

Leverage Points for Organizational Change

By

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We have all heard that the aerospace community is in need of radical change. We've heard how the industry is suffering from higher-than-expected costs, high-profile failures, long delivery times and declining stock prices.

And in the past several years we have seen many radical initiatives come and go, proposals involving total quality management, re-engineering, advanced engineering environments, and, of course, NASA's well-known "faster, better, cheaper."

Why haven't these initiatives produced better results? I suggest it's because in almost all of them, primary attention was paid to new tools. Secondarily some attention was paid to changing processes. Rarely was any attention paid to the people issues.

By "people issues" I mean the mindsets, the attitudes, the beliefs, the goals of the people involved. Collectively this is often called "organizational culture"; casually, it's "how we work around here."

It can take a long time – including "never – to change an organizational culture change. However, using the "right" levers, I believe it is possible to reliably change organizational culture in a relatively rapid time frame.

First I will focus on the how-to of addressing these people issues, and in particular on a simple but powerful lever that we call "enrollment."

Then I will suggest some practical tips that will assist any organizational change initiative in being more successful.

Workforce Enrollment

Enrollment occurs when someone takes on a big commitment or vision as his or her own. When enrollment is present, problems become setbacks but not failures, and they eventually lead to breakthroughs and sometimes even miracles. I believe the success of Apollo program to the moon, the Pathfinder mission to Mars and the astounding return of Apollo 13 were outstanding examples of such a shared commitment.

We believe that one—and perhaps the only—fundamental motivator in the workplace is the desire to make a difference in the world. An organization must strive to powerfully satisfy an individual's desire to make a difference. How is that done? First, by appealing to an already-existing interest, commitment or goal (which might be unconscious or unarticulated). Enrollment powerfully answers the workforce's question "What's in it for me?"

Too often leaders communicate initiatives in terms of their own interests or requirements, not in terms of the interests of the listeners. Thus there is no enrollment and the initiative fails.

Let's look at NASA's "faster, better, cheaper" initiative.

The interests of the NASA workforce include the following:

1. Exploring space
2. Doing something new, something challenging, something others say is impossible.
3. Benefiting humanity, making a contribution, creating a legacy.
4. Being recognized as important contributors.

Based on these interests, the leader might outline an "enrollment speech" this way:

- You and I work for NASA because we love exploring space.
- I know our work in space will make a difference in people's lives.
- How can we make the benefits of space available to everyone on Earth? We must be able to perform missions on an entirely new time frame, cost and performance level. Rather than millions of dollars, mission costs will be in thousands or even tens of dollars. Rather than years in development, we'll think of cycle times of days, hours or even minutes.
- I call this goal Faster – Better - Cheaper. It is not just a new way of "doing," it is a new way of thinking, as challenging as a mission to the stars. It will require each one of us to work in new ways, to invent new ways of accomplishing our work.
- You can bet our legacy will extend far beyond space missions. We will show organizations how the "impossible" can be accomplished as "business as usual."

Tips for Successful Organizational Change

Here are some practical tips that can spell the difference between success and failure of any organizational change initiative.

- Lots will have to change.
 - An organization is a highly integrated, interdependent organism. Any significant change in one system requires changes in other systems, e.g., power distribution, recognition, decision-making, organizational structure.
 - The initiative project plan should consider changes in systems beyond those initially targeted by the initiative. For example, a focus on “team-building” will also have to address the compensation and performance evaluation systems.

- Focus on only 2-3 major initiatives at a time
 - Any more than 3 major organizational initiatives will so diffuse and confuse the effort that no initiative is likely to be successful.

- Workforce Enrollment
 - The workforce must be enrolled in the organizational change initiative.

- Start the culture change first
 - Any significant organizational change will involve changes in tools, processes, and “people” (organizational culture).
 - However, if “new” tools and processes are designed before a culture change is begun, design will be from the viewpoint of the old culture, and the results are unlikely to be appropriate to a new culture.

- Present consistent, persistent leadership
 - The head of the organization must personally be the project manager for the organizational change. While day-to-day operations can be delegated, the leader must remain directly and visibly accountable for the change.
 - The workforce pays more attention to what leaders do than what they say (although they must match). Leaders’ behavior must be consistent with the principles of the new culture. For example, cooperation cannot be instituted using command and control tactics
 - Visible changes in leadership behavior can ripple out into behavior changes even in a very large organization in just a few weeks.
 - Enrollment is not a one-time event. The leadership must continually enroll until the new culture (and tools and processes) are mature and solidly in place.

- Look forward

- Don't invalidate the existing culture. Unless you're at war, there's not much point in railing about the enemy. Your troops will wonder when they will be made the enemy.
- Talk about the future. Create a terrific, forward-looking vision statement.
- Ask your workers how to fulfill the vision. Question them on skills, viewpoints, tactics, ways of working together. Let them discover what is needed rather than being told.
- It is very important to let them know what won't change, e.g., integrity, taking on highly challenging projects.

- Focus on middle management

- Middle managers often feel caught between the "good ideas" of the leadership and the desires of the workers. They feel they're the one being asked to put their careers on the line.
- Middle managers need training, coaching and the assurance of safety for taking risk. Emphasize the difference between failure using established procedures, and "failure" resulting from an attempt to use new processes and cultural principles.

- Establish measurable stretch goals

- Objective measures of progress give evidence that something new is happening.
- Display the results widely throughout the organization.

- Extensive communication

- An organizational change must be addressed as an organizational project. It is important to engage and inform everyone within the organization concerning how the project is going.
- Communication can also serve to reinforce workforce enrollment and support interaction between those implementing new approaches.

- Provide Training

- People need training on how to operate in the "new world". When delivered on a "just in time" basis, new skills can be immediately applied and practiced.
- Training is part of the enrollment process, because people need to see how they will get their job done successfully before they will fully enroll.
- Resources for ongoing mentoring and coaching (both on a public and private basis) should be available as people struggle with new behavior and rules.

- Use Pilot Projects

- Demonstrate success, then follow it up with a string of increasingly significant successes.
- Provide a place to test solutions.

- “People skills” are required.

- Organizational change initiatives require a high level of both “people skills” and change management skills.
- Conversation Management™, developed by Frontier Associates and referred to by another speaker in this session, is a technology that can be taught to and used by individuals without prior people skills to implement significant organizational change. For more information contact the author*.

Conclusion

We are suggesting that the people issues in any organizational change initiative are at least as important as, and maybe more important than the engineering issues. We think that if just a relatively few simple guidelines are followed, the chances for a successful organizational change initiative can increase dramatically.

There is a lot more to managing the people aspect of organizational initiatives than just enrollment. However, if the aerospace community workforce were enrolled in the various initiatives currently underway and planned, we suggest that alone would help produce a higher success rate to change initiatives, and ultimately projects and missions.

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