Simplifying Change

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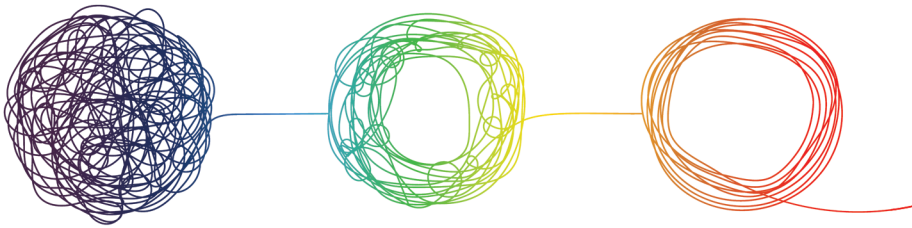A little book for executives who want to lead business and digital change without the drama.

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PREFACE

A few years ago, I was given a book by my boss. At first, I did not quite understand how this incredibly thin, A5-format, 94-page, size-14-Arial-font book could make any difference to me. It was about mice. And it was about cheese.

At the time, I was going through a significant amount of change at work, and the last thing I wanted to do was to read a children's book about mice – or about cheese. Except that the book was not about mice. And it was not necessarily for children either. The book in question is called *Who Moved My Cheese*?[1] and it changed my life forever. It gave me a bit of a steer as to how to change my mentality when facing change at work. But more importantly, it gave me a lot of mental clarity about how to deal with change in life. Just like that, I became grateful to my boss. And to the mice. And to the cheese. And to the author, Dr Johnson. For the rest of my life.

The content of that book is superb. However, in my view, a significant part of its success is the fact that it is a very thin book, with not very many pages and a comparatively very large font size for a book. In fact, I managed to read it in just a couple of train rides between home and work. I now buy it in lots of five and give copies away to friends and team members going through tough times and change.

I have been leading project work and change for the last 30 years. I have the T-shirt, and more importantly, I have the scars. I have been discussing change with senior leaders for almost as much time. After all these years, two things are clear to me:

• If you are an executive, you know by now that change

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1 Johnson S. Who Moved My Cheese? An Amazing Way to Deal with Change in Your Work and in Your Life. Vermilion; 1999.

is the only constant in your business life. In other words, if you work in leadership, you work in change. It does not matter if you are a CEO, COO, CMO, CFO, CIO, HRD, etc. or if you spend all day working on business-as-usual stuff, change is always around you, and you are an agent of change. It is a bit like traffic: you are not surrounded by traffic; you are traffic. A business activity is not always called a "change" or "project", but it aims to change the status quo, and therefore it is Change – with a capital C.

• If you are an executive, knowing about business change is expected of you, but you may not necessarily understand the ins and outs of it well or have a recipe for its success. Frequently, you do not have the tools to deal with it either. You know your operation inside out, and you have a really good sense for crisis management, but you are now leading change, and unfortunately, you have not been formally (or informally) trained in leading change and transformation. It is simply expected of you. This is an exceedingly difficult position to be in. It is worse these days as most business change tends to involve a huge amount of digital and information technology (IT) change, for which you are really not prepared.

You may even be suffering from an obscure (or maybe not so obscure) condition called 'impostor syndrome'. Defined by Wikipedia as "a psychological occurrence in which an individual doubts their skills, talents, or accomplishments and has a persistent internalised fear of being exposed as a fraud";[2] it is not uncommon in people without enough training or experience in a subject, when they find themselves leading that subject.

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2 Wikipedia. Imposter syndrome [cited 15 Sept 2022]. Available from: https://en.wikipedia.org/wiki/Impostor_syndrome

What often makes it worse is that, for leading this change, as executives, we tend to have an over-reliance on the people working for us, as well as our partners and suppliers from the wider business ecosystem. And, let us face it, we do not always understand their methods, their ways, or even their language around change and project delivery. Often, we simply cannot understand their words. Not to mention leading them through change when the change involves a large digital component.

If you are an executive, you have been there. And if you are reading this book, you are probably in it at the moment. We all have been there.

"Why are we late again?" I hear you say. Well, organisations often complicate the way in which they go about business change, especially technology-dependent change. The secret lies in making change **simple**, by converting a great vision or strategy into pragmatic, down-to-earth, implementable solutions. In other words, defining the 'elephant' well and then chunking it into digestible pieces.

I have conceived this book as a simple, small tool for executives leading (or heavily involved in) transformative change, especially if it involves technology, to give you some basic tools to approach change in a structured way, instead of 'inventing as you go', which is often the methodology of choice. I am also hopeful that this book will give executives a few simple tools and tips for managing those team members, partners and suppliers responsible for designing and implementing change. But of course, reading this book may also help your teams have a common understanding and language both among themselves and with you.

The format of the book is simple. I have read many business books in which a basic concept is stretched and stretched by the author – like dough for a pizza base. As if the author gets their recognition and pay based on the

number of pages written. Maybe they do? A straightforward concept ends up going for pages and pages, circling around and around like aeroplanes over Heathrow Airport. In fact, I have lied. I have not read many of those business books: I have started many of those business books and abandoned the task after the fifth time I saw the Oval from the plane window on my way down.

This is my very simple proposition: I will give you my favourite top 10 tips for business and digital change, I will give you the facts, and I will give you some tools. All in straightforward terms. There will not be a second viewing of the Oval. The more top tips you ignore, the lesser your chances for reaching change nirvana. It really is that simple.

Secretly, I am hoping that you will like this book so much that it will change your perception of leading change. And that you will buy it in sets of five and give it away to people who need it – just like I do with the book about mice. And about cheese…

About digital change

In 2023, unless you are leading a very technical project, such as the implementation of a new corporate network or the move of data centres, **digital change** is simply business change that includes a component of digital technology, to a higher or lesser degree of importance.

Business change must be led by the core business and not by IT. This is really important to understand. The progressive increase in businesses' dependency on technology is why there has been a shift in corporations in the last few years in which they have moved their Chief Information Officers (CIOs) to become Chief Digital Officers (CDOs), and also why large organisations are employing more and more non-technical leaders (although ones with

good technical foundations) like me. In addition, this is why many CIOs are progressing their careers by moving to leadership roles in business operations (e.g. to become Chief Operating Officers – COOs) or even to become Chief Executive Officers (CEOs). But ultimately, changing the business – with or without technology – is the role of a business leader, not necessarily that of a technologist.

Unfortunately, when dealing with business change that includes a digital element, the chances for a bad design, a late delivery or an over-expensive implementation increase exponentially, letting down the ingenuity of a great business vision. When the change involves digital elements, we often feel a bit like we are watching our IT colleagues disappear while wearing white robes and start throwing bones and feathers into a boiling cauldron while reciting spells, until something eventually comes out of it. Or not. I moved to IT proper for the first time in 1999, to learn about the cauldron and the spells, after being tired of IT compromising my business projects. I am also hoping that this book will help bridge that gap between IT and business, for which I have added many tools specific to digital projects.

> *Business change must be led by the core business, not by IT – even if the change carries a component of digital or technological change.*

Why are projects always late and overspent?

Lateness and overspend come up regularly in executive meetings: "Why are we late again with this project? Why are we overspent? Again? Really?"

Of course, the quality of the output often comes up as well – although, initially, quality tends to be less obvious

to the executive's eye than time and money, and less measurable.

My answer to these questions has been consistent for many years. The two key reasons for lateness and overspend tend to be the same: *poor definition of the scope* and/or *lack of ruthless determination on the sponsor's side*. Yes, there are very many other factors influencing the outcome of change, especially culture, and we will be covering them in this book. But in plain terms, if you have a confused scope, or a lukewarm, indecisive or not ruthlessly determined executive sponsor, then the project will be late. And most probably overspent. And most certainly of poor quality.

I have promised simplicity, and simple I will be. If you want to implement change on time, to quality and to budget, pay special attention to the following two elements over and above the rest: have absolute clarity on the task in hand and the outcome desired, through a simple yet detailed definition of the scope, which the team understands and agrees with; and appoint a very willing executive sponsor with the ruthless determination to succeed and personal accountability for the change.

Stick to these two rules and you will be 75% there. It really is that simple.

Now, let's talk about my top 10 tips for change.

The two key reasons for lateness and overspend tend to be the same: poor definition of the scope and/or a lack of ruthless determination on the sponsor's side. Fix these and you will be 75% there.

TOP TIP 1

ESTABLISH THE NEED FOR CHANGE

If it ain't broke...

This is one of my most favourite idioms in the English language: if it ain't broke, don't fix it. Folk's wisdom...

Sometimes, digital developments are solutions looking for problems. Or shiny, new things looking for a buyer – the emperor's new clothes. My first top tip is simple: challenge yourself about the true need for change, and if the emperor is naked, shout it out – loud!

⚙️ Toolset – The five whys

As is well known to Lean Six Sigma practitioners, getting to the true bottom of a problem can take up to five attempts at asking why. We call it the 'five whys technique'. This is how it works: Ask yourself, "Do I need this change?" And when you come with an answer, ask yourself, "But why?" And when you come with an answer, ask yourself, "But why?" again. And so on, until you've done this five times. Each time will get you deeper into your thinking and stop you from remaining at a superficial level. If, by the end of the five whys, the need for change is not blatantly obvious, stop the change initiative, regardless of what people around you might say.

🖥 Digital – Digital investment

Buying and developing technology is very expensive, and it introduces risk and ongoing costs to the organisation. Sometimes, a shiny, new gadget or widget looks attractive. A new system or a new app – love it! But introducing this new technology may not be taking the right path. When looking into technology, I will always question the true need for it. The emperor's new clothes can become even more of a reality when dealing with digital change. At home, do you have one of those electricity dashboard gadgets provided by the electricity company when you move to a smart meter? I do. And together with another small mountain of old widgets, it's in a box in the garage. It served no purpose other than a bit of fun with the kids on day one. However, telling the kids off when they left the lights on until they learnt the value of doing this to the planet (and the pocket) saved much more money on our domestic electricity bill than the widget in the garage. Simple.

However…

As much as not fixing things that are not broken is important, this could also be the beginning of the end for a business. I am scared of using Kodak's name in a change book. Saying that it is a big cliché in the world of change would be the understatement of a lifetime. However, Kodak was not broken. At its peak, and in relative terms, it was probably bigger than Google or Apple. It certainly did not need fixing. But of course, the good old expression was designed for mechanical stuff, and it does not consider obsolescence

and disruption – especially digital obsolescence and digital disruption.

In this fast-moving world of ours, if we fail to innovate, we are at serious risk of rapidly becoming obsolete and, ultimately, redundant – sometimes overnight.

⚙ Toolset – *Kaizen*

When dealing with obsolescence, I always recommend executives have a mentality of 'incremental change', 'incremental innovation' or 'continuous improvement'. Japanese businesses call it 'kaizen', and it is not just a great way of increasing sales and reducing costs but is also a great solution for obsolescence. On top of this, creating this mentality among our people can become very handy for dealing with big change. If they are used to small yet continuous change, they will have the tools when big, disruptive change comes along – and it will.

A kaizen mentality needs to come from the top. If the boss is not interested in continuous improvement, it won't happen. How do you test if the boss really is interested or is just talking about on-trend stuff, to blend in with the rest of the executive team? That is easy: by checking whether they are willing to put their money where their mouth is. In a true kaizen culture, leaders encourage and fund innovation, frown upon the preservation of the status quo and allow mistakes (within limits). Without these cultural trades at executive level, a kaizen approach will not succeed, and the chances for significant obsolescence multiply.

Transformation is hard to define, and it is a lot

more than just continual change. Transformation is about achieving a fundamental shift in the way a business operates in response to an inflection point (scaling, disruption to the competitor landscape, technological innovation, economic or political change, change of business ownership, etc.). Transformation is required when evolution is insufficient – when we want a butterfly, not just a bigger caterpillar. The rules are very different from those used in continuous change, and the risks are also much larger. This book covers, in the main, transformational change. But continuous improvement must be in all good leaders' minds.

⌨ Digital – Technical debt

Continuous improvement is absolutely critical in IT and digital. If you make no regular investment in getting rid of obsolescence in your systems (you may have also heard it called 'digital debt' or 'technical debt'), you will be sitting on a time bomb. At some point, the upgrades needed will be so big and risky that they may compromise your whole organisation. There is more on technical debt later in this book (see section 'Light a fire' in TOP TIP 3).

⌨ Digital – Digital change

Let us be honest, digital transformation is not new. In fact, I was an early victim of digital transformation in my early teens when my uncle, a sociologist, bought the original domestic IBM personal computer (PC) in the 1980s, and my profitable weekend job as a human calculator of data tables

vanished to the flamboyant Lotus 123. I was not a happy boy. And although the concept is not new, the COVID-19 pandemic has accelerated the need for digital transformation. The lockdowns in 2020 and 2021 have taught companies that businesses must get closer to their clients and employees alike. From the need to increase the volume of home deliveries, to the necessity for bringing services such as healthcare closer to patients, and to the requirement for employees to be fully operational from home, the pandemic has simply accelerated the pace of change, not invented it.

A word of caution on 'fear of missing out' (FOMO)

FOMO is probably one of the most obvious malaises of the 21st century, fuelled mainly by social media. FOMO manifests itself as the feeling that there might be better things you could be doing, and that you are missing out on something important that others are experiencing right now. In business, this is the fear that you are missing out on stuff that competitors are doing or stuff that customers would love to have. FOMO is especially true when it comes to digital innovation, where competitors' widgets and gadgets may create this feeling in the executive looking over their shoulder.

My advice is to look deep inside and judge whether a 'need' is really a need, or rather the perception that others are apparently doing better. Get help from an external consultant or coach if need be. Pursuing change on the basis of FOMO may lead to a mountain of expense with no real reason and no real output or benefit. The five whys technique may also come in useful for this.

Finally, be honest

Nobody likes accepting that they have made a mistake. I certainly do not. You may even have started the change. Reflecting on the need for change and being honest with yourself at this stage of change is essential. Personally, I would rather leave someone at the altar than have to deal with a bad marriage and a divorce, just because I started the relationship.

Before starting a change initiative, always consider the need for change and always be honest with yourself. If there is no true need, stop it, even if you were the one initiating the change.