

## *The Eight-Stage Process of Creating Major Change*

While Avoiding the Eight Errors Common to Organizational Change Efforts

Advice for avoiding common errors to organizational change	Implications
<p>Error #1: Allowing too much complacency</p> <ol style="list-style-type: none"> <li><b>1. Establish a sense of urgency</b> <ul style="list-style-type: none"> <li>▪ Examine the market and competitive realities</li> <li>▪ Identify and discuss crises, potential crises, or major opportunities</li> </ul> </li> </ol>	<p>All employees must feel a sense of urgency at the beginning of a transformation in order to motivate them to give extra effort, make needed sacrifices.</p>
<p>Error #2: Failing to create a sufficiently powerful coalition</p> <ol style="list-style-type: none"> <li><b>2. Create the guiding coalition</b> <ul style="list-style-type: none"> <li>▪ Put together a group with enough power to lead the change</li> <li>▪ Get the group to work together like a team</li> </ul> </li> </ol>	<p>Coalesce department members with the titles, information and expertise, reputations, relationships and capacity for leadership.</p>
<p>Error #3: Underestimating the power of vision</p> <ol style="list-style-type: none"> <li><b>3. Develop a vision and a strategy</b> <ul style="list-style-type: none"> <li>▪ Create a vision to help direct the change effort</li> <li>▪ Develop strategies for achieving that vision</li> </ul> </li> </ol>	<p>Communicate a <u>clear, compelling, sound, and sensible</u> vision to direct, align, and inspire action.</p>
<p>Error #4: Undercommunicating the vision by a factor of 10 or 100 or even 1000</p> <ol style="list-style-type: none"> <li><b>4. Communicate the change vision</b> <ul style="list-style-type: none"> <li>▪ Use every vehicle possible to constantly communicate the new vision and strategies</li> <li>▪ Have the guiding coalition role model the behavior expected of employees</li> </ul> </li> </ol>	<p>Communicate that the change vision is <u>attractive and possible</u>.</p> <ul style="list-style-type: none"> <li>▪ Say it often</li> <li>▪ Have many people say it</li> <li>▪ Hold visible, important (see 2 above) people accountable to act it</li> </ul> <p>Coalition must act consistently with the verbally communicated vision</p>

From *Leading Change*, by John P. Kotter. Boston: Harvard Business School Press, 1996

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<p>Error #5: Permitting obstacles to block the new vision</p> <p><b>5. Empower broad-based action</b></p> <ul style="list-style-type: none"> <li>▪ Get rid of obstacles</li> <li>▪ Change systems or structures that undermine the change vision</li> <li>▪ Encourage risk taking and nontraditional ideas, activities, and actions</li> </ul>	<p>Assure that supervisors help employees to identify and overcome true obstacles. Especially assure that supervisors themselves are adapting to new circumstances, and not undermining change and disempowering their employees.</p>
<p>Error #6: Failing to create short-term wins</p> <p><b>6. Generate short-term wins</b></p> <ul style="list-style-type: none"> <li>▪ Plan for visible improvements in performance, or “wins”</li> <li>▪ Create those wins</li> <li>▪ Visibly recognize and reward people who made the wins possible</li> </ul>	<p>Real transformation takes time. Therefore, create, don't hope for, short-term wins based on short-term goals, and celebrate. Managers must actively look for ways to:</p> <ul style="list-style-type: none"> <li>▪ obtain clear performance improvements</li> <li>▪ establish goals within the yearly planning system</li> <li>▪ achieve these objectives</li> <li>▪ reward the people involved with recognition, promotions, or money.</li> </ul> <p>Being forced to produce short-term wins can be a useful element in the change process.</p>
<p>Error #7: Declaring victory too soon</p> <p><b>7. Consolidate gains and produce more change</b></p> <ul style="list-style-type: none"> <li>▪ Use increased credibility to change all systems, structures, and policies that don't fit together and don't fit the transformation vision</li> <li>▪ Hire, promote, and develop people who can implement the change vision</li> <li>▪ Reinvalidate the process with new projects, themes, and change agents</li> </ul>	<p>Cultural change can take 3 to 10 years, and until it is complete, new approaches are fragile and subject to regression. Therefore, don't declare victory too quickly. Don't go overboard with enthusiasm when you see progress. Resisters can be quick to spot an opportunity to undermine the effort. Change can come to a halt and previous, irrelevant, traditions can creep back in.</p>
<p>Error #8: Neglecting to anchor changes firmly in the corporate culture</p> <p><b>8. Anchor new approaches in the culture</b></p> <ul style="list-style-type: none"> <li>▪ Create better performance through customer- and productivity-oriented behavior, more and better leadership, and more effective management</li> <li>▪ Articulate the connections between new behaviors and organizational success</li> <li>▪ Develop means to ensure leadership development and succession</li> </ul>	<p>Consciously demonstrate how specific behaviors and attitudes have helped improve performance.</p> <p>Assure that promotion criteria are reshaped to reward behavior that is consistent with the new culture.</p>

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