

# Ten Critical Factors for a Successful Change Initiative

*By Mark Hannum*



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Organizational change efforts are often long, laborious, emotional, and circuitous. The delay between the kick-off of a change and the actual delivery of a business result can be months, sometimes years. So how can you take the pulse of an organizational change, as it is happening, to insure that your intervention is on track to produce the desired result? How can you give yourself the mental comfort and reassurance that you need in order to sleep well at night? Any organizational change effort, from process reengineering efforts to succession planning to reorganizations, can be measured in terms of a series of engines that you must constantly stoke with fuel. Understanding these engines and how they work and can be assessed is key to getting some sleep.

## The Basics

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**Know Where You Are Headed.** Whether it is a leadership development effort, a change or transformation effort, or a team intervention, there should be a basic purpose you are trying to achieve through the success of the intervention. It is not merely a series of characteristics describing the future. The purpose you are trying to achieve needs to be aspirational to drive the energy into the organization--energy needed to overcome the inertia of the current state of the organization. The organization wants and needs to accomplish something bigger and better than itself. Every mundane change an organization needs to make does not demand saving the world, but the purpose of every project has to have an emotional hook for people to connect and understand. The purpose statement for the project needs to signal to people that the project is being done for the right reasons, for the right benefits.

**Check your prescription lenses.** The prism or lens you wear colors all that you see and do – these lenses form your assumptions and judgements. Many of us do not remember that we are wearing these lenses. For most of us, the lens we wear tells us to work in organizations in a manner that creates ownership, commitment and free choice. Given the choice between implementing a system using an autocratic style and a democratic style, we OD types are most likely to recommend the latter. Understand what kind of lenses you are wearing when listening and mirroring back information to your clients. Many interventions jump straight to the assumption that the solution requires some sort of training or development intervention. Several years ago an organization asked me to help them improve their decision-making systems in order to reduce the way the bureaucracy watered down the positive impact of the decisions. My lens and my clients –the head of HR - told me that training was the answer. The executive in charge of the project thought about it and instead, decided to change the rules of the decision-making game by mandating all requests up to a certain dollar impact have peer consensus and only one management signature for approval. The original problem as posed anchored our thinking around a solution.

**Set up the problem and opportunity frame.** All change starts with an opportunity to be taken advantage of or a problem to be solved. For example, leadership development efforts are generally trying to solve a problem within an organization such as lack of growth, poor expense management, new technology, globalization, a weak leadership pipeline, or retention problems. Someone, however, has to notice that there is a problem or an opportunity. Herein lies the first and most important organizational issue: how well will the organization receive the news of the opportunity or the problem. The “passionate champion,” as I call the individual who comes up with the idea that there is a problem or an opportunity, needs to spend time in conversation with others, either formally or informally, to build and refine their idea. This individual’s job is essential; they are cutting through the organization to get to real issues and real problems. The

type of conversation required to discuss real issues and real problems generally doesn't occur in organizations. Passionate champions need to find ways to have conversations that bring the issues out of hiding or create new paths to solutions. These aren't ordinary conversations. Luckily, through these conversations, champions will find peers of like mindset. These conversations, which we call "powerful conversations," can take many forms: from philosophical sessions to brainstorming. Out of these conversations come the members of a small cabal plotting a new and different order of things. This new team, which could be considered a "hot" team, builds momentum for its ideas and eventually seeks the sanction of the organization.

**Leverage A Consultant or a Team of Consultants.** The change effort, at this point, is now just a gleam in the eyes of a few passionate champions. Soon it will become a legitimate effort on the part of the organization, and when it does, it will often require the assistance of an internal or external OD consultant, or team of consultants. The effort will require process, communication, logistics support, decision-making, conflict management, and measurement. Substantial change requires a coach. The role of the OD consultant is to coach the organization, the teams, and the individuals in change.

**Manage the Logistics.** Controlling the minor details involved in a medium or large project can be a time-consuming hassle. Scheduling meetings, interviews, work teams, producing minutes, arranging rooms, editing communications and presentations are hard work. On a large project, four or five people can be consumed by these activities. Organize these activities with real focus. Getting these details wrong can sink you.

## Ten Indicators of Clear Change

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*1. Clear Governance.* The objective of the project needs to be clear, and the team's decision-making capability needs to be carefully set up. Are they analyzing a situation, recommending an alternative, or making the actual decision? That is, does the project team understand its responsibility? Linkage research indicates that the most important factor in a team's ability to succeed is the clarity of its charter. The single most important factor in a project is often the one most overlooked: who is the decision-maker? What decisions will be allocated to the project team? What decision is the team allowed to delegate to project team members? Further, what deliberations will be required in order for these decisions to be made, and what criteria or goals will be used to make them? How will the decisions be made: consensus, majority, or authority? These questions often go unanswered, for this simple reason: everybody assumes the answers are perfectly obvious at the beginning of the project. However, projects grow in scope or inadvertently bleed over functional lines. Or, the most highly adopted answers turn out not to be correct. Sometimes last-minute stakeholders pull the rug out from under the team. Management changes its mind about priorities. A vice-president assumes because she has the budget and is writing the check, that she is the decision-maker. Sometimes, budget controls get put in place by the CFO who removes authority or budget for certain expenses. The original scoping of the project is too narrow, and the complete set of stakeholders is not properly vetted.

*2. Is the design team successful?* In every intervention, a team of people tries to achieve some result for the organization. These teams, whether or not officially sanctioned, need to be successful. They cry out to be successful. They need the support and nurturing of good leadership and sponsorship in the organization. They need to be visible and viable. The task they are charged with needs to be set up to be within their grasp. Is the project team something that people want to be a part of? They also need to have the right resources (such as computers,

time, money, information) in order to act. This requires the right kinds of individuals on the team to create this atmosphere.

*3. Count Your Passionate Champions.* Every organizational effort requires that people get behind the effort. There is no way around this simple fact. Yet, I cannot tell you how many OD consultants, teams, and managers try to make change by managing multiple memos. Get your best organizational salespeople behind the idea, the people who can truly drive different thinking. More importantly, get the right people behind the idea. Who are your passionate champions - your salespeople for the ideas? Several years ago, I was managing a fairly large OD project in an organization. The project itself should have been a slam-dunk. It benefited everyone. Unfortunately, the leader of the organization was a tough, challenging, and intimidating manager who wanted every decision to be a test of his subordinates' mettle. In the final review meeting, he challenged two of my statements around the benefits of the change. I argued for twenty minutes, using every trick I knew to get my fellow teammates talking up and supporting the idea. Not one came to my rescue. A powerful and positive change died right there that day. In later discussion with the manager I learned that it would have only taken one subordinate to stand up for the idea for him to be satisfied and back down. Your passionate champions for the project must have conviction (and courage) for the project.

*4. Count the Powerful Conversations.* A “powerful conversation” is a candid, open discussion of needs and wants—one in which both parties examine what they need and what the other needs, and then try to satisfy each other's needs. It's important to understand that convincing someone to do something requires that we talk with, and understand, that person. Building passionate champions for our project requires us to get out of our cubicles and go meet people, talk to them, understand their needs, get them to understand yours, build bridges. Leverage your networkers. Don't send a memo, and don't expect an e-mail to be any better than a memo. Learn from the politicians: press some flesh! Count the number of key conversations that the team is having on a project. That number should be going up every week, exponentially if possible. Conversation is fundamental to change: it creates new mental models, shared understanding, and action. Without powerful conversation, the team and its members will stay trapped in their current belief systems, unable to find new and different ways. Another way to increase powerful conversations is to leverage key relationships and use these relationships to create advantage for the organization. One way is to utilize people who are able to build and sustain key relationships in the organization – by enlisting “networkers.” The other way to activate key players is to create advantages technically – by enlisting the help of experts. Networkers are often overlooked for candidates on design and management teams, which are frequently chosen more for their expertise rather than for the key relationships required on the project. Experts and networkers will teach each other about the necessary components of selling change to the organization – both technical and relationship-building skills. Networkers will teach the relationship-building skills, while the experts will teach the technical and knowledge-based skills. You need the experts to create the new knowledge, and you need the networkers to establish its credibility. You also need the passionate champions to sell it. Mostly, you need a team of people to go against the grain.

*5. Are you challenging the Sacred Cows of the Culture?* The most successful teams have two competencies that, above all else, help them to succeed: the ability to see things for what they really are and the ability to successfully challenge the organization to raise the bar. Neither of these competencies is easily gained. However, they are somewhat easier to utilize in a supportive group setting than by oneself. Whether it is a reengineering process or developing a succession planning system, the team must be able to realistically see what is in place and what is not. They must get behind the myths and falsehoods the organization tells about itself and

create a realistic assessment of the current state. Getting an individual to look in the mirror at themselves is difficult, getting an entire organization to see itself for what it truly is ramps the difficulty factor up considerably. Set up experiences for the team to see the organization for what it truly is.

*6. Measure Organizational Distractions. Make Organizational Change Distraction Proof.* Sometimes, the ability to see reality is vested in the organization's commitments. There is so much that has been built and fortified in the organization, so many of these things fought for with careers, that it is hard to divest of the past and re-commit to a new and different future. Creating a new strategy, business model, or leadership succession system requires organizational commitment and energy. Organizations are by nature in a state of homeostasis or balance. Finding the right leverage point to create an imbalance will take drive. Finding a new balance point, somewhere better than where you are today will take massive energy and commitment. It is very difficult for a leader to delegate this commitment to others. This type of commitment doesn't arise out of harmony and good feelings; it arises out of chaos, conflict, and raw emotion. Many organizations cannot work through chaos, conflict and emotion because of deeply embedded cultural processes: routines. What do you look for, then? The distractions in the organization. How easy is it for people to go back to their routines (their emails, their crises, and their customer requests)? The message of change needs to be distraction-proof. Clear responsibilities, structure, processes, etc. Very few organizations achieve real change by keeping "business as usual" rules in place. You need to change the rules of the game, the culture, to make change.

*7. Count Leadership Signals sent Throughout the Organization.* Because breakthroughs come in large system interventions when significant numbers of individuals change their belief systems and act differently, so it is not good enough for organizational change to be taken on by the committed few. The number needs to grow, and that can only happen with a plan that takes many people into consideration. It should go without saying that sometimes people will not want to participate. Sometimes the people who don't want to participate are most critical. They understand, perhaps overtly and perhaps not, that they have more control by not showing up. Participating might mean compromise or change. By not becoming involved, people can maintain their current belief system and comfort level. The project team, in coordination with the leadership team, needs to set an organizational context in which it is okay for people to change. Leadership should send clear signals to the population that participation is permitted and expected. Can you count the signals the leadership is sending? Are there any contrary messages being sent? Watch their feet, not their words.

*8. Allow for Individual Growth and Development.* For many people, changing their belief system, learning new habits, and forging ahead are required for organizational change. But we can't mandate people to change; they need to be allowed to follow their own passions for mastery. People need support to learn and grow. This is especially true of the project team. Much has been written about personal change and how to react to it better, but how do you actually change? I know how I change, and it is not exceptionally fast or good. I like to see the whole picture before I leap in and change. I like to see how it will work, and how it will benefit me. I like to have a clear visual picture. Next, I like to take things apart piece by piece and have a luxurious look at each piece of the change. Then I will reassemble the pieces and go through the whole system. It sounds painful and time consuming, but that's how I learned this model. I managed a change, then took each individual piece apart - intervention after intervention over a ten-year period. It's OK to be slow! Take time and respect the process that each individual must go through to change.

*9. Count the Signs of Credibility.* Very late in the development of the project, when new processes are mapped and implemented and the bugs worked out, you will need to watch for signs of its credibility. You will not see the authentic signs of credibility in management meetings. You will see the signs in the form of informal conversations at the watercooler, in the company kitchen or the cafeteria, at parties away from the office, and in airplanes and terminals. You may actually hear some positive results!

*10. Measure the Results.* Every project needs to be measured for results. Measurement provides clarity of purpose for the intervention to all players in the organization. First, determine if there are metrics at all. Second, ask yourself, have the metrics changed significantly during the project? If they have, the project will have a chance of being successful. When organizations and teams take on significant organizational change, the understanding of the world at the beginning of the project will be very different from the beliefs at the end. Measurements need to change to reflect these new understandings. Customize measurements to fit the needs and demands of different stakeholders. Each constituency is a professional group with its own belief systems and its own measures to assess progress. As the measures of success change, this needs to be discussed and managed with each individual constituency.

## Conclusion

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Every project that takes the organization into the future, or creates change, or upgrades the strategy or business model of the organization, is also enhancing the core competence of the organization. It takes what you do to the next level. This is not easy. It is not routine or “business as usual.” Even as simple a project as upgrading your performance management system has impacts on what people do, how they do it, what gets reinforced in the organization, and what it costs. If the project team is assembled incorrectly, it won’t get at the critical, challenging issues essential to the creation of true capability enhancement (learning and innovation). The organization will end up with a series of completed tasks that reinforce the current state and create no change in the capabilities of the organization. This takes the combined force of three very different types of individuals: experts, networkers and passionate champions. The experts create the new knowledge, the networkers establish its credibility, and the passionate champions sell it.

There is one point of caution: no intervention can be done before its time. All of these rules to the game require time to play out. You can’t change an organization without changing the individuals within it. Sometimes this can be done quickly and easily; most of the time, however, it takes a commodity in short supply: patience.

# Linkage

Linkage is a global organizational development company that specializes in leadership development. We provide clients around the globe with integrated solutions that include strategic consulting services, customized leadership development and training experiences, tailored assessment services, and benchmark research. Linkage's mission is to connect high-performing leaders and organizations to the futures they want to create.

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