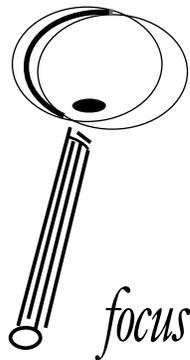<div align="right">

1

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What Does It Mean to Manage Change?

Learning Objectives

By the end of this chapter, you should be able to:

- Describe what it means to manage change.
- Exhibit a proactive approach to managing change.
- Identify five types of change.
- Exhibit a change readiness mind-set.
- Describe the six change management competencies.
- Create a performance improvement plan.

Change in business, as in life, is inevitable, and the amount, pace, and complexity of change are accelerating at an ever-increasing rate. Thus, whether it is called *reengineering, culture change, global execution,* or *mergers and acquisitions,* there is more organizational change to contend with than ever before. Change also impacts our personal lives. We change jobs; our children leave home; and sometimes we move across the country. Thus, the period in which we are living is one in which change is the norm.

What does this mean for you? Today, the responsibility for managing change is part of your job description. In fact, everyone in a leadership role must take on the challenge of helping his or her organization change in a way that ensures its future viability and competitiveness.

More than anything else, managers who successfully play the role of change agent realize they can no longer approach change in the old-fashioned way, assuming that someone else will take responsibility for managing change. Kevin is an example of how today's managers need to think about their change leadership role. He is a supervisor in a small manufacturing plant. His comments illustrate why leaders at all levels need to be good change managers: "As change unfolds, you find there is less time to react, and knee-jerk responses do not help you deal with underlying issues. Everyone

begins to feel a loss of control, and anxiety increases. It's true; many of the changes cannot be anticipated. But there are still lots of things a supervisor at my level can do to manage change."

WHAT CAN YOU DO TO MANAGE CHANGE?

Managers sometimes ask me, "Can you really *manage* change?" Their question is a good one. Sometimes it seems that change is so unpredictable and random that the idea of managing it is improbable. Let's begin to answer this question.

❓ Think About It

Think about this idea of *managing change.* How would you define it? Write your definition in the following space.

_____

_____

_____

_____

While it is true that change can be unpredictable and random, leaders can do lots of things to manage it. In this self-study, we focus on two change management roles: (1) changes you initiate and (2) changes that others initiate and that you help implement. We define *change management* as "taking action in a planned and proactive way to orchestrate a purposeful transformation." This transformation may be major or incremental; but whatever the scope, change management takes into account the following three aspects of change:

1. The *content* of the change ("What will change?")
2. The *process* of the change ("How will the change be accomplished?")
3. The *human dynamics* of the change ("How will I help others deal with the change?")

The following scenario helps you understand why it is important to pay attention to all three aspects of change management.

Mark is a manager in a telecommunications organization. Recent customer surveys revealed serious performance gaps between the calls handled by an external vendor and those handled by the internal call center Mark manages. He and his team were very upset about the survey findings. Remarks by team members—such as "We're doing the best we can" and "If we had more people, we could do as good a job as Communispond" (the external vendor)—revealed how disturbed they were.

Mark wasn't sure what to do. He decided to call his friend, Diana, who worked for a similar organization. Diana said, "I understand your concerns. It's hard to take that feedback without lots of emotion. But you've got to do something or you may find that all call center activity is outsourced." Mark reexamined the survey and identified the areas in which the performance gaps were the greatest. He translated these into three change improvement goals.

Next, Mark put together a team of call center personnel. He engaged this group in brainstorming several ideas for meeting the change goals. To prepare for the meeting, he e-mailed everyone a copy of the proposed change goals:

- Reduce call-answering response time by 15 percent.
- Reduce the number of repeat problems by 10 percent.
- Train everyone to use the new call-tracking system.

When Mark got everyone together for the meeting, he began by discussing the group's feelings about the feedback. This was an emotional discussion, but Mark thought it was important for people to voice their feelings before attacking the problem. Mark asked several questions to stimulate the idea-generation process:

- What is most important to our customers?
- What are specific things we can do to achieve our change goals?
- What does Communispond do that we don't that enables them to handle calls better?
- How can we reward improvement?

The team produced several ideas and selected four of the best ones. They implemented these changes. Subsequent surveys showed a marked improvement, and within eighteen months Mark's call center began to exceed Communispond's ratings in key measures, such as faster response time and fewer repeat problems.

Exercise 1–1

The Three Aspects of Change Management

Mark's story illustrates how important it is to consider the content, process, and human dynamics of managing change. Take a moment to think about what he did and answer the following questions:

1. How would you define the *content* of the change? Think about the problem Mark's team needed to solve.

Exercise 1–1 continues on next page.

Exercise 1–1 continued from previous page.

2. What *process* did Mark use to make the change? List a couple of steps he took to achieve the change goals.

_____

_____

_____

3. How did Mark handle the *human dynamics* of this change?

_____

_____

_____

Answers to Exercise 1–1

The Three Aspects of Change Management

1. Mark was initially unsure how to deal with the performance gaps the survey revealed. This is not unusual. But before he did something, he took time to carefully define exactly what needed to change. Why is this so important? Change, even change that is welcome, is disruptive. Skilled managers clarify specifically what needs to change, thus avoiding the problem of engaging the time, energy, and resources of others in pursuit of an unclear target. Those who must actually help implement the change have an easier time pursuing a goal that is well defined.

2. Mark understood that change is a process, not an event. In order to close the performance gaps, Mark's team had to take several steps. They had to analyze the survey results, discuss the gaps, brainstorm possible solutions, select a few to implement, and then put the recommendations in place. This is typical of what it takes to lead change. Viewing change as a process helps you take a planned approach rather than just doing things that may or may not help you reach your goal.

Exercise 1–1 continued from previous page.

3. *Change is a highly personal experience and is accomplished by individuals. Understanding this, Mark took time to manage the human dynamics of change. His call center employees reacted strongly to the survey feedback. In fact, their reaction was the beginning of the change process. Mark let his team vent their anger and frustration; only then were they emotionally ready to embark upon their task.*

TAKING A PROACTIVE APPROACH TO CHANGE MANAGEMENT

Over the past several years, research has revealed the benefits of taking a proactive approach to change management. Here are a few of the reasons that are particularly important. Taking a proactive approach enables you to:

- Minimize the impact of change on employee productivity
- Avoid unnecessary turnover
- Minimize the impact on employee morale
- Eliminate adverse impact on customers
- See the desired results of change implemented as soon as possible
- Build personal coping skills
- Facilitate change assimilation and minimize dysfunction

How do you take a proactive approach to change? Is it something you're already doing now, or do you need to shift your approach from reactive to proactive? Take the assessment that follows. It will reveal where you are on the continuum, from *reactive* to *proactive.* The assessment also highlights the behaviors that constitute a proactive approach.

Exercise 1–2

Self-Assessment: My Approach to Managing Change

Directions: On a scale of 1 to 7, with 1 representing the statement on the left and 7 representing the statement on the right, circle the number that is nearest to how you view your change management approach. Add circled numbers to calculate your total score.

Wait until the need to change is inevitable.	1 2 3 4 5 6 7	Determine when a change is needed and beneficial.
Approach change as a mysterious event.	1 2 3 4 5 6 7	Believe change is a manageable process.

Exercise 1–2 continued from previous page.

Slow to abandon well-established procedures when facing the unexpected.	1 2 3 4 5 6 7	Encourage people to consider new or innovative approaches when facing the unexpected.
Hesitant to take risks when it is difficult to know exactly what to do.	1 2 3 4 5 6 7	Willing to take risks even when it is not clear what to do.
Approach to change is unvarying and uniform.	1 2 3 4 5 6 7	Draw lessons learned from change and applies these to new situations.
React to change by seeking to restore order.	1 2 3 4 5 6 7	Pursue change in routine when there is an opportunity to do things better.
Prefer not to influence others to get things done.	1 2 3 4 5 6 7	Actively influences others to pursue important changes.
Low tolerance for ambiguity.	1 2 3 4 5 6 7	High tolerance for ambiguity.
Fees distressed when change is imminent.	1 2 3 4 5 6 7	Feel empowered when change is imminent.
See change as uncomfortable and anticipate being stressed.	1 2 3 4 5 6 7	See change as an opportunity and anticipate the future.
Sets a clear direction and pursues it until the job gets done.	1 2 3 4 5 6 7	Responds quickly to changes in plans, directions, and needs.
Responds to change in a timely manner.	1 2 3 4 5 6 7	Proactively identifies change opportunities and plans change initiatives.
Resists dealing with uncertainty and waits until "things get back to normal."	1 2 3 4 5 6 7	Demonstrates flexibility when responding to uncertainty.
Answers questions about future direction when asked.	1 2 3 4 5 6 7	Openly shares information about future direction.
Has difficulty challenging assumptions and changing point of view.	1 2 3 4 5 6 7	Willing to challenge assumptions and change point of view.

Total score: _____

INTERPRETING YOUR SCORES

Take a look at your total score and compare it to the appropriate description:

    105–80 You are comfortable with a proactive approach to managing change. You respond quickly to changes in plans and direction, are flexible in responding to uncertainty, and are willing to challenge your assumptions. In addition, you believe change is a manageable process, are willing to take risks, and extract lessons learned from

Exercise 1–2 continued from previous page.

	change. Finally, you have a high tolerance for ambiguity and feel empowered when change is imminent.
79–50	Although you take a proactive approach at times, you often struggle with it. There are certain areas in which you find it difficult to be proactive. You want to focus on those where your scores are the lowest and your approach the most reactive.
Below 50	Proactive change management is a major growth area for you. Your score indicates that you take a proactive approach less than half the time. You are more comfortable in a reactive mode.

? Think About It

Take a look at the results of your assessment. Ask yourself, "As a change leader, what can I do to be more forward looking and adaptable in dealing with change?" Identify one to two areas in which you want to strengthen your proactive approach. If you scored above 80, think about one or two skills that are most important in your particular situation. Consider what you can do to enhance them.

_____

_____

_____

All of us would also agree that effecting change is risky, sometimes painful, and often requires hard work! But as Peter Drucker says, "In a period of rapid change the only organizations that survive are the 'change leaders.' " Unless an organization sees that its task is to lead change, that organization—be it a business, a university, or a hospital—will not survive.

THE FIVE TYPES OF CHANGE

One of the first steps in managing change is understanding the types of change we experience. Understanding the nature and type of change provides insight into how to deal with it and how to help others deal with it. Also, the scope, pace, and impact of change indicates what we need to do to manage it effectively.

The nature of change has many forms. Sometimes it is related to a significant shift in circumstances and perspectives about people and things. At other times, change is the result of new policies, job redesign, or other things initiated by the organizations for which we work. On a personal level, we experience changes in our marital relationships, career changes, or relocation to a new city. Change may be small-scaled, affecting only a few individuals or

one or two departments; but change can also be large-scale, affecting every organization within a given industry.

In the following exercise, check the type of changes you have personally experienced over the past three years.

Exercise 1–3

Types of Change Experienced

Check the types of change you have experienced over the past three years.

___ Job change	___ Major illness	___ Child left home
___ Started a relationship	___ Home purchase	___ Built a home
___ New boss	___ Office move	___ Involved in lawsuit
___ Divorce	___ Job loss	___ Got married
___ Career change	___ Learned new technology	___ Child started college
___ Health problem	___ Reorganization	___ Illness of loved one
___ Initiated fitness program	___ Relocation	___ Became a parent
___ Became a grandparent	___ Promotion	___ Community involvement
___ Started new hobby	___ Merger/acquisition	___ Assumed public office
___ Returned to school	___ _____ (Other)	

Think About It

Now reflect on the types of change you have experienced:

• Are there any patterns?
• Have the changes been primarily in your personal life or work life?
• Which ones have been the most challenging to deal with?

List any insights these reflections reveal:

_____

_____

_____

_____

_____

Understanding the Five Types of Change

All change is not the same. Here is a description of the five types of change that we typically experience:

1. *Evolutionary change:* slow and incremental
2. *Developmental change:* improving something to make it better
3. *Transitional change:* change that requires something new and different
4. *Sweeping or dramatic change:* immediate change, often imposed on us
5. *Transformational change:* a complete alteration, conversion, or renovation

The following are examples of each type of change:

Evolutionary:	Phasing out a product line
	Developing a relationship
	Initiating a fitness program
Developmental:	Improving a work process
	Mastering a skill
	Remodeling a house
Transitional:	Introducing a new computer system
	Moving to a new job
	Caring for an aging parent
Drastic or sweeping:	Mandated regulatory change
	Becoming a parent
	Laying off/terminating employees
Transformational:	Mergers or acquisitions
	Career change
	Moving to a new culture

One other thing is important to our understanding about the types of change: The pace of adaptation for evolutionary, developmental, and transitional change is slower than the pace of dramatic and transformational change. Take a look at the examples of each type of change and you will see that this is indeed true. For example, phasing out a product line or initiating a fitness program allows an individual to pursue these changes at a slower pace than laying off employees or moving to a new culture.

A CHANGE READINESS MIND-SET

The accelerated pace of business change can create significant problems as well as significant opportunities for an organization. Thus it is essential that as many people as possible learn how to deal with change. Effective leaders are capable of reframing the thinking of those whom they guide, enabling them to see that significant changes are not only imperative but also achievable. Yet the challenges facing leaders go beyond determining what needs to be done differently. Leaders must also address how to execute these changes in a manner that has the greatest possibility for success.

For change to be managed effectively, each of us must think or do something different. Sometimes this requires thinking in ways that are unfamiliar and new to us. Managers who successfully lead or implement change exhibit certain attitudes that help them make the adjustments required by change. At its core, change is really about doing something different. Take a look at Exhibit 1–1. It describes each attitude that is part of the change mind-set.

Note that in many instances the attitudes listed in Exhibit 1–1 are used in the sequence in which they are described. For example, you must be adaptable in your thinking to consider the possibility of change, and, once the need for change is clear, it is important to think in big-picture terms about the total impact of change. Next you must decide what results you want to achieve through change. Effective change leaders exhibit a collegial frame of mind and encourage the involvement of others who will be impacted by the change. Similarly, these leaders are open to feedback throughout the change process and seek to help others understand the necessity for change.

In the change mind-set assessment in Exercise 1–4, you will evaluate your strengths and challenges in dealing with change. At the end of this chapter, you will have an opportunity to review your scores and select at least one improvement goal.

E | **Exhibit 1–1**
Change Mind-Set Profile

Change Mind-set	Attitudes and Behaviors
Adaptability	• Takes a positive approach to change • Open to new ideas
Strategic thinking	• Seeks to understand the big picture • Understands the impact of business factors on the organization
Results focus	• Works for measurable change • Takes a goal-oriented approach to change
Fosters a collaborative approach	• Seeks to involve others in decisions that impact them • Desires to build consensus
Facilitates openness and understanding	• Wants to hear what others say • Helps others speak with candor

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Exercise 1–4

Change Management Effectiveness Profile

INSTRUCTIONS

The assessment is designed to help you understand more about your approach to dealing with change. It probes the following attitudes:

- Adaptability
- Strategic thinking
- Results focus
- Collaborative orientation
- Openness and understanding

For each statement, decide on a rating and record it in the blank to the left of the statement. The rating scale is as follows:

1 = Almost always
2 = Very frequently
3 = Frequently
4 = Occasionally
5 = Almost never

When you have responded to all the statements, turn to the score sheet, transfer your scores, and calculate your total score.

To what extent do you typically exhibit the following attitudes?

1	2	3	4	5
Almost always	Very frequently	Frequently	Occasionally	Almost never

___ 1. Takes proactive approach to thinking about how to make things better.
___ 2. Thinks about the big picture and the future implications of change.
___ 3. Clarifies what you want change to achieve before going forward.
___ 4. Looks for ways to involve others to make change easy to accept.
___ 5. Wants to hear what others have to say.
___ 6. Open to new ideas and approaches.
___ 7. Seeks to understand the broad impact of change.
___ 8. Thinks through specific steps to help people transition from old ways to new ways.
___ 9. Considers who needs to be involved in discussions about change.
___10. Invites others to speak with candor.
___11. Willing to change course to achieve the best possible outcome.
___12. Thinks through the future implications of change before taking action.
___13. Develops a clear and understandable plan to communicate change.
___14. Seeks input from others when change is likely to occur.
___15. Listens to the issues and concerns of others.
___16. Often asks, "How could we do this differently?"
___17. Uses lessons learned to provide insight about what needs to happen in the future.
___18. Keeps others focused on the goals of change.

Exercise 1–4 continues on next page.

Exercise 1–4 continued from previous page.

___19. Seeks to build consensus about what needs to change and why.

___20. Tries to uncover deeper issues that underlie issues and concerns about change.

___21. Thinks about various ways to achieve a change objective.

___22. Seeks to link change initiatives to broader organizational goals and plans.

___23. Considers what needs to be done to make sure change is successfully implemented.

___24. Believes getting a group to work together to develop new ideas is the best approach.

___25. Seeks to understand the reasons others resist change.

CHANGE MANAGEMENT EFFECTIVENESS PROFILE—SCORE SECTION

Adaptability	*Strategic Thinking*	*Results Focus*
1 _____	2 _____	3 _____
6 _____	7 _____	8 _____
11 _____	12 _____	13 _____
17 _____	24 _____	25 _____
21 _____	22 _____	23 _____
Total _____	**Total** _____	**Total** _____
Average _____	**Average** _____	**Average** _____

Collaborative Orientation	*Openness and Understanding*
4 _____	5 _____
9 _____	10 _____
14 _____	15 _____
19 _____	20 _____
24 _____	25 _____
Total _____	**Total** _____
Average _____	**Average** _____

Add all scores to calculate your total score. _____

80 or above Your scores indicate a strong change management mind-set. You are adaptable in your approach to change and how to pursue it, know how to take a strategic perspective and identify the results you want change to achieve. In addition, you approach change management in a collaborative manner and seek to communicate in ways that build openness and understanding.

80–60 Your change management mind-set is very good. You exhibit all of the attributes, although you are stronger in some areas than others. Overall, you are well prepared to lead change.

60–40 Your approach to change management needs to be improved. There are several areas in which you need to focus for development. Think about the aspects of change management that you find most difficult to deal with. This will give you insight into which areas to focus on.

40 or lower Your approach to change management needs considerable improvement. It is likely that you find change difficult and perhaps would prefer to avoid it. Your scores indicate that there is a need to work on all five attributes.

Exercise 1–4 continued from previous page.

Review the results of this assessment after reading this chapter. If your scores are 60 or below, consider setting an improvement goal that will help you strengthen your attitude toward change. The following questions can help you identify an appropriate goal:

- In what areas do you personally struggle with accepting change?
- When change is imposed, what attitudes underlie your resistance to change? What attitudes help you accept change?
- When you have observed others successfully implementing change, what attitudes did they exhibit that you most admired?

SIX KEY COMPETENCIES FOR CHANGE LEADERS

Organizations need change leaders who take responsibility for planning and managing change. Change leaders can come from anywhere in the organization. They are individuals in leadership roles, from team leaders to first-level supervisors to senior managers, who initiate, lead, and implement change.

Change leaders make sure they do certain things to successfully lead organizational change. This self-study is designed to help you gain expertise in these areas. Each of these areas is important and, in the aggregate, will enable you to be an effective change leader. Exhibit 1–2 is a model that illustrates the six competencies.

E | **Exhibit 1–2**
Change Process Flowchart

Step 1: Understand change management

⬇

Step 2: Prepare for change

⬇

Step 3: Manage the change journey

⬇

Step 4: Build change management skills

⬇

Step 5: Plan the change

⬇

Step 6: Learn from change

Let's examine each of these six competency areas to provide an overview of this self-study course and to preview what you can anticipate learning as you work through this course.

Understand Change Management

Successful change leaders understand the essentials of change management. This is why we have devoted the first chapter to helping you learn:

• What it means to manage change
• The value of taking a proactive approach to change management
• The types of change
• Adopting a change mind-set

This foundational knowledge provides a basis for subsequent chapters. A software manager, Emily, best expressed the importance of acquiring this foundational understanding when she said, "When you're working in an industry that is experiencing lots of change, you're expected to be a change agent. What really helped me was grasping what it means to 'manage change' and approach change with a certain attitude. If I didn't understand some of the fundamentals, it would be impossible to help my team cope successfully with change." Emily's experience is important to remember. Understanding what is required for managing change is essential for leading change with skill and confidence.

Prepare for Change

The ability to lead change effectively begins with preparing for change. We will explore this key competency in Chapter 2, where you will learn how to recognize organizational factors that indicate the need for change and how to act on them. An example of what happened to one manager illustrates the importance of this.

Eve, a manufacturing supervisor for an automotive parts manufacturer, was frustrated by her boss's feedback. He told her that, during a meeting with other department managers, everyone expressed the opinion that the manufacturing resource planning (MRP) system needed a major revision. Her boss told her that "It's too slow, and each month there are too many errors; my peers are tired of telling us about the problems with the system only to have the same problems recur the following month." When I talked with Eve, she explained that she knew the MRP system had serious problems—she dealt with the complaints every month! But she didn't want to take time away from her day-to-day work to make time-consuming improvements. But because she had ignored the need for change, it was imposed on her, and she lost the opportunity to proactively manage it.

We also discuss how to set up change roles, design the change team, and select team members. Finally, you will work through a six-step process to begin setting up the change team.

Manage the Change Journey

You will remember that when we defined *change management* we learned that a key responsibility is managing the human dynamics. Thus, in Chapter 3 you will learn several techniques that will help you help others deal with change. First, you will gain insight into the negative and positive reactions to change. You will also learn the three-stage transition process promulgated by Dr. William Bridges, which provides insight into the personal journey individuals experience when confronted with change and teaches you how to help people move from feelings of loss to readiness for change.

However, there are other things you need to do to manage the change journey. For example, one of my clients, Clark, who is a human resource manager, designed a new compensation system. He was really excited about it and developed a careful plan to implement it, but it took longer to get the plan in place than anticipated. As Clark explained, "I had to deal with some unexpected consequences of a slower-than-planned implementation. In fact, we had to delay annual salary planning sixty days. One thing I learned: It is really important to do a good job communicating. I underestimated how much information people needed and wanted."

In Chapter 3 you will learn how to create a vision for change, how to implement it, and how to design a comprehensive communication strategy. Finally, you will learn principles for using communication to build support for change.

Build Change Management Skills

Effective change leaders exhibit strong change management skills. In Chapter 4, you will learn the attitudes and behaviors that are associated with six key change management skills. We also look in depth at the issue of resistance to change. You will learn the reasons people resist change and gain insight into what you can do to overcome resistance. Additional skills essential for change leaders are influence skills, which help you persuade others to support your change. You will learn how to diagnose others' preferred communication styles and how to select the appropriate influence approach to respond to each person's preference.

Plan the Change

Chapter 5 is devoted to change management planning. First, you will learn how to diagnose your organization's stage of development and use this analysis to identify opportunities for change. Four strategies for helping your team attain or regain peak productivity are presented. These strategies also teach you how to involve your team in productive change management. Second, you will learn how to take a real-life change and create a six-step implementation plan.

Among the mistakes managers sometimes make in trying to lead change is to deal with too many activities at once or to have no plan of attack at all. Think for a moment of the experience we've all had when the pressure is on

and we have fifteen things to do. What happens when we try and do everything at once, assuming everything on the list is equally important? We miss deadlines, make mistakes, forget appointments, disappoint others, and become increasingly frustrated by our inability to get anything done! That's why you will learn how to create a step-by-step plan to guide you from introducing change to its successful implementation.

Chapter 5 also teaches you how to evaluate your change plan and, more important, how to avoid the most common pitfalls that undermine successful change. Chapter 5 ends with a short assessment that summarizes the key activities that lead to successful change planning, communication, and implementation.

Remember that not all change initiatives have to be new. Lots of very important change comes from building on existing initiatives.

Learn from Change

Chapter 6 teaches you how to learn from change. Learning is a continuous process. But sometimes managers miss the rich opportunity change affords to learn valuable lessons that enable them to repeat successes and avoid repeating failure. You will learn how to monitor change initiatives, how to keep them on track, what to do when a change effort gets off track, and how to regain momentum.

You will also gain insight into how to coach others throughout the change process. In change situations, coaching is needed more than ever, as the pressure to learn new processes or behaviors is immediate and sometimes overwhelming. For example, Kate is a nursing supervisor in a large hospital. Health care continues to be a growing field, and Kate's hospital is no exception, adding many new hires every year. As Kate said, "Growth is great, but it really challenges first-level nurse managers to be good change managers. It is amazing how much change happens when teams double in size. Lots of coaching on my part was important to help my managers cope with growth successfully."

CREATING A PERFORMANCE IMPROVEMENT PLAN

Building your skills as a change leader requires careful planning. The first step is to create your performance improvement plan, which identifies areas of skill building and opportunities to implement the skills and techniques taught in this self-study. Every improvement you make paves the way for your next step of growth. Take a minute to review the description of each chapter. You might also check the self-assessment you completed in Exercise 1–2. There are five steps in a performance improvement plan:

1. Identify one or two areas where you want to improve your ability to manage change. Select one where it is possible to see change within thirty to ninety days. Set *no more than three* improvement goals at a time.

2. Describe the changes you desire. Be as specific as possible.
3. Identify individuals who can provide coaching or feedback.
4. List one or two ways in which you will be able to measure your success.
5. Consider this plan a first draft. You will want to review and refine it as you work through the self-study.

Exhibit 1–3 is an example of a completed performance improvement plan. Exercise 1–5 provides a performance improvement plan worksheet for you to use (make as many copies as you need).

E | Exhibit 1–3

Example of a Performance Improvement Plan

STEP 1: PERFORMANCE AREA
Consider new or innovative approaches when facing the unexpected.
Willing to take risks even when it is not clear what to do.

STEP 2: DESIRED CHANGES
Encourage my team to consider working with me to be more proactive. It has been several years since we have examined our key processes.

STEP 3: ACTIONS
Examine our credit application process. There is a lot of opportunity to shorten it and eliminate the complaints from field sales personnel every time a loan application has to be approved. Making this change will be a cross-functional effort.

STEP 4: COACHING AND FEEDBACK
Kristin Davis—Ask her for coaching and feedback on how well I lead this reengineering effort.

STEP 5: MEASURES OF SUCCESS
Leading this effort in a collaborative way.
Effective and efficient implementation of the new process.
Executing the process at least 33 percent faster.

Exercise 1–5

Performance Improvement Plan

STEP 1: PERFORMANCE AREA

STEP 2: DESIRED CHANGES

STEP 3: IMPROVEMENT ACTIONS

STEP 4: COACHING AND FEEDBACK

STEP 5: MEASURES OF SUCCESS

recap

Change in business, as in life, is inevitable, and the amount, pace, and complexity of change are accelerating at an ever-increasing rate. For you, this means that the responsibility for managing change is part of your job description. Managing change means taking a planned and purposeful approach that considers the content, process, and human dynamics of change. It also requires taking a proactive approach rather than a reactive approach. Effective change leaders understand the various types of change. The pace of adaptation for evolutionary, developmental, and transitional change is slower than the pace of dramatic and transformational change. Also, it is important to exhibit certain attitudes and behaviors. In particular, successful change leaders are adaptable, strategic, results-oriented, collaborative, and able to facilitate openness and understanding.

Successful change leaders make sure they master the following:

- Understand change management.
- Prepare for change.
- Manage the change journey.
- Build change management skills.
- Plan the change.
- Learn from change.

Becoming an effective change manager requires developing a plan for change. By identifying areas of growth and intentionally pursuing specific goals, you will be able to master change management.

??? Review Questions

1. Which of the following key change management competencies
   enables change managers to work with others to cope with change?   1. (a)
   (a) Manage the change journey
   (b) Prepare for change
   (c) Learn from change
   (d) Plan the change

2. *Managing change* means: 2. (b)
   (a) empowering others to get involved in making change.
   (b) taking action in a planned and purposeful way to orchestrate a
       transformation.
   (c) the process of transforming something old into something new.
   (d) keeping everyone involved in change informed so that they
       know what is happening as the change unfolds.

3. One type of change is: 3. (a)
   (a) transitional.
   (b) progressive.
   (c) intermediary.
   (d) extreme.

4. A critical change aspect of a change management mind-set is: 4. (b)
   (a) premeditation.
   (b) adaptability.
   (c) extroversion.
   (d) business acumen.

5. A proactive approach to change management can be characterized   5. (b)
   by the following behavior:
   (a) Responding to change in a timely manner
   (b) Seeking change as an opportunity
   (c) Reacting to change by seeking to restore order
   (d) Waiting until the need for change is clear