Does Your Practice Need a Change?
If It Does, Avoid These Five Common Traps

by Renate Rooney

Few people embrace change in professional or personal situations. You know the clichés: "If it ain't broke, don't fix it," "The devil you know is better than the devil you don't know" and "You can't teach an old dog new tricks." It's human nature to resist change.

But for your consulting practice to receive sustained success, you must be open to change. The first step is to recognize the need for it. How can you tell that your company needs a systemic or organizational change? You can find clues that can be seen in several places, such as your financial statements, your technology, project reports and the marketplace in general. You may also notice signs from your customers, employees and anyone else invested in your organization's success.

If you know it's time for a change, here are ways to proceed successfully. If you're not sure if change is beckoning you, take a little time to find out. Look at your company's statements, reports and press coverage. Listen to your customers, employees and other stakeholders. And trust yourself. Sometimes you can just feel that something isn't right.

Here are some key areas to review when deciding if your company needs a change. Notice the symptoms I have listed that may indicate major change is called for. You can also review these areas when helping your client companies assess the need for change:

Finance symptoms:
- Reductions in working capital and cash flow.
- Declining revenues and profit margins.
- Unwarranted increases in expenses.
- Slower turnover of accounts receivable.

Strategic planning symptoms:
- Lost market share and declining sales.
- Excessively high customer concentration.
- Inconsistent results—e.g., targets for business development or new market penetration have been repeatedly missed.

Operations symptoms:
- Outdated equipment or equipment failures threatening productivity.
- Technological changes needed.
- Obsolete products or services.

Personnel symptoms:
- Executives constantly fighting fires rather than focusing on developing or growing the business.
- Lack of delegation or effective decision making.

- Poor employee morale.
- Multiple resignations of key personnel.

The Five Common Traps
Businesses committed to making a significant organizational change typically start off with energy and enthusiasm. For several reasons, however, this positive outlook rarely lasts. Here are five common traps that may impede your consultancy during the change process, coupled with success strategies for avoiding them:

1. **Lack of Integrated Vision and Strategy**
   Professional service providers anxious to "fix" their practice often sacrifice long-term success for short-term results. For you to realize the benefits of a solid organizational change, quick fixes can be implemented but you must be willing to incorporate these "quick" solutions into a long-range plan aligned with your vision and strategy. Whether cultural, behavioral or performance-based, your plan must line up with specific business results.

   Success Tip: Create a vision and supporting strategies to guide your practice and make all the pieces fit together. This will focus your efforts on common values and provide a clear understanding of how you support the overall organizational mission.

2. **Tolerating Complacency**
   Change is hard. Many businesses fail to accept the change challenge, choosing instead to let the status quo reign. If you have people who work with you or for you and they are not fully engaged in the project—they may sign on, but then take no action to support the initiative—your projects and team efforts will be set up to fail.

   Success Tip: Build a strong case with your partners and employees for change throughout your practice. Make sure everyone understands "What's in it for me?" Communicate how the change needs to take place and what the expectations are. Define which functions are critical to implementing change and ensure you have the right leadership and resources to be successful. Leadership means supporting the change and manifesting it by example, via day-to-day actions.

3. **Poor Communication**
   If every audience that will be affected by the change—customers, employees, vendors and investors—is not informed along the way about critical issues that directly impact them, resistance will be the result. Uncertainty and fear are natural responses to a large change, and individuals respond in various ways. Some may act out or become passive-aggressive and cause conflict.

   Change initiatives, no matter how well-intentioned and planned, fail without appropriate communication. When you undertake change initiatives without having a communication strategy and plan, the result is that communications (1) happen inconsistently, (2) portray the wrong message and (3) fail to address the needs/concerns of stakeholders.

Success Tip: Develop a communication strategy and attempt to anticipate potential conflicts. If you think you're communicating enough, think again! You can never over communicate.

4. Too Many Obstacles

Change initiatives often fail because those leading the charge allow too many obstacles to impede forward motion. It's a common trap to fail to allocate appropriate resources, time and even people to the initiative. Or you might overcommit resources so that your initiative is doomed from the start. Other obstacles may be competing or conflicting projects and declarations of premature success.

Success Tip: Clearly define a plan for change, identify a "sponsor" for the change within your organization or network and prioritize and allocate sufficient resources. Establish clear communication channels with your sponsor and project team. Clearly define an escalation process to quickly resolve issues. Celebrate and leverage any smaller, visible improvements to encourage substantial, visible success.

5. Failing to "Anchor" the Change

After the initial change, the passage of time often leads to a reversion back to the old way of doing things. When you and/or your people aren't held accountable for specific deliverables and when metrics aren't established for the long term, everyone tends to revert back to their old behaviors as life moves on to the next priority.

Success Tip: Cultivate solid leadership skills and create expectations for performance-based change, e.g., centered on market share, productivity, profitability, etc., to ensure that cultural and behavioral changes stick. Encourage a shift in mindset by all. Don't leave yourself out of the equation.

Remember, change initiatives can be challenging and time-consuming. Whether you feel the need to make changes in your technology, culture, processes or your entire business focus, the resulting change project will take time, patience, creativity, persistence, focus and a lot of hard work!

Celebrate your wins along the way and recognize your losses. If you keep yourself and your people engaged, you'll be much more likely to achieve long-term success.

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