



Your Company's Secret Change Agents

Key ideas from the [Harvard Business Review](#) article By Richard Tanner Pascale, Jerry Sternin

The Idea in Brief

Some business problems--lackluster performance, escalating costs, interdepartmental conflict--persist no matter how hard companies try to fix them. Why? Most leaders impose top-down change tactics--importing outside experts or "best" practices, which never generate the grassroots enthusiasm essential to drive enduring transformation.

How to fire up that enthusiasm? Help struggling groups identify your organization's **positive deviants**: people who are already doing things in radically different--and better--ways. Positive deviants might consist of a small cadre of engineers tackling a thorny technical problem, or a sales team scoring unusual successes with customers.

Make these deviants evangelists of their own innovative practices. Identify them as the go-to guys--the problem solvers who have the answers. Resist any urge to co-opt their practices and impose them yourself on struggling groups.

Change from within--discovered, celebrated, and implemented by the people who need to do the changing--is a surefire way to bring isolated success strategies into your company's mainstream. Goldman Sachs's Private Wealth Management unit discovered this when it encouraged top-performing investment teams to share their practices across the unit. Result? Doubling of average productivity per team.

The Idea in Practice

To leverage your positive deviants' talents:

Make the group the guru. Facilitate the search for positive deviants, but let struggling groups own the quest for change.

At Hewlett-Packard, a research division program exposed some engineers to the concept of positive deviance. Inspired, one engineer decided to tackle a persistent problem: computer failures due to overheating. He identified people scattered about HP's global engineering fraternity who had independently dabbled in the problem and had developed prototypes. His inquiry galvanized 100 engineers to collaborate on the problem, resulting in more reliable machines that saved millions for HP.

Reframe problems through facts. Avoid conventional assumptions about problems' causes and solutions. Instead, use hard data to identify the root causes of positive deviance.

Billy Beane, new manager of the struggling Oakland A's, could have badgered the team's owners for more recruiting dollars--had he assumed that winning teams require heavy spending on superstars. Instead, he mined baseball's near-inexhaustible vein of statistics to identify factors--such as on-base percentage--most correlated with winning games. He bypassed high-priced celebrity players for less well-known players who nevertheless embodied winning statistics--transforming the A's into a frequent title contender despite a meager budget.

Make it safe to learn. Positive deviants may fear being attacked if their influence challenges others' status. Make them feel safe discussing taboos and exploring alternative solutions.

Some companies use "organizational CAT scans" to surface "undiscussable" issues. For example, at a one-day workshop, key stakeholders critical to change read anonymous quotes from one another describing the company's problems. Subgroups then delve into the issues and generate change strategies. Participants emphasize being candid and removing obstacles--not shooting messengers.

Make the problem concrete. Expose uncomfortable truths in compelling ways.

In a workshop devoted to curtailing HIV in the Southeast Asian country of Myanmar, prostitutes claimed they made clients use condoms. But when facilitators asked them to apply a condom to a banana, degrees of dexterity differentiated pretenders from practitioners. The practitioners shared their strategies for persuading clients to use condoms, enabling their colleagues to overcome *their* clients' objections.

Confound resistance to change. New approaches to problems are often rejected by an organization. To circumvent your company's "immune system response," introduce new practices into the mainstream gradually and collaboratively.

Influential investment professionals in Goldman Sachs's Private Wealth Management unit identified positive deviant practices among PWM's most successful investment teams. Squads comprising informal leaders from offices nationwide rolled out templates to help investment teams adopt the practices, and the squads explained why and how the practices worked. The tactic generated buzz throughout the unit and a high adoption rate.

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Articles

[Changing the Way We Change](#)

Harvard Business Review

February 2000

by Richard Pascale, Mark Millemann, and Linda Gioja

The authors affirm that engaging employees in solving business challenges is essential in leading successful change. That engagement stems from three practices: 1) Instead of simply rolling out plans concocted at the top, recognize the important contributions employees make to your organization's principle challenges. Shell Malaysia, for example, brought midlevel and senior managers together to conduct an audit of the company's strategy, structure, and systems. 2) Resist the temptation to always hand down a solution to a problem. Set important goals, but let employees determine how to achieve those goals. 3) Instill mental disciplines needed to maintain the momentum of change. The U.S. Army, for instance, uses After Action Reviews to encourage people to systematically discuss performance, turn setbacks into learning opportunities, and strive for constant improvement.

Change Through Persuasion

Harvard Business Review

February 2005

by David A. Garvin and Michael A. Roberto

Garvin and Roberto also contend that executives can--and should--help employees own the change process, even when leading change from the top. How? Use a four-stage persuasion campaign: 1) Prepare your organization's cultural "soil" months before setting your turnaround plan in concrete--by convincing employees that your company can survive only through radical change. 2) Present your plan--explaining in detail its purpose and expected impact. 3) After executing the plan, manage employees' emotions by acknowledging the pain of change--while keeping people focused on the hard work ahead. 4) As the turnaround starts generating results, reinforce desired behavioral changes to prevent backsliding.

About the Authors

Richard Tanner Pascale is an associate fellow of Oxford University in England and was on the faculty at Stanford Business School in California for 20 years. He is the author of many books and articles on transformational change.

Jerry Sternin , a former assistant dean at Harvard Business School in Boston and a former Save the Children and Peace Corps director, heads the Ford Foundation's Positive Deviance Initiative at Tufts University in Boston.

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