

# Sink or swim?

## Bernard Ross sets out a framework for change that has stood the test of time

Machiavelli's observation in *The Prince* that 'there is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order of things' written in the 15th century, has a resonance for us today. It tells us that if we are trying to run a change process in an organisation it will be among the most difficult processes we can attempt. So if it's so hard why would you want to do it?

### Why change?

Our experience with charities varies from international agencies like Amnesty International to smaller domestic bodies like DrugScope. Our work with these agencies over a period of 15 years suggests that there are many 'presenting' reasons for change but a smaller number of key drivers. The five drivers that seem to recur regularly are:

- failure;
- success;
- innovation;
- stakeholders; and
- finance.

It is helpful to examine each of these to review the triggers for change.

■ **Failure.** Many charities need to change because the way they have tried to tackle their issue or mission has simply not delivered the results they or their beneficiaries need. This change may involve a review of mission or method. So for environmental charities this is a key moment in history. If the planet is being ruined and they have so far failed to deliver a result should they change their goal and or their approach?<sup>1</sup>

■ **Success.** This can be just as worrying – what do you do when you've succeeded? LEPROA was set up to tackle leprosy – something it has effectively done with a highly significant impact; after all, leprosy has by and large been conquered. It decided some years ago to change and expand their mandate to tackle other, similar, infectious diseases such as TB, thus building on its successful track record and core competence in dealing with leprosy.

■ **Innovation.** Many charities are concerned they have to innovate in a more systematic way – looking for new programmes to deliver services and raise money. UNICEF International, for example, now has a global innovation programme designed to generate a constant flow of new ideas. Many charities are making innovation – constant idea change – a fundamental part of their business approach.

■ **Stakeholders.** Many charities are now changing to directly address the needs and interests of stakeholders. NSPCC, for example, famously pioneered the donor-centric stewardship approach, now adopted by many charities, as part of its Full Stop campaign. But beneficiary engagement is becoming increasingly important for charities.

One of the most progressive of the major INGOs, Sightsavers International, has recently re-engineered all its plans to ensure it more fully addresses the interest of people with sight impairment. This has driven significant change.

■ **Finance.** The recent global wealth growth and the even more recent credit crunch/crash has meant a time of extraordinary volatility for charities that raise funds from



individuals and corporations. Many charities – including Amnesty International for example – are now re-examining their fundamental business model to see how they need to re-engineer their funding operation in a global setting. Where should they focus their attention to secure best ROIs?

Once you've established *why* you want to change then you can begin to use a systematic process to implement the change.

### The eight-stage approach to change

The most commonly used, and easy to adapt, model is that developed by US management consultant and Harvard professor John Kotter.<sup>2</sup> Originally developed for business, we have found it useful for charities and other non-profits.

Kotter argues that once you have decided why you want to change you should go through eight stages to move from idea to implementation.

### Using the eight-stage model

This model might seem very straightforward when you explain it as above. But it's less easy to implement and I have set out below more detail on each stage.

#### 1) Create urgency

Rosabeth Moss Kantor, former editor of the *Harvard Business Review*, comments: 'Orchestrating pain messages throughout the institution is the first step in developing organisational commitment to [major] change.'<sup>3</sup>

In order for people to change they need to have some sense that it's important. You need to think about how you will create an awareness that

change is urgent to achieve. You need to create a pain message.

A popular tool is called the burning platform. As you analyse your change agenda, keep an eye out for the 'burning platform' issue.

The term 'burning platform' comes from a true story in which a man was stranded on the burning platform of offshore rig Piper Alpha in 1986. He faced the choice of staying where he was and facing certain death – or taking the risky step of jumping into the freezing ocean and risking death from the fall, burning fuel or exposure. He jumped and, against the odds, survived.

There are two elements to the story. Had he stayed put, he would have died. The unacceptable option is staying the same and hoping things get better. In the face of considerable risk, he jumped and survived. The message is that sometimes radical risky change is essential. We need to communicate both elements. Ask yourself what is our 'burning platform' issue that requires urgent and courageous attention? And what are the negative consequences of no change? Identify both elements.<sup>4</sup>

## 2) Create the guiding coalition

The second action step is to decide who will guide the change process? Choosing wisely is key here.

Note again there are two elements:

- **Guiding.** This change group doesn't need to know all the answers. It doesn't even need to be the most senior group of people in the organisation. (Maybe the people who created the challenge can't fix it.) It does need to accept responsibility, and have authority, to guide.

- **Coalition.** What range of forces or groupings do you need to combine to deliver the change? It may be a mix of managers, board, staff, and even donors. Sometimes it's a specific staff team asked to deliver the change and working to a brief developed by a senior grouping such as the board.

Typically a change team is in fact an internal chosen group given a specific brief to help with a change process. Teams often benefit from some form of training in change processes – even if they already have experience of this. They are often small in number,

perhaps a maximum of eight people, often working alongside a consultant.

They normally meet regularly for a limited period – generally three to six months. They usually carry on doing their normal jobs so need some staffers or consultants to help deliver the change action. Importantly they are often chosen for their attitude or mindset – not their representative status or seniority.

To be successful they need:

- a clear brief on what they have to

tackle and clear guidelines about what's 'off-brief';

- to be clear on their role – to act as a means of consultation on a change, to sell the change and so on; and
- the backing of the most senior group and the time and resources to deliver the project.

## 3) Develop a vision and strategy

The guiding coalition only provides you with a vehicle. To help them deliver change you need

**Figure 1: The eight-stage model**

Stage	Implication and action
<b>1 Establish a sense of urgency</b>	Make sure that key stakeholders are aware there is a problem and that they agree on what the problem is – otherwise you'll have no momentum for change.
<b>2 Create the guiding coalition</b>	To steer the organisation through the change you need a group with the authority to design the approach. This might involve a small change team, a mix of the board and SMT or even the whole staff. But you need to be clear on change mandate.
<b>3 Develop a vision and strategy</b>	You know from Stage 1 what you don't want. But you need to move beyond that and develop a positive and engaging vision of what the changed organisation will look like. Then you need – with your guiding coalition – to establish what steps and stages will help you achieve that.
<b>4 Communicate the change vision</b>	To get key stakeholders on board you need to communicate the change vision – a mix of where you want to get to and how you'll get there. This communication needs to be constant and consistent to ensure it arrives and is re-enforced.
<b>5 Empower broad-based action</b>	If the change is to happen then it's not enough to have the guiding coalition on board – you need to have smaller groups and individuals contributing to the change. This broad-based action – involving board, senior staff, front liners and perhaps even volunteers – is essential.
<b>6 Generate short-term wins</b>	It's possible for the individuals involved in the change to lose heart – and even revert to the previous unhelpful approaches. You need to build into your change programme an acceptance that the process can be long and difficult. So you need some successes. These needn't be huge victories but they do need to be public and recognisable successes. A significant new donor coming on board to support your programme is an example.
<b>7 Consolidate gains and produce more change</b>	Your change process now has that key ingredient – momentum. But you need to build on that momentum and use it to leverage greater progress. As you create more momentum, more people come on board. You have almost finished.
<b>8 Anchor new approaches in the corporate culture</b>	It's not enough to change structures, processes, or even people. To create sticky permanent change you need to change culture. You need to find symbolic and practical ways to ensure that the change you want is so deeply rooted that there is no chance of things rolling back.

them to come up with or flesh out two other elements:

- **Vision.** This is the positive energising destination you hold out to people – the ‘Promised Land’ that everyone will get to after the difficulty of the change. You need to be able to articulate this positive state as clearly as the ‘burning platform’.
- **Strategy.** You need to know broadly how you’re going to get to this vision and roughly how long it will take. Your strategy should involve ‘chunking’ changes in the process. So, for example, first the consultation, then redundancies, then the restructure, and then people will have new development opportunities.

The vision and strategy should be written down and agreed. It can be changed as events change. But it must be a formal plan.

#### 4) Communicate the change vision

You need to communicate the vision once you have developed it. And what is even more important, you need to communicate it constantly, consistently and in many different ways.

When the NSPCC planned its successful merger with ChildLine, it organised a whole campaign around the film *Star Wars* and how anything was possible with a coalition tackling the big evil of child harm.

Interestingly, the movie metaphor even allowed discussion about whether the ‘big’ NSPCC was the evil empire taking over the small fragile ChildLine. So the use of metaphors can be helpful in a range of ways.

Another example comes from the arts. When Peter Hewitt, CEO of the Arts Council of England, unveiled his plan to combine the 12 independent Regional Arts Boards (RABs) into one organisation after almost 40 years of the previous system, he announced: ‘The train is leaving the station and I want everyone to be on



board.’ The metaphor signalled his determination to make the merger process happen.

If you can’t come up with a metaphor another good framework for your message is to structure it in terms of ‘Think/Feel/Do’. Figure 2 illustrates this.

Your change message should contain each of these elements. If it does it will be powerful and targeted.

#### 5) Empower broad-based action

Even the senior management team cannot control the whole change process. And in order for the change to spread out, even the most skillful and competent change team can’t do it all. To gain broad acceptance, others throughout the organisation need to feel they too have a part to play and are trusted.

So you need to break the change into smaller projects and allow people to add to the process – for example, Amnesty International spent time consulting on how individual staff members would like to have their workspaces designed when they changed the physical building, as part of the wider change process. The result was that staff felt better about the change in terms of broad-based action – they had a role and a part.

This empowerment can involve a number of different approaches but the best way is simply to give small groups specific projects to do that will

help contribute towards the change. These projects need to be relevant, limited in scope and capable of being delivered in a reasonable timescale autonomously.

#### 6) Generate short-term wins

Stages 5 and 6 are strongly linked. You need to ensure that the change is still seen to have momentum even when it encounters difficulties or challenges. Small wins help with this.

The wins need to be:

- enough so that it feels like things are happening;
- clear wins or successes; and
- communicated widely and celebrated.

The wins can be external – for example, a new major donor signs up to your ideas, or internal – the restructure is finished and the new teams start work.

Make sure you make time to acknowledge and celebrate the wins. Don’t keep looking up the mountain.

#### 7) Consolidate gains and produce more change

Stage 7 involves summarising what has been achieved – perhaps through a mid-term review or conference. You then need to make sure you keep the pressure on and ask for another ‘chunk’ of change, which will help make more progress towards the vision in step 2.

The important thing is not to sit on your laurels as a result of stage 6 – you do need to keep the pressure on to deliver the vision.

#### 8) Anchor new approaches in the corporate culture

People have a habit of slipping back into ‘old’ ways of doing things after a period of giving the new regime a go.

Figure 2: Message framework

Think	Feel	Do
What do you want people to think, know or understand?	How do you want people to feel or respond to this information?	What specific actions do you want people to take?

You only have to look at how many people lose weight then put it on again or give up smoking only to start again. Organisations can do the same thing:

- the customer care initiative fizzles out after a few months since the customers don't seem to appreciate it and it is hard work;
- the commitment to open communication proves to take a long time so is abandoned and we go back to withholding of information; and
- the mergers ends up involving two 'tribes' agreeing to work alongside each other rather than developing a shared new approach to work.

So the final stage is to ensure that the changes you need are firmly embedded in the corporate or organisational culture.

In summary, this eight-stage model can be applied to almost any change process – from a restructure, to a merger, to an innovation programme. It provides you with a route map.

But it still needs careful and flexible application – it's not a simplistic

'works every time' formula. I began with a quote from Machiavelli on how difficult change is and I think it is appropriate to end with with Darwin's perspective from *The Origin of the Species* on what makes us successful: 'It is not the strongest of the species that survives, nor the most intelligent but the one the most responsive to change.'

- 1 See also David Nussbaum's comment (CEO of WWF) in *Caritas*, Issue 3, February 2008, page 37: 'Things that can be expressed in... numbers are easier to measure... But when you are seeking to influence business leaders or government legislation, it is hard to know what would have happened if we had not done what we did... but if we don't try to influence the way the world runs we will never achieve or goal of a sustainable future.'
- 2 Kotter, John, *Leading Change*, Harvard Business School Press, (1996)
- 3 Moss Kanter, Rosabeth, *The Challenge of Organizational Change*, Free Press, August 1992

4 See also *Caritas*, Issue 10, September 2008, page 37 where Richard Jones, chair of The Heart of Kent Hospice, talks about how they effected a governing board change



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