Ten Common Mistakes

An Overview

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Summary of Ten Common Mistakes in Leading Transformation

1. Relevance and Meaning: Not overtly linking the change effort to the market and business strategy to create clarity in the minds of stakeholders.
2. Change Governance: Unclear Change Leadership—roles, structure, decision-making, interface with operations.
3. Strategic Discipline for Change: Leaders not providing a strategic discipline for how change is led across the organization—no enterprise change agenda, no common change methodology, and inadequate infrastructure to execute change successfully.
4. Misdiagnosing Scope: Misdiagnosing the scope of the change either in magnitude, or by initiating only technological or organizational initiatives, and neglecting the cultural, mindset, and behavioral requirements.
5. Initiative Alignment and Integration: Running the change through multiple, separate, or competing initiatives rather than aligning all initiatives as one unified effort and ensuring the integration of plans, resources, and pace.
6. Capacity: Not creating adequate capacity for the change—setting unrealistic, crisis-producing timelines and then laying the change on top of people's already excessive workloads.
7. Culture: Not adequately addressing the organization's culture as a major force directly influencing the success of change.
8. Leadership Modeling: Leaders not being willing to develop themselves or change their mindsets, behavior, or style to overtly model the changes they are asking of the organization.
9. Human Dynamics: Not adequately or proactively attending to the emotional side of change; not designing actions to minimize negative emotional reactions; not attending to them in constructive ways once they occur.
10. Engagement and Communications: Not adequately engaging and communicating to stakeholders, especially early in the change process; relying too heavily on one-way top-down communication; engaging stakeholders only after design is complete.

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Ten Common Mistakes in Leading Transformation

After more than three decades of working with executives in organizations undergoing transformational change, we are in the unique position to be able to identify best practices and common mistakes being made across industries. This document provides an overview of our latest findings.

There is no reason to be repeating mistakes we can so plainly name. We want to make you aware of these mistakes so you can both avoid them and consciously set up your change efforts to produce successful results. Here are the mistakes, along with a brief description of how they play out, why they occur, and what to do about them. Consider the degree to which your current change efforts are at risk of each mistake, given how they are being led, and what you must do to mitigate that risk—on this change and on all others. These mistakes can paint a very clear picture of how change needs to be led across the board in your organization.

1. Relevance and Meaning: Not overtly linking the change effort to the market and business strategy to create clarity in the minds of stake-holders.

Most organizations have untold numbers of change efforts occurring at once, in all parts of the organization, large and small—all making demands on people. Employees know they are being asked or pressured to change, but they often do not know why in terms that are meaningful to them. This makes it difficult for them to personally commit to the change. Leaders often experience this lack of commitment as resistance, but actually, it is simply a lack of understanding about why the changes are essential to the success of the business.

This is usually NOT an employee issue, but a leadership issue. Smart people, like the ones you have hired into your organization, commit to what they believe in. And to believe in anything, people must see its relevance and meaning. Without perceiving relevance and meaning, there is no commitment.

In general, **relevance** occurs when people see how something fits into the larger scheme of things. Most major change is initiated to enable the organization to effectively implement its overarching business strategy in response to marketplace dynamics. When people can see how the change contributes to business success—how it responds to the marketplace, the company

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vision, and the execution of strategy to achieve the vision—they perceive the change as relevant. This big picture view gives the change purpose, and raises the awareness of the workforce. Leaders are responsible for ensuring stakeholders have this larger understanding. They must communicate to employees—in the employee's own terms—the relevance and meaning of each change effort occurring in their organization.

Traditionally, this level of understanding was reserved for executives. In fact, this strategic understanding is the foundation of the executive role. Traditionally, staff's role was simply to executive change with blind faith. But in today's competitive world, most organizations are in a constant flurry of change in an attempt to keep pace with marketplace demands. The scope, scale, and pace of these changes keep increasing. For staff to be able to contribute fully, they too, must understand the relevance. They *must* see how it all fits together.

Meaning comes from how people see themselves in the change. Is it important to them? Can they find where they personally fit in it? Do they understand the impact on them and what will be asked of them because of it? Will their role, responsibilities, or way of working change because of it? Meaning is personal—and people need to know the personal impact of the change on them to find meaning in it and commit to contribute to its success.

If you are seeing signs of resistance or are hearing from your workforce, "And *why* are we changing? Why is this more important than what I am doing now?" Then you likely have a relevance and meaning issue.

Your first step is to stop any change initiatives that do not directly support your business strategy. Those that are not on the strategic radar screen will confuse your employees about the direction and priorities of the business. This is especially important when economic times are challenging and resources are scarce.

Secondly, we recommend that you identify the highest leveraged changes based on your business strategy, and then describe those change initiatives to your organization in ways that *overtly* link them to the realities of the external environment and your key business imperatives. Map these relationships so they are clear. Your organization will better understand your case for change (marketplace dynamics) and the desired outcomes of your overarching initiatives as logical extensions of your business strategy. This will go a long way toward building understanding in your workforce about the needs of your business, mobilizing action where it counts, and streamlining the amount of change happening.

Third, support people to dialogue about the most important question for them right now, "How will this impact me?" Tell them what you know about the answer now, tell them what you don't know, and invite them (where appropriate) to help figure it out. People must find meaning in what you are asking them to do, and must see themselves as contributing meaningfully to the future of the business.

Once relevance and meaning are in place, they must be maintained over time. If you hear comments like, “Is this change going to stick?”, it is a sign that the change may be losing relevance for people, or they may be wondering if the leaders will stay the course. Be prepared to periodically test employees’ level of understanding and commitment to the change. This is particularly important for your key stakeholder groups involved in making the changes, as well as those being impacted by them. People may understand the relevance and meaning when you first engage them, but their understanding will likely drift over time. Proactively keep the strategic link in your people’s minds and make sure they continue to see how their efforts are making a difference to the success of the business until after the change is in place.

2. Change Governance: Unclear Change Leadership—roles, structure, decision-making, interface with operations.

Change efforts need clear and thoughtful governance as much as the organization’s operations do. What roles are needed to lead and carry out the change? Who will fill these roles? Who will have authority for decisions? What will the people in charge be chartered to do? How will they meet, communicate, manage the information of the effort, and interface with operations? All of this needs clarity to expedite a rapid and coordinated change start-up.

In the rush to get change efforts moving, many leaders press for a plan of action or delegate to project teams without giving them the authority to make key decisions about how the change should be run. Too often we hear, “We are in too big of a rush to spend time on set-up. Just find the right people and get them moving.” Unfortunately, this lapse in setting up conditions for success radically slows progress, since more time is needed to sort out the resulting confusion, political dynamics, back-tracking on decisions made, or lack of action from people unclear about who is authorized to do what. Good change governance, set up from the beginning, remedies all this and enables speed and efficiency in designing and executing change.

Conscious change governance requires clear definition of change leadership roles: sponsor, change process leader, change leadership team, initiative leads, project teams, and change consultants. Change leadership roles must have clear responsibilities and ways of relating to the other roles. Each needs to be structured in ways that expedites their ability to act and lead in a coordinated fashion. They all need to agree on decision levels and authority, and the decision style and process that best supports the change.

This is particularly important if your change effort involves a change in culture around how power is exercised and decisions are made. All parties will need to align to the new cultural

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norms, while letting go of the old. Otherwise, people will not believe the change is real because the leaders will be espousing the virtues of one set of cultural norms, but modeling another. How you govern your change efforts must model your desired future state culture.

Lastly, it is advisable to clarify the ways in which those in change leadership positions will interface with those who run the operation. This should begin with the relationship between the executive team (for major enterprise changes) and the change leadership team. Frequently the same people are on both teams, but the teams have very different charters. So these people must wear their "two hats" skillfully. Clarity between the two is essential. The change effort will undoubtedly have an impact on operations—taking resources, time, and attention required to make the change. Such pinch points are quite predictable, so having pre-determined agreements on how to handle pinch points in ways that best serve the future of the business is important.

3. **Strategic Discipline for Change: Leaders not providing a strategic discipline for change—no enterprise change agenda, no common change methodology, and inadequate infrastructure to execute change successfully.**

With so much change happening in organizations, most leaders have been more interested in rushing to action than providing thoughtful oversight, methodology, tools, and infrastructure to ensure that all change is led effectively and produces the greatest outcome. Instead, organizations have multiple and competing approaches to change, no common language or tools, no way to identify how much change is happening or how it is being resourced. This creates chaos, wasted time, confusion, and competition among change efforts. The "squeaky wheel" changes get the most attention, even if they are not the most strategic for the business. How do you get a handle on all of the changes to lead them successfully?

Executives need to establish a strategic discipline to lead change effectively and consistently. Virtually all other key functions in organizations have such disciplines (e.g., finance, supply chain, marketing and sales, human resources, IT.) These disciplines, and the management protocols that go with them, are crucial to having the business functions perform optimally and deliver results for the organization. Change is now so complex and pervasive that we need similar strategic disciplines. Without them, the current researched norm of 60% of change efforts not producing their intended ROI will continue, if not worsen. It is time to make leading change a strategic discipline in your organization. It is time to lead change with conscious intention.

We focus on three priorities to create a strategic discipline for change: identifying and managing an **enterprise change agenda**, having one **common change methodology**, and establishing a **change infrastructure** to execute initiatives successfully. An enterprise change agenda enables executives to ensure that they are focused on the most strategic of change efforts required for business success, and that they have the capacity to lead these changes effectively. It ensures that the organization is focused, aligned on its priorities, and able to measure the ROI it needs for business results from change. A common change methodology enables greater coordination and integration across change efforts, and enables the leadership development required to ensure strong oversight of change. Change infrastructure encompasses change governance, and standard systems and practices for setting up and orchestrating the effectiveness of change.

Consider these questions about each of these areas, and how clear (or not) your answers are for your organization:

Enterprise Change Agenda:

- How many major change efforts are underway in your organization? Do you have a mechanism in place to list and track all of the significant change efforts in the organization?
- Are the changes underway all necessary to the business' strategic direction? Do you have a mechanism in place to ensure that you have the right change efforts to deliver on your business strategy? Are they prioritized and resourced accordingly?
- Are you clear on how a major change effort gets added to your change agenda? Do you have a way to ensure that low priority changes do not get started ahead of high priority ones? Do you have a way of managing your change resource expenditures to ensure maximum ROI? Do you have a way to identify what should be taken off of your change agenda as priorities shift?
- Do you have the capacity to undertake—and succeed in—the key changes on your agenda? Do you have a mechanism in place to identify and assess the organization's capacity to accomplish your change agenda while continuing to operate effectively?

Common Change Methodology:

- How many different models and tools to manage or support change are being used in your organization?
- Are they collectively adequate to do the job? How do you know?

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- Do your different change methodologies compete with each other? Does the lack of consistency confuse people?
- What cost does your organization incur by not having a common approach? (Imagine if HR or IT were administered differently across the segments of your organization.)
- How can you efficiently build transferable change skills if different parts of your organization approach change differently?
- How can you identify and train people in best practices if there is no commonality across your organization?

Change Infrastructure:

- Do you have standard change leadership roles and authority levels?
- Do you have standards for producing clear cases for change, change strategies, communications, and engagement plans?
- Do you have ways of ensuring integration across the many changes you have underway?
- Do you have the change leadership capability required to succeed at change? How do you know what competencies are lacking or need improvement?
- Do you have mechanisms in place to consistently set up, track, coordinate, and course correct your change efforts?
- Where do all of the change-related support services and resources live in your organization (e.g., project management, OD, Lean, Quality)? Do you have a central clearing house to orchestrate the deployment of these resources to the right initiatives at the right time?

These questions point to the need for a strategic discipline for change that will ensure that your organization has the methods, capabilities, and infrastructures in place to consistently get the maximum ROI from change. These practices will ensure faster on-boarding of change leaders when each new initiative is begun, and that the efforts reach key benchmarks and produce clear outcomes.

4. **Misdiagnosing Scope: Misdiagnosing the scope of the change either in magnitude, or by initiating only technological or organizational initiatives, and neglecting the cultural, mindset, and behavioral requirements.**

Most executives have spent their careers focusing on the tangible aspects of the organization to make it work efficiently, such as the business strategy, structure, systems, processes, job functions, and competencies. When faced with major change, it is not surprising that these elements get the leaders' focus. The challenge for leaders is to understand and learn to master the rest of the dynamics affecting the success of their change effort—the other affected parts of the organization, and the human realities (e.g., mindsets, culture, behavior, and emotional reactions) of the people undergoing the change being initiated.

A too narrow focus causes leaders to misdiagnose what the change really entails. For example, one of the most common illusions in organizational change is that changing structure means moving around the boxes, reassigning reporting relationships, and redoing the head count. In reality, when you change structure, there is often a significant impact on organizational systems and processes, decision-making, knowledge management, and technology. There is also considerable impact on the human factors of culture, mindset, working relationships, behavior, politics, etc. The real scope is often larger than leaders might think, and to succeed, you must be conscious of and attend to all the dynamics and issues at play.

Changing individual pieces of your organization without aligning all of the other interconnected organizational and human aspects required to produce and sustain your results is a formula for failure. In reality, all of the organizational elements impacted will change whether you attend to them or not. But if you misdiagnose scope and neglect them, the changes to them will be chaotic, uncontrollable, and many times significantly counter-productive. So, rather than create havoc, carefully assess the true scope of your change efforts from the start, and then design your change strategy to overtly support everything within that scope. Keep both the impacts on other parts of your organization and the human dimensions in mind when assessing the scope of your change. This is especially important in transformational change.

5. **Initiative Alignment and Integration: Running the change through multiple separate or competing initiatives rather than aligning all initiatives as one unified effort and ensuring the integration of plans, resources, and pace.**

A common consequence of not having an enterprise change agenda and overarching change strategy is the disorderliness of unleashing many diverse, disconnected, and often incomplete change initiatives on the organization. The predictable result is overwhelm, confusion, a waste of critical resources, and ultimately, a limit on any one initiative's success. When you have not

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scoped or organized your change efforts from an enterprise perspective, leaders of individual initiatives typically compete with one another, often causing all of the initiatives to fall short of expectations.

We recommend two strategies. First, unify as many of your major initiatives as you can into one overarching theme that directly supports your business vision and strategy. This alignment allows you to ensure that you have clarified a common and "relevant" outcome, and named all of the changes required to achieve that outcome and deliver an aligned, fully-functioning future state. This enables greater leverage, smarter decisions, and a much more realistic assessment of time and resource requirements. Think whole-system alignment.

Secondly, run your many initiatives using a multiple project integration strategy. This enables you to assess—from the enterprise view—the best sequence and pacing of changes, prioritization of work, and allocation of resources. It can ensure intelligent "air traffic control," and help you minimize pinch points, reduce redundancies, and accelerate your desired business and cultural results. Succeeding at project integration requires a formal infrastructure of initiative leaders meeting on a regular basis, as well as a shared willingness for change leaders to identify integration needs and opportunities in the moment, and resolve them on the spot in ways that support the overall business rather than just their own needs.

6. Capacity: Not creating adequate capacity for the change—setting unrealistic, crisis-producing timelines and then laying the change on top of people's already excessive workloads.

There are two critical mistakes that leaders make based on their desire to have needed changes take place immediately. They do not think about the additional capacity that making change requires, and they set unrealistic timelines. Most organizations are swept up in today's vortex of "speed": speed to market, to quality, to profits, and of course, speed of change. Despite this drive, here are two simple truths, especially about transformation: (1) *The time, effort, and resources required to plan and carry out any change must be subtracted from—or added on top of—the time, effort, and resources available to perform regular operational work,* and (2) *Change requires thoughtful planning to determine* ***realistic*** *time frames*, since it will take the time it **actually** requires, despite wishes that it go faster.

One of the most prevalent challenges in leading change today is the capacity issue. Leaders are not recognizing the requirements for *additional* capacity to make change, and therefore, not freeing-up capacity from ongoing operations nor adding more capacity to the mix. There is only so much time and attention people can give to the work they do. Leaders loading change on top of their excessive day-to-day workloads adds significantly to employee stress, drops in morale, and lower performance. Ongoing work generally takes precedence, since that is how people are measured, so changes flounder.

Understanding the realities of capacity in the organization requires performing a capacity review. The assumption is that 100% of the organization's resources are consumed by ongoing operations—the work required to "keep the lights on," serve customers, and carry out operational improvements. Given this picture of current reality, how much time, resources, and attention can be (and needs to be) devoted to making your major changes? Where will this capacity come from?

You can fulfill the additional capacity required for your change through a number of strategies. These include stopping specific pieces of work, putting them on the "back burner" until after the major press of change, adding more resources through reallocating people's time, hiring more people, or outsourcing work to external consultants or contract employees. No matter what strategy you use, you *must* provide for the additional capacity that the changes require.

With regard to timetable, you can certainly pick up the pace of change. Many acceleration strategies exist, such as adding resources, putting the best and brightest people on your change teams, executing more efficiently, building project team members' change skills, and engaging stakeholders effectively. Your pace of change will nonetheless have a finite possibility given the acceleration strategies you employ. In other words, the timetable for your change has a reality of its own. You cannot make it go faster, unless you deploy additional acceleration strategies. It is your job—given the realities of your organization—to determine just how much time is actually needed to make the change and maintain operational performance without over-burdening people.

Figuring out the time it will take to handle the many impacts of your change is the first step to identifying a realistic timetable. There are tools in *The Change Leader's Roadmap*™ to help analyze the impacts of your change on your existing organization, both for the tangible aspects of your organization such as technology and structure, as well as the people dynamics, such as mindsets, behaviors, skills, and cultural norms. Every impact takes time to resolve, although many can be handled simultaneously during implementation.

7. Culture: Not adequately addressing the organization's culture as a major force directly influencing the success of change.

Transformational change often fails because leaders under-attend to the culture or are not successful in shifting the old culture, which ends up keeping the desired state from taking hold. Research shows that over 60% of transformational change efforts fail. Not adequately addressing culture is one of the primary reasons why.

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As Jim Collins said, "Culture eats strategy for breakfast!" Sadly, too often multi-million dollar technology installations never deliver their intended ROI because the people (culture) do not embrace the new ways of working that the technology demands. Culture change is always the foundation of successful transformation.

Culture is the **collective mindset of an organization**. It is the pattern of widely shared (often unconscious) assumptions, beliefs, and values that form the basis of people's ways of being, relating and working, as well as the organization's interaction with its environment and its success in it. Essentially, culture determines "how things are and how things get done around here."

While somewhat intangible and hard to address pragmatically for most leaders, culture permeates virtually every aspect of an organization. What decisions are made and how they are made, the way structure, systems, and business processes are designed and executed, and the behavior of leaders and staff—all are influenced by the existing culture.

In transformation, the new strategy, structure, systems, processes and/or technology that are being implemented are so different from the current state that they require people to adopt new ways of being, working, and relating in order to perform effectively. Without these new ways, the new state does not come to life and deliver the performance edge for which it was designed. When culture is mentioned as a factor needing attention in a change effort, leaders respond with, "We don't have the time or desire to deal with this 'soft stuff'!" Typically, they delegate it to HR. If leaders see change as strictly "organizational," and ignore the human and cultural dimensions, it is a recipe for failure.

In order to shift culture, leaders must want it, commit to it, and fully participate to make it happen. They must design the new culture to deliver what the business strategy requires for success and see that the changes take place.

8. Leadership Modeling: Leaders not being willing to develop themselves or change their mindsets, behavior, or style to overtly model the changes they are asking of the organization.

Change sticks to the degree that leaders overtly model it. If you want a high performing team-based culture, then the leadership team must become one. If you want collaboration across boundaries, then the leaders must collaborate themselves. If you want a learning organization, then leaders must promote learning through active debriefs and best practice sessions, rather that delivering reprimands for failure.

Although current leadership literature promotes movement away from the historically prevalent command and control style, the unrelenting pressure for speed, cost-cutting, and profitability give plenty of reasons for even more command and control and less attention to the “soft” human dynamics. If your organization’s transformation calls for a culture of innovation, risk-taking, collaboration across boundaries, and shared accountability, a command and control style will likely become a direct inhibitor of your success. Many of the changes occurring in today’s organization require leaders to evolve their style and model a more co-creative and engaging approach. Moving in these new directions requires leaders to be willing to look in the mirror and assess their current mindsets, behaviors, and styles to see if they are supporting or inhibiting the changes the organization needs to make.

Even with good intentions to motivate people to change faster, if leaders are not willing to address their own ways of being, such as a behavior or style clash with the vision and requirements of the future, they are personally reducing the speed and probability of success. For instance, leaders may mandate change, demand unrealistic timelines, not use some form of stakeholder engagement in their change strategy, or create fear of reprisal if change deadlines or budgets are not met. In so doing, they trigger confusion, overwhelm, and resentment. These approaches cause people to take their eye off of results, and instead focus on the difficulties of the conditions for accomplishing the change. To alter these approaches, leaders must first acknowledge that they have been modeling detrimental behaviors and mindsets, consciously or not. Once aware, they can then use different approaches that befit their outcomes, thus raising their credibility and that of the change.

Modeling change in behavior and style must be a top priority of change leaders. One of the greatest catalysts for change is people witnessing executives changing and behaving in ways that are directly congruent with the desired **future** state, and very different from the old ways. When the rest of the organization sees leaders personally changing their thinking, language, and actions, the conditions of safety, necessity, and courage to change are established for everyone else. Permission and positive expectation for behavioral change is set by leadership modeling.

Does this mean that your change must be driven top-down? Not necessarily. However, if your leaders do not, at some early stage in the process, begin to make observable personal changes, the effort will fail because people will not believe it is credible or will be sustained over time. Put simply, leaders must walk the talk of the change they are asking of the organization. If they do not, they will lose credibility in the eyes of the workforce as well as negate the possibility of the future they are trying to create.

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9. **Human Dynamics: Not adequately or proactively attending to the emotional side of change; not designing actions to minimize negative emotional reactions; not attending to them in constructive ways once they occur.**

Ultimately, people change from the “inside-out,” not by force from the outside in. People change when they choose to change. They internally accept the need and rationale for change, make sense of it, go through their emotional reactions, then finally commit to it and begin to take positive action based on that commitment. Outside-in practices, such as executive mandates, top-down communications or forcefully imposing new practices, cause resistance, fear, and anxiety for people—not the conditions required for people to want to or be able to change effectively.

The essence of this mistake is leaders not fully understanding or abiding by this basic “inside-out” fact of human dynamics. Therefore, they neglect to put adequate attention on designing their change efforts to minimize negative emotional reactions, or fail to build in strategies to mitigate them when they occur. And they will occur.

When change happens, people go through a very natural and completely common emotional transition. Once they have personally navigated that transition, they naturally become committed to any positive change they see as relevant and meaningful (see Mistake 1.) Until they have navigated that transition, they may be confused, aloof, afraid, angry, or resistant. These are all natural reactions that any person in a similar circumstance may go through.

The key for leaders is to understand this natural emotional transition, and set up their change efforts to minimize it in people, while promoting positive ways to help them move through it. However, most leaders do not adequately understand or embrace the human dynamics of change. They are uncomfortable with people’s negative emotional reactions, and would prefer to ignore them or give them to the HR department to handle. Neither works. Instead, leaders must design change to address the human dynamics overtly, and early. This will minimize people’s resistance and maximize their understanding, alignment, ability, and willingness to change.

This does not mean that leaders need to “take away people’s pain” by not going through with required impacts from change. Quite the contrary. It simply means that even in a worst case scenario, like downsizing through layoffs, you will still do this because it is necessary, but you will do it in a way that minimizes negative reactions and provides support for those negatively affected.

There are many ways to deal with the human dynamics in change, such as more and better two-way communications, listening sessions to allow people to vent and get their questions answered, stakeholder engagement in the design of the change, training in new state designs, and executive open forums where people can challenge the rationale for the change.

Especially, when things are emotionally troubling for staff, leaders need to get face-to-face with people and hear with compassion employees' reactions and concerns. Leaders need to listen without defending or judging, tell the truth of the situation, and be fully transparent and honest. This may mean communicating policies early in the change effort about critical concerns of employees like maintaining people's current salary levels, providing relocation or out-placement packages, or ensuring adequate training so that people feel confident that they will succeed in their new role.

10. Engagement and Communications: Not adequately engaging and communicating to stakeholders, especially early in the change process; relying too heavily on one-way top-down communication; engaging stakeholders only after design is complete.

The first piece of this issue concerns giving your people a say in shaping their future—asking them what they think success looks like, asking what they think the real breakthrough issues are, and asking for their best solutions and advice. Some leaders are hesitant to ask for input because they think doing so makes them look as if they do not have the answer, or that they will have to do what people suggest or else make everyone angry. Neither is true, and the asking has enormous leverage for getting change to happen successfully and fast. When people have a stake in the answer, they naturally have more commitment to getting it implemented successfully.

One of the most costly examples of the absence of stakeholder input occurs when IT experts are in charge of designing and implementing an IT solution, and they do what they think best without engaging the users. While IT expertise is absolutely essential to a successful product, if the users are not asked to determine and fine-tune its function and requirements "on the ground," the product will fail and the stakeholders will be very upset.

Stakeholder engagement is particularly important early in the change process, not just after the design phase is complete. There is much to be gained from early participation—in shaping the case for change, defining a vision and desired outcomes, determining customer requirements, and having input into the design of the solution. Essentially, this makes for a better solution, minimizing emotional upset in staff, and maximizing a smooth implementation.

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Some leaders do not use engagement because they do not know how to get people engaged efficiently. To them, engagement seems cumbersome, slow, and costly. However, it does not need to be this way. Numerous large group meeting methodologies have emerged over the past decade, such as Open Space Technology, Real Time Strategic Change, Future Search, and World Cafe. At Being First, we often use a hybrid of these as the situation dictates.

The second element of this mistake concerns change communication. Most executives have become aware of the need for better communication during change. However, many still err on the side of using predominantly one-way strategies such as memos, newsletters, speeches, presentations, videos, or informational websites. These are all “tell” strategies where leaders inform the organization. As discussed in Mistake 9, relying on “outside-in” methods will have limited success.

The more emotional people will be due to the content of a change, the more the communication method needs to be two-way, and ideally, face-to-face. Effective change communication entails much more than simply providing information in a “tell” fashion. It requires creating vehicles for people to react to what they have heard, discuss or internalize what it means to them, and then assess the implications on them and the organization. This often requires employees asking questions and getting answers relatively quickly. It may mean employees discussing implications of the communication with co-workers, and then going back to leaders with new questions. It may simply mean having time to think things over privately. Only when people have settled in with their perceptions of the impact on them personally, will they be able to commit and act in clear and aligned ways, motivated from the inside, not just from the outside.

Effective change communication is best supported by sound engagement strategies, thus the partnering of these two issues into one mistake. Good communication requires stakeholder engagement, and engagement can only succeed when participants are fully informed and aligned.

WORKSHEET

Ten Common Mistakes: Risk Assessment

The ten common mistakes are listed below as risk factors. Consider each risk factor and rate it as a high risk (H), medium risk (M), or low/no risk (L) in your change effort. High risk means that it is a make-or-break factor, and needs immediate and priority attention. Medium risk is that it needs attention, but is not a make-or-break factor. Low or no risk means that the item is being handled in an effective way.

Organization/Initiative:____

RISK FACTOR	RATING (H,M,L)
1. Relevance and Meaning for Stakeholders: Not overtly linking the change effort to the market and business strategy to create clarity in the minds of stakeholders.	
2. Change Governance: Unclear Change Leadership—roles, structure, decision-making, and interface with operations.	
3. Strategic Discipline for Change: Leaders not providing a strategic discipline for change—no enterprise change agenda, no common change methodology, and inadequate infrastructure to execute change successfully.	
4. Misdiagnosing Scope: Misdiagnosing the scope of the change either in magnitude or by initiating only technological or organizational initiatives, and neglecting the cultural, mindset, and behavioral requirements.	

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RISK FACTOR	RATING (H,M,L)
5. Initiative Alignment and Integration: Running the change through multiple separate or competing initiatives rather than aligning all initiatives as one unified effort and ensuring the integration of their plans, resources, and pace.	
6. Capacity: Not creating adequate capacity for the change—setting unrealistic, crisis-producing timelines and then laying the change on top of people's already excessive workloads.	
7. Culture: Not adequately addressing the organization's culture as a major force directly influencing the success of change.	
8. Leadership Modeling: Leaders not being willing to develop themselves or change their mindsets, behavior, or style to overtly model the changes they are asking of the organization.	
9. Human Dynamics: Not adequately or proactively attending to the emotional side of change; not designing actions to minimize negative emotional reactions; not attending to them in constructive ways once they occur.	
10. Engagement and Communications: Not adequately engaging and communicating with stakeholders, especially early in change process; relying too heavily on one-way top-down communication; engaging stakeholders only after design is complete.	