Change Leadership: 
Minimizing the Chaos of Transformation

Dean Anderson
Linda Ackerman Anderson

1242 Oak Drive, DWII
Durango, CO 81301
(970) 385-5100

www.beingfirst.com
www.changeleadersnetwork.com/blog
Perhaps the most difficult task you will face as a leader is leading complex, large-scale transformational change… successfully. The stakes are high in transformation, with both tremendous potential for ROI, and a huge cost of failure.

The bad news: Research shows that most transformational changes fail to return their desired ROI. The good news: Superb change leadership skills can greatly elevate your probability of success.

Leading transformation requires more advanced “people and process” skills. It is messy, often chaotic, and has serious human impact. In transformation, what you are attempting to create is radically different than your current state of operation, and your outcomes are often unclear when you begin. Therefore, numerous course corrections are required as you discover where you need to go and how to get there. This process is non-linear and full of surprises.

Plus, the psychological and cultural dynamics of transformation increase its messiness. Transformation always impacts people significantly, requiring a shift of mindset, behavior, and culture to implement the new direction. Handling the people dynamics is essential for maximum ROI. For example, supply chain optimization requires people to collaborate across boundaries far more than they are accustomed. Restructuring from autonomous regions to a centralized system requires people to give up some degree of power and view their world more holistically and less myopically. Without these shifts in the hearts and minds of your people, you will not realize your intended outcomes.

There is a long list of best practices in leading transformation. Here are four key ones to reduce the chaos and support your immediate success.

1. **Build a change integration plan to increase speed and efficiency, and lower the costs of change.**

Organizations typically have dozens of change initiatives simultaneously underway, each organized as a discreet effort with its own charter and outcomes. Leaders staff these efforts, budget for them, govern, and monitor them as independent projects. They use different change models, even competing consulting firms. And, they staff the projects with the same people who need to keep the business running effectively while changing it, placing further strain on the enterprise.

Unfortunately, this strategy of unleashing numerous isolated efforts creates impossible levels of chaos, confusion, and competition. It increases the cost of your overall change, radically slows its pace, and can destroy employee morale and commitment. There is a better way.

Integrate your change efforts from the beginning. Once you identify your major initiatives, clarify how they strategically fit together. Identify customer-supplier relationships between them and how they need to interface for optimal success. Identify their common stakeholders and how initiatives can combine their engagement of stakeholders to minimize burden on current operations. Establish a change infrastructure for how you will govern them, make decisions, allocate resources across them, and determine overall pacing. Make sure your infrastructure includes a multiple project integration team, and use this team to streamline and consolidate your interdependent projects, remove redundancies, and share resources.

If possible, use a common change process methodology—one that allows for customization to the unique needs of each initiative, cross-fertilization among them, and a shared language and approach to handling process complexities and human interactions.
dynamics. This will create a common understanding and enable initiatives to “talk with each other,” much like a computer’s operating system enables software to interact. This will radically increase the overall speed of change in your organization, while lowering its human and capital costs.

2. Set realistic timelines for change based on your true capacity.

You can erode the potential success of your change efforts by setting unrealistic timelines that do not match the capacity you have to deliver on those timelines. Just because you want the change to go faster does not mean that it can go faster by magic. You can create a real sense of urgency for change, but that does not mean that its timeline can be expedited beyond what is humanly or organizationally possible.

Speed is a product of many variables: the complexity of your change, the readiness and capability of your organization, available resources, and your current workload. Mixed together with a healthy dose of operational reality, these variables will reveal your realistic timeline. Your change could go faster if it was less complex, or your organization was more ready or had more change skill, or you allocated more resources, or did less. But each variable is what it is right now, and the mix of them determines your speed.

When you establish timelines that do not mesh with these realities, your people will see right through them, and you will lose credibility. The very people you need to make the change happen will begin to resent and fight the change because they feel victimized by the timeline you set. As stress increases, they begin to think that since the timeline is unrealistic, so are the change effort and its leadership.

An unrealistic timeline can actually slow down change readiness and business performance. There are definitely ways to increase the speed of your change, but setting unrealistic timelines is not one of them!

3. Develop your understanding of the human and cultural dynamics of change.

Do you understand motivation and resistance, human needs, communication and behavior? Do you understand emotional reactions and the mindsets that trigger them? Do you feel capable dealing with the impacts that your change may have on your existing culture, or how to transform your culture to serve your new directions?

Most senior executives are not so equipped, and many actually don’t want to be. They are far more skilled with the strategic content of their businesses than the people issues, especially during change. They understand their customers, products, and organizations, but do not understand how to constructively address the psychology of people, change, or culture. In fact, most change efforts fail not because the executives designed the wrong “content” solution, but because they could not get their people to implement it. Resistance or political maneuvering was either too great, or employees wouldn’t participate, or once implemented, people simply ignored the new state and went on using the old ways. Sound familiar?

People issues have not always been of such great concern. Until the 1990’s, the majority of change was developmental or transitional, with far less significant human impacts. At most, people had to modify behaviors or learn new skills to implement change. Now, most major change is transformational, which impacts people far more deeply, often emotionally, touching into their own belief and value systems. In transformation, fundamental ways of being, relating to others, and operating need to radically change. This makes expert treatment of
human and cultural issues a critical success factor.

Leading transformational change requires you to understand what makes people tick, both what ignites their passion and commitment to change and what causes them to resist. If you do not attend to human dynamics in how you design your change process, you will inadvertently make decisions that have huge negative impacts on your people. You cannot delegate the handling of resistance or reaction to your Human Resources department. They may be of help, but to lead, you must learn about people’s emotions and beliefs, and how to design and implement your change efforts so they cause people to participate in positive ways.

4. Build a critical mass of support by really engaging stakeholders.

When people feel “done to” by change—rather than inspired and involved—resistance abounds. Recent literature has focused on the dangers of the “command and control” leadership style, with good reason. If you assume that your people will change because you tell them to, or threaten punishment if they don’t, backlash is inevitable. Of course, making critical change is important to the future of your business, but holding your people hostage is not the answer. Resentment and “workforce rage” will grow. Loyalty to you and the organization will disappear, along with your credibility. So, what can you do to engage and compel your people to take on the challenge?

Change does not happen from the outside in…a la “Do it because I said so.” It happens from the inside out. Adults can only change—really change—when they understand and buy in to the need and decide to do things differently. Your leadership responsibility is to create that understanding, model it, and make it palatable and compelling. Engage your people to think about what needs to change and why. Involve them in generating potential solutions, out-of-the-box possibilities. Give them an opportunity to have a say—if not real influence—on the new future you are asking them to create. With authentic leadership and true employee engagement, your people will see the value of change and make it happen because they want to, not because you demanded it. With your people emotionally “owning” the change, the chaos will drop to a manageable level and your potential for success will increase exponentially. These strategies are at the heart of great change leadership.