

*Corporate Behavior Analysts, Ltd.*

**Tactics and Tips**

**MAKING CHANGE PRACTICAL AND SUCCESSFUL**

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This two part article examining organizational change was published in the American Land Title Association (online) News Room on September 14 and 21. In Part One, reprinted here, we look at the reasons people resist change.

**PART 1**

One of the expectations of management is creating a stable, productive work environment. One of the expectations of leadership is causing the organization to change and grow. These sometime competing expectations must find a way to work together if an organization is to thrive.

When we ask an employee to learn a new computer system or to learn a new way to calculate a HUD, we are asking that person to change his or her behavior. Just as it is human nature to learn new things, it is also natural to resist change. In order to

overcome this natural resistance, the Manager has to understand why the person is resisting and what will motivate the person to change.

Change in society and business is happening at a transformational pace, and an established industry like the Title industry is under tremendous pressure to change. Consider for a moment that most people were not using the internet, e-mail, Google, and cell phones ten years ago.

Today, a title company could not exist without up-to-date computer systems, access to the internet, and cell phones. Given the revolutionary changes that the internet and technology companies like Microsoft, Apple, Google, and Facebook have caused in

only ten years, the next ten years are likely to turn business practices inside out.

For the independent title agent, the last three years in real estate have been especially challenging. Real estate sales are down to historic lows and many companies have gone through waves of employee layoffs. Nonetheless, in order to stay in business, owners have been forced to keep up with new technology and new business rules at the same time competing with other companies and the underwriters.

Like it or not, business practices and the business environment are changing and title companies will either change or die.

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Corporate Behavior Analysts (CBA) is a leadership and organizational development firm located in Chicago, Illinois. Specializing in the Title Insurance Industry, we have consulted with National and Regional Underwriters, Independent Title Agencies, and real estate related businesses for 20 years. Our consulting and training, focuses on developing strong leadership and management practices including assessing the overall management strengths and weaknesses of a company, developing and communicating company direction, developing performance metrics, leadership and management training and Executive and Manager coaching. For companies with sales and marketing staff, we provide the guidance and support needed to develop effective market and sales plans and customer service initiatives. For more information about CBA, or to contact us, please visit our website at "www.cbald.biz"

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## THE CBA LEADERSHIP DEVELOPMENT PROGRAM

CBA'S Leadership Development Program provides Title Companies with a practical and results oriented set of integrated business tools to improve management bench-strength and leadership capability. CBA will help you align your company goals and business needs with the critical leadership and management behaviors that are keys to your success and bottom line. Lasting change in your company will not happen without improving the behavior (what people do daily) of your workforce. CBA will work with you and your managers to identify the important skills and processes that are needed and help you implement what will make a lasting difference. CBA's Leadership Development Tools can be combined to develop a comprehensive Leadership Development Program, or used as stand-alone business components, to strengthen and improve existing management capability and systems. CBA's Leadership Development Program includes six components:

**Alignment of Leadership with Operations:** The leaders of your company must act in concert with how your company functions on a day to day basis. CBA works with a company's Executive Team to provide a comprehensive assessment and analysis of the current business and management issues facing your company and provides recommendations on what leadership actions are needed to align management actions with operations. The assessment includes recommendations in key focus areas including: Company Direction; Strategy; Values and Culture; Organizational Structure; Management Processes; Market and Sales Planning; and, Operational Systems.

**360 Degree Leadership Assessments:** CBA works with the executives of your company to identify the leadership skills and behaviors that are critical for the company to reach its goals. An on-line assessment process is implemented that enables employees to rate the leadership skills of the key managers of the company. Each manager receives assessment feedback from three different levels: the persons supervisor; the managers peer group; and the employees that report to the manager. Managers also rate their own behavior to add a fourth dimension to the analysis. CBA consultants meet with each manager to review the assessments and make recommendations for actions they can take to improve and develop.

**Leadership Development Plans:** Managers often receive suggestions on how they can improve but often these recommendations are not formalized in a systematic way, nor is accountability for improvement documented. We work with the executives and key managers of your company to develop individualized Leadership Development Plans. Each plan identifies: The specific leadership and management skill areas that managers need to focus on for improvement; Development goals; The tactics that will be used for skill development; Timelines; The resources that will be required; and, How the plan will be evaluated.

**Leadership Training:** CBA offers group leadership training workshops for the different management levels of a company. Workshop topics include: Understanding different types of leadership; The skills needed for the first time manager; Understanding your management style; Performance coaching; Behavior management; Solving employee performance issues; Performance metrics; Tracking and monitoring employee performance; and, Employee performance appraisals.

**Individual Manager Coaching:** We provide individual coaching sessions to company executives and managers on leadership and management development. These sessions are tailored to meet the individual leadership needs of each company and each manager and include thorough discussions and problem solving for all of the topics covered in CBA's Group Training Workshops. In these coaching sessions, managers learn a problem solving process for employee performance issues that can be applied and practiced immediately. The sessions are structured such that managers apply the ideas and concepts they learn in between coaching sessions and then receive feedback on their results. Executive coaching sessions can also focus on broader leadership topics including direction setting, goal and priority development, company vision, strategy, and implementing change.

**Leadership Performance Tracking and Evaluation:** Evaluating progress and results is key to any effort to improve leadership functioning. CBA can work with you to design and implement an evaluation system that will enable you to track and monitor your progress in improving the overall bench-strength and leadership capability of your company.

ASSESSMENT



ACTION



RESULTS

CBA can help  
you develop and  
implement a  
Leadership  
Program  
to improve your  
management  
and  
leadership  
capability

## MAKING CHANGE PRACTICAL

Organizational change can be large or small, company-wide, or at the level of a procedure or the behavior of a single employee. For most people, some resistance to change is natural, regardless of the level of change, but the amount of resistance a person puts forth often is an indication of the person's perception of how the change will negatively affect them personally. For some people, the more the person perceives he/she is losing, the more he/she will fight to stay the same. In other words, the more change will affect me, the more I will resist.

A company's need to change often forces employees and managers to give up long-term, stable, patterns of work and causes them to work in new unfamiliar ways. Faced with having to learn a new way of working, some employees will jump in with both feet, some will actively resist, and most will be slow to change or passively resist. When we examine why some people "jump right in," their reasons often include they like change, they do not know how to do the work so they have little to lose, or they have no investment in the current design of the work.

Having to change can make a person anxious for any number of reasons. In the face of uncertainty and anxiety, it is natural to want to cling to what is familiar and resist change. In addition to the psychological factors already listed, resisting change can be practical. Many employees have experienced a change effort that failed, wasting time and money. In the end, nothing

changed and everyone went back to what he/she was doing before the project. Even when change is successful, it is often messy, time consuming, and it can be complicated and confusing. For these reasons and others, most of us would rather keep on doing what we know how to do rather than face the potential challenge and headache of changing.

Given all the barriers to change, it is a wonder that any company changes, yet in very successful companies, innovation and change are a way of life, and they are part of the company's leadership and culture. In such companies, small changes are happening all the time even though the company is very successful. These companies often follow the idea, "if it ain't broke, break it."

What seems most surprising is when failing companies cling to old ways and the owners and employees resist even the smallest change. Consider the example of a title department we worked in several years ago. The company's slow turn-time was costing them customers. When we observed the workflow, we learned that most new orders were received by fax. At various times during the day, the fax was placed in the manager's inbox. The manager then obtained a new GF number from his book, he wrote the order number on a paper order form, the form he designed and the company had been using for years. Using the information from the fax, the manager would do an initial search for priors and then based on his search add customer and property information on to the company's

paper order form. Then he would send the form and the fax to a typist who entered the data into the computer. As a related step, the manager would enter the GF number into a paper log and later into an excel spreadsheet he used to track orders. In this work system, it could take more than a half a day to enter an order.

Obviously, in this example, we have inefficiencies and redundancy of function. Conceptually, the paper order form is unnecessary and the entire workflow could be completed by one person, including the search, entering data on the spreadsheet, and entering the order directly into the computer system, eliminating the paper forms and reducing steps and time.

In general, it is our belief that Managers should never take on more day-to-day work; rather they should manage others who perform the work. In this example, it should have been easy to get the manager to give up his work and have the typist take over the entire function. If there was going to be resistance it should have come from the typist, taking on new work and responsibilities should have at least caused the typist to ask for a raise, but in fact, the resistance came from the Manager.

By nature, the manager in this example disliked change, and he was only comfortable if he did most of the work himself. Also, he did not like typing on the computer and he did not like the title software, so having the typist entering the data he had hand written on a form

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ORGANIZATIONAL  
CHANGE

Having to  
change  
can make  
an  
employee  
anxious  
for a  
number of  
reasons

It is natural  
to want to  
cling to  
what is  
familiar

## REASONS WE RESIST CHANGE

saved him time and meant he did not have to learn the computer software. In practical terms, he could work the way he always had, and he was quick, efficient, and productive. On the down side, the typist's talent and ability was being underutilized, the manager was over worked and not able to use the computer system fully. In total, the work system was inefficient and costly.

In this example, when the manager was asked to change the way he did work, he flatly refused and resisted every effort to change. Ultimately, we were able to help the owner and successfully redesign the work, but the inability to involve the manager in the process of change taught us a number of lessons. When we analyze why a person is fighting change, the reasons may include one or more of the following:

### Investment in the current design

- The person designed (or participated in) the current work system
- The person took time to learn the current system
- The person is an expert on the current system
- The person is a top performer on the current system

### Fear

- Fear of job security – the new design may make my job unnecessary
- Fear of looking foolish – what if I make a lot of mistakes
- Fear of looking incapable – what if I cannot learn the new way
- Fear of performance – I will not be able to perform as many units or as fast as I do now
- Fear of the unfamiliar – I dislike new things or I hate uncertainty

### Loss

- Loss of control – I don't like others telling me what to do – I have to be in control
- Loss of participation – I want the design to be my way or contain my ideas
- Loss of freedom – I want to be free to do work my way
- Loss of authority – I have to be in charge or the expert

### Expectations

- I will have to work harder
- I will not have as much fun at work – I will not enjoy my work
- I will have more (or less) responsibility
- I will be more accountable
- If this is successful employees will lose their jobs

### Skepticism

- I do not believe change is possible
- I do not believe the owner is committed
- I have been through this before and nothing happened
- I do not believe the new way will work
- I believe the old way is better
- Why are we spending money on this program when I have not had a raise

### Office Politics

- I do not trust the people involved in the change effort
- I will lose influence or authority under the new design
- I do not trust (dislike) the people who will have new authority under the new design
- I am jealous of who is (will be) in charge
- My stature or position in the company will be reduced

END OF PART 1

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In Part II of Making Change Practical and Successful, we discuss a six-step process that identifies what leaders can do to make their change efforts successful.

The six steps are:

1. Know what you are changing to and why you are changing;
2. Know who is on your side;
3. Form a change team to help lead the way;
4. Develop a communication plan;
5. Start small;
6. Monitor and evaluate your progress with change on an ongoing basis.

**Look for Part 2 of Making Change Practical in our January issue.**



## WORKSHOPS IN 2011

CBA has workshops already developed for your company or state association.

- **Making Change Practical and Successful:** Change in our society is happening at a transformational pace that is both energizing and frightening. The title industry is no exception to this phenomenon and must learn to adjust to remain viable. Organizational change can be large or small, companywide or at the level of a single employee or procedure. Whatever the level and reasons for change, there are basic steps a leader can take to prepare an organization and its employees. In this presentation, CBA considers six practical steps critical in any change effort and examines why change efforts fail and what a leader can do to prevent failure and promote successful change. CBA provides a list of practical change recommendations; actions every title company will benefit from doing in the next two years.
- **Developing strong Leadership for your Company:** Your employees are the greatest asset you have. You need strong leadership and management to fully develop and motivate your employees and provide them with the direction and resources they need. In this workshop, CBA presents six essential components of a successful Leadership Program and provides insights and instructions on how each component can be applied and implemented. Participants receive turn- key ready tools they can use to start improving their leadership and management capability.
- **Putting Great Customer Service back into the Equation:** During this recession, many title agencies have seen customer service levels suffer due to reduced hours of operations and staff reductions. It is time to start planning for how you can raise customer service levels, throughout your company, to attract and retain new customers and ensure loyal customers do not look elsewhere. CBA's WOW Customer Service Training provides a step by step process for managers and staff to put customer service back into the equation for staying competitive in the market place.
- **Developing New Sales Strategies and Tactics:** Targeting new sales opportunities and developing new sales tactics is a critical step in planning for business development. CBA can help you develop a simple but thorough sales plan that will target your sales opportunities and detail what sales actions are needed to meet your revenue goals.
- **Using Performance Measures to Make Proactive Management Decisions:** It is critical that you have a process in place to track your monthly performance and that enables you to make timely management decisions. As order volume changes in 2010, you need to be able to change staffing levels at points where profit and productivity levels merit adjustments. CBA will help you install and manage a set of performance measures that will help you stay on top of the critical financial and operational decisions you need to be making.
- **Building a Strong Management Team:** Your people are one of your most important resources and successful companies in 2011 need strong leadership teams to help steer staff in the right direction. CBA can help you evaluate your management bench strength and provide training to develop a management team that works well together. Building a strong management team will be one of the most important steps you can take to make your company successful.

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Other  
CBA Workshops

### MANAGEMENT

Executive Leadership

Unit Management

Supervision

Coaching

Managing performance

Setting business goals

Measuring performance

Employee evaluation

Employee profiles

Achieving goals

Team management

Team development

Implementing change

### SALES AND SERVICE

Basic sales

Customer interviewing

Customer profiling

Market planning

Sales planning

Sales in the 21st century

Sales management



## PLANNING FOR 2011

Every business owner needs to plan. Good business owners, successful businesses, actually plan. Great business owners, carry out their plans. Which one are you? Which do you want to be?

Let CBA help you in developing and implementing your 2011

- Company Vision
- Financial and Operational Goals
- Budget
- Business Plan
- Sales Plan
- Customer service initiative
- Work redesign / technology change over
- Management Development Plan
- Employee Reviews

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**The planning  
listed here is only  
a start.**

**Contact CBA  
and talk to us  
about  
your business  
and your  
needs for  
2011**