

Leaders setting change direction

Why use this tool

The role of leaders is to set the direction for their organisation and lead it successfully through all types of changes. They do this by using four skills:

1. Tuning in to the environment: seeing what fits and what no longer fits as external pressures pound the organisation.
2. Challenging the current organisational wisdom: using what Rosabeth Moss Kanter calls 'kaleidoscope thinking' that means seeing different patterns, questioning assumptions, and looking for new connections and ways of doing things.
3. Communicating a compelling aspiration: encouraging people to see why changing is required, what's in it for them, and how to construct it rather than wait for it.
4. Building coalitions: identifying influencers and 'selling' them the dream. (Note that Martin Luther King inspired millions saying "I have a dream" and not "I have a plan")

Use this tool to confirm that leaders are demonstrating those four skills and to identify where to take action if they are not in evidence.

How to use this tool

Conduct this exercise with the leadership team where the change is taking place. It can be done as a whole group exercise or individual discussions that are then compared in a whole group setting.

Name the change here:

Part 1: Direction setting

1. Is there a good business reason for making this change?
 - What is the business reason?
 - What are the benefits and reduced risks/costs?
 - What are the downside business risks?
2. How does the cost/benefit of this change compare to other changes the organisation is making now or could make?
3. What are the 5 most important problems that you are trying to solve with this change? Why?
4. If the business/organisation were operating almost perfectly in the changed state, describe the key things that would be happening.
 - If I were invisible and walked through the organisation, what would I see that contributed to this success?
 - If I were invisible and could sit in on a number of conversations between the top 10 people and their staff, what themes would I hear?
5. If this organisation were wildly successful in the changed state, where would it be in 3 years?
 - If you were thinking of selling this successful business/organisation, how would you want to be able to describe it to prospective buyers?
 - How would you describe the mission/vision/purpose of this change to your prospective buyers?

Part 2: Overall Ratings

Organization Design

Review the leaders' answers to the five questions and enter an overall rating of high medium, or low leadership commitment to the change

Key Question: To what degree do we have leadership commitment to this change in direction	Overall Rating		
	Low	Medium	High
1. Good Business Reason	Low	Medium	High
2. Cost/benefit assessment	Low	Medium	High
3. Five most important problems	Low	Medium	High
4. Description of operation in changed state	Low	Medium	High
5. Description of success in changed state	Low	Medium	High

Assessment Results

Assessing your findings is an art of determining how to leverage your high ratings, while creating deliberate strategies for bringing your low ratings up to medium at least.

If you have few high ratings and several low ratings, you should consider reducing the scope of the change effort to one where your responses can be more favorable.

Action Strategy:

For low ratings: What can we do that would lead us to improve our rating on this key question?

For high ratings: How can we put this asset to use? Can it be used to improve lower rating areas?

For medium ratings: What clear action strategies, does this key question response suggest?

Overall: Are there any ratings here that I should discuss with others before concluding that I have rated them accurately (if so, discuss with whom?).