

The Leadership **Impact** Newsletter

Monthly Tips & Insights for Effective Leadership
www.leadershipimpact.com

December 2008

Volume 8, Issue 12

CHANGE 101

CHANGE 324

The chart displayed to the right summarizes five critical elements in the change process. At first glance, it is surprisingly complete for such a simple diagram. When you are leading or participating in a change effort, it will serve you well. However, just as Physics 101 does not tell the full story, neither does the chart in Change 101. As you advance in your change efforts, you may identify more obstacles and challenges.

You will know that you have arrived at a point for more in-depth diagnosis whenever you find yourself **blaming** the people you are seeking to engage in a change effort, e.g. labeling them as resistant or defensive.

No list or table can summarize all of the possibilities for you, but the following 7 are the ones I have seen most frequently. If you observe the one of the problems on the right,

Burning Platform	=	Complacency
Appreciation	=	Resentment
Communications	=	Rumors & Resistance
Trust	=	Silos
Progress	=	Doubt
Participation	=	Second Guessing
Delegation	=	Bottlenecks & Disengagement

check to see if the associated factor on the left is missing. For example, complacency may signal that you have not sufficiently conveyed the urgency of the situation.

The mission of Leadership Impact is to help leaders and their organizations excel by bringing out the best in people and aligning their talents with the goals of the organization.

"Leaders must ensure that their organization has the ability to change. Yet many leaders now view their role as shielding and protecting the organization from environmental pressures that may require them to change."

-- Institute of Medicine, *Crossing the Quality Chasm*

This is Change 101. The sidebar is Change 324. And the back page is Change 660. When I was in college, our Intro Courses were numbered 100-299; Upper Level Courses were 300-599, and Graduate Courses were 600+. I am following the same approach here.

The table below can be found on dozens of sites on the Internet. I think it is one of the best formulas to explain how change works or does not work. And it is simple. In essence, change is the result of vision + skills + incentives + resources + action. Take away any one of those 5 key elements and change doesn't happen, even if all the other elements are present.

Vision	+	Skills	+	Incentives	+	Resources	+	Action	=	Change
Vision	+	Skills	+	Incentives	+	Resources	+	Action	=	Confusion
Vision	+	Skills	+	Incentives	+	Resources	+	Action	=	Anxiety
Vision	+	Skills	+	Incentives	+	Resources	+	Action	=	Resistance
Vision	+	Skills	+	Incentives	+	Resources	+	Action	=	Frustration
Vision	+	Skills	+	Incentives	+	Resources	+	Action	=	Treadmill

On each line, consider what is there and what is absent. On the second line, for example, when vision is absent, change does not happen. Instead, confusion results even when the team has the necessary skills, incentives, and resources, and is willing to take action. Similarly, add vision back in but take away skills, and anxiety results. Without the ability to do what is needed, more incentives and resources will only raise stress, not improve the desired performance.

As we work our way through an economic downturn, leaders and organizations will be scrambling to cope and to adapt, i.e. to change. You can use this chart both for diagnosis and prescription. For example, if you identify resistance, first check to see what incentives are in place for change as contrasted to incentives for the status quo. If you observe frustration, consider what resources are in place to aid the change. If you find deficiencies in incentives or resources, for example, increasing your emphasis on vision will not be effective. It will have all the impact of speaking louder to a person who doesn't know your language.

Given the magnitude of what we are facing, you can anticipate confusion, anxiety, resistance, and frustration will frequently be present because of overall environmental factors. One of your jobs as leader is to mitigate the negative impact of those external factors and certainly to not add to them yourself by omitting any of the essential elements for successful change.

"The frames our minds create define - and confine - what we perceive to be possible.... Enlarge the box, or create another frame around the data, and problems vanish, while new opportunities appear."

-- Rozamund & Ben Zander *The Art of Possibility*

For more, see sidebar and next page

CHANGE 66o

These are the core lessons of the graduate course in change:

- Change is not an event; it is a process.
- Change is not a constant; it comes in waves.
- There is no oasis of calm after change, just a period of less intense change.
- Leading change involves everything in Change 101 and 324, plus talent development, strategic planning, and system design.
- The key principle for adaptive fitness is alignment – or FIT – among talent, strategy, and systems.

Talent Selection and Development involves seeing yourself and others as you really are, bringing out the best in people, improving management performance, reducing unproductive conflict, and building and leading effective teams

To perform at top levels requires more than natural talent. The best leadership results from a match between a leader's strengths and personal style and the needs of the organization. You must assess executives' skills, inner drives, and social style as they compare with the challenges you face. The selection of senior management represents one of the largest investments that an organization can make – with cost and revenue impacts much larger than many capital purchases that receive significantly more preparation and attention. To do this well requires a deep understanding of people and of the organization's strengths and weaknesses.

Strategic Planning and Implementation includes accurately assessing the opportunities of the marketplace, building shared understanding of mission, vision, and values, analyzing and evaluating strategic directions, and making sound choices

The best strategic plans speak to the heart and soul as well as to the head. Therefore, when I work with leaders, I try to help them tune into their own aspirations and those of their stakeholders, to create compelling visions, and to translate those visions into realistic

personal and organizational goals. The result is a plan that inspires as well as instructs.

Assessment and Redesign of Organizational Systems & Structures is about correcting dysfunctional systems and behaviors, improving communications, eliminating silos, turf-building, and duplication, streamlining decision-making, and improving and simplifying governance

Organizing is one of the core functions of leaders because it is the key to efficient use of resources.

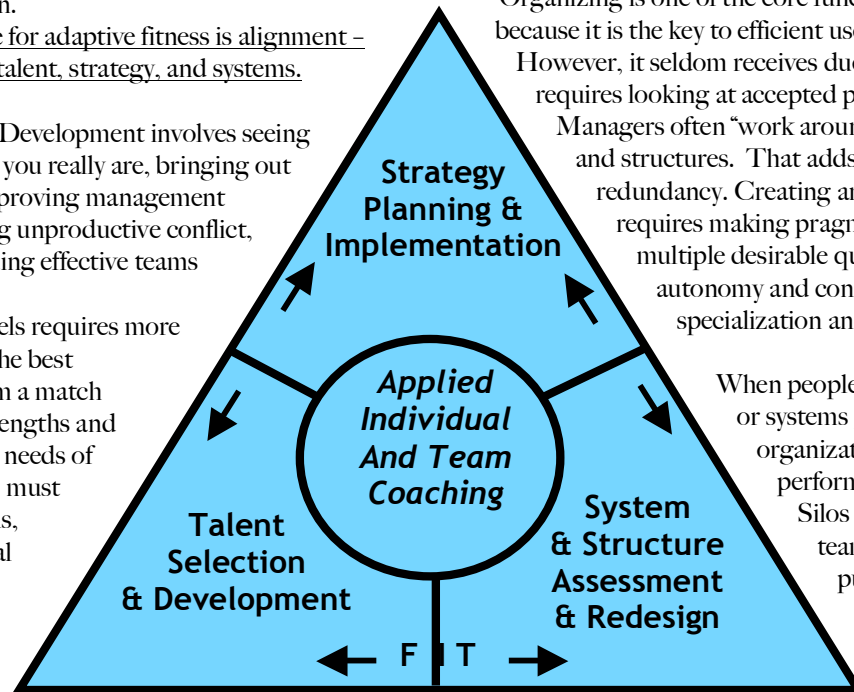
However, it seldom receives due attention, because it requires looking at accepted practices with fresh eyes. Managers often “work around” ineffective systems and structures. That adds complexity, cost, and redundancy. Creating an effective organization requires making pragmatic trade-offs among multiple desirable qualities such as between autonomy and control or between specialization and integration.

When people, strategies, structures, or systems get out of sync, organizations falter. Individual performance problems surface. Silos develop, and functional teams work at cross-purposes. Communications and decision-making bog down. Staff and management lose

focus. Organizational results are not commensurate with the investments of time, effort, or capital.

A good strategy will only work if the organization has the right people working together in the right way to make it happen. Likewise, the most effective structure for an organization depends on the strategy of the organization and its people. Management selection and development should not be done in the abstract but rather specifically in the context of the organization's strategy, systems, and structure.

To lead effectively in a turbulent environment demands that leaders continuously adapt, i.e. change. Many find it helpful to have a knowledgeable and confidential ally to help them to assess their personal and organizational strengths and weaknesses, sort through options, make good decisions, and take effective action. That's where Leadership Impact comes in. That's what I do.



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