SHAW ACADEMY

Lesson 6 Course Notes

Diploma in Leadership and Management

SHAW ACADEMY

How leaders manage change effectively

Introduction

In this lesson, you will learn how leaders build and maintain momentum during times of change. Leaders explain why change is required. They focus on the end goal. We also focus on key communication skills that facilitate change and motivate those who are resistant to change. In effect, those who lead inspire change

Lesson Pillars

Leadership and change management.
Barriers to change.
Communication in change management.
Leading and implementing change.

Key Readings

Kotter's 8-Step Process for Leading Change https://www.kotterinternational.com/8-steps-process-for-leading-change/ . You can also access the eBook for free by subscribing. Well worth it.

http://www.inc.com/geil-browning/8-things-great-leaders-say-in-times-of-tumultuous-change.html
Things great leaders say in time of tumultuous change

Was Louis Gerstner a turnaround specialist at IBM? Good article on changing culture at IBM. http://www.managedecisions.com/blog/?p=280 The greatest barrier to change in any large corporation is the culture. Any major shift in strategy or structure requires culture shift to create alignment.

Lesson Resources: Keep a Learning Log

It is recommended that you keep a learning log. Get a small personal notebook that you can use exclusively for this course. In it, you will record insights, thoughts, reflections on previous leadership and management experiences you may have had. During key learnings in the course you will be prompted to think about a time in your past when you observed, noted or reacted to a situation. The learning log will help to build a picture of your growing self-emergence as a leader and manager.

Change Management

Peter Drucker says:

"The greatest danger in times of turbulence is not the turbulence – it is to act with yesterday's logic".

Sometimes we need to change!

The difficulty with change - Ghandi

A woman asked Gandhi to speak with her son about eating sugar. Gandhi asked her to come back in two weeks and said he would talk to the boy then. In two weeks they returned, and after waiting for a couple of hours, she could approach Gandhi once again. Gandhi immediately spoke with the boy, who agreed to begin working to eliminate sweets. After thanking Gandhi for his wise and compassionate words, the mother asked him why he wanted them to return instead of offering his advice the first time. "Upon your visit two weeks ago I too was eating sugar."

He explained that he could not speak of or teach her son to not eat sugar if he himself had not taken that journey. "You must be the change you wish to see in the world".

So, in this lesson we will look at what is meant by change? Some of the skills required to manage change successfully. In addition, we will look at the barriers to change and how we can work with those who are resistant to change. Then we will look at how to successfully implement change and the importance of communication throughout the change management cycle.

Organizations don't change — people do.

Two main reasons why change programs fail:

1.   Senior managers don't act as a role model for change.
2.   Employees in the organisation fear the change.

People don't resist change. They resist being changed! - Peter Senge

Reasons for Resistance

Misunderstanding about the need for change is the most common reason for resistance.
If staff do not understand the need for change you can expect resistance.

Especially from those who strongly believe the current way of doing things works well…and has done for twenty years! Status Quo

Next is Fear of the unknown

People will only take active steps toward the unknown if they genuinely believe (Remember Simon Sinek)– that change will improve matters

Low trust — When people don't believe that they, or the company, can competently manage the change there is likely to be resistance

Poor communication, lack of consultation.
When it comes to change management there's no such thing as too much communication.

If people can be part of the change there is less resistance.
People like to know what's going on, especially if their jobs may be affected.

If you look at the chart we can see the classic psychological reactions to change – leaders recognise these stages and are prepared to act when they see them.

Psychological reactions to change?   Denial, Anger, Confusion, Depression, Crisis, finally acceptance and with it comes new confidence.

What should they do? Leaders identify and address these mind-sets at the outset, they are four times more likely to succeed.

So, there is hope!

What does change require from its leaders?

Leaders need to be able when called upon to do three things well.

1. Have absolute clarity: What will success look like if we make these changes, for ourselves and customers? What are we trying to solve? What resources and relationships do we to put in place to succeed?

2. Get Early Buy-in Staff implementing the changes need to see where you are today and where you intend to be tomorrow. Leader show why this change matters and how it will impact their careers and how you plan to measure success.

3. Focus on front-line managers: on the exact actions, they need to take to achieve the company's desired business outcomes. For this to happen front line managers need to be prepared: first, understand what change is. Second, we need understand the barriers to change. Third, after we know the barriers to change, we need to construct a plan to overcome those barriers and achieve the desired objective. Remember: frontline managers will be the first to hear through their teams what if any negative impact the change is having on their customers or in the organization.

Leaders get absolute clarity, they get buy-in early and they focus on the front line.

Listen to Feedback

The team's voice must be heard. And chances are, many people on the team have most likely been begging for change and know what is needed. Getting their feedback will assist in smooth transitions and gaining their buy-in.

By explaining the need and the why for change getting feedback throughout the change process will hold everyone accountable and help maintain alignment.

Acknowledge the Feedback

Collecting feedback from the team is important but even more important is acknowledging that feedback.   After each change implement a quick Plan, Do, Check, Act. The leadership team must reflect on the feedback, tell the team what they are "hearing" from the feedback, and then some kind of action must be taken. Leaders also have a plan in place to publicly reward those that make the time and effort to embrace change. Especially those that do it with a good attitude and get other team members on board. Keeping the team properly motivated will aid in adoption of the changes.

Check in. So, everyone are we clear on how leaders must listen and respond to feedback. When feedback has been acknowledged, and acted upon it's a game changer.

What do leaders bring to the change table?

- Leaders can facilitate change by being adaptable to the change process. They can prepare by following these steps.
- Understanding the scope of a project. this means taking the time to understand the changes that are afoot within an organisation and set the priorities that will guide this change.
- Deciding on a course for the changes that are occurring and map out how each role within the organisation will be affected.
- Begin to implement the change process. This requires focusing on who is most affected by new business processes and requires leaders to focus on these individuals if they want this process to progress smoothly.
- Adjust course where necessary. The last step for an organisation that is undertaking any change will need to be evaluated and adjusted as necessary. Leaders also need to have the skills to identify which developments have not been effectively implemented and revise any initiatives that aren't holding their weight. I recommend that you utilize the Plan, Do, Check, Act cycle.

Leaders Engage

What effective leaders do during times of change is to engage with those where the change is going to have the biggest impact.

- They check in to ensure they are onboard with the change and clarify any issues.

- They ask upfront how the change is going – need to show that they don't want disengaged staff. Tell them that their role is important to the overall change process.

- They address any challenges that arise and keeps their manager in the loop. They also follow up once the issue has been addressed.

- Leaders adjust as necessary but stay through with the vision and continue to lead with purpose.

Dealing with common barriers to change

Common barriers to change include the following:

1. Inertia, like gravity, is a powerful force. Making a change – even a relatively simple one – takes time, involves a learning curve and might require new skills or alter a relationship.

2. Lack of a shared vision. When individuals have different visions that they don't discuss and work through, the group compromises its ability to change.

3. The corrosive effect of cynicism and pessimism. Failed efforts at change con tribute to a "why bother" mind-set. Regardless of why previous change efforts were unsuccessful it is hard to overcome the scepticism and cynicism they leave in their wake.

Hurdles to overcome

Here are some common barriers to change that you will have to deal with.

1. Change fatigue. The exhaustion that sets in when people feel pressured to make too many transitions at once., poorly thought through,
    rolled out too fast, or put in place without sufficient preparation.

2. Not this again: All too often organizations announce substantial changes and innovative programs with big events and fanfare, but then very little actually happens. Staff see oh no here's another initiative without the ground work being done. The initial energy and enthusiasm fades, specific changes are never identified let alone implemented, results aren't realized, managers don't adjust, or maybe something even better comes along leading to a new "launch" with new fanfare.

3. Change does not happen through goals and exhortation alone. Like any business operation, it also calls for the right skills and resources. Organizations often simply fail to commit the necessary time, people, and resources to making change work.

4. Leaders might set out eagerly to raise product quality, but when production schedules slow and the pipeline starts looking sparse, they lose heart. Blame sets in: targets were unrealistic, production technology outdated, frontline people of not being up to the task.

Overcoming barriers to change

Here are some guiding principles for overcoming barriers to change. Let's take them one by one.

Lead with the culture. In the Katzenbach Center survey, 84 percent said that the organization's culture was critical to the success of change management, and 64 percent saw it as more critical than strategy or operating model. Yet change leaders often fail to address culture. They assume that

culture, because it is "soft" and informal, will be malleable enough to adapt without requiring explicit attention. We will look at Culture in further detail in the next topic)

Start at the top: Executives need to be tasked to work together to develop a case for change that every one of them can support.

The path of rolling out change is immeasurably smoother if people are engaged early for input on issues that will affect their jobs. Frontline people tend to be rich repositories of knowledge about where potential glitches may occur, what technical and logistical issues need to be addressed, and how customers may react to changes.

Human beings respond to calls to action that explain WHY they need to change. Leaders know how to engage their hearts as well as their minds, making them feel as if they're part of something consequential.

Reinforcing behaviours is all about living the new change and walking the talk. Spend time with people at the frontline leadership (supervisory) level, asking for their input and engaging them in frank discussions. Ensure the middle and lower ranks have direct contact with real-life customers.

Sustained change requires constant engagement communication, not only throughout the rollout but after the major elements of the plan are in place. The more kinds of communication employed, the more effective they are, in addition, leaders engage outside the formal hierarchy.

Question: How many of you when putting a project team together work outside the formal hierarchy?

Preparing the ground for change

Leaders must therefore be able to paint the big picture. But if the vision belongs only to top management, it will never be an effective force for transformation.
Leaders must create a master narrative that coherently articulates the company's identity and ideals and is embraced by every member of the company.

Moments of Truth tells the story of the fantastic turnaround of Scandinavian Airlines under the leadership of CEO Jan Carlzon. Carlzon took the helm of SAS following a two-year period during which the company, once a world leader, suffered $30 million in losses. Within two years, under Carlzon's leadership, SAS was voted "Airline of the Year" by Air Transport World. Carlson's strategy was simple - he identified every potential contact point between a customer and a SAS employee. He discovered that each customer interacted with an average of five SAS employees per flight and each interaction lasted for approximately fifteen seconds. He estimated that there were fifty million points of contact per year and each fifteen second moment he set out to make as pleasant and as memorable as possible. He called these contact points "Moments of Truth". And he looked to build a culture around these.

"The power of a vision comes truly into play only when the employees themselves have had some part in its creation". - Frances Hesselbein

Culture and change

Frances Hesselbein is the President and CEO of the Frances Hesselbein Leadership Institute and is its Founding President. Prior to founding the Frances Hesselbein Leadership Institute, Hesselbein served as the CEO for the Girl Scouts of the USA.

Hesselbein was awarded the Presidential Medal of Freedom for her work with the Girl Scouts of the USA. She turned 100 in November 2015.
And change she wrought. Hesselbein believed that any girl in America—be she low income or wealthy, urban or rural, black, white, Latina or whatever—should be able to picture herself in the Girl Scouts. "If I'm a Navajo child on a reservation, a newly arrived Vietnamese child, or a young girl in rural Appalachia, I must be able to open [the Girl Scout handbook] and find myself there," she said. "That's a very powerful message that 'I'm not an outsider. I'm part of something big.'"

The Girl Scouts not only changed materials like the Girl Scout handbooks (even translating them into multiple languages) but also initiated a slew of new offerings. Proficiency badges sprouted up in topics like math, technology and computer science, to reinforce the fact that girls are—and should think of themselves as—smart, capable individuals.

The organization artfully moved people to confront the brutal facts facing girls in modern America, such as teen pregnancy and alcohol use among minors, by creating materials on sensitive issues. The parent organization did not force these materials down people's throats, but simply gave the interdependent councils the opportunity to use the materials at their discretion. Most did.

Breaking down the resistance to change

John Maxwell suggests that leaders learn to lead with compassion. He suggests several ways to break down resistance to change. I've tried to capture these as "the creaking wheel always getting the grease".

1. Start with compassion. By meeting people where they are. They're scared, you represent that terrifying unknown. So, you listen, you show empathy, you take time to connect, resist that impulse to say – we need to do this.! No doubt you are anxious to see quick results (and your job may hinge on it), but you're better off starting slow and finding common ground. Ask them about their families, their backgrounds and their concerns. Find opportunities for one-on-one interactions. These moments of connection are the most important ones in your day.

2. Influence the influencers. Pay attention to group dynamics. Who are the influencers? These people hold the keys to the kingdom. Identify them and then focus your energy on getting to know them—quickly!

3. Communicate your values. Don't withdraw when you encounter conflict. Remember, it isn't personal. You can't deal with resistance until you understand it, and you won't earn buy-in until you understand people's reservations and the reasons behind them. Look for ways to demonstrate your values as you explain your vision. You want to reassure people that your principles are positive and show where your values align with theirs. The key is to be steady, positive and consistent. And then Go forth boldly, don't be afraid to make mistakes. (Just be sure to fix them faster than you make them!)

4. Create wins for the organization. Never underestimate the power of early victories. They give people confidence to keep pushing forward. Also equip the leaders by developing them. Find them mentor and take some time to coach them so they become the next leadership generation.

What do you think? Which do think is the most import solution?

Tell the story about the need for change

Leaders must lead the change. Change is a leader-led model which must start at the very top. Leader will be watched to see if they "walk the talk"

1. Vision workshop: create a shared vision. assemble your ambassadors

    • Create a change story together.
    • Call out reasons for initiating the change,
    • Adapt and tailor the story to resonate with their part of the business,

2. Own the Vision

    • Leaders need to embrace the new vision and changes, you cannot delegate
    • Be passionate about the change and guide others at every opportunity until the change is complete.
    • Help your leaders see what the future look likes.

Work with the team

1. Providing feedback focused on supporting the desired cultural beliefs and desired outcomes to team members is critical for success.

2. Take constructive criticism. Teams may have visibility of a better way to proceed with a process.

3. When the team feels, it is not being briefed rumour will fill the vacuum, so listen to their fears, they may not be real, grounded or accurate. Your job as a leader is to set the vision and get everyone on board.

4. Take time to allow the idea for change to embed its self, be patient, positive and be sure to do what you say – walk the talk.

5. Be sure to look for early signs of success, it may not be the complete job, it may just be the right behaviour, staying in late to get the job done, explaining the change to a colleague.

Team building activities that support change

Leaders must be courteous and respect each team's member from the get go, they are expected to deal with change, you need to show courtesy at all time. Learn each team members first names.

Now you need a plan. This is the road map--the rules, the processes, the definition, and the deadlines. The more structured thinkers in your ranks will appreciate it. Have the team members give their input as they often will understand the processes better that you to implement the change.

Personalise change to each role. Help each team member see his or her role in achieving the vision.

Acknowledge the effort. Teams want to know the team is working hard to implement change and they need feedback!! By asking for help you also build empathy

Act the minute you see someone not living the vision, teams will respect you more if poor performance is challenged. Take the team member aside and explain to them what you expect and what you observed. Encourage them to get onside.

Build in milestones and reward the effort.
Recognition is priceless, be it tangible or intangible, and status is much more than money. It increases employee loyalty, enhances performance and generates greater success.

In the golden rule, you treat others as you wish to be treated. In the platinum rule, you treat people as they wish to be treated.

The what and how we communicate in times of change

Be truthful:

1. Spare no detail. We as leaders may think we are doing our team members a favour by withholding certain details of how we plan to get to where we are going.

2. If you don't give the details teams may think you have no plan and that your disorganized, give the details as soon as you have them. Explain the why. They might surprise you

3. Teams can feel overwhelmed. Remember Dilts iceberg we only see 10% of the person in our daily work. You've got to be sensitive to those around you.

4. Don't take silence as acceptance, we've all done it, IS that clear ok thanks. Let's move on. Have a team member talk back to you what they perceive the change will mean to them. This will elicit more feedback.

5. Communication is a two-way street: goal is to create an engaging conversation. Sometimes say nothing the silence will allow others to fill it.

6. Don't use email to communicate – in times of change get face to face. You have passion use it and start building a passion for change. Green Space.

7. Show gratitude and be thankful.

Kotter's 8 steps when leading change

John Kotter is the professor of leadership at Harvard Business School. His seminal work is "Leading Change" in 1996. He outlines a common sense 8 step process that companies should adopt if change is to be successful. These are:

CREATE A SENSE OF URGENCY

Help others see the need for change through a bold, aspirational opportunity statement that communicates the importance of acting immediately.

Don't shove a project down the throats of operational managers. Generate urgency about the task in-hand and get the right team together to deliver transformational change. Change comes about because there is some underlying crisis: customers are unhappy, costs are rising, budgets are cut, competitors have the advantage and so on. Sorting out a problem provides the platform to get people talking about what needs to change.

BUILD A GUIDING COALITION - You need a coalition of effective people to carry through the change.

Build your STRATEGIC VISION: Clarify how the future will be different from the past.   The vision should take you to an end state,

ENLIST A VOLUNTEER ARMY Large-scale change can only occur when massive numbers of people rally around a common opportunity.

Enable BY REMOVING BARRIERS Removing barriers such as inefficient processes and hierarchies. You need to provide the freedom necessary to work across silos and generate real impact.

GENERATE SHORT-TERM WINS: Wins are the molecules of results. They must be recognized, collected and communicated – early and often – to track progress and energize volunteers to persist.

SUSTAIN ACCELERATION: Press harder after the first successes. Your increasing credibility can improve systems, structures and policies. Kotter says you need to be relentless with initiating change after change until the vision is a reality.

INSTITUTE CHANGE: Articulate the connections between the new behaviours and organizational success, making sure they continue until they become strong enough to replace old habits.

Check in Does this make sense to you. It's by developing positive behaviours and relationships that we can institute change.

Changing yourself, others and the organisation

Leaders when preparing for change should also take some time and reflect on who will be impacted by change. Change will occur at three level and you must be prepared for them.

1. Self.

Frequent questions that will assault you at first. The first impact will be on yourself.

- How do I deal with change?
- What is my current change challenge?
- What is my role as a change leader and what do I need to do differently?
- What is my default leadership style when faced with driving meaningful change?
- How do my change style preferences impact those around me?
- How do I ensure we have leadership capability for change throughout the organization?

By thinking these through the leader is in a much stronger position to take ownership of the change, personalise it and sell the change story. Planning matters.

2. Others

The second impact will hit heavily on those around you.

- How do I help my people through change, especially when they have no control or choice?
- How do I understand—and respond to—the different perspectives, feelings, and responses people must change while achieving alignment with organizational aims?
- How do I build relationships and persuade supporters, detractors, and fence-sitters to get onboard with the changes I am tasked with?

Again, coming to meeting and preparing for what your team will be feeling is best practice. If you can't convince these others you will never build a volunteer coalition!

2. Organization

Finally, the biggest impact will likely fall on the organization. Common question here relates to:

- How do I lead change in the context of the larger organizational culture and political realities?
- How do I forge a network of change agents throughout the organization?
- How do I influence up, down, and across the organization?
- How do I ensure that change is right for my team as well as right for the organization?
- How do I ensure we have leadership capability for change throughout the organization?

Can you see how taking some time out to see the impact can make a difference ……. When we focus on the potential barriers in advance you have a better chance of convincing others that you have the right plan to tackle potential issues".

Change can come in small steps – we just need to be aware and learn

There's the myth that Substantial changes require big Changes. It's not always true. Small interventions can have a significant impact. One of the contradictions about the dynamics of change is that trivial things can produce great outcomes.

Often these changes take place in a dramatic moment and thus things happen very quickly. Look how the email is a thing of the past for kids these days. Snapchat, WhatsApp, etc.

Look for the tipping point - Identify the critical mass – that minimal group that cause a tipping point – what I call the hidden leaders. Leaders can pick up on these early

It can be a small intervention at the right moment – Big pushes can increase resistance. Small interventions can lead to large impacts – the snowball effect of text messaging took the telecom operators by surprise and created an unexpected new market

The elements of change form a framework of constant adjustment, flexibility and alertness that needs to be applied in the micro-moments of rapid change.

Look for contagion as this will become the tipping point., where the timing, environment or seeds of a clever idea are just ripe for the moment and they spread – almost like a virus, to infect others; by the 1990s New York was ready for an anticrime drive – along come Giuliani and zero tolerance.

Learning is change

Finally, they build internal capability for organisational learning and further change, so that during the "pause" they can take advantage of the next opportunity. Too often, though, it seems as if organisations are too traumatised to take the lessons from the last change.

However, they need to stop, reflect and start to make sense of their experience rather than be drawn by the tendency to act out defensive routines that naturally occur when you disturb long-standing embedded structures of organisations.

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People don't buy what you do; they buy why you do it. If you talk about what you believe, you will attract those who believe what you believe. Simon Sinek talks about the lesson of Dr Martin Luther King. He states

"We've seen how some managers hold a position of power or authority, but they never will lead change successfully. However, those who lead inspire us to change. Whether they're individuals or organizations, we follow those who lead, not because we must, but because we want to. We follow those who lead, not for them, but for ourselves. And it's those who start with "why" that can inspire those around them or find others who inspire them. Dr King wasn't the only man in America who was a great orator. He wasn't the only man in America who suffered in a pre-civil rights America. In fact, some of his ideas were bad. But he had a gift. He didn't go around telling people what needed to change in America. He went around and told people what he believed. "I believe, I believe, I believe," he told people. And people who believed what he believed took his cause, and they made it their own, and they told people. And some of those people created structures to get the word out to even more people. And lo and behold, 250,000 people showed up on the right day at the right time to hear him speak. It just so happened that the Civil Rights Movement was the perfect thing to help Dr Kink bring his cause to life. We followed, not for him, but for ourselves. By the way, he gave the "I have a dream" speech, not the "I have a plan" speech". Simon Sinek – see some of his Ted Talks o leadership.

Summary

So, to quickly summarise: We've looked at

1. Leadership and change management.
2. Barriers to change.
3. Communication in change management.
4. Leading and implementing change.

Thank you

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