Simplicity meets impact

Successfully Navigating Change

September 2023

Seyfarth Shaw LLP

Speakers

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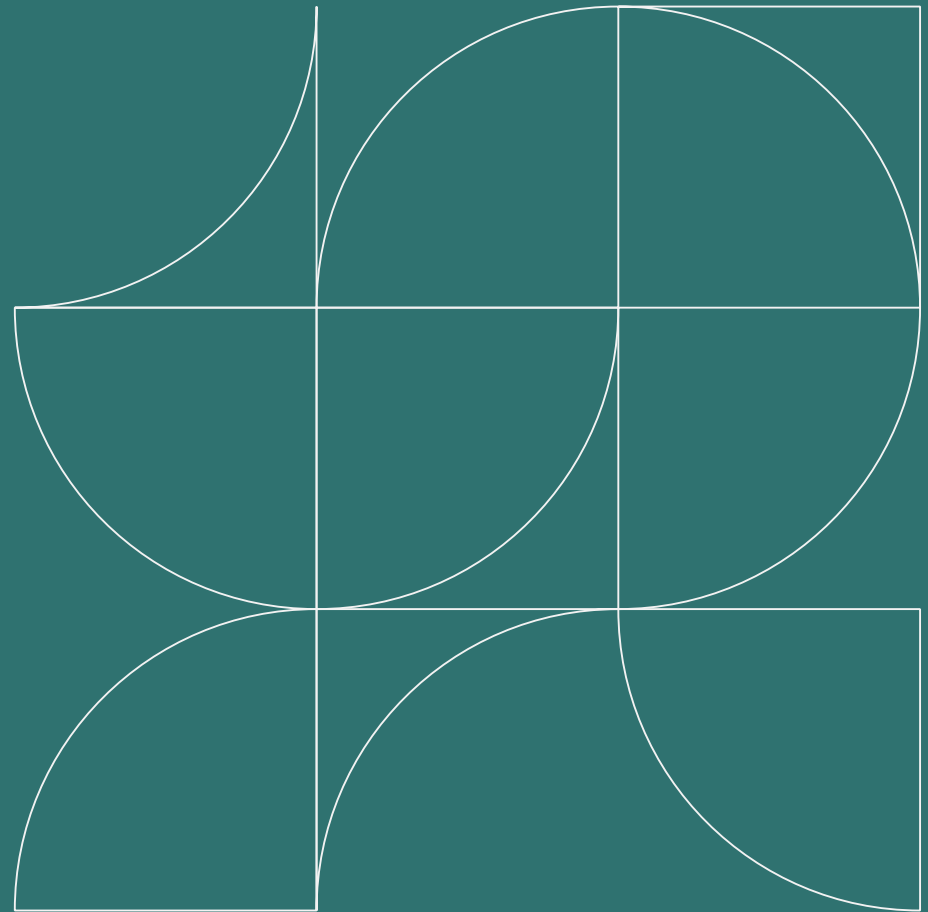Strategy, Finance and
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Agenda

01 Introductions

02 Overview

03 Change

04 Simple Framework

05 Tools for Successful Change

06 Recap and Q&A

Overview

Interactive poll

Have your smart phones handy

Scan in the QR code

Enter the passcode (not the # number)

Then answer the prompt on your phone

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Change Is:

_____
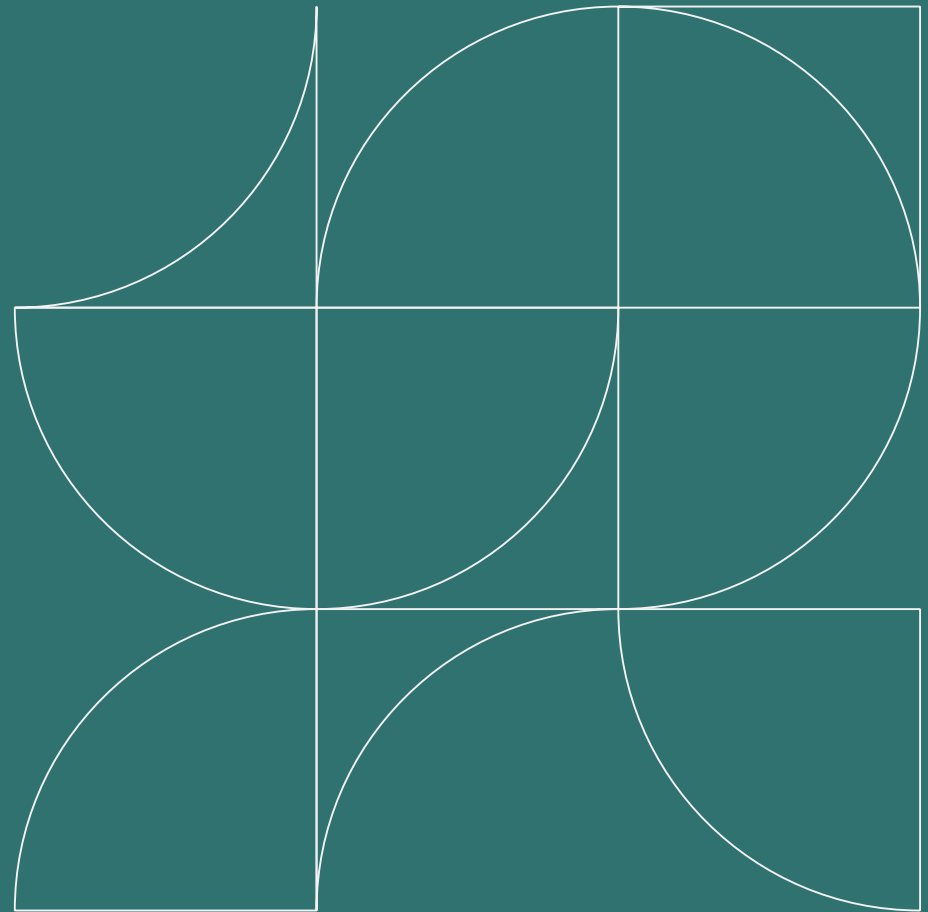
ⓘ Start presenting to display the poll results on this slide.

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Ranking - Why do people resist change?

Change

Change fails because those responsible for the change did NOT understand the impact on those involved in the change.

Examples of Change

Change vs. Transition

Change

COMES FROM 'OUTSIDE'
<u>situational</u>
external forces / decision

Transition

HAPPENS INSIDE
<u>psychological</u>
an individual's reaction to change

Adapted from <u>Managing Transitions</u>, William Bridges

Changes often fail

- Few people consider the impact on PEOPLE

- Often FORCED upon people

- ENDINGS are not often acknowledged fully

- New beginnings are not CELEBRATED

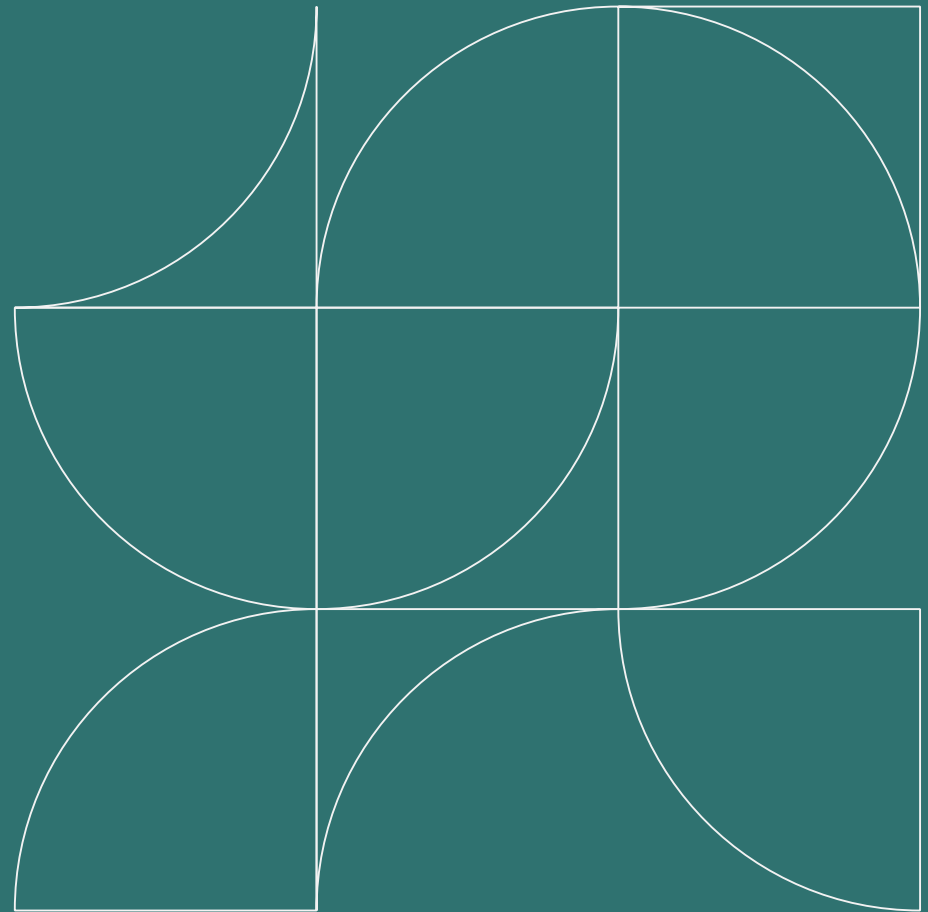CHANGE ITSELF MUST BE TREATED LIKE A PROCESS

Our brains are hardwired to resist change
BUT you can re-train it

What is change management?

- Utilization of process, tools, and techniques to achieve change

- Goal is to sustain a desired business outcome

- It's not new – there are many methodologies seeking the same outcome

Change Management Frameworks

Change Management Models

- John Kotter's Eight Stage Model for Leading Change

- William Bridges Managing Transition

- ADKAR (Prosci)

- Satir Model

- Lewins Model

- DMAIC

Kotter's 8-Stage Change Management Process

1. Establish a sense of urgency

2. Creating the guiding coalition

3. Developing a vision and strategy

4. Communicating the change vision

5. Empowering broad-based action

6. Generating short-term wins

7. Consolidating gains and producing more change

8. Anchoring new approaches in the culture
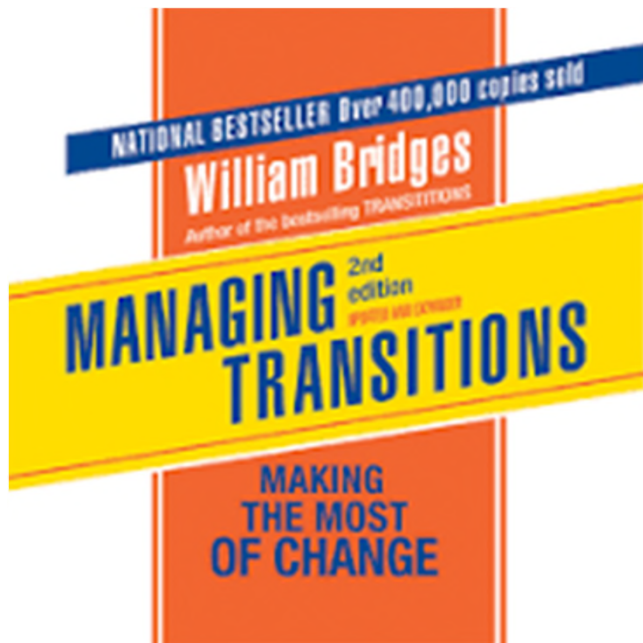
William Bridges Transition Model

Helping PEOPLE through change

- Helping **People Let Go**
- Identify Who's Losing What
- Accept the reality & importance of subjective losses
- Don't be surprised at overreactions
- **Acknowledge Losses Openly and Sympathetically**
- Expect and Accept Signs of Grieving
- Compensate for losses
- **Give people information over and over again**
- Define what's over and what isn't
- Treat the past with respect
- Let people take a piece of the old way with them
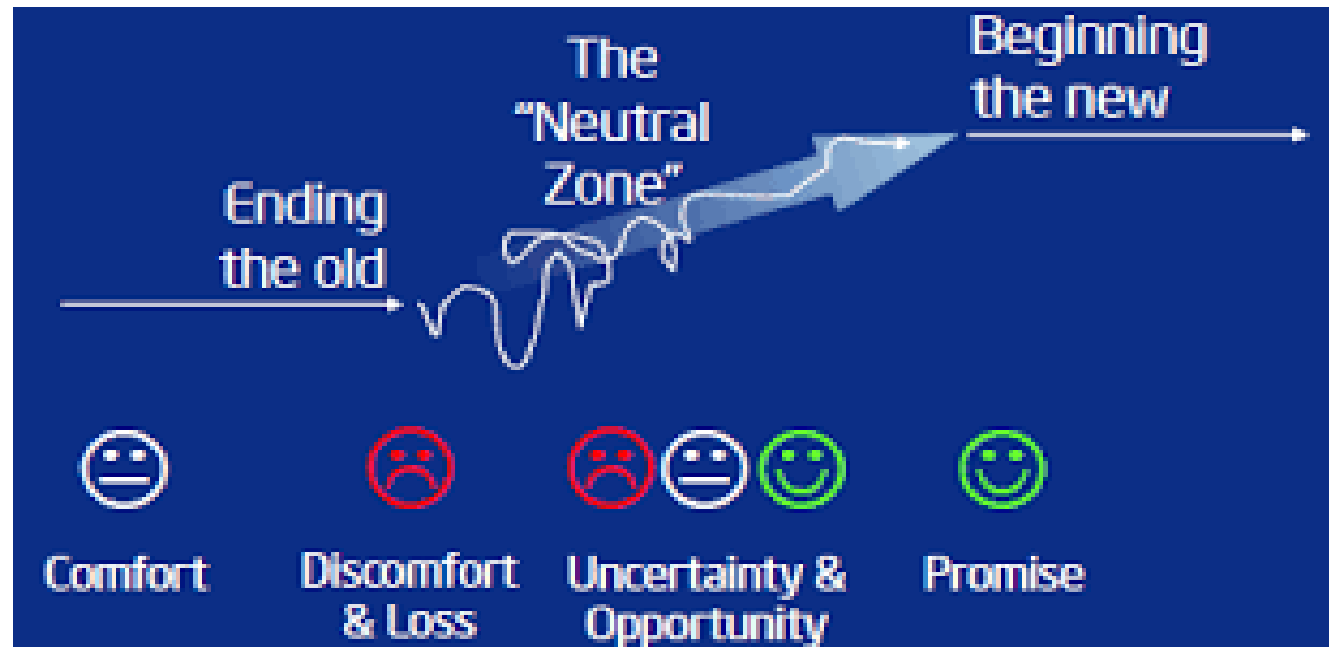- Show how endings ensure the continuity of what really matters

"

Every _new beginning_ comes from some other beginning's end

Original quote from Lucius Annaeus Seneca

(Also Lyrics from **Closing Time** by Semisonic)

"

Bridges Transition Model

Managing Transitions - William Bridges

You have to end before you can begin

There is a 'gap' between ending and beginning

People go through change at different speeds

"

Faced with the choice between changing one's mind and proving there is no need to do so, almost everybody gets busy on the proof

John Kenneth Galbraith
American Economist

"

Likely Emotions

Excitement

Anticipation

Ending

Confusion

Frustration

Reservation

Denial

Creativity

Innovation

Transition (Neutral) Zone

Anxiety

Resistance

Confusion

Accomplishment

Learning

New Beginning

High Energy

Relief

Unsure

Ambivalence

Adapted from Managing Transitions, William Bridges

Tactics by Phase

Ending

- Communicate the What, Why and How

- Acknowledge emotions, *don't get defensive*

- Mark Endings
- Get leadership to play a role

- Expose key leaders and stakeholders to these concepts/ conduct trainings

Transition Zone

- Allow resistance to surface

- Provide information about the future/use HR support structures

- Encourage creativity and innovation

- Talk to employees about *individual transitions*

- Integrate details into meetings and events

New Beginning

- Reward and Recognize

- Celebrate

- Ensure organizational support for new beginning

- Communicate the What, Why and How

- Consider how it integrates into other areas of the plan

Adapted from Managing Transitions, William Bridges

Tools for Successful Change

Simple 3-step process for successful change

START EARLY

OVERCOME RESISTANCE

LOCK IT IN

Ending

Transition (Neutral) Zone

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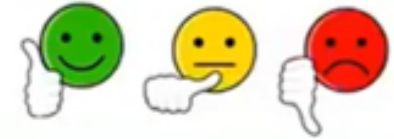*Adapted from Managing Transitions, William Bridges*
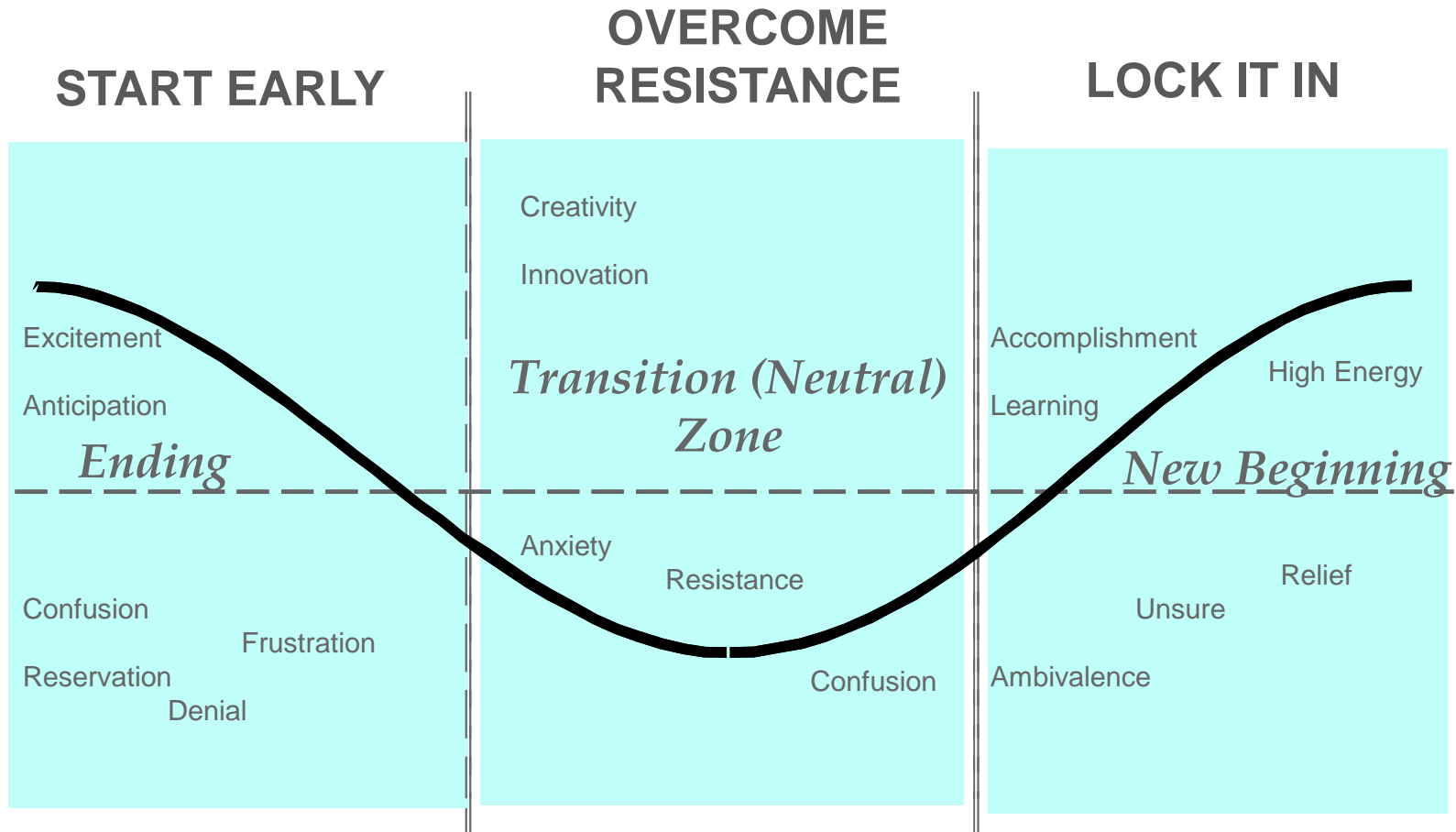
Start Early
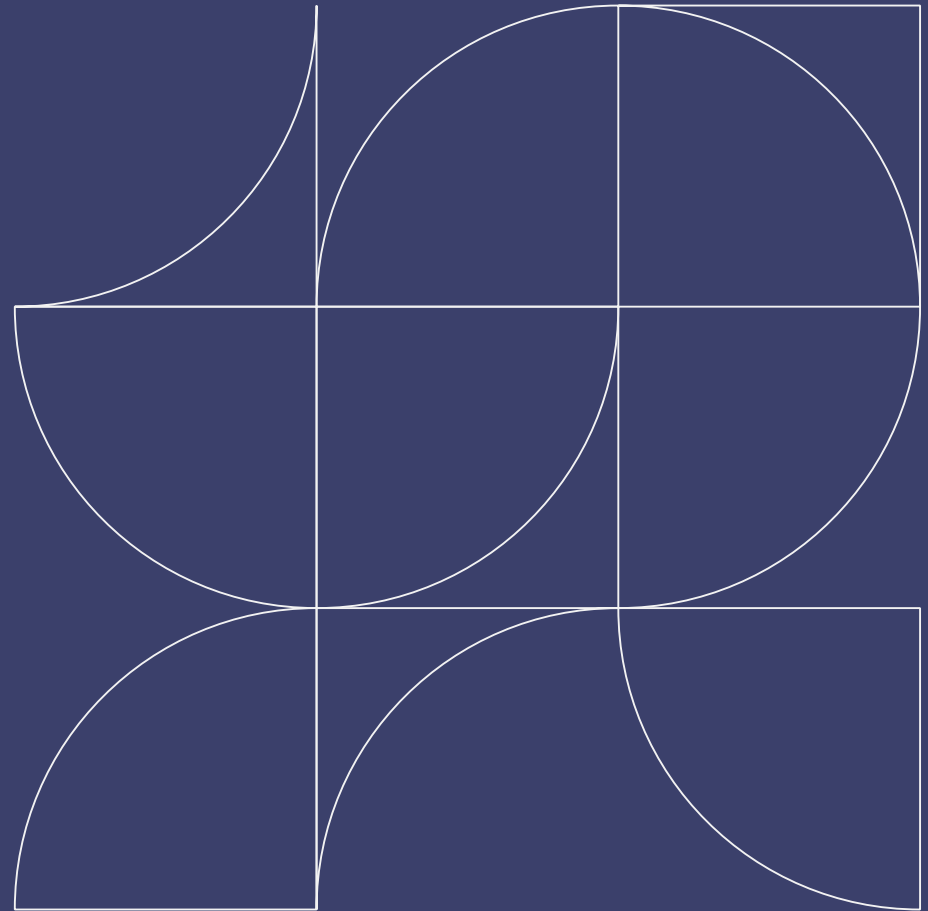
When should you start the change management process?

- As soon as possible

- Before picking a solution to the problem

- As often and as long as it takes

Stakeholder Management Map

Stakeholder Resistance Management

| Stakeholder Name	Level of Influence	Level of Interest	Current Position	Issues & Reasons	Needed Position	Strategy	Action Plan or Mitigation Strategy
Stakeholder 1	High	Low	Support		Support	Keep Satisfied	
Stakeholder 2	High	High	Resist		Support	Manage Closely	
Stakeholder 3	Low	Low	Neutral		Neutral	Monitor	
Stakeholder 4	Low	High	Resist		Neutral	Keep Informed	

Minimum Viable Product Concept
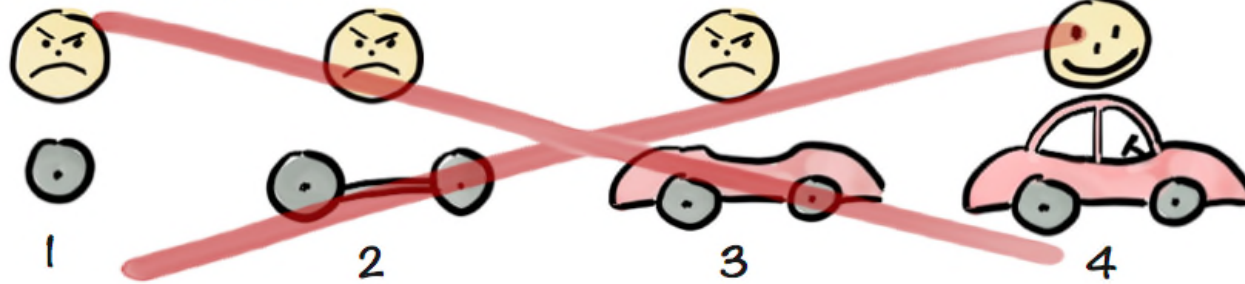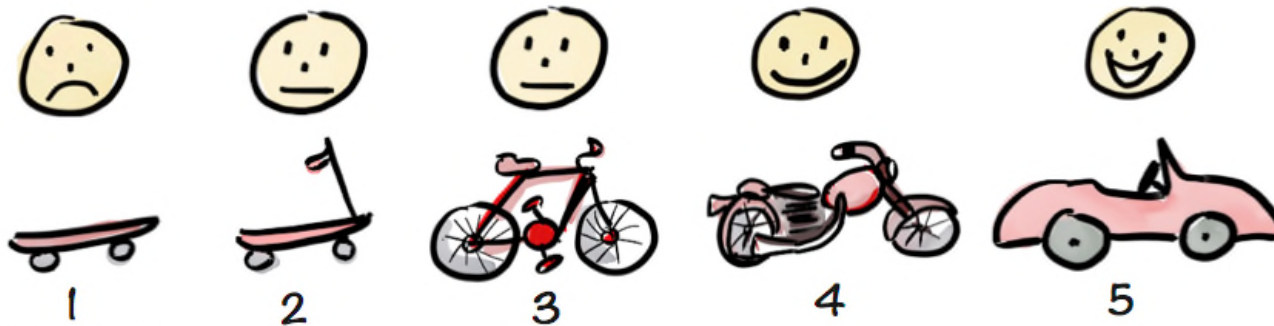
by Henrik Kniberg

Ethnographic Interviewing

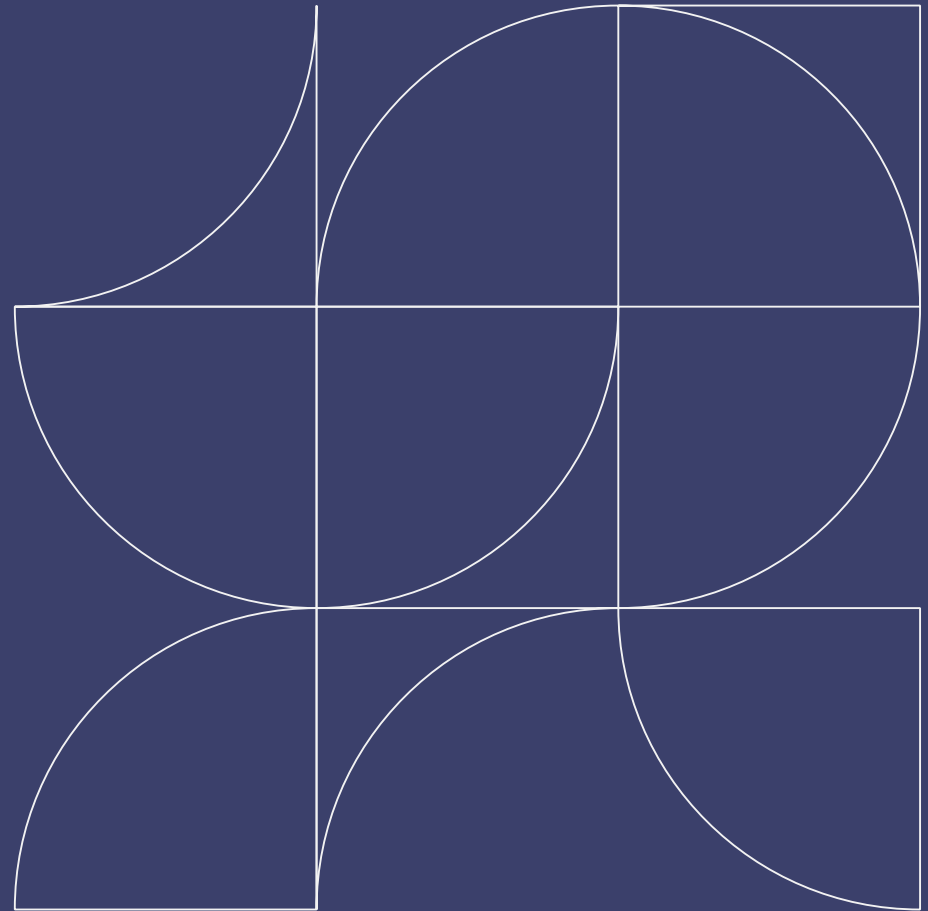Seek to understand customer perspective, regardless of whether you agree.
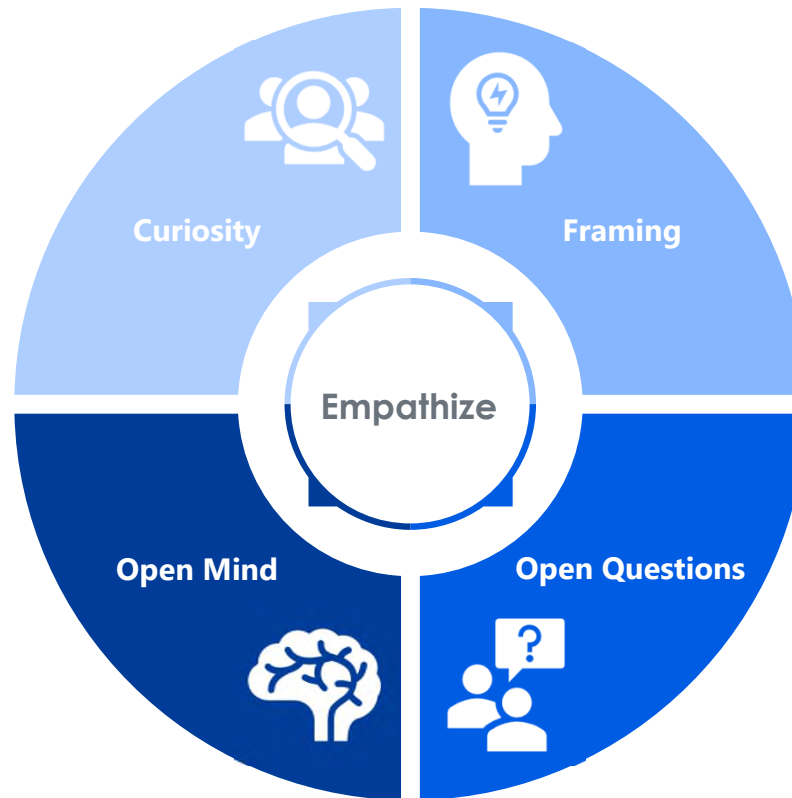
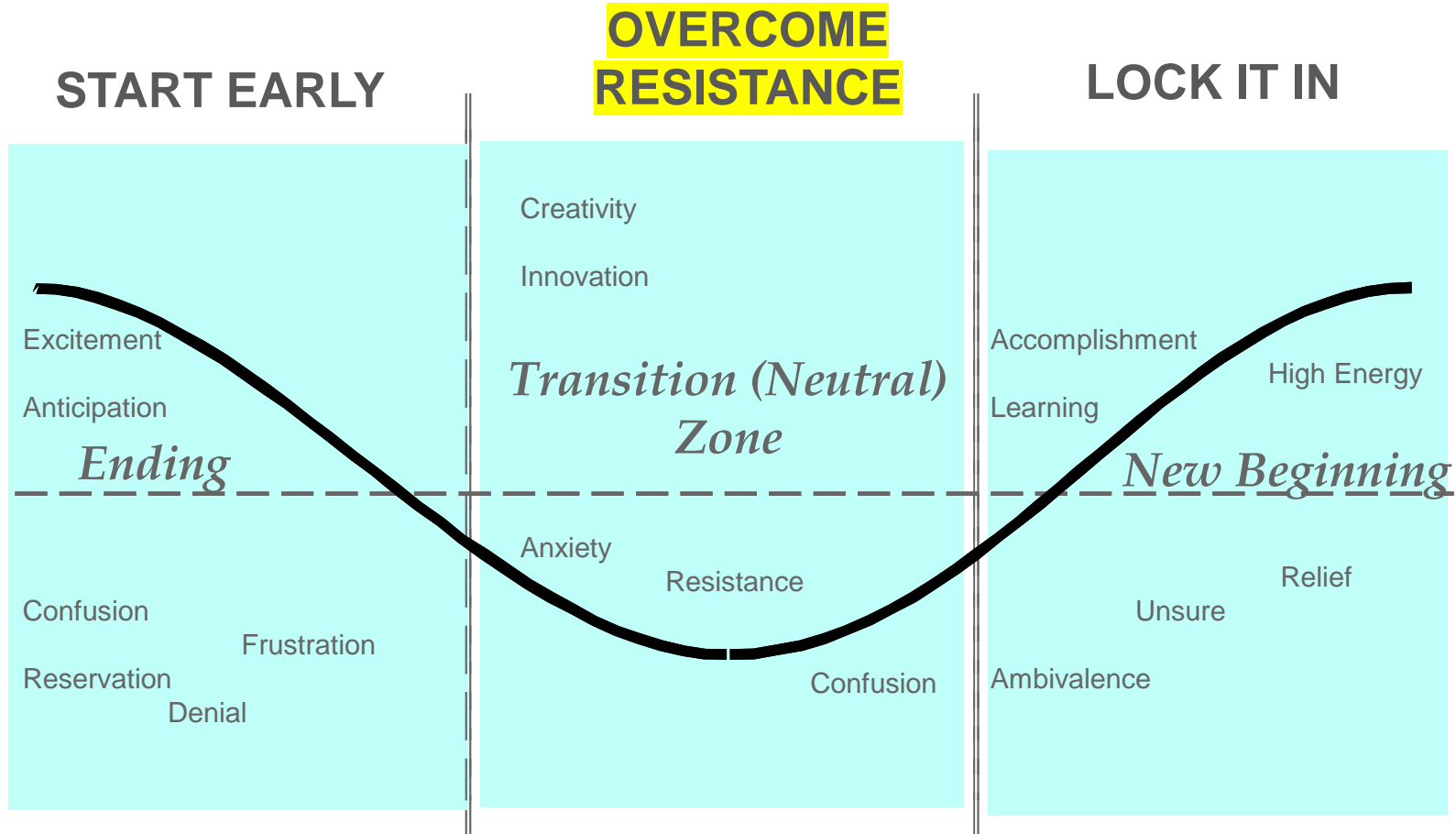Focus on the problem, not the solutions.

Test ideas, using examples or prototypes, without leading the customer.

Let the customer provide their own ideas.

Curiosity

Framing

Empathize

Open Mind

Open Questions

Overcome Resistance

Simple 3-step process for successful change

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A detailed understanding of employees' sentiment towards change is crucial for creating engagement & a culture of change

Who?

Which stakeholder groups are less engaged for the change program?

Why?

What are the specific concerns within each group, and why?

Leverage insights to tailor and adapt your change and engagement plan

Culture can feel like an abstract concept but through surveys we can help quantify these attributes

We are an agile and innovative organization...

Our business unit is known for It's good collaboration ...

The company needs to be more flexible ...

Informing the change plan by creating transparency

Comparing to external benchmarks

Giving people a voice

Measuring sentiment over time

Culture is how we behave in our context...

- Who we hire/fire/promote
- How we set goals
- What we talk about in key meetings
- Which heroes we make
- What projects we fund
- What we measure and incentivize
- How we react to incidents

... or more simply 'how work gets done'

... and has three components

Articulate culture in line with purpose and strategy

Activate culture through leaders who walk the talk

Embed culture in org context to sustain the change

To have a successful culture we need to focus on trust foundation, avoid/mitigate trust destroyers, accelerate trust builders

Trust Foundations

Represent key promises made by companies to stakeholders, and the extent to which these are kept. Established as the pillars of the industry

- **Projects and Impact** (e.g., partnerships, expansion, fulfilling on promises)
- **Talent and Workplace** (e.g., Ethics and culture, treatment of employees)
- **Financial Performance**(e.g., revenue, margins, income)
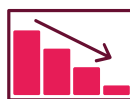
Trust Destroyers

Extremely difficult to have high trust if these are substantially present. They affect the firm reputation across themes

- **Corruption, fraud and scandals** (e.g., lawsuit, conflict of interest, malpractice)

Trust Builders

Associated almost exclusively with positive sentiment score. It creates new layers of trust that can mitigate or decrease the impact of Trust Destroyers

- **Digital Capabilities and innovation** (e.g., automation work, digital transformation)
- **Thought leadership** (e.g., market report, articles, surveys)
- **Environment and Sustainability** (e.g., net zero commitment, sustainability capabilities)
- **Social Responsibility** (e.g., ESG, diversity, equality)

Questions to ask on the path to building trust

Do you have a trust issue/advantage? How do you know?

How trusted are you by key stakeholders of your business?

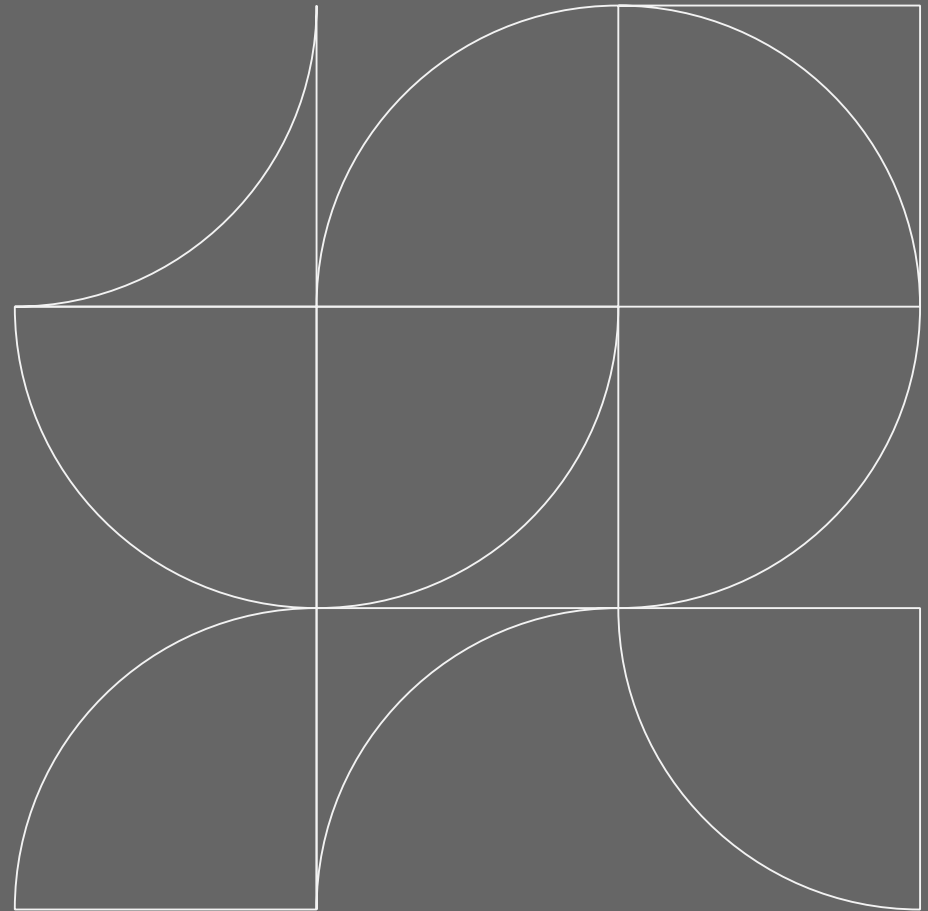How well are you at delivering on your promise to your key stakeholders?

What are the frictions, due to mistrust, limiting delivery and growth?

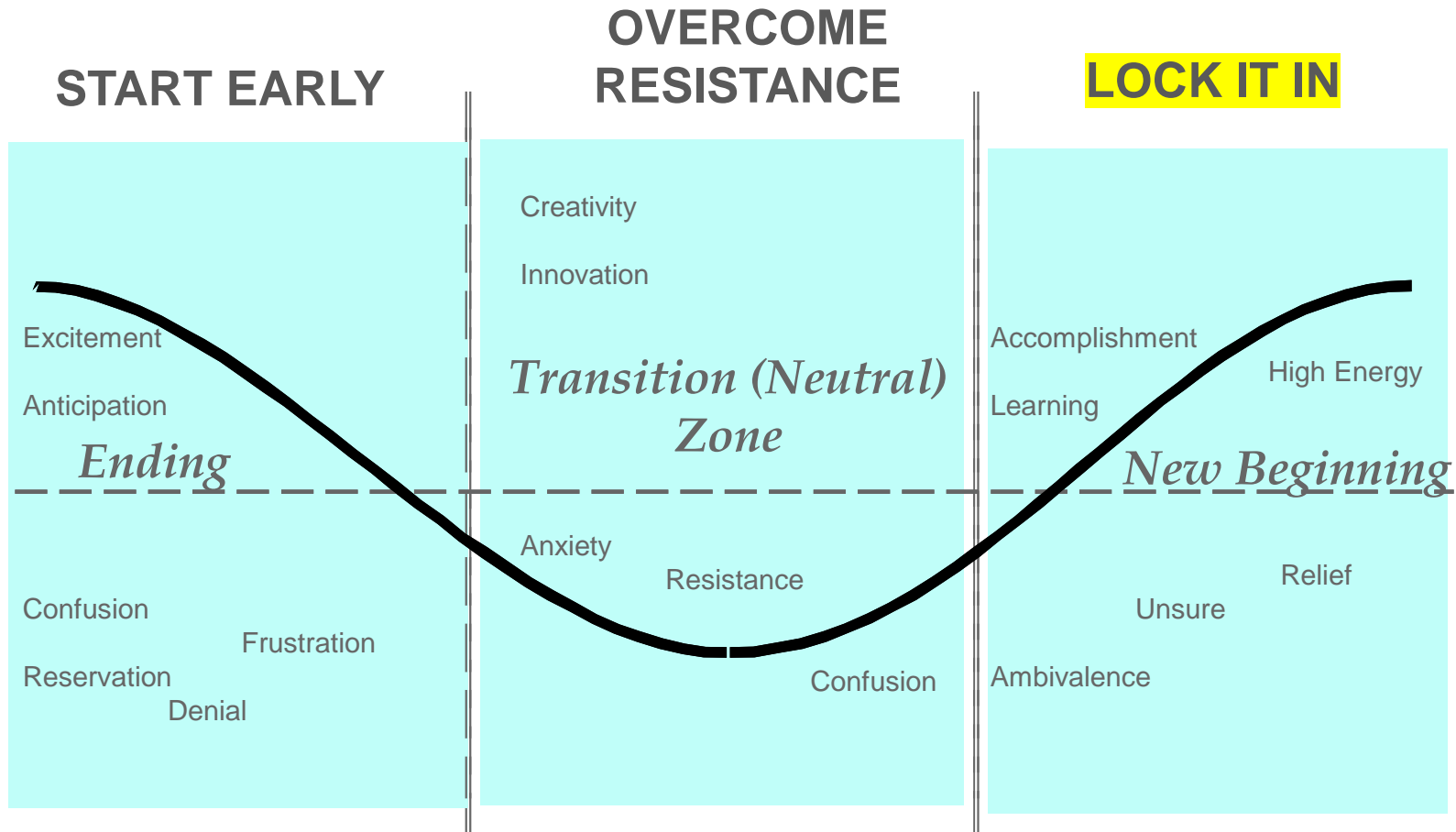How costly are your trust issues – cost of mistrust / value of trust?

How to improve trust in your business?

How do you know you have succeeded?

Lock it In

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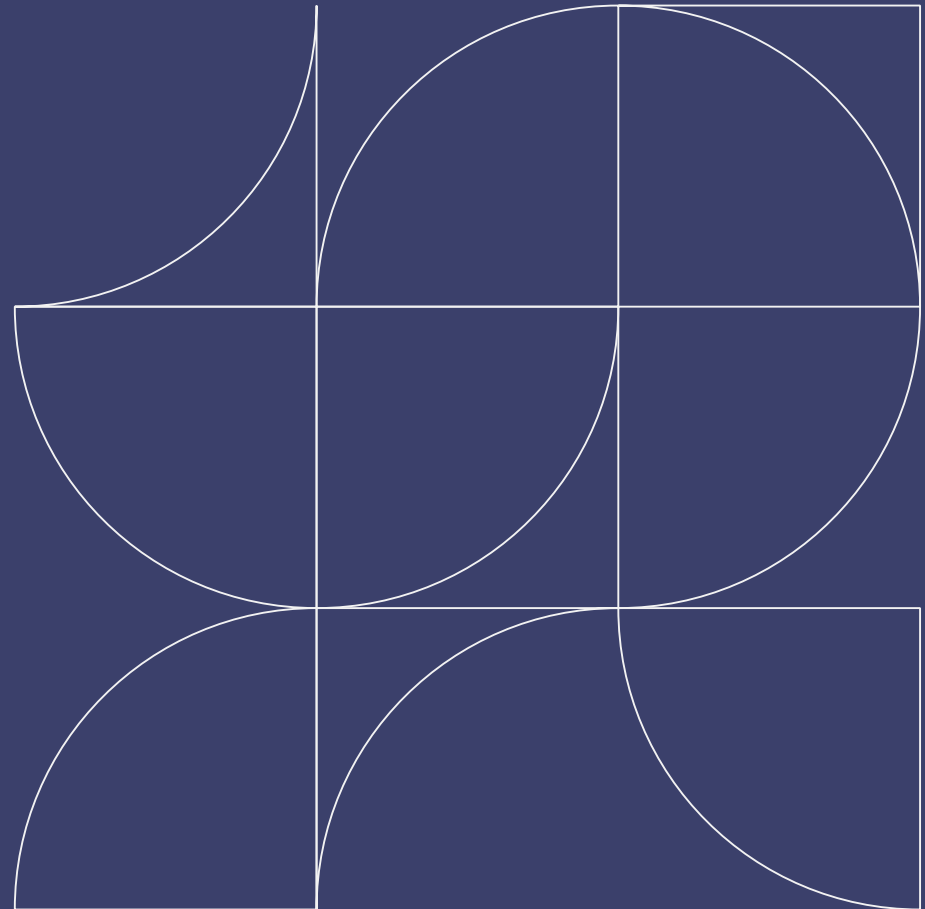*Adapted from Managing Transitions, William Bridges*

Lock It In

Examples of techniques to help ensure change sticks

- Network of change ambassadors
- Encourage feedback
- Branding

Question & Answer

thank
you