# Welcome to TPE's Free Webinar Series

## *"Leading Your Organization through Change"*

**The Partnership for Excellence**

Helping organizations
see improved results

Ohio * Indiana * West Virginia

*Our Presenter*
*Dr. Margot Hoffman*
*The Partnership for Excellence*

# *Agenda*

- Welcome

- Introduction of TPE's Webinar Series

   Margot Hoffman, President & CEO, TPE

- Today's Session

   *Dr. Margot Hoffman*
   *The Partnership for Excellence*

- Open Discussion and Questions

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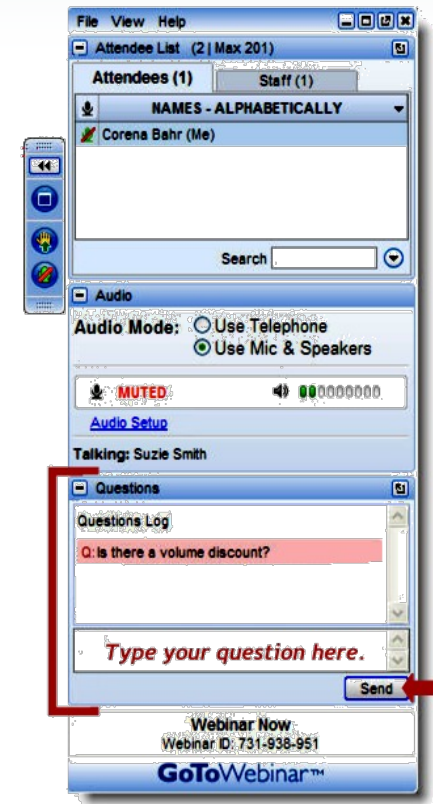
# Online Courses and Certifications available through TPE and Moresteam.com:

* Lean Six Sigma Black Belt

* Lean Six Sigma Green Belt

* Lean Six Sigma Yellow Belt

* Lean Six Sigma Overview

* Lean Methods Accelerator

www.thepartnershipforexcellence.org

Reviewed & Approved by The American Society for Quality

ASQ

**LEANOhio**
**Local Government**
Efficiency Program

# Lean Boot Camp:
## *Transforming the Public Sector*

**Dates:** January 12 - 16, 2015, 8:30 am - 5:00 pm.

**Location:** City of Columbus, Jerry Hammond Center, Lower Level, "Automated Training Room", 1111 E. Broad St., Columbus, Ohio 43205

**Course Fee:** $2,000.00. Payable by state of Ohio scholarship vouchers, credit card and checks.

**Registration Link:**

*http://www.thepartnershipforexcellence.org/html/events/process_efficiency_registration.htm*

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# *Our Presenter…*

Dr. Margot Hoffman is the President and CEO of The Partnership for Excellence (TPE), a Baldrige-based state program for the promotion of performance excellence in all sectors of the economy. TPE is a volunteer-driven, 501(c)3 non-profit member organization headquartered in Columbus, Ohio, promoting the interests of performance excellence throughout Ohio, Indiana, and West Virginia. Margot has over 25 years of experience in engineering, corporate training, general management and senior leadership positions with global automotive supply corporations. As vice president and general manager of Dana Corporation's Spicer Outdoor Power Equipment Components division, her team received The Partnership for Excellence Governor's Award.

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***Dr. Margot Hoffman***
***The Partnership for***
***Excellence***

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# *"Leading Your Organization through Change"*

# *Change is Inevitable*

## Change will happen

## Change is occurring faster than ever before

## The types of change organizations are seeing are unprecedented

❑ Technology is altering how business is done

❑ Government is transforming "the game"

❑ Industries are changing the rules

❑ Globalization is becoming the norm

❑ Natural disasters continue to occur

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Quinn, R.E. (1996). *Deep change: Discover the leader within.* San Francisco: Jossey-Bass.

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# Cross Your Arms

❑ Cross your arms, then cross them the other way

❑ How did it feel when you were asked to cross your arms the other way?

- ▪ Did it come naturally or did you have to stop and think about it?

- ▪ Were you comfortable with doing this differently from your normal process?

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# *Choose to Lead Change!*

❑ When organizations aren't internally aligned to external expectations, they either

  ■ Change/adapt

  ■ Do nothing

    ✓ Become a powerless victim or passive observer resulting in:

      – Becoming meaningless

      – Slow death of organization

Image Credit: © **Marek** - Fotolia.com #48836774

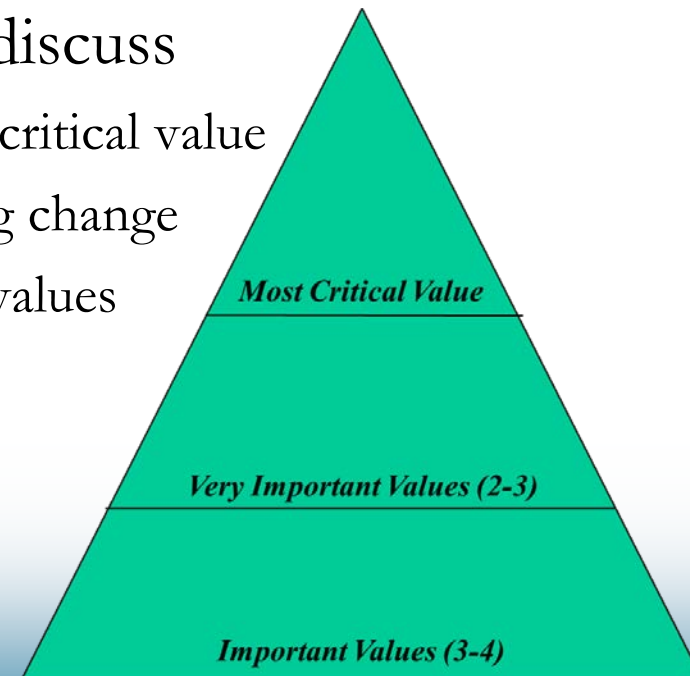*For organizations to change, people must change!*

Quinn, R.E. (1996). *Deep change: Discover the leader within*. San Francisco: Jossey-Bass.
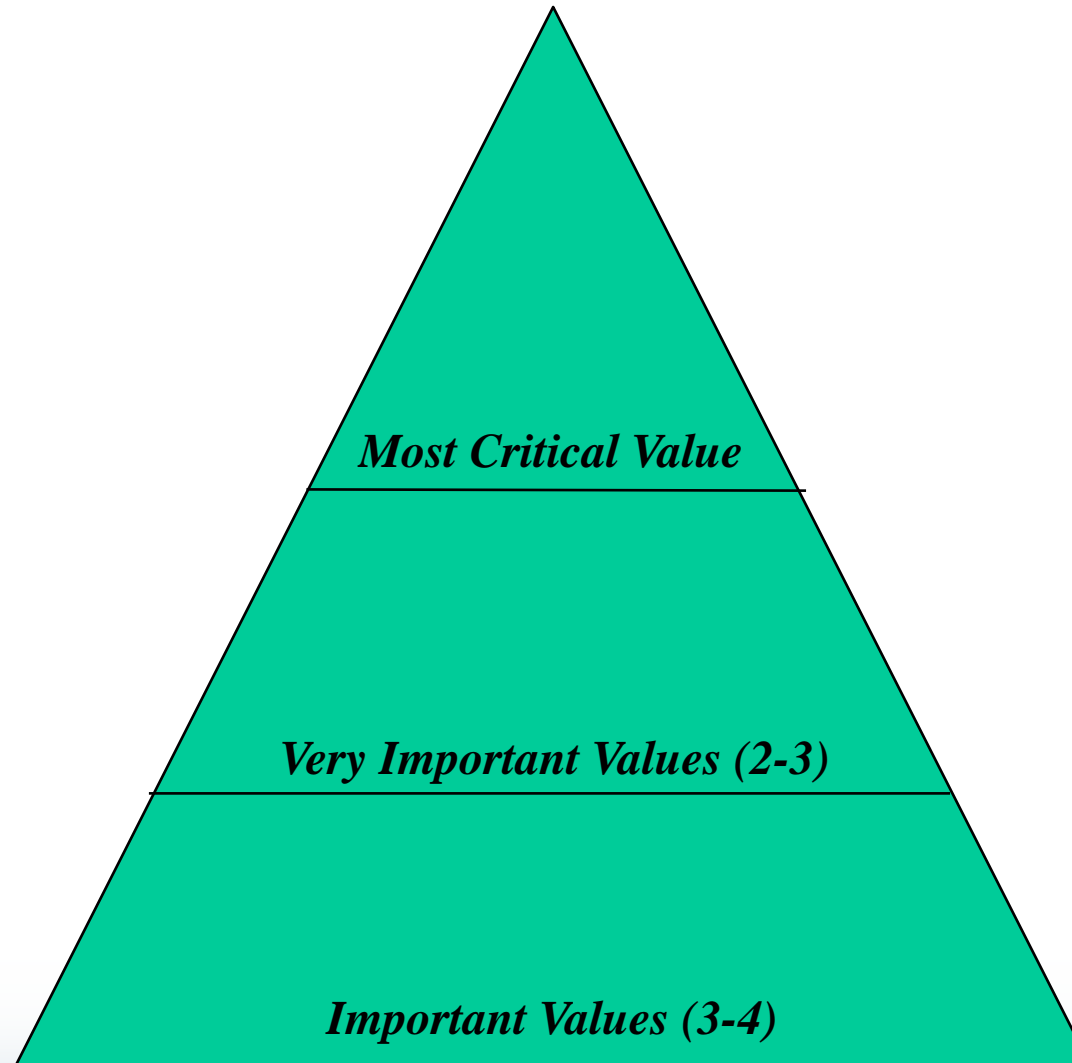
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# *Personal Values Pyramid*

❑ List 6 – 8 things you value about your job

▪ In other words, what would you resist losing during a time of change?

❑ Prioritize list by placing each item in the pyramid

▪ In the base, place the 3 – 4 items that are important to you

▪ In the middle, place the 2 – 3 items that are very important to you

▪ At the pinnacle, place the one item that is most critical to you

❑ Conduct exercise with your team & discuss

▪ Differences between each person's most critical value

▪ Reasons people feel a sense of loss during change

▪ Importance of being sensitive to other's values

*Most Critical Value*

*Very Important Values (2-3)*

**Important Values (3-4)**

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# Personal Values Pyramid



*Most Critical Value*

*Very Important Values (2-3)*

**Important Values (3-4)**

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# *How People React to Change*

- ❑ Resist change
  - ▪ Hold onto past practices
- ❑ Jump to conclusions
  - ▪ Make assumptions
- ❑ Work around change
  - ▪ Look for "quick fix"
- ❑ Distance themselves
  - ▪ Find distractions to keep busy
  - ▪ Deny change is needed
- ❑ Eager for change
  - ▪ "Drank the Kool Aid"

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**P2.a(2) What key changes, are affecting your competitive situation, including changes that create opportunities for innovation?**

**1.1/2.1 Describe how senior leaders create an environment that supports innovation, and high performance.**

**2.1b(1) What key changes, are planned in your products, your customers and markets, your suppliers and partners and your operations?**

**3.2a(1) How do adapt product offerings to meet customer requirements, enter new markets and to attract new customers?**

**4.1.a(4) Measurement Agility- How do you ensure that your performance measurement system can respond to rapid or unexpected organizational or external change?**

**5.1a(4) How do you prepare your workforce for changing capability and capacity needs?**



ORGANIZATIONAL PROFILE: ENVIRONMENT, RELATIONSHIPS, AND STRATEGIC SITUATION

**6. How do you incorporate new technology? How do you prepare for disasters or emergencies?**

**7. What are your current levels and trends in key measures or indicators of operational performance including productivity, cycle time, and other appropriate measures of process effectiveness, efficiency, and innovation?**

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**Management Change**

**Tax Cut or Increase**     **Change in Law**

**Reorganization**     **A Move**     **Promotion**

**New Competitor**     **Company Downsizing**

# Change is Situational

**Lost Contract**     **Acquisition**     **New Customer**

**Loss of Employee**     **Natural Disaster**

**New Product/Service Enters Market**

*Address the "What" in the Baldrige Criteria*

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Anxiety

Sorrow

Excitement

Concern

Acceptance

Discomfort

Happiness

Distress

Fear

# Transition is
# Psychological

Anger

Unease

Sense of Loss

Anticipation

Enthusiasm

Mistrust

Apprehension

*Address the "How" in the Baldrige Criteria*

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# *3 Stages of Transition*

## *The Ending*

## *The Neutral Zone*

## *The New Beginning*

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## *Addressing the "How" in the Baldrige Criteria*

Bridges, W. (2009). *Managing transitions: Making the most of change.* Philadelphia: DaCapo Press.

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# 1st Stage of Transition

## The Ending

❑ Time for "letting go" of old ways & old identities

❑ Leaders need to help people deal with sense of loss

**EXIT STRATEGY**

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Bridges, W. (2009). *Managing transitions: Making the most of change.* Philadelphia: DaCapo Press.

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# 2<sup>nd</sup> Stage of Transition

## *The Neutral Zone*

❑ Period between the old way & new way

❑ People may feel in limbo or in an "emotional wilderness"

❑ When leaders realign organization & re-pattern behaviors

  ▪ Opportunity for innovation & creativity



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Bridges, W. (2009). *Managing transitions: Making the most of change.* Philadelphia: DaCapo Press.

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# 3rd Stage of Transition



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## The New Beginning

- ❑ New identities develop

- ❑ Organization should experience new energy

- ❑ A new sense of purpose emerges to make change happen

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# *Deterrents to Effective Change*

- ☐ Complacency
- ☐ Uncommitted/weak management
- ☐ Insufficient strategy
- ☐ Poor communication
- ☐ Obstacles blocking progress
- ☐ Lack of short-term wins
- ☐ Declare victory too soon
- ☐ Change not rooted in culture

Image **Credit**: © freshidea- Fotolia.com # 36973521

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# *Leading Effective Change*

- ~~Complacency~~
    - *Establish sense of urgency*
- ~~Uncommitted/weak management~~
    - *Guiding coalition*
    - *Committed to MVV*
- ~~Insufficient strategy~~
    - *Develop vision and strategy*
- ~~Poor communication~~
    - *Communicate vision for change*



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# *Leading Effective Change*

- ☐ ~~Obstacles blocking progress~~ Empower people to act

- ☐ ~~Lack of short-term wins~~ Celebrate milestones

- ☐ ~~Declare victory too soon~~ Understand progress relative to goals and continue change

- ☐ ~~Change not rooted in culture~~ Embed change in culture



Image Credit: © madpixblue- Fotolia.com # 65662851

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# Tips: When Change is Hard

## Provide crystal clear direction

- ❑ A lack of clarity may look like resistance

- ❑ Be solution-focused and look for bright spots in organization
  - ▪ Instead of asking "What's broken & how do we fix it?" ask "What's working right now?"



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Heath, C. & Heath, D. (2010). *SWITCH: How to change things when change is hard*. New York: Broadway Books.

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# More Tips: When Change is Hard

## Recognize that change requires self-control

❑ Self-control is exhausting compared to routine activities

❑ Don't create decision paralysis by offering too many choices

❑ Exhaustion may look like laziness

## Appeal to rational side & emotional side of people

❑ Direct the rational side, motivate the emotional side

### What looks like a people problem, is often a situation problem!

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# *Management vs. Leadership*

*Good management __and__ leadership are required to make change, but strong leadership will result in more successful execution*



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## Management

*(appeals to rational side)*

❑ Plan & budget

❑ Organize & staff

❑ Control & resolve problems

## Leadership

*(appeals to emotional side)*

❑ Establish direction

❑ Align people

❑ Motivate & inspire

Kotter, J.P. (1996). *Leading Change.* Boston: Harvard Business School Press.

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# *Positive Aspects of Effective Change*

❑ Encourages creativity and innovation

❑ Enhances employee morale through

- ▪ Training

- ▪ Involvement

- ▪ Collaboration/Teamwork

❑ Generates new opportunities
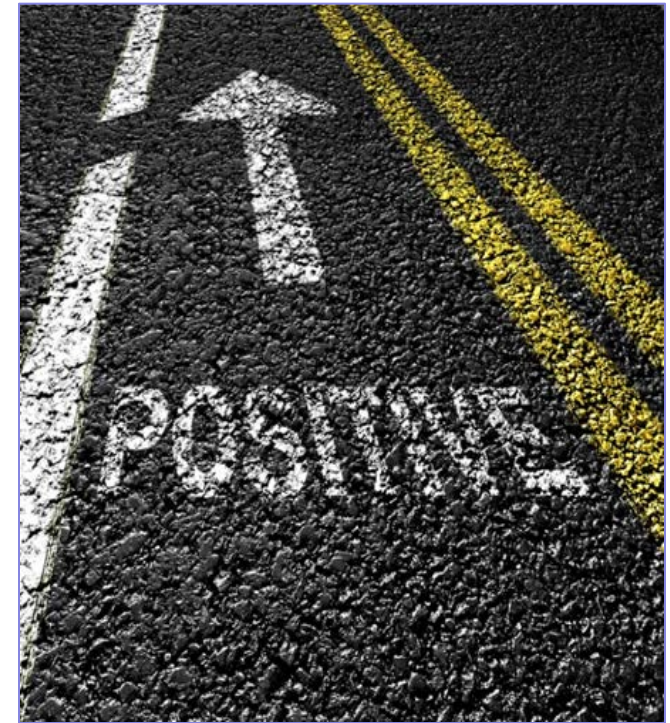
❑ Increases efficiencies

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# Emergency Preparedness

## *Does your organization have a disaster recovery plan?*

❑ Change as a result of a catastrophic event can devastate an organization

  ▪ Is your organization prepared for a catastrophic event, such as a fire, natural disaster or loss of a number of key resources?

❑ Proper preparation & planning can minimize effects of disasters - 6.2c(2) & 7.1b(2)

### *If not, start developing a disaster recovery plan today!*



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# Changes Affecting Your Organization

## Think of a change affecting your organization

- ❑ What are some reasons people are resistant to the change?

- ❑ What can you do to make it easier for people to accept the change?

- ❑ What kind of support is necessary to maintain the change?



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*Questions?*

*Thank You!*