Leading Change by John P. Kotter

Book review by Pat Naughtin

Harvard-Professor John P. Kotter has been observing the process of change for 30 years. He believes that there are critical differences between change efforts that have been successful, and change efforts that have failed. What interests him is why some people are able to get their organizations to change dramatically — while most do not.

John P. Kotter writes:

> Over the past decade, I have watched more than a hundred companies try to remake themselves into significantly better competitors. They have included large organizations (Ford) and small ones (Landmark Communications), companies based in United States (General Motors) and elsewhere (British Airways), corporations that were on their knees (Eastern Airlines), and companies that were earning good money (Bristol-Myers Squibb). Their efforts have gone under many banners: total quality management, reengineering, right-sizing, restructuring, cultural change, and turnaround. But in almost every case the basic goal has been the same: to make fundamental changes in how business is conducted in order to help cope with a new, more challenging market environment. A few of these corporate change efforts have been very successful. A few have been utter failures. Most fall somewhere in between, with a distinct tilt toward the lower end of the scale. The lessons that can be drawn are interesting and will probably be relevant to even more organizations in the increasingly competitive business environment of the coming decade.

Kotter developed a list of factors that he believes lead to successful changes, and those that lead to failure. He has devised an 8 step method where the first four steps focus on de-freezing the organization, the next three steps make the change happen, and the last step re-freezes the organization with a new culture. When people need to make big changes significantly and effectively, he says that this goes best if the 8 steps happen in order.

Here are the eight steps summarised from *Leading Change* by John P. Kotter:

Step	Lessons from successes	Lessons from mistakes
1	Establish a sense of urgency. • Examine market and competitive realities. • Identify and discuss crises, potential crises, or major opportunities.	Not establishing enough sense of urgency. • Transformation programs require aggressive co-operation by many individuals. • Without motivation, people won't help and the effort goes nowhere.
2	Form a powerful guiding coalition team. • Assemble a group with enough energy and authority to lead the change effort. • Encourage this group to work together as a team.	Not creating a powerful guiding coalition. • Companies that fail in this phase usually underestimate the difficulties of producing change and thus the importance of a guiding coalition with energy and authority.
3	Create a clear vision expressed simply. • Create a vision to direct the change effort. • Develop strategies for achieving the vision.	Lacking a clear vision. • Without a clear and sensible vision, a transformation effort can easily dissolve into a list of confusing and incompatible projects that can take the organization in the wrong direction or nowhere at all.

4	Communicate the vision. • Use every possible means to communicate the new vision and strategies. • Teach new behaviors using the example of the guiding coalition team.	Under-communicating the vision. • Transformation is impossible unless hundreds or thousands of people are willing to help, often to the point of making short-term sacrifices.
5	Empower others to act on the vision. • Get rid of obstacles to change. • Change systems or structures that seriously undermine the vision. • Encourage risk taking and non-traditional ideas, activities, and actions.	Not removing obstacles to the new vision. • Obstacles can be: the organizational structure, narrowly defined job categories, compensation or performance-appraisal systems, and, worst of all, bosses who refuse to change and make demands that are inconsistent with the overall change vision.
6	Plan for and creating short-term wins. • Plan for visible performance improvements. • Create those improvements. • Recognise and reward employees involved in the improvements.	Not systematically planning and creating short-term wins. • Planning and creating short-term wins is different from hoping for short-term wins. The former is active, the latter passive. • Actively look for ways to obtain clear performance improvements, establish goals in the yearly planning system, achieve the objectives, and reward the people involved with recognition, promotions, or money.
7	Consolidate improvements and producing still more change. • Use increased credibility to change systems, structures, and policies that don't fit the vision. • Hire, promote, and develop employees who can implement the vision. • Reinvigorate the process with new projects, themes, and change agents.	Declaring victory too soon. • Instead of declaring victory, leaders of successful change efforts use the credibility afforded by the short-term wins to tackle even bigger problems.
8	Institutionalise the new approaches. • Articulate the connections between the new behaviors and corporate success. • Develop ways to ensure leadership development and succession.	Not anchoring changes in the corporation's culture. • Change sticks when it becomes *the way we do things around here*, when it becomes part of the corporate culture. • Until new behaviors are rooted in social norms and shared values, they are subject to degradation as soon as the pressure for change is removed.

In *Leading Change*, John P. Kotter provides a clear and concise chapter devoted to each of the eight stages clearly stating what is needed at each step in the change process. He provides numerous examples of what happens when any stage is ignored.

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Basically, he suggests that to ignore any of the eight stages will likely lead to failure. Specific helpful guidance and steps are offered at every point through the change process.

A strong theme throughout Kotter's book, *Leading Change*, is the idea that **leadership** is a different thing to **management**. Kotter specifies what effective leadership — not management — looks like, and he argues:

> *Successful change is 70 to 90 percent leadership and only 10 to 30 percent management. Yet for historical reasons, many organizations today don't have much leadership.*

Finally, John P. Kotter writes:

> *There are still more mistakes that people make, but these eight are the big ones. In reality, even successful change efforts are messy and full of surprises. But just as a relatively simple vision is needed to guide people through a major change, so a vision of the change process can reduce the error rate. And fewer errors can spell the difference between success and failure.*

I have observed many attempts at metrication in many organisations over many years and I believe that John P. Kotters' *Leading Change* provides a useful reference for metrication leaders to consider as they plan any metrication upgrade. If you would like to purchase Kotters' book there is a link to Amazon at the bottom of my web page at:
http://www.metricationmatters.com

Metric system consultant, writer, and speaker, Pat Naughtin, has helped thousands of people and hundreds of companies upgrade to the modern metric system smoothly, quickly, and so economically that they now save thousands each year when buying, processing, or selling for their businesses. Pat provides services and resources for many different trades, crafts, and professions for commercial, industrial and government metrication leaders in Asia, Europe, and in the USA. Pat's clients include the Australian Government, Google, NASA, NIST, and the metric associations of Canada, the UK, and the USA.
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