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The new model of success for change and transformation directors is understanding, engaging, and working with mindsets and behaviour of their people



Article

Navigating Business Change - the new Change Leadership

It is now imperative we build the new capabilities in our leaders of change, and now consider the findings from behavioural science that we have known for many years.

From my experience of working with change leaders across many sectors, we have always known it's about changing hearts and minds but in the past many leaders of change have not really known how to do it or why this is so important.

As the pace of change in business is accelerating, effective change management is vital. We have known for many years that change programmes typically fail because people don't buy in to and engage with the change but increasingly there is a fundamental need to look at the people dimension differently. The pandemic has caused the worlds 'biggest experiment' with many businesses transformaing at the same time. Most organisations are needing to change at least some aspects of their operation.

For many leaders, this requires tapping into some new skills and capabilities that they may not have previously used. From my experience of working with change leaders across many sectors, we have always known it's about changing hearts and minds but in the past many leaders of change have not really known how to do it or why this is so important.

In this new environment of uncertainty, people and change management is very complex, particularly where there are substantial changes underway.

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Employees are wrestling with personal challenges from chaotic home environments to unplanned career changes. Others are struggling to keep focused with the unpredictability and some are finding it difficult to keep engaged and productive.

We know that leaders and the HR team in progressive organisations have taken care of the wellbeing of their people during the pandemic; this needs to be complemented with enhanced skills for leaders in supporting their people through change.

It is now imperative we build the new capabilities in our leaders of change, and at last consider the findings from behavioural science that we have known for many years.

My proposition is that change leaders need to prioritise much more how people are thinking and behaving, by really connecting to the individual and guiding them to feel positive and secure and build psychological assets for people and the organisation that will increase the likelihood of successful change.

Never has the ability to manage uncertainty and provide clarity of **expectation been so important to increase psychological safety.**

Kahn defined psychological safety as being able to show and employ one's self without fear of negative consequences. The bad news? Our brain doesn't like uncertainty. Our brain sees uncertainty as a treat and triggers the stress flight or fight response which causes a chain of reactions in the brain and body. This hinders our ability to think rationally, be creative and resourceful or be open-minded; all of which are required to respond to the change. Research by Brosschot, Verkuil, & Thayer has shown that the stress response is the default and is always there, on the verge of being activated. Unfortunately, Yu & Dayan found that even expected uncertainty triggers the sympathetic nervous system; making it difficult to think rationally. We do not have a crystal ball to know what is coming next but the good news is that there are some simple things that change leaders can do to help people manage the impact of uncertainty and change so they are better able to feel secure and psychologically safe.

David Rock's SCARF model can be useful to managers to increase people's acceptance and engagement with change by helping them create psychological safety. (I have included a description of how I have used this in coaching for change leaders.) People put different emphasis on what triggers safety for them, so it is important to talk to them about what are likely to be key issues for them.

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These may include:

Status - be aware of perceived loss of status and highlight positive aspects of the change such as benefits of a new operating model or change for a person's role.

Certainty - make sure key messages are given to explain how the changes will impact a person. Where there are still unanswered questions and things that are unknown, give a date when there will be more communication.

Autonomy - give indications on how the person can make choices about their work and which are the important decisions and choices that they will make.

Relationships - highlight the positive changes, such as how the person will relate to different people and teams in the future.

Fairness - identify any perceptions of unfairness and provide a rationale and reframe the perception of unfairness where possible so that the person can focus on the positive aspects of the change for them.

A change leader's role includes helping people build self-efficacy: that means developing the person's confidence and belief that they have the capability to change.

Internal cognitions and deliberations of an individual are an important part of whether an individual will change their behaviour or not. Many studies show the importance of confidence in triggering behaviour change which can be hugely influenced by leaders. Bandura identified self-efficacy which is a widely used concept defined as "the conviction that one can successfully execute the behaviour required to produce the outcomes."

Change leaders have an important role to build self-efficacy in their people, not only in developing abilities but cognitive perceptions about whether something is easy or difficult to do. Leaders must not underestimate the power of social expectations. In the 1950s, John William Atkinson who was a pioneer in human motivation and behaviour developed expectancy value theory which fundamentally found that learning occurs in a social context with a dynamic and reciprocal interaction of the person, environment, and behaviour. In fact, social influences and social positive reinforcement of behaviour are important in influencing behaviour in organisational change.



*Kahn defined psychological safety as being able to show and employ one's self without fear of negative consequences and many studies such as those by **Edmondson and Lei** have shown as we would predict that safety plays an important role in workplace effectiveness.*

The things that keep CEOs up at night will be how the workforce will react to changes, how they can get their teams to work together and whether they have leaders that can effectively lead their people in the new environment.

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Empathise to build trust is a prerequisite for change.

There are things that leaders can do to build trust and personal commitment in their teams even in difficult uncertain times. The Chartered Institute of Personnel and Development research, 'Cultivating trustworthy leaders' found that leaders need to bring to the surface what has remained hidden; to be perceived as human, personal and relational.

Previously in my view, we were too protective of our organisations, we didn't trust people, so we designed processes to ensure people behaved well and as a result we got passive compliant behaviour not agile or innovative responses. This is no longer appropriate. Working from home has left a lot of people feeling tired and many studies are showing that organisations are enabling their on-site employees to continue to work remotely even after the pandemic passes. This means keeping the trust that has been placed in people going, to continue in the new normal.

Research from Korn Ferry shows that leaders with high emotional intelligence are better equipped to build trust and drive positive change. This will be particularly important as there is increased pressure on organisations' ability to retain their core values and sense of identity. At the heart of trust is a leader's ability to interact authentically. If we want people to change, we have to act as a role model: 'do as I say and not as I do' is not the formula for successful change leadership. In the virtual environment, the ability to be more visible and authentic is even more difficult but necessary.

Developing support networks and generating communities to engage people to align their mindsets and actions will be vital to this. We are intensely social; behaviour is shaped by others by contagion, all the time.

Educate to change inner beliefs because getting someone to commit to a change is not the same as changing.

We all know the difficulty of willpower even when we can see the risks in front of us. Consider the research on people with heart disease which shows that just giving information does not create change. Most cardiac



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Korn Ferry

Do your leaders of change give real attention to the human dimension of understanding how people are thinking, feeling, and behaving?

It is important to help people answer the question, 'what's in it for me' and to focus on the positives. There is much we can learn from this about changing behaviour and mindset in the organisational setting, but it is very clear that our inner game drives our outer game.

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patients when told they would live considerably longer if they change certain behaviours that are harmful such as smoking and drinking, eating less fat, reducing their stress levels, and exercising regularly, make a genuine effort to do so. Yet study after study has shown that 90 percent of people who have undergone surgery for heart disease revert to unhealthy behaviour within two years.

Dean Ornish, a professor of medicine at the University of California in San Francisco undertook research which reframed the underlying mindset beneath the patients' narratives. He wanted to change it from "If I behave this way, I won't die" (fear driven) to "If I behave this way, my life will be filled with joy" (hope driven). His research showed that 77 percent of his patients were able to make permanent changes in their lifestyles, rather than 10 percent which was the typical number of patients able to sustain a change to their way of life.

This shows the power that change leaders can have if they help people look to their personal narratives. It is important to help people answer the question, 'what's in it for me' and to focus on the positives.

There is much we can learn from this about changing behaviour and mindset in the organisational setting, but it is very clear that our inner game drives our outer game. It's about our mindset being guided by our inner beliefs which in turn influence what we do, whether we resist or embrace organisation change.

Change leaders need to **engage** people and carve out time for deeper conversations.

Models such as John Kotter's change model which focuses on creating urgency, forming a powerful coalition, creating the vision, communicating it, identifying short-term wins, building the change and anchoring it in the culture are important but insufficient to create the change in today's environment. They are all focused on influencing people to change to a vision of a new world. For one of my clients we supported managers of change in focusing on the imperative of understanding how people are thinking, feeling, and behaving. Engaging in two-way dialogue is critical so that leaders are attuned to not only what people are thinking but also their emotional lives and can tap into the diversity of the team.

This collaborative two-way dialogue will also enable organisations to be more innovative and agile in the highly unpredictable and uncertain times we now find ourselves in. Leaders also have a key role to play in facilitating engagement across teams. Change cannot happen if people and functions within the business operate autonomously in a siloed way.



It's become apparent that we need to do a better job of explaining the why, the impact the change will have for those involved and then to relate this to each person and understand what is the 'why' for them in their working life. Emotional intelligence is no longer the 'soft' side of leadership.

Sue Conder

As a change leader how confident are you that you have built trust in your teams?



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So one of the priorities for change management will be a shift in the culture to a more collaborative one where different teams are engaging within the organisation, across roles, status levels, functions and geographic boundaries.

According to Lewin's description, there is an unfreezing/refreezing process in changing behaviour, whereby habitual behaviour is exposed to scrutiny by the group before being allowed to fall back into position in day to day life but based on altered group standards. Lewin emphasizes that group standards must be changed if lasting individual change is to result. When change leaders across the business collaborate and coordinate, they bring greater unified clarity, which is coalesced to drive changes more successfully.

We know from behavioural science we must tap into people's specific motivations in order to energise them.

Changing an organisation means people changing their ways of working and their ways of thinking. It stands to reason that this can be hard because it's personal. Knowing what drives us and why we do what we do, is the way to understand what energises us. Mindset and behaviour are interdependent. We need to tap into personal motivations.

In my organisational development career, it was typical to identify the external levers or influences that were hindering or enabling a change such as processes, structure, rewards or culture. In today's world, we need to look internally at people's thinking and motivations that are helping or hindering.

Leaders can start to understand that it's often not lack of ability but unaligned personal motivation that can get in the way. This means genuinely listening to and understanding people's motivations so that leaders can be very explicit about the benefits for each person - answering the question for them at all times in the context of change, how will this help me with my own goals or aspirations? It's become apparent that we need to do a better job of explaining the why, the impact the change will have for those involved and then to relate this to each person and understand what is the 'why' for them in their working life. Emotional intelligence is no longer the 'soft' side of leadership.

The how is as important as the why to enable people to change

Team leaders will need to work harder at having many conversations with people to help them understand not only 'why' changes are needed but also emphasising 'how', which means being more explicit about how things will be done differently - whether it is providing a different service to customers, or changes to processes or new technology



Leaders need to personalise and own change programmes and will need the capabilities to deliver massive buy-in and commitment - not passive agreement - so that people take personal ownership and drive change, identifying problems and innovating along the way.

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Team leaders will need to work harder at having many conversations with people to help them understand not only 'why' changes are needed but also emphasising 'how', which means being more explicit about how things will be done differently - whether it is providing a different service to customers, or changes to processes or new technology. One of my clients put in place a network of change champions to support the perception of the change programme and influence the right mindsets and behaviours at 'grass roots' level. These champions helped to review materials, communicate key information, and act as a key influencer in their part of the business to influence people's perspectives and people's understanding of why change is necessary and how they need to change. The result? The champions ensured a smooth transition of teams to new ways of working.

It is possible to look to change behaviours alone, but unless an individual understands the reasoning behind the behavioural change and assimilates it into their mindset, then the chances of a lapse are high. Conversely, if your focus is simply on changing mindsets then your people may not have the tools to engage with the behavioural changes that are required. For one of my clients this involved descriptions for key roles - 'old ways of working' and 'new ways of working' - so that what was expected of people was explicit and overt.

My proposition is that there is a new set of change leaderships assets that sit alongside human capital assets.

The new model of success for change and transformation directors is understanding, engaging, and working with mindsets and behaviour of their people. From our research and experience in this area, we have developed a proprietary tool that we use to coach change leaders that taps into the conditions for both mindset and behaviour change: the 7 Es framework of engaging hearts and minds for sustainable change.

All leaders will need to embrace new ways of behaving: they will also need to be supported. Executive teams will no longer be able to manage their individual silos but align their functions to the direction of change which must be cascaded to every layer. Leaders need to personalise and own change programmes and will need the capabilities to deliver massive buy-in and commitment - not passive agreement - so that people take personal ownership and drive change, identifying problems and innovating along the way.

The 7 Es - principles of coaching for change leaders.

This means genuinely listening to and understanding people's motivations so that leaders can be very explicit about the benefits for each person - answering the question for them at all times in the context of change, how will this help me with my own goals or aspirations?



The new model of success for change and transformation directors is understanding, engaging, and working with mindsets and behaviour of their people. From our research and experience in this area, we have developed a proprietary tool that we use to coach change leaders that taps into the conditions for both mindset and behaviour change: the 7 Es framework of engaging hearts and minds for sustainable change.

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1. *Expectation* - provide clarity and certainty as much as possible with attention to building psychological safety
2. *Efficacy* - build self-efficacy, the belief that one can successfully produce a desired outcome
3. *Empathise* - show people that you are with them, understand what they are feeling and ask questions to guide them through their experience of the change while building trust
4. *Educate* - provide the rationale behind the change and tell stories that go beyond the facts to stimulate and shape new ways of thinking and mindsets, illustrating with a leader's personal perspective
5. *Engage* - in a two-way dialogue, ask people questions about their personal thinking and feelings and communicate why the change is happening and clarify the benefits for them
6. *Energise* - tap into the motivation of each person so that they want to support the change and are motivated because they don't want to miss out but are willing to take action and put in discretionary effort because they can see the benefits for themselves
7. *Enable* – make it easier for people to act, equip them with skills and structures they need and remove barriers to action. When people are supported within the right environment, they can build the confidence to interact and create solutions. It is this interaction with positive reinforcement that is crucial in delivering lasting change.

As a change leader, are you confident you have the commitment and capability in your people and teams to act and deploy the required new ways of working?

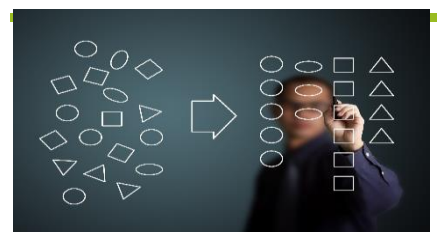


The new asset of the organisation is the psychological capital, where people are aligned with the purpose and direction of their team and their organisation. To build this in the context of change means more attention needs to be given to realigning mindsets, motivations, and behaviours to the change.

Often in change programmes in my experience this was seen previously as 'the icing on the cake', it seems to me now they're the 'essential ingredients of the cake.'

No matter how well designed your change programme is, if there is disinterest, poor buy-in or resistance, or in the current environment uncertainty, distraction and often untypical virtual teamworking, it can be harder to capitalise on any benefits the change might bring.

Leaders need to personalise and own change programmes and will need the capabilities to deliver massive buy-in and commitment - not passive agreement - so that people take personal ownership and drive change, identifying problems and innovating along the way.



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Questions

1. *As a change leader how confident are you that you have built trust in your teams?*

2. *Do your leaders of change give real attention to the human dimension of understanding how people are thinking, feeling, and behaving?*

3. *Are people clear on the purpose of the change and do all stakeholders understand 'what's in it for them' linking to their aspirations and*

4. *Have people been engaged in a two-way dialogue so that they are left with no doubt about what they need to do differently and the positive outcomes of the change?*

5. *As a change leader, are you confident you have the commitment and capability in your people and teams to act and deploy the required new ways of working?*



About the author

Sue Conder is a former Deloitte Partner and business leader, with 25 years + in organisational change consulting and leadership development and as a business psychologist, supporting executives and their teams to embrace the people dimension of success in life and in business. She delivers webinars, masterclasses, workshops and coaching for executives and for leaders and their teams.

She is the founder of Conder & Company who believe in the power of 'company' and bring together a large network of accomplished professionals. What unites Sue and those with whom she works in partnership, is a shared philosophy on the importance of wellbeing and how individual success contributes to organisational success.

They come with years of practical business experience and with evidence-based frameworks and tools, which take into account both the complexities of business and importantly an understanding of working with people's mindsets, emotions, behaviours and motivations. This enables individuals to gain personal success and wellbeing so that they can also perform at the highest levels.

To find out more about their ethos and approach, get in touch with Sue Conder on letstalk@conder.co or visit www.conder.co