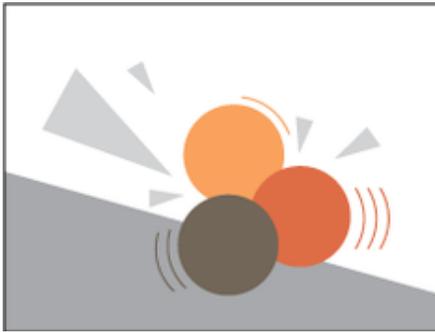


Organizational Change: How anxiety erodes organizations



"Human behavior during times of change and/or scarcity or loss creates organizational risk."

Change will cause stress and anxiety and turmoil, and people will react. It is human nature to do so. During such times it is essential for leaders to be aware of what people are thinking and feeling, and the impact on the work and the organization.

One element that is often missing in how we think about leading significant organizational change is an understanding of the emotions involved and how these emotions can put an organization at risk if they are not constructively addressed. Typically, leaders focus on employee behavior without acknowledging that emotions play a role in creating certain behaviors.

For example, change can bring a reallocation or reduction of resources, a shift in focus and priorities, and increased accountabilities for employees who already feel stretched too thin. Even a sense of impending loss or scarcity can elicit strong fears as people imagine what their uncertain future might deliver. As change alters the nature of their work, people may hold on tightly to resources and information and become defensive, possessive, and competitive. Leaders should be aware that emotional responses will impact the work and the organization. The resulting behaviors increase organizational risk.

Too often I see leaders underestimate the necessity of providing proactive leadership in order to mitigate risk and avoid unresolved conflict, surprises, and costly mistakes.

Frequent and rapid change affects most people in many parts of their lives. An organizational change adds another layer of change and complexity to what employees are already trying to navigate at work and sometimes at home. The prospect of facing the challenge of doing something new and living with the unknown is difficult for most people and for some it is overwhelming. Anticipating and understanding these normal emotional reactions and addressing them constructively and openly is critical. These emotions drive behaviors and impact how the work will be done.

Anxiety can cause people to continue their familiar work activities rather than change their habits. Too often this leads to inadequate time for discussion between leaders and employees about the changes. Without discussion and dialogue, people cannot develop the understanding necessary to effectively implement the change or understand how they can or are expected to contribute to the change. Opportunities for insight, creativity, and innovation that lead to new perspectives and strategies get lost. Making the time to think deeply, look at situations in new ways, or work constructively with others often gets short-circuited.

Change creates anxiety and fear of loss. In my work helping executive leaders effectively direct organizational change, I have observed and heard directly from leaders about the following behaviors and outcomes:

- **Issues do not surface early enough and can mushroom**
Senior leaders are extremely busy and often employees will try to resolve issues on their own – or believe they should do so – to avoid bothering the leader. Or they do not have sufficient access to the leader to hold necessary discussions.
- **People work so hard they don't have time to think**
There is less constructive engagement with co-workers, and work outcomes are poor or miss the mark. Many people are assigned new responsibilities on top of their existing ones, often without time to set new priorities or learn the new work. Without taking time to identify priorities and plan how to approach work differently, the quality of work suffers.

- **Budget cuts and constraints can directly affect peoples' work**
 Employees may disagree with organizational directives that reduce resources for specified bodies of work. They may feel a need to protect the organization from errors in judgment or they may be operating from a personal need to hold on to work and people they value. Some employees identify so strongly with their work that they experience the changes and loss as a personal injury. They are more attached to their own needs and goals than committed to the success of the change or the organization. Such reactions are toxic for an organization and for the change underway. These employees may try to hide information or work, manipulate leaders' knowledge of where resources are being spent, or exaggerate the importance of the work.
- **Work reflects lack of creativity, proactivity, and ownership in problem-solving and outcomes**
 People often blame others for errors and/or not meeting goals. Such a stance breeds passivity, lack of ownership for problems as well as solutions, constricted thinking, and denial of or refusal to take accountability.
- **Some leaders and managers become controlling and domineering in the face of change**
 Employees resent these leaders, and try to hide issues from them or go around the leaders to avoid dealing with them directly. Issues do not surface early enough because people will try to resolve them on their own without help.
- **People may try to circumvent the role and expertise of others in order to push through their own work**
 They may cut corners and, when they are not compelled to consult others for input or advice, they in fact don't, thinking it will create delay or increase costs. For example, people may choose not to consult legal or finance because they expect to encounter obstacles to their goals. Instead, they make decisions and incur risks, often justifying it as saving time or money.

All of the above behaviors place both the change effort and the organization at risk. Employee attitudes and behaviors serve as an important source of data for leaders; they provide clues about what people are experiencing and the resulting impact. This data can inform leaders about what people need from them at various points in the change process.

What employees need most are:

1. An understanding of how the change fits the context of the whole organization, and how they in their roles are expected to engage with the change.
2. Discussion and dialogue are vital, and leaders must create the time and space for this dialogue to occur.
3. When employees are actively engaged in the process, emotions settle down and people are able to commit to the work of change.
4. They feel supported and have a stronger sense of how to move forward individually and collectively. Successful change lies in understanding and managing this human dimension of the work.
5. Open communication is important and it is critical to create dialogues in which people feel comfortable being candid and open with others.

(See the related blog post about effective engagement and how leaders can help employees understand and embrace changes: [Organizational Change - How does disengaged employees reflect your leadership?](#))

As a leader, it is important that you seek to understand the underlying dynamics among employees. Constantly ask yourself how the human dimension as well as the work is going, and directly address what is not working. It is helpful to remember, and to help others remember, that we all have a natural tendency, a gravitational pull, to go back to what is known and what we are comfortable with. Living with anxiety, tension, loss, and the unknown creates discomfort, but when we retreat to our areas of comfort we may lose opportunities to change.

Take a few minutes of quiet thinking

- Reflect on the worst thing that happened in the last few years in your organization that you did not see coming.
- What went wrong and why?
- What was going on with people emotionally?
- What were the dynamics among people in the organization?
- What would you do differently today?

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