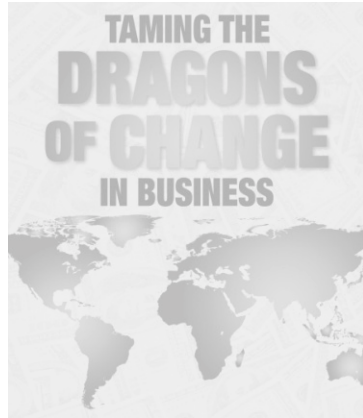


Embracing Unwanted or Unexpected Change
WHAT WILL YOU STOP DOING?

You probably think of action as doing more. But it also takes action to stop doing things to release the time and resources required for new possibilities.



At a strategic planning retreat for a federal agency, I facilitated the executive team through the process of identifying shortfalls in today's results and selecting actions to improve performance. The list of new possibilities was impressive. It contained nine great ideas that the team prioritized based on estimated costs, risks, and return on investment. But when the executives tried to allocate staff and budget to the new projects, the process came to a screeching halt. There were not enough resources for even the highest-priority new project.

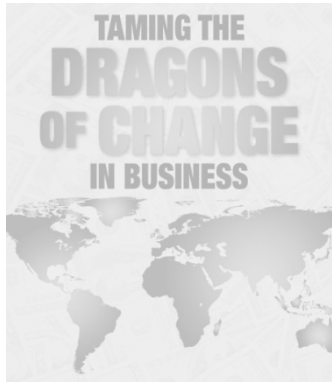
Expecting that roadblock, I asked the next logical question: "*What will your organizations stop doing so you can begin the new projects?*" The executive team agreed quickly on actions to improve results, but their inability to agree on a single project to end was the dragon that ultimately limited the agency's improvement. They compromised by agreeing to increase next year's budget request to include the new items. Of course, Congress not only didn't approve their budget request, it also reduced the agency's funding from the previous year, which intensified their performance challenges.

Ending old actions is just as important as starting new ones, and it's often more difficult. For example, New Year's resolutions generally are new actions you commit to start (other than to stop smoking): dieting, a new training program, exercising, or looking for a new job. But new starts can't succeed unless you simultaneously stop doing something else.

One way to balance the time-resources equation is to set up a ledger with columns for time and money. List your new starts, and the time and money each will require. Do the same for the things that you plan to stop doing. Since it's unlikely that you will have more time or money next year, the amount you save from things you stop must at least equal the amount you need for the new starts.

THE BEST AX MEN

Enduring success accrues to those who create change or lead the implementation of change in their industries.



Cavemen invented the ax in prehistoric times to cut down trees for firewood. The best ax men got the firewood they needed with the least effort. Over the centuries, the durability and cutting power of the ax improved immensely. When men began to build houses from logs, the ax became a vital tool in construction. The best ax men had the nicest homes and were the highest paid in their trade.

Then the chainsaw was invented. The axes in use at the time were the best in history and the first chainsaws were unreliable. Some of the best ax men ridiculed the chainsaw and refused to use it. The *I'm-the-best* dragon left them unwilling to change. But after a while, even the best couldn't earn a living with an ax. Men who might have been mediocre with an ax but were adept at using a chainsaw became the leaders of the logging industry.

Today's relentless technological advances are transforming industries as severely as the chainsaw changed logging—the auto industry, travel, textiles, computers, and pharmaceuticals to name a few. (Cobol programmers and Banyan network technicians are the axmen of the computer industry, for example.) Old ways of thinking in these industries still work, maybe better than ever. But it's just a matter of time until the "best ax men" in these industries who delay investing in new techniques and offerings go out of business.

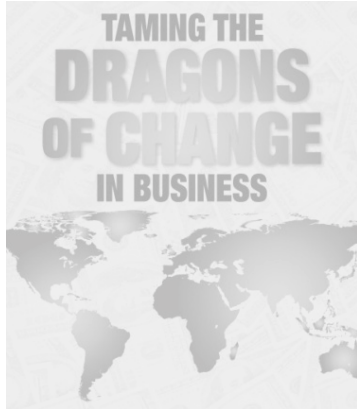
Change is inevitable in every industry, including yours. A radical change usually begins with a new tool, a new technique, or a new product that seems cumbersome or strange at first. When you see such changes in your industry, remember these tips:

- Investigate and pursue the opportunities presented by change;
- Remain flexible as the change matures;
- Be the source of creativity and support for change agents; and
- Proactively lead change within your organization and industry.

You may think you're among the best ax men in your industry today, but tame the *I'm-the-best* dragon in order to continue your success.

PASSED OVER

When it seems like the door to opportunity has been slammed in your face, a new opportunity is probably just beginning. Look for it.



In grade school, I read every book I could find about the Navy and submarines. Since my dream was to join the Navy and become an admiral, I competed for and won a Navy ROTC scholarship and was commissioned as a naval officer. But after nine years of service, I was passed over for promotion to lieutenant commander, the equivalent of Army major. Nine out of ten officers in my category were promoted. At thirty years of age, the Navy was telling me that I would never be an admiral. I was devastated and didn't know what I would do with my life.

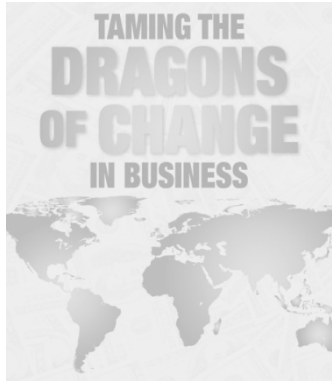
I was promoted the following year, but my career in the Navy was doomed. So I started looking for a job. Westinghouse rejected me at Oak Ridge National Lab, and the accident at Three Mile Island Nuclear Power Plant shut down the civilian nuclear power industry. I didn't see anything else I could possibly do. Desperate, I considered any vacant job near my house, even if it had nothing to do with my credentials.

After three months, relationships came through for me. My boss, a Navy captain, recommended me to a company in Washington for a position that used my education and experience. In that job, I learned to write proposals to government agencies and supervise large contracts. Then I became vice president of a computer company and learned how to manage a small business. Eight years out of the Navy, I started my own company to help government agencies change.

None of the success I enjoyed in business would have been possible if the Navy hadn't passed me over for promotion, although being passed over didn't feel like an opportunity at the time. Opportunity sometimes arrives in packages that we don't like at first glance. My life-changing opportunity was disguised as a devastating failure, and I almost didn't recognize it. I almost threw it away. Don't throw your opportunities away just because they aren't what you expect or want.

JUST DO IT!

When your world is undergoing earthquake changes, gradual change inside your organization is a one-way ticket to oblivion.



When the Berlin Wall fell, our country essentially stopped building submarines. My company was subcontractor on a submarine contract that was cut from \$90 million a year to \$18 million. At first, the government-industry team resisted the cut and protested with safety-of-ship and other boogeyman fears. After a while, we tamed the *catastrophic-change* dragon, accepted that there was no alternative to a reduction, and committed to find innovations that cut costs. But how could we ever deal with the earthquake tremors of an

80 percent cut? Obviously, incremental change wasn't an option.

The breakthrough occurred when a team member asked, "*What can we just stop doing?*" We examined every task we performed to support the ships and their crews, and found innovative cost-cutting measures in three categories:

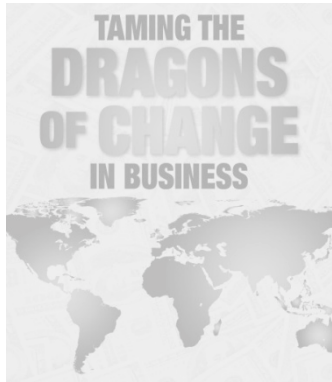
- ***Just Do It*** ideas that should have been implemented years ago, including eliminating tasks whose purpose had disappeared;
- ***Process Improvements*** that accomplished essential tasks faster and better, which is always cheaper too; and
- ***Investments*** in new technologies with high return on investment.

One idea led to another like snowballs rolling down a hill. All it took was starting. Each innovation, no matter how small, began a chain of innovations. We met the budget reduction target early!

In the relationship economy, no matter what industry you are in, long periods of incremental change are periodically interrupted by earthquake changes that wipe out entire business lines. During times of incremental change, the most efficient organizations prosper. But when dramatic change happens, incremental improvement of services, products, and relationships is a one-way ticket to oblivion. However, organizations that recreate themselves to exploit the new environment will thrive. Are you pursuing innovations and creating relationships that will thrive after the next earthquake in your industry? What will that earthquake be?

COURSE CORRECTIONS

Adapting effectively to unexpected events is more important in execution than having a perfect plan.



My first duty as a midshipman was a ten-week deployment to the Mediterranean Sea on board the aircraft carrier *U.S.S. Intrepid* (CVS-11). During my first week on the ship, I worked with the navigator to plan our trip from Norfolk, Virginia to Naples, Italy. We plotted the course in hour-by-hour detail, including time for training exercises and flight operations. I was reassigned to the engineering department when we left Norfolk, but in the evening I would visit the navigator's shack to check our position. I was shocked to find that we were off course every day. We were never where we were supposed to be according to the plan that we worked so hard and long to prepare.

Several unexpected events occurred as we were crossing the Atlantic. We circumnavigated a fishing fleet, which added 100 miles to the trip. One of the four main engines failed, which reduced the ship's top speed. And we lost a plane, but fortunately a helicopter rescued the downed pilot. That incident delayed us over four hours. But such unexpected events didn't upset the navigator. He and the quartermasters determined the ship's position several times each day with radio triangulation and star sights (there was no GPS in 1964). Knowing our location, destination, and target time of arrival enabled the navigator to recommend a new course and speed to the captain. As scheduled, a week later we passed through Gibraltar and entered the Mediterranean Sea despite having been off course every day.

Your organization and possibly your career are similar to that ocean crossing in two respects. First, unexpected events often occur to disrupt execution of your plan, and push you off course. How well you react to those disruptions for the most part determines your long-term success. A second similarity is that measuring results against the plan ensures that you won't get too far off course, or stay off course as long. Even though you find yourself off course more often than you'd like to be, you still can achieve your goal by executing the appropriate course corrections. Being off course is not the real problem. In fact, deviations from a plan are normal, but unfortunately unpredictable events. Instead, not knowing when

you are off course or failing to execute the necessary course corrections are contributing causes of most failures.

Knowing he had a reliable navigating capability and flexibility to make

For the most part, how well you react to unexpected developments will determine your future success.

course corrections easily allowed the ship's captain to adopt an aggressive ocean-crossing plan. Likewise, your plan isn't viable until you

make sure that your team has or will obtain the capabilities and resources required to execute the plan.

Change leaders develop plans that are more like road maps than a path etched in stone. Their plans are fine-tuned for execution. That is, they include provisions to adjust quickly when the unexpected occurs, as it often will. Tactics are an important part of execution, but execution is much more than tactics. Execution must be an essential consideration in planning. Indeed, in many cases, the inherent capacity of your team to execute will shape your plan.

