

Walk the Talk

Radio for Agile Minds

Shelley	<p>It's that time of the month when we "Walk the Talk" and welcome Nick Anderson to the studio to help us check out if we do actually "Walk our own Talk"</p> <p>Nick is Senior Partner for Professional Development Services – The PDS Group and affiliated with ROCG – Business Transition Specialists and long time contributor to WGUV</p> <p>Over the last 20 years Nick has coached many leaders in household names like Turner Construction, Qwest Telecommunications and Royal Bank of Canada to impact bottom-line results through aligning people for change</p> <p>Each month Nick chooses a topic related to the business world in West Michigan focusing on the transitions this economy is going through</p> <p>Welcome....What have you chosen for us this month?</p>
Nick	<p>Happy New Year Shelley,</p> <p>Getting ready for the year ahead and making good on all those New Year's Resolutions got me to thinking about companies in West Michigan and how much change they will be going through to survive and thrive this year. What should their resolutions for 2010.</p>

Shelley	OK. So companies can't stop smoking, lose weight or be more tolerant of their spouses irritating @#\$%\$. So, Nick, what is your theme this week?
NICK	<p>Well, I want to build on last month's theme. Regular listeners will remember I was talking on whether or not to hire or rehire.</p> <p>"At a time when rapid change is impacting nearly every industry, and the ability to adapt is business-critical, corporate America is still proving weak at turning change efforts into real results. A new study commissioned by Pivotal Resources, reveals that marketplace pressures are driving change projects to be a top priority at most companies, but almost half of the respondents indicate that a significant number of change projects failed to meet their stated goals."</p> <p>According to the research, more than a third of the respondents (38 percent) undertake a small number of change initiatives per year (1-5 projects). Yet the top reason reported for failed change efforts is having too many "top" priority projects and the inability to coordinate them across the organization.</p>
SHELLEY	That sounds a little strange...what did the researchers say....
NICK	<p>They were surprised, like you, the low numbers of change initiatives that many of the respondents say are undertaken each year, especially when they also say that they often have too many high-priority initiatives than they can handle,"</p> <p>The first thought I had was there's obviously a misalignment "This suggests that there is not enough clear ownership or scrutiny of the 'change portfolio' -- or the process for deciding what are the most important projects to work on."</p> <p>This misalignment was confirmed when they asked about the success of these projects, C-level executives were twice as likely to judge change projects as "almost always" successful as non-C-level managers. Where have we heard this before – 70% misalignment between the leaders of change and those</p>

	implementing the change? It's like a "broken record" – it could be a theme for these programs
Shelley	So, how can business owners and executives avoid obstacles to successful change?
NICK	<p>That's a good question. At least 80% of these failures can be traced to a few common mistakes.</p> <p>The first of which is No Performance focus –</p> <p>Changes to skills, culture, structure, etc. must be aligned with specific business results.</p> <ul style="list-style-type: none"> • Ensure performance metrics like market share, productivity, innovation are as specific as possible; clearly link change activities to these metrics. • Define short-term wins to build credibility and momentum. <p>I talked last year about the need for leaders of a change to create a clear and compelling story – oral tradition.</p> <p>Secondly, Lack of a Winning Strategy</p> <p>The best change program in the world can't overcome a structurally disadvantaged industry position (inadequate scale, the wrong technology, poor location).</p> <ul style="list-style-type: none"> • Ensure you have the resources, leadership, etc. to give you a reasonable chance of creating a winning strategy. <p>This is a cold shower of realism...consult widely, do your homework</p>
Shelley	That sounds obvious....you would think business owners would do this..
Nick	You would think so...yet the very focus you need to run a business often leads to a type of business myopia. You think

	that your world view is all encompassing
Shelley	What's next on your list of common mistakes?
Nick	<p>Keeping me on track...LOL</p> <p>3. Failure to mobilize and engage pivotal groups</p> <p>Stakeholder groups need a strong case for change, a compelling value proposition ("what's in it for me?"), strong support (new goals, information, tools), and effective communication.</p> <ul style="list-style-type: none"> • Define which groups are key to implementing change; determine how meaningful the case for change is to each one. • Figure out how you can improve their participation. <p>Relate to AEx(tm) Projects.....</p>
Shelley	This surprises me...you would think business owners would be acutely aware of these people...
Nick	<p>You would think so...but it's easy to take people for granted...and what we think is obvious is often obscure...and is closely linked to the 4th Common Mistake....</p> <p>4. Not understanding behavior-dependent change.</p> <p>Unlike changes in market positioning or pricing, behavior-based change involves less tangible areas like skills and culture. A different mindset and solid leadership skills are needed to successfully apply changes to behavior.</p> <ul style="list-style-type: none"> • Pre-determine the mix of decision and behavioral changes. • Ensure the appropriate mindsets and skills are being applied. <p>Let's unpack this....alignment is a two street...but an agreement to meet a new expectation needs deliverables and accountability....all for naught.....</p>

Shelley	Listening to these mistakes....brings to mind how difficult change is and how business leaders try short cuts
Nick	<p>Like just do it? Good lead to the 5th Common Mistake</p> <p>Over Reliance on Structure and Systems</p> <p>Structural and systems changes are easy to track, but they rarely result in broad-based behavioral change or skills development.</p> <ul style="list-style-type: none"> • Determine what else you need to get the organization performing in new ways. <p>E.G. Track errors...customer service etc. rather than how people followed a protocol..."pick up the @\$% Phone"</p> <p>E.G. Legalistic vs. Problem Solving</p> <p>As soon as "It's not in my job description...you have failed.... You swear...they don't get it.....NO YOU DON'T GET IT!!!</p>
Shelley	What other short cuts get business leaders into trouble?
Nick	<p>Well, next Lack of Skills and Resources</p> <p>Many companies simply fail to put the appropriate time, people and resources against the opportunity.</p> <ul style="list-style-type: none"> • Make sure you've allocated the right resources for the challenge, or create a plan to acquire or develop those resources. <p>Give examples</p>
Shelley	What about the leaders themselves...how do they make change less likely?

Nick	<p>Don't do as I do....do as I say...</p> <p>E.g.</p> <p>Any attempt to change the direction of an organization will fail if senior executives do not adopt the changes themselves.</p> <ul style="list-style-type: none"> • Determine that they are aligned with the change process, and are willing to model the values and behaviors they demand of others. <p>AIEx(tm) tracking....</p>
Shelley	<p>We talked earlier that people in the survey thought there were too many change initiatives...how does this play a part in failed change?</p>
Nick	<p>You need to align initiatives.....Major change requires many initiatives (strategy, re-engineering, training, leadership development, management system redesign). How they relate to one another can get confusing from a "big picture" perspective.</p> <ul style="list-style-type: none"> • Create an overall architecture to help guide and fit all the pieces together. <p>Strategic Components alignment</p>
Shelley	<p>Tip of the month</p>
Nick	<p>Summary...</p> <p>No Performance Focus</p> <p>Lack of Winning Strategy</p> <p>Failure to engage Stakeholders</p>

	<p>Not understanding how dependent success is dependent on behavior change</p> <p>Touching over-reliance on structure & systems</p> <p>Lack of skills and resources</p> <p>Leaders inability to change</p> <p>Inability to align initiatives</p> <p>Next Month.....</p>
Shelley	End