

# Dollars & Sense



## ABOUT THE AUTHOR...

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Before joining M/J, Barry McLeish was the Director of Development & Marketing for Inter-Varsity Christian Fellowship and served as a member of Inter-Varsity's senior management team. He also served as Creative Director. Barry's books include *The Personal Support Raising Handbook*, *The Donor Bond*, and *Successful Marketing Strategies for Nonprofit Organizations*. His latest book, *Yours, Mine and Ours: Creating a Compelling Donor Experience*, is available from Wiley Press.

As a member of McConkey/Johnston's executive team, he combines many years of experience as a manager of comprehensive development programs with special expertise in direct mail, advertising, public relations and brochure techniques. Barry attended the University of Wisconsin - Madison, where he received a B.A. in Advertising and a Master's Degree in Direct Marketing. He also holds an M.A. from the Fielding Institute in Human and Organization Development. Barry and his wife, Deborah, live near Madison, Wisconsin.

Change is inevitable. Its how we deal with it that separates the effective employee, manager or organization from the ineffective.

## **If You Don't Like Change You'll Like Extinction Even Less**

by **Barry J. McLeish**

There is no more vexing problem to senior executives today than that of trying to effect significant strategic change within their organizations.

Many reasons are typically cited by leaders that are ineffective in accomplishing their change scenarios. Not knowing when a radical shift in strategy is needed, being unsure about the role of management in bringing about organizational change, and not understanding what a high performance organization looks like that is adept in changing its course of action — are all cited. Surprisingly however, one excuse is seldom voiced yet is perhaps the most telling in explaining this apparent lack of change success. Very simply, most nonprofit executives do not know what it means for them to succeed personally or corporately.

This lack of a defining "success yardstick" is often the direct result of poorly articulated or absent organizational objectives or objectives that are simply not achievable ("Help every

person that is needy.") In their absence and often as a result of the strategic complexity these managers face in their day-to-day tasks, the long-term direction of their agency becomes defined through the decisions that they make and the application of their managerial experience that is often characterized by being cautious, incremental, or competitively mimicking in nature.

Unfortunately, when it comes to succeeding in the hyper-competitive marketplace these nonprofit agencies find themselves in, there is often a need to rethink the logic of how their causal strategy work gets done, especially in times of discontinuous circumstances. Doing little that is new programmatically, imitating the competition, or "playing it safe" are all common but not necessarily good strategies in turbulent times. *"In an economy defined by overcapacity, oversupply, and utter sensory overload — an economy in which everyone already has more than enough of whatever it is you're selling — the only way to stand out from the crowd is to*

*stand for a truly distinctive set of ideas about where your industry should be going.”* (Mavericks at Work, William C. Taylor and Polly LaBarre, New York: Morrow, 2006)

Both the business literature and non-profit pundits when speaking of organizational change typically cite the problems of institutional inertia, personal and corporate resistance to the prospect of change, and the impact of corporate cultures that are unwilling to achieve either strategic change or adapt to sustaining change necessary for long-term success as reasons for the abiding lack of success in change management.

Additionally however, there are noticeable patterns in many of the organizations that we have observed as to why change attempts fail and are not more forthcoming. For some of these agencies, the idea of “small steps” – incremental shifts in development and strategy, building upon previous “small step” decisions – have become a defining characteristic for executives as a means to enable them to cope with the radical changes they see within their causal environments. This cultural mentality allows these organizations over time, to create a homogenous approach to the interpretation of their surroundings as well as defining what are appropriate strategic responses and actions open for them to take. Academically known as “logical incrementalism” what these small gains really do is to allow maximum control for executives in response to rap-

idly changing and complex philanthropic environments. Incrementalism is often a means of “circling the wagons” as rapidly changing circumstances are filtered until an appropriate response can be implemented.

There are some advantages to this approach, particularly in the process of decisions building upon other past decisions thereby serving as cultural constraints against unwarranted actions. “We don’t do it that way” assures that sameness and control are ever-present as built-in assumptions and cultural biases determine organ-

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izational action, even when the available data would suggest alternate ways of attacking a given problem.

Though often faced with pressures to adopt new ways of dealing with the need for change or with marketplace complexity, managers instead are likely to deal with any and all situations in a way that is in line with the cultural, social and political norms of the organization. This easily becomes problematic for the organiza-

tion when a crisis or complex issue arises that is outside of the agency’s current cultural repertoire. In other words, the manager facing a situation of this type is likely to minimize the seriousness of it and suggest instead that the changes presented need to be met by a response which is familiar to the organization.

The dominant characteristic of such a strategic response then becomes one of “sameness and familiarity.” To suggest any other responses would be to challenge the very fabric of the cultural web upon which the organization operates. Suggestions like these are perceived as threatening and tend to meet with heavy resistance particularly by those who have been around the organization for some time and have no doubt had a part in constructing its cultural paradigm.

What is the outcome of such long term organizational activity? In circumstances like these, strategic drift and a type of constituent non-responsiveness is likely to occur.

Market data or anecdotal evidence that comes up through the ranks is likely to be discounted by management. Any changes to the cultural web tend then to be incremental, defensible, and culturally comfortable. An adaptive strategy that is vibrant and in alignment with the differing values of the supporting constituencies and/or those served is not likely to happen. Adaptation is rather, in alignment with the prevail-

ing wisdom of the organization's managerial elites.

When it comes to being able to adapt to today's volatile culture, new ways of doing things are likely to be very important and are equally likely the most difficult to achieve. How does an organization overcome this?

Four issues are fundamental:

1. You must be honest in what is taken for granted by the organization. A "cultural audit" is often the most friendly way to uncovering this type of data. By making explicit what is taken for granted, you can then begin the process of managerial debate about the cultural barriers to change that exist
2. A climate of change must be established by those at the top. Without it, even a clear direction of strategic change is likely not to be implemented, immediate threats notwithstanding.
3. A need for organizational revitalization must be perceived and acted on by leadership. Very simply, without a mandate like this, opportunities for change are mitigated against.
4. Fundamental change – if subverted internally - can sometimes be instigated by outsiders. As a consultant a necessary and large part of my job is to "read" signals that are being sent by an organization's constituency that signal

change and must be met by a change in the every day behavior of the organization I am serving. It is my job to make an issue of this to the organization's leadership.

The very social, political, and cultural management activities that stop organizational change can also galvanize it. To attempt to do so without these explicit tools of management can lead to non-compliance and misalignment. Strategic clarity built on an honest assumption about an organization's cultural hotspots can allow nonprofit executives to not only deliver short-term performance and long-term success.

Barry has provided invaluable counsel to numerous organizations dealing with change in the face of turbulent marketing environments. Contact Barry or any M/J consultant by visiting our website at [mcconkey-johnston.com](http://mcconkey-johnston.com).