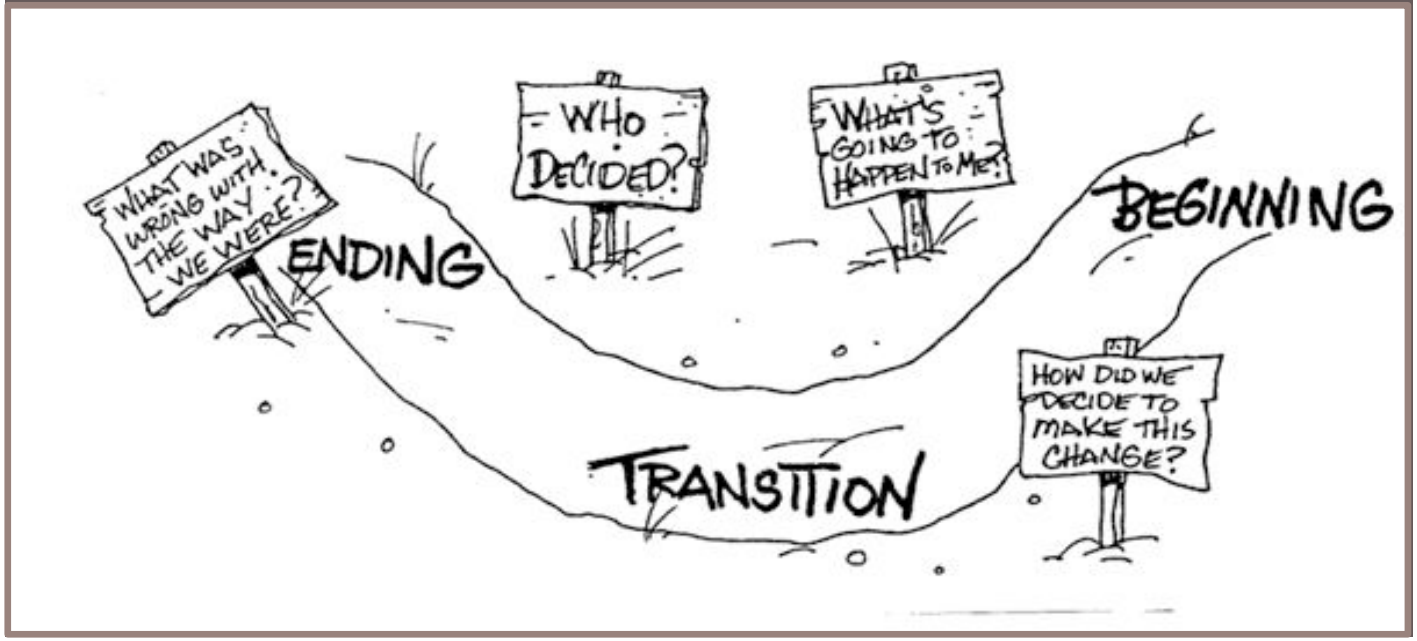
CHANGE IS THE ONLY CONSTANT:
Preparing for and Managing Organizational Change

The Pew Fund Capacity Building Program:
OMG Center for Collaborative Learning



October 29, 2013

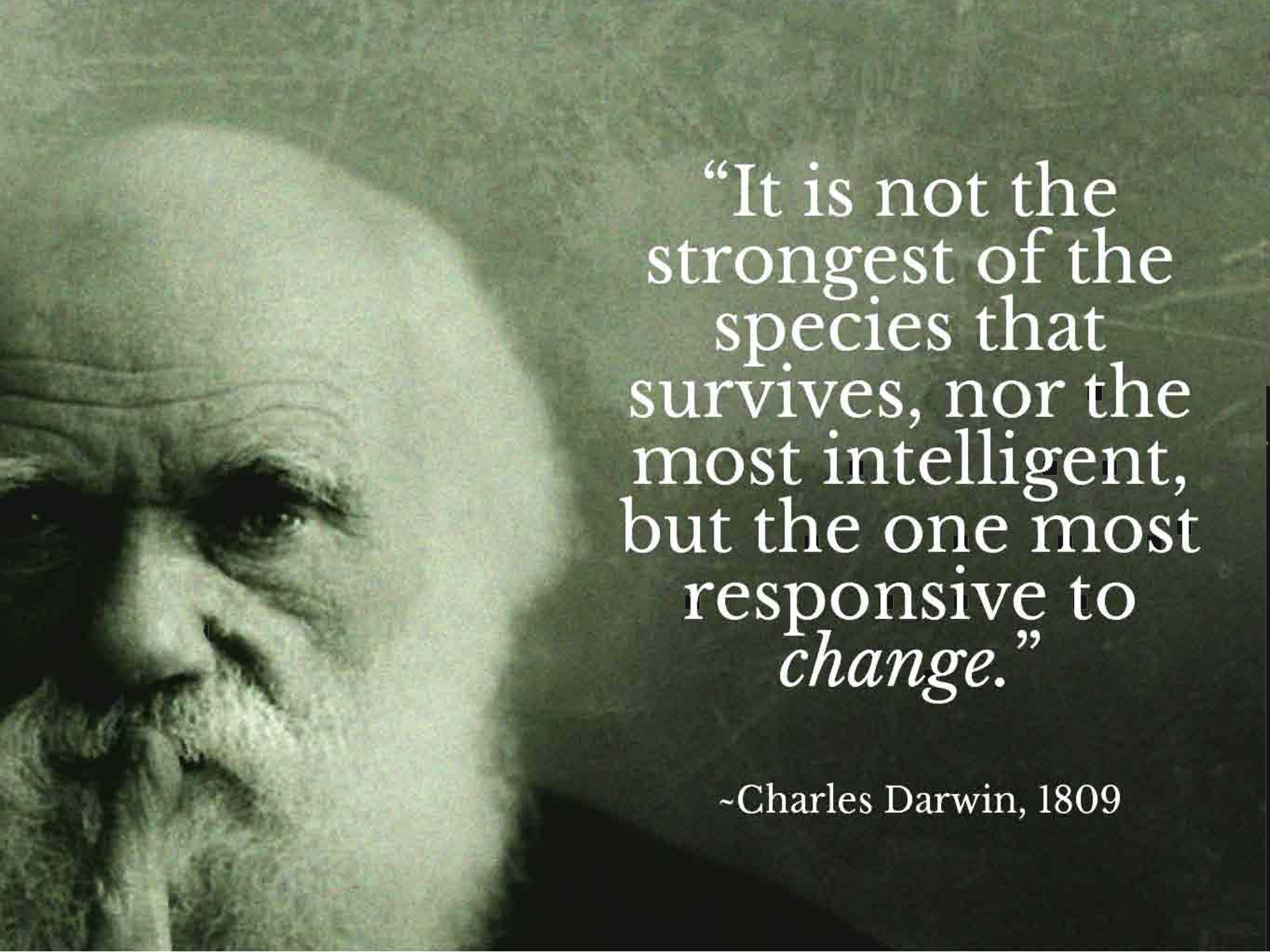
CAPACITY FOR CHANGE

- **Capacity:** the ability or power to do, experience, or understand something.
- **Change:** to make or become different.

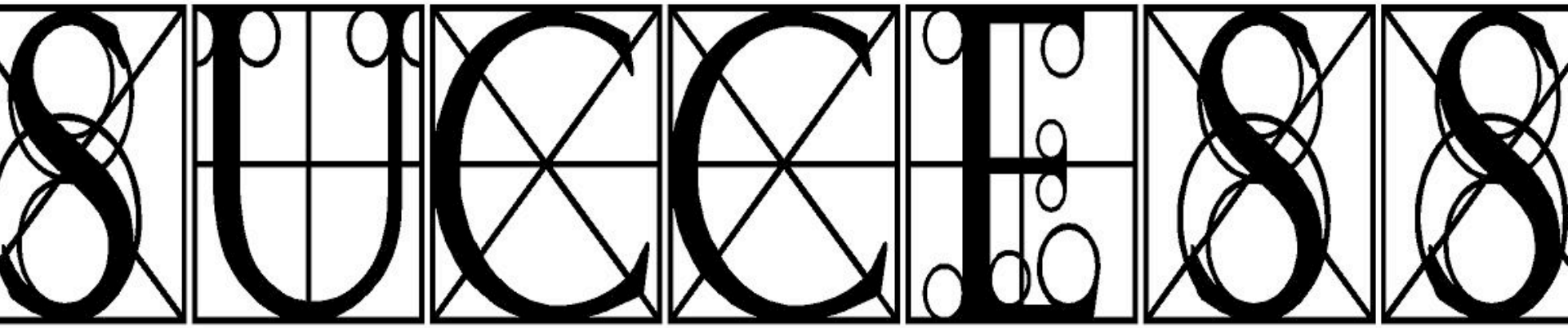
Workshop Presented By:

Meghan McVety, Capacity for Change, LLC

www.capacityforchange.com


"It is not the strongest of the species that survives, nor the most intelligent, but the one most responsive to *change*."
~Charles Darwin, 1809

Change creates and offers **windows for improvement** (or decline). How an organization acts determines the path.



[Noun] The achievement of something desired, planned, or attempted.

Managing **change** successfully **is possible**,
and more often than not,
it is in your control.

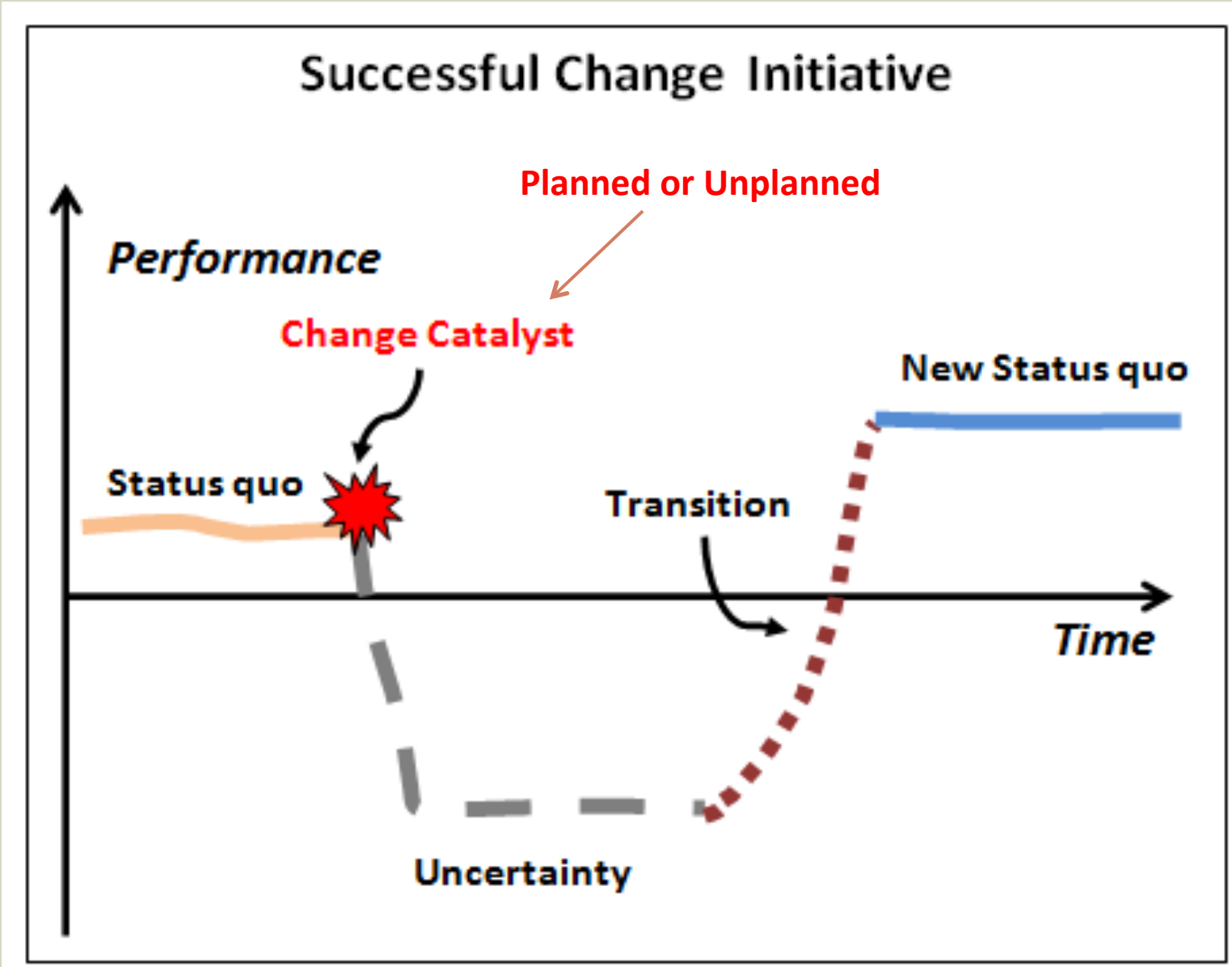
Exploring today:

- How capacity building can effect change
- Change interventions
- Being prepared for planned versus unplanned change
- Supporting people in times of change

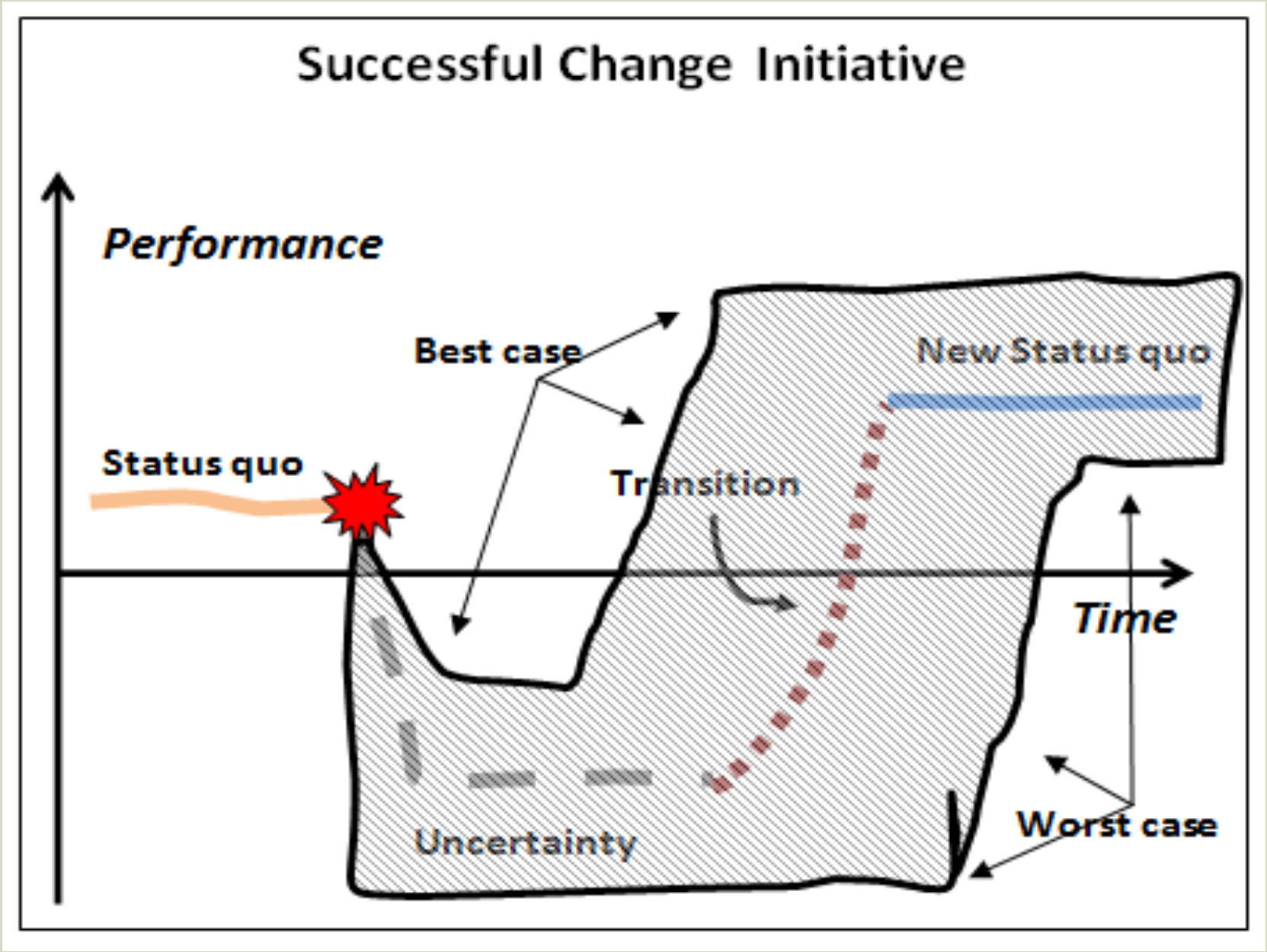
UNDERSTANDING CHANGE

THREE STEPS

1. Unfreeze
2. Change
3. Refreeze



Slide from Charlie Rudd, based on Satir change model: www.solutionsiq.com



Slide from Charlie Rudd, based on Satir change model: www.solutionsiq.com

UNDERSTANDING ORGANIZATIONS

ORGANIZATION AS A SYSTEM

ELECTRIC RIDE

THE TESLA ROADSTER PUTS THE CHARGE BACK INTO SUPERCHARGED. THE ALL-ELECTRIC, HIGH-PERFORMANCE SPORTS CAR IS POWERED BY THE SAME BATTERIES THAT RUN YOUR LAPTOP. WIRED GOT THE FIRST GUIDED TOUR. – J.D.

1 BATTERY PACK
THE POWER SUPPLY IS SPLIT INTO 11 SECTORS OF 621 LITHIUM-ION CELLS. EACH SECTOR IS CONTROLLED BY ITS OWN PROCESSOR, WHICH MONITORS THE CHARGE AND DISCHARGE RATE OF EVERY CELL.

2 SAFETY MONITORS
AN ACCELEROMETER, SMOKE DETECTOR, VOLTAGE METER, TEMPERATURE GAUGE, AND WATER SENSOR CAN DETECT A CRASH OR OTHER FAILURES AND SHUT THE BATTERIES DOWN TO PREVENT FIRE OR EXPLOSION.

3 INVERTER
THE INVERTER USES 72 INSULATED TRANSISTORS TO TRANSFORM THE BATTERY'S DC ENERGY INTO AC POWER. IT DELIVERS ALMOST 80 PERCENT MORE POWER THAN GM'S NOW-DISCONTINUED EV1.

4 MOTOR
AT THE HEART OF THE AC ELECTRIC MOTOR IS A HIGH-EFFICIENCY ROTOR. THE BREAKTHROUGH: IT'S MADE OF BRAZED COPPER, WHICH IS MORE CONDUCTIVE THAN CONVENTIONAL ALUMINUM ROTORS.

5 COOLING
THE INVERTER'S TRANSISTORS PRODUCE VERY LITTLE HEAT, ALLOWING THE CAR TO USE LIGHTWEIGHT, ENERGY-EFFICIENT AIR COOLING, WHICH VENTS THROUGH A TAILPIPE.

6 HEATING
SINCE THERE IS NO CONVENTIONAL ENGINE TO PROVIDE CABIN HEATING, THE ROADSTER HAS AN ELECTRIC HEATER. ONE BONUS: IT DELIVERS HEAT IMMEDIATELY – NO WAITING FOR AN ENGINE TO WARM UP.

7 PARTS
TESLA HAS DEALS WITH VARIOUS MANUFACTURERS TO SUPPLY THE WINDSHIELD WIPERS, BRAKES, SUSPENSION, AND OTHER COMPONENTS – THERE'S NO NEED TO REINVENT THE HIGH-PERFORMANCE WINDSHIELD WIPER.

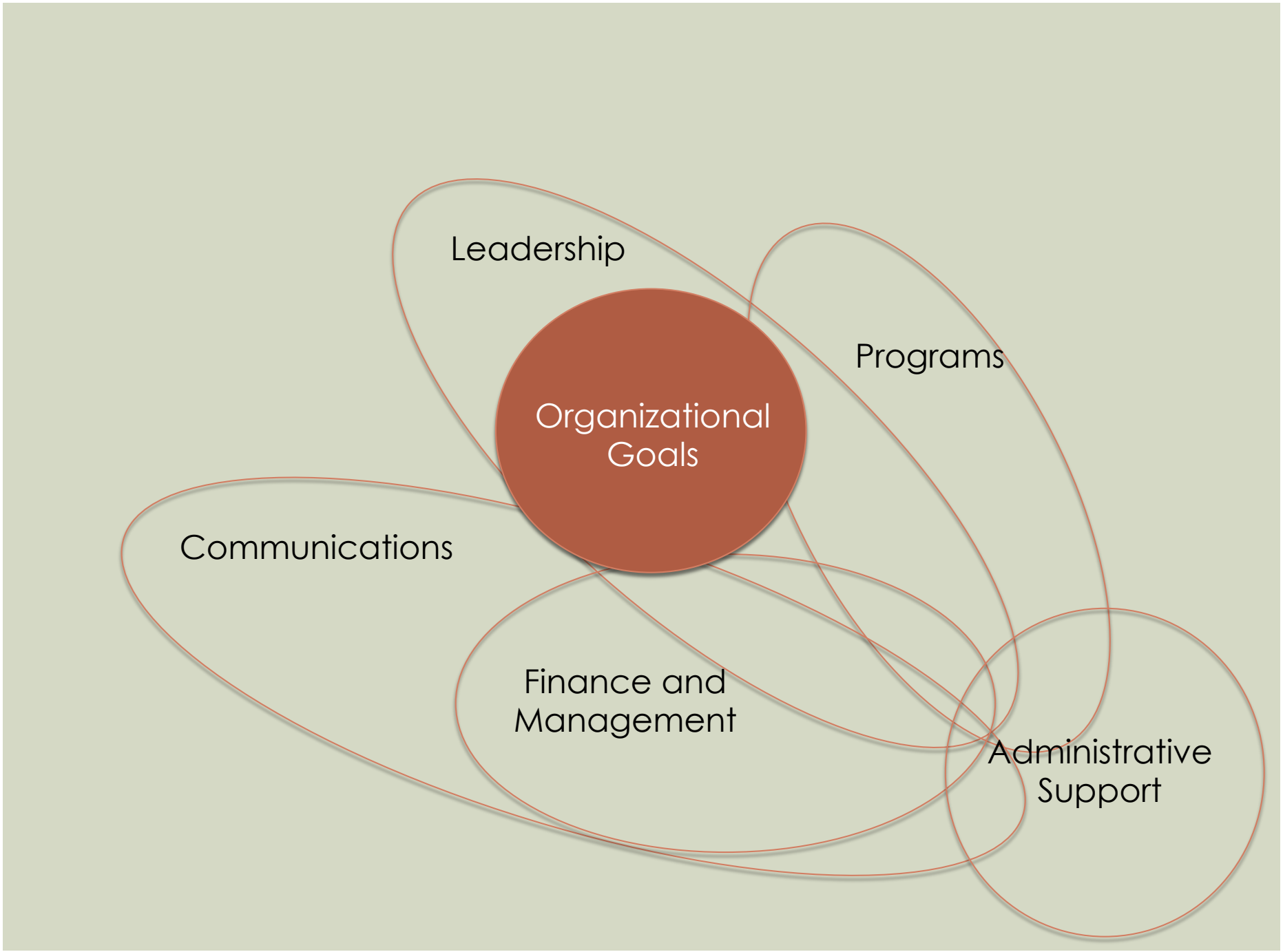
ORGANIZATION AS A SYSTEM

- All parts of the system must be integrated
- Take into consideration how decisions affect all parts of the system

- *A high-functioning system continually exchanges feedback among its various parts to ensure they remain* ***closely aligned and focused on achieving the goal of the system****.*

Leadership
Communications
Programs
Organizational Goals
Finance and Management
Administrative Support

Leadership
Communications
Programs
Organizational Goals
Finance and Management
Administrative Support


Leadership
Programs
Organizational Goals
Communications
Finance and Management
Administrative Support

WHY ORGANIZATIONS ARE NOT ALIGNED…

Philosophical Considerations

- Are we operating with the same **definitions**?
- Are different **views** of our work integrated?
- Are different **disciplines** and models aligned?

Operational Considerations

- Lack of **systems** approach – knowing and responding to what each part of the system needs and how it works together
- Understanding **sub-systems**
- **Communicating** across systems

WHY ORGANIZATIONS ARE NOT ALIGNED…

Diagnosis if not aligned:

- What happened that caused the mis-alignment? (Or made you aware of it?)
- What intervention is needed to achieve alignment?

Philosophical Considerations

Are we operating with the same **definitions**?

How are our different **views** of our work integrated?

How do different **disciplines** and models aligned?

Operational Considerations

Lack of **systems** approach and integration – knowing what each part of the system needs and how it works together

Understanding **sub-systems**

Communicating across systems

Alignment is the ideal state to achieve optimal individual, team, and organizational performance.

Aligned organizations handle change well.

CHANGE INTERVENTIONS: ACHIEVING ALIGNMENT

CHANGE INTERVENTIONS

1. Management development
2. Organizational learning
3. Work systems
4. Organizational structure
5. Organizational culture
6. Strategic planning

SOME MOMENTS TO INTERVENE

Interventions

1. Management development
2. Organizational learning
3. Work systems
4. Organizational structure
5. Organizational culture
6. Strategic planning

- Leadership turnover
- Funding (changes in revenue, funder priorities)
- Technology
- Low morale/conflict
- Community needs and opportunities
- Crisis
- Performance gaps
- Lack of focus
- Mergers

MANAGEMENT DEVELOPMENT

- **Management:**
  - Functions and styles
  - Development of managers through training and coaching
- **Goal setting and performance appraisals**
- **Team-building**
- **Conflict management**

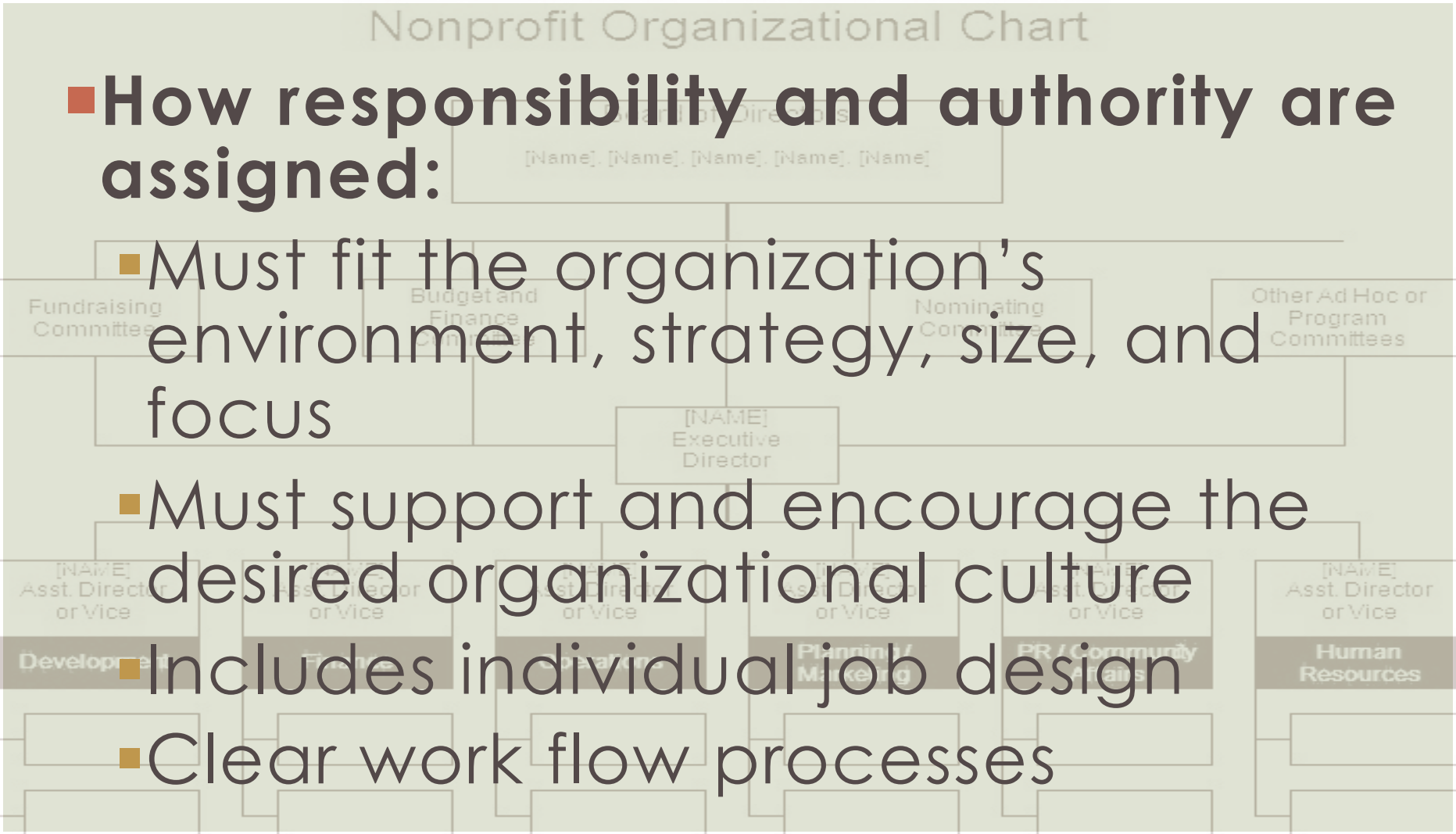
ORGANIZATIONAL LEARNING

- **Promoting, rewarding, and capturing organizational learning:**
  - Creating continuous learning opportunities
  - Promoting inquiry and dialogue
  - Encouraging collaboration and team learning
  - Establishing systems to capture and share learning
  - Empowering people to have a collective vision

WORK SYSTEMS

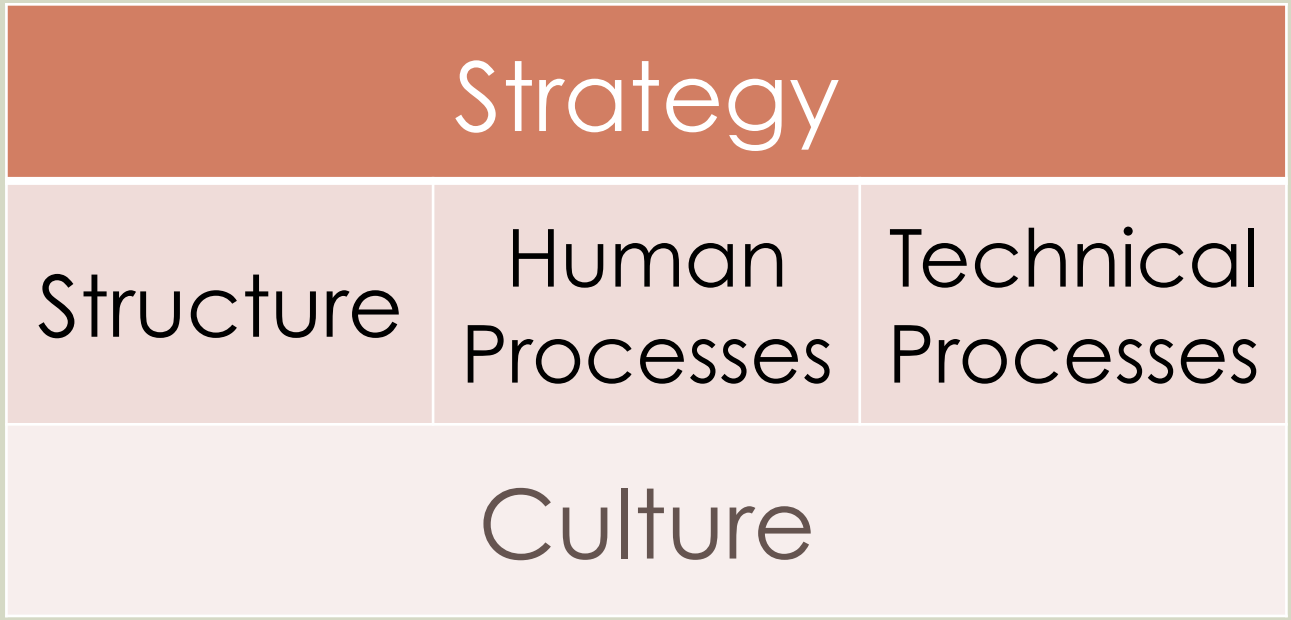
- **Technical processes:**
  - Reporting
  - Technology
  - Finance and administration
  - Policies and procedures

ORGANIZATIONAL STRUCTURE



- **How responsibility and authority are assigned:**
  - Must fit the organization's environment, strategy, size, and focus
  - Must support and encourage the desired organizational culture
  - Includes individual job design
  - Clear work flow processes

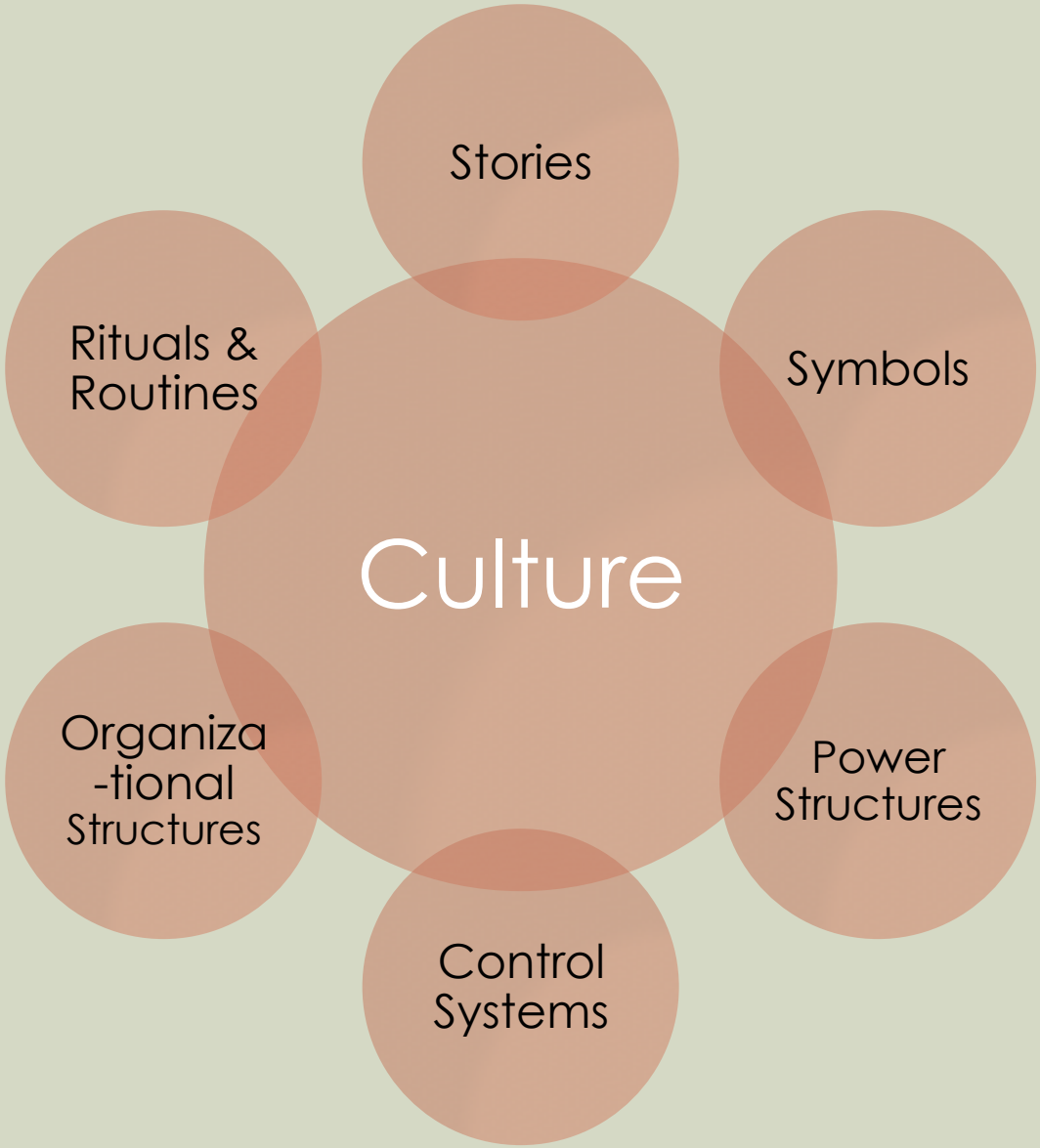
ORGANIZATIONAL CULTURE



WHAT IS ORGANIZATIONAL CULTURE?

"I don't know how it started, either, but I would never come to work without my hat."

Organizational Culture

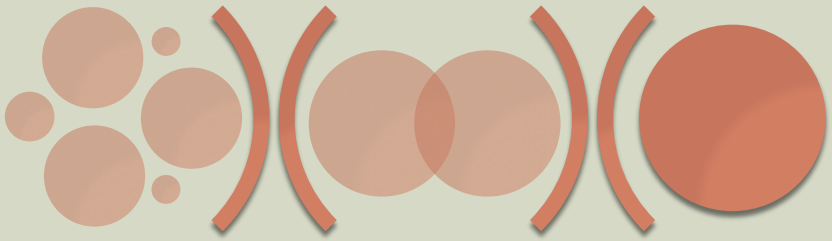


SHARED NORMS AND PRACTICES

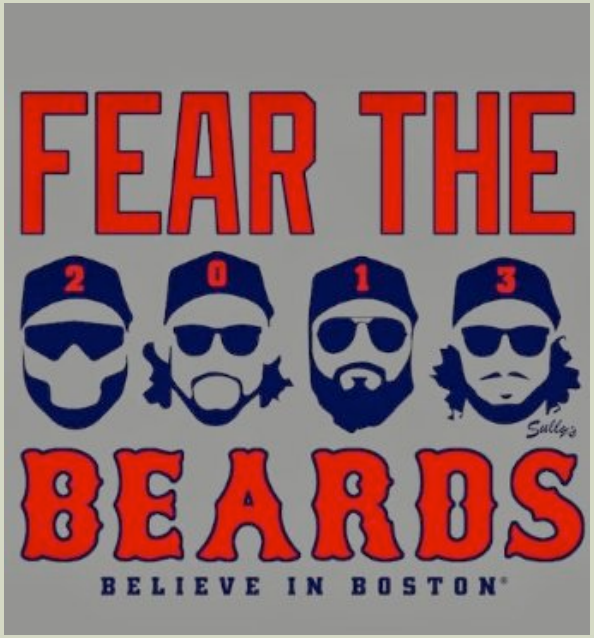
STRATEGIC PLANNING

A systematic process of envisioning a desired future, and translating this vision into broadly defined goals or objectives and a sequence of steps to achieve them.

Discovery | Design | Implementation



Google



What happens when
strategy and culture meet?

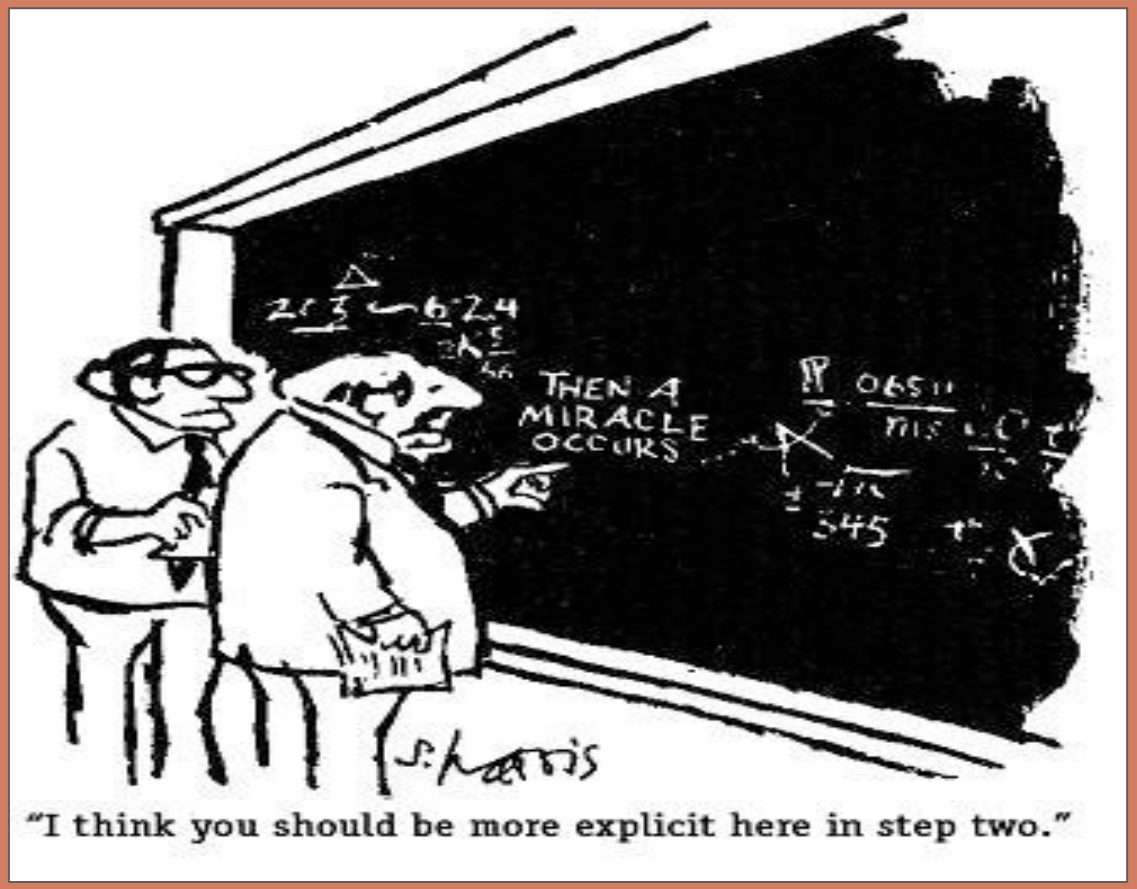
Zappos.com
the web's most popular shoe store!®

MEDECINS SANS FRONTIERES
DOCTORS WITHOUT BORDERS

Funding
Turnover
Movements
and Moments
it's the unexpected
that changes our lives.

DISCUSSION QUESTIONS

1. What stands out as a priority for your organization?
2. What made you aware of the change that's needed?
3. What are your plans (and do your colleagues have tips for you)?



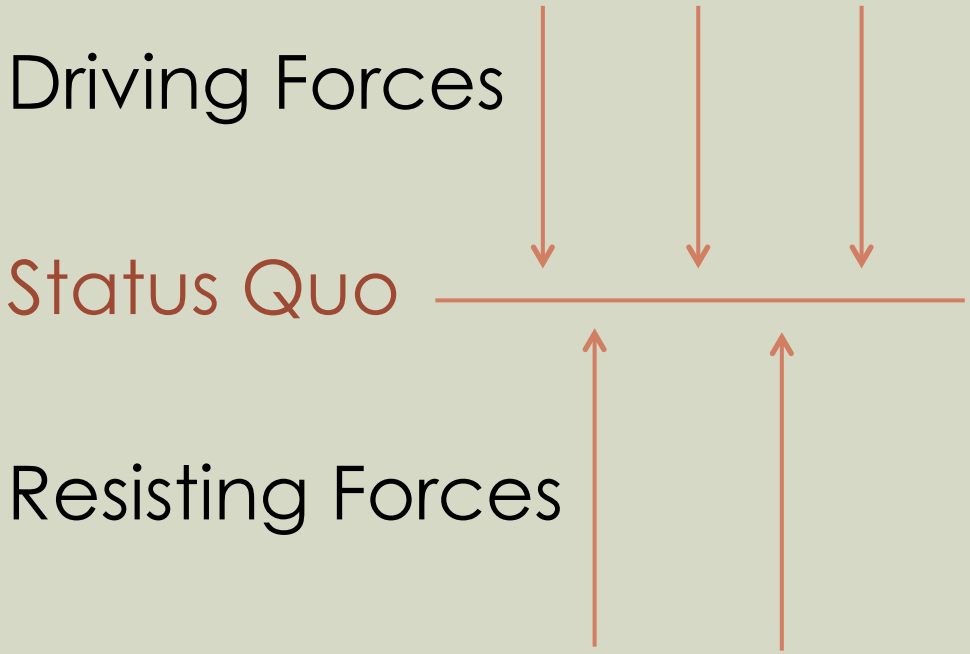
"I think you should be more explicit here in step two."

MANAGING CHANGE

"PROGRESS is IMPOSSIBLE WITHOUT CHANGE, & those who cannot CHANGE THEIR minds CANNOT CHANGE Anything."

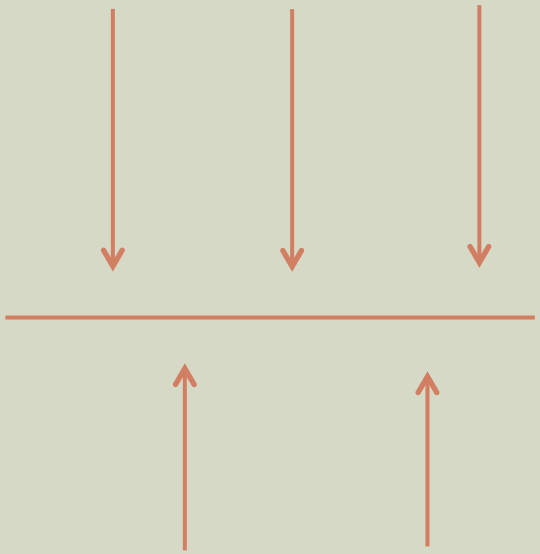
- George Bernard Shaw

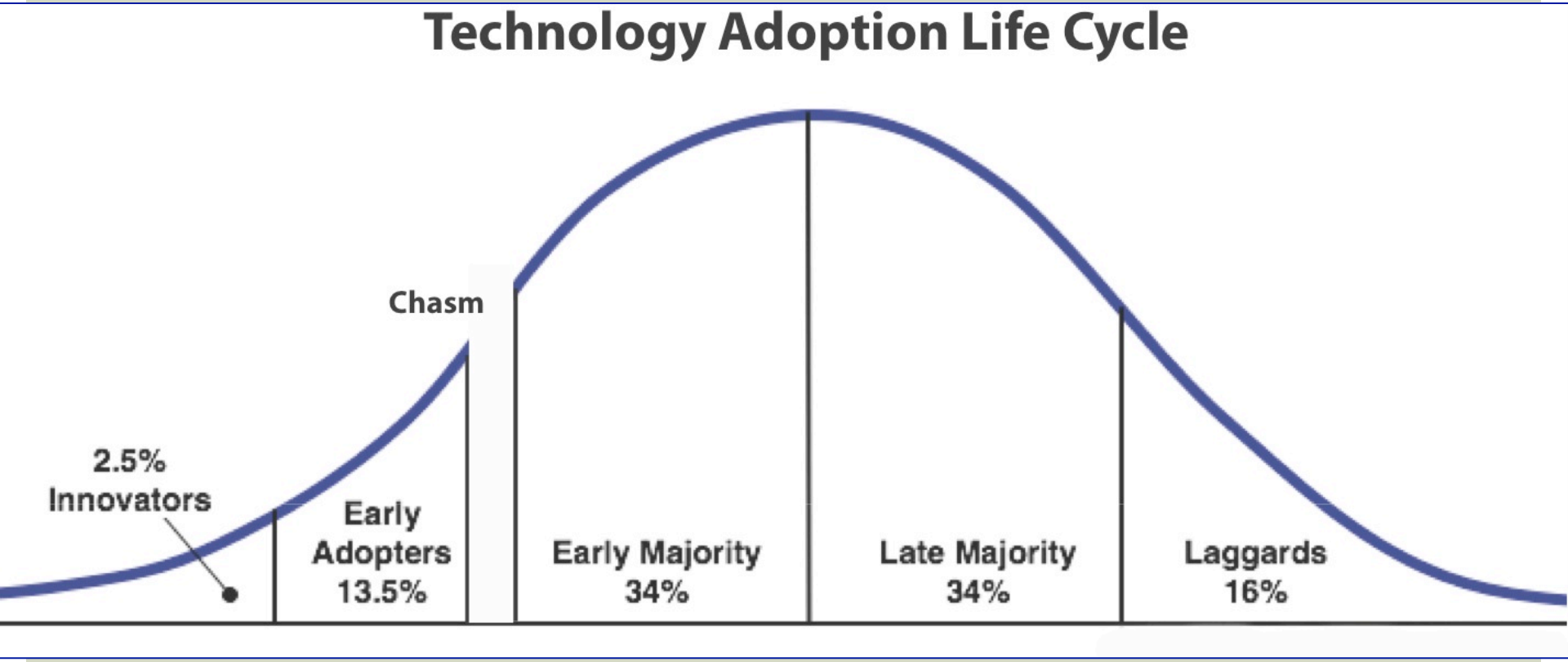
Force Field Analysis



DIFFERING RESPONSES TO CHANGE

- Depends on a person's perception of how change will affect them
- *Driving Forces* versus *Resisting Forces*
  - **Empower** *Driving Forces*
  - **Manage** *Resisting Forces*



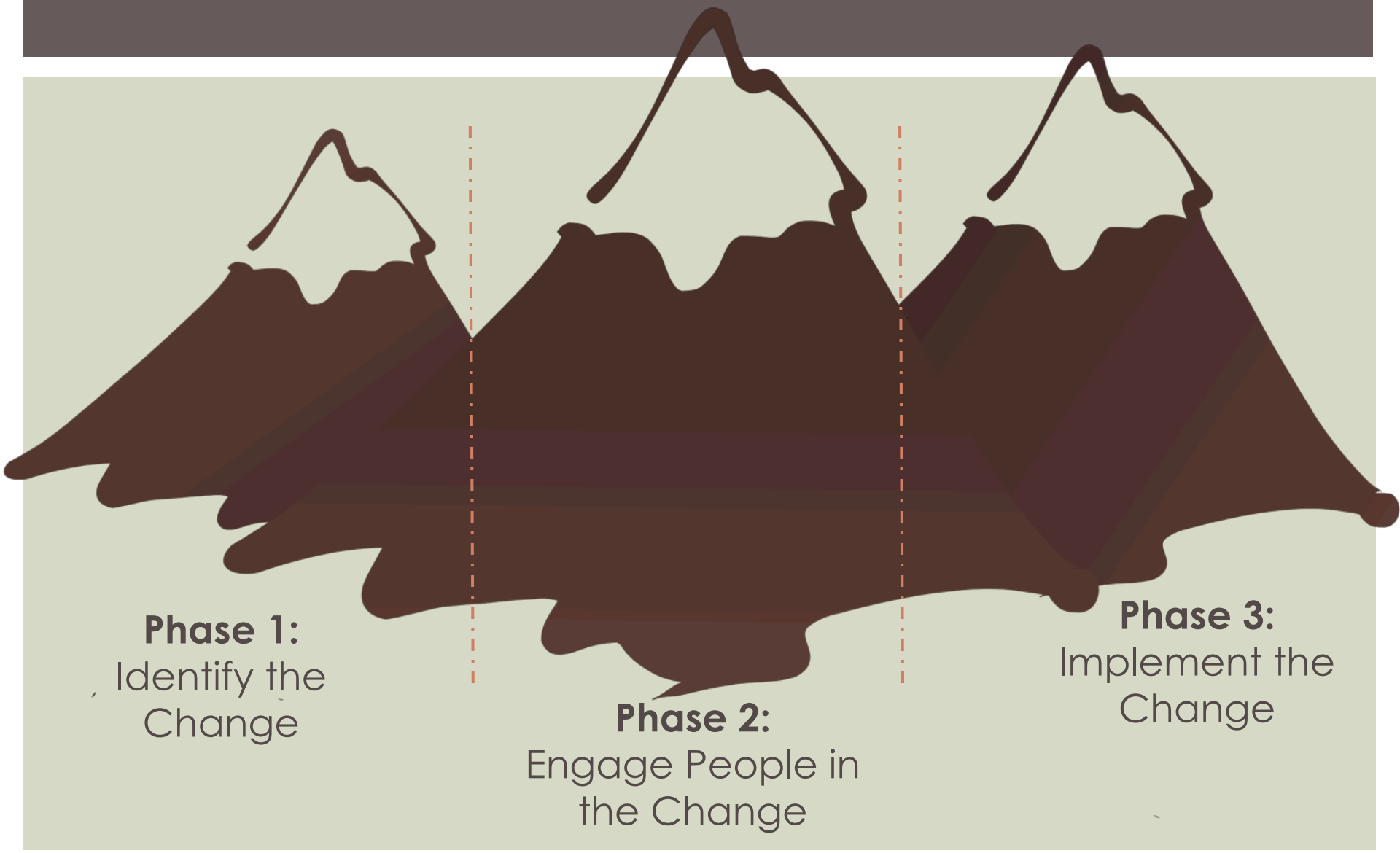


Crossing the Chasm, Geoffrey Moore

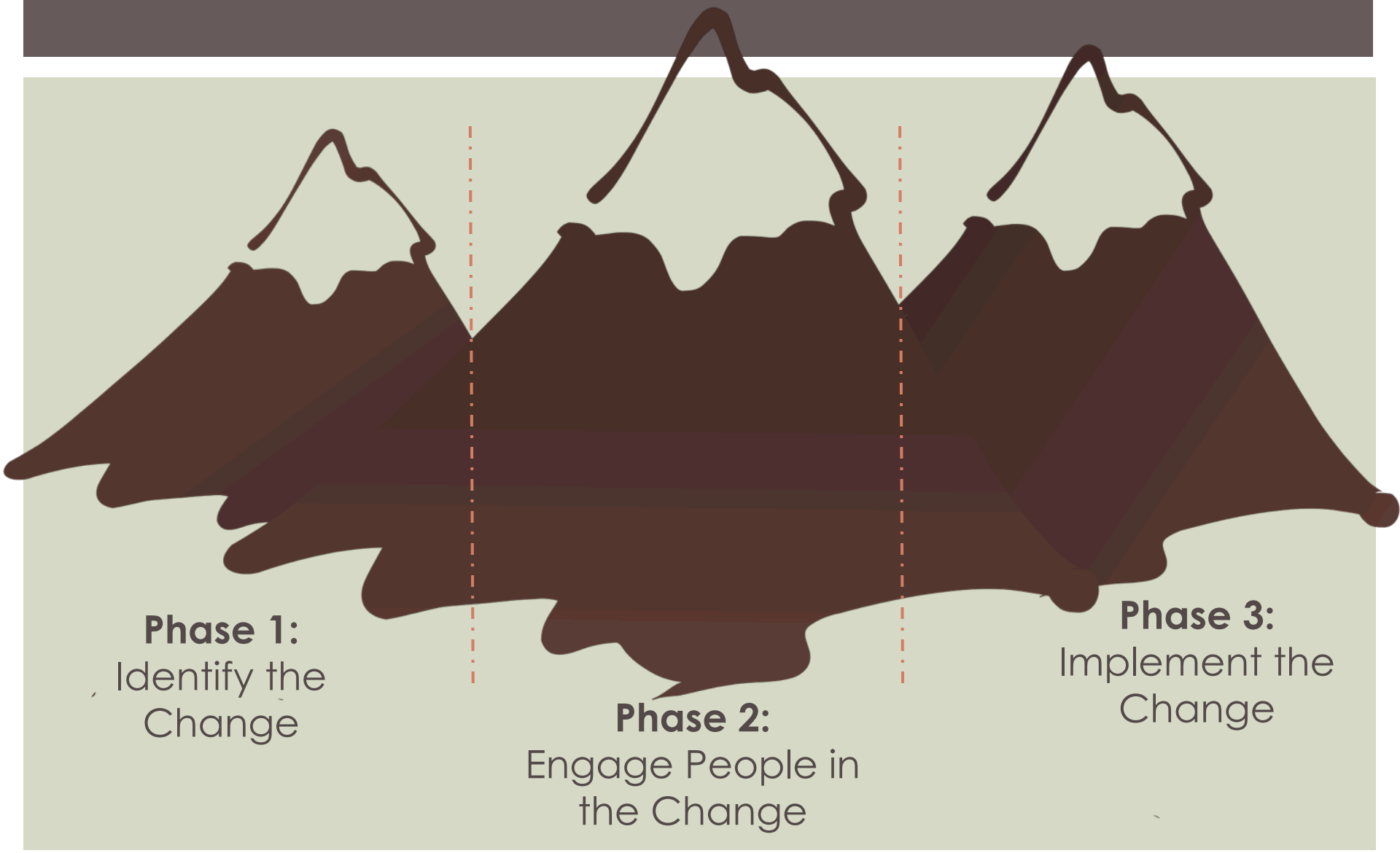
A RULE TO THRIVE BY

People first.

FOR CHANGE TO WORK – POSITIVELY

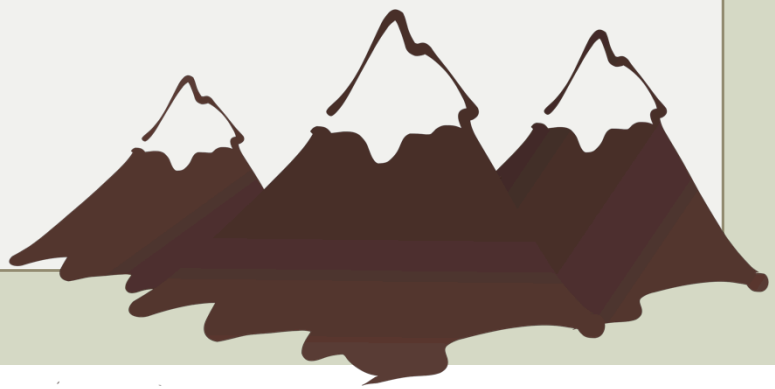


FOR CHANGE TO WORK – POSITIVELY



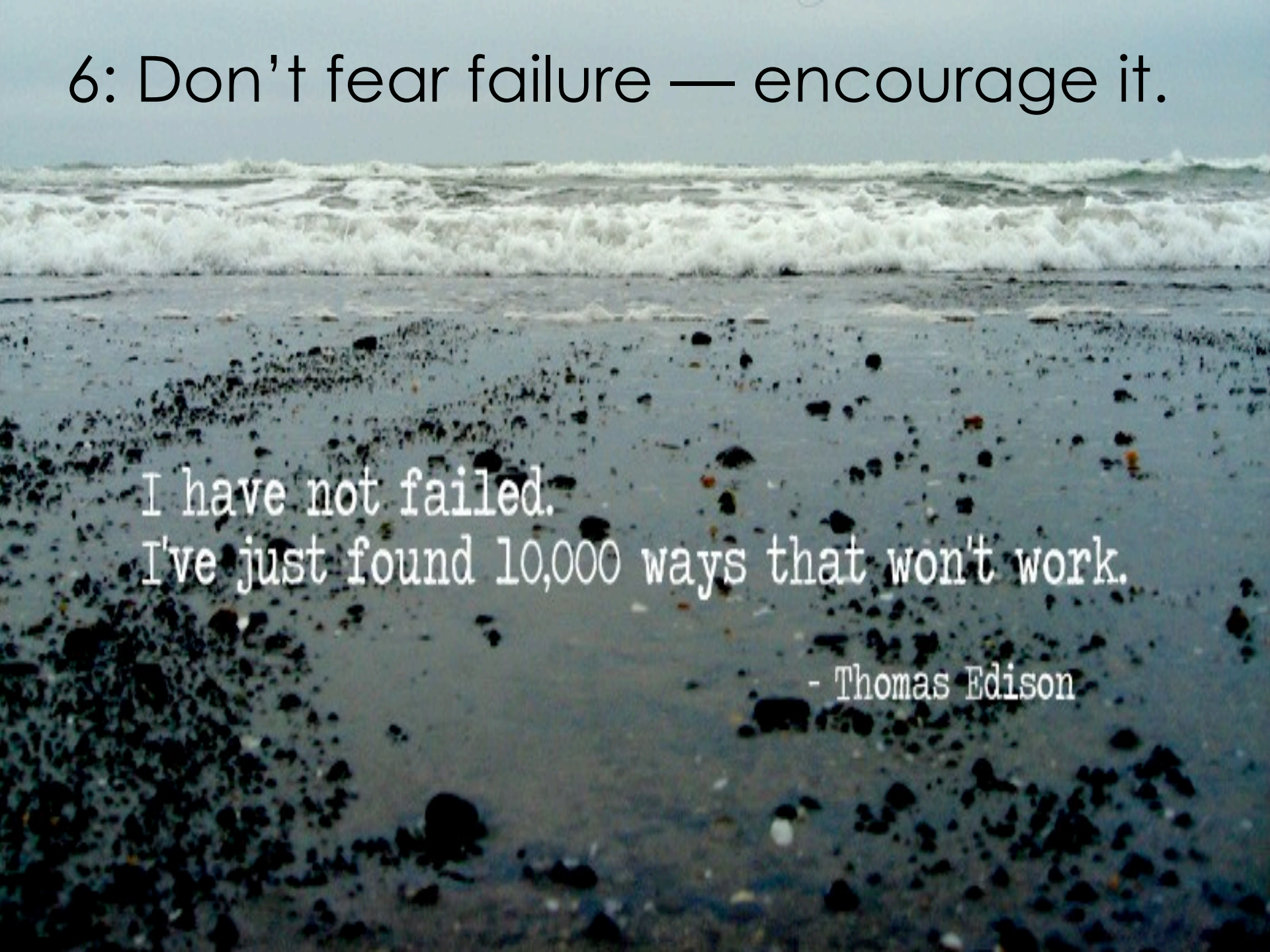
PHASES OF CHANGE

IDENTIFY	ENGAGE	IMPLEMENT
• Name the change • Get people's attention • Explain the change process – what to expect • Acknowledge potential frustrations • Address organizational culture dynamics	• Re-align people to the change – create a compelling vision of the future state • Ask for input – how to do it	• Using the input drawn from your team, execute on the change



SIX CHANGE MANAGEMENT TIPS FOR LEADERS

6: Don’t fear failure — encourage it.

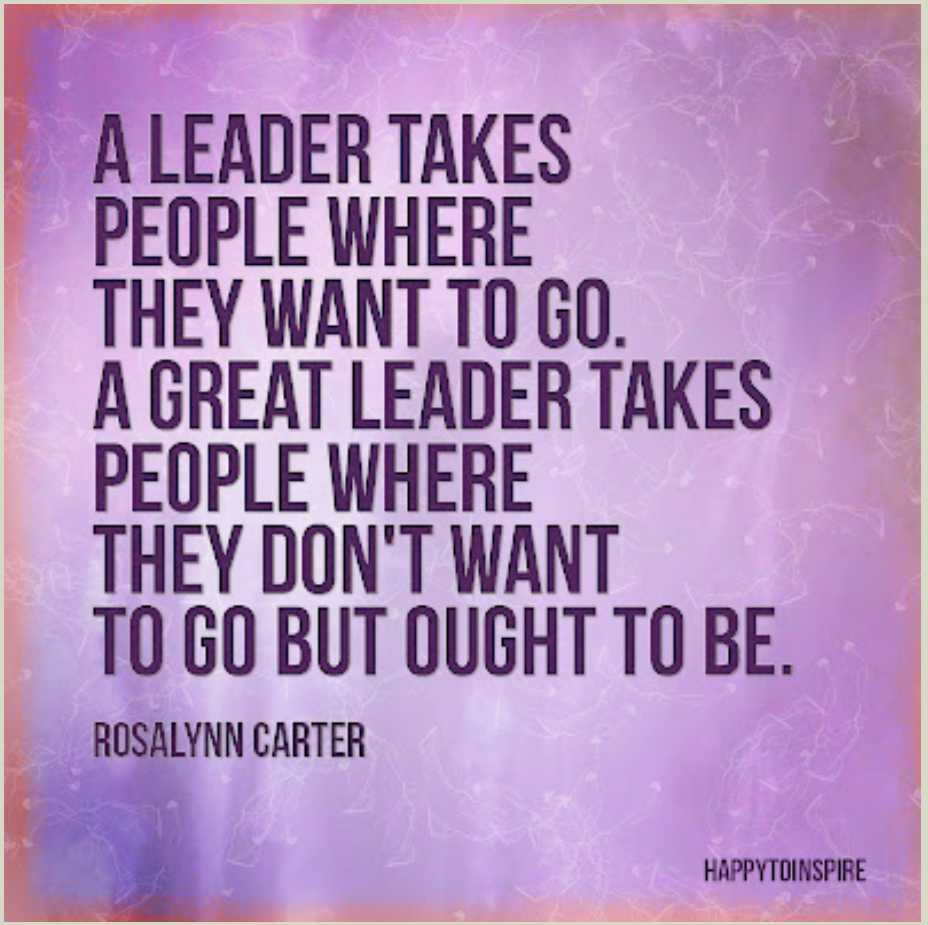


5: Engage people in designing solutions.

4: Document the intended change and the process for getting there.

3. Script the change.

2: Set the tone with a guiding vision that is desirable, feasible, and sustainable.



#1:

com · mu · ni · cate

kəˈmyo͞onəˌkāt/
Verb

share or exchange information, news, or ideas.

synonyms: be in touch, be in contact, have dealings, interface, interact, commune, meet, liaise

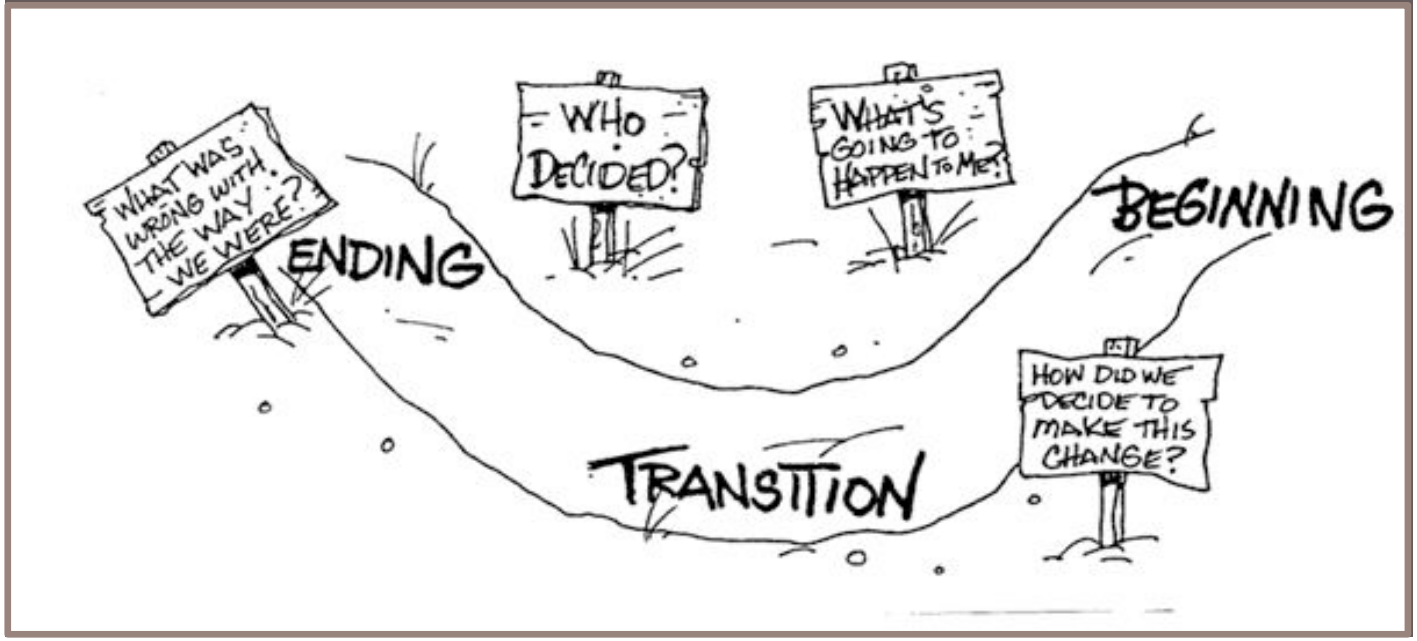
INSTITUTIONALIZING CHANGE

JOHN KOTTER'S 8-STEP PROCESS

1. Establish a sense of urgency
2. Create a guiding coalition
3. Develop a vision and strategy for the specific change
4. Communicate the vision and plan
5. Empower employees for broad-based action
6. Generate short-term wins
7. Consolidate gains and produce more change
8. Anchor the change in the culture

CHANGE IS THE ONLY CONSTANT:
Preparing for and Managing Organizational Change

The Pew Fund Capacity Building Program:
OMG Center for Collaborative Learning



October 29, 2013