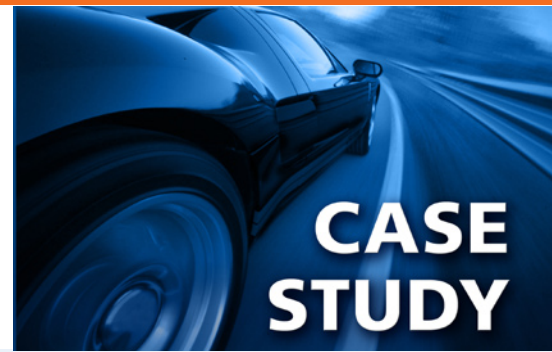


Leading Change During Extended Periods of Uncertainty



THE SITUATION

Late in 2004, two major American car makers announced world-wide production cutbacks. One of the world's largest suppliers of automotive components responded with a multi-year plan of dramatic changes. The company:

- Laid off 8500 people in 2004
- Filed for bankruptcy protection in 2005
- Offered a buyout for 30,000 additional employees in 2006
- Is currently seeking drastic concessions from the UAW to cut wages from \$27 an hour to \$9.50 an hour
- Over the next few years the company:
 - Will change its factory footprint world-wide, resulting in the closure of 21 of its 29 US plants
 - Will reduce its suppliers from 2850 to 750

As you would expect, employees initially were rocked by these changes:

- They felt their life plans were completely disrupted (e.g., retirement plans were put on hold; promises to pay for their children's college educations were rescinded)
- Their sense of security was gone
- Their ability to focus on the job wavered every day resulting in heroic measures to keep production and quality up
- They were stretched to cover for the coworkers who left for more "secure" jobs

As this extended period of uncertainty became more certain, employees became numb, or worse yet, angry.

THE RESPONSE

The senior leaders and Human Resource personnel knew that if they wanted to have a high performing organization left after this dramatic period of change, they would need to lead employees through these changes in a very different way. They needed to connect with each employee on an individual level to show that they cared, and they needed to provide real tools for employees to help themselves and their families through change.

In a massive change leadership effort, 2500 leaders attended the *Leading Yourself Through Change* Workshops, and all leaders with direct reports went through the *Leading Others Through Change* workshop. Participants learn five action steps for handling any change—at work and at home:

- **Action Step #1:** Share your feelings to overcome the negative feelings that come with change
- **Action Step #2:** Reframe unproductive or irrational thoughts and beliefs until you can see the opportunities that are available in any change
- **Action Step #3:** Make a plan to try your new behaviors, rather than getting stuck in old behaviors that hold you back
- **Action Step #4:** Arrange encouraging consequences to keep yourself motivated as you try new behaviors, until they pay off
- **Action Step #5:** Understand the positive and negative impact you have on others as you deal with the change. Determine whether you are a role model for people you care about, or whether they are worried about your ability to handle change

KEY OBJECTIVES OF THE WORKSHOPS

- Keep employees heads and hearts in the game
- Help employees and their families deal with these devastating changes
- Retain key employees
- Help employees understand that this would be the first of many significant, yet-to-be-determined changes
- Help employees deal with this extended period of uncertainty
- Have a company left that is productive and ready to go

THE RESULTS

94% of leaders said that the workshop helped them handle change more effectively

93% of leaders found the tools to be practical, easy-to-use, and helpful

76% asked the company to offer the workshops to their family and friends (which the company is in the process of doing)

85% said they will refer to the tools whenever they face future changes

PARTICIPANTS' COMMENTS:

"This is a useful framework to examine change and how to deal with it. It would be tremendously helpful for entire families"

"I appreciate the company providing the program."

"Has helped me take a more positive outlook and start preparing for the future."

"I would like to have this session available for my family. I believe it would allow us to work through problems more effectively."

"The time spent was just perfect. Interesting and practical information."

"This class confirmed what my supervisor and I have already started to implement—Positive Mental Attitude!"

"I came to the workshop with a high degree of reservation /skepticism. WOW! Was I wrong! Excellent!"

"Great workshop. I feel different now than I did three and a half hours ago. Thanks!"

"This workshop should be offered to frontline employees as well."

"Expected to come out feeling warm and fuzzy—and I didn't. The process for coping we learned today will help me."

FEEDBACK FROM EXECUTIVES:

"These workshops are really worth the money for our employees."

"This approach to dealing with change is simple and straightforward. The "Leading Yourself Through Change" workshops did a great job of helping our people understand how to navigate change."

"These workshops are very comprehensive yet provide a simple step-by-step process"

"Most of our managers were not equipped to deal with change. The "Leading Others Through Change" approach gave them the tools to help their people unlock and adapt to the change."

