The 20-50-30 Rule

by Diane Faulkner

Understanding how different segments of the staff will react to change will help management make it less traumatic and more productive.

Change is difficult enough on a personal level, but when you are faced with having to lead an entire organization through even the smallest of changes, look out.

Why?

Because whether you are leading a new, small start-up or a huge, established conglomerate, you have a monster task on your hands. And if you are not familiar with the *20-50-30 rule*, your task is going to take much longer and be much more painful.

This rule identifies what portion of your staff population will give you the most support, what portion will wait-and-see if you can do what you say you are going to do, and what portion will fight you every step of the way.

The nature of change

Major organizational changes, like merging with another credit union or losing a president, are events that anyone would expect to cause a large measure of upset in even the most stable credit unions. But it is not always the major upheavals of corporate life that will create the most turmoil. The most simple reorganizations, like transferring a manager from one branch to another or introducing a new system of performance management, can be equally traumatic.

Whatever the type of change, however, one thing is certain: You will experience resistance.

If change is inevitable, then why must the process be so difficult? What can change-leaders do to make changes less traumatic and more productive for everyone involved? While there are no easy answers to such questions, understanding the dynamics of organizational change can help make the transition more manageable, help you become a better manager—and help your credit union become more responsive and competitive in the face of change.

To prepare yourself to effectively lead your staff through any transition, you need to first understand how peo-ple are going to react to change. The best way to accomplish this is to understand the basic dynamics of a group. That way, you can better plan your methods for introducing change and increase the probability that change will be integrated faster than if you went into the process blind.

No matter the size of your group or organization, you can expect your base of support to be separated into three different segments. One segment will be made up of people who seem to consistently think up and work to facilitate change. They are the ones who will be the first in line to try out new software, new procedures and management styles.

These people, obviously, are the most open to organizational change. If they haven't thought up the newest trend, they want to at least play a part in bringing it about. In meetings, they are the ones who question long-standing procedures and tried-and-true ideas. These people are your Innovators, and they operate under the assumption that whatever change brings, they will probably be at least as well off—if not far better off—after the transition than they were before. In most groups, including most organizations, you can expect about 20 percent of your population to fit into the Innovator category.

History lovers

As helpful and excited as your Innovators can be, you must prepare yourself to work with a completely different segment of the population. One that, on its face, will not offer you any type of support you need in order to move ahead. These people are your Resisters, and they are easy to spot. At the mere mention of impending change, they stop dead in their tracks and begin a complete corporate rewind that will take you—and whomever else they can get to listen to them—though the history of "how we used to do things around here." They may not always know why things are done a certain way, but they always know *the way*.

These people, who make up about 30 percent of the population, will change only when they have no other choice, and if you do not keep them in check, their historical recitations may actually work against your efforts to bring about change.

Between these two groups are the other 50 percent of the population—your Wait-and-See people. Wait-and-Seers do not necessarily oppose change, but they do always tend to worry that they will lose more than they will gain after change takes place.

According to organizational development psychologist Elaine A. Johnson, vice president and consultant with Right Management Associates in Jacksonville, Fla., "What these Wait-and-See folks usually notice is that those who embrace change are ignored—while the noisy Resisters get large measures of management's time, energy and attention. By focusing on the 'squeaky wheel,' management inadvertently sabotages change in a well-meaning—but ultimately fruitless—attempt to make everyone happy."

"The solution," according to Johnson, "is to spend more time supporting and reinforcing the 20 percent of the population who are Innovators, since they are the very people who can make change succeed. They are also the ones who can bring the undecided group along with them. Indeed, that's exactly what the Wait-and-See group is waiting to see—who gets the attention, the support, and the bulk of the organization's emotional and intellectual capital."

In my own experience as a former credit union human resources executive, I have found that one further step must be taken to ensure change is embraced: involving key players from each of the support segments at key intervals of the change process. I would do this to achieve the following goals:

• to expose a variety of staff to the change process at the executive level;
• to gain buy-in from Resisters and

Wait-and-Seers by enlisting their help in creating surveys or heading up round-table discussions;

• to break down barriers between groups by having people who would not otherwise have the opportunity to work with—let alone communicate with—each other, do so in a way that would stretch skills and give staff corporate-wide exposure that would help their careers later;

• to build into the change process a respect for things and ideas of the past, balanced with understanding for the need to move forward; and lastly

• to give perceived "troublemakers" an opportunity to regain respect from coworkers and managers.

The result? People gained skills not normally used in their current positions. These new skills often helped them grow in their own jobs and also move into higher positions within the credit union. We inspired loyalty by consistently reaching out to all levels and tenures, as well as temperaments, proving that we practiced as well as preached authentic participation. We also watched new and better working relationships develop between people we never thought would work well together.

The 3 Cs

Once you understand the dynamics involved in bringing change into a group, you must then understand that your actions, as you facilitate change, will determine your effectiveness. To ensure effectiveness, you must demonstrate the following characteristics:

Creativity – Be able to generate new and unique ideas and make connections between previously unconnected ideas. Creative leaders are not bound by the past. You must have a clear picture of what the future will look like. The creative leader is also not afraid of failure. The lack of fear comes from being able to analyze successes and failures for clues to improvement.

Composure – Manage your personal stress and demonstrate resilience when things do not work out as planned. Be able to recognize what factors can be controlled and what cannot. Accept the fact that the most difficult factor to control is the behavior of others. You can guide behavior only up to a point, but beyond that, it is out of your hands.

Conviction – Also known as command skills. During times of change, effective leaders must first be personally convinced of the benefits of change. You must be part of that 20 percent of the population who changes out of inspiration, rather than the 30 percent who changes only out of desperation.

Where do you fit in? An effective change-leader must answer this question first, then work out an internal balance before introducing change. If you are not an Innovator, then your first task is to alter the way you think about change. Focus on the opportunities rather than the risks. Once you have found your internal balance and convinced yourself of the benefits of change, you will then be ready to use your knowledge of the 20-50-30 rule to build the support you need to lay a solid foundation for change in your group. ✎

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