

# People...and Innovation

Changing People is the most important, yet the most challenging, part of Organizational Change.

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## Organizational Change

- There is an entire field of study on Change Management, Organizational Change, and Innovation
- Learn what others have discovered:
  - People are critically important
  - Culture is critically important
- Handouts: “A Summary of Readings on Change Management” and “Readings on Military Innovation”

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## Philosophies

- “You can either change the people, or you can change the people!”

- T. Wood Parker

- “Manage the business change **first** – people, behavior, processes. The people need ownership and commitment. Manage the technology change **second**.”
- “If you don’t like change, you’re going to like irrelevance event less.”

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## Kotter’s Eight Change Steps

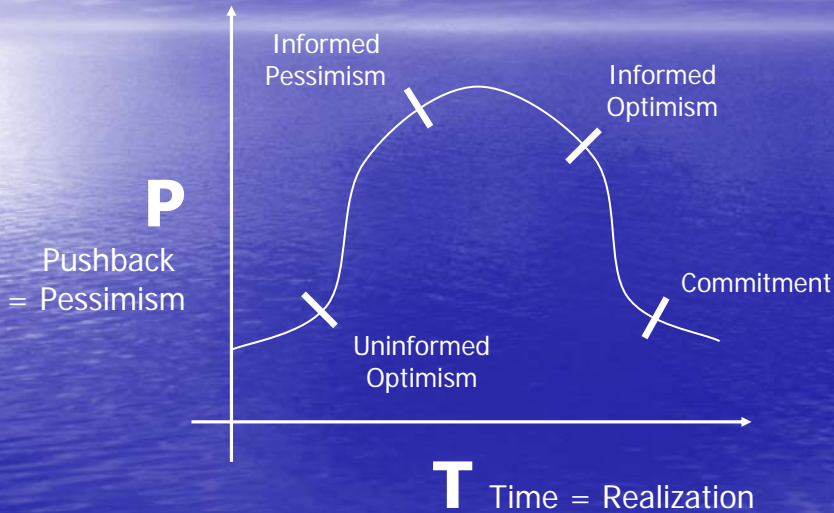
1. Establishing a Sense of **Urgency**
2. Creating a Guiding **Coalition**
3. Developing a **Vision** and Strategy
4. **Communicating** the Change Vision
5. **Empowering** Broad-Based Action
6. Generating **Short-Term Wins**
7. **Consolidating** Gains & Producing More Change
8. **Anchoring** New Approaches in the Culture

- John P. Kotter, *Leading Change*

*Every one of these steps is people-based*

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# Pushback and the Project Lifecycle



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# People's Attitude Toward Change

	Non-Supportive	Supportive
Performers	✓	Hard to Identify
Non-Performers	Need Coaching	Easy to Shoot

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Resistance <sub>TOTAL</sub> =

# People x Resistance <sub>AVERAGE</sub>

- To reduce resistance:
  - Minimize **# People**, especially unaffected pessimists & anchors
  - Shrink **Resistance** through broad education and focus on high-resistance individuals

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## Collins: *Good to Great*

- First Who...Then What: "The *right* people are your most important asset."
- "Pick people not for skills, but for character and attitude."
- "It is not the strongest of the species that survives, nor the most intelligent; it is the one that is most adaptable to change."

- Charles Darwin

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## Culture can Encourage or Discourage Innovation

- Preserve the Core while Stimulating Progress:
  - Use legacy terms
  - Rewrite the narrative
- Align rewards and incentives to modify behavior.
- “Show me your compensation plan and I’ll tell you your priorities.”

- Jack Welch, CEO of GE

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## Continuously and Clearly Communicate the “To Be” Vision

- Human nature is 1:1

kilometers ↔ miles

°C ↔ °F

\$ ↔ £

- Change management must clearly address the difficult 2:1 and null cases:

email ↔ mailbox, postman...

streetlamp ↔ oil, lamplighter...

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## Recommended Readings

- Kotter: *Leading Change*
- Johnson: *Who Moved My Cheese?*
- Christensen: *The Innovator's Dilemma*
- Murray and Millet: *Military Innovation in the Interwar Period*