A Safe Prediction for 2011: Change, Change and More Change

By Lynne Eisaguirre

When I speak to groups with participants from different companies, I frequently ask them to stand up if they have had new CEOs, changes in leadership, downsizing, rightsizing or reorganizations in the last five years. Of course, by the time I finish the list, the whole audience leaps to its feet.

"Aren't your people just tired?," I ask "Aren't they exhausted from all the changes they've had to adapt to?" And yet managing that change is an essential business skill.

Laurie Kelly, Sr. H. R. Business partner at Western Union, provides support to the CFO and the CFO leadership. Her role is as a business partner, to make sure that HR is aligned with business strategies. A trend Kelly sees is making sure that the leaders she supports effectively manage change, including cultural change management and business process change.

The reality is that most people don't like change and don't know how to deal with it. If you're going to handle change skillfully, you need to learn new skills. One of the most important is realizing that conflict follows change as reliably as spring follows snow.

I. Learn Change Management Skills

Kelly notes that as the economy's rebound slows, companies have had to take a hard look at how they can operate the business differently, including answering the question: "What do our customers really want?" She urges leaders to help employees drive the whole business and to look at the way they do business.

For example, Kelly encourages leaders to consider whether sending people to a remote location to train new employees is the best, most cost effective option. Perhaps they need to focus on creating best in class training which is process focused, standardized and repeatable in a global environment, as well as training that utilizes technology for delivery.

In another example, an aerospace company that Kelly worked with had to conduct reductions in force when the government cut funding. The company focused on keeping all the employees with seniority. By doing this, the company was at risk for business continuity. Kelly believed that they needed to keep some less tenured employees as well who would have a long runway and new skills to retain a competitive advantage. Overall, she thought that they needed to retain employees who were versatile, had multiple skill sets and could take on a broader scope of work.

All of these issues involve managing change and encouraging leaders to question the way they do business.

II. Learn to Manage Conflict

As I wrote in my book *The Power of a Good Fight; Embracing Conflict to Drive Productivity, Creativity and Innovation,* the additional factor in dealing with change is dealing with conflict.

When an organization makes changes, conflict increases. The upheaval creates uncertainty that can degenerate into turf wars, resentments, sabotage, and multiple negative behaviors. Underlying many of these behaviors are issues of culture, grief, loss, or fear of loss. These are major organizational issues that determine whether a merger will succeed or whether the employees will work to make it fail. On a smaller scale, substantial change within a single department or in reporting relationships can create crippling conflicts if not handled with foresight, thoughtfulness, and respect. Coping with change is probably one of the single-most important skills in today's business arena.

Never before has so much change taken place so quickly. In the last 40 years there has been more technological advancement than in all of recorded history, and it has altered the way people, communities, and entire countries interact, work, and live. In order to use conflict creatively, we must understand the impact of change in our organizations and in our own lives.

Many times intractable conflicts are really about our resistance to change whether organizational, personal, or practical. Skillful conflict management requires an understanding of this dynamic at the strategic and employee level. While senior managers are worried about changes in leadership style, teams of employees may be upset about simple but small changes such as a change in the coffee or discontinued free sodas. It's hard for executives to look at both the large and small reactions to change and focus on the essence. When we find ourselves resistant to a new idea, it's usually because we're resistant to *change*. Even if we don't like the way we're currently working or behaving, it's familiar. Sometimes we create unnecessary conflicts in the workplace because we refuse to recognize or admit this. If we continue to resist the change, we're unlikely to creatively harness the power of conflict.

I've worked with many groups who had conflicts between old leaders and employees and new leaders and employees. Many times, for example, when I'm facilitating a diversity workshop, the most conflicted groups will be those who represent the old versus the new as a result of mergers or acquisitions, not those who represent different ethnic backgrounds or genders.

In one such instance, I was brought in to help a larger HR department manage a simmering dispute between old and new members. The old managers saw

themselves as serving the more traditional role of *employee advocates*. The old VP, Joe, came from an employee relations background and emphasized representing employee needs. The newer members of the department aligned with Ron, a new high-powered vice president of HR, and saw themselves as strategic *business partners* who needed to serve the highest-ranking manager of whatever business unit they were assigned to.

After much discussion, we came up with a creative definition of their role that embraced both ideas. The reason it took them so long and required my assistance as a facilitator was not so much the substantive conflict itself as it was the whole issue of *change*. The old managers were struggling with the grieving process as they moved into a new and uncertain future. The new VP and the new managers were also struggling with the change process. Even though the move to new jobs was something they had all sought, they had to learn that even positive changes take us through the predictable stages of loss and grief. If we don't acknowledge and move through each stage, we will flounder. Frequently, because we're not conscious of why we feel upset, we will project our anxiety outside ourselves onto our co-workers. Conflicts naturally follow.

Once the group had an opportunity to talk honestly about the changes they were all experiencing and were able to express the common feelings they shared, the underlying issues were much easier to creatively explore.

How are you and the people you lead managing the inevitable business changes? Take some time to learn this essential business skill.