

HOW ORGANIZATIONS CHANGE UNIFORMLY

CHANGE MANAGEMENT THOUGHT-LEADERSHIP

A SCIENTIFIC BASIS FOR CHANGE MANAGEMENT

According to Robert Reich, former US Secretary of Labor, organizations exist solely to direct many talents on few objectives. Focusing and aligning people, processes and technology on discrete goals are therefore the primary objectives of management.

When those goals change, when organizations are modified, processes are redesigned, or technology shifts, change management is required to bring the organization and its goals back into alignment. Until this new equilibrium is reached, the organization usually experiences sub-optimum performance, confusion and conflict. These transformation periods are fraught with risk to all concerned: management, employees, stakeholders and customers.

History shows that despite rational organizational redesign, carefully selected strategies, and proven technology, many transformations fail during implementation. The chief problem is getting groups to change uniformly, by design, rather than erratically, by default.

Understanding the mechanisms by which groups change uniformly, learning to apply them, and knowing their effectiveness and limits will help any transformational effort. Knowing the proposed end state of organizational change is critical, but being able to attain it—uniformly, throughout the organization—is vital.

Gordian understands how groups respond uniformly to change, and moves the practice of change management from mystery to mastery.

When management designs change, when new processes or methods are considered, or when these are communicated to the organization, success is furthered if the following six change criteria are met:

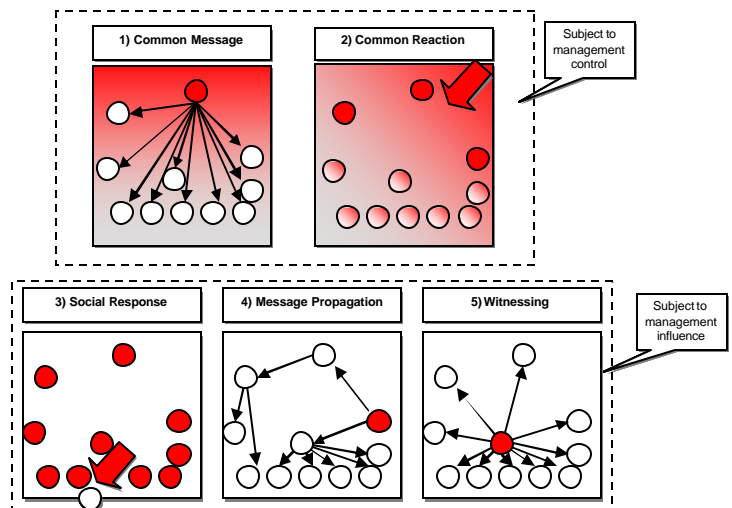
- The change offers relative advantage.
- The change is compatible with existing systems & processes.
- The change offers simplicity.

- The change is “trial-able”.
- The change is readily observable.
- The change welcomes re-invention.

The goal of change management is the uniform uptake of change throughout the organization; therefore management must know the mechanisms of diffusion.

- Common message (directive from leader or influencer).
- Common reaction (common values stimulated by common environment).
- Social response (to actions in line with or against norms).
- Message propagation (networking among individuals).
- Witnessing (watching others—mimicking)

FIVE DIFFUSION MECHANISMS



(Continued on Page 2)

SOLVING YOUR COMPLEX BUSINESS PROBLEMS

Gordian Transformation Partners Inc.
10 Glen Lake Parkway
Suite 130
Atlanta, GA 30328
Phone: 678-353-3378
Fax: 678-222-3401
Email: sales@gtpsolutions.com



STRATEGY, TRANSFORMATIONS &
PERFORMANCE TURNAROUNDS

ABOUT GORDIAN TRANSFORMATION PARTNERS

Gordian Transformation Partners is a boutique management consulting firm that integrates traditional management consulting disciplines with high-impact leadership practices and breakthrough thinking tools for mid-market clients. The result is a powerful consulting process that enables CXO's to solve their toughest business challenges with speed, efficiency, and economy.

Gordian is headquartered in Atlanta, GA. We draw on the knowledge and experience of its consultants, whose skills span the initial generation of ideas and insights all the way through to detailed implementation. Gordian's consultants have led transformation and turnaround initiatives for over 500 Global 1000 and mid-market companies across 6 continents..

Gordian's consulting expertise addresses every area of your enterprise, from developing a transformation strategy to make your organization more customer-focused, to optimizing your supply chain investment, with the tools and expertise to help you reach your objectives.

Gordian draws on the knowledge and expertise of our consultants, whose skills span a wider range of capability than many other major consulting firms. The disciplines of Gordian's consulting specialists are underpinned by deep change management experience - managing risk, mobilizing staff and integrating initiatives to deliver sustainable change quickly. Contact Gordian at: sales@gtpsolutions.com

HOW ORGANIZATIONS CHANGE UNIFORMLY (CONT.)

Gordian's experienced change strategists use discrete or intuitive agent-based modeling to predict or influence these mechanisms.

One scientific basis for diffusion activity is Agent-Based Modeling (ABM), also known as the "Swarm Theory". It begins with a set of agents (e.g. people), each very similar and each following a set of basic instructions. A "swarm" is simply a collection of these agents executing a schedule of actions (protocol). This protocol (set of instructions) constitutes each agent's motivation to do something.

ABM is interested in the dynamics of these collections of agents, or objects. In particular, it concerns group actions resulting from individual interactions in different environments—such as a changing enterprise. Most enterprise transformations take place in an environment where a heterogeneous (different) set of people, companies, and organizations (objects or agents) interact with each other and their environment. And this interaction consists of ownership, resource depletion, communication and transactions. Each of these people or groups also follows a cer-

tain protocol (financial motivation, contractual terms, employment conditions, etc.). Moreover, each of them has memory (or state), perceptions and behaviors. This is the very definition of a swarm. Change diffuses through these environments via Social Response, Message Propagation, and Witnessing—three of our defined mechanisms.

Change management has been deemed essential for enterprise transformation, yet the cause-effect relationships between common interventions and transformational results are nebulous at best. Many interventions are used out of habit, to mimic best practices from other

projects, or simply as a result of their familiarity. But by understanding the five diffusion mechanisms, Gordian helps you to choose the right interventions for your organization, time their application, and monitor their results.

Most change initiatives are divided into four or five specific phases—time sequenced activities that progress from general aspirations (visions, charters, change drivers, expectations) through detailed plans and on to implementation and ownership of the changed result. Gordian prepares you to be successful in all phases of your change management initiative.

