

Secrets to Effective Change Management

The only constant is change.

As customers evolve, businesses must evolve to meet customer needs, or they run the risk of losing those customers.

Some businesses are going through major changes this year, as stock markets step back, inflation looms and a recession threatens the US consumer markets. Other businesses are changing because their past efforts, especially with financial services, have resulted in huge losses.

Whatever the reason for the business to change, the people in the business will also have to change.

Many business leaders have attempted in many ways to change their organizations. I've experienced a leader who gathers everyone in a room, and no one is allowed to leave until we all agree to commit to the new program. (effectively using peer pressure) I've also experienced a leader who basically said, "This is the new way, and I expect you all to commit to it....or else." (use of power)

There are numerous other ways leaders have tried to get everyone "on board" with the new changes, but they basically break down into 3 areas:

- 1) Peer pressure: get peers to "motivate" each other to change through group behaviour modification
- 2) Power: get staff to change through threats of financial loss, job loss, etc, if they don't commit
- 3) Self-interest: show staff how changes will appeal to the individual's self-interest.

Of the three, only one of these will consistently produce long-term results, and that is applying self-interest.

Motivation comes from within. Having your buddy or your boss try to persuade you may work temporarily, but it's only the intrinsic motivation that will lead to long-lasting changes.

So, the question becomes, "How can a leader best appeal to the self-interests of his/her staff in order to effectively institute change within his/her organization?"

Despite some common beliefs, people are used to change. Although an individual's most important need is safety, and since that comes from repeating actions with known results, most of your staff is used to adjusting when the computer goes down, or the traffic changes on the way to work due to construction, or someone is sick or on vacation.

The reasons cited above are mainly temporary changes. How do you move a whole organization to "change" their behaviours so that the company can evolve to how you envision the new organization?

Here are some tips:

- 1) Document your vision of the new organization.* Explain where you are, and why that is not working. Explain where you want the organization to go, and why. Then explain how that change shall occur.
- 2) Identify and prepare the people who will lead, exemplify and reinforce that change. Explain to them your vision, and show them your document for analysis. Get buy-in from them by appealing to their self-interests. Update your vision as necessary after speaking with them.
- 3) Make a formal announcement to all employees involved. Advise them in small groups or one large group of the three key areas outlined in 1) above: namely, what you are changing from and why, what you are changing to and why, how you envision the organization changing to meet the new vision.
- 4) Meet periodically with those you have chosen in 2) above to monitor results. They are meeting the most resistance, so it is imperative you continue to keep them on board.

*The most likely opposition to change will come from the current organizational structure. Usually, the compensation system, the accounting system or vested interests will not favour the changes. You must do what you can to keep these three blockers from spoiling

the day. Mention each, as you see fit, in your document to block opposition before it hits.

James Allan partners with businesses to improve human and organizational performance.

Contact James at:

e-mail: james@streethockeymillionaire.com

phone: (613) 733-3729

website: <http://www.shmconsulting.net>