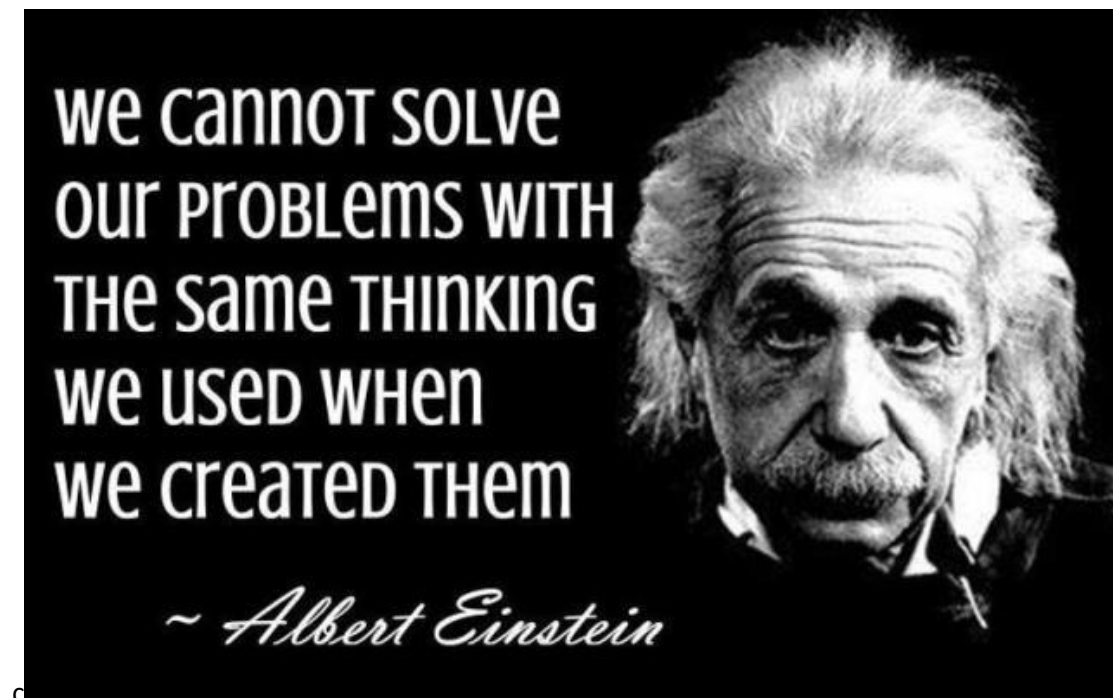


Why Business Transformation Efforts Fail: Climate



More than 70% of transformation efforts fail, according to data reported in *Harvard Business Review*. John Kotter, one of the most prominent leaders in the business transformation industry, spent 15 years studying why change initiatives fail, which led to the development of his 8-step process. This article is going to touch on the first three steps in the process.

Creating a Climate of Change

One of the quickest ways to fail is to start by implementing the change. (NOTE: I'm not talking about process improvements here, as implementing those rapidly can be a huge benefit. I'm talking about fundamental change programs that alter the make-up of an organization.) To be successful, a climate of change needs to be created within the organization. To create the proper climate, the executive team must:

- Establish a Sense of Urgency (Step 1)
- Create the Guiding Coalition (Step 2)
- Develop a Change Vision (Step 3)

Establishing a Sense of Urgency

Executives often come to the intellectual understanding that some type of disruptive change must occur for their business to improve their fortunes. For some that means saving it from bankruptcy, for others it means taking a small business to a true corporate presence, and still others it means becoming the dominant force in their market. Whatever the situation, the intellectual assent that change is required does nothing without the deep feeling (call it desire, gut instinct, or something else entirely) that this has to happen now. This sense of urgency creates an undeniable force and removes complacency from the equation. This is the foundation upon which a clear vision and rational strategy must be based.

Creating a Guiding Coalition

Now that we have an executive team urgent to implement transformative change. Building a partnership of resources who share their passion and view change as an opportunity is the next key step. To establish this coalition, all the players must be united under a common objective, must have the credibility and expertise to foster the change, and must trust one another to keep the vision in sight at all times.

Developing a Change Vision

The change vision is the glue that binds the coalition together and charts the path forward. An effective vision must be bold yet attainable, must paint a clear picture of the future, and must appeal to both the hearts and minds of the employees. In addition, the vision needs to be specific yet flexible – specific enough to guide decision-making and flexible enough to allow for adaptability when market conditions change. Finally, the vision must be easy to communicate to teams at all levels of the organization.

Also, be sure to check out my recent articles on business transformation:

- **Employees** - [Its People Who Drive Business Success](#)
- **Communications** - [Communications Can Fuel Business Success](#)
- **Customers** - [Treating the Customer Right is Imperative for Business Success](#)
- **Process** - [Part I](#) and [Part II](#)

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