Ask the Expert: Creating A Successful Change Initiative

By Nina Coil

Question: I am an HR manager in a Fortune 500 company, and I have been tasked with implementing a new performance management process – the latest in a series of changes that we have had to adapt to and roll out after a merger late last year. I am getting the sense that my team is a little burned out and I wonder about their ability to enthusiastically get behind this latest change. What suggestions do you have?

Response: First, you are not alone – both in the sense of feeling that you and your team are facing non-stop change, and that you are having to lead a rather burned out team in endless implementation. Mergers, more than many other change initiatives, are not an event but a journey, and it is very common for the changes associated with them to take far longer, and be more complicated, than anyone could have predicted. Even the best-planned changes require adaptations as time goes on – changing one part of a system creates ripple effects that must be dealt with.

Mergers and acquisitions are very, very hard to accomplish. Only 30% of change initiatives are implemented successfully. Most of us have heard this statistic – it is based on research by Michael Hammer and Jim Champy for their book *Reengineering the Corporation.* But more specific research into the success rates of culture change, which are at the heart of an M&A initiative, shows that the 30% figure is too high. Culture change is considerably more difficult than strategy deployment or restructuring, with a more accurate success rate closer to 19%. Meaning that culture change (usually a critical part of an M&A), has only a 20% rate of success – nearly 80 % of these initiatives fail.[1]

Consider just one variable that often goes unspoken in a merger – the "winners" and "losers" in the process. Most senior leadership teams take great pains to stress that mergers are the synergistic combination of equals. But we all know that this is simply not true. In a merger both "sides" are usually well aware who is the "winner" and who the

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[1] Martin E. Smith, PhD. "Success Rates for Different Types of Organizational Change" *Performance Improvement* • Volume 41, Number 1, January 2002.

"loser." This does not mean that certain individuals or even departments within the "losing" organization may not eventually flourish in the new entity, but rather that the burden of undergoing the change is usually placed more on one organization and its members than the other.

There are obviously attractive aspects of the firm being "merged" or it would not have been a target – in fact, acquired firms are often looking for suitors. But it is rare for the "winner" in a merger, as well as the "winner's" staff, to fully appreciate, much less name, even less help the "loser" with what is being lost. The "loser" is expected to be grateful for the chance to succeed in the newly merged entity – for the lifeline to viability. And they may eventually be glad to be part of the merged entity. But for this to take root takes much more time and a different kind of support than is usually provided.

If the performance management system you are talking about is the latest of the "winner's" ideas it will be that much harder to get people who were with the acquired company to go along with it. In many ways they may feel like they have no energy left to face this next challenge, and your staff, who has to convince them otherwise, may realize just how much of an uphill battle this is likely to be.

Furthermore, undergoing deep change actually hurts. That is, research into brain function shows that having to make all the conscious choices associated with non-stop and major change requires what constitutes a painful level of involvement of primitive parts of the brain[2]. Our brains are much less stressed when we can operate much more automatically, not having to consciously consider the choices we face day after day, hour by hour. It is exhausting to do so – ask anyone who has moved to a very different location, preferably with a different language to contend with, just how tiring this is. This is true whether or not the decision to move was their own or someone else's. Consciously making choices over and over again in an environment of non-stop change causes repeated stress and emotional drain, not to mention the extremes of physical symptoms like illness or accidents.

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[2]Koch, Christopher. "Why Change is Painful," *CIO Magazine*, September 15, 2006, citing research by Jeffrey M. Schwartz, research psychiatrist at the School of Medicine at the University of California at Los Angeles.

Deep change (like the merging of two different corporate cultures) is very, very difficult to achieve. In fact, studies of coronary bypass surgery patients have shown that people would – literally – rather die than change.[3] So well-intentioned and well-designed changes at work – mergers, acquisitions, downsizing, new systems – are up against some very basic human reactions that make the process lengthy and difficult, even when they are so very clearly "the right thing to do." If a person who is facing certain death can't make changing their eating habits stick, why do we expect that our employees will be able to quickly change the assumptions – the paradigms – they have built their work around?

Here is my advice. What you have been doing has kept your team going until now. But perhaps it is time for a real change in your approach. **To get different results do something radically different – stop talking.** Chances are that you and your team have all been talking, for what seems like years now, about all of these changes. If you are not seeing new results from just talking – using words, whether just aloud or captured on flipcharts or in meeting minutes – try something really different. Try building or creating something together – literally – and build trust and deeper understanding of one another in the process.

As humans we are "built" to tell stories. We tell the story of our lives, in appropriately focused chapters, - until the day our life ends and our story is "complete." In fact, when Howard Gardner[4] looked at how to change people's minds as a leader during times of change he found clear evidence that story-telling is key. In addition, he says that "mind change entails the alteration of mental representations." This is accomplished through the medium of stories – for a large audience, simple stories work best – for a smaller audience of individuals who share knowledge and expertise, the stories or theories can and should be more sophisticated – customized, as it were. And this is true above all of a team like yours in HR, which can be assumed to share common values and assumptions related to their work.

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[3] Change or Die, Fast Company, May 2005, Alan Deutschman, research by Dr. Edward Miler, CEO of Johns Hopkins University.
[4] Gardner, Howard. *Changing Minds: The Art and Science of Changing Our Own and Other People's Minds.* Cambridge: HBS Press 2006.

When faced with a major change, people need to be able to tell a very different story about who they are, what they know, and for and with whom. When the "story line" has radically changed – we work for a new organization, the organization has radically changed its focus, our roles have changed significantly – people can find it hard to build a coherent story, at least until they have really gotten accustomed to the new state. It can be helpful to see "the story" as something temporarily outside themselves – as something that is not just the usual stream of conversation in their own heads that they share, in pretty much the same way, with everyone they talk to about what is going on. There are ways to go about building stories that are both deep and broad in their impact.

Years of research and newly evolving brain science support the value of creating a physical framework on which to project something we do not yet have words for, or that are less than concrete[5]. Words like "team," "value," "goal" are used in daily corporate communication but what they really mean is open to wide interpretation. Getting clear on the abstract is particularly useful in times when our "stories" need to shift at a deep level. Given time we may all eventually "get there," but the process can be supported, enhanced, and speeded up if you take a little time and "work the process."

Metaphors are particularly helpful in deep change and to build new stories. They can serve as the gateways to different levels of understanding and perspectives. Using metaphors can enable you to construct something – literally – outside of yourself onto which you can project a story. A process that uses your kinesthetic sense can help you tap into subconscious creativity that gets suppressed in times of stress. Working kinesthetically can also help to break free of typical "meeting dynamics" when one or two people (adept wordsmiths or extreme extraverts) tend to dominate, while others get only a few words in edgewise.

Two ways to try this are using collage work (any number of standard variations can be found on the web) and kinesthetic and experiential approaches like LEGO Serious Play (LSP). Linkage has developed a synthesis of LSP methodology and our change management tools to guide a team through coming to terms with a deep change. The process uses kinesthetic and metaphorical approaches, supported by more traditional

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[5] Dennett, Daniel. Conversations on Consciousness, Oxford: Oxford University Press, 2005

analytical tools, for a holistic and revolutionary way to build team trust and enable change.

Your team is working valiantly to come to terms with a series of major changes, and to take responsibility for their implementation. The changes themselves have probably been well thought-out and carefully planned. But even in organizations where that is the case – where every known contingency has been built into the plan – there are simply too many variables in a change as large as a merger, and the stakes for everyone are too high, to be able to predict exactly what will happen when.

Create a context within which your team can bring their whole selves – body, mind, heart – to bear on co-creating a compelling set of team norms, deeper understanding and appreciation of one another as individuals, and a clearer picture of what has been and will be changing in their workplace. This will go a long way toward re-energizing your team – it will help them build a new team story that will guide and motivate them for the challenges ahead. The more you enable them to prepare to deal with the new situation, the more smoothly they will be to move through their adjustment and help others in turn.