Changing the Way We Change

Gaining Control of Major Operational Change

By Jeanenne LaMarsh

INTRODUCTION

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Introduction

Change and Change Management

Change was once a discrete event with a beginning, middle, and end. At the end things got back to "normal." Today, change is a constant; multiple changes happen simultaneously with no "normal" in sight. Changes can take companies and the people in them toward a successful future, into a limbo of change for changes' sake, or into oblivion. What makes the difference? The successful organization is agile and responsive, taking advantage of changes in market, technologies, and processes. Knowing what change to make, building a high tolerance for change, and understanding how to make change happen will give your company a major competitive advantage.

Change is not the enemy. It can unlock the possibilities for future success. This book is about the effective continuous change management capabilities that help companies and people change easily and well, thus enabling the organization to profit from new opportunities. As a student of change for almost two decades, I have watched change move from an isolated event to a constant for my clients. Without a comprehensive change management strategy there is little hope for a future.

Like so many important business concepts, change management has become trivialized and diluted by being given a multitude of meanings. Change management loses its impact and usefulness without the proper tools to understand and practice it.

Change management is the methodology that hardwires change and the ability to adapt into the organization. It includes applying change-related research and experience in a systematic way to every business project. It means building systematic thought about change into every business decision. It requires organizing this knowledge about change into a repeatable, teachable framework that is constantly refined and improved. Changes become an integral part of the way companies work and the springboard for more and constant change.

Change management is *not* training. It is *not* communications. It is *not* process analysis and re-design. Change management is a key competency that must be built into the very fabric of the company; a structured methodology that *incorporates* training, communications, listening, and process analysis and re-design. It is a way of thinking that becomes part of defining the organization.

Instinctive Versus Learned Change Management

Many companies and individuals are good at change. Scattered throughout companies are change agents, people who seem to know just what to do to make change happen right. It is as if they have an antenna that alerts them to all the right questions, issues, and concerns. Those who are not as good at causing or coping with change look at them with wonder. How did they know to watch for signs that the customer would have a problem with the new order processing system? Why did that speech

announcing the change generate so much enthusiasm in the whole organization?

Some companies (perhaps your competitors are among them) manage to introduce major changes in technology, reduce head count by 35 percent, and drastically reduce time to market without causing wrenching reactions from the workers. Their changes have dramatically high success rates, with fast results and relatively low costs in dollars, disruption, and pain.

What are those companies doing and why? To make change happen effectively in your company, you need to understand what those change agents and companies seem to know instinctively. Change management can be learned by understanding and optimizing the processes and people involved. A process is a path of action that can be described, diagrammed, understood, and replicated. People and their relationships to change can also be described, diagrammed, understood, and replicated.

A Prediction

Change has become a constant, and it is not going away. The status quo will be the status quo for about 20 minutes. Constant, wrenching, good, or bad; people have to learn to live with all kinds of changes. The question is not whether to change; standing still means being left behind. But success hinges on choosing the right changes and implementing them quickly and well. Companies and individuals who can implement change successfully will succeed in the marketplace.

Flexibility is fast becoming a major competitive weapon. The company that cannot change will not survive. Therefore, *change cannot be left to chance!*

A Prescription

If your company is serious about change you must:

1. **Commit to making change a key element in the culture of the company.**
2. **Understand that change drivers are in the market and cannot be ignored.**
3. **Build a systematic change management methodology.**
4. **Integrate that methodology into the heart of the organization.**

This methodology must become the way you *do* change. It means holding change agents accountable for developing and enhancing this methodology and applying it repeatedly. People who develop these skills and knowledge must become the most important people in your company.

Why Use Change Management?

Companies have learned over the past few years that they must make major changes in their organization, focus, use of people, and design and delivery of products and services. These years have brought some incredibly powerful tools for remaking companies through overarching, broad changes that affect the whole organization and accelerate successful achievements. Unfortunately, problems related to poor change management have dampened these tools' success.

Quality circles were the hottest management trend in the 1980s. But in spite of their potential, they seemed to fade away. In June of 1993, 400 plant safety engineers assembled in a room in Dallas to talk about change and change management. Before the session began, I surveyed those 400 people. How many of them worked for companies that introduced quality circles? Four hundred hands went up.

Second question: how many of those companies were successful in implementing quality circles. Not a single hand went up!

Third question: how many were working for companies that were currently trying to implement Total Quality Management, Empowered Employees, Reengineering, or a combination of those initiatives? Again, as with quality circles, every hand in the room went up.

Then, the **fourth question**: how many expected to return to this room in two years and report major success in their new projects? Four hundred people in the room. *Five* hands went up!

The scars of failed change endeavors are far reaching. A few months ago, I was walking down the corridor of the corporate offices of a bank in New York City. Waiting for me in the conference room was the Customer Service Task Force, assigned the responsibility of changing the organization's thinking about customer service. The task force leader hurrying down the hall beside me casually remarked, "Oh, by the way, be sure when you get in there not to mention anything about Total Quality Management. We tried that last year and it was a dismal failure. We have been forbidden by our president to use that phrase. He wants us to forget that failure and concentrate on this new change."

Quality circles, TQM, and business process reengineering are major changes that affect everyone in the company. Those 400 people in Dallas and the task force leader at the bank are really saying that global changes required a structured method to gain control over and manage change.

Some powerful change tools are now available to companies who are serious about success. Business process reengineering is being applied from Fortune 100 companies to government departments to small service businesses. This tool effectively challenges every aspect of the way work is done and determines a better way to make the process flow. Many dollars are spent in reengineering. Many organizations, however, do not realize the increased productivity, profitability, and customer satisfaction they hoped to see as a payback on their investment.

Overarching Changes

Processes cannot be looked at in isolation. Fundamental overarching changes in any organization require change agents to understand and integrate changes required in *process, structure, people*, and *culture* within a vision. Margaret Wheatley, in *Leadership and the New Science*, calls that vision an invisible force of unseen connections among those four components.

In their book, *Reengineering the Corporation*, Michael Hammer and James Champy identify the changes that result from rethinking processes.

- Jobs expand.
- People make more of their own choices and decisions.
- People work more in teams.
- Managers become coaches.
- Whole departments disappear.
- Workers focus on the customer, not the manager.
- Workers focus on the process, not on the function.

These changes are not accomplished by presenting a flowchart or making an announcement. They deeply affect people. If you don't deal with that human factor and make revisions within the framework of a vision they will not succeed. Reengineering is already being criticized as another "quick fix dreamed up by consultants," and a method to get rid of people. If companies don't successfully implement the changes identified by reengineering, this valuable tool will go the way of quality circles.

All changes, the overarching and the specific, must be identified and integrated to manage change effectively. Overarching changes have an impact at the macro level, affecting the company, its customer, competitors, and environment. At the same time, the impact cascades down until it affects every individual. To succeed with new efforts, companies have to build a high tolerance for the fact that implementation causes flexible and fluid changes. Then they can design an effective strategy to implement the operational, organizational, and people changes at each level.

Specific Changes

Every global company change is composed of individual, specific changes that must be implemented. The new order-processing system, the shop-floor reorganization, the meeting between distribution and main office management to discuss more effective product shipment and new customer input avenues—each of these is a specific change from past operations, and each must be managed.

Poorly managed, these changes fail. The new order-processing system begins to look remarkably like the old one. The work-flow reorganization costs thousands of dollars just

for moving equipment, not counting line downtime and the re-design team's salary. Yet six months later there is no increase in productivity, and workers spend time bickering, fighting, and demanding that management make their lives easier.

The Decision to Manage Change

Managing change is expensive. At least it looks like that at the front end. It takes time to develop a methodology and put it in place. It takes time to use it – to plan the change and pay attention to the change elements addressed in the methodology. Time costs money.

Managing change takes energy. The systematic application of a change management methodology is not an easy process. It will take a considerable amount of energy to put it in place.

Do not order up a change management strategy unless you really need it. If you can make change happen to your level of satisfaction without all this additional energy and cost, by all means do so -- but make that decision after careful analysis.

A Competitive Edge

It is hoped that you are doing enough competitive analysis to know where you are in relation to your competition.

- Are you better or worse than your competition at satisfying the customer?
- Are you holding your own in market share?
- Are you increasing?
- Decreasing?
- How fast are you getting new products to market compared to them?
- How long is your lead time on current product delivery relative to them?

You want to stay ahead of the competition, but there is no guarantee that your company can implement the good ideas that would give you the leading edge. So there is one more question to ask about your competitors:

- How good are they at managing the change that will deliver them the competitive edge?

Even if you already manage changes well, it is critical to unify and integrate the knowledge, resources, and tools of change management scattered throughout the company into a comprehensive structured methodology. Without that structured methodology, there is a good possibility that even the best change agents will skip steps in the process. They certainly cannot guarantee repeating the process consistently if they have not identified all the steps. Equally important, change agents need to replicate themselves, to build a critical mass of change agents within the company. Charles Savage in *Fifth Generation Management* says the organization itself must become a "changing agent," responding to and dialoging with its markets. There must be a process to teach everyone in the organization about change.

The latest change tools are common knowledge, accessible to your competitors as easily as they are to you. They know, as you do, about improving engineering processes, involving employees, doing major whiteboard thinking about streamlining processes and upgrading the systems. They understand, as you do, that they have to give customers what they want. They know they must develop an integrated product design and development methodology, and they see how concurrent engineering and quality function deployment are tools that make that happen.

What gives any one company a competitive edge when everyone knows what they should look like? Change management is that competitive edge. Recent history, the safety engineers in Dallas, and the changes you have tried to implement in your own company tell us that just knowing what to do is *not* enough. You must *make* change happen.

Building a systematic change management strategy into your plans will increase your payback from change efforts. It will ensure that the specific changes going on are integrated into your overarching change efforts. It will show the company, your customers, and your competitors that you know how to make change happen. Change management will give you the competitive edge.

The Change Puzzle

Change is a challenge. Managing change is a skill. Skilled workers use the right tools, and change agents are no exception. Effective change agents use knowledge and application processes are their tools.

Knowledge of change and the change process can be identified in discrete segments. Of course, as in any complex human interaction, these elements blend and overlap and are never completely clean and predictable, but looking at them as individual parts of a whole will improve your understanding. Understanding the elements and their relationship to this whole leads to managed change.

How to Use This Book

To successfully build change management into your company you need to understand what it is and determine how to use it. This book breaks change management down into four critical elements, which are listed as the four major parts of the book.

These four parts are as follows:

PART 1

The Change Process discusses the three time frames of the change process:

- The Future
- The Present
- The Delta

In this part you will examine what motivates changes and how to adjust the balance of the change.

PART 2

The People Part of the Change Process defines the specific jobs that individuals and groups have in the change process:

- Sponsors
- Change Agents
- Targets

It also defines the ideal function of each of these roles and how to build those functions into your organization.

PART 3

The Tools of the Change: The Change Systems lays out the fundamental elements of the three major change systems:

- Communication Systems
- Learning Systems
- Reward and Reinforcement Systems

PART 4

Putting It All Together: The Implementation Plan integrate these major change variables into an integrated implementation plan that defines roles and responsibilities, timelines, and action plans.

Three Approaches to Understanding Change Management

Each change element presented in the chapters is addressed in three ways:

1. **Discussion of the critical change element**
- No one becomes change agent without some understanding and experience with the change process. However, whether you are an extraordinarily successful change agent or are recently appointed and wondering what you have gotten yourself into, an in-depth look at each change element will help you gain a better understanding of each aspect and how they fit together.

2. **The change elements in the real world**
- Treetop Manufacturing Company, like your organization and thousands of others, is trying to stay successful. Like you, it is trying to make large, overarching changes in the way it does business. It is also making minor and major specific changes in departments, processes, tools, and systems.

- You can examine the efforts of Treetop and their change agents, Charlie and Sarah. By looking at what they do right and wrong, you can use Treetop as a template for reviewing what you are doing right and wrong in your organization.

3. **Tools of change**
- A methodology of any kind requires tools for implementation. This section will give you a toolbox of assessment instruments, checklists, and planning formats to use in building change management structure into your changes.

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Accountability and The Future

If your company is going to survive and succeed, the ability to implement change successfully must become a critical part of your job description, no matter what your job function. Smart companies are building that requirement into their job descriptions; they are hiring people with proven change agent track records. They are building change agent accountability into their performance review systems, and they are training people to be change agents. They know they need effective change agents.

Effective change agents know how to manage change. This book helps build change agents who can create agile organization that will lead the future.

About the Author

Jeanenne LaMarsh founded LaMarsh & Associates, the predecessor to LaMarsh Global, and developed the innovative Managed Change™ Model and Methodology that has been used by hundreds of our clients over the past few decades to support effective organizational change management. She was instrumental to the design of LaMarsh Global's learning and certification programs that transfer change management skills and overall capability. Her three books are classics and should all be considered required reading for those working in the field of change management: *Changing the Way We Change, Master Change–Maximize Success,* and *Change Better: Survive and Thrive During Change at Work and Throughout Life*.

How to Purchase the Book

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Our Changing Way of Life. Change happens (CONSTANT) as the last 50 years have proved. Some changes, such as air travel, the Internet and mobile phones, provide ease and (CONVENIENT) . Others, like access to education, have had a deeper impact. Nothing has had a bigger influence on our lives than recent changes in education. Fifty years ago, education was considered by some an (NECESSARY) luxury. Nowadays, however, education isn't just a privilege for the (CHOOSE) few. Young men and women from all areas of life are becoming (PROFESSION) and improving their quality of life. Â (ENVIRONMENT) will all tell you that the future looks bleak.More change is on the way and, unless we change the way we think, the next fifty years will be very difficult. The nature of communication has changed along with its increase in speed and volume. Mobile devices that fit in our pockets have tiny keyboards that make expedient communication desirable; hence an increase in the use of shortcuts, symbols, abbreviations, and new words that get the point across with fewer characters. (Think about Twitter, which has a 140-character minimum for every communication.) You can see this effect everywhere, from how we text to how we actually talk, as the new lingo has a way of making its way into the mainstream even when we aren't typing it. WPS Office responded to t Over the years technology has been changing the way we live, communicate, educate and learn. Smartphones, laptops, social networks, unlimited access to the Internet, immediacy of information Technology has become such a significant part of our everyday lives that we stopped noticing it. But are these changes for the good or bad? Have we become less creative and able to think deeply? How to deal with screen addictions and students' social anxieties when it comes to face to face interactions? Â Technology offers the potential to change things for the good, but the teachers have to see the potential in order to do the things that are impactful. What are the benefits of using technology for teachers and students? What are the disadvantages?