

Awareness: The Key Insight for Organizational Change

By Tom Northup, September 2007

Right now, your company gets the results—good or bad—that it is designed to get. If your vision of the future differs from your current situation and if you want better results, you must change the way you manage.

In today's fast paced world, change will happen and will affect everyone. Organizational change driven by technology and world competitiveness is transformational, not just directional. Effective CEOs who want to be in control of change in their organization know that positive change is leader directed.

Transformation begins with awareness and cannot take place without insight. The most important factors in managing proactive change are personal and organizational awareness.

A high degree of personal and organizational awareness improves staffing decisions, team building, communication, culture, and leadership effectiveness. Awareness brings insights that transform "good" results into "great" results. Focused awareness establishes competitive advantage and creates consistent results, including improved revenue and profitability.

Successful leaders have a strong self-awareness and deeply understand their emotions, strengths, limitations, values and motives. They are realistic and honest with themselves and about themselves. They know where they are headed and why.

Organizations must have a similar understanding. In both areas executives must be realistic. They cannot rationalize problems away or convince themselves that the situation is different than it truly is.

Organizational Awareness

Successful CEOs have a deep understanding of the organizational structure, leadership style and culture of their companies.

They know employees care about the value they contribute and how satisfying their jobs are. Successful CEOs ask whether there is a gap between perception and experience, how employee productivity could be enhanced and whether the company culture promotes competitiveness.

Structure is important. Inefficient bureaucratic companies are not competitive. They demotivate their employees from taking initiative. On the other hand, highly versatile organizations are often overly flexible and don't provide stability. The proper balance for your organization is crucial to its success.

Leadership style determines an organization's long term success. Since employees always react to management's leadership style, proactive change is best carried out in an atmosphere where employees feel valued, have the ability to help set direction and initiatives, can develop personally and know management has their best interests at heart.

Culture also has a significant impact on organizational performance. Daniel Goleman, the pioneer in emotional intelligence, determined through numerous studies that culture can positively impact performance by as much as 25%.

Personal Awareness

Effective CEOs understand that to be proactive in today's competitive environment they must continually develop the strengths of their key people, share power with them and encourage active participation. The management team that works together to proactively effect change becomes a major organizational strength.

Effective CEOs also clearly understand themselves and the people in their organization. They build strong interpersonal effectiveness into their organizations, creating an environment where everyone works together with trust and openness.

Organizations built on competitiveness in the market and between departments do not easily establish trust. People may be difficult and hard to understand with a poorly developed ability to read others.

This is why effective CEOs use surveys to assess personality characteristics that correlate highly with job success. These surveys provide strategic intelligence that shows why people behave the way they do. Good assessments have a high degree of accuracy and meet legal guidelines.

Executives use many types of assessments, each designed to provide specific results for different needs. Basic assessments are limited to evaluating only a few traits such as introversion / extroversion and dominance / submissiveness. Higher order assessments may measure up to ten traits and correlate them closely with job success.

Assessments have three uses:

1. At their most basic, assessments describe individual characteristics. They are commonly used in hiring, avoiding the problem of hiring someone only to find out they don't meet expectations. Surveys help determine whether a person will be a team player in a given culture before they are hired. Numerous studies show that survey use reduces hiring mistakes and turnover by up to 30%.
2. Assessments may also be diagnostic and predictive. They tell us why a manager is the way she is. Once we know why, we can predict how she will behave in new situations. We minimize promotion mistakes that cause organizational problems and distract from productive work.
3. High order surveys are developmental. They provide the foundation needed for executives to coach employees to a higher level of success. These surveys address leadership, communication and productivity. They define personal characteristics so management can help individuals achieve personal dynamic balance and interpersonal team balance.

Summary

Transformational change driven by technology and international competition makes running a company very challenging. To cope, effective leaders need to build change into the organization's culture. Controlled change allows them to be proactive and maintain competitive advantage.

Deep and candid knowledge of organizational structure, leadership style and culture provide the insight necessary to effect change. Similarly, understanding the personal leadership characteristics of the management team adds even more insight.

Effective CEOs use impartial surveys to uncover basic organizational and personal characteristics. This tells them where the organization and individual team members are. Comparing that information to where they want to be determines the gap they need to close.

Surveys provide strategic intelligence, allowing the management team to reduce uncertainty in the decision process. They address leadership by revealing the unseen so management works with a higher degree of certainty.

Realistic insight gained from awareness is the precursor for transformational change. Insight brings focused leadership. Focus drives performance. Performance drives results.