Reversing Negative Mindsets and Creating a Positive Climate for Change

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Introduction

According to PROSCI[R], McKinsey & Company, and many other knowledgeable research institutes, up to 80 percent of organizational change efforts fail. Indeed, the body of scholarly literature is filled with examples focused on the failures of change initiatives. And, often, change management efforts are identified as a key cause for these change failures.

So, companies of all sizes are increasingly spending billions of dollars on change management. They are creating Change Management Offices, crafting their own methodologies, utilizing standard change tools and processes, conducting lessons learned sessions, and employing armies of consultants to work on a myriad of projects. But, will these activities reduce the failure rate of change initiatives? Or, are these failure rates based on leaders and project team tending to focus on the negative and shortcomings to success rather than employing positive thinking, realistic engagement strategies? Are we setting ourselves up for continued failure by the way we think and approach business problems?

This white paper examines this dilemma from the perspective of two change management practitioners with over 40 years of combined experience. We offer some simple and straightforward solutions that can be incorporated into any change practitioner's toolkit to help achieve positive, realistic results, while moving away from the blaming game of perceived failure.

Challenge 1

Mitigating the contradictory change mindset

Within our pragmatic "win at all costs" culture, many current business models focus on a combination of downplaying negative outcomes while communicating only positive news to employees and other stakeholders. This negative-positive "contradictory" approach puts the change and the change practitioner in a no-win situation. These contradictions consist of:

- **Glass half empty syndrome**: negativity begets negativity. In this scenario, leaders paint a dismal picture of the current business environment, (for example, uncompetitive products or services or higher business costs than the competition, or inefficient business processes). They often use this as a rationale for introducing change. On hearing these bad news messages, employees often conclude that the resulting changes will result in a lot of workplace pain.

- **Rosy glasses syndrome**: unrealistic, fairy tale pictures about the upcoming/unrealized change. Conversely, some change strategies are designed to overly simplify the changes ahead, such as we're a great company, we're evolving; we're focused on the customer. In these cases, the messages delivered by leaders tend to gloss over realities like competition, costs and inefficiencies and employees may get the impression that the upcoming changes are no more than the flavor of the month.

Reversing this contradictory mindset is the first challenge faced by the change practitioner. The problem is compounded by human nature which tends to focus on the negative, yet does not want to accept it. It's not surprising then, that many project and change methodologies

include tools like stakeholder analysis, SWOT and gap analyses, resistance maps and the like – all designed to identify weaknesses and mitigate failure – all the while communicating the rosy picture story to affected audiences.

Challenge 2

Ready; set; go?

Leaders presume that what is important to them is equally important to employees. As a result, this presumption may lead to two communication and/or attitude issues.

Ineffective messages: In reality, messages focused on improving stock prices and margins or reducing costs often do not resonate with employees. There is no WIIFM (what's in it for me?). As a result, they don't make the connection between the upcoming changes, the company's business strategy, their own individual work and how all three combine to contribute to overall business success and their own livelihoods.

Flawed assumption: At go-live, everyone is fully onboard and ready to execute. The assumption is that the communication provided at the project outset, in combination with training and demonstrations a few weeks before go-live, are good enough. Leadership and the project team believe that at the point of go-live the change can be sustained. While there may be some level of awareness and understanding, stakeholders often do not know specific details about the changes and leaders' expectations of them until 30 days – or less - prior to launch. On many projects, stakeholders do not get actively involved until training day. Given this scenario, it is difficult to engage employees and gain their support and nearly impossible to sustain the change. We don't set the stakeholders up for long-term success.

Challenge 3

Reversing short-term thinking

The third challenge faced by change practitioners lies within the construction of the project plan (and the corresponding change plan) as well as the make-up of the project team. The change practitioner may not consider the internal project team as a key stakeholder group and dedicate little or no time to managing the scope of change and team attitudes within the project team itself.

Short-term project plan: Indeed, many projects are focused on delivery and day one launch with little thought of what happens on day two - let alone 60 days or six months later. While more tactical in nature, a project plan should encompass implementation, transition and sustainment.

Confused team members: To jump quickly from planning to development, key initial project team activities including clearly defining roles and accountabilities are often glossed over or entirely skipped. In addition, team members may join the project with other competing priorities and may be unable to focus on completion of key project tasks.

Long-term change ownership: While the project team may assume that "the business" owns the change after go-live, clear business owners are usually not identified nor engaged at the project outset. Following launch, the project team is disbanded; there is little to no transition plan, no metrics to measure sustainment and no clear owners to sustain the change.

Solution

Let's face it; we've all been there. Sometimes the biggest obstacle is stepping out of our comfort zone and our complex methodologies and processes rather than taking a simple and straightforward approach. To mitigate the three challenges identified above, here are some strategies and tactics that have worked for us.

LISTEN and Learn:

Utilize the analytical tools in your change toolbox to better understand your stakeholders and your audiences. Ask questions and listen carefully to your stakeholders' responses. The goal is to find out what questions are top of mind for employees; what is and isn't working well today; what they believe and whom they believe; and where they get their information. In the words of our former CIO client, "Listen …. and seek to understand … before you make plans and take action."

Transparent Messaging:

Stop muddying the waters with slogans and sugar coating the truth! Propaganda tends to be ineffective and can damage your credibility. Instead, talk about the good, the bad and the ugly. Promote real speak from all change champions! In addition, be concise, be consistent, be truthful. When things change (which they likely will at some level), then be truthful about what changed, explain why it changed and clearly articulate the next steps.

As an example, the new VP of one of our manufacturing clients sat down with his directs and said, "Most of you won't be here within six months. My job is to save the company and you are going to help me do it. We start by trimming some staff, beginning at the top." His complete candor and clear vision mixed with compassion swayed everyone in the room. They jumped on board immediately, grabbed an oar, and started paddling together.

Credible Sources:

Don't expect leaders to deliver all of your change messaging. To ensure credibility, messages must come from all layers of the organization – executives, middle management and front line employees. Champions don't necessarily need to be polished in their speech nor in their attire. In fact, being too polished can work against the speaker's image. Instead, look for Champions who demonstrate genuine passion for the change and optimism for what could be, as well as a willingness to candidly speak to the harder side or elements of change. Consider modifying the stakeholder analysis to measure the passion and compassion for change – and not just the resistance to change.

Finally, you don't have to have all of the answers. In fact, you will come across as more genuine if you don't. As part of our Change Champion education, we generally instruct new champions that it's okay to say, "I don't know." However, you must follow up that statement with, "Let me take that back to the team for an answer." Be sure to close the loop later!

Business Impact Workshops:

We adapted this concept from IBM and have found it to be particularly successful in long term, complex projects with a variety of clients, including automotive, energy and higher education industries. It involves a series of workshops at key project milestones in the project lifecycle to identify risks and issues. As clarification, a risk is something negative that could occur and might be addressed or mitigated *versus* an issue that has occurred and must be resolved.

Workshop participants consist of project team members and business subject matter experts (SMEs) on the change topic(s) causing the team and SMEs sleepless nights. Issues and risks are identified and then assessed based on

people, process, technology and data with a score of high, medium or low for each category. The score total for each risk/issue is then multiplied by the likelihood that it is going to occur (again using high, medium and low). Ultimately, the highest scoring items become mini-projects for resolution within the organization. Each identified mini-project is assigned to stakeholders outside of the direct project team.

This approach helps ensure focus on high ranking risks and issues and allows active engagement by impacted stakeholders to drive root cause analysis and reality-based solutions. As an example, we used this tactic at an energy company engaged in a multi-million dollar, three-to-five year business transformation. Via these Business Impact Workshops, we were able to engage business SMEs and other impacted employees in long-term "broad-based participation" and spread mutual accountability for success across the organization.

Mutual Accountability with Bias for Action:

The premise is to reverse the mindset that, "If we do only those things that are inside our realm (or box), then we won't get into trouble." Individual accountability is often discussed and identified – the "one throat to choke" concept. However, what about mutual accountability?

Human nature tends to focus on self-preservation, and so, individually, we are more likely to make decisions on what is best for the self – not the whole team, not the organization. In contrast, mutual accountability focuses on what is best for "we" or the team.

We leveraged the concept of mutual accountability at an automobile client, who was going through an IT transformation. This client's culture was very focused on individual accountability to the point that it stifled the problem solving and creativity needed to transform the IT department.

In fact, on one initiative, it came to our attention via the grapevine, that the IT employees had renamed the transformation "mission impossible." To overcome this negativity, we leveraged a monthly theme approach. One of these themes was mutual accountability that stressed teamwork and collaboration as more important than individual contribution.

We created a safe environment within the IT department, where no idea was a bad idea. This, in turn, enabled out-of-box thinking and provided the playing field for IT employees to build onto other colleagues' ideas. We moved a culture of fear from doing something wrong to excitement around how can we improve the way we support our business clients. The final decisions came from the collective group and its IT leader. The IT leader then ensured that there was an employee buy-in, but also actionable steps to achieve change. Our final theme became "mission possible."

It's All About Sustainment:

As Steven Covey states, begin with the end in mind. The goal isn't to get across the finish line (e.g., go-live), it is to anchor the change into the way business is done. The project team construct has to be clearly defined in terms of roles and responsibilities and clearly communicated to all parties. Don't just think about what roles are needed to get to go-live – think also about what is needed for transition and, ultimately, sustainment.

More active roles may be warranted from Human Resources, Corporate Communications, Training, Finance, Legal and other administrative functions. Following go live, some project team members should

remain dedicated to transition the change to the ultimate business owners. This is a critical (and often overlooked) stepping stone to sustainment.

Celebrate Successes:

We leave the most obvious change management concept to the end. Celebrate your successes along the way! However, this is often overlooked, down played and/or not used. Time and money can become barriers to celebrating success.

Leaders and project managers need to be accountable to ensure positive team dynamics throughout the project life cycle. A big piece of positive team dynamics is individual and team recognition. It doesn't have to involve money, but it does involve time and effort. Some simple suggestions include: Pizza Party (always popular); casual day; thank you card; email to go into individuals' performance reviews; baking cookies; recognition at public meetings; etc. Remember! The little things will lead to big things!

Conclusion

Change is constantly occurring, but the desire for a better way of doing things is always constant. Hence, our belief that change is a journey – not a destination – and a positive journey is a lot more fun! We hear all the time the failure rates of projects. Why not turn it around? Instead of focusing on the 80% of change initiatives that failed, why don't we say that we have 20% improvement from where we were? Then, let's talk about future modifications, enhancements and fixes that are needed to continue to enable the business strategy success.

Communications is a key influencer with how change is perceived. It should be based on the truth and not on rosy pictures that fail to disclose all of the good, bad and ugly details. In omitting the gory details, we miss the opportunity for broad-based participation by failing to engage employees in problem solving and to help bring about a permanent and sustainable solution.

Always consider human nature and factor in key activities to mitigate the false assumption that the change will easily move the organization to the desired state at go-live – and that all employees will buy into the change at the same time. It is important for leaders to talk about not only what is good for the company, but also what is good for individuals, the community and the environment.

Finally, when planning for successful change, consider the words of President Dwight Eisenhower who said that "plans are nothing; planning is everything." Ensure you consider all of your stakeholders' needs and expectations (both short-term and long-term) and factor them into your planning and execution.

References

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