

AICD PUBLICATIONS

DIRECTOR

BOOKS

KEEPING DIRECTORS INFORMED

FEB08

Special Feature:
Most people are not against change, but the way it is handled! Bill Synnot and Rosie Fitzgerald

PAGE 01

Last Word:
I'll clean up my language: I swear... Frank Adoranti

PAGE 49

Book reviews PLUS
Members' discounts
Readers' polls

AND MORE!



No matter how busy you may think you are, you must find time for reading, or surrender yourself to self-chosen ignorance.

CONFUCIUS (551 BC – 479BC)



www.companydirectors.com.au

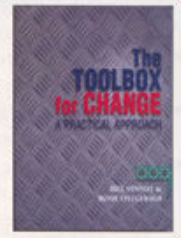
SPECIAL FEATURE

Most people are not against change, but the way it is handled!

by Bill Synnot and Rosie Fitzgerald



TO FIND OUT MORE ABOUT The Toolbox for Change: A practical approach. See page 13 for details.



As Charles Darwin so aptly stated "...It is not the strongest of the species that survives, nor the most intelligent; it is the one that is the most adaptable to change..."¹

Change means doing something differently. It occurs and affects all levels of society – from the macro level (global warming, globalisation, and so on) to the micro level (lifestyle issues for families, individuals, and so on).

Handling change has been identified as one of the major challenges facing us in the current uncertain and turbulent world. Yet there is one common theme in change-related literature: the future will not resemble the past; it will be more complex, faster and more culturally diverse. In fact, past and current success can be a hindrance for effectively handling the future as people remain stuck in the "glory" of the past.

In the last 20 years the rate of change has been increasing exponentially, and we are having problems adjusting to it. Many changes are linked with technological developments that are significantly affecting us; the most recent and significant global technological changes deal with

- i) nano-technology (moving from chemical to atomic manufacturing)
- ii) Internet (including the Web, email, E business/commerce, etc)
- iii) digitilisation (which breaks down barriers imposed by time, physical distance and delivery medium)
- iv) human genome project (including biotechnology, such as integration of computers and the body)
- v) sustainability development (includes using more renewable resources and using more effectively non-renewable resources and making the "capitalistic system" sustainable)

There seems to be over-reliance on, or unrealistic expectation of, using technology to solve problems. A more pertinent consideration is how to handle the people issues associated with major changes. It is futile to introduce the latest

technology unless the people affected by it accept ownership of it and are motivated to use it.

Remember: we are dealing with people who are not necessarily logical and rational but are creatures of emotion, and prejudice and who can be motivated by pride, self-interest, ambition, ego, fear, vanity, and so on. In other words, we are a complex system of thoughts, feelings and wishes that need to be handled with care.

Yet most models or frameworks that endeavour to outline a change process are invariably less than useful because change relies on situation and context. Previous success with a particular framework does not guarantee success in other situations; every situation has unique variables that need to be acknowledged and accommodated. So, change pushes us out of a zone of comfort and challenges the status quo.

While some people happily embrace change, many people invariably find change uncomfortable, inconvenient or impossible. So, how do we recognise what to change, when to change it and how to change it? And what strategies can be applied to these elements and variables to promote attitudes that favour future change-readiness?

Our book *The Toolbox for Change: A Practical Approach* helps readers deconstruct the challenge of change – from the macro level to the micro level., and offers a wide variety of user-friendly "tools" or strategies for exploring, adopting and embedding change. The book provides readers with 60 strategies or "tools" that aim to create an apt and "safe" environment conducive to challenging current practices and thinking differently.

Awareness of current theories is most certainly the backdrop to the tools, and people wanting to explore the work of change theorists such as Howard Gardner, Edgar Schein, Edward deBono, Peter Senge and other change luminaries will appreciate the detailed list of references included.

In any change process there is a fundamental principle which underpins it: once we know what needs to be changed, we must do it in an authentic way which is personally

1. As quoted by Norman Augustine, 1998.

meaningful. Otherwise, the exercise is likely to be futile.. Also, there is a need to

- identify the problems which need solving (causes, not just symptoms),
- achieve awareness and ownership of the problem by the key stakeholders, and find the most appropriate solution,
- understand the importance of both rational and “non-rational” (emotions, intuition, feelings, etc) thought processes in decision-making associated with change.

As Howard Gardner (2006) states

“...few goals are more challenging to achieve than significant, lasting change in adult human beings...”

Furthermore, as Edward Deming is quoted by Peter Senge et al (1999),

“...Nothing changes without personal transformation...”

We need to understand the causes of the challenges of change and not focus on the symptoms, that is, we need to stop snorkeling and do some scuba diving!

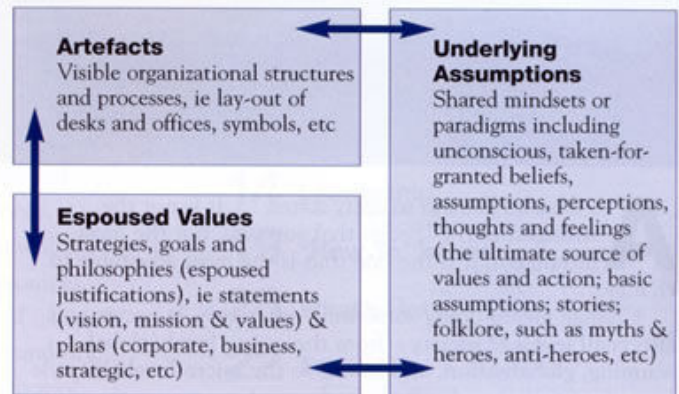
Most of us struggle to handle change at any level because it challenges our current mindsets, beliefs, paradigms, values, practices, assumptions, prejudices, and so on. We prefer information that supports our assumptions and prejudices, and it feels comfortable to dismiss information that questions them. We need to understand mindsets (our own and others’) - the way we see the world. Facts do not change but people’s perceptions of them do, as we all see them through our own idiosyncratic filters and these perceptions become our personalized reality.

Contributing to our perceptions are the influences of our experiences and background, which includes culture (beliefs and values). Thus, in any change situation, it is important to understand the particular culture you are dealing with. Linked with culture is resistance to change, which is a natural response to change. The most obvious resistance can come from people, organisations, communities, groups, etc who perceive themselves as currently successful: Why change when we are so successful? We have the formula for success, so leave us alone! This type of ignorance and arrogance is fatal in a change process.

When confronted with change, many people exemplify the “definition of insanity”: they do the same thing over and over again, while expecting a different result! In these situations there is a need for a circuit breaker. One such circuit breaker is a tool (A way to look at an organisation/community’s culture). This tool is based on the work of Edgar Schein, ‘How to Set the Stage for a Change in Organisational Culture’ in *The Dance of Change: the Challenges of Sustaining Momentum in Learning Organisations* (A Fifth Discipline Resource, Nicholas Brealey, 1999). Edgar Schein used the terminology of ‘determining

artefacts, espoused values and underlying assumptions’ to help describe different elements of culture (see diagram below).

Relationship between artefacts, espoused values and underlying assumptions



Note: Be careful that you do not mix the allocation of elements, activities, and so on.

We often ask people to change behaviours, ways of thinking and values that they have developed over many years. This explains why some attitudes in organisations/ communities appear to be unchangeable and why change is often so strongly resisted.

Resistance is a natural response to a perceived attack against our values. People understandably resent uninvited intrusions into their personal attitudes and beliefs.

This tool can be used when different cultures are trying to merge and/or change. When using this tool during a challenging merger, one group was not taking the exercise seriously—until this tool helped them to realise the synergies of the proposed merger. As a result, the senior manager of that group approached the facilitator to announce that his group had changed their attitude and now were treating the merger seriously.

In another case, we used the tool to reverse the roles of the organisations: we put representatives of each group in the other’s shoes. By doing so, each group saw the perceptions that they held of each other: they were truly amazed at the misperceptions they held! This tool helps identify areas that need to be addressed at the start of the merger process. If the cultural issues are ignored or overlooked during a merger, they could become bigger problems later on and would be more expensive to fix.

You cannot create a new culture, but you can immerse

yourself in studying a culture until you understand it. One way is to ask the following questions:

1. What elements do you like about the current culture?
2. What elements don't you like about the current culture?
3. What are you going to miss in the new environment?
4. What are the elements of the current culture that would be most applicable in the new environment?
5. What are the elements of the current culture that would not be appropriate in the new environment?
6. What is required to modify the current culture to better handle the new environment?

You can propose new values, introduce new ways of doing things and articulate new governing ideas. Over time, these actions will set the stage for new behaviour: you have merely set the stage for culture to evolve.

This process may sound painfully slow and uncertain compared with the alternative approach of 'slash and burn' by downsizing and re-structuring. This 'quick fix' approach produces a rapid cultural destruction, amid an atmosphere of crisis, suppressed resentment and potential for backlash. Generally, it does not create a new culture; it only destroys the old one.

It is hard to detect cultural assumptions through devices such as surveys, questionnaires and/or interviews. As cultures are held by groups, not individuals, it can only be discerned by investigating the whole group.

Be aware that your pre-conceptions, no matter how well informed, may be wrong. You have to be very careful not to impose your views on others. One way to keep your inquiry relatively bias-free is to penetrate from the visible surface inwards. This means looking first at the artefacts (these can be directly observed), then adding espoused values (these can be revealed by questions), and only then examining the underlying assumptions (these can only be inferred from a variety of observations and further inquiry around inconsistencies and idiosyncrasies) that comprise a group's culture (see diagram above). As culture is a shared phenomenon, the best way to gather systematic data is to bring a representative group of up to 15 people together and ask them to discuss artefacts, values and the assumptions that lie behind them

Some other good circuit breakers include:

- mind mapping (a written proposal was unsuccessful in convincing the decision-makers on 2 separate occasions; when a mind map was subsequently drawn, the benefits were immediately obvious and convinced the decision-makers)
- driving force analysis (it was successfully used to convince a car park operation to investigate more thoroughly why cars come into the city)

- 6 hats thinking tools (successfully challenged an acceptable but essentially doomed strategy so that it was abandoned and a new one developed)
- major events of your life (this tool helps others understand why we behave the way we do. For example, in one group a person was very focussed on financial performance as his parents went bankrupt and he was determined not to repeat their mistakes.)
- fan concept (helped a group of engineers understand how accountants think)
- Po (resulted in the introduction of a strategic Indigenous awareness program into schools whose students were almost exclusively non-indigenous)
- team performance questionnaire (members of an outer team explained how the inner team was more dysfunctional than the inner team realised)
- the S-curve (used to demonstrate that one division's performance was levelling off and thus its strategy needed to change)
- value cards (in a school it was shown that the various stakeholder groups had incredibly differing perceptions of which values the school should encourage; the use of the tool not only brought the lack of synchronicity into focus, but also allowed participants to collaborate on a revised values statement)

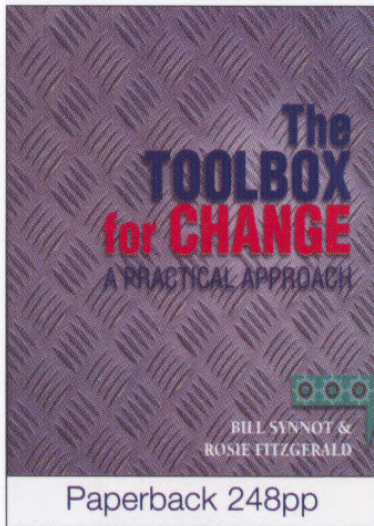
In summary - it is vital in any change process to create the "right and safe" environment so that people challenge current practices and think differently by asking the "right" questions, starting the "right" conversations and relationships, allowing for "mental arm wrestling" and "creative tension" to occur and allowing more time for reflection

Finally, change involves the need for

"...combining "inner" shifts in people's values, aspirations and behaviours with "outer shifts" in processes, strategies, practices and systems.....it is not enough to change strategies, structures and systems, unless the thinking that produced those strategies, structures and the systems also changes.....There is a chain of activity, from intellectual learning to emotional learning to action, as a never-ending process..." Peter Senge et al, 1999.

Acknowledgments

Norman Augustine, (1998) *Reshaping an Industry: Lockheed Martin's Survival Story*, Harvard Business Review on Change, (Harvard Business School Press)
 Howard Gardner, (2006), *Changing Minds: The Art and Science of Changing Our Own and Other People's Minds*, (Harvard Business School Press)
 Peter Senge, Art Kleiner, Charlotte Roberts, Richard Ross, George Roth & Bryan Smith, (1999), *The Dance of Change: the Challenges of Sustaining Momentum in Learning Organisations*, (A Fifth Discipline Resource, Nicholas Brealey Publishing) Bill Synnot & Rosie Fitzgerald, (2007), *The Tool Box for Change: a practical approach*, (Danjugah)



Paperback 248pp

The Toolbox for Change: A practical approach—Bill Synnot & Rosie Fitzgerald

AICD \$45.80 rrp \$53.90
ISBN 978 0 646470 06 1

Are you feeling bewildered with the amount of change going on?

The many issues addressed in this user-friendly guide deal with change, which is one of the greatest challenges we all face. Many publications refer to initiatives that might transform individuals, families, groups, organisations or communities, but there is little literature explaining just how to do it. This book fills that gap by providing the practical tools for achieving effective change on any scale.