

Book Review: “Leading Change”

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This book is written in compelling language is a ready reckoner for budding managers, students of business administration and leaders of the organizations to have a thorough understanding of successful implementation of change in the organizations. The case studies and examples discussed in each chapter also provide an extra edge to readers as they offer meaningful insights to real life business problems and their feasible solutions. Key points which are thought-provoking and bring out the crux of the matter have been separately highlighted to give them prominence.

In recent times, organizations have been changing significantly and this change has been immeasurable, tremendous and sometimes traumatic. Macroeconomic forces have grown stronger over the past few years. The recent COVID-19 pandemic is an apt example of external influence which is responsible for organization change. Consequently, more and more organizations are forced to reduce their costs, explore alternate options to improve the quality of products and services, find new avenues for growth, and increase efficiency.

To date, major change efforts have helped some organizations adapt significantly to the dynamic environment and changing conditions, have provided them with the competitive advantage which have positioned them for a far better future. But in many situations, the improvements have been disappointing and the carnage has been appalling, with wasted resources and burned-out, scared, or frustrated employees.

To handle and implement transformation change successfully in the any type of organization author has given compelling Eight-stage change framework, made sense as a roadmap and helped people talk about transformation, change problems and change strategies. This book is more hands on and practical.

The book has divided into 3 parts further into 12 chapters.

Part 1 has two chapters discusses about the change problem and its solutions. To some degree, the downside of change is inevitable. Whenever human communities are forced to adjust to shifting conditions, pain is ever present. But a significant amount of the waste and anguish we have witnessed in the past decade is avoidable. We have made a lot of errors.

The first chapter discusses 'Why firms fail', eight fatal mistakes leaders do while initiating change transformation which can be avoided. Author explained each fatal mistakes or errors with

compelling analogies to understand the depth of the issues. He also shared consequences of making any of the eight errors common to all transformations efforts.

In the second chapter, author shared that change is being driven by powerful 'Macroeconomic Forces' (Technological change, International economic integration, domestic market, world communism, Globalization). No organization is immune to these forces. At the end of the chapter author introduced Eight-step process which organizational leaders can adapt or implement to create power and motivation to overcome all the forces and win over the errors.

Part 2 of the book involved 8 chapters each part of Eight-stage change framework.

In Third chapter, Author recommends on 'Establishing a Sense of Urgency' in the organization is to be created to gain cooperation for the transformation change. Author explained when there is high complacency; change efforts usually go nowhere. Author mentioned ways to raise urgency level in the organization. Also advised that sometimes there is need to create crisis like situation to build a sense of urgency to bring or implement the change in the organization.

Fourth Chapter, 'Creating the Guiding Coalition' started with example. A strong guiding coalition is always needed one with right composition, level of trust and shared objectives. Building such a team is always an essential part of the early stage of any efforts to restructure, reengineer or retool a set of strategies. Author also mentioned four key characteristics of effective guiding coalition. Team must have position power, expertise, credibility and group must have proven leaders or influencer.

Chapter fifth started with the story of having 'Long-Term Vision'. Author shared three purpose of having a good vision. First being, clear about what we want to achieve. 2nd having vision motivates employees even if initials days of change are painful. 3rd being vision is the only that helps to coordinate the actions of hundreds and thousands of different people. Author also discusses the five characteristics of an effective vision. Imaginable, desirable, feasible, flexible and communicable.

Author mentioned Rule of thumb in this chapter, if you cannot describe your vision to someone in five minutes and get their interest; you have more work to do in this phase of a transformation.

Author described the importance of simple and clear 'Communication of Change Vision' in sixth chapter. Author explained through two case-studies that most of the transformation failed due to inconsistent and flawed communication. Author explained the real power of vision is unleashed only when most of those involved in an enterprises or activity have a common understanding of its goal and direction. Author recommends the key elements of effective communications of vision. Simplicity, Using Metaphor, Using Multiple Channels, Repetition, Leading by example, Explanation of seeming inconsistencies and Two-way communication are the key elements of effective communication brought out very well.

The chapter seventh on 'Empowering Employees for Broad-Based Action' Author states that even after understanding the vision of the company, employees' couldn't participate in change due to four barriers to the empowerment. Formal & Rigid structure, lack of needed skills, failed system and rigid bosses. To lead change successfully, there is great need to empower employees by providing training, empathetic supervisor, by making structure and system aligned to the vision.

In the Eight chapter on 'Generating Short-Term Wins' Author discusses transformation efforts derailed due to not having short-term wins in the middle or in-between the change process. Using metaphors authors explained the Importance of having short-term vision.

- Provide evidence that sacrifices are worth it
- Reward change agents with a pat on the back
- Help fine-tune vision and strategies
- Undermine cynics and self-serving resisters
- Keep bosses on board
- Build momentum.

A good short-term win has three features. It is visible and real, it is unambiguous and lastly it is clearly related to change efforts.

Ninth chapter deliberates on 'Consolidates Gains and Produce More Change' whenever you let up before the job is done. Critical momentum can be lost and regression may follow. It is really important to keep the urgency high even after the short-term wins. Author explained beautifully it is very easy to bring change in independent system as compare to interdependent system with few examples.

Author explained that twenty or more change projects can be run simultaneously if (a) senior executive focus mostly on the overall leadership tasks and (b) senior executive delegate responsibility for management and more detailed leadership as low as possible.

Tenth Chapter and last stage of eight-stage change framework author discussed about 'Anchoring New Approaches or Changes in the Culture. Culture is not something that you manipulate easily. New change could be sustained only when new practices grow deep roots, ones that sank down into the core culture. Culture changes only after you have successfully altered peoples' actions, after the new behavior produces some group benefits for a period of time, and after people see the connection between the new actions and the performance improvement. Thus most cultural changes happen in stage 8, not stage 1. Culture change comes last, not first.

Author gave rule of thumb in this chapter: Whenever you hear of a major restructuring, reengineering or strategic redirection in which stage 1 is "Changing the culture" you should be concerned that it might be going down the wrong path.

Both attitude and behavior change typically begin early in transformation process. These alterations create change in practices that help a firm produce better products and services.

It is because such change is so difficult to bring about that the transformation process has eight stages instead of two or three, that is often takes so much time, and that it requires so much leadership from so many people.

Author discusses and explained through analogies how a purely managerial mindset inevitable fails,

regardless of the quality of people involved. Managerial mindset develops plans not vision, it will vastly under-communicate the need for and direction of change; and it will control rather than empower people.

In Part 3 Author discusses about Implication for 21st century Organizations. This part has two chapters

In chapter 11 author describe the characteristics of the organizations that are going to lead successfully in 21st century.

- They will be having non-bureaucratic structure
- No unnecessary interdependence
- Delegate management for excellent short-term performance
- Broad-based empowerment
- Persistent sense of urgency

Vision, communication and empowerment are at the heart of transformation change.

In the last chapter author discusses about 'Power and Potential of Life-Long Learning'. Author shared the example of Japanese business leader Konosuke Matsuita. He was an entrepreneur during twenties, a business leader in his thirties and forties, and a major league transformer in his fifties, expand globally and renew itself again and again. He then took an additional successful career as a writer in his sixties, a philanthropist in his seventies and an educator in his eighties.

Leader like Matsuita often do not begin the race with most money or intelligence, but they win nevertheless because they outgrow their rivals. They develop the capacity to handle a complex and changing business environment. They grow to become usually competent in advancing organizational transformation. They learn to be leaders. Author shared about the power of compound effect and habits of life-long learner.

- Life-long learner actively solicits opinions and ideas from others.
- They don't make the assumption that they know it all or the most other people have little to contribute. Just the opposite, they believe that with the right approach, they can learn from anyone under almost any circumstances.
- Risk-taking
- Humble self-reflection
- Solicitation of opinions
- Careful listening
- Openness to new ideas.

Most important Power of Sequence: Successful change of any magnitude goes through all eight stages, usually in the sequences. Although one normally operates in multiple phases at once,

skipping even in a single step or getting too late far ahead without a solid base almost always create problems.

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