



Leading Change

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*“LEADERS ARE FUNDAMENTALLY
DISSATISFIED WITH THE STATUS QUO AND
DRIVE CHANGE TOWARD A VISION.”*

ROBERT LUTZ





Change is a Way of Life

Those who look to the past or present will miss the future.



HR can play

*a dual role in change management **by initiating and leading the change***

and

by serving as a facilitator for changes that other leaders and departments initiated.

HR performs a variety of functions associated with the communication, implementation and tracking of major changes.



A variety of specific responsibilities in the change management process fall to HR. *Some of these are:*

- Monitoring industry and market conditions and initiating change when necessary
- Assessing companywide, departmental and individual employee readiness
- Serving as a point of contact for staff concerns
- Helping executives, managers and employees understand how to implement a successful model for organizational change



- Facilitating communication between management and employees.
- Coordinating meetings about change-related initiatives and preparing information and research to share with company leaders
- Identifying and mitigating potential risks
- Building employee skills, proficiency, willingness and enthusiasm through change-related training.
- Developing a workforce that can drive innovation and change





Today, we are all living and working in a VUCA world.

It is Volatile, Uncertain, Complex and Ambiguous.

Organisational models are changing, faster than we can write about them.

New technologies are introduced almost every month.



But what does all this mean for organisations?

The best organisations adapt and they adapt quickly.

But the big question is how do they manage to do it so quickly?

And how can we adapt too?

What do you need to do differently?



Succeed in the future *by letting the past go*

In this fast-paced world,

- Organisations need to outperform their markets by changing at the pace and scale of those markets
 - seeking operational renewal and excellence.
- The brands that were your lifeblood will likely not be the same brands that keep you alive in the future.





\$30,000,000,000
145,000 Employees



\$5,000,000,000
60,000 Employees



\$303,000,000,000
132,000 Employees

Technology is Changing the Face of Business



“To cope with a changing world, an entity must develop the capacity of shifting and changing...

of developing new skills and attitudes, in short the capability of learning.”

Arie De Geus



- So..Keep your focus on the future and on the evolving market.
- Don't necessarily turn your back on what has worked previously; but do be careful to not be wedded to your past.

'Your Innovations Aren't Immortal' *Scott Anthony HBR*



“There is nothing more difficult to carry out nor doubtful of success nor more dangerous to handle than to initiate a new order of things.”

Machiavelli, ‘The Prince’



CHANGE IS ESSENTIAL

*If you do what you've always done
you'll always get what you've always got.*



“If you spend your time trying to avoid risk, you are unwittingly taking the greatest risk of all: failure to adapt.”

Sir John Harvey-Jones



*“CHANGE IS THE ONLY CONSTANT IN
THE ORGANISATION.”*

Charles Handy

*“TO IMPROVE IS TO CHANGE; TO BE
PERFECT IS TO CHANGE OFTEN.”*

Winston Churchill



Nature of Change

- ECONOMIC
- LEGAL and REGULATORY
- ORGANISATIONAL
- TECHNOLOGICAL
- GLOBAL CHALLENGES



HR can help set expectations and educate those involved by ensuring a comprehensive plan is laid out every time change is on the agenda.

This will clarify the practicalities of...

who will do, what and when and it will also provide an opportunity to ensure the whole change architecture is considered from the beginning.



Managing change requires a holistic approach...

to people, project and task management that maximizes the potential for success, while reducing the chance of negative consequences to the business.

Because HR encompasses organizational development...

through recruiting, training and monitoring employee performance, it plays a pivotal role in any change management programme.



Change ...what to avoid



Use uncertainty ; difficulties

...as a reason for not to change



ATTITUDES TO CHANGE

- IGNORE CHANGE
- RESIST CHANGE (also a constant)
- COPE WITH CHANGE
- MANAGE CHANGE
- INITIATE CHANGE



Activity

Why do people resist change?



Resistance to change

Fear of the unknown / failure

Lack of information / misinformation

Threats to status; power base and skills

No perceived benefits

Low levels of trust

Previous negative change experiences

Poor working relationships

Avoiding new way of working



Overcoming Resistance to Change

Kotter & Schlesinger suggest that there are six ways of overcoming resistance to change

- Education & Communication
- Participation & Involvement
- Facilitation & Support
- Manipulation & Co-option
- Negotiation & Bargaining
- Explicit & Implicit Coercion

Education & Communication

The starting point for successful change is to communicate effectively **the reasons why change is needed!**

Honest communication about the issues and the proposed action helps people see the logic of change.

Effective education helps address misconceptions about the change, including misinformation or inaccuracies.



Participation & Involvement

Involvement in a change programme can be an effective way of **bringing “on-board” people** who would otherwise resist.

Participation often leads to commitment, not just compliance.

A common issue in any change programme is just how much involvement should be permitted. Delays need to be avoided.



Facilitation & Support

Kotter & Schlesinger identified what they called “adjustment problems” during change programmes.

Most people **will need support to help them cope** with change.

Key elements of facilitation and support might include additional training, counselling and mentoring as well as simply listening to the concerns of people affected.

If fear and anxiety is at the heart of resistance to change, then facilitation and support become particularly important.



Co-option & Manipulation

Co-option involves bringing specific individuals into roles that are **part of change management** (perhaps managers who are likely to be otherwise resistant to change).

Manipulation involves the selective use of information to encourage people to behave in a particular way.

Whilst the use of manipulation might be seen as unethical, it might be the only option if other methods of overcoming resistance to change prove ineffective.



Negotiation & Bargaining

The idea here is to give people who resist, **an incentive to change - or leave.**

The negotiation and bargaining might involve offering better financial rewards for those who accept the requirements of the change programme.

Alternatively, enhanced rewards for leaving might also be offered.

This approach is commonly used when a business needs to restructure the organisation (e.g. by delayering).



Explicit & Implicit Coercion

This approach is very much the “last resort” if other methods of overcoming resistance to change fail.

Explicit coercion **involves people been told exactly what the implications of resisting change will be.**

Implicit coercion involves **suggesting the likely negative consequences for the business of failing to change,** without making explicit threats.

The big issue with using coercion is that it almost inevitably damages trust between people in a business and can lead to damaged morale (in the short-term).



*THE TRUE ENEMIES OF CHANGE ARE
MAINLY PERSONS FEARFUL OF
LOSING THEIR EMPIRE.*



Change is a paradox

- *Our “past” is an advantage....knowledge, relationships, experience . It is also a drawback...old habits.*
- *Our vision for the “future” is an opportunity...project, strategy. It is also a drawback...disregard of info. that could endanger plan*



Activity

Why does Change fail sometimes?



Why Change Fails (Kotter)

- Not establishing sense of urgency
- Not creating a powerful enough coalition
- Lacking a vision and under-communicating
- Not removing obstacles to the new vision
- Not planning short-term wins
- Declaring victory too soon
- Lack of involvement of people and piloting
- Not re-aligning changes / cultures



Change requires bravery



Bravery is the capacity to perform properly even when scared half to death.

Killer Phrases

Yes, but...

We have tried that before...

The boss will never go for it...

It'll be more trouble than it's worth...

It'll never work..."



Killer Phrases

“It isn’t your responsibility...”

We haven’t got the resources..

Put it in writing...

I have a better idea...

It’s not a high priority...”

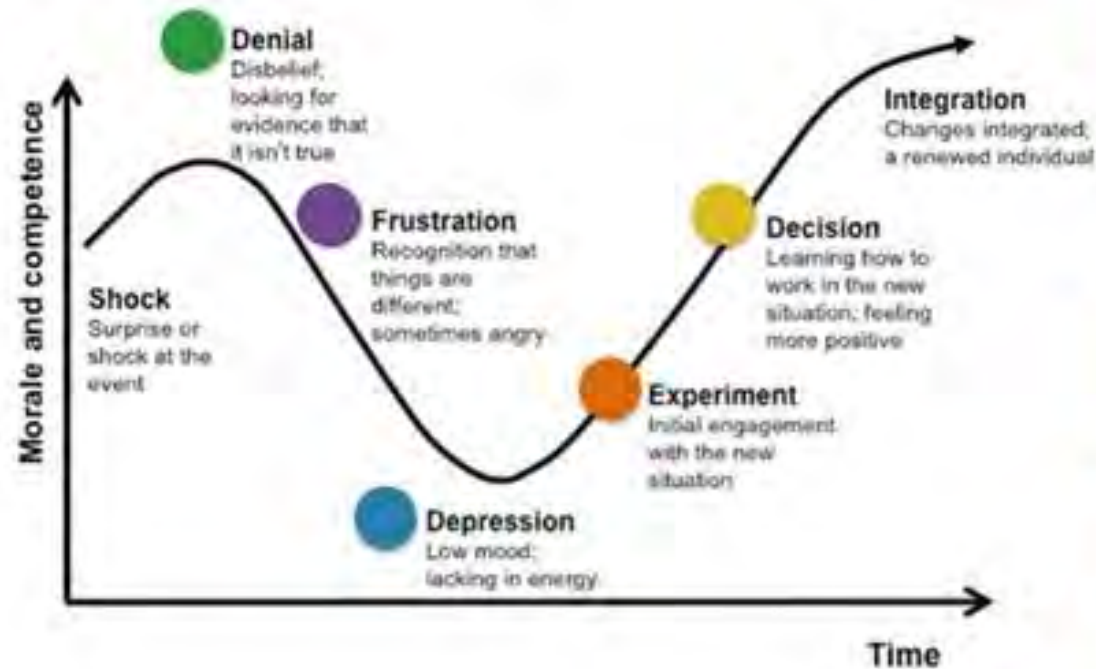


*Individuals/organisations go through certain stages
when resisting change:*

- Denial and Confusion
- Defence
- Optimism
- Adopting Learning
- Internalising / Accepting Change



The Kübler-Ross change curve



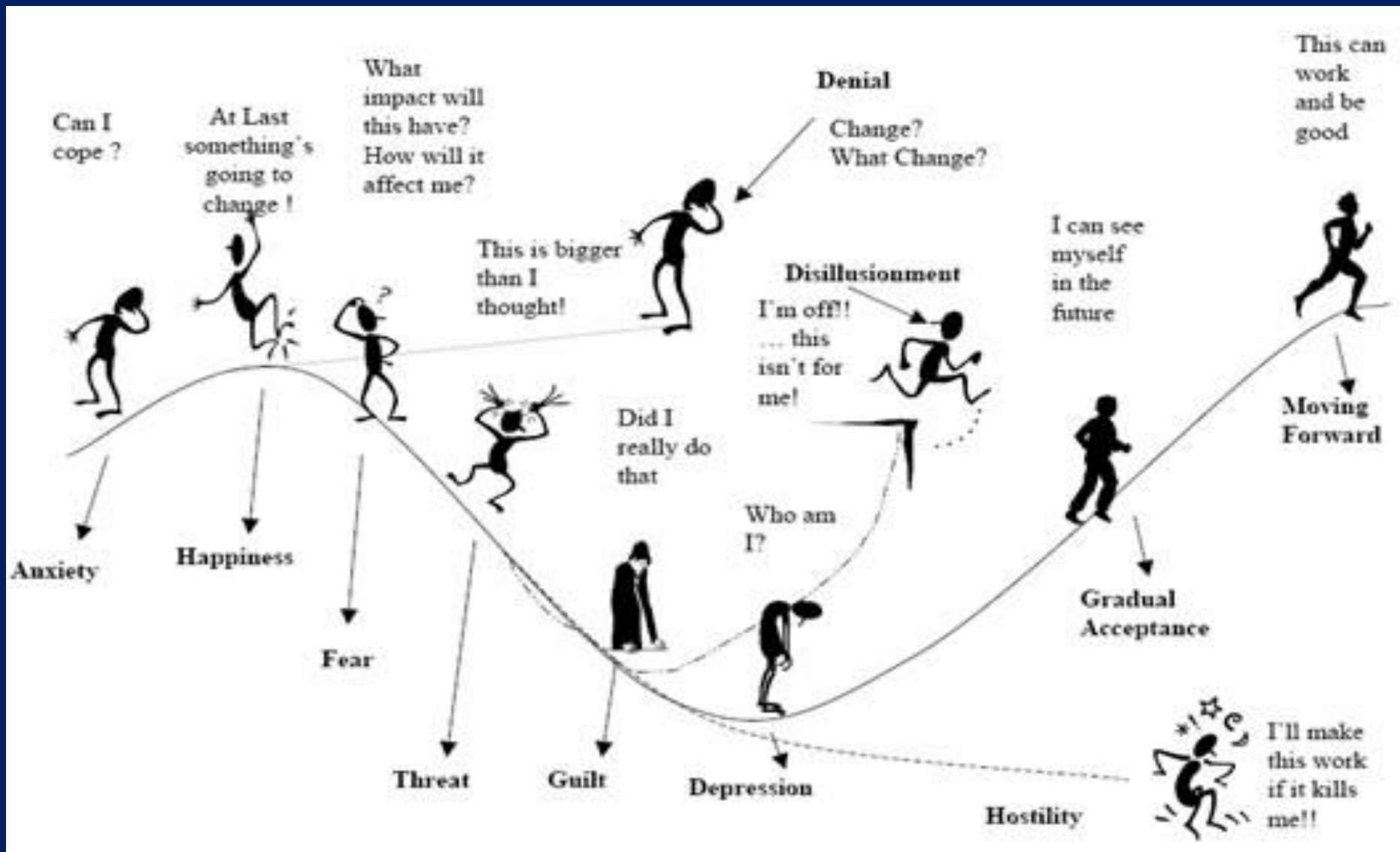
Create Alignment

Maximize Communication

Spark Motivation

Develop Capability

Share Knowledge



Organisational Change

...is the process by which organisations move

...from their present state to some desired state to increase their effectiveness.



Planning Change

Where are we now?

Where do we want to be?

Measure the gap between
present and ideal state

Map out the key changes
needed to close the gap





Apparent
'equilibrium'

Kurt Lewin's Change Model



Unfreeze



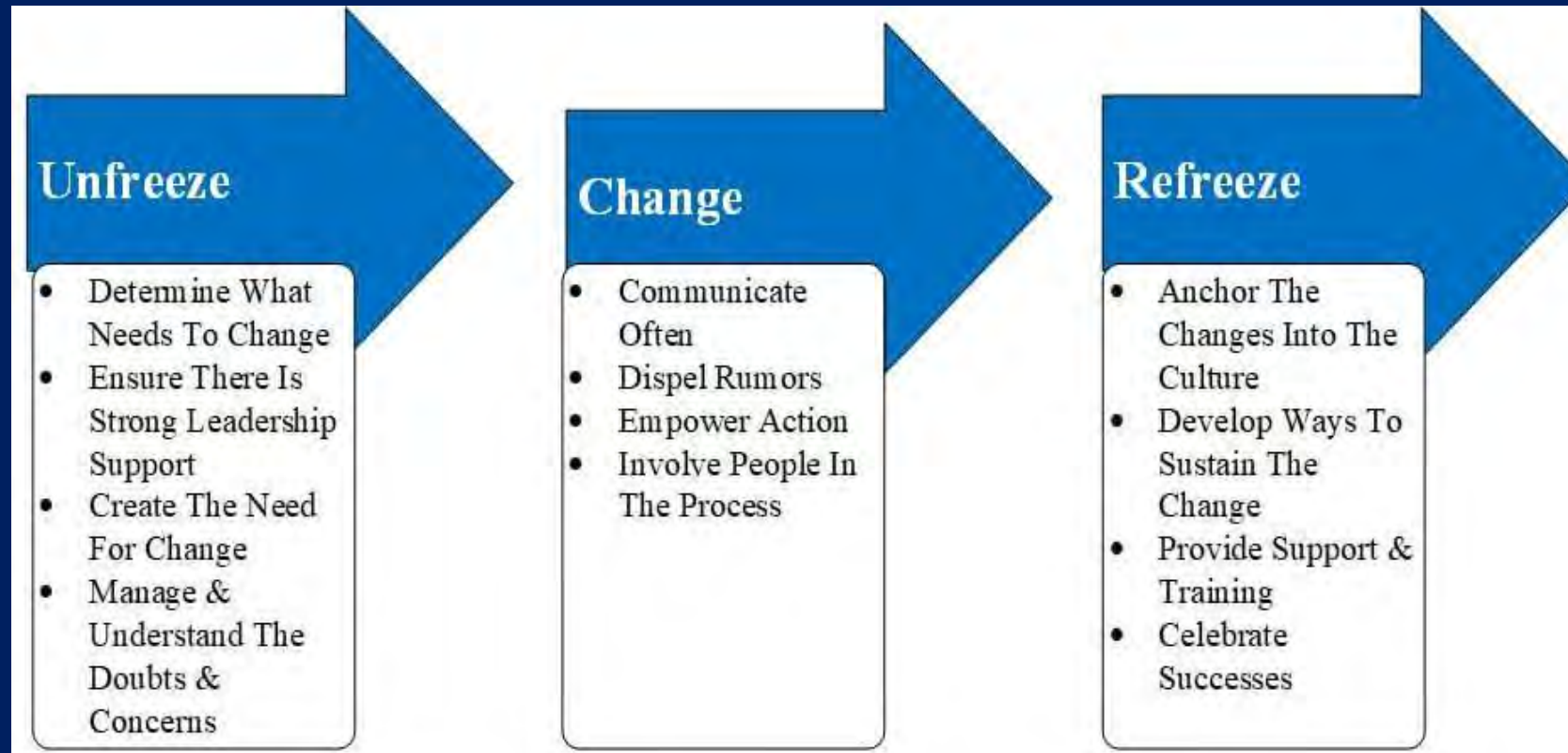
Change



Freeze



Kurt Lewin Change Model



Create a sense of urgency

Generate awareness on the need for organizational adaptation towards a change

Build a guiding coalition

Assemble an effective team of leaders committed towards realizing a change

Developing a change vision

Develop a clear strategy that guides in transforming a vision into reality

Communicate the vision for buy-in

Communicate the vision for buy-in: Successfully communicate the strategic vision to employees, gaining support while reducing resistance

Enable action

Eliminate barriers that impede transformation and empower employees to participate

Generate short-term wins

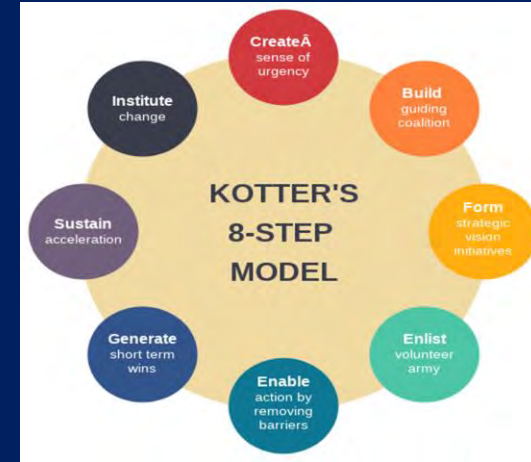
Ensure progress of the strategy has short-term visible improvements

Sustain acceleration

Consolidate gains and implement advanced changes

Institute change

Anchor these changes in the organizational culture for sustainable benefits



“If the rate of change inside an organisation is less than the rate of change outside the organisation, the end is in sight.”

Jack Welch



SUCCESS IS SWEET
BUT
ITS SECRET IS SWEAT

“I’m drowning under the weight of change...I can’t breathe”

“Yes, you can...You need to learn to breathe differently.”



CHANGE IS THE ESSENCE OF
EVERYTHING.

WITHOUT IT PROGRESS CEASES
TO EXIST.



CUSTOMERS ARE CHANGING ALL THE TIME.



IF YOU WANT TO SERVE THEM YOU MUST
CHANGE TOO AND ADAPT.



OVERCOMING STAGNATION

*An object remains in its state
of uniform motion or in no
motion until forces are
exerted upon it.*

Newton's First Law of Motion



Face the challenge of change

Leaders need to be on the lookout for what today's quickly changing consumer landscape means to them and their organizations.

1. Do you see opportunities others don't?

Change breeds opportunity.

Don't out-compete your rivals; reinvent the rules of the game by finding new opportunities first.



2. Can your customers live without you?

**Customers' options constantly evolve.
If your products and services aren't
indispensable, customers are likely to move on.**

3. Are you learning as fast as the world is changing?

**As a leader, you can't afford to stop learning.
Seek out ways to evolve and be humble enough
to know you don't always have the answer.**



Achieving Change

- 1. Take ownership. If you don't think you can change, you can't. Believe in your ability to change and take ownership before getting started.**
- 2. Be patient. Positive, lasting results take time, usually 50% to 100% longer than most people initially think.**

3. Accept difficulties. Real change takes real work. When setting out, be prepared to face challenges you didn't anticipate.

4. Refuse to be distracted. Something more important will inevitably come up. You need to make your development a priority and refuse to let distractions divert your path.

5. Maintain. Once you've started to see traction, don't declare victory. Sustainable change requires maintenance over a lifetime.



The Nature of Leadership –

“Change is constant, complex and often rapid.

We cannot control it, when we try, it becomes frightening,
threatening.

But we can learn to understand it, to work in harmony with
it, to influence it, even to cultivate it.”

(Steve Covey)





“Managing change is like moving a chocolate blamanche across the table... you have to move it gradually by ‘pushing’ in various places at the same time.”

“Tomorrow’s effective organisation will be conjured up anew each day.”

Tom Peters



A Force For Change John Kotter

“Change need not to come in the form of big dramatic innovation or restructuring. It should be accepted as a continuous process, with constant adjustments in every area.”





‘Change Agents’ are involved in both the promotion and management of change.

They have to inspire and motivate; manage and organise ideas, people and things - and support other people in the process!



Activity

**What are the competencies required of
Change Agents as Leaders of Change?**



HR must be at the **forefront of change management** from the beginning, because HR professionals typically receive training and resources to successfully institute new processes, strategies and use of products in organizations.

HR also has the ability to implement change management strategies throughout the organization with agility.





**MAKE PEOPLE PART
OF THE SOLUTION**

**INSTEAD OF PART OF
THE PROBLEM**





*“Be the change you want to see
in the world.”*

Mahatma Gandhi





“It is not the strongest of the species that survive, not the most intelligent, but those that are the most responsive to change”

Charles Darwin