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Managing Organizational Change in Performance Initiatives

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Who is Sally Mizerak?

President, Performance Drivers, Inc, Pittsburgh, PA

Over 30 years as a change consultant

Strategic Planning / Balanced Scorecard/Performance Management:
Consultant, educator, speaker and coach

Special focus on communications and marketing, which gives her a unique ability to build customer connection and employee buy-in into all plans.

Clients are service-based and include :

Financial, engineering and technology businesses;
Health care, educational and service organizations
Family owned entrepreneurship

BA at Pennsylvania State University, MPA and pre-doctoral work at University of Pittsburgh



Agenda

- Understand organizational culture and employee acceptance of change
- Craft programs to inform employees of workforce changes
- Establish relationships with other departments in your organization to help maintain an informed workforce

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Preparing for Change





Why Do People Resist Change?

- People do what they perceive is in their best interest
- People are not inherently anti-change. Most will embrace initiatives provided the change has meaning for them

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The Heart of Change

John Kotter

People change what they do less because they are given analysis that shifts their thinking than because they are shown a truth that influences their feelings

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Trust and Fear

- Change initiatives cannot occur in a work environment overdosed with fright
- If people are to follow, they must first trust
- If you would persuade, you must appeal to interest rather than intellect (Benjamin Franklin)

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Rules for change*

- People thrive under creative challenge but wilt under negative stress
- People believe what they see. Actions DO speak louder than words
- The way to make effective long-term change is to first visualize what you want to accomplish and then inhabit this vision until it comes true.
- Change is an act of Imagination. Until the imagination is engaged, no important change can occur
- Robbins * & Finley

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People are different

Diversity challenges consensus:

sex	Family type	Character
Age	Life experience	Judgment quality
Culture	Work experience	Sociability
Language	Birth order	Sexual identity
Religion	Personality type	Learning style
Politics	Personal taste	?

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People have different styles

Traditional DiSC® Model:

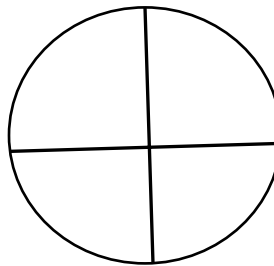
Perceives Self as More Powerful than the Environment

Dominance

Perceives an Unfavorable Environment

Influence

Perceives a Favorable Environment



Conscientiousness

Steadiness

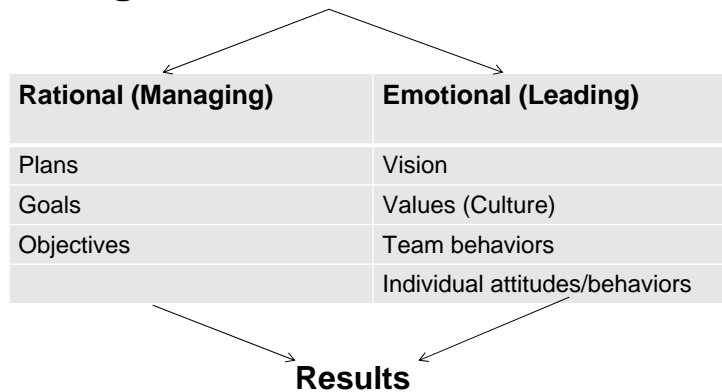
Perceives Self as Less Powerful than the Environment

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Challenges to successful change

Organizational Performance



Why Change Doesn't Work

- It's the wrong idea
- Right idea, wrong time
- Doing it for the wrong reason
- Lacks authenticity
- Reality contradicts change
- You lose perspective
- Wrong leader
- Boss is bored
- People aren't prepared or convinced
- You get carried away / You don't get carried away
- Bad luck
- You focus on the rational and forget the emotional



Eight Stages of Successful Change*

1. Increase urgency
2. Build the guiding team
3. Get the Vision right
4. Communicate for buy-in
5. Empower action
6. Create short-term wins
7. Don't let up
8. Make change stick

**Leading Change, John Kotter*

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Change is about behavior

See – Feel – Change

trumps

Analyze – Think – Change

The central challenge in change is behavior
– shifting what people do

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See-Feel-Change

- **SEE:** Compelling, eye-catching, dramatic situations are created to help others visualize problems, solutions or progress in solving complacency, strategy, empowerment
- **FEEL:** Something new hits the emotions. The visualizations provide useful ideas that hit people at a deeper level than surface thinking. They evoke a visceral response that reduces the emotions that block change and enhances the emotions that support change
- **CHANGE:** emotionally charged ideas change behavior or reinforce changed behavior. People act much less complacently. They try harder to make a good vision a reality. They don't stop before the work is done, even if the road seems long

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#1 Create urgency

- Heighten energy and motivation
- Reduce fear, anger, complacency
- Creating a business case is not enough
- To be compelling the case for change must visually portray:
 - The situation
 - The problem
 - The benefits
- Identify the sources of complacency
- Clarify role of leaders and managers
- Communicate the desired outcomes
 - Rational
 - Emotional

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To Increase Urgency

What Works

- Show need for change with compelling object others can see, touch, feel
- Show dramatic, valid evidence from outside organization that change is needed
- Look constantly for ways to reduce complacency
- Never underestimate how much fear, complacency, anger exists

What Doesn't

- Building a rational business case that top management approves and then moving ahead while ignoring feelings that are blocking change
- Ignoring lack of urgency and going right to the creation vision and strategy
- Believing that you must have a burning platform to move ahead
- Thinking you must be the head person to effect change

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#2 Build guiding teams

Mobilize leaders who are focused, committed and enthusiastic and can lead change because they:

- Have a deep understanding of the why, what and how of the change
- Model the “right” behavior with passion
- Hold themselves and others accountable for results
- Are open to discussion. Use conflicts constructively
- Engender a relaxed and enjoyable atmosphere
- Allow members to function autonomously
- Integrate well with other guiding teams

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#3 Get the vision right

- Develop a clear, inspiring, achievable picture of the future
- Vision must describe the key behavior requires in the future state so that strategies and key performance metrics can be created to support the vision
- Paint a picture of the future
- Fuzzy or illogical visions and strategies cannot be communicated clearly

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Combining head and heart

Vision cannot just assess market and organizational opportunities. It must also reflect values that resonate with everyone affected by the proposed change. It must appeal to people's emotions so they can see and feel the need for change and are motivated to be a part of it.

Communicate before creating a vision to gather input.

Validate the vision. Communicate what is to be changed and why. Give people time to think, argue, feel and reflect.

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Getting the vision right

What Works

- Trying to see possible futures
- Visions so clear they can be articulated in one minute
- Visions that inspire, that move people emotionally
- Strategies that are bold enough to make bold visions a reality
- Being sensitive to how quickly to introduce change

What Doesn't

- Assuming that linear plans, budgets, scorecards will adequately guide behavior into the future
- Overly analytic, financially based vision exercises
- Cost-slashing visions which can create anxiety
- Overwhelming people with logical reasons for creating bold strategies

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Communicate the Vision

The objective is to influence people to think and act in accordance with a new direction.

Communication needs to reach everyone who will play a role in making vision a reality

Feedback is essential





Tactics for effective vision communication

1. Develop a compelling story
2. Keep it simple
3. Use metaphors and analogies
4. Repeat, repeat, repeat
5. Use many different forums to spread message
6. Make it multidirectional
7. Build linkages to initiatives
8. Align leadership actions to communications
9. Integrate communication initiatives



Gather feedback

Use a survey tool to find out if people understand and agree with the vision. Also talk to people and ask

- what they like about the vision
- how it could be improved
- how it could be clarified
- how they see it impacting their job
- What would make them more supportive
- What behaviors they would like to see more of/less of in achieving the vision





Support the vision with strategy

Develop a strategy that will produce the change called for in the vision.

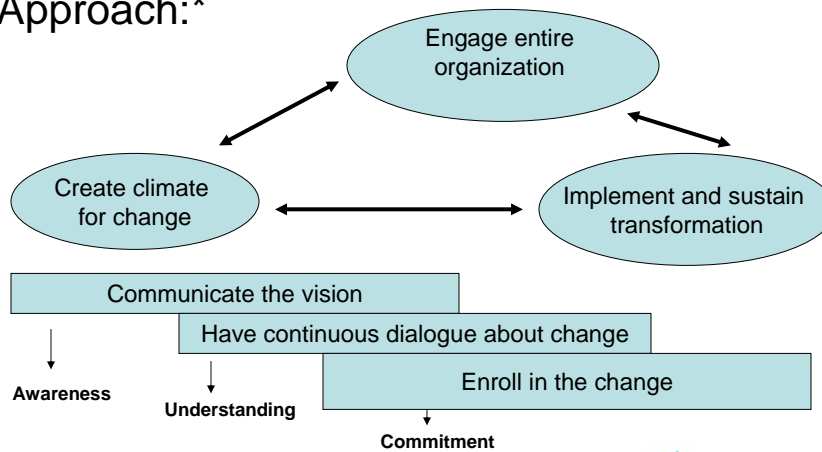
Strategy should be bold / achievable
(Strategy Map)

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Building Commitment

Approach:*



*Heart of Change, Dan Cohen





Engage the entire organization

- Demonstrate leadership to get all stakeholders involved
- Deliver candid, concise, heartfelt messages about the change in order to create the trust, support and commitment necessary to achieve the vision

The Goal: to get as many people as possible acting to make the vision a reality

People will begin to buy into the change. Their buy-in shows in their behavior

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Enable action

Break down the barriers that hinder people who are trying to make the vision work

- Understand what those barriers are
- Develop and align new programs and designs
- Identify processes that are ineffective

Result: More people feel able to act, and do act on the vision

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Create short-term wins

- Re-energize the organization's sense of urgency by achieving visible, timely and meaningful performance improvements to demonstrate that progress is occurring
- Celebrate!
- Momentum builds as people try to fulfill the vision, while fewer and fewer resist change

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Implement and Sustain Change

- Make sure that the change is lasting
- Don't let up
 - Be persistent in monitoring and measuring progress
 - Don't declare victory prematurely
- Make change stick
 - Recognize, model and reward new behavior to make it "the way we do business here"
 - Ensure that change is embedded so that turnover doesn't stop it

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Change can fail because of poor communication

*Without credible communication, and a lot of it,
employees' hearts and minds are never captured*

John Kotter, Leading Change

*Without understanding the company's vision and
strategy, employees will never be able to independently
find innovative ways to help the organization achieve its
objectives*

Robert Kaplan, Balanced Scorecard Collaborative

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Communication Plan Elements: What to communicate

- Vision
- Why you are doing this
- Why it matters
- How it is different from what has been done before
- What the expectations are for change
- How it will affect the audience you are communicating with
- What will happen next
- Glossary of terms

Anticipate and answer questions

Convey enthusiasm

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Elements of the Communication Plan – the 5 W's

- Who
- What
- When
- Where
- Why
- How

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Elements of the Communication Plan –5 W's: **WHO**

WHO (Audience)

The specific individuals or groups who will require messages during the project.

Include:

- Senior management team
- BSC steering committee
- Middle management group
- All employees
- Your project team

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Identify Audiences and Audience Objectives

- Define the information needs and goals of each part of the organization
- Determine how they relate to change / strategy
- Determine what they need to know and why
 - Understand fears and barriers
- Classify all audience groups into four primary segments:
 - Internal and External
 - Those that make or influence strategy and those that execute or are impacted by it

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		Target Audience Segments	
Those who determine or influence strategy	Board of Directors Executive Leadership Senior Management	Shareholders Analysts	
	1	3	
Those who execute or are impacted by strategy	Middle Management Line Management Frontline staff	Customers Suppliers Regulators Community Family	
	2	4	
		Internal	External

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Elements of the Communication Plan – 5 W's: **WHO**

WHO (the communicator)

May vary based on the message and the needs of the audience

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Elements of the Communication Plan - 5 W's: **WHAT (Purpose/ Message)**

- **What** are the key messages that need to be delivered?
E.g. how the scorecard fits with strategy implementation; role of scorecard with other change initiatives; new management philosophy represented by scorecard
- May also include timelines, project status, development issues and education.
- Tailor messages to the role of your target audience

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Identify Message Streams

- A message stream is a continuing flow of information on a given subject
- Reinforce to ensure retention
 - 7 times 7 ways

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Media Channels

- Rich channels (best at strategic level)
 - Interactive
 - Cost more
 - Require scheduling, logistics
 - More likely to stick
- Lean channels (can be enriched with rich options)
 - Impersonal, passive
 - Cheaper
 - Require updating to freshen

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Types of Communication and Media Channels	
Strategy Level	Quarterly business unit reviews Quarterly committee meetings Annual management reviews Executive Forums President's strategy review Board of directors meetings Executive Development program
Execution Level	Town hall meetings CEO messages Employee / manager discussions Walk the talk (drop-ins) Small group meetings Performance workshops
	Local intranet reports Intranet home page Newsletters Webinars Best practice sharing
	Brochures Videos Newsletters Local Intranet Posters/bulletin boards Strategy web site
	Rich Channels Lean Channels



Elements of the Communication Plan – the 5 Ws: **WHEN (Frequency)**

Communications timing depends on audience needs. Those more involved will need more information.





Elements of the Communication Plan – the 5 Ws: **WHERE/ HOW**

Meetings	Video / CDs / DVDs
Road shows /Presentations	Brochures
Town hall meetings / Forums	Newsletters
Brownbag lunches	Message kits
Demonstrations	News releases
Raffles and contests	Intranet / Home page
Workshops	E-mail
Grapevine	Pay-stub messages

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Elements of the Communication Plan – the 5 Ws: **WHY**

- Determine what outcome you want from each communication:
 - Are you raising awareness?
 - Are you looking for buy-in and support?
 - Are you changing behavior?
 - Are you stimulating action?
 - Are you alleviating tension?

How will you know if each outcome has been achieved? Be specific.

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Monitor communication effectiveness

Survey audiences on the following criteria:

- No contact – have not heard of the change initiative
- Awareness – have heard of it but don't know what it is
- Conceptual understanding – understands the change and how it affects person individually
- Tactical understanding – understands both personal and organizational effects of the change
- Acceptance – will support the initiative and the changes it will bring

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Measure, Solicit Feedback and Foster Learning

Employee feedback:

- Verifies that message was received, understood and appropriately acted upon
- Indicates whether and how you must modify the message and/or channels to ensure that your audience gets the message

The problem with communication is the illusion that it has been accomplished – George Bernard Shaw

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Feedback Guidelines

- See feedback from all levels targeted
- Ask “What did you understand?” “What did you think it meant?” Probe for misunderstandings.
- Ask : *Why do you think we are...?* (identify an initiative) or *What do you think is most important about our ... (e.g. quality)?*
- Listen to what employees are saying / asking. Observe the decisions they are making.
- Meet with middle managers to explore how to improve communications with their reports

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Employee Feedback Mechanisms

- Email surveys (annual, quarterly, ad hoc)
- Electronic intranet suggestion box
- Walk around / Drop in
 - Strategy map – how does your job affect our strategy? What values would affect your work or decisions? (Jack Klink, former V.Chair of Mellon Europe)
- Other?

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Steps to Developing a Communications Program

- 1. Define the target audiences and key communications objectives**
 - Who are they? What do they need to know/understand?
- 2. Identify the message / message streams**
 - What is the most effective way to communicate. What does each audience respond best to?
- 3. Select and design the channels**
 - What is the right mix of channels and media to keep the audience interested and the message fresh?
- 4. Measure, solicit feedback and foster learning**
 - Did your communication produce the desired result?

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Keys to effective communication

- Be passionate about the possibilities
- Use multiple media, mix of rich and lean
- Focus – keep it simple
- Repeat, repeat, repeat: 7 X 7
- Work it into other messages so it permeates everything
- Tailor your message to your audience
- Provide lots of opportunity for feedback and questions
- Celebrate successes
- Evaluate – did your message get through?

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