

By Dean Newlund

In what people are calling a year of change it seems appropriate to re-examine how we succeed and how we fail at change.

Harvard business professor and author John Kotter says business leaders are more successful if they connect change to a positive emotion, and more likely to fail if they associate it only with negative feelings, such as fear related to a down-economy.

Granted, it is hard to feel positive when headlines bombard us with news of record foreclosures, bank failures and Ponzi schemes. Some of us have lost our jobs or know someone who has. Fear is in the air—you can almost smell it. Yet, how effective is fear in changing behavior?

Imagine that nine patients are given identical diagnoses of heart disease. All will die unless they improve their diet, lose weight, cut back on alcohol and reduce their stress. How many will make the necessary changes?

Only one, according to a 2005 study authored Dr. Edward Miller, the dean of the medical school and CEO of the hospital at Johns Hopkins University. "If you look at people after coronary-artery bypass grafting two years later, 90 percent of them have not changed their lifestyle," Miller said. "And that's been studied over and over and over again. Even though they know they have a very bad disease and they know they should change their lifestyle, for whatever reason, they can't." In other words, faced with bad news, even death, most people do not change.

Professor Kotter has a theory about why that is true. Having studied change in organizations for years, he believes people are motivated to change not by fear, but by joy and other positive emotions, and that how we “frame” a change has tremendous influence over behavior.

“Behavior change happens mostly by speaking to people's feelings," he says. "This is true even in organizations that are very focused on analysis and quantitative measurement, even among people who think of themselves as smart in an MBA sense. In highly successful change efforts, people find ways to help others see the problems or solutions in ways that influence emotions, not just thought."

Last December a group of leaders from mid- to large-size Phoenix businesses got together to discuss how to change and be successful in these trying times. The session was part of the Arizona Leadership Forum I facilitated with Doug Griffen of the Advanced Strategy Center. We asked the group: “In a business environment dominated by fear, what should leaders do that will make them and their companies successful?”

Many of their responses supported Professor Kotter’s observation that the motivation to change originates with emotions, especially positive ones like courage:

- Recognize that "we have met the enemy and he is us"... Look in the mirror and honestly ask ourselves ..."what have I got to do differently?" Personal transformation is a necessary component to a turnaround process.
- Take risks, based on deep strategic thinking.
- Collaborate. This will help offset costs and build bench strength.
- Question everything. Keep what works. Redesign what doesn't.
- Develop a compelling vision: optimism--not fear—will drive the turnaround.

Three recommendations seemed to sum up a plan for successful change in 2009:

1. Re-create and re-invent; don't replicate. Business-as-usual is a recipe for disaster.
2. Communicate much more than ever before.
3. Engage and collaborate more deeply within the company and more broadly with other organizations.

Seventy-seven years ago, in his first inaugural address, Franklin D. Roosevelt famously stated, “The only thing we have to fear is fear itself.” FDR knew the secret: Fear would

not produce the needed change. The nation had to enter a courageous new mode of creativity, vision and commitment.

We're in a similar place today, where standard remedies—like relying exclusively on cost-cutting—will not work. Are we willing to flip the coin, reverse the dynamic?

Now is the time to get serious about reinventing ourselves, raising the big questions we never seem to have time to ask: What is our core mission? Who do we serve? How are we going to serve them in a way that is far superior than we have ever done so in the past? What is this economic downturn teaching us about ourselves as employees and people? What is the phoenix that will spring forth from the ashes?

As painful as this economy is, if we are willing to look hard enough—and smart enough—we can find new ways to survive and even prosper. The real challenge is to look past fear and open our minds to the lessons and insights that will carry us to a positive future.

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