

Leadership and Change: Pushing and Permission

Breakfast Seminar – 19 January 2005

Summary of Discussion

The discussion was focused around two different approaches to change: pushing (“just tell them what to do”) and permission (“let them noodle their way to the answer”). When the amount of change is high and there is little time, you almost have to adopt a push approach to change. But, if you have the time, the permission approach gives longer term benefits.

However, change often starts too late to allow this. Leadership is about starting change before it is forced on the business. Bringing new perspectives can get change started earlier. And, change doesn't have to wait on full support from the top, though radical change will eventually need a top level framework and support.

The heart of the issue around leadership and change is getting people to engage with and contribute to a direction that has been decided on. Tools for doing this include setting non-negotiable goals, demanding a specific level of performance, mandating processes to be followed to find solutions, and appointing new management.

Key

Major topics covered

Menkus & Associates summary conclusions, based on

- Comments, observations and questions from participants

Choosing the right approach

When the amount of change is high and there is little time, you almost have to adopt a push approach to change. But, if you have the time, the permission approach gives longer term benefits.

- The amount of time you have determines the approach you should take to change. If things need to happen quickly, you may not be able to let people figure it out for themselves.
- Sometimes, there is a demand for leadership and specific direction, particularly in times of crisis.
- How best to lead change depends on the team you have and the type of change you need to make. If you need a lot of change quickly, you don't have the time to let people figure it out for themselves.
- It takes time to allow people space for “noodling around”.

Creating the stimulus for change

Change often starts too late. Leadership is about starting change before it is forced on the business.

- Often, you don't have a burning platform, just a smouldering one. It's not always clear when you should start change. Can you ever get it right? Shouldn't you be paranoid and always think that someone's going to make the change if you don't?
- The best time to change is when you are doing well, when you have the money and time to drive change rather than be driven by it – but it's one of the most difficult times to get change started.
- It can be difficult to get change to happen when your team has been successful.
- Change is even more difficult when there is no crisis and when the current management approach is collegiate.
- As a leader, sometimes you have to create a crisis: “we won't give you any more money unless you get your ROI up to X”.
- You need to start shifting to a new business model about 2 years before you really need it, because it takes time. It's important to keep your organisation out of its comfort zone. For example, M&S could have adopted a much more direct business model when it was making record profits.

New or external perspectives

'Seeing with new eyes' get change started earlier.

- Often, one of the most important things a leader can do is to break the shell of people's existing beliefs and assumptions – often by bringing people into contact with examples from outside their experience. Sometimes, that can allow you to move more quickly than otherwise.
- Bringing outside input can help, but inside hands-on experience is more compelling. As an example, we took staff from Italy to see some of our sites in China. At first, they weren't impressed, but we were there long enough that they started to see past the fact that it wasn't the same as they did it, and were able to see where there were good elements that could be adapted. Often you get very unexpected results when you do this.
- You need to get people to take time to really listen to internal experience and to organise and share it.
- Sometimes you can only really see what's going on in your business if you can get somewhat outside it – like Bill Gates and Steve Jobs have both done at various times.

Does change start at the top?

Change doesn't have to wait on full support from the top, though radical change will eventually need a top level framework and support.

- Often the drive for change doesn't come from the top. Leaders in the middle of the organisation can often threaten senior executives. Surprisingly, senior executives can have a short term view of the tradeoff between investment now and returns later, so don't want the impact on current performance of making change.
- Developing solutions from the bottom up is fine, but there are some issues where you need to tackle them at the very top level to avoid sub-optimisation.

- Radical change needs to have senior level sponsorship.

Moving from “what” to “how”

The heart of the issue around leadership and change is getting people to engage with and contribute to a direction that has been decided on. Tools for doing this include setting non-negotiable goals, demanding a specific level of performance, mandating processes to be followed to find solutions, and appointing new management.

- Often you need to let people know you are very clear about the direction you are setting (“it’s my job on the line”) but that you will work with them on how.
- One way to generate change is to set the goal to be reached and then set requirements about who has to work together to meet those goals. Often forcing people together across groups means they have a deal with the issue, rather than expecting someone else to.
- You need to force people into a zone where they learn, but not force them too far. The goal is to have empowerment within a zone. The zone is defined by the leader, along with the reasons why the boundaries of the zone are non-negotiable. People want a task they can deliver against. As leaders, we need to stretch people, but bear in mind their differing capabilities.
- There are two ways you can generate change: be directive or put people in place who can make the change happen without a lot of direction. A new leader can create a degree of disruption that could be more difficult for someone already in place to achieve.
- Often, you need to set up very new ideas as a separate operation, and then once it is shown to be successful it will have the power to influence the legacy part of the business. For example, Woolwich’s Open Plan was set up as a quasi-separate business, and then the rest of the business folded into it.
- Once people are onto “how do we do it?”, get out of the way.

Leadership style

It’s hard to change leadership style, even your own, so it’s important to match style with what the situation needs.

- The leadership style someone has may not be easy to change. It is even more difficult for leaders to change their style when they have been successful. Even if people do try to change their style, they will tend to revert to type. And, the people around them have adapted to their style, making it even more difficult to change. It might be better to move them out of the role they are in and into some new role where their style is needed. But, this may not always be possible.
- There is a leadership “x factor”, some element of personal charisma that gets people to buy into a vision even if all the logic isn’t there: the sense that things are going to happen, that ‘where he’s trying to get us to go is a better place than here’.

Multi-national organisations

Multi-national organisations have additional challenges and opportunities related to change.

- There is a wealth of experience to be tapped, if you can unlock cultural variations. Many of the difficulties in cross-cultural projects are based on basic

misunderstandings about how things are to be done, or who is going to do them. To be successful in cross-cultural efforts, you need to learn how to communicate and work together.

- People only invest in cross-cultural understanding if they know there is no other option.

MenKus & Associates is an innovative consulting firm that provides tailored solutions to difficult business problems. Our mission is to help business leaders reach their goals in highly challenging circumstances where traditional methods are ineffective and new approaches are needed.

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