

The human factor in workplace change

Change needs to be managed carefully to avoid a 'fight or flight' response from staff.

By Diana Burns



JUST LIKE DEATH and taxes, change is an inescapable fact of life. In business, as in life, change is a constant. New strategic directions, mergers, acquisitions, downsizing, upskilling and the like are frequent occurrences. Why, then, are they often handled so badly? Why does workplace change so often result in stress, upset, bad feeling and loss of morale and staff?

Only two in five change projects succeed, says Anne Riches, change strategist and executive director of Australian consulting firm The Riches Group. That's because, she says, most organisations fail to really understand the importance of people.

It seems so obvious it's almost corny to state that people are the most important factor in any business, and no change programme can work if it does not have the support and buy-in of people at all levels of the business. Okay, you may already know that but that doesn't mean you know how to do it well.

"The biggest mistakes organisations make when they're implementing change are underestimating the strength of people's behavioural patterns and what is required to change them," says Riches.

Organisations like to treat people as rational beings — that's mistake number one. All human beings are emotional first, and reason comes a distant second, she says.

When an organisation is going through change, it tends to focus on the logical side — things like procedure, policies and IT. But as those boxes are satisfyingly being ticked off, it's often overlooked that people are being asked to do things differently. And usually, they don't like it.

It's all to do with the neuroscience of change, Riches says. The brain is programmed to react against anything it perceives as a threat, and change is threatening. "Anyone who has had to implement change in an organisation knows that the best-laid plans can be scuttled because of

worst enemy; they reinforce people's negative patterns rather than positive ones."

The part of our brain that ensures our survival by warning us of imminent danger — what is often called the 'fight or flight' response — scientists call the amygdala, a small almond-shaped part of the brain. "However sometimes our amygdalae get it wrong. They set off a false alarm. We still react to it but it's inappropriate."

Riches has trademarked this 'The Almond Effect'. It's when your brain's pre-programming reacts against anything new, because the old way is known and, therefore, it thinks, safer.

She gives the example of an employee who instantly associates an email from head office announcing another new initiative as more work. That's been their experience; they don't get news from head office unless it's change and more work. So as soon as the email arrives, the amygdala matches the pattern and sounds the alarm bell.

"That's why change is so often met with anger, cynicism, reluctance and resistance — because fear of the unknown is kicking in."

Asking people to accept and embrace change is effectively asking them to rewire their neural pathways. Not easy. And certainly not quick. "Even with the best planning, we may still not be able to get change quickly. And it won't work at all unless people's emotional fears are addressed."

If the chief executive only ever fronts up to staff when there's a problem, he or she will naturally be associated with bad news. It's important for the CEO to also chat to staff when things are stable and going well, says Riches.

To get people to change, the incentive to change must be greater than the incentive to stay the same. Just saying the company needs to boost productivity and be more innovative won't work if staff in the past have been rewarded for not taking risks. They need to feel that the risk of

CHECKLIST

- 1 To successfully deal with resistance patterns address emotional reactions first and rational decision making second.
- 2 Resistance to workplace change results from an individual's memories and associations. Set up good patterns — explain and engage people emotionally.
- 3 Communicate more, and in every way possible. Give messages in a clear, emotional and jargon-free way that people can relate to.
- 4 Accept that change will take a long time to become bedded in.
- 5 Create positive associations for the new behaviour you want. Celebrate success and convince people that the new way has more benefits than the old way.

suggests Riches. Tell them, for example, that the company is in trouble, and pain and job losses are inevitable unless it can regain market share through new products or better service. And you need their help.

Celebrating success helps to connect new patterns with good emotional memories not bad ones. But it takes time, Riches warns. New neural pathways have to be well used before it becomes easy and natural.

"If it is not understood and managed, the fight/flight response can undermine all of our best corporate strategies and processes."

Wellington-based Anne Pattillo agrees change is about dealing with people's emotions. She runs a business specialising in organisational development, strategy and public engagement.

"Too often we talk about change management, which suggests that efforts need to go into solving problems, rather than change leadership, which looks at new possibilities," she says. "If Sam Morgan of Trade Me had simply solved his problem he would have ended up with a nice second-hand heater. Instead, he used the challenge as a springboard for possibility — and doesn't need that heater anymore."

Like Riches, Pattillo thinks staff need to be involved at all levels, and not just when there is a big problem or issue. Research shows people need to feel useful and the ability to make a positive contribution or to be engaged in resolving problems is a major motivator.

Bosses need to start with the questions and seek the answers. The 'have I got a deal for you' and 'here is an answer I prepared earlier' approach may give managers an initial sense of control, but will not necessarily help business reach beyond the challenge. A good start would be for managers to ask themselves "when was the last time I was right in the midst of our operation? How could I go to staff with a question rather than a proposal? When did I last chat to staff I don't know?"

But there is a bright side. Pattillo reckons the people element is better understood and managed in New Zealand than in larger countries, partly because changes affecting staff are generally made at a closer level rather than from a distance. The impact of change is right in front of you.

And the painful restructurings following the economic reforms of the late 80s and 90s taught New Zealand a lot, Pattillo says, even if it was via the 'how not to' guide.

"We now have a much more sophisticated view of change here, although most organisations still have some way to go in understanding their people's emotional responses."

Diana Burns is a freelance journalist, trainer and facilitator who works as a consultant with Pattillo

WORKLIFE

Free advice on workplace hassles

I own a trades business and want to know the best way to institute a uniform for everyone, from the tradesmen to clerical staff.

Forget the daggy duds of your school days; a uniform can be stylish and practical. But to avoid the expense and pain of getting it wrong, Chrissie Russell of Christchurch-based image consultancy Unique Style advises: first carefully consider what you want from the uniform. Do you want it to help brand your business, to create consistent grooming standards to make staff easily identifiable — or a mixture of these?

Also ensure you involve staff from across the business throughout the uniform decision-making process. "They've got to wear the uniform," says Russell, "so it's important that they feel they own it." Staff input is also crucial to make the uniform practical and functional — a yellow uniform that easily shows dirt and sweat marks probably isn't going to work for tradesmen. When choosing fabrics, also consider how they can be laundered, breathability and how they could fade or crease.

Russell says the uniform may need to vary depending on someone's role within the business — a hard-wearing pants-and-shirt combo for tradesmen; a smart shirt and trousers or a skirt for admin staff, for example. But as long as you keep colours and branding consistent you'll still be able to get a uniform look.

Lastly, get a referral from a company that's provided a uniform for a business similar to your own so you can learn from others' experience.

I work on my own in a home-based business. Any tips for finding or setting up a networking group to keep me in touch with the outside world?

Isolation — both social and professional — is one of the biggest issues facing home-based business operators, says Home Business New Zealand managing director Heather Douglas. Networking with other businesses can achieve a number of objectives and you'll need to decide which of them are important to you in establishing a group. Your network will be able to provide for several of them, but probably not all, says Douglas, so a clear concept is critical to its success.

For instance, identify whether you want your network to provide opportunities to socialise, to generate business, to provide business education or to bounce ideas around with other business owners — and which of these elements you want to emphasise. You'll also need to identify your 'target market', that is, the kind of people who would benefit from being part of the group — and who would also help out others.

Also, you could check out Home Business New Zealand's e-guide to starting and running a home business network. It steps you through the whole process — from planning how your group would work, identifying prospective attendees, and getting your first meeting under your belt, to setting up an action group and keeping the group running smoothly. To find out more visit www.homebizbuzz.co.nz/article.php3?ArticleID=1112

Want advice?

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