

[youtube:http://www.youtube.com/watch?v=-XEhMXad3bE auto]What is change management? Change Management Video - conference keynote presentation for Welsh Parliament - audience of government, public sector, health, police, fire services, local council workers.

*** Patrick Dixon has advised many of the world's largest corporations on issues relating to change management, leadership and motivation. Watch conference keynote presentations, slides and videos on change management.**

Most Change Management is Waste of Time

Every year billions of dollars are wasted on change management programmes - trying to make people change the way they work. Resistance to change is a number one killer of healthy corporations.

Past decades are littered with the debris of failed corporations that had the wrong products, wrong services or were unable to compete because of archaic management structures, out-of-date systems and bad decisions. But making things happen differently inside a big organization is a huge challenge.

Boards may spend days, weeks or months approving a battle plan, and executive teams work hard to flesh out the details, often running up huge consultancy bills on change management in the process.

Change management programmes must flow out of corporate strategy, which in turn should be based on the Vision and Mission of the organisation - but that vision, mission and strategy must be right, sharpened by smart interpretation of current trends and insight into the future. Strategies are often overtaken by events - changes in consumers, customers, competitors, technologies and other industry trends.

Change management often fails

Let us assume that your strategy is sound, your vision and mission clear. Why is change management, which is such a huge money-spinner for management consultants, such a huge source of angst for business leaders?

The reason is simple: your people don't want to change.

Because *they* don't see the point, or even if they do, *they* are all too often convinced that the end result will not be worth the effort, for them, for those around them, even perhaps far beyond that.

However, if approached in a better way, change management can be rapid, easy, relatively painless, and totally effective. The secret of change management is to win people over and make them enthusiastic drivers of business transformation. Radical change happens instantly without a change management programme when everyone sees the crisis, knows what to do, and believes there is hope for the future.

Instant Change Management

Here is a fact: if a major fire breaks out in a building, and there has to be a full-scale evacuation, and much of the building is destroyed, you do NOT need a change management programme. It requires very little leadership or team management effort to:

- Get large numbers of people to suspend everything they are working on
- Get them all to leave the building rapidly
- Get them working hard on a major programme to restore full operational efficiency in a temporary building up the road

[youtube:http://www.youtube.com/watch?v=_kZl15houUc 300 250]So then, if you are trying to change an organisation, here are some fundamental questions, which many senior managers fail to answer properly before embarking on major restructuring or other change management disruptions:

- Why is this change so necessary?
- Who will benefit from all the change management effort?
- Have you fully accounted for hidden costs such as lost morale and added staff turnover?
- Do you really believe it is of the utmost importance yourself – or is it something you feel has been imposed by others, whether shareholders, analysts, out-of-touch board, short-sighted boss or whatever?
- Are you certain the change is going to end with you in the right place?

Vision: most powerful change management tool

Change management can only succeed if people have a strong vision of where they are going.

Change management can only proceed *rapidly* if people feel deeply involved in finding the solutions to the challenges - so that they feel involved, ownership. You know you are on the

right track when people talk about "what we need to do" as their own initiative rather than one imposed.

It's easy to move people when they're captivated by hope for a better future and are very frustrated with the current situation. People who are very satisfied and feel negative about what is proposed are impossible to change and energy-consuming to manage.

[youtube:<http://www.youtube.com/watch?v=jh7h7kDQtLI> 300 250]The trouble is that what companies call a better future is often a hundred million light years away from what workers feel is a better world for them. Result: zero motivation to change.

What large corporations need is an unstoppable people-movement for radical action. And the main driver for such a movement is a rapidly spreading conviction that the crisis is real, and that the proposed changes are right, most likely to bring the best outcome for most people – and most importantly, are likely to have a positive result for key individuals.

So who is the Champion for Change in your organisation? Who is leading the charge? Who is personally identified with the success of the project? And do they have strong, visible support from the CEO?

Group culture: impact on change management

Groups are very special creations. Teams, departments, business units, communities - they all quickly develop their own character which can be very enduring. We need to understand what groups are about, to find better ways to change them.

Any group creates its culture. Take a group of ten men and women. Over the next decade every single member could be replaced twice over and yet, if any of the founders of the group was to visit ten years later, they may well find little has changed.

This is true of clubs, churches, associations, non-profit organisations and business groups of every size.

Groups have a life of their own

Groups are "alive" in the sense of having a living identity of their own that is distinct from and goes beyond the individuals within it.

It is almost a spiritual thing, just as elusive when it comes to formal analysis as the strange

magic that is wrought upon an audience by a world-class performer. There is an invisible but significant added dimension, a force operating on another level altogether.

This added factor can affect buildings, even when empty. Places have atmospheres as well as associations. They connect with memories in our past and with our imagination, as well as with our subconscious associations. That's why office relocations are sometimes effective in assisting change management.

Change management in non-profit organisations

Group culture is a particularly big issue in non-profit organisations and religious groups. When there is no written contract, no pay, no terms and conditions of service, no formal beginning or end to the working relationship, no enforceable objectives, no reward system, and no line management, the power of groups is especially great. What people want to do together. How we did things in the past. The way we do things around here.

Leading groups can be difficult because we imagine perhaps that we have a certain authority and with it a liberty to make changes. But in practice the hidden power of the group can be stronger than the leadership. You see this hidden power when someone who was relatively open to a particular course of action, or used to doing things in a certain way, joins a group with a different culture. Within a few months you may find that the person's own perspectives and preferences have changed. So long as they identify strongly with that particular group of people, they may be inclined to "go with the flow".

[youtube:<http://www.youtube.com/watch?v=LD72Gzaxxul> 300 250]You may find that everyone in that group is being held collectively to a particular course of action, not by each other (because if they were on their own they would chose differently) but by the invisible power of the group itself: this combination of past and present, of culture and previous ways of doing things.

These are all reasons group leadership requires far more investment of time and energy than many people realise, to take people in a new direction, and why so-called "change-management programmes" are often unsuccessful.

Changing group behaviour requires a high level of personal passion and integrity, a compelling vision of a better future and a convincing and clearly understood strategy about how to get there.

Stephen Covey talks about the principle of Win-Win in his book 7 Habits of Highly Effective People. That means taking care to try to understand each step from other people's point of view. It's one of the most powerful ways to reduce conflict, reach consensus and make things happen.

Invisible group members need addressing

Groups often express strong loyalties to, for example, the values of the founder of an organisation, or a previous leader, even if retired, distant or dead. They may express loyalties to a national team – in the case of a foreign takeover. They may be deeply loyal to a set of foundational principles that first drew them into the business.

Hidden influences need to be laid out on the table, honoured, respected, talked over and incorporated into any changes that are proposed. If those influences are to be overlaid by others, or set aside in some way, then you need to show why. Group members need to know that the group's heritage and values are appreciated and important.

[youtube:<http://www.youtube.com/watch?v=IA-ifiDuvls> 300 250]They need to know why following the old way will result in trouble, and why the new direction is the right way forward. They need to see, touch and feel some of the realities of this better world. To have an early sense that it really will be for the best in every way.

It has often been said that people don't tend to think in meetings. The real change of mind and heart tends to happen beforehand, and the real work of persuasion therefore happens outside a meeting room, especially of those whose opinion carries most weight. It is also the case that meetings allow those who are uncertain to get a collective feel for where others want to go. Meetings allow those who do not have strong feelings on an issue to fall into line behind those who do.

Know which hills to die for

Many workers are thoroughly cynical when it comes to yet another reorganisation. They have long memories. They know change management programmes often get overtaken by events – markets change, investors move on, competitors move in, or a merger / acquisition makes it irrelevant so they have to start all over again.

The majority of senior executives in large corporations have been through several reorganisations in the last few years, and rarely do you find people who have been enthusiastic about all of them, and who would defend the rightness of all those major changes. Many are worn out, fed up, hardened veterans of fickle, badly thought out and poorly implemented changes.

[youtube:<http://www.youtube.com/watch?v=yQWMnObjunU> 300 250]Successful change management means fighting fewer battles, changing less to make more happen. As every battle commander knows, only some hills are worth dying for. A central role of effective leadership is knowing which they are, and seizing them with minimum casualties.

Smart leaders enthuse others to go in a particular direction, because they have got hold of that same vision for themselves. It is now their agenda, their calling, their vision, their drive, their

ambition.

We're talking about people-movements. The kind of rapidly changing and adaptive groups that you find in activist organisations, non-profit humanitarian ventures, and many successful corporations.

Yes change is often difficult and can be costly, but when people are connected to the passions they have, change happens with or without a change management programme.

So if your vision is clear, your cause is powerful, your strategy is right, you won't be able to stop change from happening all around you. You may even find that you yourself become one of the chief resisters of change – many leaders find it hard to feel a little out of control.

You must win the moral argument

Failure to win hearts and minds has serious consequences. Those who try to manipulate, bully, or intimidate people into following a stupid regulation, will find they create a million paths of resistance, a grass-roots campaign that results in destruction of leadership.

And winning that argument is a more subtle process than you may think. It's not a matter of going out and telling people they'll get a bonus if they comply. Bonuses and other tangible rewards are weaker motivators than you may hope, because they appeal only at one limited level to the human spirit.

Let's take an example of a large organisation which has just merged with an even larger one. Those fortunate enough to have secure jobs are told that they will get a big reward if they drive a savage, ruthless, rapid restructuring with mass redundancies.

Then managers find they have a low-level rebellion on their hands, with silent obstruction at every level.

What went wrong?

The answer is that the managers forgot that people work for people, not for organisations. They also forgot that most individuals worth employing are not prepared to build a better world for themselves at the expense of their friends. Often it's not what happens, but the way it's done that builds a better or worse world in people's minds.

But when did you last hear friendship being talked about as a key factor in making decisions in large organisations? This is typical of the terrible mess organisations get into by applying primitive, untested, unscientific, psychological theories from previous centuries to a third millennial workforce.

Turning commitment into radical, rapid action

So you have explained the challenge, won people over, developed a clear vision of the way forward. You have built a strong strategy, developed clear plans to implement change. What next?

Change management programmes usually benefit from a formal launch - to the entire workforce who will be affected, in larger and smaller forums to allow the senior leadership to "touch" the entire organisation, and also to allow informal feedback - which is vital to refine plans and ensure progress.

Clear goals need to be set with measurable outcomes, by specific dates, which become part of board and team reporting, and maybe part of the bonusable objectives of managers. Each person needs to know what element of the changes they are responsible for, and what authority they have to insist on change where there is resistance. There may be tough decisions to make if one or two key people continue to undermine change at every point, despite every effort to win them to the cause. Eventually a point may come where it becomes clear that they are unwilling to do the job they have been employed to do. Either they need to change themselves, or be encouraged to work somewhere else.

Change management requires long term commitment - to ensure not only that initial targets are reached, but also that the transformation is fully completed. Cultural changes in particular can take at least 3-4 years to achieve in larger organisations.

[Book conference keynote speaker Dr Patrick Dixon](#) on change management

Article above is adapted from the book Building a Better Business.

[Buy Building a Better Business](#)

[Read reviews of Building a Better Business](#)

Presentations on Change Management

Most of Patrick Dixon's presentations on change management are for senior leadership teams in half day or day-long sessions, linked to strategy, and are customised, confidential. Here are change management presentations at larger events.

[Change Management: Making Things Happen - Welsh Assembly \(Parliament\) presentation](#) for leaders in national and local government, [health](#) authorities, social services and other statutory agencies on [leadership](#), motivation and change management

[Change Mangement: Take Hold of Your Future](#) - motivational conference keynote to global team of ISS - global Facilities Management and Services organisation with over 520,000 employees. Slides formatted for 50 metre by 8 metre screen. Conclusion of 3 day Change Management Event, aiming to transform the corporation.

[Change Management: Why bother to change a corporation?](#) : Business School MBA elective programme on Strategic Transformation and Change Management. The crisis of purpose in business today and why most people don't care about your strategy or the future of the corporation. How to persuade people to change. How to connect with the passions people have for a better life. Reasons why people don't change. How to create effective [leadership](#) and ownership of your corporate strategy.

[Change Management - Motivating Teams - Connect with Passion](#) - 4,500 people watched this fast-moving, entertaining and provocative, multimedia opening keynote on a massive 80 foot by 20 foot screen (and almost 200,000 since on YouTube) - staged in the largest ballroom in the world (Las Vegas). Audience: members of MPI who are all involved in creating corporate events. How to motivate audiences to change. How to communicate vision, strategy, purpose, values. Some slides only. See also blog on [future of conferencing](#) and [YouTube videos by Patrick Dixon.](#)

