



Survive and Thrive in Times of Change

By Cynthia D. Scott and Dennis T. Jaffe

Congratulations! You've finally earned that promotion you've been working toward. It means you'll command a higher salary, more respect, and more responsibility. It also means you need to transfer to the head office in another state. You have to ask your husband to adjust his career goals, ask your teenage daughter to leave her boyfriend and start high school in another town, and ask friends in the area to house hunt for you. The new office has some projects they'd like you to begin right away, the old office wants you to tie up all the loose ends and train your replacement, and the real estate agent wants to know if he can start showing your house tomorrow afternoon. Congratulations?

Today's business environment produces change in the workplace more suddenly and frequently than ever before. Mergers, acquisitions, hostile takeovers, deregulation, new technology, and organizations going through cycles of centralization and decentral-

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ization are all factors that contribute to a growing climate of uncertainty. Jobs, health, even marriages can be placed at risk, jeopardizing productivity and profitability. Now, more than ever, organizations must find ways to manage and master change.

Destructive demands

In our position as consultants, the organizational challenge we see most frequently comes after a major change or disruption in the company: downsizing, shift to a new workplace, merger, or massive reorganization. Employees are simply incapable of performing the same way they did before

the change. Unfortunately, the personal distress they experience—illness, low energy, lack of motivation, difficulty concentrating, accidents, and interpersonal conflict—is often perceived as out of line. They blame themselves for being weak or unable to take it, and, too often, companies act as if they agree with the indictment. Managers often misunderstand the normal progression of change and make the mistake of expecting an immediate return to past levels of performance.

One company we worked with expected to transfer people from Denver to Oakland over a weekend and have everyone show up for work on Monday, ready to go. When we interviewed these employees, they appeared to be in a state of shock. How could they assimilate this drastic change into their routines when they barely had the time to say goodbye to people they worked with?

People have deep attachments to their company, work group, and way of working. When these are disturbed companies must allow a transition period of letting go the old ways and moving toward the new, or their em-

employees will lose their spark. This process of both honoring the old culture and actively creating a new culture is important to the success of the new organization.

We have worked with organizations undergoing change for three years and have found that companies are reluctant to recognize the need to assist their employees during transition. They often hope that employees will be revitalized and restored to productive work groups without intervention. They become impatient as the pressure of markets and shareholders force them into drastic changes. Human beings are enormously flexible, but they need support in order to negotiate the shifts demanded of them. We worked with several companies including a large bank with many acquisitions, a telecommunications company after deregulation, a high-tech company hotly pursuing acquisitions and spinning off companies, an auto company, and several service companies. This work provided us with guidelines for assisting individuals and companies in transition.

Key skills

Some people cope with change better than others. Research data and our personal experience shows that people who can withstand the stress of change utilize certain key skills. These are not personality traits but actual skills that employees can learn. Hardy, stress-resistant workers have higher levels of

- *commitment*. They are involved in their work and they create a sense of purpose and meaning in what they do.

- *control*. They experience a sense of personal power and look for what they can control about their jobs.

- *challenge*. They see change as an opportunity to learn new skills, not as something they must avoid and fear.

- *connection*. They value their friendships with people, feel respected, and have a common bond and purpose with the people around them.

Employees commanding these skills are better able to reduce the negative effects of change on their work performance, personal functioning, and health.

A model for change

Working with individuals and organizations during change, we've seen a common pattern of transition emerge. The Change GridSM illustrated in the

accompanying figure provides an overall model for mapping the various individual or organizational responses to change. The two axes define four quadrants, which are the four phases of the transition process: denial, resistance, exploration, and commitment. These phases apply to individual, group, organization, and even societal transition.

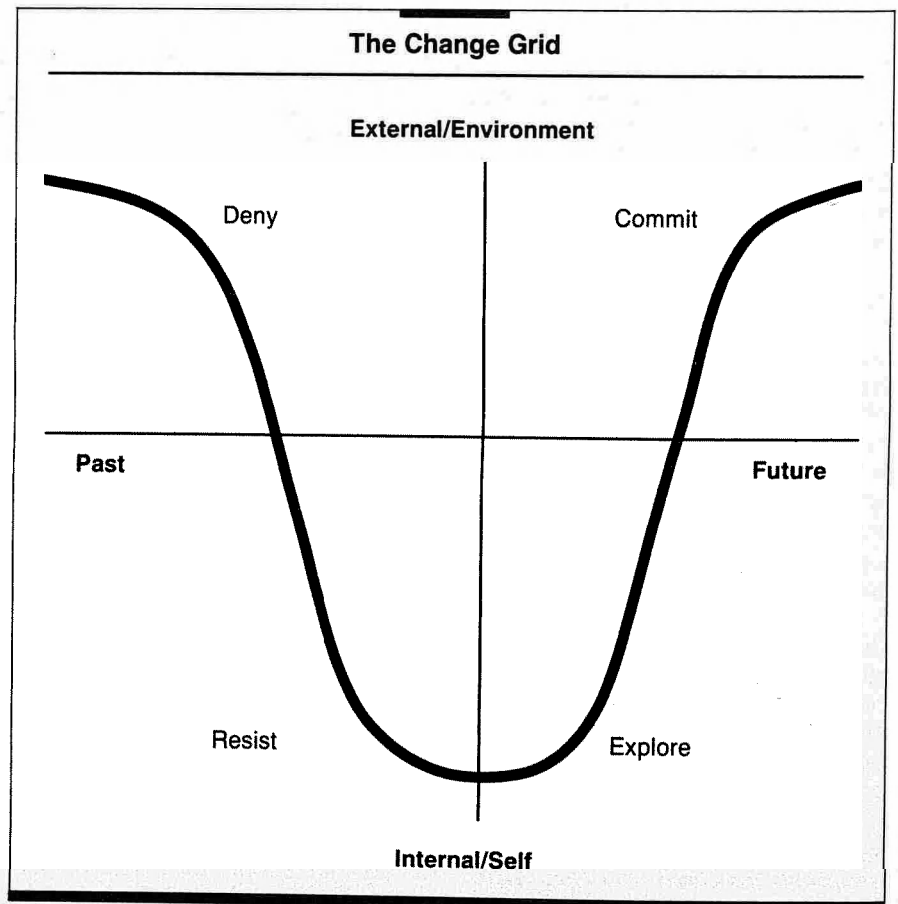
Moving through these four phases, there is a directional flow of personal and organizational attention. The horizontal axis of the grid shows the focus of attention either on the *past*, the way things were, or the *future*, the way they might be. The vertical axis denotes attention focused either on the *external* environment or on the *internal* self of feelings, sensations, and thoughts.

The first phase in the transition process is *denial*. At first, the true meaning of a change doesn't sink in. When a death is reported, or a company is sold, the first effect is usually numbness. Nothing happens. People continue to work as usual. It appears that productivity will continue and nothing will be affected. Denial is prevalent and harmful because it impedes the natural progression of healing from moving

forward. Employees stay focused on the way things were, neglecting both themselves and their future, not exploring how they can or need to change.

Denial can be prolonged if employees are not permitted to register any reaction. Too often management indicates that it wants to continue "business as usual." Employees turn a blind eye to the signals they are receiving, which leaves managers to believe that they have moved directly across the curve to the final phase: *commitment*. This Tarzan-like swing usually works in the movies, as the hero triumphantly clears the pit with a glorious yell. In companies, however, people may pretend they have cleared the pit, but, inwardly, they are still affected by the change. Productivity inevitably decreases. At this point a consultant often is called in to run stress management or productivity programs. But the programs' focus is usually on the individual's, rather than the organization's, response to the change. Change management programs usually aren't requested until a majority of employees have reached the *resistance* phase.

Resistance occurs when people



move through the numbness of denial and directly experience the self-doubt, anger, depression, anxiety, frustration, fear, and uncertainty that accompanies major change. People focus on the personal impact of the change on them. Productivity dips drastically. Managers will hear lots of grumbling, employee assistance services will be swamped, and the copying machines will be churning out resumes. Accidents, sickness, and work-related losses multiply. No matter how much a company wishes it away, the experience and symptoms of resistance are inevitable. The best a company can do is help people overcome them.

It's hard for a company to be open to negative expression, but that's exactly what helps to minimize its impact. Allowing people to express their negative feelings and share their experience with others makes this phase progress faster. People say they felt they were alone in their reactions or they weren't aware their reactions were so intense. They feel better when they share. This is a time when organizations really can use rituals like picnics, parties, awards, and luncheons to contain these normal responses. People need a way to say goodbye to the old and begin to welcome the new.

One company we worked with held a Christmas party in August, complete with gifts and a tree, to celebrate being together before impending layoffs planned in September. Some companies have held "corporate wakes" to say farewell during the final stages of a merger. These acknowledgements of resistance help people move along the curve faster.

Although it takes time, the low point is passed and employees begin to move up the other side of the change curve. This shift indicates that things are going to get better. People report a wide array of positive indicators: sleeping through the night, feeling like a dark cloud has lifted, headaches ceasing. Suddenly organizations note a renewed interest in work and see the return of creativity and drive to employees. This indicates that they have successfully crossed the boundary of resistance and are ready for *exploration*.

During exploration employees release energy as they focus their attention on the future and toward the external environment once again. In this phase people tend to draw on their considerable internal creative energy

to invent ways to move into the future. This phase can be both exciting and exhilarating, and it can create powerful new bonds in a work group.

Positive energy does have its drawbacks, however. Some consider this phase to be chaotic. Everything is in question as people search for new ways to relate to each other, question ways to secure their future, and wonder how the new organization will be brought together. There is some stress of uncertainty during this phase, especially among those who want a lot of structure.

After searching, testing, experimenting, and exploring, groups and individuals begin to see a new form emerging. They are ready to be *committed*, and move ahead. Individual employees and larger work groups are ready to refocus on a plan. They are able to recreate their mission and attach action plans to make it work. They have learned new ways to work together and have renegotiated roles and expectations. This is a phase of solid identification complete with a clear set of goals and direction to reach them. This phase lasts until another cycle of transition begins with another major change.

When a work team recognizes and allows expression of each phase, the people who experience great personal and performance problems can be renewed and reconnected to the company. Those companies that take time out to see *how* people respond to changes can travel to the other side of the transition wave more quickly than those that operate by massive denial.

This model can be used in many ways. It can predict employees' reactions during changes. It can be used diagnostically to assess where individuals, teams, and the whole company stand in relation to the transition curve. This is helpful information for top management teams who find themselves in the exploration phase while lower-level groups are stuck in denial or resistance. We have used this model in executive retreats to understand why commitment-phase planning would not be possible until the individuals involved had dealt with the resistance phase. Organizations can use the model to design management strategy for moving down the curve and then moving up the other side.

Dos and don'ts

Simple communication of change is an important aspect of managing the

transition. We found that a mini-version of the transition curve occurs in a meeting where a change is relayed. At first people deny the message that is delivered, reacting with disbelief. At this stage complicated details about the change will not sink in. Later, when the resistance phase is in full swing, employees will meet the new situation with distrust and possible hostility. This is a time for having meetings, listening, and installing hotlines for instant, clear, accurate information. In this first half of the process, it is important that the organization tell people as much as possible and not lead them on with promises and inaccuracies. It's also a time for management and supervisors to be willing to listen to employees' reactions with caring, but without having to "solve" or change the feelings.

During exploration people need access to information to make informed choices. A good example of providing access is to establish resource centers to help people locate new jobs in the face of layoffs. During commitment people will want to solidify their plans, move toward action, and put these resources to work.

We found that some individuals have greater difficulty moving through these phases, while others, such as the executive who has been "downsized" out of three companies in three years, can move through rather quickly. Some employees will get stuck and not be able to respond to even the most supportive supervisor. Often they are experiencing multiple transitions and need additional support. The model assists supervisors in identifying the employees who are stuck and need to be referred to the company's employee assistance program or professional counseling to help them get back on track.

Since change is inevitable, will we always be surfing on this wave of transition? The answer, we hope, is "yes." Without change we would run the risk of becoming stale and unresponsive. Organizations will become more resilient when they recognize that while change is deeply demanding, it has a predictable pattern that can be managed and responded to in a creative manner. The challenge we face is to learn to move through this wave of transition as easily and creatively as possible.

