

Leading People Through Change

Many people have a difficult time adapting to change, especially when it comes to their jobs. They tend to hold on to the past and not embrace the present. But when change is on the horizon, you can lead your team through the transition.

Have you ever helped someone get through a difficult time? Do you know someone who always refers to “the good ol’ days” or says “back then, things were better”? You might be surprised by how many people hold on to the past and can’t embrace the present. In today’s business environment, failure to adapt is a recipe for disaster.

As leaders, we try to rise to the challenges and inspire our teams to overcome roadblocks. We engage our teams on a journey toward the vision of how things should be. The current business environment pushes us to enable our organizations to adapt to constant change and to stretch our teams and ourselves. Therefore, it’s critical to have a deep understanding of how to recognize and manage the human aspect of transitions.

“All changes, even the most longed for, have their melancholy; for what we leave behind us is a part of ourselves; we must die to one

life before we can enter another.”
—Anatole France

Leaders need to be aware that the human aspect is a critical element of any change process—the different stages that people *need* to go through to let go of the past and be ready for a new beginning. Leaders can’t be focused solely on strategic planning and tactical execution. Leaders need to focus on a holistic approach that includes human transitions and ultimately helps the organization embrace change. Adapting effectively is critical for any successful organization.

I learned this the hard way when I worked at one of the oldest and biggest state-owned banks in Costa Rica in 1994. After a tough hiring process, I was confident that my employment was secure. I sat next to colleagues who were proud of their 15, 20, or more years of tenure. But on September 15, 1994, I heard on the news that the bank was being closed. I showed up at work that day and found many of my coworkers crying on the sidewalk, wondering how they would provide for their families. I’ll never forget the look in the eyes of the employees close to retirement.

The decision to close the bank quickly might have been the right choice, but the way this change was executed was devastating for the organization. While an aggressive placement program was put in place days later, and most bank operations merged with other state banks, many valuable employees were left stranded and afraid of what they might hear on the news next. The bank had lost our trust, and the damage was done.

“You can avoid having ulcers by adapting to the situation: If you fall in the mud puddle, check your pockets for fish.”—Proverb

More recently, at Procter & Gamble, I was asked for advice on the merger of two financial service accounting teams that had a long history of rivalry. After presenting a strategic plan on how to proceed, it was clear that the most difficult part of the endeavor was helping people accept the change and create a new organizational culture.

Change is inevitable and necessary to succeed. Leaders must realize that the human psychological transition is very complex, and it involves a gradual assimilation of the change, which usually varies



by individual. There are many books and resources that focus on the human stages of transition, but I find it helpful to categorize the three stages of human transition: (1) acceptance/denial of the change, (2) experimentation or “no man’s land,” and (3) a new beginning. Leaders need to help their teams navigate these stages and emerge stronger at the other end, ready for a new beginning. Change and adaptation are ever more critical for an organization to stay competitive and survive. Here are some tips that can help anyone at any stage of transition.

1. Be the first one to deliver the news. Don’t let your employees find out about change through the news or in the hallways. It’s critical for you, the leader, to inform your team about change. It protects trust and credibility and avoids augmentative speculation and rumors that usually come with gossip or information leaks. Take your time to draft an official announcement, align it with your management, and share it with your organization as soon as possible. Convey confidence, and be transparent. Don’t be afraid to say “I don’t know.”

2. Explain the change and how it will affect the workforce. Inform your team of the vision, and explain the rationale of why this specific change is happening or why it’s inevitable. Accepting the change is one of the most difficult stages, and leaders are critical guides. Make sure people understand what will be changing and, more importantly, what won’t be changing.

3. Engage individuals. Engaging each individual employee of the organization might be difficult, but direct managers could help engage employees one on one. The impact of a change for an individual depends on a variety of factors, including background, age, and status, among many others. To help employees move on, you must be in touch with their perceived obstacles and fears. For instance, when the state bank closed in 1994, I was 18 years old and had my whole life ahead of me. But many of my coworkers were 10 years away from retirement, had mortgages, and had kids in school. So when the bank announced the placement program and partial merger, those employees were unwilling to collaborate and made desperate employment decisions. Critical processes were compromised, and the bank started

disintegrating from the inside out.

4. Protect critical processes. It’s important to identify those processes that can jeopardize the success of the change—critical tasks that can’t be missed. You need to minimize the change that impacts these processes and strengthen controls around them.

5. Be sensitive and respectful. It’s important to set a clear date for the change to occur to help employees detach or detangle themselves from their current work. In other words, allow your team to “mourn” the past and have a chance to celebrate the new beginning.

“People underestimate their capacity for change. There is never a right time to do a difficult thing. A leader’s job is to help people have vision of their potential.”

—John Porter

At the end of the day, I was surprised to find out how people get stranded through change. This often deteriorates morale and can turn into negativity, inefficiency, and poor results. Leaders who invest in a well-managed transition plan will obtain better results. In an ever-changing world, it’s a great opportunity for you to touch people’s lives and help them find a path to success. **SF**

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