1- Has a sense of purpose:

Is fully aware of the need to change;

Has a vision of what can be achieved;

Is realistic about the scale and timescale for change; Is flexible about the means to achieve the change;

Understands the change process.



2- Has the capability to Act:

Has leadership and interpersonal skills, with political awareness;
Has a means to promote change (i.e. a role, a project, resources or influence);
Has knowledge of the Organization, its history and its influential characters;
Develops the influential team.

3- Sells Success:

Ensures that early successes are achieved;
Focused on spreading successful practice;
Has a communications strategy for selling success;
Builds appropriate networks to facilitate communication;
Understands others' priorities in order to offer them clear benefits; Offers support and encouragement;

4- Is strategically connected:

Is well connected with sources of power and influence;
Builds a critical mass of senior employees ;
Ensures senior links will last and do not depend on one individual; Understands the senior management agenda and sells benefits;
Makes the link between strategy and operations;
Encourages senior employees to learn by experience.



5-Builds supporting structures:

- Ensures mechanisms are in place to continue the innovation and to spread it;
- Embeds the innovation by making it an important part of a wider strategy;
- Supports the innovation with appropriate resources for teaching and learning;
- Ensures that future innovation will also be supported and embedded;
- Develops processes to respond to the needs of organizational 'stakeholders'.

6- Is opportunistic:

- Predicts and uses external and internal controls for change, including political forces;
- Makes use of all available resources;
- Notices and secures external funding which will support the change;
- Encourages innovations.

7- Is critically reflective:

- Builds a non-threatening environment;
- Encourages learning from failure as well as success;
- Makes critical reflection a part of all plans and agendas;
- Promotes reflection at every level i.e. personal, team department, and organizational;
- Records important learning points so they do not depend on memory.



The Change Champions

These early adopters want the change implementation to succeed, and believe that the change will be beneficial to the Organization. The change champions will be members of staff affected by the change. They do not have to have management responsibilities. The change champion will make an excellent change agent, but may not always want the excess work associated with the change.

The change manager must decide how to make use and reward the enthusiasm and support of the change champions. The change champions are the natural marketers for the organizational change and act as catalysts for others. They will speak positively about the change, show that it can be done and support colleagues at an informal level. They give recognition when new behaviors are demonstrated.



The Change Team

The group of staff charged with implementing the change, they must have the confidence of both the management and the staff affected by the change. They: Will be drawn from all areas affected by the change; Demonstrate commitment to the change ; Will need to be given the time and recognition to undertake the role; Support the change manager in undertaking his role and responsibilities.

It is critical that we get the right mix of employees in the team and that we create the conditions for them to succeed. An overlap of roles is not uncommon, while acting as part of a change team; colleagues will most likely act as change participants as well making changes to their own practices.

