ABSTRACT
To succeed in an ever-changing environment, every organization needs to continually reinvent its processes, products, and services. Leaders play a key role in this process. By becoming more effective in supporting the team in initiating and implementing change, the leader can turn uncertainty into opportunity and help the organization stay competitive. This session will examine the state of change in modern organizations and provide specific tools and techniques to help the leader drive change.
Leading Change in Organizations

The essential task of Leadership

L²
Leadership Squared
Objectives

- Identify and recognize the phases of the organizational change process
- Foster skills for adapting to continual change
- Identify and carry out opportunities for improvement
- Implement formal change programs
- Build momentum for change by addressing factors that can derail it
Drivers of Change

- Crisis
- Performance Gaps
- New Technology
- Opportunities
- Reaction to pressure
- Mergers and Acquisitions
- Planned obsolescence
The Process of Change

Unfreeze
- Examine status quo
- Increase driving forces for change
- Decrease resisting forces

Move
- Take Action
- Make Changes
- Involve People

Refreeze
- Make change permanent
- Establish a new way of doing things
- Reward desired outcomes
Managing and Leading Change

The Difference Between Management and Leadership
Knowledge Check

Identify these tasks as Management (M) or Leadership (L)

- Builds teams, coalitions, and alliances
- Sets strategies
- Monitors project plans
- Creates a vision
- Directs subordinates
- Develops budgets
- Takes corrective action
- Energizes
Initiating changes that improve the organization

1. Identify **performance gaps**, such as wasted resources or bugs in products, and **opportunity gaps**, such as ideas for meeting customers’ needs
2. Come up with innovative ways to close these gaps
3. Experiment with new ways of doing things
4. Creatively implement and continually improve procedures and practices
Stages of Change Commitment
By Daryl Conner

Preparation Phase
The Preparation Phase forms the foundation for later development of either support of or resistance to the change. There are two stages in the Preparation Phase:
1. Contact
2. Awareness

STAGE I: CONTACT
Stage I is the first encounter individuals have with the fact that a change is taking place in the organization that will require them to shift their behavior and/or thinking. Methods for delivering the first contact message can vary. There is a wide range of options including memos, staff meetings, personal contact, and other mechanisms.

Regardless of the method, this first stage in the commitment process is intended to result in awareness that a change has taken place or may occur in the future. Since momentum and critical mass of commitment is essential to change success, careful attention should be given to how early contact (as well as later stages) will begin to promote the right energy movement toward realization.

Contact efforts, though, do not always produce awareness. It’s important to separate contact efforts from people being aware of change...it’s dangerous to assume contact and awareness are synonymous. Sponsors and change agents are often frustrated when, after many meetings and memos about an initiative, some targets either are not prepared for the change or react with total surprise when it begins to affect them.

There are two possible outcomes for the Contact Stage:
- Awareness, which advances the preparation process
- Unawareness, in which no preparation for commitment occurs

STAGE II: AWARENESS OF CHANGE
Awareness is established successfully when individuals realize that modifications affecting them have occurred or are pending. It requires that initial communications about the change reach the desired audiences and convey the message clearly.

This awareness, however, does not mean people have a complete understanding of how the change will affect them. They may not have an accurate picture of the scope, nature, depth, implications, or even the basic intent of the change. For instance, targets may perceive that a change is coming without knowing the specific ways they will need to alter their mindset and behaviors. Before targets can progress toward acceptance, awareness must be developed into a general understanding of the change’s implications.
There are two possible outcomes for the Awareness Stage:

- Understanding, which advances the process to the Acceptance Phase
- Confusion, which reduces or precludes preparation

**Acceptance Phase**

The Acceptance Phase marks passage over the Disposition Threshold. This is an important momentum and critical mass milestone; people shift from seeing the change as something “out there,” to seeing it as having personal relevance. This perspective enables them to make decisions about accepting or not accepting their part in the change.

People often engage in individual activities designed to move themselves across this threshold in order to proceed from awareness to understanding. They ask questions, pose challenges, seek additional information, and make inferences in an effort to clarify their picture of the change. Sometimes leaders wrongly interpret this behavior as resistance to the change initiative. Although it is possible for people to use endless questions and challenges as part of their resistance strategy, true resistance to the specific change at hand (rather than to the notion of change in general) can be manifested only when people understand it well enough to be able to formulate an informed opinion.

There are two stages of the Acceptance Phase:

- Understand the Change
- Positive Perception

**STAGE III: UNDERSTAND THE CHANGE**

In Stage III, people show some degree of comprehension of the nature and intent of the change and what it may mean for them. As they learn more about the initiative and the role(s) they are likely to play, people begin to see how it will affect their work and how it will touch them personally. These insights enable them, for the first time, to judge the change.

Each person’s judgment is influenced by his or her own cognitive and emotional filter systems—the unique set of lenses that he or she uses to view the world. In addition, change of any significance usually has multiple aspects to it, and may produce both positive and negative reactions at the same time. For example, a target may have a negative view of a new company policy regarding relocation every four years but sees positive benefit in the level of job security he or she would experience. People combine these positive and negative reactions to form an overall judgment of the change.

There are two possible outcomes for the Understanding Stage:

- Positive perception, which represents a decision to support the change[1]
- Negative perception, which represents a decision not to support the change

**STAGE IV: POSITIVE PERCEPTION**
In Stage IV, people decide whether to support or oppose the change. The forming of an opinion about change is not done in isolation—people typically weigh the costs and benefits of the change against the costs and benefits of other alternatives, including doing nothing. Ideally, the benefits of a change to an individual so clearly outweigh the benefits of any alternative course of action that it requires little thought to decide to move forward. However, this is not typically the case. In many organizational change situations, the benefits of moving forward are only marginally more positive than the benefits of the best alternative course of action. In some changes, the path forward has such significant costs associated with it that the individual reaches an overall positive perception only because all of the alternatives are worse.

For instance, a leader may face a decision to lay off a large number of people from the organization. He is likely to see this as a tremendously difficult and costly move. However, if he perceives that the alternative is the sale of the organization to a competitor who would be even more ruthless in the downsizing efforts, he may ultimately reach a positive perception about moving forward.

Positive Perception is an important stage in the process of building commitment, but at this point the change is still rather theoretical. To reach true commitment, people must begin to try out the new way of operating—they must alter their mindset and behavior.

There are two possible outcomes of the Positive Perception Stage:
- Experimentation, which is an initial trial of the new way of thinking and behaving
- Inaction, which is failure to make initial shifts in thoughts and behaviors

**Commitment Phase**

The Commitment Phase marks passage over the Action Threshold. In this phase, the perceptions that have been created in the Acceptance Phase result in actual commitment. This is a critical step in the building of momentum and critical mass.

There are many situations in which people will say that they view a change as positive. However, they will not actually take the first steps to alter their behavior or mindset. There can be several reasons for this, including:
- Lack of a setting in which to try the new behavior
- Absence of needed skills
- Insufficient time, energy, or adaptation capacity to engage in the new behavior

Commitment occurs when people see a change as more positive than negative and take action accordingly.

There are four stages in the Commitment Phase:
1. Experimentation
2. Adoption
3. Institutionalization
4. Internalization

STAGE V: EXPERIMENTATION
In Stage V, individuals take action to test a change. This is the first time people actually try out the change and acquire a sense of how it might affect their work routine. This stage is an important signpost that commitment building has begun, although greater support is possible.

The critical importance of this stage is that no matter how positively people view a change prior to engaging with it, their actual experience with it will reveal a number of small or large surprises. Some of these may be positive, but others may involve unanticipated problems that have significant negative consequences. If problems become too costly, pessimism regarding the change will increase and may reach the “checking-out” level. This occurs when early, uninformed optimism for a project transforms into informed pessimism, and the individual’s original positive judgment shifts to negative.

Because of the inevitability of surprises, some degree of pessimism is unavoidable during change. Nevertheless, the confidence of those involved in a change increases as a result of resolving such problems. An environment that encourages the open discussion of concerns tends to solve problems, promote ownership, and build commitment to action. As these problems are resolved, a more realistic level of conviction toward the change builds. This conviction advances commitment to the Adoption level.

There are two possible outcomes for the Experimentation Stage:
- Adoption, in which individuals continue their exploration of the new mindsets and behaviors
- Rejection, in which individuals cease their exploration of the new mindsets and behaviors

STAGE VI: ADOPTION
Stage IV, Adoption, is reached after individuals have successfully navigated the initial trial period. The dynamics here are similar to that of the Experimentation Stage. Both stages serve as tests in which the individual and the organization assess the cost and benefits of the change. Longer-term trials can reveal logistic, political, and economic problems with the new way of operating that can lead sponsors, agents, and/or targets to question the long-term viability of the new approach and potentially make a decision to terminate the change.

The differences between the Experimentation and Adoption stages are important, even though their dynamics are similar. Experimentation focuses on initial, entry problems, and adoption centers on in-depth, longer-term problems. The former is a preliminary test of the change. The latter tests the ongoing implications of the change. Experimentation asks, “Will this change work?” Adoption asks, “Does this change fit with who I am as a person/who we are as an organization?”

Although the level of time and resources necessary to reach Adoption is great, a change project in this stage is still being evaluated and can possibly be stopped. If the change is successful after this lengthy test period, it is in a position to become the standard new way of operating.
There are two possible outcomes for the Adoption Stage:

- Institutionalization, in which the new way of operating is established as a standard
- Termination, in which the change is ended after an extensive trial

STAGE VII: INSTITUTIONALIZATION
Stage VII reflects the point at which people no longer view the change as tentative. They consider it standard operating procedure.

As part of the institutionalization process, the organizational structure may be altered to accommodate new ways of operating, and rewards and punishments implemented to maintain new mindsets and behaviors. What was once a change requiring substantial sponsor legitimization has become part of the organizational routine that is monitored by managers.

The move from Adoption to Institutionalization is a significant one, and a double-edged sword. The threshold that is crossed here is that of “reversibility.” Once a change is institutionalized, it becomes the new status quo. Ending an institutionalized pattern that is ingrained into the fiber of an organization is extremely difficult.

This stage reflects the highest level of commitment that can be achieved by an organization—the level above it, internalization, can only be achieved by individuals who make a personal choice to go there.

Although institutionalization is sometimes all that is required to achieve the organization’s goals, it has some potential problems. If a change has been institutionalized but not internalized, those affected may be motivated to adhere to new procedures primarily to comply with organizational directives. Their compliance is achieved by using organizational rewards and punishments to motivate them to conform despite their own private beliefs about the change. If their perception of the change is generally negative, but they have chosen to go forward because the costs of not doing so are prohibitively high, they will likely only mimic acceptable behavior. They learn to say and do the “right” things, but their actions will not reflect their true perspective. Because their mindset (priorities and frames of reference) does not align with their behavior, a great deal of managerial pressure will be required to ensure the ongoing presence of the desired behavior.

The success of change does not always depend on the target’s personal investment. Some projects require only that targets “do as they are told.” However, as the pace and complexity of change escalates, producing more turbulence in the workplace, many organizations have modified their views about workers needing to understand or support organizational changes.

Forcing change implementation often results in a halfhearted effort without a full return on investment. Institutionalized change, as powerful as it is, only delivers the target’s behavior, not his or her mind and heart. This doesn’t mean that institutionalization isn’t the way to go sometimes because there are
situations where leaders have to engage unpopular change. The point is to be aware of the benefits and limitations of institutionalized change.

STAGE VIII: INTERNALIZATION
Stage VIII represents the highest level of commitment an individual can demonstrate toward an organizational change. It reflects an internal motivation in which individual beliefs and desires are aligned with those of the organization, and there is a high level of consistency between an individual’s mindset and behavior.

While an organization can legislate the institutionalization of a change, internalization requires the active cooperation of each individual. At this last stage, people “own” the change; they demonstrate a high level of personal responsibility for its success. They serve as advocates for the new way of operating, protect it from those who would undermine it, and expend energy to ensure its success. These actions are often well beyond what could be created by any organizational mandate.

Enthusiasm, high-energy investment, and persistence characterize internalized commitment, and it tends to become infectious. Targets who have internalized a change often cannot be distinguished from sponsors and advocates in their devotion to the task and their ability to engage others in the change effort.

The time needed to move through the Experimentation, Adoption, Institutionalization, and Internalization phases will vary according to the individual, the organization, and the nature of the change project. The lines can be relatively clear or somewhat blurry depending on the situation. If a change is mandated, it can become institutionalized very quickly (but, as mentioned earlier, at a high cost of monitoring compliance). In other cases, institutionalization unfolds more gradually.

As people gain experience with the new way of operating, find ways to refine and improve it, and adjust to its long-range impact and requirements, the change gradually becomes a natural part of the organization’s culture or expected pattern of behavior. Internalization can begin very early in a change if the new way of operating is strongly aligned with individual beliefs and assumptions; it can also emerge along the way as individuals begin to see the advantages of the new approach. In some cases, it can fail to surface at all.

Understanding the steps and sequence for building commitment is a powerful advantage for change practitioners when building momentum and critical mass for major organizational change.
Kotter Change Leadership Model
Factors That Inhibit Change

**Why Do Transformation Programs Fail?**

- Resistance by Employees: 82%
- Inadequate Sponsorship: 72%
- Unrealistic Expectations: 65%
- Poor Project Management: 54%
- Business Case Not Compelling: 46%
- Project Team Lacked Skills: 44%
- Scope Expansion / Uncertainty: 44%
- No Organizational Change Plan: 43%
- Silos / No Horizontal Process View: 41%
- IT Perspective not Integrated: 36%

*Source: Deloitte CIO Survey 2004*

*Change Leadership Issues are noted in RED*
Why Is Change So Hard for People?
A rare infection has struck a cruise ship with 600 passengers and you must decide which of two treatments to apply.

- A. 200 passengers will recover and be saved.
- B. A 33% chance that all passengers will recover and be saved, and a 66% chance that none will recover and all will die.
Which Treatment?

A rare infection has struck a cruise ship with 600 passengers and you must decide which of two treatments to apply.

C. 400 passengers will die.
D. A 1/3 chance that no passengers will die, and recover and be saved, and a 2/3 that all will die.
Using Loss Avoidance to Drive Change

Loss incurred by NOT changing → Loss incurred by making the change
4 Reactions to Change

- Betrayal
- Denial
- Identity Crisis
- Search for Solutions
Customer Service Case Study

- At what stage are people in the customer service department
  - Betrayal, Denial, Identity Crisis, Search for Solutions. What makes you say that?
- How can you create a sense of urgency to make the change?
- Who should be on your guiding team?
- What is your “vision” for the change?
Customer Service Improvement

The Tech Support Division within the Department of Licensing just learned that the Online Service Unit is complaining loudly to the Department Director (Director) about their level of service. The Online Service Unit wants to find another service provider outside of the Department. In response, the Tech Support senior management team met and agreed this is the first time they heard Online Service Unit is unhappy with their service. They also hear from the Director that other Divisions have also complained about their Division. They are puzzled why their Division counterparts didn’t talk to them first before they brought in the Director because they see these people in the hallways.

The Tech Support Division employees hear the news and there are mixed responses. The mid-level managers are not surprised because they have heard the customer complaints and warned their managers, but the senior management team doesn’t like to hear anything negative. The rank and file employees are devastated because they work so hard and now feel unappreciated.

The Director brought you in to head up a new Customer Service Unit in the Tech Support Division. Overall Division morale is low. Several of the critical employees have already begun looking elsewhere for work opportunities. Cooperation among units and between senior management team and mid-level management has greatly decreased, as everyone is concerned about their own future. You have met with the customer-facing divisions and now understand their specific service complaints.

You are responsible to make a presentation to the entire Tech Support senior management team on their strategic roles and responsibilities in leading this organizational change. You will also need to help them understand where they are likely to encounter resistance. Although the Tech Support senior management team agrees with the need for the new unit, they question your allegiance since you were brought in by the Director.
### Worksheet for Addressing Resistance to Change

**Instructions:**
Use this tool to record resistance to change you have observed, analyze why people are resistant, and determine next steps for addressing this resistance.

<table>
<thead>
<tr>
<th>What comments have you heard or behaviors have you seen that indicate people are resistant to the change program?</th>
<th>What do you think are the specific “losses” they fear as a result of the change?</th>
</tr>
</thead>
</table>
| Examples:  
“I don’t think our group should be merged with another group.”  
Everyone is quiet in staff meetings. | Examples:  
People prefer the status quo or fear that change will mean potential losses in terms of security, money, status, or...  
People are not willing to raise issues with me. |
Worksheet for Addressing Resistance

**INSTRUCTIONS**

*Use this tool to record resistance to change you have observed, analyze why people are resistant, and determine next steps for addressing this resistance.*

<table>
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<th>What comments have you seen or heard that indicates that people are resisting the change.</th>
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<td>“I don’t think our group should be merged with another group.”</td>
<td>People prefer the status quo or feel that change will mean personal loss—in terms of security, money, status, or friends.</td>
</tr>
<tr>
<td>Everyone is quiet in staff meetings.</td>
<td>The expertise they’ve developed over time will no longer be as valuable.</td>
</tr>
</tbody>
</table>
## Steps for Addressing Resistance

<table>
<thead>
<tr>
<th>Step</th>
<th>Question</th>
<th>YES</th>
<th>NO</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Have you communicated the organizational risk of not changing?</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>2.</td>
<td>Have you communicated the details of the change?</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>3.</td>
<td>Have you encouraged team members to express their thoughts and feelings openly?</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>4.</td>
<td>Have you explored ways to engage these individuals in the planning and implementation processes so that they feel more invested in the change program?</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>5.</td>
<td>Have you developed support systems for team members as they go through the change process</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>6.</td>
<td>Have you communicated the benefits of the change in terms of what might be of value to them?</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>7.</td>
<td>Have you incorporated their suggestions into the plan to improve it?</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

*If you can answer “YES”, you are taking appropriate steps to reduce resistance to the change. If you answered “NO” to any of them, consider ways to take action on them now.*
### Knowledge Check

1. We did this at my last company and it was a failure
   - Betrayal
2. If we re-engineer our supply chain, we could double our sales
   - Denial
3. I spent 4 years getting the degree to do this job, and now it’s no good to me
   - Identity Crisis
4. What are we supposed to do in the meantime?
   - Search for Solutions
Thinking about your change initiative..

- Where are people in your change initiative
  - Betrayal, Denial, Identity Crisis, Search for Solutions. What makes you say that?
- What comments have you heard or behaviors you have seen that indicate people are resistant to the change program?
- What do you think the underlying motivations for these reactions are?
- How might you create a sense of urgency?
## Communicating During Change

- Betrayal
- Denial
- Identity Crisis
- Search for Solutions

- Informative
- Informative
- Supportive
- Inspirational
Restructuring The Procurement Function Case

In preparing for your presentation...

- How can you communicate for buy-in?
- What could you suggest that would empower action among the sub units?
- What “quick win” could you establish as a target?
Restructuring The Procurement Function

Acme Manufacturing has experimented with different ways of managing the procurement function. Initially, procurement was centralized at the main office and three years ago, the function was decentralized, giving all sub-offices complete autonomy over purchasing and vendor contracts. In the beginning of this fiscal year however, the decision was made to go back to a centralized structure. This was due to the gross inconsistencies in vendor selection criteria, monitoring of purchasing expenses and management oversight. Sub-offices were not following the proper ordering and procurement procedures, and there seemed to be no accountability to follow procurement standards.

As the senior management team member recently assigned the newly re-created Procurement Unit you are responsible for the management oversight of all procurement activities in the sub-offices and the main office. To simplify this process your team has come up with a new system that will automate and simplify procurement transactions for all sub-offices. A major benefit of this system is that it will still enable sub-offices to quickly procure the goods and services they need, while at the same time allowing for improved management and tracking.

The announcement of this new system went out one month ago with instruction that usage of it would be phased in. There has been considerable pushback from the sub-offices. Several managers have publicly denounced the new system as an effort to control the field where the “real” work is taking place. They see it as a decrease in their authority and rapid responsiveness to field needs. As a result, the sub-offices that have not even used the new system are already resistant to the idea. Right now, your unit is spending all its time chasing after others to get needed contract information.

In establishing this new unit, the senior management team has been somewhat supportive. They have provided you with adequate staffing and expertise. They have provided training budgets for each sub-office. They have even sent out a couple of written communications early in the project expressing their support. The issue, however, is whenever they are in forums where negative talk of the new system arises; they refer staff to talk to the Procurement Unit because, “they know best.” This might seem like “support” from their standpoint, but it has truly undermined your ability to get sub-office management staff to own the system. You are now concerned that you are not going to meet your project goals, and it really will turn into just one more “Country Office Initiative.” The senior management team has granted Procurement team space on the agenda at its next meeting to discuss this problem. During this meeting, you want to make sure they agree to support this project and help your unit make is successful.

What key points do you want to make in your presentation?
Worksheet for Addressing Resistance to Change Checklist

Steps for Addressing Resistance

1. Have you communicated the organizational risk of not changing? □ □
2. Have you communicated the details of the change? □ □
3. Have you encouraged team members to express their thoughts and feelings openly? □ □
4. Have you explored ways to engage these individuals in the planning and implementation processes so that they feel more involved in the change process? □ □
5. Have you developed support systems for team members as they go through the change process? □ □
6. Have you communicated the benefits of the change in terms of what might be of value to them? □ □
7. Have you incorporated their suggestions into the plan to improve it? □ □

If you can answer "YES", you are taking appropriate steps to reduce resistance to the change. If you answered "NO" to any of them, consider using the above actions or their reverse.
Thinking about your change initiative...
What type of communication do they need
• What might that look like?
• Does everyone need the same thing?
Points to Remember

- Everyone goes through the stages
- Change leaders tend to be ahead of the rest of the organization in the stages
- As a result, they may be communicating in a manner that’s out of phase with the majority
Recap

- Identify and recognize the phases of the organizational change process
- Foster skills for adapting to continual change
- Identify and carry out opportunities for improvement
- Implement formal change programs
- Build momentum for change by addressing factors that can derail it
Your Change Initiative

<table>
<thead>
<tr>
<th>Task</th>
<th>Responsible</th>
<th>Due Date</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task A</td>
<td>Person 1</td>
<td>1/15/2023</td>
<td>Completed</td>
</tr>
<tr>
<td>Task B</td>
<td>Person 2</td>
<td>2/1/2023</td>
<td>In Progress</td>
</tr>
<tr>
<td>Task C</td>
<td>Person 3</td>
<td>2/15/2023</td>
<td>Not Started</td>
</tr>
<tr>
<td>Task D</td>
<td>Person 4</td>
<td>3/1/2023</td>
<td>Delayed</td>
</tr>
</tbody>
</table>

*Leadership Square*

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Your Change Initiative:

- Task A: Complete the initial assessment of the current state.
- Task B: Develop a detailed action plan.
- Task C: Implement the first phase of the initiative.
- Task D: Monitor and evaluate the progress regularly.

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Your Change Initiative:

- Task E: Ensure all stakeholders are aligned.
- Task F: Communicate the initiative to all employees.
- Task G: Assign roles and responsibilities.
- Task H: Set up a feedback mechanism to gather insights.

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Your Change Initiative:

- Task I: Review the initiative's impact periodically.
- Task J: Adjust strategies based on feedback.
- Task K: Celebrate milestones and achievements.
- Task L: Plan for the next phase of the initiative.

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Your Change Initiative:

- Task M: Ensure all tasks are completed on schedule.
- Task N: Address any unforeseen challenges.
- Task O: Finalize the initiative and evaluate its long-term impact.
- Task P: Document the process and learnings for future reference.

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Your Change Initiative:

- Task Q: Share the success story internally and externally.
- Task R: Secure funding for future initiatives.
- Task S: Continuously improve the change management process.
- Task T: Prepare for sustained growth and sustainability.

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## The Idea in Practice

To give your transformation effort the best chance of succeeding, take the right actions at each stage—and avoid common pitfalls.

<table>
<thead>
<tr>
<th>Stage</th>
<th>Actions Needed</th>
<th>Pitfalls</th>
</tr>
</thead>
<tbody>
<tr>
<td>Establish a sense of urgency</td>
<td>• Examine market and competitive realities for potential crises and untapped opportunities.</td>
<td>• Underestimating the difficulty of driving people from their comfort zones</td>
</tr>
<tr>
<td></td>
<td>• Convince at least 75% of your managers that the status quo is more dangerous than the unknown.</td>
<td>• Becoming paralyzed by risks</td>
</tr>
<tr>
<td>Form a powerful guiding coalition</td>
<td>• Assemble a group with shared commitment and enough power to lead the change effort.</td>
<td>• No prior experience in teamwork at the top</td>
</tr>
<tr>
<td></td>
<td>• Encourage them to work as a team outside the normal hierarchy.</td>
<td>• Relegating team leadership to an HR, quality, or strategic-planning executive rather than a senior line manager</td>
</tr>
<tr>
<td>Create a vision</td>
<td>• Create a vision to direct the change effort.</td>
<td>• Presenting a vision that's too complicated or vague to be communicated in five minutes</td>
</tr>
<tr>
<td></td>
<td>• Develop strategies for realizing that vision.</td>
<td>• Undercommunicating the vision</td>
</tr>
<tr>
<td></td>
<td>• Use every vehicle possible to communicate the new vision and strategies for achieving it.</td>
<td>• Behaving in ways antithetical to the vision</td>
</tr>
<tr>
<td></td>
<td>• Teach new behaviors by the example of the guiding coalition.</td>
<td></td>
</tr>
<tr>
<td>Empower others to act on the vision</td>
<td>• Remove or alter systems or structures undermining the vision.</td>
<td>• Failing to remove powerful individuals who resist the change effort</td>
</tr>
<tr>
<td></td>
<td>• Encourage risk taking and nontraditional ideas, activities, and actions.</td>
<td></td>
</tr>
<tr>
<td>Plan for and create short-term wins</td>
<td>• Define and engineer visible performance improvements.</td>
<td>• Leaving short-term successes up to chance</td>
</tr>
<tr>
<td></td>
<td>• Recognize and reward employees contributing to those improvements.</td>
<td>• Failing to score successes early enough (12-24 months into the change effort)</td>
</tr>
<tr>
<td>Consolidate improvements and produce more change</td>
<td>• Use increased credibility from early wins to change systems, structures, and policies undermining the vision.</td>
<td>• Declaring victory too soon—with the first performance improvement</td>
</tr>
<tr>
<td></td>
<td>• Hire, promote, and develop employees who can implement the vision.</td>
<td>• Allowing resistors to convince &quot;troops&quot; that the war has been won</td>
</tr>
<tr>
<td></td>
<td>• Reinvigorate the change process with new projects and change agents.</td>
<td></td>
</tr>
<tr>
<td>Institutionalize new approaches</td>
<td>• Articulate connections between new behaviors and corporate success.</td>
<td>• Not creating new social norms and shared values consistent with changes</td>
</tr>
<tr>
<td></td>
<td>• Create leadership development and succession plans consistent with the new approach.</td>
<td>• Promoting people into leadership positions who don't personify the new approach</td>
</tr>
</tbody>
</table>
Call To Action

- Develop change plans as well as project plans
- Use change tools to implement the plan
- Share change management principles and ideas with your manager
- Communicate the change cycle to your team
Thank You!

Please be sure to complete the course evaluation form. Your feedback is very important to us!

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