Need change be a lottery?



We have learned to manage change, to bring order to a complex world, by using formalised systems, structures and methods – we call this adopting a *systematic* approach. Improving effectiveness relies on doing this better – being more rigorous and rational. Yet, despite our efforts, change feels very much like a lottery – and the odds seem to be getting longer. The problem is we have come to rely too much on the rational, systematic approach. In reality the way that change unfolds does not follow the book – it is much more complex.

But, recognition of this complexity does change the way we actually work? How can we learn to work more skilfully with this complexity? We suggest that it is useful to look at two views of the organisation. One concentrates on the systems, structures and methods, that is the formal side, the other looks at what has been called the *shadow side* of the organisation (Egan, 1994[1]). The shadow side is real – it is the way people work around the formal systems, structures, rules etc – either so that the job is done better, or to serve some self-interest. It can have both positive and negative effects for the organisation.

Rigorous and rational management is critical to success – but it is not enough, and the risk is that it can lead to a mechanistic approach. What we are proposing below acknowledges that effective change requires the integration of a Systematic Approach with honest awareness, understanding and skilful action within the Shadow Side.

A Systematic approach...

The systematic approach we propose here stresses the importance of integrating the *Leadership* of the change process, the *Delivery* of the change itself, and the *Learning* processes which are essential for making the most of experience as the fuel of change.

Leadership – vision, direction & involvement

We see leadership as creating and sustaining direction and intent, and enabling realism and openness in working with the systematic and shadow agendas. We believe that leadership applies to us all, in whatever activity we hold ourselves responsible. Kotter describes the critical aspects of leading a change programme:



Leading Change

1. Establishing a sense of urgency
2. Forming a powerful guiding coalition
3. Creating a vision
4. Communicating the vision
5. Empowering others to act on the vision
6. Planning for and creating short term wins
7. Consolidating improvements and producing still more change
8. Institutionalising new approaches

Kotter 1995[2]

So... how strong is your business case for change? How do you ensure that this is what drives people? How do you ensure that you communicate the vision by your actions, rather than just 'writing on a wall'? What parallel activities can complement and sustain leadership? How can you encourage everyone to stick their necks out - to take personal risks as they see problems arising?... and so on.

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Delivery – programme management

Without the practice of sound and disciplined Programme and Project Management, no change of any size has much chance of achieving its objectives. A major change programme demands a rigorous and holistic approach - beginning with the strategic objectives of the change and ending with the delivery of operational performance improvements. The following high-level framework is a basis for a programme approach:



Programme Management

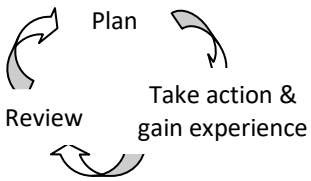
Strategic Positioning	Clear objectives for delivering operational performance improvement
Readiness for Change	Realistic assessment of change capability
Integrate Change Agendas	Incorporate changes to systems, business processes, organisation and work practices
Project Management Methodology	Use proven methodology, but adapt it to your needs – build in learning loops
Involvement	Ensure wide involvement in design and delivery
Communication	Continual, formal and informal

from IPMC – A Systematic Approach to Change[3]

So... how do you balance the scale of ambition with your capacity to deliver? How do you manage the conflict between empowering a project and disempowering the rest of the organisation? How do you ensure that you have competence in the substance of the change and the necessary project management skills?....and so on.

Learning - change is a journey

Individual and organisational learning is the *outcome* we are aiming for – and experience is a fundamental source of learning. But we need to put structured processes in place to enable us to learn from experience – it does not happen by chance. Each phase of the change needs to be constructed around a learning cycle.



It is also important to remember that education and training are important *inputs* to learning. Education builds knowledge and broadens understanding of the drivers and context of change. Training provides the skills for doing things in new ways.

So...how do you build the learning cycle into the programme? How do you all - directors included - become part of that process? How do you build the shadow side into the learning process? ...and so on.

...and working skilfully in the Shadow Side

We argue that expectations of this systematic approach to Leadership, Change and Learning are unrealistic if we don't also recognise and work with the shadow side of the organisation. The way in which a change programme is organised - structure, processes, accountabilities, etc - meets some needs, not all. People often have to work round the 'official' or 'formal', in order to get the job done in the best interests of the programme. Organisations would not survive if people did not do this. A mechanistic approach to change can stifle this.

On the other hand organisational politics, hidden agendas, individuals' attitudes and behaviours, turf wars and the like can get in the way – wasting resources and focusing inwards rather than on the outside world of the customers.

It is helpful look at the shadow side in five dimensions (from Egan 1994[1]) and we indicate with a few examples, some of the practical ways in which skilful leaders work the 'shadow side'.

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Business & Organisational Messiness

The best designed strategies and the best-laid plans rarely cope with all the issues that arise - and too are frequently badly implemented and managed. Human ingenuity finds ways around things that don't seem to work properly. Yet often people cannot focus on what is wrong because they see only the official - not the shadow view.

A skilful leader, acknowledging that change is always messy,



- *will see the risk of this causing frustration, hidden agendas, turf wars;*
- *will focus people on working together through the 'mess' - rather than always relying on 'tackling the problem'.*

Individuals' Attitudes and Behaviour

Much of the shadow-side is rooted in the complexity and unpredictability of individuals. We know people do not behave like robots – ingenuity and creativity often come out of not conforming. When reality becomes too threatening, however, we often become defensive, looking to save face.

A skilful leader, knowing that defensiveness is pervasive and is the greatest inhibitor of change,

- *will find ways of avoiding becoming defensive and will practice 'active listening';*
- *will encourage people to take risks and challenge the status quo.*

Group Behaviours

Work teams are usually part of the formal organisation. Informal groups, however, provide people with a sense of belonging and security. Such groups can enhance the business if they reinforce teamworking and mutual commitment to organisational goals. They will hinder the business if they exist to pursue self-interest.

A skilful leader, being aware of informal groups, why they exist and how they interact,

- *will seek to understand why a group appears to be acting out of self-interest since it may be a symptom of a deeper problem;*
- *will encourage 'self-organising' groups to take initiatives.*



Organisational Politics

Organisational politics is usually about competing for power, influence, and resources. This is a natural process but can hinder progress if it becomes a source of conflict. Constructive contention is however an important source of an organisation's vitality.

A skilful leader, being sensitive to the political agendas within the organisation,

- *will defuse conflict by encouraging people to be aware of all stakeholders' interests;*
- *will work to move political behaviour into the open, helping to fuel its constructive potential.*

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Culture of the Organisation



Organisation culture can be characterised as "the way we do things around here". It permeates every activity of the organisation, determining the norms by which the shadow side operates. Most would argue that it is very difficult to change it deliberately - although we often talk about culture change as though it was like changing the office decor!

A particularly important feature of the impact of culture is the difference between the espoused culture - as expressed in mission and vision statements etc. - and what is really happening. If there is a significant gap, which is not discussable, the espoused culture will be seen as 'spin'. This is likely to have a negative influence whilst it is undiscussable, and, as the gap widens, the commitment to change will weaken.

A skilful leader, recognising that there is always a gap between what we say and what we do,

- *will encourage people to walk the talk, leading by example;*
- *will help people to see how "the way things are done around here" really impacts on customers.*

Integration – awareness and discussability

So here is an important theme: the more that things are in the depth of the shadow - not known or not acknowledged - the greater the risk to the organisation. Moving issues into the open - allowing them to be discussed - is a powerful way of releasing the creative potential and limiting the drag of the shadow side on the change programme.

Awareness is the key. It is like moving issues from the organisation's unconscious to where they become part of the day-to-day conscious experience - this is how the shadow side is integrated with the formal change programme agendas.



This approach can be a threatening and even destabilising process if not handled well. Yet developing the skills of 'managing' the shadow side certainly warrants as much development time as do the formal management skills.

The starting point is for every manager - at whatever level in an organisation - to tune in to the shadow side of his/her own activities. Real effectiveness builds on awareness of our own values and behaviours, and on knowledge of the impact we have on others.

This paper is intended to be useful as well as interesting. It can be useful in raising awareness and in helping to develop the skills of working in the shadow side and integrating this with the systematic approach. The best way to do this is to talk – or rather to engage in dialogue – about the issues raised by this paper. It is not what it says that is important, it is what it means – for you in your programme of change

References

[1] **Egan G** (1994) *Working the Shadow Side - A Guide to Positive Behind-the-scenes Management* (1994) Jossey-Bass

[2] **Kotter J**. *Leading Change: Why Transformation Efforts Fail.* HBR March-April 1995

[3] **IPMC** - A Systematic Approach to Change - Transition Partnerships (1999)

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