

## **Managing at the Speed of Change**

How resilient Managers succeed and prosper where others fail

By Daryl R. Conner (Villard Books, NY), ISBN 0-679-40684-0

**Introduction:** Resilient means readily recovering from a setback. In this pioneering book, updated for the twenty-first century, Conner demonstrates how both individuals and organizations can develop the capacity not only to endure change but to thrive on it. Conner prescribed system which focuses on how to change rather than what to change. Business people at all levels now face a major challenge of initiating company-wide reorganization plans, responding quickly to competition, establishing new products and markets and adopting themselves smoothly to fluctuations in the economy

Conner's uniquely successful methods will teach today's managers to negotiate these transitions by teaching them

- What distinguishes resilient people from those who suffer future shock
- Why major change is difficult to assimilate?
- The key elements and the flow elements involved in human transitions
- What roles are central to change in organizational settings
- How and why resistance forms
- How people become committed to change
- Why organizational culture is so important to a changes success
- Why powerful teamwork is at the heart of achieving change objectives

Six parts in the book are

Part 1: The Speed of Change

Part 2: The Change Imperative

Part3: Lessons buried in the mystery

Part4: One plus one is greater than two

Part5: The nature of resilience

Part 6: opportunities and responsibilities

### **Part 1: The Speed of Change**

*What is resilience, how does it affect the way organizations change, and what does it feel like to be absorbing change at a speed slower than it is occurring around you*

## **Chapter 1: Resilience and the Speed of Change**

At personal level , change is intensifying dramatically for us all, due to alarming frequency of marriages , pregnancies, divorces, promotions, job changes, relocations, health problems, drug abuse, retirements, and family conflicts in our society. in the work place we are confronted with massive change-ever advancing technologies, mergers, acquisitions, rightsizing, new policies and procedures, reorganizations, and constantly shifting duties and reporting responsibilities.

Pursuing Change: Executives who successfully implement change, regardless of their location , display many of the same emotions, behaviors, and approaches, all over the world. People within each community demonstrate certain cultural idiosyncrasies (behavior) in the way they respond to change, of course, but the basic human reactions to change are the same in everyone. Single most important factor to managing change successfully is the degree to which people demonstrate resilience: the capacity to absorb high levels of change while displaying minimal dysfunctional behavior. Change is an understandable process that can be managed. This perspective allows people to avoid feeling victimized during transition; it promotes confidence that the change can be planned and skillfully implemented

Myths about change: some of the popular myths are

- Bureaucracies cannot be really changed
- Organizational efficiency and effectiveness inevitably decrease when changes are attempted
- Employees are prone to resist any change that is good for the business
- Management is inherently insensitive to problems caused during implementation of change

One of the most effective ways to develop the necessary resilience for not only surviving but prospering during major change is to provide implementation guidelines that can be used in the office. In effect, one's place of employment can become a classroom for learning the basics of resilience , which can be applied not only at workbut to other aspects of life as well.

**Focus on leadership:**

It is essential that as many people as possible learn how to better assimilate major transitions. This challenge is best approached, however, by focusing on those in leadership position.

The change required for the human race and work at a continually higher level of productivity and quality demand a critical mass of support from people at all levels of society. Only through the efforts of those who hold positions of formal or informal influence – leaders – can outdated methods of change be cast aside and new behaviors and procedures embraced.

Patterns and Principles, not rules, are the key:

There is a set of eight patterns and many principles that can be used by those who have responsibility for influencing and carrying out key decisions involving change in business environment. The eight patterns in the organizational change process are

1. The nature of change
2. The process of change
3. The roles played during change
4. Resistance to it
5. Commitment to it
6. How change effects culture
7. Synergism
8. The nature of resilience

Human transformation is too complex to be described by a set of rigid laws. Instead of relying on hard and fast rules that can get us in trouble, acknowledge the complexity of change by focusing on these patterns and principles for our direction.

### **Managing at the speed of change:**

Each of us is designed by nature to move through life most effectively and efficiently at a unique pace that that will allow us to absorb the major changes we face. This is referred as our *speed of change*.

When we assimilate less change than our optimum speed would allow, we fail to live up to our potential. When we attempt to assimilate more than our optimum speed permits, we get in trouble. The fastest speed of change is that of an individual progressing through transition. Organizations tend to move more slowly, and the human race as a whole evolves at the slowest rate

Regardless of the wage , position , wealth , status , motive , or desire, no individual , organization , or society can adequately absorb life's inevitable transitions any faster than our own speed of change will allow. People can face an unlimited amount of uncertainty and newness, but when they exceed their absorption threshold they begin to display signs of dysfunction: fatigue, emotional burnout, inefficiency, sickness , drug abuse. Our lives are most effective when we are moving at a speed that allows us to appropriately assimilate the changes we face

## **Chapter 2: The Beast**

The implications the change event has for our life , is personified as Beast. When life does not match how you anticipate change will be, the beast takes control. It imposes its will during positive transitions also. The beast controls not only negative but also positive change in our life. The human mind can process data much faster than the heart can. People often fail to recognize this, acting surprised that they were not as prepared as certain events as they thought they would be.

Stalking (pretext concealing one's real intentions or actions) the beast:

Humans are control-orient animals. Our need for control has driven us to dominate all other known life forms. This need is so strong that as individuals, groups, and whole societies, we invest a tremendous amount of energy trying to understand our environments so that we can better influence the events directly affecting us. Major change minimizes our ability to dominate events. For a species whose entire existence is predicted on its ability to control its environment, the ultimate nightmare (haunting fear) is an inability to assimilate change in a world transforming itself faster by the minute. The beast the fear and anxiety within us all as we encounter the significant, unanticipated changes that shatter our expectations. The beast is a metaphor (description to something to which it is not literally applicable), but its devastation of individuals, organizations, and society is real.

The discovery of a mechanism to deal effectively with the beast of change has become more than a professional interest. To force the beast into the light of the day , we must be aware that , it is not the events of change that so confuse and overwhelm us , but the unanticipated implications these events bring to our lives. Just as broken glass and fallen trees are not part of a hurricane but aspects of its aftermath, dysfunctional behaviors are not the beast. They are emotional, behavioral and psychological scars left behind after a major, unexpected change.

The Crisis of Change: Just as a shark is attracted to the smell of blood , the Beast is attracted to the scent of ambiguity. Again it does not matter if the event is interpreted as positive or

negative. The important thing is that you are unprepared for the confusion , disconnection, disenchantment, and anger, or even enthusiasm , joy, and pleasure that is to follow. It is not the surprises in life that are debilitating (weakening). The true crushing force is being surprised that you are surprised. Ambiguity is everywhere. Just sit where you are and consider your anxiety about not being able to control your life as you perhaps once did. How many times this year have you faced a major disruption in your expectations (positive or negative) that left you disoriented, unsure and less able to solve problems or take advantage of opportunities? In one way or another, we all have experienced Beast.

## **Part 2: The Change Imperative**

What has changed about change, what are the symptoms of “too much, too fast,” and why has managing change a business imperative today

Frameworks that have held firm for generations, providing the basic structure for the world as we know it, have started to falter (decay). Fundamental notions about business , science, government, philosophy, religion and human behavior that have remained relatively stable for decades now do not seem to apply. Traditional ground rules no longer guarantee the results they once did; some may now even prove detrimental. Learning the pattern and principles that will allow us to manage change and increase our resilience is not just a luxury.

### **Chapter 3 : Welcome To Day Twenty-Nine**

The story of day twenty nine: One day one, a large lake contains only a small lily pad. Each day the number of lily pads double. It takes twenty –nine days for the first half of the lake to fill with lily pads, but only twenty four additional hours for the lake to become overwhelmed. Suppose that human resilience required to address these changes is represented by the lake’s capacity to accommodate lily pads. What happens as day twenty-nine approaches?

New changes occur daily, but people cannot absorb repercussions fast enough to keep pace. The capacity of human mind for inventions to outstrip its ability to assimilate the changes that interventions produce.

Analogy on how people face a world of escalating change: People are not going to stop creating new problems and opportunities, and lily pads are not going to stop multiplying. In one part of the lake appears the lily pad of diminishing resources, in another part the lily pads of a population growing in some sectors and aging in others. In a cove (small bay or creek) , the lily pad of advancing technology surfaces next to appears the lily pad of economic stagnation. Nearby, global cooperation among governments emerge along with expanding competition for world’s markets. In yet another inlet we see the inability to dispose non-biodegradable garbage and toxic waste. There are also newest disease for which we have no cure; shifting, potentially

catastrophic weather patterns; and the realization that more and more foods are not safe to eat as we once thought they were. Faster and faster the change : famine, radical shifts in the major economies, increase in productivity, ecological devastation, heightened sensitivity to human rights and ethnic determination, mergers and acquisitions, reorganizations, new products and markets, escalating drug abuse and crime, fallen heroes, alliances with those we formally feared, distrust for old friends, education systems that cannot educate, political leaders who do not lead.

Even though the foundations that have provided the structure for civilizations we have known it are shifting beneath us , many people continue to operate as this magnitude can be managed in the same manner that change has always been approached.

Change has Changed : what has changed about change is its magnitude, the approach it requires, the increasing seriousness of its implications, and the diminishing shelf life of effectiveness of our response to it

The Magnitude of Change: The volume, momentum and complexity of change is accelerating at an increasing rate. Volume refers to the number of changes we have to face . We measure Momentum of change by analyzing how long people have to implement change and the the length of time before another change becomes necessary. The complexity of changes people address today is far greater than in past years . Fundamental issues contributing to the dramatic increase in magnitude of the changes we now face are

1. Faster communication and knowledge acquisition
2. A growing worldwide population
3. Increasing interdependence and competition
4. Limited resources
5. Diversifying political and religious ideologies
6. Constant transitions of power
7. Ecological distress

Each of these seven issues spawns (generate in large numbers) of great deal of change separately. Then as they interact with each other, they generate even more change . The result is transformation of geometrically escalating proportions. Even with all good computers have provided, information systems have complicated our lives in un-foreseen ways. As our world becomes more sophisticated and complicated , the need for innovation in the use of advanced information systems, organizational structures, and improved production methods and machinery becomes evident. Survey among organizational leaders regarding the change they consider most crucial to success in business and society, suggest most organizations are facing several, if not all, of the tasks listed below

- Initiating major reorganization plans
- Improving competitiveness through implementation of TQM processes
- Incorporating information systems as an integral part of business and production strategies
- Responding to new or increased global competition
- Accommodating the turmoil associated with mergers and acquisitions, and leveraged buyout
- Redefining the organizational culture to be more supportive of corporate business objectives
- Initiating cost-containment mechanism
- Rightsizing the workforce
- Establishing employee –involvement programs to generate a sense of empowerment and commitment
- Establishing new products and markets
- Incorporating new production / manufacturing procedures and machinery
- Adjusting to changing profile and needs of today's employees
- Complying to new government regulations

Organizations need a chance to recover before they can effectively take on next change

Changing how we manage change: The methods we used in the 1060, 1970, 1980 and 1990 to approach transitions in technology, medicine and human relations are not enough to manage these changes successfully today. Because scale of change has advanced , we must alter the way we attempt to manage it. Learning how to view and manage change in a new way is possibly the most important change that you will ever make. The framework for doing this is outlined in the patterns and principles of change

The intensifying impact of change: manager's predictions of change fall into three categories

1. No Change: These managers believe that customers will not increase their expectations and demands, the quality of their products and services is adequate, and there is low probability that new or upgraded technology will be required. They anticipate no government regulations or policies that will effect their business, feel that it is unlikely a merger or acquisition will take place, and are satisfied with the efficiency and reliability of internal business operations.
2. Sporadic (occurring only occasionally), incremental change: They predict that once changes are in place , people will devote most of their energy to maintaining status quo. They expect the periods of relative stability will follow these spikesof change activity

3. Continuous, overlapping change: such organizations believe that many of these changes will not be disruptive to existing expectations but also extremely challenging to absorb. The transitions that they expect to confront will require sophisticated planning and sustained effort. They do not view these change demands as short term . Instead , they see turmoil as representing an era of unending transition.
4. Following status of corporate America

Three categories	1970s	2000s
No Change	60%	1%
sporadic, incremental change	35%	24%
Continuous, overlapping change	5%	75%

Ever-increasing change is inevitable and will be hallmark of our lives. The ability to successfully manage change has become one of the most important skills needed for personal happiness, the prosperity of the organizations, and health of the planet.

The Shelf Life Problem: The programs, procedures, and strategies that we develop to take advantage of new problems to take advantage of new opportunities or solve new problems are becoming obsolete faster than ever. As per John Sculley, the innovative chairman of apple computers Inc., says that more than half of Apple’s revenues comes from products that were not even invented three years ago. Our world as it is now will look slow and uncomplicated compared to what it is sure to become within the next few years : You have more control and less ambiguity today than you are likely to have for the rest of your life.

What to do: Soon, we will no longer be able to navigate the surrounding turbulence caused by unresolved and missed opportunities. If we cannot stop the lily pads from multiplying , we must learn to expand the lake’s capacity to absorb them. The lake represents human resilience and the ability to assimilate change. We must broaden our capabilities and dramatically increase our facility for not accepting but flourishing in constant transition. We must change how we manage change

## Chapter 4: Future Shock is Here

Future shock is the shattering stress and disorientation that we induce in individuals by subjecting them to too much change in too short a time. Future shock relates to the overlapping impact of too much change that is too complex to deal with and occurs at too rapid a pace. The results are high levels of stress (manifested by such things as relationship conflicts , ulcers, and even suicide) and inability to adopt quickly enough ( as evinced by symptoms such as lagging productivity and quality). Essentially, future shock occurs when people are asked to absorb more disruption than they have the capacity to take in. Signs of future shock confront the business community as well, with things like the full value of new technology being seldom realized and the desired increase in commitment to quality being unattainable. Future shock

can result not only from dangers but also from missed opportunities. Most of the technology is worthwhile ; the issue is simply absorption capacity

The Houseboat fallacy: Vince Lombardi, the famous football coach , once said , “I never lost a game. I just ran out of time on a few occasions”. Given today’s challenges, the result of running out of time is far more significant. For many people, organizations, nations, and may be even our entire planet someday, there may not be a next session. The quality of life for not only next twenty years but for future generations depends on what we accomplish today. How do we explain our grand children that we meant well, but we ran out of time, before we established priorities to protect our air, water , and other natural resources, to develop alternative to armed conflict as a means of resolving global differences, etc etc. The reality is that an entirely different craft and new set of skills are required to maneuver safely through rapids. Houseboat captain need to shift their frames of reference about boating if they are even to survive, much less prosper, in constantly churning waters.

Signs of Distress : is that point when humans can no longer assimilate change without displaying dysfunctional behavior. The onset of future shock, and the accompanying low levels of dysfunction, may be signified by: brief irritation, venting job frustration at home, decreased team effectiveness. As seriousness of the dysfunctional behavior progresses, symptoms include: Feeling of victimization, apathy or compliance behavior etc. Extremely high degree of future shock includes malicious compliance, overt blocking of company tasks or procedures, physical and psychological breakdown, suicide etc. it merely indicates some of the symptoms seen today in families, business and societies.

Saturated sponges: Across every industry studied , senior executives and managers are frustrated because they cannot successfully implement their decisions on time and within budget. Renowned architect Frank Lloyd Wright said, “Man built most nobly when limitations were at their greatest.” Meeting the challenges of major change today and in the future requires a fundamental shift in how we are going to accomplish our goals. The main ingredient of success is the ability resilient people have to understand and use to their advantage the principles underlying basic human patterns that operate change

### Part III: Lessons Buried in the Mystery

*What are some of the hidden patterns that explain the mystery of change and how can managers use these patterns to increase resilience in their organization?*

You will be much more effective if you approach change as a manageable process with definite structures and outcomes that can be reliably anticipated. The knowledge that certain events will, in all likelihood , occur at predictable points in the change process allows you to influence

what will happen. The structure of change consists of the key patterns that reflect how people tend to react during transitions. Understanding how people have responded, are responding, or will respond to organizational change is possible by accurately interpreting how these patterns unfold within individual and among groups

The Pivotal clue: The pliability (bending easily) that resilient people demonstrate and their capacity to rebound after the initial trauma of change allows them to sidestep the dysfunctions of future shock. Rather than becoming victims of change, people who demonstrate resilient characteristics most often prosper disruption and disorder

Resilient people face no less of a challenge than others when confronting a crisis, but they typically regain their equilibrium faster, maintaining a higher level of quality and productivity in their work, preserve their physical and emotional health, and achieve more of their objectives than people who experience future shock.

In fast paced, continually shifting environment, resilience to change is often the single most important factor that distinguishes those who succeed from those who fail.

The Structure of Change: Of the eight patterns in organizational change process, the one with resilience as its focus as its primary focus is the primary pattern. The remaining seven (Nature, Process Roles, Resistance, Commitment, Culture, and Synergy,) are support patterns because they add strength and resilience to the primary pattern. The support patterns represent seven additional clusters of knowledge, behaviors, feelings, and attitudes that are crucial to the outcomes of organizational change. Related to each support pattern are principles that, when applied, tend to bolster an individual's resilience during change. When these linking principles are understood and used in conjunction with the elements from the resilience pattern itself, it is possible to greatly increase your capacity to assimilate change with minimal dysfunctional behaviors.

We are all in this together: Bruce Laingen, one of the American hostages in Iran for 444 days said, "Human beings are like tea bags. You do not know your strength until you get in hot water." If significantly increasing the resilience of individuals, families, organizations, and entire societies sound like a formidable (hard to overcome or deal) task, that is because it is. The future will generate even more ambiguity and chaos than we face today. Learning how to rise our individual and collective resilience is not just a good idea-it is imperative

## Chapter 5: The Nature of Change (The first support pattern)

The nature of change is the first of support patterns. We spend a great deal of our lives matching the capabilities with which we are blessed against the challenges we face. Capability here refers to our abilities and our willingness to apply them. An individual is only as strong as

the weaker of these two factors. The challenges we confront in life consists of dangers we see and the opportunities we acknowledge. Perhaps most interesting thing about observing people's reactions to change is that the same event is can be perceived as a negative change by one person and a positive change by another. We seem to be more comfortable with change when our ability and willingness to change can help to determine the outcome of change. The critical factor affecting our perception about change as positive or negative is the degree of control we exercise over our environment.

Seeking Control: Accurately predicting the future helps greatly to reduce the discomfort of uncertainty. What matters is how disruptive is those who are affected . Remember , we feel most vulnerable to change when we are surprised that we are surprised. Change is minor when it does not significantly disrupt what you anticipated would happen. In these circumstances, you simply fine tune year your expectations and adapt to change. When we are unable to meet our control needs, we become disoriented. You devote a great deal of your life to gaining enough information to understand and try to control (or at least influence) your environment.

What to control: People have a strong need for control. This need can be met by dictating or at least anticipating their future. Specific expectations are established based on what can be dictated or anticipated. When perceived reality matches expectations, a sense of control is achieved and a form of equilibrium is generated or when perceived reality does not match expectations, the feeling of control is lost and people must adjust to the changes they were unprepared to face.

Knowing your assimilation capacity : Assimilation is the process we use to adjust to positive or negative implications of a major shift in our experience. Assimilating, or absorbing, such change is costly, because it requires resource to make the shift. The high price of assimilation includes reduced intellectual energy , increased psychological stress, and diminished physical stamina and health. Every person, group, and organization has a certain number of assimilation points available. These points represent our capacity to absorb change. No one has infinite supply of assimilation points. But resilient people have learned how to increase their number of assimilation points and how to stay within their personal assimilation budget. For example, say you have to speak before your management team once a month. If you arrive in the morning before you are supposed to talk and find out that there will be three or four other staff members in audience, it may cost you an assimilation point or two, but it would not be significant drain. Both major or minor changes cost assimilation points.

Cost of disruption: Some of the strongest resistance occurs when we get exactly what we asked what – if what we asked for causes a significant departure from our expectations. Example: The wide spread introduction of personal computers has dramatically altered our expectations of work performance. When a boss provides one of her staff with a PC and spreadsheet software,

one implication may be that she now expects that person to produce ten times the volume of financial analysis previously possible. Also instead of sitting around a table sharing information and talking with co-workers, the staff person is now confined to a small cubicle and the glare of what he perceives to be impersonal piece of hardware. The worker's expectations for a typical workday have undergone a major change. What does the worker complain about in such a case?. He is likely to curse new computer. So the company spends money for more computer training or buys the worker an expanded system. Yet the worker remains in the same cubicle with the same cubicle with the same perceived problems as before. The true problems lie underneath the surface of the hardware and software complaints. What lurks below are the real issues of "peopleware"

- May be he is not a great financial whiz, but he has been master of synthesizing many people's input into something greater than the sum of its parts. Now he is reduced to boring, repetitive number crunching, which was never his forte.
- He is suffering from the cutoff of social interaction. In the good old days , discussions of the latest political issues or sports offered relief from the tedious nature of the financial work
- He may have never learned typing in the school. Suddenly the brilliant guy around the office is embarrassed when his co-workers watch his clumsy hunt – and-peck typing

Ironically even computer professionals resist change associated with computerization of their own functions. In nearly every project plagued by resistance to change itself , there is underlying , negative personal implication for one or more people affected by change. These hidden implications cause most of the assimilation problems. Assimilating the short – and-long term implications of change is usually more costly than adjusting to the change itself.

The Paradox: The demands on our assimilation capacity come from than one direction:

- Micro Changes affect you , your spouse, family, or close friends and associates
- Organizational changes occur not just at work but with any institution that affects your life, , professional association, or union
- Macro Changes affect you as part of large constituency. The global implications of third world, environmental pollution, increasing crime or terrorism, progress in reducing racial tension etc have macro implications

Micro change is when "I" must change ; organizational change is when "we" must change; macro change is when "everyone" must change

Paradoxically, even though the term macro change sounds big, it actually has the least effect on an individual's day to day behavior. The important lesson here is that if you consider yourself an architect of change – whether it is organizational ( the installation of new information systems) or macro ( a new worldwide economic order)- the intended goals will not be achieved unless there are micro implications for people involved.

Much of our problem making organizational or macro changes is that if we fail to adequately communicate to people the impact of these decisions will have on them personally. No wonder these kinds of changes are so difficult to enact

Overlapping Impact: The dysfunctional behavior are associated with future shock is not usually due to a single change event. Some of the assimilation points will be used to absorb the implication of large social issues, i.e. macro changes, greater portion pf assimilating organizational change, greatest expenditure occur due to micro problems i.e. changes at home . People who manage well know intuitively that once they are nearing the future shock threshold with people in their organization, they cannot announce new change . Instead they approach change as a complex – but manageable process, one that requires careful planning and tough prioritizing to avoid future shock threshold. The capacity to absorb great deal of change is directly related to number of assimilation points available to a person or group and the number expanded during the implementation process. Resilient people have more available points and use fewer of them , thereby conserving their assimilation resources for future changes. Major change occurs when expectations about important events or issues are significantly disrupted – when people anticipate one thing is going to happen, and yet something drastically different occurs. The resulting stress generates the disabling consequences of future shock for individuals, organizations , or entire countries. Improving the resilience of the people involved in change guards against future shock

The five key principles in the “nature of change” Pattern are:

When involved in major organizational change, you can enhance resilience if you

1. Realize that control is what we seek in our lives, and the ambiguity caused by the disruption of expectations is what we all fear and avoid
2. Are able to exercise some degree of direct or indirect control over what happens during the implementation of change
3. Can assimilate at a speed commensurate with the pace of events taking around you
4. Understand micro implications of organizational or macro change
5. Face a total assimilation demand from the micro , organizational , and macro transitions in your life that is within your absorption limit

## Chapter 6: The Process of Change: outlines of the mechanism of human transitions (The second support pattern)

The Three phases of change: Kurt Lewin in 1958 classifies the change process into three phases i.e. present state, transition state and the desired state. The present state is status quo- an established equilibrium that continues indefinitely, until a force disrupts it. In the transition state we develop new attitudes and behavior that lead to desired state. To attain what we want (the desired state) we must pass through uncertain, uncomfortable phase of transition state. Keeping major change alive is only possible when the pain of present state exceeds the cost of transition state. This volatile phase of change process occurs when the equilibrium of the present state has been disrupted, but the stability of the desired state is yet to be attained. For most of us, the unknown is so terrifying that we remain with what we have long after it is apparent that it is punishing to do so. Eagerness to reduce the stress and anxiety of transitional ambiguity generally makes us more so receptive to attaining goals of change. We seek out information that will help create a new stable state. Learning is the foremost opportunity stemming from change.

Survival of the fittest:

There are many more organizations that initiate change than those that can successfully sustain it. Winners are those resilient individuals or organizations who manage change at a speed that allows them to effectively implement the human and technical aspects of transition on time and within budget. Loser are those individuals or organizations who bring change projects in significantly late or over budget or who settle for changes less substantive than those needed to remain competitive. Winners are able to achieve the full benefit of their change initiative. Loser are victims of change who never achieve their initiatives or, if they do , it is only after expanding a great deal more time and money than they had anticipated.

Losers give many reasons for announcing changes : “Our competitors are doing it”; “Everybody in last year’s convention was talking about it”; “We did not think we had much risk by trying it.; or my all time favorite “WE read it in The Wall Street Journal, and it seemed a good idea at that time .

For winners there is only one circumstance that motivates them to make and sustain a major change : when they can no longer afford the status quo. Winners, understand that when the price for maintaining the status quo is higher than the price of transition, making change is mandatory. Winners are very selective about the changes that they undertake ; many have certain intuition for determining when a change project warrants special care and planning . Winners also believe that some problems and opportunities are not worth investment that addressing them in a structured , disciplined manner would require. After completing cost benefit analysis, a winner might determine that that updating the company’s existing technology carries a price tag greater than its worth. Whereas losers tend to make change look cheap and easy , winners keep firmly in mind murphy’s dictum that if something can go wrong, it will, and thus everything is harder than it looks

Major organizational change is too disruptive , time consuming, and expensive to approach lightly. Managers can justify the risk and resources of attempting significant change only if that they feel that their part of organization will slip collectively or miss critical opportunities unless the change goals are achieved. Engaging in minor change has no such restrictions, but you should not undertake major change unless the organization cannot afford to fail at implementation

Two pre requisites for Major Organizational Change:

Two pre requisites for successful organizational Change are

1. Pain: a critical mass of information that justifies breaking from status quo
2. Remedy: desirable, accessible actions that would solve the problem or take advantage of opportunity afforded by current situation

Pain management provides the motivation to pull away from the present ; remedy selling provides the motivation to proceed to desired state. Every successful transition from the present state to the desired state entails these two prerequisites. For prolonged change , both elements entails these must work together. But losers initiate change with only an attractive remedy to provide motivation. Remedies without status quo produce short term interests which often dwindle. And, of course, pain without remedy produces only ulcers , not change

No Pain No Gain: The success of a change project depends equally on pain management and remedy selling. Change related pain is the level of discomfort that we experience , when we cannot meet our goals (current pain) or do not expect to meet them (anticipated pain). This discomfort stems from either the unresolved problems or missed opportunities of status quo. Orchestrating pain messages throughout an institution is the first step in developing organizational commitment to change. The goal of pain management is to motivate people to pull away from what they are doing now and develop a strong commitment to making a change. To accomplish this you should manage information in such a way that it generates the necessary incentive for discontinuing the status quo.

How much pain people are willing to endure before they shift from the present state to the desired state and their actual level of attraction to the desired state depends on each individual's frame of reference. A person's frame of reference is his or her unconscious model for making sense of the world.

Frame of reference exert a powerful influence on our lives, functioning as a sort of closed loop system. Our frames of reference determine our expectations, which influence what we perceive and how we process information. The information we process drives what we

think, which is how we establish the alternatives that we believe are available for making decisions. We engage in actions based on these decisions that, in turn, usually reinforce our original expectations.

This self-perpetuating system is often a major source of resistance because many people think, "I will believe when I see it, and I will see it when I believe it"

### The Wolf in the closet

Managing effective transitions does not allow for dealing with a single reality; it involves managing multiple realities as seen from various people's fear, hopes, and aspirations—their frames of reference. Even if a new initiative is absorbed easily by senior management but causes significant disruption for others, winners approach the task as if it is a major change for those who perceive it that way. Change management is perception management. Superficial, patronizing responses are never substitutes for letting employees know that you understand and care about their concerns—at their level. To gain their commitment to move from the present state to the desired state, managers must be willing to honor (with action) employee perceptions of reality. Change-related pain is the level of discomfort a person experiences when his goals are not being met (anticipated pain) due to circumstances of the status quo. Managing the pain messages is the first step in developing commitment to change.

The Six key principles in the "process of change" pattern: when involved in major organizational change, you can enhance resilience if you

1. Approach change as an unfolding process rather than a binary (either/or) event
2. Accept that either you will pay for getting what you want or you will pay for not getting what you want and payments may come early or late—but change is expensive, and you will pay
3. Believe the status quo is far more expensive than the cost of transition
4. Accept the discomfort of ambiguity as a natural reaction to transition
5. Are attracted to remedies you see as accessible
6. Are presented with changes in a manner that takes into account your frame of reference

## Chapter 7: The Roles of Change (The third support pattern)

Resilient people demonstrate an understanding of the key roles that operate during the change and adapt to the varying configurations. There are four distinct roles critical to the change process: sponsors, agents, targets and advocates

**Sponsor:** A sponsor is the individual or group who has power to sanction or legitimize change. Sponsors consider the potential changes facing an organization and assess the dangers and opportunities these transactions reflect. They decide which change will happen, communicate the new priorities to the organization, and provide the proper reinforcement to assure success. Sponsors are responsible for creating an environment that enables these changes to be made in time and within budget

**Agents:** An agent is the individual or group who is responsible for actually making the change. Agent success depends on the ability to diagnose potential problems, develop a plan to deal with these issues, and execute the change effectively. The participation of change agents who possess these skills is a crucial factor in the success of any change project.

**Targets:** The individual or group who must actually change is the target. The term target is used because these people are focus of the change effort and play a crucial role in the short –and– long term success of the project. To increase likelihood of success, they must be educated to understand the changes they are expected to accommodate, and they must be involved appropriately in the implementation process

**Advocates:** An advocate is the individual or group who wants to achieve a change, but lacks the power to sanction it. Recommendations to save money or boost productivity can die an early death if those who generate the ideas do not have skills to gain support from the appropriate sponsors who can approve their ideas. At different times and in face of different challenges, you may play role of sponsor, agent, target, and/ or advocate. Many change projects require you to wear more than one hat

**Relationships:** The configuration of role relationships in an organization can take one of the three forms: linear, triangular, or square. Linear relationships are represented by the usual management chain of command. The target reports to the agent, and the agent reports to the sponsor.

Triangular relationships are more complex and, in most situations, largely ineffectual. A classic triangle is found when sponsors are senior executives, targets are line managers, and agents work in support function (such as human resources or information systems). Triangles are not limited to support-function relationships; they are simply good examples of the dynamics involved. 80% of the time organizations are not reaping the rewards they should from triangular relationships. This poor track record stems from sponsor's attempting to delegate to their agents the power to authorize the change. That works fine when sponsors assign to an

agent the responsibility of actually rolling up their sleeves and putting the change into effect. However sponsors cannot pass on sanctioning power to people who do not hold that status with the targets. Having agents tell targets who do not report them what to do almost always fails. Such attempts to influence may work for minor changes, but rarely in major transitions. The inappropriate attempts by support staff to pressure line managers into complying with their wishes is at the heart of much of line-versus –staff conflict so prevalent in today's organizations. The true culprit in such situations is usually not the support staff, but the sponsors. Sponsors turn to their human resources director , and say, "Go tell the line that they must use the new hiring procedure – that is what I pay for you". Or they say to the head of information services , "Force them to use the new system if you have to- that is your job." In effect mandate is to "tell people who do not report to you what they must do". Of course , when this message meets a brick wall it is the agent who takes the heat for not doing his/ her job. Sponsors should endorse change project with the targets himself before he has agents to actually implement the change. Once employees realize that the boss is supporting a particular change , they are much more likely to cooperate

In square relationship structure, agents report to one sponsor and targets to another. These relationships are usually dysfunctional in most organizations. The problem occurs when sponsor One directs his agent to bypass sponsor two and directly go to the target to gain compliance of change. Targets rarely respond to major change directives unless these directives come from their sponsor, who controls consequence applicable to them. In such situations , sponsor One and agent are actually advocates because they have no power to sanction change with the targets. We have found unsuccessful advocates try to directly influence the targets , usually failing because the target's sponsor does not support the change. Successful advocates spend their time with sponsors of targets engaging in remedy selling and pain management. They help sponsor realize the importance of the desired change.

Emperor with no clothes : All for roles are essential for success, but those in leadership position are specially significant. A sponsor shows he/ she means business by establishing procedure for tracking the progress and problems of a change project. A strong sponsor is aware that personal, political, or organizational costs always accompany major change, and he/she is willing to pay the price. The committed sponsor understands that followup is crucial final step for any successful change project. A good sponsor should have

- Power: the organizational power to legitimize the change with targets
- Pain: A level of discomfort with the status quo that makes change attractive
- Vision: a clear definition of what change must occur

- Resources: a thorough understanding of the organizational resources (time, money and people) necessary for successful implementation and the ability and willingness to commit them.
- The long view: an indepth understanding of the effect of the changewill have on the organization
- Sensitivity: the capacity to fully appreciate and empathize with the personal issues major change raises
- Scope: The capacity to understand thoroughly the size of the group to be effected by the change
- A public role: the ability and willingness to demonstrate the public support necessary to convey strong organizational commitment to the change
- A private role: the ability and willingness to meet privately with key individuals or groups to convey strong personal support for the change
- Consequences management techniques: preparation to reward promptly those who facilitate acceptance of the change or express displeasure with those who inhibit it
- Monitoring plan: the determination to ensure that monitoring procedures are established that will track both the transition's progress and problems
- A willingness to sacrifice: the commitment to pursue the transition , knowing that a price will most often accompany the change
- Persistence: the capacity to demonstrate consistent support for the change and reject any short term action that is inconsistent with long term change goals

The demand of being successful sponsor means that no one can sponsor more than a few major change projects at a time

### When the going gets tough...

You can engage change in two different ways: You can initiate it, and you can persist with it. It does not take much commitment to initiate change. Losers initiate change every day by sending a memo, giving speech, or issuing a directive. The real challenge is to maintain the course of change, and the key difference between winners and is their resolve to do so. A prerequisite for committing to change is the recognition that cost of status quo is significantly higher than the cost of change. It is relatively easy to get your people acknowledge that a change is to be made and to get started on it. The really tough job is to get them to stick with it when the going gets tough. Sustaining sponsors are people with enough proximity to local targets to maintain their motivation on the change goals. Any time there is a gap between strategic rhetoric and local consequences, targets will always be more responsive to the consequences. When rhetoric the targets hear from senior manager is not consistent with the positive and negative consequences that see coming from their supervisors, a corporate 'black hole' forms

**Black Holes:** The expression black hole is borrowed from the field of astrophysics, in which it applies to those areas in space that have a gravitational pull so strong that everything – including light – is pulled in. There are spots in the corporate office that exert the same effect ; it is common for management rhetoric to go into bureaucratic structures and then vanish without a trace. Like black hole in space that captures everything that travels in vicinity, various levels of management withhold or distort information so that it does not get to rest of the organization. Without proper information dissemination, change will fail.

Of all the factors to consider when estimating the cost of failure – including unsolved problems, missed opportunities, wasted resources, declining morale, and jeopardized job security- disregard to management initiatives is most significant. When management’s efforts at change disappear into a black hole, the price can be devastating.

Lack holes are formed where there are local managers who do not adequately support an announced change. This occurs because of unilateral confusion, covert sabotage , or lack of rewards and pressures directly connected to the change itself. Regardless of the reason, when sponsors fail to display the proper commitment to a change , the targets below them will not fully support the transition

Corporate black holes contribute to a “change du jour” business climate. If you are a sponsor , failure on your part to match rhetoric with reality severely undermines your credibility. Black holes exist throughout all bureaucracies. Every organization in every industry, in every country , is filled with black holes. This pervasive bureaucratic disease , has contributed significantly to the decline of American competitiveness in the world market.

Whenever there is discrepancy in your leadership pronouncement and the day-to-day reality of the people you lead, a black hole forms and you pay twice; you not only do not get what you want but you also teach people not to listen to you in the future.

**Cascading Sponsorship:** The remedy to black-hole phenomenon is cascading sponsorship, which begins with the initiating sponsor and ends with the target. Change cannot succeed without a network of sustaining sponsorship that constantly reinforces the importance of changes it moves through the organization. With a cascading sponsorship, initiating sponsors enlist the commitment of key managers below them to support the change throughout the organization. These managers in turn, do the same with those below them. An effective network of cascading sponsors minimizes logistic, economic, or political gaps that exist between layers of the organization, and also produces the appropriate structure of rewards and punishments that promotes achievement. Reducing the gulf between the rhetoric of change and incentives and pressures that guide employee behavior dissolves black-hole.

Five key principles in the “Roles of change” pattern : When involved in major organizational change, you can enhance resilience :

1. Understand and can recognize the key roles in a change project
2. Are familiar with the effective operation of linear, triangular, and square relations configurations.
3. Understand the general requirements associated with strong sponsorship
4. Recognize that a change must be clearly and strongly sanctioned by those in initiating and sustaining sponsorship positions.
5. Perceive that the rhetoric of change is consistent with meaningful consequences

## Chapter 8: Resistance to Change (Fourth support pattern)

We resist change whenever we sign a petition to fight a rezoning decision in our community or stand in picket line to protest a new school board policy. Resistance is natural part of the change process; it is the force that opposes any significant shift in the status quo. Resistance to change is a natural reaction to anything causing disruption and loss of equilibrium. Consequently resistance accompanies any major change whether it is self initiated or presented by others, and it occurs without regard to how the event was originally perceived – positively or negatively.

Frames of reference: The change process is composed of shifting images, interpretations, and perspectives. To understand and appreciate how another person reacts to change , you must be able to put yourself inside his or her shoes. Your frame of reference is your perception of reality – the conscious pair of eyeglasses we all wear to keep a fluctuating world in focus . When we think that our ability and willingness to address a shifting situation is sufficient , we feel we can maintain our sense of equilibrium. We feel little need to resist these kind of changes , because we see them as minor. People can only change when they have the capacity to do so. Ability means having the necessary skills and knowing how to use them. Willingness is the motivation to apply to those skills to a particular situation. If you either lack ability or willingness , it is unlikely that you will successfully adapt a change. Deficiency in ability result from inadequate skills and should be addressed by training in the form of formal instruction or informal mentoring. A lack of willingness stems from a shortage of motivation and should be addressed through consequences management (the combination of rewards and punishments). It is important to remember that to change , a person must be both willing and able to do so. These qualities represent two links of a change and , as the saying goes ,a chain is only as strong as its weaker link

Overt vs covert resistance: Although resistance during a major change is inevitable, its expression can vary greatly. In some cases, resistance is conveyed overtly. For example , you

can resist change through memos, department meetings, one-on-one exchanges, and other public means. Because it is out in the open, overt resistance is more constructive than its underground counterpart; open resistance can at least be heard and addressed, if not resolved.

In other instances, resistance is expressed covertly. When resistance is hidden, it can go unnoticed until it destroys a change project. Behind-the-scenes resistance is usually a result of low trust and inadequate participation. If employees sense that they are not allowed to discuss their true feelings or if they are not involved in implementation decisions, they are likely to feel disenfranchised from the change effort. Many times, these feelings take the form of clandestine unrest—from indirect complaining to outright sabotage. Where there is a major change, there is resistance; but you can minimize negative effects by encouraging resistance to be expressed openly instead of secretly. Winners increase their resilience by understanding and respecting the natural patterns of resistance. They know resistance is inevitable, rather than fight it they encourage it. Some winners go so far in this approach as to conduct training programs for their targets on “how to resist change”. The organizations believe that it is inevitable that targets will resist when faced with major change; so the companies choose to instruct their people on how to resist in a manner to which management can relate. This way, resistance can be seen as a valuable aspect of change process rather than as something to be feared and avoided.

The negative response to change:

Dr E Kubler-Ross, a psychiatrist by training, interviewed several hundred terminally ill patients and their families for understanding the process that people undergo as they come to terms with impending death. The emotional highs and lows in her model were less intense in organizational situations, but the sequence of stages was just as relevant for executives who had to lay off valued, long-term employees, as it had been for families of terminally ill. Expanding on Kubler-Ross five stage model, eight distinctive stages through which people pass whenever they feel trapped in a change they do not want and cannot control. These stages are: stability, immobilization, denial, anger, bargaining, depression, testing and acceptance

1. Stability: It represents the present state
2. Immobilization: The initial reaction to a negatively perceived change is shock. The impact of change is so alien to the person's frame of reference that he or she is often unable to relate to what is happening
3. Denial: At this stage, change related information is often rejected or ignored. Common reactions are “It would not happen to me” or “If I ignore it, it will go away”
4. Anger: This phase is characterized by frustration and hurt, often manifested through irrational, indiscriminate lashing out and are typically directed on the one's willing to be supportive, such as friends and family

5. Bargaining: Bargaining takes many forms (e.g. request for deadline extensions, reassignments). This point in the process signals that an individual can no longer avoid a confrontation with reality. This phase makes the beginning of acceptance
6. Depression: Depression is a normal response to major, negatively perceived change. Resignation to failure, feeling victimized, a lack of emotional and physical energy, and disengagement from one's work are likely symptoms here. Although it is unpleasant experience, depression can represent a positive step in process of acceptance.
7. Testing: regaining a sense of control helps people free themselves from feeling of victimization and depression. They do this by acknowledging the new limitations while also exploring ways to redine goals; this makes it possible to succeed in a new timeframe.
8. Acceptance: Targets now respond to change realistically. But acceptance of the change is not synonymous with liking it. It just means that the target is now more grounded and productive within a new context.

Working with targets as they pass through negative response is an expensive process because providing the appropriate support at each phase consumes time and energy. There is no guarantee that people will successfully through each phases on their own

### The positive response to change:

Example: There is high rate of divorce case taking place after alcoholic husbands being treated successfully from rehabilitation center.

It is difficult to understand why the wife of an alcoholic would put up with her husband's destructive behavior for years only to file divorce suit as he began to regain control of his life?

Ans-Because the husband was succeeding with sobriety- what wife had been dreaming for years –she now had to adjust to his reemergence into the family structure. She had long been making economic decisions and providing sole parental guidance to the children. But once he was fully functioning again, he wanted to participate in these activities. Along with finally getting what she wanted, came a power struggle neither of them was prepared to handle. From her standpoint, although his improved behavior was welcome, she was not willing to surrender her hard –won autonomy. The marital roles and family hierarchy became subject to unexpected redefinition. The subsequent power struggle resulted in abundant source of pessimism for both husband and wife. People who originally perceive a major change to have positive implications follow a separate path of resistance than those who see it as negative from the outset

The five phases of positive resistance to change are:

1. Uninformed optimism
2. Informed pessimism
3. Hopeful realism
4. Informed optimism
5. Completion

Marriage is a classic example of major perceived positive change that people think will be great in the beginning but then have trouble adjusting to. When people get first married, they have not spent much married time together. They are in state of uninformed optimism. It is a naïve enthusiasm based on insufficient data. Getting married fits into the same change dynamic as long awaited merger/acquisition, introducing “breakthrough” technology to an organization, or thinking of a consultant who management thinks will have cure to for all its problems. Major change decisions are always based on information that will later prove to be inadequate. As these changes unfold , we learn that a great deal of what we were promised does not come to pass, and much for which we were not prepared begins to take place.

Over time , a couple discovers some of the real prices for their change decision. He learns how often she wants to eat out; she learns how often he wants to play golf. They begin to realize that while their overall decision may have been a good one, there are significant costs accompanying their decision that they did not expect

Informed pessimism: There is no way to avoid this second phase (informed pessimism) of the process; it comes from the inevitable learning that takes place once we engage a positive change. ‘Informed pessimism’ always follows uninformed optimism. It is impossible for it not to happen.

Informed –pessimism stage is a source of concern because every person has a certain tolerance for pessimism. If a person’s pessimism exceeds that tolerance level, however “checking out” occurs. Informed pessimism is a doubting of the change decision: checking out is a withdrawal from the change decision.

Checking out manifests itself either publicly or privately. You can check out publicly by displaying overt checking- out behavior. In the marriage situation, coming home to one’s spouse and delivering a blunt statement such as “I filed divorce yesterday” is an example of public checking out. Or you can checkout privately by going underground with your detachment. Many couples go through go through mechanics of their marriage, but the genuine exchange of respect , admiration, and passion is gone. A person who privately checks out undergoes the same tensions as the person who checks out publicly

Both types of checking out jeopardize the success of a project, but the public form is clearly less destructive than the private. At least with public checking out there is acknowledgement of the problems. With private checking out emotions are dangerously hidden. Although informed pessimism is inevitable, checking out is not.

Some people are ready for a divorce within two weeks of getting married, others can beat each other up for thirty years and never seriously consider separating. Whether or not a person checks out depends on each individual's tolerance for pessimism.

Hopeful –realism stage: They still have a great number issues to handle. You begin to feel as if “may be we can pull this thing off”. As more and more concerns are resolved, you become increasingly confident and move into the “informed-optimism” stage. This stage reflects a strong confidence that has been earned through trial by fire. Marriage , like any other major change , does not have just one of these cycles.A couple goes through the positive response-to-change cycle when they are getting used to being married and again when they embark on another seemingly good idea, such as having their first baby.

The saying “You always get what you pay for” applies to positive and as well as negative change. Those wonderful , positive things that happen in your life are invariably expensive. You either pay for getting what you want , or you pay for not getting what you want. But you will pay. One of the key lessons from this positive response to change model is that most of us long for these mythical home runs only to discover that they are more costly than we anticipated. Home run happens when you expect to receive a tremendous benefit from an action that is inexpensive and poses little risk

Success Through Sober Selling : To manage change well you must use sober selling as your approach. In the early stages of a project when enthusiasm is high, you must intentionally tell targets what the true cost of change will be. You can something like “This is a wonderful change, or I would not suggest it to you”. But nothing in life that is that is good is cheap. To realize the overall benefit, there are going to be some cost involved. Let us prepare for them. The sober selling approach not only increases the likely hood that people through the informed –pessimism stage, it establishes early on whether or not they have resolve and/or the resources to move through the entire process. But there is a risk associated with this approach. If you honestly explain to people the real price of change, they may not attempt it. Most people are interested in major change (even for better) if it is cheap. It is essential to divulge up real price for change. The risk you run with this level of honesty is that , if presented with full cost of change , some people will not pursue certain in initiatives. But these people would have not sustained their efforts anyway; they would have checked out as soon as the true cost for implementation surfaced and their own tolerance for pessimism was exceeded.

Example: A divorce simply means that someone decided that the cost of being married was higher than the cost of not being married. If someone makes a decision while he or she is dating, it is called good judgment. If it is made after they are married, it is called divorce. It is the same decision; it is just a matter of timing.

If you help people realize early price of change, you can accomplish one of two things: First you help them decide whether or not they actually want to pursue the change. Second, if they do want to pursue it, you have helped them build the resolve necessary for getting through inevitable pessimism. You have helped them to anticipate to some degree what it is that they are going to experience.

By expecting surprises during change, winners are able to minimize the number of assimilation points needed to deal with disruption. Thorough understanding the movement from uninformed optimism to informed pessimism, resilient managers are better prepared to soberly evaluate and prepare for its cost

Five key principles in the “resistance to change” pattern

When involved in major organizational change, you can enhance resilience if you:

1. Understand the basic mechanisms of human resistance to human change
2. View resistance as natural and inevitable reaction to the disruption of expectations
3. Interpret resistance as a deficiency of either of ability or willingness
4. Encourage and participate in overt expressions of resistance
5. Understand that resistance to positive change is just as common as resistance to negatively perceived change and that both reactions follow their own respective sequences, which can be anticipated and managed

## Chapter 9- Committing to Change

Successful change is rooted in commitment. Unless key participants in a transition are committed to both attaining the goals of change and paying the price those goals entail, the projects will ultimately fail.

Your commitment to a specific outcome is evident when you

- Invest resources (time, energy and money etc) to ensure the desired outcome
- Consistently pursue the goal, even when under stress and with passage of time
- Reject ideas or actions that promise short term benefits but are inconsistent with the overall strategy for ultimate goal achievement

- Stand fast in face of adversity, remaining determined and focused in the quest for the desired goal
- Apply creativity, ingenuity (inventiveness/ cleverness), and resourcefulness to resolving problems or issues that would otherwise block the achievement of the goal

Three stages of change commitment: are preparation, acceptance and commitment, they represent critical juncture in commitment process.

Preparation phase: has two parts contact and awareness.

Contact efforts in form of meetings, speeches or memos-do always produce awareness. There are two possible outcomes of the contact stage: unawareness and awareness. Unawareness reduces chances of adequate preparation while awareness advances the preparation process

Awareness does not necessarily mean that someone has complete understanding of change's full impact, sometimes confused as to specific effect the change may have on them. They may be unclear about the scope, nature, depth, or even the basic rationale for the change. In many cases targets know that change is coming but at the same time confused as to the specific effect the change may have on them. Thus two possible outcomes of awareness stage are confusion and understanding. Confusion reduces the likelihood of adequate preparations, whereas understanding advances the process to the second phase –acceptance

Acceptance phase:

Understanding the nature of intent of the change is the first portion of acceptance. People who are now aware and comprehend the change is now able to judge. The possible outcomes for understanding stage are negative and positive perception. A positive perception of change signals progress into acceptance phase. Negative perceptions indicate resistance to the change, and is first opportunity in the commitment process for true target resistance, and targets will engage in resistance actions (either covertly or overtly).

Positive perception, you must decide whether or not you are going to support it. As a sponsor you might view a prospective change as useful and still prefer not to implement it, thinking that the potential return is too low, compared with high cost of implementation. Targets and agents decide how much of their potential support they will lend to a particular change. The two possible outcomes of the positive perception stage are either a decision not to support implementation or a formal decision to initiate the change.

Commitment phase: includes installation, adoption, institutionalization and internalization.

Installation – the project is now operational, and a second milestone has been reached-the commitment threshold. Given that this is trial period for the change , problems are inevitable and some degree of pessimism is unavoidable. But a work environment that encourages open discussion of such concerns tend , a more realistic level of conviction to solve problems and build commitment to action. As the difficulties are resolved, a more realistic level of conviction toward the change develops. There are two possible outcomes for the installation stage: either the change is aborted after initial implementation, or it is adopted for longer term testing.

Adoption- whereas installation is preliminary test focusing on start up issues, adoption examines the extended implication of change. It focuses in-depth long term concerns. A considerable degree of compliment is necessary for organizations to reach adoption stage. Typical reasons why change projects are aborted after extensive testing are

- Logistic, economic, or political problems, surface after testing period
- The need that sparked the initial commitment no longer exists.
- The overall strategic goals of the organization have shifted
- People in key sponsorship or agent positions have left the organization

There are two possible outcomes for the adoption stage. The change can be terminated after extensive use. Or the change can be institutionalized

Institutionalization: once institutionalization occurs, the organizational structure alters to accommodate the change. What was once a project requiring substantial reinforcement from sponsor becomes an integral facet of operational system. While institutionalization is a positive step for many change projects, it can often contribute to problems. The success of change does not always depend on target's personal belief. Some projects only require the new task be physically accomplished, with or without emotional support. Institutionalization is powerful, but it only alters target behavior; it does not win their hearts. The outcome reflects bodies, not souls.

Internalization: For a change to achieve maximum support, employees must be driven by an internal motivation that own beliefs and desires as well as those of the organization. When targets internalize a change, they “own” the change. They contribute deep seated advocacy and take personal responsibility for project's success. Enthusiasm, high energy involvement, and persistence are the stuff of internal commitment. This behavior tends to be infectious. Usually, targets who have internalized a change are so devoted to a project that they engage others in the effort. This enthusiasm makes them hardly distinguishable from sponsors in terms of their emotional investment in the change.

Guidelines for building Commitment:

1. People respond to change at different intellectual and emotional rates. Our heads and our hearts move at different rates
2. Commitment is expensive; do not order it if you cannot pay for it.
3. Do not assume commitment will be generated without a plan of action
4. Keep in mind that building commitment is a developmental process
5. Either build commitment or prepare for the consequence
6. Slow down to increase the speed

The four key principles in the “commitment to change”

When involved in major organizational change, you can enhance resilience if you:

1. Realize the sequence of steps involved in committing to something new
2. Are provided with the time and appropriate involvement to become emotionally as well as intellectually committed to a change
3. Are sponsored by people who invest the time, resources, , and effort to assure specific plans are developed that will increase the likelihood people will commit to change
4. Understand that commitment to major change is always expensive , and that you either pay for achieving or pay for not having it

## Chapter 10: Culture and Change (sixth basic pattern)

Culture is the frame of reference that helps distinguish one group of people from another. Culture establishes a unique set of formal and informal ground rules for how we think , how we behave, and what we assume to be true. While individual members of a culture are distinct in many ways, their collective viewpoint serves as a common bond.

Cultural Winners say things like, “culture is an essential element of our equation for running the business” Winners operate on the basis that cluster of people and even whole society have their own ways of understanding the world in which they live. Designing a culture sensitive to that world view while assimilating the changes a company faces is one of the techniques winners use to manage changes at a competitive speed.

A major function of any culture is self preservation. When the culture is a social one , its perpetuation protects the language , ideas , customs, and manners of dress and behavior unique to that society. Likewise, corporations strive to preserve their cultural boundaries.

Culture as a Corporate Identity:

A company's culture is actually an aggregate of sub-cultures that have developed in response to unique challenges faced by different groups within the organization. This is why corporate culture is inherently so multifaceted and complex.

The following characteristics are crucial for understanding the relationship between culture and change

1. Culture is composed of three components. The prevailing *beliefs, behaviors and assumptions* of an organization serve as a guide to what are considered appropriate actions to engage in for individuals and groups.
2. Culture is shared. It provides cohesiveness among people throughout an organization
3. Culture is developed overtime. An organization's existing culture is the product of beliefs, behaviors, and assumptions that in past have contributed to success

Organization culture reflects the interrelationship of shared beliefs, behaviors and assumptions that are acquired over time by members of an organization.

Beliefs are set of integrated values and expectations that provide framework for shaping what people hold to be true or false, relevant or irrelevant, good or bad about their environment

Behaviors are observable actions that constitute the way people actually operate on a daily basis e.g. where people park, who they do or do not talk to, what they wear to the office, how decisions are made, and how conflicts are managed are kind of behaviors associated with an organization's culture

Assumptions are unconscious rationale we use for continuing to apply certain beliefs and behaviors

An organization's collective beliefs, behaviors and assumptions affect daily business operations on two levels: the overt level, representing observable, intentional, and direct influences on operations (e.g. goals, policy –and- procedure manuals, and corporate philosophy statements), and the covert level, characterized by obscure, unintentional, and indirect influences on operations (e.g. informal ground rules, unofficial guidelines, or 'the things are around here')

Culture is true part of organizational life that can be conveyed by a number of practices, including

- Oral and written communications
- Organizational structure
- The way power and status is defined

- What is measured and controlled
- Formal policies and procedures
- Reward systems
- Stories, legends , myths, rituals, and symbols
- The design and use of physical facilities

If a company requires a new set of skills from its employees that is dramatically different from those rewarded in the past, some cultural shift may be in order. During periods of major change, cultural boundaries are seriously strained.

Cultivating a culture:

Few cultures develop from a carefully constructed plan. Most unfold over the years without conscious design, a result of the many policies and decisions that have accumulated over the time. Resilient organizations that intentionally create a culture that best serves their needs. There are two ways of culture development, and their comparisons are following

Evolutionary	Architectural
Reactive	Proactive
Reinforces beliefs and behaviors developed in past	Reinforces beliefs and behaviors needed to support present and future strategy
Allows for multiple , inconsistent beliefs and behaviors	Establishes multiple , but consistent , beliefs and behaviors throughout the organization
Subcultures form that represent potentially contradictory beliefs, behaviors, and assumptions, resulting in destructive conflict	Subcultures form that represent different beliefs, behaviors and assumptions, but they operate synergistically to support one another
Unconscious assumptions are the strongest influence on the success or failure of change	Conscious beliefs and behaviors become the most important determinants of success or failure
Culture is difficult to manage because it is composed primarily of assumptions , which are difficult to change	Culture is more manageable because it is composed primarily of beliefs and behaviors, which are overt and more easily measured and changed

Evolutionary Cultural development is unplanned, emerging in reaction to sporadic short term needs rather than according to a long term view. Evolutionary cultures rarely drive new strategic initiatives successfully. Rigid cultures are inconsistent with the need to respond quickly in fast moving market.

Architectural cultural development process consists of intentional planning that consciously orchestrates (arrange elements to achieve desired result) the culture, increasingly the likelihood that it supports the necessary changes.

The primary steps involved in this process are

- Senior management defines the specific characteristic of the designed culture
- Management then conducts a 'culture audit' to determine the gaps between the existing culture and the desired ones
- Management identifies detailed action plans to close the gaps
- Management engages in a structured implementation of those plans

### The Necessity of Managing Culture

If an organization's cultural environment is not managed well, people will feel that changes are coming at a greater volume, momentum and complexity than they can adequately assimilate. A key element to enhancing resilience and minimizing the chance of dysfunctional behavior is to actively manage your organization's culture. You cannot change a culture without strong resolve from top management and a wide –angle view of situation. Developing a plan to implement a new definition of customer relations, for example must include clear statement of vision (why the organization exists), mission (what is going to be accomplished), and strategy (how it is going to work towards its objectives)

### Culture and Change

If your organization's current culture and change you want to make in the company have little in common, your chances of successfully achieving that change are slim. The odds of implementing your change grow as similarity grows between existing culture and the beliefs, behaviors and assumptions required by the new initiative.

*Whenever a discrepancy exists between the current culture and the objectives of your change , the culture always wins.* The effective management of your corporate culture is an essential contributor to the implementation success. It cannot be left to chance

Because it is durable and resistant to major change, corporate culture requires the investment of a great deal of time and resources before it can be modified.

You will encounter minimum resistance when a change initiative is consistent with your current organizational culture. When facing an organizational change that may hinder a desired change , your options are to

- Modify the change to be more in line with the existing beliefs , behaviors and assumptions of your culture
- Modify the beliefs , behaviors and assumptions of the current culture to be more supportive of the change; or
- Prepare for the change to fail

Resilient organizations view their cultures as key resources crucial to the success of major change. They realize culture is an aspect of business operations that can be guided and orchestrated (arrange elements to achieve desired result) in the same way other strategic assets are managed

The three key principles in the “culture and change”

When involved in major organizational change, you can enhance resilience if you:

- Understand the powerful effect culture has on the outcome of any major change effort
- Know that major changes introduced into an organization must be supported by the organization’s overall culture and its local sub culture
- Recognize that when counter cultural changes are introduced , you must alter the existing culture to support the initiative

#### Part IV- One plus One is greater than Two

*How do resilient people gain energy during change rather than feel depleted by it, and why are synergistic relationships the soul of a successful change*

Synergy exerts powerful influence on the other six patterns, and its importance to final outcome of any major change effort makes it necessary to discuss separately. Synergistic relationships between sponsors, agents , targets and advocates serve as ‘the ties that bind’ during the challenge of change. The synergistic process is the cornerstone of managing change successfully , laying foundation for all other principles of resilience.

Whether the setting is a marriage , a management team, or an entire nation, when two or more people combine their resources to accomplish a change related task, the nature of their relationship is key to their efforts success or failure

#### Chapter 11- Prerequisites to Synergy

Relationships between sponsors, agents , targets and advocates can be viewed as self-destructive , static or synergistic

Self –destructive relationships: when two parties interact , they consume more resources than they produce and result of their joint effort is net loss , and one plus one is less than two. Each party drags down the productivity of the other. They consume so much energy in conflict with one another that the combination is worse than each party had worked alone.

Static relationships: involve an even mix of unproductive, back-stabbing behavior and productive, team oriented behavior. This is an instance of one plus one equal to two. Since ever –increasing change is a fact of life , a static relationship has little chance of long term survival and no chance of prosperity

Synergistic Business relationship:

Synergy is soul of a successful change project. In a synergistic relationship , individuals or groups work together to produce a total effect that is greater than the sum of their separate efforts. In these cases one plus one is greater than two.

Similarly in a healthy marriage the husband and wife create a mutual support system so that together they can engage in providing love and support for one another , fostering each other’s growth, parenting , generating income, weathering circumstances that might be too burdensome individually.

Since synergistic relationship need not fear transitions as a threat to their survival, they are free to seek change rather than cower (shrink back in fear) from it. Synergistic organizations are confident that they can implement change in a manner that maximizes their odds of success. This confidence leads them to pursue necessary change much earlier than those intimidated by its possibility.

A strong correlation exists between successful change implementation and synergistic team work among sponsors, agents, targets and advocates. Orchestrating (arranging elements to achieve desired result) major change to best take advantage of individual skills and resources provides a significant competitive edge.

The seeds of Synergy:

There are two prerequisites for development of synergy within a relationship: willingness and ability.

Willingness: Although synergistic relationships are powerful and productive, they are neither easy to develop nor inexpensive to maintain. Powerful, effective teamwork comes only with the willingness to invest hard work and perseverance. Healthy, productive conflict among people with different perspectives leads to creative synergy. Some problems and opportunities are so complex that without creative synergistic approaches they cannot be adequately addressed.

But synergy requires team work, and many people tend to hold fast their independence. People who like to fly solo can perform well in circumstances not requiring team work. Common goals and interdependence form the foundation of synergistic willingness. When people have diverse viewpoints acknowledge that they have the same intent and willing to be interdependent, they display what we refer as “foxhole mentalities”.

Leaders today face the challenge of building genuine teamwork between sponsors and targets, employees and managers. The critical element with which they must deal is the price for failing to operate synergistically. A foxhole forms when cost of operating as a team is less expensive than functioning separately. People in lower echelons feel the hazards of daily operations and changes more quickly than those in higher positions. True team work in an organization is often a function of economic, logistic, or political foxholes that convince people that they not only have the same goal but they need each other to accomplish it. Most executives who really share power are the ones who realize that they will not get what they want if they refuse to cooperate. It comes down to the simple choice; do you want to feed your insecurities, or do you want to succeed in a world that has grown too complex for leaders to deal with alone?

When workers feel that they are foxhole situation with the boss at their side and that success depends on working together, then synergy can occur. They should feel “The company needs me, and I need the company; we must work together to survive in today’s volatile business environment.

Regardless of the difficulties being faced by the management and employees in developing in these foxholes, sponsors, targets, agents and advocates must believe they are all striving for the same goals and are genuinely interdependent. This bond motivates people to pay the price for a synergistic relationship

Ability:

For synergy to thrive (prosper/ flourish), individuals involved must also demonstrate the skills to operate in an empowered manner, and the organization must demonstrate its readiness to appropriately involve employees in change related matters affecting their work. Empowerment and participative management are two key abilities people must possess to operate synergistically with one another

- A)** Empowerment- empowered employees are those who provide true value to the organization, influencing outcome of management’s decision and actions. The antithesis of empowerment is victimization. Victims resent feeling as ythey are being used and tend to feel depleted by change. For foxholes to form, employee must overcome their fear of victimization and engage management in an empowered fashion as key contributors to a team effort.

*Empowerment is different from delegation-* the term empowerment should be reserved for situations where employees are not granted permission to take action on their own, but instead are asked to provide input to management as decisions are being made.

*Empowerment is not the same as Courage-* empowerment represents both a person's willingness to provide input to decision makers and an environment where that input is valued.

*Empowerment is not synonymous with autonomy.* To be empowered is to believe that you can significantly influence your own destiny. An empowered person has the creativity to define a situation in such a way that the likelihood of success improves. There are three different ways to define and approach situations

1. Opportunities are potential benefits that require appropriate action to fully realize
2. Problems have solutions. They may be elusive, but they can be prevented or resolved if you pay the price
3. Dilemmas have no solution. They are an inherent part of the situation at hand and, therefore, they must be accepted as inevitable.

The capacity to face and make tough decisions is the second essential component of empowerment. Sometimes living an empowered life requires making tough decisions

The motivation to pay for success is a third key aspect of empowerment. Empowered people approach life as if it were an expensive pastime. They believe that people pay dearly for getting what they want, or they pay dearly for not doing so. Since both invoices are expensive, they choose the one that represents the least cost for the most gain

Work environment can be established that attracts empowered people and empowerment can be fostered. But it is not a quality that can be given to people simply because the organization has decided that it would be a good idea

- B) Participative management:** More managers have turned to participative management as a means of allowing people throughout their organization to come to terms with the accelerated rate of change and resulting new work environments. An organization's greatest resource for vital information, creative solutions, and timely support is its human resource- its employees.

Participative management is both a philosophy and a method for managing human resources in an environment in which employees are respected and their contributions valued and utilized. Inviting employee participation does not mean that management has relinquished its responsibility of final decisions. Management is instead exercising its responsibility by choosing to involve employees in reaching these decisions. Participative management maintains a

balance of power. If you want employee input, you must deal as if they had a true power base. Their power is in the value of their perspective and knowledge. If employees and management are in a true foxhole together, both seek the same thing and believe they need each other to accomplish the task. People are much more likely to support and take responsibility for projects they help create. Effectively using the participative approach will help produce necessary commitment for successful change projects

To summarize, the prerequisites for synergistic team work include willingness to bring together diverse view points to form a foxhole (accomplished by acknowledging common goals and interdependence) and ability to demonstrate the appropriate skills for synergy to thrive (empowered people appropriately in participative methods to help manage the change process). Once a foxhole mentality generates the motivation to value diversity, and the empowerment and participative –management skills are in place, the process of synergy can unfold.

## Chapter 12: The Synergistic Process

An organization's speed of change depends largely on how efficiently and effectively it advances through four stages of synergy: interacting, appreciative understanding, integrating and implementing

### Interaction:

Without interaction between team members, synergy can not exist. If iron, carbon and nickel are never brought together, the subsequent steps in the steel manufacturing process are impossible. The same is true for people. For sponsors, agents, and targets to work together synergistically, they must communicate effectively.

To avoid trapped in a self-destructive cycle of misunderstanding, implementation team members must effectively communicate with each other. Three methods of integration are

1. Communicate effectively: common errors in interpersonal communication that diminish a team's capacity for synergy include use of vague, obscure language; failing to perceive other's wants and needs; relying on unchecked assumptions, trusting predetermined ideas and stereotypes; and conveying verbal messages that are inconsistent with non verbal behavior
2. Listen actively: Realizing the importance of fully hearing and processing information, synergistic teams use "active listening" skills. When you work with someone who employs active listening, you are generally more willing to participate and offer new thoughts, be more collaborative in dealing with others, be more loyal to the work group, and be more productive.

### 3. Generate trust and credibility:

Trust among team members is absolutely essential. It is trust based on mutual need, requisite skills, and a track record, not on hope or goodwill. Synergistic trust is stronger and fundamental. Synergy requires more than adequate communication. It demands true appreciative understanding – the capacity to value and use diversity. To achieve appreciative understanding, you must understand why others see something different from you. You do not necessarily have to agree with them. For implementation teams to be synergistic, there must be a balance between both rational and critical thinking process and the creative, merging process.

There are four elements to achieve this balanced, appreciative understanding

1. Create an open climate: team members are going to disagree about certain aspects of the change. These inevitable differences can be handled properly if there is commitment among team members to bring such issues to the surface and them in timely and direct manner. This requires the strong conviction that conflict is not inherently negative, but rather a normal and even positive occurrence. By preventing the win-lose conflict climate and encouraging a win-win atmosphere, team members learn to be positive about conflict and realize that openly stating their differences help to solve problems and take advantage of opportunities.
2. Delay negative judgments: most innovative ideas or perspectives about a change are as vulnerable as new born babies; they cannot survive unless someone takes responsibility for their protection and development. Attacking a new idea makes no more sense than saying of an infant “Look at this child- he cannot walk, he cannot control his bodily functions. This kid is useless!  
Since the core of synergy is diversity, you cannot afford to cultivate an environment in which only a few ideas survive the incubation stage.
3. Empathize with others: Demonstrating empathy for another person’s thoughts, feelings, and values, especially when that person expresses a view point different from yours, is a powerful means for facilitating synergy within a work team. Empathy provides a vantage (place giving good view) point from which each person can see the other’s position. The disagreement are passionate at times but never destructive – because hurting someone in your foxhole means that you hurt yourself.
4. Value diversity: Valuing the diversity that exists in working relationships encourages team members to develop a strong sense of acceptance. A strong outcome of synergy is that while working on a task, people generate and sustain resources rather than block or waste them. This effective use of resources does not appear

magically. It results from combined efforts of people working together cohesively and feeling understood, valued, influential, and trusted. The responsibility for defending an idea rests with the receiver, not the originator. Everyone is committed to identifying the positive aspects of a divergent perspective before finding fault. Such behavior generates a powerful, nurturing incubator for new ideas.

### Integration:

You can disagree strongly with someone and yet still foster empowerment. If you are a manager and acknowledge that you are in a foxhole situation with someone who works for you, that person knows that you cannot afford to write her off simply because you disagree. There are four approaches winners use to successfully complete the integration process

1. Tolerate ambiguity and be persistent: resolution of opportunities, problems, or dilemmas that result from change is not always quick, clean-cut process.
2. Be pliable (bending easily): A problem endemic to integrating diversity is the tendency we have to coverage our ideas with those of other team members only as long as they are willing to be flexible. Synergy can only occur when all members of an implementation team are willing to, and actually do, and actually do, modify their views so they can be integrated with others.
3. Be creative: As team members attempt to integrate their diverse into mutually supported action plans, creative thinking becomes a necessity. The successful melding of dissimilar viewpoints requires lateral, analogical thinking. Sponsors and agents – especially those in the highest positions within an organization-tend to believe that they arrived that they arrived where they are because the hole is already in the right place (vertical thinking is digging straight down, deeper into the same hole; lateral thinking is trying again elsewhere, But if hole is at wrong place, then no amount of improvement is going to put is at right place)
4. Be Selective: This is the cautionary element in the synergy process-The need for a balancing factor between tolerating ambiguity and being persistent. Deciding too early that a merger of ideas cannot or should not be pursued is dysfunctional- the breakthrough to integration often lies immediately beyond the team's last attempt. But when integration is hopeless, struggling to continue is a waste of resources

### Implementation

This final phase of synergistic process harnesses the momentum generated thus so far. The vital elements here are sound management practices-familiar territory for most people. What gets managed, however, is the human capacity to work as a team.To successfully implement it, there are four approaches you must adopt:

1. **Strategize:** People working in synergistic relationships realize the value of planning action steps that are specific, measurable, and goal oriented. Without such direction , you could not manage resources, determine priorities , or ensure that individual activities are compatible. Without a baseline to judge development, how can effect of the change be verified? Production or delivery of services need to be measured before and after change implementation to monitor progress.
2. **Monitor and reinforce:** Without disciplined follow-through , many otherwise sound plans fail. We humans constantly modify our perceptions through our senses, perspectives, attitudes, and feelings regarding any event. This is especially true during change. New environmental factors will continually influence the individual team member's efforts toward goal achievement. When progress or problems are identified , synergistic team members apply the correct consequences to ensure the implementation will succeed. To sustain your change , you must apply positive reinforcement for appropriate behavior and progress, as well negative consequences for inappropriate behavior or lack of sufficient progress.
3. **Remain team focused:** Honoring the original acknowledgement of common goals and interdependence means you must sacrifice the potential of some team members so that total team may remain a unified , integrated unit. Your organization will not be best served if you slam (put down loudly) into obstacles at your own speed.You will score more touchdowns by moving through openings that your teammates help clear for you.
4. **Update:** Unstable environments produce constantly changing variables. Reacting to these shifts in a manner that assist goal achievement requires continuous updating of action plans. Implementation teams often make the mistake of falling in love their own plan.They transfer their ego s to the project and p[erceive normal resistance to it as a personal attack

#### Development Synergy:

There are five basic skills that help you foster synergy. You must

1. **Establish prerequisites.** Build motivation (common goals and interdependence)and abilities (empowerment and participative management) that are foundation for synergy
2. **Support permeability:** Help people express and be open to learning new ideas, perspectives , meanings values, feelings, behaviors, and attitudes they would not otherwise accept or change

3. Encourage paradoxical thinking: help people live through the frustration and confusion that occurs when they attempt to merge apparently contradictory ideas, viewpoints feelings , or attitudes.
4. Facilitate creativity: Teach people to value integration of opposing views, causing a shift from “either/or” opposing relationship to “both/ and “ supportive relationships
5. Structure discipline: Use the new , mutually supported concepts to pursue specific objectives , assign task responsibility to “both/ and” supportive relationship

The three key principles in the “synergy and change” pattern

When involved in major organizational change, you can enhance resilience if you:

1. Recognize how important synergy is to the success of change
2. Are willing (common goals and interdependence) and able (empowerment and participation) to join others in efforts that produce  $1+1 > 2$  equation.
3. Can listen t , value , integrate with, and apply perspectives different from your own.

#### Part V: The Nature of Resilience (i.e. readily recovering from a setback)

*What are the characteristics that separate resilient people from those who suffer from future shock, and how can resilience be fostered in people and organizations?*

If you learn and use the dynamics of change to foster personal, organizational , and social resilience, you will survive and prosper during times of great change.

#### Chapter 13: Unseen Mechanisms

By unveiling the hidden influences on our behavior during transitions we can become architects, instead of victims, of change.

When unconsciously incompetent people confront major change, they are usually unable to make the necessary adjustments without displaying dysfunctional behavior. Either they never achieve their change objectives or do so only after expanding a great deal more time and money than originally planned. The majority of senior managers who face inevitable resistance of major change are unconsciously incompetent. They do not know how to guide their people through the change process, and they do not recognize this deficiency or its effect on their organization’s ability to function in perilous times.

Unconsciously competent are resilient people who tend to do right things to successfully implement change but do not know what these things are or they do them. They sometimes

achieve change objectives on time and within budget, but they cannot articulate the process they use, and are seldom able to report exactly how they have become so effective at implementing change. They were following specific (though unconscious) guidelines that they have intuitively developed as a result of trial and error. These people were never novices (beginner) at change. The unconscious competent are often extremely successful in their execution of change, they also have capacity to fail miserably. These people can work wonders in some change situations only to fall flat on their faces in others. Without awareness of behavior that leads to success, it is virtually impossible to produce that success consistently. The second and greater difficulty is that since they cannot relate to their skills as a conscious discipline, they have great difficulty transferring their talents to others. These people are often thought as gurus inside their companies because they are the only ones who know the “magic” . Being a solo change guru in your company may do wonders for your ego, but it generates a dangerous situation for any organization facing long term major change.

Case study: Shortly after operation desert storm, Red Adair, the world’s most famous oil-well firefighting specialist, and his company were among the few with technical skills and experience to begin putting out all the fires in Kuwaiti oil fields. The task was massive, considering few trained personnel available and the number & complexity of the fires, Adair announced the job would take at least five years to complete. That was economically and environmentally not acceptable to Kuwaiti Government. So Adair and his men began to train other teams from various countries. By the time they put out the last fire, they had trained ten fire fighting teams from twenty eight countries. Their combined effort finished the job in less than a year.

With today’s complex markets and sophisticated change projects, you need cadres of skilled sponsors, agents, targets, and advocates within your organization who can respond to ever growing challenges that lie ahead. We need executives and supervisors who are resilient and who know how to manage change in a consciously competent manner. They must successfully implement change for themselves and others, consistently apply the mechanisms they use , and be able to relate to these methods as a structured discipline so others can learn and apply the same skills.

**Learning the rhythm of change:** Without the benefit of forecasting information and knowledge how weather patterns formed, the early farmers were constantly surprised .The modern managers face a similar situation. Attempting to implement a major transition without understanding the human dynamics of change is like early farmer waiting to see if coming weeks would bring draught, rain, or a hurricane. When people are constantly surprised by unforeseeable, inexplicable events, they find it difficult to plan and manage their resources. By applying knowledge of the typical behavior patterns humans display during change , today’s executives can better predict the outcome of their efforts. When people learn the rhythm of

change, they can better mobilize their resources to increase their assimilation capacity and raise their future shock threshold. It can be done! You can learn discipline yourself to use the forces of change to your advantage. With increased resilience, you will be better prepared to respond with skill and confidence when transition occurs. Remember, learning to understand human behavior does not mean you are immune to its consequences. Life and its inevitable changes will still surprise you. The advantage of greater resilience is that you will not be so surprised that you are surprised and, therefore, you will be in a better position to recover more quickly and effectively.

## Teaching Resilience:

### Case study:

1. The role model Magic Johnson has provided us by taking this empowered approach to adversity, to millions of people around the world. He is a role model for what could be possible for someone fortunate enough to be blessed with his inner strength. To gain full value from observing what he is doing with his life as he faces the implications of being HIV positive, we must recognize basic structure of resilience. We must demystify his resilience magic, isolate and study his moves if we are to be better equipped to replicate him

2. The Lamaze method of natural childbirth provides a good example of the value of the unseen structures that govern our response to change. The couple learned about the different stages of labor so that could understand what was happening. The class enabled them to be more knowledgeable about when and why things happen during labor and how to use methods such as breathing techniques to help manage process. Often worst part of a painful experience is the fear of the unknown. The Lamaze technique did not reduce physical pain during childbirth, but they did help prepare both what was to come and enable them to be more resilient throughout the birth process.

By being better equipped to manage the transition process, leaders can increase their capacity and that of others to absorb change. With proper education and practice, major changes can be accomplished while drawing minimum of points from our assimilation accounts.

When people are preparing for change, the key issues are "What will happen?" "When?" and "how will it affect me?" Answering these questions decreases ambiguity, reduces anxiety, and restores a measure of control- although the pain of transition will still exist. You can consciously accelerate your speed of absorbing change and that of others by learning to use elements within the structure of change to your advantage. If you want to lead successful change, you must anticipate such things as

- How and when people will react to change

- How they will express their resistance
- How much commitment is needed to succeed
- How this level of commitment can be attained, and
- How the family, organization , or social culture will influence the final outcome

The world needs more resilient people who are able to teach others how to accommodate change and travel successfully their lives through their lives at an increasing rate assimilation.

## **Chapter 14: Responding to the crisis of change**

The ancient Greeks realized that to acquire resilience, you had to possess “practical intelligence”, which in turn comes from valuing adaptability and believing that preparation and choice allow us to influence our future.

**Increasing available assimilation points:** continuous quality control never stops, resilient people cannot be satisfied with a static assimilation capacity; they feel that next year will produce even more change demands with the assimilation ante going up yet again, thus increase threshold at which they face the symptoms of future shock.

**Decreasing assimilation points used:** resilient people also minimize the number of assimilation points that they use to execute change. For example , if you anticipate resistance to a specific change and plan how to preempt or prepare for it, you and your people affected will consume fewer assimilation points. While a certain number of assimilation points are required to absorb the implication of any major change, an equal or greater number of points are often consumed due to such things as ignorance of how people change , poor planning, inept communications, and mismanaged resistance.

The combination of increasing the number of available assimilation points while reducing the number used on any one change project thwarts (frustrate or foil) future shock.

**Crisis or Opportunity?** Resilience is a combination of traits that is manifested to various extents in different people. Change produces a crises when it significantly disrupts our expectations about important issues or events.

### **Danger-Oriented People or type-D**

During periods of unrest , danger oriented people typically feel insecure about themselves and their ability to manage uncertainty. Some of the more common defense mechanisms they use are

- Denial: “I do not see anything that would suggest an alteration in our planned course”
- Distortion: “well, the information does not look that bad to me”

- Delusion: “All this high-tech talk is nothing but hot air. We do not have to worry; no computer can do our job

When faced with change , type-D people generally respond in a reactive , rather than a proactive , fashion. They tend to avoid the forces of change in themselves and others as long as possible. When a major change can no longer be ignored, they have too little time to plan an appropriate response strategy. Since the need to change is invariably acknowledged late, they are left only their knee-jerk reactions to defend themselves or their families, organizations, industries, or countries. To avoid their fear of change and lack of knowledge about what to do , D types often react to significant disruption in their expectations by throwing up smoking screen. For example, sometimes they interpret unexpected change as the result of personal vendetta or conspiracies. Type- D people often blame and attack someone or something for the problems caused by change. Blaming and attacking only result in counter blaming and counter attacking by others. As a reality of change crashes in on them, they feel more and more overwhelmed and incapable in a world they perceive as unpredictable, confusing and contradictory. A type-D response to the crisis of change has less to do with a person’s age than with issues such as his perspective on change or available resources to assimilate the change .

Because the need to train people in change tactics and resilience strategies is not recognized as part of a required curriculum by most public schools, colleges , graduate schools, or management-training programs, many young people today demonstrate type-D characteristics.

Type-D orientation toward change is not found only in individuals. You will also see it in family relations, group dynamics, church politics , industry attitudes, management teams, organizational cultures, community relations and national biases. This type of mentality can dramatically inhibit your ability to manage transitions for yourselves and others at optimum speed of change.

### **Opportunity-Oriented People or type-O**

**Type –O people usually have a strong life vision that serves as a source of meaning and as beacon guiding them through the turmoil and adversity of change. When the unanticipated throws them off course, they are able to regain their bearings by realigning their sense of purpose.** This purpose may be expressed by the religious beliefs, their political convictions , a philosophy toward life , or a compelling task they are trying to accomplish during their lifetime. Whatever its manifestations, this vision functions as template that they can lay on top of ambiguities that arise as they strive to stay on their chartered course.

Type-O people, view life as a constantly shifting, increasing variables that produce an escalating number of combinations. Each day, type-O people assume that tomorrow will spawn a new set

of opportunities and choices that will produce even more demanding challenges. They view disruption and accompanying discomforts as a necessary (if unpleasant) part of adjustment process. **They invest in developing various mechanisms to manage these inevitable disruptions** rather than waste their resources avoiding them. Type- O people also protect their assimilation capacity by not engaging in change efforts that requires resources they do not possess. They know the limitations of their personal and organizational resources, and refuse to waste their time, money and energy pursuing change initiatives that cannot be successfully supported. They recognize when to ask for help and **nurturing relationships** which provide a safe haven where love and acceptance are available for to rejuvenate energy and regain perspective. These people are often independent and self sufficient, yet they know when to tap the special skills of those around them in order to achieve common change goals.

Type-O people accept and view change, even major, unanticipated change, as a natural part of human experience. It is seen as a change replete with problems to solve and opportunities to exploit, rather than something terrifying to avoid and are not surprised by life's inevitable changes. They expect to be confronted with confusing , mixed signals which must be deciphered and acted upon . they are better equipped to deal with these kinds of situations because they are prepared to see the paradox that so often lies below the surface of what appears to be a situation filled with contradiction. They see such things as opportunities hidden within dangers , the humor of serious situations, the order embedded in chaos , the patience necessary in urgent circumstances.

The main difference between the two groups is not feelings of discomfort generated by change – both have these emotions. It is their reactions to these feelings that differ. The type-o people recognize the discomfort as a signal to activate their coping mechanisms and adapt to shifting circumstances.

As solutions are generated, stability and productivity are regained. Of course , it is only a matter time until the disruption of change once again alters expectations and process begins again

### **The five basic characteristics of resilience (readily recovering from a setback)**

Opportunity-Oriented People or type-O are resilient people , have following five characteristics

1. Display a sense of security and self assurance that is based on their view of life as complex but filled with opportunity (positive)
2. Have a clear vision of what they want to achieve (Focused)
3. Demonstrate a special pliability (bending easily )when responding to uncertainty (Flexible)

4. Develop structured approaches to managing ambiguity (Organized)
5. Engage rather than defend against it (Proactive)

Resilient people are positive, focused, flexible, organized and proactive. These five characteristics are manifested by certain beliefs, behaviors, skills, and areas of knowledge . Listed below are attributes that are most noteworthy for each characteristic

### **Attributes**

- 1. Positive-** views life as challenging but opportunity filled
  - Interprets world as multifaceted and overlapping
  - Expects the future to be filled with constantly shifting variables
  - Views disruptions as the natural result of a changing world
  - Sees life filled with more paradoxes than contradictions
  - Sees major change as uncomfortable , but believes that hidden opportunities may usually exist
  - Believes there are usually important lessons to be learned from challenges
  - Sees life generally as rewarding
- 2. Focused-** clear vision of what is to be achieved
  - Maintains a strong vision that serves both as a source of purpose and a guidance system to reestablish perspectives following significant disruptions
- 3. Flexible-** pliable when responding to uncertainty
  - Believes a change is a manageable process
  - Feels empowered during change
  - Has a high tolerance for ambiguity
  - Needs only a short time to recover from adversity or disappointment
  - Recognizes one's own strengths and weaknesses and knows when to accept internal or external limits
  - Challenges and, when necessary, modifies one's own assumptions or frames of reference
  - Relies on nurturing relationships for support
  - Displays patience , understanding , and humor when dealing with change
- 4. Organized-** applies structures to help manage ambiguity
  - Identifies the underlying themes embedded in confusing situations
  - Consolidates what appear to be several unrelated change projects into a single effort with a central theme
  - Sets and , when necessary, renegotiates the priorities during change
  - Manages many simultaneous tasks and demands successfully

- Compartmentalizes stress in one area that it does carry over to other projects or parts of one's life
- Recognizes when to ask others for help
- Engage major action only after careful planning

**5. Proactive-** Engages change instead of evading it

- Determines when a change is inevitable , necessary, or advantageous
- Uses resources to creatively reframe a changing situation, improves approaches, and maneuver to gain an advantage
- Takes risk despite potentially negative consequences
- Draws important lessons from change related experiences that are then applied to similar situations
- Responses to disruption by investing energy in problem solving and team work
- Influences others and resolves conflicts

### **Implications**

Resilience is a relative term. When facing major disruption, your objective should not be to display all the attributes all the time, but be capable of many of them most of the time. The key to enhancing resilience is learning (or teaching other people) to display as many as these type – O actions as frequently as possible

It is important to that someone exhibiting a type –D preference is not bad and there is nothing wrong with resistance to change. Resistance is natural, healthy response to disrupted expectations.

Given the strong human need for control , in certain circumstances some type-D responses are just as legitimate and appropriate as type-O reactions. Infact , ther are many situations where change should be resisted passionately. Problems arise when type –D responses become predetermined, instinctively, and habitual.

### **Chapter 15: Enhancing Resilience (readily recovering from a setback)**

Some people operate with high capacity for resilience, some with little capacity for increased resilience, some with capacity for its development, and some with only a moderate capacity. Individual who have a moderate baseline can enhance its development but only by making a special effort to learn from those who demonstrate strong resilience.

**Uncovering the resilient pattern:** Change process can be viewed made up of eight patterns that have predictable effects on how people react to disruption. These patterns represent the

typical knowledge, behaviors, feelings, and attitudes humans display when they face circumstances that significantly different from what they had anticipated. Resilience has its own pattern of operation. This primary pattern is foundation for a person's resilience and consists of **five basic characteristics**: being positive, focused, flexible, organized and proactive. By uncovering the hidden dynamics of resilience within this pattern, it is possible to begin removing the cloak of mystery that surrounds change.

**Conserving Assets:** In any aspect of our lives, when previously hidden patterns are decoded, existing resources that the mystery consumes are freed for more productive use. For example, once a person unlocks the pattern that was the basis for her recurring sickness, she can avoid the food source to which she is allergic. The physical and emotional energy that she expended to deal with the symptoms and the lost productivity and revenues that resulted from missed work can all be redirected to more constructive endeavors. The same is true for becoming more resilient to change. Once you understand five characteristic of resilience and their respective attributes, the physical, intellectual, and emotional energy that you used to struggle against these forces can be better protected. For example, by failing to recognize how expensive it is when stress in one area of your work spills over into other areas, you can waste a great deal of energy that could otherwise been available for absorbing change. By compartmentalizing this stress, you can confront it and it does not consume as many of your assets (physical, intellectual and emotional energy). When you conserve instead of waste these assets, you strengthen your resilience capacity.

**Liberating Resources:** Learning the dynamics of the unseen patterns affecting our lives allows for the possibility for more than just protecting our current assets; the liberation of previously unknown resources can take place as well. Uncovering previously concealed aspects of your resilience pattern means that certain advantages that you did not know existed can become available to you. For example, one attribute of a resilient person is the ability to reframe a situation, turning seemingly negative circumstances into positive ones. When faced to resistance to a newly proposed reorganization plan, the resilient manager would avoid the tendency to respond in anger or not pay attention to the complaints. Instead she could use to either modify her plan or help them see the situation from a new perspective. Her approach would encouraging resisters to express their concerns, but not just a way for them to vent their frustrations. Her primary motive would be to genuinely understand and value what they said to gain a new advantage (additional input) toward her ultimate objective. This could only be accomplished by actively listening to their problems. The benefit of reframing resistance as positive information is a latent resource that was always there but not previously visible to her. The advantage is that she now has a greater capacity to absorb change. the capacity of high resilience is already within each of us; part of challenge is in learning and applying the techniques to release it.

### **Increasing your resilience:**

You can get a powerful advantage by learning the patterns that influence your life, respecting the mechanisms that govern their operation, using this knowledge to conserve existing assets, and releasing, additional resources that were previously unavailable. The manager learns to break from the patterns of fearing loss of status and distrusting others and relies instead on power of synergy with others to succeed during major change. Strengthening the five characteristics (positive, focused, flexible, organized and proactive) is an important first step to increase your resilience. You can increase your resilience even more, however by using principles of seven support patterns (Nature, process, Roles, Resistance, commitment, culture, Synergy). This is accomplished by recognizing and using “landscapes” of change.

### **Determining the landscapes of a specific change project**

To maximize resilience and drive change effectively, the relationships among various patterns and principles must be viewed in a way that they can be understood and managed. The principles of resilience that emanate from seven support patterns (Nature, process, Roles, Resistance, commitment, culture, Synergy) must be applied in concert with characteristics of the resilience pattern itself. Think of five characteristics from the primary pattern (positive, focused, flexible, organized and proactive), as reflecting the baseline capacity person or a group has for resilience to change. When dealing with a particular change, this baseline or foundation of resilience can be augmented by drawing on principles from other patterns. These principles link the primary resilience characteristics with support patterns. In doing so, the principles serve as a source of additional resilience strength that can be developed for a specific change effort. The total resilience available for people involved in a particular change is determined by combining the baseline level with any additional capacity generated from the application of linking principles.

Two key implications can be drawn from above

1. The baseline resilience for a person or a group may vary greatly from total resilience generated for a specific project
2. The application of select principles from the support patterns (Nature, process, Roles, Resistance, commitment, culture, Synergy) can significantly increase the resilience of the people involved in a specific project, as well as accelerate their overall baseline resilience for any future change

To reach the heights of change management effectiveness, you must understand the entire structure of change: the eight patterns, the resilience principles, and finally the element- the landscape of change.

**The structure of change** is a view of the human dynamics of organizational change that reflects the most influential mechanisms and their relationships to one another.

**The eight patterns** (Nature, process, Roles, Resistance, commitment, culture, Synergy and resilience) *in the organizational change process* represent the many variables involved when people change within organizational settings. These variables can be categorized into eight critical patterns. Each pattern represents a category of knowledge, behaviors, feelings and attitudes people typically display when facing organizational circumstances that are significantly different from they have anticipated. Resilience is the primary pattern and other seven are considered support to be support patterns.

A landscape view of a specific change effort consists of the support patterns that appear to be particularly important to project’s success; and the linking principles from these patterns that would be most useful in maximizing available resilience

When these forces merge and interact , they form a configuration unique to that situation at that time. To recognize and properly use the most important characteristics, patterns, and principles for a specific a change demands vigilance throughout the life of change.

**Using landscapes to enhance baseline resilience:**

Landscape elements

Key resilience characteristic	Positive: views life as challenging but opportunity filled
Isolated attribute	Expects future to be filled with constantly shifting variables
Critical support pattern	Resistance Pattern
Principles drawn from the resistance pattern	People facing major change are more resilient when they understand that resistance to positive change is just as common as resistance to negative change, and both reactions follow their own respective sequence of events, which can be anticipated and managed
Lesson taken from the principle	Uninformed optimism always precedes informed pessimism

**Managing the structure of change**

Managing the structure of change for a specific project is accomplished by

- Predetermined the level of baseline of resilience that exists among key people involved in the change
- Identifying which of the seven support patterns will provide the greatest leverage for the desired outcome

- Recognizing which of the principles from these support patterns can be most useful reinforcing baseline resilience
- Applying the correct resilience principles with the appropriate resilience characteristics to bolster the basic strength of an individual's group's resilience pattern

## Part VI : **Opportunities and Responsibilities**

*What are the responsibilities that come along with learning how to increase resilience to organizational change*

Whether the time horizon you envision is five years or five generations from now, change related crisis will be more frequent than today. History tells us that regardless of magnitude and intensity these challenges, some people will emerge as winners while others will lose ground. The people who survive and prosper during times of great change are individuals , groups , and societies who learn to take advantage of the mechanisms that foster micro, organizational and macro resilience. The opportunities for those who are resilient are abundant. But along with these opportunities come definite responsibilities

### **Chapter 16: The Ethical Ploy** ( ploy means cunning manoeuvre to gain advantage)

An ethical ploy is at work when one person grants another's request to do something but fulfills the obligation in such a way that the recipient not only gets what was promised (the ethical part) but also has an opportunity to gain a great deal more than what was requested. The ethical ploy reflect a belief that sometimes the best way to help people develop a new perspective is to use their existing frames of reference rather than fight against them. For example someone's request for help because you believe that he is asking for the wrong thing often leaves that person angry and alienated. These feelings typically reduce your chances of further influencing him. By granting his request for help , you can demonstrate an acceptance of his perspective . Feeling accepted usually lessens his need to defend his position and increases the likelihood that he will listen to new views. The ploy is to guide people toward the possibility of new journey by leading them down a familiar path.

Although ethical ploy may be new, this approach to influencing others is familiar to almost everyone. Most of us use this technique all the time but usually on an unconscious level. Ethical ploys are potent ways to influence people , and so it is important to remember that the task is to fulfill your agreed –to-obligation while exposing , not coercing , people to new interpretations of what they normally see. As long as you are able to meet other people's needs and respect the sovereignty of their view point , the likelihood that you can meet your own agenda of changing their minds increases. When using an ethical ploy to enroll other people into your viewpoint

- Be clear about what you want to accomplish
- Identify what the people you are trying to influence want to achieve
- Promise to provide some aspect of what they want
- Fulfill this obligation exactly as promised
- Expose them to new perspective

### **Organization Learning applied to life**

While we must address all three types of change –micro, organizational and macro – many of the best learning opportunities for developing resilience can be found in organizational arenas. Ethical ploy here is in teaching people how change can be managed at the office in a way that also exposes them to the personal and societal applications of the same principles. By helping managers learn and apply dynamics of change , it is possible to help them accomplish what they are seeking – and more. They can learn to implement reorganization plans , new technology, quality improvement plans, or key acquisitions in a manner that dramatically reduces unnecessary resistance and significantly increases commitment to implementation success.

### **The hidden benefits of synergy**

If we are to succeed in turbulent times , we must deal with each other in a manner that fosters a value for diversity. This is best done by working together synergistically. Synergy is also a mechanism that fosters creativity, empowerment, and participation, but that secondary to primary business reason it is applied in most situations. The face value of synergy for most managers is that it produces more output with fewer resources , thus increasing an organization's overall resilience during change. The 'ethics' associated with promoting this type of team work relate to overwhelming evidence that synergy truly helps people achieve more with fewer resources.

### **No Panaceas ( no universal remedy):**

How our lives will be affected if the various bureaucratic formations that serve, guide, control, direct, council , influence, educate , heal, protect, inform, and motivate us were capable of achieving their change objectives on time and within budget? What if organizations actually did become more resilient? The answer to these questions is that increased resilience represents both an opportunity and a danger. The best way to take advantage of the former is to be aware of the latter.

The opportunity of resilience can be summarized in one word- *hope*. Without the ability to increase our resilience, we would face a doom-and-gloom future of more change that would be increasingly difficult to absorb and would result in escalating dysfunction. Demystifying the change process generates a capability beyond avoiding future shock. By approaching in change

in a disciplined manner, we can become architects of our future. Increasing our resilience will enable us to release our creative energy to invent new possibilities, which would have previously been unthinkable.

Becoming more resilient represents a major change itself with its own consequences. Are we a society better off since we began using cars and planes as our primary means of transportation? Yes and no, but mostly yes. Modern forms of transportation have both given us much and cost us dearly (air pollution, for example)

### **Resilience responsibilities**

Starting at home you can begin by teaching your family how to manage how to manage change. But the insights you learn in your micro world can also help you on the organizational level, and the learning you gain managing organizational transition can help you be of greater service to your church, local community, or country. Successful change management is not merely an opportunity to dramatically improve organizational performance, it is a responsibility we all share for making our personal lives more effective, our countries more competitive, and the world a healthier place to live. Whether for ourselves, our families and friends , our companies , our church, or the whole planet , successful change management represents more than opportunities. It also reflects a responsibility to apply what we know

### **To pay the price**

Applying what you know about managing change will bring a special potential. The price for this knowledge is a corresponding responsibility not only to use it wisely but also to master the techniques that make well executed application likely. This mastery is not likely to be acquired by reading alone. True mastery of any skill requires the patience and dedication of a serious student. If you are a serious student of change, you will study the patterns of change and principles of resilience, practice the skills needed for the application , acquire the discipline to apply these skills despite frustration and demonstrate a devotion to the task that will sustain the efforts for many years. Today we desperately need skilled people who can bring structure and discipline to the changing world. The key to successful transition rests in identifying and using the dynamics of change that lie just below the surface of our awareness. This requires learning the patterns of human behavior and the resilience principles that make the landscape of the change we face. Enhanced resilience must be our objective , and learning its dynamics is a mechanism for reaching this goal. The patterns and the principles that comprise the resilience must be approached in a flexible but disciplined way for them to be applied consistently and in a manner that empowers others to avoid future shock in their lives as well.

These are not easy goals to achieve, but the alternative is prohibitively expensive. We will either pay for learning how to manage change at a speed that will accommodate the

transformations that face us or we will pay for not doing so. Regardless, we will pay. The opportunity to choose which option is collectively ours, but the responsibility to act is personally yours.

**About the author:**

Mr Daryl R. Conner is founder CEO of ODR Inc, a research and development firm dedicated to study human resilience in organizational settings. Based in Atlanta, Georgia, USA, since 1974, has trained thousands of people in USA, Canada, Latin America, Eastern Europe, South Africa, Asia, Australia, and the former Soviet Union in the use of its disciplined approach to implement major transitions



