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FOCUS

RULES FOR REVOLUTIONARIES:

How to Implement Change

DICK GROTE



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—Niccolo Machiavelli, *The Prince*, 1532

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How to Implement Change



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Despite Machiavelli's shrewd counsel, CEOs of not-for-profits continue to insist on changing the way things are done in their organizations. New systems and procedures are introduced; organization charts are scrambled and portfolios are reassigned; new funding sources are unearthed while old ones are abandoned; board members arrive and depart; last year's highest priority focus becomes this year's subject of benign neglect.

One of the surest tests of the overall effectiveness of any NFP's CEO is his adroitness in managing change, whether internally generated or imposed from the outside. If the CEO can install a new system or redirect an agency's core business with a minimum of ruffled feathers and wasted energy, then this is a good harbinger that other aspects of the CEO's job are also being successfully executed. But a stumble in installing a significant change initiative suggests that the chief may be dropping the ball in other key areas as well.

Why Change Efforts Misfire

While many change efforts are stymied by factors independent of individuals (not enough money, too little time), most are waylaid by people-factors. Harvard Business School professor, John Kotter, identifies four main reasons why people resist change: a desire not to lose something of value; a misunderstanding of the change and its implications; a belief that the change does not make sense for the organization; and a low tolerance for change.

People focus on protecting their own best interests. Probably everyone has encountered the insipid little bromide constantly tossed out by motivational speakers: "Everyone is always tuned into radio station WII-FM. What's WII-FM? Stands for: What's in it for me?"

Just because it's trite doesn't mean it's not true. If people feel that an intended change will cause them to lose some-



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thing of value, they will engage in resistance—political behavior—in order to scuttle the impending change. So in planning a significant change effort, don't ask why people should support the change. Instead, ask the more important question: If someone were convinced that this change is not in her best interests, what evidence could she find to support her position? Then marshal your efforts to eliminate that evidence.

Low Tolerance

High need for stability; strong preference for the familiar. Those are two charitable ways to describe the individual whose approach to life is, "Don't rock the boat." All human beings are limited in their ability to change, John Kotter observes, with some people much more limited than others.

Because of their limited ability to change, some people will resist change even when change is obviously in their best interests. Being offered a plum assignment or an advantageous promotion, while seemingly a beneficial change for the individual tapped, may instead provoke resistance if the change disrupts established patterns of working and relationships with others.

"But We've Always . . ."

One of the most common—and curious—arguments against change is that the change will result in things being done differently than they have been in the past. We want to yell, "Of course, dummy! That's what change means." But the likelihood is great that the way things are currently being done is, in fact, not the way that they've always been done. The current procedure—or set of programs, or source of funding—is probably the result of a change that was made sufficiently distant in the past that it is now conveniently forgotten. In the course of planning a significant change, find out exactly how long the existing state of affairs has been in place. Inform people of the history of how we happen to be doing things the way we are doing them today. It is usually not true that the way we are doing things is, "the way we've always done it."

How People View Change

People look at the effect of change on themselves in one of four different ways: as destructive, risky, benign or enhancing. And their reactions to change, as well as their degree of resistance, can be predicted based on their view of the change's direct impact on their status and well-being.

If the proposed change is perceived as destructive, the

reaction will be opposition. Ideally, the opposition will be sufficiently visible and vocal that it can be noted and dealt with "straightforwardly". More often, though, the opposition will be subtle and unapparent. Either way, the individual is not skeptical but actively oppositional, looking for any opportunity to thwart your intentions and spoil your plans.

These recalcitrants cannot be saved. Your efforts to bring them around will likely be wasted. These people need to be neutralized if possible, eliminated if necessary. They are active adversaries whose objective is to thwart the CEO's

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will and the organization's new direction.

Risky is a more common initial reaction than destructive. To this group, the jury is still out. While their minds are not yet made up, they initially see more threats than benefits to the intended new direction. While they may not actively oppose the change, their behavior can be described as reluctantly enduring and suffering through the new course of events.

These people are changeable, but need to be addressed quickly. One way to address them is to make it clear that resistance is futile and that the new way is not up for debate. Point out the benefits, explain the advantages, provide time for settling in, and don't allow discussion of whether returning to the past is an option.

The majority of people affected by change will usually view it as benign. They accept that change happens, and unless there is a specific disadvantage to them, they will roll with the punch and carry on. These folks are open-minded. They are ready to align themselves with the new culture or revised policy. They need support, encouragement, and a lot of reinforcement as they successfully transition to the new way.

The change's most visible and vocal supporters will be those who see the change as enhancing. These are the people who have internalized the agency's vision and already are displaying the right behaviors and competencies that generate success. The change may not have any personal effect on their lives, but their walking-in assumption about any change recommended by the CEO is that it's probably a good idea. These are your allies. Make sure that they are visibly rewarded for displaying the appropriate reaction to all of their colleagues for whom the jury is still out.

Making Change Work

The first rule in making any significant change is to

know—exactly, precisely, completely—what it is that you are proposing to do. What all will be changed? What are the unintended consequences likely to be? Who will be affected? What's their reaction going to be? How do you know? What might go wrong? What else might go wrong?

Next, make a conscious choice about how the change will best be implemented. On one end of the implementation continuum is instant deployment. Here the change is presented as a *fait accompli*. There is a clear plan of action and few people need to be directly involved. Opposition to the change is not so much managed as overwhelmed. Resistance is futile.

The opposite extreme is incrementalism. The change is slow-rolled with lots of opportunities for discussion and deliberation. Focus groups analyze the planned change well in advance of its implementation; many hands stir the pot. Individual investment in making the change successful is built by giving each affectee a stake in the successful outcome. Instant deployment or incrementalism? Be coercive? Be participative? Each approach has its advocates, but the important issue is aligning the strategy for implementing the change with the situational factors that tend to support one approach rather than the other.

If the planned change needs the active involvement and high commitment of many people in the organization in order to take root and thrive, the latter approach will probably be a better choice. If the change involves swallowing a bitter pill—a reduction in force, for example—then rapid deployment is usually the better answer.

Fast Successes

Whether the change is introduced gradually or snaps necks and leaves skid marks, some guidelines should always be followed. The first: Assure immediate success. Whether the change will be introduced gradually or all at once, make sure there are some immediate small wins and demonstrations of accomplishment.

For example, whenever I work with an organization to create and implement a new performance management system, we specifically plan for making sure that everyone's first encounter with the system is a successful one. There is

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no more powerful way of transforming skeptics into believers than by putting them in the position where they are forced to say, "Hey! This works!"

If the change will be implemented as a sequential process—involving rolling out the change over a period of time—start in the places where acceptance is likely to be greatest and the transition will be easiest. Don't get caught in the trap of implementing the change in the organizational unit comprised of the greatest number of skeptics just to prove that it can be done. Remember John Dillinger's advice: Before you rob your first bank, knock off a couple of gas stations.

Short-Term, Low Goals

Much of my consulting work involves helping NFPs and other organizations implement our "Discipline Without Punishment" performance management system for solving people problems with dignity and grace. Implementing the system requires a major culture change in the organization's approach to corrective action, moving from a punishment-based approach to one that focuses on individual responsibility. Unique to the system is its final step before termination, a "Decision Making Leave". The employee is suspended for a day with full pay. He is told that he must use that day to make a final decision: change and stay, quit and find greener pastures elsewhere.

When organization executives and operating managers encounter the notion of a responsibility-based discipline system and are thinking about replacing their antiquated existing procedures with this new approach, I suggest that they not start by asking, "Should we implement Discipline Without Punishment?" It's simply too big a question. A much better early question is, "Should we get all the information we need to decide whether Discipline Without Punishment is an approach that might make sense for us to consider seriously?" That's a question that's almost impossible to say no to. Remember: Short-term, low goals.

Key It to Results

Whether the change is instituted instantly or over time, always focus on the actual results produced by the new way, not on the activities involved in rolling it out. The mood must be one of impatience for results, the tangible measures that demonstrate that the change is generating the outcomes that were expected when the decision to proceed was made. Too often CEOs accept a lengthy time frame for implementing organizational change and meas-

ure progress according to how well the implementation process is going.

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That's a mistake. Concentrate on whatever short-term, measurable goals you can find to prove that results are being produced.

Focus on results. Don't measure the number of people who have completed training; measure the results that those folks have produced as a result of using their new skills. And keep the pressure on for the change to prove itself fast.

Here's the cardinal rule: In implementing change, impatience trumps patience every time. ➤

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