

■ By George Henderson - Copyright 2009

**The Three Essentials
for Driving Change**
That Transforming Leaders MUST Provide

“Regard your soldiers as your children, and they will follow you into the deepest valleys; look upon them as your own beloved sons, and they will stand by you even unto death.” Sun Tzu, “The Art of War”

Introduction

Everyone favors change as long as someone else is doing the changing. The fact is that unless people collectively perceive a threat; unless they individually believe in a larger mission; unless they personally understand the sacrifices to be made, they will rarely lend their full support.

There are Three Essentials for mobilizing change across organizational lines. Until these exist and are communicated by the senior executive, change agents will die a lonely death on a distant hill.

The Three Essentials for Broad-Based Organizational Change

- The Burning Platform: What is the threat that, if not addressed immediately, then all will be lost? A good Burning Platform establishes why action is necessary.
- The Shared Vision: It's not enough to flee from a threat. The company must converge on something better. What is so important, beneficial and agreed upon that people are willing to lay aside individual agendas? The Shared Vision establishes where we are going and why it matters.

In the For-Profit corporation there are three criteria for a motivating Shared Vision:

- ❖ Significant Financial Win
 - ❖ Solves a large organizational problem that is felt by all
 - ❖ Creates competitive advantage
- The Executive Mandate: The Executive Mandate explains how we will get there and expected standards of performance.

To craft and communicate the Executive Mandate the executive sponsor must:

- ❖ Declare a Strategic Intent (Where we are going, how we will get there and why it matters)
- ❖ Form and lead a Guiding Coalition of Senior Executives
- ❖ Mandate a Governance Model functioning at the Executive, Process & Project Level
- ❖ Commission & focus resources
- ❖ Set, communicate and enforce standards
 - Expected Performance
 - Expected Participation
 - Their personal willingness to deal with obstructionists and Nincompoops

The Burning Platform

Those who work offshore understand that one of the greatest threats is fire. Living on a production platform several miles from shore they must choose between extinguishing the flames and swimming with the sharks. It does not matter how well they get along. On a burning platform they have a collective problem they must solve.

Leaders wishing to get the organization moving must identify a crisis. They may even have to manufacture one. The threat must be real, immediate, and affect each associate personally.

The Shared Vision

The Burning Platform may get people moving but they have to converge on something better. There must be a “Promised Land” that makes crossing the desert of change worthwhile. Otherwise they are operating in crisis, motivated by fear. This is neither constructive nor sustainable in the long-term.

Since people have, “What’s in it for me?” written on their foreheads, the Shared Vision must hold something for all stakeholders. There are three elements:

- **Significant Financial Win:** Corporations have an obligation to shareholders to give them a return on investment. Since shareholders and executives think in financial terms, the Shared Vision must offer incentives for these audiences. Talking about widgets per hour or how much better people will “feel,” while perhaps important, rarely strikes a chord with investors.
- **Solves an Organizational Problem felt by all:** People, on the other hand do care about how they feel. They also care about how many widgets they process per hour compared to the person standing next to them.

It is a mistake for leaders to appeal to the masses speaking only in aggregate financial terms that benefit someone else. Financial data CAN be converted to the pain associates feel from wasteful, ineffective, and inefficient processes.

To gain support across organizational lines leaders must demonstrate how the Shared Vision resolves a large pain point felt by all. This shows associates that management is in touch with real problems and that they are concerned with more than padding shareholders’ wallets.

- **Creates Competitive Advantage:** One only needs to look at the U.S. manufacturing to realize that a positional approach to problem solving leaves the organization vulnerable. While unions and management remain deadlocked over wages, benefits and loss of jobs, foreign competition erodes their market share.

There is a third element for an effective Shared Vision. It must create competitive advantage to ensure the long-term sustainability of the business. This offers that point on the horizon toward which all boats may steer, while making the course corrections for their individual conditions.

The Executive Mandate

The Executive Mandate is the sponsorship of a high-ranking senior executive. It explains what is expected and establishes that non-compliance is not an option. To create and communicate the Executive Mandate the executive sponsor must:

- **Declare a Strategic Intent:** Strategic Intent is a high-level statement of where we are going and how we intend to get there. It may include two to three Strategic Themes (Process Improvement, New Technology, and Performance Measurement, for example) each having their own objectives. Strategic Intent helps others align their actions with the larger strategy.
- **Form and Lead a Guiding Coalition of Senior Executives:** A wise CEO will take a “first cut” at the Burning Platform, Shared Vision and the Executive Mandate. Then, he or she will organize a Guiding Coalition of executives from across the organization to flesh out the details. This downloads strategy and gives others a chance to put their personal stamp on the strategic direction.

The Guiding Coalition must arrive at consensus about where the organization is and where it is going. Remember that consensus does not mean 100% agreement. It means that each member agrees to publicly support the decision of the group regardless of personal opinions.

- **Mandate a Governance Model:** Linking strategy to execution requires governance at the executive, process and project level. There must be a forum for vetting and fact-based decision making throughout. There must be a path of escalation all the way to the CEO for making decisions and resolving disagreement.
- **Commission and Focus Resources:** People and resources must be dedicated to the change effort. Subject Matter Experts and project team members must not be put in the position of defying an immediate supervisor in order to participate.
- **Set and Enforce Standards:** The senior executive must establish and communicate standards of performance and participation. They must also be willing to deal with obstructionists and shoot Nincompoops. There are few things more frustrating, or that will kill a change initiative faster than a CEO who says the words, but is not willing to follow up with consequences for those who defy the mandate.

Conclusion

In “The Art of War” Sun Tzu further writes, “The victorious strategist only seeks battle after the victory has been won, whereas he who is destined to defeat first fights and afterwards looks for victory.” The seasoned executive will spend time in counsel with a Guiding Coalition of committed leaders. Only when they have defined the Three Essentials and are prepared to enforce participation personally are they ready to ask others to make the sacrifices that effective change requires.

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