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Welcome back. It's great to see you again. In this video, we will cover one of the most popular change management models, Kotter's eight step model. John Kotter is a renowned Harvard professor who developed a significant body of work for the change management field. With over 20 years of knowledge, Kotter introduced his eight step model in his 1995 book, *Leading Change*. In his 2014 book, *XLR8*, he recognized that businesses needed to become much faster with implementing change, so he provided an updated view of the model to help businesses achieve that goal. Organizational change is always initiated with the thought of creating short and long-term benefits for the business. I call this benefit an opportunity. An opportunity can be both big and small. When initiating change in an organization start with defining the opportunity. Strategically, Kotter suggests thinking of the big opportunity. Smaller changes can enable and support the big opportunity, but you have to understand in what way it would benefit the business, and what would happen in 1, 5 and 10 years if the organization did not act on it. After you have defined the big opportunity, follow the eight steps of the model. Step one, create a sense of urgency. Step two build a powerful coalition. Step three, develop a strategic vision. Step four, enlists change advocates. Step five, enable action by removing obstacles. Step six, generate short-term wins. Step seven, sustain change acceleration. Step eight, institute change. Now let me illustrate. In one of my previous roles, I led the effort of switching to Salesforce in my department as a part of making the process of managing our customers more standardized and transparent. What sparked the need for change was an opportunity to be the first, to become the best in class and most importantly, to stop us from problems we identified. Those problems, what we called constant bleeding from inefficiencies. The lack of collaboration between departments, employee frustration, lost records, and antiquated manual data collection. The opportunity came with a price tag, as opportunities for changes often do. The important consideration was what would happen if we didn't switch? If we did not make the change, or switch, in one year we'd still be bleeding. We would likely lose sellers in our team because the frustration with the antiquated systems would grow. We would spend hundreds of thousands of dollars in inefficient labor costs to try and present the cohesive performance dashboard at the end of the year. In five years, the cost would be staggering, while data integrity would continue to suffer. This would most likely continue to degrade as the department grew. We would not be anywhere close to our aspirational goal of becoming the best department that we wanted to be. In 10 years, we would not be able to support our core business functions, we would miss the opportunity to attract the best talent, we would fall down in our ratings, and it would cost us exponentially more to switch. I just presented an example of an opportunity that could be considered medium at the onset. However, when we actually take a look at the projected 10-year trajectory, we can really understand the long-term impact and the critical nature of this opportunity. After you have defined the big opportunity, as in my case the one I just mentioned, you would follow the eight steps of the model. In the next video, let's take a closer look at how to execute each step in practice.