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## Would You Rather Your Organization Change... Or Transform?

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In the world of rapid change, organizations must respond to two conflicting imperatives. On one hand, organizations must manage for innovation, which requires foresight, experimentation and improvisation with an eye on the future. On the other hand, they must manage for performance and growth, which requires consistency, efficiency and the ability to maximize short term results. Successfully navigating the “tension” between these two essential elements of a thriving organization is something that challenges many of the top leaders in today’s organizations.

### **Transformational Leadership**

Typically, an organization’s leaders utilize a transactional approach to managing which diminishes their ability to adapt to rapidly changing market conditions. Transactional leaders set goals, articulate expectations and work to establish a rewards system for a job well done. Operating in a transactional way means managers are focused on increasing the efficiency of established routines and procedures and are more concerned with following existing rules than with making changes to the structure of the organization.

Instead, to function and succeed through an ongoing change, we must prepare leaders and managers to think and operate in a *transformational* way. Transformational leadership is an intentional, well planned and meticulously executed process that is driven by accountability and buy-in at all levels of leadership and responsibility. It is a balanced internal organizational response to the rapidly accelerating external environment of change. Culture, values, expectations of leaders, employee engagement (and the sometimes moving target of just *what* engages their employees) and decision-making accountability are all key internal areas that an organization’s top leaders need to not only address on a functional level, but strategically lead through, as well, for true transformation to occur throughout the entire organization.

### **Intentional vs. Imposed Change**

Of course, there are two sides to every story. An intentional change process that leadership—decision-



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makers—experiences typically reflects a conscious decision, anticipated and gradual problem-solving, and the “lens” and potential of new opportunities. On the contrary, those within an organization who *implement* the change feel it reflects an imposition, is reactive in that it seems sudden and dramatic, and that the change is simply disruptive to routine. Ultimately, transformation often “fails” because most of the people in the organization are implementers and lack the empowerment, context and information necessary to carry out the components of change that result in transformation.

### **Focused Leadership Training and Development is Essential**

Leaders frequently unwittingly fail to prepare and engage their employees and the organization as a whole for the upcoming transformation and, often, the connection between various change initiatives and communication around what is happening is not clear, concise, or consistent. Instead, internal transformation throughout the organization needs to be led with as much intention and rigor as strategic transformation. Truly successful transformation requires a balance of diverse skills, knowledge and experience. Unfortunately, but not surprisingly, most leaders (and even the most senior of leaders) lack ability and training in these areas. This then requires not only a shift in developing how managers and leaders think and act, but also a framework for, and rigor around, how to train leaders to be able to proactively deal with change and its affect on the various levels of an organization. Ultimately, successful transformation requires leaders to be risk savvy, conflict competent, achievement oriented and employee engagement-focused.

### **Transformation is CEO Led**

The roadmap for true organizational transformation almost always begins with a need that is expressed and deeply felt by the CEO. But for a successful transformation, there are specific skills and characteristics that a CEO must possess. Ideally, a CEO would reflect characteristics such as: strategic, commanding, approachable, humble, and confident with a strong sense of urgency. It is rare, however, to find all of these qualities in one CEO. Yet a strong combination of these attributes is vital; bottom line—if a CEO doesn’t have them, she needs to embark on a personal transformational journey of her own focused on acquiring and developing these characteristics.



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### **Building a High Performing ELT**

Next stop on the road map is to put together an executive team who provides experience and characteristics that complement the CEO and is “the team” for what’s needed going forward. But getting the team in place isn’t enough—once you have the right people on board it is crucial to ensure that the ELT is a high performing team. A high performing team acts as the catalyst for driving transformational change throughout the organization and possesses its own set of unique, but powerful characteristics: courageous, high in integrity, a tendency toward transparency, and confident enough to be direct when necessary. As a catalyst, the high performing executive team believes in *working* as a team and has a keen ability to find and develop leadership talent. The high performing team is committed—to their clients, both internal and external; to each other; and ultimately to enterprise success.

But perhaps the single most important characteristic of a high performing team which successfully leads through transformation is clarity. Clarity in the context of organizational transformation translates to a high performing team that inspires others by sharing their vision for greatness with an ability to connect the dots and explain why.

### **Getting the Board on Board**

Finally, getting the Board on board is absolutely crucial to successful organizational transformation. One of the most important relationships throughout transformation is a highly functional and collegial partnership between the CEO and board chair. The two must be aligned on roles, where the organization is heading, how it’s going to get there, and the pain that must be endured for success to be achieved. They must also possess the openness and trust to challenge one another. As an entity, the board must create and sustain transparency with the CEO and management, have a mutually respectful partnership with the “enterprise” that is the organization, understand complex changes, engage allies and act as community ambassadors.

### **Communication is a Non-Negotiable Element of Transformational Leadership**

At the heart of it all is communication. Effective communication defines a vision that is clear and concise, while sharing it on a consistent and frequent basis. Communication includes listening to what



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people are hearing while holding the vision of where you're going, reiterating why it matters, and affirming how everyone's contribution makes it possible. One of the gravest errors made in organizational transformation is thinking of communication as a top down, push process. Successful transformation involves *dialogue*, not monologue. And the best way to create dialogue and connect the CEO and ELT with the rest of the organization is to *advocate* and co-create change, not direct it. Once the ELT is fully on board, they create partnerships with their direct reports in order to lead and cascade the process of vision, buy-in, repetition, and accountability and to train leaders in defining the change, supporting employees in making the change and coaching around resistance to the change. And the direct reports cascade to their direct reports, and so on and so on until you end up with an aligned leadership cadre from top down to front line—connected around and partnering together to move the human side of transformation throughout the organization.

Transformation implicitly demands a strategic, structured and well-planned approach to execution. When an organization strives to transform, and not just change, it is launching an endeavor that is comprehensive, sustainable, and marketable—internally and externally—to the point where accountability for success is willingly accepted by a majority of employees. Transformation pulls together the functional pieces of “change,” while adding long-term, strategic, enterprise- thinking, to ultimately drive organizational success.