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Adventure Change Management

Practical tips for all those who want to make a difference

The Visionary

The Methodology Nut
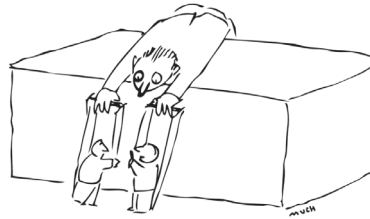
The Harmony Seeker

The Technocrat
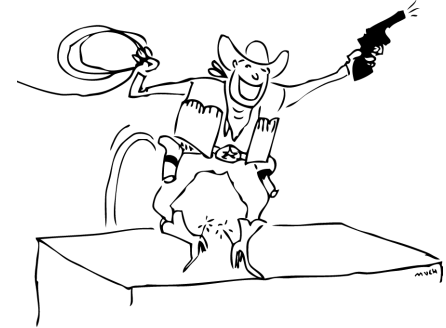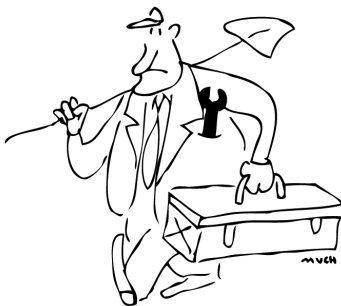
The Standardizer

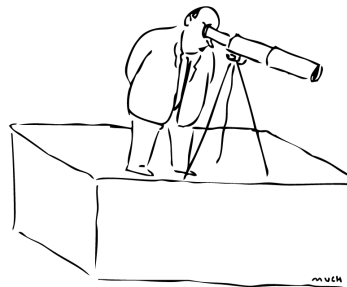The Pioneer

The Gardener

The Puppet Master

The Cowboy

The DIY Guy

The Observer

The Digital Addict

In one way or another, every one of us is involved in deliberate or unintentional change, be it as someone who shapes it or someone who is affected by it.

Perform a little exercise to help you get a clear picture of your change situation. This can be a very personal change. Alternatively, initiate a change project in your role as manager, or choose a change of which you are currently a part of. Take a piece of paper and write down your most important thoughts on the following questions:

1   Where is the change taking place?

First, name the system affected by the change. What is the change about? About me? About a specific department or the entire company? About a special group? A community? Above all, describe the boundaries within which the change is taking place.

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2   Illustrate the status quo.

Imagine the scope you have just defined from a bird's eye perspective: Describe the strengths and weaknesses of the situation.

What about the environmental factors? What dynamics, forces and relationships are at work in this field? What is good the way it is and who benefits from that? What signals, threats or opportunities can be identified in the environment? What is already clear and where can weak signals be found? Where does the momentum for improving the future come from?

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3   What could a vision of the future look like?

If you put yourself in the desired state of mind of the change agent (you or others), how can it be described? Imagine a day, a week in this future state. How does life and its processes work out? What behavior do you recognize in yourself and others? Alternatively, simply paint a picture of the desired state. Also describe what you like about this picture and what causes discomfort. What are the significant differences compared to today?

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4 What is my position within the change process?

Look down on your situation from above and ask yourself the following questions. What is my position in the initial situation vs. the future vision? What persons and tasks am I connected with? What different positions can I see for myself in the described future vision?

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5 What do I feel when I listen to myself?

Try to look at your inner self and describe your personal feelings. What factors in this change motivate me and what would I like to be a part of? What causes fear or uncertainty? What prevents me from just getting started or participating?

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6 How do I imagine the change process?

I will look at the difference between the status quo and the vision of the future and think about how the transition and the development can be organized.

What notions could arise? How long will the process take? Into what phases could it be divided? What are the areas in which everything is still chaotic and what areas only require a first step? Are preparation, analysis, concepts or other important steps required? What rhythm could a change process follow? Slow at first, then fast or the other way around? Evenly timed perhaps? Start by drawing a little map with envisioned events and possible milestones on your way from the status quo to the vision of the future. When doing so, keep in mind that this is just a first draft aimed at providing orientation in the initial stages and that the process may differ entirely from your draft.

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7 What's the essence? What is it all about?

Carefully read your description and let the results sink in. Maybe take a short stroll, get yourself a coffee or simply change your perspective. After that, try to answer the following questions. What's at the core of this change project? What's its central motto? What's the crucial point of success and wherein lie the dangers that may lead to failure?

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8   Who are my allies?

Implementing changes alone is tough. Make a note of who can help you implement the change. Who is interested in its development and who has the power to make things happen? From where is the most resistance to be expected? With whom can you join forces to create a powerful energy source?
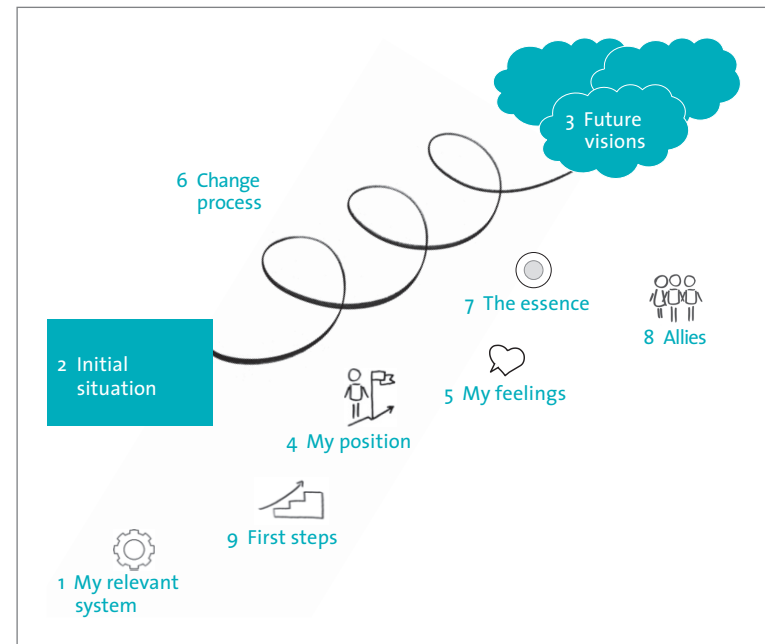
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9   What's the first thing that needs to be done?

Take a fresh sheet of paper and draft a list of activities. What needs to be done to get the change on its way, to give an ongoing change a new direction or to simply participate in the process actively your-self? Create a to-do list for the next two to three weeks. Who do I have to talk to about what? What specific decisions need to be made and when? What do I have to do and what do others need to do as per my instructions? Beware of excessively long lists as they already contain the core of failure. In your calendar, reserve times during which you want to implement the planned actions.

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3 Future visions

6 Change process

7 The essence

8 Allies

2 Initial situation

5 My feelings

4 My position

9 First steps

1 My relevant system

Comparisons limp

There once came to a doctor, a cobbler who suffered from severe pains and seemed to be dying. The doctor checked him carefully but could not find a prescription that would have helped him. The patient asked anxiously, "Is there nothing else that can save me?" The physician answered the cobbler by saying, "Unfortunately, I know of no other means." Upon hearing that, the cobbler replied, "If there is nothing left, I have just one final wish. I'd like a cooking pot with two kilos of thick beans and a liter of vinegar." The doctor shrugged his shoulders with resignation, and said, "I don't think much of that idea, but, if you think it will work, go ahead and try." Throughout the night the doctor waited for news of the man's death. But the next morning, to the doctor's amazement, the cobbler was alive and kicking. The doctor wrote in his Journal, "Today a cobbler came to me for whom nothing could be done. But two kilos of beans and a liter of vinegar have helped him." Shortly afterwards, the doctor was called to help a deathly ill tailor. In this case, the doctor was again at his wit's end. As an honest man, he admitted this to the tailor. The ailing man begged, "But don't you know of any other possible cure?" The doctor thought a minute and said, "No, but recently a cobbler came to me with similar complaints. He was helped by two kilos of beans and a liter of vinegar." "Well, if there's no other remedy, I'll just try that one," replied the tailor. He ate the beans with vinegar and was dead the next day. At that point, the doctor wrote in his Journal, "Yesterday a tailor came to me. Nothing could be done for him. He ate two kilos of beans with a liter of vinegar and then he died. What's good for cobblers is not good for tailors."

(From *The Merchant and the Parrot* by Nossrat Peseschkian)

There is no universal formula for effective change management. Managers must find their own path. M. Gandhi described this path as follows: "You must be the change that you want to see in the world."

Our book aims to stimulate and provide valuable tools needed to embark on this personal adventure.

Adventure Change Management offers help for all those who are dealing with change. Whether it is organizational change in a small department or a comprehensive transformation process, knowledge of the basic rules of change management helps to avoid failures.

You are an experienced change professional looking for new ideas.

Browse through the book, look for suggestions and also contradictions to your thoughts and discuss your experiences with us: www.integratedconsulting.eu.

A change project is in the pipeline and you would like to be better at it

Think what the challenges will be. Use these chapters to look for specific new ideas and apply them to your situation.

In our VUCA world, proven management tools no longer work

Increasing pressure to change, new technologies and competitors, employees who suddenly start looking for the purpose of the organization – make your organization fit for constant change.

You are one of those affected, "the guys at the top" want to change everything

Start reading at any chapter in the book that seems fitting. Inform yourself and become a competent sparring partner for your management.

A difficult meeting is due, it will be about change

Make your employees smile using one or more cartoons. This relieves tension and allows you to tackle the hot topics.

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You are looking for a consultant for your change project

Ask the consultants what they think about the individual topics in this book. Be skeptical if consultants reject things, but also when they take them for granted.

You will scream if someone mentions the term change management one more time

Put the book down. Try to find out what experience has soured your mood. After that, look for inspiration on how you can constructively tackle this topic.

Many change projects fail. For good reason. That's because the reasons why everything should stay the same are diverse and can often be felt in the everyday work life.

1 The current state is comfortable

No one likes to change without reason. As long as we humans do not regard the current situation as under threat, we will not enter new, treacherous terrain. Often we have already recognized the danger in our minds (see climate change), but are not yet emotionally affected (climatological disasters happen far away).

2 The corporate culture determines the scope

New, motivated top managers join a company in crisis and most things still remain the same. The corporate culture – the unwritten laws – determines the possibilities for change. It's about what is being rewarded, what penalized and how one thinks about the world. In such an environment, new hires have little chance to work against the culture; unless they break it up completely.

3 There is a lack of credible leadership

Many managers demand new things from their employees, but won't change their own behavior. Some only have their own career and goals in mind and at the same time expect their employees to embrace changes that result in uncertainty.

4 People dislike being treated like objects

Most people in our culture want to be in charge of their own destiny, want to be able to participate in decisions, want to be treated fairly and don't want to be merely gears in anonymous plans. We don't expect to be part of decisions far outside of our own area of responsibility. But when they concern our own job, we want to be consulted and participate. Otherwise, we will take three steps back or even resist.

5 Letting go is the most difficult part

People are not afraid of new things, but are afraid to let go of what they know. For example, when a restructuring is imminent. Saying goodbye, being left without a secure footing, abandoning the safety of one's accustomed social environment isn't easy for anybody. Change agents only talk about the new, but no one helps you with letting go.

6 The interests are varied

Many change messages fail to reach their target. The sender (e.g. the Board of Directors) wants to lower costs to raise the company's value. The receivers (people who are supposed to change to reach this goal) want a secure job, guaranteed income and exciting tasks. A classic case of conflict of interests.

7 The new doesn't make sense

The managers' PowerPoint presentations on planned changes speak about 'World Class, Service Champion, Global Leaders, Best in Business' and the like. No one, however, explains the purpose of these changes to those affected and illustrates how an attractive future could look like. People are supposed to change with vigor. But who can happily commit to meaningless goals?

8 I don't want to hurt anybody

Compassion and dependencies are the biggest enemies of meaningful change. No one is eager to hurt others and thus oneself. I cannot replace him as a manager because he is my friend. She made me get this job so I have to return the favor and help her out. I don't want to criticize him because he did such a good job five years ago. This way, a lot stays the way it is.

9 Everything is in turmoil

The days when companies returned to a stable state over several years after major changes are over. The VUCA environment ensures permanent dynamics. Two negative reactions to overtaxing environmental developments are either hectic action or to wait and barely move. Both patterns prevent necessary developments.

10 Change as a linear program

Large change or transformation projects are structured in a program consisting of countless sub-projects. As with technical projects, milestones and activities are defined several months in advance. Lots of time goes into planning, monitoring and informational events. And in the end, one has produced little more than a molehill – a fate that has struck many large change initiatives. Change is a social process within a social system and cannot be planned and controlled like a technical project.

11 Fears determine behavior

Fears are something deeply personal and have no place in the tough world of business. And yet, they strongly determine our behavior when it comes to change – be it existential fears, the fear of losing one's job, fear of excessive demands ("Am I capable of doing this?"), fear of loss of social status or fear of loss of the social environment ("Will the new colleagues like me?").

12 Daily business dominates everything

Most managers use all their energy handling daily challenges. They solve operational problems and there are plenty of those. At the end of the day, there is little time for reflection, strategic future-oriented work or for the creation of a positive atmosphere for necessary changes.

On the purpose of change management

What's going on inside the companies? Digitalization is driving entire industries forward and in some cases, is radically changing business models. 68 percent of employees feel no emotional connection with their company (2016, Harvard Business Manager) and are trying to find purpose in their work and their organization. Proven management tools no longer work and due to the speed of change, managers are unable to maintain control and stay on top of things.

Truly, something fundamental has changed. Previously, it was enough for companies to operate in 'normal mode' while regularly and continuously adapting to the changing requirements of the market such as technological developments, demands, competitors, cost and price pressures (Phase 1, see figure).

From time to time, more intensive efforts are needed to keep up. The environment and market develop more rapidly for a certain period of time, weak signals from the market must be perceived and analyzed, and it must be assured that the company adapts to them. Otherwise a situation of 'strategic drift', i.e. a decoupling from environmental developments and the risk of strategic crises, arises (Phase 2). The old success factors change, even if the company continues to return a profit. In such a situation, traditional controlling is most often unable to provide the correct, future-oriented indicators; competitive advantages gradually fade away and no one notices it or any of the weak signals. The company enters a crisis – either it manages to implement a radical change or it goes under.

If the respective changes work out, it re-enters a phase of stability (Phase 1) – at least, this used to be the case. For today, this model only applies with restrictions. The environmental developments are accelerating and with them the pressure to adapt and change. Phase 2 has become a constant state, permanent change is required and sometimes fundamental.
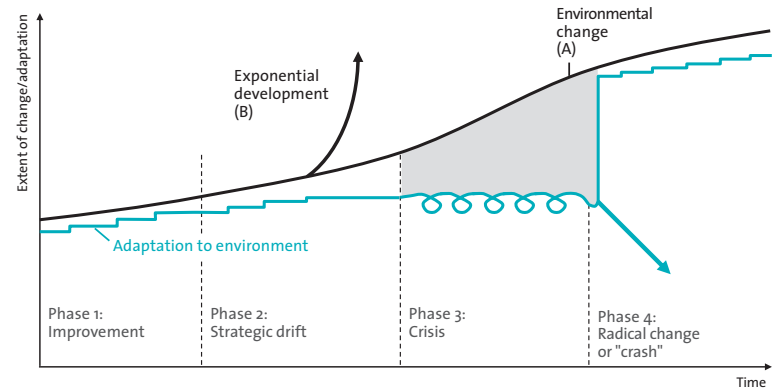
Source: Gerry Johnson: "Exploring Corporate Strategy"

In many industries Curve A doesn't apply any more. In early phases, they are threatened by exponential developments (Curve B) in a way they don't notice and, at a certain point, are visibly unsettled.

Exponential developments and uncertainty

Today's new technological possibilities and global networking lead to exponential rather than linear developments. What we have experienced for decades in the world of microprocessors (namely the fact that transistor density doubles every 18 months) is now happening in many industries: New suppliers are entering the market with rapidly scalable business models (Uber, Amazon, Airbnb, Spotify, ...) and technological developments take place exponentially (performance-price ratio of solar cells, battery charge density, ...). After a period in which these new technologies and business models just 'dawdle along' these exponential developments lead to radical upheavals in entire markets or business models.

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The world has become 'VUCA':

- **V**olatile: developments no longer take place gradually, but abruptly and suddenly.
- **U**ncertain: familiar paradigms no longer apply, but it is still unclear which principles now apply and for how long.
- **C**omplex: things are multi-layered, intertwined, connected and interlocking – all of which means they are no longer predictable.
- **A**mbiguous: there are various views on everything and all are valid.

Most management concepts (and often personal experiences, too) many managers employ come from a time in which many things were much simpler to plan. Planning and steering were complicated (and thus required experts) but more predictable and non-complex. These management tools try to make us think things can be planned and controlled. Because of this, managers often react to the VUCA world as follows:

- They request more standardization and efficiency of processes and structures – but with that in place, how is the organization supposed to react flexibly?
- Better and more intensive planning and forecasting – but what if the plans are soon swept away by reality?
- More information for management, which is supported by new technologies – but does the availability of information automatically lead to faster or better decisions?
- Intensification of performance measurements and more 'competitiveness' between divisions – but with that in place, how are these divisions supposed to cooperate with each other in an interdisciplinary way?

Other approaches are obviously needed to make organizations agile enough to allow them to react to quick changes at short notice and appropriately.
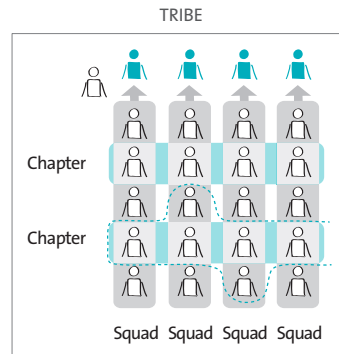
(Re-)Discovering agility

In the 1980s and 1990s, concepts were introduced to production processes that were supposed to raise agility: Lean Management, kanban, partially autonomous work groups and the like.

Now, since everything is about handling complexity, these concepts can be applied to an even greater extent. Why is that? The underlying principles are indeed very well suited to handle volatility, uncertainty, complexity and ambiguity:
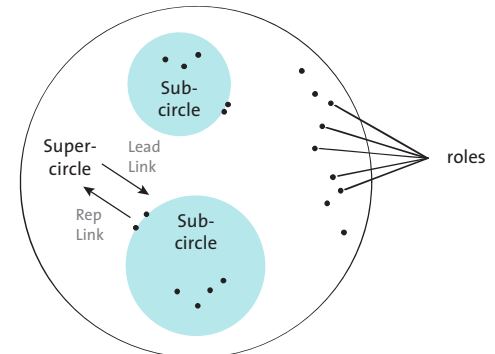
- **Proceed in small steps:** after a brief planning phase, it is important to get to work quickly and collect first experiences. Fast prototyping is more important than creating detailed concepts.
- **Include the customer:** through co-creation customers are involved in the development from the beginning and invited to provide feedback on the prototypes.
- **Short-term results:** the focus is on reflection and learning. In the best case, feelings of achievement are quickly produced, which further motivate the team.
- **Self-managed teams:** within the framework of their field of activity teams independently define goals and organize themselves to reach those goals. This allows employees to contribute their potential to a greater extent, actively practice individual responsibility and leads to greater motivation.
- **Transparency and visualization:** all team members have insight into the goals and all other members' work progress. Often, kanban boards are used for joint planning and coordination.
- **Inspiring places:** this type of work requires a lot of communication and a pleasing work environment. Lots of open space is ideal for this.

In addition to the developments described previously, it is important to note that employees' requirements are changing in a big way. In terms of the purpose of an organization, they become more demanding – purpose gains in importance. The willingness to devote oneself to one's job dwindles in favor of a good work/leisure time balance. The desire to be able to contribute to the company with one's entire potential increases. Combining this with developments towards agility, a number of new organizational models have emerged in recent years, some of which will be presented as examples:
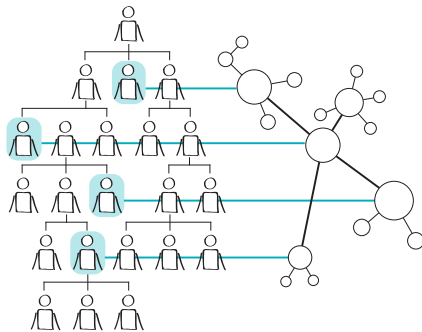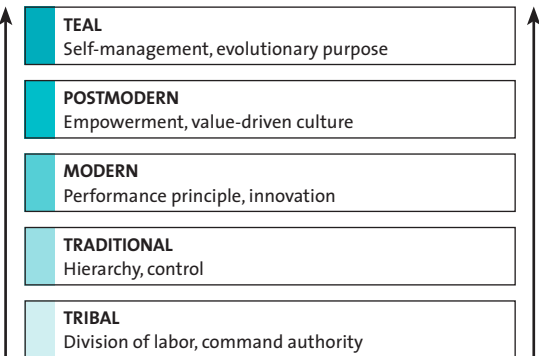
1 Structures derived from Scrum

TRIBE

Chapter

Chapter

Squad   Squad   Squad   Squad

3 Holacracy

Sub-circle

Super-circle

Lead Link

Rep Link

Sub-circle

roles

2 Dual Operating System

4. Teal Organization

TEAL
Self-management, evolutionary purpose

POSTMODERN
Empowerment, value-driven culture

MODERN
Performance principle, innovation

TRADITIONAL
Hierarchy, control

TRIBAL
Division of labor, command authority