

Digital Article

Change Management

# Is Your Organization Surviving Change or Thriving in It?

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**A CEO we work with recently remarked,** "Covid-19 has actually helped force us to find some new practices that are better than those we employed before the pandemic. I don't want to lose those new practices when Covid-19 is over. So, what can we do?"

Her question is reflective of what we are seeing and hearing from many people – the Covid-19 pandemic has brought adaptation to the forefront of everyone's minds. However, it also underscores an implicit belief that this

situation is entirely anomalous, something that needs to be weathered before returning to a "new normal" with low levels of change, uncertainty, and disruption.

Yet, all indications are that increasing volatility, complexity, and rapid change *is* the new normal, which requires new ways to drive change within organizations — new ways that mobilize the employee base to actively participate in gathering insights, creating solutions, and providing leadership.

We are developing a framework around an emerging science of change that can be useful in this push to build more agile, adaptable organizations. It is grounded in three streams of research: the structure of the modern organization and its limitations (whose management-centric design was built for reliability and efficiency), studies of leadership and successful organizational change, and the study of "human nature" and our resistance or capacity to change.

# The difference between surviving and thriving

Human beings are resistant to many kinds of change. However, we are also a species driven by curiosity and programmed to seek out novelty. The difference between embracing and resisting change is rooted in our brainbody hardwiring. Evolution has resulted in a two-channel system, which is responsible for much of our response in times of uncertainty. The Survive Channel is activated by threats and leads to feelings of fear, anxiety, and stress. These triggers activate the sympathetic nervous system and, when working well, direct all attention toward eliminating the threat. By contrast, the Thrive Channel is activated by opportunities and is associated with feelings of excitement, passion, joy, and enthusiasm. These triggers activate the parasympathetic nervous system, allowing our mind to broaden its perspective and collaborate in new ways.

Creating smart, fast change means preventing the Survive Channel from overheating while activating the Thrive Channel in sufficient numbers of people, leading to more innovation, adaptation, and leadership.

Reflecting on recent stories of organizational change, no single lesson comes across as clearly as one related to leadership — specifically, the need for more of it from more people. Leadership as a behavior, not a position, has the capacity to meet the change challenge of today. There is a strong need to reconstruct the modern organization and create an environment that fosters more autonomy, participation, and leadership.

The relative strength of the Survive Channel, combined with the emphasis on reliability and efficiency reinforced by traditional management systems, leads to organizations that generally overheat the Survive Channel and under-activate the Thrive Channel. Organizations that can pivot and change quickly require leaders who can both calm an overheated Survive and amplify Thrive, for themselves and others.

## **Modulating Survive**

The traditional change management approach with its focus on timelines, budgets, impact assessments, documentation, broadcast communication, and management control is designed to reduce resistance and increase adoption. While these practices can be effective at removing obstacles and solving problems, they also have the potential to inadvertently trigger a Survive response because of the management-centric "have to" focus. We recommend that leaders utilize the following tactics to curb the Survive channel's natural activation of fear, anxiety, and stress:

#### 1. Reduce the Noise

While the amount of actionable information that managers and employees receive is increasing, it is accompanied by an even greater increase in distracting "noise." This makes it harder to find the right information and make good decisions, but can also easily trigger the Survive Channel.

Spreadsheets, monthly budget updates, customer satisfaction surveys, and many more artifacts of business operations can all provide some information that the brain views as threatening — making it impossible to focus clearly on the most important priorities, to innovate, or to develop new ideas.

To reduce this noise, leaders should ask themselves: What reports are being sent to employees who have no real use for them? What activities are continuing simply because that is how we have always done things? What metrics are redundant or only marginally useful? What frequency is truly appropriate for meetings, reports, and any repeat activities?

It is astonishing the amount of noise that can be eliminated by evaluating actions and initiatives through both their effectiveness at addressing a problem and their capacity to activate Survive. If a particular action is likely to trigger a Survive response in the organization, proceed only if you are convinced that it is addressing a *true* threat.

# 2. Eliminate Unnecessary Uncertainty

Uncertainty, even more so than known threats, can trigger an overactive Survive. Our natural response to a threat is to focus solely on eliminating it. But an uncertain threat is hard to address, leading to a prolonged state of highly activated Survive. This is why one of the most important roles for leaders is helping to remove uncertainty whenever possible.

Leaders often believe that providing no information is better than incomplete information but doing so will only create anxiety amongst employees or hurt their credibility as a leader. Given our natural threat-seeking radar, employees are likely to "fill in the gaps" with their own assumptions. These assumptions are often inaccurate or presume worst-case scenario, further exacerbating anxiety and Survive activation. Transparency around what is known, what is unknown, what actions are

being taken, and what outcomes are anticipated can provide context and prevent unfounded fear or anxiety.

# **Activating Thrive**

Modulating Survive creates space to activate Thrive and the associated positive leadership behaviors — high engagement, initiative, a forward-looking mindset, innovation, and collaboration. Leadership from more people through the organization is only possible when Thrive Channels are highly activated, using techniques such as:

### 1. Lean on Opportunities, Not Just Threats

Some fast-moving entrepreneurial settings aside, very little of the conversation in organizations today is about opportunity. Often, leaders resort to driving change through a burning platform — using an immediate (and often threatening) crisis as a tipping point for change. This fear-driven motivation encourages some initial action but shuts down Thrive. A burning platform may work in situations where more intensity or a short burst of "working harder" is needed, but it does not work where new ideas or new ways of working are critical to success. What *is* needed, in these cases, is action motivated by a desire to achieve an exciting opportunity.

Relentlessly finding opportunities, even when faced with setbacks, requires understanding the landscape. What are the organization's challenges, and what is possible through innovation? What customer, employee, community, supplier, or shareholder needs are not being addressed, and what is the payoff of meeting those needs? Answering these questions and flooding the organization with communication about what's possible is critical to activating Thrive and enabling employees to see and respond to opportunities. Communicating aspirations, possibilities, and exciting frontiers touches hearts, not just minds, which encourages people to engage almost voluntarily — not only because they have to.

#### 2. Celebrate Progress

Management systems are adept at providing reports and updates on progress — largely focused on assessing performance to identify gaps and take corrective action where required. What is missing is the celebration of success, which is critical for convincing skeptics and removing obstacles to successful implementation. Recognizing, communicating, and applauding the achievement of milestones or successful pilot efforts can provide the dose of positive energy needed to sustain the change effort. Creating an environment where success is celebrated frequently and loudly primes the opportunity-seeking radar and reduces the energy required to activate Thrive.

#### 3. Delegate Control

One of our clearest findings is that successful change efforts have early engagement and support from a broad, diverse employee base. The idea that people place a disproportionately high value on things they helped create, often referred to as the Ikea effect, has been well documented in the psychology literature. An environment where leaders encourage and delegate control helps inspire initiative and leadership because more people are invested in achieving the outcomes.

When individuals have more agency in making decisions, they will not only be more committed to ensuring these decisions are successful, but they will also approach it from a "want-to," opportunity-focused mindset. This activates Thrive and the corresponding positive emotions: pride and purpose.

The single biggest challenge we face as teams, organizations, and a society at large is to adapt fast enough to match the increasing uncertainty and complexity around us. We have experienced this on a global scale throughout the Covid-19 pandemic. Any single organization's success or failure at dealing with this increasingly fast-changing world could affect

the lives of many thousands of people. By acting in new ways and thinking of leadership as behaviors that we can all exhibit, we can better respond to rapid change, and create workplaces (and communities) that truly allow people to thrive.



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