

The agony of transformation

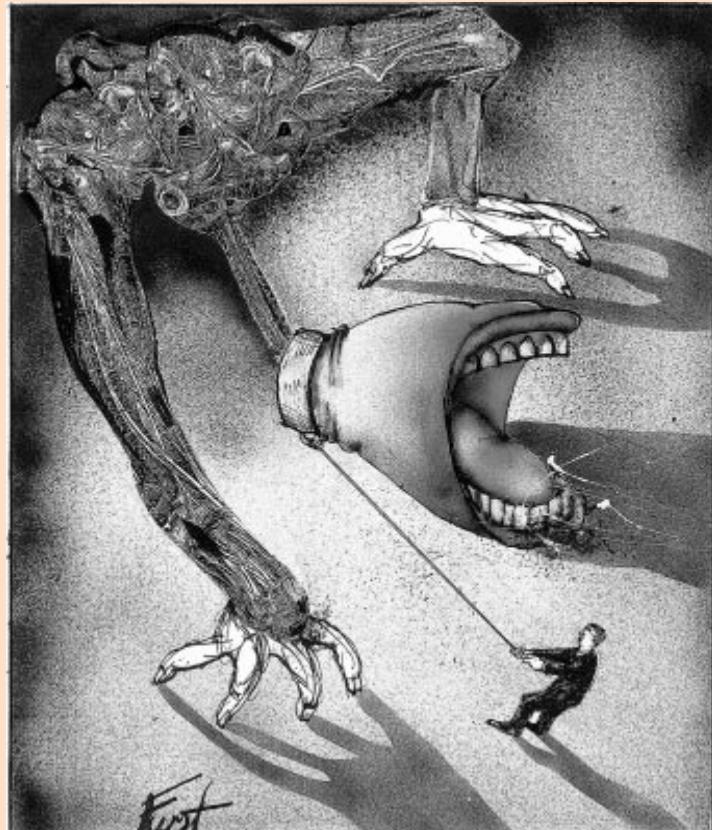
Managers need superhuman determination to make change programmes succeed, says Stephen Overell

Can there be a more wretched affliction for a management consultant than trouble spelling the word "transformation"? Basking magisterially on the frontispiece, as if it had scaled the Parnassus of typos, there is "tranformation", while elsewhere lurk "trasamation" and "traformation". "The monster", Jeanie Daniel Duck's term for the human forces that blight so many corporate change programmes, is at large.

Whether caused by mergers and acquisitions or the market, change has been at the top of management consciousness in the public and private sectors for a decade. Yet it remains the case that many change programmes will be either a disaster or an expensive joke. A disaster because so often they destroy value, cause share prices to tumble, force talent to walk out of the door, spark destructive rumours in the press and wreck carefully constructed networks. A joke because so often nothing fundamental changes as executives mouth platitudes and make big announcements while everyone else lets them have their fun and carries on exactly as before.

Indeed, in many offices, resistance becomes one of the satisfactions of work. It is common enough to blame "human forces" for the failure of these initiatives. People do not do what they should, they do not show enthusiasm in the right measure at the right time, they do not buy in. But Ms Duck, who as senior vice-president of The Boston Consulting Group carries a certain battle-bloodied authority about her subject, has taken the understanding of the dynamics of those forces several stages on while serving up a timely, well-judged argument that few executives will care for.

First, change is essentially an emotional proposition. Second, it is very difficult. Third, it involves personal change. Oh, and there's nothing touchy-feely about it, either. There is a kind of silent consensus in business that if anyone disagrees with a management strategy, they are negative, hostile freeloaders who would quarrel with the sun for shining on them. Ms Duck is withering about such attitudes. Any business leader who tries to blame failure on people deserves to fail. Managers can have all the commercial logic and vision



in the world but if they cannot get employees to understand what they are doing and why, and voluntarily elicit their excitement, forget it.

"Rarely do people change their behaviour just because they know they should," she writes. "It is easier to change when we know there will be a positive pay-off and/or negative consequence. If people do not have enthusiasm, it does not make them second-rate. Not everyone will feel the pull of the dream. Believing that one's own experience equals reality is a triumph for the monster."

That is why stamina and persistence are infinitely more important for successful change programmes than having brilliant plans. Feelings are unpredictable. They cannot easily be plotted on a graph but, true to type, Ms Duck whips out a model within the first few pages. Hers is called "the Change Curve" and has five phases.

First there is stagnation, when the need for change shows up in data or performance; then comes prepara-

tion, when the decision to change is made and an outline of the strategy developed. Next is implementation, when the plan swings into action. Fourth comes determination, as the decision for an organisation to retreat or go ahead is truly made. Finally there is fruition, when, or if, it all pays off.

At any stage during an initiative, Ms Duck argues, people will feel they are at different points. When a plan is being implemented, for instance, half the workforce may not even be aware of the stagnation. Good leaders must understand this if they are to tame "the monster".

But the critical phase remains the fourth: determination. This is the time when business leaders will be tempted to slack off, happy with their new corporate slogans and exhausted with the dreary business of change. Big mistake. It is when the monster finds staff at their most toothsome.

If there is a let-up in managerial will, people will begin to slip back

into their old habits; "righteous passivity" will rule. If there is a long period of time when important decisions go unresolved – after a merger, for example, when employees are unsure about their roles, or even whether their jobs are safe – "people will join the dots in the most pathological way possible".

Ennui and depression are fabulously sociable, trills Ms Duck. "Change is not just a blueprint for a new structure; it requires changing people's mindsets and work practices." She can be stern, too. If leaders let change programmes fail or be seen to be discarded, "they do themselves a disservice. Intention does not equal effect."

"I cannot overemphasise the amount of energy it takes to lead an organisation through a major change," she writes. "The leaders are asked to develop the change plan, model the desired beliefs and behaviours, recruit champions, overcome resistance and inertia and get people moving in new ways – all while keeping the rest of the business afloat."

By business book standards, Ms Duck writes with a fluency that would be the envy of others in her trade. Her Change Curve provides a structure for the book, her case studies are told in well-paced narrative. In between the down-home anecdotes and snatches of dialogue with brash, inevitably doomed chief executives, she also has a fine line in hurtin' hyperbole: "Creating radical change in an organisation hurts, and, like childbirth, it's messy and painful, but ultimately rewarding."

If it could all be done in a test tube, everyone would probably be happier but then there would be no market for books like this. The sheer difficulty of executing a change programme a laDuck makes a strong case for not doing it or for doing less of it. Corporate transformation has developed a pathology of its own – it is something for managers to be seen to be doing whether they are up to it or not. There are arguably more monsters at the top of organisations than lower down.

The Change Monster: The Human Forces that Fuel Or Foil Corporate Transformation and Change by Jeanie Daniel Duck, Crown Business, New York, \$27.50. To order for \$27.50 (+p&p), call FT Bookshop on 020 8324 5511 or visit www.ftbookshop.com