

The “Anatomy of Transformation and the Adversary from within”

A point of view by Andrew Mayfield, Jay Weiser and Dr. Francis Duffy, Ph.D.

If one were to walk back in time and consider all of the executive-level surveys and strategy publications over the last 15-20 years, they would see a clear and troubling pattern. Transformations fail at incredibly high rates and there are a few constant contenders found at the top of the list of reasons for the failures - *a lack of leadership, a lack of direction, a lack of alignment and a lack of engagement*. There are various symptoms associated with these factors but all are connected to the failure of the transformation effort to shift the entire anatomy of the organization toward a new destination. In order to be effective, this effort must create the emotional, intellectual and physical will to move each person (leadership and the organization) from their old mindsets to a clear and meaningful destination.

Jim Collins - I've come to see institutional decline like a staged disease: harder to detect but easier to cure in the early stages, easier to detect but harder to cure in the later stages. An institution can look strong on the outside but already be sick on the inside, dangerously on the cusp of a precipitous fall.

The intention of Part I of this series is to educate the reader on the underlying factors within the organization that not only prevent change from occurring - but can ultimately cause the unseen death of a company well before it visibly collapses (Collins, *How the Mighty Fall* - Level 4-5).

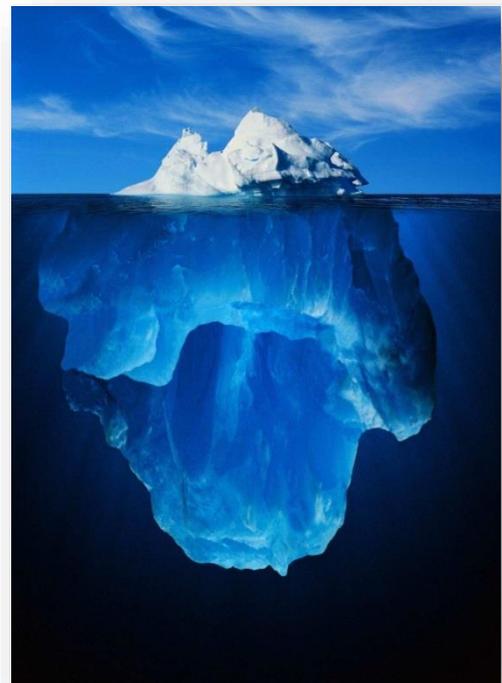
It is essential that we *provoke the proper thinking around the linkages between the organizational response to change and the comprehensiveness of the transformation management process in which we attempt to invoke that change*.

In the research preceding this article, it became abundantly clear how crucial it is to recognize this human dynamic. Over the last 70+ years, one can find volumes of material published and widely applied by some of the foremost influential thought leaders of our time. Peter Drucker, Peter Senge, Jim Collins, Michael Porter, Tom

Peters, Jack Bergstrand, Francis Duffy, Robert Kegan, Lisa Lahey, and countless others have all spoken to the simple reality that - *“What shapes our thoughts drives our behavior.”*

The failure to address this linkage is at the root of why countless transformational efforts fail. Instead of creating momentum within the culture towards a *definable destination*, there is often the exact opposite human response...uninformed resistance.

This opposition tends to reside deep below the surface of the organization's visible behavior. It operates in the mindsets of employees that remain strongly aligned to the past success of the organization and the corresponding social infrastructure used to support it (compensation systems, performance systems, reward systems, values and so forth). When this force is not properly understood and informed, the resistance gives life to a formidable challenge within the organization and is rightly referred to as the “Anti-Change Immune System” or the adversary from within.



Understanding the anti-change immune system - the faithful guardian, now the adversary...

People have a built-in, “anti-change immune systems.” As we have discussed, this metaphor also applies to the entire organization. This immune system is dynamic and creates a powerful inclination to resist change. If this immune system can be unlocked and modified, people can then release new energy on behalf of the new destination and the change associated with it. If left alone, not only is the desired change not manifested, one will often find a strengthening effort to protect the old and familiar operating model.

In their work on organizational change, Kegan and Lahey have identified three significant factors that either feed or suppress the immune system. **Entropy** is the rate at which disorder is unfolding into the organizational behavior, also known as chaos. **Negentropy** is the effort to put order and discipline into the organization and is designed to counter all the chaos. These two factors operating together then produce a powerful third condition called **Dynamic Equilibrium**.

Dynamic Equilibrium is one of the most powerful forces blocking the organization from reaching the new destination. Dynamic Equilibrium is more commonly recognized as *the status quo or Cognitive Dissonance*. It is the sum of all the efforts found in an organization where some are holding on to the past and some are reaching for the future. These forces are working against each other, cancelling out the change efforts and keeping everything basically locked in a conflicting culture of *some* energy holding on to the past and *some* energy reaching towards the new destination.



The Killer Antibodies of the “Anti-Change Immune System” – The Social Infrastructure

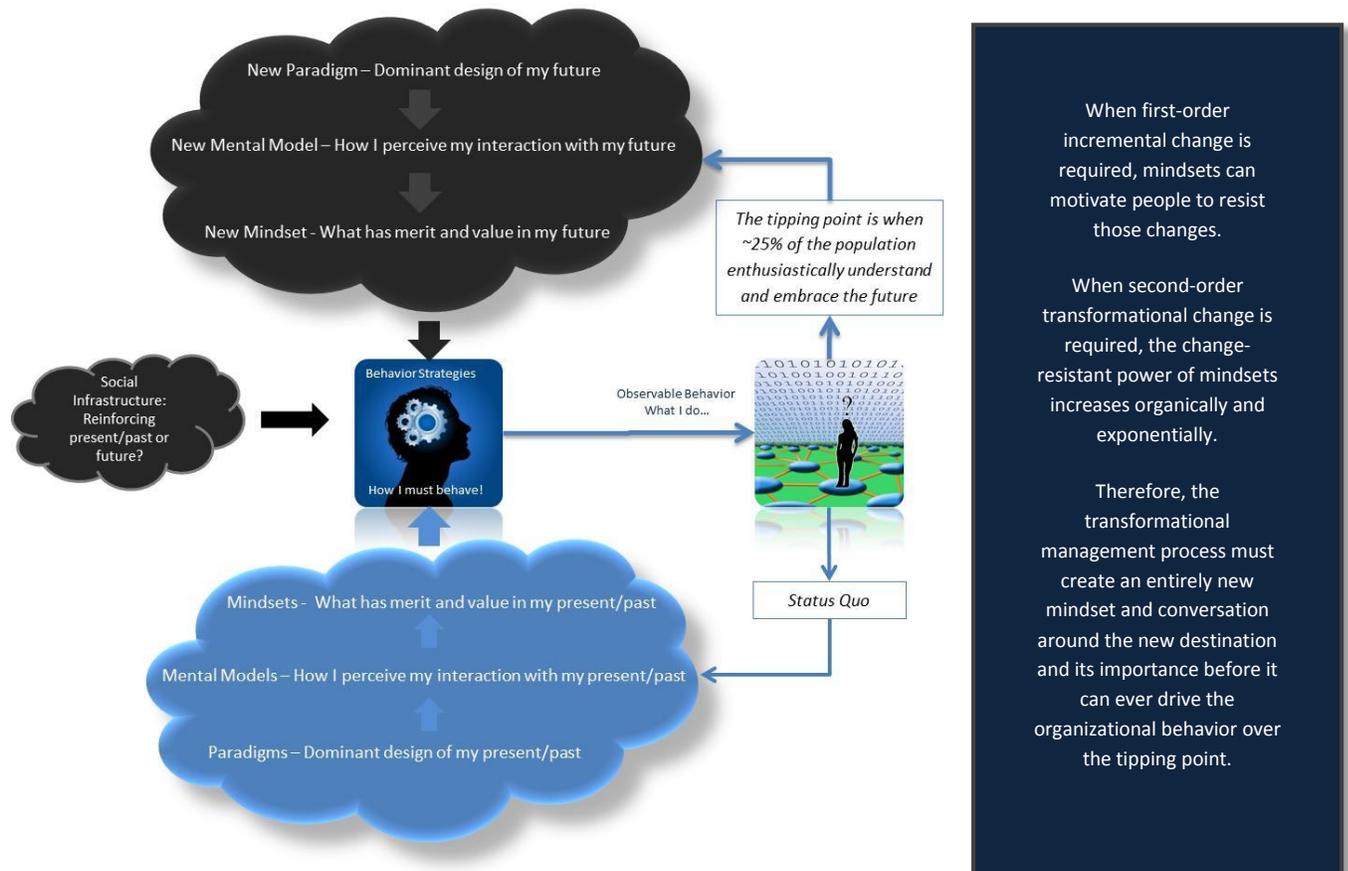
(Antibodies are a primary form of immune response in resistance to disease, or change in this case, and act by attaching themselves to a foreign antigen and weakening or destroying it.)

One of the single-most formidable elements of the immune system described above can be found in the *Social Infrastructure* of the organization. An organization’s social infrastructure is a hardwired element of the immune system that was designed to protect, preserve and reinforce what worked in the past. As stated earlier, it is found in the organizational culture, organizational design, roles and responsibilities, communication patterns, compensation systems and reward systems – all of which were designed to inspire and support the past.

These barriers can have significant implications for how successful the transformational efforts will be embraced. For now, we want to focus our attention on understanding each of the elements that drive organizational behavior and how they will ultimately determine if the company will move toward the new desired destination or remain deeply entrenched in the behaviors that produced the past results regardless of the consequences.

What Shapes our Thoughts Drives our Behavior so... Culture Eats Strategy (Drucker)

Duffy described the relationship among the five key levels that drive both individual and organizational thoughts and behaviors. Our goal in this section is to simply familiarize the reader with the model, language and the definitions used to describe the human dynamic that actually drives our thoughts into our behaviors.



The hidden levers – (thoughts)

1. **The Paradigms** - all our dominate experiences that drive our way of thinking (especially the ones that were required in the past, but are now an obstacle or constraint to the future).
2. **The Mental Models** - The basis of our response (mentally and behaviorally observed interaction) driven by "deeply engrained assumptions, generalizations, or even pictures that influence how we understand the world around us and how we take action." (Senge).
3. **The Mindsets** - Given their dominant paradigms and related mental models, individuals, teams, and *entire organizations begin to set their minds about what works and what does not work*. These mindsets are attitudes fueled by beliefs and values. These attitudes can either support and facilitate the change or resist the change and stop it cold (*How the Mighty Fall*, Collins).

The visible levers – (behavioral)

4. **Behavior Strategies** - Given the dominant *paradigm*, its related *mental models*, and the *mindsets* supporting them, individuals, groups, and entire organizations begin to **devise strategies for how to behave**. These strategies, when implemented, **create observable behaviors that either move towards the new destination or remain entrenched in the past**.
5. **Observable Behaviors** - As individuals, groups, and the organization *implement their behavioral strategies*, *observable behaviors are manifested*. *It is in the observable behaviors that leadership can determine if the shift from the old to the new is occurring*.

Part I Conclusion and Next Steps:

Through the work of Dr. Steven L. Robbins, we learn that the brain loves patterns (present/past) and actually locks onto them in order to conserve energy. Consequently, new data (future) tends to be extremely disruptive and threatening for the brain and requires substantial new energy to deal with it. This is precisely where the anti-change immune system kicks into high gear producing cognitive dissonance (rejecting new data in order to maintain the world I know) and for most people (those who are not naturally open minded), it is inevitable for the individual to encounter and sustain this strong resistance to the “new data.”

At this point, it should be obvious how crucial it is for the organization to envision a consistent, cohesive and well-articulated new destination supported by a comprehensive design of what it will take to get there. The new data must then be communicated in a variety of ways, over time, into the organization in order to become familiar and actionable to everyone. As this tipping point is accomplished, the multiplied new behavior will begin to move the organization toward the new destination where sustained momentum can be achieved (roughly 25% of the people, also known as “critical mass”). The primary purpose of the transformation process is to fully discover this destination and then inform the organization why this is important and what must be done right to get there. The transformation management framework in Part II of this series will reveal the design that brings into focus both those things that are hidden (thoughts and emotions) and those things that are seen (process, structure and behavior) in order to create a sustainable shift (incremental or transformational) in the organization.

For now, we will frame the next article in this series around five crucial questions that must be articulated and designed into the transformation management process.

The questions the framework answers at multiple levels within the transformation:

1. *Envision* - *Where are we going and why is this important?*
2. *Design* - *What must be done right - when and in what order must they be done?*
3. *Build* - *How can we best do those things?*
4. *Operate* - *Who will be responsible for which tasks?*
5. *Sustain* – *How will the changes be sustained over time?*

(Reinventing Your Enterprise, Bergstrand; and Dream! Create! Sustain!,Duffy)

Adaptive Transformation: The process applied in developing a new objective destination (where/why) that must significantly increase value and measurable market differentiation (what) through a disciplined progression of actionable detail (how) and organizational engagement (who).

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