

At The Margin

Special Edition

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Tales from the Front... Dealing with Change

The first in a series of articles from a unique "boots on the ground" perspective.

I've been a director of various banks for over three decades. But just this past year, I've had the challenge of actually serving as a Chief Operating Officer in a \$300 million bank for which I am also a director.

What a difference a day makes!

I'm going to be writing a series of articles about the challenges facing directors as they seek to provide vision for their institution. I'll be writing from the unique perspective of being "boots on the ground"... I think I'll call them "Tales From the Front."



First up, is dealing with change, especially the challenges of adapting to technological change.

You know, as a consultant and former investment banker, my attitude was always: if your staff can't adopt the efficient technology required to drive consumer value to the bottom line, then replace them... fire the old... hire the new!

Easily said by someone who didn't have to manage the complexities of introducing new process and technology



to a workforce that had jobs to do day to day, for whom the continuity of doing their jobs is critical to the smooth operation of the company and who also may have legitimate issues with the stress of change.

I have learned that I need to listen!

But by the same token, I had to make it clear:

- Why we needed to change
- What specifically we need to do to produce this change
- How we were going to implement and execute these changes

I had to make it clear that the threat of the status quo can often be greater than the threat from change!

I had to be mindful of eight reasons why change is so stressful for everyone, even me :

1. People are usually comfortable doing what they're doing in the way that they're doing it.
2. Loyal to the people that taught them what they're doing and how they're doing it.

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3. Suspicious of new processes and perhaps even suspicious of the people who are “agents for change.”
4. Worried about new measurements about what they’re doing.
5. Worried about new accountability.
6. Worried about their ability to learn new technology and skills.
7. Worried that they may lose power, status and even, maybe, their job.
8. Skeptical of whether the proposed changes will really even work!



In recognizing these essential reasons why change is stressful, I had to be mindful of answering a basic question that all people ask... “what’s in it for me?”

The 8 reasons were quoted by Prosci’s “Best Practices in Change Management” Study.

In recognizing these essential reasons why change is stressful, I had to be mindful of answering a basic question that all people ask... “what’s in it for me?” It was up to me to define exactly how change was

going to make them better, more productive employees.

Then I had to face a proposition that the legendary coach, Vince Lombardi, made famous... “Coaching and motivating are important... but you can’t coach or motivate people to do something that they haven’t been taught to do!”

All of a sudden I realized that an adequately staffed and funded training function at my institution was absolutely critical to my success at implementing and executing change effectively.

I learned one other thing that was not part of my own DNA... motivating people is important... be sure to give credit to existing methods and people for getting to where you are... Remember, four ounces of praise are required for every ounce of criticism.

And I finally learned not to introduce change globally across the entire organization. I learned to use pilot programs to test the impact of change on:

- The actual performance of new processes and technology
- The actual execution by staff

I learned the hard way... hope you don’t have to.

Dr. Parliment, Chairman & CEO of Parliment Consulting Services, has spent the better part of the last four decades working with financial institutions helping them develop solutions for their business challenges. He has served as a director of several financial institutions, and as a financial expert, has chaired ALCO, Audit, and Investment Committees.

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