

# Why Most Change Initiatives Fail

Tips on Successfully  
Leading Change for the  
Results You Want



With Jeffrey Russell

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# The Dismal Fate of Most Change Efforts

- Kepner-Tregoe found that only 20% respondents to a survey on change initiatives indicated that their initiatives met or exceeded expectations.
- An Ernst and Young study of 584 companies found that the majority of quality initiatives failed to achieve significant improvement.
- Michael Hammer and James Champ estimate that “as many as 50 to 70% of the organizations that undertake a reengineering effort do not achieve the dramatic results they intended.”
- Another Kepner-Tregoe study found that nearly 2/3 of executives surveyed felt that employee morale was “worse” or “the same” as a result of the change initiatives. More than 60% rated their employees’ reactions to organizational change as neutral, skeptical, or actively resistant.

# What Enables Successful Change?

## On Your Own . . .


- Think of a successful change that you've experienced (personal or organizational).
- What were the key factors that contributed to the success of the change effort?

# Top Factors

## In Your Small Group:

- Share your “success” factors with those around you.
- Agree upon the top factors that your small group thinks are most critical for getting the big elephant to *dance*.





Do people  
resist change?

People don't resist  
change, they resist  
**BEING** changed!

# People CRAVE Change!

- Change is an *extraordinarily* natural and normal practice that people routinely embrace . . . on their own terms!
- When people are in the *driver's seat* of change, seeking out learning, opportunity, and growth, they usually view change as their *ally* to and a *wellspring* of their personal success.


# Imagine a world without change . . .

- You live in the same house with the same family next to the same annoying neighbors
- You never read another book
- Your children *never* grow up – or (worse) they *never* leave home!
- You eat the same meal at the same restaurant with the same rude waiter for the rest of your life
- You do the same work every day at a job that is forever the same for a boss who is always cross
- You never visit a foreign country
- You never marry . . . or never divorce
- You never see a blazing scarlet sunset
- You never experience awe, wonder, or joy!

So . . . If people *don't* resist change (and actually *crave it*). . . And if people just naturally just *want* to change

. . .

**Why is introducing change so difficult?**



It's not change that people resist, but *how* organizations manage it!

# Our Agenda

- Understand that it's **what organizations do** that leads to resistance and failure.
- Assess **Organizational Change Readiness** – the degree of receptivity to change.
- Avoid the most **common mistakes** made when introducing change initiatives.

# What is “Readiness”

- A cognitive/emotional state that occurs when employees have positive *attitudes, beliefs, and intentions* toward a change.
- When readiness exists . . .
  - **Greater openness** to new ideas
  - **Lower resistance** to learning/growth
  - **Earlier acceptance** of the change

# Moving *Toward* Change . . .

Readiness → Acceptance → Integration

- **Readiness** — being cognitively/emotionally receptive to change; evident in openness toward the change in attitudes/beliefs/intentions.
- **Acceptance** — a deepening belief in the change and a willingness to work *with* the change on one's own terms.
- **Integration** — having attitudes/beliefs/intentions that *wholly* reflect the change . . . The change is difficult to separate from the individual's routine thoughts and actions. Integration is evident when new ways of thinking and acting are *deeply engrained* in the attitudes, beliefs, and actions.

# Components of Change Readiness

## ❑ **Organizational Support . . .**

- Clarity of the vision
- Centralized vs. distributed decision making
- History of employee involvement in decision making, goal setting, and past change initiatives
- Strength of training and development
- Extent to which the employees' voices are heard/responded to
- Quality of organizational communications
- Performance accountability

# Components of Change Readiness

## ❑ **Organizational Culture . . .**

- Cultural receptivity to new ideas/innovation
- Level of teamwork/collaboration
- Level of trust
- What people do under stress
- Past *active* participation levels
- Whether people feel responsible for their own success

# Components of Change Readiness

## ❑ The Change Environment

- Awareness of the forces driving change
- Clarity of the change and its effects
- Quality of the measures to gauge the success of the change (we'll know if we're getting there)
- The organization's track record with change
- The number of changes occurring simultaneously (Change overload! At the *breaking* point!)
- Cost/benefit analysis – advantages outweigh the perceived disadvantages

# Components of Change Readiness

## ❑ Employee Attitudes and Behaviors

- People feel a sense of “urgency”
- Level of job engagement
- Level of employee autonomy/independence
- The presence of innovators and risk takers
- Employee-perceived ability to influence the change
- Degree of employee receptivity to change
- Confidence in the managers’ and supervisors’ ability to guide people through the change

It is not the strongest of the species that survive, nor the most intelligent, but the most responsive to change.

— Charles Darwin

British naturalist  
c. 1809-1882



# Organizational Change Readiness Assessment (OCRA)

- Intended for use by **change leaders** to assess *their* perceptions of the level of organizational change readiness
- Offers insights into the **overall likelihood** of success or failure of a change initiative
- Assists in identifying individual **components** that contribute to *low* readiness – identifies the **Red Flags**
- Is primarily a **planning tool** vs. a *predictive* one

# Interpreting Your OCRA Scores

- If **zero or a negative number**, your organization is probably *not* ready for the change and **the change initiative is likely to fail**.
- If **between 28 and 56**, your organization has a moderate level of change readiness. **The change may be successful, . . . but only with careful implementation and attention to the issues identified in the lower-scoring readiness components.**
- If **between 57 and 84**, your organization has a high level of change readiness. **People are in the groove of change** — and will likely remain there as long as organizational leaders, employees, and these readiness components *stay* aligned with and receptive to the *idea* of change as the source of organizational renewal.

# Our Finale!

The **Top Eleven** reasons why most change efforts fail — and what you can do to improve your success!

## Why Change Efforts Fail . . .


# #11: *A Lack of a Urgency*

- Many change efforts fail because they have failed to create a “felt need” or a sense of urgency throughout the organization.
- Before selling people on the opportunities and benefits of a change, *people must first experience the need to change.*

## Why Change Efforts Fail . . .

### #10: *A Lack of a Shared Vision*

- Without a truly shared vision of the destination of the change stakeholders may remain in the dark as to the purpose and intention of a change and they will find it much harder to bring their positive energy to help drive the change.



*"Where there is no vision, the people perish."*

— Proverbs 29:18

Why Change Efforts Fail . . .

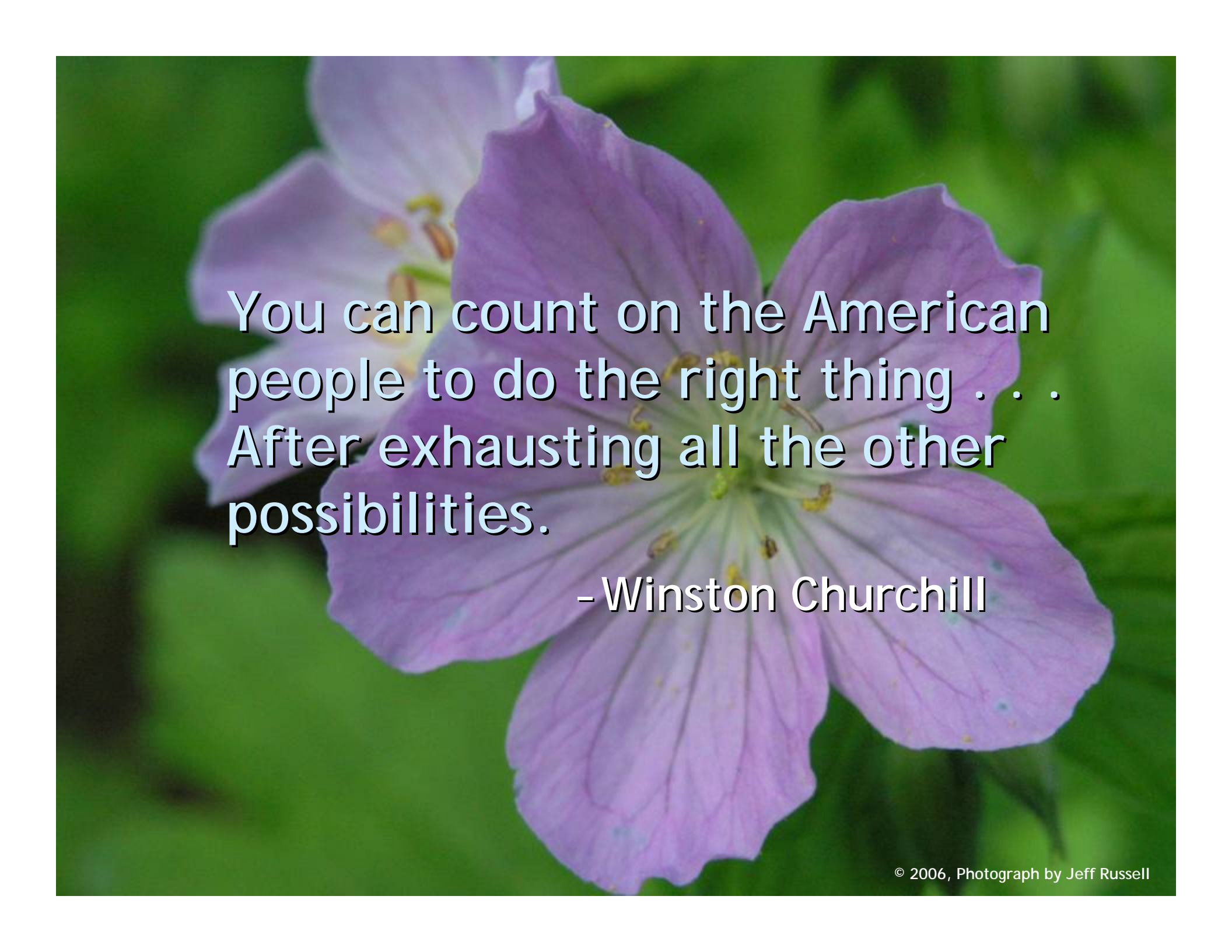
## #9: *An Absence of* *Measurable Outcomes*

- Change efforts often fail because they neglect to define and focus on *specific and measurable outcomes*.
- Every change effort must have *clear metrics* that enable everyone from those in the boardroom to those on the frontline to know if and when progress is being made on the change objectives.

## Why Change Efforts Fail . . .

# #8: *A Failure to Communicate the Vision*

- It's not enough to have a vision of the change and effective measures of the change outcomes.
- Stakeholders must understand and share this vision, they must understand the "whys" of the change, and they need to know the organizational and personal benefits resulting from a change.



You can count on the American  
people to do the right thing . . .  
After exhausting all the other  
possibilities.

- Winston Churchill

## Why Change Efforts Fail . . .

# #7: *Being Surprised at the “Push-Back” from a Change*

- Every change, no matter how positively it is viewed by change leaders and others throughout the organization, will create **emotional stress** for some.
- If not anticipated or understood, this emotional stress is likely to result in higher levels of **change resistance**.

## Why Change Efforts Fail . . .

# #6: A Failure to Integrate Dissident Perspectives into the Vision

- The questions, issues, and concerns of the **dissidents** and other **resisters** who lead the “**push back**” on the change can help improve and strengthen any change effort — but only if they are **encouraged to offer up their concerns**.
- Successful change leaders **pay attention** to what the change nay-sayers are concerned about — and then do their best to **integrate** these **dissident perspectives into the change vision**.

## Why Change Efforts Fail . . .

### #5: *Failing to Anticipate and Confront* *Obstacles* *to the Change*

- All organizational change initiatives experience more than a few bumps in the road.
- One characteristic of successful efforts is that the change leaders **proactively anticipate, identify, and directly confront** systemic and structural **obstacles** to the change vision and plan.

## Why the Elephant Won't Dance

### #4: A Failure to Integrate What Works or Doesn't Into the Vision

- Successful change initiatives benefit most when change leaders have a high level of **self-awareness** that results from a critical assessment of the successes, missteps, and inevitable setbacks that they experience throughout the change implementation process.
- Then, based upon this self-assessment, **change leaders change** what they do next.

Why Change Efforts Fail . . .

#3: *An Ignorance of the Organization's Culture*

- Culture plays a powerful and often **underestimated role** in the success or failure of a change initiative.
- Successful changes are guided by leaders who have a **deep respect** for and understanding of the organization's culture and its role in the change process.
- Culture is a central contributor to the success or failure of every change.

## Why Change Efforts Fail . . .

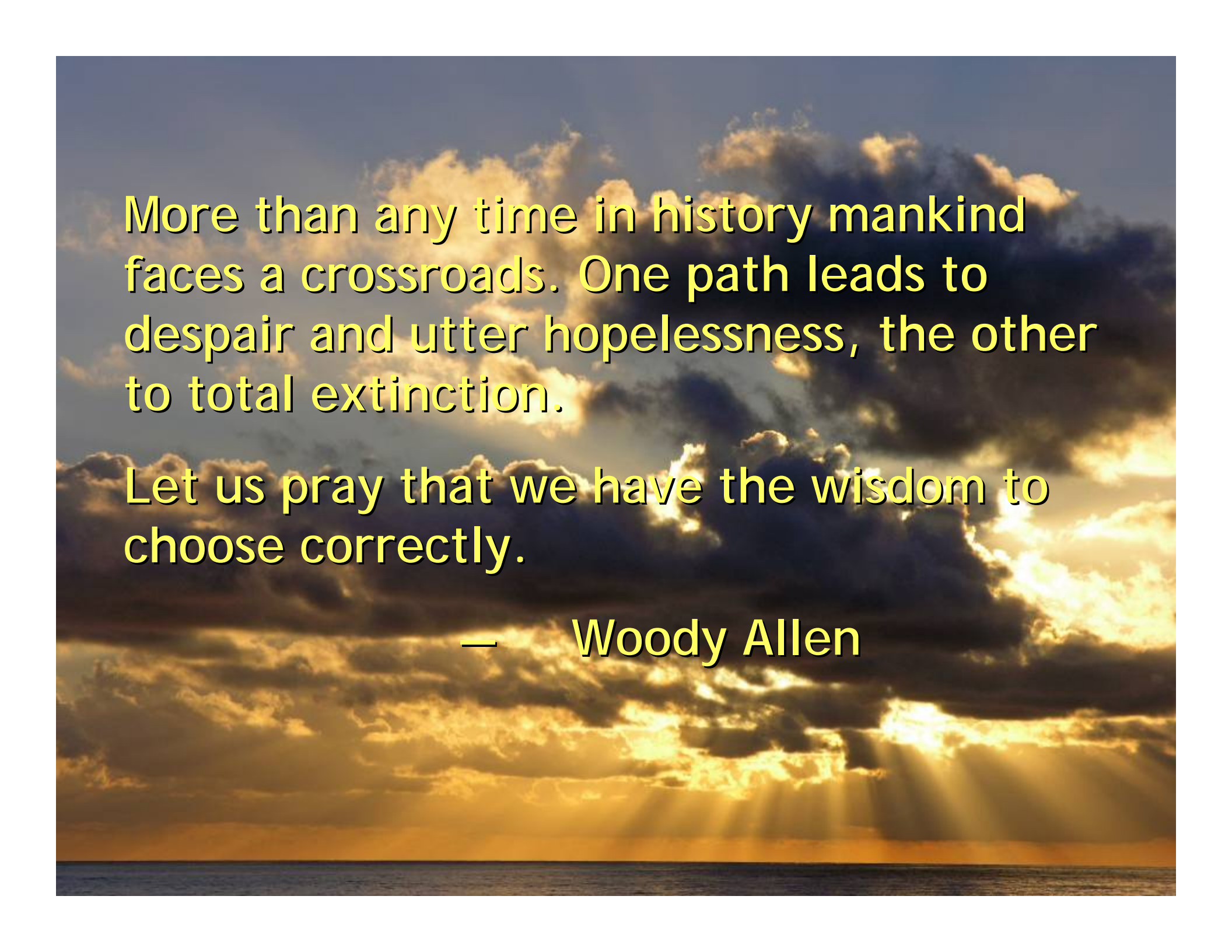
### #2: *Failing to Establish Interim Benchmarks of Success*

- The failure to establish **interim benchmarks** to measure the progress of the change can diminish stakeholder buy-in.
- Interim measures bring the added benefit of helping people see and feel **progress** – something that may be especially important for **maintaining stakeholder motivation** during a long-term change initiative.

## Why Change Efforts Fail . . .

# #1: *The Lack of Structural Reinforcers Sustaining the Change*

- The most significant cause leading to the failure of change initiatives is the failure to create organizational infrastructure to help **stabilize the change** and **reinforce the new ways** of thinking and acting.
- Without structural reinforcements, change leaders, those on the front line, and everyone in between will tend to **drift back** into old mindsets and behaviors.



More than any time in history mankind faces a crossroads. One path leads to despair and utter hopelessness, the other to total extinction.

Let us pray that we have the wisdom to choose correctly.

— Woody Allen

A photograph of a calm lake at dawn or dusk. The sky is overcast and grey. In the background, a dense forest of evergreen trees is visible. The water is still, reflecting the sky and the trees. In the foreground, a rocky shoreline with some green plants is visible. The sun is low on the horizon, creating a bright glow behind a rock.

Sometimes I lie awake at night, and I ask,  
"Where have I gone wrong?" Then a voice says  
to me:

"This is going to take more than one night!"

— Charles M. Schulz  
Charlie Brown in "Peanuts"

Thank you for being a part of this exploration of the causes behind the frequent failures of *change* initiatives.

For a copy of this PowerPoint presentation and for more information about leading change in your organization contact Russell Consulting at [www.RussellConsultingInc.com](http://www.RussellConsultingInc.com)

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