lead, and manage change." Beth Wann, VP, HR, Time Warner Cable



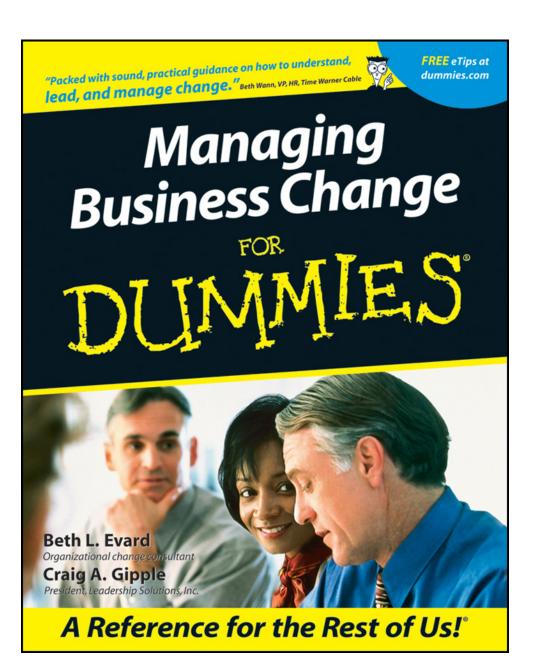
FREE eTips at dummies.com

Managing Business Change

FOR. DUMMES



A Reference for the Rest of Us!



Managing Business Change For Dummies

by Beth L. Evard and Craig A. Gipple



Wiley Publishing, Inc.

Managing Business Change For Dummies®

Published by **Wiley Publishing, Inc.**111 River St.
Hoboken, NJ 07030-5774
www.wiley.com

Copyright © 2009 by Wiley Publishing, Inc., Indianapolis, Indiana

Published by Wiley Publishing, Inc., Indianapolis, Indiana

Published simultaneously in Canada

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning, or otherwise, except as permitted under Sections 107 or 108 of the 1976 United States Copyright Act, without either the prior written permission of the Publisher, or authorization through payment of the appropriate per-copy fee to the Copyright Clearance Center, 222 Rosewood Drive, Danvers, MA 01923, 978-750-8400, fax 978-646-8600. Requests to the Publisher for permission should be addressed to the Legal Department, Wiley Publishing, Inc., 10475 Crosspoint Blvd., Indianapolis, IN 46256, 317-572-3447, fax 317-572-4447, or e-mail permcoordinator@wiley.com

Trademarks: Wiley, the Wiley Publishing logo, For Dummies, the Dummies Man logo, A Reference for the Rest of Us!, The Dummies Way, Dummies Daily, The Fun and Easy Way, Dummies.com, and related trade dress are trademarks or registered trademarks of John Wiley & Sons, Inc. and/or its affiliates in the United States and other countries and may not be used without written permission. All other trademarks are the property of their respective owners. Wiley Publishing, Inc., is not associated with any product or vendor mentioned in this book.

LIMIT OF LIABILITY/DISCLAIMER OF WARRANTY: While the publisher and author have used their best efforts in preparing this book, they make no representations or warranties with respect to the accuracy or completeness of the contents of this book and specifically disclaim any implied warranties of merchantability or fitness for a particular purpose. No warranty may be created or extended by sales representatives or written sales materials. The advice and strategies contained herein may not be suitable for your situation. You should consult with a professional where appropriate. Neither the publisher nor author shall be liable for any loss of profit or any other commercial damages, including but not limited to special, incidental, consequential, or other damages.

For general information on our other products and services or to obtain technical support, please contact our Customer Care Department within the U.S. at 800762-2974, outside the U.S. at 317-572-3993, or fax 317-572-4002.

Wiley also publishes its books in a variety of electronic formats. Some content that appears in print may not be available in electronic books.

Library of Congress Control Number: 2001089362

ISBN: 0-7645-5332-1

Manufactured in the United States of America

10 9 8 7 6 5 4 3 2

10/RV/QT/QW/IN



About the Authors

Beth L. Evard: Beth (Farmington, CT) is an organizational psychologist and the founder of Success through People. She began as a teacher of children with learning disabilities, as well as the learning proficient at the University of Arizona and the New York Medical College. Prior to starting her own company, she worked as a consultant with Coopers & Lybrand. Today, she provides consulting expertise on the human side of change management. She assists leaders to create change-adept organizations — where employees manage more effectively the turmoil, conflict, and stress that come with never-ending transformations.

Craig Gipple: Craig (Wayne, NJ) is president of Leadership Solutions, Inc., a consulting firm specializing in change management and quality. As a consultant, he has assisted a wide range of companies in planning and implementing change efforts. Prior to becoming a consultant, Craig worked at AT&T for 34 years, most of them as an executive leading divisions and teams with up to 6,000 employees. As an AT&T officer, Craig led AT&T organizations through major changes such as Bell System Divestiture, reorganizations, downsizing, process management, reengineering, culture changes, and network modernization.

Blending their two very different backgrounds, Craig and Beth give leaders both an insider's executive perspective, and an outsider's organizational development view. Similarly, they integrate the technical approach to managing change with the rarely seen human focus. For additional information, call 1-800-551-4008 or see their Web site at www.leadersolutions.com.

Dedication

To the women and men who dare the unknown of organizational change.

Authors' Acknowledgments

We owe a special intellectual debt to Daryl R. Connor from whose workshops, books, and conversations both of us first learned in a systematic way about the nature and process of change. Today, anyone who thinks or writes about change inevitably stands on Daryl's shoulders.

Our heartfelt thanks to Ed Knappman, our great agent, who not only connected us with Hungry Minds, but also acted as a caring coach, mentor, and advisor throughout this entire experience. We also want to say "thank you much" to Ed's associate, Vicki Harlow, for skillfully pursuing that unique world of permissions. Vicki, we wish you well!

We also deeply appreciate the editorial assistance we received from Dick Worth, who improved our prose immeasurably and helped us traverse our new path as authors. Without Dick's efforts, this would be a far less readable and enjoyable book. We are also grateful to Karen Garoukian Ferraro for her great job as our technical reviewer.

We are especially appreciative of all the folks at Hungry Minds, especially Holly McGuire, senior acquisitions editor, and Kelly Ewing, project editor. Holly and Kelly have provided the guidance and support we needed anytime we needed it. The third person within Hungry Minds who was most critical to this effort is our project coordinator, Regina Snyder, who was a crucial contact during the production process.

Beth wants to thank a few other people. First, she thanks John Sanger and Natalie Goldberg, who showed her how to translate decades of experience into the world of words. From Gil Fronsdale and Jack Kornfield, she learned how to enter the writing "zone," focusing only on each moment as it arises. And finally, a special thank you to her husband, John, who gave up many weekend mornings to listen, provide insight, and cheer her along.

Craig wants to close this by recognizing the people who worked with him during his career at AT&T and during his present career as a consultant. Those are the people that really taught him about change. And finally a special thank you to his wife, Margaret, who has supported him through thick and thin, including the writing of this book.

Publisher's Acknowledgments

We're proud of this book; please send us your comments through our Online Registration Form located at www.dummies.com/register

Some of the people who helped bring this book to market include the following:Acquisitions, Editorial, and Media Development

Project Editor: Kelly Ewing

Senior Acquisitions Editor: Holly McGuire

General Reviewer: Karen Garoukian Ferraro, Principal, KGF Consulting, LLC.

Editorial Manager: Jennifer Ehrlich

Editorial Administrator: Michelle Hacker

Composition

Project Coordinator: Regina Snyder

Layout and Graphics: Amy Adrian, Stephanie D. Jumper, Jackie Nicholas, Barry Offringa, Jeremey Unger

Proofreaders: John Greenough, Susan Moritz, Marianne Santy, TECHBOOKS Production Services

Indexer: TECHBOOKS Production ServicesPublishing and Editorial for Consumer Dummies

Diane Graves Steele, Vice President and Publisher, Consumer Dummies

Joyce Pepple, Acquisitions Director, Consumer Dummies

Kristin A. Cocks, Product Development Director, Consumer Dummies

Michael Spring, Vice President and Publisher, Travel

Brice Gosnell, Associate Publisher, Travel

Suzanne Jannetta, Editorial Director, Travel

Publishing for Technology Dummies

Composition Services

Richard Swadley, Vice President and Executive Group Publisher

Andy Cummings, Vice President and Publisher

Gerry Fahey, Vice President of Production Services

Debbie Stailey, Director of Composition Services

Contents

Title

Introduction

About This Book

Conventions Used in This Book

Foolish Assumptions

How This Book Is Organized

Icons Used in This Book

Where to Go from Here

Part I: Who, Me? Change?

Chapter 1: Expect the Unexpected

If You're Breathing, Then Expect Change

A New Look at Change

The Human Face of Change

<u>The Role of a Leader — at Every Level</u>

Chapter 2: What Is Changing?

The Changing World

The Changing Organization and Its Workforce

The Things That Aren't Changing

Making Sense of All This

<u>Part II : Over Two-Thirds of Changes Fail — Don't</u> <u>Let Resistance Put You in This Statistic</u>

<u>Chapter 3: Resistance: Looking at Losers and Winners</u>

Getting That Competitive Edge

<u>Difference 1: Recognizing That You Don't Have the Market on Reality</u>

Difference II: Planning Before You Leap

<u>Difference III: Making Managing Change a Part of Your "Real" Work</u>

<u>Difference IV: Calling a Truce with Resistance</u>

Making Yourself a Winner

<u>Chapter 4: Don't Shoot! Resisters Aren't Your</u> <u>Enemies</u>

Knowing Your Options with Resistance

Avoiding the Six Myths of Resistance

<u>Unlocking the Power of Resistance — Listen to Excuses</u>

Words of Wisdom

<u>Chapter 5: Why People Will Always Resist</u>

Reason I: Feeling Out of Control

Reason II: Drowning in Change

Reason III: It's a Terrible Idea

Reason IV: Too Many Past Failures

Reason V: Protecting Self-Worth

<u>Chapter 6: If Knowledge Is Power, How Do I Get More Of It?</u>

The Inside Scoop from Friends and Favorites

The Power of Employee Focus Groups

Grab a Chair and Sit Right Down

Here a Survey, There a Survey, Everywhere a Survey

Munching Biscuits with the Boss

<u>The Suggestion Box — With or Without Paper</u>

What to Do with All That Knowledge

Chapter 7: Managers Resist Change, Too

Managers Are Human, Too

<u>Five Resistance Traps to Avoid</u>

The Higher You Rise, the Less You're Forgiven

<u>Chapter 8: Skills for Working with Resistance</u>

<u>Controlling Your Emotions — Don't Be Pavlov's Dog</u>

Drawing on Your Skills for Reducing Resistance

<u>Chapter 9: Assessment: How's Your Organization</u> Doing with Resistance?

Recording Your View

<u>Part III : Planning Your Change — From Calamari to Tiramisu</u>

<u>Chapter 10: Making Sure That Your First Step Is</u> <u>The Right One</u>

<u>Getting Trapped in the Loser's Circle</u>

Packing the Two Ps — Purpose and Prioritization

Paying the High Price of Failure

Staying the Course

<u>Chapter 11: Getting Your Act Together</u>

Skimping on Planning: Tempting but Deadly

Forming the Change Management Team

<u>Understanding the Process of Change</u>

<u>Creating a Winning Process</u>

Chapter 12: Describing Your Present World

<u>Creating a Balanced Perspective</u>

Acknowledging What's Going Right

<u>Understanding the Issues and Concerns</u>

<u>Crafting the Need for Change — in Ten-Cent Words</u>

<u>Chapter 13: What Does Your Brave New World Look Like?</u>

<u>Two Important Do's</u>

<u>Creating Your Desired State — What's in It?</u>

<u>Linking Your Desired State to Issues and Concerns</u>

<u>Customizing Your Future</u>

<u>Chapter 14: Creating Your Implementation Plan —</u> <u>Even When You Don't Want To</u>

<u>Understanding the Power of Your Implementation Plan</u>

<u>Designing Your Plan's Design</u>

Focusing on the Technical Side

Focusing on the Human Side

<u>Chapter 15: Now, What Do You Tell Your Employees?</u>

Preparing for Your Inaugural Address

Getting the Most from Their Questions and Your Answers

Making Sure That People Leave with the Right Messages

<u>Chapter 16: Assessment: How's Your Management Doing with Planning for Change?</u>

Recording Your View

Tallying and Interpreting Your Score

Part IV: Leading the Charge

Chapter 17: The Many Faces of Leadership

Leaders Are Many Different People

Leaders Are Coaches

Leaders Are Models

Leaders Are Investigators

Leaders Are Actors

Leaders Are Builders

Leaders Are Human Beings

Chapter 18: Making Communication Work for You

Looking at Communication

Creating Powerful Messages

Presenting Powerful Messages

Planning Your Communication Strategy

Chapter 19: Celebrate Successes

<u>Understanding Recognition</u>

Creating Many Small Successes

Avoiding Great Ideas that Sour

Developing Your Recognition Plan

<u>Chapter 20: Assessment: How's Your Management</u> <u>Doing with Leading the Charge?</u>

Recording Your View

Tallying and Interpreting Your Score

<u>Part V : Taking Care of Yourself — No One Else Will</u>

Chapter 21: Five Keys to Mental Mastery

Reviewing New Research

<u>Fortifying Your Flexibility</u>

<u>Maintaining Your Mindfulness</u>

Perceiving the Positive

Persisting with Patience

<u>Cultivating Your Compassion</u>

Chapter 22: Powerlifting for the Mind and Body

Mind-Body Connections

Meditation

Exercise: Cardiovascular and Strength Training

<u>Yoga</u>

Pilates

Tai Chi

Choices

Part VI: The Part of Tens

<u>Chapter 23: Ten Things That Every Change Winner</u> <u>Does</u>

Gains Commitment from the Management Chain

Celebrates Successes

Creates a Single Direction

Undertakes Only Necessary Changes

Takes Time to Plan

Communicates Well and Continually

<u>Listens to People's Issues and Concerns</u>

Stays Personally Involved

Protects People's Self-Worth

Works with Resistance — Not Against It

<u>Chapter 24: Ten Barriers to Successful Change</u>

Employees Feel Treated like Robots

Change Has a Flavor-of-the-Month Track Record

Resistance Goes Undercover

Employees Are Saying, "I Don't Know How This Affects Me"

The Culture Is Different than the Change

HR Policies Are Different Than the Change

Your Employees Are Stressed Out

Turf Battles Occur

Employees Believe Change Is Not Needed

Leader Lacks Credibility

: Further Reading

Introduction

I f you want your company to successfully implement any change initiative, you need to know what you can do as a manager. Most changes fail because of resistance, and how you react to it can make or break your change effort. This book gives you ideas and ways to not only understand change, but to help deal with the change you're sure to encounter along the way. You also find out how to plan your change, as well as lead your team. Change doesn't happen overnight or on its own — but change failure happens faster than you realize.

In this book, you discover everything you need to know and more about managing change within your organization — and most importantly, the actions you can take as a manager to help ensure a successful 21st century for your organization. As a manager, you can do a lot!

About This Book

If you're walking on this earth in human form, change walks with you. No matter where you go, it follows. You can't lock it away in a maximum-security prison, nor can you outrun it. Change is here to stay. That's why the more you know about change, the better prepared you are to take life's lemons and turn then into soufflés, or

meringue pies. The more change tools you skillfully wield, the more deftly you influence others at work and play. Because knowledge is power, the more knowledge you possess about change, the greater your powers for controlling your own life.

So, this book is for you if you:

- ✓ Have survived working in a flavor-of-the-month environment
- ✓ Work in a stress-filled job with little support and recognition
- ✓ Have gotten a new manager, boss, or administrator
- ✓ Have gone through a merger or acquisition
- ✓ Need to persuade others to change, but don't have the power to make them
- ✓ Have just been promoted into a new job and still not sure what you're doing
- ✓ Work for an organization that's experiencing phenomenal growth
- Are downsizing
- ✓ Are leading a change that requires people to modify their jobs or thinking

Although you can read this book from front to back if you'd like, you can actually use it as a reference book. If you're in the midst of change and are encountering resistance, you may want to check out Part II. If you're

getting ready to implement a change, then you need an implementation plan. Enter Part III.

Conventions Used in This Book

We don't use many conventions in this book, but here are a few that you may want to know about:

- ✓ Whenever you see a word in italics, we are defining the term for the first time in the book.
- ✓ We use the words "employees" or "staff" to refer to the individuals you supervise.

Foolish Assumptions

To write this book, we had to make a few assumptions about you, the reader. We assumed that:

- ✓ You're a manager at some type of organization.
- ✓ You're about to experience or are in the midst of implementing some type of change.
- You realize that what you do as a manager greatly impacts any change initiative.

How This Book Is Organized

This book is made up of six parts, which each consist of several chapters. Each part focuses on a particular issue, and each of the chapters within the part gives you specific information.

Part I: Who, Me? Change?

This part explains the intricacies of change and is designed to help you make sense of all the change that is occurring in today's world. In Chapter 1, you not only receive a definition of change, but you discover how you feel when change happens to you personally and to your organization. Chapter 2 examines change as a worldwide phenomenon, as well as its effects on the workforce.

Part II: Over Two-Thirds of Changes Fail — Don't Let Resistance Put You in This Statistic

This part takes a deep look at the inevitable challenge of resistance and what you can do to combat it. Chapter 3 talks about the difference between change winners and losers and how they deal with resistance. Chapter 4 talks about the excuses related to change, while Chapter 5 talks about the reasons people will always resist. Chapter 6 gives you tools for ensuring that you have the information needed to deal with resistance, and Chapter 7 talks about the often unidentified problem of manager resistance. Chapter 8 offers skills for reducing resistance, and Chapter 9 helps you assess how your organization is doing when it comes to handling resistance.

Part III: Planning Your Change — From Calamari to Tiramisu

In this part, you find out about the importance of planning your change. Chapter 10 talks about examining your reasons for changing, while Chapter 11 talks about the early steps you should take when you're considering change. Chapters 12 and 13 help you examine your current world, as well as the post-change world you envision. Chapter 14 takes you through the steps of creating an implementation plan, while Chapter 15 helps you figure out the change message you'd like to send to your staff. Lastly, Chapter 16 helps assess how your management is doing in the area of change planning.

Part IV: Leading the Charge

Change can't happen on its own; you need successful and determined leaders to implement it. In this part, you find out how you can be a successful change leader. Chapter 17 talks about the different roles you face as a leader, while Chapter 18 discusses the importance of change communication. Chapter 19 examines recognizing change successes along the way. Chapter 20 offers an assessment that you can take to find out how you're doing leading the change.

Part V: Taking Care of Yourself — No One Else Will

This part may seem a little off the beaten path, but it's all related. If stress ties you up in knots and makes you vulnerable to the latest virus, then it's impossible for you to be a change winner. In this part, you find out how you can take care of yourself, both mentally and physically. Chapter 21 discusses the importance of mindfulness and positive thinking, while Chapter 22 talks about the many options you have at your fingertips to relieve your physical and mental stress.