



"Neuro Change: Enhancing traditional change management approaches through neuroscientific based concepts"

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Agenda



1. Problem Statement and Research Question
2. Overview of traditional Change Management Approaches
3. Change Management Models: Traditional vs. Neuro Based
4. The Neuro Based Change Model
5. Conclusion
6. Contribution and Limitations

1. Problem Statement and Research Question

The failure rate of Change Management projects is estimated to be 60% to 80%

(Whelan & Berry 2010, Kotter 1996, 2008, Armenakis & Harris 2009, Meaney & Pung 2008, Claßen & Kyaw 2009 and appr. 20 other sources)

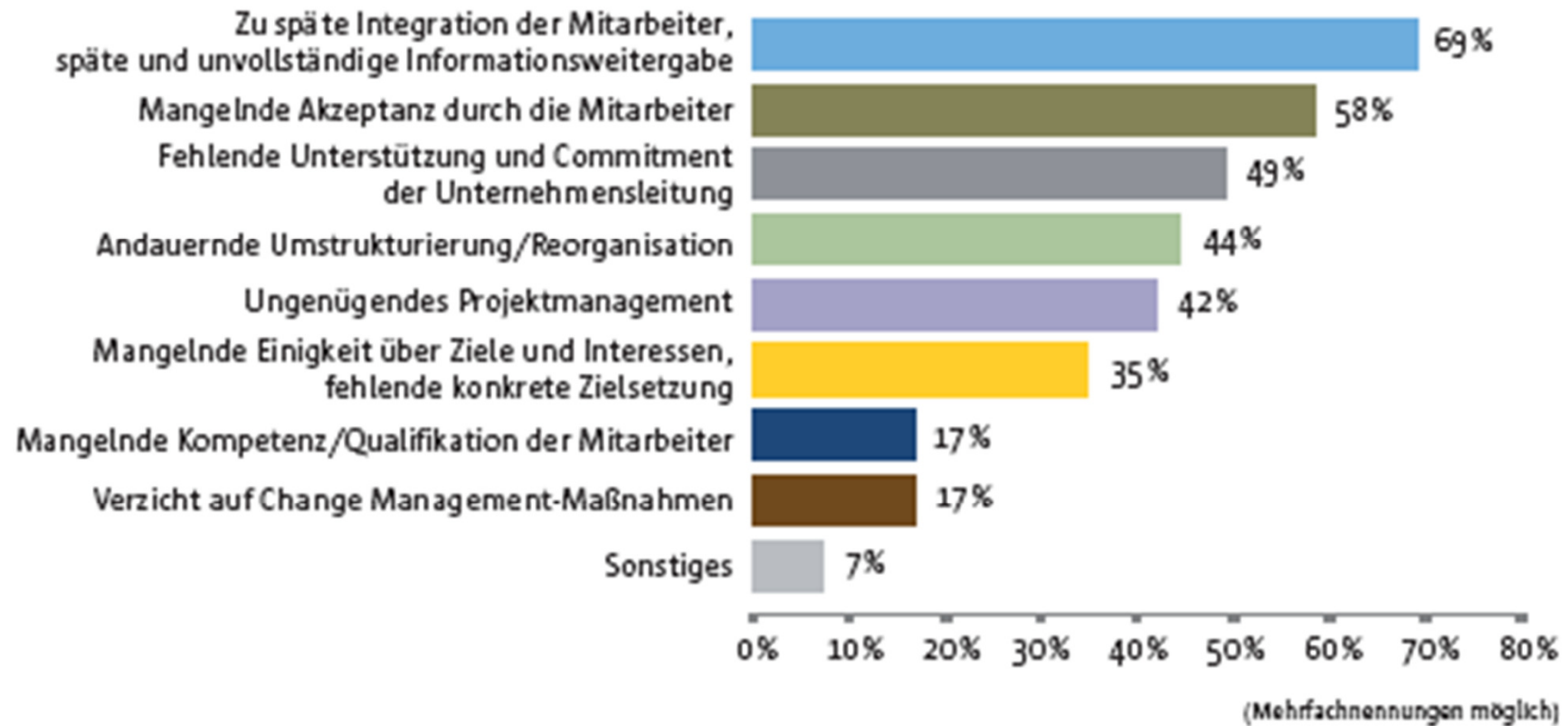
Potential reasons for failure:

- Pace of change has increased
- Readiness and success factors for change unclear
- Internal and external triggers (all shapes, forms, sizes)
- Ignoring the human factor
- Contradictory approaches
- Communications

(By 2005, 2007; Graetz & Smith 2010; Armenakis & Harris 2009, Whelan-Berry & Somerville 2010, CapGemini 2008, Bearing Point 2007)

Exploring current neuroscientific research to investigate potential contributions to the field of change management suggesting more promising approach to change projects

1. Problem Statement and Research Question (Illustration)

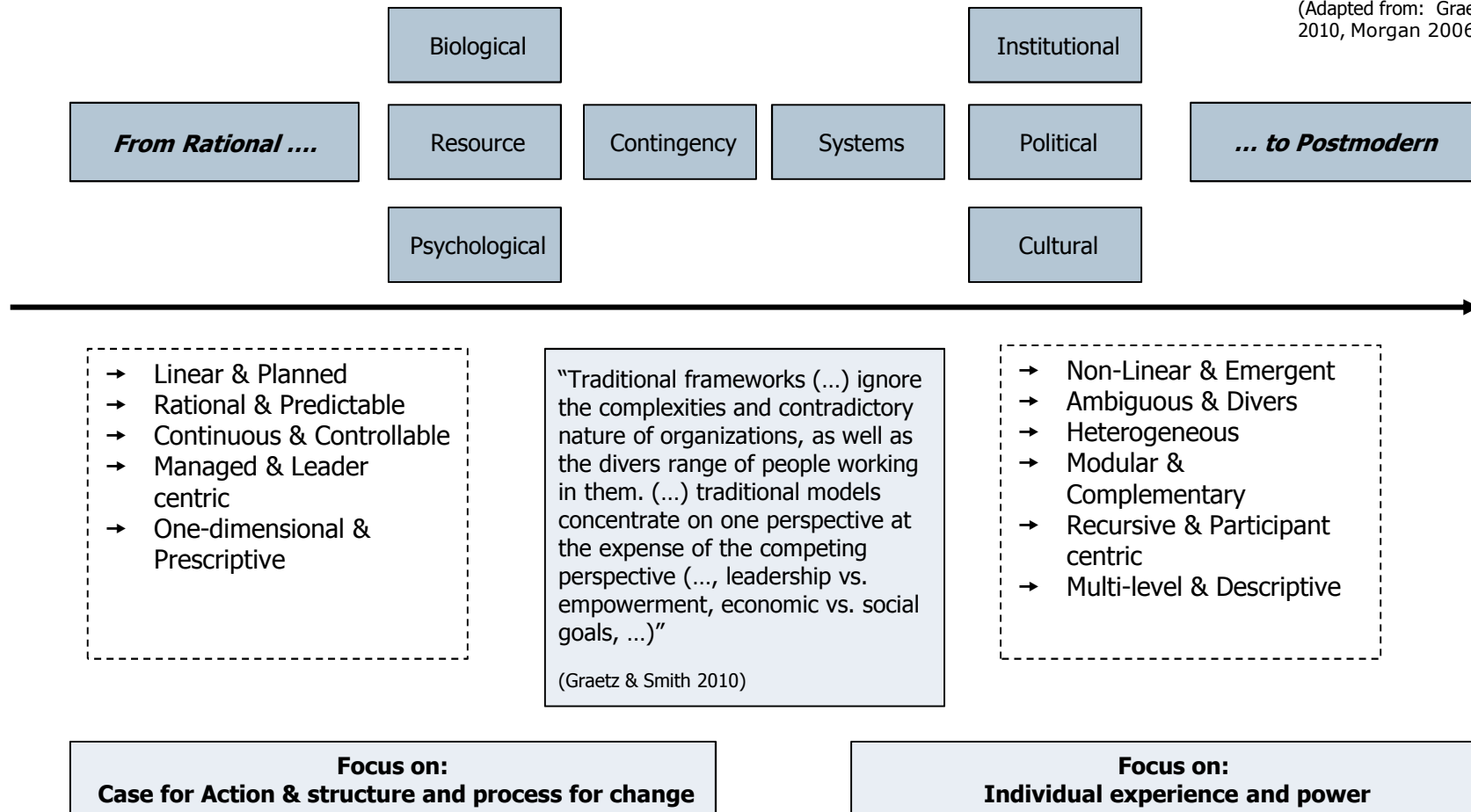


(Bearing Point 2007)

2. Overview of Traditional Change Management Approaches and underlying Philosophies



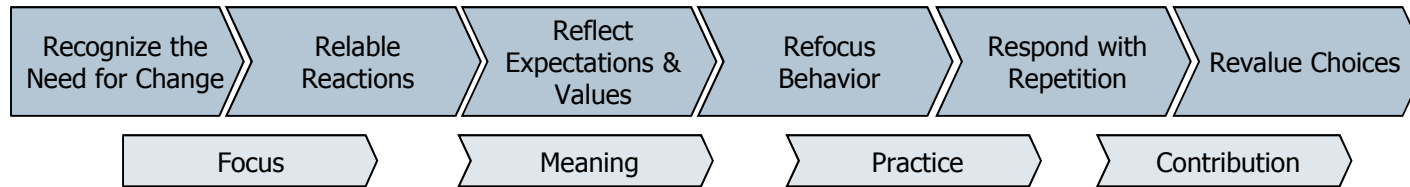
(Adapted from: Graetz & Smith 2010, Morgan 2006)



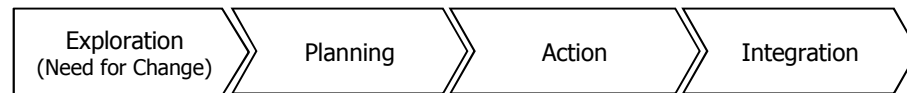
(Collins 1998, Graetz & Smith 2010, By 2005, 2007, 2011, Armenakis & Harris 2009, DiBella 2007, Stock-Homburg 2007, Krüger 2006, Higgs & Rowland 2005, Young 2009, Pettigrew et.al. 2001, Bamford & Daniel 2005, Tobey & Manning 2009)

3. Change Management Models

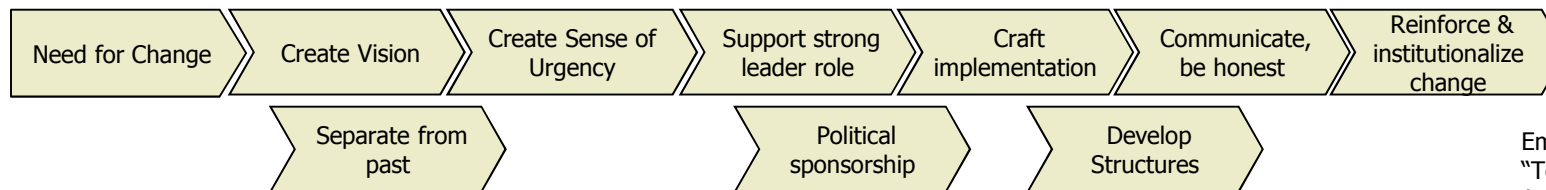
Traditional vs. Neuro Based



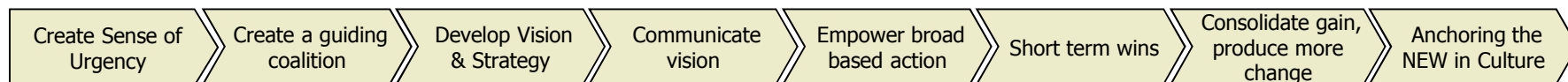
Neuro Change Model
(Schwartz et.al. 2011)



Planned Change Model
"It's just a Phase ..."
(Bullock & Batten 1985)



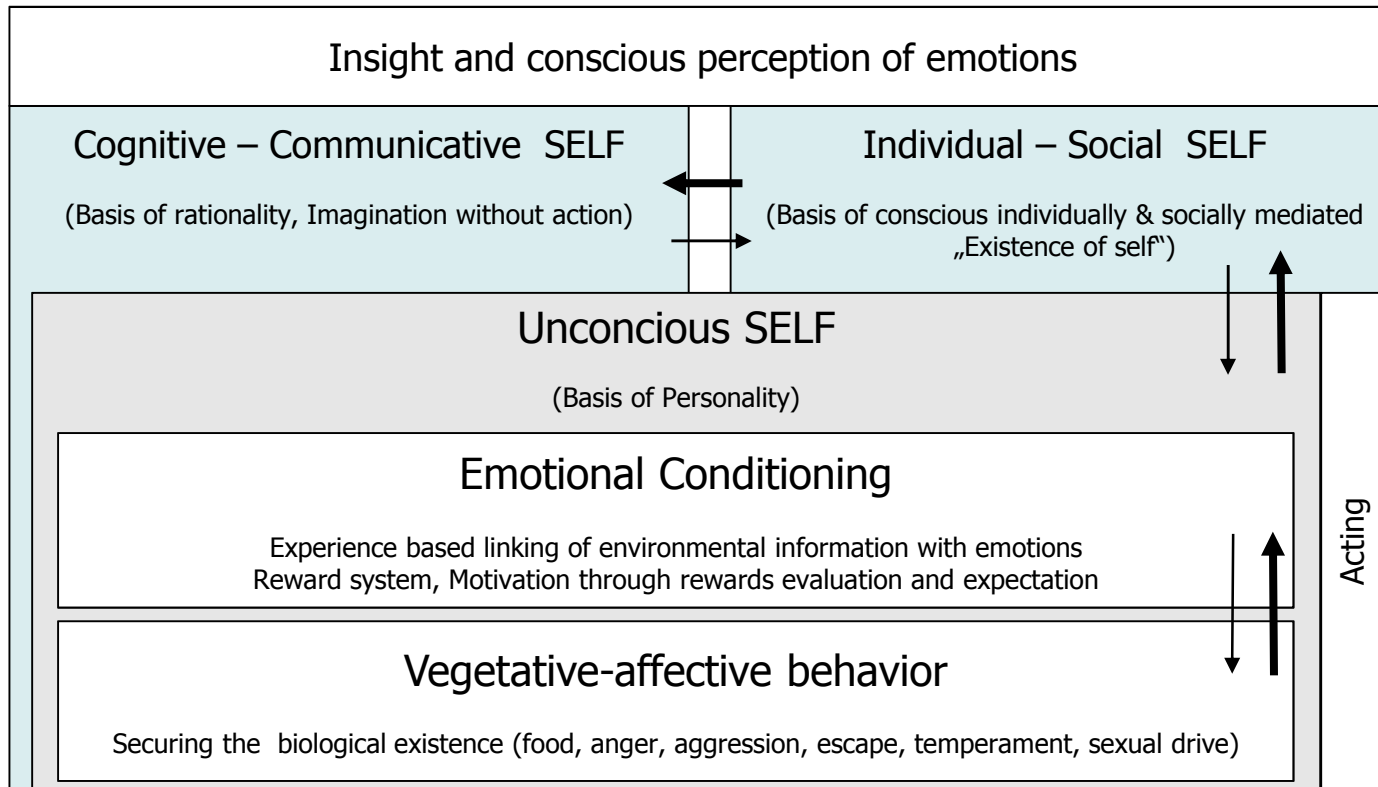
Emergent Change Model
"Ten Commandments..."
(Kanter 1992)



Emergent Change Model
"Eight Stage Process ..."
(Kotter 1996)

4. The Neuro based Change Model

Personality Model (Roth 2007)



(Roth 2007, pp 90, Lieberman 2007, Roth & Dicke 2005)

4. The Neuro based Change Model

“Minimize Danger, Maximize Reward”

Danger
<ul style="list-style-type: none">→ Danger means threat response, activating the amygdala in the “lower” limbic system→ Mentally taxing→ Eroding productivity of a person→ Working memory function is impaired and becomes less efficient

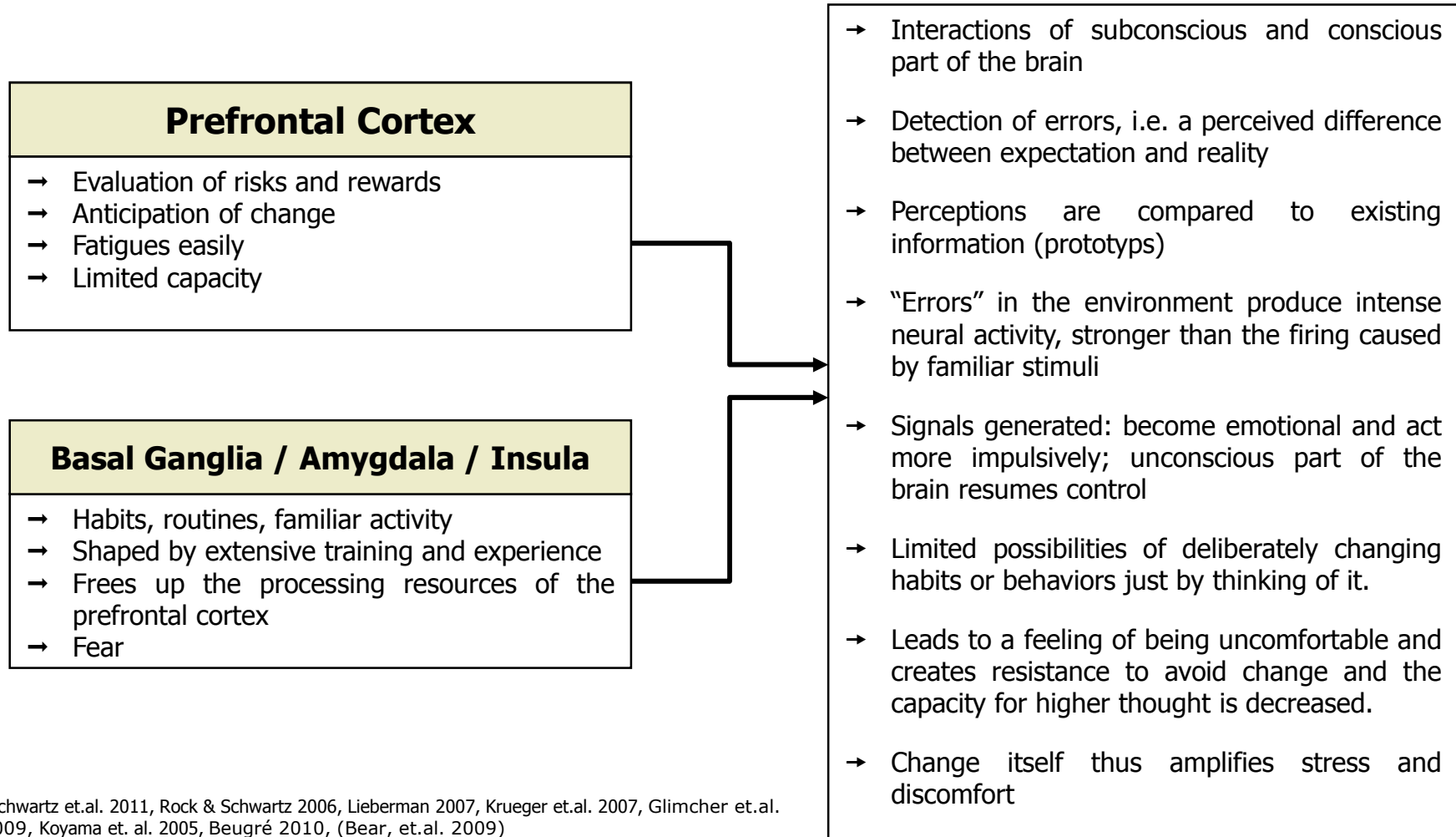
Reward
<p>Clear expectations, independent decision making, relationship building, and fairness are important ingredients enabling to be:</p> <ul style="list-style-type: none">→ More effective→ More open to ideas→ More creative→ Focused attention

Change projects require effort in thinking (analytic, creativity, problem solving)

(Schwartz et.al. 2011, Rock & Schwartz 2006, Lieberman 2007, Krueger et.al. 2007, Koyama et. al. 2005, Glimcher et.al. 2009, Koyama et. al. 2005, Beugré 2010, Bear, et.al. 2009)

4. The Neuro based Change Model

Dealing with Uncertainty and Expectations – Fear of the Unknown



(Schwartz et.al. 2011, Rock & Schwartz 2006, Lieberman 2007, Krueger et.al. 2007, Glimcher et.al. 2009, Koyama et. al. 2005, Beugré 2010, (Bear, et.al. 2009)

5. Conclusion



Neuroscience as a new framework can shed light on existing problems by identifying

- Common neural processes across behaviors, how humans e.g. deal with uncertainty, expectations, stress, ambiguity, conflict or finding solutions
- Central role of the individual in a change management situation
- And linking organizational phenomena, neural activation, mental processes and behavior
- Ways to improve change management effectiveness, organizational productivity and employee satisfaction

6. Contribution and Limitations

Contribution

- A different angle of looking at change
- Basic understanding of neuroscience concepts allows to handle change more effectively
- New theoretical propositions that integrate neuroscience findings into the established body of research about change management

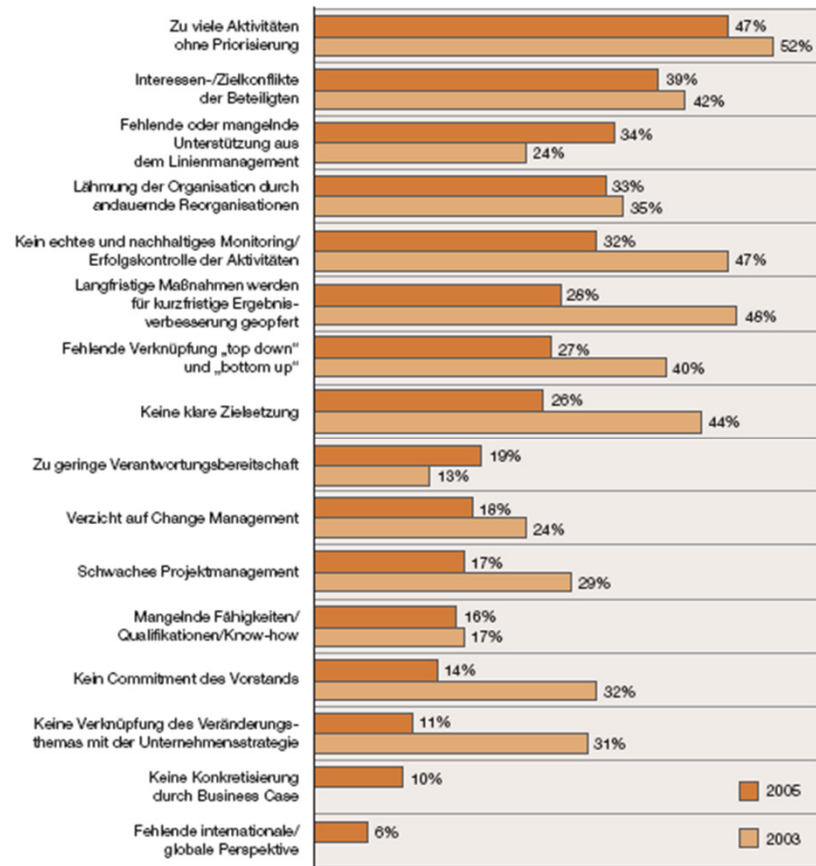
Limitations

- No real world evidence yet available (preparation of a case study is in progress)
- Scope is even larger (e.g. role of communication, decision making, leadership, status and hierarchy)

Back up



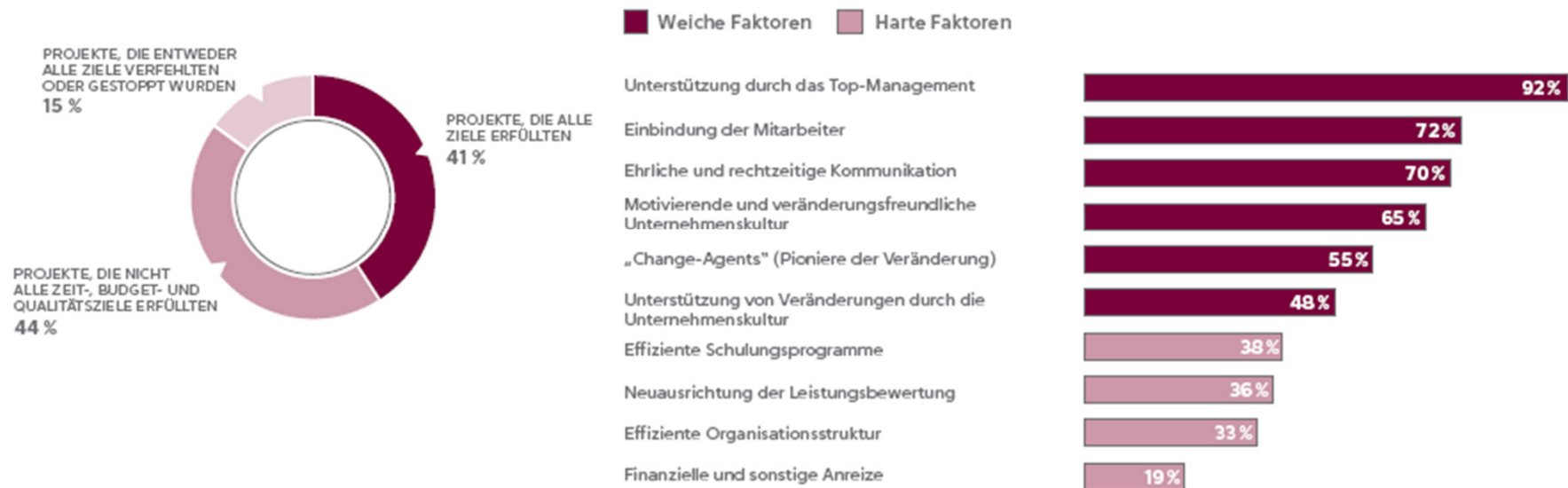
Schwerwiegendste Probleme bei der Umsetzung und Implementierung von Veränderungsprozessen?



Capgemini Consulting 2008

1 Challenges of Change Management Projects (II/II)

Unterstützung durch das Top-Management, Einbindung der Mitarbeiter und ehrliche Kommunikation sind Voraussetzungen für erfolgreiche Veränderungen.



Quelle: IBM Corporation „Making Change Happen“, 2008

The X-System and the C-System

X-system	C-system
Parallel processing	Serial processing
Fast operating	Slow operating
Slow learning	Fast learning
Nonreflective consciousness	Reflective consciousness
Sensitive to subliminal presentations	Insensitive to subliminal presentations
Spontaneous processes	Intentional processes
Prepotent responses	Regulation of prepotent responses
Typically sensory	Typically linguistic
Output experienced as reality	Output experienced as self-generated
Relation to behavior unaffected by cognitive load	Relation to behavior altered by cognitive load
Facilitated by high arousal	Impaired by high arousal
Phylogenetically older	Phylogenetically newer
Representation of symmetric relations	Representation of asymmetric relations
Representation of common cases	Representation of special cases
	Representation of abstract concepts (e.g., negation, time)

Adapted from Satpute and Lieberman (2006) and Lieberman (2007).

Adapted from: Beugré, C.D. (2009): Exploring the neural basis of fairness