## Citibooks' Tips and Ideas on...

## **Change Management**

Volume 1

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## **Table of Contents**

- 1. What Would You Do if You were Not Afraid?
- 2. Does Your Marketing Plan Need Changing?
- 3. Leading Change: Four Principles for Staying in Control
- 4. How to Rebuild Trust
- 5. Managing Change: The Simple Approach
- 6. Avoid "Negative Thinkers" Like The Plague
- 7. Managing Change: Unintended Consequences
- 8. Why Half of All Mergers Fail after the Honeymoon Ends
- 9. Changing Organisational Culture Requires a Change in Leadership
- 10. 6 Signposts for a Successful Journey

Additional articles (online access only)

- 11. Some Paradoxes and Antipodes of Successful Change
- 12. Change Management: Revolution or Evolution?
- 13. 18 Caveats on How Not to Change
- 14. Change Management: Clear, Strong Goals
- 15. Bringing Ideas to Life: Seven Principles for Pulling Together

Cover Page

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## What Would You Do if You were Not Afraid?

Kevin Dwyer

Previous Table of Contents Next

When interviewing prospective recruits or to get people focused on what is important to them, I often ask people a simple question to provoke them to think and to talk, although not always in that order. One question I often use is for people to think of themselves on their deathbed and consider "What am I proud of in my life".

The objective of the question is for people to be able to remind themselves what is most important; self-enlightenment, self-career, self-education, friends or family. For many people who are caught up in the hurly burly of day to day life, focusing on what is really important is difficult.

Another question is for people to imagine themselves at their retirement function and what reputation would they be proudest of in their retirement speech. Is it the reputation of being a specialist, a carer of people, a leader, a manager of people or an achiever? The objective being to understand what about their work motivates them the most. The answer is what they concentrate on in their job.

In the world of change management, the book "Who Moved My Cheese?" by Dr. Spencer Johnson (co-author of The One Minute Manager) provides a series of statements and questions provoking the reader into understanding what is stopping them from accepting, embracing and looking forward to change.

The book story is a simple parable of four characters who live in a "Maze" and look for "Cheese" to nourish them and make them happy.

Two are mice named Sniff and Scurry. Two are "little people" - beings the size of mice who look and act a lot like people. Their names are Hem and Haw. "Cheese" is a metaphor for what you want to have in life - whether it is a good job, a loving relationship, money, a possession, health, or spiritual piece of mind.

"The Maze" is where you look for what you want - the organization you work in, or the family or community in which you live.

In the story, the characters are faced with unexpected change. Eventually, one

of them deals with it successfully, and writes what he has learned from his experience on the maze walls.

When you come to see "The Handwriting on the Wall" you can discover for yourself how to deal with change, so that you can enjoy less stress and more success (however you define it) in your work and in your life.

To get a full understanding, you have to read the story, but here is some of the "Handwriting on the Wall."

Change Happens. In the book, they keep moving the cheese. In real life technology changes, aging populations, easy capital movements, migration flows and the ever increasing ability to access knowledge enures that change will continue to happen.

Anticipate Change. In the book, the characters who anticipate change find the new cheese first. In real life those who can anticipate change beat the competition whether it is coaching methods in sport, share market movements or career.

Monitor Change. In the book, the suggestion is to smell the cheese often so you know when it is getting old. In the real world it may be about sensing when you or your organisation is in a rut and life is changing around you.

Adapt to Change Quickly. In the book, the characters, except for Hem, learn that quicker you let go of old cheese, the sooner you can enjoy the new cheese. In the real world, we often carry the baggage of fixed positions inappropriate for a changed environment.

Change. Move with the cheese. In the book, the characters who move with the cheese find new cheese and prosper whilst Hem fades into obscurity. In real life the people who actually make the changes needed in their life to accommodate changes in their environment succeed more often than those who do not.

Enjoy Change. In the book, the mice learn to move to the new cheese by trial and error, learning to anticipate change without thinking. Haw learns to savour the adventure of change and the taste of the new cheese. In real life the journey of change can be enjoyed with the repeated excitement of doing something new once it is mastered.

Be Ready to Quickly Change Again and Again. In the book, the cheese keeps

moving. In real life, change is not even constant. It is accelerating as technology grows exponentially.

If you are managing change consider the following from the book; "If you do not change, you can become extinct". Use the statement to provoke a reaction and get a discussion going.

Then ask the people you are managing and yourself the question; "What would you do if you were not afraid?" Their answers and your answer may surprise you.

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Previous
Table of Contents
Next

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## **Does Your Marketing Plan Need Changing?**

Joy Gendusa

Previous Table of Contents Next

Change is good, right? Not always. But when is it bad? Is it a question of good or bad? Sounds philosophical. Maybe it is.

Philosophize on this...why would one take something that is going good - no.. great - and change it? Obvious answer is to make it better. Not!

In business or in marketing, change is not always good. When you have certain promotional actions that are in place making things happen, or in better terms, making you money - don't change them! Why do I say this? Because I see it time and time again. Someone has a marketing campaign that is bringing in a good return on investment and they up and decide to change their postcard! What?!?! Change your postcard - why??? "Er uh, we just decided to do something different."

And then some three or four months down the road, they call back with their tail between their legs and ask - no demand to have everything back the way it was before. In this latter case - change is good.

I am not just saying that to say that one should always keep their postcard marketing campaign the same and never change it. Quite the contrary. Change your marketing, change your habits, change your way of life when it warrants it. There is really some truth to the old adage "If it ain't broke, don't fix it." Maybe it is human nature to want to change everything once something gets going just the way they planned it. Who the heck knows? All I can say is step outside the human-nature box. Change only when things are drastic or when change is warranted.

Drastic circumstances deserve drastic measures. But how do you determine drastic? Sometimes that is really easy. Your company's income is crashing. Do something! Change! Or better yet, figure out what you changed and get it back to what was working.

How about a plateau? Does that deserve change? Depends on how long that plateau lasts. I have never seen things leveling off and staying level forever. It either goes one of two ways - up or down. I know an optometrist who had a very successful practice in small town USA. He never really marketed. He

never really had to. People knew of him from miles around. Mainly he did PR stuff - a fundraiser here, networking there, etc., etc. His good works made him well known and respected and the community ooo'ed and ah'ed over him so much the paper loved printing it.

But things changed. Malls started opening up. People started shopping out of small-town USA and into the bigger cities. The environment changed. But he didn't. He still kept a good practice, but you could see something interesting - his gross income started to plateau. And over time - many years - that plateau gradually started to show where it was really going. I actually don't have to say where - you've got the picture.

Now, would that demand drastic measures? Taking into account inflation, cost of living and other factors that are on the rise - yes, I would say that would demand drastic measures. Did he take them? Not until the direness became all too apparent. But yes, he finally did take them. He started postcard marketing his you-know-what off!

I have another client that is just a dream. They have had the same list for the past 5 years, ever since they have been in business - thirty thousand physical therapists they mailed to over and over and over and over and ... They never changed. They figured if it was bringing in the income it was the thing that was working. And it worked and it still works. And today - they made Entrepreneur's 100 Hot List for 2005.

So, next time you think about changing your marketing plan, look to see if it needs it. Look at your numbers. Are they improving? Declining? If your income is going up - don't change one single thing. But if it is going down or flat lining - for heaven's sake, change!

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Joy Gendusa founded PostcardMania (www.PostcardMania.com) in 1998, her only assets a computer and a phone. By 2005 the company did over \$12 million in sales, employed over 100 people and made Inc. Magazine's prestigious Inc 500 List as one of the 500 fastest growing companies in the nation. She attributes her explosive growth to her ability to choose incredible staff and her innate marketing savvy.

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Previous
Table of Contents
Next

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## **Leading Change: Four Principles for Staying in Control**

Kevin Dwyer

Previous Table of Contents Next

When leading a change programme, the bare minimum requirement of a leader is to be seen to be in control.

The people you are leading will have a range of anxieties about the change which different individuals will feel to a different depth. The nature of the anxiety and the depth of the anxiety will change over time, sometimes precipitously.

The leader, however, must be seen to be in control. More than that, except for the odd private lapse of confidence which bedevils the best leaders, the leader of change must be in control.

My observations from being affected by and leading change are that there are a few guiding principles for maintaining control.

Principle One: Focus on the goal

Day-to-day, leaders will receive good news and bad about the activities which make up the programme of change. Some activities will be ahead of where you thought they should be, some will be falling behind, or under seemingly impossible challenge to actually be completed.

Getting excited about activities which are ahead of progress and getting despondent or activating a reactionary process about activities which are not going well is sure way of communicating a lack of control.

Celebrating progress in a change programme is an important part of a change programme communication strategy. However, the celebration should be for progress towards the goal. The progress should always be measured as a balance of good and poor progress against the goal, where we have come from and the challenges which lie ahead of us.

Keeping a calm focus on the goal whilst encouraging overall progress and providing specific resources and guidance to fix problematic activities will give the team involved in the change increased courage and determination.

Reacting positively to good news and negatively to bad news only increases anxiety.

Of course, this principle assumes that the goal is clear and well understood. If it is not, take urgent action to clarify the goal of the change, its delivery date and ensure it is communicated in the languages and styles that the recipients will be most comfortable with and the mediums they have easiest access to.

Principle Two: Understand the building blocks of the change

Any change will have some key building blocks without which the change will not be affected. Building blocks will include items, for example, such as changing the competence of people, building infrastructure, purchasing equipment, implementing software changes, changing processes, developing products or gaining market understanding.

As a leader, focus a heavier proportion of your time ensuring the key building blocks of change are given the resources and management thinking time necessary to make sure they are completed.

Ensure more effort is spent on planning the building blocks. Demand more rigorous understanding of the critical path to completing the building blocks on time. Be prepared to spend more budget to compete the elements when problems arise which require more resources. Insist on a detailed risk management strategy being developed and executed.

Leaders who do understand the building blocks of the change they initiated ensure not only that the organisation as a whole is seeing the wood for the trees, but will coach others to act similarly in their sphere of influence almost without knowing it.

Principle Three: Develop and execute a risk management strategy

If we all had a crystal ball that worked, we would not need to develop a risk management strategy. Unfortunately, for leaders of major change programmes, a working crystal ball has yet to be found. Further, change programmes, more so than any other project, are full of uncertainties and ambiguities.

The main reason for the uncertainty and ambiguity is that change programmes always involve or impact people. They impact one or more of customers, shareholders, employees including team leading the change, public servants,

governments, suppliers and the general public.

How all, or one of these groups of people will react, is not ever really known until the change programme starts to play out as it is not just the change that causes reactions nor what people do, but importantly, what people say about the change and elements in it and how they say it.

Completing a risk analysis is moderately easy. Every change programme has its nay sayers. Utilise them and a good range of experienced, inexperienced, intellectual and practical people to determine what the risks are for the change programme. Developing a robust and actionable (in time) contingency plan for those risks which are considered to be high impact, whether high or low probability, is more difficult but must be done.

Knowing your risks, building contingency plans and making those contingency plans part of the change programme is buying insurance for a leader's ability to stay in control.

Principle Four: Communicate early and often

The simplest way for a leader to lose control of a change programme is to allow the rumour mill to develop and then run. The leader and their team are inevitably caught up in reacting to rumours, reducing the time they can spend on the key building blocks of change. Additionally, and fatally if it is allowed to happen, the concentration of the leader, the change programme team and the organisation as a whole drops away from focusing on the goal to the minutiae of the day.

Leaders must develop a communication strategy that encompasses all stakeholders and what it is that they want communications with them to make them feel, think and do. The communication strategy must be built on what messages, through what mediums, at what frequency, delivered by which person, will help the stakeholders feel, think and do what will be helpful for the success of the change programme.

The communication strategy must take into account the different filters of experience, upbringing, emotional state and thinking styles that people in the organisation will apply to the receipt of communication. The filters will change over time.

Communications, therefore, need to be plural and frequent to allow people to assimilate the messages at their own speed.

If people are not told what is happening in a major change programme, their anxiety leads to them making their own conclusions based on past history, snippets of information heard in corridors, tea rooms and read in newspapers. The leaders of the change programme and their team then have to react to what is not real rather than what is real.

Staying in control and being seen to stay in control is a paramount behaviour for a leader of major change. It is what they are paid for. It is difficult at times. Staying true, however, to a few key principles makes it much easier than it otherwise would have been.

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Previous
Table of Contents
Next

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## **How to Rebuild Trust**

## Rick Maurer

Previous Table of Contents Next

Here are some quick thoughts on ways to turn things around.

- Determine the real reasons why trust has diminished. Is it a problem in your industry? Something that happened in your company such as layoffs? Or is it personal they don't trust you? Don't rush out and create a new program or incentive scheme until you know the nature of the problem.
- Determine what the implications of lower trust are. What is missing as a result? Does customer service or quality suffer? Is loyalty lower?
- Now you've got the data you need to begin to address the problem. Be wary of window-dressing solutions. Don't try to pump people up or paint over the problems. You'll just waste your money and will risk adding to the cynicism. The only way to rebuild trust is to focus on the level of trust you want and confront the real reasons why there is a gap between what you want and what you've got.
- Trust is hard to build and easy to destroy, so you must be patient. Set long-term goals. Don't expect a single meeting or some grand event to turn things around. This situation is similar to a marriage in which one partner had an affair. It takes a long time to rebuild trust in the other person. In fact, they may never regain the level of trust they enjoyed prior to the affair.

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Solving the Middle Manager's Dilemma This CD will help you: Reduce the amount of rework pointless time consuming activities. . . Create the support you need to get moving right away. . . Get senior leadership on your side fro a critical project. . . Build your credibility throughout the organization. . . Learn to apply these best practices so that the next change goes even more smoothly. http://www.beyondresistance.com/tele\_mmanagers\_cd/index.html

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Previous
Table of Contents
Next

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## **Managing Change: The Simple Approach**

Kevin Dwyer

Previous Table of Contents Next

Change management is treated by many as an ethereal topic; a mystical process overlayed with a lot of "magic happens here". Or a process described by one of eight major models of change which by their very nature remains high level.

In my experience, there are four main parameters to be considered to make change happen.

## Revolution or Evolution:

Firstly, and most importantly, the question, "Is this really change or just business-as-usual?" Organisations that do not change as part of their business-as-usual have always died since the industrial revolution. The only thing that has changed is the speed at which they die.

"Change" status is bestowed when the change is revolutionary, not evolutionary. Projects which are elevated to a "Transformation" project or "Change" project are usually given a team to manage the implementation of the "Change".

Elevating a programme of work to "Change" status is a double edged sword. Doing so lends gravity to the programme and gives focus, attracting resources as a consequence. The other edge is that in doing so, it draws valuable resources from business-as-usual and adds considerable risk to the current business.

Keeping a change programme as business-as-usual, with a decent business case for each element of change, has advantages over a revolutionary change programme.

People are less likely to be afraid at the beginning.

Components of the change programme can be modified as circumstances change and learning is gained from previously completed components without appearing to backtrack.

With shorter implementation time line components, scarce project

management, programme office and change management skills are required less.

Both approaches can be right in the same environment. The work required and supporting framework is different and the risks are different. It is a judgement call which way to go, however, revolutionary change is not the only way.

#### Build the rationale:

In either case, the rationale for change has to be believable to build an appropriate business case to get support for budgets and the resources for the work programme. In the case of revolutionary change, the rationale also has to be strong enough for the people who will implement the change to believe in it.

Without that team believing in the change, the risks grow exponentially each day the team does not believe. The implications are that the team must be selected carefully and allowed to opt out if they want and that they must be brought into the action whilst the rationale is being developed and allow them to study and evaluate the data and shape the rationale.

When building the rationale, build it on data taking into account the four levels of data reliability; internal opinion, external opinion, internal facts, external facts. Rationale built solely on opinion or even worse, opinion in the face of facts will create division on the rationale for the length of the change project and a hostile atmosphere of blame after it has failed.

If you don't have the facts to support or deny a strongly held opinion, find them, either by research or by running a pilot programme.

## Build projects that can be supported:

Most organisations have poor project management skills. I do not mean the ability to manipulate a MS Project GANTT chart. I mean, for example, understanding what a critical path is and having experience to manage one, or being able to remain on top of milestones or change control.

Most organisations, however can mange small discrete projects with a short duration of, say, six months, with small discrete outcomes.

Organising yourself in this manner will increase some costs but will increase effectiveness. You will benefit more from discrete early outcome benefits which will cheer the team and the organisation.

Tell them early and tell them often:

There is no doubt that the people who experience the change will also have a significant impact on the success of the change. It is not always true that they have to believe in the rationale for the change, unlike the team which is implementing the change.

What is true is that they need time to adjust to the change and accept it in their own terms. The only way they can do this is to be informed. To be informed about the rationale and data behind the change, and at many points during the change, what we are doing, what we have done and what the results have been.

If in doubt, tell them.

Keep change in your mind as a group of simple principles such as these, or others that work for you and your organisation. Use models to illustrate and build the rationale behind activities which need to be completed, but don't shoehorn your change into a particular model or theory. Only add complexity when it adds value over the simple approach.

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Previous
Table of Contents
Next

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## **Avoid "Negative Thinkers" Like The Plague**

Real Estate Investment Club

Previous Table of Contents Next

"You might as well realize that the time for opportunity is past. There's no longer any use trying to save for investing. The best you can hope for is to keep a steady job and stay off welfare. Nobody will ever again be able to build an estate big enough to produce an independent income." These are the words of an economics professor from a prestigious California university. In a moment I'll tell you the rest of the story. But first, let me emphasize how important it is to choose very carefully who you listen to. You will always learn your most valuable lessons from positive thinkers.

## Beware of "Negative Thinkers"

The world is full of "Chicken Littles" who are always telling anyone who will listen the sky will surely fall by a particular date. I've been around for more years than I care to brag about and I've yet to see even a small piece of blue sky lying on the ground. I've even quit wearing my hard hat, except for those rare occasions when I visit my tenant to deliver a rent increase notice.

Certainly the California economy did slip down. There were many discouraging things to talk about. Housing prices dropped 30 percent, rents went down, military bases began closing and a whole train load of business folks simply packed up and left California looking for greener pastures. And that was the good news. The worst part was no one ever knew exactly when the down cycle would end.

Still, looking for a steady job to keep off welfare seems like pretty harsh advice from an economics professor.

Several years ago I decided that with all the properties I owned I might just have enough. I made a conscientious effort to reduce my holdings. I sold several proper ties and began collecting mortgage payments instead of rents. When the economy stalled out and some super bargains started showing up again, the temptation was more than I could bear-I got back in the hunt again. But, I am being extra picky. Many good deals are out there and it's easy to smell the profits. When the economy turns sour, it's definitely much easier to find cash flow properties almost everywhere.

## **Professor Prophet of Gloom**

About the economics professor and his gloomy forecast, let me just say that he's the kind of an educator who can keep an entire graduating class working their buns off at Burger King. However, his advice has been proven wrong for a long time now. You see, he was offering his advice to the graduating class at Fresno State College in 1931. William Nickerson was in that class. Obviously he was not too impressed by the professor's advice. Bill recalls the speech in his best-selling book "How I Turned \$1000 into Five-Million in Real Estate", Simon and Schuster (Rev. Edition) 1980.

## **Change Creates Opportunity**

Real estate cycles, both up and down, are nothing new to savvy investors. Real estate cycles create winners and losers alike. The secret to survival is learning how to stay in business.

Have you ever watched surfers from the beach? If you have, you can't help but notice how they roll with the waves. Good surfers are not toppled over by even the biggest and most treacherous waves.

Real estate investors can prepare themselves for treacherous times too. They do this with each new experience and by continuing their education. When you are knowledgeable about what you're doing and develop the confidence that comes with that knowledge, doom and gloom prophecies will have very little effect on your investment success. You'll be able to ride out the rough waters until they are calm again.

## Full Speed Ahead - Damn the Torpedoes

In the 1970s I was fixing up four run down houses. Two of them were hooked to a collapsed septic tank and with every flush, bright yellow water came up around my roses. The tenants called the health department and it scared me half to death. I thought the my newly acquired rentals would be condemned. As it turned out I fixed the tank and my roses grew even taller. More important, my rents kept on coming in. The lesson I learned is that most problems are not nearly as bad as they often appear.

One of the secrets to survival in this business is to properly assess a potential

problem, get good help with the things you don't know about or understand. Above all, don't panic. Selling houses at a loss is much less desirable than creating notes to use up the equity. You can then trade the notes or use them for down payments on better properties. With this technique you can give your problem properties away without losing serious money.

By the way, when the boom-times finally rolled around for Bill Nickerson after World War II, his old economics professor said: "It's too late for opportunity now. Success in business depends on having started in the depression."

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Jay P. DeCima, known to many as "Fixer Jay" is a seasoned real estate investor with more than 40 years of hands on experience; nearly half that time has been devoted to Jay's specialty - fixing-up rundown houses and adding value. Fifteen years ago, Jay Decima began teaching others about his money-making strategies at seminars and at his popular house fixer camps in Redding, California. Reprinted with permission from <a href="https://www.reiclub.com">www.reiclub.com</a>

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Previous
Table of Contents
Next

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## **Managing Change: Unintended Consequences**

Kevin Dwyer

Previous Table of Contents Next

Leading a change programme is a risky business, for the leader and the lead. The law of unintended consequences applies in full as change involves people. People see the the starting and finishing points and the intention of change from their point of view and act accordingly.

At a micro level, people have a unique ability when communicating to filter the inputs based on their environment, their mood, their upbringing and the degree of trust in which they hold the communicator. At a macro level this means that people as groups will understand change very differently to what was intended.

At a simple level, the use of performance indicators often leads to unintended consequences. Calls centres are particularly adept at getting performance measures constructed precisely to have a deleterious effect on the business in which they operate.

For example, call waiting time measures should encourage call centre consultants to ensure that "no one" has to wait more than the three for or five rings laid down in their processes and policies manual.

In many cases it only encourages consultants to hang up on existing calls as they usually can see the performance measure current status flashing at them from an overhead sign.

Couple this with another measure, which dictates on average how long a consultant should talk to a customer and the consultant now has two reasons to hang up before the customer has satisfied the concern that made them call in the first place.

Whilst these consequences are not satisfactory to the customer, the unintended consequence for the business is that the customer calls back at some other stage. The average level of repeat calls that can be taken out of a call centre in my experience is of the order of thirty percent! Most of that benefit comes from matching calls to consultants with the right competence and authority and getting the performance measures right!

Policies are another area which nearly always has unintended consequences.

This is especially so if the policy document confuses policy with process and parameters and sets out to imagine every circumstance in which the policy may be relevant.

By saying "We will pay all reasonable expenses attributable to the project" is the policy and setting up parameters a test for reasonableness separately we can have a simple policy administrable in almost all occasions.

Instead, we tend to state every event under which an expense will be paid. The unintended consequence is that we teach our employees to falsify documents to ensure their expense claim "fits" a preset event description.

Credit policies are another area rich in unintended consequences. In one instance I know, a credit policy in a Latin American country which had extremely high inflation in the past was retained even after inflation was normalised. The policy was that all customers had to have each load of product they were ordering approved by a person outside of the order and despatch function. If implemented, this delayed despatch by up to a day.

The intended consequence was to retain control over debtors. The unintended consequence was customers ordering multiple loads and getting them approved before they needed them and cancel them if necessary. The implications for the company involved were that despatch never knew how many trucks and drivers to organise for any given day.

Legislation provides an even richer field of unintended consequences. When legislation is drafted with not only the parameters through which the legislation will control the issue of interest, but also the value of the parameters, it creates several unintended consequence.

One consequence is that the legislation, in becoming too prescriptive does not allow for changes in community standards or business standards over time. A second related consequence is that as the legislation is often not amended or updated for twenty years or more, people often seek ways around the legislation, not just the parameters. Another consequence however, is a person breaking the law without knowing it as they are behaving within the norms of society.

In everything we do in business or in the public service as we attempt to change the way we work, the possibility of unintended consequences lurks. Whilst there is no universal sure cure, thinking systemically about problems and issues we are trying to solve helps reduce the risk considerably.

Peter Senge has written several books about thinking systemically that are well worth a read for anyone contemplating change.

Additionally, conducting some contingency planning helps reduce the probability and impact of unintended consequences. Contingency planning is fun. Thinking of every whacky thing that could happen and developing actions to reduce the impact and or the probability of it happening even gets useful contributions from the doomsayers.

Learning from errors makes fascinating reading from other peoples experiences. Don't let your experiences in managing change be fascinating reading on the account of your unintended consequences.

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Previous
Table of Contents
Next

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## Why Half of All Mergers Fail after the Honeymoon Ends

## Rick Maurer

Previous Table of Contents Next

Marriages and corporate mergers in America have at least one thing in common, more than 50 percent end up on the rocks. In fact, according to a McKinsey study, only 23 percent ever recover the costs of walking down the corporate aisle. Another study showed that over 40 percent actually lose shareholder value.

These statistics should quell the corporate urge to merge, but, like young lovers, logic seldom gets in the way of romance.

A merger between families illustrates the difficulty of creating an ideal marriage. Two single parents, each with their own children, pets, and old habits, decide to marry and join their families into one.

Because mom and dad are so in love, they fail to see that the kids don't get along, the cat hates the dog, and their single TV can only handle one show at a time. Reality slowly begins to creep into paradise.

The cover of the February 7, 2005 issue of Fortune reads "Why Carly's Big Bet is Failing, referring to Hewlett Packers acquisition of Compaq. And the list goes on:

Take Bell Atlantic and Nynex. They are already experiencing resistance to change from some of their family. The Communications Workers of America have voiced concerns about this merger. Both companies appear to have different approaches to unions. Bell Atlantic appears more confrontational, while Nynex in recent years has tried to build stronger ties to the CWA. How this gets handled, might be the first test of who holds the remote control during prime time in this new family. Will the telecommunications giants work together to develop a strategy for working with the union? Or, will they leave things to chance?

Bell Atlantic and Nynex, was not the only engagement announced recently. Time Warner and Turner, Aetna and US Healthcare, SBC Communications and Pacific Telesis Group have promised to join hands as well. In each instance, the decision to merge makes good business sense. Bright people using sound

data, keeping the interests of shareholders in mind, made these decisions. Unfortunately most of the attention will be on regulatory issue, finances, and grand organizational designs. The subtle and seemingly soft issues like how decisions get made may be left to chance. If so, this could be disastrous.

The betrothed companies will need to pay attention to the fact that they are attempting to blend different ways of working. I urge these companies to consider the following as they work on their wedding vows.

How are decisions made? Do they come down from on high like lightning bolts from Zeus, or do people engage in a more democratic and slower process?

How do people get things done? When an accountant needs to talk with her counterpart in marketing, must she go to her boss, who in turn talks to his peer, who in turn relays the message to her subordinate? Or do people just move freely in and out of departments with little formal regard for rank?

What do communications systems look like? Does one company have an integrated management information system complete with e-mail and sophisticated intranet linkages, while its counterpart relies on pneumatic tubes, bulletin boards, and face-to-face contact?

How are people rewarded in the two companies? Who gets bonuses, promotions, and coveted assignments? Does one company applaud risk taking and initiative while the other reveres people who play by the rules?

What's punished? Is telling the truth like the child in the emperor's new clothes appreciated or does the speaker find he has just become a pariah?

Since each company believes that its way of operating is how God intended life to be in corporate America, major differences in culture could be difficult issues to face. It will important to persist. Typically, the more powerful partner prevails, but only at a cost. The ?weaker? partner resists being told to change and this leads to subtle or profound resistance that hinders or stops efforts to merge operations. AT&T's purchase of National Cash Register was a disaster, in large part, because the far-larger parent company tried to inflict its culture on a company that was proud of its rich heritage.

There is a choice. The two companies can identify these differences. Recognize what's good about each culture and then determine jointly how they will face the future as a unified force. All these proposed mergers will face many tests to

their cultures over the coming months. They can use these incidents as opportunities to examine differences and consciously select a way of working that fits the challenges they will face in coming years, or they can just hope they will live happily ever after.

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Solving the Middle Manager's Dilemma This CD will help you: Reduce the amount of rework pointless time consuming activities. . . Create the support you need to get moving right away. . . Get senior leadership on your side for a critical project. . . Build your credibility throughout the organization. . . Learn to apply these best practices so that the next change goes even more smoothly. <a href="http://www.beyondresistance.com/tele\_mmanagers\_cd/index.html">http://www.beyondresistance.com/tele\_mmanagers\_cd/index.html</a>

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Previous
Table of Contents
Next

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# Changing Organisational Culture Requires a Change in Leadership

Kevin Dwyer

Previous Table of Contents Next

Changing culture or "the way we do things around here" need not be as difficult as it first seems. We often make it more difficult for ourselves because the first and most important change often needs to come from us as leaders.

We can make it doubly difficult if we build a project around a focus of changing culture. It can appear that we are changing culture for changing sake. We can also get lost in the forest of consultant jargon, models and methods and miss the trees of the objective we are attempting to reach.

To adequately discuss what changing culture is, we need to start with a definition of what organisational culture is. A useful tool for this amongst the plethora of tools available is the Cultural Web developed by Johnson and Scholes.

In the Cultural Web, culture is described as the mix of routines and rituals, stories, symbols, control systems, power structures and organisational structure that form the paradigm of the organisation.

The routines are the ways that members of the organisation behave towards each other and that link different parts of the organisation. These are the "way we do things around here". There are also rituals of organisational life, such as training programmes, promotion and assessment which point to what is most important in the organisation.

The stories told by members of the organisation embed the present in its organisational history and flag important events and personalities. Other symbolic aspects of organisations such as logos, offices, cars and titles or the type of language and terminology commonly used become a short-hand representation of the nature of the organisation.

The control systems, measurements and reward systems emphasise what is important in the organisation focusing attention and activity.

Power structures, the most powerful managerial groupings in the organisation, are the ones most associated with core assumptions and beliefs about what is

important. The formal organisational structure, or the more informal ways in which the organisation works, reflect power structures and delineate important relationships

The paradigm is the set of assumptions, held in common and taken for granted in an organisation, which lies within the cultural web which bonds these assumptions to the day to day action of organisational life.

There are two ways of attacking the issues that make up the culture of an organisation. In both cases a "current state" view is necessary to understand where we are now. In both cases we must also understand the future state of our desired culture.

In one method we will build a cultural transformation programme to deliver cultural change as its own outcome. This rarely works. The smart people will change their habits when the people who "care" about culture (the bosses?) are looking and will know all the right things to say. However their behaviour rarely changes.

In the other method, we will build a case for change in the business to achieve a business outcome. We will drive relentlessly to the outcome and we will monitor the supporting culture, making fine tuned adjustments to what we say and how we say it, what we do and how we do it, based on our knowledge of the culture. Organisational culture will be a result of what we do, not what we do being a result of an attempt to change current culture.

The second method is nearly always successful, in my experience. It does however require clarity of thought and discipline from the leader. The recipe for success is simple.

Be clear about the objectives of the organisation. Communicate those objectives early and often. Communicate by different mediums and different techniques. Remember some people a visual, some are auditory and some prefer text. Communicate using the recipient's language unless you are trying to change the language used.

Concentrate on those things which get in the way of reaching the objective with urgency. If the objective is important and they get in the way, why would we not attack them? This would be only if the objectives were not really important. This may include people, recognising that some people do not fit in terms of competence or desired culture. Recruit to fit the new culture requirements of behaviours and beliefs.

Only ever talk about opportunities, not problems. It may seem trite, but problems engender negativity, opportunities engender a positive mind set.

Concentrate on developing new stories, eliminating routines and changing power structures and control systems as a means to reach the objective, not vice-versa. Tell people they have succeeded. Nothing reinforces appropriate behaviour like praise.

Changing culture is not so difficult. Culture usually only raises its head as topic when results are not what we want and we provide leadership that allows an unsuitable culture to develop. By all means use some tools to help understand and monitor culture, but we must provide a change in leadership to change culture.

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Previous
Table of Contents
Next

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## 6 Signposts for a Successful Journey

David Krueger MD

Previous Table of Contents Next

How does change occur?

Change is not simple. Why do we repeat behavior that doesn't work? Those actions that lead to stifling debt, disappointing careers, or stuck relationships? Then do it harder, yet expect a different result? Why is it not obvious that trying to exit an old story by simply writing a "better ending" only recreates the same story, and ensures that we remain in it? That a thousand better endings to an old story don't create a new story? That the past cannot be changed and is a settled matter? That too often, we see ourselves as the victims of these life stories of ours, and overlook the fact that we author them, and create the feelings?

To simply stop doing something is not complete change. Abstaining from an old story—stuckness or compromising repetitions, just like abstaining from excessive drinking or eating—is a beginning. A new lived experience is required, one that you repeat until it creates new circuits and neuronal networks in your brain.

We are not hard-wired for life. To create new experiences changes neuronal pathways and networks in the brain, transforms neurotransmitters, and even alters gene expression. New choreography in the ballet at the synaptic cleft alters brain structure along with function: when we change our minds, we change our brains. Neuroscience validates how powerful creating a new story is.

How can we facilitate change?

We can foster change by conscious practices and effective tools. An infinite sea of new patterns and possibilities can be created to further new goals. The caveat: You have to take action to diminish preprogrammed responses and to write new script for new experiences—a new story has to replace the old one. There are no short cuts, since long term change requires consistent practice to groove new neural pathways and establish new neuronal networks. But there are effective and efficient methods to accelerate optimum change and insure transformation.

Identify the Signposts

In each successful journey, there are identifiable markers.

1. Precisely specify the goal and agenda.

Clarify your agenda so that it is clear, specific, and simple. If the goal is not clear, the agenda and strategy cannot be precise. Be very specific about a goal —e.g., "getting fit" is not a goal but an outcome. Maintain focus on a specific issue until you have clarity. If there is no focus on an agenda, there can be no effectiveness or success.

2. Determine what needs to happen.

Identify what you need to do to further the goal of your agenda. This clarity will catalyze an approach to the needed steps.

For example, if you feel overwhelmed at work with the amount of tasks, clarify one issue that can be dealt with effectively within the next day. This focus on a specific action exercises effectiveness and initiates a model of mastery for the next step.

3. Convert obstacles into intentions.

Internal obstacles such as fear or doubt that may seem to "stop" you are personal creations. Convert a fear or obstacle into an intention, with a commitment to a next best action. For example, if you are afraid of public speaking, an intention might be to join Toastmasters.

4. Highlight the solutions.

When you form a plan and immerse yourself in the process, problems dissolve into the possibilities.

5. Facilitate internal change and external change.

With a new experience, anxiety and trepidation are expectable. You are in new territory, without familiar landmarks. When you are in your integrity in this new experience, feeling anxious or uncertainty is a signpost of progress, as opposed to a signal of danger as in the old story.

6. Follow-up.

Continue to focus on your goals and strategies. What works and what doesn't are both important. Writing your next chapter is about looking at what happens next, and considering what happens after what happens next.

Remember: the usual problem is not setting goals but completing them.

Continue Assessment

An ongoing assessment of progress—of evaluating each of the major storylines in your life and business stories—involves these basic four questions:

1. What do you want to change?

If there is a problem, barrier, or obstacle, it is not a simple matter of getting over it, countering, or adapting to it: It is not there until you create it. Consider creating something else instead. For example, convert a fear of public speaking into an intention with a specific commitment.

2. What do you want to let go?

The bottom line, no matter how entrenched the process or strong the hope, is "Does it work?" Emotionally, it is not so easy to let go of a hope without it being fulfilled—such as trying to get someone to respond in just the right way?

3. What do you want to avoid?

There is always the pull of the old and the fear of the new. Yet there is no future in repetition. For example, to avoid engagement with someone who is draining protects your energy for a more productive choice.

4. What do you want to keep and enhance?

Your life is the manifestation of your beliefs.

Choose carefully what you engage in.

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Previous
Table of Contents
Next

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