



Crucial Conversations.

RESEARCH BRIEF

THE HUMAN SIDE OF CHANGE

**Make Change Inevitable
and Resistance Futile**



Crucial Learning®





The Human Side of Change

MAKE CHANGE INEVITABLE AND RESISTANCE FUTILE

When it comes to change, one thing is for certain: humans will resist. Whether it comes from comfortable executives who hate “rocking the boat,” skeptical longtimers who’ve seen countless initiatives fail, or from worried employees whose jobs are on the line, resistance is a common and destructive part of any change equation. But despite such widespread resistance, some change initiatives enjoy incredible success. What sets them apart?

Crucial Learning compared the strategies of companies who succeeded at change with those whose initiatives failed miserably. What they discovered is that successful companies fostered two specific skill sets the others didn’t. In companies where employees held both Crucial Conversations and difficult accountability conversations, synergies formed, resistance leveled, and widespread change occurred throughout the organization.



With the advent of every new management tool comes a painfully predictable wave of human resistance. The reasons people resist new technologies, methods, and systems can be as varied as the number of humans that have been asked to change. For instance, some employees vehemently resist Six Sigma efforts because the effects on their jobs are unpredictable. Others view any changes in their sacred quality processes as a scary maneuver and fight it on principle; “Don’t rock the boat” is their ongoing motto. And let’s not forget Everett Rogers’ adoption curve. Some people don’t warm up to JIT or SPC because they’re what Rogers classified as “late majority” adopters or even “laggards.” Their natural response to innovation is to wait for others to embrace the change before they themselves accept anything new.

When resisters, scared folks, and late adopters don’t embrace new programs, the resulting lack of shared vision and inconsistent implementation first confuses and eventually kills any change effort.

But there is good news in all of this. As wide-ranging as the reasons are for resisting change, the various forms of resistance do share one element in common: The people fighting the change are rational. They’ve thought about the change effort, measured the costs against the benefits, and have come to believe that the new methods will make matters worse for them, not better. Even when the analysis is faulty, the unseen force behind all resistance is the same. People look into the crystal ball of change and see bad things happening to them.



WHAT'S THE BIG DEAL?

People's resistance to new ideas can be inconvenient—it can even be a real pain—but what's the big deal? Is the fact that well-designed management initiatives are often resisted by the masses merely a blip on the innovation radar, or has the impact been substantially negative? Is it something you ought to worry about?

The cold, hard truth is that the cost of our inability to get people to understand and embrace new methods has been tremendous. Every management initiative that has come along in the past two to three decades was heralded by corporations across the world. Each was accompanied by massive levels of hope, money, and leadership attention. Each was based on genuine science, made a lot of sense, and had a great deal to offer to the corporate world. And yet, all but one of these management initiatives are now passé, having left 75 percent or more of their once-zealous adherents with little to show but failure.¹

In addition to costing possible improvements, repeated failure to bring about lasting change eventually creates a culture of suspicion and resistance. New change programs born under the shadow of past failures are practically doomed. As we at Crucial Learning have partnered with senior leaders in over 50 large-scale change efforts, we have typically found near-fatal levels of cynicism as we walk through the front gates.

When we've talked to employees about the new change effort their leaders are trying to facilitate, they aren't easily excited. In fact, longtimers are quick to tick off the list of catchy names of failed programs. To punctuate their points, they even drag out a collection of related mugs and T-shirts extensive enough to host and clothe a small town. They use this overwhelming evidence to confirm their prediction that this new scheme will likewise fail.

Not only do repeated failures fuel cynicism, but they also send out a loud and clear warning: "Keep away from these career killers!" More than one person has seen the wisdom of a new initiative, caught the excitement, changed job assignments to lead out with the initiative, and then been laid off when the program is killed as part of a cost-cutting movement. It doesn't take rocket science to realize that cozying up with the latest "flavor of the month" is like becoming a target for downsizing. Not wanting to be the next target, savvy folks learn to quickly distance themselves from each new management acronym.

The tragedy here is that these failed management tools had the potential to be much more. There was nothing wrong with most of these systems in principle. Each made terrific sense. Who could argue with the need to make evidence-driven decisions, look for systemic root causes, consider upstream and downstream implications of individual tasks, focus on external stakeholders, and so on?

Unfortunately, change efforts will continue their long-standing tradition of resistance and failure—unless two things change.



WHAT DOES IT TAKE TO SUCCEED?

As you scan the horizon of failed change efforts, occasionally you come across an organization that implemented a massive change effort and was widely successful. What makes the difference? Is it dumb luck or can you learn from the best?

In an attempt to get to the root of the widespread resistance to Six Sigma, we interviewed black belts and teams that had made no progress despite massive investments in training and support. Next we interviewed the teams that had adopted and aggressively implemented Six Sigma principles.² And the message could not have been more surprising.

The most startling finding was that all those we interviewed were similarly convinced that Six Sigma was the right thing to do. No one had a beef with the content of Six Sigma. We couldn't differentiate the two groups by how persuaded they were about the merit and even the urgency of Six Sigma measures. However, both groups told us they feared the change efforts would be greatly resisted. Both imagined all kinds of problems with the proposed changes, worried about failure, and could predict the exact barriers they would face.

But there was a key difference. Groups that were successful were able to do two things others couldn't: They used two different skill sets—and of all things, they were social skills.

Crucial Conversations for Mastering Dialogue

Successful groups spoke openly about anticipated problems. They were masters of what we call Crucial Conversations. When new programs were introduced, they could effectively talk about concerns and barriers—and thus create the social support they needed to succeed.

Now, here's why the ability to hold a crucial conversation is a key to success. As you begin to bring in new programs and systems, people

have to be able to honestly raise issues and concerns. Their ideas have to be heard so that the appropriate steps can be taken to tailor the changes to specific cultural dimensions and unique needs. And *everybody*—no matter their background, education, or expertise—needs to be able to speak and be heard.

When all the ideas from an entire team are surfaced, two things happen. First, the team experiences synergy as people build off each other's input—surfacing the best ideas helps teams make the best decisions. Second, people then act on those decisions with unity and commitment, because they've been involved from the beginning. In short, when stakes are high, opinions vary, and emotions run strong, change efforts work best when people know how to hold Crucial Conversations.

Crucial Conversations for Accountability

Once people have talked about concerns and eventually established plans, it's time to implement them. But what if people don't follow new processes or if they violate new rules or simply behave in ways that are incongruent with the philosophy behind a change effort?

In top companies, people know how to discuss broken commitments, violated expectations, or just plain bad behavior. That is, people are skilled enough to speak in the moment and face-to-face about problems. They're masters of what we call *accountability conversations*.

Let's be clear about our language here. In a crucial conversation, people work through their differences of opinion. It's about disagreement. In an accountability conversation, people deal with broken promises. It's about disappointment.

As new policies, procedures, and processes are put into place as part of an ongoing change effort, they'll never find a footing if employees are allowed to violate them without consequences. In order for Six Sigma or any other change program to succeed, people must know how to confront one another in an effective, direct, and healthy way. In short, they must be masters of accountability.



WHY THESE SKILLS?

The key finding here was that what it takes for new and countercultural practices to take root is not a welcoming social climate. Any significant social change involves a redistribution of power and requires refocusing of resources and attention on priorities that aren't in some leaders' top drawers. Sometimes people take a look at what's being asked of them and conclude that bad things are about to happen, so they resist.

Consequently, a change effort is less likely to fail based on the technical merits of the project than on whether or not opinion leaders are capable of dealing effectively with the inevitable resistance they will encounter in the course of orchestrating change. More specifically, can opinion leaders (and eventually everyone involved) routinely employ two important social skills? First, can they talk about differences of opinion and work them through to everyone's satisfaction (Crucial Conversations for Mastering Dialogue)? Second, once new expectations and standards have been set, can people deal with colleagues who don't live up to their promises (Crucial Conversations for Accountability)?

Let's see how these two crucial skill sets work hand in hand. To do so, we'll apply them to a Six Sigma effort.

IF YOU'RE STUCK, LEARN WHAT'S KEEPING YOU THERE

Karla came back from her first Lean/Six Sigma training excited. She hadn't learned anything particularly new. Rather, she was hopeful that this would finally give her a platform to do things she had known for years needed doing. In a debrief meeting with her team she reported that she had committed to participate in an integrated "Kanban"

JIT system with other related groups. Her boss nodded suspiciously as she described it, but she figured the results would speak for themselves as they reduced inventories and dropped error rates across the department.

Two weeks later she threw her hands in the air and gave up. One of her team's suggestions would have required her boss to move his cubicle a little farther from the aisle. Her boss turned it down and asked her to come up with another way. There wasn't another way. She had already explained that. She concluded that the inviolable principle in her team was the boss's convenience, not the "value stream." She stopped attending Kanban meetings, and the effort soon withered.



Karla's story echoes that of everyone we interviewed who expressed cynicism about Six Sigma. All told of experiences from which they had drawn negative conclusions. Interestingly, those who succeeded also had dispiriting experiences somewhere along the way. The difference was in what they did—and how others responded—when the disappointment happened.

Here's the lesson we learned by comparing top performers with everyone else—Whenever you draw a conclusion about another person or team, you have two choices: (1) you



can talk it out, or (2) you can act it out. In other words, you can either talk about the problem and attempt to resolve it, or you can conclude that the issue is “undiscussable,” and act out the conclusion you’ve drawn. The result is completely predictable.

If, for example, you conclude that your boss is self-serving and disingenuous about his or her support for your improvement efforts, you have those two choices. Talking it out calls for a crucial confrontation. He or she isn’t living up to a promise. If you successfully talk it out, there is a chance you will change your conclusion, change the other person’s behavior, or a combination of the two. If you choose not to attempt to talk it out, you will act it out. Your behavior and attitude will be influenced by this conclusion from this point forward. And that’s what happened to Karla.

Our research into resistant and receptive teams in Six Sigma shows that there are five concerns people must be able to resolve if they hope to adopt and sustain these valuable practices. These concerns are:

1. Upper management isn’t really committed.
2. Some of my improvement ideas could be very threatening to people.
3. My boss will never support this.
4. My peers aren’t held accountable for supporting the effort.
5. Other departments won’t cooperate.

Now, we aren’t suggesting that these concerns are incorrect. Typically, people have valid reasons to suspect these conclusions are true (e.g., “I don’t trust senior management because they whacked everyone who supported TQM”). The problem is that people don’t merely assume these conclusions are correct, they assume they’re permanent.

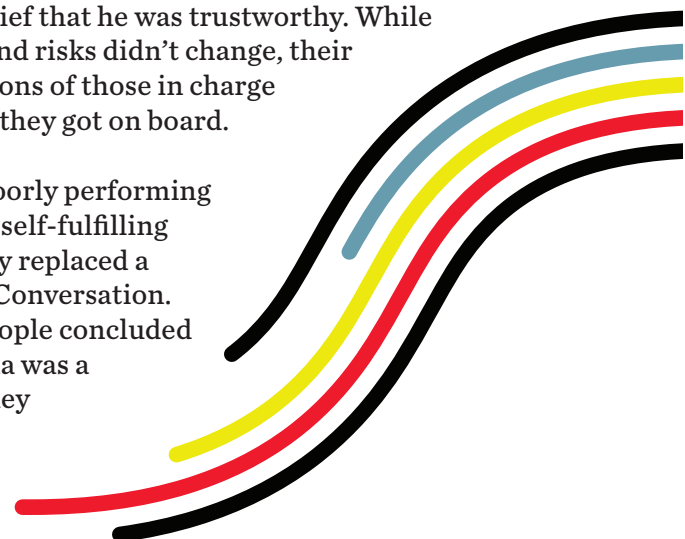
Crucial Conversations for Accountability Skills

In successful departments, when people encountered one of these five issues, they found ways to raise their concerns. More often than not, if they held an accountability conversation in a way that didn’t provoke defensiveness, they could influence the attitude or behavior of the troublesome party. Almost as often, they also found that reality wasn’t quite as bad as their conclusion. They’d discover, for example, that upper management didn’t understand the implications of their actions. Or their boss was not simply uncommitted, he or she was overwhelmed. What was important about these accountability conversations was that they often produced change both in the other person’s behavior and in the initiator’s perception.

Crucial Conversations for Mastering Dialogue Skills

Now, let’s look at what happens when opinions vary. We worked with one organization in their efforts to get off dead center with Six Sigma. In one telling exchange, members of an ambivalent team contacted their CEO personally and asked for a meeting. They didn’t agree with what the CEO had been saying. During this crucial conversation they tentatively expressed their reservations about the life expectancy of Six Sigma adherents. While the CEO couldn’t promise job security, and couldn’t promise that he’d be around forever, the very fact that these people discovered that they could raise their concerns with senior management increased their belief that he was trustworthy. While reality and risks didn’t change, their perceptions of those in charge did, and they got on board.

In the poorly performing teams, a self-fulfilling prophecy replaced a Crucial Conversation. Since people concluded Six Sigma was a sham, they





said nothing and then withdrew their support. As they did so, the effort stalled, which confirmed their original assumption that it was a waste of time. Similarly, those who believed it would never work because no one ever held their deadbeat peers accountable were so confident of their conclusion that they didn't bother expressing it. The result? Their colleagues still weren't being held accountable, and the cynics used this as additional evidence that they were right all along.

To break from this unhealthy cycle, people must find a way to surface, test, and change their conclusions—or they will act them out with predictable consequences. And the only way to test and change these kinds of conclusions is by stepping up to Crucial Conversations.

In light of these findings, the CEO from the previous example and his senior team determined to make a serious effort to influence how people approached the five areas of concern that most consistently produced cynicism and withdrawal. Through a serious effort to change these vital elements of their culture, they unlocked spontaneous and rapid support in Six Sigma implementation.

FULFILLING THE PROMISE OF SIX SIGMA

After the initial crucial conversation with his direct reports, the CEO and his leadership team worked aggressively over the next nine months to influence how people approached both Crucial Conversations and how well they held others accountable—across their organization. The results were rapid and measurable.

Using a survey, we tested whether the two crucial skill sets were actually improving. We also tracked departmental improvements in quality, productivity, and cycle time. A study conducted by independent researchers found that every one percent improvement in survey measures of the targeted skills corresponded with productivity savings of more than \$1.5

million. Similar correlations with quality and cycle time were demonstrated as well.

The results were significant: Our first survey showed an improvement of 13 percent. Relationships between previously conflicting teams, between frontline workers and their supervisors, and between work teams and senior management improved markedly. Many commented that Six Sigma had become “real.” As further evidence of the relationship between Crucial Conversations and performance improvement, *there were no cases of significant improvement in performance where there were not also corresponding improvements in survey measures of Crucial Conversations.*

YEAH, BUT IS IT SUSTAINABLE?

Now we come to the final question. We have strong evidence that the consistent application of a handful of crucial skills is the key to the success of any new and promising practices (from adopting Six Sigma to shifting to a team approach). We also have studies that show it's possible to make rapid and significant progress when people employ these skills—even in highly resistant organizations. But the final question is the kicker. How can you ensure that crucial skills don't just become the next “flavor of the month”?

To be truthful, we've seen two kinds of postscripts. We've seen organizations where leaders stop paying attention to how they and others apply their crucial skills, and, predictably, their change efforts flounder and eventually fail. Well-documented policies are insufficient to stimulate change. We've seen even more cases where leaders become so strong in their skills and so committed to using them that it has profoundly affected the way they lead throughout their careers. In these cases, there may be both progress and backsliding, but when they continue to pay attention to how they handle both Crucial Conversations and how well they hold others accountable, they enjoy significant and lasting change.



ENDNOTES

- 1 In “Beyond the Fads: How Leaders Drive Change with Results” (Human Resource Planning 17, no. 2 [1994]:25–44), Ronald N. Ashkenas suggests the failure rate is 75 percent or more. Other studies suggest it is much higher. Our survey of relevant studies puts it in the 85 percent range.
- 2 Crucial Learning principals have conducted over 100 systematic “culture assessments” over the past 25 years. These assessments helped identify barriers to change in Six Sigma, Lean, and other major change initiatives. The conclusions in this article draw from both the broader set of assessments and from research into Six Sigma and related initiatives.

CRUCIAL LEARNING

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