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LEAD OR BE LED

CHANGE LEADERSHIP: AN ESSENTIAL MANAGERIAL COMPETENCY

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LIKE everything else that goes on in an organisation, when we talk about leading change, there needs to be a common direction in which efforts are channelled so that common objectives are met. To ensure this happens, leadership needs to be in place.

The difference is that when we talk about change leadership, there are some out of the ordinary elements as compared to normal day to day leadership. The best way to look at these elements is to see why organisational change is different and why change efforts can fail.

SO WHY IS CHANGE DIFFERENT?

Organisational change is like a project, so the work involved is organised differently from how you would run day-to-day operations. To name a few differences:

- 1 In terms of timeframe there is a specific start and end date.
- 2 There will be outcomes to deliver (business value); for example a greater level of automation, more robust work processes or building a different organisational culture which may not be exactly as it is envisioned at the start of the project.
- 3 The people involved in enabling the change have to work in a different way, given that while being on the change project, they have left the comforts of their "normal" work and will face anxiety with regard to their future once the project comes to an end.

Over and above this you have regular employees who are generally left on the sidelines until the go-live date or when the change project is rolled into the business, they too will have their fair share of worries.

Often these issues never present itself directly or in a timely manner. So what an organisation may wind up experiencing is a high turnover rate at a critical time (just before the project goes live) or even worse – disengaged employees who still show up physically for work but have no passion or interest in what they do. So this is when we have change efforts failing, as productivity dips or disengagement becomes widespread. Statistics show that 75% of change efforts fail not because of a poorly thought out solution but because of the way the change itself was not well managed.

There's a story to illustrate this. Once a heart surgeon took his car to the workshop to be serviced, and in a friendly exchange with the mechanic, the mechanic said, "Actually... thinking about both our jobs, it's more the less the same... I check how the engine is running, open it up, fix the valves, clean it and put it all back together so it works good as new. "We basically do the same job don't we?" "And yet you are paid 10 times what I earn - how do you explain that? The surgeon thought for a moment, and smiling gently, replied, "Try it with the engine running". The moral of the story is while the tasks may appear similar on the surface the execution on the other hand is very different.

CHANGE LEADERSHIP WITH A DIFFERENCE

Change leadership, effectively executed is the secret weapon in making change successful. It is not so much



the leader but that the employees must perceive that they are receiving leadership. The quality the leadership should address the key aspects of change and this is elaborated in the next section. In terms of quantity of leadership it's about striking the right balance, if leadership involvement is overly heavy at the beginning, it may overshoot the intent of showing commitment and come across as management trying to "sell" something. And this may be counter productive.

With the right amount of quality and quantity there is a real chance of getting the full value of the change effort. For example, in the late 90s in the Malaysian banking sector there was a heavy push towards automation of banking operations, which laid the backbone internet banking that would reduce transaction costs by 80%. While good for the banks, the employees, especially the tellers were not as enthusiastic. However, leadership of this change did not waiver as they knew this was the future of banking. And now we have them to thank for the convenience of internet banking catching on so quickly in Malaysia.

BEING AN EFFECTIVE CHANGE LEADER

The success of an organisational change is not so much about the charisma or influence of one person, as it is about giving the a sense of leadership presence and involvement. Iconic leaders like Jack Welch, Steve Jobs, Sir Richard Branson, Bill Gates have transformed and reinvented themselves and their companies many times over and they certainly come to mind when we say change leadership. However, change leadership does not mean having a larger than life person to champion the process. Many Fortune 500 companies, especially the European ones have more low profile leaders but they are just as effective in leading change. It really is about employees experiencing leadership during times of uncertainty.

So if you are part of the team managing organisational change you need to look at your leadership and plan for their involvement throughout the process. Pick and choose the right individuals to take on the right roles. It works better if you rely on a team of leaders. Pick the right leaders (credibility, influence) and use them effectively. The CEO does not always have to be focal point for change leadership, in fact you could use the head of sales or marketing to give an inspirational speech to launch the journey and sound the battle cry. Perhaps midway through use the

HARD
TALK



head of finance to talk about some of the risks that the project has faced and how its being addressed. Perhaps use the CEO or head of HR to have "the talk" with resistors behind the scenes.

ROLES FOR CHANGE LEADERS

In his book *Leading Change*, John Kotter talks about eight steps to change, and it is a helpful framework as it covers all the essential roles that a leader for change needs to have.

Establishing a sense of urgency

The leader needs to be aware of market and competitive realities, and identify and discuss crises, potential crises, or major opportunities. Politicians, especially when it gets close to election time – everything and everyone is the "enemy" and speeches, actions gets revved up and more dramatic as they try to create a picture of an impending crisis.

Creating the guiding coalition

Leadership as experienced by the employees and it needs to come from leadership as a group not as an individual. So there is a need to assemble a group with enough power to lead the change effort, and encourage the group to work as a team. Like the team that leads the USS Enterprise in Star Trek which has an excellent complement of various leadership styles that bring into bear a very strong and capable team to "boldly go where no one has gone before".

Developing a change vision

Create a vision to help direct the change effort, and develop strategies for achieving that vision.

Communicating the vision for buy-in

Use every vehicle possible to communicate the new vision and strategies, and teach new behaviours by the example of the guiding coalition.

Empowering broad-based action

Remove obstacles to change, change systems or structures that seriously undermine the vision, and encourage risk-taking and nontraditional ideas, activities, and actions.

Generating short-term wins

Plan for visible performance improvements, create those improvements, recognise and reward employees involved in the improvements.

Never letting up

Use increased credibility to change systems, structures, and policies that don't fit the vision. Also hire, promote, and develop employees who can implement the vision, and finally reinvent the process with new projects, themes, and change agents.

Incorporating changes into the culture

Articulate the connections between the new behaviours and organisational success, and develop the means to ensure leadership development and succession.

LEADING CHANGE IN THE MALAYSIAN CONTEXT

In an Asian context, sustainability is not always a value that comes out strong when leaders make decisions, as it is not culturally ingrained. In western cultures if someone is purchasing a table, the quality and sustainability of the item is a foremost consideration whereas in Asia the cost and aesthetics is more likely a bigger consideration. This type of short-term thinking to me is one of the things that we need to look out for when leading change.

The other thing that we are not good at is the upkeep or maintenance of the nice things that we make or build. Applied to change it means post go live of an organisational change the effort, leadership must still be "present" to ensure that the desired behaviors are achieved. We should not overdo the "ribbon cutting" and celebrations at go-live's only to have leadership disappear soon after. It is more critical to focus on the desired business value and behavioral changes and this needs to be measures and it's a long-term goal that once achieved is a far better reason to throw a party!

■ Former Big Four management consultant, Rupa Sivanoli strives to add business value through simplification of thoughts and actions, when it comes to planning and managing workplace change. To engage her for the benefit of your organisation, email people@leaderonomics.com

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