

Public & Social Sector Practice

Organizing for change

Knowing how to effect change is just as important as knowing what to change.



© Akinbostanci/Getty Images

Why is change so hard? What can leaders do to plan effectively and engage team members in the change process? In this episode of the *McKinsey on Government* podcast, McKinsey senior partner Kirk Rieckhoff talks about how to get people on board and achieve meaningful goals.

Francis Rose: Welcome to *McKinsey on Government*. Each episode examines one of the hardest problems facing government today and offers solutions from McKinsey experts and other leaders. I'm the host of *McKinsey on Government*, Francis Rose.

The last year and a half has certainly been a time of change in the federal government. And the next 18 months will include even more. Organizing for change is the subject of *McKinsey on Government* this week with McKinsey senior partner Kirk Rieckhoff.

Kirk, thanks for joining me today. I appreciate your time. Just about every federal government leader that I've talked to in the past 15 years at some point in time brings up the subject of change management as a difficult concept for them to deal with, along with whatever they have in front of them.

Why is change so hard? And maybe by explaining why change is so hard you can give me the concept behind this idea of organizing for change. Setting oneself up for success is kind of the thought that I take behind that concept, Kirk. Welcome.

Kirk Rieckhoff: Well, thanks. It's really great to be here. And I appreciate the time, Francis. You know, when I hear the question today, "Why is change so hard?" I would almost turn it on its head and say, "Well, it shouldn't be easy." Because at some level, if you think of organizations, which are really what we're talking about, these are systems with people in them.

The system is operating in the way that is its status quo. Imagine a ball between two hills. It rolls and stays in the middle. Now a leader can sit there and try to push it up the hill and hold it there. But once the leader gets distracted and moves away, it's going to go right back to where the natural

equilibrium is. And that's where you're encountering an organization, typically. It's in its natural equilibrium state, unless it's in some sort of big external chain. In a way, it's set up to not change. So you've got to ask yourself, "All right, what do I do to shift that equilibrium point, to shift the ball over?" That's where we have to start the discussion.

I think the second thing is—if that's the conceptual version of a system's thinking—what I love is the fact that it's a system that has individuals with free will in the middle of it all. If you're an engineer, when you're building a bridge, you think about the properties, the material that is part of that bridge. In any system, that's true. And this is a system of people. So the question is actually, "What matters to the people in this system?" and working within that, not against it.

Bringing the team on board

Francis Rose: As you're describing the idea of the leader pushing the rock up the hill, it strikes me that what makes that leader's job easier is bringing a bunch of people around him or her to help push the rock up the hill. What have you seen as successful ways that leaders can bring people in, engage them in the change itself, and help them understand that, yes, this isn't going to be easy, but there's some better outcome on the other side, which is the reason that we're doing this, instead of just change for change's sake?

Kirk Rieckhoff: It's a great question. I'll break that answer into three things. To continue the analogy, to have the boulder going up the hill, having more people help you push that boulder makes it easier.

Look, you can't dig out and move the whole hill. But you could dig out a section of the hill, and all of a sudden, the boulder falls in there and is at least stable. Because that's what you're looking to do as the second thing.

So get a bunch of people around you who could help you do it. Think about, "What can I change that makes this the new normal way, even if it could slide back?" But you know what? If I were to leave and get

distracted, it's most likely going to stay where it is. And it'll be OK there.

Francis Rose: What does a leader do that's successful in engaging his team so that the leader is not the only person pushing the boulder? Maybe the analogy makes more sense given the context you just added, that the boulder is just on a piece of flat ground.

It gets to a certain distance, and if the leader disengages, it just kind of sits there. Maybe it doesn't roll all the way back down the hill, and you go back to nothing. Rather, it just doesn't continue. Whichever analogy you use, engaging people around that leader is really critical to success, regardless of what someone's trying to accomplish.

Kirk Rieckhoff: I'd like to put it in a couple of different ways. I think the first one is the team around you is the most important factor to your success. It is that team and getting them on board with you, really believing in the change that you're doing, that's going to make the difference, because you're only one person. But you can amplify this aspiration if you have ten other people on board with you.

The question is, how do you do that? How do you get the people on board? This idea that you're controlling them or telling them what to do is ludicrous. No senior leader is interested in someone else directing them on what to do. They became a senior leader because they like to make things happen. In that kind of a context, it is about, I think, the leader first setting that aspiration and then convincing others that this is the right place to be.

And that means appealing to them across the five sources of meaning that we all have. We've each got our own single one, whether it's appealing to the mission, appealing to yourself or your need for self-improvement, appealing to the customers that you're serving or the organization that you're a part of, these are the deep "whys" that really get people going. We've all got one of those. So I would appeal to that and ideally make sense across all of them.

I think the second part, though, is painting this aspiration as great. But then you also have to equally describe what reality is today and get common agreement there. The gap between those two things is what powers you and powers the team: we know where we are, and we know where we're headed. We don't know how we're going to get there, quite frankly, but we at least know those two things. And then we're going to work ourselves through it.

A tactical plan for success

Francis Rose: Once you have the people on board, the good leader, I imagine, has a plan, has tactical considerations to move that rock, whether it's uphill or on a flat piece of ground, to continue that analogy. What are the most successful mechanics for change? And how granular should a leader be when he or she is deciding what that plan will look like, Kirk?

Kirk Rieckhoff: I think a good leader has a plan. I think a great leader is somebody who has the rough outlines of where we're going and lets everyone figure it out from there.

The second-favorite technique, other than saying no and resisting change, is to say yes and then not do anything. Not doing anything is like staying in the planning mode the whole time, which will just get blown up once you start doing it anyway. I think having a high-level view of what the basic blocks are going to be—what are the milestones that we're looking at?—and the main lines of effort—who's responsible for making what happen?—and then listening is going to make stuff go, make stuff happen.

The key to success for making change happen is to start the change, versus just planning to. Step zero doesn't get you anywhere. You've got to go to step one, two, three. I would just add on to that, the idea of what I call "the illusions of quick wins."

Look, I love quick wins. But oftentimes, most organizations will have accomplished those already.

‘Instead of looking for quick wins that people are going to try and erode anyway, what you’re really looking for is quick progress.’

Instead of looking for quick wins that people are going to try and erode anyway, what you’re really looking for is quick progress.

It doesn’t mean a thing was fully developed and you say, “Look at this new thing we’ve done.” It is, rather, showing people who have been in this system, oftentimes where they’ve been trying to make change happen, that change is possible.

It might even be you just making really clear decisions on the first few instances of, here’s what we’re going to do: making ones like moving of resources, appointing new people to roles, or asking other people to leave roles. It’s those kinds of things where people begin saying, “You know what? Their actions are following their words, so I’m going to follow and do it as well.”

Francis Rose: So the connection, too, between the first and second points, between the idea of getting people on board and what the mechanics of change look like, is that if a leader has the confidence and courage—I think those are the best words to describe it—to let the plan kind of fill itself out as time goes on, those people are going to be engaged enough and have skin in the game. And they’re going to want to sign on for the effort that it takes to make the change successful on a much higher level. Is that a fair read?

Kirk Rieckhoff: I think so. Absolutely.

Francis Rose: Where are the potential problems, the pitfalls? What are the issues that, time after time after time, people who try to make big change, people who try to push big rocks, run into that they shouldn’t need to?

Kirk Rieckhoff: Well, certainly there are a lot. This is the fun of the game, right? This is why I love doing what we do, because you keep encountering new ones and they’re always going to present differently, which is great. But to answer your question, maybe I’ll name some of the three most common ones that I see.

The first one is around the “frozen middle” that we commonly hear people talk about, where the typical story goes something like: the leader has a vision and has enacted a new policy, but they can’t get it through to the front lines. And they blame the frozen middle for being resistant.

I think they’re looking at it in completely the wrong way. The people in the middle have the most expertise because they can see the front lines, right? They’re close enough that they’re seeing what really has to happen.

They can also see to the top of the organization, or the pressures that are coming down. They’re right in between those two things. And if nothing’s happening, it’s probably because those people are quite smart and understand that this doesn’t work.

The real question, then, is, well, why isn't it working? And let's change what we're doing. If the policy isn't working, there's a reason for it. Engage that middle management. Figure out how to make it work for them. We can spend a lot of our time trying to get the senior leaders on board, when actually what you want to do is just make it make sense for the middle management to be able to go after.

For example, the classic version that I see is where the top level will come up with a policy and maybe even the resources in terms of money. But then the authorities that it actually takes to execute are fragmented. You ask the middle management to do it. But in order for middle management to do something—I see this with testing and evaluation all the time—you have to go to their separate chain of command and then go all the way up. That whole thing just bogs it down.

Getting things done isn't easy. The middle management is stuck. Even if they didn't want to be frozen, they are. So I think you've got to shift the perspective and assume the middle management is going to be where all the action happens, and bring them in as you're building out how we can actually get this thing done.

Engaging the right people

Francis Rose: So what is the secret to bringing those people in? Because as you describe them—I mean, that's exactly what I scribbled down here—"engaging those people is critical to success." How do great leaders, though, really hear those people and incorporate what those people know into the strategy or the tactics of driving change?

Kirk Rieckhoff: The first thing is that you have a choice to make. Do you want to engage them on, "Is this a good idea or not?" Or do you want to engage them on, "How do we get this thing done?" You can do one or the other or both. Frankly, I have found that most of the middle management is comfortable with leadership's collective wisdom.

They see a lot of things the middleman doesn't necessarily see. They get the fact that policies are

going to be made, and so are missions. NASA, as an example, decides whether you're going to go to the moon or to an asteroid. OK, fine, that's going to happen.

The real question comes down below that: "How do I get that done?" I would engage them not on the "what" needs to get done, but on the "how" to get it done. We need to be honest with each other. Are you the kind of leader who wants to engage in the "what"? That's a lot of the policy side. Or are you going to engage in the "how," which is really making change happen?

Change is about the "how," not the "what." I would encourage you to think through engaging with them on the "how" to make this happen, hearing their concerns about what's going to hold them back, what needs to be true.

The second thing is there will be people who love it, and they want to make it happen. There will be a group of people who say, "Absolutely no way." Then there's the middle part who are on the fence. I wouldn't worry about either of the two extremes. Just focus on the middle-middle part, which is to say, "Hey, what do you all who are on the fence actually need to make this thing work? And how do we show it's happening?"

Francis Rose: The piece that I pull out of what you just said there, Kirk, is the leaders of organizations are there to be the ones that decide "what." And it strikes me that it's almost counterproductive for them to be engaging that frozen middle, if we want to call it that, on the "what." It strikes me as incredibly logical that the leadership decides the "what" and then brings in the frontline people, the practitioners, on an ongoing basis to do the "how." It seems to make too much sense, almost. Am I missing something?

Kirk Rieckhoff: It does make complete sense the way you framed it, as long as the assumption is true that you've set the "what," and now the person who has to execute has everything they need to do the "how." But rarely is that actually true, because either authorities are fragmented, or they don't actually

have the skills or the capabilities or the money. They're going to need other parts of the organization to help them, which really means, because of the way the organization is set up, just asking your subordinates to execute what you need to do. "You figure out how to do it." I think that's a great leadership maxim. They need to go figure that out, but you've got to help them and support them as they do it. It can't just be a fire-and-forget sort of weapon.

Francis Rose: Are there best practices to providing that support? Or does it depend on what each individual change project involves?

Kirk Rieckhoff: I think the answer is yes. One common way of doing it is to burn the boat, meaning you've said where we need to get going: make it so we can't go backwards. The common way to do this is to change the funding levels, right? "We are going to become more productive, or I'm going to reduce the funding." That is a way of burning the boat. But if you don't get into that in making sure the change happens, of course, it just hollows things out. I think it's a good way of making it so you can't backtrack, but it has to be done carefully; otherwise you'll get weird second-order effects that'll actually be super detrimental, but they won't show up for three or four years.

I think the next best practice to consider here—how to support folks as they're doing this—is setting up the regular cadence of a dialogue with them. "Hey, what is the progress we're making?" Ask them to make it about the issues that they're facing.

"How are we doing on progress? What are the issues?" Help them work through, "What do you need from me?" I think you see that oftentimes, a common leadership technique of, "Here are my priorities I'm going to need every month. How are we doing on progress?" But it's less an update, and much more of a dialogue about, "What do you need to keep going faster and to keep making progress?"

The role of performance management

Francis Rose: What keeps those communication pathways—whether they're meetings or whatever—what keeps them productive rather than being eye-rollers for the people who are invited or required to attend?

Kirk Rieckhoff: Oh, for sure, right? How many of us have sat through those meetings where it's a dog and pony show where whoever's the best briefer wins? To keep those things alive, first I would recommend [asking], "How do you tie that change effort into the core part of the mission of what you're trying to get done, so that the connection there is quite clear?"

The second thing to do is to understand what's the information source to help us know where we are? In the private sector, it's so much easier because at the end of the day, you have a very clear scoreboard around top-line revenue versus bottom-line cost. It's so much easier that way. But you've got to figure out the same "what." That's where performance management comes into play. And it should be set up by somebody who is independent from the organization that's doing the change.

It doesn't necessarily have to be like the GAO [Government Accountability Office], for example. But it does need to be somebody, ideally, that other people in the organization you're reviewing really do respect. I came from the Air Force, and I would say the people who did the best job of that as independent folks were what we called the "patch wearers" as pilots. They were the best of the best. They were trying to help us get better, but they also could really see where we were at.

Who are those folks? It's quite a different thing than an IG [inspector general], where the question is, "Does the organization really respect who is in the IG? And what are the incentives there?" I would actually consider figuring out the people who others look to the most as the highest performers, and having them play that role.

Francis Rose: Is making big change in government different than making big change in the private sector? Are there different steps? Are there different techniques? Are there different evaluators for success and so on? And if so, what are they, Kirk?

Kirk Rieckhoff: That's a really tough one. It changes because in the government, the metrics feel oftentimes like a lot of people are grasping for them, and they're never going to be good enough. I would just acknowledge that. The idea that you can manage by metrics, I think, is just craziness.

But if you use them as a tool to dig in to understand more, that's where gold happens. And my firm is as guilty of it as any. The stoplight charts with red, yellow, and green are the most dangerous things in a way, because it makes the metrics start looking like that's the grade, and we want everything to go green, instead of looking at it as, "All right, hey, I'm seeing this one thing going down. Why is that? And let's solve that thing." It just tells you where to look, not what the answer is.

Avoiding common pitfalls

Francis Rose: Last question. So you and I sit down for the first time. I'm bringing you in to help me manage whatever it is I'm trying to change in my organization. And I'm starting to build this strategy. I'm starting to fulfill this vision that you have of organizing for change, laying out tactics and all of that. What's the most common mistake that you've seen before that you want to make sure I don't do when I have a clean slate from which to work, Kirk?

Kirk Rieckhoff: The mistake that I wouldn't want you to miss, what I think will up your chances, is the choice you make on how you set up the change effort. If you're a senior leader, any effort you make is going to be a big effort.

I think there are only three different kinds of approaches you can use. Oftentimes we don't even know there are three options, and we just pick one. Typically, it's, "Hey, I want to make a change happen, so I'm going to pick this person." And you go get a team, and you make it happen.

'The idea that you can manage by metrics, I think, is just craziness. But if you use them as a tool to dig in to understand more, that's where gold happens.'

I would actually be much more deliberate about that. I would think through [the questions], “What’s the kind of change I’m trying to make? And then what’s the right approach for that change?” There are three approaches that we’ve seen in McKinsey that work really well. They only work in the right context. One is the incubator model, which is where you take out this brand-new idea, and you give it its own authority, its own small organization, and you let it run.

It’s a small thing. You almost have to protect it from the larger organization. And that’s important, especially when you’re trying to do self-disruptive things or things that the organization itself wouldn’t naturally do. For example, trying to outsource things or commercialize things is a common version of this.

The second model is the pathfinder approach, which is the most common one that I see, where people in this become a little more standard practice: “Hey, we know this is a good idea. We want to pilot it somewhere.” The trick, though, to this pathfinder approach is that you have to do two things with it.

One is, it can’t be too big or too small. It has to be something that the top of the house cares about. It can’t be so small that it doesn’t really require change to happen. And if it’s too small, you won’t care. So make it a big enough thing, a pathfinder you really care about.

At the same time, whoever is running that organization needs to have people on their team who can, within their own model, make the changes that are necessary. They have all of the authorities and the expertise. That’s also called

an agile team. They can really make things happen on this pathfinder approach.

The last one is the transformation office. This oftentimes gets slapped on top of a change effort, without thinking through [the question], “Why am I using this approach versus the others?” Where I see it gets misused is that the transformation office inherently is trying to make change happen within the existing organizational model you have, which is great, as long as that’s the organizational model that will work.

But if you’re trying to do something that is anathema to the organization or disrupting it, it will never work. So you’ve just got to be careful. I find transformation offices are usually really good when you need the whole of the organization all moving toward something. But it’s really already set up, so it’s almost more of a driving continual progress.

Francis Rose: Kirk, we’ve covered a lot of ground in this conversation. And there are a lot more questions I’d like to ask, but we’re out of time. I’m grateful for you joining me today. I appreciate it.

Kirk Rieckhoff: Francis, thank you so much. This has been incredibly fun, and thank you for the chance to talk.

Francis Rose: You’ve been listening to *McKinsey on Government*, a presentation of McKinsey. Our next episode airs in a couple of weeks. You can subscribe to get it and all episodes of *McKinsey on Government* everywhere you get your shows. I’m the host of *McKinsey on Government*, Francis Rose. Thanks very much for listening.

Kirk Rieckhoff is a senior partner in McKinsey’s Washington, DC, office. **Francis Rose** is the host of the *McKinsey on Government* podcast.

Designed by McKinsey Global Publishing
Copyright © 2021 McKinsey & Company. All rights reserved.