

How to Communicate Clearly During Organizational Change

by Elsbeth Johnson

JUNE 13, 2017



A former colleague liked to remind leaders of their impact by telling them, “There are children you’ve never met who know your name.” The point was simple: Their followers were also moms or dads who were going home and talking about their day in front of their

children. And you, their leader, had a starring role in that story. As leaders, we are far more visible than we realize, and we are sending signals to followers all the time – even when we don't realize it.

And while sending the right signals to our followers is important at any time, it is especially important during times of strategic change, when followers are trying to make sense of a new “ask” from the organization, in the context of all the existing asks they are grappling with.

Why, then, is it so hard for leaders to send clear, effective signals to followers?

In my experience of working with leaders, and in my research asking followers what they need during times of strategic change, there are three main ways in which leaders too often send confusing signals to their organizations. Get them right, and you can signal clearly and effectively; fail to pay attention to how and what you are signaling in these three modes, and you will have confusion at best – and at worst, the opposite of the strategic changes you've asked for.

Signal No. 1: Telling your organization what you want

You'd think this would be the easy bit, but the evidence suggests that this is where leaders most shortchange their organizations. Too many followers tasked with delivering strategic change report that their leaders weren't clear enough about what they wanted the change to achieve or about what it would entail.

It seems the reasons for this are twofold: Leaders too often express what they want in terms not of *outcomes*, but of *tasks*, and they rarely, if ever, make clear the full *extent* of the change they are asking for.

One client I worked with recently – let’s call it Sales and Product Co. – was trying to make its business more customer-centric. Its leaders had expressed what they wanted as a list of activities that their middle managers would be asked to work on. There were nine projects. The list gave middle managers clarity about what to do, certainly, but it told them nothing about why they were doing it, or how their myriad activities might fit together to create a cohesive program. So we worked with them to re-express what they wanted as outcome-level targets. “Conduct exit interviews with all departing customers” became “reduce the customer attrition rate,” for example. A target to improve cross-selling rates through more outbound calls per month became, simply, “improve profit per customer.”

And because the middle managers now knew the targets outcomes leaders wanted, within months they were able to identify better, smarter, and cheaper ways to deliver them. Instead of nine projects, they settled on just two, which drove alignment across activities as well as accountability for them. And because the two were chosen by people close to the business, who understood the interactions of customer data and processes far better than the senior management team could (or should), the projects had a far better chance of delivering their outcomes. When asked why they knew it was these particular two projects they should work on, the middle managers said, “Well, we knew what the outcomes had to be. And we know how the business works, so it’s not that hard.” The importance of specifying outcomes for followers, rather than choosing activities for them, was clear.

Why is this signal so hard to get right? Leadership teams I’ve worked with have an almost primal urge to give their middle managers a list of activities. It makes them feel like action is being taken and that they are helping their hard-pressed middle managers by telling them exactly what to do. It’s also much easier to jump from “We need to change” to “Here’s what to do” than it is to thrash out the difficult trade-offs involved.

Left to their own devices, many leadership teams shortchange the questions of what they want the change to achieve, and why. When we work with leaders, we often have to push them to continue thinking about these questions and to answer them with sufficient clarity.

But even as we do, we regularly have someone in the leadership team come up to us in a coffee break and say something along the lines of, “So, all this is great, but when are we going to *get down to it*? You know, talk about what we’re actually going to *do*.” It usually takes several conversations, and stubbornness, to help them see that this is what they as leaders needed to “get down to” – and, conversely, that until this is done, any scoping out of activities is premature.

In particular, there are four questions that senior teams often skate through too quickly:

1. **Why do we need to change, and why now?** What are the imperatives driving this change? Why is the previous strategy no longer good enough? Where on the P&L are we feeling, or anticipating, pain? Are you sure you want X to change, even if it means you can’t have Y anymore?
2. **What is the full extent of the change we need?** Don’t underestimate the extent of the change you need, either privately or publicly. However tempting it is to tell people that this is just an incremental change – when it is nothing of the sort – or however politically expedient it seems to underplay the extent of the change required, a lack of clarity about the extent of the change required will make subsequent conversations about resources and priorities much harder.
3. **If we figure out 1 and 2, what should improve as a result? How will we measure the improvement we’ve been targeting?** And perhaps most overlooked of all:
4. **How does this new strategy or change link to previous strategies?** Answering this question is critical if leaders are to reduce the confusion that a cumulative overload of strategic or change initiatives – another year, another “strategy” – and their potentially conflicting targets can cause. If leaders can’t explain these links clearly, then you need to revisit the need for this change (Questions 1-3) or phase out some of the existing initiatives.

Once you have sufficiently clear answers to these four questions, you have the first ingredient for successful signaling.

Signal No. 2: Personally living the change you've asked for

Living the change you want to see means much more than modeling any behaviors you've asked for; it also means making a myriad of decisions that support the change. It is what David Nadler and Michael Tushman, in their 1990 exploration of how change becomes institutionalized, called "mundane behaviors." It means changing how you spend your time. How you choose to use your most precious, finite resource (your own diary) is a critically important signal you send as a leader. If you're not giving time to the change you've asked for, followers will interpret this as the latest change not really being important, and will act accordingly. For Sales and Product Co, this meant the C-suite routinely scheduling time to discuss progress, and leaving enough space in their diaries to be available to discuss issues and blockages as the need arose.

It also means changing the agenda of senior team meetings and board discussions. For Sales and Product Co, this meant putting "customers" literally at the top of the agenda for every senior team meeting. Before the seemingly tiny change, the C-suite had talked about customer issues after sales, products, and regulation, and just ahead of "any other business." This order had often meant that customer issues didn't get discussed at all, or were rushed through by tired execs eager to close the meeting. In an organization that sought to become more customer-focused, this couldn't go on. Talking about customers early in every meeting gave them the priority, and attention, they deserved. It also meant that never again would followers ask their C-suite exec, "What did you discuss at the board meeting?" to hear the answer "We didn't get to the customer stuff."

Why is this signal so hard to get right? Two reasons. It's partly because carving out time, and making sure you always have spare time in your diary for strategic issues as they arise, is so much easier than it sounds. You may also have to make this time available for years on end, given how long strategic change takes to embed. That means having to say no to a lot of other people and their priorities, if you are to keep time available for this priority.

And there will be many times when your old, “usual” issues will feel like such urgent priorities that you will be tempted to get them out of the way first, before turning your attention to the more important “strategic” stuff. This is a trap. Sort out the most important issue first – and sort it properly. Your business will then be in fundamentally better shape on the urgent issues.

But the second reason why personally living the change is a hard signal to send is that sending this signal effectively is a full-time job. Managing yourself – day in and day out, even when you don’t feel like it – is hard. One of the leaders I’ve worked with describes this as “an out-of-body experience,” where he is trying to be simultaneously in the moment with someone, listening to them and thinking about the issue, and also *external to himself*, deliberate about how he is showing up and conscious of the impact he is having on those around him. Like all mundane behaviors, it is very easy to not notice that you are not doing them – and that, of course, is precisely when your followers are looking most closely at you.

Signal No. 3: Resourcing and measuring the change you’ve asked for

How your organization spends its resources (capital, people, capabilities) and what it chooses to measure are the final critical ways it signals what is important. As a leader, you disproportionately shape these decisions, and therefore the clarity of these signals. This means finding the resources needed to deliver the change you’ve asked for. It doesn’t just mean money – though that is important. It also means allocating the right people, with the right level of seniority, experience, and political connections, to work on the change. These are all ways you can signal to the organization that the change is important.

It also means making changes to what you measure, and making these changes early on in the change. All too often, a new change spends its first few quarters being undermeasured because the existing suite of metrics the organization uses haven’t been overhauled to reflect the new priorities. If what gets measured is what gets managed, give the change its best chance by signaling as early as possible that new metrics will be introduced to measure, and therefore embed, the change you’ve asked for.

Why is this signal so hard to send? Part of the problem is that reallocating resources and changing metrics aren't the glamorous work of strategic change. Rarely are mundane, instrumental, transactional leadership endeavors (such as resourcing or measurement) given much air time in popular management literature or airport books. The result is that these more mundane aspects of leading change are still regarded as less important by leaders – although they remain some of the most critical signals for followers.

And, of course, making changes to resourcing and metrics takes time. The announcement of the strategic change might have missed the annual planning and budgeting round. While it's painful to face up to, announcing a major change might mean asking people to redo this grunt work. And while those asked to do it may not be immediately enamored with the request, they know the alternative is that they, and everyone else in the organization, will be second-guessing the change until this grunt work is done.

Now, it may take several months to define, agree, baseline, and then measure these new metrics, so start this work early (and just as important, talk about the fact that you're doing it), that way you signal to the organization what's coming and that the change is not a passing fad. Put your money where your mouth is, and send the signal that this change is your priority – and that it will be resourced and measured accordingly.

Signals matter to followers, so signaling needs to matter to you. Followers are looking for signals to help them make sense of what they should do. As a leader, you have disproportionate power to shape these signals – or not. And that's especially important when you're asking for change. So supply people with what they need to make sense of it. And be the story you want their children to hear.

This article is about **CHANGE MANAGEMENT**

 FOLLOW THIS TOPIC


Related Topics: LEADERSHIP

Comments

Leave a Comment

POST

0 COMMENTS

 [JOIN THE CONVERSATION](#)

POSTING GUIDELINES

We hope the conversations that take place on HBR.org will be energetic, constructive, and thought-provoking. To comment, readers must sign in or register. And to ensure the quality of the discussion, our moderating team will review all comments and may edit them for clarity, length, and relevance. Comments that are overly promotional, mean-spirited, or off-topic may be deleted per the moderators' judgment. All postings become the property of Harvard Business Publishing.