



# Change Management & Change Leadership

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# Why are we talking about Change & Leadership together?



“Good business leaders create a vision, articulate the vision, passionately own the vision, and relentlessly drive it to completion.”

Jack Welch

# Why are we talking about Change & Leadership together?

Both are about:

- People
- Initiating change
- Making things happen
- Creating new realities



# Why do Companies need to Change?

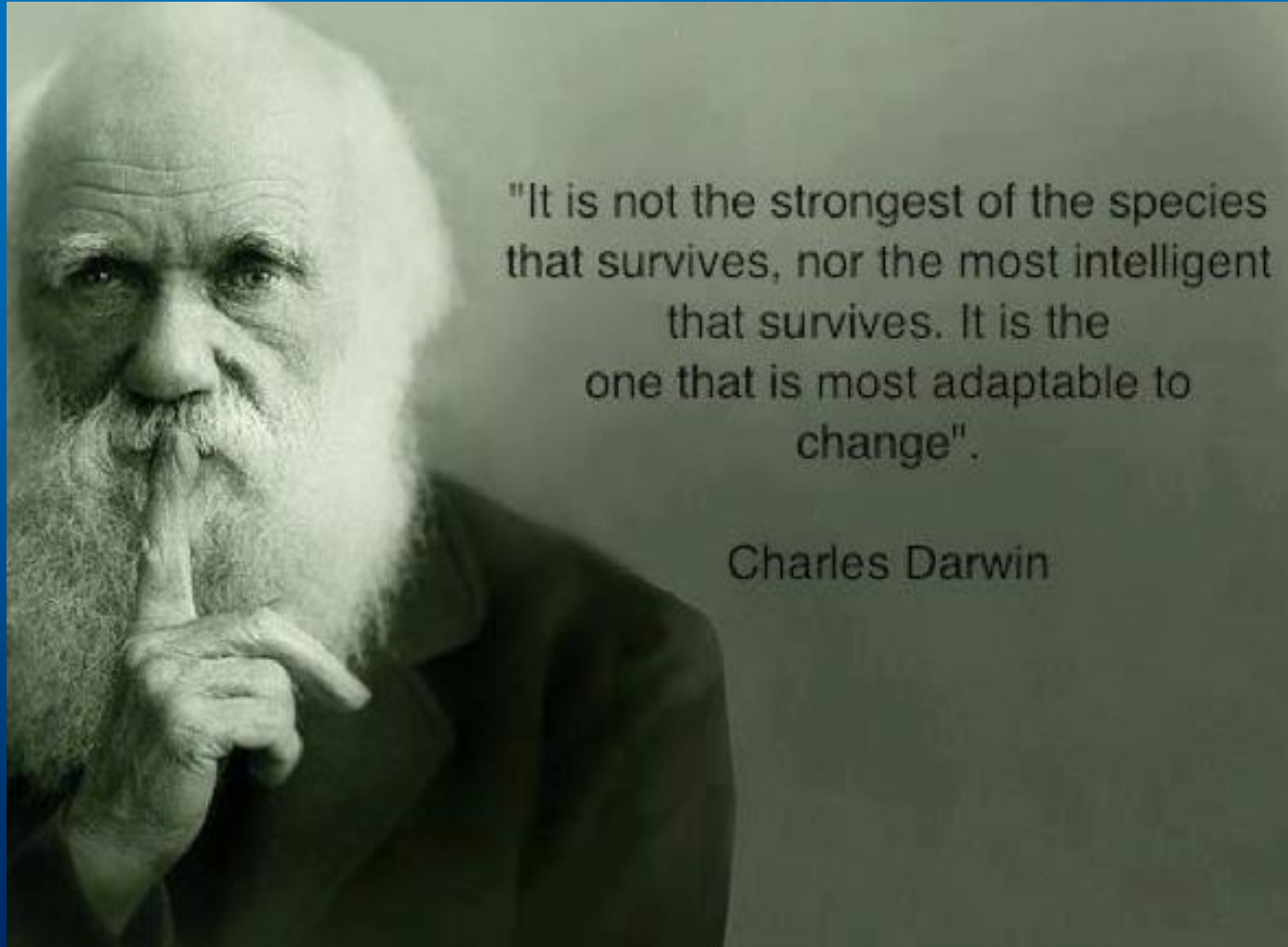
The Only Thing  
That Is  
Constant Is  
Change -

*Heraclitus*

# Why do Companies need to Change?



# Why do Companies need to Change?



# Why should I care about Change Management?

30%

*“In the United States, we spend more than \$250 billion each year on IT application development:*

- ***31%** of projects will be cancelled before they ever get completed.*
- ***53%** of projects will cost twice as of their original estimates,*
- ***overall, the success rate is less than 30%.”***

# Why should I care?

## Top reasons projects fail



- Executive sponsorship
- Clear Business case / requirements
- Project Management / Planning / Governance
- Resources / Funding
- Organisational Change Management
  - (includes: communications, org. change, stakeholder management, culture issues etc)

# What is Change Management?

## Wikipedia Definition



Change management is an approach to transitioning individuals, teams, and organizations to a desired future state.

Remember the pain....

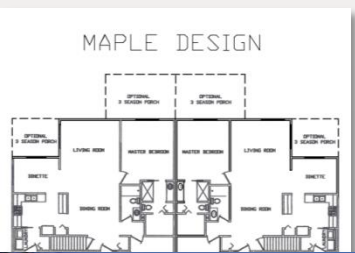


FIRST CHILD

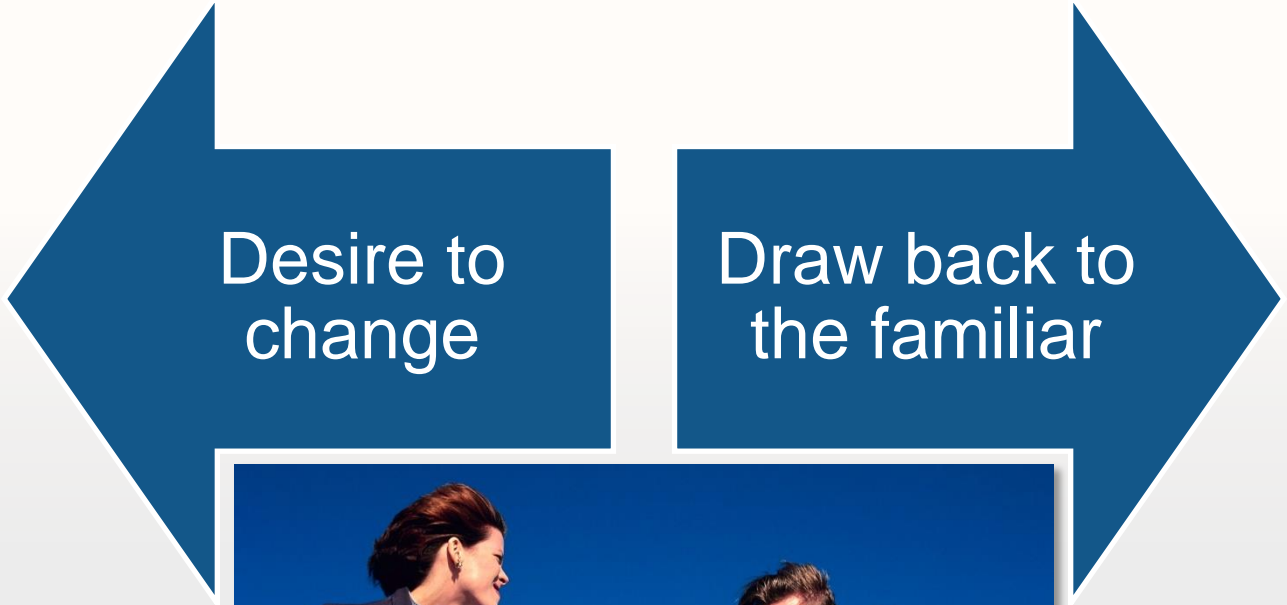
FIRST ERP

FIRST MERGER

FIRST MOVE



# Change is hard; especially under stress.....



# Change is Hard!!

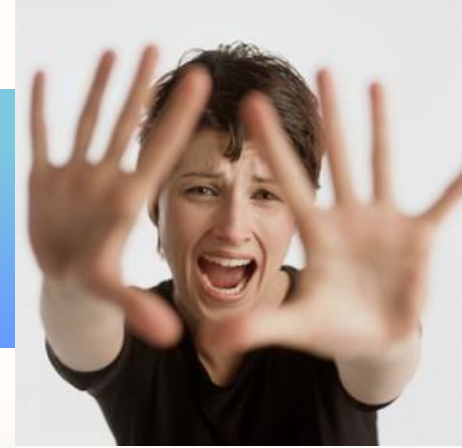
What gets in the way?



- Conflicting priorities
- Culture
- Politics
- Regulatory Compliance
- Market pressures
- Leadership alignment and desires
- Cost
- Time / Patience to make it happen

# Impact of Change

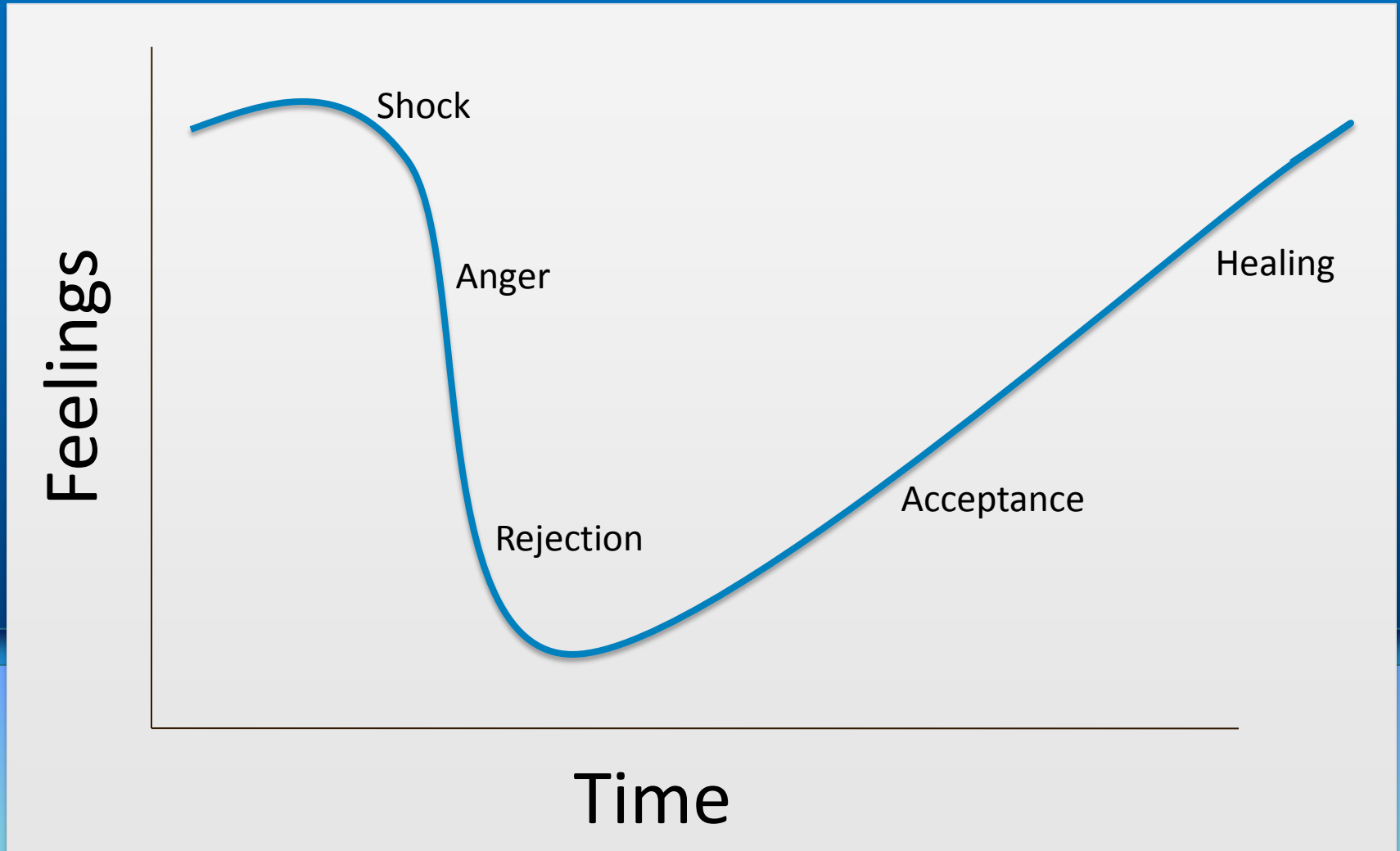
## Fear leads to Resistance



- Sense of loss, confusion
- Mistrust and a “what’s in it for me” focus
- Fear of letting go of the past
- Uncertainty, emotional stress, anxiety
- Perceived high levels of inconsistency
- Fear of loss of control
- Conflict increases — especially between groups

# Do People Resist Change?

## The Loss or Bereavement Curve



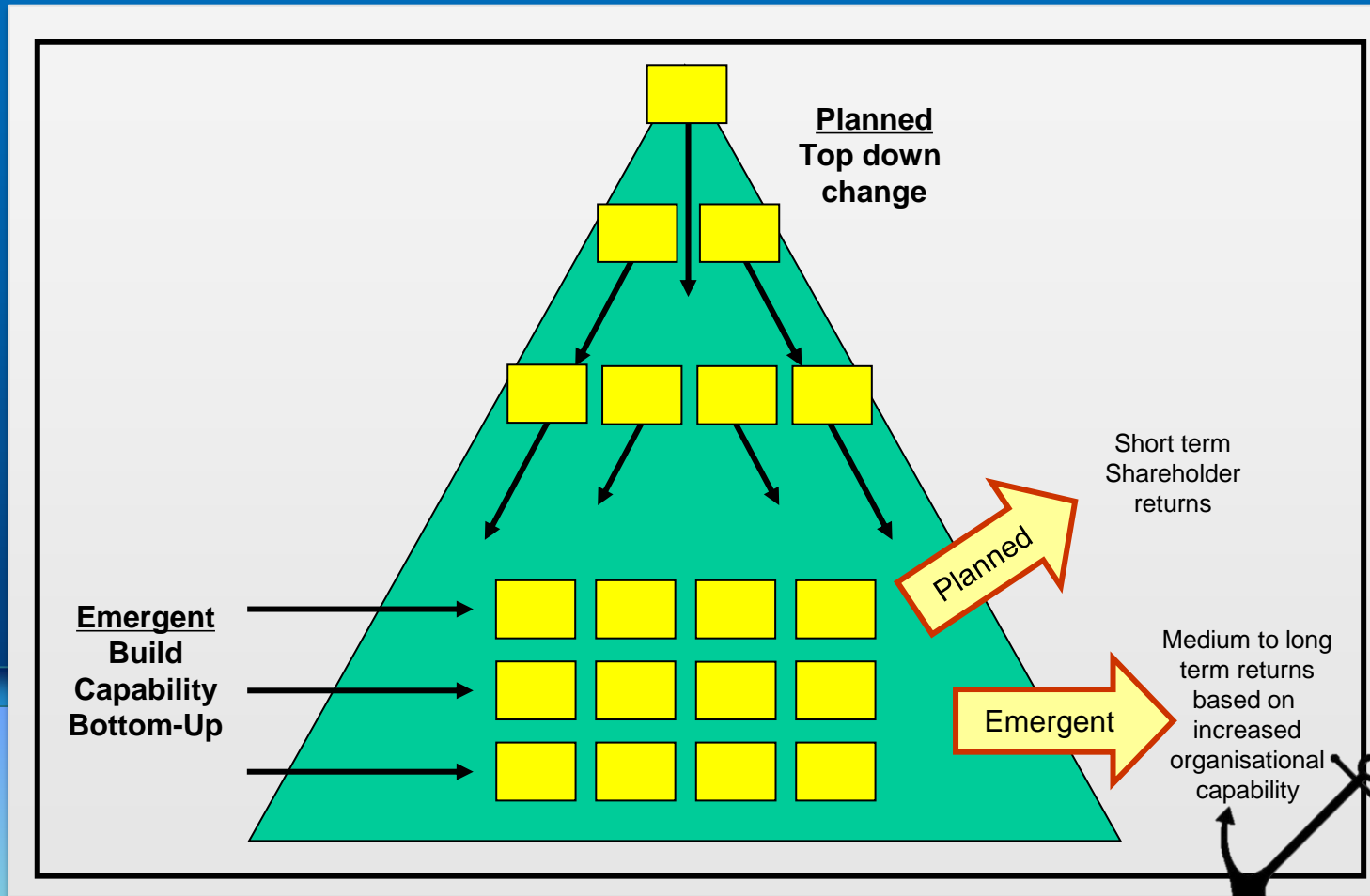
# Approaches to Change

Top Down Mandates are Quick, BUT.....



**NOT  
EFFECTIVE ON  
THEIR OWN**

# Top Down vs Bottom Up Change (Planned vs Emergent)





# Step Models of Change

Lewin (1951)

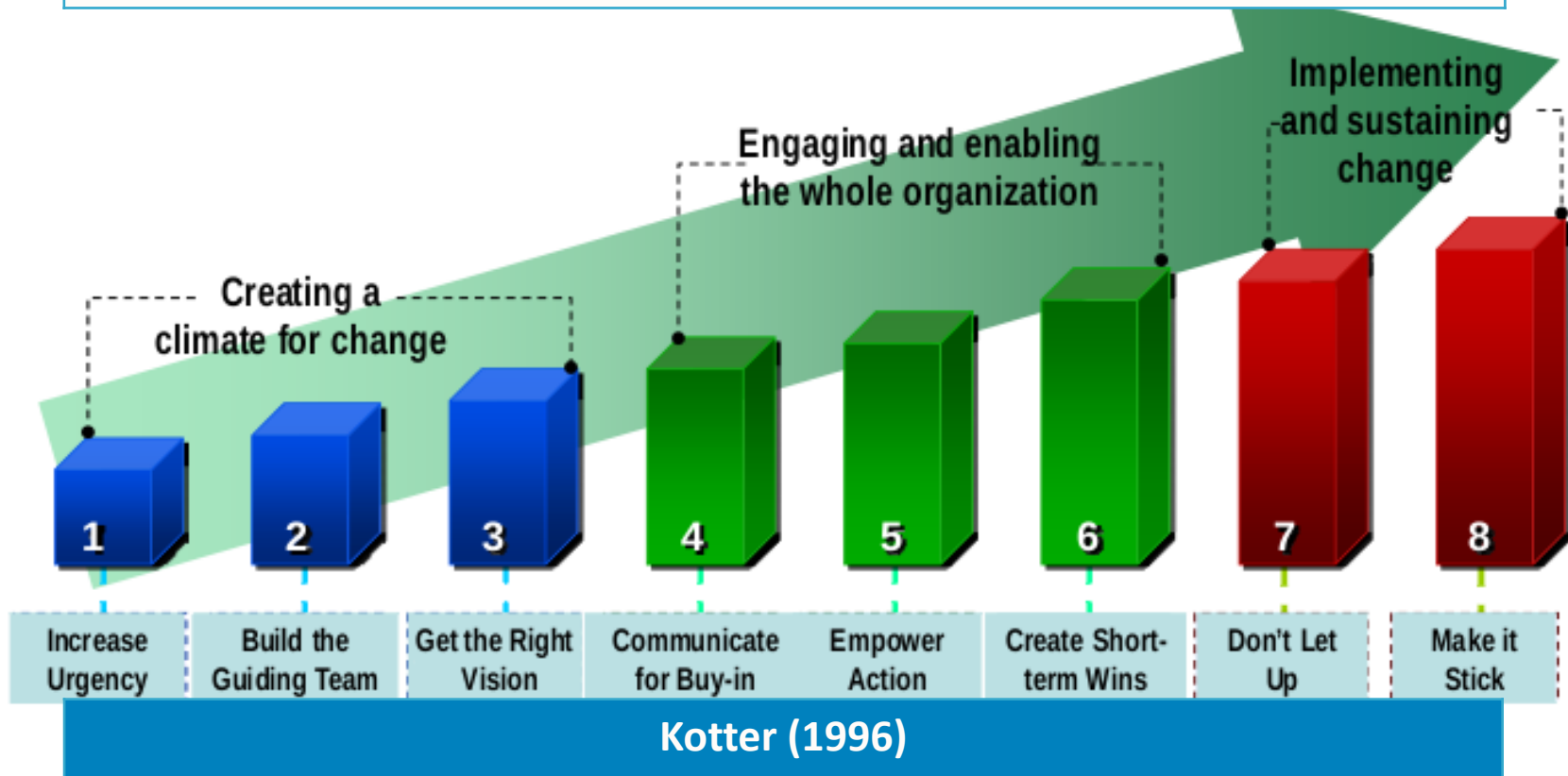
**Unfreeze**



**Move**



**Refreeze**



<sup>5</sup> Kotter, John P. and Cohen, Dan S. The Heart of Change. Boston: Harvard Business School Press

# Importance of Change Leadership

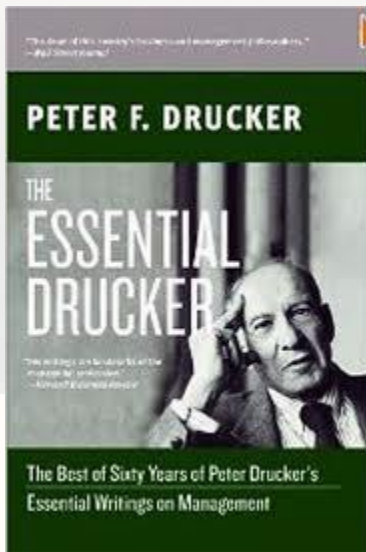


***“Progress occurs when courageous, skillful leaders seize the opportunity to change things for the better”***  
*Harry S Truman (1884 – 1972)*



***“Management is doing things right; leadership is doing the right things”***  
*Peter Drucker (1909 – 2005)*

# Importance of Change Leadership



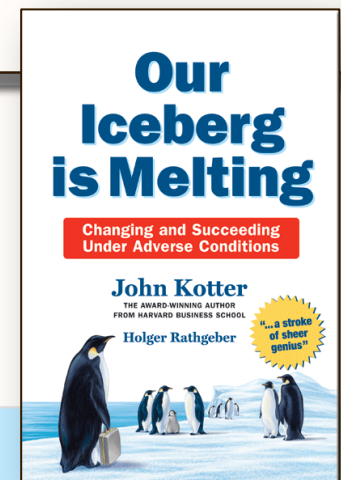
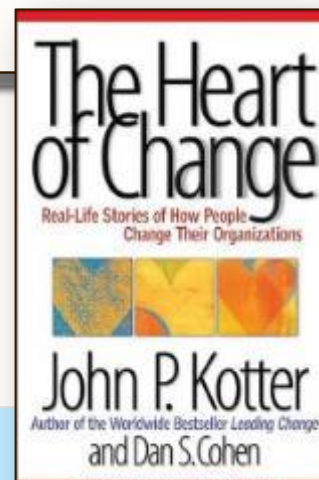
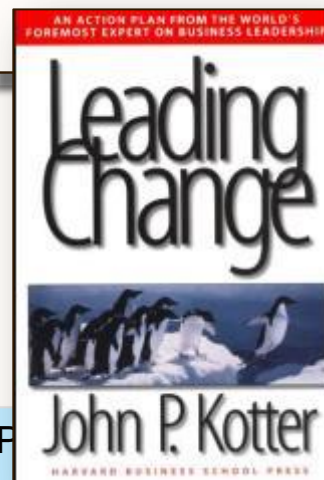
***“Leadership is about results. A leader’s vision must in the end produce the desired results: successful, profitable change where employees are committed and engaged”***  
*Peter Drucker (1909 – 2005)*

# What is Change Leadership?



“it’s an engine. It’s about urgency. It’s about masses of people who want to make something happen. It’s about big visions. It’s about empowering lots and lots of people. ”

**John Kotter**



# What is Change Leadership?

- Initiating Change on a large scale
- Creating a sense of urgency
- Inspire belief
- Invigorating the organisation
- Creating the vision for the new normal
- Empowering people to create change



Netflix



vs.



Blockbuster



# Ford – Jacques Nasser



The  
Economist

## The revolution at Ford

Jac Nasser wants to turn Ford Motor from the very symbol of mass production into a consumer-products and services company

THE WALL STREET JOURNAL. ≡

### Ford's Jacques Nasser Is Ousted as CEO

“Mr. Nasser's management methods alienated and distracted many people whose goodwill he needed”

# Importance of Change Leadership

## No Success without Strong Leadership



Anchor the new reality in the Organisational culture

Lead the impacted staff towards a new vision (“the promised land!”)

Leaders must paint a clear picture of the reason for change (create a climate for change)

# Importance of Change Leadership

No Success without Strong Leadership

1

Leaders are credible

2

Leaders are accountable

3

Leaders are accessible

4

Leaders are open to ideas

5

Leaders sponsor people in change



“Change Capability Framework” (Carnall, 2007)

# Change Leadership In Action

Ford CEO Alan Mulally

Get every employee:

- to understand the vision of the company,
- buy in to the plan,
- feel supported in their jobs.



*“If people aren't optimistic, they're not going to make the sacrifices and do the work required to turn things around.”*

*Business Insider, Nov 2013*

# Effective Leaders

## No Success without Strong Leadership



- Modify their approach to the mood of the Organisation
- Provide clear guidance and direction
- Focus attention on most impactful changes
- Relate well with key stakeholders

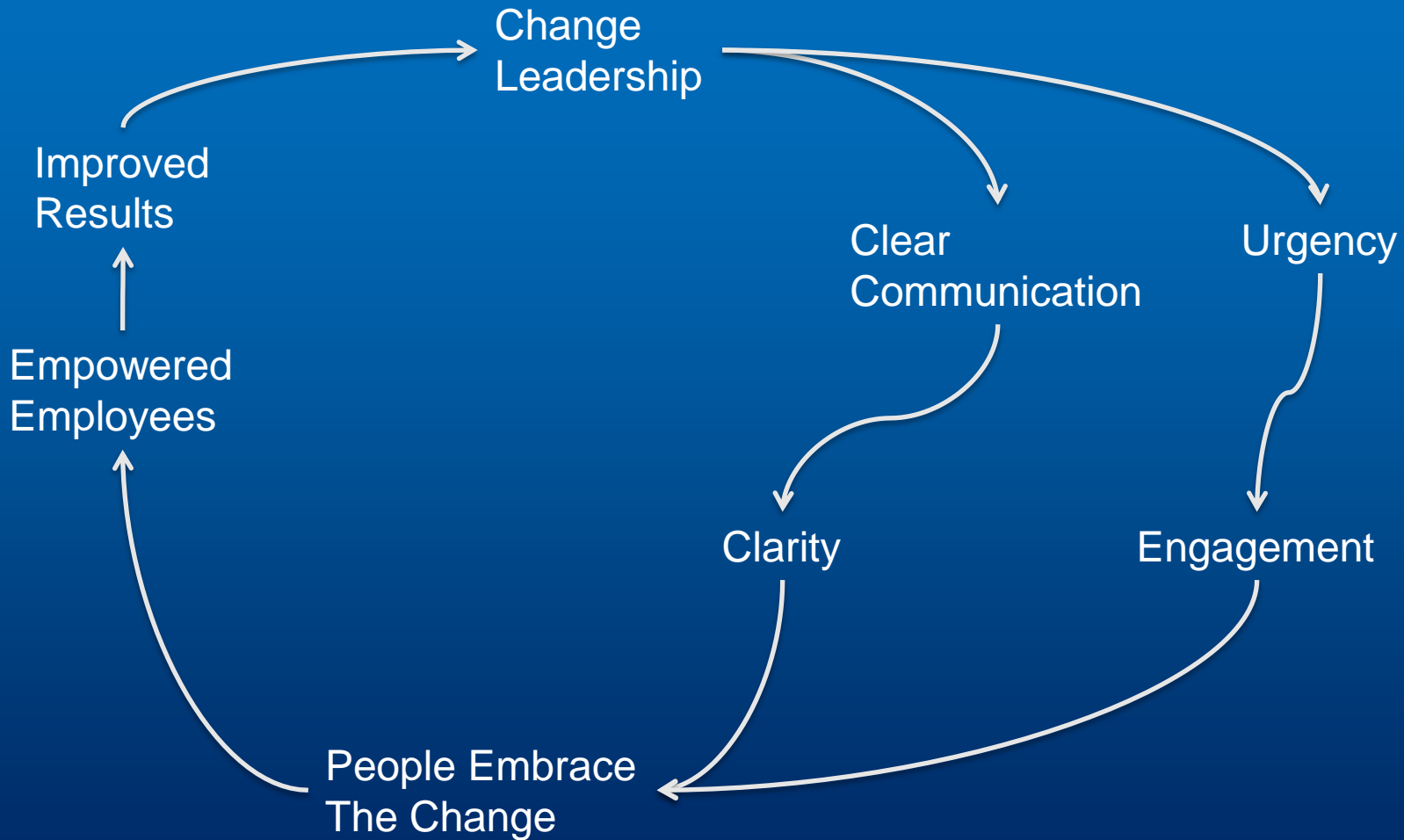
# Vicious Circle of Change

## The Interrelated Pieces



# Virtuous Circle of Change

## The Interrelated Pieces



# Success with Change Management

## 8 things to remember



- 1 Make the change **Ambitious**
- 2 **Name** the project appropriately
- 3 Structured and Coherent **Change Program**
- 4 **Change Leadership**
- 5 Create a sense of **Urgency**
- 6 Ensure the change **Resonates** with the staff
- 7 **Involve everyone** and define how they benefit from the change (to reduce resistance)
- 8 **Anchor the change** as the new reality

# THANK YOU!



## Q&A

**For further information:**

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and: Enterprise CIO Forum at <http://bit.ly/18xU0CC>