#### Enabling

#### Growth

through

Change

#### Change: A Route to Growth

"Change is constant, complex and often rapid. We cannot control it, when we try, it becomes frightening, threatening.

But we can learn to understand it, to work in harmony with it, to influence it, even to cultivate it."

(Steve Covey)

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## Growth doesn't just happen – you need to support it.

- How? By understanding your **CHANGE** route to growth.
- New products? ... New services?... New markets?
- Businesses trundling along in their current market, with very little vision of future growth, are often the first casualties when market changes happen.

"If you spend your time trying to avoid risk, you are unwittingly taking the greatest risk of all: failure to adapt."

Sir John Harvey-Jones

# Growth through.... 'Staying ahead of the curve'

What does this mean to your business?

- You're managing the careful act of remaining adept, focused and aware of opportunities, before they arise, being proactive.
- You're well-connected to your market by **listening to your customer.**
- You're designing, developing and changing your business's service or product by anticipating the next potential market "swing".

#### But especially....

 Retaining and nurturing a culture of change and innovation in your business –

whether that means just you, your team or your products and processes

- that's the key to staying 'ahead of the curve'.

Change is a way of life.

Those who look to the past or present will miss the future.



#### So Change! To Grow!

- Go a bit beyond the ordinary. Beat the crowd.
- Set your own standards not based on what everybody else is doing.
- The 'industry' group has power. It has buying power, it has trend-setting power and it has business-building power.
- But the group is not where you go for your inspiration. The group is good at catching on after the ball has started rolling.

- It's up to you to figure out which ball you're going to roll and then push up the hill.
- If you want to GROW...and be more successful.
- And you can't do that by doing what everybody else is doing.
- By the time everybody has jumped onto the latest bandwagon, it's a pretty crowded place.
- It may still be rolling along, but the more crowded it gets, the slower it goes.

#### Do you see opportunities others don't?

• Change breeds opportunity.

Don't out-compete your rivals;
 re-invent the rules of the game by finding new opportunities first.



It is better to have a wild idea and then tame it ...than to have a boring idea and try to make it interesting.

### Take a step back and a look around ....so you can change things!

- Figure out what people are not doing.
- Figure out what needs are not being met.
- Figure out what wagon is empty and grab the reins on that one.
- If you want to be more successful, you must be the leader of the crowd not a member of it.

# CHANGE IS THE ESSENCE OF EVERYTHING.

# WITHOUT IT PROGRESS CEASES TO EXIST.

#### Do things better than everybody else!

- If your business is already established, or you're in a competitive market, or you just can't think of a way to do things opposite of the crowd, then do things better.
- Do customer service better. Do a better job in design, quality, price, accessibility, feedback, guarantee and follow-up.
- Don't strive for good enough, or slightly better than the competitors.
- CHANGE to seek '*KAIZEN*'...Continuous Improvement

#### Customers (Digital Natives) - Changed Expectations



# CUSTOMERS ARE CHANGING ALL THE TIME.

# IF YOU WANT TO SERVE THEM YOU MUST CHANGE TOO AND ADAPT.

#### Avoiding Stagnation

- Build a business that has a reputation for excellence, and you will build a business that can last. Average is the enemy!
- If you want to be more successful, be the one who sets the bar high.
- Then make sure you reach the bar every single time.
- People who get noticed, and remembered, are people who take things further than they've been taken before.
- If you want to be successful, you've got to push the boundaries.
- You've got to take yourself **further than the** *status quo*.

#### Change to grow

- Grow by putting out one idea after another, after another, after another.
- Grow by never quitting.
- Grow by trying and failing and trying again.
- If you want to be successful, change things.
- No self-doubt, no delusions, no indecision, no hesitation.
- Then take your idea, make it better, take it further, build it higher, and show everybody else how it's done.



#### What's Your BHAG?

• Create a Big Hairy Audacious Goal - a long-term goal that changes the very nature of a business' existence.

"Built to Last: Successful Habits of Visionary Companies" by James Collins and Jerry Porras

#### The power of a BHAG

"Make no small plans; they have no magic to stir men's blood and probably themselves will not be realized.

Make big plans; aim high in hope and work, remember that a noble idea once recorded will not die."

Daniel H. Burnham

(American architect and urban planner)

- BHAGs are meant to shift how we do business, the way we are perceived in the industry.
- Collins and Porras describe BHAGs on a corporate level as nearly impossible to achieve without consistently working outside of a comfort zone.
- BHAGs are bigger, bolder and more powerful than regular long- and short-term goals. They typically take a 10 year commitment but they are exciting!

#### How to Create a BHAG

#### 1. Conceptualise It

- Think it through... conceptualize a goal ... that will change your business and/or your life. Let go of constraints and let your imagination take charge; your BHAG should be overly ambitious and seem unattainable.
- Minimum of a 10-year plan
- Action-oriented
- Innovative
- Compelling and exciting
- This is probably the most difficult part of creating a BHAG. It can take a long time to identify a goal that is important enough to you to qualify it as a BHAG.

#### 2. Test It

- Now that you have your BHAG in mind, run it through a feasibility check to gauge if it's a BHAG.
- Is it long-term?
- Is it something people will understand if you share it?
- Will it require you to stretch yourself out of your comfort zone?
- Is it measurable and life changing?
- Does it create momentum?
- Does it excite and stimulate you?

#### 3. Commit to It

- Just like you do with any goal, you will need to commit to your BHAG and start forward progress immediately.
- You can break it down into smaller, measurable chunks, or mini-goals.
- And make sure you check-in on your progress regularly.

- The **key benefit** of a BHAG is the focus and change of mindset which it demands.
- BHAGS cannot be achieved by continuing to do what you did last year and the year before.
- Incremental improvements are not sufficient it you are to achieve the BHAG.
- You're forced to think differently, to work differently and to break away from that which worked in the past.
- A real BHAG require people to behave and act differently.

- Bold visions stimulate progress, ignite passion, focuses the mind and fires up the imagination. They ensure that you focus on what's important and are influenced by unnecessary distractions.
- Big bold visions break the back of mediocrity and small mindedness. Don't settle. Aim high.
- So, what is your BHAG? What are your big plans? Does your company have a BHAG? Do you have a BHAG for your life?

## BHAG's from some of the top organisations that we all can identify with:

- Google: "Organise the world's information and make it universally accessible and useful."
- Ford: "Democratize the automobile."
- Sony: "Change the worldwide image of Japanese products as poor quality".
- <u>Disney</u>: "Build <u>Disneyland</u> and build it to **our** image, not industry standards." "To be the best company in the world for all fields of family entertainment. "
- Microsoft: "To put a computer on every desk and in every home."
- Apple: "Providing products everyone will want to use"

## BUT...



"There is nothing more difficult to carry out nor doubtful of success nor more dangerous to handle than to initiate a new order of things."

Machiavelli, 'The Prince'

# Succeed in the Future ...by letting the past go

• In this fast-paced world, operational excellence no longer ensures survival.

• Instead, companies need to outperform their markets by changing at the pace and scale of those markets.

"And, your competitive advantages may not keep you ahead of the pack going forward; in fact, they could become disadvantages.

Keep your focus on the future and on the evolving market.

Don't necessarily turn your back on what has worked previously; but do be careful to not be wedded to your past."

('Your Innovations Aren't Immortal') - Anthony Scott

#### Change is essential

If you do what you've always done you'll always get what you've always got.

#### Change requires bravery

Bravery is the capacity to perform properly even when scared half to death.

#### Managing change...

is being comfortable with being uncomfortable

Jackey Backman – One Spirit

# Leading Organisational Change?

...the process by which organisations move from their present state to some desired state to increase their effectiveness.

## 

## CHANGE IS THE ONLY CONSTANT IN THE ORGANISATION

Charles Handy

## TO IMPROVE IS TO CHANGE; TO BE PERFECT IS TO CHANGE OFTEN

Winston Churchill

### Change...what to avoid

Use uncertainty; difficulties

...as a reason for not to change

#### Attitudes To CHANGE

- IGNORE CHANGE
- RESIST CHANGE (also a constant)
- COPE WITH CHANGE
- MANAGE CHANGE
- INITIATE CHANGE

## Attitudes To CHANGE



"The only people to embrace change are wet babies".

#### ...and kids



"No, you weren't downloaded.
You were born."

# 

"Employees hate change

...that doesn't jingle in their pockets."

Why do people resist change?



### 

- Fear of the unknown / failure
- Lack of information / Misinformation
- Threats to status; power base and skills
- No perceived benefits
- Low levels of trust
- Poor working relationships
- Avoiding new way of working

"Resistance to change may be active or passive, overt or covert, individual or organised, aggressive or timid...and on occasions totally justified."

John Kotter -Leading Change

## Killer Phrases

"Yes, but...

We have tried that before...

What will people say?

The boss will never go for it...

It'll be more trouble than it's worth...

It'll never work..."

## Miler Phrases

"It isn't your responsibility...

It's not in the budget...

We haven't got the manpower...

Put it in writing...

I have a better idea...

It's not a high priority..."

#### Help Employees Cope With Anxiety

• During challenging economic times, organisational change initiatives can trigger even more anxiety, fear, and resistance than usual.

• Yet those are the times when companies most need to change - to survive.

As an organisational leader, you thus face a daunting task: re-assuring your employees - so they buy into the change.

- Constant communication is key. Explain why the change is needed and how it will affect your direct reports.
- Tell people when and how they'll get updates on what's going to happen.
- And acknowledge the intense emotions around you. Let people know it's normal to feel anxious, even panicked, at times and that you still value their talent and contributions.

"Helping Employees Cope with Change" - (Lauren Keller Johnson HBR 2009)

# THE TRUE ENEMIES OF CHANGE ARE MAINLY PERSONS FEARFUL OF LOSING THEIR EMPIRE.

### And amongst the biggest promoters are those who stand to GAIN most



# Change is paradoxal

• Our "past" is an advantage....knowledge, relationships, experience. It is also a drawback...habits, taboos

•Our vision for the "future" is an opportunity...project, strategy. It is also a drawback...disregard of info. that could endanger plan

### Thy emiliated as Moder's Parapactual

- Not establishing sense of urgency
- Not creating a powerful enough coalition
- Lacking a vision and under-communicating
- Not removing obstacles to the new vision
- Not planning short-term wins
- Declaring victory too soon
- Not re-aligning changes / cultures

### Metalman and Paton

### Individuals/organisations go through certain stages when resisting change:

- •Denial and Confusion
- Defence
- Optimism
- Adopting Learning
- Internalising / Accepting Change

### Koiter and Schesinger (2003)

Offer various approaches for dealing with resistance to change:

- -Education & Communication
- Participation & Involvement
- Facilitation & Support
- Negotiation & Agreement



### MAKE PEOPLE PART OF THE SOLUTION

### INSTEAD OF PART OF THE PROBLEM

#### Leadership

"Producing change is about 80% leadership – establishing direction, aligning, motivating and inspiring people,

and about 20% management – planning, budgeting, organising and problem solving."

(J Kotter 1998)



#### Essential Requirements of Change Efforts

Setting a new direction, changing behaviour, or transforming a culture is never easy. Before you start down the road of change, ensure:

- 1. A clear destination. Many change programmes fail because not everyone understands where they are headed.
- 2. A starting point. Big goals are intimidating and sometimes paralysing. Get started by taking small steps toward your goal. Momentum will build.
- 3. And persist. Find a way around obstacles, make necessary alterations, and keep going.



#### Avoiding pitfalls of 'best practice'

When embarking on a new project/process, it can be invaluable to know the "best practice." But do avoid these two hazards:

#### 1. Failure to adapt.

What works in one company will not likely work in yours unless the practice is customized for your culture, environment, and people. *Tailor any lesson from others to fit your unique situation*.

#### 2. Failure to adopt.

A borrowed process or tool won't work unless you have commitment from leadership and those responsible for using it. *Be sure you have full support before you implement.* 

### Change isn't what it used to be

- In the past, the "Big Guys" tended to eat the small.
- •Today, the "Quick Guys" are eating the slow.

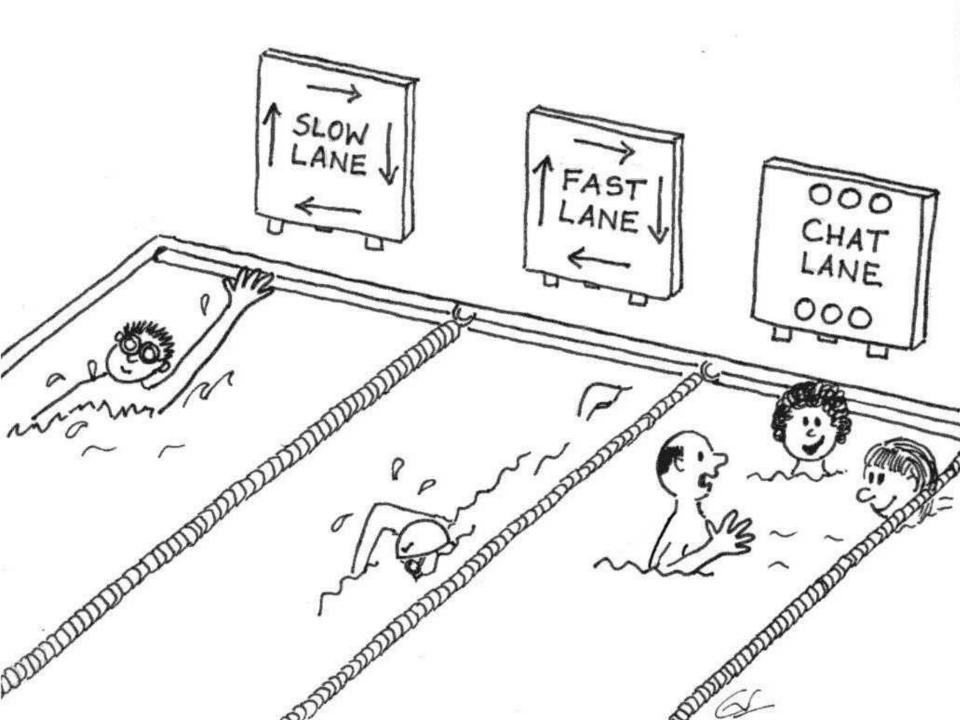
### Death Knell for Ordinary

Act Fast....Stand Out....
for an individual or a company
or Get Run Over.

# SUCCESS IS SWEET BUT ITS SECRET IS SWEAT

"I'm drowning under the weight of change...I can't breathe"

"Yes, you can...You need to learn to breathe differently."



#### Creating a 'continually burning platform...'

There is no sustainable competitive advantage in business today beyond sustained accelerated change.

"...is like moving a chocolate blamanche across the table... you have to move it gradually by 'pushing' in various places at the same time."

Tom Peters

#### A Force For Change John P. Kotter

"Change need not to come in the form of big dramatic innovation or restructuring. It should be accepted as a continuous process, with constant adjustments in every area."

### The Change Agent

'Change Agents' are involved in both the promotion and management of change.

They have to inspire and motivate; manage and organise ideas, people and things - and support other people in the process!

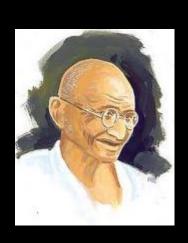
#### 3 Ways to Quietly Promote Change



A leader who pushes a change agenda too hard risks building resistance....so ensure you...

- 1. **Model the change.** Demonstrate the way you want things to change through your own language and behaviour. Seeing a leader do something first gives people the courage to try it themselves.
- 2. **Turn negatives into positives.** Find ways to reframe people's resistance as opportunities for change. This requires that you listen carefully, understand the underlying reasons for the opposition, and address them directly.
- 3. Find allies. Chances are someone else in the organization wants the change as badly as you do. Pool your resources and ideas.

### 'Be the change you want to see in the world.'



Mahatma Gandhi

#### Facing the challenge of change:

Are you learning as fast as the world is changing?

As a business leader, you can't afford to stop learning.

Seek out ways to evolve and be humble enough to know you don't always have the answer.

#### Learning

"To cope with a changing world, an entity must develop the capacity of shifting and changing ...

of developing new skills and attitudes, in short the capability of learning."

(Arie De Geus)

### PERSONAL PROBESS OF BLANGE



"THE LESSONS YOU LEARN AND YOUR SPEED IN LEARNING THOSE LESSONS MAY BE THE DEFINING FACTOR IN YOUR ORGANISATION'S SUCCESS, AS WELL AS ITS SURVIVAL."

 $(\overline{BLANCHARD})$ 



#### From reactive thinking

"It is not the strongest of the species that survive, not the most intelligent, but those that are the most responsive to change."

Charles Darwin



#### What went wrong at Eastman Kodak?



#### To a proactive mind-set

"One cannot manage change.

One can only be ahead of it."

Peter F. Drucker



#### CHANGE to GROW

"The best way to predict the future is to create it."

Peter F. Drucker