Realising Sustainable Change

How to achieve cultural shift that creates sustained change in the beliefs and behaviours of colleagues.

White Paper

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1   Executive Summary

The world around us is experiencing unprecedented change, both in terms of scale, impact and frequency. Whether we like it or not this will have a significant influence on our organisations, our people and ourselves.

The "new normal" is a situation where we have to adapt to and adopt rapid and far reaching changes in our environment, our services, our customers' expectations and our ways of working.

Perhaps the greatest paradox in this is that at the same time as creating substantial business risk, this new normal also creates significant opportunity for those that can effectively embrace change.

This white paper considers how organisations can successfully realise sustainable change, creating a transformation that persists and results in a change to the very DNA of the organisation.

> *Successful change results in a transformation that persists and leads to a change in the very DNA of the organisation.*

This is not about tweaking or adjusting what the organisation does, it is more fundamental than that. It involves embracing change, moving from "survive" to "thrive" and becoming skilled at realising sustainable, meaningful and supported change that benefits our people, our organisations, our customers and even the societies in which we work.

It challenges the traditional project and programme management approach to managing change, with its focus on the process of delivery, as being insufficient to realise sustained change. It argues that we need to bring a clear and strong focus on the human dynamic of change, how we treat people as "human beings" rather than a "human doing".

The paper describes how organisations can create tangible shifts in culture, influencing the experiences, beliefs and behaviours of colleagues to change not just what they do, but how and why they do it.

It introduces a new approach to realising change developed by the **change**maker team that is rooted in understanding the psychology of change. It highlights the tools and techniques we use to unlock sustainable change, a place where our people have changed as much as our processes and where change is embraced, supported and promoted.

2 The Problem

Successfully implementing change is a primary driver of enterprise value, whether that is measured by market share, EBITDA, capital value or social impact. However, whilst initiatives to effect sustainable change are often attempted, they are rarely successful, with most studies concluding that up to two thirds of change initiatives fail to meet their primary objectives.

Why is change so hard to achieve? The truth is that, although change is a common natural phenomenon, for many - if not most - it is an unwelcome intrusion into our safe, steady and predictable status quo.

Whilst we may value variety, we generally prefer predictability.

This paradox that exists in the natural world also pervades our organisations. Most organisation leaders will express a desire for innovation, entrepreneurship and applaud game changers and market disruptors. However, when it comes to changing their own organisation, we frequently observe that past experience makes them reluctant to invest the effort required to create sustainable change.

Change initiatives are labelled as "too hard" and it is easier to focus on the day to day business, prioritising "urgent" over "important".

When discussing change, we often hear comments such as those below, some of which you may recognise:

- We already do change, what's all the fuss about?
- I have more pressing issues in my business right now.
- I have told my team what to do, it is up to them to deliver it!
- We have changed. Been there, done that.

If this scenario sounds familiar then ask yourself one question: Did the changes you make achieve the outcomes you desired and **are they still achieving those outcomes (or more) 6 months later?**

If the honest answer to that question is "no", then we'd encourage you to read on and find out how you can change that situation.

So, to the problem statement. How do we realise sustainable change?

What are the tools, capabilities and approaches that allows us to consistently instigate and assimilate change in a way that endures and is supported?

A very 21st century problem? But perhaps with the seeds of an answer rooted in a famously misquoted saying from a 19th century scientist.

*"It is not the strongest of the species that survives,
nor the most intelligent.
It is the one that is the most adaptable to change."*

3 Background

If change is a naturally occurring phenomenon then presumably we would have evolved to naturally cope with it. Whilst that might be true of a species as Darwin implied, it apparently isn't true (yet) of organisations.

Consider the following:

- How many of the significant change programmes we see, or are part of, really achieve their initial ambition?
- For those that do deliver outcomes how often do we hear stories of the "human cost" of change, the ignored impact on the well-being and motivation of those remaining in the newly changed organisation.
- And for these organisations, how many do we notice reverting back to old ways, often under new leadership and with a cynical workforce convinced that change is never a good idea!

As we consider why this is happening, let's start by looking at the tools we are using currently to support change.

3.1 Project Management

Possibly the most commonly applied tool for managing change is project management. Indeed, the Association for Project Management's Body of Knowledge[1] defines project management as;

> "*Projects bring about change and project management is recognised as the most efficient way of managing such change.*"

The challenge is that project management (and by association programme management) is a process centric approach, developed to deliver inanimate objects, be that railroads, buildings or systems. It may support governing the process of change (and at **change**maker we frequently use it exactly for this purpose), but it does not address the issue of engaging human beings in the adoption of change.

It is not that the use of project management is incorrect, but rather that – on its own – it is insufficient.

3.2 Change Management

The other commonly used tool would fall under the description of Change Management. Initiated by books such as "Leading Change" by John Kotter and "Who Moved my Cheese" by Spencer Johnson, change management recognises the need to understand the role of the human being in successful change.

Approaches such as the Prosci® ADKAR™[2] model and Kotter's 8 Step Process [3] have brought a significant upgrade to the toolset of those organisations seeking to realise sustained change by legitimising a focus on the "hearts and minds" involved in change, recognising that people need to be engaged and influenced not just "told".

These approaches build upon project management by highlighting the human change journey as a critical component of realising change. They introduce techniques and tools for supporting that human change journey, such as communication, coaching and resistance management.

Change management tools are another valuable component in helping to manage the process of change and at **change**maker we include in our team Prosci® Certified change practitioners.

But again, we believe they are insufficient to realise sustainable change. Whilst telling us what to focus on to engage the human being, they do not give the detail on **how we actually engage**, creating influence on real people that is congruent and ethical and leads to enduring shifts in experiences and behaviours.

3.3 The Missing Link

At **change**maker, we believe there is a vital missing link in the current approaches.

This link looks at people and how they interact together within the organisation. It allows us to describe and understand why we behave the way we do and how these behaviours can be changed.

In doing so it gives us a set of tools that enable us to change an organisation's culture and drive the adoption of change because the new normal is somewhere our people actually want to be.

> *Adoption of change is dependent on the "new normal" being somewhere our people actually want to be!*

We call this component "cultural shift" and we'll explain how it works in the next section.

4 Cultural Shift - A Third Focus for Change

As stated earlier, it is not that the tools we have available to us today are ineffective, but more that, on their own, they are insufficient. They do not address the real driver of successful, sustainable change i.e. that those involved really, really want to be part of it!

We believe the most relevant indicator of likely success in realising sustainable change is to consider "have we won the hearts and minds of our colleagues?" Are individuals at all levels of the organisation personally motivated to make the change work - if they are then everything else becomes easy!

Whilst there is significant value in taking a holistic and pragmatic approach to managing change and actively engaging process and human management techniques to support the realisation of change, that value is destroyed if we cannot achieve the final part of the change puzzle – cultural shift.

4.1 Defining Cultural Shift

Culture isn't defined in posters and vision statements.

Whilst posters might provide valuable guidance to the organisation they rarely represent **what really happens**.

When asked to describe the culture of an organisation most employees or customers will talk about experiences they have had or events they have seen or been part of.

Why is talking about culture important? The experiences that create culture are a direct result of the way people in the business behave, what they believe is right, desirable and appropriate – or not. It is the embodiment of the DNA of the organisation and it is the changing of these behaviours that drives realising sustainable change.

> *Culture is the embodiment of the DNA of the organisation. Changing these behaviours is what drives realising sustainable change.*

Every change programme, big or small, will have a requirement for behaviours to change. If we cannot change those underlying attitudes, behaviours and beliefs then the sustainability of the change is in peril.

To take a more personal example, think about the last major change you tried to make in your own life. It may have been exercising more, eating less, spending more time with the family or learning a new skill. Did will power alone or being told it was the right thing to do get you past the first few months or did the "New Year Resolution" syndrome set in?

If you did sustain the change what made it sustainable? Were there changes in beliefs and experiences that gave you a reason to persist in adopting new behaviours?

This is no different in organisational change. If you are implementing a new customer call centre that places the customer at the heart of your organisation, with a complex CRM solution that tracks and manages customer data, then you probably

would want a culture of customer centricity in your call centre team. Creating a belief that the customers' satisfaction is central to an individual call centre operative's career, success or job fulfilment is the driver of sustainable change for this project, not building an office and implementing new software.

Realising cultural shift, changing the beliefs and behaviours of people, teams and organisations so that they deliver a different experience to other colleagues and customers is at the heart of sustainable change. The question is – how do you create this shift?

To successfully achieve cultural shift you must have three things:

1. A way of describing the target culture you desire
2. An understanding of your current culture
3. A mechanism for influencing people to start operating in line with the target culture and stop behaviours that no longer fit

Whilst it is not the core subject for this paper it is worth mentioning how we describe culture at **change**maker. We use a model that recognises that culture is about the way people think, feel and act based on beliefs they hold and behaviours they exhibit that create experiences for others.

Culture is about the way people think, feel and act, based on beliefs and behaviours that create experiences for others.

The model considers:

➢ The organisation's core values.
➢ How those values and the business priorities are evidenced through the behaviours of people
➢ The experiences colleagues or customers have as a result of others' behaviours.

We should also mention that we believe culture comes from the top.

The culture of an organisation is so crucial and fundamental to the organisation's value proposition that it must be something the leadership take accountability for defining and creating – even if that involves wider contribution.

4.2   Realising Cultural Shift

If we have a definition of the culture we are aiming to shift to, then the challenge becomes understanding how to influence others to shift to this culture, effectively making a change to the hearts and minds of the organisation.

This journey starts with accepting the role of the leaders in influencing cultural shift. This is not a change challenge that can be delegated or given to consultants. Realising cultural shift actively and directly involves the leaders of the organisation.

Why are leaders so important? As a leader you have significant influence, perhaps even more than you realise.

Research conducted into effective change management by Prosci® in their Best Practices in Change Management benchmark report[3] consistently shows that the most influential people in change are our line managers, team leaders and organisational leaders. Employees take their primary direction from how they see this group behaving and the experiences they create.

These leaders create ripples, often unintentionally, just as a function of "being themselves".

It is also important to note that this influence is exerted as much by the way you act as it is by what you say - actions speak louder than words!

To lead a cultural shift (or revolution) we need to understand what creates these ripples and how we can change them.
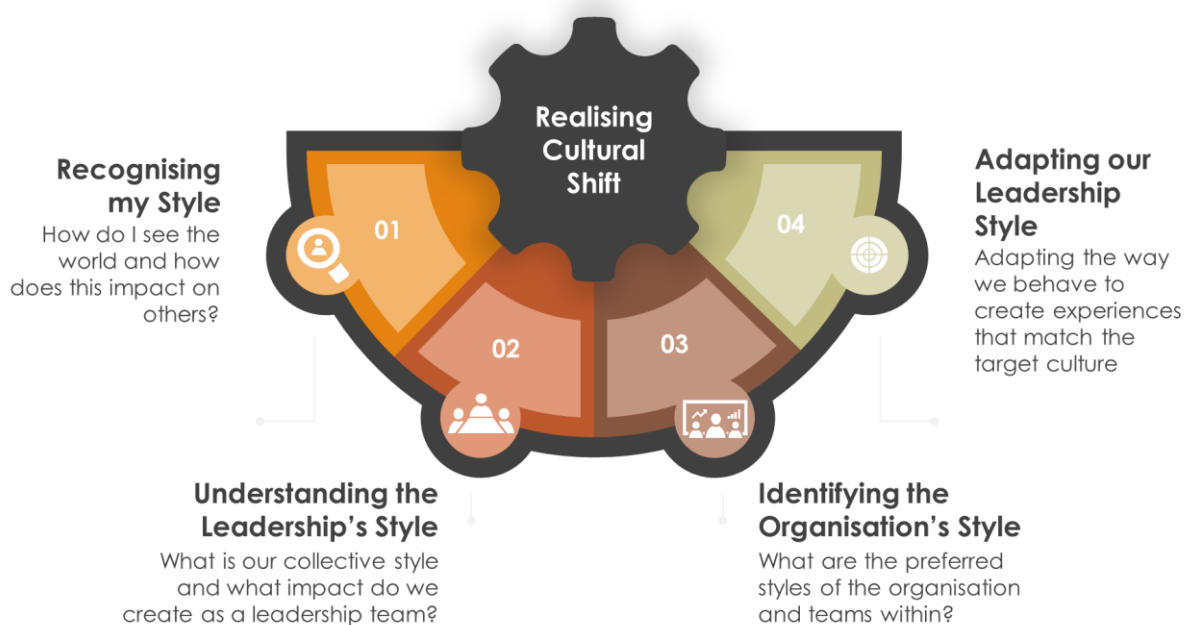
We believe the answers to these questions (and hence the third focus for change) can be explored through the lens of psychology and human behaviour.

Using these sciences allows us to gain a practical understanding of:

➢ the way personality influences our perceptions of the world around us
➢ why others see the world differently to us
➢ how we can **connect** more effectively with others building rapport and understanding
➢ how as leaders we can collectively create **influence** in a congruent and ethical way

At **change**maker we use a four-step approach to creating cultural shift. The approach is pragmatic, accessible and uses some of the latest innovations in psychometric tools to enables any organisation, large or small, to affect real change in the way it behaves.

Realising Cultural Shift

Recognising my Style
How do I see the world and how does this impact on others?

01

Understanding the Leadership's Style
What is our collective style and what impact do we create as a leadership team?

02

03

Identifying the Organisation's Style
What are the preferred styles of the organisation and teams within?

04

Adapting our Leadership Style
Adapting the way we behave to create experiences that match the target culture

4.2.1 I Am Unique – Recognising my Style

We all see the world differently based on our own preferences and perceptions. This isn't good or bad, right or wrong – it's just a fact.

These preferences and perceptions have a very strong influence on the experiences we create for others, and as discussed earlier, these experiences are at the centre of the culture we create around us.

So if my preferences and perceptions – let's call them my "personality" - have such a strong influence on culture, it would probably help if I had a language to understand and describe my unique personality. This can then help in unpacking how I influence others and the ripples I create.

At **change**maker, we use a psychometric tool called Lumina Spark[4]. This allows us to create a meaningful, accurate and accessible picture of the way that an individual leader (or colleague) perceives the world around them. We chose Lumina Spark because it takes a humanistic approach to personality, valuing diversity and embracing the fact that we behave differently in different situations rather than applying labels to people based on "type". It also uses an easily accessible, visible and memorable language that is very effective in engaging individuals and organisations in raising awareness of personality.
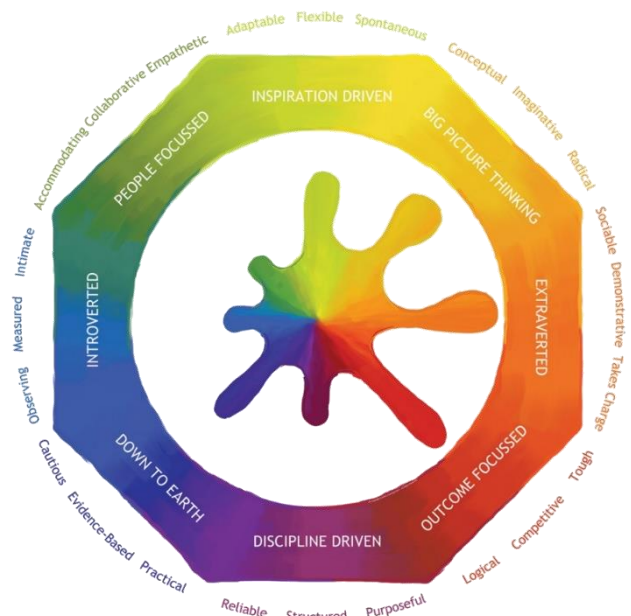
Creating this level of self-awareness has proven invaluable to help leaders unpack the intentional and unintentional impacts we have on those around us, not only when we are at our best but also when we are perhaps under stress or becoming exasperated.

The Lumina Spark mandala

Using the mandala on the right as an example, being able to recognise that I prefer to focus on outcomes rather than people helps create an awareness that there is a strong probability this will come over when I am in discussions with team members.

Again, this isn't good or bad, it is part of my personality and a strength in many situations. But what experience does it create for colleagues? Does it create an unintended consequence of "get the job done" or "don't argue, just do it", which might be seen to stifle innovation or thinking of alternative approaches?

Am I "wrong" to be unique – absolutely not! The question is not is it a good or bad "style", but instead can I clearly recognise and understand my own style and the experiences it creates for others?

The way I act, especially as a leader, is a strong indicator to others of what is acceptable, preferred, or rewarded behaviour. I am unconsciously laying down the template for my organisation's culture in terms of beliefs and behaviours – saying "people like us do things like this".

Creating this level of self-awareness for leaders is the first step in realising a cultural shift. Recognising the impact I create, understanding that these are in my control and being able to adapt my behaviours creates huge influence.

As Viktor Frankle remarked:

> *Between stimulus and response there is a space. In that space is our power to choose our response. In our response lies our growth and our freedom.*

….. and our ability to shift culture!

4.2.2 The Collective Noun for Leaders - Understanding the Team's Style

A leader can create a ripple through their behaviours, a team of leaders can create a tsunami!

Just as an individual leader is unique, so each member of a leadership team will be unique. But what happens when all these differences aren't harnessed successfully?

We often talk about leadership needing to "sing from the same hymn sheet" in the context of strategy and direction, being seen to be consistent in the messages they deliver across the team. This need for consistency is a critical factor in success from a human change perspective as well – but amplified when we remember that actions speak louder than words!

If a group of leaders are all behaving in different ways, creating different experiences for their teams then the culture of the organisation will not be understood or consistent.

Does this mean all leaders have to be "behavioural clones"? Evidence would suggest not.

When harnessed effectively, these differences can become a significant strength for an organisation. Recent research published in a Harvard Business Review[5] article suggests that cognitively diverse teams (those that embrace diversity in thinking styles) are significantly more successful than teams where a single thinking style pervades.

To harness these differences requires the team to understand its own personality and style and to engage in a practical and open conversation about individual and team preferences without judgement or criticism.

Again, this is where using a psychometric tool like Lumina Spark helps, as it allows a team to share their individual perspectives. At **change**maker we also use the Lumina Leader[4] assessment to help the leader to explore their preferred leadership style and the leadership style of the team together.

This team perspective gives a powerful insight into the experiences the leadership team are creating for the organisation and enables understanding of the impact individual and collective behaviours are having on those experiences.
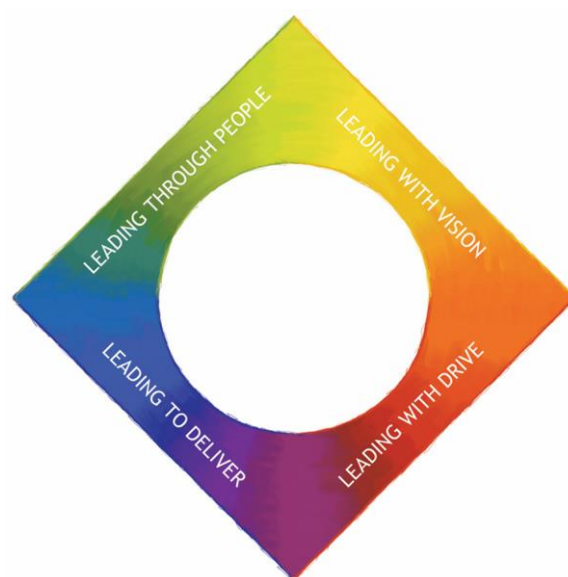
The Lumina Leader Dimensions

### 4.2.3   We Are All Unique – Identifying the Organisation's Style

Having raised understanding of individual preferences and those of the leadership team we next need to recognise that (not surprisingly) everyone else in the organisation is probably different to me - we all see the world differently!

To realise a shift in culture based on creating new experiences and beliefs for the wider organisation we must start by developing a picture of what their existing preferences are.

Creating an understanding of the natural preferences and style of individuals, teams and even the whole organisation creates two powerful insights.

Firstly, it provides a clear picture of the natural style of the organisation. For some organisations this style might be very varied, but it is surprising how often there are natural centres of gravity. Creating a team or organisational map of personality preferences will often explain why previous change initiatives have struggled or why certain teams seem to consistently perform differently to others in changing circumstance.

Using the Lumina Team[4] view we can see how the organisation prefers to behave in different situations, understanding for example how group behaviour might shift when the team is under stress. The Everyday Team Mandala shown below might indicate an organisation that had a strong preference for down to earth or outcome focused behaviours. This preference brings key strengths in areas such as reliability, compliance and delivering results but may mean it is less open to changes that introduce high degrees of ambiguity or are more visionary in nature.
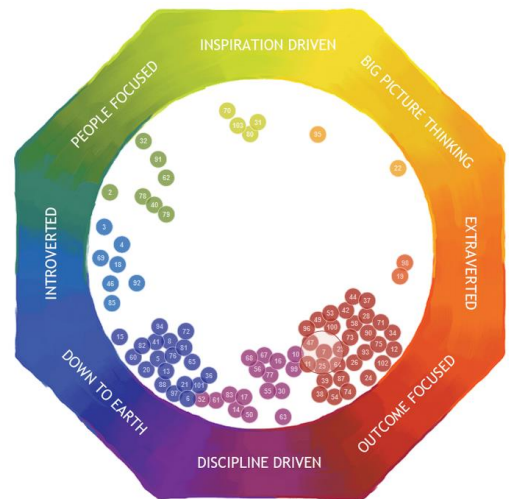
Lumina Team View Example

Secondly, the team view allows leadership to understand how to connect more effectively with the audience they are speaking to, establishing genuine rapport and understanding.

Using the same example as above, if the change programme was dependent on introducing a cultural shift to a more innovative or experimental culture, knowing the preferred style of the organisation would significantly change the way this programme was communicated. It might bring an emphasis on the practical ways of achieving innovation or the external evidence and data that supported the need for the shift. Equally it might focus on the competitive advantage resulting from the new approach or the logic for making this change to respond to market needs.

Being able to assess the preferences of the organisation in this way provides a powerful tool for creating influence. It allows leaders to appreciate how colleagues may react to change and discover disconnects that may hinder attempts to achieve cultural shift. It also allows them to understand how to connect with colleagues more effectively, addressing the invisible as well as the visible concerns the teams may have.

4.2.4 The Adaptive Leader

The previous three steps create awareness of the preferences of the individual leader, the leadership team, and the organisation as a whole.

Understanding these preferences allows the leaders of change to compare the current cultural norm against the target culture necessary for change to be sustainable.

Adapting leadership style to create new experiences for colleagues and teams is the most effective way of realising cultural shift and hence sustainable change.

If there is a cultural shift required then the organisation's leaders now have the data and a language to agree what they need to do to bring about this shift.

The leader can now change the experiences a colleague has, exhibit behaviours that are congruent with these experiences, and even more importantly, consistently evidence these behaviours across the leadership team.

But how does a leader change experiences and behaviours? A fundamental requirement of modern leadership is the ability to adapt to differences in the needs and situation of the organisation and that includes adapting their style and approach. Adapting leadership style doesn't mean a leader has to re-write their personality, but it does mean they need to consciously think about how that personality influences those around them. They need to:

➢ Consider how their own style can support the desired style of the business.
➢ Understand the impact that occurs when they overextend (become overstretched or frustrated) and find ways to avoid overextension.
➢ Assess the different ways others will prefer to see the world and change approach to engage and communicate effectively.
➢ Identify the leadership competencies and style that support the desired new ways of working and embrace these competencies.

This is a development path for leadership that at **change**maker we support with formal learning, coaching and tools that equip leaders with an understanding of their own behavioural preferences, those of the leadership team and of the wider organisation.

This understanding enables leadership to act, adapting their behaviours and style to consistently and congruently evidence the experiences, behaviours and beliefs they want peers and colleagues to adopt.

When that action is taken collectively and consistently across the leadership team, cultural shift will happen.

The Lumina Leadership Toolset

5 Conclusion - The Psychology of Change

We believe sustained change can only be brought about by shifting culture. Culture is evidenced through the behaviours and experiences created by those in the organisation which in turn are influenced by the behaviours and experiences created by the leaders of the organisation.

Leading a successful cultural shift requires us to be intentional, clearly identifying the culture that is required for the change to succeed and implementing approaches that encourage that culture to form.

It is not an exercise in "telling" people how to behave. We need to understand the behaviours and preferences that currently exist in the organisation and how to change them in an authentic and consistent manner.

It is about influence, building connection and rapport with real human beings. It is based on understanding how I, as a change leader, impact those around me, and taking accountability for my actions and impact.

It is also about creating a balance between the need for a consistent style whilst valuing the diversity of different cognitive approaches, accepting that we are unique and being comfortable with the discomfort this creates.

Whilst the basic skills of project and change management are important prerequisites, real transformation and sustainable change are only achieved when those affected by and involved in change have shifted beliefs and behaviours and embrace, support and promote the change.

This transformation is enabled through using the latest innovations in psychology and psychometrics to support leaders in developing the skills needed to adapt and influence their own behaviours and the behaviours, beliefs and experiences of those around them.

This is the discipline of cultural shift, this is what **change**maker brings.

6 About Changemaker

Changemaker is an organisation dedicated to helping others get better at change.

By sharing our combined knowledge and deep experience in all aspects of transformational change, from people to organisation to culture to technology, we support organisations in realising sustainable change.

We bring a structured process that addresses the 3 key challenges of change:

1. **Engagement**: ensuring those affected contribute positively to change
2. **Structure**: managing the ambiguity out of change
3. **Predictability**: Ensuring that the desired outcomes of change are measurable and monitored

Our approach evaluates an organisation's strengths in the 5 core competencies required for successful change as shown below. We then provide support in developing and sourcing the skills and capabilities necessary to ensure these capabilities are sufficient to address today's changing priorities, whilst equipping the organisation for the challenges ahead.
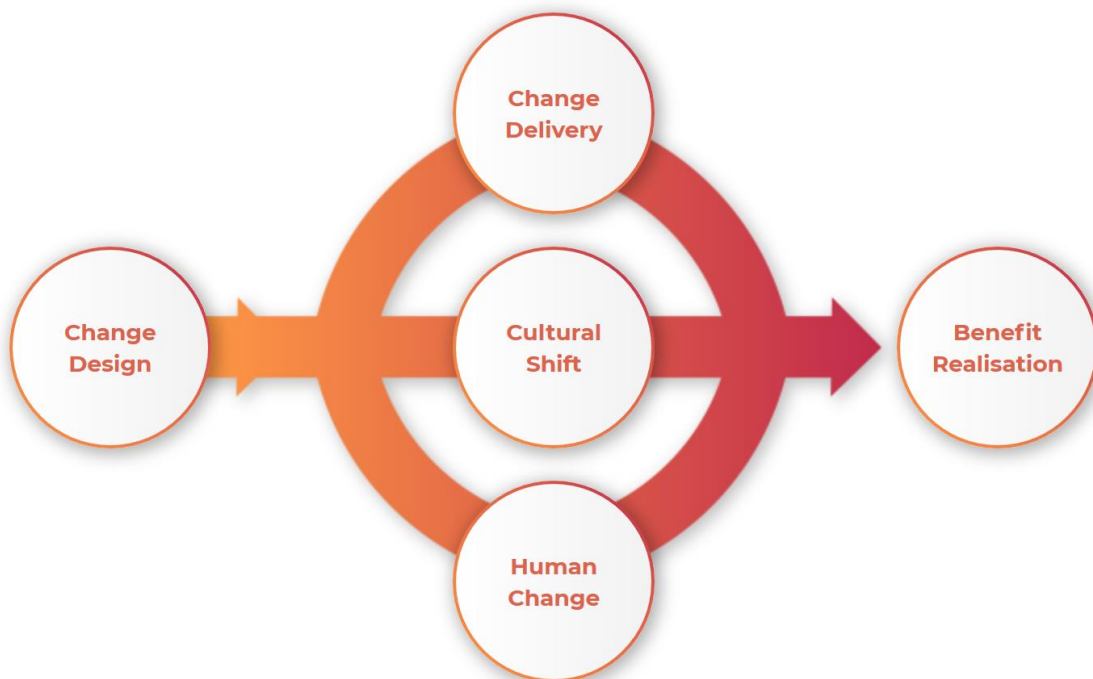
Though our network of trusted associates, we are able to provide a diverse range of skills that range from Executive Coaching and Leadership Development to Programme Management and Change Design.

We include amongst our team practitioners certified in Prosci Change Management, Lumina Learning psychometric tools, Neuro Linguistic Programming and a range of industry standard project management methods.

7 References

1. Association for Project Management – The APM Body of Knowledge Section 1.1 www.apm.org.uk
2. Prosci Inc – www.prosci.com The ADKAR change model is one of a number trademarked resources developed by Prosci to support change management. These include the Best Practices in Change Management, a comprehensive benchmarking report now in its tenth iteration.
3. Kotter Inc – www.kotterinc.com The 8 Step Process is a method for leading change based on observations made by Dr John Kotter published in his books "Leading Change" and "Accelerate".
4. Lumina Spark, Lumina Leader, Lumina Team and Lumina Mandala are copyright Lumina Learning Ltd. More information can be found at – www.luminalearning.com
5. Harvard Business Review - www.hbr.org "Teams Solve Problems Faster When They're More Cognitively Diverse" - Alison Reynolds and David Lewis