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**CHANGE VS.  
TRANSFORMATION**



## TYPES OF CHANGES

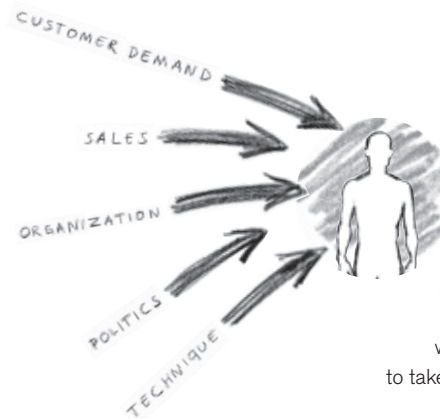
**Change is constant.** Change is both progressive and educational and can be both good and bad, depending on who observes the change. Change can mean political changes, new and improved technology, advanced customer requirements or new competitors on an increasingly complex and global market. It may be a change that we long for and therefore welcome or something undesired and therefore perceived as a threat and met with resistance. Some changes are small, everyday and constantly in progress, which sometimes means we do not even notice the change over time. Other changes are massive and drastic and although viewed as progressive and innovative, may also be perceived as complex and unpredictable. A change can also be something we ourselves proactively promote and create something new or we may be more reactive and responsive to something. Below are a few types of changes. Which do you face?

- Customer requirement changes (require new products/service)
- Technical changes (new solutions create new opportunities)
- Market changes (other competitors in new countries)
- Political changes (new leaders or owners)
- Strategic (new visions, goals, plans)
- Structural (new organisation, methods, tools)
- Cultural (behaviour, attitudes, approaches)
- Desired and welcome (by you? by the organisation?)

- Undesired and threatening (to you? to the organisation?)
- Proactive (own ideas, ambitions)
- Reactive (demands from others, game rules)
- Small, ongoing and gradual
- Massive, widespread and dramatic

## DIFFERENCE BETWEEN CHANGE AND TRANSFORMATION

**Our ability to survive against competition** is determined by our ability to adjust. To more easily appreciate and address the change from a human perspective, we want to clearly differentiate between the terms "change" and "transformation". Change is what happens outside of ourselves as individuals and what requires us to adapt in order to survive. This refers to the examples listed above. What happens within us as individuals is called transformation. Human reactions that occur as a result of external changes are called transformation – feelings, resistance, attitudes, etc.



Picture 1  
Change is the journey outside of us – Transformation is the inner journey we go through in order to take on the outer change.  
Source: T Eneroth

*We welcome or resist change depending of the types of change.*

*Change comes from the outside – Transformation take place inside of us.*

*Our reactions is linked to our identity and /or earlier experiences.*

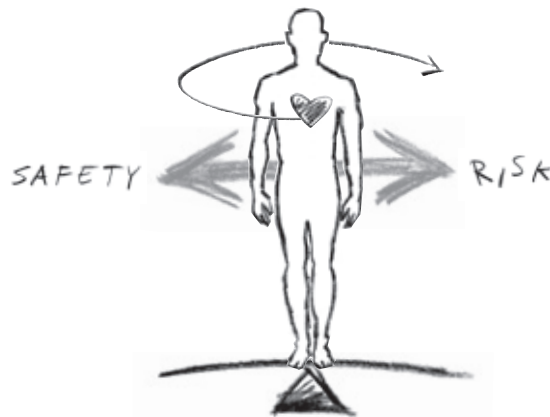
*We must be able to see ourself in the future picture before we welcome the change.*

*We transform through dialogue.*

## DIFFERENT REACTIONS

A key question that surfaces in the face of every change is how we react and respond to the change and how we can develop within ourselves and adapt to behaving differently. Some may see opportunities and the positive side immediately, others need time to find themselves in the new and are more hesitant, while some perhaps can only see the negative and oppose the change. How we react is often linked to our identity and previous experience of changes.

The scope of the change and subsequent willingness or resistance to change is defined by the individual employee's perception. Regardless of whether or not you as a leader feel that change will require drastic personal transformation, it may still be perceived as a major transformation for someone else.



Picture 2

Dealing with change is like standing on a seesaw, it is a question of balance or unbalance.

Source: K Plank

For us as individuals to accept changes and open ourselves to our own transformation, we must first be able to picture ourselves in a future scenario (vision) and be able to envision "What's in it for me?" i.e. the first point of the change.

It is also evident that in change situations each individual follows certain patterns in their individual transformation process. When the external change is close to our own previous experiences we progress more quickly through the change curve. However, more time will be required if the change feels diffuse, is distant in time or if we recall previous painful or frightening experiences. In many cases, the individual may find it difficult to understand or be aware of why they feel resistance.

Regardless of the scope of the change, transformation is a gradual process. The first step is to become aware of the change or the new situation. Only then can we begin understanding and accept the change. This is best done through active participation in dialogue about the change. We only have a cognitive effect so far – we have accepted the change in our minds but there is little evidence of this in our attitude or behaviour. To reach this phase, we need to alter our convictions and values, meaning that we need space to reflect and question our current opinions and thoughts. It must be permissible to question and reflect in order to move forward in our individual transformation process. It is only now that we begin to test the new and unknown. We expect support and encouragement now before we finally reach our own inner conviction for a new way of thinking and can act naturally in this new, altered approach to work. This is

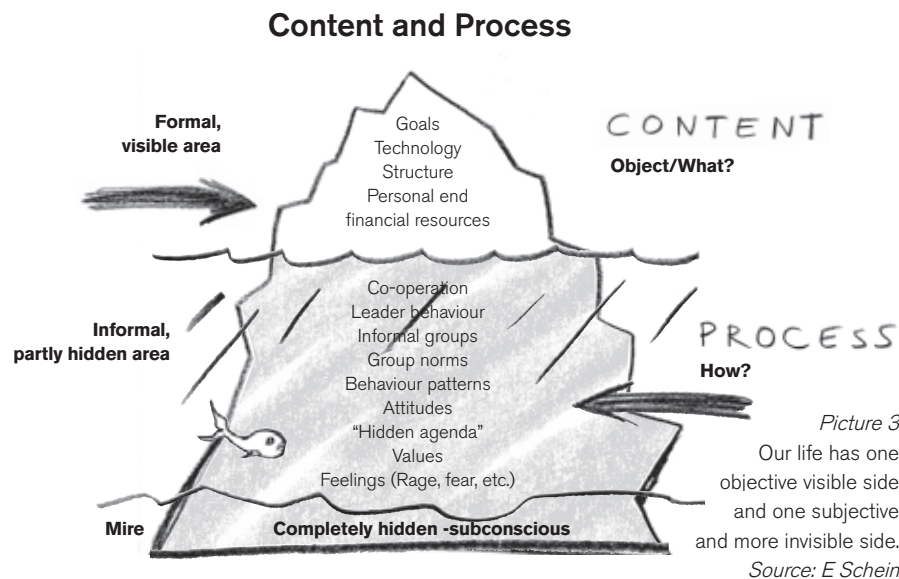
obviously a very simplified description of the chain of events, but the phases are often the same. The transformation curve shows how we gradually evolve and by communicating with our employees more easily come to understand and accept where we are in our relation to the change. When a change is perceived more as a threat, it is more common to use the loss curve that we describe in greater detail in Chapter 6 "Human Relations".

## BOTH CONTENT AND PROCESS

When we ask managers to define their initial concerns in terms of working with organisational changes, we often hear "we need a clear vision with distinctly identified sub-goals, a new organisational structure, new organisation scheme, the management system needs to be reworked, budgets and financial targets need to be defined, we need new job descriptions, etc." All of which are naturally correct and necessary, but they are only part of the issues that need to be addressed.

In working with organisational changes, the objectives above are objective content issues. These are precisely the issues that need to be addressed in order to manage the external changes, but to deal with the change from a human perspective and real-

ise individual transformation we also need to address what we call the process issues. In our experience, it is essential to get people to work in new teams, help people understand and accept new ways, and adopt a leadership that can challenge and generate job satisfaction. We call these issues "process issues" and they land in a human being's subjective world. The figure illustrates content and process.



The iceberg metaphor can be used in many contexts. It can be used to depict the conscious and subconscious world of humans, and it can also depict a content and process world. The forces of change are under the surface, so this book's main focus is what happens in the subjective world of humans. In the objective world, the content world, the business is led with management techniques

*Work with both objective and subjective side related to change.*

*You also need to lead the emotions, attitudes and values of people.*

*Changes may take place quickly,  
but transformation takes time!*

*Change must be perceived as tangible,  
meaningful and manageable.*

that have a rational, logical perspective. In a human being's subjective world, which is dominated by emotions, attitudes and values, we need leadership capable of dealing with people. We know it is vital that we develop our language as well as our ability to feel secure in handling the more subjective and emotional issues in connection with change.

**Organisational changes** can produce both positive and negative energy. The new individual needs that can emerge and the organisation's needs may be in harmony or discord. Unreleased energy lies gathered in the lower layer of the iceberg. It is up to the leader to convert this into a meaningful and manageable challenge.

### **TRANSFORMATION TAKES TIME**

**Every change within a company** is unique and sometimes involves complex events. It is more about unpredictable processes over time than distinct phases of change. The reason so many changes in organisations fail is an inability to create the right acceptance for the changes. The enormous impact of the change process on people has been underrated. The insecurity that arises in individuals and groups has been ignored and the change has not been made tangible, meaningful or manageable.

**Dramatic changes** can cause collective anxiety stemming from feelings of loss of control, exclusion and not being part of the renewal efforts. Defence against this anxiety can be expressed by simplifying the world and pretending there is no level of complexity. All this is unfortunate since this defence mechanism prevents learning and understanding.

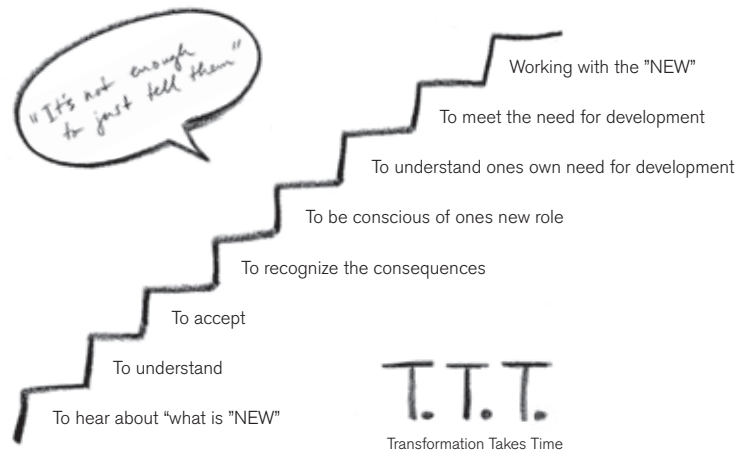
**Management's task is** to direct the organisation's activities over time by giving meaning to the new visions and strategies, business concepts and targets by inviting the employees to envision themselves in the new.

**Change always takes longer** than we initially believe and is made more difficult by the fact that attitudes and values are hard to change. The cultural pattern does not change as quickly as we perhaps would like to believe. It must be permissible for change to take time. This is in direct conflict with corporate management's demands for quick and radical measures. The complexity and rate of change in today's world means that many operative decisions must be taken by employees who are not managers.

**Many of the failed organisational** transitions we have been able to monitor over the last decades have failed because people at the company have not accepted and supported the terms. Nor were they allowed to participate in the changes.

**Changes are no longer occasional** occurrences as before. Organisations and their employees need to learn everything more quickly but also learn from past behaviour, attitudes and perspectives.

**Changes have today become** the normal state of things that we must live with. This makes demands on our ability to lead in the face of change. Leading both people and the organisation through the turbulence that arises is one of the most important tasks facing managers and leaders on all levels. This is a skill that is necessary in order for us to survive and prosper.



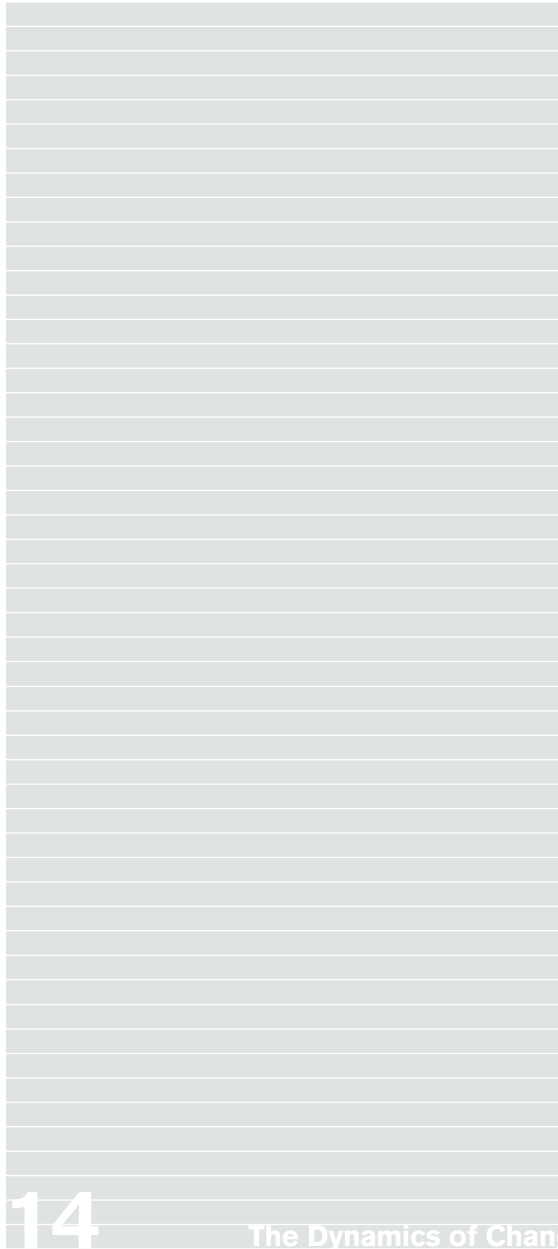
Picture 4  
Transformation takes more time  
than we usually anticipate.  
Source: K Plank and T Eneroth

**Working with people and organisations** in transition means focused dialogues in workshops, seminars and training programmes that concentrate on personal direction, group context (value direction and assignment direction) and structural direction – changes to rules and directives, systems, processes and control systems that reflect the desired values and positions. We need a more personal approach between leaders and leadership for conveying visions and a holistic outlook, motivating and improving dialogues. The human aspects of leadership therefore become an important means of control.

**To create trust**, the communicated word and message must be aligned with the manager's actions. The manager's self-awareness, self-esteem and

insight into both personal strengths and weaknesses in terms of personal leadership behaviour become increasingly important factors for success. Current research shows that managers' self-image affects efficiency. Managers that underrate their ability in terms of leadership have more efficient units than managers who overrate their leadership abilities.

*Transformation takes place through dialogue.*



### ISSUES FOR REFLECTION

- 1.** What type of change are you facing? Describe the nature of the change.
- 2.** What do you want to achieve by the change? Do you have a vision? Is it a clear, mutual and understood vision? How will it be presented?
- 3.** What will you do so that the individuals concerned can find the answer to the question “what’s in it for me?”
- 4.** Who will be affected? How?
- 5.** What types of reactions and forces (positive and negative) may surface?

