

Spreading Change

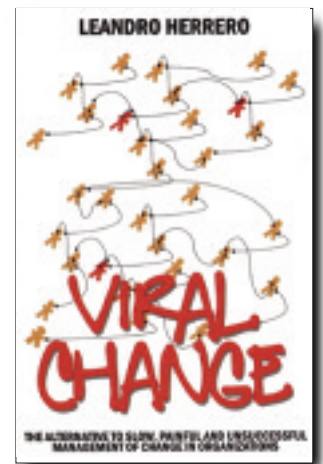
The Power of Networking



Viral Change

VIEWPOINT

Nonconformist in its writing as in its ideas, Viral Change stands out from other literature on change. The author, who was a practising psychiatrist for many years, believes that epidemiology is central to change, and whets the reader's appetite by promising "the alternative to slow, painful, and unsuccessful management of change in organizations".



Leandro Herrero sets the scene with a story. Andrew is a young and talented CEO, recently appointed as the head of a pharmaceutical company. He is replacing Dr. Peter, whose leadership style was quite different: where Dr. P. had multiple and crowded meetings, Andrew prefers one-to-one interactions. The former CEO loved to communicate by e-mail, while Andrew keeps his messages to a maximum of two lines, without writing formalities like hello or thank you; finally, the former director, a bit of a preacher, visited the subsidiaries whenever he could. For Andrew nothing beats a straightforward teleconference! Andrew is not better or worse than his predecessor, just "different".

Two months later, e-mail traffic had fallen by 25%, the number of meetings by 30%, and for the first time travel expenditures stayed within the budget. Feedback from his managers included: "Andrew has made it very clear that we should be more agile and fast and that there was a bit of a waste in the way we were doing things. Nothing wrong, but, hey, new times"; "He wants straight, simple communications, and to involve only those who need to be involved? Frankly, it's great!"; "He wants less meetings and more work done! And he is right!"

At the same time, Andrew did not orchestrate anything: there was no definition of clear and precise objectives, no plan, not even a team put in charge of change. And after learning that he had earned the reputation of being a "transformational leader", he was the first to laugh about it, saying that he just "used a bit of common sense".

Transformational or not, he changed the company in two months! What mechanisms were at work? Can we direct them? And if that's the case, does that mean an end to the sluggishness, the complexity, and the accompanying army of external consultants associated with the change? Welcome to the world of "viral change".

→ WHY DO SO MANY ATTEMPTS AT CHANGE FAIL?

The intentions are good, the communication plan is well cared for, and the associated consultants are excellent; the objective is unambiguous and the roles are clearly assigned. Why then has its implementation ended in an exploded budget and end-

less delays? And worse yet the project has been thoroughly rejected by its recipients. For Herrero, the reasons for a fiasco have nothing to do with the description of the priorities, the planning, or even the implementation of new procedures.

Three reasons for a fiasco

1. For Herrero, only 15% of failures can be blamed on technological factors or procedures (however, these encompass, generally, 85% of assigned budgets). Therefore the remaining 85% of failures are related to vision and individuals. This is the "soft stuff" which, according to the author, is overlooked because it is scary for managers who do not know how "to navigate through the muddy social and psychological waters".
2. We wrongly think that it's from new procedures and systems that new behaviors are acquired which eventually accept change. On the contrary, you need to have new behaviors in the system so that they can sustain the new processes and systems", explains the author.
3. The organizational environment is encumbered with new initiatives, sprouting out like the branches of a tree in dozens of missions. The "realignment" of the corporate strategy resembles an empty shell, and scepticism reigns.

How do organizations really work?

All these problems, according to Herrero, come from "a mechanistic view of the organization and its management of change that is conventional, traditional, old and totally unsuitable to today's environment".

The mechanistic view of the organization is comfortable: this organizational scaffolding impeccably designed for structures, systems, reporting lines, organizational charts and departments has the advantage of being visible. It can be measured, and is therefore manageable.

The traditional approach to change commits the same "sin" of rationality, linearity, and mixed character, testifying to only a certain number of accepted and largely shared ideas on change management (see box "Accepted Ideas on Change Management").

But the company resembles more of a monumental network of disordered relations and passing information rather than a smoothly running machine! ●●●

••• These networks, the author continues, can either be official and manufactured: teams, task forces, and committees, or non-structured and self-generated by informal interactions. It is this second category of networks that create 75% of valuable human interactions in the company: informal problem solving, knowledge transfer, brainstorming, innovation, information, and communication flow.

Contrary to the traditional approach, which concentrates on the obvious 25% of interactions, “viral change” bases itself on the forces at work in the hidden area, which is such an integral part of any organization.

➔ NETWORKING VIRAL CHANGE

For Leandro Herrero, a change good to its name should include a cultural change as well. However, there cannot be a cultural change within the organization without a real and durable change in individual behavior. Viral change, capable of transforming behavior (see section: “Viral Change: implementation”), consists of using already existing relationships within a network to create and diffuse change.

Networks enable us to understand how real change functions

Recent research on social networks and Social Network Analysis (SNA) have allowed for a better visualization of these phenomena as well as opening the door to understanding how they function.

- A small, single group, called a cluster, can have a lot of connections (not all networks are equal!). It is endowed with a potentially large influence (positive or negative) on the rest of the organization. This small group can be artificially constructed.
- Those who have the most connections are those who will advance the most (networks are not democratic!). It is possible to win over all of the organization through the viral influence of a few. Management can facilitate this phenomenon.
- New behavior, habits, and ideas, which are transmitted through networking by a few actors, appear more or less spontaneously (tipping points).

According to Herrero, it is possible to rapidly instigate, create, and diffuse cultural change by concentrating on networking.

The tsunami and the butterfly, opposing styles of change management

Traditional change management explains the author, resembles a tsunami: it is visible; the causes and effects are proportional (i.e. “big changes, big actions”) and it is all encompassing (“everyone is involved”). This is a rational method: the change is quantifiable, and the approach is linear (but the reality is that the company is not).

Viral change is like a butterfly: invisible, it operates through a few small actions, which are destined to bring about much larger changes. It is not linear; however, viral change is capable of provoking radical changes. It is transmitted by imitation, influence, and connections.

The Author



Spanish-born **Leandro HERRERO** was a practising psychiatrist for many years before holding senior leadership positions in top-league European and American business organizations. He is co-founder and CEO of the Chalfont Project Ltd, an international consultancy firm that helps

companies implement change projects. He is also author of *The Leader with Seven Faces* (meetingminds, June 2006).

➔ VIRAL CHANGE: IMPLEMENTATION

How is viral change implemented? Who are the principal actors? How is it possible to diffuse new, durable and accepted behavior throughout the organization?

Required behavior

“Under certain conditions, big changes may require a small set of key and meaningful actions or behaviors”, explains Herrero when defining the essence of viral change.

➔ In order to be stable, all behavior has to be properly reinforced (recognition and reward).

➔ It is impossible to reinforce behavior of this nature without first explaining what it is in detailed, unequivocal, and concrete terms. Cooperation is a behavior, but two people can have entirely different interpretations of it. Herrero speaks first of the macromolecular concept, in an analogy with biology. At this conceptual level, it is difficult to reinforce behavior that is not clearly defined! In the second, or molecular level: X sees cooperation as the sharing of information between teams; while for Y, cooperation is the spontaneous sharing of resources. In the third, or atomic level: the members of team A agree to send a weekly e-mail to the members of team B in order to update customer information; while the team leaders will also meet every Monday in order to “loan” resources.

➔ How did we get here? By using good judgment and imagination! Question: “Imagine that everyone has an ‘atomic behavior’; that it has become the norm. Then what type of organization will we be in the process of becoming?” This test of “imagine if...” enables the visualization of the behaviors that are capable of bringing about major changes.

➔ Finally, choose between four and six of these behaviors. Be careful to choose and not prioritize! Take the most promising ideas and not those that are the most realistic. Because, as the author emphasizes, “behavioral methods, unlike •••

••• procedural methods, can accomplish a lot, even without controlling certain resources”.

How can this small collection of behaviors bring about large changes?

Spreading acknowledged behaviors: the power of networking

As the theory of networking is taught, any number of individual constraints can influence the rest of the organization. “If very influential people accept to spread these new behaviors while adopting and encouraging them themselves, at the same time seeing that others have adopted them, then we have reached a “phase of social transition”(tipping point) where the new behaviors will become the accepted norm”. The people who were influenced can likewise “contaminate” others. The change then begins to resemble an internal epidemic of new behavior, far from training programs, top-down presentations, and workshops.

The champions of viral change

Who are the influential people? How do we find them and gain their support? SNA can pinpoint the people the best connected in the organization, those who have a strong influential power. But a much simpler technique can be used to find them: ask your managers who, in their opinion, is listened to and respected the most by their peers (no matter what their level of the hierarchy). They “could come up with a list very quickly”, says Herrero.

Every viral change begins by accepting the behaviors advocated by the “change champions”; who are the first to adopt them and through imitation and influence capable of spreading them.

Spreading the virus: the role of storytelling

At the micro-social level, spreading the virus works by imitation. At the macro-social level, the principal vehicle is storytelling, which involves relating successes and failures. For example, the champion can tell one of his colleagues how

team X overcame its bureaucracy problem and how John knew how to convince a sceptical customer. “Stories (...) travel faster than Key Performance Indicators“, remarks Herrero. They are also the easiest to remember and imitate. Contrary to best practices, they are continuously being transmitted, producing a constant flow of “things which are happening now that didn’t happen before”.

A vehicle of distributed leadership

In viral mode, the change needs the support of champions capable of spreading the new behaviors. The organization enriches itself with each champion, a new leader. Top down leadership’s role is to facilitate their invisible work.

Infection is informal and hidden: no workshops where the managers brief the champions. No ground-breaking declarations presenting a new program or corporate initiative. “The more the viral change is visible and formalized, the less chance it has of succeeding”, insists Herrero.

The champions discreetly work for change through their informal contacts. But invisibility does not mean opacity. The objectives can be clearly identified by the directors at the start of the project. However, the less we talk about it, the more we act on it! Informality does not necessarily imply chaos either. A certain degree of planning and coordination is required to identify the champions, solicit their support, and bring them together to present them with the new behaviors and their mission. The community will meet periodically in order to swap stories and assess any progress.

Viral change, therefore, proposes a different framework for managing change. From a theoretical point of view, it is based on certain fundamentals of social and behavioral sciences as well as network theory. From a practical point of view, several companies have implemented it with success, as outlined in this dossier’s two interviews. ■

Based on *Viral Change*, Leandro Herrero, meetingminds, December 2006.

Accepted Ideas on Change Management

And you... do you agree?

L. Herrero challenges readers to maintain their preconceived ideas about change after reading *Viral Change*.

- Making big changes requires a lot of resources.
- Cultural change is slow and difficult.
- Everyone needs to be involved in the change process.
- Communication and training are integral parts of change.
- The new required behaviors will come from the new procedures and systems put in place.
- The sceptics and opponents of change should be isolated.
- The change’s vision should come from the top and filter down, and so on.