Beyond This Point
There Be Dragons

Managing Dynamic Change
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Pre-Session Questions

Why Is This Subject Important?

Faced with the choice between changing one’s mind and proving that there is no need to do so, almost everybody gets busy on the proof.  
John Kenneth Galbraith
Beyond This Point
There Be Dragons

Dynamic Change is a change in our surroundings that threatens our self-worth and cripples our outlook for the future.

Are You Alone?
Is everyone challenged by change today?
Is It a fact of business?
Change or Die
For most of Corporate America It is Just That Simple!

Hudson Institute

50% of firms doing business today will be gone in five years.

Where Are They Now?
Beatrice Foods
E.F. Hutton
Arthur Anderson
MCI
Standard Oil
Adelphia
Paine Weber
General Foods
RCA
TWA
General Motors

Compaq Computers
MCI Worldcom
K-Mart Holding
Texaco
Enron
SBC Communications
Bell Atlantic
Bank One Corp
GTE
Bell South
Federated Department Stores
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Jobs Will Change

Average of 1,589,000 employees laid-off per year

1,582,961 in 2004
1,728,843 in 2005
1,469,045 in 2006
1,576,068 in 2007

Average of 132,436 employees per month

Jobs Will Change

Almost 1,941,000 jobs added per year

...And Replaced With New Jobs!

2,081,000 in 2004
2,532,000 in 2005
2,099,000 in 2006
1,055,000 in 2007

Average of 161,800 job growth per month
Jobs Are Not Forever Any More

Jobs (services) are a commodity which can be traded and sold.

“We Are A Commodity”

The employees are getting the message...

“We are a commodity and we should trade ourselves to the best bidder”

People Have Choices

<table>
<thead>
<tr>
<th>Average Tenure</th>
<th>4.9 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executives</td>
<td>3.0 years</td>
</tr>
<tr>
<td>CEO’s</td>
<td>3.6 years</td>
</tr>
</tbody>
</table>

Average 38 year old has 10.8 jobs

...And The “Good Ones” Are Beginning To Make Those Choices
Most Company Policies

- Still focus on making people wait to be recognized
- Are based on “sameness means fairness”
- Revolve around the concept that we can just replace that person
- Controlling employees
- Focus on avoiding lawsuits

There is more!

You must prepare for...

Business Is Changing

Because....

- Economic Pressures
- Global Competition
- Amount of Information
- Shortage of Talent
- Education Required
- Product Advances

Advances extend the knowledge and capabilities faster than their implications can be absorbed and acted upon.
In HR ...
- “Anchor” or “Oar”
- “In House” or “Out Source”
- “At the Table” or “Under the Table”
- Creativity or Uniformity
- Strategic or Tactical
- Are We Even Relevant?

Change or Die
- What does your Business look like in 15 years?
- What does HR look like in 15 years?

Change Can Be Scary!
You
But it is not new!
Change or Die

Information / Knowledge Age
Industrial Age
Agricultural Age
Hunter / Gatherer Age

It Is Much Faster

4 to 7 Times As Much Science by 2033

At “4 times” we would experience change equal to the changes we have witnessed since 1880’s
At “7 times” we would see as much change as we have seen since the 1600’s

Change is at Warp Speed

Invented in 1565
First Option was added in 1770
(205 years later)
Design was completed in 1858
(293 years after conception)
Internet 1990
It Is Much Faster

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You Are Not Going To Stop The Change

You are not going hide from it either!

And many of you will be responsible for implementing that change!
Questions that should be asked

Will you be faced with changes?

What will happen if it implements the changes successfully?

What happens if it fails to change?

How Do People Deal With Change?
Group Exercise

How would they feel when facing change?

How might they act?

If you were in this category, how would you want to be approached when being asked to change?
What Affects the Rate That They Change?

The rate in which you are willing to change is affected by:

- **Safety** — The need to feel secure (Are basic needs at risk)
- **Specificity** — The need to start small and be specific
- **Age** — You are less able to make change and adapt as you get older
- **Time** — The time you have to implement the change (break old habits)
- **Attitude** — Your belief that you can’t change can become a self-fulfilling prophecy (lack of self-esteem)

How Do People React To Dynamic Changes

- Denial
- Anger
- Fear
- Sorrow
- Experimentation
- Acceptance
- Celebration
How Do You Implement Change?

85% of Change Initiatives Fail

Why?

Remember this...
You can be as successful as you wish the nanosecond you choose not to accept anything less.

Tom Peters
What Makes People Change?

Stephen Trucker

Pain

Pleasure
When thinking about change, one of the first questions should be...

- Are You Willing To “Terminate” Someone?
- What Is The Reward for them?

Pain

Pleasure

Remember this...

You can be as successful as you wish the nanosecond you choose not to accept anything less.

Tom Peters

Preparing for Change!
How Do You Prepare For Change?
Tip #1
ASK THE TOUGH QUESTIONS

What will happen if the organization is successful in implementing the change?
What will happen if the organization fails to change?
Are you willing to terminate someone? (Pain)
Why would they want to change? (Pleasure)

Tip #2
BE HONEST WITH YOURSELF
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Do they trust you?
Are you the best person to implement the change?
(Are you the Anchor or the Oar)
Are you committed to the change?

Tip #3
CREATE AN ENVIRONMENT OF CHANGE

How Do You Prepare For Change?

Tip #3
CREATE AN ENVIRONMENT OF CHANGE
Make them believe they are good at change.
Remember they are looking at you.
(Set the example)
Remind them of their successes in change
How Do You Prepare For Change?

Tip #4

KNOW YOUR TEAM

Identify who is motivated by change.
Reassure those who will change
Diminish the affect of those who are slow to change
Terminate those whose mission it is to destroy change

Tip #5

GIVE CHANGE A CHANCE
Start with those willing to change
If possible, implement the change in stages (by department)
Market your success to the organization

How Do You Prepare For Change?

Tip #6
DEVELOP YOUR RATIONALE FOR CHANGE

Why would they want to change?
Tell them stories to explain why the change must be made.
How does the change affect them?
Define what is over and what is not.
Create a safe environment to ask questions.
How Do You Prepare For Change?

Tip #7

EXCHANGE INFORMATION FREELY

Tell them as much as possible, as soon as possible.

Think of multiple ways to disseminate information.

Tell them over, and over, and over...

(Remember, Be Honest)

Maintaining the Change
Maintaining the Change

Tip #1

MEASURE THEIR SUCCESS

Make the measurement easy to understand
You want them to be successful
Market their success

Department: Front Office
Reporting Date: 03/04/08
Signature: Joe Smith

Next Reporting Period - 4 weeks
Maintaining the Change

**Tip #2**

THE MEETING AFTER THE MEETING

- Honesty is spoken in the meeting after the meeting
- Plug into the "grapevine"
- Deal with gossip spreaders one-on-one
- Correct any misinformation immediately
Tip #3

MAINTAINING MOTIVATION

Personalize motivation (Pleasure)
More often is better
Market success often
You may have to terminate someone to show them you are committed (Pain)

Tip #4

BE AWARE OF THE NEUTRAL ZONE
Tip #4

BE AWARE OF THE NEUTRAL ZONE
Schedule dates to review progress
Discuss both positives and negatives
Be ready to reenergize the change
Don't hold onto negative changes
Have an “End Date” in mind

Maintaining the Change

Tip #5

CELEBRATE CHANGES

Tip #5

CELEBRATE CHANGES
“We made it” Celebrations
Market “Making It”
Laugh and Have Fun
What to Expect

- Beware of the Dragons
  - Be wary of negative people
  - Terminate your toxic energy dumps
  - Beware of those who admire dinosaurs

- Expect someone to be against the change
- Prepare for them not to “buy in”
- You will have to tell them over, and over…
- Expect to be honest. If not, the Dragons will eat you alive.
- Expect their feelings, they are real
FEAR! What is it that they fear?

Exercise

List five major changes you have faced in your life.

FEAR!

Most of what you fear never happens
Remember, Dragons never existed

There are no Dragons unless you create them

BELIEVE IN

YOU

Most of what you fear will never happen

PERSONNEL DYNAMICS CONSULTING

Corporate Culture Change
Management Training
Customer Service Training
Leadership Development
Human Resources Management Review
Motivational Presentations
Organizational Change Support

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