

8 step process for leading change



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Kotter notes that many companies often overlook this process when they are in their rush in making plans or take action for the organization to takes place. He stated that close to 50% of the companies that fail to make needed change make their mistakes at the start. Leaders frequently undermine the importance of driving people out from their comfort zone or being complacent with their current success or even being careless in developing an appropriate urgency.

According to Kotter (2012), if this step is successfully executed, leaders will obtain an accurate status benchmark that would determine whether the state of the organization is:

Complacency- occurs whether the organization is at the ‘ top of their market’ or ‘ facing bankruptcy’, usually when everyone thinks “ Everything is fine.”

False urgency- People are busy with their work but all their efforts produce nothing, in fact may cause ‘ burnout’ instead.

True urgency- People are aware of the potential hazards and make use of all the opportunities to be productive and make progress.

Guaranteed to fail- It started by the poorly thought out in the initial step.

Leaders failed to appeals the people's heart, only their head.

Guaranteed to succeed- Leaders successfully “ aim for the heart” of people and able to connect the deepest values and inspire them to greatness. This leads to the success of the organizational change.

2. Creating the Guiding Coalition

This step involves the ability of leaders to assemble a group with enough power to lead the change effort and encourage them to work as a team.

Placing people together in the right coalition to lead a change initiative is crucial to its success. It is necessary that the coalition to have the correct structure, substantial level of trust, and a shared objective.

Complex organizations are forced to make decisions more quickly even though concrete information is not available due to the rapid changing world. It is evident that it is up to leaders and teams to orchestrate the relevant decision that will help the organization to stay sustainable.

The development of the level of trust will ‘ stick’ the team together that helps them to be well functioned. Due to the rapid change, team building has to happen quickly. Developing the right team and combining them with the right level of trust with a shared goal in which the team believes can result in a compelling guiding coalition that will take the organization to the right organizational change.

Kotter (2012) states that the ‘ right’ team as a whole should reflect the following four qualities:

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Position Power- the presence of key players will drive the change progress without any obstruction.

Expertise- All relevant points of view should be collected to produce informed intelligent decisions.

Credibility- People should be aware of the group presence and respect them so that the group's declarations will be taken seriously.

Leadership- Qualified leaders must present to be able to drive the change process.

3. Developing a Change Vision

This step pushes the leaders to create a vision to set the direction of the change effort and develop strategies for achieving the vision.

A vision must be able to offer genuine guidance, flexible yet focused and easy to comprehend. It inspires action and guide that action. According to Kotter (2012), effective visions must have these six key characteristics:

Imaginable: Able to portray the future state of the organisation

Desirable: attract to the long term interest of the organizational stakeholders.

Feasible: comprise of realistic and achievable goals.

Focused: clear enough to set the direction in decision making.

Flexible: permit entities to take initiative and implement alternative responses in changing environment.

Communicable: easy to communicate and can be explained quickly.

4. Communicating the Vision for Buy-in

This step involves ensuring that everyone in the team understands and accept the vision strategy. Kotter (2012) emphasizes that in communicating the vision for the change, the vision should be:

Simple: easy to understand

Vivid: able to illustrate to future state

Repeatable: easy to be spread by anyone to anyone

Invitational: Has the ability to offer two way communication

5. Empowering Broad-based Action

In this step, leaders are required to remove obstacles to change, change systems or structures that detrimental to the vision and promote risk taking and non-traditional ideas, actions and activities.

The two main barriers are:

Structural Barriers

In many cases, the internal structures of organisations contradicts the change vision. For example, a customer focused organisations usually lacks of resources and responsibilities for products and services and a low cost

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organization that claims to aim for high productivity often have large number of staff that is costly to maintain. Therefore, Kotter (2012) states that it is necessary to ‘realigning’ incentives and performance appraisals to reflect the change vision to obtain the profound effect on the ability to accomplish the change vision.

The implementation of Management Information system can help to suppress the problems by keeping the internal stakeholders informed with the competitive information and market analysis in a quick and effective manner.

Troublesome Supervisors

In many companies, managers will have several interrelated habits that shape the company culture which often limits the ability for the change to take place. Kotter (2012) explains that this issue can be quite challenging and often in the attempt of removing this barrier, the results can be demeaning.

6. Generating Short- term wins

In this step, leaders need plan for achievements that can easily be made visible, follow-through with those achievements and recognize and reward employees who were involved. To obtain desirable results, short term wins must be both visible and not vague. The end achievement must be linked to the change effort. However, short term wins tends to undermine the credibility of cynics and self-serving resisters (Kotter, 2012)

7. Never Letting Up

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This step includes the use of increased credibility to change systems, structures and policies that do not fit the vision, also comprises hire, promote and develop employees who can implement the vision, and finally strengthen the process with new projects, themes, and change agents.

The main challenge for change is resistance and it always present even if the change process runs smoothly from the early stages. People may even celebrate the short term success and suggest taking a break to enjoy the victory before the process finishes.

Kotter (2012) mentions several changes must occur by this step:

Presence of additional projects.

Extra people being brought to assist the change.

Leaders focused on giving clarity to an aligned vision and shared purpose.

Managers successfully motivated employees at all levels to lead projects.

A reduction in interdependencies between sectors.

Maintain a high level of urgency

Consistently showing the progress of change.

8. Incorporating Change into the Culture

The last step requires leaders to articulate the connections between the new behaviors and organizational success and develop the means to ensure leadership development and succession. Leaders must successfully planted

the new practice in the culture and ensure that every individuals in the company is indoctrinated into the culture.

IKEA Leadership Profile and Kotter 8 Step

According to a study done by Ingholt & Rasidovilc (2008) Kotter's 8 step processes has revealed several errors that occurs in the organization. They conducted a survey that involves the total management team and several most experienced co-workers. They were given the same questionnaires to see how the solidarity between them in regards to the change process.

The result of the survey shows the evident of good sign of leadership in one of the departments, as characterized by Kotter (1996). Many respondents asserted that good leaders must be the source of encouragement and engage their co-workers (Ingholt & Rasidovilc, 2008). This has shown that this model is a reasonably good model for IKEA due to the 67 points earned from the survey, for one of the departments, in being good at communicating change initiatives in a vivid manner (Ingholt & Rasidovilc, 2008). The score for the decisiveness of their leaders however is pretty low, only 49 points. This signifies their inability to handle conflicts, which is one of the key weaknesses that stop changes in management from occurring.

Furthermore, they also discovered that the lowest values in the survey are in the main five areas namely: co-worker trust development, implementation of decisions, communication about the future, co workers involvement in planning and the ability to handle conflicts. The scores obtained in these areas range from 34 to 46, which are relatively low based on the maximum score. To conclude, this department is proven to have strength in being supportive but weak when it comes to decision making. The presence of

indecisiveness explains the origin inability to handle conflict and the character of being supportive leads to the development of trustful relationship between workers (Ingholt & Rasidovilc, 2008).

The other department however, showed their key strength in their decisiveness and weakness in communication about the future. Another set of criteria showed the key strength in the ability to handle conflicts but weak in the co-workers involvement in planning. In comparison to the general grading result in IKEA, these results are fairly good. Thus the association in this department is that managers in this department are decisive enough to overcome the conflicts but weak in communication about the future which explains the poor involvement of the co workers in the process. In addition, the two departments gave an overall average score of 84. 7 in regards to their leadership performance.

Ingholt & Rasidovilc (2008) states the difference for each department in accordance to Kotter's implementation model. The workers in Department 1 felt that the necessity of change was not well communicated which leads to resistance. This is confirmed by Kotter's most common error in the first step " High level of complacency which undermines urgency", which is often caused by lack of communication. The worker also did not feel the presence of a leader which explains the error in the second step: " lack of a powerful, guiding coalition". Furthermore, lack of vision communication has led to error in step three. In Department 2 on the other hand, the co-workers perceived the vision and strategy being communicated to individuals. It is possible that the strong communication among the workers has reduced the presence of resistance.

Recommendation

Communication is very crucial in conducting change management. Leaders are ought to be able to keep the workers well informed and create an understanding while also create opportunities to get them involved in the process. Leaders must also be able to identify the needs throughout the process. By doing this, the right leader can be identified and will create the best possible opportunity for the department to develop. Lastly, it is also important to make decisions based on what was informed and needed besides ensuring that they are being implemented.

Reference

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