What Every Business Leader Needs to Know About Change Management

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The reality is that most change succeeds or fails on the cooperation of the people who must implement the change. Therefore, in the final analysis, the most important element of the change is people.

Sure, if you are implementing new technology or a new procedure, it has to be well conceived and perform as it is intended from a technical point of view. But, change seldom fails just because of technology; it fails because the people impacted by the change do not embrace it.

There are many manifestations of a lack of commitment. To be certain, poor technical design is one of them. But, when people want change to work; and when they are enthused, engaged and invested in change, most obstacles can be overcome.

It is an oft told tale, but leadership is the key to successful change management. Leadership starts at the top and succeeds through those affected. Successful leaders listen. They involve all those who might be affected by the change by gathering data (both fact and emotion) around the change. If possible, they achieve a high degree of ownership by having key constituencies help design as much of the change as possible. If change must be dictated, they proceed with tough minds and compassionate hearts. All affected are treated with dignity. Communications are frequent and factual.

Here are some important change realities:

- The key question asked or unasked on everybody's mind about change is "What's in it for me?" (Known by many as WIIFM.)

- One key person can usually kill or sabotage change

- A "few" people and groups are almost always pivotal to a smooth and effective change implementation

- A "critical mass" of support is essential for launching and then accelerating change

- Some change stakeholders can be moved to a higher level of support (the ultimate level of support coming from those who unsolicited will proselytize the virtues of the change)

- Some change stakeholders who are negative only need to be "neutral" for the change to succeed

- A group by group (and in some cases a name by name) stakeholder analysis needs to be done to find out where people are in their current support for the change (their "as is") versus their required support for the change (their "should be")

- A clear plan of action is needed for each group/individual who needs to move up in their support level for the change in order for it to succeed

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What are some of the clues to help you determine whether or not change will be embraced or resisted? An exhaustive list would be impossible, but you can predict with fair certainty the mindset of a group or individual by following these guidelines:

- Change is embraced when it is perceived to:
  - o   Increase one's status
  - o   Increase one's self-esteem
  - o   Make one's job easier
  - o   Increase one's control
  - o   Increase one's wealth

- Change is resisted when it is perceived to:
  - o   Decrease one's status
  - o   Decrease one's self-esteem
  - o   Make one's job harder
  - o   Decrease one's control
  - o   Decrease one's wealth

The first thing to do in any change effort is to get a clear definition of what needs to change and why and what the benefits of change will be. As simple as this sounds, most change efforts are launched with a poor understanding of what needs to be different as a result of the change and without a clearly articulated rationale for change. Define the change and set measureable objectives. Be sure change has a senior sponsor who is truly committed and willing to take decisive action to achieve the change if decisive action is required.

Next assemble a team to ensure change happens well, but be careful not to overload the organization with too many initiatives. If everything is top priority, nothing is top priority. This is where the concept of triage applies. Make sure you treat the most important things that can be treated first. Everybody wants world peace, but world peace does not make for a good change management objective for most organizations.

In assembling your change management team, consider that a successful change management team usually consists of the following roles:

- A senior management Guidance Team to whom the change team reports

- A Sponsor on the senior team or no more than one level down

- An Owner (that's usually someone who has the technical and leadership skills required)

- Appropriate Stakeholder Representation either throughout or at key action points

Plus, you must be sure you have the resources to carry through on implementing the change and the available technical and leadership capacity/bandwidth to lead it. Nothing is worse than launching change that stagnates and fails because management fails to lead.

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Once your change has been defined, the benefits understood and your team assembled, communications to all stakeholders becomes critical. Communications sounds easy; just tell people what you are doing and why. However, savvy leaders know that communications is as challenging as it is essential. Some of the rules of communication to be followed in planning your own communications strategy are as follows:

- Communicate only what you know to be true (not what you speculate).
- Be sure your management approves of what you are communicating before you start communicating.
- You may communicate your vision, direction and objectives before you communicate your plan. However, be sure you only communicate what you know to be true not what you speculate or hope to be true
- Communicate what you do know as soon as you know
- Communicate with your audience in mind. Tailor communications (same facts different emphasis) to each affected group. This can often best be done best through the leadership of each stake holder group.
- Communicate using multiple mediums (one on one, small group, large group, phone conference, written information, etc.). Typically, someone needs to hear and/or see the same message at least three times before it is retained/understood, particularly if it represents a change in what they previously believed to be true.
- Be prepared to answer questions. Significant communication should be scripted (so that multiple presenters in multiple locations deliver the same facts) accompanied by a companion set of questions and answers for presenters.

Once you start moving, cycle back to listening. Be flexible on the details, but plan to stay the course. The more resistance, the more you must listen and communicate. Use multiple channels of communication, including group presentations, one on one discussions, letters, postings, videos, etc. In the final analysis, each person's individual supervisor is usually the key. If the supervisor endorses the change and understands it fully, the associates will generally follow.

One other thing everyone should know about change. You must change to innovate. But innovations often fail. If you have a failure, admit it and do not make the mistake of throwing good money after bad. Reward everyone who legitimately contributed despite the failure. After all, you want them to run right out and try again. Hold a ceremony if you need to, but a quick merciful death is sometimes the most motivating thing you can do for the organization.

One of the paradoxes of change for leaders is that if everything goes well they need to give the credit to everyone else. If things go poorly, they will step up and take full responsibility for failure. No equivocation, not excuses. True leaders take the heat and give the praise to others, and by so doing win the hearts and minds of those they lead. But, we are now getting in to how to be a great leader, a topic we will pick up in a later writing.