

Change Guru

An exclusive interview with best-selling author and Harvard Business School Professor John Kotter

By Kim Wright Wiley

The world is in flux. Financial markets rise and plummet. Technological innovations turn once-indispensable machines into clunky dinosaurs overnight. And people – well, people resist change with a vengeance. Companies are made up of people. Ergo, change is a tough management challenge.

In the following pages, *Selling Power* takes an in-depth look at how to make change work for your organization. Whether you're responsible for a small- to medium-size sales force or your team numbers in the thousands, changing the way things are done can be the biggest hurdle you'll ever jump. We begin with an interview with Harvard Business School Professor John Kotter.

Over the past decade, Kotter has been the undisputed guru of corporate organizational change. He is the author of 11 books on the subject, including the bestsellers *Leading Change* (Harvard Business School Press, 1996) and *The Heart of Change* (Harvard Business School Press, 2002). His latest book, a runaway bestseller, *Our Iceberg is Melting: Changing and Succeeding Under Any Conditions* (St. Martin's Press, 2006), is a fable starring a colony of penguins who, to put it mildly, have some pressing relocation issues. So what can sales managers learn from penguins? Apparently, plenty.

John Kotter joined the Harvard Business School faculty at the tender age of 25 and became a full professor at 33. Never a theorist tucked away in an ivory tower, from the start Kotter was interested in how companies actually "do" change. In 1996, an article published in the Harvard Business Review became the basis of his groundbreaking book, *Leading Change*. It was the best-selling book on management that year and went on to become one of the best-selling management books in history. Five years later, *Business Week* magazine named Kotter the "#1 Leadership Guru" in America.

In 2006, Kotter, along with coauthor Holger Rathgeber, published *Our Iceberg is Melting*. The engaging little book is a fictionalized illustration of the Eight Step Process for Successful Change that Kotter first outlined in *Leading Change*. The story opens in Antarctica where some very complacent penguins have concluded that because their comfy little iceberg has always been there, it always will be. But one penguin, Fred, is an unusually curious and observant bird who spends his days studying the iceberg and the sea around it. Fred eventually comes to the alarming conclusion that, contrary to popular thought, things might not always stay the way they were.

In other words, their iceberg is melting.

Not surprisingly, the other penguins aren't eager to hear this news. At first they try to dismiss Fred as an odd bird, but he eventually manages to get in front of the Leadership Council. Do they leap into action? Are you kidding? The leaders want to keep his findings a secret in order to avoid panicking the group. "Change isn't easy," Kotter says. "People resist it on every level in all sorts of ways and leaders can be the most change-resistant of all."

The penguins finally realize they must move or die and manage to pull a team together to guide the needed change. The penguin personalities represented in the book will seem familiar to anyone who has spent time on a sales team – you have your optimists and your pessimists, your gung-ho's and your no-no's, your hot reactors and your cool logicians. But as the penguins undertake one move after another, different birds step forward at different points to take the lead. By the end of the book, the once tradition-bound colony has become a group of nomads. Kotter writes: "The most remarkable change of all was in how so many members of the colony had grown less afraid of change."

Our Iceberg is Melting has been used by organizations all over the world from the Associated Press to IBM to the U.S. Department of Defense. In an exclusive interview with Selling Power, Kotter talks about how you can inspire the stubborn

birds on your own sales team to become more comfortable with change.

Selling Power: Why do people fear change so much? Is the fear born in us, or is there something about being in a group – like a sales team – that increases our resistance to change?

John Kotter: I have no idea how much our fear of change is born into us. I do know that if you look at groups where somebody is trying to initiate change, there are ways it works well and ways that it doesn't. We've done study after study on the formula to come up with our eight steps on how to initiate and sustain change, and if you don't handle even one of them well, you can create resistance.

SP: In what sort of situations might an organization need the eight steps?
move the coffemaker. We're talking about a company that's trying to make a significant, nonincremental change, a company that needs to introduce a whole new type of behavior. A company whose iceberg is truly melting.

SP: What are some reasons why an iceberg may start to melt?

JK: Technology and globalization...new and different kinds of products and services...a change in the compensation program...reorganizations, acquisitions, and mergers...unexpected competition that suddenly comes on the market. In the contemporary business world, there is an endless list of reasons why whatever you did yesterday simply doesn't work today.

SP: How important is leadership in instigating change?

JK: Crucial. Only leadership can blast through corporate inertia and motivate people to change in a meaningful way. True leaders don't just react to conditions as they emerge. True leaders anticipate problems before they arise or at the very least notice them first and respond fast. They motivate and inspire others to go in the right direction. Because unless you manage to get that buy-in and cooperation at every level, any effort to lead change is doomed.

SP: So the days of the larger-than-life leader riding into town on his white horse and bringing sweeping changes are over?

JK: Modern organizations are too complex to be transformed by a single person, so the leadership effort must have support from people working at every level throughout the organization. That's why steps 2 through 5 of the eight-step process concentrate on creating the right team, communicating your new vision to everyone in the group, and empowering other people to act.

SP: In your tips on how to implement the eight steps you talk a lot about making presentations, meetings, and memos shorter and more focused. Making them fun instead of dry and negative. How important is the way the message is delivered? Does the methodology and language around the way the change is presented determine how much people buy into it?

JK: That's actually why we wrote *Our Iceberg is Melting*. It's short, simple, easy, fun and approaches an anxiety-producing topic in a way that's not so intimidating. If you look at great orators, they all speak that way. They don't make it long, they make it clear. They get some emotion into it. They tell stories.

SP: With your academic reputation on the line and your track record of writing successful books on the subject of change, did you worry about how a penguin fable would be received?

JK: I'm just a guy following the breadcrumbs in the forest, and I follow whatever path they take me on. In the first book, we got the eight-step pattern down, and the feedback from our readers made it evident we'd gotten that much right. Then in subsequent books, we looked more at the how. The main thing we discovered is that people in the lower levels of organizations play key roles in making the eight steps work. If all you've got is four people in four corner offices who understand the need for change, it won't work. You have to get everyone on board.

SP: And you get everyone on board by telling them a story?

JK: Yes. If you look at the most common form of story that's been used to educate people throughout time, it's the fable

or parable. My collaborator, Holger Rathgeber, was a senior human resources administrator who was putting together a presentation. He decided, "Why not try something besides standing up there with the PowerPoint? Why not create an experience, something that pushes people out of their comfort zones?" He was looking at the first book, *Leading Change*, and by pure chance there were penguins on the front of it. He liked the picture of one penguin leaping out into the unknown while the other ones watched him and decided to make a whole story out of it. When Holger's idea came to me I thought it was so creative that we began to wonder how it would work as a book.

SP: And according to the sales, it seems to have worked great.

JK: Not just the sales figures, but through people's reactions and how much they've taken this little story to heart. Companies are buying copies in bulk and shipping them out to all their employees. When our German publisher read it, she got tears in her eyes and started talking about what changes were needed in Germany. We spent a year researching the book, and evidence suggested it would work great, but even so we've been stunned by the effects. Somewhere in Kenya at a school, a group of kids set up a penguin club to discuss changes they'd like to see in their country.

SP: If you could only say one thing to sales leaders about change, what would it be?

JK: Sales managers need to become sales leaders – their job isn't just dealing with what's happening now, it's about anticipating what will happen in the future and encouraging the people who report to them to step up to the plate. Change isn't going to end anytime soon, so the more comfortable people can get with it, the better for individuals and the better for companies. •

For more information on John Kotter's books visit:

www.johnkotter.com

www.theheartofchange.com

www.ouricebergismelting.com

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Object required: 'Cn'

/article/lib/common.asp, line 298