Institute of Collaborative Management

Changing Culture

Creating a Productive Organisational Culture

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Institute of Collaborative Management

There are hundreds if not thousands of books about change management. There are courses managers can take and numerous "expert" consultants companies can hire. So why do so many organisations get it wrong.

Executive Summary

Change management has at its core changing culture. Change management is not simply shifting the chairs on the Titanic, but rather asking people to change what they do, think, see and expect. Much has been written about change management and changing culture over the decades, yet we continue to struggle with ineffective change processes and programs that leave frustrated managers, wasteful investments, and damaged people.

People are not simple objects to be managed, fixed-up and slotted into boxes. Change processes must deal with the complexity of human beings, the variability of life, changing expectations of customers, leaders, and employees, and the unknowability of the future.

There has been excellent work done in the past by many brilliant and dedicated people, and their work provides an excellent base for successful change management programs in the future.

However, our experience tells us that the tools that have been developed need to be sharper, provide deeper and more profound understanding of the people who are being asked to change, and those who are managing the change, and provide clarity of the paths for change that will deliver the outcomes sought by organisations.

This white paper draws together the experience of the gurus of the past, the emerging science of the future, and decades of our study and learning about human behaviour to offer new and far more effective insights into successfully managing change.

'We need to talk about this' by Simon Mclean (2015)

Background

This white paper explores organisational culture, what a productive organisational culture is, alignment of culture with corporate objectives, cultural risk, and the points of leverage for making sustainable and beneficial changes in culture.

We combine the best of the authorities on culture (Edgar Schein), and the cultural change doyen (John Kotter) with the behavioural expertise of the Institute of Collaborative Management to present new insights and approaches to understanding and managing cultural change.

REFLECTION

This Icon appears at key points in the paper to indicate an opportunity to pause and reflect on you own experience

The need?

In a 2013 Strategy&/Katzenbach Center survey of global senior leaders on culture and change management, the success of major change initiatives was only 54%.

In their 2015 Chaos Report (The Standish Group International, 2015), The Standish Group, in their assessment of more than 50,000 projects, found that less than 29% of projects were successful (i.e. on time, on budget and, completed as planned). More concerning is the finding that as many as 19% of all projects fail outright

That is a big problem because failed change efforts can destroy morale, waste resources, increase turnover and crush the bottom line.

Reflect on your understanding of culture. What is your experience of changing culture in the work place? How does that shape your view on how culture can be understood and managed?

In 1980's, the American management professor Edgar Schein developed an organisational culture model to make culture more visible within an organisation.

Schein Defining Culture (Schein, 1992)

In true academic style, Schein defined culture as:

'*A pattern of shared assumptions that the group learned as it solved its problems of external adaptation and internal integration, that worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to these problems.'*

Schein believed that there are **three levels in an organisation culture,** (Fig 1). These levels range from tangible manifestations that one can see and feel to the deeply embedded, unconscious basic assumptions which he saw as the essence of culture.

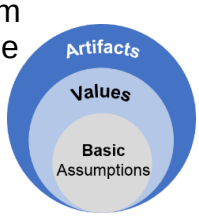


Fig 1. Schein's 3 levels

Artifacts

The first level is the characteristics of the organization which can be **easily viewed, heard and felt** by individuals collectively known as artifacts. The dress code of the employees, office furniture, facilities, language, myths, stories, technology, rituals, visible behaviour of the employees, mission and vision of the organisation all come under artifacts and go a long way in defining the culture of the workplace.

Values

The next level according to Schein which constitute the organisation culture is the values of the employees. The values of the individuals working in the organisation play an important role in deciding the organisation culture. **The values reflect the individual's and the group's sense of what ought to be**, as distinct to what is. They become the assumptions of the group. They are evidenced in the thought process and attitude of employees.

The mindset of the individual associated with any particular organisation influences the culture of the workplace. Not all individual values are incorporated. Only values that are susceptible to physical or social validation will become group assumptions. Where a number of group members present similar mindsets, those values are more likely to become group assumptions.

Basic Assumptions

Basic assumptions are the underlying **Borld views of the individual/ group that are simply taken for granted**. If a basic assumption is strongly held in a group, members will find behaviour inconsistent with this assumption inconceivable. Basic assumptions are similar to what Argyris has defined as 'theories-in-use' **the implicit assumptions that actually guide behaviour**, and tell group members how to perceive, think about, and feel about things.

Basic assumptions tend to be those that we neither confront nor debate and hence are extremely difficult to change.

ICM provides clarity and focus in understanding the Schein's basic assumptions - of individuals and groups, and the likely group values and artifacts that will emerge

ICM Behavioural Framework

In order to describe culture, ICM uses the methodology developed by Dr Clare Graves (Graves, 2005), as further developed in the Netherlands by Hans Versnel & Hans Kopenol (Versnel & Kopenol, 2005) and by Management Drives B.V. Dr Graves described a number of behavioural types known as Drives, each of which reflects a particular world view.

Drives are the innate tendencies that motivate a person towards one type of behaviour or another, and are based on their world views.

These world views and their Drives (Fig 2) are analogous to the basic assumptions of Schein. Each Drive describes a particular **type** of behaviour that is clearly recognisable, and differentiated from the other **types** of behaviours. We identify the Drives as colours.

The Drives help to explain why people behave, feel, interpret and act the way they do. Drives align with the way we look at the world – our 'world view'

We will use the language of the Drives to provide a dimension of clarity understanding and power to Schein's cultural theory.

World View	and therefore
yellow This world is full of complex systems and inconsistencies. Understanding is important.	**yellow** Is the drive that seeks to analyse, understand and explore in depth. Yellow seeks freedom to think, being logical, seeing patterns and the big picture
green Humanity matters. It is important to contribute to the health of the community.	**green** Is the drive which puts people and relationships first. It encourages communication, sensitivity to people, seeking consensus, equality, and harmony
orange The world constantly offers you opportunities to be successful.	**orange** Is the drive which wants to show progress, results and achievements. It encourages being enterprising, seeking challenge, being competitive, and having ambition
blue This world needs order, which requires truthfulness and discipline	**blue** Is the drive which seeks to create certainty and clarity. It brings Rationality, structure, responsibility and loyality
red The world is fast paced and the strong succeed.	**red** Is the drive which represents daring, pace and force. It brings pride in self, decisiveness, directness, fearlessness, assertiveness
purple The world is full of mystery and insecurities. We must stick together and bond through rituals.	**purple** Is the drive which seeks security and fellowship. It provides safety, pride in the group, bonding and identity

Figure 2 Drives and World Views

Schein's basic assumptions enhanced through the world views of an individual – as shown in a behavioural map

Drives and Individuals

Fig 3 shows a hypothetical behavioural map. The Logic indicates which drives you perceive to be positive and the sequence in which you prefer to apply them. These drives play a significant part in your perception, the way you think, and the way you act. The bigger the circle, the more dominant the drive.

The rejection shows what annoys you. The larger the circle, the more that particular behaviour irritates you. Large circles show a strong aversion. A small circle shows that you are not really bothered by that kind of behaviour, or do not really notice it.

Note that the large rejections also show the behaviours in yourself that you dislike and will often try to hide.

The energy balance shows what gives you energy or drains energy over a period of time.

The larger the pluses and minuses, the greater the energy gain or loss. Your "battery" charges quickly but can drain just as fast.

When you have large pluses and minuses, you have distinct preferences for certain Drives.

The mindset shows the whole of your behaviour, that is, when both your logic and your rejections are influencing your behaviour. This typically occurs at times of stress or when you are under pressure.

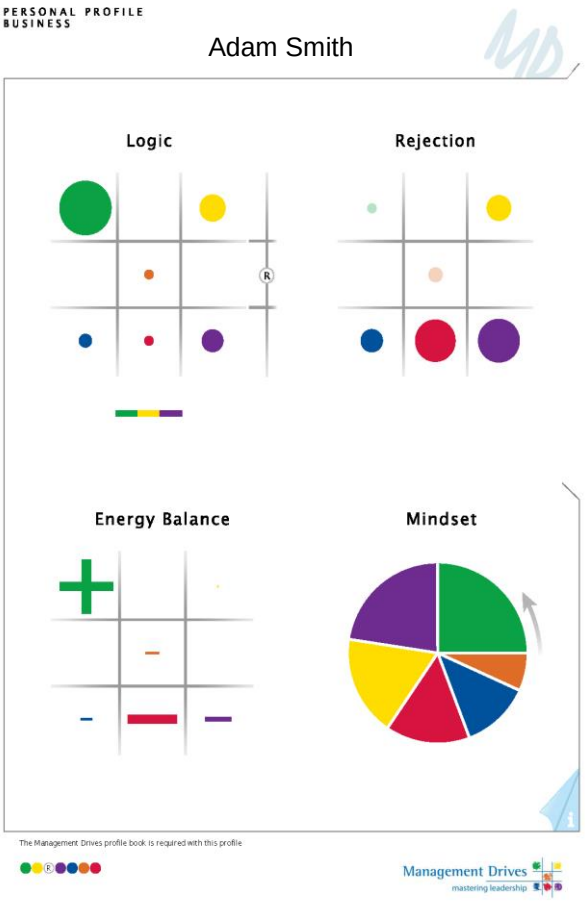


Figure 3 Behavioural Map - Individual

Hence, we can see how a person's behaviour might change under pressure.

The rejected behaviours are often suppressed in the self, yet may still occupy thoughts. Hence the mindset can give insight into what is happening in a person's head.

When cognitive dissonance occurs, something has to change to eliminate or reduce the dissonance.

Drives and values

Values are the way we think things ought (or ought not) be done. They are sets of rules for behaviour and can be conscious or unconscious.

Values arise from (amongst other things) our world views, many of the things that should happen depend on how we see the world. The Drives reflect these world views.

The members of the organisation will have their own world views, and these views lead their ways of thinking and feeling about the world. Their personal behavioural 'shoulds' emerge from these values.

Naturally some 'shoulds', 'oughts', and 'shouldn'ts' arise from an individual's events from the past or unfinished business, but even then, they will be influenced by the individual's world view.

Typically, the world views and the values held by an individual are unconscious. People are often unaware that they hold a particular value until it is violated. This can result in strong reactions that may even surprise the individual.

Organisations will often seek to impose a set of behavioural rules upon its members. These espoused values are sometimes called ideology. They tend to be conscious, or at least readily visible in statements on the wall. They may be congruent with the basic assumptions of its members, and if so, help to bring the group together and provide an articulated source of identity and mission.

Sometimes these 'values' are only rationalisations or aspirations for the future, and if inconsistent with the member's basic assumptions, will lead to inconsistent behaviours by its members.

Theories of Cognitive Dissonance tells us that unless thoughts, feelings and actions are aligned, people suffer from considerable discomfort.

When cognitive dissonance occurs, something has to change to eliminate or reduce the dissonance. Evidence indicates that people will change their behaviour to align with their personal world view.

This has significant implications for organisations seeking to change culture. If the world views and resulting values of the individuals are ignored, attempting to override their 'values' with the officially sanctioned 'values' is unlikely to succeed.

Naturally not everyone with the same dominant Drive will have the same values, but they are most likely to be similar to those listed below.

We need to start by understanding the world views and values held by people.

There is a whole dimension within each behavioural type that provides immense power to Schein's framework

Positive, Negative and Exaggerated Behaviours

Each of the Drives represents a behavioural continuum, from negative, through positive, to exaggerated behaviours (Table 1).

Positive behaviours represent well-practiced, balanced, and effective behaviours that are likely to achieve the goals of the drive. They are energising for the individual and result in the greatest productivity for the individual.

Exaggerated behaviour occurs when a person is trying to use their Drive positively, but simply takes the behaviour too far.

This typically occurs when there is a large dominant drive.

The resulting behaviours are out of balance, become self-limiting, and can create negative responses from others.

Negative behaviours are associated with fears that people carry. Because they are fear based, they are not rational, and are not easily controlled.

People generally try to suppress negative behaviours, and this can take up much of the person's energy. Negative behaviours are often destructive; in that they undermine the person's ability or opportunity to achieve their goals.

DRIVE	POSITIVE	NEGATIVE	EXAGGERATED
YELLOW	Analytical, understanding why, develops ideas, curious	Critical, dogmatic, cynical, rigid on principles	Over-complicating, opinionated, tries to link everything to everything, over-explaining
GREEN	Engages others, communicates, connects, caring, promotes harmony	Protesting, maligning others, talk about others, vengeful	Too idealistic, lacks boundaries with others, takes on everyone's hurt, over consults
ORANGE	Goes for results and performance, takes on challenges, ambitious, seeks success	Blames others, hides when not successful, avoids challenges, face saving, hidden agendas	Opportunistic, Machiavellian, continuously demanding applause, pleasant façade, easily distracted by next chance
BLUE	Creates certainty, organises, adds structure, loyal, responsible, clear agreements	Formal about responsibilities and only acts within set duties, dogmatic, controlling of others	Seeks perfection, avoids risk, bureaucratic, rules focused, nit picking
RED	Decisive and action focused, focused, issues are confronted	Issues avoided, undercurrents and sniping, passive aggression, avoids-ferments-explodes	Overuse of power, turf wars, applies excessive pressure and demands of speed on others, for or against mentality
PURPLE	Seeks to belong, modest, contributes to security, serves others, respects traditions	Distrusts others outside group, reject all change, closing ranks	Loss of self in team, excessive dependence on team and leader, place traditions above all else

Table 1 Positive, Negative and Exaggerated aspects of the Drives

Combining Schein's cultural framework with ICM's behavioural framework provides powerful insights into cultural artifacts.

Drives and Values

The tables for each of the Drives (above) provide a whole new dimension to Schein's 'Basic Assumptions', particularly when we include the understandings of Positive, Negative and Exaggerated behaviours.

For example, President Trump clearly operates from the Red Drive. We see strong evidence of Exaggerated Red in his behaviour. The values of an Exaggerated Red are pronounced when compared to the values of a Positive Red.

For example, **Positive Red** values are reflected in:

'Attention is paid to applying enough pressure for things to be completed and achieved, disputes to be settled in a just way, and talking to each other directly. Red aims at clarity and directness. Issues are confronted when they arise, directly and without unnecessary aggression. Team members know where they stand.'

Most would agree that Positive Red would add considerable value to a team or organisation.

However **Exaggerated Red** reflects far more extreme values:

'Overuse of power, looks for threat, defends position, very sensitive to turf and image and quick to find threat in actions by others. Often thin skinned, but can be tactless in criticising others. Internal politics can emerge as individuals struggle for power.

Too quick to call others to account. The group members apply pressure and speed to others and not to themselves. The team's way of working is the only one. You are either for them or against them. Facts that conflict are ignored. Outsiders with differing opinions do not understand and are ignorant or bad. Outsiders who exert pressure can expect negative reactions. Aggressive bogy man thinking.'

These behaviours can be quite damaging to a team or organisation. The recent example of the new president in America provides a striking example.

Understanding the ICM behavioural dimension adds value to Schein's Basic Assumptions, the Values the emanate from those Basic Assumptions, and makes sense of the visible behaviours we are likely to see.

This understanding enables us to make sense of many of the Artifacts (visible behaviours) that we see in Individuals and Teams, and provides powerful tools to manage cultural change.

Culture describes the aggregate of the actual behaviours shown by a group of people.

Drives and Artifacts

Artifacts are the characteristics of the organisation which can be **easily viewed, heard and felt**. This includes the visible behaviour of the employees.

An individual's visible behaviour is highly influenced by their Drives and the Values that arise from those Drives.

The context in which a team operates will mitigate the values and the visible behaviours of individuals in varying degrees (Fig 4).

If an individual's behavioural set, based on their Drives is strongly fixed, the environmental context in which that person operates may have little influence on the visible behaviour that person shows.

If the environmental context is stronger, the individual may moderate their visible behaviour to a larger degree. It is probable that the new behaviours will still relate to the preferred Drives of the individual, but the translation to visible behaviours has been modified.

In short, people can generally adapt to their environment - in varying degrees. It is likely that the modified behaviours will still strongly link to the dominant Drives of the individual or group.

For example: BLUE DRIVE

Figure 4. Drives - values and behaviours

For a team to be able to adapt to its external environment, it must have a set of internal relationships amongst its members

Schein and Internal Integration

If an organisation or team is to accomplish tasks that enable it to adapt to its external environment, it must be able to develop and maintain a set of internal relationships amongst its members. The culture of the team should reflect both externally and internally oriented processes. This requires:

1. Common language and conceptual categories – without this, members cannot communicate with and understand each other.
2. Boundaries that define the group and criteria for inclusion and exclusion.
3. Proper distribution of power and status – and rules for defining how members get, maintain, and lose power. Aggression must be constructively channelled and formal status determined.
4. Rules and norms for peer relationships, intimacy, and friendship so love and affection can be appropriately channelled.
5. Defining and allocating rewards and punishment. The assumptions must be clear.
6. A means of explaining the inexplicable – ideology, mythology and spirituality. Every group faces issues not within its control that may be unpredictable and frightening.

Schein and Cultural Change

Schein promotes a traditional (ref. Kurt Lewin, 1947) cultural change model of unfreezing, cognitive restructuring and then refreezing.

For any significant change, unfreezing requires (1) enough undeniable disconfirming data to cause serious discomfort; (2) connecting this disconfirming data to important goals and ideals sufficient to cause anxiety; and (3) enough psychological safety is seen in the possible solution to avoid loss of identity or integrity. All three must be present or the organisation and its members may simply ignore or deny the problems.

Cognitive restructuring will involve some redefining of the current assumption set. For example, lay-offs become early retirement with transition packages. The change will almost certainly require behavioural changes, and cognitive dissonance tells us that there must be some change in espoused values, or the ways the existing values are translated into behaviours – e.g. by introducing risk concepts.

is the reinforcing of new cognitions and behaviours. This requires new confirming data so the new assumptions can stabilise.

Understanding that different world views interpret words differently requires that we test assumptions about language closely.

Schein, ICM and Change

Understanding the nuances of Basic Assumptions identified through the Drives has profound implications for understanding and managing internal integration and cultural change.

The differing world views that are part of Basic Assumptions mean that the values, the thoughts, feelings and attitudes of the members of a team will differ, and usually the team members will be unaware of these differences.

Value words that are often used as part of communicating change will have completely differing meaning for individuals with differing drive profiles. Hence the appearance of a common language may be just an appearance.

Attitudes to power and its appropriate uses; what it means to be a team member; what represents reward and punishment; what is motivating or demotivating; the significance of traditions, etc. will also differ.

The acceptance of and response to discomforting data will depend on how well the relevant messages are crafted to suit all members and the prevailing Drives in the organisation.

Conceptual Categories

For Schein, conceptual categories are categories of meaning that organise perceptions and thought, and therefore act as a filter for what is important. They are a necessary precondition for coordinated action.

Clearly world views are some of the most significant conceptual categories that influence people's lives. There may also be other internally and externally defined conceptual categories which will influence how a person's Drives and values are translated into visible action, e.g. the significance and responsibilities of defined roles.

Common Language

Different world views will result in different interpretations of commonly used words. Members are unlikely to be aware of these differences and assume common understandings.

Members may be seen to be breaking agreements, behaving inappropriately, being untrustworthy, etc. based on failure to reach common language.

Hence, we need to test assumptions about language closely, and develop common understandings and agreed interpretations of key words. These interpretations should include actual behaviours since these are visible and open to scrutiny by others.

Examples of how the same word can have different meanings for each of the Drives is shown on the next page.

	Commitment	Integrity	Collaboration	Cooperation
Purple	We are a family	We share the same values , we feel what is right and wrong	Our leader will lead us and tell us what to do	Innovation is how we work together as a team. In pursuing our goals, we must not forget the traditions and the bonding that allows us to identify with, and engage with the organisation.
Red	We stand shoulder to shoulder	Does not abandon colleagues	One person is the boss and determines what will happen. Tomorrow may be totally different. Collaboration is a weak word for doing what the boss says.	Innovation is simply doing something differently sometimes. We enter battle as comrades-in-arms and as we do so we consider whether we can be proud of what we are doing. This may require a lot of adjustment, or mean that we sometimes do things three times over, but that's just life.
Blue	We keep to our agreements	Keep to the rules	Tasks are divided in clear functions, responsibilities and authorities Someone plans and monitors. Clear hierarchy, clear agreements, which are maintained in a just way.	Innovation is working on improved quality. In practice, we notice that a number of things (often crucial details) aren't right. We need to adapt those things thoroughly and implement the adaptations.
Orange	We go for the set goals together	Has no hidden agenda	Starting point is the common target. And when we have the same objectives and we really want it, we can do it. No thinking in tasks but roles.	Innovation is improvement. This may relate to how things are packaged: the question is what sells best. Orange is competition-sensitive, so the one who implements the best innovation gains status.
Green	We have a group feeling	Deals honestly with own and others emotions	The belief is everyone has good intentions and expects that everyone takes responsibility. It is more guiding than driving. We do it together, in principle everyone is equal. The inventors of the word "Collaboration".	Innovation is teamwork. Everyone needs to be able to make their contribution. You practise innovation as a team.
Yellow	We see enough intellectual challenge for us to concentrate on	Is consistent in strategy and behaviour; is open to facts	In a clever way, building bridges between independent units.	Innovation is renewal. Completely different viewpoints produce the most creative insights. Yellow is the inventor of the word 'innovation', a quality which is therefore often laid claim to by Yellow.

Table 2. Drives and Meaning

When the dominant Drive is denied, obstructive behaviour will emerge. Avoid polarisation amongst Drives. This is likely to lead to Protest Behaviour

Unfreezing

Being uncomfortable with the current situation or even acknowledging that issues exist, deciding if important goals and ideals are under threat, and believing there is psychological safety in proposed changes will all be shaped by individuals dominant Drives and the prevailing Drives of the team.

Management should articulate the need for change in terms of the dominant Drives of the team, and not present the need for change as criticism of the team's dominant Drives.

For example, if the organisation is seeking a stronger customer focus (Orange/ Green), the change should not be expressed as a criticism of the existing dominant Blue Drives (organising and planning, QA, clear boundaries, process management, rules and detail). Rather it should be presented as creating greater certainty and stability for the organisation through operating in a more market oriented way, and using improved communication and collaboration to improve processes and reduce waste.

In short, make sense of the change in terms of the dominant Drives of the organisation. See Table 3 "Do's and Don'ts" below.

When the dominant Drive is denied, obstructive behaviour will emerge. Note that it is critical to prevent polarisation amongst Drives. This is likely to lead to Protest Behaviour (Table 4):

Drive	Examples of Protest behaviour
Purple	Refuses to accept your legitimacy. You don't understand the essence of the organisation, you are a 'foreign body', clearly not a member of the family
Red	Defends his/her domain tooth and nail. Does not shrink from any method in the Machiavellian power struggle
Blue	Sulkily concentrates on own job description. Covers self and keeps strictly to instructions, so the processes seize up. Malicious obedience.
Orange	Tries to create status without reference to you, by concentrating on executives above you or by being indispensable to the organisation
Green	Blackens your good name but avoids confrontation. A much used Green protest method is anonymous letters
Yellow	Doubts that your basic principles are right. Tries to puncture the myths surrounding them, eventually falls into cynicism.

Table 3. Protest Behaviour

Dominant Drive	Do	Don't
Purple	Pay tribute to the past; acknowledge that the organisation is bigger than you are	Choose the position of the cocky outsider
Red	Respect power and domain	Threaten
Blue	Appreciate the efforts made up to now and make things concrete	Create insecurity
Orange	Take it seriously; state the challenge and the chance of winning	Deny status and position
Green	Give importance to team and involvement; remain open	Ever lose the feeling for the human dimension
Yellow	Stress the need to allow space	Impose things that cannot be rationally explained

Table 4 Do's and Don'ts

Positive behaviour from managers is necessary, because aiming for positive behaviour can only succeed when based on a positive behavioural model.

Culture Change Direction

To address the current levels of discomfort, Management may determine that cultural changes are needed in the whole, or parts of the organization.

Changing culture means changing expressed behaviour in response to events. Culture change may be needed to:

- Correct an imbalance in culture where certain Drives excessively dominate others; or
- Correct a poor match between culture and function

It is important to identify the direction of change and its implications on the Basic Assumptions. For example, is the organization too process and rule focused, and needs to become more customer focused. This may mean less of the Blue Drive and more of Orange and Green Drives. Less Blue might mean less: seeking security, detailed, regulating, by the book, obedient, etc. and more Orange might mean more: delegating (with agreed results), enterprising, ambitious, experimentation, etc. The More and Less must translate into behaviours.

Of course, this presupposes that you know the current culture(s) within the organisation.

The skill is to carry out changes in such a way that they generate positive energy. To accomplish this, making sense of change is an important step.

Aim for Positive Behaviour

'Aim for positive behaviour' encounters one of the most awkward dilemmas for organisations - managing people involves the fundamental problem that the organisation must impose restrictions on human behaviour. Yet at the same time, every restriction leads to negative forms of behaviour.

How can a culture can be controlled without immediately creating negative energy? When the organisation offers individuals and groups the conditions for fulfilling their own positive Drives, it increases the chance that employees will participate proactively and constructively in the change process.

Positive behaviour comes about under two conditions, both of which can be influenced. The first condition is the feeling of being able to act positively, and the second concerns the space that the organisation allows for this. (Versnel & Kopenol, 2005)

These two conditions can be briefly designated as empowerment and scope. People who feel that they are capable of exerting an effective influence over their environment will express their positive energy

This also requires positive behaviour from managers, *because aiming for positive behaviour can only succeed when based on a positive behavioural model.*

Culture change will involve behavioural change, modifying expressed behaviours and group norms.

Cognitive Restructuring

Once the organisation has been unfrozen, the change process can proceed – either through new learning, experimentation, or adopting the lead of others.

Culture change will involve behavioural change, and this change will require shifting espoused values, and modifying the translation of Basic Assumptions and values to expressed behaviours and group norms.

Shifting group norms requires a combination of:

- setting new agreements, rules and specific measurable goals around the new actions and behaviours, regularly reminding people of what they have committed to do, monitoring those actions and behaviours, and providing feedback (Blue Drive),
- communicating and discussing the changes with the organisation's members (Green Drive), and
- linking those changes to success factors, early wins, and achievement of the new performance requirements (Orange Drive).

Management must provide positive reinforcement of the process.

Managing dissonance will probably require redefining certain new policies, processes and behaviours in terms of the existing dominant Drives. This is essential if cognitive dissonance is to be avoided and the change is to be sustainable.

A critical question will be whether management is capable of leading and role modelling the change. The management team will have its own prevailing basic assumptions (based on the team's dominant drives, and other factors), and is unlikely to be aware of those imperatives.

From the beginning, the management team needs to review its own behavioural preferences, how those translate into visible behaviour and attitudes, and the degree to which this aligns with what is required to lead the change. This team may need to change its own group norms in preparation for the changes.

The degree to which the organisation's members trust the management team will have a big impact on how well the cultural change proceeds. We have discussed the matter of trust in another white paper. (Shellshear, 2016)

Refreezing

Refreezing will require a continuation of 'shifting group norms' employed in 'cognitive restructuring' to ensure the changes are sustainable.

Members must be provided confirming data that demonstrates the goals are being achieved.

One of the main sources referenced by change management professionals is Professor John Kotter

Kotter and Cultural Change

One of the main sources referenced by change management consultants is ex-Harvard Business School professor John Kotter, and his model 'Leading Change'. He puts this down to the lack of a 'holistic' approach.

Kotter's research over several decades led him to the conclusion that 70 percent of all major change efforts in organisations fail.

His classic model for change leadership addresses this, providing an eight-step process for effective, lasting change in an organisation. The steps are summarised in the Tables 5 and 6, and as has been updated recently as shown in the Figure 5.

Organisations adopting Kotter's model, should complete all of the eight steps to ensure effectiveness.

Given the nature of change is always being contextual, no guarantee of success is ever given, even when all the steps are followed. Often a combination of other tools is needed to support the change process.

AHRI's recent survey of workplace cultural change summarised their survey results with '*many of the problems in changing the culture of an organisation result more from a lack of support from the leadership team than anything else'*.

1. Establish a sense of urgency	5. Empower others to act on the vision
2. Form a powerful guiding coalition	6. Plan for short-term wins
3. Create a vision	7. Consolidate improvements and create more change
4. Communicate the vision	8. Institutionalise new approaches

Table 5. Kotter's 8 Steps

Figure 5. Kotter's 8 Steps - Accelerated

Eight Steps to Transforming Your Organisation

1 Establishing a Sense of Urgency

- Examine market and competitive realities
- Identifying and discussing crises, potential crises, or major opportunities

2 Forming a Powerful Guiding Coalition

- Assembling a group with enough power to lead the change effort
- Encouraging the group to work together as a team

3 Creating a Vision

- Creating a vision to help direct the change effort
- Developing strategies for achieving that vision

4 Communicating the Vision

- Using every vehicle possible to communicate the new vision and strategies
- Teaching new behaviours by the example of the guiding coalition

5 Empowering Others to Act on the Vision

- Getting rid of obstacles to change
- Changing systems or structures that seriously undermine the vision
- Encouraging risk taking and non-traditional ideas, activities, and actions

6 Planning for and Creating Short-Term Wins

- Planning for visible performance improvements
- Creating those improvements
- Recognising and rewarding employees involved in the improvements

7 Consolidating Improvements and Producing Still More Change

- Using increased credibility to change systems, structures, and policies that don't fit the vision
- Hiring, promoting and developing employees who can implement the vision
- Reinvigorating the process with new projects, themes, and change agents

8 Institutionalising New Approaches

- Articulating the connections between the new behaviours and corporate success
- Developing the means to ensure leadership development and succession

Table 6. Eight Steps to Transforming your Organisation

Aligning Edgar Schein and John Kotter

Kotter and Schein

The parallels between Kotter and Schein are obvious, although Kotter provides a more practical 'how to' approach compared to Schein's conceptual models (Table 7).

As we saw with Schein's model, ICM provides powerful insights to understand and enhance the methodology of Kotter.

1	**Establishing a Sense of Urgency** • Examine market and competitive realities • Identifying and discussing crises, potential crises, or major opportunities	Enough undeniable disconfirming data to cause serious discomfort; connecting this disconfirming data to important goals and ideals sufficient to cause anxiety
2	**Forming a Powerful Guiding Coalition** • Assembling a group with enough power to lead the change effort • Encouraging the group to work together as a team	Enough psychological safety is seen in the possible solution to avoid loss of identity or integrity
3	**Creating a Vision** • Creating a vision to help direct the change effort • Developing strategies for achieving that vision	
4	**Communicating the Vision** • Using every vehicle possible to communicate the new vision and strategies • Teaching new behaviours by the example of the guiding coalition	Cognitive restructuring
5	**Empowering Others to Act on the Vision** • Getting rid of obstacles to change • Changing systems or structures that seriously undermine the vision • Encouraging risk taking and non-traditional ideas, activities, and actions	
6	**Planning for and Creating Short-Term Wins** • Planning for visible performance improvements • Creating those improvements • Recognising and rewarding employees involved in the improvements	
7	**Consolidating Improvements and Producing Still More Change** • Using increased credibility to change systems, structures, and policies that don't fit the vision • Hiring, promoting and developing employees who can implement the vision • Reinvigorating the process with new projects, themes, and change agents	Refreezing
8	**Institutionalising New Approaches** • Articulating the connections between the new behaviours and corporate success • Developing the means to ensure leadership development and succession	

Table 7. Aligning Schein and Kotter – cultural change

The change leadership team should understand their behavioural risks to the change initiative

Kotter, ICM and Change

Step 1 - Establishing a Sense of Urgency

- Examine market and competitive realities
- Identifying and discussing crises, potential crises, or major opportunities

Examining the external world and positioning the organisation to take advantage of competitive opportunities is best done with the Yellow - Orange behaviours.

Understanding and analysing risk requires the rigour and detail mindedness of Blue. The team conducting this step will be most effective if these Drives are in the Step-1 team.

Step 2 - Forming a Powerful Guiding Coalition

- Assembling a group with enough power to lead the change effort
- Encouraging the group to work together as a team

The assembled team will typically be influential people from within the organisation. Their influence will come from positional power, from being generally respected, from having legitimate power in the minds of others, or by being a thought leader. A critical aspect of their ability to influence and lead the organisation through change will be the degree to which members of the organisation trust this group. Our white paper on (Shellshear, 2016) discusses the foundations of trust - **'Certainty of Boundaries and Processes'**, and **'Appropriate use of Authority'**.

Naturally, the group formed to lead the change process must have clear objectives if it is able to manage its own performance.

The assembled group (the guiding coalition) will have its own behavioural preferences which arise from the individual behavioural preferences and the team dynamics. It is important to consider whether those behavioural preferences align with the objectives of the group. Any misalignment will generate risks to the success of the cultural change initiative. Undertaking a behavioural risk analysis (compliant with ISO 31000) will identify what the risks are, and how important they might be to the change program.

Risk analysis will identify mitigating strategies to get better alignment of the group and its objectives. Mitigating strategies will range from helping the team to develop the skills of necessary, but absent Drives, to replacing some team members

Natural tensions between drives can inhibit the effective formation of a team. The tensions result from the differing (and sometimes

Tensions between Drives can be the source of internal disharmony

irreconcilable world views) of the group members. Being aware of these differing world views is an important step towards team formation.

Table 8 shows some of the natural tensions that arise between Drives.

Undertaking a team behavioural risk analysis will identify the degree to which the team is operating from positive, negative and exaggerated expressions of the Drives.

The negative and exaggerated expressions of individual and team behaviours will greatly add to the risk profile for the team, both in forming a team, and in achieving the objectives of the team.

	Purple	Red	Blue	Orange	Green	Yellow
Purple thinks that	Is normal	Disturbs the balance	Is robot like, doesn't see nature and people	Takes advantage, destroys nature for his own gain	Is boring, always wants to talk when silence says more	Blasphemes, denies the godly, wants to analyse everything
Red thinks that	Is childish, can't look after himself	Is normal	Is naïve, doesn't see that he is being used	Is unreliable, could drop you like a brick	Is patronising through his 'understanding' nature	Is scatterbrained, and impractical, all those theories
Blue thinks that	Is magical, functions according to an inexplicable order	Is aggressive, wants to break the rules	Is normal	Is unreliable, egoistical, always puts his own goals first	Is disorganised, naïve about abuse	Is chaotic, sees a problem to every solution
Orange thinks that	Is purposeless, won't achieve anything with this one	Is not strategic, too impulsive	Is rigid, doesn't understand the goals	Is normal	Is unrealistic and soft, denies inequality, slow due to consultation	Is theoretical, complicated, doesn't act
Green thinks that	Is small minded, too concentrated on a limited group	Is egocentric, messes up the atmosphere	Is impersonal, puts rules above people	Is arrogant, puts himself above others, obsessed with status	Is normal	Can't be pinned down, won't conform
Yellow thinks that	Is unknowing, wants to believe rather than analyse	Is impulsive, doesn't see the complexity	Is obstructive, wants order when fun and freedom is much more challenging	Has no depth, only uses knowledge as an instrument	Is a busybody, social police, not open to criticism	Is normal

Table 8. Tensions between Drives

The dominant drives of the organisation must be respected if the change is to succeed

Step 3 - Creating a Vision

- Creating a vision to help direct the change effort
- Developing strategies for achieving that vision

Examining possibilities and future patterns from the external world to set the vision, and setting strategies to position the organisation to take advantage of competitive opportunities, or address external threat, is best done with Yellow - Orange behavioural preferences.

People with strong Yellow-Orange behavioural preferences are often entrepreneurs.

Step 4 - Communicating the Vision

- Using every vehicle possible to communicate the new vision and strategies
- Teaching new behaviours by the example of the guiding coalition

In articulating the vision and strategy, it is essential that communications and documentation recognise the dominant Drives of the organisation, and are crafted to address the motivations and concerns of those Drives. The communication must encourage members of the organisation to listen and not block the messages (Table 9).

Drive	Questions to be addressed	Blocking	Opening
Yellow	What is the logic, or what is the conceptual model behind this change	Inconsistency, wrong analysis, boring	Consistency, stimulating
Green	Does this change contribute to harmony, or does it create differences	Arrogance, insensitivity, different ideology	Equality, similar ideology, caring
Orange	What does this change offer? Does it offer opportunities for me and the organisation? Does this contribute to results?	Denying or frustrating goals, restrictions	Goal orientation, creating opportunities
Blue	Does this change deviate from existing agreements, and is so, how will this be managed?	Unstructured, reducing certainty, different, breaking agreements	Structured change, attention to how, clear agreements
Red	Am I being respected in the change process, or is this someone trying to take some of my turf or status?	Threat, denial of position, procrastination	Respect, confirming position, speed
Purple	Do they understand and respect the history and deeper connections of the organisation? Will people be kept safe in the change?	Disrespect for traditions, threatening safety of members	Respecting rituals, maintaining the family bonds

Table 9. Opening or Blocking Communication

Crafting messages to describe the vision should reflect the dominant drives of the organisation

For example, if an organisation that is strongly Green and not Blue enough said 'all that soppy stuff must come to an end, and it is high time people stuck to their agreements', this is the best way to lose co-operation and support for change.

Crafting the messages in terms of the dominant should consider (Table 10) (Versnel & Kopenol, 2005):

The means of communication of the change message should also reflect the dominant drives of the organisation.

	more Red	more Blue	more Orange	more Green	more Yellow
With dominant Red: we can develop more power through:		generating quality and structure, and paying more attention to processes	operating more purpose-fully, more flexibly and in a more market-oriented way	co-operating more and communicating	operating stra-tegically and in a well thought out way
With dominant Blue: we create much more stability through:	greater speed and firmer decision-making and enforcement		operating more purpose-fully, more flexibly and in a more market-oriented way	co-operating more and communicating	operating strategically and in a well thought out way
With dominant Orange: we can get much better results through:	greater speed and firmer decision-making and enforcement	generating quality and structure, and paying more attention to processes		co-operating more and communicating	operating stra-tegically and in a well thought out way
With dominant Green: we can work together much more pleasantly through:	greater speed and firmer deci-sion-making and enforcement	generating quality and structure, and paying more attention to processes	operating more purpose-fully, more flexibly and in a more market-oriented way		operating stra-tegically and in a well thought out way
With dominant Yellow: we can operate much more intelligently through:	greater speed and firmer deci-sion-making and enforcement	generating quality and structure, and paying more attention to processes	operating more purpose-fully, more flexibly and in a more market-oriented way	co-operating more and communicating	

Table 10. Crafting messages

The guiding coalition's capacity to role model the new behaviours should be assessed.

If the dominant drives include Green, face to face meetings are important, where people are given an opportunity to share their thoughts and feelings.

If Blue, the message must visibly come from top management, and include authorities, timetables and processes to provide certainty on the journey. Any changes to the organisation's structure and individual's roles should be flagged.

In general, the organisation should consider 'Employee Voice' as a key part of its communication strategy. (CIPD, Employee Voice, 2016), (CIPD, Social Media and Employee Voice, 2013)

The new culture must be precisely described and agreed in a behavioural language, supported by role modelling/ and acting of specific visible behaviours, to enable all members of the guiding coalition to have a common understanding. This process should not canvas intent or value statements, but rather focus on visible behaviours.

Using actors or cartoonists to reflect team member's visible behaviours can be a powerful coaching strategy to aid alignment of team behaviours with change needs.

The common understanding should then be communicated in detail to the members of the organisation so everyone is on the same page.

The guiding coalition's capacity to role model the new behaviours should be assessed. Visible behaviours are the outcomes of:

- behavioural preferences,
- the context that translates preferences into behaviours, and
- the capability of the individuals and the team to adapt to the change needs of the organisation.

This alignment assessment can be achieved as an extension of the risk assessment introduced in Step 2.

It is critically important that the guiding coalition demonstrate positive behaviours. Evidence of negative or exaggerated behaviours by the members of the team, or by the team as an entity will undermine the success of the change initiative, and is likely to lead to protest behaviours by the members of the organisation.

Of course, this is also true of the management team that leads the organisation, and presumably has initiated the whole change process.

The duty of managers and the guiding coalition is to always display positive behaviour.

The human capital that the organisation's members constitute is only utilised when they have a positive behaviour attitude, otherwise they are not much use to you. Thus, one of the most important tasks for managers and the guiding coalition is to bring out employees' positive behaviour. (Table 1). If you want to bring out your employees' positive behaviour. The leaders of the change process must make sure the organisation's members feel that their drives can be positively expressed.

The duty of managers and the guiding coalition is to always display positive behaviour. After all, what do you think your negative behaviour does to your employees?

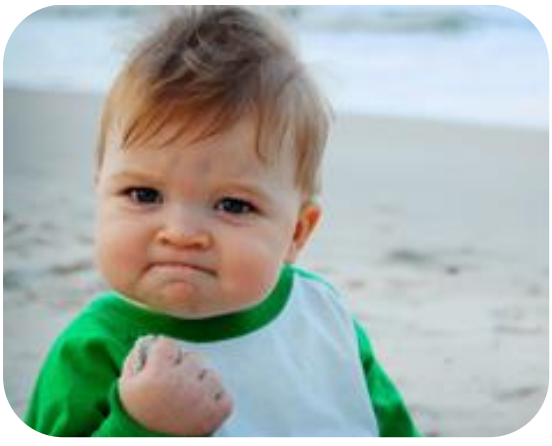
You can only bring out people's positive behaviour when you display it yourself, (Versnel & Kopenol, 2005).

Negative behaviour from managers and the guiding coalition passes through to employees very quickly: 'If they don't believe in it, why should I?' A couple of days of negative behaviour is enough to induce a negative behaviour attitude in the entire organisation.

Perhaps this is the most difficult part of the job because it demands a certain denial of their emotions. The same mechanisms that operate for the organisation's members and cause negative behaviours also operates in managers and the guiding coalition, they just may **not** admit it. They may not convert their negative feelings into negative behaviour.

The leadership group are required to master their behaviour more than others, but continuously ensuring positive behaviour is an aggravating element of this function. However, the rule is quite simply stated: when you feel that you are gravitating towards negative behaviour (Table 1), you must look for solutions that offer room for positive behaviour.

Those who judge the change leaders will attach great importance to this.



How has the behaviours of the organisation's leadership created the conditions that have allowed obstacles to stay?

Step 5 - Empowering Others to Act on the Vision

- Getting rid of obstacles to change
- Changing systems or structures that seriously undermine the vision
- Encouraging risk taking and non-traditional ideas, activities, and actions

Do you know where the obstacles to change are? Start by looking at the organisational barriers that you are familiar with – silos, parochialism, complacency, unrealistic KPIs, rules that have passed their 'use by' date, structural barriers, rigid hierarchies, bullying, user unfriendly systems, communication schisms, processes that are no longer relevant, turf wars, 'hate-em guts', power plays, and traditions that no longer have relevance to the organisation.

As barriers are recognised and acknowledged, the question arises 'Why are those barriers still there, what purpose are they serving?'.

Systems, structures, processes and imposed cultural drivers are products of management. Hence, we also need to ask 'How has the behaviours of the organisation's leadership created the conditions that have allowed them to stay?'.

Many of these issues will have been identified in the risk analysis from Step-2. ICM recommends that both the management team (the executive) and the guiding coalition undertake a detailed behavioural team analysis using TeamDecoder™ (Fig 6) to clearly understand the behavioural issues facing those teams, and to implement strategies to enhance the likelihood of success.

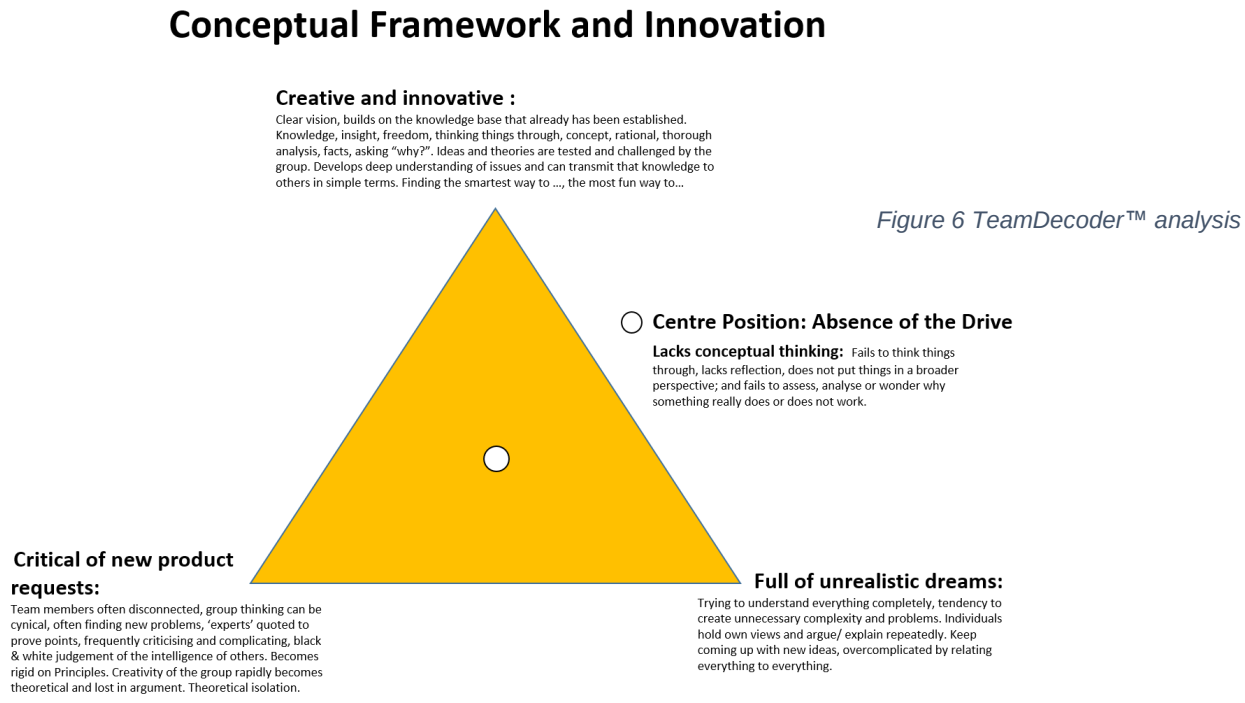


Figure 6 TeamDecoder™ analysis

Organisational cultural change involves everyone in the organisation. It requires the alignment of individual goals with the organisational goals.

Organisational cultural change involves everyone in the organisation. It requires the alignment of individual goals with the organisational goals. Employees must buy into the change initiative for it to work.

However, companies often focus more attention on the more predictable components of the equation, such as financials, operations and technology, with little or no consideration on what Galpin (Galpin, 1996) calls the "soft side" of change–the human factor.

Bovey and Hede (Bove & Hede, A., 2001) observed that management is primarily preoccupied with the scientific aspects of change and tend to see the human component of change (which is the main thrust of successful change initiative) as irrelevant or secondary.

Obstacles to change has three sources (Conner, 1998):

- The organisation itself
- The change being initiated
- The employees affected

Obstacles to change may include:

1. Decisions based on the wrong cultural assumptions.
2. Communicating change by memo without any discussions and no ownership.
3. Inadequate or inappropriate reward systems. Each of the Drives responds to different types of rewards (Table 11).
4. A culture that supports criticism rather than seeks solutions.

Drive	Increases Motivation	Reduces Motivation
Yellow	Offer freedom, underline complexity; presenting the big picture; Choose fundamental approaches; offer fun and variety; Encourage intellectual debate.	Introduce rules which can not be explained; introduce dysfunctional structures; create repetitive work; enforce group behavior and group Standards; little attention for concept and strategy.
Green	Stimulate participation, show involvement; work with a consensus-model; accept weaknesses and emotions; openness; Pay attention to the individual; create small groups. What's in it for us.	Denying group values; centralise; encourage competition; not accepting group responsibility; put weaker employees under pressure; opportunism.
Orange	Offer chances for success; show preparedness to take risks; Give applause and incentives with success; raise status; emphasise goals. What's in it for me.	Discourage entrepreneurial spirit; emphasize equality of employees; do not reward performance; pay more attention to costs than returns; deny status and prestige.
Blue	Offer order and security; emphasise on the public interest; Give honor to the ones who sacrifice themselves; lead by example; Don't tolerate abnormal behavior. Acknowledge their hard work and dedication.	Ridicule existing rules and ways of working; be late; leave divergent behavior unpunished or encourage it; go back on agreements; be messy; bypassing hierarchical lines (level skipping).
Red	Immediate rewards; show force and decisiveness; define enemies and create an ingroup; unconditional support of 'own' people; show respect; give power.	Adopt a weak or faint hearted attitude; show doubts about own strengths; show outsider behavior; deny established power positions; leave room for weakness and emotions, make excuses.
Purple	Create family feeling; maintain set moment and rituals; refer to honor and history; use symbols and mottos; respect traditions; offer safety; mystique of leadership.	Deny the mystique of leadership; abolish old habits; create uncertainty and unsafety; break up old relationships; deny feelings of honor .

Table 11. Increasing and decreasing motivation

The guiding coalition must carefully examine potential obstacles to change and plan mitigating strategies.

5. The relationship between management and employee is adversarial, or at very least, the organisational members do not trust management.
6. Unstructured communication and poor quality of information.
7. Push for instant success by management. This can be reflected in management over simplifying requirements, requesting too much and setting extreme deadlines.
8. Fear of venturing in to unfamiliar territory.
9. Politics, as opposed to what good for the organisation.
10. The proposed change challenges established organisational norms and values.
11. Lack of support from management and/or HR.
12. Perceived winners and losers in the change process.
13. Perceived loss of control and influence.
14. Members of the guiding coalition thinking they know what is best for everyone and not listening and learning.
15. Procrastination by management.
16. Resistance to change. People do not resist change itself, rather they resist the uncertainties and the potential outcomes that change can cause.

Table 12 below summarises the obstacles to change (Glimskog & Hagman, J.K., 2015).

Obstacles to Change

Steps 1-3	Steps 4-6	Steps 7 -8
• Decisions based on the wrong cultural assumptions • Communicating change by memo without discussions and no ownership • The proposed change challenges established organisational norms and values. • Resistance to change. • Politics, as opposed to what good for the organisation. • Wrong team selected as guiding coalition • Procrastination by management	• Inadequate or inappropriate reward systems • A culture that supports criticism rather than seeks solutions. • The relationship between management and employee is adversarial • Unstructured communication and poor quality of information • Push for instant success by management • Fear of venturing in to unfamiliar territory • Politics, as opposed to what good for the organisation. • Perceived winners and losers in the change process. • Perceived loss of control and influence. • Members of the guiding coalition thinking they know what is best for everyone and not listening and learning. • Procrastination by management • Lack of support from management and/or HR	• Decisions based on the wrong cultural assumptions • Communicating change by memo without discussions and no ownership • Inadequate or inappropriate reward systems • Push for instant success by management

Table 12. Obstacles to Change

Encouraging risk taking and non-traditional ideas, activities, and actions may be particularly difficult for organisations with strong Blue or Purple Drives.

Encouraging risk taking and non-traditional ideas, activities, and actions may be particularly difficult for organisations with strong Blue or Purple Drives.

Where there is a mismatch of Drives and behaviours, it is important to identify what the required skill of the activity is, and then find out how that skill can be delivered from alternative Drives.

In this case, the use of risk analysis around the change initiative including identification of mitigating strategies, which are planned, have time lines and responsibilities assigned, and are monitored and feedback provided, may provide an effective approach to encourage cooperation.

Kotter identified the main 8 reasons why change processes fail, namely:

1. Not establishing a great enough sense of urgency
2. Not creating a powerful enough guiding coalition
3. Lacking a vision
4. Under-communicating the vision
5. Nor removing obstacles to the new vision
6. Not systemically planning for and creating short-term wins
7. Declaring victory too soon
8. Not anchoring changes in the corporate culture

Kotter and Schlesinger (Schlesinger & Kotter, 1979) developed six change approaches to minimize change resistance (Table 13).

Approach	Commonly used in situations	Advantages	Drawbacks
Education + communication	Where there is a lack of information or inaccurate information and analysis.	Once persuaded, people will often help with the implementation of the change.	Can be very time consuming if lots of people are involved.
Participation + involvement	Where the initiators do not have all the information they need to design the change, and where others have considerable power to resist.	People who participate will be committed to implementing change, and any relevant information they have will be integrated into the change plan.	Can be very time consuming if participators design an inappropriate change.
Facilitation + support	Where people are resisting because of adjustment problems.	No other approach works as well with adjustment problems.	Can be time consuming, expensive, and still fail.
Negotiation + agreement	Where someone or some group will clearly lose out in a change, and where that group has considerable power to resist.	Sometimes it is a relatively easy way to avoid major resistance.	Can be too expensive in many cases if it alerts others to negotiate for compliance.
Manipulation + co-optation	Where other tactics will not work or are too expensive.	It can be a relatively quick and inexpensive solution to resistance problems.	Can lead to future problems if people feel manipulated.
Explicit + implicit coercion	Where speed is essential, and the change initiators possess considerable power.	It is speedy and can overcome any kind of resistance.	Can be risky if it leaves people mad at the initiators.

Table 13. Change approaches to minimise change resistance.

A change vision can take a long time to achieve. Generating and celebrating wins along the way is vital to accelerate towards, and focus on the goal.

Step 6 - Planning for and Creating Short-Term Wins

- Planning for visible performance improvements
- Creating those improvements
- Recognising and rewarding employees involved in the improvements

Have you implemented a system to collect knowledge of initiatives and innovations? Are they shared and celebrated?

Short-term wins show that the organisation is moving forward. This helps the commitment level to stay high, facilitating institutionalisation of the change.

A change vision can take a long time to achieve. Research has shown that generating and celebrating wins along the way is vital to accelerate towards, and focus on the goal.

'It takes about six years of hard work to become an overnight success.'

≈ Seth Godin

It is managements' responsibility to set objectives and establish goals early in the process in a structured way in order to ultimately reach the goal.

Details of wins must be collected, categorized, and communicated — early and often — to track progress and energize your volunteers to drive change.

Support, trust, and commitment are all critical factors for leaders to keep the motivation high through the process and the institutionalisation. Trust leads to alignment of goals and ultimately normalisation of the changes (Shellshear, 2016).

How members of the organisation should be recognised and rewarded has been discussed in Step 5.

Step 7 - Consolidating Improvements and Producing Still More Change

- Using increased credibility to change systems, structures, and policies that don't fit the vision
- Hiring, promoting and developing employees who can implement the vision
- Reinvigorating the process with new projects, themes, and change agents

Successful completion of Step 4 by Management and the Guiding Coalition should help to create the conditions within the organisation that leads to the growth of trust and alignment of goals.

Step 7 indicates opportunity for the organisation to leverage further change, based on the success of

The organisation is seeking to create new norms for behaviours within the organisation. This requires a combination of the Blue, Green and Orange Drives.

Steps 1 – 6. Potential areas for change may include systems, structures, policies, processes, recruitment, employee engagement, strategy, performance, competitiveness, etc. Some of these may have been identified in Step 5 – Obstacles to change.

Seeking ongoing change may be a path to becoming a more agile organisation.

Step 8 - Institutionalising New Approaches

- Articulating the connections between the new behaviours and corporate success
- Developing the means to ensure leadership development and succession

To ensure new behaviours are repeated over the long-term, it's important that you define and communicate the connections between these behaviours and the organization's success.

The organisation is seeking to create new norms for behaviours within the organisation. Creating norms requires a combination of the Blue, Green and Orange Drives, Fig 7

The blue drive sets the details, standards, measures and agreements around the new behaviours, Green communicates and socialises the new arrangements, and Orange monitors performance and seeks results emerging from the agreed changes.

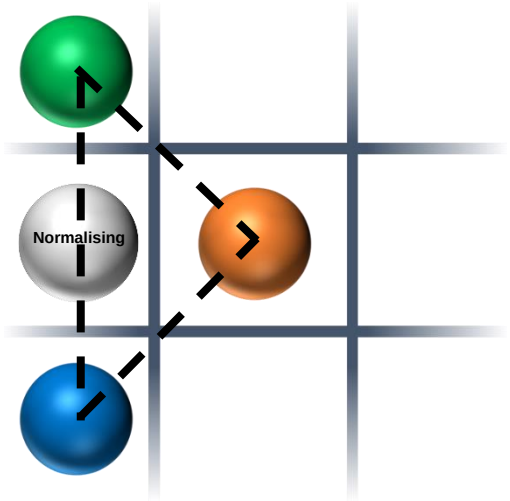


Figure 7 - Normalising behaviours

All three Drives must be present in the organisation if the normalising process is to be effective.

Neuroscience has made it clear that the adult brain can change and we can make lasting change to habituated perceptions, thinking and behaviour

Culture Change and Neuroscience

Self Directed Neuroplasticity

Neuroscience has made it clear that the adult brain can change – it is plastic - and that we can take deliberate control of this process to make lasting change to habituated perceptions, thinking and behaviour.

However, for neuroplasticity to be effective, it needs to be self-generated, that is based on our own moments of insight and ingrained by our own deliberate thinking.

Tapping in to this ability for self-directed neuroplasticity has significant implications for how we lead and manage change. Each brain in the organisation must have sufficient time, space and structure to genuinely engage with the change as it will relate to them, and opportunity to participate in the design the change so that it becomes self-mediated change.

Threat and reward

The brain is an emotion centric organ with every sensation, thought, and experience being processed emotionally before being addressed by the higher-order logical, rational thinking cortex region.

It is fundamentally change adverse and is naturally wary of change. The 'if-in-doubt' emotional label is 'fear'.

Using language that aligns with the dominant Drives is a key means of not triggering this fear response. Note that the brains threat response is easily triggered, long lasting and cognitively intense. The reward response unfortunately is less easily triggered and decays rapidly.

SCARF

Neuroscience has provided the SCARF model (Rock, 2008) as a means of anticipating likely causes of anxiety:

- Status
- Certainty
- Autonomy
- Relatedness, and
- Fairness

However, we have seen that terms like these mean different things for different Drives, and we need to understand the dominant Drives to effectively mitigate anxieties.

Nick Dowling (Dowling, August, 2014), based on neuroscience research, presents a model for successful change as:

Clear Vision + Pressure for Change + Capacity for Change + Actionable first steps = Successful change

The alignment with Schein and Kotter and the insights provided by ICM is obvious.

The twelve leverage points proposed by Donella Meadows are the places to intervene in a system to make change

Points of Leverage

The twelve Leverage Points

The **twelve leverage points to intervene in a system** were proposed by Donella Meadows (Meadows, 1999), a scientist and system analyst focused on environmental limits to economic growth.

She proposed that the places to intervene in a system (in decreasing order of effectiveness) are:

1. The mindset or paradigm out of which the system - its goals, structure, rules, delays, parameters - arises.
2. The goals of the system.
3. The power to add, change, evolve, or self-organize system structure.
4. The rules of the system (such as incentives, punishments, constraints).
5. The structure of information flows (who does and does not have access to information).
6. The gain around driving positive feedback loops.
7. The strength of negative feedback loops, relative to the impacts they are trying to correct against.
8. The lengths of delays, relative to the rate of system change.
9. The structure of material stocks and flows (such as transport networks, population age structures).
10. The sizes of buffers and other stabilizing stocks, relative to their flows.
11. Constants, parameters, numbers (such as subsidies, taxes, standards).

Meadows proposes one higher Leverage Point – the ability to transcend paradigms. This leverage point also transcends the reasonable world of organisations and will not be considered further.

Stocks, parameters, flows and feedback

To explain parameters, stocks, delays, flows, feedback, and so forth, Fig 8 is a useful guide:

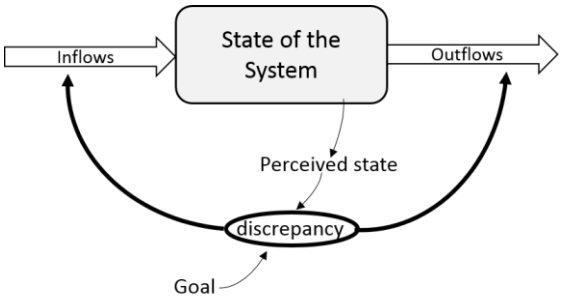


Figure 8. State of the system

The “state of the system” is whatever standing stock is of importance. This could be material, or in the case of cultural change, probably non-material such as the levels of customer service, trust in management, safety in the organisation, etc.

There are usually inflows that increase the stock and outflows that decrease it.

It the organisation aware of the leverage point it is using to change culture, and will it work?

For example, bullying will decrease the feeling of safety, a strong program to eradicate bullying may increase it. Physical stocks and flows obeys simple or complicated laws of conservation and accumulation. However, non-material stocks and flows follow much more chaotic processes.

The perceived state, the discrepancy and goals are the information that causes flows to change.

Notice that the goal and the feedback connections are not visible in the system, they are in the minds of the members of the organisation.

Those are two negative feedback loops, or correcting loops, one controlling the inflow, one controlling the outflow, either or both of which you can manage to achieve your goal.

Simple stocks and flows, particularly when linked to human behaviour (which is inherently chaotic), and plumbed together, make up systems way too complex to figure out. That's why leverage points are not intuitive.

Leverage Points and Cultural Change

Any change agenda and change strategy will intuitively be targeted at a particular point of leverage. Different parts of the change program may be targeted at different leverage points.

For example, a directive that 'certain behaviours are now required and they will be tied to bonus pays' targets leverage point 4. Will this be effective?

Has the organisation consciously chosen those points of leverage and is it likely that the targeted points will produce the outcomes sought by the organisation?

In considering a change agenda, it is important to understand

1. What is the point(s) of leverage that the organisation is setting as its change agenda (1 to 11)?
2. Is the point of leverage likely to produce the changes sought by the organisation, in the agreed time frame?
3. Is the point of leverage compatible with the organisation's dominant Drives, and hence its change competence?
4. Is the change agenda aligned with the dominant Drives of the leadership team and the guiding coalition?

The preferred approach to cultural change should include cognisance of the dominant drives of the organisation.

Cultural Change Leverage Points and Dominant Drives

In the example above, if the organisation has a strong dominant Blue Drive, the strategy may be quite appropriate. But if the dominant Drive was Yellow, it would be doomed to failure.

Some sections of the organisation will be more amenable to certain types of change (leverage point) - depending on the dominant Drives of the group.

Table 14 links the functioning of each of the drives to the Leverage Point 1.

Clearly the world views of some Drives will be attuned to Leverage Point 1, yet others may find this approach very difficult.

This should be considered when selecting the guiding coalition.

Similar tables are available for each of the leverage points.

Leverage Point	Leverage Descriptor	Details	Change Issues	Roles of the Drives	Alignment
1	Change the culture through changing the paradigm of the people.	A societal paradigm is shared concept (a philosophical or theoretical framework - including shared or unstated assumptions and associated feelings and ideas) that is the foundation of complex social structures.	Paradigms are influenced by shared social agreements about the nature of reality, system goals and information flows, feedbacks, and everything else about systems. Paradigms can be very hard to change, but there are no limits to paradigm change. Meadows indicates paradigms might be changed by repeatedly and consistently pointing out anomalies and failures in the current paradigm to those with open minds. Changing paradigms probably requires changing supporting systems, structures, policies and processes. This includes goals, boundaries, rules, delays, parameters, etc. – things that influence the current culture. There is nothing necessarily slow in the process of paradigms change or stop in a single individual who can happen almost instantly. Whole societies, however, resist challenges to their paradigms harder than they resist anything else. To change paradigms, it is best to work with active change agents and the middle ground of people who are open minded.	Yellow will identify the paradigms that underlie the current culture and the state of the system, their consistency with the organisation's vision, goals and objectives. Yellow will challenge the logic of these paradigms, the concepts, the underlying principles, and the beliefs reflected in the current culture.	High
				Green will surface the feelings, the values, the ideals and human impact of the current paradigm(s), and help to define the new paradigm and goals that reflects the needs of the people. Green can communicate the need for change and help others to engage with the change process.	High
				Orange will set goals relevant to the new paradigm, challenge the practicality, the effectiveness and the competitiveness of the current paradigm. Orange can develop strategies to implement the new paradigm and find ways to continuously improve the outcomes	Mod
				Blue can be asked to create new structures and rules to ensure certainty in any change to the current paradigm.	Mod
				Red can provide focus and decisiveness in making changes to the new paradigm.	Low
				Purple can ensure that the new paradigm does not cause unnecessary conflict with the traditions and bonding of the group.	Low

Table 14. Drives and Leverage Point 1

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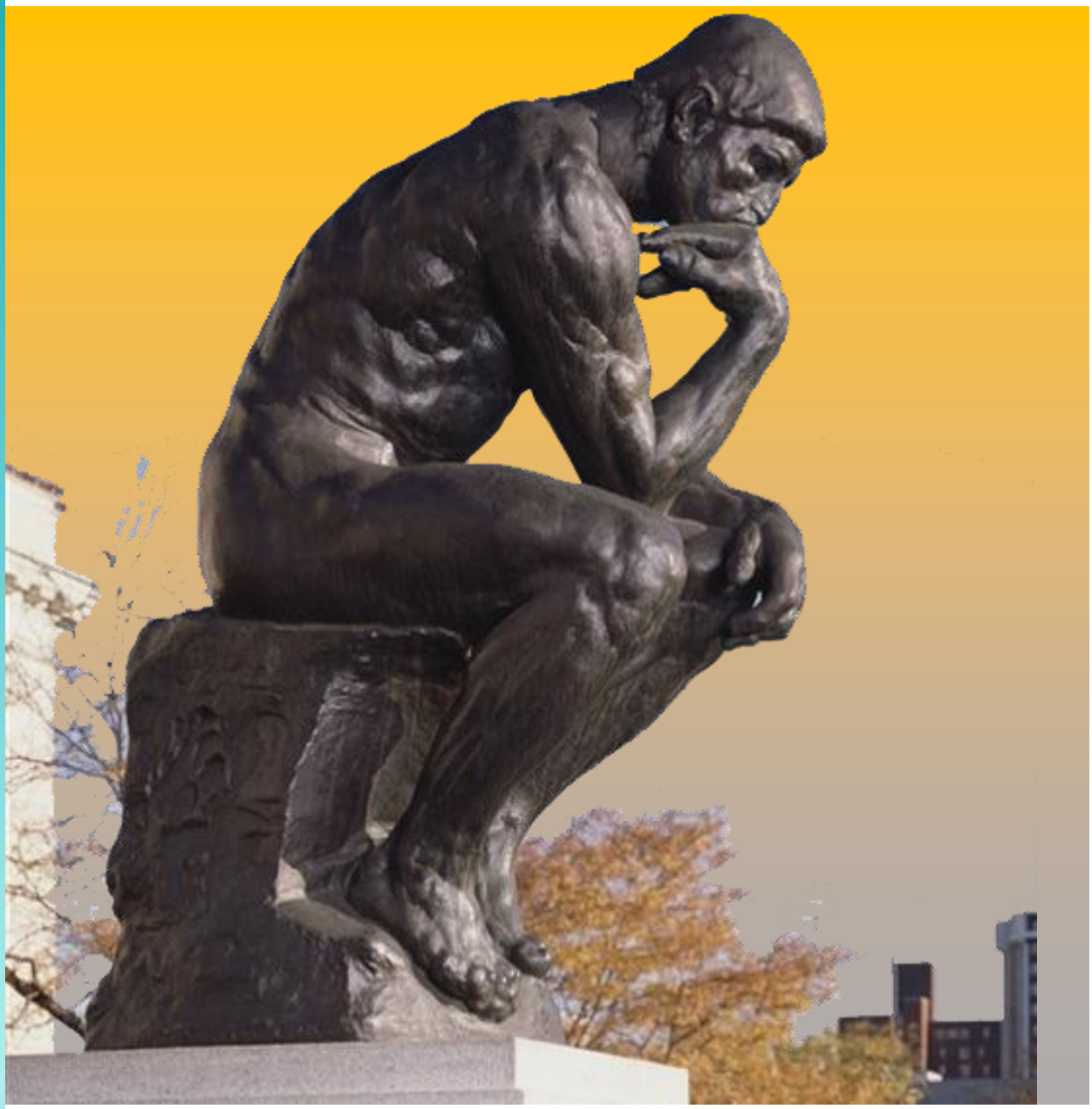
Drives and Values
the Yellow Drive



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Yellow is the drive that searches for the truth and really wants to understand.

The world is seen as a complex puzzle, and their reasoning is that people should act based on their understanding of things.

Yellow believes adopting others' ideas is illogical and can be dangerous. People must think for themselves and be personally responsible.

Yellow is the rational drive of someone who likes to think from the big picture.

Yellow is very sensitive to inconsistencies, both in a given document or discussion, or over time.

For yellow, today is just a step towards the future. A vision of the future is created, then it is decided how this vision could be realised.

VALUES

It is important to analyse and understand

There should be freedom of thought and action

People should think theoretically and include models

New ideas should be carefully evaluated

Thinking should focus the differences

Good is not good enough

People should be Independent of thought and action

Matters must be intrinsically correct

Complexity is intriguing

Things should be considered in a broad framework

Thinking should be strongly future-oriented

Embrace the complexity of life

Concepts and ideas should be thoroughly thought through

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Drives and Values
the Green Drive

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Green is a drive that places a lot of value on emotion, harmony and openness.

A green person puts others, rather than him/herself, on centre stage.

According to green logic, if everyone did this, society would be more harmonious. People with a lot of green can be very sensitive to interpersonal tensions.

As a rule, they believe people should contribute to a pleasant, social coexistence. Green can be incredibly thoughtful and passionate about this.

As empathy for others is a virtue, creating inequality and distance is not appreciated.

Inequality and deprivation upset green, who wants to ensure that everyone has a place and is involved. Green can be very selective regarding the groups where they feel at home, and can belong to.

Green communicates extensively and with a lot of emotion.

VALUES

People should be sociable and focus on harmony

We should look out for and take care of the weak

All people are equal

People should judge others by their intention

We should suppress our own needs in order to help others

Be concerned with your own role, don't blame others

Making others feel uncomfortable is shameful

We should be sensitive to the feelings of others

Look for mutual involvement

Focus on collaboration

Help others in need

Consider the emotions as the most important factor

Show caring by forgiving others

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Drives and Values
the Orange Drive

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Orange is the drive that wants to achieve results and seeks progress.

Orange attaches value to goals and advancement. Orange perceives the world as a place full of opportunities and possibilities and the norm is that those need to be exploited. Ignoring opportunities or possibilities for improvement is wrong.

Orange seeks challenge, and if the current role does not provide satisfying challenges, Orange is likely to move on. Life without goals is unimaginable.

Objectives and results are at the centre of orange's thoughts. If you truly want something, you can achieve it, according to orange.

Appreciation and receiving applause from others for one's accomplishments is important.

Orange shows ambition. The ambition to move forward, action is required.

VALUES

Being competitive is important and others should know how good you are

We should challenge ourselves

People should focus strongly on goals and means

People should be flexible and not bound by unnecessary rules

People who succeed should be given recognition and applause

Everyone should be open to opportunities and new trends

If success is difficult or unlikely, avoid the situation

We should focus on opportunities and possibilities

People should be successful. If not, they haven't tried hard enough

Agreements should be adhered to (if they are in our interests)

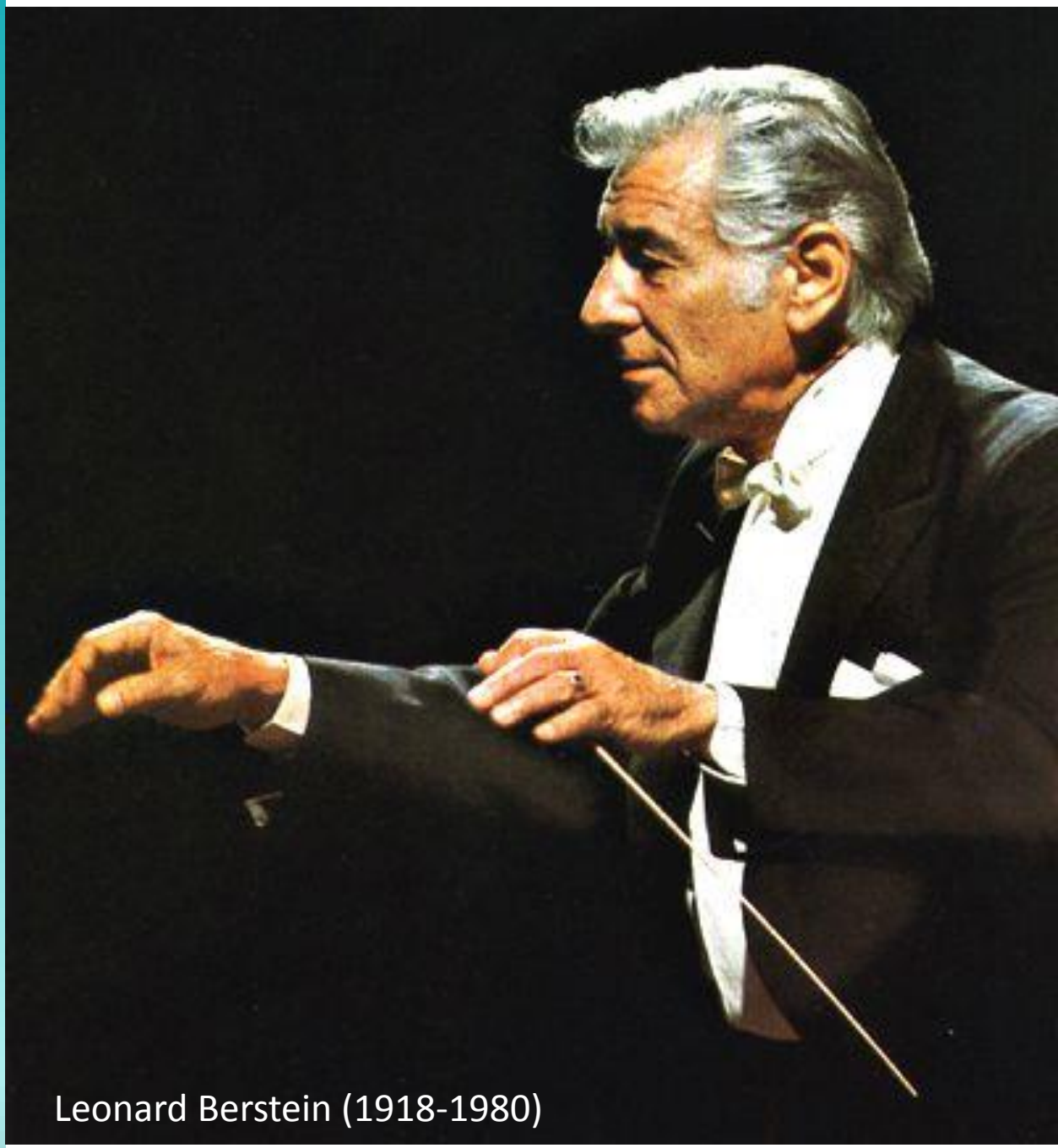
"if you want it, you can do it"

Actions should be judged by their effectiveness

Self-criticism should not be public (but you should always try to self-improve and learn from your mistakes)

I should be taken seriously

Drives and Values
the Blue Drive



Leonard Berstein (1918-1980)

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Blue is the drive that wants to create clarity and reliability of boundaries, reliability and certainty.

“If you do something, do it right”, and “you must finish what you have started” are typical blue statements.

At work, blue is loyal and disciplined and has a good instinct for processes. Blue likes reliable collaborations and likes to know how the links in a process are connected.

Blue considers agreements and rules to be a means for realising what is truly important:

There is approval for those who work hard and sanctions for those not prepared to meet their obligations.

Blue is characterised by loyalty, reliability and attention to procedures.

Blue-driven people are doers, they build on what is there.

Blue asks not so much the why or the what question but how.

Blue has an eye for detail. ‘How should it be done?’ or ‘How do you want it?’

VALUES

People should be loyal to what has been agreed	Rules, discipline and structure should be respected and valued
Jobs should be properly finished	My efforts should be appreciated
There should be order and clear arrangements	Agreements must be adhered to
Justice is important	If agreements are violated, the transgressor must be penalised
You should not promote yourself – let your work speak for you	We should be logical and analytical, and not prone to lose talk
Be serious and not overly enthusiastic	There is one right way to undertake work – following the approved procedure
Risk should be managed through appropriate rules and procedures	We should create certainty through our deeds and actions

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Drives and Values
the Red Drive

A Red preference indicates a well-developed sense of your own worth and a desire to be respected.

The Red authority figure is a dominant person who is clear and direct, has the courage to take on tasks and takes others along the path.

The leadership style of Red is “authority”. Red is the drive that naturally focuses on power and obtaining and maintaining one’s own domain.

The essence of red lies in the conviction that strength and speed determine position.

Clashing with others is inevitable, but that is something the other person will just have to take.

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A Red preference indicates a preference for clear choices instead of vague compromises, for courage and action, and for a good pace in business. Why delay when it can be done now?

By being straightforward, things are clarified quickly and everyone knows where they stand.

The Red drive is very much in the here and now, and so responds to situations and circumstances immediately. Action is based on power and instinct.

VALUES

People should be decisive and not procrastinate

You should live in the here and now

You have to be able to respond quickly, directly and without delay

The strongest person is the boss

You must treat me with respect. I give respect when you earn it

You should not place confidence on those in charge

I can change my mind whenever it gives me advantage. Others will understand this

Respect as the most important value and slavery is the worst punishment

Direct reaction to threat is important

You should have an antenna for danger, and be alert.

You should always be wary of threat and danger and protect your domain

You should all learn by doing (and unlearn when your fingers get burnt)

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Drives and Values
the Purple Drive

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Purple is the drive that looks for a connection between people and their roots: family, tradition, native soil.

Purple regard themselves as responsible for conserving the benefits of the past and the honour of the organisation.

When we see a lot of purple in someone's profile, we know that they are driven to draw particular attention to the identity of the organisation and the things that create bonds between people and organisations.

They may very well create a sense of family at their work place, which gives a strong sense of security and creates a profound bond.

Modesty, not ego, is what purple is all about, and what connects people is paramount. ‘It’s not me that matters – it’s the team.’

Purple brings organic bonding and identification with the workplace. This is the foundation of TRUST and ENGAGEMENT.

VALUES

u should always be ady to serve the team, d this is an honour, one the most important tues	You should have a feeling for rituals and the symbolic. They are important
odesty is a virtue. Do not eak out directly	People should always create safety, security and bonding in our Team
u should have pride, feel cure and have a strong nd with your Team	Do not try to distinguish or assert yourself as an individual
e company is ‘family’, d the legitimacy of the ader is paramount	People should have an instinct for, and work according to, the unwritten rules
u must serve the ganisation with a sense pride and honour	Be prepared to self-sacrifice for the good of the Team if necessary
pulsion or exile is the rst punishment	You should belong to a group or team with which you identify
dividuals are transient, d you should recognise urself as a link in the ole	

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