

Article

Ensuring Your Organization's Capacity to Change (Task I.C.1)

Do you have the capacity in your organization to succeed at change AND current operations? Or, will one succeed at the expense of the other? This article examines the issue of managing capacity across change and operations, and recommends how leaders can deal with it or increase their success at both.

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Introduction

Whether your organization has enough workload capacity for change is a significant risk factor to your success. Most organizations are running at over-capacity: current operations consume the organization's capacity, and then leaders pile change on top of painfully stretched workloads without "taking anything off people's plates." This occurs regularly at senior and middle management levels.

Capacity is an overlooked strategic issue. Executives, being rightfully demanding, are generally poor judges of their organization's true capacity to operate effectively while taking on major change. Most either do not pay attention to capacity issues, or do not understand the dynamics and impacts that capacity challenges have on their people and organization. This article defines the issue and offers important recommendations for managing the workload between running your current operations and implementing change.

The Issue of Capacity

Capacity—in the context of change—can be defined as the organization's total workload for running current operations and conducting change activities. Adding any work requirements to either side of the equation consumes some of your organization's capacity. If you hear or observe any of the following, you have a capacity issue: "I can't keep up the pace." "We are burning out our best people." "Our top performers are starting to slip up." "I know you're busy. Do it anyway." "Take something off the plate? We can't! It's all important, and we can't say no."

If you consistently extend beyond your organization's limits of capacity, you may observe high stress in your people, resentment, departure of your best talent, poor performance, and increas-

ing failures of judgment from sheer lack of time to think clearly. Between operations and change, what can give? Typically, your changes are pushed to the side, since most organizations reward operational performance, not change.

In reality, capacity is finite; people can only do as much as they can humanly do, and you only have so many people. Capacity becomes an issue when one or both of the following two things occur. First, it becomes a problem when there is too much "on the 'normal operations' plate," and leaders continue to add more work. In this situation, leaders are not paying adequate attention to the reality of the workload, are denying the degree of strain being felt by their people, or are demanding that there be more capacity than there actually is or can be. Second, leaders add major change on top of normal operating requirements and do not take anything off the plate to make space for the burden of change, which includes time requirements, resources, attention, meetings, personal change, and lots of ongoing planning and execution at all levels of the organization.

One organization we observed was planning diligently to become more effective and efficient. The pain of over-capacity resounded through its management ranks on a regular basis. The CEO felt there would be a surplus of capacity if people would only *be* more efficient. This created a painful double bind for his very devoted executives: How could they generate more capacity from being more efficient? The answer, of course, was to institute a series of efficiency initiatives, which *required capacity themselves!* Wouldn't it be great if you could simply flip the switch and suddenly be more efficient? But all change takes capacity, pure and simple, and the workload of change must be planned for just like operations.

Recommendations

Your first step is to assess the real capacity in your organization, for both normal operations and for carrying out your key change initiatives. The executive role in this “get real strategy” is to ensure that a capacity review process occurs to create a realistic picture of what is “on the organization’s plate.” Review your priorities and the timing of major operational and change projects, as well as what else is “coming down the pike” in the near term. Take a realistic look at how more work gets “put on the plate,” including work that may come from above—Corporate Headquarters—or from below, your business units. Assess what projects or events can be “taken off the plate,” or “put on the back burner” for the life of the change.

Executives should never take on the role of determining how much capacity a project requires; they are generally too far from the real work to accurately know. Instead, rely on your project managers, mid-managers, and supervisors, but be aware that any existing capacity burden felt by them may influence their data. Once you have received accurate data, use it to determine what to stop, slow down, or reprioritize to free up capacity, and where to apply your newly available resources.

A candid look at capacity requires a real partnership between your executives, mid-managers, supervisors, and employees. Trust issues across your organization’s hierarchy, as well as people’s fears of admitting to being overly stretched, will negatively impact the accuracy of your capacity assessment. Do your best to invite and respect an honest review.

Do take things “off the plate!” Your capacity review is not a lip-service exercise. Make the tough decisions to ease the strain—at least to what is humanly possible under the best of circumstances. Show your workforce that you

can and do see the true workload reality of your organization. You will send a visceral message, a truly bold action, by taking work “off the plate” to accomplish higher gain work and change.

Capacity issues are exacerbated by unrealistic timelines and insufficient resources. When people do not have the time or tools to achieve expected results, they take shortcuts that lead to failure or unnecessary rework. By adjusting timelines to fit your capacity, you can ensure better performance and higher morale in your employees. In short, do not make the mistake of neglecting capacity as you set due dates.

When initiating change, take a candid look at the capacity required to lead and implement it effectively, and make space for that capacity. Set up your changes for success by making the time for them that they actually require. Measure this against the operational workload for the life of the change.

When creating your change strategy (See Article: “*Building Your Change Strategy: How to Ensure that Your Effort Is on the Right Track*”), you have the opportunity to scan all other change efforts occurring or being planned in the organization. This is a great time to put your “capacity assessment” hat on. Include your operating priorities, and then take an objective look at the workload and where you might piggyback change efforts, or integrate or consolidate the work. This is a key strategy to set up your changes to succeed and accelerate their pace!

Culture and Capacity

Your organization’s culture highly influences how your leaders treat capacity issues; and, how your leaders attend to capacity issues in turn dictates your cultural norms about capacity. Leaders do not always stop to think about whether or not their people can do what is needed; they just assume they can and will. This

sets a tone that exists in far too many organizations today: “It’s all important! Do it all. You can’t say no. Faster, faster, more, more.” This mindset causes leaders, managers, and workers to go numb to their own inability to keep on going, and going, and going. But in reality, even the Energizer Bunny runs out of juice at some point (don’t believe the commercial!).

Take a hard look at your cultural norms and practices around capacity, and at the leadership mindsets that support them. If your organization’s values include something akin to “Our people are our greatest resource,” then your culture must support people’s well-being as it relates to their sustained capacity to do the work of the organization: both operations and change work. Your organization, like many, may need to transform cultural norms that enable work plans to grow beyond the real capacity you have to achieve them. Keep in mind that this in itself is a change initiative, and will require real capacity to plan and see it through.

Summary

When initiating change, pay attention to the issue of capacity in your organization. Become aware of it, make it a priority in your planning, and take action on it. Staff and pace your changes so that they have the best chance of succeeding. We are not suggesting that your changes be carried out leisurely. Rather, the capacity issue is about being realistic. See your reality clearly and build your change strategy—and culture—accordingly. Get it right and watch your managers and workforce flourish, appreciate your leadership, and deliver both operational and change results.

About the Authors

Dean Anderson and Linda Ackerman Anderson are the co-founders of Being First, Inc., a results-oriented change leadership development and transformational change consulting firm working with visionary leaders of the Fortune 1000, government, and large non-profit organizations. For twenty-five years, Being First has been assisting executives to maximize their ROI from change, transform their cultures to high performance, and build their organization's change capability. Being First provides a complete change solution, including change strategy development, change methodology and tools, training, coaching, consulting, and hands-on change project support. A Deloitte and Touche research study once named the Being First Change Methodology the most comprehensive in the world.

Mr. Anderson and Ms. Ackerman Anderson are co-authors of two cutting-edge books on change, *Beyond Change Management: Advanced Strategies for Today's Transformational Leaders* and *The Change Leader's Roadmap: How to Navigate Your Organization's Transformation*. They co-author *The Change Management* column for *Workforce Performance Solutions* magazine, as well as the e-newsletter, *Results from Change*, which is distributed to change leaders and consultants worldwide.

Mr. Anderson and Ms. Ackerman Anderson speak internationally about the people and process dynamics that are key to succeeding at transformational change. They can be reached at info@beingfirst.com or 970-385-5100.

About Being First, Inc.

BEING FIRST, INC. is a highly specialized change leadership development and transformational change consulting firm, serving Fortune 1000 companies, government agencies, non-profit organizations, and change consultants worldwide.

We partner with our clients to achieve breakthrough results. We provide a fully integrated solution of consulting, training, coaching, change methodology, and tools; everything our clients need to radically improve outcomes. We are experts in unleashing extraordinary human performance, transforming culture to enable that performance, and developing leaders to lead those transformations.

Outcomes

- **Maximize ROI** by achieving the tangible business results you are after from change; faster and with less cost to your business and people
- Build your organization's **change capability and skill** so you can consistently reap the benefits of successful change, now and in the future
- **Transform your people and culture** to truly unleash breakthrough performance
- Develop your managers and leaders into **competent change leaders** who know how to lead all aspects of change, including the people and cultural dynamics
- Develop your internal consultants into **expert change consultants**

Services and Products

- **Web-based Change Methodology, Products, and Tools** for every task in your change effort. Test drive **The Change Leader's Roadmap™** at www.changeleadersroadmap.com
- **Change Strategy Development and Process Planning** for complex transformation
- **Change Leadership Development and Coaching** for senior executives, change sponsors, change process leaders, change project teams, change consultants, mid-managers, and frontline targets of change
- **Change Consulting** that ensures you get the best change solution implemented by an engaged group of stakeholders
- Change Consultant Development to build your in-house skills
- Executive Team Development that builds cohesion, alignment, and commitment
- **Assessments:** Change Project Audit, Change History Audit, Change Readiness and Capacity, Change Sponsorship, Change Leadership, and Change Team Performance
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