Happy change in 2018?

2018, a new year. I wish you all the best in health and career!

2018 should be an exciting year for many organizations. We all know that the need for change in "the New Normal" is growing. Territory boundaries are fading, and markets are disrupted. The "Adapt or die" -articles can be found everywhere; no questioning about the importance and urgency of change in organizations.

However, what I see is that many organizations still don't do a very good job regarding change. Typically, they do more of the same, with some new projects, some new consultants, some new technology and some new language. And I see them hoping that Amazon, Google or Apple stays out of their business territories. I have always learned that hope is not a strategy.

All those smart people, all that experience, all the opportunities, and the huge importance; we must be able to do better, right? Why is this so hard?

This struggle in many organizations troubles me. I obviously haven't got all the answers, and there are many aspects to the challenges that organizations face. But I want to share a couple of thoughts, questions and ideas with you.

Embrace change = embrace failures

In the past decades, we have optimized our organizations. We learned how to design strategy; how to set up organizations; how to organize research; how to optimize processes; how to utilize machines; how to standardize; how to control; how to reduce errors. This knowledge is the foundation of our organizations today.

Now, an interesting question is: How much of this knowledge is still true in the New Normal? I won't call out that everything is different now, but for sure there are shifts:

- (Unique) customer experience might be more important than standardized (cheap) processes
- Speed of change might be valued higher than full control
- Small step (bottom up) change might require a different organizational set up
- The strategy model might require a complete overhaul, instead of just fine-tuning

The role of machines (IT) is changing dramatically, from supporting business to making business (IoT; AI; Machine Learning)

In the New Normal we need flexibility and new ideas! These new ideas won't arise from doing the same things we already did; we need to try new things. This requires knowledge, creativity, experiments, lessons, … and therefore, also failures. After all those years of avoiding failures, are we ready to appreciate failures again?

It is an interesting paradox that many organizations show a risk averse reflex to the threats they face, while the situation actually requires more risky moves.

Change is not a project

We have become very good at fixing problems in our organizations. With our projects we scope, analyse and solve problems. Within budget and deadline. So, it is logical that we launch projects to deal with the new challenges we face: set objectives, provide budget and means, and wait for the successful outcome.

However, the challenge at hand is not about a specific change (a new app, a new label, a new channel), but about change itself. The New Normal requires a fundamentally different approach to change: continuous, small step, quick, in all levels, delegated. We need to rebuild our change capabilities, which will impact a deeper level of how our organizations operate.

Where do our traditional project-approaches, and project organizations, fall short in the required changes? How can we change the fundamental approach to change?

Who owns change?

This might be the most important question. From whom do we expect action? Who should take the lead?

Is it the shareholders? They should have interest in the continuality of their investment? Or are next year's financial results, and well mitigated risks, of higher interest to them?

Is it middle management? For sure, middle management feels most of the pain. These are the people that need to hands-on deal with the new challenges in the outside world, being equipped with an "old" organization. An objective should be to reduce this work.

But does this group have the means and the knowledge to make fundamental change happen?

The employees at the front line? I strongly believe in the importance of the people that "do the real work" in Operations, Call centers, Sales, Servicedesks, etc. When it comes to experiments, new ideas and real change, this is where we need to be.

But are these people going to take ownership on change? Did we set up an organizational system where this is supported, rewarded, expected, or even tolerated?

Is it top management? They have the strategic lead in the organization. But they also work for the shareholders; how much freedom do they have?

For sure top management should play a key role, but do they have the right capabilities and ideas to change the way their organizations change?

I realize that I don't solve a lot of problems. I don't have that silver bullet that will make organizations adaptive. However, it is better to know some of the questions than all of the answers. These are some of the questions that are on my mind. What questions are on yours?

Author

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