



Change

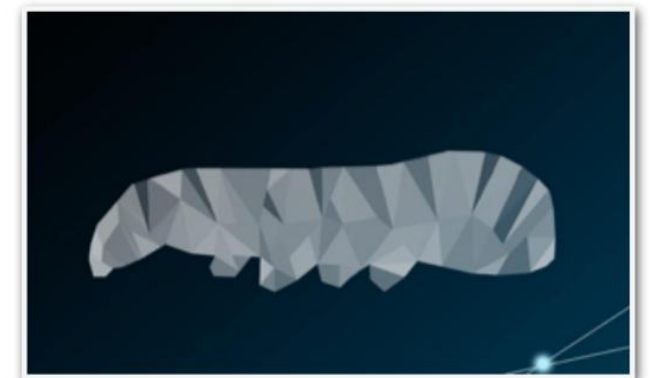
Change is difficult, but necessary

When relationships and groups are to develop, some change is required. It is also something that can be necessary or a good help in long-term negotiations.

- We assume that with increased awareness, increased understanding of ourselves and others around us, we get one better basis for planned development - i.e. we can better control the change process.

We will now consider change itself and how people relate to it.

We will consider different techniques to lead and control change.



Change - basic properties

- Change work takes time
 - new habits and routines need to be established
- Change processes are unpredictable
 - organizations and individuals are complex
- Change always meets resistance
 - change triggers fear
 - We are governed by our habits



Change - Loss Aversion

Exercise - Individual:

Create a 'Change note' to have for the exercise.

Research yourself and find a behavior you want to change. It could be a habit you've had for a long time or some minor peculiarity, detail that you would like to change. (The change can be of both a rejecting and strengthening nature, however, it is easiest if you find something you want to reject, i.e. remove).

Pick out a single word that describes what you want to change, like a headline.

Then write one or two sentences about what you want to achieve with your upcoming change. (a kind of change ambition)

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ex)

Timekeeping

I want to be on time for scheduled meetings

I want time to prepare for a meeting

Change - Loss Aversion

There are more interesting aspects of the human psyche that are important for the change process.

Loss aversion is one of these. Humans are 'programmed' to feel pain and losses to a much greater degree than joy and gains. Therefore, we avoid losses as much as we can.

Kahneman and Tversky received the Nobel Prize in Economics in 2002 for this discovery. The conclusion is that in order to lead to success, one should stop appealing to what profits and savings can be achieved - instead focus on expected loss:

ex) if you change your mind and do this instead, we save x thousand Swedish kroner a year

ex) if you continue to do this, we lose x thousand Swedish kroner a year.

The difference is small, but has great significance!

Change - Loss Aversion

One example, which shows how loss aversion and focusing on loss can be used in, for example, sales;

ex) Hi, I'm calling from an electricity company and you can save/earn SEK 300 a month if you switch to us - are you interested?

ex) Hello, I am calling from an electricity company and because you are a customer of another company, you are losing SEK 300 a month right now. I can help you get rid of that loss - are you interested?

So the point is that we biologically dislike losses more than we like wins.

We always prioritize safety and security higher.

We can use this fact when we work with change.

Change - Loss Aversion

Exercise - Individual:

Go back to your 'change patch'

Now try to rephrase the sentence(s) so that they focus on losses. That is, you formulate yourself so that your ambition is to eliminate loss.

ex)

Timekeeping

~~I want to be on time for scheduled meetings~~

I want to stop wasting time and tarnishing my image by being late

~~I want time to prepare for a meeting~~_____

I will stop performing poorly in meetings as a result of being unprepared.

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Discuss the result

Rarity and availability

- Man is by nature a collector.
 - In the past gathered for survival
 - today gadgets, pokemon, likes, friends on facebook, etc. are collected
- As collectors, we are good at identifying what is rare, especially if it is running low
- When something is rare and limited - we consider it exclusive (think limited edition, etc) - and our willingness to pay increases.
- As a result of this characteristic, we also suffer from fear of getting rid of something we think we already have had - eg options.
 - We hate to lose choice. The research shows that we value what we have lost, or are at risk of losing, twice as high compared to when we have it.
 - The risk of not being able to get something - thus leads to us wanting it even more
 - The “Romeo & Juliet” effect, they want each other even more when the families try to stop them.

We can also benefit from this when we plan change! or in negotiation...

Condition new tasks and negative habits

This method involves changing a bad, negative habit by pairing it with a new, difficult task or association. Through this conditioning, the new, aggregated activity will become too strenuous for the individual to sustain - which is expected to lead to change.

- Based on the fact that man is lazy and comfortable - chooses the path of least resistance
- We try to reduce accessibility in the unusual,
 - eg from private life) Children who play a lot of video games. If they have to unplug the console and put it away in the basement between each time, the resistance will be higher and it will be harder to 'just play'. They will think before they bring out the game.
 - ex two) A person who finds it difficult to stop smoking, can make sure to associate everything negative with the habit by saying: "It's the smoking's fault that I get so short of breath when I walk up these stairs" or "the cough is due to the smoking". It increases the chance of breaking the habit,
- An employee who does wrong things is subject to the same rule. The behavior may be allowed to continue but add one difficult task, condition it with something negative - and the change is likely to occur when it becomes more difficult to continue.
 - A big advantage here is that it is the employee himself who chooses to implement change, compared to if the manager forbids it.

Change - simple methods

Ask for help

- It is difficult to see all the important details, only from one's own perspective. Especially about the change involves your own behavior. Ask others to help.
- A work team can share the task. Role playing can also be good for this.
- Use graded and planned feedback

Think future instead of history

- The future is more important than what has happened up until now.
- Focus on how it will be in the future, instead of looking for faults in the present.

What works?

- Focus on what is good and works, instead of what doesn't.

Change - more simple methods

Be extremely specific

- We all have different images in our heads - we interpret differently, we think differently, we fantasize differently.
- When formulating a behavior change (for others), be specific
 - ex) if you want to change to better service towards guests
 - say: I want you to smile at all guests, I want you to say "hello and welcome", upgrade each guest if possible. etc

Celebrate often

- Set goals, small ones at first
 - Celebrate often when goals are achieved

try

- We have a built-in fear and reluctance towards new things and changes. It is easy to say no and then find it difficult to change your mind. (Norwegians have a better word: to change their mind, instead of to change their mind.)
- Test new routines and habits, then the 'users' have time to get used to them before deciding to 'buy' them or that they become fixed automatically.

The best before method

- Changing or breaking a behavior often means that you first have to end another behavior in order to then start with a new one.
- Many people have a built-in, probably evolutionary, aversion to getting rid of things (clothes, gadgets, traditions, etc).
- The best-before method handles this by putting a "best-before" on the methods, routines, etc. you work with. It can also be effective on things like tools, computers, etc.
 - Either you do this for everyone you use often, or only for new people. (so that everyone successively have)
- The advantage is that it becomes much easier to move towards change when the best-before date is reached for something.
- The process also leads to increased responsibility and participation in, for example, a work team.

Positive Deviation Method (PDM)

The method involves answering three questions;

- What am I/we good at?
- What can I/we do better?
- How should I/we do it?

Let's take an example: “The working day had started badly. A customer has had his delivery greatly delayed and as the responsible manager you have been contacted by the irritated customer who expresses his anger, worry and irritation. The customer points out that this is not the first time and that if it happens again, they must change suppliers.

This is a big problem and you call the warehouse manager, sales manager and customer service manager to a meeting.

Instead of discussing the problem with criticism or a positive attitude (“we'll fix this!”), you now resort to the PDM approach

Positive Deviation Method (PDM) (2)

1. The first question is therefore; **What is good about the customer receiving a late delivery?**

The question requires thinking in new ways. It is provocative and can be misinterpreted, but leads to looking for real positive signs.

eg on views that appear in the example;

- It is good that we deal with this issue once and for all
- It is good that the customer clearly warned us so that we get another chance
- It is good that we realized that we are not as good as we thought
- It is good that the customer actually received the goods and is not still waiting for delivery
- It is good that we have this meeting.

There is always something good to illuminate even in the darkest of times.

Positive Deviation Method (PDM) (3)

2) The second question that should be asked is: **What could we do better?**

The idea behind the wording of the question is that it is easier to find solutions to the problem than to look for scapegoats. Properly discussed, it leads to reflections such as:

- I could start double-checking all deliveries to see that we are not deviating from the contracts
- I could compile our complaints so that we can get an overview of any delivery problems
- I can ensure that the customer received updated information if we were to have delivery problems instead that the customer himself discovers delays.

Positive Deviation Method (PDM) (4)

3. Third and final question; **How can we improve delivery security?**

If you have ensured that there has been a good discussion around the first two questions, the third question is almost answered.

Here it is most important to create action plans for the proposed ideas and to ensure that responsibility is distributed among individuals so that nothing falls through the cracks.

It is important that the process is carried out so that everyone feels participation.

Positive Deviation Method (PDM) - versus a customer

The PDM method can also work in communication with a customer (or other affected party). It may then be easiest to first roll out the method internally and then share the positives with the customer.

If you have a strong and close relationship, it may be relevant to have the counterparty also in the PDM routine itself.

In communication with the other party, it is often appropriate to be open and honest about the known mistakes caused by your own organization, but at the same time be clear that the focus is now on finding a better solution going forward and not on finding scapegoats.

e.g. roughly: "Yes, we made a mistake here, but the positive thing is that we are now dealing with this once and for all and already on Monday we will introduce new procedures... which should give you [better service and quality] from and with now, (at the same price as before)."

Change - 'formal tricks'

In more formal cases, when a change is controlled and managed like a project, there are steps to take to help the change happen:

- It is possible to realize much more of the change's potential, if you anchor it well the organization or with e.g. a customer who is affected
 - It makes the recipients accept the change, before it is delivered and implemented
- You want to get the users/those involved on board as soon as possible.
- Education is one of the most effective methods to accelerate change and ensure benefits
- By involving key people early on, for example by making them part of a kind of reference group, this group feels involved and involved. They will most likely speak well of the change and the change work.
- The reference group becomes particularly effective in this regard if it consists of informal leaders and those to whom others in the organization listen. Avoid senior managers - they don't have time.

Change management - different methods

Change initiatives meet resistance. We have considered various phenomena, behaviors and methods to benefit from them;

- **Loss aversion** - we value loss twice as much as gain
- **Rarity** and exclusivity attract
- What we **risk losing** is automatically valued higher than before
- **Condition** negative habits with associations or other, troublesome tasks
- **Ask for help** with change
- **Think future**
- Focus on **what works**
- **Celebrate often**
- **Try on**
- **Best before**
- **PDM** - the three questions method (What is good, what can I do better, how should it be done?)
- **Reinforce and involve**

Change management - different methods - the exercise

Go back to your 'Change Patch' - try using the methods below to reframe your ambition for change.

- **Loss aversion** - we value loss twice as much as gain
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