



# NAVIGATING THE EXTINCTION ZONE

A GUIDE TO SUCCESSFUL CHANGE MANAGEMENT

CHANGING CHANGE INTERNATIONAL (CCI)

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## INTRODUCTION

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In today's business world, it is crucial to be able to change well. The survival of your business relies on it.

*Change is the new normal.*

But up to 70% of change initiatives fail in business because of negativity towards change, and the inability of the change to be managed competently due to dysfunctional and conflicting behaviours and attitudes.


And it's more than that.

The varying levels of tolerance to change are influenced by a number of factors: the reason for the change in the first place, the market drivers, the rate of technological changes, the viability of the company culture, availability of resources to support the change, the agility of the workforce, and the impact the change has on people.

When undertaking a change process the 'out-with-the-old-and-in-with-the-new' mentality can receive very different reactions: some are eager to move on, comfortable with, and excited by, the uncertainty change brings - some *thrive* on it; others feel a sense of loss from moving away from the old and familiar – the comfort they felt from knowing how things worked, and the psychological safety they experienced as a result, goes.

Periods of significant change will always pose a risk, whether during expansion, holding a market position, or downsizing. These risk periods are what we call 'The Extinction Zone', and navigating them can be difficult, but must be done in order to survive.

They represent a 'moving away' from what was before, and creating something new. Some companies have not made it through whole (just think of Kodak, Nokia, Dick Smith, and Blockbuster). Others lost their edge (for example, Dell, Microsoft, Sears, and Sony) but they are still here, battling to stay relevant in today's market.



**Change will not come if we wait for some other person or some other time. We are the ones we've been waiting or. We are the change that we seek. – Barack Obama**

*But there is a way through 'The Extinction Zone' - and it relies on taking a multi-faceted approach.*

The way through requires a change-focus approach that encompasses three core areas - a company's **culture, systems and people** - to determine and guide the action that needs to be taken. By adopting this multi-faceted approach, the change process can be tuned to the strategic outcomes a company needs to remain relevant, and sustainable, in today's agile marketplace. And this three pronged approach is what we call the Culture Incorporated™ model.

This guide provides you with insights to help you navigate 'The Extinction Zone'. It will show you how to approach change management using the Model, so you don't fall prey to failed change initiatives, and become part of the 70%.

Want to know more? Email us at [culture@cultureincorporated.com.au](mailto:culture@cultureincorporated.com.au).



**Progress is impossible without change, and those who can't change their minds cannot change anything. – George Bernard Shaw**

# **PART 1**

## **IDENTIFYING THE NEED**



## PART 1: IDENTIFYING THE NEED

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You know change needs to happen, but there are so many barriers. No matter what you do, nothing seems to go quite right ...

You know your workplace needs to make changes, but others may not. You feel that if your team stays on the current path, there is a fair chance you will have a Kodak moment. Kodak, who had long dominated in the field of photography, thought they were on track and would always be a leading force, to such an extent that they let go of the patent for digital photography ... and the rest is now history.

Perhaps less money is coming in; cash flow is extremely tight; demand has shifted, and so has your market; there's not enough time to make the necessary changes; no one seems to have the energy. It can feel like the business has reached a whole new level of pressure ...

*This is in such contrast to what it was like when business was going great, and you were on the high of success.*

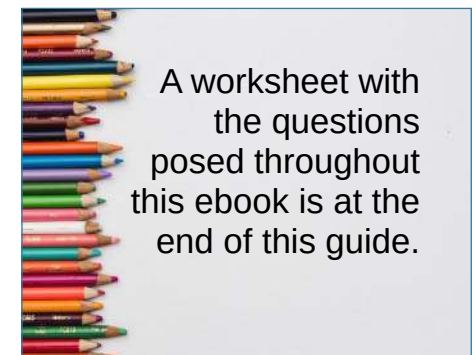
It is at these moments when you have a choice ... change now, or risk extinction.

Survival starts with fully understanding the purpose of the change - *why* it needs to happen.

The trigger for change is a problem or gap that needs a solution, and the solution requires change.

**Use these 7 critical questions to start analysing the purpose of the change you are taking on:**

1. What is the problem?
2. How is our company culture influencing the problem?
3. How does this affect our core business?
4. How do we know this is a problem?





5. What outcome do we want?
6. What does the market want?
7. What are our competitors doing?

These questions will get you started with analysing the problem.

**TOP TIPS:**

When you answer these questions, remember you are likely to be under pressure, and that may trigger the flight/fight/freeze response - what comes up first will likely be emotionally charged. Go with your gut feel, then put your answers away for a while, and revisit them later with a critical eye.

Start by analysing the company culture; it is the foundation stone to successful change.

When considering the problem, do not simply accept the first answer that comes to mind - see what else comes up, and keep digging. And again, question how the company culture is influencing the problem.

When using change-focus, you need to go beyond the obvious. This means recognising the emotional responses and the rational ones, and the impact the responses are having on the company culture, and decision-making. Your responses should capture both.

Then go to Part 2, which will help you go deeper into specific areas of your business that are affected by the change.



## **PART 2**

# **SPECIFIC SYSTEM CONSIDERATIONS**



## PART 2: SPECIFIC SYSTEM CONSIDERATIONS

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One of the most common problems when undergoing change is the lack of consistent consideration of the effect the change has across the organisation.

Part 1 identified the state of play that led you to being in 'The Extinction Zone', particularly when change is needed for your business to stay relevant, and in the game, or the market you play in. It covered the problem, and the scope of the problem internally, particularly in relation to the company culture, and then externally in the marketplace.

In Part 2, we look at the specific changes required in response to the answers you came up with in Part 1. It starts to broaden the change-focus approach to cover the considerations of each system of your business, because these will be affected directly or indirectly, and be of varying importance and impact.

So let's look a little deeper to find out:

1. What areas in the business are affected because of the problem?
2. What areas will be affected by the change?
3. How does the company culture show up in these areas?

Many believe the answers to the first two questions are the same - however, whilst they may have similarities, they are not the same!

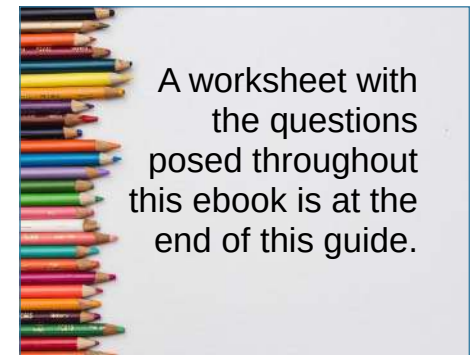
The first question looks at where the problem is showing up, whereas the second is delving into what will be impacted by the solution.

The third question needs to be asked particularly if it is not part of the responses to the first two questions. Company culture is critical to the success of sustainable change, and it influences the effectiveness of the systems and processes that are currently in place, as well as those being introduced as part of the solution to the problem.

You must to be specific with the responses to these questions. Name the areas and why they are affected – put the elephant on the room, front and centre. The challenge is to look beyond the first answer that comes up again, because this will only be part of the answer.

**So now ask the next 7 questions, start bigger picture and drill down into those specifics:**

1. What systems or processes need to change?
2. What happens if we don't make these changes?
3. When the changes are made, are there any differences in the company culture?
4. If so what are they? If not, what specifically stays the same?
5. What changes need to be made to standards, expectations, benchmarks to make the solution/s work?
6. If we make these changes, what in our current business structure is affected? List these, e.g. position hierarchy and departments such as finance, product development, customer service etc.
7. How are they affected? Or what is the impact for each area?



**TOP TIPS:**

When responding to these questions, keep in mind the outcome you wanted in Part 1.

Search into the systems and structures that are working and not working - is it the physical nature of the system (e.g. does it still do its job? Is it obsolete?) or if there is breakdown in communications somewhere which is reducing effectiveness and productivity.

Start a list, prioritising the systems and/or structures that need to change, and be clear on why these are in the order they are in.

Start structuring a timeframe for implementation.

You will by now start to notice the quality of information that is at your fingertips.

# PART 3

# CONSIDERING THE PEOPLE





## PART 3: CONSIDERING THE PEOPLE

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It is very difficult to achieve what we want to achieve without other people being involved - including you!

And people present the biggest challenge when it comes to leading them through change.

People can be our biggest barrier to navigating 'The Extinction Zone', particularly when they are resistant to change, which many are - it's our natural default after-all.

It makes sense when we realise change takes people out of their comfort zones, creating instability and uncertainty, and a fear response. They will do anything to regain stability, which may include some, or all, of the following:

1. Outright resistance to change on any level - they want to stay with what they know
2. Fight to keep the status quo - even though they know it isn't the most efficient or sustainable solution
3. Reluctant acquiescence - they will go along with the change, not fully embracing it, nor grasping the impact on them or others, and when change happens there is a flow on effect that reduces levels of productivity
4. Resistance to providing constructive communication, because they are confused as to what is working, and what is not, and don't want the finger pointed at them.
5. Unconscious sabotage through resistance to providing constructive feedback, for fear of rejection when not appearing to be 'on board' with the changes, or they are not 'on board' so provide feedback that will sink the ship before it has even had a chance to leave the dry dock.
6. They will go along with the talk of change and continue to do what they have always done because they believe the change won't last and 'things' will be back to what they were before you know it.
7. There is a lack of belief in those managing the change because they believe it has happened like this too many times before and those in charge of managing the change don't know what they are doing.

8. They don't come on board because they feel they have not been listened to or had the opportunity to contribute to the change process.

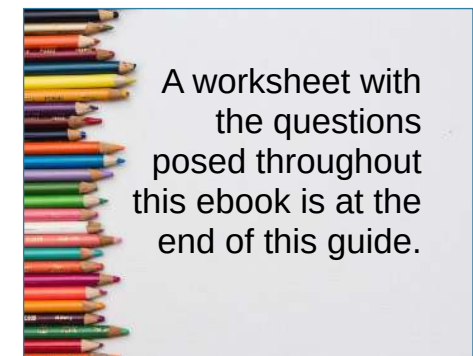
These responses are guaranteed to crop up particularly if the company culture is dysfunctional and there is poor consultation and communication where analysing Part 1 and Part 2.

People feel change is forced on them with no input and all too often they do not believe they have the necessary, consistent supports to make the changes required manageable or even doable.

When considering the people, it requires using both the rational and emotional sides of thinking - how both the rational and emotional sides affect the change process when planning and implementing the steps to reach the desired outcome.

**Use the following 7 questions to help you with meeting the needs of those impacted by the change:**

1. Who in the workplace is affected by these changes?
2. How do they influence the company culture and how does the company culture influence them?
3. What skills are required for these changes to become a reality and who has these skills?
4. Who needs training to gain the required skills to remain productive and part of the team?
5. If a restructure is required, based on the answers above, who will stay, move to a different role or leave the company?
6. What supports from management and colleagues are required for the people affected to be active in the change process?
7. What is the communication strategy for each step along the way, considering the different needs of the people?



**TOP TIPS:**

Remember to consider both the rational and emotional sides of thinking when answering these questions

Be open to the different reactions from the people in your company or on your team. Often the first response is a knee jerk reaction driven by the activation of the fight/flight/freeze response.

Make sure you have gone through the previous two parts and use the answers from these to support your considerations for the people affected.

Always keep in mind how these changes will improve your service/products to clients or customers. Your people are the gateway to their satisfaction and you should always be aiming to exceed your client/customers' expectations.

Ask for input from the people affected to help gain well-rounded multi-perspective answers these questions.

In any workplace, your people are your biggest asset so invest in them.

As a leader of change, Navigating The Extinction Zone, it is your role to ensure your people do not become a liability.

Use the template provided to get you started. Step up and support the change by supporting the people.



# PART 4

# MAKING THE CHANGE REAL



## PART 4: MAKING THE CHANGE REAL

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Now we are at the part where the talk must be walked. It is the last section in our four-part guide.

Have you ever been involved in a change process to see it get to second base, then it runs out of puff around third base and the chances of reaching home is next to nil.

That's the risk here. If you are not clear on the action to take to reach the purpose of the change, then any momentum and enthusiasm that was at the start of the change process slows to a crawl and eventually stop.

Now the truth of the matter is that our thinking stops action before we physically stop action - the mind will give up before the body, particularly if you are not aware that this happens. Therefore, before you know it, and often unintentionally the thinking behind the action we take that slows the process down and then stops it altogether.

This is NOT what we want to happen otherwise it is the same old traditional change management approach!

To help you, think of change-focus as a double edge sword and the two edges are:

1. Rational
2. Emotional

When you combine your outcome from Part 1 and the specific system considerations of Part 2 with the people you have on your team in Part 3, and then take your double edge sword – rational and emotional, you now have a powerful tool that can help you do the required action to reach home base.

Your double edge sword helps to build momentum for the change required while defending and breaking down barriers and the company culture that supports this acts as a protective shield around the change ensuring everyone is walking the talk.

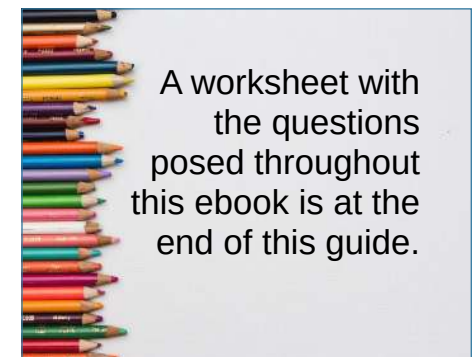
For those who ignore the rational and emotional edges of the sword, are stuck in tradition change management thinking and will find themselves repeating change patterns of the past.

The momentum of the change dies at third base if not before and the frustration and pressure returns time and time again!

With what you have learned thus far from this guide and with your change-focus double edge sword, you are now ready to build momentum to ensure your change strategy is put into action.

**Go through the next 7 questions with the purpose of building an action plan to reach home base:**

1. What specifically needs to be implemented here to get the desired outcome?
2. In what timeframe do these actions need to happen in?
3. What are the individual, team and company strengths (internal and external) to make this happen?
4. What are the individual, team and company stretches (internal and external) that could stop us moving forward?
5. With the answers to Q3 and Q4 in mind, what are the strategies or action plan to move forward?
6. What would be the FAQs from colleagues and clients relevant to the action plan and change process?
7. How does the company culture help to motivate and keep everyone on track while working through the action plan, particularly in the challenging times?



**TOP TIPS:**

Keep the outcome of the change front and centre so you do not lose sight of the purpose of the change.

Make sure you place the action plan on a timeline. Feel free to use the reverse-timelining method if this helps (contact us if you would like to find out more details of this method). This means you will need to start at the end (the outcome) and work backwards, placing key milestones to measure progress. These milestones may be dates, qualitative or quantitative measures within the systems (e.g. financial target, product target, client satisfaction target) so you have goals to reach along the way, in other words, what needs to be achieved at each base.

Make sure you are incorporating both the rational and emotional perspectives at each step of the action plan.

List the actual tasks that need to be completed by whom and the systems the action will impact.

To move forward towards the outcome, clearly identify goals along the way to each milestone and set completion targets on your timeline.

Importantly, schedule regular follow-ups or reviews to check in on progress.

Use the template provided to make a start.

# SUMMARY





## SUMMARY

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At no stage in this guide are we suggesting that change is easy although we are saying it doesn't necessarily need to be as difficult and challenging as many think it is. Yet change is such a challenging time for many workplaces because it can mean 'out with the old and in with the new' which implies the extinction of something. Depending on how the change is managed will determine how well this Extinction Zone is navigated.

The difference between poorly managed change and successful sustainable change occurs in using a change-focus approach that incorporates culture, systems and people with the action that must occur to support each part and stage of the change process.

The other critical part is using the rational and emotional double edge sword to expand the thinking behind the purpose of the change as well as understanding the resistance to it. To pretend the rational and emotional do not co-exist or to ignore them, is a sure way to ensure the change does not reach home base, therefore the old ways will return or worse, the company dies.

When you combine **culture, systems, and people** with the double edge sword - rational and emotional - you are now moving towards using the whole of the change-focus approach which ensures there is momentum to Navigate the Extinction Zone successfully.

The change-focus approach is part of the Culture Incorporated™ model created by Changing Change International (CCI).

To find out more about the Culture Incorporated™ model and how CCI can help, [click here](#)



# WORKSHEETS

## IDENTIFYING THE NEED WORKSHEET

Respond to these 7 critical questions so you are clear on the need for the change in the current situation.

QUESTION	YOUR RESPONSE
1 What is the problem?	
2 How is our company culture influencing the problem?	
3 How does this affect our core business?	
4 How do we know this is a problem?	
5 What outcome do we want?	
6 What does the market want?	
7 What are our competitors doing?	

## SPECIFIC SYSTEM CONSIDERATIONS WORKSHEET

Respond to these 7 critical questions and be specific on the systems that will be affected.

QUESTION	YOUR RESPONSE
1 What needs to change?	
2 What happens if we don't make these changes?	
3 When the changes are made, are there any differences in the company culture?	
4 If so, what are they? If not, what specifically stays the same?	
5 What changes need to be made to standards, expectations, benchmarks to make the solution/s work?	
6 If we make these changes, what in our business structure is affected? e.g. position hierarchy and departments.	
7 How are they affected? What is the impact here?	



## CONSIDERING THE PEOPLE WORKSHEET

Use both rational and emotional sides of thinking to respond to these 7 critical questions.

QUESTION	YOUR RESPONSE
1 Who in the workplace is affected by these changes?	
2 How do they influence the company culture and how does the company culture influence them?	
3 Who needs training to gain the required skills?	
4 What skills are required for these changes to become a reality and who has these skills?	
5 If a restructure is required, based on the answers above, who will stay, move or leave?	
6 What support is required for the people affected to be active in the change process?	
7 What is the communication strategy for each step along the way, considering the different needs of the people?	

## MAKING THE CHANGE REAL WORKSHEET

Respond to these 7 critical questions and then put this into the action plan template below..

QUESTION	YOUR RESPONSE
1 What specifically needs to be implemented here to get the desired outcome?	
2 In what timeframe do these actions need to happen in?	
3 What are our strengths (internal and external) to make this happen?	
4 What are our stretches (internal and external)?	
5 What are the strategies or action plan to move forward?	
6 What would be the FAQs around this change from colleagues and clients?	
7 How does our culture help motivate and keep everyone on track with the plan, in the challenging times?	

ACTION PLAN					
OUTCOME WANTED	DATE FOR COMPLETION	MILESTONES (REVERSE ORDER)	DATES FOR MILESTONES	SPECIFIC BENCHMARKS/ COMMENTS	PEOPLE - WHO WILL MAKE IT HAPPEN/ AFFECT?
1	4				
2	3				
3	2				
4	1				
TASKS FOR EACH MILESTONE (include any Key Performance Indicators (KPIs) that demonstrate the required benchmarks are being met)					
MILESTONE 1	MILESTONE 2	MILESTONE 3	MILESTONE 4	RESOURCES - IDENTIFY FOR EACH MILESTONE	COMMENTS/ CONSIDERATIONS

## CONNECT WITH US: CHANGING CHANGE INTERNATIONAL (CCI)

Passionate about creating workplaces that bring out the best in the people, and the best in each business, the forces behind Changing Change International (CCI) and creators of the Culture Incorporated™ model are two business executives: Julie Alexander & Diane Gray.

**WE SPECIALISE IN GROWING YOUR COMPANY'S REVENUES THROUGH CULTURE, SYSTEMS AND PEOPLE WITH PROVEN RESULTS; CHANGING THE WAY CHANGE HAPPENS.**

The Culture Incorporated™ model is focused on creating change-ready businesses and change-resilient company cultures, teams and people.

Clients enjoy a systematic, yet customised, solution to growing their business; an unrivalled whole-of-business approach, which builds on each company's unique selling proposition to ensure they stay relevant in today's ever-changing market conditions.

Creating change and alignment in thinking and behaviours is fundamental to success. By unleashing disruptive leadership, systems focus, and empowering people to create shifts in their performance to deliver high impact outcomes, the work transforms company cultures.

And that means that every system and process is aligned, team members thrive, solid bottom line results are attained, and sustainable competitive advantage is achieved.



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CREATORS OF



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**ATTUNING EVERY PART OF EACH COMPANY'S SYSTEMS SO THAT EVERYTHING IS HUMMING FROM THE TOP LINE TO THE FRONTLINE, SO THE TEAM CAN GROW THE BOTTOM LINE.**

Changing the way change happens, through culture, systems, people

JULIE ALEXANDER

DIANE GRAY