



## Absolutely Fabulous Organizational Change<sup>®</sup> by Michael Mercer, Ph.D.

**E**ach of us is capable of implementing change that benefits our cancer program or practice. Be forewarned, however, that no matter how brilliant your changes, if they do not fit into your organization's culture—the behaviors and values your organization recognizes and cherishes—they will not be implemented.

Corporate values are usually conveyed perfectly by the workplace story every employee tells and retells. It is often about the company's founder. For example, Scott Cook, founder of the software company Intuit, was so focused on understanding and fulfilling the customer's needs that he invented "Follow Me Home." He would go to a store where Intuit's software was being sold, and when customers bought the software, he would ask if he could follow them home and watch how they installed the product. The story reveals Intuit's central doctrine: "The customer is always first."

There are three key ingredients for producing successful organizational change.

*Leadership action* is the first ingredient. You need to create a big, inspiring vision. A hospital's vision is not the puffy, cliché-filled mission statement adorning the lobby or annual report, it is the big, exciting goal the organization wants to accomplish. For example, the Ritz-Carlton Hotel Company's vision is

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to be the premier worldwide provider of luxury travel and hospitality products and services.

Departments need exciting visions, too. At one workshop, the head of a hospital's janitorial department announced to the other managers that his department's vision would be to become the cleanest hospital in the entire state. Nine months later the hospital won more points on cleanliness than any other hospital in a statewide audit. The manager said that after he conveyed his vision to his staff, they were much more motivated.

Other leadership actions include setting goals to implement changes and promoting teamwork. Productive employees need measurable targets with deadline dates to meet. Teamwork can promote change. At Egghead.com, COO Jeffrey Sheahan and CEO Jerry Kaplan instituted two activities every Tuesday and Friday to assure teamwork and goal achievement while their organizational changes were being made. Tuesdays featured a lunch meeting of Egghead's top five executives that focused on strategy, and a meeting called the "5-15 Report" (5 minutes to read, 15 minutes to produce) from managers on their progress toward that week's stated goals. On Fridays a staff meeting was held at which all middle managers reported on their progress, and there was a social from 3:30-3:50 p.m. each Friday for all employees where cake and public praise were served.

*Managing employee problems* is the second ingredient for successful organizational change. People problems fall into two categories: resistance and rebellion. Resistance involves employees flinging roadblocks in the way of change, while rebellion involves defiance of authority figures by slowing the

work pace, slashing productivity, and badmouthing the change behind leaders' backs. These behaviors usually come from a feeling of betrayal.

We found that the upset in employees' lives could be eased by 1) communicating the reasons for the change, 2) involving employees in decision making, 3) providing incentive pay, 4) insisting that employees achieve goals within deadlines, 5) creating an atmosphere of teamwork that creates peer pressure to "get with the program," and 6) celebrating successes.

Some employees who did well before the change may not do well after the change is implemented. If employees absolutely cannot adjust, it is best to follow the philosophy of a participant in one of my workshops who said, "As our organization undergoes major organizational changes, we always seek to cure the wounded, but we shoot the dissenters." Some resistant employees simply need to be fired. After all, a company's purpose is to prosper, not to run a counseling center.

A good way to avoid employee problems in times of change is not to hire employees who could become problems in the first place. Use customized tests and interviews if necessary, but the best way to have productive, dependable, and flexible employees is to hire productive, dependable, and flexible people to begin with.

Ingredient three is *self-management*. Managers use all sorts of techniques to lead change, but ignore their own emotions and attitudes. Doing so is a big mistake. To successfully lead an organization in transition, you must be optimistic and focused on teamwork. These qualities are contagious and will spread to your employees. ☛

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