



## 13 Unlucky Mistakes in Managing Traumatic Change — and How to Avoid Them

Turbulent times put leaders to the test. How people handle unwelcome surprises and unexpected blows to the best-laid plans can exacerbate a run of bad luck — or turn things in their favor. Traumatic change is hard enough without adding insult to injury. When crises occur, leaders need to know how to avoid the traps that make it harder to recover. Here are 13 common mistakes and some guidelines for avoiding them.

**1. Pressure to act quickly undermines values and culture.** Leaders take drastic steps quickly with no time to explore alternatives. Values about participation, involvement, or concern for people disappear. Cynicism grows.

**Solution:** Avoid the temptation to announce instant decisions. Find issues that can benefit from employee input and assign teams to tackle them.

**2. Management exercises too much control.** In crises, decisions get pushed to the top. Because top managers are rethinking everything, people below go passive and wait to be told what to do. Initiative declines; innovation goes on hold.

**Solution:** Establish short-term tasks that empower employees to seek quick wins, giving them a feeling of control over results.

**3. Urgent tasks divert leaders' attention from the mood of the organization.** Managers are swamped with meetings and decisions. No one takes responsibility for assessing the impact on employees' motivation and performance.

**Solution:** Appoint a team of natural leaders to monitor the culture, take the pulse of employees, and coach managers on an effective process.

**4. Communication is haphazard, erratic and uneven.** Things change quickly, leaders are distracted, and it's not clear who has accurate information. Potentially destructive rumors take on a life of their own. Time is wasted.

**Solution:** Develop an interactive communications site to reach everyone with the same information in a timely fashion. Keep it going after the worst of the crisis is over.

**5. Uncertainty creates anxiety.** Executives don't like to say "I don't know," so they wait until they have definitive answers before they talk to their people. But people can't commit to positive actions while mired in anxiety.

**Solution:** Establish certainty of process when there can't be certainty about decisions. Create a calendar of briefings so that people know when they'll know. If there are no answers yet, say so.

**6. Employees hear it from the media first.** Aggressive journalists dig for information, and items can run in the media before employees hear about them — e.g., workers who heard that their plant was closing on the radio while driving to work. Middle managers look dumb and uninformed. Employees feel insulted and left out.

**Solution:** Keep the press out. Develop networks of employee-leaders to connect an information chain.

**7. There is no outlet for emotions.** Anger and grief mount with no way to express or deal with these emotions. People might start acting in strange ways, undermining teamwork.

**Solution:** Create facilitated sessions for venting. Teach managers about dealing with trauma and ensure that they acknowledge grief and anxiety.

**8. Key stakeholders are neglected.** Busy internally, leaders fail to engage other key constituencies. Customers, dealers, suppliers, government officials hear only the media's and competitors' slants. They get nervous and withhold support.

**Solution:** Manage relationships. Identify all groups that need to be communicated with regularly and devise a plan for reaching each.

**9. It seems easier to cut than redeploy.** Reducing budgets or people in equal proportion everywhere seems easier than taking time to reassign people or reallocate resources. Inevitably, strong performers are lost when they could have served elsewhere — including in sales roles.

**Solution:** Establish a pool of strong performers from areas with cutbacks. They might be able to help the business in another way — or be called back for special assignments such as supporting the transition.

**10. Casualties dominate attention.** Sometimes leaders want to do the humane thing by offering help to people who are cut, while neglecting the "keepers" on whom the future depends. Some of the keepers don't know that they are valued and decide to leave.

**Solution:** Meet individually with leaders of the future and show appreciation. Offer recognition for extra problem-solving efforts during the crisis period.

**11. Changes are expedient, not strategic.** Managers often restructure by removing the weakest or newest people, without regard to business needs. The unit does what it has always done but with fewer people. The opportunity for change is lost.

**Solution:** Identify a team and process to reexamine mission and priorities, to redirect activities toward more productive future uses.

**12. Leaders lose credibility.** The shock of crisis, lurches in business strategy, and performance shortfalls make top leaders' words less credible. Why believe any new strategy now? Motivation drops.

**Solution:** Make short-term, tangible, doable promises, and keep them.

**13. Gloom and doom fill the air.** Everyone is preoccupied with the negative current situation. They feel guilt about the people who are being let go. Morale sinks, and it is hard to find the energy to be creative or productive.

**Solution:** Show that there is a future beyond the crisis. Repeat a credible positive vision. Emphasize the steps being taken to avoid reoccurrence of the present crisis — how we're going to change so that this won't happen again.

Leaders make their own luck. In the face of traumatic change, it is important to take the time to anticipate and avoid the 13 unlucky mistakes. Learning better acts of leadership when change is difficult will help everyone get through the crisis to find better fortunes ahead.

Rosabeth Moss-Kantor

Harvard Blog Network, 22 March 2010

