



► Is your company's future secure? We can help you confidently answer "YES!"



► We guarantee our work – do your other advisors offer such peace of mind?



► We specialize in helping senior teams learn to recognize and achieve synergy.

DRIVING

change

● FOCUS | ● ALIGNMENT | ● EXECUTION



End Boardroom Discord

An Executive's Guide to Conflict Resolution

Learn to Lead the Pack

Strategies for Leading the Leaders

Change is a Good Thing

Five Steps to Coping with Major Change

Let's Be Honest; Change is Frightening

Has something dramatic just happened in your marketplace – or in your own organization – that has you and the rest of your senior team staying awake at night worrying about how to respond? Are you being forced to consider major changes in the way you go to market? Are major customers or suppliers suggesting that your business needs to change in some significant way?

As a senior executive, you are paid to be insightful, decisive, in charge. You are paid to be right. Sure, you are supposed to view every challenge as an "opportunity," but the reality is that the unknown is scary. Change is tough.

Catalyst Consulting Partners LLC has extensive experience facilitating participative change in organizations of all kinds. We have learned that helping senior executives embrace change, instead of dreading it, can yield dramatic results for our client organizations. So we are pleased to offer this Executive Guide to Leading Change as a tool for senior leaders who want to better understand the dynamics of change so that they can better lead their organizations to success.



When the rate of change outside your company exceeds the rate of change inside your company, the end is in sight.

In this Executive Guide you will learn:

- The 3 types of change
- The 4 stages through which you must travel to successfully implement change
- What you can expect in each of the four stages of change
- The characteristics of a Change Leader
- Mistakes to avoid when leading change
- The 7 triggers of change
- 5 steps to leading change

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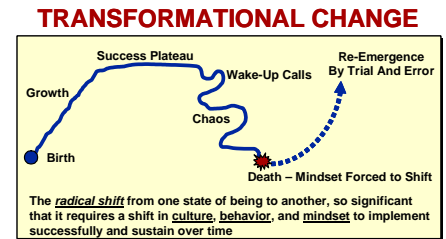
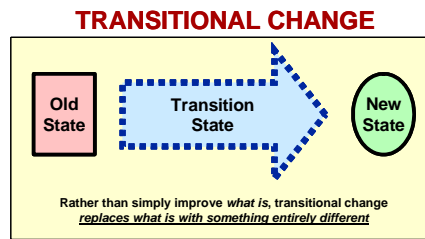
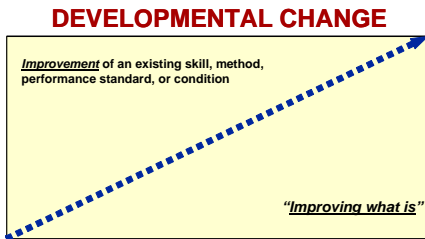
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Three Types of Change

Leaders must know the type of change they face before they can know how to lead it. The three most prevalent types of change occurring in organizations are:

- **Developmental Change:** The simplest of the three types of change. In it, the new state is simply an enhancement of the old state, rather than a radical new solution requiring profound changes in strategy, structure or culture. The least risky form of change.
- **Transitional Change:** Begins when leaders identify a problem or opportunity that requires something in the existing operation to change and a desirable future state is designed to address these needs. In transitional change, the requirements for deep personal change are low and relatively predictable, making the human dynamic more “manageable” than in transformational change.
- **Transformational Change:** A radical change that demands a shift in human awareness that completely alters the way the organization and its people see the world, their customers, their work and themselves. Exceedingly complex and fraught with risk, but occasionally critical to the organization’s survival.



RECOMMENDED READING

Allen, Rebecca Chan (2002). *Guiding Change Journeys*. San Francisco: Jossey-Bass/Pfeiffer.

Devane, Tom & Holman, Peggy (1999). *The Change Handbook*. San Francisco: Berrett-Koehler Publishers.

Friedman, Thomas L. (2005). *The World is Flat*. New York: Farrar, Straus and Giroux.

Senge, Peter (1999). *The Dance of Change*. New York: Doubleday.

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The following sources were used in preparing this guide:

Ackerman Anderson, L., & Anderson, D. (2001). *Beyond Change Management*. San Francisco: Jossey-Bass/Pfeiffer.

Ackerman Anderson, L., & Anderson, D. (2001). *The Change Leader's Roadmap*. San Francisco: Jossey-Bass/Pfeiffer.

Scott, Cynthia D. & Jaffe, Dennis T. (2004). *Managing Personal Change*. Boston:

CHALLENGES OF CHANGE

Things Will Get Worse Before They Get Better

*Moving through change is never smooth or painless. Even the most welcome change requires some “letting go” and includes some difficult situations. As a leader of change, you must understand the four stages that you and your organization must move through for any change to be truly successful – the **Change Cycle**.*

STAGE 1: DENIAL

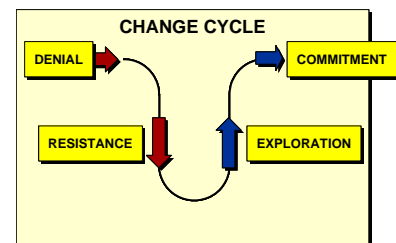
The first response to a significant or unexpected change is often shock – a general refusal to recognize or accept the new information. People gradually shift into experiencing the loss, and workplace disruptions often follow.

STAGE 2: RESISTANCE

In this stage, things often seem to get worse. Personal distress levels rise; people start looking for someone to blame. When managed openly, this organizational anxiety – a form of mourning for the lost past – will yield to a new willingness to consider the potential benefits of the change.

STAGE 3: EXPLORATION

After a period of struggle, individuals and organizations usually emerge from their negativity and shift into a more positive, hopeful, future-focused stage. A new energy emerges when people realize that they are going to make it through the change okay.



STAGE 4: COMMITMENT

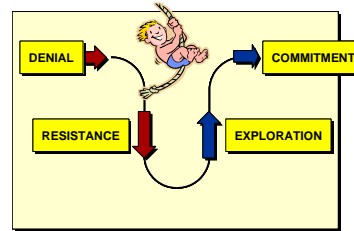
Finally, people break through the problems, discover new ways of doing things, and adapt to the new situation. This stage begins when the organization starts to focus on new performance horizons, new visions, and new courses of action. The future looks bright and people are committed to growth and adaptation.

WHAT TO EXPECT?

As you and your organization transition through the four stages of change, you can expect to see some or all of the following behaviors or attitudes displayed by those experiencing the change:

1. **DENIAL STAGE:** numbness; minimizing; "It can't happen here;" "They don't really mean it; refusing to hear new information; "How good things were in the past"
2. **RESISTANCE STAGE:** anger; loss and hurt; stubbornness; blaming others; complaining; getting sick; doubting your ability
3. **EXPLORATION STAGE:** energy; chaos; clarifying goals; indecisiveness; unfocused work; learning new skills; exploring alternatives; "What's going to happen to me?"
4. **COMMITMENT STAGE:** focus; vision; balance; alignment; teamwork; cooperation; "I know where I'm headed"

AVOID THE "TARZAN SWING:" Often people want to minimize their resistance to change by trying to accelerate through change without completing each stage in turn. This is called the *Tarzan Swing*. They attempt to avoid the "messy" feelings and behavior associated with the Resistance and Exploration stages by "swinging" from Denial to Commitment. Sorry, it never works.



Evolution of the Leader's Role in Change



Effective leaders embrace change as a way of life. They expect change and they look for it. They establish conditions in their organizations to respond to change as rapidly and effectively as possible. And they develop in themselves the skills – and the courage – to evolve towards becoming a conscious Change Leader.

MANAGER

- Optimizes current operations
- Focuses on how to improve the existing business
- Solves problems that are blocking performance

LEADER

- Creates clear strategic direction for the future
- Looks outside of the organization's boundaries for threats and opportunities
- Communicates new requirements for performance and profit enhancement
- Motivates people to pursue new directions

CHANGE MANAGER

- Manages the implementation of new directions through multiple change initiatives
- Accounts for people dynamics in change, mostly overcoming resistance
- Creates and oversees change infrastructures and resources to support the change
- Aligns the human resource systems to support business change

CHANGE LEADER

- Creates change strategies that integrate people, process, and content needs, including how to change mindset and culture to support new business directions
- Uses conscious process thinking to design the change as a full stream process
- Models and promotes the emerging mindset and way of being to the organization
- Ensures that the change is aligned and integrated with all interdependent systems and processes
- Catalyzes people's commitment and highest contribution to change
- Creates and sustains conditions for success for the change, especially the continuous generation of new information
- Builds organizational capacity for ongoing change and self-renewal

7 TRIGGERS OF CHANGE

Changes in your business will be driven by one or more of the following seven "triggers:"

ENVIRONMENTAL FORCES

These forces include social, business and economic, political, governmental, demographic, legal, etc.

MARKETPLACE REQUIREMENTS FOR SUCCESS

Aggregate set of customer requirements that determine success in the marketplace.

BUSINESS IMPERATIVES

What the company must do strategically to be successful.

ORGANIZATIONAL IMPERATIVES

Reengineering, restructuring or work redesign.

CULTURAL IMPERATIVES

Changing norms or collective way of being.

LEADER AND EMPLOYEE BEHAVIOR

Leaders and employees must choose to behave differently to transform the organization's culture.

LEADER AND EMPLOYEE MINDSET

Mindset encompasses people's worldviews, assumptions, beliefs, and mental models.

COMMON EXECUTIVE MISTAKES:

- Exerting too much top-down control over the design of the future state and the change process;
- Viewing the transformation as an event or an isolated problem to be fixed, rather than as a complex and evolving process;
- Neglecting culture, behavior and mindset, both in employees and in themselves;
- Misdiagnosing the scope of change required, such as focusing only on organizational design or technology upgrades;
- Mandating the change, which squelches participation and increases employee resistance;
- Setting unrealistic, crisis-producing timelines;
- Taking a short-term, minimalist approach to change, as in trying to do the least possible in the shortest amount of time; and/or
- Poor modeling and not walking the talk; asking the workforce to change in certain ways and then continuing old behaviors themselves.



5 STEPS TO LEADING CHANGE

○ | PREPARE TO LEAD THE CHANGE

Your first task is to understand that change is necessary, and then to identify the type, scope and targets of change.

○ | CREATE ORGANIZATIONAL VISION, COMMITMENT, AND CAPACITY

Communicate the need for change, the change strategy, and the change cycle throughout the organization. Demonstrate that the Old Way of operating is gone.

○ | ASSESS THE SITUATION AND DESIGN THE DESIRED STATE

Assess current reality within the organization against your vision for the change. In concert with your leadership team, design the desired state.

○ | PLAN, ORGANIZE AND IMPLEMENT THE CHANGE

Assess the impact of the desired state, identify actions required to implement the change, and develop the implementation master plan. Then implement the change plan.

○ | LEARN AND COURSE CORRECT AS REQUIRED

Implementing change is a process not an event, so continuously assess progress and alter course as required.

Case Study



“It may be hard for an egg to turn into a bird: it would be a jolly sight harder for it to learn to fly while remaining an egg. We are like eggs at present. And you cannot go on indefinitely being just an ordinary, decent egg. We must be hatched or go bad.”

– C. S. Lewis

PROBLEM: The leaders of a regional not-for-profit organization were experiencing irreconcilable differences with the leaders of the national association of which they were a part. The positions being advocated by the leaders of the national group were also at odds with those of the international organization that governed all such national groups.

SOLUTION: Catalyst facilitated a series of meetings with the leaders of the regional organization to explore and better understand the nature of change. In this case, everyone agreed that they were facing a transformational change that would impact every facet of the organization’s business – and that threatened its future. Catalyst then worked with individual leaders, and with the leadership team as a whole, to identify alternative strategies for continuing the mission of the regional group in light of the conflicting agenda of the national organization.

RESULT: Over the course of many months, and after a number of failed attempts to negotiate an acceptable relationship with the national group, our client was forced to restructure its relationship within the framework of the international organization. Several other like-minded regional organizations followed our client’s lead and similarly restructured their oversight relationships as well.

○ ANALYZING | ○ FACILITATING | ○ COACHING

Leaders aren’t Born – They are Made: Contact us today to begin your transformation!

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Leaders aren't Born... **They are made.**

FACILITATING

solutions

● FOCUS | ● ALIGNMENT | ● EXECUTION

Facilitating Solutions to Business Problems is our Passion

A problem with many consulting firms is that they frequently disregard Dr. Maslow's warning. If they happen to specialize in strategy development, for example, then they consistently see their clients' problems as strategy related — even if the real issue has little to do with strategy. Similarly, if they focus on traditional organization development interventions, such as team development and meeting facilitation, they've never met a client problem that can't be solved with a series of team meetings.

Catalyst approaches business challenges with our client's desired results in mind — not from the perspective of our particular set of tools. Metaphorically speaking, if your problem requires a hammer, we'll use a hammer. But if it requires a shovel, we won't try and convince you that a hammer will work just as well. In fact, if we feel that we do not have access to the "right tools" for your specific problem, we'll say so... and try to direct you to a more appropriate professional service provider. Helping you resolve your problem is our mission and our service commitment to you.

Contact us today to explore how we can help you and your organization reach its potential. You'll be glad you did!

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"If the only tool you have is a hammer, you will see every problem as a nail."

— Abraham Maslow

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We know that finding professional advisors that you can trust to help you achieve real results is difficult.

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Facilitating organizational change. Unlocking lasting results.

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