Managing Change At the Top

The appearance of a new boss presents HRD practitioners with an unparalleled opportunity to show their stuff—and benefit the organization.

By EDWARD G. MARITS, JR.

Who among us has not felt the stress of uncertainty from any organizational change? Who has not had a long list of questions and concerns on learning that a new boss was taking over? What HRD practitioner wouldn't like to master a process for minimizing the disruption of leadership change?

One way to answer these questions is through a strategy for dealing with change of leadership and the organizational turmoil evoked by the change. The following team-building model can minimize the productivity decline inherent in any leadership change.

Organizations in transition

There are many reasons for organizational instability and uncertainty: a new product line, a corporate move, new legislation, an economic recession, a revised strategic plan, an international political event or a change of management. All transitional states manifest common organizational symptoms independent of why the change is taking place. These include high uncertainty, low stability, high levels of perceived inconsistency, high levels of emotional stress on individuals, high manifestations of energy (often misguided), strong needs for control, strong affirmation of explicitly valued behavioral norms and patterns, increase in conflict and decreased productivity. Additionally, the organization during this period has some explicit needs and demands which include high need for redirecting and managing negative energy (frustration, anxiety), high demand for reaffirmation of organizational goals in order to foster a sense of stability and certainty, high demand for careful communications which are qualitatively sound and high need for trust, respect and confidence in the organizational leadership.[1]

These needs and demands become the practitioner's target of opportunity. Through a planned series of activities, the organization can minimize the natural disruption of the transition state.

Leadership change transition

Since the model developed here addresses leadership change, we can define the transition as a period of time between the announcement of a manager's departure to a time when a new manager is operating effectively and his or her unit is producing at or above the pre-change productivity level. The model is fundamentally a team-building process that addresses organizational demand and need caused by the succession. The objectives of the process are to minimize organizational and individual stress, including that of the new leader, and to reduce organizational "downtime" (less-than-optimal productivity). This is accomplished through a series of planned activities[2] that enable the organization to assess accurately its needs, demands, issues and concerns, and to develop and implement actions to make the transition smoothly.

It is essential to list the expected outcomes of a leadership transition process. The planned process is used to:

- Reduce organizational/department/unit downtime by a specific period of time, from one day to months.
- Save resources by maintaining the continuity of operations and organizational effectiveness during a period of change.
- Save time by allowing the old manager the opportunity to ensure that his or her energies can be dedicated to a smooth turnover.
- Save time by allowing the new manager to see how the staff/team functions together.
- Allow the staff/team to gain insight into the new manager's style, practices and policies.
- Highlight the strengths and weaknesses of the organization/unit as perceived by management.
- Clarify all roles, including the departing manager (DM), the incoming manager (IM) and the critical managerial staff (MS).[3]
- Outline goals and priorities for the next 6 to 12 months.

In the armed services, where leadership change is routine and frequent, the leadership transition process has received a great deal of attention and praise.[4] Although called by different names, the process is used by many, from the field unit division head to the major multi-missioned headquarters command. It is used in an environment and culture long-familiar with leadership change. In the highest levels of Federal and state government it is used during executive change of office; in industry it minimizes variation. The process succeeds because it:

- provides the new leader with the opportunity to move into the organization in a strong position without threatening his or her managerial prerogatives;
- reduces anxiety for all parties;

Edward G. Marits, Jr., is a master organizational effectiveness consultant and training and development specialist with the U.S. Navy.

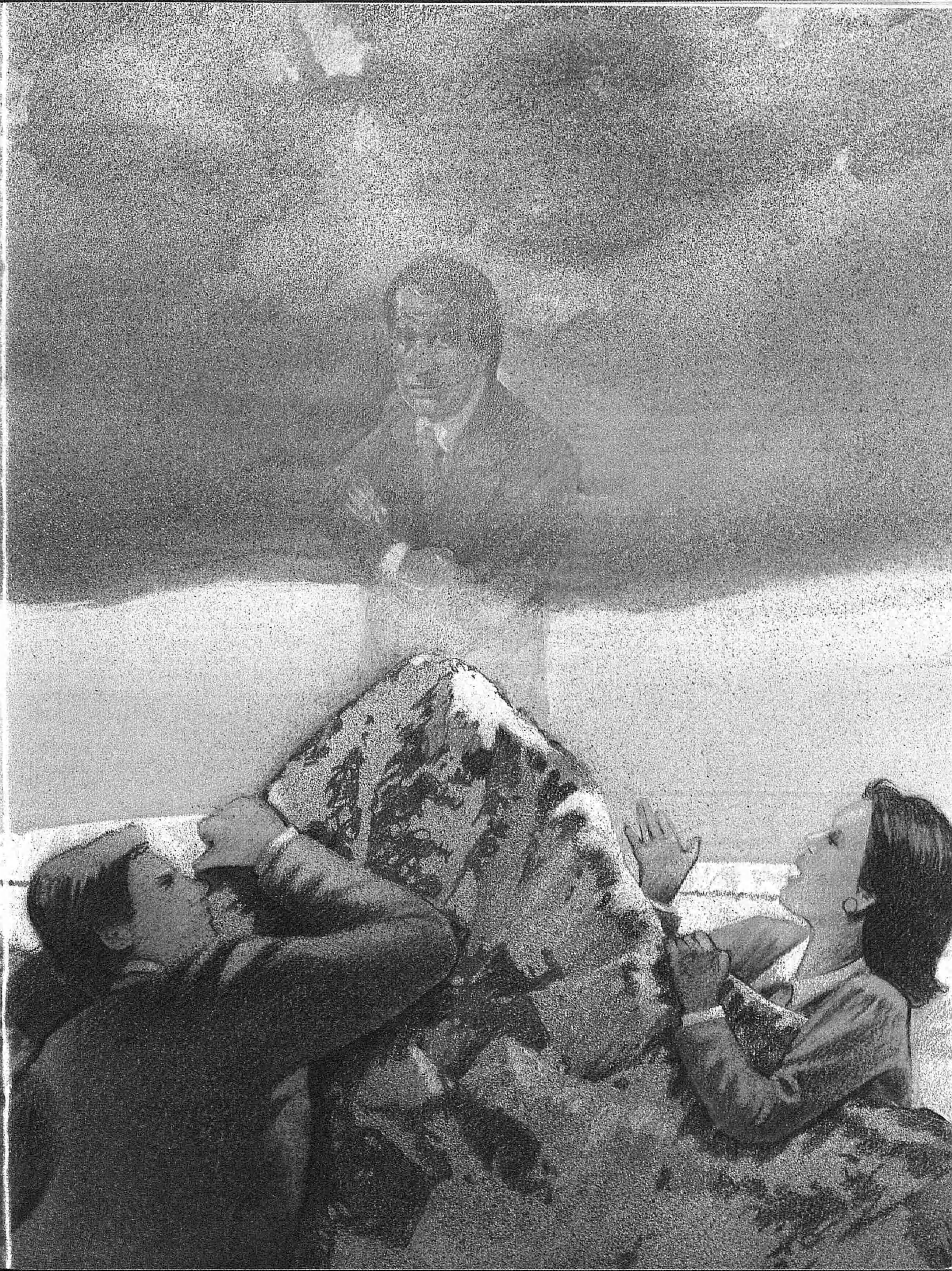

Figure 1—Leadership Succession Team-Building Process Desired Outcomes

To provide the incoming manager with the information needed to make sound and efficient decisions that establish priorities and implement policies.

To provide a forum for initial interaction between the incoming manager and the management staff.

To clarify the roles of each management member in relationship to the incoming manager and each other.

To clarify concerns, priorities and expectations on the part of every member of the management staff.

To identify and share organizational or unit/departmental goals for the first three to six months.

To identify and discuss problems, difficulties or conflicts within the organizational or unit/departmental structure.

To share organizational climate information and system values.

To re-articulate the organization's purpose and mission.

To discuss internal management procedures and practices.

To identify mutual needs and enhance the teamwork of the management staff.

To discuss any existing or perceived constraints on task accomplishment or available resources, whether those constraints come from within the staff or from external sources.

To identify any actions that may facilitate the leadership change.

To provide an opportunity for the incoming manager to gain the staff's confidence on the premise that he or she can work with them without initially threatening their existing mode of operation.

To provide a forum for the management staff to pass on their "street wisdom" about the organization to the incoming manager.

To develop a plan of action and milestones to insure smooth, continuous productivity.

- provides the opportunity for key people to work together to identify issues, and tackle and resolve a high-importance/high-risk task;
- allows subordinates to be involved in helping rather than second-guessing a new manager;
- allows for improved organization self-image by avoiding the "let's wait and see" syndrome;
- provides for meaningful programs and projects to proceed without interruption (or attempted sabotage);
- provides the opportunity to address organizational concerns, develop strategies and build new skills and resources for all;
- demands individual and management immediate plans of action.

The entire process is done in four steps.[5,6]

Understanding and commitment

The objectives of the first step are to ensure that all involved in the process understand the concept and what, why, when and how actions will happen. Secondly, each principal must commit to partial ownership of the outcomes through cooperation, support and candid disclosure—the first team-building result.

This usually is accomplished by a series of individual meetings between the practitioner/process leader and each of the principals. Generally, it begins with the practitioner contacting the new manager to describe the process, discuss the potential outcomes, establish the goals of reduced disruption and turbulence, develop questions for data collection and areas for discussion, and determine the best measure for evaluating the success of the process. The department and incoming managers are then encouraged to issue a joint memorandum describing their expectations, desired outcomes and the schedule of activities. (Figure 1 lists outcomes the incoming leader might select to accomplish the goal.)

Data gathering and analysis

The critical management staff is used to identify those areas that should be discussed, the questions that they would like to ask the IM, and those items which are critical to immediate action that the IM should know. Some typical areas for exploration include performance by personnel, productivity, decision making, personal styles, communications within the organization, priorities, integrity and social issues. (Figure 2 lists questions for each category that have proven to be helpful, and for which the IM might prepare.)

The information gathered from the MS is analyzed and used to develop the flow and design for the team-building meeting. Additionally during this step the IM, key staff members and DM are provided a style inventory to assist in identifying their management, behavioral or work style as appropriate. The selection of inventories—commercially available from various markets—is based on the needs of the principals. During this step, distribute a series of "cueing" questions for the MS to consider and address during the team-building meeting, and a list of topics for which the IM should prepare. (Figure 3 lists useful questions for each member of the MS. Figure 4 lists some preparation questions for development of a presentation to the IM.)

Team-building meeting

The purposes of this step are to share all the information outlined during the previous activities and to allow the principals to develop individual and departmental short-term plans for action. The meeting is accomplished through one or two sessions with two fundamental parts. After introductions and review of meeting agenda and protocols, the MS shares and discusses those issues which will be important to the IM during the first months after turnover. This could include any or all of the following: organizational issues and concerns; sub-unit/department/division issues and concerns; understanding of the organizational mission and pur-

Figure 2—Questions for an Incoming Manager

Leadership Succession Meeting Discussion Items

Performance

— What behaviors do you expect of key personnel?
— What is your definition of a top performer?
— How will management personnel know if you are not happy with their performance?

Productivity

— What are your production goals?
— What are your organizational expectations on units of output and methods of measurement? (How are you going to measure my productivity?)
— How receptive are you to productivity innovations?
— Are you willing to take risks, and to what degree?

Decision Making

— What should a staff member do if he or she thinks you are making a mistake?
— How far down will you push the decision-making process?
— Do you have a negotiation period after you make a decision? When is it over; how should staff members approach you?

Personal Style

Do you have any idiosyncrasies that we should know about?
What should a staff member do if you lose your temper?
How do you express dissatisfaction?
What cues do we look for to know when you think something is important?
How frequently do you want to see key personnel?
What are the ground rules for calling you at home?
How do you handle conflict in the work center?
What are your strong points? Weak points?

Communications

Should everything be in the smooth before coming to you, or will you accept rough drafts?
Do you expect written status reports?
How do you send "zingers" to personnel?
How much do you want to know about a problem?
When do you like information? (Any time? An end-of-day debrief?)

Priorities

What is your #1 priority?
What are your personal goals?

Integrity

Do you have any strong feelings about moral issues?
What should a subordinate do if he or she feels like you have put him or her in an ethical "crunch?"

Social

How much social interaction do you expect to have with your personnel?
How should your staff address you?

poses; clarification of goals and objectives; clarification of individual roles and responsibilities; strongest and weakest organizational activities; political and social implications of organization activities.

Second, the IM shares philosophies, issues, concerns, questions, visions and styles, and responds to any questions raised by the MS. This is followed by discussing short-term action for all or part of the principals, and committing to the development of action plans as may be appropriate. Any closing comments are addressed and the meeting is adjourned.

The DM should be present during the first part of the team-building meeting to help clarify issues raised, to provide a broad view of the problems identified and to provide stability for the IM. The DM then can reduce any attempts to distort conditions or facts, or to disproportionately influence the IM.

The practitioner serves as a group facilitator, agenda gatekeeper, stimulator and, if necessary, conflict manager. (Figure 5 provides a sample agenda for a two-session leadership change, team-building meeting.)

Action plan

With the information derived from the team-building meeting, the MS and IM formalize a series of actions into a short-term plan. This is accomplished and implemented as an outgrowth of the team-building meeting with a member of the MS selected for the monitoring and reporting. Additional meetings might be useful, or activities can be reviewed as an addendum to subsequent board meetings. The action plans are integrated into routine operation at some point after the IM assumes control.

There are many alternatives to this process depending on organizational and personal factors. Consideration should be given to the environment, the structure of the organization, the time and schedule constraints of the principals, the people facilitating the process, the impact of personal styles, interpersonal situations and the general receptivity and commitment of the principals, the reasons for the leadership change, the resources allocated to implement the process and the measures established to determine degree of success. The process works best when the departing leader is supportive and an active participant, when the team-building meeting is kept to one full or two half days, when the principals dedicate some time and energy to reviewing the pre-meeting work and when a clear statement of the IM/DM's outcomes is communicated to all members of the management staff.

The most useful evaluation measures are the comparison of expected to actual familiarization time and the reduced organizational turmoil and expenditure of resources from rapid leadership understanding and integration in the organization.[7]

The conditions of leadership change that most readily lend themselves to the process occur when:

- the incoming manager is unknown or has a reputation;
- any breaks in organizational continuity are unacceptable for production or profitability;
- there is little time for the sorting or identifying of problems;
- the departing manager is leaving quickly because of unfavorable conditions or is particularly popular;
- there is a significant difference between the styles of the departing and incoming managers.

Figure 3—Questions That Each Member of the Management Staff Should Answer for the Incoming Manager

—What the IM needs to know about me is . . .
—My single greatest concern at this time is . . .
—The thing(s) that get in the way of my doing my job better are . . .
—The changes that need to be made to help me are . . .
—What the IM can do to help me is . . .
—What requires the immediate attention of the IM is . . .
—What the IM needs to understand to work successfully for this organization is . . .
—Policies, procedures and issues unique to the organization that the IM should be aware of are . . .
—What my department/unit does best is . . .
—What my department/unit does least well is . . .
—Support I need from the IM is . . .
—I consider my department/unit top 10 priorities to be . . .
—I consider the organization's top 10 priorities to be . . .
—Are goals and priorities clear and realistic . . .
—Do we plan and anticipate well . . .
—Is there an atmosphere of open and honest communications . . .
—Do we communicate well . . .
—How conflict is managed . . .
—How is our morale, our team's morale . . .
—The organization acts as if its priorities were to . . .
—The strengths and weaknesses of the organization are . . .

Figure 4—Pre-Work Tasking Questions

Please prepare some notes for your own use that answer what follows. Expect to share your notes with the incoming manager and other management staff personnel who will be present at the meeting.

Define success for your department/unit during the next three to six months (be specific).
What factors are helping/hindering you in attaining success as you have defined it?
Where do you feel you will spend most of your energy in the coming year?
What should be the major focus of the entire organization in the next six to nine months?
What could be done to improve the department/unit's internal management procedures and policies?
Where are your three greatest problems for carrying out actions; with whom and why?
What do you need/desire from the IM to maintain and improve your effectiveness; your unit's effectiveness?
What problems, if any, do you foresee with the coming change of leadership?
What are your major strengths and weaknesses?

Figure 5—Team-Building Meeting Sample Agenda

Activity	Responsible Person
SESSION 1	
Welcoming Remarks	Departing Manager (DM)
Objectives/Agenda of Meeting Roles of the DM/IM/MS/Facilitator	Facilitator
Meeting Outcomes and Expectations	Incoming Manager (IM)
Briefs of Job Descriptions/ Areas of Responsibility/Existing Policies and Procedures	Management Staff (MS)
Concerns for Change/IM/Organization Needs and Issues/Role Expectation New Manager	MS
DM excused (optional, but sometimes useful)	
Identification of Themes/Issues and Concerns	All
Report Out and Discussion of Issues and Concerns	All
SESSION 2	
State of Direction, Philosophies, Visions for the Future	IM
Style Disclosure, Sharing and Discussion	IM All
Response to Questions of Concern	IM
Development of Action and Activities/Commitment to Action Plans	All
Closing Comments	IM

References

1. Harris T. (1984, December). Characteristics of organizations in transition. Unpublished notes delivered to the U.S. Navy Advanced OE Program.
2. Burke, W. (1982). *Organization development: Principles and practices.* Boston: Little, Brown and Co., 44-59.
3. Beckhard, R., & Harris, R.T. (1977). *Organizational transitions: Managing complex change.* Addison-Wesley Publishing Company.
4. Myers, L. D. (1983, Winter). The command transition workshop. *The Navy Civil Engineer*, 18.
5. Spencer, L. M., & Cullen, B. J. (1978, September) *Taxonomies of organizational change: Literature review and analysis.* Boston: McBer and Company. A report prepared for the U.S. Army Research Institute, contract DAHC 19-78-C-0003, 104.
6. Frame, Hess, & Nielsen. (1982). *The OD source book: A practitioner's guide.* San Diego: University Associates Inc., 49-55.
7. Phillips, J. J. (1983). *Handbook of training evaluation and measurement methods.* Gulf Publishing.

Acknowledgement

This article liberally uses non-copyright material from various unclassified and unofficial DOD publications. Of particular note is the extensive work in this area done by the Department of the Army and which collectively can be referenced from the U.S. Army OE Communique Cumulative Index (1977-1981), a supplement to issue # 4-81.