"But we haven't finished the last transformation yet!"

There is a recurring cry for stability, sometimes expressed as 'the need for consolidation', which is generated by change cycles that tumble over one another, at an ever increasing speed. There has been much publicity about the rate of change, growing evidence of what happens to businesses that are inward facing and don't notice what is rushing up to them, and myriad seminars and books on the subject. In spite of this, there is still discomfort for some people in facing up to what is happening in the world.

While change is nothing new, the fact remains that a number of recent and current trends make the business of managing it much harder, if not impossible. It is probably time to face up to the need for a rethink about the very role of the manager, and whether there is actually such a thing in business, at all.

Change cycles are much shorter than they used to be and getting shorter all the time. Globalisation has opened up cosy domestic markets to competition from anywhere in the world. Technology is creating new work paradigms, which have little to do with time or space, as traditionally understood. Open communications have changed employee expectations beyond the point of satisfaction with old styles of managing. New economic partnerships form and dissolve, and regulations evolve and change at a dizzying pace, and it is hard to keep pace.

Which is another way of saying that the dynamic systems in which business leaders are thinking and acting exhibit more chaotic behaviour than older, more stable types of order.

"We have to be honest and admit that we don't know the answers any more, but we can at least help to frame the questions."

Thus spoke a heavyweight thinker, to a number of other equally heavyweight thinkers, about the subject, at a 1997 international conference on managing change. Perhaps not surprisingly, instead of being greeted with polite derision, he found that there was a unanimous and ready acceptance of his expressed insight throughout the delegates present.

Which raises a rather intriguing question, and something of a mystery, and one that perhaps ranks alongside two other great mysteries in management[**] - since managing and managing change are almost synonymous, and since, therefore, managing change has been a fundamental dimension of management, ever since ...

... why is it the subject of such current debate, and why, apparently, is managing change becoming more difficult instead of easier, after all these years of practice?

The information technology explosion

There is growing realisation that the old trade off between reach and richness in marketing communications no longer applies, and that this is changing the face of international business. ‘Reach’ is about the size of the market reached, and ‘richness’ is about the bandwidth or volume of information in the communications channel, the ability to customise it to the recipient and the interactions that are involved. The last is also a prime method of customisation. As a simplistic illustration, traditionally, the choice has been between advertising, where richness is sacrificed for reach, and direct sales forces, where reach is sacrificed for richness.

With the Internet, intranets and extranets, and other forms of electronic communications breaking down old barriers, the trade off often no longer applies. Moreover, new communications channels are very cheap compared with lots of people, cars and premises, which are demanded by tradition. It may be that older methods of marketing communications can no longer be afforded, with low cost competitors on the street - or to be more exact, off it.

For example, buying books via the Internet will produce prices in US$ amounts that are less than the £ sterling ticket price in UK high street shops - and they arrive in 48 hours. There are many examples of businesses that did not realise the implications of these changes, and are paying a heavy price in reduced turnover and profit - or have already paid by their extinction.

Less well realised is that a similar effect is occurring internally within organisations. Here there are conflicting issues involving power and employee expectations.

Power, Intranets and Extranets

Traditional hierarchies retain power within a small group of people, normally at or near the top of the organisation. Thus reach is sacrificed for richness, but only the few experience the richness. The net effect is that many people, not in the inner sanctum, are or feel de-powered.

The traditional hierarchy also enables richness in communications within small groups, throughout the organisation, and again, reach is sacrificed for richness. Compare what happens at the interpersonal level with the effect of the company newsletter and posters on the wall - lots of reach and not a bit of richness in sight. But then, they never did achieve very much anyway!

The parallel with external communications is sustained here as well, with intranets opening up internal communications to all, and extranets doing much the same throughout virtual organisations. Reach is thus extended with no sacrifice in richness.

In the external world, the ensuing conflicts are between competing businesses, where the winner often takes all, and the traditionalist declines, sometimes to vanishing point. In the world of internal communications, the conflict is different, but may, ultimately, have a similar effect.

Hierarchy v hyperarchy

A wider distribution of information through any organisation will be paralleled by a felt need for greater influence - information is always one source of power. As businesses start to realise that the knowledge and skills of their employees are the only ultimate competitive advantage, and as that knowledge develops with communications high in reach and richness, expectations will similarly expand.

Which is where the potential for conflict occurs. This is at the interface with the people at the top of traditional hierarchies, who are faced with the reality of influence being more widely distributed throughout the organisation. This is often where the discomfort starts to appear, for those who experience a felt loss of power and influence, and those whose expectations have been raised only to find that their real world influence is no greater than it was before.

Which means that the success of the new transformation will depend on a number of issues, key among them being the managing style of the holders of older forms of power. Their intent may be strongly in favour of a wider distribution of influence. This may have been their explicit intent, for example, when they went ahead with an intranet to improve communications internally. They may even be acutely aware of the truth of the proposition that people are the organisation’s only ultimate competitive asset.

If, however, they way they interact, at an interpersonal level, with the very same people they promised to empower, is such that it contains contradictory messages, they may find that the effect they intended to achieve is destroyed before it even gets off the ground. Similarly, the organisation’s technical, political and cultural systems, its processes and practices may all contain heavy symbolic significance, which contradicts the new espoused values of the organisation, as expressed by its top management.

So what does this all add up to, in terms of the changing role of the manager, and for the component of it that is involved with managing change?

Of dodos, new lamps for old - and a walk to the bathroom

The first is that the traditional role of the manager, as ‘command and control’ has about as much relevance today as the chances of the dodo making a comeback. The new role is more about facilitating and coaching. In fact, there is considerable question about whether the role was ever anything else. Many individuals, however, failed to realise what was actually required, (outside a very traditional military hierarchy, where command and control was an accepted norm).

‘Facilitating’, in this context, has a very specific meaning. Most people have a very strong desire to work for successful organisations, in successful, mutually self supporting and cross functional teams. They also have a felt need to deliver significant personal contributions to that success, by doing added value work to an excellent standard. Most organisations, however, create serious blockages in the path of the people wishing to express their work related desires through delivering excellent results. ‘Facilitating’ is about working with the people concerned, listening to their issues, and taking direct action or influencing others to take action to remove or minimise the effect of those blockages.

Secondly, perhaps because of a perception that managing change is getting more difficult, many managers experience a felt need to acquire new skills in managing change. A quick review of the books in the ‘management’ section of most booksellers indicates clearly the level of the demand. And yet, notwithstanding the increased rate of change, managing change itself is nothing new. So why the felt need for new techniques for managing the wretched stuff?

Research conducted around 1990, confirmed many times since, indicates quite clearly that there is no special skill related to the management of change. What is required is the development of an organisational style that enables all employees to participate in the normal and natural change processes that all businesses need for survival and then success. And one that employees themselves find stimulating and exciting.

Sadly, assumptions about employee attitudes and behaviour, in general, and resistance to change in particular, (which almost universally have no substance in fact), distort managers’ views on the nature of the problem and what is needed to fix it. Then the search for special techniques starts, all targeting a problem that was never inherently there in the first place, except in the managers’ minds.

Which leads us to a last observation, and that is that very few top managers have a truly accurate perception of how their organisations operate, and how their products or services actually get delivered to the customer. Which means that they can not deliver that part of their role which is about facilitating. Fortunately, there is good news here as well as bad news.

The good news is that the reasons why these perception gaps appear are very well known. The even better news is that the gaps are very easy to close - and quite quickly too. The bad news is that the managers in question have to face up to their own contribution to the problems that undoubtedly exist, and that may be less than easy to accept for many.

As has been suggested on many occasions, if an individual manager cannot observe in the immediate employee group a bunch of highly motivated, excellent performers, delivering their results in coherent, mutually supporting teams, the manager needs to take a walk to the nearest bathroom. Because all bathrooms have one feature in common - a mirror. Looking there will reveal the source of all the difficulties experienced.

Which takes us back to the previous observation. Creating and sustaining an organisational style and culture in which change is a way of life, and in which quite dramatic and rapid change processes can be accommodated, with the full support of employees, requires a major emotional, physical and mental investment by the manager. That does not always come easy, which is one specific dimension of the discomfort with which we started, and is one reason why the cry for stability and the felt need for consolidation appear.

Making the break through the emotional pain barrier, and making the personal investment required in people, however, provides an effective working solution to the problem of managing change. Instead of theoretical pipe dreams, dynamic change and emergent strategy can become realities, and chaos a new type of order, to the benefit of business and employees alike.

** In case you are wondering, two abiding mysteries:

- The subject of the effects of performance related pay and other forms of incentive has been researched to death, with a universal conclusion that the introduction of PRP will, at best, be neutral. In this case, why is it that so many senior line managers are still trying today to motivate their people by PRP? Intriguingly, we even know of one Chief Executive who sponsored and supported a book on management, which contained that very conclusion, and then introduced PRP into his own company - with entirely predictable results!

- There is probably only one management technique that, through objective research, has been proven to have a perfect track record - of failure, and that is the traditional selection interview. The evidence is clear that, as a predictor of performance, the traditional selection interview is about as useful as fluffy pink pyjamas are for getting to the top of Mount Everest in the middle of a winter blizzard. But guess which is still the most commonly used technique for selecting managers today? And if people are the only ultimate competitive asset, why are so many line managers not willing to invest more in getting the right people on board?