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How to Lead Change Effectively

Review by Tom Moore

A SENSE OF URGENCY

by John P. Kotter

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“The only constant is change, continuing change, inevitable change,” opined science fiction writer Isaac Asimov. Although this quotation often is invoked in outright capitulation to the convulsive forces sweeping through our economic, social and political worlds, it has profound implications for every organization. For it is our response to change — and not change itself — that determines our future. Either we can choose to react to change and play the victim or we can respond to change in a purposeful and effective manner.

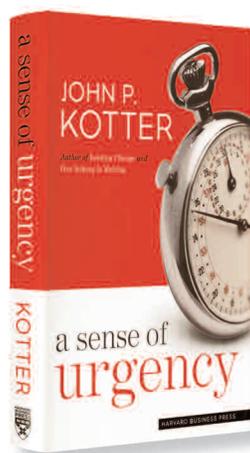
John P. Kotter, widely regarded as one of the world’s foremost authorities on leadership and change management, in his provocative new work, *A Sense of Urgency*, clearly prefers the proactive approach and compellingly urges us to follow suit. Not only does his meticulous analysis demystify the origin and impact of change, it offers a road map for how we can successfully navigate the shifting currents of change. But he takes us beyond simply crafting a timely and appropriate response to change; he provides the tools and techniques to initiate that change. Embracing the “if it ain’t broke, break it” school of thought, he fervently believes that the best organizations are those that drive constant and profound change.

His insightful analysis, based on years of research involving hundreds of companies, demonstrates that attachment to the status quo is a silent but deadly killer. He introduces this research, brought to life with real-

world case studies, using pinpoint accuracy and laser-like intensity to demonstrate how ideas and necessary change elements stall, and how atrophy afflicts organizations of all shapes and sizes. In so doing, he holds up a mirror to painfully reveal our own attachment to these shortcomings.

It doesn’t have to be this way, according to Kotter, who in his professorial style shakes us by our lapels and snaps us from our doldrums with a provocative program to instill a sense of urgency in all that we do. Properly led, organizations — and the people who work in them — come alive and respond with clarity, creativity, energy and engagement when faced with challenges as pedestrian as installing a new information technology system or as formidable as exploring an acquisition or reorganization.

The underlying theme that runs throughout *A Sense of Urgency* is that these responses can — and should — be programmed. What’s missing, he argues, and is needed in almost all organizations today is a real sense of urgency — an intentional attitude that leads people to view change as an opportunity and to seize the initiative while avoiding the inevitable hazards along the way.



Listening to a Favorite Professor

If all this sounds familiar, it’s because it is. Creating this sense of urgency is the first step in Kotter’s eight-step process for implementing successful transformations, which he first articulated in one of his earlier books, *Leading Change*. Other steps he advanced were to form a guiding team, to orchestrate visions and strategies, to communicate effectively, to empower committed individuals, to achieve short-term wins that pave the way for even greater progress, to relentlessly pursue the

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vision while, at the same time, fighting complacency; and to institutionalize change in the corporate culture.

Leading Change was based on the analysis of about 100 efforts in organizations to produce large-scale change. Incredibly, Kotter found that in more than two-thirds of the situations where substantial changes were clearly needed, the change efforts failed. He also found that in about 10 percent of the cases, people achieved more than would have been

thought possible. He followed that seminal treatise with *Our Iceberg Is Melting*, a business parable that dealt with organizational change from the fun and refreshing perspective of a penguin colony.

But Kotter’s absorption with change is no laughing matter. He has discovered that not only was increasing urgency the toughest of the eight steps to implement, it lacked the comprehensive treatment needed to drive fundamental change. Thus, Kotter revisited this seemingly narrow issue — shoring up central tenets and management practices that ensure its vital importance in today’s fast-moving, turbulent era.

Yet, while Kotter infuses *A Sense of Urgency* with all the intellectual gravity of a graduate level business course, take comfort in the fact that it comes across in such a fashion as if we were listening to a series of lectures from one of our favorite professors who knows how to get a message across in a memorable and effective way. The narrative forces us to pause frequently as we unpack Kotter’s findings, pose questions of ourselves and our organization and challenge our individual status quos. But just as quickly as the able-minded professor sends us off into the wilderness of self-analysis, he ropes us back in with his insightful program. Whether by design or default, Kotter has created a companion on our change journey.

The Evil Enemies of Urgency

Kotter sets the stage for his analysis with a compelling, if haunting, review of complacency and false urgency — what he terms the greatest barriers to creating a sense of urgency and progress. Compelling in the sense that if these evils are not eradicated from our companies, they become a cancer that consumes our potential. Haunting in the sense that through the judicious

deployment of examples from his research, Kotter forces us to confront our often ineffective effort to keep these attributes at bay.

The dictionary defines complacency as “a feeling of contentment of self-satisfaction, especially when coupled with an unawareness of danger or trouble.” For Kotter, two words in that definition emerge especially important. The first is *feeling*. In other words, people usually treat complacency as a state of mind that can be changed solely with “the cold, hard facts.” The second key word is *self*. Complacency is a feeling that a person has about his or her behavior, about what needs to be done or not done. Properly diagnosing complacency and overcoming it becomes essential for any change initiative.

A more insidious deterrent to change is false urgency, according to Kotter. While complacency embraces the status quo, false urgency often is disguised as a flurry of frenetic activity and “drop-everything” tasks, both of which threaten to undermine legitimate performance and progress.

The problem is confusing false urgency as real urgency. All too often, people get caught up in the activity (running from meeting to meeting, endless PowerPoint presentations, long to-do lists) assuming that it represents true urgency, only to encounter problems and setbacks that are distracting at best and destructive at worst. *A Sense of Urgency* is designed to guide us in recognizing false urgency and complacency and, by so doing, to transform each into a true sense of urgency and, ultimately, value for the organization.

Why Kotter’s obsession with urgency? His answer is simple: because change is shifting from episodic to continuous and he wants to ensure that organizations adopt a proactive mindset that equips them for excellence. “With episodic change, there is one big issue, such as making and integrating the largest acquisition in a firm’s history,” he writes. “With continuous change, some combination of acquisitions, new strategies, big IT projects, reorganizations, and the like comes at you in an almost ceaseless flow. With episodic change, the challenge of creating a sufficient sense of urgency comes in occasional spurts. With continuous change, creating and sustaining a sufficient sense of urgency are always a necessity.”

From the Outside Looking In

A Sense of Urgency provides a precise road map to counteract the twin enemies of complacency and false urgency that, if followed diligently, will bring purpose, direction and improvement to any company.

The first step is to train our organizations to look through the opposite end of the telescope. Kotter

rightfully believes that underperforming, reactive organizations tend to spend too much time navel gazing. In so doing, they lose sight of both the threats and opportunities that exist in the outside world. They get lost in the internal processes without fully grasping how these translate in the real world.

“An inwardly focused organization inevitably misses new opportunities and hazards coming from competitors, customers, or changes in the regulatory environment,” Kotter explains, using his enviable logical prose. “When you don’t see opportunities or hazards, your sense of urgency drops. With less urgency, you are even less inclined to look outside for the new possibilities and problems. Complacency grows.”

If, on the other hand, we vigilantly scan the horizon in search of any potential problems that could change the way we do business or we expose ourselves to best practices that could enhance the way we do business, we overcome complacency by infusing a sense of purpose and urgency into our culture. The attitude of being open to a world of exciting, new possibilities (as opposed to rejecting them with “not invented here” condescension) not only helps to enhance job satisfaction, performance and security, it helps us to create a call to action, even in enterprises that have been totally content with the status quo.

Again, Kotter offers a prescription to dissolve the barriers that typically exist between the inside and the outside of an organization. These include listening to the junior level associates who often have the most interaction with the customer; using the power of video to bring important issues alive; sharing news — good and bad — with all members of the organization; sending people out as scouts to gather intelligence; and bringing key customers, prospects, new hires and information into the organization.

Aligning Words and Actions

The context of what we say — when, how and where we speak — is even more important. Do meetings start on time? How are alternative viewpoints received? What actions take priority?

Kotter decouples the attributes of speed and urgency. Behaving urgently “does not mean constantly running around, screaming ‘faster, faster,’” he writes. Not only does that create additional stress, it ultimately leads to frustration when initiatives aren’t accomplished on time. “People who fail to understand the basics —

a faster-moving world, the need for more urgency — fall into this false-urgency trap far too often,” according to Kotter.

Rather, successful organizations in Kotter’s research separate accomplishments from activity. They adopt what he terms “urgent patience,” an almost Zen-like attitude of working each day with purpose and intentionality on important goals (as opposed to busywork) but having a realistic view of time.

Setting the Floor on Fire

Kotter’s research reveals that most people hold one of two perspectives on the nature of crisis. The first group, which he says is by far the larger, takes on a victim mentality. People in this group view crises as harmful, even malicious events that can hurt people and cause devastating damage to an organization or a community. So pervasive can be this damage that whole industries and management theorems have been established to mitigate the effects of crisis.

However, a more effective response — and one employed by the most effective change agents — is to look beyond the crisis to discover potential opportunity. “They don’t panic and make the situation worse,” according to Kotter. “They don’t automatically go into crisis management mode and hand the reins over to damage control experts. They take carefully considered action to convert initial anxiety and anger into a determination to act now and win.”

Kotter describes this perspective with the vivid metaphor of a “burning platform.” In this perspective, a crisis should not be viewed as evil. In fact, properly understood and managed, any crisis forces us to re-evaluate our current practices and make improvements that, under certain conditions, may actually be necessary to succeed in an increasingly changing world. Complacent organizations are seen to be the real danger, and even people who are most solidly content with the status quo will begin to act differently if a fire starts on the floor beneath their feet.

Using the inherent logic of the burning platform, if the platform doesn’t catch fire, we should torch it ourselves, says Kotter. That way we spark a sense of urgency within our teams. This can be accomplished through a number of efforts, such as setting goals that cannot be reached using business as usual, proactively taking the pulse of customers and prospects, listening to customer-facing employees, and looking beyond the corporate walls.

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Deal With Naysayers

Although Kotter peppers his book with real-world examples to help create an emotional link with the reader, NoNo, a fictionalized character introduced in *Our Iceberg Is Melting*, makes a return appearance in *A Sense of Urgency* to drive home another of Kotter's tenets. NoNo represents those people whose reaction to any new idea is "No, no, you see ...". Although endearing, the character embodies all the characteristics of employees who undermine progress and discredit people who are trying to make improvements.

To sidestep the toxic environment left in the wake of NoNos, Kotter recommends three effective solutions: actively distracting these distracters, expelling them from the organization and exposing their behavior in ways that allow natural organizational forces to reduce or stop it.

An Appeal to Emotion

What makes Kotter's prescription so compelling is that in developing a strategy to combat the malicious undercurrents of complacency and false urgency, *A Sense of Urgency* aims not just at the head but also at the heart. He provides countless strategies and tactics — validated through his casework — for making an emotional connection that creates a sense of urgency and energizes employees, including sharing good and bad news, eliminating time-consuming meetings, and empowering our people. Kotter's program helps to inoculate businesses against many of the common diseases that consume many a business such as the allure of interesting but unimportant issues, a lack of execution, turf wars, time-consuming activities, and irrelevant goals.

"Mindless emotion is not the point," he writes. "Generally, the challenge is to fold a rational

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case directed toward the mind into an experience that is very much aimed at the heart. The winning strategy combines analytically sound, ambitious, but logical goals with methods that help people experience new, often very ambitious goals, as exciting, meaningful, and uplifting — creating a deeply felt determination to move, make it happen, and win, now."

Properly conveyed, these emotional connections lead us to set and achieve higher goals, to challenge the status quo and to work beyond our comfort zones. Ultimately, we chafe at the gap that exists between where we want to be (our potential and our possibilities) and where we are, and we are compelled to act.

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In other words, rare are those organizations that have successfully ingrained it in their culture. Natural forces tend to push us toward stability and contentment. "The basic pattern is simple," Kotter writes. "Urgency leads to success leads to complacency."

Armed with his insights, our job is to break that cycle and to sustain a strong sense of urgency over time and realize the potential to become a high-performance machine, where results go from good to great and beyond. What are we waiting for? ●

The author: John P. Kotter, the Konosuke Matsushita Professor of Leadership, Emeritus, at Harvard Business School, is the author of the international bestseller *Leading Change*, which outlines an actionable eight-step process for implementing successful change efforts, and *Our Iceberg Is Melting*, a business parable based on the same principles. He has written 16 previous books, 12 of which have been business bestsellers and six of which have won awards or honors. These books have been published in more than 100 foreign-language editions.

He is also the author of several articles in the *Harvard Business Review*. A graduate of MIT and Harvard, he joined the Harvard Business School faculty in 1972. In October 2001, *Business Week* magazine named Kotter the top "leadership guru" in America.



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