

Managing the Human Resource: The Challenge of Change

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How do we, as leaders, get people to embrace change rather than resist it? Getting people to embrace change is what psychologists call having a “superordinate goal.” In plain English, a superordinate goal is an attainable vision. When psychologists talk about vision, they mean something that is not more than one to three sentences. It is not a silly mission statement that no one reads and nobody remembers. With vision, we are referring in psychology to the power of language. It is a few words to galvanize people and incite them to action. It gives people a cause that they can believe in. Some examples are Churchill, Kennedy, and Iaccoca.

The downside of talking about vision is that you are playing with fire when you play with people’s emotions. And great vision statements are often nothing more than words, so they become a source of cynicism and frustration. An employee may say, “I can’t believe at my age and my experience that I was so naïve to fall for this, because subsequent to the articulation of the vision statement, it’s the same old thing.”

Goal Setting

What differentiates effective from ineffective leaders? It is, in fact, goal setting. The purpose of goals is to simply move the vision from concept to action steps. Specific difficult goals lead to higher performance than abstract goals or no goals at all. Recall Scott Josiah’s presentation earlier; SMART goals win over 90 percent of the time. Why? Because most of us live in a world where everything is urgent and high priority. But when you set a specific goal that is difficult yet attainable, you beat the sense of urgency. Commitment to higher goals results in higher performance. The most interesting aspect of goal-setting theory is that monetary rewards, public recognition, and employee participation in decision making have no effect on behavior unless the person believes and participates in commitment to high goals.

During World War II, a German psychologist conducted an experiment to see the effect of meaningless work on behavior at a prison camp. He commanded each prisoner to fill a wheelbarrow with dirt, wheel it over to a dirt pile, and dump the dirt out. Then the prisoner had to refill the wheelbarrow, push the dirt back to where he originally shoveled it, and dump it out. After 65-70 days of this, guess what the prisoners did? Did they ask for a raise? No—they went mad and threw themselves on electric wire or simply threw down their shovels and raced off knowing that German guards would shoot them down. They went nuts. On the other hand, why do many people here today ruin their weekends with trying to hit a white ball into a little tiny dirty hole? Why are you doing that? All you have to do is pick it up and drop it in, pick it up and drop it in, and so on. You are doing that because it is a challenge. Goals

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²This paper summarizes a transcript of Dr. Latham’s presentation.

give meaning to otherwise meaningless tasks and they provide a sense of accomplishment. Goals keep you from going mad.

Goals reduce stress. Goals need to be few in number, as in 3 to 7, not 37. The danger of 37 goals is that your eyes glaze over and there is no focus. And worse, you're apt to get into cherry picking, which is picking only the easy ones. Goals also need a time frame to them. Does anybody remember John F. Kennedy saying, "We will be the highest quality, lowest cost space explorers of the world"? No—he said in 1962 that within that decade we would put a man on the moon and return him safely to Earth. It had a time frame to it.

Goals need to be tied directly to the strategy of senior management. Employees have to perceive that what they are doing is tangibly helping them. If you can understand consequences, you can understand behavior. Look at consequences from the eyes of manufacturing, from the eyes of marketing, from the eyes of senior management. And you need to talk the language of the people with whom you are relating.

Integrity and Accessibility

Something else that differentiates effective from ineffective leaders when it comes to getting people to embrace change is integrity. It's serving as a model to the people around us whether it is co-workers, bosses, or people reporting to us. We are walking examples of desirable behaviors. We need to be sensitive to the signals we send. I'm talking about signals that are inadvertent, unintended, and unconscious. For example, what signal did I hope I was sending to you today by not using overheads during my presentation? Maybe you picked up the signal that I was unprepared, but the signal I'm sending is that I want this presentation to be interactive with all of you.

Another factor that helps people embrace change is accessibility. Let people know that the little things they do are noticed and appreciated, not the big things. If you scrub on the big things, don't worry—someone will fill the blame for you. I am talking about the little stuff. You need to notice and appreciate the little things that people are doing in relation to vision and goals. Also, simply be a good listener and encourage disagreement.

Attention

Why is it that a spouse walks out after 20-25 years of marriage? A hint: It has nothing to do with sex, money, religion, or in-laws. Those are all the big issues for the first seven years. Why does he or she walk? It is lack of attention. By the way, the third party—you would be amazed—is even uglier than you and me. So why would he or she leave you for someone uglier? Lack of attention. You have no problem getting upset when someone turns in a report late. But when was the last time you complimented someone for reporting on time?

Attention begins with being specific. When you see someone doing something you appreciate, comment on it. Here's a sexist question for you. In general, who is better at giving praise than receiving it? Males or females? By far most of you raised your hands in favor of females. Why? It is not genes, blood type, nothing to do with babies—it's a learned behavior. At the age of 18 months or so, little girls learn that it is respected and appropriate to make comments such as "Look at your hair, you're so pretty!" If I were to walk up to Dave this

morning and say, “Dave, I really like your hair these days,” he wouldn’t speak to me for hours. Well, Dave’s hair is not job-related but there are a thousand things that are—and real men need to comment on them.

People need to know that they are noticed, that they count, that they are somebody. For odds are, they are going to leave. And worse, they’ll leave psychologically and not physically, so they retire on the job.

Great leaders make employees feel like they are contributing to the team rather than detracting from it. If you don’t make people comfortable with saying no, then you’ll get groupthink.

Measurement

When we talk about vision, we also talk about measurement. When it comes to embracing change, great leaders know that that which gets measured gets done. It is a fundamental truth in psychology. The act of measurement conveys focus and importance. Before you look at personalities, before you point a finger at the individual, look at the measurement system. Measurement systems are often the source of dysfunctional behavior. The downside of measurement is that it gets the focus off the vision and goals and onto something very different.

There is a great book out called *Third Generation R&D*. The book describes the first generation as the strategy of hope, displayed as “hire good people, give them lots of money, put them away somewhere, given them time, and hope something good will come out of them.” The second generation revolves around projects. The third generation R&D works from a vision statement that galvanizes and inspires. The two questions you need to ask first are: Why do we and R&D exist? Who would miss us if we were gone? The idea of vision is no boundaries, no walls between “us” and “them.”

We will survive change through mutual vision, mutual goals, talking our thought, and continually asking employees: What are we doing right so we can continue it? What can we do even better? And, the most important question: What can you do to help us get there and vice versa?

Thank you.