

Leaders Who Work at Change Can Change Work

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A business unit finds out in late April that its major client is pulling out at the end of June. The loss puts the unit into a tailspin. A decision is made to lay off 30 of the workgroup's 50 workers. The president of the company, along with the affected senior managers, human resources, and the employees are all working together to make an otherwise difficult situation bearable.

In another organization, the head of a business unit has been struggling with several difficult challenges; lack of customer service, lack of leadership, poor communication, and an absence of teamwork have plagued the department. External pressures have forced him to make changes that he did not support. After 18 months, he is still unable to address the problems that face him and his department.

These situations demonstrate different approaches to leadership and change as well as different results. They also reveal different perceptions of a given situation, different levels of readiness, and different understandings of what leadership and change involve. Finally, they represent different levels of demonstrating courage in the face of adversity.

The work of leadership is change—pure and simple. And how well a leader deals with change is the measure of how effective that leader is. In this article, I share some of my assumptions about leadership and change, suggest a model of change, pose

some foundational questions that leaders may find helpful in addressing the challenges of change, and present examples of how two leaders dealt with change. Additionally, sections called "What If I Mess Up?" and "Tips and Ideas" provide examples of things you can do to regain control when you find yourself off track.

ASSUMPTIONS AND QUESTIONS

The following assumptions provide some context for my thinking about leadership and change:

- Free will and choice are foundational.
- Leadership is about having a conversation with yourself about yourself. It is about your own readiness to engage with who you are and whom you want to become, and the results that you and the organization need. After all, the organization will go only where you as a leader are willing to go yourself.
- Leadership is about paying attention. It is about action and reflection.
- One learns how to be a leader more than one is born to lead.
- Leadership is about the decision to become more human. It is about bringing forth my character and developing my competence as much as it is about dealing with the external environment.

- ❑ Leadership is individual, though it is within the context of a community or world and does not exist in a vacuum.
- ❑ Leverage comes from knowing trends, patterns, and systems, and from having the courage to act, regardless of your place in the system.
- ❑ Change causes anxiety. Anxiety can be used to help an individual or organization articulate a mission or clarify business objectives.
- ❑ Polarities are part of life. This model illustrates the complexities of polarities and

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how change modulates between certainty and uncertainty.

- ❑ The healthier an organization is, the more it will intentionally deal with change. Each level of organization (starting with the individual) is a microcosm of the others. By examining where an issue shows up in other parts of the system, you learn where to gain leverage in the system and become more effective in navigating change.

Every leader should understand his or her context for change. The following four questions are helpful in this regard.

1. *What are your assumptions about the nature of leadership?* See, for example, some of my assumptions stated previously.
2. *What are your assumptions about the nature of work?* For example, work may be seen as the way you make who you are and what you have to offer visible to the world. There is dignity in work,

associated partly with the type of work performed and partly with the person doing the work. Work is not just transactional: there is a piece of me in every piece of work I produce. The idea here is that it is not simply a mechanical thing; there is something organic about how work happens.

3. *What are your assumptions about the nature of the relationship between employer and employee?* For me, the nature of the relationship is between two objects, not subject and object. This has tremendous implications for the way I approach change.
4. *What are your assumptions about how change happens?* What is your experience of change?

The model that I have been developing over the last several years (**Exhibit 1**) comes from my experience. It has been used in private industry, public institutions, and in personal coaching situations.

For the purposes of this article, the model is best viewed from the perspective of a leader who is initiating a change. However, this model also applies if you are at different levels of the organization and experiencing the change.

Finally, the model might give you the impression that change is linear, but my experience is that change has linear, circular, and parallel processes. For example, there is a certain level of inquiry going on all the time, not just at a given moment in the process. That said, let's begin with readiness.

Readiness

The place where change begins is readiness. Readiness for a leader is about:



Exhibit 1. Model for Change

- A sense of purpose for the change;
- A level of self-awareness that says it's okay to move into a change;
- Confidence that the system will support this effort;
- Trust in your organization and in the future; and
- An understanding of the resources needed to get through the change.

What drives a leader into readiness? A common assumption is that an event will drive someone into readiness, but that is not my experience. I know many examples in which an event has occurred (e.g., a merger), but the people remain stuck in the past, with no change in mind-set, approach, or assumptions. Events are necessary but not sufficient.

My experience points to three things that drive a leader into readiness:

1. Seeing an opportunity in the event that the leader wants to maximize;
2. Seeing a threat in the event and deciding to work on making sure the change does not occur; and
3. Seeing an event as putting some deeply held personal value at risk.

If these things are not present, it doesn't mean that some change will not happen; it just means that the change happens *to you*. There is a certain amount of violence in that, violence that I think can be avoided by preparing yourself and having the self-awareness that will help you read the signs in the environment and within yourself.

An example I mentioned at the beginning of this article is of a client who was really unable to act on the feedback he received internally regarding problems in customer service, communications, and teamwork within the department. There was also feedback from outside the department that customer service and teamwork were poor and that projects were not being completed on time. Finally, my client's senior leader had given feedback that my client's performance was not adequate; decision making and communication were at issue. At first, my client viewed the situation as a distraction and did not take it seriously. Over time, he came to perceive it as a threat. But for many months, he did not see any opportunities, nor could he connect with any personal values. Instead, he began to mistrust the system and certain persons within the organization. He thought that if he acquired more and more data he would gain a better understanding of the situation but, instead, he became unable to act. He was clearly not ready for the change that was thrust on him. He dug in his heels and hunkered down, resistant, confused, and resentful.

In the other example mentioned at the beginning of this article, about the business unit that lost its major client, the president had to respond quickly to a very fluid environment: a large portion of one of the two core businesses was going to be eliminated within a three-month period. In addition to the event itself, the three forces mentioned above all played a role in driving this executive to readiness. First, he took the opportunity to begin to refocus and redefine the business. Second, he wanted to mitigate the

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political fallout; relatively new to the organization, he had taken on a turnaround situation. Finally, he had some deeply held values about people that he wanted to act on as the situation unfolded.

His sense of purpose was clear. He wanted to use the impending change as an opportunity to shift the focus of the business toward getting more productive clients. He also knew what was at stake in terms of the culture. It had been very paternalistic; layoffs were virtually unheard of, and the company had a reputation for taking care of its associates. The president wanted both to build on this reputation and minimize negative consequences. He did this by involving the staff in the process, helping them find other work (even with the group that took over the portfolio), and by offering generous severance packages—all based on his values about the employer/employee relationship.

Readiness should not be confused with something I call *ripeness*, which has all the marks of readiness except willingness and ability! An example is an organization I con-

sulted with for two years on issues of strategy, leadership development, and culture change. One of the things that made this work compelling to me was how ready the organization appeared to be to deal with the challenges it faced. In initial conversations with key stakeholders, all agreed on most of the issues. The company was in a high-growth mode. The executives appeared firm in their purpose and had the sense that things needed to change to continue to build performance. They had supreme confidence in themselves and their ability to achieve anything. The company had plenty of resources.

As we began to move into the changes, however, what became apparent was an unwillingness to let go, a lack of trust in each other, and an inability to go within themselves to do the work necessary to achieve their goals. Ultimately, it took several departures, including my own, a major reorganization or two, the appointing of a new CEO, and the creation of strategic positions to help this organization begin to create the future it needed.

How Do You Know If You're Ready?

In thinking about readiness for change, the leader may find these questions helpful:

- What is the purpose of this change? What would success look like?
- What would readiness look like for you? What resources do you need?
- How does this culture/system operate? How will this serve/inhibit the change?
- What type of change is this (incremental, transformational, or discontinuous)?
- What are you being called to be/do in this change?
- What will die in this change? What will be birthed? How will you handle it?

- Where is the evil present in the system?
- What signs are present for readiness or denial? How many others are seeing the need for this change?
- What is the organization needing that it is not currently getting?
- How does your own history/experience prepare you for this change—or not?
- How will this change betray you/the organization? How will you manage your feelings?
- Where do your abilities meet the organization's need, and where are you coming up short? What are you going to do about it?
- How much do you trust that the system can do this work?
- Do you really need/want to change?
- How will you help the organization get ready for this change?
- Are there enough allies to get this change off the ground?
- Which polarities are present in the system? Where are they tilted—to which pole? Where are the tensions?
- Is there a sense of urgency in the system? How can you create it or build on what is there? How can you create some tension in the system?
- Who in the organization is stuck? How can you involve them?

Introducing change brings some level of chaos, conflict, and confusion into the system . . .

- How has the organization moved through similar changes?

What Are You Missing?

The first thing you want to do if you think you have done this stage well but are not getting the results you want is to ask yourself the following:

- Where are you in denial? Where are you anxious? Where are you stuck?
- What resources do you need to move forward?
- What feedback are you getting from others?
- Where are the gaps in your understanding of the organization culture (underlying assumptions and beliefs)?
- Has the change been defined? Have you defined what you want from the change?
- How can you create enough openness in the organization to discuss undiscussable issues? Who can help you?
- Review the signs that led you to believe that the organization was ready. Did you miss anything in your analysis?

Tips and Ideas

- Create a dialogue with other leaders in the organization.
- Identify organizational mechanisms that provide the forum for you and others to get this change moving.
- Share information with others that will heighten awareness of the situation and get people to engage.

Chaos, Conflict, and Confusion

Introducing change brings some level of chaos, conflict, and confusion into the system, whether you initiated the change or are dealing with change initiated outside you. In organizations experiencing major change—for example, a merger—these three show up in several ways. I believe they happen simultaneously, and we then struggle to get a grip on them.

When a change is announced, an immediate sense of disorder, disorganization, and

instability occurs in the system. There is something that is now out of control.

A leader needs four things to cope with the chaos, conflict, and confusion stage:

1. Awareness of self and other;
2. Openness to receiving and dealing with feedback/data;
3. A sense of how to create dialogue, alliances, and the like; and
4. Knowledge of how to leverage the tension in the system to get results.

In the example of the leader who was stuck, the system kept saying that it was dissatisfied with the leader; feedback came in multiple forms, from individuals, surveys, employees leaving, and inadequate results. But the leader was unable to accept or use the feedback constructively. The leader also was unable to identify with the tension in the system and, therefore, could not leverage it to

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change the system. As a result, the leader was lost in the chaos (instability), conflict (over goals and methods), and confusion (ambiguity around the context of the change) of the situation. All of these factors combined with the leader's mistrust of others in the organization and left him unable to move forward.

In the example of the layoffs, the leader entered this phase with a desire to develop opportunities for new business, to minimize damage, and to keep changes consistent with his own and company values. He was dissatisfied with the system and acted in ways that kept the ensuing confusion under control—for example, initiating meetings with his

management team, several HR representatives, and other employees to get input and convey information.

How Do You Assess the Chaos, Conflict, and Confusion?

Some helpful questions for leaders facing this stage are:

- Where is the instability that has been created by this change?
- Does any energy need to be injected into the system or taken out of the system?
- Where have you lost your footing?
- How have others characterized the situation?
- Where is your fear/anxiety? How are you dealing with it? What decisions do you need to make about your fear?
- What is the impact (emotionally, physically, spiritually, or in the results) of the chaos, conflict, and confusion on you/your unit?
- How is the situation affecting your relationships?
- What do you need to do to manage up/down/across?
- What conflicts have been created by this change (structure, resources, goals, values, or methods)?
- How are these changes causing betrayal? How are you dealing with it?
- What are you being asked to hold onto? Let go of? Where does that cause conflict for you?
- How does this change challenge the assumptions and traditions of the organization?
- How will you create the space for dialogue?
- What are the areas of ambiguity in the system now?
- How is this affecting your vision for the change?

- ❑ How are you dealing with the certainty vs. uncertainty tension?

What Are You Missing?

If you find yourself off track in this phase, ask yourself the following questions:

1. What feedback am I not listening to? How can I get it? How can I accept it?
2. What feedback are others not listening to? How can I help others deal with this feedback?
3. How dissatisfied am I? How dissatisfied are others?

Tips and Ideas

- ❑ Meet with key people to get as much clarity as possible regarding the situation.
- ❑ Use lunch-and-learns as an opportunity to share information and respond to questions.
- ❑ Flip-chart answers to questions people have about the situation and leave them in well-trafficked areas, so that people can have the latest information.
- ❑ Communicate often about the situation. One CEO sent daily e-mails to staff during a merger to share information, ask questions, and maintain relationships.
- ❑ Find or create situations where people can get together and talk—for example, Thursday afternoon cookies at break time where you share what you know and what you don't, respond to questions, and deal with conflicts.

Inquiry

What drives a leader into inquiry is a desire to deal with the uncertainty. Dissatisfaction is now tied to motivation, a desire to move

beyond the fog and formulate the questions that need to be resolved in order to effect the change. The seeds of clarity, alignment, and focused energy are planted in the bed of inquiry. Inquiry is about:

- ❑ Thinking more deeply about the end of the change (i.e., the vision), what successful change will look like, and where you are in relation to that;
- ❑ Identifying the questions that the organization is avoiding and trying to get those on the table—fixing those places where the organization is stuck; and
- ❑ Identifying the tensions between the old and the new, the certain and uncertain, and so on.

Any assessment will provide some level of clarity. Find out where you are stuck so that you can begin to plan strategies to move yourself to a new place. This is a lot like strategic planning, in that you start with where you are and where you want to go and then identify the strategic issues between you and your goal. There is a twist,

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however. The twist is the level of questioning that good leaders do to help them on their way. They are relentless in their pursuit of answers to the questions that will make the change occur.

How Do You Promote Effective Inquiry?

Here are some questions I find helpful for the leader to consider. Although they are pre-

sented on a personal level, they apply equally well to the organizational level.

- ❑ What threats and opportunities are present for you?
- ❑ Where are you anxious/fearful?
- ❑ What do you need that you are not currently getting from the organization?
- ❑ How will this change betray you or your organization? What will be lost and exiled? What is the impact of this?
- ❑ How long will this change take to come to fruition? What do you need to do in order to deal with the uncertainty?
- ❑ What are you trying to achieve at this time of your life? How does this change affect your life?
- ❑ How do you see your role as leader? How will this change challenge that?
- ❑ What is the conversation you need to have with yourself that you are not currently having?
- ❑ What choices do you need to make in order to shift your attention to be able to deal with this change?
- ❑ Are you the right person to take this organization through this change? Is this the right time?
- ❑ If a vocation is where your "deepest joy connects with the world's deepest need," where is that for you? Is it in alignment with where you are right now?
- ❑ Where is your internal resistance? Where are you in dissent with yourself? How can you make the space to have the conversation?
- ❑ What assumptions are you making? Are these consistent with organizational assumptions? Should other assumptions be examined? If so, which ones? Would outcomes be different if you didn't make these assumptions?

- ❑ What is waiting to happen in you/your organization?
- ❑ What polarities do you see? Some examples of polarities relevant to this stage are short term vs. long term, certainty vs. uncertainty, and justice vs. mercy. Where are you with the polarities you identify?
- ❑ What is the vision you have around this change? What are the results you seek?

In the layoff example, inquiry took the form of one-on-one, small group, and larger group dialogue. Initial conversations centered on a few key issues:

- ❑ The idea of layoffs (a very rare occurrence in the organization) and how we might handle them;
- ❑ Whether or not to provide severance packages;
- ❑ Whether or not to protect management from layoffs; and
- ❑ How much to include the associates and at what level of depth.

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The president asked difficult questions about what was possible, how quickly we might move forward, and how to minimize the damage both inside the organization and in the press. The president had some fear/anxiety about how to handle the layoffs because of the company's reputation and the founder's philosophy. He also had some fear about how to involve the associates in the process, as he'd had no experience in dealing with layoffs in this manner.

The president handled the uncertainty vs. certainty tension by planning the change out

over a three-month period. This coincided with the date when the new company was going to take over the portfolio of accounts. He encouraged inquiry from every level—the management team, human resources, legal, and the associates who were going to be affected. When people saw that he was being open, honest, clear, and inviting, they responded by doing the same. One example of this came when the associates were interviewed about their life/career plans as a way of determining how the organization might proceed with the layoffs, and they responded with candor and cooperation.

In the example of the leader who was stuck, inquiry went on for more than several months. Questions were asked, answers were provided. We identified the fears, anxieties, threats, and the like. We talked about the betrayals that were occurring. Why were the performance standards changing now? We discussed his role as a leader as well as whom

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he trusted in the organization. We also discussed issues from the organization level. Was there really support for this leader in the organization? In other words, if this leader were to change, would he be accepted by people in the organization? There were many distractions, from a variety of staff performance issues to a stuck middle management to external interference from senior leadership. All of these kept the VP from focusing on deeper levels of inquiry and plans for action. The VP would seem to gain clarity around the situation, and then it would be lost. He kept circling around the issues. He could not admit where he was or what he wanted.

It wasn't until several factors came together that the senior VP finally got "unstuck." He finally came to understand that he was up against the wall: both his political survival and his literal survival in the organization were at stake. He began to accept the reality of the situation—though he remained stuck in the "why," with misgivings about how he came to be there—and came out fighting, at least for a while.

What Did You Miss?

Here are five issues to consider if you find yourself stuck in this stage:

1. How dissatisfied are you? How are you dealing with the feedback you have been given?
2. What is your vision? What results do you seek? How committed are you?
3. Where are you and/or the organization still unclear?
4. Review and challenge your assumptions and the assumptions of the organization about this change.
5. Take a fresh look at the trends, patterns, and dynamics of the organization.

Tips and Ideas

- Have a session where your staff can ask questions, share information, and blow off some steam.
- Get some colleagues together to challenge assumptions and to discuss where the organization is stuck.
- Know what you want to accomplish.

Strategies

In sailing, having a strategy means that you have a destination, that you check the boat

for seaworthiness, and check the environment to see if what you want to do is possible. If it is, you start out and tack and jibe your way to success, constantly monitoring yourself, the boat, and the environment, and making the changes you need to make. In this instance, strategy is about taking what you want to do, determining whether it is feasible to move forward, and, if so, what is the best way to do so? It is the final check as you begin to implement the change.

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What moves a leader into strategy is a combination of desire and the belief that the change is possible. Before moving into the execution of the change, it is important to get any final information or feedback. Look at hard data, as well as any relationships, ethical issues, and positions that need to be resolved in order to move forward.

How Do I Promote the Strategy Phase?

Ask yourself these questions:

- What information do you need now? Where/how do you get it? Who needs to be educated, and in what?
- Who needs to get or give feedback?
- What is waiting to emerge in the organization? What do you need to do (if anything) to make it happen?
- What relationships do you need to establish, maintain, enhance, or repair? What networks need to be established?
- What choices are in front of you? What ethical issues are emerging?

- What stands do you need to take in order to achieve the results that you need and those that the organization needs to have happen?
- What actions do you need to take now? What is your plan of action?

In the example of the layoffs, strategy development involved the following:

- The leader being absolutely clear about the opportunities he wanted to create, the values he wanted to maintain, and the threats he wanted to mitigate;
- The leader engaging the senior leadership of the parent company, including the founder, to ensure cultural alignment;
- Having conversations with the company that was taking over the account to see how many people from our organization might be placed with theirs;
- Having one-on-one conversations with associates in which associates were asked what plans and dreams they had for their future—retirement, a career change, and so on. This was used as a way to help the associates, minimize the actual number of layoffs, and do the right thing;
- Designing the work differently to accommodate as many different situations as possible; and
- Designing the severance package in a way that was generous and helpful to our associates, particularly those who were not going to be getting a position in the short term.

In the example of the leader who struggled to get ready, strategy development looked like the following:

- A performance plan (from senior administration) that laid out specific expectations over a 90-day period;

- ❑ A training plan that included training activities and measurement requirements;
- ❑ Assessing the political landscape to determine the exact requirements from senior administration;
- ❑ Continued confusion over goals, outcomes, and process; and
- ❑ Continued circling back, questioning the context and the motivation of self and others.

What Did You Miss?

If you have trouble with strategy, try the following four things:

1. Get more data on the big picture of what is going on in the organization.
2. Check alignment.
3. Review your assumptions about the organization's culture and make any needed adjustments in your approach.
4. How can you involve others differently to move the organization in the direction it needs to go?

Clarity, Alignment, and Focused Energy

On the organization level, clarity has to do with vision and direction. On the personal level, clarity has to do with seeing reality as it is, not how we would like it to be, and then having the courage to do something about it. Alignment has to do with ensuring that the assumptions, values, behaviors, and structures are aligned with the core values and culture of the organization. Focused energy has to do with priorities and how decisions are made.

What moves a leader into the clarity, alignment, and focused energy phase of change is simply the result of what has been

put in place earlier in the process. In the two examples, as the leaders dealt with chaos, conflict, and confusion, there were two different levels of satisfaction with the results, and correspondingly different experiences of this final phase.

In the layoff example, the results were better than we originally hoped for. Associates were placed, layoffs were minimized, and those who were left had a "new beginning" process that included a new vision, a new logo, new corporate wear, new business cards, etc. These helped both honor and mark the end of the old and the beginning of the new. We all left there feeling good about the process as well as the results.

Focused energy has to do with priorities and how decisions are made.

In the other example, the VP was brought kicking and screaming to the end, and the results were not adequate. Both the leader and the department were stuck; neither he nor his employees were especially satisfied. And life went on. Tremendous amounts of financial resources were invested to assist this VP. The endpoints were primarily placed for him. His work was to implement what others wanted him to address. Ultimately, he was unable to move forward because of variable commitment on his part and a lack of support from the organization.

How Can I Achieve the Clarity, Alignment, and Focused Energy Phase?

Ask yourself these questions:

1. What results have been achieved? Are they what you wanted?

2. Is there any major chaos, conflict, or confusion in the system? Is it worth addressing at this time? What will you do?
3. Are your people clear about the new direction, goals, values, structure, reporting relationships, and the like?
4. How are your relationships?
5. Did you do everything you wanted to do as a leader? Evaluate yourself.
6. Are people beginning to focus their attention on moving forward rather than staying stuck in the past?

What Did You Miss?

If you think you're off track at this point, review each previous step. Evaluate your performance. Make adjustments in your strategy.

Tips and Ideas

- Evaluate the change and your performance.
- Celebrate!
- Have a "new beginnings" session where you share the new vision, direction, goals, working relationships, and so on.

CONCLUSION

The preceding focuses on the leaders' perspective of going through the various phases of change, some questions to serve as guides

through each phase, and a model of change that shows key aspects of the change process.

The examples of two leaders who approached change differently and obtained different results can be distinguished by the following:

- A knowledge of the change process and appropriate application of the process;
- Knowing one's own character and competence and having a sense of vision;
- Being open, and encouraging others to be open;
- A willingness to make decisions, sticking to them when necessary and modifying them where possible;
- A willingness in the system that allows the leader to succeed; and
- A sense of courage to move oneself and the organization where it needs to go.

What separates good leadership from poor leadership is the willingness to do the work of being a leader. That's the work of digging deep into oneself, asking the hard questions, answering those questions, and then getting on with it. It is about confronting yourself, dealing with the anxiety that is created by that confrontation (and from the realization of one's free will), and using that anxiety to develop your own capacity and the capacity of the organization to do its work.

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