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TALKING CHANGE: DEVELOPING CONVERSATIONAL DISCIPLINE FOR BREAKTHROUGH PERFORMANCE

BY ROBERT BOLTON

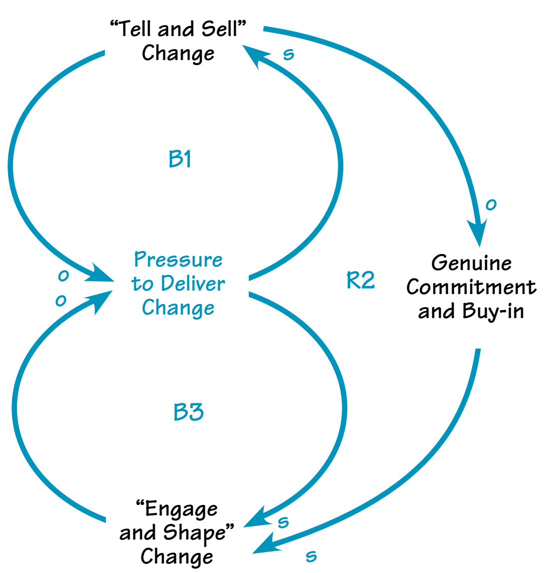
"Language is the house of Being."
—Martin Heidegger

In the early days of the study of change management, we used to cite an old adage: "The key to successful change is that you have to communicate, communicate, communicate." Even today, working as a management consultant, I have found that the bulk of the effort in many large-scale and complex organizational change programs centers primarily on reviewing, planning, and delivering the corporate message about a new initiative that top leadership has designed. We might refer to this tactic as *"tell and sell,"* in that managers seek to secure the buy-in of the staff by *telling* them why the change is necessary and *selling* to them "what's in it for me."

The assumption implicit in this tactic is that change is done *to* the organization, not *by* it. People must be convinced of the need for working differently and, if management does not clearly communicate the reasons for it, they will resist it. This model may work in situations where the shift involves introducing systems and processes that do not require a fundamental transformation of people's attitudes, ways of seeing the world, and modes of working.

But unfortunately, as shown in "Failing to Change," when instituting large transformational change initiatives, organizations often fall prey to a "Fixes That Fail" archetype. It begins when the leadership team uses the "tell and sell" approach to introduce a wholesale change of the way the organization does business (B1). They often promote these changes using newsletters, handy reference cards, posters, coffee mugs, and perhaps even a video. Workers initially seem enthusiastic, but over the longer term, fail to fully embrace the new routines (R2). In response, management looks for ways to strong-arm employees into adopting the change, an approach that usually dooms the initiative to failure.

FAILING TO CHANGE



Leadership teams often rely on "telling and selling" large-scale change initiatives to the organization (B1). While this approach may initially seem successful, over the longer run, it undermines employees' commitment to the change process (R2). The more successful tact would be to include employees from the beginning, what we might call the "engage and shape" approach (B3).

So, is the instinct to communicate that underlies the "tell and sell" approach wrong? Of course not—how else can we achieve our goals except by passionately sharing them with others? But gaining employees' genuine commitment requires a more authentic, interactive way of speaking and listening than we've practiced in the past. As shown in "Failing to Change," the fundamental solution is for leaders to change *how* they communicate and *what* they communicate about (B3). They must work with employees to build a shared vision of the organization, its opportunities, and its challenges, as well as to plan a set of purposeful actions for creating the organization's future. Only when employees have been included in the process and feel their ideas have been heard and respected will they embrace and contribute to the change. We might call this approach the *"engage and shape"* philosophy.

"Engage and Shape" Philosophy

As Gary Hamel points out in his work on strategy creation and core competencies, the way to unlock new ideas about an organization is to create conversations across boundaries that involve distinct experiential, technical, and philosophical perspectives. Through engaged conversation comes shared meaning. From shared meaning comes alignment of purpose and fundamental buy-in.

How can leaders effectively engage the workforce in sharing, exploring, and aligning their unique perspectives in order to contribute to the enterprise's larger vision? The "engage and shape" philosophy offers a framework for understanding what is involved in the process. It starts with the following assumptions:

- Developing visioning skills throughout the organization is more effective than imposing a vision on the organization from above.

- Leaders can't and shouldn't have all the answers up front. But they must create the overall direction and allow employees to take the initiative forward in their own way.
- No one can predict the outcome of engaging employees and asking them to shape the future. Leaders will have to relinquish some control over the direction the change initiative takes if they wish to move from merely consulting employees ("telling and selling") to capturing their hearts and minds ("engaging and shaping").
- Change involves a long journey. We can have some idea about and therefore plan for the first leg of the journey, but it's difficult to know what might be behind the first or second or fiftieth hill! The implication of this fact is that the planning process has to allow for emergence, agility, and course correction.
- Formal project management involves breaking down projects into components that can then be managed. But dynamic organizational and cultural change takes place in the complex interplay of components. Therefore, leaders need to adopt a holistic and systemic approach to managing that takes into account the complex whole.

Having productive conversations around organizational change is a key process in the "engage and shape" approach, but many managers do not have the patience or interest to develop skills in the discipline of dialogue. Nevertheless, the kind of conversation needed to effect transformational change doesn't happen by magic. Good conversation involves a set of talking practices and people who can facilitate these conversations. It requires enough time to ensure sufficient alignment around why we need to change, what we should change into in order to secure certain outcomes, how we will go about achieving the change, and how we will handle the inevitable surprises and miscues that might come up during the process.

To make the shift to "engage and shape," groups can follow a series of four conversational practices that guide the change process and serve as an entry point to a more comprehensive use of dialogue (see "Four Conversational Practices"). These practices provide hard-pressed, action-oriented, and outcome-focused managers with a way to manage conversations in the context of open-ended, less tightly planned but ultimately more transforming ways of achieving change.

Just recently, the Ministry of Defence in the United Kingdom used these practices to create high-performing integrated project teams for the acquisition and in-service support of military equipment. The team leaders became skilled practitioners in these tools and techniques, despite initial misgivings that this was "yet another change program that will surely go the way of all the others—nowhere." In a short time, they were able to show immediate benefits in terms of creating a new quality of involvement in and buy-in for the new process among staff members. The group ultimately achieved a series of stretch goals that might not have been possible otherwise.

Managing the Four Conversations

The key to achieving employee engagement in actively shaping change is to iteratively manage and follow a sequence of conversational steps. Before beginning, the group should discuss and decide on what kind of listening would be appropriate (see "Automatic vs. Generated Listening" on p. 4). At the same time, participants should agree to other, more familiar ground rules, such as *every contribution is valid, let the speaker finish, suspend assumptions,* and so forth.

Overall, the group will seek to explore and build on contributions rather than broadcast their own views in an unconnected way. When people compete to secure airtime, the resulting conversation remains superficial and does not build an evolving meaning. It is particularly important for more senior managers to listen to junior managers rather than correct them or talk over them. Likewise, the kind of decision-making that emerges should be consensual and inclusive.

Note that, when managing conversations about change in organizations, it's important to clearly distinguish among the past, present, and future. If people are unable to see how their actions in the present are

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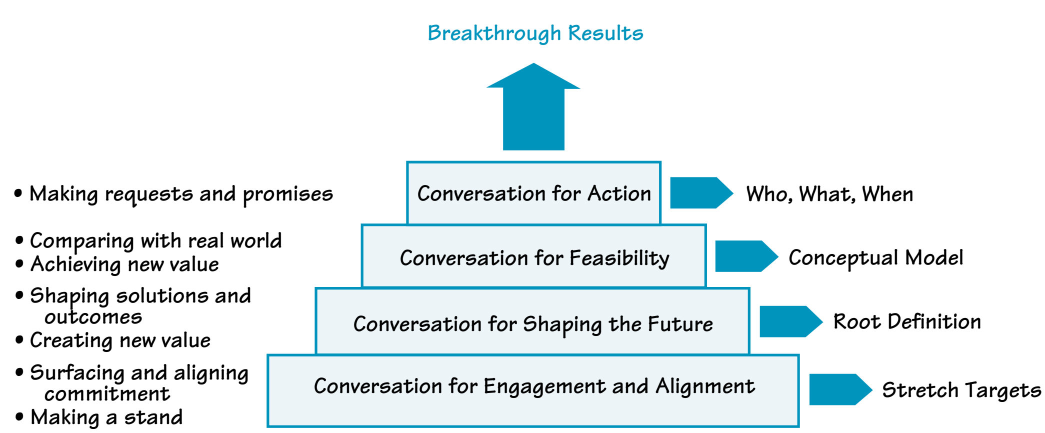
FOUR CONVERSATIONAL PRACTICES



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AUTOMATIC VS. GENERATED LISTENING

At the outset of a conversation, participants should agree on the quality of listening that they want to bring to the conversation. Unless we consciously choose to engage in a conversation in another way, we will almost invariably default to "automatic" listening, in which we instantly evaluate what we hear and craft our own response. But in trying to create a new future together, we should focus on the possibilities rather than the problems.

In *Automatic Listening*, We Listen for:

- Right and wrong
- Do I agree?
- Do I disagree?
- Am I interested?
- Do I like the person?
- Does this fit my preconceptions?

The focus is on *the past*.

In *Generated Listening*, We Listen for:

- The possibilities, without judging right or wrong
- Ideas
- Commonalities, links, emerging themes
- Emotions, beliefs, fundamental purpose
- Causes and direction

The focus is on *the future*.

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driven by their perceptions, and that their perceptions are created by their past experiences, they will be unable to create a distinctive future that is different from the past!

Conversation for Engagement and Alignment

Once the ground rules have been established, the first step in the change process is to identify and build shared commitment among team members by ensuring that everyone is mentally "in the same place." Most important is to find out what people are currently committed to regarding the issue, purpose, or objective. In this instance, a commitment means a deeply held belief, an expectation about what should happen, or an explicit aim or purpose located in the future. Failing to openly discuss and acknowledge people's current commitments means that they will emerge at a later stage and possibly undermine the progress made.

To conduct a conversation for engagement:

- Begin by encouraging participants to say what is on their minds, be it related to the issue at hand or something else. This activity is a way of getting people present in the room and encouraging everyone to speak.
- Surface everyone's individual concerns in relation to the issue being addressed. Capture these on a flipchart to reexamine later in light of any joint commitment developed by the group to see how well it encompasses individual concerns. Take care to ensure that participants do not simply complain. If they do, try to bring to the surface the underlying *causal* expectation that the *symptomatic* complaint is based upon. Another caution is to avoid blame. Blame is based in the past, and any engagement or alignment must be founded on a commitment based in the future.
- Explore people's commitments and capture them on a flipchart. Rarely do concerns or complaints exist without an underlying commitment to something; for example, complaints about a new change initiative may reveal team members' underlying desire for senior leaders to recognize innovations already happening in the organization. The best way to begin to understand the differences and similarities in people's perspectives, and to move to alignment, is to ask them to describe what the future outcome would be if the commitment were realized.
- Once all people's current commitments have been surfaced, come to agreement on an overall commitment with regard to the issue. This process can be challenging. A helpful way of achieving alignment around what the group wants to achieve is to simply focus on the outcome, benefits, or value that they will create, ideally in measurable terms.

Managers often skip this phase because they don't deem it "action-oriented." They also often believe that everyone already knows what the problem is; they just need to sort it out. But limiting the time spent or the quality of conversation will only restrict the achievement of the end result. Without engagement and alignment around an overall purpose, the group's effort to explore possibilities for the future, evaluate their feasibility, and enact any plans will be half-hearted.

A conversation for engagement and alignment will often lead to a clear commitment to producing something that the group doesn't have the faintest idea of how they will go about achieving. This is a healthy sign! The term given to this sort of commitment is "generating a stand." A stand is a commitment to building a future that is demonstrated through everyday actions:

- It provides stability during turbulence.
- It allows the group to declare "breakdowns," that is, instances when people's words and actions are not based on realizing the stand. Team members should be free to point out to colleagues or their managers when they observe a "breakdown" that is not in service of the goal.
- It provides the basis for coaching and being coached.
- It represents a breakthrough from the past.

In our experience at the Ministry of Defence, the most successful teams were those that had strong alignment around a compelling stand. All other elements then tended to fall into place naturally. Typically, the stand would include high-level stretch targets as opposed to hard targets. Participants believed hard targets to be tough but achievable. Stretch targets, on the other hand, were deemed "over the horizon." Their purpose was to provoke out-of-the-box thinking and unprecedented action.

In the Ministry of Defence, such stretch targets focused on the performance, time, and cost elements of procuring military equipment; for instance, procuring a new frigate and bringing it into service in half the time, for the same cost, but with greater capability than the current version. Even if a stretch target is not achieved, more often than not, committing to it ensures outcomes that are far greater than merely committing to a hard target. But in order to really commit to such a goal, employees need to participate in the planning process and trust that they won't be penalized for falling short of what is a highly ambitious objective.

Conversation for Shaping the Future

This second conversational practice on the road toward breakthrough change involves imagining what things could be like in the future. When I worked with a client in the financial services industry, the aim was to transform the role of human resources into that of a true business partner. When the HR managers engaged in a conversation for shaping the future, they imagined a tomorrow in which the HR function genuinely influenced business results.

A key tool for this conversation, borrowed from Soft Systems Methodology, is the construction of a "root definition" for the activity that needs to be changed or addressed. A root definition is a structured description of a system that clearly spells out the activities that take place (or might take place) in the system being studied. It has three parts: *what, how,* and *why*. The "what" is the immediate aim of the system, the "how" is the means of achieving that aim, and the "why" is the longer-term aim of the purposeful activity.

Root definitions follow this format:

A system to……………….
by…………………………
in order to……………..…….

For example, a root definition for creating breakthrough procurement performance at the Ministry of Defence might look like this:

"*A system (Integrated Project Team) to* procure military equipment *by* using integrated project team processes and ways of working *in order to* deliver the equipment within the budgets and time frames established at the outset of the project, ensuring enhanced capability to the military end users."

In this root definition,

- The *what* is "to procure military equipment";
- The *how* is "by using integrated project team processes and ways of working"; and
- The *why* is "to deliver the equipment within the budgets and time frames established at the outset of the project, ensuring enhanced capability to the military end users."

This is one of many root definition that could be constructed for the activity of military procurement. The root definition should be internally consistent; for example, the "how" must describe a process which will (or should) result in the "what," and so on. A common mistake is to include more than one purposeful activity in a single root definition.

Participants must also talk and think about the various roles that individuals and groups take on in the system. The categories (abbreviated as "CATWOE") are:

- **C (Customer):** Who would be the victims/beneficiaries of the purposeful activity?
- **A (Actors):** Who would do the activities?
- **T (Transformation Process):** What would happen?
- **W (*Weltanschauung*):** A German word loosely meaning "worldview," what view of the world makes this definition meaningful?
- **O (Owner):** Who could stop this activity?
- **E (Environmental Constraints):** What constraints in its environment does this system take as given?

For the root definition given above, the following is a possible "CATWOE":

- **C:** Military end users
- **A:** Integrated project team (IPT)
- **T:** IPT processes and ways of working
- **W:** That multi-functional teams will be better at procuring military equipment than the current silo-based structure
- **O:** The Ministry of Defence
- **E:** The performance, time, and cost parameters set out at the start of the procurement

The process of trying out different transformation processes (T) and worldviews (W) in the discussion often promotes innovation. Ultimately, the task is to conclude this conversation with an agreement on one or two root definitions that can be taken forward into the next conversation.

Conversation for Feasibility

This step involves testing the possibilities and ideas developed in the conversation for shaping the future against key criteria, including:

- The original stand
- The feasibility of implementing the new ideas (how do the ideas compare with the current real world and what value will be created by implementing them?)
- The things that need to be in place in order to reach the stretch targets
- Initial plans for the early stages of the breakthrough journey and outline plans for the whole journey
- The projected return on investment

A useful technique in this conversation is to draw a conceptual model of the root definition on a big whiteboard. A conceptual model is a simple diagram showing the links between components of the designed future based on the ideas in the root definition (see "Conceptual Models" on p. 6). It is not a causal loop diagram in the conventional sense, because it is a representation of the future arising from the commitments and ideas flowing from the conversation.

The diagram shows the key activities described in the root definition and how they link together as a coherent system. Playing with different options and comparing them with the current reality helps to identify the benefits that might be derived from implementing the ideas captured in the root definition. Once again, this conversation is most effective when the previous conversations have been thoroughly explored and when participants:

- Listen generously and explore each others' points of view
- Bring to the surface and challenge their assumptions
- Constantly check back to their original commitments and stands
- Are focused on the outcomes sought
- Try not to recreate the past

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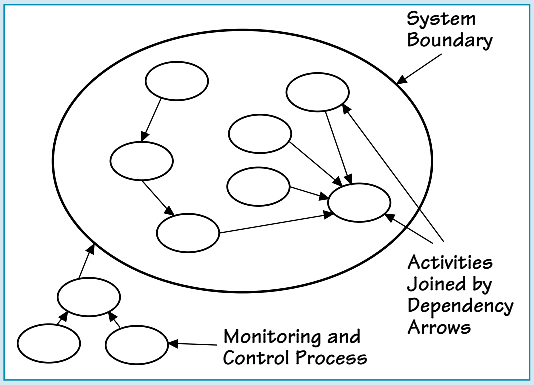
CONCEPTUAL MODEL

Conceptual models, which are based on the work of Peter Checkland, depict the systems described by a root definition. The models can then be used in later stages as a basis for discussing what is really happening in the organization and for finding ways to address the discrepancies between the plan and the reality.

Building a conceptual model involves constructing a diagram of a system that looks like this:



Parts of the Model

The large boundary is called the system boundary. Each of the bubbles within the system boundary represents an activity. They are numbered, but the numbers do not need to be in any particular order.

The arrows that join the bubbles represent dependency (i.e., an arrow from bubble 1 to bubble 3 shows that activity 1 must take place before activity 3 can take place). *These are not causal loop diagrams in the classic systems thinking sense.* Instead, they are visual tools to represent a systemic future that does not yet exist.

Contents of the Model

Each activity in a conceptual model must contain only one main verb that describes the activity; for example "*Review* project progress." The model should contain approximately seven activities.

All of the activities in any single conceptual model should be at the same level of definition; that is, you should not include an activity that could be considered a constituent part of another included activity. For an example of a complete conceptual model, go to www. pegasuscom.com/conceptmod.html.

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Conversation for Action

The aim of the conversation for action is to bring to life the conceptual model identified in the previous conversation. This step is critical; unfortunately, managers seldom conduct these conversations well. The principles behind a conversation for action fall into two categories:

1. Participants must make requests of other people.

Here it's important to be explicit about who is having the request made of them, what is being requested, and by when. The individuals who are having requests made of them have three possible responses:

- Accept the request.
- Reject the request.
- Make a counterproposal, that is, undertake the requested action but on a different timetable or propose a different action.

2. Participants can choose to make promises to other people by offering to do something specific by a particular date.

Although this process seems simple and straightforward, think back to management meetings that have failed to result in meaningful actions. Nearly always, people fail to follow up because team members haven't rigorously handled conversations for action. This oversight often occurs because the group suffers from a lack of commitment, honesty, or trust. For instance, people may attend meetings because they do not want to miss out on anything, but when the group agrees to do something, no one assumes responsibility for taking it forward.

This conversational discipline brings clarity to the "something" as well as a genuine commitment to taking it forward. The final step is to identify accountability for different tasks. Participants will have developed high levels of trust because they have all been involved in the rigor of the previous conversational steps. They will all be on the same page regarding what they want the outcome to be. If any or all of the previous three stages have been handled in an incomplete way, the conceptual model will remain just that, conceptual.

Application of the Disciplines

At the Ministry of Defence, breakthrough change has been achieved in an environment that had previously been hostile to innovations. One hundred and fifty integrated project teams (IPTs), employing some 5,000 staff members, were established over an 18-month period. This process in itself was seen as a major success, particularly in light of team members' alignment around robust plans. Many IPTs have already achieved their hard targets, and a significant number have made good progress toward their stretch targets. The UK National Audit Office has highlighted this case as an example of successful change.

Leading change is about adding value to the business by engaging people in finding new ways to operate. The only effective way to draw people into the process is to improve the quality of our speaking and listening. It is through improved conversation that aligned action takes place. In this sense, language is indeed the house of *being* and *doing*. The techniques described here are a good way to start improving the quality of our conversations for business benefit. ◘

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For Further Reading

Goss, Tracy. *The Last Word on Power* (Currency, 1995)

Ellinor, Linda, and Glenna Gerard. *Dialogue: Rediscover the Transforming Power of Conversation* (John Wiley & Sons, 1998)

For more about the use of root definitions and conceptual models, see Peter Checkland and Jim Scholes, *Soft Systems Methodology in Action* (John Wiley & Sons, 1999).