CHANGE MANAGEMENT FOR SUSTAINABILITY

Change management is the key to institutionalizing sustainability in your firm, and in your project delivery methodology.

This document contains our blog series that translates John Kotter's change management framework into the A/E/C industry and describes how to implement change management for sustainability.

Putting the Management Back in Change
http://www.sustainable-performance.org/putting-the-management-back-in-change/

In many ways, LEED has been the tail wagging the dog.
A tool originally intended to define green building metrics – repurposed as a 'design' tool.
An 'end of pipe' measuring stick relied on to drive change in professional practice and collaboration.

That can't end well.

Because sustainability penetrated the market largely through LEED and project implementation, it has taken many of us a decade to realize that sustainability must start with the organization, and not the project.

Evidence of this can be seen in many company's portfolios, where the (relatively) small number of LEED certified projects seem to have no influence over the larger percentage of projects not meeting the same targets. Only when sustainability is institutionalized throughout a company will all of its projects be "green".

With LEED, the first place of engagement was the "front lines", on project teams, without a cultural shift at the top levels of organizations. Because the project teams were 'temporary', situationally-defined groups, the substantive changes needed to institutionalize sustainable mindsets and cultures could not be addressed effectively. Not surprisingly, the outcome of this change thrust upon transient project teams was a lot of resistance, the perception of LEED being inextricably associated with stress, anxiety and cost, and the need (by LEED consultants) to provide an inordinate amount of 'hand-holding' (often beyond the scope of what they were being paid to do).

Successful implementation of LEED happens only as a result of long-lasting communities of professionals united by a common culture, structure and systems.

Once your company understands that sustainability is more than having some LEED projects in your portfolio, and success of a project is inseparable from high performing, healthy building, you know that internal shifts need to be intentional and change must be deliberately planned and managed. (Those whose leadership is divided, who think everything is 'ok' as it is, are losing profit and competitive advantage without knowing it.)

Deliberate change achieves specific goals (or conversely, if you want to achieve specific goals, they will likely require deliberate change!)

In the corporate business world of change management models, two dominant thinkers are Kurt Lewin and John Kotter. The gist of Lewin's model is that in order for things to change, the initial status quo must be broken, a transition must occur and then a new status quo must be established. Kotter uses an 8 step model, breaking down different aspects of successful transformation. Here, I will summarize Kotter's

concept in the context of what I've seen work in this industry. In subsequent articles, I will dig more deeply into each step, with examples from our work with organizations.

John P. Kotter's 8 Steps to Organizational Transformation
(Kotter's steps in bold, followed by my comments on each):

> Kotter's 8 Elements:
>
> 1. Establish a sense of urgency
> 2. Form powerful coalitions
> 3. Create a vision
> 4. Communicate the vision
> 5. Empower others to act
> 6. Short term wins
> 7. Building momentum
> 8. Institutionalizing change

1 ESTABLISH A SENSE OF URGENCY

A critical aspect of getting 'buy-in' is to frame the desired change with a credible sense of urgency. There are so many competing priorities and issues, anything that isn't perceived as urgent will fall below the radar. There are 5 steps to doing this, from doing an assessment of current conditions to competitive analysis, which will be detailed in the next article.

2 FORM POWERFUL GUIDING COALITIONS

Don Quixote tilted at windmills; effective advocates build coalitions and create a base of champions who represent different company functions. These people help inform the case for urgency as well as contribute to a process of broader engagement which can become viral. There are specific communication skills and strategies for creating coalitions that achieve results; it's not enough just to include those who are already in "the choir".

3 CREATE A VISION

Buckminster Fuller said, "You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete." A powerful vision inspires, excites and engages people. For a vision to help enact change, it also needs to infer exciting opportunities and be connected to specific actions that can be taken. Vision needs to be married directly with "SMART" goals and an implementation plan that shows employees what will be achieved over time, how, and what metrics will be used to track success.

4 COMMUNICATING THE VISION

Deliberate and comprehensive communication strategies are critical to expanding buy-in, clarifying confusion and overcoming the discomfort that will certainly be present as people are generally afraid of change and perceived risk. It is also a way of demonstrating commitment of leadership and promoting behavior/culture change throughout the organization.

5 EMPOWERING OTHERS TO ACT ON THE VISION

Empowering others requires two main actions: creating a system and structure of accountability that makes people feel that they 'own' the change and are part of making it happen; and removing the barriers that would inhibit change/compromise reaching goals.

6 PLANNING FOR AND CREATING SHORT-TERM WINS

Nothing creates momentum like success. The plan must include short term successes in the areas that matter most to the company overall. Visible performance improvements, enhanced client relationships, internal gains – must all be acknowledged and individuals and teams rewarded for their success.

7 CONSOLIDATING IMPROVEMENTS AND PRODUCING STILL MORE CHANGE

Credibility is key. Helping shift the perceptions of "green" from the fringe to core business issues means leveraging real successes into political capital and pathways to change systems, processes and behaviors so that they align with long-term goals.

8 INSTITUTIONALIZE NEW APPROACHES

Last but not least, the actual systems, tools, resources, processes and methodologies that are the daily operations of a company need to be aligned with the new culture. Although this is very operational, there can't be enough said about intentional culture change which is the thread running through all of the above.

In general, both Lewin and Kotter describe intentional processes that start by identifying the need for change and clearly communicating why the change is important; continue by a strategic and methodical engagement of stakeholders as part of the change effort; and then focus on fully integrating changes into the systems, processes and monitoring of the organization. Both models address culture as well as procedure and recognize that change must be led, but is not only top down.

If you don't think being a green firm means organizational change, than you should just give it up now; you will never really be successful and your competitors will leave you in the dust.

If you think the % of LEED projects in your portfolio is a true and complete measure of how green your firm is, you are missing the point.

And if you think green building is not important (or is a dirty word, as I've been told…) than you are letting your fears and ignorance compromise your long-term success.

It is critical to differentiate between individual project successes and institutional transformation. Failure to understand the over-arching systems issues may lead to fixing specific problems without correcting the thinking that produced the problems in the first place!

Management consultants come and go, and over-reliance on them can leave cynicism and no lasting change. As with anything, consultants have their place, but the real measure of effectiveness and commitment is to see how these efforts are internalized as part of the company's DNA. Anyone who has been successful at institutionalizing sustainability in their firm will tell you that it requires real change, culturally and otherwise. The question is, how effectively are you going to take on this challenge? Being informed and intentional can make the difference between a long, bumpy process that results in "random acts of sustainability" and a more streamlined process with measurable results.   <END>

Putting the Management Back in Change Part 1: If It's Broke, Fix It — NOW!
http://www.sustainable-performance.org/if-its-broke-fix-it-now/

If you're reading this, chances are you are a sustainability leader or champion within your company. Chances are, also, that that you still face resistance getting some of your colleagues on-board. In my previous article, "Putting the Management Back in Change", I posited that companies who are truly committed go beyond individual project successes to institutionalize sustainability and address intentional change efforts in their culture, operations and client services. In the business world, John Kotter's 8 element model of organizational transformation identifies key components for success, beginning with *creating a sense of urgency*, which is the focus of this article (subsequent articles will address Kotter's other 7 elements).

Leaders of successful firms (and their clients) know that getting a LEED portfolio under their belt does not alone make your firm "green". The hard work to build culture, shift mindsets, adopt integrative design, and incorporate metrics – those things don't happen by accident. They take thoughtful planning and commitment. That hard work doesn't even get off the starting block if company leadership doesn't recognize sustainability as a business priority, which is – unfortunately – the case in too many firms. In most cases, it's middle management or staff even lower in the food chain that champion the cause. For those who "lead from the middle", creating a sense of urgency is the pivotal moment in a long-term effort.

So how can you create a sense of urgency? What makes people care?

There are two basic approaches; one is experiential and the other is a methodical process that I call the Business Case.

The experiential approach entails having company leadership undergo a personal epiphany, one that ties to their core values and beliefs. This can be a tall order, although not impossible. A CEO of a global real estate company went to visit a friend in Greenland and saw first-hand melting of glaciers – this caused him to chart a completely new course with the management of his company's portfolio.

For most, the Business Case is a more likely path.

First of all, in a large company, it's ideal to have a small group of people with a shared vision working together, especially if they represent different functions within the company (project management, IT, HR, finance). Next, there are 4 elements to consider:

- **Interests:** What do people care about? What keeps them up at night?
- **Analysis**: What data can be mined to tell a compelling story? What's the competitive landscape?
- **Influence**: Who has the most influence? Whose voice will be listened to?
- **External Relationships**: What do clients really want? How satisfied are they now?

Interests: It's difficult to create a sense of urgency if you don't know what people perceive as urgent! This is where you need to let go of your own perceptions, ideas and mental models and figure out what key decision-makers care about. Is it bottom line profits? Is it being perceived as a thought-leader? Is it client opinion? Is it a design ethos? Staff retention? Instead of pushing your own ideas, step back to figure out how to link your agenda to their interests. Remember also that leadership may consist of a number of partners whose opinions on this vary. Learning what they care about is likely not as simple as a chat over coffee, but may take many conversations with both the parties in question and those who know them well.

Analysis: Analyzing the company's current situation and competitive ranking is both about gathering data to tell a story and about bringing new information to light. Gathering external industry data about the market and trends is important so that a larger context is established. Internal and external surveys will paint a picture of how the company is perceived. If leadership cares about staff retention, and a majority of folks indicate that sustainability is important to them that may be worth knowing. Many times, internal surveys reveal a lot about inconsistency and inefficiencies in staff utilization which surprises leadership, who may think that there is little wasted time. There is often a disconnect between leadership perception of capabilities and staff perception. External surveys of clients are rare and are a wealth of information. You may need to reframe information in a new way. Let's say bottom line profit is a driving interest. If the company has been holding its own, looking at a profit & loss statement doesn't do much. However, if you can show that the company's revenues in a particular market are lagging behind competitors and their 'green' projects, then the absolute profit number starts to be less meaningful than this previously invisible loss. If you dig into your project delivery methodology and find areas of wasted effort or redundancy, you can highlight unappreciated "invisible" losses. Additionally, there are areas of potential business development that can be expanded focusing on building science, post occupancy and other aspects of sustainability.

Influence: Analysis includes stakeholder mapping, understanding who has power and authority and who has influence on whom. Part of this is about building strong coalitions (which is the topic of a future article) and part of it is to get your head around whose voices are perceived by leadership as worth listening to. Creating a sense of urgency is equal parts content and delivery. The best messenger may not be you, even if you have the vision to drive the initiative!

External Relationships: Leveraging external relationships is key. Your clients and partners are a great source of information about their needs, as well as a reality check about how you are perceived. Clients may want services that you don't know about and don't yet provide. I have had quite a few conversations with clients who say they are not happy with green building services they are getting—which would be news to their architects and engineers, who think their clients are happy. Most importantly, long-standing, repeat clients, may be the best advocates for your interests. When internal champions who manage client relationships can engage them about sustainability and make them partners in a desired change, those very clients can be a key part of conveying an urgent message.

Let's play this out in an example.

I was working with a project architect at a large national firm that had a healthcare practice. Although this firm marketed their position as a 'leader in green building', this architect gave many examples of how that wasn't really the case, especially not in their healthcare practice in his office. He felt powerless. He had lobbied his managers, made the arguments (sometimes using their own marketing materials) and advocated for changes that he thought were critical to their business. But nothing happened. His managers did not perceive any urgency around his claims. Their business was solid and their clients were happy (so they thought).

The first thing I advised him to do was gather a small group – including marketing, finance, a project manager and another project architect. They began gathering information about the managers that they needed to engage, to understand their **interests** and learn whose voices were most **influential**. They brainstormed the current state of things that they thought their managers didn't know and started creating a game plan to do some **analysis** and engage some of their clients and partners (**external relationships**). They did some market research and put together a snazzy powerpoint showing the number of hospitals in the US with green building policies, LEED certified buildings, which firms had won which of those projects over the past 3 years (and what percentage was theirs). They put together some internal surveys and conducted short phone interviews with several clients. Their internal surveys showed what skills and capacities were weak and where time was being wasted on projects because of poor knowledge management. They took their best guesses at what performance they were achieving and compared that to data published about the sector. The client interviews highlighted concerns about their working relationship with engineers and the perceptions that this compromised the quality of the final project. The interviews also revealed areas where the clients would be interested in expanded services, or increased scope within contracts. Then, the group spent some time on a weekend doing post-project assessments to show how the firm could have achieved measurable improvements (and LEED certifications) if they approached projects differently and tightened up internal methodologies for design.

This effort was spread out over a number of months. Once they had gathered a file chock-full of compelling information, the question was how to convey it and what exactly they were going to propose if they were successful in engaging interest. They ended up creating an event that included some of their key clients and partners that was focused on meeting the demands of the future and the implications on healthcare. They preceded that with a briefing for leadership where they shared sensitive information and the input from key clients. At the event, leaders heard first-hand from their clients about their concerns, priorities and needs. Following the event, leadership requested a meeting to discuss business opportunities and solicited input from this group about what they would propose – which, of course, was already teed up!

The group had the right people working together to make this happen. They were able to create a compelling case using relevant information packaged well and they choreographed interactions so that

those who had the most influence were voicing key messages. The urgency they conveyed addressed both weaknesses in current practice and business opportunities for the future. They were able to get a leadership level commitment to adopt some new commitments and set goals that hadn't even been discussed before.

Not every effort is a win. Sometimes, especially when there is only one decision maker, you can make the best case for urgency and it won't matter. The larger the ship, the harder it is to turn, but if you recognize that creating a sense of urgency is the first order, you'll focus on things that are the most valuable for future efforts to succeed. How do you know that the urgency rate is high enough? Kotter says that when 75% of leadership is genuinely convinced that the status quo is more dangerous than change…that's when you have a chance!

A key ingredient to success in this case was creating strong coalitions internally, and leveraging their external relationships, which is what I'll tackle in the next article.   <END>

Putting the Management Back in Change Part 2: The Value of Coalitions
http://www.sustainable-performance.org/putting-the-management-back-in-change-part-2-the-value-of-coalitions/

In my earlier article,"Putting the Management Back in Change", I began looking at what it really takes for companies to successfully institutionalize sustainability and truly be "green firms". The common misconception – that having LEED projects in your portfolio makes you green – doesn't tell the full story and misrepresents what it really takes to align a company's processes, systems, operations and project delivery with sustainability. Change is hard, and that's why so many firms get stuck at the "random acts of sustainability" stage. Too frequently, I encounter firms who have not realized that becoming a *truly* green firm requires intentional change efforts that tie to culture, management and methodology. Last month, I began breaking down Harvard business guru John Kotter's 8 step model for implementing changes like these across an organization. My focus was on step one, the critical aspect of creating a sense of urgency so that decision-makers are motivated to commit to sustainability goals.

Creating a sense of urgency goes hand in hand with Kotter's second step, "Create powerful guiding coalitions." The key word here is "powerful". A group of people needs to be assembled who have enough power to lead the change effort. We all know the dusty model of the firm "green team" – a group of passionate volunteers united by a shared commitment to sustainability, but lacking in time, resources and authority. While having a green team is important, it should not be confused with a powerful guiding coalition – they may be one in the same, or may not. The qualitative difference lies in who these people are, what they represent, how much influence they have and what resources they bring (intellectual or otherwise). The coalition will be the guiding force for strategy and informed decision-making. There are so many different stakeholders to motivate, so many obstacles to be overcome, and so much entrenched

complacency resisting the change effort, that only a powerful coalition of allies will be effective to make things happen.

So, who are the right people? To answer that, ask yourself the following questions:

- What are the most critical aspects of the business to engage? This could include the executive suite as well as HR, division leaders, IT, sales, communication, marketing, etc.
- Who has the most influence on key decision makers? On staff? This means looking up and down the food chain as well as across it.
- Who manages critical information that can help further the objectives? Depending on your business, this could be trends in client requests, staff capabilities and utilization rates, IT resource allocations.
- Who has critical skills or expertise that will be valuable? These could include expertise in finance, communication or facilitation, among others.
Another aspect of "who" is to ensure effective linkages up, down and across the company. Be sure to look across different offices, regions and divisions and to include people with a range of years spent in the company.

The objective and purpose of a strong and powerful guiding coalition is five-fold:

1. To begin the process of buy-in and create a group that can support it.
Implementing any initiative within a company is a continual process of increasing buy-in. A classic mistake is a small group of passionate champions thinking that the inherent importance of sustainability is enough to convince people to get on board. In light of the earlier "who" question, you know that the coalition you build should be made up of a diverse cross-section of people within the company. This means that from the first moment you need to be engaging folks and getting them to buy in to issues that may not have been their top priority. Once this coalition is built, and it includes a variety of perspectives, the members can be helpful in supporting ongoing, continued efforts to increase buy-in across the organization.

2. To be able to draw on critical knowledge and information.
In order to develop (and later implement) strategies to achieve sustainability goals, you'll need to draw on critical information that is not easy to get. This may include information from HR about staff capability, training and education resources; financial information related to profit margins in different divisions or offices; or data from marketing about client RFPs or other trends. If the coalition has been thoughtfully considered, people who represent these different conduits can be tapped to draw on their fields of expertise and information, as they are already committed to supporting the effort.

3. To create linkages up, down and across the organization.

A coalition is an opportunity for creating linkages: conduits for communication and authority connecting levels of seniority and responsibility as well as spanning different divisions or geographic locations. It is critical that there be representatives from major levels of authority – from the most senior leadership circle to middle management and client services. These linkages serve to validate assumptions or answer questions, represent interests of different parties and provide shorter feedback-loops related to developing strategies or testing pilot activities.

4. To firmly establish credibility to all stakeholders.

Once your coalition includes key people representing core business functions and also includes linkages through the company's food chain, the effort already has garnered increased credibility. The participation of people representing accounting, business, marketing – or whatever functions are important to your organization – demonstrates to all that the initiative is serious, grounded and fundamentally tied to core business objectives,.

5. To develop influence.

Ultimately, critical decisions will have to be made regarding investment and/or allocation of human and financial resources. Perhaps even rethinking or prioritizing business focus or service areas. As in any political drama on TV, the key to lobbying for the desired outcome is having the right influence in the right places. A powerful guiding coalition, made up of the right people, is important because they can either help inform and identify the right people who wield influence in different parts of the company; they may actually *be* the people who already have the necessary influence – or at the very least, they may be trusted or relied upon by those who do have the influence needed. Stakeholder mapping sessions, where a group is trying to work out implementation plans for specific goals, are very valuable when the coalition of people in the room has the breadth and diversity to map influence.

This powerful coalition will be laying the foundation by creating a clear and compelling vision to direct the change efforts. Therefore, who they are and what they represent has incredible power to influence the strength of that vision. Kotter's next step in change efforts focuses on vision, and what makes a vision powerful and compelling. That will be the subject in the next article in our series.   <END>

Putting the Management back in Change Part 3: Vision
http://www.sustainable-performance.org/putting-the-management-back-in-change-part-3-vision/

In my first article in this series,"Putting the Management Back in Change", I began looking at what it really takes for companies to successfully institutionalize sustainability and truly be "green firms". The common misconception that having LEED projects in your portfolio makes you green doesn't tell the full story and misrepresents what it really takes to align a company's processes, systems, operations and project delivery with sustainability. Change is hard, and that's why so many firms get stuck at the "random acts

of sustainability" stage. Too frequently, I encounter firms who have not realized that becoming a truly green firm requires intentional change efforts that tie to culture, management and methodology.

In this series, I use Harvard business guru John Kotter's 8 step model for organizational change as a framework to focus on sustainability. Previously, I discussed the need to create a sense of **urgency** and to build guiding **coalitions** to create buy-in and grow momentum. In this article, I'll focus on the importance of Vision, which gives purpose and breathes life into the entire sustainability effort. As Kotter says, "Without a coherent and sensible vision, a change effort dissolves into a list of confusing and incompatible projects."

The words Vision and Mission can set eyes rolling…how many times have we sat in groups of people word-smithing a vision or mission statement? The crafting of a sentence is not what I mean by vision in this article. I'm referring to the heart and soul of purpose and identity.

Vision is important because it is the picture of the desired future; it helps define the organizational purpose and influence its culture. Vision points the way, defines the direction and target. Sustainability visions are particularly important because institutionalizing sustainability requires behavior change and engaging an organization's culture, which cannot happen without a compelling vision.

Is the commitment to sustainability an outgrowth of fundamental core beliefs or an acknowledgement of market realities and business context? Is it a defining characteristic or one thread among many? For every organization, the answer might be different, but the question needs to be asked. What does the commitment to sustainability mean to you?

Is it about being a thought leader?
Is it about innovation?
Is it about reliable and consistent performance for your clients?
Is it about your own stewardship as a company
Is it about your relationship to the larger community (local or global)
Is it about excellence in your field?
Is it about how you collaborate with others?
Is it about carbon neutrality and combating climate change?
Every organization must explore these issues and find their own answers.

Let's look at USGBC's vision statement: "*Buildings and communities will regenerate and sustain the health and vitality of all life within a generation.*" This is a loaded sentence, wonderfully brief but full of implication. To manifest this vision, "within one generation", it is clear that very specific actions must be taken. Their mission statement, "…*to transform the way buildings and communities are designed, built and operated, enabling an environmentally and socially responsible, healthy, and prosperous environment that improves the quality of life*" gives more specificity to the scope of their vision. The 6 other examples below illustrate a range of length, detail and approach– but all of them convey thoughtful purpose and connect to the company's core identity.

Habitat for Humanity: A world where everyone has a decent place to live.

LG Electronics' Promise3 represents the promises made to the people, the Earth, and LG Electronics itself: "a society in which LG Electronics' employees, stakeholders, and the entire population can live happily; the Earth which we help make a cleaner, safer place for generations to come by carrying out various environmental activities; and LG Electronics as one of the top international players thanks to its innovative spirit. LG Electronics aims at to realize these three dreams."

Mithun's mission is to: **Inspire a sustainable world through leadership, innovation, and integrated design.** "Mithun is committed to creating beautiful, vibrant cities that are smart about resources and conservation. We take a proactive role in making the world a better place. We listen, clearly formulate ideas, collaborate, and always aspire to give back more than we take from the environment. Our work is

rooted in the belief that buildings and landscapes should improve the ecology of place and directly reflect the mission of our clients."

TLCD Architecture:
PEOPLE: An attitude of social responsibility with genuine care for people, community and sustainability principles.
PLACE: Reinforcing the unique conditions of each location and creating a strong sense of place.
CRAFT: A process of rigorous research and analysis supportive of appropriate detail and thoughtful activity.

The Nature Conservancy: Our vision is to leave a sustainable world for future generations.

HOK: Our collaborative, multidisciplinary design process blends art and science to create high-performance, sustainable and memorable environments that provide economic value, satisfy people's needs and help sustain the planet. Together with our clients, we are creating innovative new solutions for designing, constructing and operating the built environment in ways that allow both human and natural systems to thrive. HOK is a global leader in sustainability and demonstrates commitment through the following activities:

- Achieving carbon neutrality in our projects and practice by 2030
- Incorporating an integrated design process and sustainable strategies into all projects
- Tracking key performance goals from design through operations
- LEED credentialing for all HOK design professionals
- Performing pro bono work in all offices
- Implementing a global green operations plan
- Requiring LEED Gold certification or higher for all HOK offices

Of course, vision is meaningless in isolation. It must be intrinsically connected to core values and to well-defined (or "SMART") goals that can be translated into an action plan and accountability. A "SMART Vision" makes the effort/focus feel real and tangible to staff.

~~~~~~

Take the example of a family vacation. A vision could be 'an exotic location where we can balance relaxation and adventure.' That leads to questions that need to be answered about where and how. So, you set goals: We will go to a country in Europe. We will spend half of the time hiking in the mountains, and half on beach relaxing and doing water sports….goals that clearly show how the vision will be achieved.

If your vision for a sustainable or resilient future is connected to climate change and to safeguarding human habitation, that will support a culture of stewardship, a passion for understanding and measuring project impacts, and a shift from "traditional" practice to new partnerships and methodologies. If your vision is tied to technology and innovation, then analysis, research and development will become prominent activities, which will influence culture, partnerships and the investments made in tools and resources. The vision of sustainability may differ radically from firm to firm, but a lack of clear vision leaves you nowhere.

Once a vision statement is developed, the next critical piece is developing the SMART goals, which should, at a minimum, address:
- Knowledge, skills and capabilities
- Internal resources needed to support achieving the vision
- External relationships and collaboration
- Changes to process or methodology for delivering services
- Operational activities/footprint

The HOK example above articulates very clear elements that eliminate any mystery or ambiguity and really define the scope of what it means to HOK to be a leader in sustainability. The specificity of the goals which support the vision act as the pathway to move an organization from "random acts of sustainability" to a higher level of consistency and accomplishment. They go from vision to delivery and indicate how they provide value-add to their clients.

The process of developing a vision can be done by a small group of leaders, or it can be an opportunity to engage the whole organization and create buy-in. It can even deepen existing external relationships with selected clients and/or partners. The previous article focused on the importance of creating guiding coalitions; developing the vision is one activity that group can engage around. Depending on the size of the organization, this can happen in a half day retreat or a series of "focus groups" in different areas at different times that all funnel back to the guiding coalition. There are many ways to accomplish the input, but the communication about this priority and the space for people to connect and discuss it will lay the foundation to build on as plans and responsibilities are developed. As changes start to happen, this foundation can be the difference between resistance and enthusiasm.

Kotter provides, "A useful rule of thumb: if you can't communicate the vision to someone in five minutes or less and get a reaction that signifies both understanding and interest, you are not yet done with this phase of the transformation process."

Remember, even the best vision isn't valuable if it's not communicated effectively and tied directly to SMART goals and an implementation plan! These will be the focus of the next articles in this series.

<END>

Putting the Management Back in Change, Part 4: Communication Effectiveness
http://www.sustainable-performance.org/change-mgt-4-communicate-vision/

In my first article in this series,"Putting the Management Back in Change", I began looking at what it really takes for companies to successfully institutionalize sustainability and truly be "green firms". Too frequently, I encounter firms who have not realized that becoming a truly green firm means more than having LEED projects in your portfolio. It requires intentional change efforts that tie to culture, management and methodology. Firms who have signed on to the 2030 Commitment are forced to confront this challenge head on, seeking ways to make every team a green team and every project some shade of green.

In this series, I use Harvard business guru John Kotter's 8 step model for organizational change as a framework to focus on sustainability. Previously, I introduced the need to create a sense of urgency (part 1), build guiding coalitions to create buy-in (part2) and create a vision (part 3). In this article, I'll focus on the importance of designing effective communications strategies to move from vision to success. Many firms have created sustainability vision or mission statements, which are prominently displayed on websites or in marketing material. However, if you asked staff what the vision is — as we did in our 2011 industry survey, reported in Mirror, Mirror Part 1 and Part 2 — there are two common reactions: a blank look or a smirk. Either they are unaware of the statements, or the published vision is unrelated to anything that goes on in the firm. If real effort has been spent on a commitment and establishing a vision for the company, the worst thing that can happen is to have it die on the vine. Kotter refers to this failure as "under-communicating the vision by a factor of ten."

I've witnessed three different mistakes that Kotter identifies as typical behavior: First, too often the vision is developed, there is one big meeting or one e-blast to communicate it, and that is considered "it". In the second scenario, leadership spends a lot of time making speeches to different employee groups, but nothing is tangible in day-to-day activities. The third approach relies on newsletters, internet and speeches, but the behavior of leaders contradicts the message, so cynicism prevails. With the current deluge of emails, no one really pays attention to that kind of messaging. In this case, quality is more important than quantity – effective communication is what matters.

Communication is broader than what you say and how you say it; it's also more subtle. **It is about how people develop a perception that something is important**. The communication of a priority can happen as a result of engaging in specific activities, without conversation. It can exist by having an expectation of accountability, like instituting the use of project roadmaps or workplans to plot out the team's critical-path decision processes related to energy performance. That isn't a discussion about green building, but an action that demonstrates the importance of focusing on energy performance and a collaborative process.

In developing your communications strategy, think of the three key factors: *who, how* and *when*.

Who: It's critical for executive leadership to be visible and vocal about the company commitment to sustainability but that's not enough. In large companies, there needs to be layers of leadership communicating the same message. Depending on the flow of authority and management reporting within your organization, you need to identify the key levels of leadership people currently look to for direction or approval. Middle managers, division managers, regional managers – this will vary. The important point is that the message is "pulsed" out from different departments within the company and at different levels. Empowering this variety of people to be part of the effort is also important because it gains their buy-in. Ideally, these are the same people who are also responsible for tracking progress. They are not just tasked with sending out a message, but with following up and holding others accountable. It's also very valuable to create vehicles for 'bottom-up' communication so that junior staff or support services can share their excitement, interest, victories and challenges and communication isn't uni-directional.

How: Of course there will be email, memos and posters, but despite our use of technology, nothing is more effective than face-to-face communications, so a mix is critical. Look for existing, standing meetings such as quarterly reviews, annual meetings, monthly staff check-ins, annual performance reviews, project debriefs – places where people already pay attention. It's invaluable to incorporate your sustainability efforts into routine discussions about core business issues, and to use every vehicle appropriately. Figure out what aspects of your sustainability program are appropriate to be highlighted and develop a plan to integrate them. If it's a focus on projects and biz dev, be able to identify which of the current projects are pursuing green design strategies or 3rd party certifications. If it's a weekly staff meeting, share highlights of green office efforts, newly achieved LEED certifications or other related info. Even better, share stats on metrics that are being tracked over the year. Progress on the 2030 commitment is one good example, but choose the ones that apply to you and your goals. Another critical approach is to *personalize* your commitment. Make sure it's clear to every single person in the organization how their daily job relates to sustainability efforts. If they are technical, they need to be clear on strategies, technology and process. If they are administrative, they need to know about green office and operational priorities. The biggest failures result from people not understanding their specific connection to the goal.

When: Aside from special announcements from leadership, identify times for critical path items when people are engaged and relevant information can be shared. For projects, that might mean institutionalizing a question or checklist of questions at every project kick off. For professional development, past and future training could be discussed at every performance review. For management, sustainability should be incorporated into the KPI's (key performance indicators) reviewed at regular meetings. For clients and partners, your story and accomplishments can be shared at your holiday party.

Daily activities such as using Sharepoint or intranet can also include pop-ups or other means to continually remind people of particular resources or new information.

It is very useful to take an hour and do a map or diagram of existing pathways of activity such as operations, management, project delivery and communications conduits. For each of those main pathways look at who is involved and where the opportunities are to integrate sustainability in dialogue, tracking or actions. Discuss what the barriers might be so you can proactively deal with them. For example, you might look at purchasing and decide to integrate messaging about environmentally preferable products in the purchasing process. A barrier might be not knowing what criteria to use and which products to flag – so you need to figure that out first. In management, you might decide to incorporate a question about sustainability into performance review forms. It may take some effort and time internally to get that approved. If you take a bird's-eye view at these pathways, you will be able to find different ways of communicating that sustainability is a priority, whether overtly or through subtler means. At the end of the day, if there is a visible and tangible perception by staff that it is important, your chances of success will be tenfold!

Remember, actions speak louder than words and behavior is paramount. If people's behavior contradicts their spoken platitudes, the efforts will fail. Leaders at all levels need to demonstrate that sustainability is important – through the decisions that they make on a daily basis related to projects, staffing, investments or operations.

The next challenge is empowering others to act on the vision and participate in all the actions that are being laid out. This doesn't happen naturally but can be done if you are thoughtful about how actions are implemented. This will be the focus of the next article.

[Sidebar:]
Some examples of behavior that can subvert a sustainability agenda:

- HR doesn't support professional development (time or money) related to sustainability; performance reviews and promotion paths don't factor it in

- Some partners visibly don't support the program – either in their operations/behavior OR in their attitudes to collaboration ("over my dead body will I let an engineer in the process before X")

- Project executives don't allow subordinates to spend time researching specific green strategies, don't promote those strategies to clients, don't support Life Cycle Costing

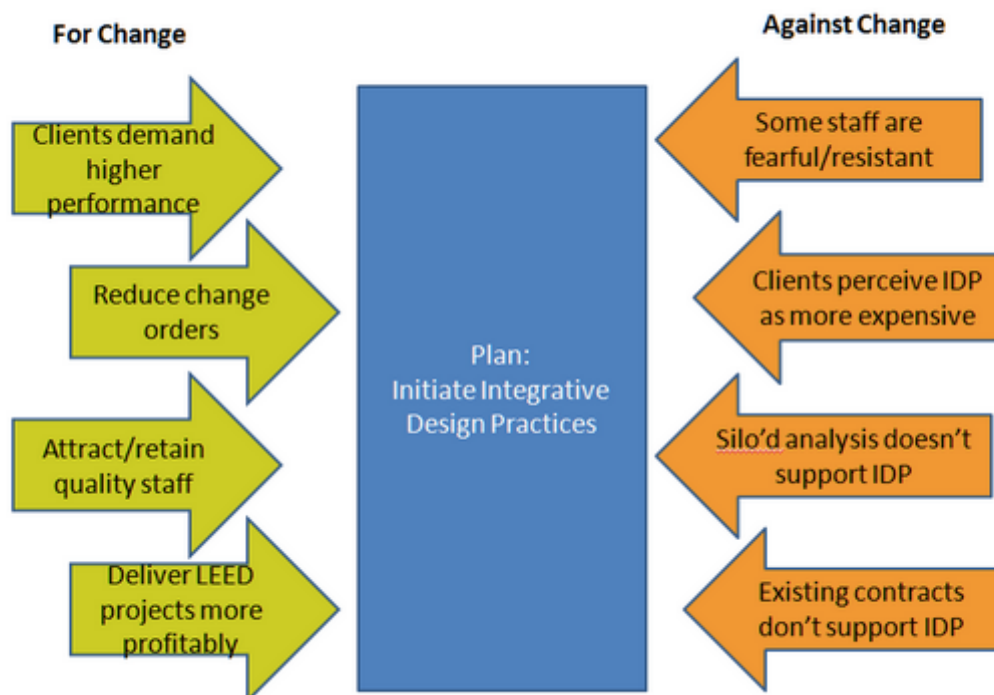- Office operations are not green at all; what people see every day doesn't match the message

<END>

Putting the Management back in Change Part 5: Removing Obstacles; Empowering Others to Act

http://www.sustainable-performance.org/putting-the-management-back-in-change-part-5-removing-obstacles-empowering-others-to-act/

In my first article in this series,"Putting the Management Back in Change", I began looking at what it really takes for companies to get past a focus on LEED to successfully institutionalize sustainability and truly be "green firms". In the series, I use Harvard business guru John Kotter's 8 step model for organizational change as a framework to focus on sustainability. In subsequent articles, I discussed the need to create a sense of **urgency**, build guiding **coalitions** to create buy-in and grow momentum, develop a strong **vision** of where the company is headed, and **communicate** the vision effectively. In this article, I'll focus on the importance of **addressing barriers** that could derail momentum.

The establishment of a 'guiding coalition' (see part 2) helps to gain buy-in and a communication plan (part 4) starts to set expectations. But there are always barriers that must be addressed before real, lasting progress can be made. One way to do this is to use "force field analysis," a framework created by business guru Kurt Lewis. The analysis looks at driving forces and restraining forces that act on your goal state to determine the most effective way to upset equilibrium so that change can happen. Here is an example focused on the goal of instituting integrative design practices into a firm:

Either the driving forces need to be strengthened or the resisting forces need to be weakened. Frequently, removing the barriers (or resisting forces) is the most effective way to change the balance. I've included links to several force field analysis website at the end of this post.

What kind of barriers can derail good, early momentum?
What strategies work to overcome those barriers?

There are three kinds of barriers: structural, cultural, and psychological.

Structural barriers relate to functions in an organization that impact behavior. These may include company divisions, departments, design "studios" or working groups, hierarchical layers, reporting protocols, and systems (accounting, communication, standards, reporting). If the structure is the problem, trying to influence behavior won't work unless you change the structure. For example: what if each division in a company has been judged independently on it profit margins, but now there is a desire for cross-collaboration between divisions? The incentives and metrics need to be re-evaluated to support overall profitability and encourage collaboration.

In our industry, LEED and 2030 present challenges to existing structures. The commitment to a higher level of health and performance of projects impacts both the behavior of staff internally, and the collaboration amongst the entire team. For a firm to successfully achieve higher performance on projects, it needs to re-design its design process and project management to remove barriers that impact analysis, decision-making and metrics. Contract structures may be altered, the timing of involvement and type of deliverables from consultants will change and different things will be tracked and measured, whether it's recycled content or energy use.

For the 2030 Commitment, firms are tracking and reporting on the performance of their facilities and projects overall. This requires overcoming structural barriers related to systems and reporting so that the data can be collected and synthesized.

Cultural barriers: In companies with generally strong, healthy cultures, change happens more easily than in an organization with a weak or negative culture. Change is never easy, but people who feel valued, excited about their work and part of a 'bigger vision' in general get excited about any new evolution or development in that company's endeavors. When office culture is weak and people don't feel valued or part of a larger purpose, any "new" thing is viewed as a burden. If concepts of stewardship, responsibility, sustainability are not related to any core values of the company, or if collaboration, data or science-based analysis are foreign concepts – there will be cultural barriers to approaching a project with questions of performance and using analysis to refine the design approach.

In offices with weak or low morale sustainability can be used as a way of building up culture in general and bringing people together around a common purpose. A focus on sustainability can be the way that a firm begins to formulate their own methodology and approach, and clarify expectations about what to consider in each phase of a project and how to approach analysis. This can become a driving force that helps to establish a cultural norm and unifying identity.

Kotter advocates for encouraging some level of risk taking and nontraditional ideas, activities and actions as part of empowering others to achieve the vision. This can only happen if it becomes an explicit

characteristic in office culture. Our <u>interview with Chris Leary</u> on the role of Disruptors in sustainability initiatives provides some useful examples of how to encourage and reward positive risk-taking.

Psychological barriers are different from cultural in that they define an individual's thoughts and perceptions rather than the collective, group identity that culture refers to. Psychological barriers are difficult to address because they are often difficult to identify. Understanding the psychological barriers in company leaders is really important because they can be allies in change, or absolute barriers. An effort can go along smoothly and grind to a halt because a leader in the company (division head, etc) undermines new initiatives. This person may be paying lip services but not changing his/her personal behavior. In this case, lower level managers can feel that senior management has lied to them about their commitment and the whole effort can implode. On the other hand, staff at lower levels who work on projects can also become roadblocks if they aren't on board.

Addressing leadership should be the first order of business. For example, one of the founding partners of a 120-employee Midwestern firm thinks he supports sustainable design and tells staff and clients that it's important. Yet, he continually specifies glass curtain walls (even if they are south facing) and has not been willing or able to refine his design approach to incorporate analysis of interior lighting conditions, heat gain etc. Psychologically, he may be comfortable with OTHER "constraints" as a part of design process, but not scientific or evidence-based ones. Engaging this person one-on-one may be a route to influence his perceptions. Another approach might be to institute an office-wide design methodology (a structural change) that spells out what analysis must be done at each stage, what questions it should answer, etc. so a decision based on a personal preference for curtain walls would be not allowed.

It's Complicated

As in the above example, structural, cultural and psychological barriers are often intertwined. What people think is always an underlying factor, and the impacts of collective identity are pervasive. You can address a cultural barrier, but if you don't address individual mindsets, that won't be enough. You can build up culture and increase buy-in, but if you leave structural barriers, people will give up.

Green teams are another approach that can cross all three categories. The creation of a green team is a structural solution but its functions impact culture and psychology. By providing quality control, integration and/or education, these teams can bridge multiple offices in a large firm, align disparate cultures and address individual mindsets. To fill these roles, however, they need to be an integral part of the management structure, rather than simply a group of like-minded volunteers.

As you formulate your strategies, you need to consider what barriers people are likely to face and then refine them accordingly.

How do you create a structure for change and build momentum?

- Identify or hire staff who can lead change and have a clear responsibility to manage that change as part of their job (this is typically aligned with quality control or education).
- Review and evaluate your organizational structure, processes, job descriptions, performance reviews and promotion tracks to ensure that they are in line with the vision.
- Recognize and reward people – especially those that resist change--and help them become aligned with the vision.
- Have a plan in place to systematically remove barriers over time. Some barriers take longer than others to remove, but

For example, if your company has many offices and each office is very independent and decentralized, then rolling out a top down, corporate-wide sustainability initiative is not likely to work. Instead, identifying 3 locations to pilot an initiative ("Centers of Excellence") and growing it up from there may be more effective. If your architecture firm wants to achieve measurably higher project performance and you feel that your MEP consultant isn't on the same page, you need to either find a new partner or work with your existing one to redefine how you work together—and that needs to be built into your strategy.

Influencing for change is not a one-size-fits-all activity. It's important to tailor your approach to the individual situation. I recommend two resources that specifically address effective communication skills: Roger Fisher's book, "Getting to Yes" and Robert Cialdini's seminal work on the psychology of persuasion for guidance on different approaches, "Influence, The Psychology of Persuasion".

http://www.influenceatwork.com

As always, the first step is to understand that committing to sustainability actually requires change and that change must be an intentional effort. Change can't happen without addressing barriers. As you do that, you can also start to focus on short-term successes to pump up the energy and provide momentum –and that will be the focus of the next article.

Force Field Analysis Tools:

http://www.mindtools.com/pages/article/newTED_06.htm

http://www.change-management-consultant.com/force-field-analysis.html

http://www.institute.nhs.uk/quality_and_service_improvement_tools/quality_and_service_improvement_tools/force_field_analysis.html

<END>

Putting the Management Back in Change Step 6: Short Term Wins

In my series, "Putting the Management Back in Change," I've been looking at what it really takes for companies to successfully institutionalize sustainability and truly be "green firms" I use Harvard business guru John Kotter's 8 step model for organizational change as a framework but I use it to focus on sustainability initiatives. Previously, I introduced the topic and discussed the need to create a sense of urgency, build guiding coalitions to create buy-in and grow momentum, develop a strong vision of where the company is headed, communicate the vision effectively and address barriers that could derail momentum. In this installment, I'll discuss the need for short-term successes to pump up energy and provide momentum and the 7 reasons why it's important.

Real transformations take time…and they change and adapt along the way. If you don't have short-term wins, you lose momentum and buy-in and you miss the opportunity to identify key barriers to success and address them early on.

On the other hand, the caution for short-term wins is declaring victory too soon or thinking that the effort to understand change is over; resting on your laurels. In this article, I'll focus on the role of short-term wins, their characteristics and things to consider when planning for them.

The purpose of short term wins
There are many reasons to plan for and execute short-term wins and not just slog on towards a long-term goal. Kotter identifies 7 different reasons:

> **Why short term wins are important:**
>
> - Prove it's worthwhile
> - Reward efforts
> - Fine tune strategies
> - Undermine cynics
> - Keep Execs engaged
> - Reinvigorate the effort
> - Build momentum

• **Prove that it's worth it**: Short-term wins give people a chance to experience directly and see evidence that the sacrifices and changes are worth it and that success is possible, which is more effective than verbal arguments. Wins help justify any (short-term) costs that may be involved. They also create the credibility needed to change existing systems, structures or policies that run counter to the long-term vision.

• **Reward efforts**: Change agents deserve a pat on the back. After a lot of hard work, positive feedback builds morale and motivation. Constant tension is always bad for morale. A chance to sit back, celebrate success and relax before the next hill is important for the long-term marathon. These efforts can also become a mechanism for hiring, promoting and developing employees who can effectively manifest and contribute to achieving the vision.

• **Fine-tune vision and strategies:** Short-term wins give the guiding coalition feedback about the viability of their vision and in particular, their strategies. They can test strategies against reality early on; otherwise barriers can become visible too late in the game and be harder to adjust for, or completely derail the

effort. For example, if an architecture firm wants to increase its early-stage energy analysis within 6 months, and decides to use in-house software, but then finds that the engineering consultants don't buy-in to the results, that may be the wrong strategy – or there may be a need to do some proactive stakeholder engagement to get the engineers on board or refine the in-house approach to align with theirs.

• **Undermine cynics** and "self-serving resisters": Wins and obvious improvements in performance make it much harder for people to block change. Not everyone responds to logic and data, and the more resisters you have, the more important short-term wins are. For example, many designers are uncomfortable at first with the process changes that integrative design brings. Once they start to see the paradigm shifts it creates and the ability to include new strategies, achieve higher performance and control cost, many see the value. Especially when they understand how to fit in to the new process and they don't feel threatened.

• **Keep Execs engaged**: Early wins provide bosses at all levels evidence that the transformation is on track and has value that is <u>measurable</u>. Short-term wins focused on cost reduction, improved performance, or morale/retention will necessitate engagement of senior people, which means that executives will <u>want</u> to be involved and the broad coalition is reinforced.

• **Reinvigorate the effort**: The adrenaline of success can reinvigorate the process with new ideas and new projects, and attract new people to participate and get involved. The experience can also lead to or inspire innovation. Once people experience a win, they are encouraged to question what else they can achieve and look for the next challenge.

• **Build momentum**: Most importantly, short-term wins build necessary momentum and convert neutral employees into supporters and passive supporters into active champions. Momentum is a good missionary, converting more and more people to the cause. It is important to grow the ownership of the initiative so that it doesn't rely on one strong leader. Frequently, efforts deteriorate if a strong leader goes away.

Characteristics:
According to Kotter, a good short-term win has at least these three characteristics:

1. It's visible (and tangible); large numbers of people can see for themselves whether the result is real or just hype.
2. It's unambiguous; there can be little argument over the call.

3. It's clearly related to the change effort; people can understand how the longer-term effort can be achieved.

When modifications to a process promise to improve internal efficiency, reduce time spent on analysis and eliminate "reinventing the wheel" on every project – and those efficiencies are tracked and measured, showing marked improvement within 12 months – that's a win (especially if the redundancies and lost time weren't previously tracked or acknowledged). When a few pilot projects are able to achieve a higher LEED rating, or the same rating for less cost and building performance is improved, that's a win. When lighting power density on 3 projects within 6 months is reduced and the collaborative design process that led to the efficiency is clearly responsible, people can understand why it's important to institutionalize a new approach. When a contractor's improved construction waste diversion rates and pilot materials tracking system (for LEED) helps them win new work, that's a win to build on.

Details to keep in mind:
Kotter's three characteristics may seem simple, but the details are important. There are some things to keep in mind as you plan short-term wins.

First, you need to make sure that the short-term wins are designed to have a clear and relevant time frame: within 6 months in a small organization and between 9-18 months in a very large organization. Second, they must be "wins" that people get excited about and third, they need to target impacts that matter to leadership as well as staff. Planned wins should have corresponding measurable performance indicators that are meaningful, and can be tracked and evaluated. In thinking about what metrics to track, consider what metrics people care about.

Short-term wins typically aim at achieving one or more of 3 categories: cost reduction, process improvement (and/or customer satisfaction, these are often connected), and morale (including attraction/retention). For a property management company, instituting green cleaning education for maintenance staff could cover all 3 of these bases. An engineering firm trying to improve its internal efficiency and staff utilization rates for energy analysis and simulation might want to track the number of hours spent on different scales or types of projects and gauge how much time is wasted "recreating the wheel".

As part of your overall change strategy, it will be important to plan several short-term wins, both to test different paths and to engage different stakeholder groups in the effort. Lastly, in planning these few short-term wins, it is important that one person oversees (or at least keeps tabs on) all the different efforts

and reports back approximately every 2 months. This way, leadership maintains interest and the feedback loop is short enough to make any mid-course corrections.

On a different note, throughout these blog posts there is a recurring theme of engaging leadership. It's important to make a distinction between leaders and managers here. Both play important but different roles in change efforts. Leaders set the vision and champion the big picture, but managers systematically translate objectives into targets and make plans and budgets to achieve objectives. They organize and orchestrate implementation and control the process to keep things on track. The transformation desired through the change effort depends on a strong vision but also on good management and engaging managers to ensure that tactical decisions are considered and implemented carefully. Both leaders and managers can lose sight of the importance of focusing on short term wins, either because of being detached or overwhelmed, or because they don't perceive the urgency for the change.

A good example is the 2030 challenge or AIA's 2030 Commitment. Many firms have pledged to reduce the carbon footprint of their projects and their operations in line with Architecture 2030's targets. This is a long term goal that will take multiple years to achieve. Many highly motivated firms, who have been through 2 or 3 reporting cycles, hit walls, get stuck on plateaus or encounter challenges along the way. Those who have the greatest success were able to stage their efforts over time with shorter term goals. For architecture firms, one area of focus has been the integrative design process and shifting from a traditional, linear and compartmentalized approach to a highly collaborative one as a means of achieving more integrated building systems and a higher level of performance. For a medium sized firm (75-100 staff) in the southwest, a short term win was developing a clear checklist, or roadmap for how their design process should progress. Incorporated into the project management process, it identified who should be involved when, what they should be focusing on and what deliverables should be created. When implemented within a year on the first pilot projects, both staff and outside consultants were excited about the qualitative improvement in interaction and were motivated to look more deeply at how they worked together in general.

A big part of the 2030 Commitment is tracking project data. This can seem overwhelming and scary at first and has kept many firms from making the commitment. For a large firm based on the west coast, the approach was to pilot different ways of gathering and inputting data, using different spreadsheets and systems to see what was most likely to be used by staff and what was easier to use for data export. In addition, the firm tested its own internal reporting to see what time intervals or reporting structures would be most useful to hold people accountable as well as to leverage the information across projects. With a 6 month deadline for testing different systems and a year of data collection to see feedback, staff were excited to have the (first ever) sense of what building performance was for certain project types and were

anxious to see where improvements could be made. After a couple of years, this effort (and related innovations) also led to improved client relationships and new scope on projects.

Benefits

If you plan and implement short term win strategies, the benefits will be clear:

- The experience will help you identify some key barriers early on and adjust the long-term strategies as needed before too much investment or time passes.
- You can track metrics, test that the data you are collecting is meaningful and valid, and get a better understanding of what your current systems and processes allow you to do, and what might need to be changed or augmented.
- You can build credibility for the initiative as well as for the people championing the effort.
- The short-term pressure created by these "sprints" keeps the urgency level high which is important for ongoing efforts. In order for sprints to cause excitement and not burn out, leaders need to communicate the vision and reiterate how it connects to the bigger picture.
- Last, but not least, you will grow momentum and increase buy-in, which is absolutely critical for the next step (7 out of 8)–consolidating improvements and creating more change–which will be the subject of our next article.   **<END>**

Putting the Management Back in Change Step 7: Leveraging Improvements and Producing Still More Change
http://www.sustainable-performance.org/change-step-7/

In my series, "Putting the Management Back in Change," I've been looking at what it really takes for companies to successfully institutionalize sustainability and truly be "green firms." I've been using Harvard business guru John Kotter's 8 step model for organizational change as a framework, but I use it to focus on sustainability initiatives. Previously, I introduced the topic and discussed the need to create a sense of urgency, build guiding coalitions to create buy-in and grow momentum, develop a strong vision of where the company is headed, communicate the vision effectively, address barriers that could derail momentum, and achieve short term wins. In this installment, I'll discuss the need to leverage improvements and dive deeper to produce still more change.

In my last article, I focused on the importance of creating short-term wins to build momentum and get buy-in. The flip side of short-term wins is the danger of people feeling like you're "done". It's important to think of the short-terms wins phase as an initiation. They are the first step– the on-ramp to the path of long-term change—and not a final result. Significant transformation in a company, including changing corporate culture, can take up to five years so don't let excitement over early wins cloud the commitment

to the marathon ahead! Until changes are part of the company's DNA, they are fragile and vulnerable to regression.

According to Kotter, there are **7 things to watch out for at this delicate stage and 4 opportunities to leverage greater progress.**

First, 7 things to watch out for!
- **Reduced** sense of **urgency** — personalize it so it doesn't dissipate
- **Losing momentum** – "business as usual" is a powerful force
- **Ducking the hard stuff** and thinking you can 'get there' without going deeper
- Muddling the **clarity and power of the original vision**
- Not maintaining or reinforcing the guiding **coalition**
- **Forces that stall: turnover, exhaustion & distraction**
- **Resistance** never goes away
-

Maintaining Urgency: The most common problem is people thinking that first victories mean you're "done". In terms of green building, if your first milestones were getting projects LEED certified or getting staff LEED accredited, and you achieve those, it's easy for leadership (who may not really understand what sustainable design is in practice) to think that you've done enough–especially because, from a business sense, it appears you've "met" your clients needs. Partly this is because it's not yet clear how much hard work still needs to be done internally that impacts how the projects actually perform or how efficiently the team has achieved the goal from a staff utilization standpoint. The initial case may become less potent after your first victories. If so, it's critical to re-focus on new perspectives defining the urgent need for further change. Usually this relates to identifying core business connections and "invisible" losses, such as staff efficiency, project outcomes or looking at peer firms and showing the need for getting to the next stage from a competitive perspective. It's important to make sure the sense of urgency becomes pervasive – and personal.

Losing Momentum: Closely tied to urgency is the tendency for "business as usual" to take over. Early victories are usually those that did not require fundamental shifts, risk or deep changes; therefore the pull of the status quo is still very strong. There has not yet been enough disruption to overcome the inertia or the fear of change. As Kotter says, "Until changed practices attain a new equilibrium and have been driven into the culture, they can be very fragile. Three years of work can come undone with remarkable speed."

Ducking the Hard Stuff: Most people are not keen on change to begin with, so when you get to the point of having to do the really deep change – involving culture, systems or processes – there may be a loss of enthusiasm. People are busy, stressed out and often fearful of having to perform in their job while things are in flux or they are being asked to work outside of their comfort zone. Many firms have been able to squeak out a bunch of LEED projects without actually institutionalizing the integrative design process and committing to a paradigm shift of collaboration. They think they're "successful" because they have

achieved a plaque but they don't realize the potential gains they could have achieved if they had gone deeper into their project delivery process. This leads directly to the next caution:

Power of Vision: The vision for the future, the objectives and the SMART goals are the touchstones of the change effort. If the firm's vision of sustainability was merely "to deliver LEED projects when clients ask for them"…maybe you're done. It's a pretty low bar. If your firm's vision was broader, or tied to specific outcomes like the 2030 Commitment, then the timely communication of the compelling vision – and the gaps that still remain to achieve it – must happen now. This underscores the urgency of further change, refocuses the efforts and motivates people to deal with the next level of barriers. It is very common to talk vision at the outset of an effort, but the communication of the vision must happen in waves. People need to feel inspired and motivated to stretch beyond their current comfort zone and be clear about the purpose and the goal of doing so. Otherwise, they will just feel like they are being burdened by change for change's sake. Using new and relevant ways to talk about the overall purpose and vision tied to current actions ensures that it doesn't become stale.

Endurance of Guiding Coalition: Early on, a coalition of people were brought together to help create the case for change, frame the case of why it was urgent and get buy-in to do it. After the short-term wins, this group may be losing some of its energy or, more likely, may not be the same group that you need to dive deeper. If use of computer tools is a critical part of the next stage and the early group didn't include someone from IT – that person needs to be on board. If the next phase of change focuses on the project delivery method, you may need to have a working group for a short period that includes key external partners. It's also possible that engaging new people in leading the effort is a good way to raise morale or generate more widespread excitement across the organization – or if the company is large, it may be a way to expand efforts across multiple offices.

Forces will stall you: Change efforts for sustainability never happen in a vacuum. Turnover, exhaustion, distraction and bad luck all happen. Key champions may move on to other companies and if it's early in the change process, that can have devastating effect because buy-in is still evolving. Business goes on. External forces like workload or cash flow can distract from the focus and usually trump other "urgent" efforts. People can get burnt out. It's important to be aware of these things and try to plan for them proactively to minimize their impacts, be flexible and responsive with your strategy, and do mid-course corrections if necessary. Short-term wins are great, but if the sense of urgency is lost, complacency and the status quo are a strong pull and people who haven't truly adapted to the new direction will contribute to back-sliding.

Resistance is persistent: Last but not least, resistance to change never really dissipates. Even the success and buy-in you achieve early on doesn't win over the project manager who is uncomfortable with integrative design and thinks it's a distraction. Or the design principal who loves the look of curtain wall facades and has an aversion to energy simulation. Or the project executive who is afraid to "push" the client. Early efforts may "drive these people underground or into the tall grass" as Kotter says, but they just become landmines that destroy deeper change efforts. The most successful firms have seen that,

over time, these people either have their own epiphanies and eventually understand how their work connects to the goals…or they move on.

Those are the potential negatives. On the upside, this stage in the change effort also offers **unique opportunities to go to the next level**:

- Build credibility
- Identify the things that require deeper intervention to change
- Eliminating needless work so you don't exhaust yourself along the way.
- Use model of momentum to inspire people to create wave after wave to achieve vision

Build Credibility: Once you've achieved short-term victories — and have trumpeted the triumph far and wide – you can start to build more credibility and get more buy-in both internally and externally with clients and partners. You can demonstrate (through qualitative and quantitative measures) that your successes have made an impact. For example: Once firms got their first waves of projects LEED certified, they were able to leverage that in marketing and in response to RFPs, gain publicity and recognition from the outside world and even, in some cases, see improvements in design and performance. With the 2030 Commitment and the introduction of actually tracking predicted and actual performance – firms began to measure the gap and learn from it, tell compelling stories of their work to clients and enjoy a deep sense of pride at their accomplishments and stewardship. Credibility helps engage leadership more fully. It encourages decision makers to take a little more risk or make more of an investment in the effort. The combination of excitement, momentum and credibility also grows the effort across a large organization and begin to draw in the people who were interested, but hesitant previously.

Effect Deeper Change: With greater credibility and evidence of the value of the early changes, you have more political capital and momentum to look at the next level of challenges. Using the LEED example, once a firm got a few projects under its belt, it was able to look at various aspects of the project management process:

- Are project performance goals part of the kick off conversation (regardless of LEED)?
- Is analysis done at the right time, with the right input and as a useful feedback loop to actually inform decisions?
- What needs to change about how the consultant interactions happen?
- Are the skills and templates in place to do life cycle costing?
- Is there any project performance tracking happening?
  There are always systemic changes that need to be made to get to the next level of capability and achieve more – now is the time to get better clarity about what those changes are and how to prioritize and stage them over time . As Kotter puts it, "Instead of declaring victory, leaders of successful efforts use the credibility afforded by short-term wins to **tackle even bigger problems**. They go after systems and structures that are not consistent with the transformation vision and have not been confronted before. They pay great attention to who is promoted, who is hired, and how people are developed. They include

new projects that are even bigger in scope than the initial ones. They understand that renewal efforts take not months but years."

Eliminate Needless Work: The benefit of this phase is that in looking closely at systems, processes and methodologies, you can improve efficiency, eliminate 'legacy' things that are being done out of habit and provide no value, and help everyone streamline their own work and their team efforts.

Create Waves: After the initial short-term wins, the next effort – and its subsequent success begins a pattern of wave after wave of momentum that can be built on. People need to feel a sense of safety, predictability and control. If the change efforts are clear and understood, and the successes happen in waves – the panic of being pushed out of the comfort zone is minimized and the successes become inspirational. Not all efforts will be successful, and that is also an opportunity. Clear communication about why it didn't work, engaging people in thinking about what could be done differently – this shows that the change effort is genuine and won't crumble to dust at the first failure. It encourages people to stretch and reinforces the message that trying and failing is better than not trying at all.

This phase of effort is challenging and obviously not as easy and straightforward as I may have made it sound. However, it is the most exciting and interesting phase where evolution is authentic and deeply meaningful to people. These efforts usually take a few years to be completely realized, and the final stage, institutionalizing new approaches so that they are simply part of the company's DNA, is the subject of our next article.   **<END>**

Putting the Management Back in Change Step 8: LAST BUT NOT LEAST, CULTURE!
http://www.sustainable-performance.org/pmbic_step8_culture/

In my series, "Putting the Management Back in Change," I've been looking at what it really takes for companies to successfully institutionalize sustainability and truly be "green firms." I've been using Harvard business guru John Kotter's 8 step model for organizational change as a framework, but I use it to focus on sustainability initiatives. Previously, I introduced the topic and discussed the need to create a sense of urgency, build guiding coalitions to create buy-in and grow momentum, develop a strong vision of where the company is headed, communicate the vision effectively, address barriers that could derail momentum, achieve short term wins, and build on short term wins. In this last installment, I'm going to focus on the most important aspect: culture change and making this effort part of the company's DNA.

Culture. It's something we understand intuitively, but rarely focus on explicitly. At a gut level we know if a company has a "good" or "bad" culture but we don't stop to figure out what makes the culture what it is. What does it mean to intentionally change culture over time and why would you do that? For organizations that are institutionalizing sustainability, and have been implementing widespread changes to systems and processes (as discussed in earlier articles), nothing will make those changes "stick" if culture isn't addressed. Culture is the manifestation of shared values and behavior. It's a set of common feelings about what matters and how we should act. If people are not united by a shared connection through culture, all previous efforts will disintegrate. As Kotter says, you need to "use the power of culture to make transformation stick".

> In the words of John Kotter:
> ### "Anchoring change in a culture…
> • **Comes last, not first:** Most alterations in norms and shared values come at the end of the transformation process.
> • **Depends on results:** New approaches usually sink into a culture only after it's very clear that they work and are superior to old methods.
> • **Requires a lot of talk:** Without verbal instruction and support, people are often reluctant to admit the validity of new practices.
> • **May involve turnover:** Sometimes the only way to change a culture is to change key people.
> • **Makes decisions on succession crucial:** If promotion processes are not changed to be compatible with the new practices, the old culture will reassert itself. "

Many sustainability champions are sensitive to culture and aware that it's an issue. They often think that culture needs to be addressed first – but that is a mistake. Culture is "squishy". You can't just grab on to it and re-shape it. You need to know what to grab and where to push. It needs to be defined in the context of your company through all of the change activities you engage in up to this point.

There are two key elements that make or break the effort to institutionalize the changes necessary to make a sustainability program work. The first is a deliberate effort to help people understand how the new approaches, behaviors and attitudes have helped improve performance. Left on their own, people don't connect the dots – or they connect them incorrectly. For example, you may have a client who is really gung-ho about sustainability, highly committed and not afraid to spend a little more. It would be easy to attribute all of the success achieving high performance on this project to that external circumstance and not understand that 60% of what was achieved could be achieved and every project through your new methodology or rigorous integrative design process. This may take some time and effort, but it significantly impacts the outcome. The second element is a focus on the next generation of top management to ensure that they have really bought in to the new approach. This needs to be evaluated as a prerequisite for promotion. One resistant person in the upper levels can undermine years of hard work. This is also a reason why top and middle management really need to be part of the change efforts over time, and not just watching from the sidelines. It's not enough to be neutral; leaders need to be change champions. There may even be a need to encourage people to leave who are no longer aligned with the company commitment.

Trying to change norms and values before you have created the new way of doing things does not work. The vision can articulate a new culture and you can create new behaviors that reflect that but those behaviors won't become ingrained until the end of the process. Integrative design is a good example. If effective collaboration is an important value, clear expectations will be communicated and new processes will be put in place to institutionalize better interactions and analysis on projects. People then have an opportunity to see how project performance improves as a result and can track data that supports that success. Once people can understand what it means to behave in this way, become more comfortable with the new methodology and begin to believe in it, effective collaboration is more likely to become widespread and part of the companies way of doing things.

Aligning the old, existing culture with the new, desired culture can be subtle, a matter of grafting one to another. Or it can be a matter of wholesale reinvention, depending on where you start. Both are challenging in different ways. Wholesale reinvention might require changes in leadership or reporting structure, or may not be possible at all. Most of the time, it's more subtle, more about clarifying expectations and defining specific outcomes and actions. The challenge in this case, as Kotter puts it, becomes one of "grafting the new practices onto the old roots, while killing off the inconsistent pieces". You can tell that something is really embedded in a culture if – when people deviate from new behavior – their peers find ways of pushing them back to the new norm.

This doesn't mean you ignore culture until you do everything else! The better you understand the existing culture, the more effective you can be with your early efforts; the more easily you can figure out how to [create a sense of urgency](#), how to [create a guiding coalitio](#)n, [how to shape the vision,](#) etc. For example, if your firm is a "bottom line only" culture, where profit has been more important than employee satisfaction or environmental impact, promoting a sense of urgency around climate change will likely fail. Focus instead on efficiency and profitability that will resonate with the group yet still lead to your desired outcome.

It's also important to realize that when the existing culture is incompatible with the changes that need to be made, and the inconsistency isn't confronted, things will fall apart. This is another reason to consider culture at the outset of a sustainability change management effort. If a large company with multiple offices has always been "entrepreneurial" (translation, every office does its own thing!) and suddenly there is a desire to introduce a particular project delivery methodology or professional development program – it will be an uphill battle! The adoption of the 2030 Commitment is a great example – large firms that are decentralized now need to impose a consistent way of tracking and reporting their data, not to mention having to figure out how to design projects to a consistently higher level of performance.

In the final analysis, change sticks when it becomes "the way we do things around here," when it seeps into the bloodstream of the organization. Until new behaviors are rooted in social norms and shared values, they are subject to degradation as soon as the pressure for change is removed.

What Works ?

- Not stopping at step 7— it isn't over until the changes have roots
- Using new employee orientation to compellingly show recruits what the organization really cares about
- Using promotions to place people who act according to the new norms into influential and visible positions
- Telling vivid stories over and over about the new organization, what it does, and why it succeeds. This engages people at an emotional level which makes them more committed.
- Making absolutely sure you have the continuity of behavior and results that help a new culture grow

What Does Not Work ?

- Relying on a boss or a compensation scheme, or anything but culture, to hold a big change in place
- Trying to change culture as the first step in the transformation process.

In a short article, everything may sound a bit too simplistic or easy. In reality, even successful change efforts are messy and full of surprises throughout the process. As Kotter says, "just as a relatively simple vision is needed to guide people through a major change, so a vision of the change process can reduce the error rate. And fewer errors can spell the difference between success and failure." We hope this series of articles has provided guideposts to help you navigate change in your own organization – and at the very least, has helped you see that becoming a truly 'green' firm is not about how many LEED projects you have in your portfolio, but about intentional efforts to manage change at all levels of the organization and in its systems, processes and culture! Good luck in your continued efforts and we are here to answer questions or coach you along the way.   **<END>**

This is the end of the Putting the Management Back in Change series.
Some additional blogs have also been included:

LEED v4 IP Credit & Project Delivery: You can fix it, here's how
http://www.sustainable-performance.org/fix-project-delivery/

Project delivery is the life-blood of our business. It's the heart and soul of professional practice. And it's broken.

Many clients don't realize the extent to which the traditional project delivery process impacts their capital and operating costs. Everyone complains about how dysfunctional it is, but here we are…day after day…repeating the insanity. Inflated costs and environmental impacts persist and many feel helpless to change the paradigm. But change *is* possible, and this article will give you an exercise that can put your firm on a track to a better process.

It's no mystery that the better the project delivery process, the better the product (good for client and good for bottom line). And the integrative design process (IDP) is simply better business, independent of green

building. It enables smoother coordination and better decision-making, provides more control and yields better quality, more profitable projects. And outcomes are greener as well.

When IDP emerged as a topic – it freaked a lot of people out. Then, over time, everyone began to claim they practiced it. Now LEED v4 recognizes the importance of IDP through a new credit and challenges teams to prove that they're doing it. The evidence required to achieve the credit is missing a critical ingredient – the project roadmap or workplan that illustrates how critical path decisions are being made and how all of the pieces relate to each other. Firms experienced with IDP do this as a matter of course. In truth, most firms are far from employing IDP and they don't even know how to measure their effectiveness.

So what can you do? You can take a few hours and do our Project Delivery Mapping exercise! We've led this exercise with firms all around the country and it's been extremely helpful in identifying clear and achievable changes that can be put in place right away. It's proven so valuable we've written up instructions so you can do it on your own.

Why do it? This exercise will provide many benefits:

- It will open up conversations you don't usually have the time to have about business development and client targets
- It will daylight issues that you suffer with all the time but don't stop to think about
- It will help you transform your relationship with consultants so that you're aligned
- It will help you identify missing resources, tools or capabilities you need to meet client demand
- It will help you have better control over what analysis gets done and how the results get used
- It results in the development of a firm-wide methodology for IDP that can be integrated into project management and institutionalized as opposed to leaving it to people's individual comfort level (enhancing performance without hampering creativity)
- Most importantly, it will enable you to achieve much higher levels of performance on projects consistently and empower you to achieve performance on projects even when the client is not bought in to sustainability. Plus, it will help you get that LEED credit all the time!

Here's a brief summary of how the exercise works (see link below for the full process):

Start by getting the right people in a room. These people ideally represent different levels of responsibility and roles on a project and should also include marketing, HR and IT staff. Having more than one project manager is ideal. You get the most value if you have a variety of perspectives and experiences.

You may want to focus on one major project type at a time. If your scope of work includes public schools, higher ed and health care – three very different contexts – you can select one and choose the participants who are related to that specific project type, plus marketing, HR, etc.

The exercise is made up of 3 parts.

1. Collectively map out (on a roll of trace) the chronological steps within the project delivery process. These are the factual steps and milestones that you are contractually bound to as well as other internal or related activities. Pay particular attention to the beginning and end of projects. Does the process begin with the RFP? Or with the marketing you do to attract the ideal client? Is the endpoint a project a close-out or post-mortem meeting? Commissioning? Post-occupancy survey?

2. For each milestone, articulate the barriers, challenges and issues that you struggle with and what impact each has on the project. These challenges often include conflicts with client, misalignment with consultants, issues with scheduling, resources or skills. Quantifying these impacts can help you prioritize efforts and make a case to your clients for changes.

3. Look at each issue and begin to formulate solutions. These solutions typically include setting clear performance goals, establishing internal standards, developing clear and articulated expectations for consultants, and creating checklists and templates to frame conversations and analyses. Quality control and business development are greatly enhanced through this effort.
See? Not rocket science. Very do-able. It may even sound boring. It's not. Employees at all levels love this; it raises morale and excites people to be talking proactively about their work instead of just being in reactive mode all the time, which is normal for the industry.

If you are signed on to the 2030 Commitment, this exercise is really mandatory – at one point or another you will hit a wall and this is one effort to help you unlock your firm's potential. If you pursue LEED projects, the process will enable you to achieve (or surpass) your clients' targets without breaking the bank. Even if you don't pursue "green" projects, this will enable you to streamline and improve your delivery process and identify gaps and opportunities you haven't had the time to think about before.

Download the exercise and give it a whirl! If you have questions, need help, or would like us to facilitate the exercise (for CEUs), please contact us!
In the next article, we'll show you how the outputs of this exercise relate to other issues in your company's culture, infrastructure and professional development and how you can build on the exercise to address issues in those areas that will further enhance your work overall.

Doing the Project Delivery Methodology workshop – One firm's experience:
by Mike Davis

I own a **small car.** It's a 4-cyilynder with a 6-speed standard transmission and **front-wheel drive**. And a roof rack for my skis.

I know how to turn it on, make it go and stop. And that's about it. There may as well be a nuclear reactor under the hood. When the dashboard "check engine" light goes on, I take it to someone who knows what they're doing.

The AIA 2030 Commitment is like a dashboard indicator light for your architectural firm. (Hopefully, we all know a lot more about our firms than I know about my car!) My firm, **Bergmeyer,** has been **reporting the energy use intensity** and lighting power density of all our projects since 2011. We now have three years of reporting data to show for it. The collective **EUI** of our whole-building projects has been steadily improving against a baseline comparison: 15.0% better in 2011, 25.1% better in 2012, 29.6% better in 2013. This is surely good.

But – here's the important part – we are not gaining ground on the AIA 2030 Commitment reduction target. In order to get us to carbon-neutral by 2030, our work needs to be 60% better than baseline now. That's a 30-percentage-point delta between where we are and where we need to be.

So our AIA 2030 "check engine" light is on. What do we do next? We get help.

We called Barbra Batshalom at the **Sustainable Performance Institute**. SPI's goal is to help your firm deliver on its sustainable design promises. It's like having dealer warranty service for your firm. But Barbra makes house calls. And without greasy overalls.

We brought SPI in for a practice assessment. They did staff and client surveys about our firm's sustainable design expertise. Barbra then joined us for a two-hour deep-dive work session to simulate a typical project delivery process. This step felt a whole lot like having the hood up. We met again later to review her diagnostics.

As expected, it was good news and bad news. The best good news was that Bergmeyer's leadership is very commitment to sustainable design. In Barbra's experience, that's not always the case. But the bad news: not all of our project teams are connected to the mission. Again, not unusual for a firm of our size, but to accelerate the energy efficiency of all our design work we need to be firing on all cylinders.

We learned that we need to pay more attention to how sustainable design goals inform our project delivery methodology. I know that sounds a bit like MBA-style doubletalk, but when we discussed it together we began to see strategies. Like these:

o **Promote LPD (Lighting Power Density) fluency on project teams**. LPD sounds like an easy concept (watts divided by square feet, right?) but it gets complicated when retail projects have extra

wattage allowances for display and fixture lighting that vary depending on what code is being used. And our MEP engineers do the calcs for us. We need to own that process and build it into our design work.

- o **Focus on project initiation:** That's traditionally when the rules of the road are made clear. But we have a lot of small, high-speed projects. The sports metaphor of a "kick-off" meeting doesn't always apply. Many of our projects are more like "**get your motor runnin**'!" then we're zero to sixty in **three-point-five.** We'll have to find a way to get alignment around sustainability goals within these dynamic schedules.
- o **Get better at making the business case of sustainable design:** Heard this one before, right?**Not easy.** But our project teams are already very adept at managing the cost implications of design decisions. We're good with budgets. So maybe we can merge that budget-consciousness with energy consciousness and "sell" it as one package. Hmm . . .
- o

So thanks to the AIA 2030 Commitment and the Sustainable Performance Institute, the road ahead of us is clear. We're back on track. Ready to put the pedal to the metal. (**Enough already!**) Stay tuned, we'll keep you posted on our progress. Just **don't drive like my brother**.