ROUGH GUIDE
to Organizational Change

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Last month, we began exploring the journey to organizational change. The following is the second installment — Prerequisites for substantial learning and Understanding the skills of successful implementation.

Through mergers and acquisitions, the organization you're leading has pulled a diverse collection of companies and cultures under one banner. That has brought huge challenges as well as great opportunities. You've personally enjoyed some big wins in the past and have learnt how to lead successfully in some complicated situations. You have beaten adversity before.

But things don't get any easier. With the specter of corporate governance looming, you recognize the need to put in place more effective standards and frameworks. At the same time you realize that over-control may disengage your people. Meanwhile City analysts are looking for something new, having lost faith that steps taken in the past such as acquisition or cost cutting will still create sustainable value. So what do you do? How do you take a big step in the right direction?

Important pre-requisites for substantial learning

It is difficult to imagine that an organization can achieve and sustain higher levels of performance without learning something new. If no new capability is added to what the organization can do, then it is very likely that the same results will be achieved.

It is because of this that companies spend many millions of dollars every year to develop new capabilities. However, this investment often under-delivers because organizations fail to understand thoroughly enough the processes through which people learn.

Most significantly, the approaches that businesses take miss the vital link between capability and results. Just as it is hard to achieve better results without new capability, so it is very difficult to develop new skills without the challenge of achieving a new target or goal.

KEY GUIDELINES
Important pre-requisites for substantial learning

Connect learning to results
People learn through necessity and adversity connected to stretching challenges, not through rational thought and desire alone.

Understand the emotions of learning
Help people recognise and deal with resistance and loss. Recognise the stages of the learning cycle eg. conversation, practice, reflection and assimilation.

Learning takes time
Learning new skills takes help and encouragement. Without sufficient time, confidence is lost. Leaders need to see a process through for a number of years.

Learn about better conversations
Learn about the patterns that good conversations take and practise challenging conversations, giving feedback and disclosing.

Tolerance of errors and failure
Help the organization deal with mistakes in a consistent and positive way.

Intolerance of inconsistent behavior
Help people to understand and reinforce that leaders can choose how they behave.

This is because humans only really learn new things that are useful in helping them achieve things that they were previously unable to accomplish. Take all those things you learnt at school that you have long since forgotten.

Clearly, the reason for this is that you have not had any use for them. Those that you have used regularly remain as if you learnt them yesterday.

For this reason, capability development and formal training must always be in the context of the actual challenges that people face. But what often happens is that people receive leadership and management training that is removed from their day-to-day reality, built around hypothetical examples and based on topic areas that aren't related to any current and urgent need.

This 'Phantom Route' approach means that those being trained don't get to apply the new knowledge in order to solve a real problem. The result is that, after a few weeks, the knowledge is forgotten, the investment is wasted and, most importantly, the business defaults to the use of its 'old' knowledge - with predictable consequences.

The Phantom Route effect means that change initiatives that have no hard deliverables usually achieve little by way of any lasting benefits. But there are also some other important aspects to consider even if the right challenges are in place.

There is a need to recognize that learning takes time, that is a process that is different for different people, and most importantly, as people become older and that what worked in the past may not be the best way to go forward now. People need support in all of these aspects for any 'transformation' to succeed.

Understanding the skills of successful implementation

Organizations today increasingly recognize that implementation needs to become a core skill. In doing this, they are acknowledging that implementation requires specific knowledge and skills that go beyond straightforward project management.

The plan-plan-plan-execute model which typifies many common approaches simply won't work because it is predicated on the false assumption that exhaustive planning will provide the right answer, rather than on the necessity to provide the right vehicle for people to learn and practice new skills. Also, the right answer won't be found because of the situational nature of change - each situation is unique and changing.

Instead, the change program should seek to use past experiences as signposts and clues to support and accelerate local learning and solutions that are unique to the situation. Solutions that are imposed on people tend to be rejected because these don't ring true in their specific situation.

KEY GUIDELINES
Understanding the skills of successful implementation

Implementation requires skill changes
People need to understand and recognise the skills required for successful implementation and then practise them to help them make change happen.

Timing is everything
Education applied without practice will be lost; similarly, implementing changes without education will mean that people don't know what they don't know. The result: failure and resistance.

Learning by doing
Successful implementation is a journey of learning by practice. Organizations frequently plan too long and see the final step rather than the whole journey as 'implementation', leaving too little time to learn the skills required for sustainability.

Situational nature of change
Although principles and ideas from other situations can often be useful, each local implementation is uniquely situational. Pre-made solutions that do not involve local people and develop their ideas often fail.

Active leadership of change
Complex implementation involving behavior and mindset change requires active leadership that is different and separate from everyday leadership.

Consistent application of tools
There is no magic in any particular tool such as Systems Thinking or Six Sigma. The value lies in their consistent application in the culture, enabling leaders to interpret data better and make better decisions.

Importance of step-backs and forums
A key process that builds sustainability in organizations around implementation is the ability to step back, evaluate and discuss changes in peer or functional groups outside of the local environment. Without this reflection and learning, people easily lose heart.

Importance of meaningful results
People find it hard to learn in the absence of objectives to which they are committed. Simple, memorable results that relate to key objectives enable this process to succeed.

Wrong use of external help
There is a danger in external help being allowed to do too much of the work. In the absence of people experiencing the journey, how can they learn new skills?

Avoid changing structure during the process
For leaders to coach followers through the process effectively, a relationship must first be established. Changing organization structures by definition changes relationships. This shift can only be made prior to implementation, otherwise changes made will unravel.

That is why leaders should coach their people through the change process rather than just tell them how to move forward. Supporting people as they find their own solutions is more motivating and sustainable. It leaves behind more capability than simply giving them the answers.

Finally, because a coaching philosophy is at the center of the learning organization, leaders should be wary of two things. If you change the organizational structure too often, particularly during the change program itself, you will alter or remove the relationships that are a pre-requisite for effective coaching. Beware too, the selection of external support for the program whose focus is on doing things for you rather than on helping you do it for yourselves.

The simple truth is that implementation is all about leading people to new levels of performance rather than choreographing a logical sequence of activities. It is this people part that provides the challenge, the fun and, ultimately, the rewards.

Many of these points will be all too familiar to your organization. But we hope that some of them may shed light on why so many major transformation efforts fail to deliver their potential and why major success stories are so elusive. Fail unknowingly in just one or two of these areas and it can prove fatal. All of which explains why leaders are often unwilling to even embark on such a journey.

An interesting corollary of the situational nature of all change is that there is no 'right answer' to how these ideas are applied in each and every situation. This means that leaders in organizations need to focus on developing their understanding of these principles and their ability to use them as signposts - as a rough guide to where they should look for answers, as they embark on making their business successful in a new and far more emotionally engaging way.

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Rupert founded Evolve Partners in 2000 based on an idea about how business consulting should be different – that clients should truly develop and learn from the process as well as achieving major financial benefits. Since then, he has helped many clients achieve significant shifts in profitability with further results continuing to be delivered long after the engagement has ended. As CEO, Rupert is responsible for guiding the firm as it continues its path of successful growth, and for overall governance and the development of Evolve's unique brand and culture.