Steve Gorton, Director of Enabling Development

Hi, I'm Steve Gorton and since 1996 I've been working helping organisations through change and to develop their leaders.

What I want to talk about today is soft skills for hard results. We know there are a whole range of figures on the success of change, some people say it's successful 40% of the time, 60% of the time, Forbes which was a source I read back in the early 90's when I was doing my MBA said 20% of the time, so who'd want to invest in that? They are sort of old figures, but something from last year by Moorhouse, a report suggested change works 20% of the time. Okay, it's a figure, more important were the differences who perceived it to get to that 20%? Middle managers felt it was 5% of the time the benefits were realised, whereas the board felt 37% of the time the benefits were realised.

So why such a discrepancy? What is it about people at the top of the organisation and those elsewhere? Why is there this difference in perception of success? And for me it's about the way people think. I think it's also about do people actually think about what they are doing in the first place. So why is there failure in change? For me it's often about people's egos, new chief executive comes in, needs to do something in three months, big risk. Vested interests including shareholder pressure and knee jerk reactions and particularly the culture. Lots of people will blame the culture as you know ingrained and we can't change it. The alternative way is beginning to think about why don't we work with the culture or look at the strengths of that and work with the grain, rather than against the grain, to develop things for the future.

Another issue of failure is people take a siloed partial view rather than the big picture holistic strategic view. So how can we be more successful with change? Let's first of all stand back, look at the big picture, look at it strategically as well as operationally and tactically and this really means including the people. Coming back to the soft skills for hard results, so another way is let's not just look at people's minds with a whole range of change models, let's also think about their hearts as well. What is it that we need to do to really get people involved? If we go to Cotter's work, he talks about having a guiding coalition to make stuff happen. But often for many organisations they take half that message on and they'll only look at the top people. The really effective way here is taking a diagonal slice of people across the organisation, a range of functions and a range of levels, choose those who want to make things work for the organisation, choose also some of the people who may be a bit resistant to get them engaged and a couple of stories from work I've done in the past, one police force in the UK, Chief Constable said "We're going to do a structural change," he did that and their performance dropped because he didn't pay any attention to the softer aspects and he did say to me "I really wish I'd listened to you on this one."

Another police force, slightly after that, was looking at change, similar structural change but I was working with him on the full blown process there and the person who was leading it said "The thing that's missing is what we do with the people." Cut a long story short, they did two things, the first was getting people engaged, doing something different. They sat people down

with tea, biscuits and cakes in round tables, rather than lecture theatre style and no refreshments; that made an important sign of change. The second thing was that the Chair of the police federation, if you like the union for the majority of officers in the police force, stood up from the stage and said to one person who was saying "Oh this is all rubbish," "There are plenty more organisations you can join."

So a really powerful message there when effectively the union leader was saying "This is what we're going to do and this is how we move forward and if you don't like it, go elsewhere."

So for me change strategy is really about winning the hearts and minds. [Inaudible 0:04:37] work from 1971, talks about do we get people to comply, do we get people to accept, do we get people to own the change? Compliance almost coercion, acceptance fair day's work for a fair day's pay, we can appreciate this intellectually, but where we really get the benefit from change, it's about getting people to own this, really engage with it and so the more our change process and change strategy moves towards the ownership rather than the compliance, the greater the success levels.

So what is the outcome here? The outcome here is engage your people, work with the culture rather than against it, get people involved across the board, not just engage them but across the board and then look at the elevated levels of success.