

The key to implementing a New Strategy

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The 5 Practices of Transformation An Ennovate perspective on Transformational Change



Key to implementing a new strategy ***An Ennovate perspective on Transformational Change***

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Leaders know that implementing organisational wide change requires courage and conviction. They are acutely aware of the risks of failure in change and transformation programmes.

Ask any leader what they find more difficult; creating a transformational strategy or implementing such a strategy. They usually answer: implementing transformational strategy. Leaders find changing an organisation hard for a whole host of reasons as it deals with elements of the organization that are difficult to quantify and control, namely human nature. Making change stick is incredibly difficult since it involves people changing their day-to-day working habits. However, there is a big prize for achieving transformational change: it can lead to a change in the culture, move the entire organization in a new direction and raise the performance of the entire organization.

A commitment to organisational wide transformation typically takes between three to five years to complete. During the process the organisation undergoes a series of transitions, which destabilise the organisation's operating environment before staff settle into new routines and new working practices. Change also strongly affects the hierarchy of the office, many peoples reputation are made during a change programme and some are seriously damaged. There is a strong temptation to stop or to pull back from the difficult but necessary people-change elements of the programme. The consequences of doing so are well known, according to Cope (2010), organisational wide transformation fails to deliver sustainable change 80-90% of the time.

So the key question is: how do you successfully deliver an organisational wide transformation? We believe the answer lies in how the leader engages in an authentic conversation with their employees. The first step is for leaders to understand that their people need to be given the power to join the change programme in their own way. The programme must accept and then enable every individual to take control of their own personal transformation as part of the change and then build upon that a set of commitments to new working practices and deliverables.

We have developed a management system for implementing transformational change we call **The 5 Practices of Transformation**. The aim of these practices is to define the goals of the change simply and clearly and then to equip

leaders, their teams, and their employees to engage effectively in the change process. Ultimately delivering new organisational capability.

The 5 Practices of Transformation are:

Single Page View (SPV) | This practice focuses on distilling the strategy onto a single page and helps the leader to visualise the big picture (where are they today, why do they need to change, what are they trying to achieve and who do they need to make it happen). The process of the construction of the SPV helps leaders get to the core of their goals, highlights obstacles and uncovers possible shortcoming of their programme. As a result, the view of the programme is now a journey that has clear elements, leading to a compelling and achievable new organisation. This practice ensures that while the implementation may take twists and turns, the leaders and their teams will keep their eyes firmly on the prize.

Coaching & Mentoring | People resist change when they do not feel in control of the process. By listening to individuals and understanding why they care about their work, change leaders can redefine the values of the organisation. Once individual values are understood and respected it opens the space for commitments to be designed, where team members willingly commit to genuine participation in the transformation process. Understanding what an individual values and making a request that respects their values is the heart of overcoming resistance to transformational change.

Action Practices | One the most difficult part of a transformation is moving to action in a coordinated way. Inevitably the first changes create instability in standard operations and produce resistance. Choosing just where to start is vital. Delivering an outcome early is important for building energy and on-going commitment to a transformation programme. Using language to make clear requests, seek personal commitments and putting in place robust feedback generates actions that drive the transformation programme forward. Such commitment management disciplines provide a framework for structuring requests and make the delivering of the outcomes personal between two individuals.

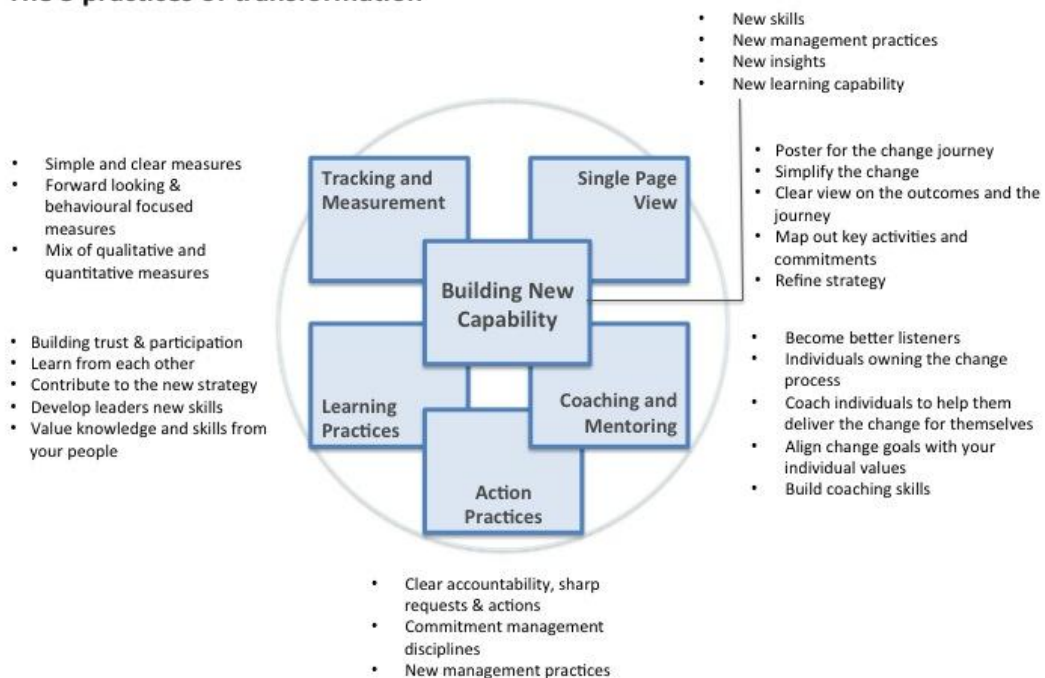
Learning Practices | Learning is simply the act of directed behavioural change. Without learning change cannot happen. For effective learning to operate two clear elements must be in place. There must be a way of observing actual work in the operation and there must be a way of intervening to change that work. Observing reveals what people actually do and not what they think they do. Some of the practices people do are very effective yet not well known. These practices create the opportunity for others to learn. For change to happen, people must be willing to try something else, creating a team based learning environment

for people to try new things leverages natural human tendencies to follow what the group does to further the programme goals rather than resist them.

Tracking and Measurement | When embarking on a transformation it is important to get a mix of qualitative and quantitative measures. The opinions that staff and customers have about the effectiveness of the operation are both valuable and measurable. These should be tracked alongside harder financial based measures.

A transformation journey ends when the organisation has settled into new ways of working. The 5 Practices of Transformation can be deployed at any point during a transformation and the key focus from the beginning should be to develop the organisational competencies to deliver and sustain these new practices as part of day-to-day management of the organisation.

The 5 practices of transformation



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Practice 1: Creating a Single Page View

The “Single Page View” is a template to use as a poster of the change journey. It is a simple articulation of the change plan; it provides a description of where the organisation is today, its financials, culture and key operational challenges and where it would like to go in the future, its targets, desired culture, and key operational changes. It contains an aggregation of project activities into no more than five workstreams and assigns individual owners to each work stream. This becomes the centre around which the project defines itself.

To implement the SPV into your operations we recommend that leaders work with their senior team through a process of simplifying their strategy into a SPV. The simple practice of taking the time as a team to review the big picture frequently leads to ‘ah-ha’ moments. The next step is to focus on designing the key work streams and assign individual ownership of these workstreams. The process of working as a team to develop a SPV helps everyone to see clearly the outcomes they need, generates a shared assessment of the starting point and provides clear accountability for each of the team members. The SPV shows leaders the journey mapped before them and the first steps they need to take to get going.

This poster will persist through the project, many gantt charts and plans will exist to manage the individual projects, but the SPV will remain as a coalescing vision and provides a big picture perspective throughout the programme.

Practice 2: Coaching and Mentoring (Building internal capability)

Coaching and mentoring in an organisation is about developing listening skills and building reflective practices that give people the opportunity to think differently about their work and what it means to them. It helps people to understand their peers better, their manager’s perspectives and their own team’s perspectives. Developing a coaching competency can help an organisation to shift towards a learning culture and help to improve innovation.

People do not willingly participate in any process if they feel it is being ‘done to them’. People want to feel in control of their destiny: they want to own the parts of the work process where they feel they are expert. People also want to be asked rather than told to participate, they value the power to say ‘no’, although they seldom will. The paradox in change is that the harder you try to force change, the higher the resistance will be.

To support people to change how they work, the first thing a leader must create is a meaningful reason for people to change. They must answer the powerful question “Why should I change?” Connecting the change to what a person values creates a powerful force supporting the change and shows the way to avoid

blockages and eliminate resistance. It is not possible to change how an individual works if the new work does not align with what that individual values.

Train your managers in active listening, by getting them to listen and understand the different values of their team. For example, a team manager may care about their local team and getting more independence, others may care about what your company is doing for the community (a surprise to many managers). Give local managers the ability to take care of some of these values in exchange for asking them to work through the change process. That way the individual aligns the change goals of your organisation with the values your people already care about (and its not usually money!). Making requests that now align to individual values will greatly enhance that individual's active engagement. Introduce this value aligning process and give your managers the freedom to make promises on behalf of the organization and it will lead to a systematic employee engagement.

Practice 3: Moving to Action

Most organisations assume they are proficient at driving action. Most individuals within organisations feel that they are also proficient at driving actions. Despite the level of training people get in developing their professional disciplines such as accountancy, marketing, strategy and even change management, people seldom get the opportunity to learn to be better at driving effective actions. Commitment management is a systematic methodology that has its origin in linguistic philosophy and delivers coordinated, effective actions that reduce rework and improve organisational effectiveness.

In transformations the challenge for effective action is even more difficult because it involves both new types of working and requires the ability to motivate the person to take new action. Inevitably the first changes made create instability in standard operations, so choosing just where to start is vital. Identify an area in your business where making a change will have the highest impact. Introduce the principles of commitment management by starting with a request and follow through to negotiate the commitment and watch the impact as the commitment get fulfilled. The result will be: clear accountability, sharp requests and actions that individuals make, that get followed through.

Negotiating Change

One of the most surprising aspects of the Action Practice is the concept of giving individuals the power to say 'no' to a change. This reframes the relationship between the leaders who are looking for the change and their teams. We discovered that leaders who are presented with the possibility that their requests can be rejected by their team either collectively or individually, think very differently (and more effectively) about what it will take to get their teams' and individuals' commitment.

Practice 4: Creating a Learning Culture

Learning practices are team-based learning meetings where a person / team coach or manager facilitates a discussion with their team that creates new insights. These insights are based upon the ordinary working habits of meeting participants and the things they do that makes them effective. Most people do not consciously think about their work this way and then it produces valuable personal insights. Sharing these insights produce valuable shared learning. Learning practices created in a trusted environment generate the opportunity for individuals to learn for each other and try new things.

Independent research reveals that as people age, they actually get better at learning. However in practice we observe that as people become more experienced, they become less willing to admit to their peers that they are learning or changing. In a way this makes sense. People think that if they do things a new way, does it mean the old way was wrong? If they have been doing that for 20 years - 'oops'! The challenge in getting experienced professionals to change is to get past that 'oops'!

An obvious, but often unleveraged fact is that the staff that talk to customers today probably know most about what works. The most important thing for your people to learn is to do something that someone, somewhere in the team is already doing well, maybe its infrequent, maybe it is only one person, but it is happening. The opportunity exists to find what is working well.

It is important to establish the right conditions to create a culture for learning. Working closely with team managers to understand their teams and the power plays that happen inside teams help. It is crucial to set the conditions to build trust in team meetings. Provide training to coach and mentor managers, to help them provide feedback and build trust in a team setting.

Team-based learning provides a structure for a team to discuss openly what they actually do and use this as the raw material for learning from each other. This approach opens the door for continuous learning and results in high performing teams.

Practice 5: Measurement and Tracking

There are a handful of key measures that assess business performance. Very quickly leaders can tell if they're going to hit their numbers or if they are heading into tough territory. Most organisations have amassed hundreds, if not thousands of measures, metrics, SLA's and key performance indicators. Whilst some are useful, others distract and do not improve the quality of decision-making. Often leaders end up relying on gut instincts or their intuition to make critical or strategic decisions. These decisions tend to be based on some simple yet powerful assessments; for instance 'do I trust my logistics-manager (say) to deliver? Does he have a good read of his team?'


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To conclude:

We believe the only way to succeed in delivering and sustaining a new operational model that takes your organisation in a new direction is to ensure your people own the change process. Moving an organisation in a new direction requires learning new practices and new ways of working. Our approach offers a systematic way to build a new capability that will bake these new practices, processes and measurement systems into your business and will ensure your transformation delivers.

We find the topic of transformation fascinating and are interested in your opinions and views. Please feel free to contact either Cormac or Ian as follows:

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