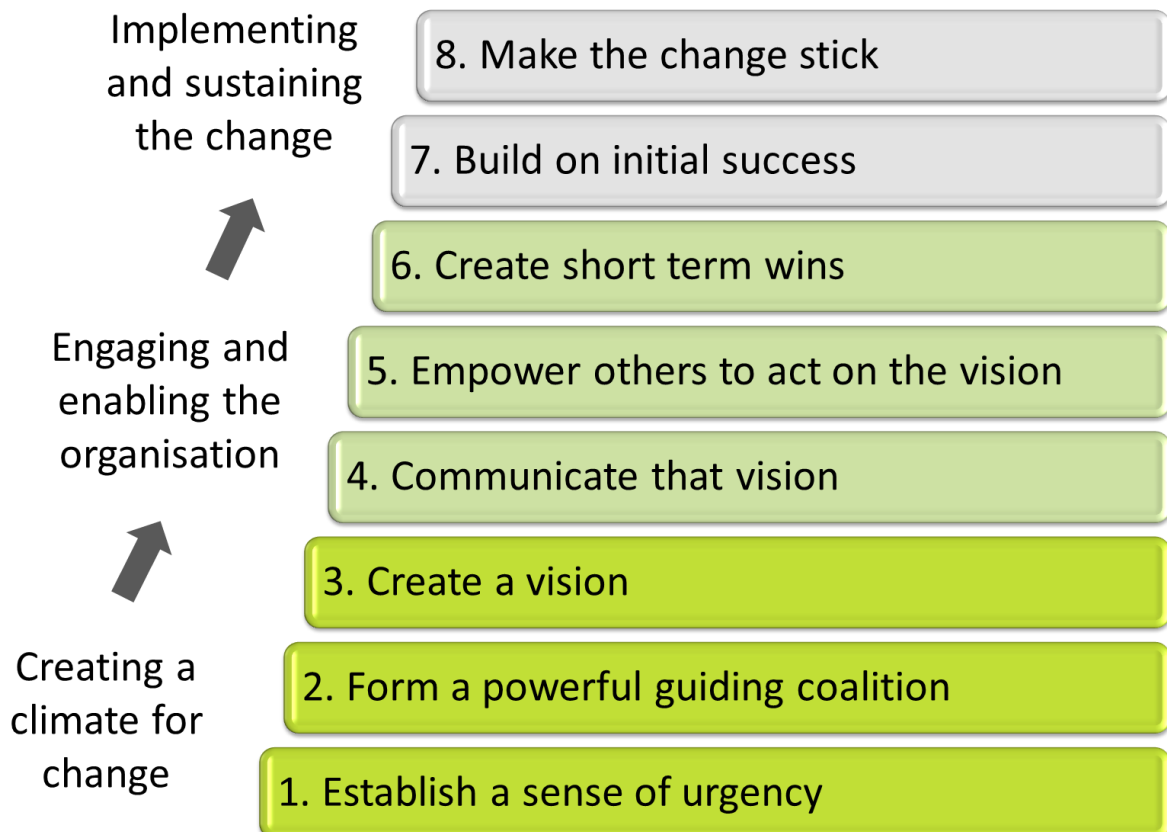


The 'Kotter Model' – 8 Steps for Implementing Change

Kotter's Eight Step Change Model

Dr John Kotter introduced his model in the 1996 book '*Leading Change*'. It outlines eight steps which organisations can follow to increase the likelihood of successful transformational change. As illustrated in the diagram below, the first four steps aim to **unlock** or **de-freeze** the organisation's existing culture, firstly by creating a strong sense of **urgency for change**, secondly by assembling a powerful group or **coalition** to lead the change process, thirdly by developing a desirable **vision** of the future and fourthly by **communicating the vision** effectively. Steps five, six and seven help to make the change a reality by **empowering others to act on the vision**, **creating short-term wins** and **building on the initial success**. The final eighth step then **re-freezes** the organisation's new culture by **making the change stick** into the new culture and values of the organisation.



Step 1: Establish a sense of urgency

The first step in the process of successful transformational change is about helping people across the organisation understand the need for change. ***Without widespread support right at the beginning of the change process, it is likely to fail.*** A common mistake is that leaders can underestimate the difficulty of driving people out of their comfort zones, and often lack the patience needed to build an appropriate sense of urgency.



To address this, Kotter says that the change leader (who should ideally be the organisation's chief executive or someone of significant seniority) should clearly explain the problem(s) with the status quo to employees. They should also identify why things cannot remain as they are (e.g. pressure from new competitors or products, falling profits, shrinking market share etc.). Particular attention should be paid to making sure that people understand the reasons for the change and the part they will play in the overall process.

A further problem is that people can become disillusioned by the often unpleasant realities of change. To combat this, change leaders need to 'aim for the hearts' of their employees when making the business case for change. Although the case must be based on solid market research and environmental data, a greater sense of urgency will be achieved by relating the change to human experiences and using messages which are simple yet imaginative, and which provide a powerful call to action.

Step 2: Form a powerful coalition

The second step in Kotter's model is about bringing together the right people to make change a reality. Although many transformational change processes start with just a few people, many more need to lend their support to make the change a successful one. Kotter calls this influential group the guiding coalition. Without the right people on board from an early stage, the change effort is likely to fail. Kotter says that in the most successful cases, the guiding coalition has five key qualities:



Position power - There should be enough of an organisation's key players on board so that those who are not involved cannot block progress.

Expertise - All areas of the business should be represented so that decisions about the development and implementation of the change strategy are informed and evidence-based.

Credibility - Members of the guiding coalition should have sufficient credibility across the wider business so that the change effort will be respected and taken seriously.

Leadership - The guiding coalition should contain a number of proven leaders who can effectively drive the change process.

Trust - The coalition members must have trust in one another and develop a shared overall goal. This does not happen overnight, so Kotter recommends team-building sessions (away from the everyday workplace) to help people connect with each other and develop a shared sense of what they want to achieve.

It may not be possible to convince everyone in an organisation that the chosen approach is the right one. However, establishing a powerful coalition of influential people to get behind the idea is vital for getting others on board.

Step 3: Create a vision

This element of the change process is about describing how the organisation's future will be different from the status quo. A common leadership error is failing to establish a compelling vision for the change programme as a whole. Without a clear vision, a transformation effort can quickly degenerate into a list of confusing and incompatible projects that can take the organisation in the wrong direction, or nowhere at all. Kotter says that for a vision to be effective it should be:



Imaginable - The vision needs to convey a clear picture of what the future will look like.

Desirable - It must appeal to the long-term interests of employees, customers, shareholders and other key stakeholders.

Feasible - It should have realistic and attainable goals.

Focused - The vision must be clear to guide decision-making.

Flexible - The vision should allow for individual initiative and alternative responses in light of fluctuating market conditions.

Communicable - It must be easy to communicate and explain. Kotter says that if the vision cannot be communicated in five minutes or less, and provoke a reaction which shows that it has been understood and sparks interest, then it is too inaccessible.

Step 4: Communicate the vision

This phase of the change process ensures that as many people as possible understand and accept the vision. Successful change leaders maximise every available communication channel to broadcast the vision across the whole organisation. This is particularly important if downsizing and potential job losses are part of the approach. A common failing at this point is that change leaders often vastly underestimate the amount of communication that is needed to capture the hearts and minds of employees. Whether the communication is via presentations, briefing sessions with employees, in internal company newsletters, intranets or blogs, the messages need to be consistent and clear so that they are easily understood.



Effective communication needs to come in the form of deeds as well as words. The positive actions of the guiding coalition should therefore be used to model the behaviours needed across the organisation. Kotter calls this 'walking the talk', where senior leaders behave in a way which is consistent with the new vision and culture.

Furthermore, managers who communicate the change effectively are those who can incorporate it into their hour-by-hour activities and discussions with employees.

Step 5: Empower others to act on the vision

This step of the change process is about empowering people to make it a reality, and removing as many barriers as possible to allow this to happen. These barriers may be tangible obstacles such as the organisation's structure, remuneration or performance appraisal systems, or unwilling individuals in management positions. A problem at this stage is that change leaders can sometimes fail to identify and remove potential obstacles, which then become permanent blockages that prevent the strategy from moving forward. Leaders therefore need to be able to remove or adapt systems, structures, processes and even people who undermine the vision. Furthermore, people can be empowered to drive change by encouraging more risk-taking (within clear limits) and generating new ideas and activities to support it.



Step 6: Plan for and create short-term wins

This phase is about creating visible short-term wins to keep the momentum of the change process going. With large-scale transformational change projects, strategy implementation can take a long time, during which motivation and momentum can begin to wane. Kotter says that visible evidence of success is vital for maintaining motivation, especially within the first year of a change programme. However, problems can occur when change leaders don't systematically plan for and create achievable short-term wins. These are important milestones, where the employees involved can be recognised and rewarded for their efforts.



Step 7: Build on initial Success

The penultimate step in Kotter's model is about consolidating progress and driving the changes forward. Kotter argues that a successful transformational change process can take up to 10 years to be fully embedded. However, if the change team is impatient, or there isn't a great enough sense of urgency, victory might be declared too soon. Premature celebrations often kill momentum and breed complacency within organisations. When this happens, old habits and resistance start to creep back in, undoing the good work achieved so far. At this point in a successful change initiative, effort and activities should increase with:



- ✓ More projects introduced to invigorate and embed the change deeper within the organisation
- ✓ Additional people and change agents brought in to implement the changes – by hiring, promoting and developing key people to take projects forward
- ✓ Senior leadership giving increased clarity to the vision and purpose of the change programme
- ✓ Employees at all levels being empowered to lead and take projects forward
- ✓ Changes to existing systems, processes and structures which don't fit the vision of the future
- ✓ Consistent, regular proof used to demonstrate that the 'new way' is working effectively (e.g. improved performance, cost savings, market position etc.)

Step 8: Make the Change Stick

The final step in Kotter's model is about embedding the changes deep within the organisation's new culture. A common error during strategy implementation is not anchoring new behaviours into the culture, values and daily practices of the organisation. If employees don't begin to see the benefits of change, and senior management don't understand and personify the new approach, people can easily slip back into old habits. According to Kotter, the changes need to become 'the way we do things around here' so that they are embedded as part of the organisation's new culture. Existing traditions, norms and practices are powerful forces against change, but through the process of change organisations can create new traditions which will stick for both existing and new employees.



Things to consider:

- Ensuring selection, promotion, and succession processes screen talent according to the new norms and values;
- Modifying reward programs to align with the new norms and values;
- Supplementing training and development activities to include the skills and competencies associated with the changes
- Modifying and eliminating organisational processes and procedures that do not support the changes.