

ROUGH GUIDE to Organizational Change

By Rupert Hucker, CEO, Evolve Partners

THIS MONTH, WE WOULD LIKE TO INTRODUCE YOU OUR CONCEPT OF THE JOURNEY TO ORGANIZATIONAL CHANGE. FOLLOWING IS THE FIRST INSTALLMENT — CREATING AN EMOTIONAL CONNECTION TO THE JOURNEY.

Picture the scene: you're a senior leader in a large global company, you probably have numerous physical assets all over the world and tens of thousands of bright, ambitious, highly educated and rational employees.

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?

KEY GUIDELINES

Creating an emotional connection to the journey

Visions that are stories and not statements

People connect to stories of success that are about winning through adversity and about journeys with messages, not shiny statements of Utopia.

People need to talk about the point of it

The ideas you have are only true for your people at the moment of their realization. This is often only achieved through conversation.

Create a clear idea of the leadership you want

You need to convey simple messages about the attributes of leaders that you want - eg. energizing, passionate, confident, participative, execution-focused.

Consistency of belief and action

People disconnect or, even worse, suffer when actions are inconsistent with beliefs - hence the critical role leaders play in demonstrating behavior consistently.

Leaders develop other leaders

Reinforce the value of developing and role modeling effective leadership.

Create a consistent environment

Align all aspects of performance management and reward to the behavior and mindset you desire. This provides positive reinforcement.

We believe success in this new context requires a new stance on leadership. What mostly worked well in the past - clear strategy, wise decision-making and a tough focus on the numbers - is now taken as standard by the market and discounted. What you really need to do is change the way your people think and behave across the board. You need to achieve effective leadership and teamwork at all levels.

The challenge is not a new one. However, we believe there is a growing body of evidence that suggests a new paradigm in organizational change: a complicated set of principles needs to be applied in order to succeed. Miss out even some of these aspects and success may pass you by. These principles of how to engage your whole organization can be summarized into three key points:

1. Create an emotional connection to the journey: because people are influenced far more powerfully by their desires than they are by other factors such as authority, rationality or repetition. And our desires are driven by our emotions.
2. Understand the important pre-requisites for learning: because ultimately the thing we desire most is the joy of learning from success. But as we grow older and more successful, we find it ever harder to learn and apply new things.
3. Understand the skills of successful implementation: because people only really learn when they are winning through real challenges inside their own organization. So it follows that this learning can only happen when an organization becomes really good at implementation. Underlying these three points are some major implications key principles that we believe are important for an effective leader to know and understand.

Creating an emotional connection to the journey

If your organization is to change for the better then, ultimately, your people must do the changing. Getting people to change has one critical first step - you need to persuade them to want to change. The only way to avoid this step is to miss the people out altogether - say by having consultants do the change for you. But this cannot lead to any increase in skills in the organization so your improvements will not be sustainable.

For people to want to change, they have to personally connect with the objectives you are trying to achieve, emotionally as well as rationally. The first step in this process of engagement is to create a powerful vision of what you are trying to achieve.

But companies often get this step wrong. Communication of the vision for a change program is reduced to a publication of the high-level numbers the initiative is supposed to achieve, or to a mission or vision statement.

Alternatively, it is depicted as a plan so carefully devised that success is assured from the start - or conceived as a target all too readily achievable.

The problem with all this is that the communication either has no meaning at all to most people's roles or depicts a march to success that just does not match with people's experience of current reality or of previous involvement in organizational change.

The key point is that for a vision to be shared it needs to build rich context for the people receiving it. A highly-polished mission statement does not build rich context.

What is much more meaningful is simply to tell your people the story of what has happened to get us here, and what we think the future looks like.

If you communicate the vision as a story, as a journey that the business is making that has some history as well as an objective, and some failures as well as successes, there are two benefits.

First, an image of what the business is trying to achieve is projected that is believable, because it acknowledges a reality that people will recognize. Second, it paints a picture of success in which it is much easier for people to imagine a role for themselves. In telling the story, your leaders are also able to disclose something of their own personal journey - how they have felt and what they have learnt along the way, and why they now think they are on the right track.

Disclosure is a key skill for leaders as it makes what they say much more credible for their audiences. It is very difficult to build personal disclosure into a recital of the company mission statement.

...

Evolve Partners

For leading Energy & Petrochemicals companies who recognize that a critical part of their strategy execution is realizing the potential of their people, Evolve Partners supports implementation programs that create a culture of problem solving and learning to enable their people to deliver significant value in Capital, Production, Cost and Risk that continues to grow long term.

Evolve - The Art of Implementation®

Visit our website at www.evolve.cc

About the Author

Rupert Hucker, CEO, Evolve Partners



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.