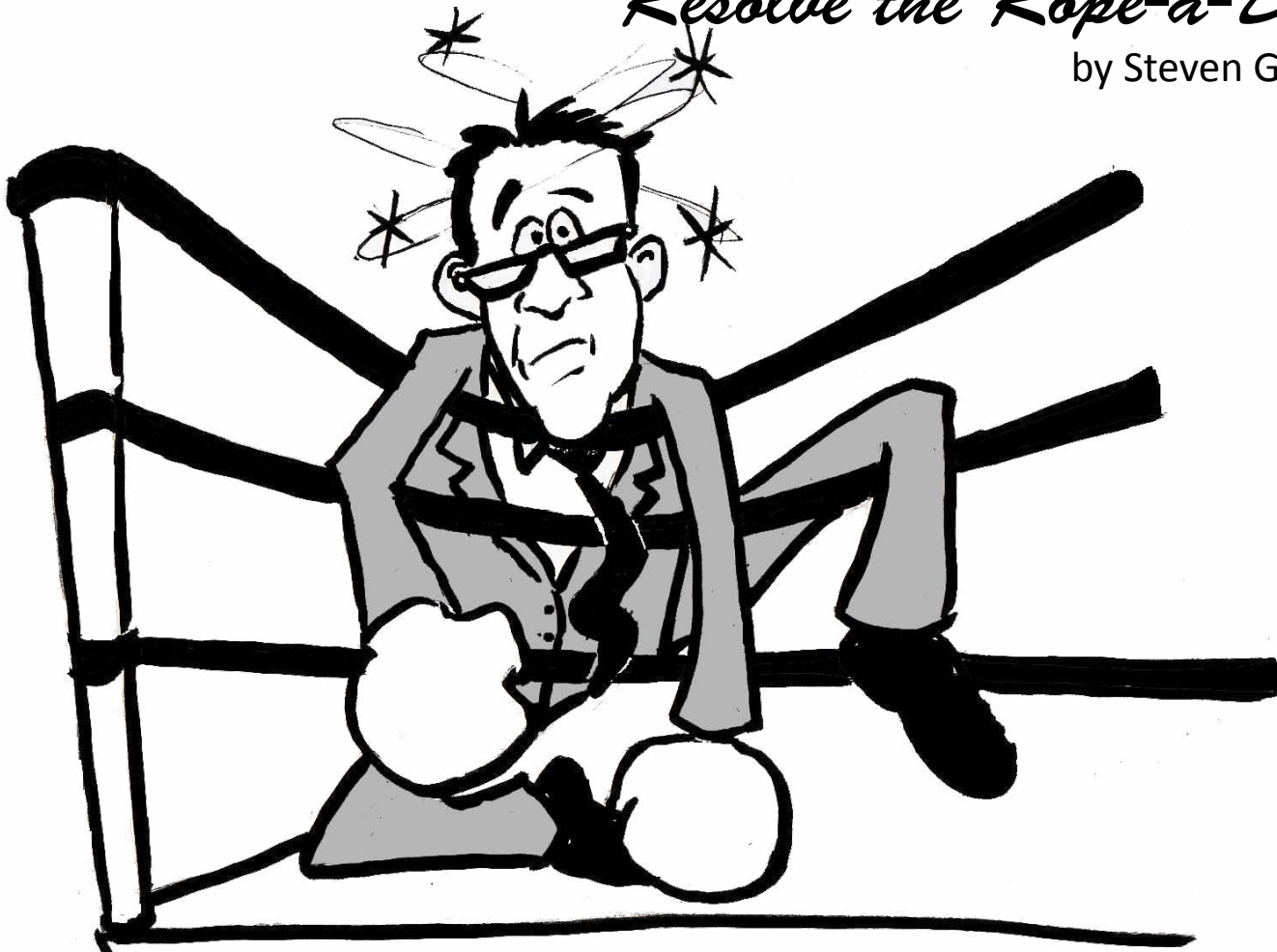


# LEADING

## THROUGH CHANGE

*Resolve the Rope-a-Dope*

by Steven Gaffney



**In** the famous 1974 Rumble in the Jungle boxing match between Muhammad Ali and George Foreman, Ali leaned against the ropes, covered himself up, and let Foreman hit him for seven rounds until Foreman tired himself out. Then Ali started hitting back and won the fight. This boxing technique, known as the rope-a-dope, proved to be a great technique for Ali to win against a formidable opponent. It's also a technique that many of us resort to when it comes to dealing with change — and in that arena, it doesn't lead to a knock-out.

Holding on and laying low is no way to face change, but people do it all the time. It's one of many reasons that the majority — a whopping 70 percent — of change initiatives

fail. People handle change by doing the rope-a-dope because they are tired of "change." They are tired because they have too many competing priorities and not enough time to get their work done. They are frozen by uncertainty, the tough economic climate, and budgetary constraints. For all these reasons, people lean against the ropes and try to outlast change by holding on, covering up, and laying low. You can't blame people for trying. Folks have been through so much change, they are suffering from "change fatigue," so they don't do anything.

This is why strong, effective leadership is critical these days — because the changing times demand leaders who can successfully lead through change, but people

are tired, and they prefer the rope-a-dope to actually making changes. In this day and age, most of us have learned leadership skills, but leading through change is a critical skill set that is often not provided in organizations. Many of us have met leaders who are good at sustaining, building, and even advancing in new markets but lousy at leading, managing, and inspiring through change. To make matters worse, change really is the new norm.

*"In the absence of actual information, people will use their imaginations to make things up."*

Consider this: "It took twenty years to replace one third of the Fortune 500 companies listed in 1960, against four years for those listed in 1998."\* If you feel like the pace of change is always getting faster, you may be right. Of course, not all of those companies went out of business. Some were acquired. Some merged. Regardless, change happened, and this statistic speaks to the rate of change at the biggest and highest levels of our economy. One could easily argue that those who can lead, manage, and inspire change will probably beat out the competition, making that particular leadership skill set critical to the future.

## Four Factors for Leading Through Change

Considering the resistance to change and the uncertain times in which we lead, it is essential that we understand the factors critical to change so we can use them to our advantage. Change is complex, but after working with many organizations for twenty years, I have found that focusing on four key factors can help leaders successfully lead through change. It may sound like I am oversimplifying a complex subject, but things don't have to be complicated. In my experience, when we focus on a few simple factors and solutions we can make great strides. Whether you are a leader who designed the change or you are leading a change directive instituted by someone else, you can use the acronym **OVBS** to remember the four critical factors of outcome, value, belief, and steps to help you lead, manage, and inspire so you and your organization can make the knock-out punch.

### *O* — Outcome

No one can get from point A to point B without knowing where they're going, and that is why effectively communicating the outcome of the planned change is critical. How can you achieve something if you don't know what exactly you're trying to achieve? You can't. A confused mind will produce confused results.

The question to ask is whether the people you are leading know and understand the endgame: the objective of the

change. Are the direction, vision, and mission clear? The simplest way to find out is to ask. You might even have employees write down their answers, as if it were a real test. That will give you the most accurate picture of everyone's understanding. If the results reveal a confused understanding and mixed-up priorities, then creating and expressing your Vision of Success (VOS) should help everyone move forward to achieve actual results.

A Vision of Success is a picture of the desired result of change. The operative word here is picture, because people think in pictures. If people can't see it, not only will they not DO it, they also probably won't even remember it. If the change is a big organizational change, then it needs to be broken down for what it means for your area. The best Visions of Success are specific, results-driven, simple and clear, and positively focused towards the future.

### *V* — Value

Communicating a full understanding of the outcome of the change is not enough to successfully lead employees through a transition. Employees must also see the value of the change for themselves. What's in it for them?

*"When going through change, remember: plan, execute, and adjust."*

Given the state of the world and economy, many people have concluded there is no such thing as company loyalty. We have all seen friends or family members lose jobs, even when they have given years to a company. For that reason, letting employees know that the change is good for the company is not enough to make employees value it. Now more than ever before, leaders must make the case for change by spelling out what exactly is in it for the employees.

The most effective way to make that case is to connect with employees with logic and emotion. Remember, people make decisions based on emotion and then justify those decisions with logic. Connect emotionally, and then win their hearts and minds with the value of the change.

Consider this: change always starts within ourselves. You have to reach people by striking what motivates them.

Talk with your employees and put some appropriate benefits in place. Continue to keep in touch with them throughout the change. Do not be afraid to get to the heart of the matter. Ask them this valuable question: On a scale of 1 through 10, how valuable is the change to you? What would it take to make it a 10? The answers to that question will give you a lot to work with.

Helping employees value the change may sound like hard work, but it is critical. Otherwise the change will slide right off their priority list, and all the repetition of your VOS will fall on deaf ears.

## *B — Belief*

The third critical factor in leading others through change is belief. People can understand the outcome and the value of the change, but if they do not believe in the outcome and the value, they likely will not execute on the change. A lot of changes fail for this reason — lack of belief.

In my work, I've discovered many reasons why people don't believe in change, but there are three major ones. The first is that we, as leaders, may not believe in the change that we are in charge of executing and our employees can feel that. Let's face it. We're not Academy Award-winning actors. We are leaders, and people are smart. They know when we don't believe in what we're saying. Usually they hear it in our tone. How we say something is usually more important than the words we say. If you find this is happening with yourself, go back for more information and get the perspective from those who designed the change, so that you can do your best to get yourself to believe and then lead others through the change.

*"Belief is the engine of change."*

Another reason people don't believe in change is due to failed changes in the past. When people have seen changes that fail to deliver on the promised outcome and value, they can become skeptical. Since research shows that 70 percent of changes fail, we know that most people have had some bad experiences with change. You have to explain why this change is different. If you are not sure how things are going to be different, then I would take a step back and find this out as best you can. This is a challenge but one that can be very valuable. Lessons learned from our past can give us great perspective in the present and truly impact our future success.

A third big reason we fail to get others to believe in a change is a lack of a relationship connection — the feeling

that we're on the same side. When that connection is missing, people may hear what we say, but not truly listen and take it in. Have you ever had someone walk up to you, and before you even hear what they have to say, you think, "NO"? Usually this happens due to a lack of relationship connection — we don't like or respect the person. If this is happening, examine what issues may be blocking this relationship connection. Some possibilities are past change initiatives that have failed, or maybe an emphasis on revenue and profits to the point of people being skeptical that this change will impact the goals they are being pressured to achieve.

*"A confused mind will produce confused results."*

People won't take action if they don't believe things will change. The bottom line is that belief is the engine of change. It keeps us going during hard times and great uncertainty.

## *S — Steps*

Change is not a one-time event. It is actually made up of many steps. Are people clear about their next steps? Do they understand the plan? More important than understanding the plan, people must understand that the plan is about progress rather than perfection. Providing clarity about the next steps is a critical factor to leading through change because that is what enables people to make genuine progress.

The first step in making progress toward change is helping employees let go of lower priorities and old initiatives so they can focus on what needs to be done. One tactic for accomplishing this is to have employees make a list of all the priorities and initiatives from the past and then make a conscious choice to either let those things go or at least put them on the back burner. As the management consultant Zemira Jones says, we need to "fail fast." That means we have to help people recognize and let go of what's not working, and take the benefits and lessons learned from the past to reinforce and build a stronger future.

Next, break the change down into very small steps. This gets things moving and creates momentum. "Change" can feel insurmountable, but when it's broken down into small, achievable goals, then people see the value more quickly and "change" is no longer impossible to achieve.

I have learned a lot from my friends and clients in the military, and one thing I've learned is the value of training and repetition. Training is important because sometimes

people genuinely don't know how to undertake their part of the change. Furthermore, sometimes people must be urged to achieve their priorities and take action. Having people take small, specific steps creates good habits that will help the change continue to move forward.

*"Take advantage of positive peer pressure."*

One of the main reasons people are resistant to change is they are simply not sure what to do. Using small, clear steps to move forward combats confusion. When people know exactly what they're accountable for and what step to take next, they are less resistant to change. Since change is a process that takes time, clear and repeated communication about the next steps helps everyone to stay on track.

## The Change Equation

Let's take a moment for a quick review. OVBS stands for the four critical factors to leading people through change:

- O — Outcome
- V — Value
- B — Belief
- S — Steps

After working with numerous organizations and observing how incredibly complex organizational change can be, I have come up with a simple equation for an organizational change quotient that can guide you as you lead through change.

**Outcome x Value x Belief x Steps = Action → Results**

To use the equation, rate each item from 0-10. If either outcome, value, belief, or steps are rated as a zero, then you can easily see that you'll get zero action and zero results. If one factor receives a stronger rating than another, action and results will be produced; but if all are high, then the change will be strong. Although all these numbers are arbitrary, this does give you something you can benchmark later within your organization. For example, you can share this with your leadership team and ask them what needs to happen to improve the score. Then you can revisit it a month later. The equation provides you with a snapshot, and it also helps you to see what dials may need to be turned up. What is your organizational change quotient? What specific actions can you take to make it higher?

This equation can help you evaluate change on any level — from individual change to sweeping organizational change. It

can also empower you to discover what may be the problem. For example, if your area is not producing the results you're looking for, examine the actions that are being taken. If people aren't taking much action (changing their behavior) continue to work backward to look at the source of the outcome, value, belief, or steps.

## Strategies to Impact Outcome, Value, Belief, and Steps

There are many strategies you can use to impact OVBS — and therefore your ability to lead through change. Let's take a brief look at six strategies you can use to improve your organizational change quotient.

### Strategy 1: Build the Foundation from what is NOT changing

In letting employees know what will not be changing, you provide them with a better foundation for understanding what is changing as well as the security they need to manage the change. This helps people to focus on the right priorities, and it also helps to build the relationship connection we discussed.

In most change initiatives, the structure may change, the tactics may change, but the overall mission, outcomes, and organizational values rarely do. For example, the way the customer is serviced may be changing, but the end game — excellent service — is not. Reminding employees what is not going to change provides the foundation, clarity, and focus they need to understand what is going to change, which ultimately helps them execute on their job as change continues to be implemented.

### Strategy 2: Level set expectations

This strategy provides terrific impact for leading through change from start to finish. Manage expectations. Let people know that things will not be perfect, that everyone will learn things along the way, but ultimately the change will be successful. This may seem simple, but I have seen many leaders who don't set up the expectations correctly, which results in a lot of disappointment among employees. Remember: the more that we are clear and prepare people mentally, the better things will be.

There are three stages when going through change: plan, execute, and adjust. My military clients say, "No plan survives first contact with the enemy." As leaders, we must help employees adjust to the reality of ongoing change. Things will always be changing, and this changing environment demands continuous improvement.

I know I have never seen a plan perfectly executed as originally designed. Have you? This is about continuing to make progress; it's not about perfection, and people need to be frequently reminded of that. It's perfectly acceptable (and probably necessary) to tell people, "This is our best thinking so far, but be aware that there will be changes and adjustments along the way."

By adjusting and managing expectations about the change, you are preparing people to not be thrown off by the bumps, setbacks, and even detours in the road to success.

### *Strategy 3: Manage people's input to determine their output*

It's a time-tested truth that if you want to change your output, you have to change your input, and it's a valid strategy for dealing with people and change. If you want people to have a good attitude and perspective, you need to manage your employees' surroundings. If they are surrounded by a lot of negativity and skepticism, it will affect their perspective on change. That, in turn, will affect their output, which will become a part of other employees' input. On and on the cycle goes.

There are many ways to implement this strategy. One way is to model the behavior you seek. Pay attention to what you say and what you do. This is why our attitude and perspective as a leader is so powerful, and it's why we must believe in the change we are trying to implement. Belief affects our tone and actions, which affects other people's belief, which affects their output. Our enthusiasm for the change translates to everyone around us, but silence will likely reward current behavior and allow people to resort to the rope-a-dope effect.

*"Progress is impossible without change, and those who cannot change their minds cannot change anything."*

~George Bernard Shaw

Another technique for implementing this strategy is to take advantage of positive peer pressure. In unfamiliar situations, like a changing environment, people take cues from others, which is what makes positive peer pressure so effective. Know who the key influential players are on your team or in your organization. Make sure they are on board and ask them to be a vocal advocate for change. This will also ensure that you do not have to do all the heavy-lifting. Another possibility is to create a team of well-respected people who are champions of the change. Give them room

to plan and work together to help garner enthusiasm and overcome obstacles.

Finally, get rid of change blockers. Change blockers say things like, "That will never work," "We have tried that before," and, "We can outlast them." If those attitudes linger, they will infect others. Give people a chance, but as a client of mine (Scott DiGiammarino) once said, "If you can't change the people, change the people."

### *Strategy 4: Fill in the void and be persistent*

A changing environment can be a frightening environment for employees, and in the absence of actual information, people will use their imaginations to make things up. When people do that, they are usually wrong, and they usually think worst-case-scenario thoughts.

Don't allow your employees' imaginations to lead to negativity, rumors, and the undermining of success. Take charge by filling the void with actual information, and do it again and again. Explain why the changes are taking place. "Why" is important because it helps people make better decisions and deal with the inevitable gray areas that will pop up. It is also essential to be clear on where this change fits in with other top job priorities. People prioritize every day. If we don't make it clear, they will just make it up (and often their guess will be wrong). If something is a non-negotiable, just say so. It will build respect, clarify issues, and improve motivation.

Anytime you find yourself thinking that you "hope" people understand the change, it's time to spell out the outcome and value of the change all over again. While you're doing so, remind people to come to you if they have questions

or concerns. Remind them that you're happy to share information. Ask them to give you (and others) the benefit of the doubt. Let them know that in your experience, everyone is genuinely trying to do the best they can.

Be persistent in your communication. The changes you are working on won't happen overnight, so people will need reminders. Even if people understand what you've said today, it doesn't mean they'll remember it in a week or a month. Don't take for granted that people "get it." Repeat, repeat, repeat. The results will be worth it.

## Strategy 5: Have open, honest communication

We will never lead successfully through change without open and honest communication. This is a value that should never change, and that is something that can be repeatedly communicated to employees. Today's changing environment demands that we as leaders have all the information we need. But if people are afraid or unwilling to share information and ideas, then we don't have everything we need to act. The biggest problem is not what people say, it is what they don't say. That is what leads to surprises and blindsides. We can't fix problems or implement ideas that we don't know about.

Take a moment to ask yourself these two questions: How often do people debate me? How often do people proactively share their ideas? If the answer to either of these questions is "not often," then you most likely have a problem with open, honest communication.

Open, honest communication is a critical strategy for leading through these changing times. We can't adjust the plan to achieve success without everyone bringing their thoughts, ideas, and understanding to the table. Don't avoid feedback and difficult conversations. It's good to have healthy discussion and debate. That's preferable to having employees complain among themselves and bring everyone down. Encourage employees to come to you with feedback, and don't be defensive when they do so. In fact, you should reward them. If people won't come to you, then you should go to them. Open up conversations. A good place to get started is with a question like this: On a scale from 1 through 10, how are we doing with this change? What would it take to make it a 10? What would it take to make it a 15?

## Strategy 6: Have quick wins and celebrate successes along the way

This strategy helps build confidence among those who might be initially skeptical about the change, which builds momentum and then leads to more success. If you remember the life principle that whatever we focus on, we tend to get more of, then it's easy to see why this strategy is so important. If the focus is on what is not working, then you are likely to get more trouble and mistakes. But if the focus is on getting some quick wins and celebrating that, then you are likely to get more of that. This is also why praise is so important.

There are many techniques for implementing this strategy. One is to highlight and clone success. Look for who is achieving the change you desire, highlight them, and ask what they are doing that can be applied elsewhere. A client I coached was having trouble with people not believing

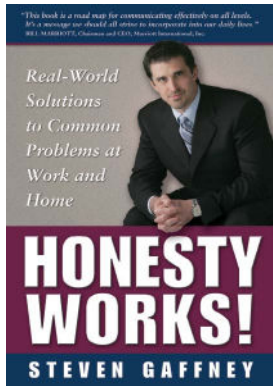
that certain goals could be achieved. To combat that, he went out and found areas where people were achieving the goals. He highlighted those areas and broke down the lessons learned so that other areas could apply them. Now most areas are achieving the goals.

## Change Is Certain

Benjamin Franklin famously said, "In this world nothing can be said to be certain, except death and taxes." I would add that the other certainty is change. Change is a force that is constantly at work, and it's a force we must embrace if we want to lead our organizations successfully. The skills required to lead through change may not be standard leadership skills — yet they are the most important skill set we can have. Change is the new norm, and if we want our organizations to be thriving two decades from now — even two years from now — we will have to lead the way.

\*Commission of the European Communities, Green Paper: Entrepreneurship in Europe 9 (2003), at: [http://eur-lex.europa.eu/LexUriServ/site/en/com/2003/com2003\\_0027en01.pdf](http://eur-lex.europa.eu/LexUriServ/site/en/com/2003/com2003_0027en01.pdf).

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