



Stages of Change

Mary Key, Ph.D.

People and organizations change when they can see the truth in something and it influences their *feelings*. Despite this important finding from research on over 130 companies (*The Heart of Change*, John Kotter, 2002), we continue to initiate change efforts by giving an analysis of some sort in an attempt to influence *thinking*. It's not that the back up data isn't important; however accessing feelings is essential to effective behavior change or what people eventually do.

Most large-scale change hasn't worked – over 75 - 80%. Sometimes the cost of the unintended consequences outweighs the cost of the intended ones. Enron is an example of instituting an innovative approach in their marketplace that backfired because ethics were not incorporated into the mix.

When we look at large-scale change that's effective, there are some predictable stages (Kotter, 2002):

1. Organizations that are most successful at significant positive change *create a sense of urgency*. This is not an autocratic approach that threatens people who don't "get on board." Developing a sense of urgency can be innovative – it's something that gets employees out of their "comfort zone." For example, one organization had a problem with not hearing their customers. One of the managers videotaped an angry customer and played the tape for other managers as well as the employees. Seeing the incident on tape created a collective sense of "we have to do something." The response was visceral, not analytical.
2. *Find a guiding team* with the right skill sets; they should have the impact and reputation to lead the change. Successful, sustainable change initiatives are not lead by one person. They often work best when they are made up of cross-functional and cross-level teams including both formal and informal leaders.
3. It's critical to *develop a compelling vision*. Where does the organization see itself going? Vision inspires direction and focus. In his book, *Good to Great*, Jim Collins outlines his discovery that once you have the "right people on the bus," attaining your vision becomes easy if you stay focused. There are 3 factors to consider in developing your vision: Are you passionate about your focus? Does it involve something that you can be "best" at? And, what's the economic engine that will drive it?

4. The critical next step is *Communicating the vision, strategies and goals*. The objective here is to stimulate a “gut-level” response and commitment to the vision and strategies. The use of symbols and repetition is key. The theme needs to be one that all can relate to. Most organizations don’t communicate the vision and strategies enough or consistently. A systematic and easy to follow action plan needs to be in place. Communicating the vision and initiatives toward achieving it should be an agenda item at every leadership team meeting. Something that enhances leaders’ abilities to accomplish this step is to teach them the basics of storytelling. Organizations that tell true and specific stories to create word pictures about how people are contributing to the vision develop a rich history and culture that can evolve to new heights.
5. Determine what the obstacles to change are. Observers outside of the system can often help here because they can take a helicopter view and don’t get caught in the day-to-day activities and politics. Associates need to feel that they have the power to act in a new direction. To use a well-worn phrase, *empower others to try new things*. Ask, what can we and the guiding team do to remove these blockages?
6. One of the reasons that large-scale organizational change efforts don’t work is that people give up too soon. That’s why it’s important to *experience short-term successes or wins*. A lot of factors go into this happening. What projects or initiatives should be selected first? What are the priorities? What resources are available? The environment will need to be altered to reinforce, recognize and celebrate progress.
7. Change is not linear. The guiding team and the mounting number of others engaging in the change initiative *must stay strong and not give up*. Keeping the momentum going and finding ways not to get waylaid are critical here. How do you bring on “wave after wave” of change? How can you create a ripple effect of positive change steps and keep the process going? For example, one company who was at risk of going out of business turned things around and began to communicate its successes. Over time, as business and work demands increased, some of the employees began to complain, saying that they couldn’t sustain the pace. That’s when people were encouraged to look at their daily activities to see what really added value. Some reports were reduced from 25 pages to 2 pages. The question here is “What can we do to sustain our gains and not burn out?”

Creating and reinforcing the new culture as a result of change becomes the continuous long-range goal and culmination of the process. It’s important to establish alternatives so that successful action over time is the norm. Looking at how people entering the organization are selected and oriented to the culture is critical to this reinforcement. How performance is managed and appraised makes a big difference in whether or not positive change is sustained.

Mary Key, Ph.D. is an international consultant and specializes in helping leaders and organizations perform at their best. She is the author of CEO Road Rules: Right Focus, Right People, Right Execution.