Successful Strategy for Organizational Transformation

What is a transformation? Let's start with the basic idea. *Transformation* is a marked change in form, nature, or appearance. *Organizational Transformation* is about developing a strategic plan for significant modification of a process, culture, design, technology, services, etc. It goes beyond a mere change. **I like to think of it as the caterpillar when it turns into a marvelous butterfly**. That is, if it is done right. When a company goes through a transformation, it can be on a micro or macro scale. Consequently, people will typically have very different ideas of what transformation means if the strategy is unclear and not communicated well. **All levels of an organization need to be on the same page when it comes to any type of large-scale transformation.**

An assessment and discussion of the organizational mission, values, and/or purpose should be completed to ensure that it makes sense and is translatable to every part of an organization. However, that doesn't mean that the discussion on these topics ends after creating or changing them on the website and other various corporate materials. They should be an in integral part of any organization. **Core values** are an essential part of the company culture and should be 6 or less in quantity, so that are easy to remember. They also need to be something that the entire organization can believe in and support. *Why?* They are the essence of the company's identity and should be reflected in the decision-making process from top to bottom.

It is common to have divergent company cultures when an M&A happens. Companies cannot simply hand the merged staff a manual and expect that things will go smoothly. Nonetheless, that happens more often than it should and can lead to significant business problems. An organization should not underestimate the resistance and sabotage by staff that can occur when trying to mix to very divergent company cultures. **It is not something that often comes up in the discussion of an M&A, but it should be a top priority to assess if 2 different organizational cultures will be able to combine in a successful way.** Although an M&A or even a partnership might make financial & competitive sense, it does not always equate to it being advantageous. There are a lot of business examples in the last 50 years to show that this is true.

Although each organization will have to customize their strategy, here are universal tips to help make a transformation project a success! The 7 tips below are not exclusive of each other, so success depends on utilizing all areas in coordination with each other. It is human nature to want to feel some measure of control in our lives. If the below 7 highlighted areas are implemented, it will give everyone in an organization the opportunity to be a part of the process and avoid the possibility of one feeling a complete loss of control; thus, avoiding wide spread resistance and failure as a consequence. People who feel in control of changes will be more open to them.

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Commitment
Communication
Collaboration
Transparent
Inclusive
Supportive
Agile

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Commitment needs to come from the top to the bottom of an organization. A regular change is often hard enough, so a transformation requires a deeper level of commitment to be successful. I say the following all the time, because it is worth repeating. **Even positive change will be met with resistance, so it is vital to think of change strategy in the short, mid, and long term.** Otherwise, the chance of failure is 70% for change management projects and probably even higher for transformation projects.

Communication needs to be simple and in multiple venues (email, posters, meetings, discussion groups, town halls, events, etc.)**. The messages that are communicated need to be understood at all levels of the organization.** In regards to multi-national organizations, the message needs to be understood in different cultures and languages. The same goes for the organizational mission, values, and/or purpose, so they are not lost in translation.

Collaboration helps to empower people and strengthen an organization. Great ideas can come from anybody in an organization. However, they won't ever be heard if an open channel is not created for employees to express their ideas and feedback. Part of the success of feedback is to have some basic rules but to make sure it is open to everybody. Sometimes it can even be reward based. **More importantly, it allows employees to be a part of the transformation and less resistant to changes.** This can be done in multiple ways, but one option needs to be anonymous.

Leadership needs to be **transparent** about the plans for transformation. Why? **It helps to reduce resistance and the loss of employees who feel uncertain about it.** It is common knowledge that mergers often result in top talent leaving an organization and transformation projects are no different. Employees might fear that they will be made redundant, cannot learn new things and/or will not be able adjust to the proposed changes. This is part of the open communication and must be done quickly in the beginning.

An inclusive strategy will also help reduce resistance by making people part of the transformation. Those who feel left out will be highly resistant and might tend to depart the organization prematurely before giving the transformation a chance. For instance, it could mean that the training & development strategy of an organization opens up to all employees. It's also highly empowering when you allow employees to know where they are in their development and what they need to learn and experience to attain higher positions, transition to something different in the organization, or

maybe even just focus on becoming the best at what they currently do. Some organizations have been rather creative in building an inclusive work environment.

A supportive environment lets the employees know they have value to the organization. No matter how much planning goes into your transformation project, some employees will always be resistant to it. That does not mean they are necessarily toxic or need to be removed from the organization. For example, somebody might feel they cannot learn a new task(s) or skill(s) required for their current position after the transformation. A good example is a fear of having to add skills that have to do with quantitative data. HR people aren't going to be asked to become statisticians but rather understand and be able to utilize the data from various HR & Talent Management systems rather than solely relying on select HR Analysts and/or IT to do all the work.

There are multiple options to handle this type of situation. Nonetheless, when you are going through a major transformation, you will encounter those that will never accept the changes and/or some that might need to be made redundant (but that should be the last option typically). Support can be done in a variety of ways. You might have coaches (internal and external) spread throughout the organization to help with the transition at all levels. An open-door policy for staff to discuss concerns with management without negative consequences can also be extremely helpful. However, there can be a tendency to handle resistance by attempting to shut it down but that will not be beneficial for the employee or the organization. Transformation can be stressful, so finding ways to make the process fun when possible will aid in a smoother process.

Agile is the ability to move quickly and easily. Although it is a commonly used term and methodology of project management nowadays within IT, the basic concept is being utilized in another areas. Many people, including myself, have used the word streamline in the past. For instance, my idea of streamlining is to make a process easier (and hopefully more cost effective) while not only benefiting employees who perform the process but internal/external partners and clients. The idea is nothing new. However, the idea that employees in all parts of an organization start utilizing the concept of agility on a routine basis is something new. I have been discussing the idea of getting people used to and comfortable with the idea of change for the last decade. This is a major shift for employees. **Now organizations are stressing the importance of an adaptive and agile workforce.**

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