Capturing Possibilities - Successful Leadership of Change

Change is good, you go first
- Dilbert

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Why is Change So Hard?
What kind of change are you dealing with?

- Organizational change?
- Work process change?
- M&A integration change?
- Something else?
How many would agree with this statement?

“Successful projects go through a series of stages that require effort and discipline. Skipping stages creates only the illusion of speed and never produces a satisfying result”
Change Programs - like any project, rushing through FEL risks failure

“The change process goes through a series of stages that, in total, usually require time. Skipping stages creates only the illusion of speed and never produces a satisfying result”

John Kotter – Leading Change
Three Main Ideas

1. **Successful change efforts follow a “project” process** – 7 distinct steps from visioning through implementation to the bottom line

2. **“Mindsets” matter** – change efforts that fail have neglected mindsets, behaviors, and practices

3. **Create your change story** – your elevator speech is essential no matter where you are in the organization or the change process
Successful change efforts follow a “project” process

2 distinct stages and 7 steps

Visioning and Aligning

1. UNDERSTAND
   Understand the need for change.
2. ENLIST
   Enlist a core change team.
3. ENVISAGE
   Develop vision and strategy.
4. MOTIVATE
   Create a sense of urgency.
5. COMMUNICATE
   Communicate the vision.
6. ACT
   Take action.
7. CONSOLIDATE
   Consolidate gains.

Executing

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Sources: Used with permission from ExperiencePoint, 2018 (as part of the ExperienceChange workshop). The ExperienceChange model is – in effect – Janssen’s apartment at scale. More specifically however, the EC model is a synthesis of the work of various change theorists including Lewin, John Kotter at Harvard, David Nadler at Columbia, and Harvey Kolodany at Rotman. The strongest influence is John Kotter.
1. Understand

- **Listen** – to a broad audience internally and externally
- **Assess** – use an independent assessment of where we are, where we need to go
- **Define the problem** – what needs to change? Root causes, not just symptoms
- **Share information** with key stakeholders, build alignment

2. Enlist

- **Stakeholder Mapping** – identify critical supporters and detractors
- **Choosing a Sponsor**
- **Selecting a Change Agent** or Project Leader
- **Building the Change Team**

Adapted with permission from ExperiencePoint, 2018 (as part of the ExperienceChange workshop)
Enlistment includes assessing resistance

- **20%** Resisters: Stakeholders that disrupt change
- **60%** Bystanders: Stakeholders with a neutral attitude toward the change
- **10%** Helpers: Stakeholders that encourage the change
- **10%** Champions: Stakeholders that lead the change

Adapted with permission from ExperiencePoint, 2018 (as part of the ExperienceChange workshop)
3. Envisage

- **Co-create the future** – involve a diverse set of stakeholders
- **Develop a vision** – Where are we going?
- **Develop a strategy** – How will we get there?

Refining the vision and “case for change”. Answering the question everyone will have: “why bother?”

Adapted with permission from ExperiencePoint, 2018 (as part of the ExperienceChange workshop)
Implement Change

Move from planning at a project level to execution

Execute

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4. Motivate

- Finalize the case for change
  - Create urgency and dissatisfaction with the status quo

- Communicate
  - Communicate “why” at both a rational and emotional level

- Assess and address resistance
  - Identify blocking mindsets, behaviors, and practices

Adapted with permission from ExperiencePoint, 2018 (as part of the ExperienceChange workshop)
There are plenty of reasons people resist change . . .

- Fear of the unknown
- Who’s proposing
- Bad timing
- Lack of resources
- Threatened vested interest
- Too much change already
- Execution concerns
- Competing idea
- No shared need for change
- Need for security

Adapted with permission from ExperiencePoint, 2018 (as part of the ExperienceChange workshop)
... and neglecting this “soft stuff” causes most efforts to fail.

Organizational support is created by addressing organizational “health”: mindsets, behaviors, and practices

2 Questions to Ask Ourselves
- What **behaviors** need to change or improve?
  - Examples: Collaboration, Accountability
- What **mindsets** stop us from doing these today?

### Organizational Resistance

<table>
<thead>
<tr>
<th>Obstacle</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other obstacles</td>
<td>14</td>
</tr>
<tr>
<td>Inadequate resources/budget</td>
<td>14</td>
</tr>
<tr>
<td>Management behavior doesn’t support change</td>
<td>33</td>
</tr>
<tr>
<td>Employee resistance to change</td>
<td>39</td>
</tr>
</tbody>
</table>

Sources: McKinsey Change Leader Forum
Leading Projects, LLC
Mindsets Matter – linking practices to behaviors to mindsets

Example - Management Practice:  Role Clarity

From: How employees are behaving today

To: How employees need to behave to succeed in our goal

From: What people are currently thinking / feeling that drives those behaviors

To: What people need to be thinking/feeling to behave in the new way

Examples of blocking mindsets for the practice “Role Clarity”

- “It’s my job to figure out what I’m responsible for on my own”
- “It’s not my job to define my role – someone else just needs to tell me”
- “Our business is just too complex and changing to define roles”

Adapted from McKinsey Change Leader Forum June 2016
Mindsets matter…
Sometimes the only thing holding you back is in your head

From: Silos
"My success depends on optimizing my area"
"I view the other areas as a hindrance – getting in my way"

To: Collaboration
"My success depends on optimizing project performance"
"There is no ‘they’ – I need the other groups and they need me"

From: Blame
"These problems are beyond my control"
"There is a lack of clarity of accountabilities around here"

To: Accountability
"If I’m not part of the solution I’m part of the problem."
"I seek to clarify my and others' accountabilities if they are unclear"

Adapted from McKinsey Change Leader Forum June 2016
5. Communicate - Why

- Communicate in a way that addresses all “sources of meaning”
- Everyone is a change leader and should create their own “change story”

Adapted with permission from ExperiencePoint, 2018 (as part of the ExperienceChange workshop)
What Source of Meaning motivates you the most?

- Personal success?
- Team/project success?
- Company success?
- Community?
A great change story is personal, but with a consistent core message

1. What motivates me?
   - What’s the discrepancy between where we are now and where we need to go? Call out what everyone is thinking.

2. What’s the gap?
   - Explain our plan and why it is appropriate to our position

3. How will we close that gap?
   - Reference the “big guns” who are already on board

4. Why do I believe this is going to work?
   - Demonstrate your belief in the plan’s efficacy

5. Who else believes this?

6. And what’s in it for you (and you and you and you)?
   - Mission / Society
   - Company / Shareholders
   - Customers / Clients
   - Team Experience
   - Personal Success

A great change story is personal, but with a consistent core message

<table>
<thead>
<tr>
<th>What motivates me?</th>
<th>Build rapport by talking about your source of meaning</th>
</tr>
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<tbody>
<tr>
<td>What’s the gap?</td>
<td>What’s the discrepancy between where we are now and where we need to go? Call out what everyone is thinking.</td>
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<td>How will we close that gap?</td>
<td>Explain our plan and why it is appropriate to our position</td>
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<td>Why do I believe this is going to work?</td>
<td>Demonstrate your belief in the plan’s efficacy</td>
</tr>
<tr>
<td>Who else believes in this?</td>
<td>Reference the “big guns” who are already in support of the change agenda</td>
</tr>
<tr>
<td>What’s in it for you (and you and you)?</td>
<td>Appeal to your audience’s sources of meaning (mission/society, company, customers, team experience, personal success)</td>
</tr>
</tbody>
</table>

Exercise – your change story

– At your tables, please think about and discuss your own "change story" for the change you are grappling with.

– Include
  • What motivates me?
  • What is the gap?
  • How will we close the gap?
  • Why do I believe this will work?
  • Who else believes this?
  • What’s in it for you?
Communicating about our change agenda follows a natural sequence

**Current State**

1. Communicate the negative about today. Create a sense of urgency.

2. There will be challenges along the way and it won’t be perfect.

**Future State**

3. The future can be better than the present. Mobilize around future state.

4. Celebrate our success in the current state as we evolve.

Adapted with permission from ExperiencePoint, 2018 (as part of the ExperienceChange workshop)
Develop a communication plan and use multi-media

Test concepts with various groups to surface barriers to adoption and then mitigate those barriers

Communicate face-to-face where possible

How much communication is enough?
Say it, say it, say it again

Multiple Methods
- KISS, Metaphors / Analogies / Stories
- Make it involving
- Leadership by example – Walk the Talk

Adapted with permission from ExperiencePoint, 2018 (as part of the ExperienceChange workshop)
6. Act

- **Encourage an experimental mindset.** Test ideas. Try things out in the spirit of learning
- **Create a “PMO”** structure and regular cadence to manage progress
- **Provide the training** employees need
- **Promote and celebrate** “short term wins”
- **Deal with “blockers”** who don’t support the change

7. Consolidate

- **This is all about driving value** to the bottom line—measure and track progress
- **Shift to a “this is just how we work mindset”** and a continuous improvement culture
- **Continue to reinvigorate the process**—new initiatives, themes, and change agents who reinforce the original objective
- **Capture lessons** learned for the future

Adapted with permission from ExperiencePoint, 2018 (as part of the ExperienceChange workshop)
Recapping the Three Ideas

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Visioning and Aligning

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Thank You!

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