THE MEANING OF EXISTENCE

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"Clarity is the most important thing. If you are not clear, nothing is going to happen". A quote from Diane von Fürstenberg*, brings into clear focus, that if the desired outcomes are not crystal clear, the probability of the change initiative failing is close to 100 percent. Another quote comes from NY Yankees baseball legend-cum-philosopher, Yogi Berra: "If you don't know where you are going, you'll end up someplace else".

Leadership has to be honest, open and objective. It requires perseverance, continual questioning and a willingness to adapt to changing circumstances. Which brings us neatly to our first question: What are we trying to achieve and why? Change initiatives that fail, fail to provide their people with credible answers to four key questions: What are we trying to achieve? What does success look like? Why do we need to change? And, what is in it for me? So let us begin with the first question; What are we trying to achieve? This is the most important question for every single change initiative to answer. Actually, it is the key question for any leader and any manager to ask themselves a dozen times a day. Too many change projects fail because they don't manage to clear this first and most important of hurdles, and subsequently what they are trying to achieve is: unclear, unrealistic and/or immeasurable. Other key questions that set the basis from which to commence are: What business outcomes are we trying to deliver? What does success look like? How will we measure it? These questions need to be answered to the satisfaction of all involved - before the change leadership should even contemplate moving on to addressing 'why'.

While it may demand significant effort, achieving clarity is the most important, and first, step on the road to success. Let me give you an example of a terribly worded, but real-life, answer to this most fundamental of questions: 'What are we trying to achieve?' "We will deliver our strategic vision by executing our strategic plan and we will measure progress against this plan using our key performance indicators". What is anyone supposed to do with that piece of committee-constructed drivel? The sentence above is a ten-year-old Mission Statement from one of the UK's banks. The authors probably spent months crafting this piece of self-evident nonsense, somehow thinking it was an accurate description of what they were setting out to achieve. Let us assume that they began the process wanting to state the organisation's key business outcomes clearly. What they ended up with is a superficial and superfluous statement jam-packed with buzzwords that led nowhere. It is beyond unclear; it is unrealistic and entirely immeasurable. It is meaningless. No wonder the UK taxpayers had to bail them out.

While the outcomes need to be clear and detailed, they also need to be realistic; they need to be credible; they need to be achievable. How many IT projects end up having their scope pared back at an increasing rate of knots as the deadline approaches? Let's be honest - almost all of them. (Worse still,

most software projects end up placing all of the 'de-scoped' functionality into a Phase 2 - which is rarely delivered.) Of course, as with anything to do with change, establishing realistic outcomes upfront is more of an art than a science - and it isn't easy. At the start of any change journey, everyone involved is buoyed with optimism and a sense of excitement, so it is no surprise that the expected outcomes may end up looking over-stated in the harsh daylight of hindsight. The intended outcomes will have appeared to be utterly achievable at the start of the journey and hindsight can be a cruel, clear and unfair lens through which to judge whether the intended outcomes were indeed realistic. Nevertheless, setting unrealistic outcomes is a significant reason why projects fail to deliver. 'What are we trying to achieve?' not only needs to be clear; it also needs to be credible.

If an outcome cannot be measured, how will anyone know if it has been achieved? I have known businesses that have never set measurable outcomes: 'Why would you have me set a target that we may not meet?' asked a senior leader once asked me rhetorically - but genuinely. I would like to think (hope?) that what this particular leader was trying to say was that an obsession with firm targets unleashes its own set of unintended consequences. Targets drive behaviours, sometimes of an unwanted variety; and targets can be wrong in hindsight. While these are all true, they are distractions; they are excuses for not setting measurable objectives, monitoring them over time to see if they are still relevant and planning for the behavioural consequences of driving the organisation to deliver them. The alternative is complacency, which, like a white ant or woodworm, will erode the organisation from the inside.

As understanding as I tried to be regarding the leader's comments, the real reason behind his aversion to measurable outcomes is that without them, no one can ever be blamed if/when they are not achieved. It is the classic consequence of a 'no accountability/no blame' culture. In such an organisation, there is little upside for accepting accountability and

therefore little appetite for the sort of stark clarity that comes with measurable outcomes. In such an organisation, association with 'failed' initiatives can be career limiting. However, this sort of complacency cannot last forever. One day, such a company will need to clarify what it is trying to achieve and establish measurable outcomes for the simple reason that the Board, eventually, will be dissatisfied with where the organisation has ended up. But when a company does set clear objectives, they must be measurable. Outcomes that are difficult to measure are disingenuous and demotivating for staff. A generic Mission Statement cries out for a goal, a target, a number something measurable to aim for. Otherwise, it is just a well-intended statement of intent rather than something that is able to be delivered. What gets measured gets done.

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So what does success look like? While metrics are critical, they are rarely sufficient on their own. To embrace the change - to deliver the change - your people need to be able to understand in some detail the sort of future they are being asked to build; and this requires a narrative. It requires a description of what success looks like - of what the new customer experience will be like; of the new propositions that need to be developed and why; of the increased

productivity and efficiency required; of the details and supporting rationale of the new investment strategy; of the benefits of the new talent development programme. Your people need to have a mental picture of what they are being asked to achieve. It must be more than numbers. While '50 percent increase in sales, 50 percent increase in profits, 30 percent increase in customers and becoming number 2 in the market' may all be measurable - they are hardly inspirational. Furthermore, they can be misleading.

Why do we need to change? Clarifying what we are trying to achieve is indeed critical. But a successful change programme will need to go further than that. If we want people to embrace change and adopt new ways of working, we will need to explain why the change is necessary. Then we will have to make it relevant to each and every individual affected. Too many change initiatives don't explain the reason for the change in enough detail or in the right manner to convince people that it is the right thing to do. Many change leaders simply assume that 'doubling turnover and profit over the next five years' is so obviously a good thing that every employee will instantly get on board. But more often than not, this is not the case. The people don't necessarily share the boss's enthusiasm - or incentive plan either, let's be honest. The rationale for change not only needs to be clear; it also needs to be credible. Daryl Connor coined the most used phrase in change management, 'the burning platform', to describe his view that people will need a high degree of certainty that the status quo is not an option before embracing the change. This iconic concept is that the only reason one would jump off an oil rig into the pounding ocean is if the platform itself was aflame. People need the motivation to make the change. Personally, I think this metaphor, while incredibly powerful, is too often used in a 'glass half empty' manner; i.e. we have to make the status quo so uncomfortable that even leaping into an ice-cold, tempestuous sea seems favourable in comparison. I believe that making the status quo uncomfortable is not sufficient. Being 'encouraged' to jump off

a burning oil rig will not automatically mean that we will eagerly embrace the freezing cold waters of the North Sea. We may agree with the need to change, but we will be highly reluctant swimmers! To be encouraged to change we need both the 'carrot' of a better tomorrow and the 'stick' of negative consequences if we were to stay with the status quo - and we don't like to dwell too much on the stick. Just knowing it is there is fine. Just convincing people that the current situation is dire won't deliver long-term, sustainable change.

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There is both a 'right reason' and a 'real reason' for almost everything in the world of business. This is particularly true when it comes to change. To illustrate, let's take a look at two common change scenarios - a 'growth' strategy and a 'batten-down-the-hatches' strategy. In the case of the growth strategy (e.g. a goal to 'double revenue and profit over the next five years'), the 'real reason' may be that the new CEO has been charged with the achievement of this goal to prepare the company for sale: in order to get the best price, the Board will need to show a five-year growth story. This may not be something that the Board wants to publicise at this point in time, which is why the company will need a 'right reason' - a reason that is equally true but far more politically and publicly palatable. In the growth

scenario, the 'right' reason for the strategy may very well be to take advantage of beneficial market conditions to grow market share, thereby launching new customer propositions and enhancing customer service. This is an exciting change to get behind. It implies more people, new product development, channel development and investing in customer service. It implies training, personal growth and career opportunities. Furthermore, it implies working for the market winner. But even when the need for change isn't good news, people still need to know why they are being asked to change and, even more importantly, they need to believe that the change is necessary.

Now let's look at the less positive scenario: The case of a company needing to 'maintain profitability in the face of increasing competition and mounting cost pressures'. Even when it is not a gung-ho, sabre-rattling growth story, the rationale for change will still need to be made clear before people will even consider accepting the change. In fact, when the change story is 'bad news', the rationale needs to be 100 percent genuine. Employees can tell when bad news is being 'sugar coated' and they don't respond well to it. They respect leaders who treat their employees like adults and tell it like it is. A 'batten-down-the-hatches' change story implies process improvements, reducing staff numbers, a focus on cost control and a search for efficiency savings. But your people will have a far better chance of accepting, perhaps even embracing, this if they are being treated fairly; if they genuinely believe that this is the reality of the market and this is the best (or perhaps 'least worst') option available. In both the 'growth' story and the 'batten-down-the-hatches' scenario above, your people will need to believe firmly that the leadership is in control and that they are doing the best thing by the company – and its employees. Why is the status quo not an option? In order for someone truly to buy in to the rationale for change, it may be necessary to address the seemingly obvious question of why the current situation is not an option.

What is in it for me? This is the key question your people may never voice out loud but it will be played and replayed inside their heads until they get a credible answer that they genuinely believe. Change must not only be good for the organisation; it must also be good for me personally if I am to embrace it fully. Caught up in the thrill of the deal and carried away with the brilliance of our new strategy, we leaders can forget that change is often brutally unsettling for our people - even 'good' change that will deliver growth for the company and opportunities for all. Change is personal. We must continually remind ourselves of this fact, as it is critical to our future success. As leaders, we are beholden to our people. Our future success depends entirely on their ability to deliver - and they simply won't be able to do this if they are worried about the impact of the change on them personally. We have to tackle this head-on if we wish to succeed. Your people may reluctantly go along with the change if they think it is good for the organisation, but if you want your people genuinely to embrace the change, each one of them will need to understand how it is likely to affect them personally. This is an edited extract from *The Change Catalyst: Secrets to Successful and Sustainable Business Change*, by Campbell Macpherson (Wiley, May 2017). www.wiley.com. ●

* Diane von Fürstenberg, formerly Princess Diane of Fürstenberg, is a Belgian-born American fashion designer (1946–)

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