Change has
CHANGED

Our Target Today

By the end of these 60 minutes, you will have an **emerging vision** of what it means to be a Change-Ready organization.
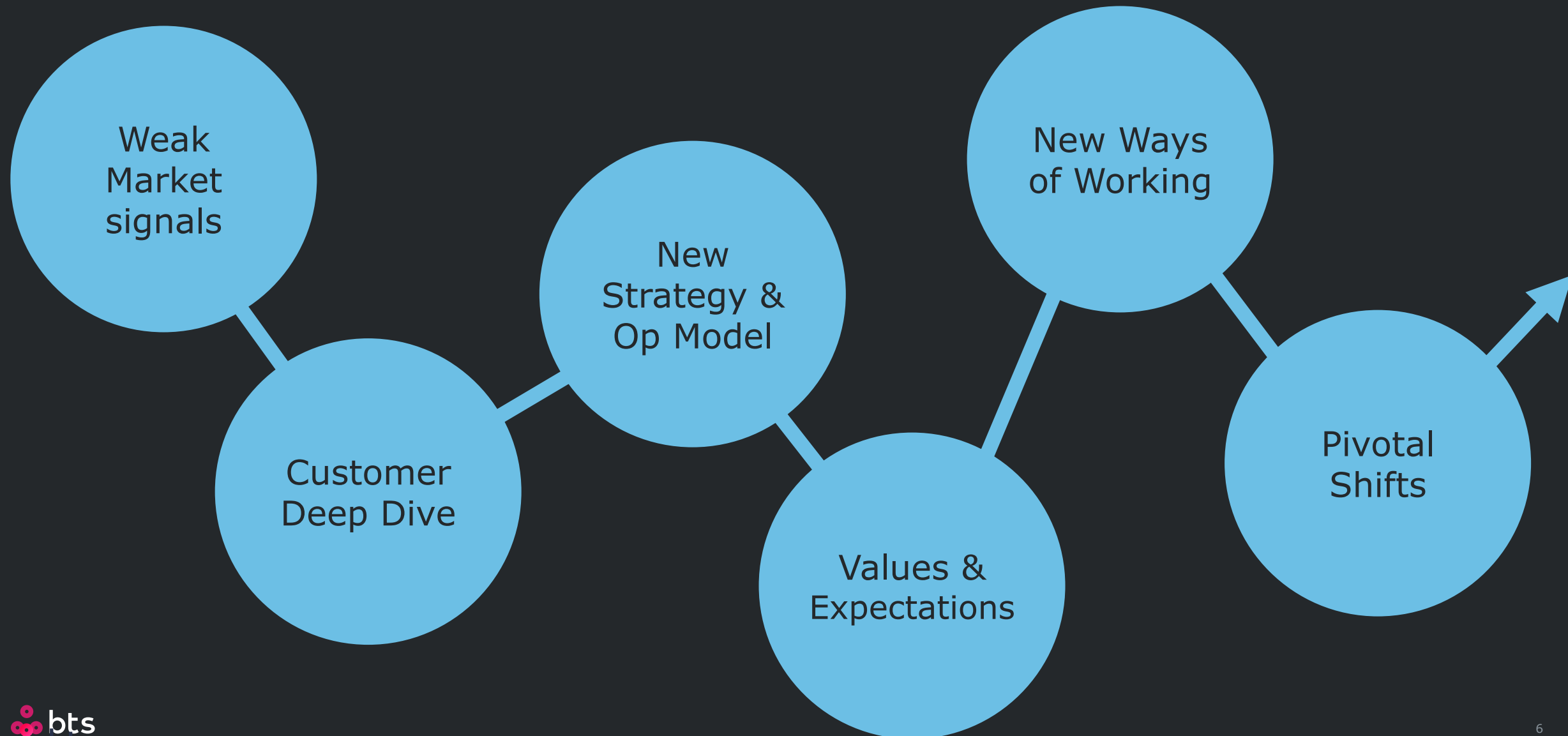
To do this we will:

- Share research and a point of view
- Engage in some pivotal moments
- Leave you with some new ideas

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> "A Change-Ready Organization is engaged in inventing the future and authoring their change, to fulfill the company's purpose, in the most powerful way."

Research and an emerging point of view

A story of becoming a Change-Ready Organization...

Three essential research insights

1 Individual and organization-wide reactions to change are determining factors in whether the change will be successful.

2 Employees are more committed to changes that they help to create.

3 Where there are high levels of trust in leaders, employees will engage in change even before they fully understand the plan.

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Research Point 1

Research:
Individual and organization-wide reactions to change are determining factors in whether the change will be successful

Productive Mindset:
Change is continuous and the source of new opportunities, innovation and growth

Research Point

1

Attitude toward resistance

From: Resistance to change must be overcome or mitigated

To: All forms of resistance are engagement with change – a starting point to explore

Reason for change

From: 'Organization-serving' reasons for change

To: Customer-serving, purpose-driven reasons for change

Research:
Employees are more committed to changes that they help to create

Productive Mindset:
Change in organizations is human-driven. Those who are engaged can take purposeful action in the moment

Research Point

2

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Source of Ideas

From: Exclusively senior or chosen agents or champions
To: From throughout the organization driven by company purpose and customer need

Use of Debate

From: Top-down direction with little/no debate
To: Obligation to 'publish' dissent

Direction Setting

From: Singular plans and long-time horizons
To: Divergent ideas and thinking in multiple alternatives

Research Point 2

bts

Research
Point
3

Research:

Where there are high levels of trust in leaders, employees will engage in change even before they fully understand the plan

Productive Mindset:

Gaining and building trust creates the organizational ability to move fast and adapt quickly

Research Point
3

Nature of Inclusion
From: Based on rank or title
To: Based on perspective and data

Communications
From: 'Need to know' sharing; 'Know-it-all' tone
To: Transparency and openness; humility

Decision Making
From: Escalated to the top
To: Close to the customers and data

How do we know a Change-Ready organization when we see one?

	low				**high**
Attitude toward resistance	Overcome, mitigate				Engage, inquire
Reason for change	Inwardly focused				Customer focused
Source of ideas	Senior, elite				Throughout the org
Use of debate	Culture of nice/ fear				Culture of loud
Direction setting	Singular plans				Scenario thinking
Nature of inclusion	Value rank				Value divergent views
Communications	Need to know; Know it all				Transparent; humility
Decision making	Top, escalation				Customer close

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How are our Financial Services friends doing?

low   high

Attitude toward resistance	Overcome, mitigate ◀ **F**	Engage, inquire ▶
Reason for change	Inwardly focused	Custom **F** ocused ▶
Source of ideas	Senior, elite	**F** roughout the org ▶
Use of debate	Culture of nice/fear **F**	Culture of loud ▶
Direction setting	Singular plans	**F** Scenario thinking ▶
Nature of inclusion	Value rank	**F** Value divergent views ▶
Communications	Need to know; Know it all **F**	Transparent; humility ▶
Decision making	Top, escalati **F** on	**F** stomer close ▶

Where is your organization?

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Change-Ready organizations do things differently because they see things differently…

- Change is continuous and the source of new opportunities, innovation and growth

- Change in organizations is human-driven. Those who are engaged can take purposeful action in the moment

- Gaining and building trust creates the organizational ability to move fast and adapt quickly

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Pivotal Moments in Building a Change-Ready Organization™

Defining success

1 **Customer Focus** **+** **2** **Change Agility** **=** **Long-Term Business Value**

Readiness

Resistance

1 Constrained Resource

Management Time Units (MTU)

Moment 1:

When a customer request and the company's priorities are conflicting…

Customer

- Significant buyer of standard solutions
- More demanding every year
- Primarily a customer of the Solutions BU
- Some changes would effect your BU

All-BU response team meeting

"This effects all of us."

"Customer is demanding very specific, new requirements – won't commit to an annual volume until requirements are met."

"Meeting the new requirements will be expensive" "And time-consuming!"

"Does it make any sense to accommodate these requests?"

You

"This customer request could lead us in a different direction from our current priorities."

What do you do?

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Moment 1:
When a customer request and the company's priorities are conflicting...

A

Ask for input
- Ask others their understanding of the customer's situation.
- Brainstorm a plan to learn more.
- Offer an alternative solution.
- Generate more alternatives with the response team.

C

Support the BU leader
- Offer your support as they make their decision.
- Urge them toward a detailed next steps plan for the whole response team.
- Point out the confusion and additional work the uncertainty is causing.

What option do you choose?

B

Ask the experts
- Ask the BU leader what is needed to make the customer's request possible.
- Recognize the extra work this solution might take for your team.
- Remember you would want their support if this happened to one of your big customers.

D

Be the realist
- Explain how this impacts your BU and ask others the same.
- Question if the suggested changes can possibly be implemented so quickly.
- Suggest the solution may be difficult to replicate for each customer.

Moment 1:
When a customer request and the company's priorities are conflicting...

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Moment 1:
When a customer request and the company's priorities are conflicting...

A

+2 Customer Focus
+2 Change Agility

Ask for input

- Ask others their understanding of the customer's situation.
- Brainstorm a plan to learn more.
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+0 Customer Focus
+1 Change Agility

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-1 Customer Focus
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How do these responses differ?

What is going on under the surface?

Amygdala reaction to uncertainty

Historic threats in the wild

Contemporary threats in business

- Looking 'bad'

- Being wrong

- Feeling not in control

You cannot control your reaction but you can always choose your response

We have identified four types of executives and organizations. Each profile has a different underlying relationship with change.

Receiver

- Change is being done to you
- Lack of control
- Refrain from taking action to avoid conflict

"Our leaders will get us through this"

Resistor

- Gain 'authority' pushing back against change
- Control your own sphere
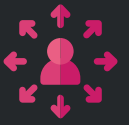- 'Protect' against chaos

"I can wait it out"

Controller

- 'Control' change (plan, launch, manage)
- Focus on communicating and telling
- Focus on driving

"I will get us through this"

Change-Ready

- Scan, engage, anticipate
- Focus on aligning direction/purpose
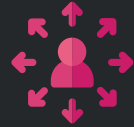- Focus on co-creating the how

"We learn, adapt and change together"

What is your most typical relationship to change?

Moment 1:
When a customer request and the company's priorities are conflicting...

Change-Ready

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Change Controller

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Change Receiver

Ask the experts

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Change Resistor

Be the realist

- Explain how this impacts your BU and ask others the same.
- Question if the suggested changes can possibly be implemented so quickly.
- Suggest the solution may be difficult to replicate for each customer.

A leader's response to change is always contagious.

Choose yours wisely!

Moment 2: **When the team fails...**

Situation

- You are leading a new venture in the company
- The cross-functional team has been agile and scrappy
- New solutions are just about ready

Week before launch

- A call from the General Counsel cannot be good but legal has jumped to conclusions in the past.
- Customer Support overlooked a detail in a few customer contracts that will prohibit providing certain aspects of the offering, reducing forecasted launch revenue.
- Legal strongly recommends taking the time to realign with the customers on terms.

Your quandary

You and your team is questioning if you can meet the launch date. You must inform the Senior Leadership Team as ASAP.

What do you do first?

Moment 2: When the team fails...

A — Find the problem source

- Meet with Legal to problem solve and Procurement to understand the impact of the oversight.
- Tell the SLT where the issues originated and commit to a new launch date.

C — Convene the team

- Convene Legal and Procurement to help the team identify the impacted customers and make a plan.
- Set a new date for the launch with reduced revenue; take responsibility for the problem.

What option do you choose?

B — Don't jump to conclusions

- Meet with Legal to discuss whether their recommendation is warranted.
- Reassure your team they did a great job; set up an after-action review to involve Legal sooner next time.
- Update the SLT with your findings and continue with the launch.

D — Get it right this time

- Transparently share legal's email. Tell the team to hold on any action until you get guidance on next steps.
- Inform the SLT that you are working to resolve the issue; apologize for the delay.

Moment 2: When the team fails...

A

+1 Customer Focus
+1 Change Agility

Find the problem source

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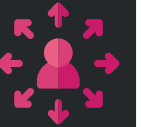
Change Controller

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Change-Ready

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Change Receiver

Get it right this time

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"There is no failure, there is only feedback."

- Robert Allen

Pivotal moments fuse together culture and strategy in a way that is sticky and shapes future behavior.

Purpose

Values

Vision & goals

Direction

Mindset & behaviors

Strategies

Action

Organizational shifts & people processes

Initiatives, workflows & systems

People & Culture

Strategic Intent

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Change has changed. At BTS, we do something different because we believe something different.

- We respect the wisdom of your leaders. We believe that the best solutions are co-created.

- We engage your organization early and in experiential ways – authorship is ownership.

- We know you cannot wait to change until you are comfortable. We support you in becoming comfortable with your discomfort and act anyway.

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And we get different results.

"The culture work your team led with us has been a way to mobilize our teams and served as a rally cry throughout our transformation and the pandemic. Serving as our True North!"

CHRO, Telco Manufacturing company

And we get different results.

"The best change leader enablement work we've ever done."

Financial Services CEO

In conclusion…

- Change is human-driven

- Our mindsets belong to us, and we can change them

- Our people, and their mindsets, are the most adaptable, and powerful, assets by which to author change

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Change and
Transformation

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Research point 1

Individual and organization-wide reactions to change are determining factors in whether the change will be successful.[1]

Productive Mindset: Change is continuous and the source of new opportunities, innovation and growth

Categories *(will not be included in the final version)*	From	To
Change communication	Use of crisis language (burning platform, change or die)	Opportunity-seeking while acknowledging the challenges
Attitude toward resistance	Resistance to change must be overcome or mitigated	All forms of resistance are engagement with change – a starting point to explore
Reason for change	'organization-serving' reasons for change	'Customer-serving' reasons for change

Research point 2

Employees are more committed to changes that they help to create.[2]

Productive mindset: Change in organizations is human-driven. Those who are engaged can take purposeful action in the moment

Behaviors:

Categories *(will not be included in the final version)*	From	To
Source of ideas solutions	Exclusively senior or chosen agents or champions	From throughout the organization driven by company purpose and customer need
Use of debate	Top-down direction with little or no debate	Obligation to 'publish' dissent
Direction setting	Singular plans and long-time horizons	Divergent ideas and thinking in multiple alternatives

Research point 3

Where there are high levels of trust in leaders, employees will engage in change even before they fully understand the plan.[3]

Productive mindset: Gaining and building trust creates the organizational ability to move fast and adapt/ change quickly

Categories *(will not be included in the final version)*	From	To
Nature of inclusion	Based on rank	Based on perspective and data
Accountability	One throat to choke	Accountable teams
Communications content and tone	'Need to know' sharing with a 'know-it-all tone'	Transparency and openness with a tone of humility
Where decisions are made	Escalated up maybe to the top	Pushed down closer to the customers and data

Takeaway Tools

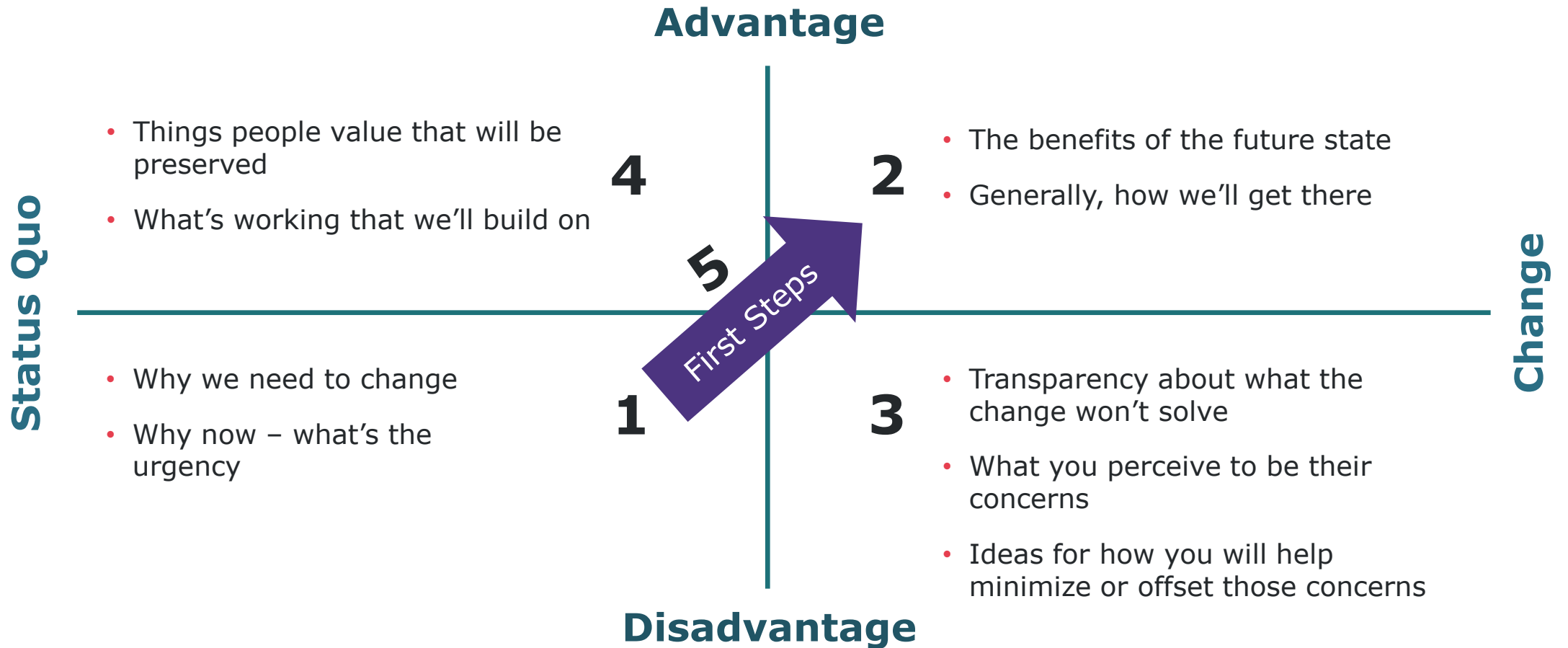# The conditions necessary for change to occur

$$D \times V \times F > R$$

Dissatisfaction with the status quo

Vision of the future

First steps to get us there

Resistance to change

Using the Change Communications Grid: Understanding where you are...

Advantage

Status Quo

4
- Things people value that will be preserved
- What's working that we'll build on

2
- The benefits of the future state
- Generally, how we'll get there

5

First Steps

1
- Why we need to change
- Why now – what's the urgency

3
- Transparency about what the change won't solve
- What you perceive to be their concerns
- Ideas for how you will help minimize or offset those concerns

Change

Disadvantage

Remember to address advantages/ disadvantages from the other's perspective.

Modified from Source: Johnson, B. (1994). *Polarity management: Identifying and managing unsolvable problems*.

Thank you.

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