

Match Your Change Strategy to Your Organization's Maturity

Don't just make a change. First, decide which approach offers the best chance of success.

BY RON ROSENBERG

As you leave work today, you see a man collapsed on the sidewalk, clutching his chest. Would you...

- Administer CPR?
- Perform bypass surgery?
- Explain how paying better attention to his stress level, exercise program, and dietary habits could have prevented this situation?

The most logical choice is to administer CPR. This person needs immediate intervention to help him survive. The other options are appropriate follow-up activities and may be necessary for a full recovery. But suggesting aerobic exercise to a patient in the middle of a heart attack makes little sense.

Similarly, nonprofit organizations are feeling the pain and stress of shifting to a culture that focuses on quality, customers, and teamwork. Unfortunately, many nonprofits' efforts are disappointing because of a mismatch between their approach to change and their organizations' maturity level. Just as you must gear medical treatment to a patient's condition, you must tailor your change approach to your organization's needs.

Five Questions to Determine Your Organization's Maturity

To determine your organization's maturity level, ask yourself these five questions:

1. Vision: Does your organization have a clear view of its long-term goals and a clear understanding of how each employee's job contributes to these goals?

2. Management Involvement: Is there clear commitment from the management team in the form of active participation and support of business improvement activities?

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3. Employee Empowerment: Does the organization's management recognize that line employees' input is critical in identifying problem areas and improvement actions?

4. Customer Focus: Is there a clear understanding that every job and every activity performed in the organization must have a definite link to customer satisfaction?

5. Process Base: Are there defined, documented processes that allow repeatable success and provide a solid foundation for improvement?

Based on your answers to the five questions, decide which of the following three types of organizations you fit into:

1. Firefighting: Like the person collapsed on the sidewalk, the firefighting organization struggles to survive. If fundamental changes aren't made, the organization will be left behind in the dust of its competitors' leadership.

It's not tough to spot the firefighting organization. Employees are frustrated because of changing priorities. There is constant rework to correct preventable problems that have turned into major crises. If there are processes, they're either not understood or not followed, allowing and even encouraging poor quality.

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2. Emerging: Having survived the heart attack, the patient can now undergo tests to determine the best course of treatment. Organizations in this phase are operating successfully but haven't yet achieved peak performance. Work groups are launching specific change initiatives and are impatient to move ahead, although the environment doesn't seem quite ready. These groups are unwilling to wait, believing that they will realize both immediate and long-term benefits by taking action now.

3. Total Commitment: Having undergone bypass surgery, the patient is on the road to recovery. An organization at the total-commitment level is prepared to make a significant investment in change. It's ready to shift its culture from one of day-to-day reacting to one of proactivity and vision. Sometimes the catalyst for this commitment is new leadership. Sometimes it's a recognition of the successes of the work groups in the emerging phase. Just as often, however, the driver is some sort of "near-death" experience, in which the organization realizes that it must change, or the results could be fatal.

These warning signs include a suddenly eroding market share, key customers threatening to leave, plunging finances, and an exodus of key employees. This kind of shock to the system isn't always bad; the survival of the organization provides a compelling vision around which to base a change in lifestyle.

Match Your Organizational Needs with the Right Approach

The most important point to understand is that all organizations aren't on the same level in the five key areas. Unfortunately, many nonprofits don't recognize this fact and roll out an improvement program based on another organization's successful experience. A better approach is to determine your organization's level of readiness, understand your needs at that level, and tailor your improvement approach to meet those needs, as follows:

1. Firefighting organizations need to focus on survival. Without a definite course correction, organizations at this level are headed for serious trouble. They must get a handle on the immediate issues. The goal should be to provide stability

and a firm foundation on which to build for future growth. Activities here fall into the general category of problem solving.

2. Emerging organizations should focus on recovery. The goal here is to mobilize the organization by encouraging the work groups that have already demonstrated success. Show them how their example can move the entire organization ahead. Help them document their successes by measuring improvements in productivity, effectiveness, and customer satisfaction.

Typically, these groups begin to see tangible benefits quickly. They can easily transform their position from the front of the innovation curve into leaders in the organization.

3. Total-commitment organizations are ready for the journey that leads to world-class-level quality and strong customer and employee satisfaction. These organizations have strong foundations in most of the key areas—vision alignment, management involvement, employee empowerment, customer focus, and process base. The need here is for a change in lifestyle. Such a change is achievable because the organization has a clear vision which is effectively deployed throughout the organization. Change efforts should focus on that vision—not on adopting other organizations' best practices.

What's Your Condition?

Offering CPR to a healthy patient is as useless as providing lifestyle counseling to a trauma victim. Both are valid approaches, but it's the patient's condition that determines the correct course of treatment. ■



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