

**WHY CHANGES IN ORGANIZATIONS DO NOT SUCCEED AND
HOW MANAGERS CAN MANAGE CHANGE BETTER.**

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INTRODUCTION

Life and work is full of change. When organizations become involved in change, there are many barriers which will impede it. This management briefing will address some of the major barriers. Understanding these barriers can help you understand the difficulties of change and address the barriers in a productive manner.

HIERARCHICAL DIFFERENCES

Most organizations of any size have at least three levels of hierarchy as shown in the diagram below.

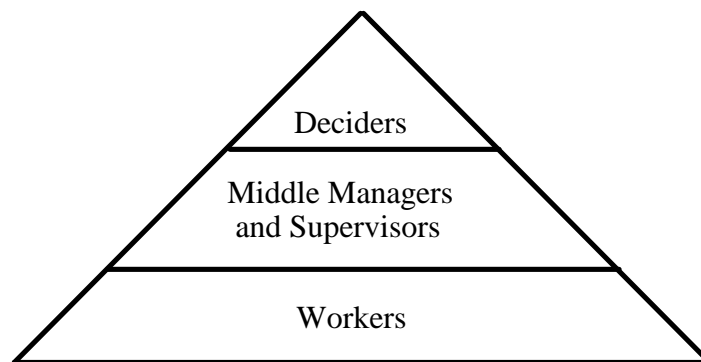


Figure 1. Three levels of hierarchy.

In an organizational change process, the deciders are the usual initiators of change. While those in the middle are expected to get the changes implemented through the workers. Deciders typically fail to understand the difficulties and time required for implementing change on the front-line.

Those in the middle get heat from above to implement faster, and heat from below in the form of resistance to change. Thus, middle managers and supervisors often experience the most stress in a change process. "Good" middle managers and supervisors will be very hesitant to complain about this stress until it reaches excessive levels.

Deciders can help by acknowledging this stress to the middle managers and supervisors and asking them what would help. Even if no specific ways of helping are identified, the process of the deciders seeking to provide help will reduce the stress!

A good deal of the difficulty in organization change rests in the classic division of labor, whereby the deciders design and decide while the workers implement the change. This division can be thought of as a train going through a tunnel. When the deciders in the engine cab are through the tunnel and in the sunshine or at least can see the light at the end of the tunnel, the workers are still in the dark of the tunnel. The deciders need to realize this! The job of the leader is to get the whole organization through the tunnel, not just themselves. During the design phase, some deciders disconnect from day-to-day operations to concentrate on designing the change. This creates even more confusion in the caboose. To reduce confusion and to build support, deciders can ride in the caboose for a while!

STYLE DIFFERENCES ¹

Differences in perceiving change between levels in the hierarchy are increased by style differences. An entrepreneurial style is creative and willing to take risks. Those with an entrepreneurial style believe that as soon as they think of a change, it has happened. They quickly become impatient. Depending on how closely the entrepreneurs are connected to the day-to-day implementation, they may believe progress is great (not closely connected) or that progress is too slow (closely connected).

An administrative style is conservative. It seeks stability and control. It avoids risks. Those with an administrative style believe that nothing will or should change. No matter how much progress is made, they will identify the slightest back-sliding or hesitancy as a return to the past.

Awareness of style differences and their impact on others is helpful in managing change. Differences in style among peers creates the same type of frustration and confusion as hierarchy. If the style differences occur in the hierarchical levels, the effect is compounded.

DABBA -- DENIAL, ARGUING, BLAMING, BARGAINING AND ACCEPTANCE

People with at least five to ten years of work experience have a good definition of what success at work means and how to achieve it. Success is generally linked to your position in the hierarchy, the number of people reporting to you, the amount of budget you control, and your access to information. In addition, managers and workers develop a whole range of knowledge, skills, and strategies for doing their jobs. Most people define themselves by their position and work knowledge.

Serious organizational change can strip these away. Even if they do not change, the increased level of anxiety that they may all change makes it seem that all are in jeopardy. Much of what the individual has done to define him or herself is challenged in

¹ To learn more about style differences see, "How to Solve the Mismanagement Crisis," by Dr. Ichak Adizes. Dow Jones-Irwin. 1979.

an organizational change process. The anxiety further escalates if you feel you have no input or control over the changes.

During a significant change at work, it is necessary to let go of the old in order to move on to the new. Of course, we all want to move to the new before we let go of the old. Unfortunately, holding on to the old prevents movement to the new. Often you have got to let go and jump!

The personal process by which people let go of the old at work has a parallel in the way humans let go when a significant person in their life dies. The stages in letting go during a significant transition are outlined below.

The First Stage is Denial. You deny that the change has occurred. Of course, if you have any ability to slow or block the change, your denial supports this. When a person dies, the funeral ceremony functions as a way to break through the denial or hope that the person will return. This is especially true with an open casket where the reality of the death/change is immediate.

When making organizational change, the death of the old ways is not dramatic so denial can easily persist. This denial often prevents the needed changes in the organization which later cause lay-offs or bankruptcy. The loss of one's job is very difficult to deny. Paradoxically, those laid off may change faster than those who stay behind.

This is where leaders can lead the change process by doing things which dramatically symbolize the death of the old ways. For example:

- The insurance company which has a bon-fire of forms as it embraces paperless technology.
- A 24-hour turnaround on one purchasing request to demonstrate letting go of the old purchasing system which takes weeks with several layers of sign-offs.

The Second Stage is Anger. When anger occurs you can be sure you are past the denial stage. If the culture of the organization does not accept anger, it may remain under the table. This is the point in time where a structured "gripe session" can be productive in letting off steam. As long as the steam is not let off, you cannot move through the anger stage. You stay stuck here! A formal gripe session acknowledges that it is OK to feel angry, and it may also prevent the conversion of anger into resistance. A skilled facilitator is usually necessary to make a gripe session productive.

The Third Stage is Blaming. Two new elements now surface. The anger gets directed at someone or something, often the leaders or consultants in the change effort. They must be prepared for being blamed, and then skilled in separating that blame from valuable feedback about the change effort. Whenever blaming occurs, the blamer is now self-defined as a victim. A victim mentality creates helplessness and hopelessness, and creates someone who does not take responsibility for what happens.

This victim mentality now becomes an impediment to change. Blaming also stirs up unproductive conflict which distracts energy and focus from the real change effort.

The Fourth Stage is Bargaining. It begins when some, but not all of the change is accepted as inevitable. The individual now tries to bargain and lessen the need to let go of everything. While it is important for bargaining to actually occur, it is also critical not to begin bargaining if individuals are still heavily involved in anger and blaming. All levels in the hierarchy should be involved in bargaining. When deciders are bargaining with other levels in the hierarchy, they can insist on the "what" or result of the change while being flexible in the "how" or method. The bargaining process results in a reclaiming of control over the change. This increases energy levels and commitment to success.

The Fifth and Final Stage is Acceptance. Change is accepted and details are implemented.

DABBA -- Denial, Anger, Blaming, Bargaining, and Acceptance is a series of stages which we all go through, more or less whenever we face a loss of significance. "More or less" means usually the sequence is followed, but not always. There may be some blurring or transposing of stages. Some stages may be minimal while others are obvious. Too often people get stuck in a stage and management's attempt to push them through only sinks them deeper.

When the change leaders are not consciously helping to move the organization through these five stages, the change process is undermined and eroded by frustration, covert anger, blaming, helplessness and resistance.

Here are Some Guidelines for Helping People Move Through DABBA:

1. Do not be surprised when you see DABBA. Expect and encourage each stage.
2. To move through a stage you must experience it. Avoiding the stage means it will persist. Experiencing it means engaging in dialogue. If substantive issues surface, respond to them. Often the only necessary response is to listen, recognize and acknowledge, and not to discount, argue, or sell.
3. Some stages can be passed through easily while others are agonizing.

The process of experiencing any stage is an emotional, feeling-based event. Most managers are neither experienced nor comfortable in dealing with the levels of emotional intensity that can arise in any of these stages. We prohibit the feelings, avoid them, discount them or, if they manage to surface, we quickly try to move on or to get "rational," so we do not get entangled in them.

Thus, the organizational change process is impeded or blocked by the individual process of transition through the steps of DABBA. A macho response (essentially denial) to change generally prevents the change from fully occurring. Managers can

facilitate the change process by developing their skills and comfort in dealing with these intense emotional processes.

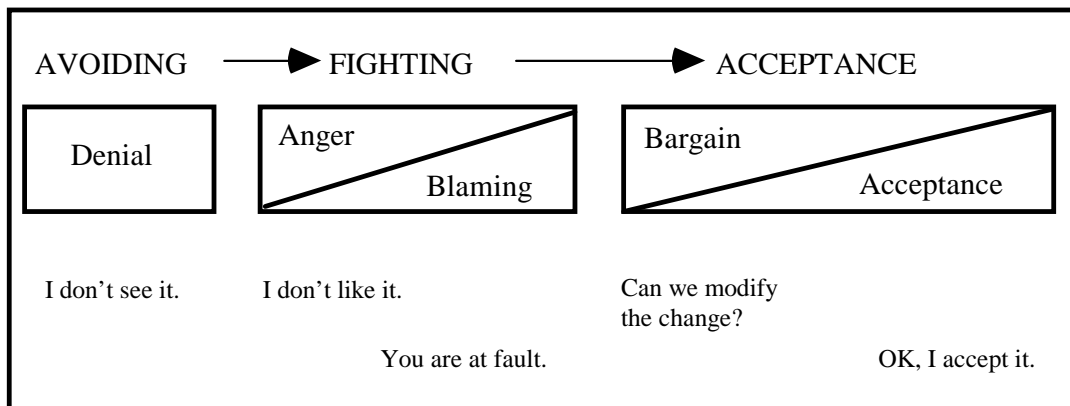


Figure 2. Emotional processes of change.

COMMUNICATION

During organizational change, uncertainty and ambiguity rises dramatically. It seems that if the rate of change doubles, the anxiety increases by the cube. Increasing communication can reduce anxiety. But to be effective, communication must also increase by the cube. Unfortunately the reverse often happens. To the extent that the deciders at the top are unsure of what is happening, they become anxious, preoccupied and under-communicate. This is perceived as "secrecy" at best and "conspiracy" at worst. Middle managers feel left out and uncared-for for. As a result, their anxiety usually surpasses that of the deciders'. Middle managers now model what their leaders have done, and fail to communicate and dialogue with the workers.

COMMUNICATION MYTHS

As you can see, any transition is facilitated by communication between the various levels and functions in the organization. Four major myths often prevent communication:

1. Failure to communicate because you think **"they" cannot handle it**. "They" will do better (in work performance and health) by being included rather than excluded. Often the "we" who thinks the "they" cannot handle it are projecting their own anxiety onto the "they." Grab courage as a partner and start talking!
2. Failure to communicate because **changes are not yet finalized**. You will do better to communicate that you have nothing to communicate than not to communicate. The process of inclusion is significant even if the decisions are not yet made. Every communication vacuum will be filled with rumors. The rumors are more destructive than the truth! Waiting until everything is decided also

excludes employee input on the "how" of the change. When management finally announces the decision without having involved the employees, resistance may be high.

3. **Sending a memo.** Memos are possibly a suitable medium for communicating routine information. They are a disaster for communicating changes. Few managers or leaders can write as well as they speak. The lack of a face-to-face interaction eliminates all the non-verbal content and any dialogue.
4. **I told them.** Real communication is not simply a matter of sending the information, you must take responsibility that it was received. The more dramatic and lengthy the change, the more an on-going dialogue is needed.

WHAT CAN YOU DO?

1. Leaders can **acknowledge** the stress publicly, openly and repeatedly. Do not pretend it is not there.
2. **Problem-solving.** Ask those under stress, "What can we do to reduce the stress while in this change?" Listen, learn and respond.
3. **Defusing.**² Schedule structured gripe sessions. These allow steam to blow off. The structure prevents these from being negative or destructive. In addition, useful feedback on the change process can be surfaced.
4. **Cross functional dialogue.**³ When there is tension across boundaries (i.e., across departments or locations), involve both sides in regular, structured dialogue to acknowledge, problem-solve and defuse.
5. **Top leaders** must be involved in these sessions.⁴ Middle managers do not have the authority or perspective to fully manage the change process.
6. **Teflon Coat.** Everyone, especially change leaders, must put on their Teflon coating whenever any blaming arises. If you do not, you can be hooked into a mutual blaming contest. You must rise above this in order to lead the organization through change.
7. **Change.**⁵ The more change and the longer the change: a) the more need for communication, and b) the more need for top leadership involvement.

² To learn more about who to involve and when see, "Capi" Qm² Management Briefing #103

³ Ibid.

⁴ Ibid.

⁵ For another view of change see "Road Map To Change" Qm² Management Briefing #190

8. **Managerial employee assistance.** Managing well is a sophisticated process. Many organizations can get by, in normal circumstances, without much management going on. During a period of change, however, an increase in leadership and management is a given. Organizations whose workers and managers are highly trained or skilled will especially suffer in a change process. They tend to build their careers on their technical/professional skills, not on their management/leadership skills. In the midst of the change, there is no time to do formal management training. A skilled outside coach can now help by providing ad hoc problem-solving and ideas to workers, managers and leaders on how to better handle the stress of change. Paradoxically, when problems occur during organizational change, most managers react in a way which creates more problems. A little objective coaching can go a long way here.

SUMMARY

The two major strategies for better transitions while in change are acknowledgment and inclusion. Acknowledgment comes from publicly, openly and frequently recognizing the change and its turmoil. It creates a sense of "we're all in this together."

Inclusion results from dialogue, whereby those being affected by the change feel their concerns and ideas are being listened to and incorporated in the change process. This creates a sense of control which enables those in transition to better accept the change. Inclusion does not mean you are losing your right as a leader to decide. You can retain your authority when you include others. Inclusion does not mean consensus.

ACTION PLAN

Most people will not read this briefing unless they are in the midst of a transition. If you are, here is a chance to plan your actions in order to help you and those in your organization better manage the transition.

WHAT WILL I DO	BY WHEN	EXPECTED RESULT