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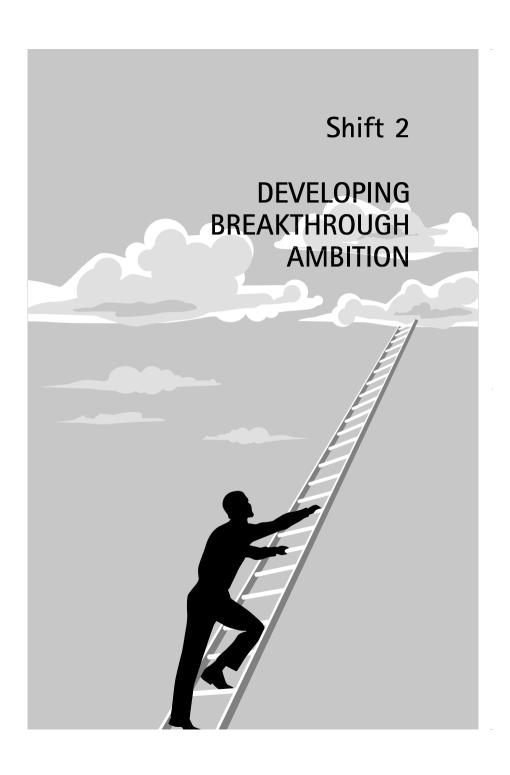
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The Little Black Book of Change

The 7 Fundamental Shifts for Change Management that Delivers

CHAPTER TWO/SHIFT TWO







hen developing breakthrough ambition, it's important to be bold; to be clear about what you really want for your organization and why. Then declare it.

Very often, visions and mission statements are simply not bold enough, nor do they articulate where leaders want to take their organizations. You need to be able to:

- Define what you *really* want, versus what you *think* you can do. Management will only break free and achieve extraordinary results when they are engaged with what they truly want, and when they can see the limits of existing customs and practices.
- Create a compelling reason for change.
- Challenge yourself to be bold in your level of ambition: go beyond predictable and expected outcomes.





Achieve breakthroughs: go beyond predictable

Consider this example:

Imagine someone lives in an apartment block and you ask them: "Where would you like to live?"

A likely response might be, "At the top of the block, so we have a good view."

Ask them, "Where would you really like to live?"

They might then respond with: "Well if I could have anything, I don't want to live in a block of flats. I would rather have a house with a garden."

Ask them: "Where would you really, really like to live?"

They might then respond: "Well actually, in a big house by the water."

Then perhaps, given further questioning ...

They might respond: "Actually a big house, by the water in a different country!" The point being that most people do not speak freely about what they want as it is always constrained by the past, but through continued questioning people can get in touch with what they are really committed to.

WHAT IS HAPPENING HERE?

We're seeing the person's "frame of reference" change each time they consider their answer to the question. This is





because most people set their ambition based on what they think they can achieve given their past history. So, by definition, their ambition is limited to "the top of a block of flats"! If you want extraordinary results you are committing to a future not constrained by your history. Unfortunately, the budgeting process in most organizations leads you to look at what you did last year and what you think is likely this year and the next. All of this makes sense, but it is limited by history and not necessarily what you really, really, really, really want!

When we consider what our true ambitions are for the organization, this creates a possibility that is not informed by our past experience. It requires breakthroughs in our thinking to accomplish it. Breakthroughs are called for when there is a gap between our current belief in what is possible and the commitment we are making. A breakthrough commitment is distinct from a pipedream – a pipedream is more of a wish or hope. But a new context is specifically defined for a breakthrough and there is clear commitment and action to achieve it.

Breakthroughs are the significant things that need to happen in order to take your organization beyond predictable results. To achieve them, it is usually necessary to step outside the existing context in order to understand and challenge the stretch in the organization's ambitions.

"Breakthroughs are the significant things that need to happen in order to take your organization beyond predictable results."





Make breakthrough commitments

Breakthrough commitments are where we are committing to a result that is not predictable based on past performance. The moment such a commitment is spoken it creates a gap, by design. It forces us to re-examine our approach to absolutely everything.

A breakthrough commitment cannot be achieved by knowing what we know or doing what we have done before, otherwise the result would be predictable. A breakthrough commitment is very engaging – it gives people a view of what might be possible that goes beyond their current thinking. It sets out what could be possible for them, their organization and the industry.

Let's look at an example. Microsoft made a bold commitment with: "A PC in every home." It might not be considered extraordinary now, but at the time there was a significant gap between this commitment and belief at the time about what was possible. When Bill Gates made the commitment there was no precedent for PCs at home – people were actually opposed to the idea – and to top it all Microsoft were not even making computers.

Given what we are asking of people, it's important to develop people's willingness to be uncomfortable and to strive for a significant result or outcome. Most people commit to what they *think* they can achieve; what their past experience tells them. This leads to predictable





results, rather than the breakthroughs you want. If people strive only for safe results this will minimize risk but cap creativity.

"It's important to develop people's willingness to be uncomfortable."

Declare the breakthrough ambition

Very few transformations occur without someone having a breakthrough ambition first. "A PC in every home." Something magical happens when people publicly state what they are going to do – leaders become more committed to making change happen and lead inspirationally.

Unfortunately, a common challenge in making this shift is low levels of ambition in others. Typically this shows up when people:

- Are unwilling to commit, for whatever reasons.
- Are afraid of not being successful and of being vulnerable.
- Rely on past experience to shape their frame of reference.
- Are content with continuous marginal improvement; an incremental philosophy.
- Are more focused on protecting what they have today.





How to develop breakthrough ambition

You can support this phase by adopting the following behaviours:

From Leaders:

- Comfortable with the status quo or incremental improvement.
- Playing it safe with predictable targets.
- Reassuring themselves and the organization that existing levels of performance are satisfactory.

To Leaders:

- Striving for a breakthrough result.
- Going for what they really, really want.
- Seeking to define and articulate new levels of performance and rewards.
- Creating an environment for people to grow and develop.

Challenging conventional assumptions

An Internet-based credit card company was converting approximately 40% of website visitors (potential customers) into new business. Although management was always looking for ways to improve, the situation had been the same for two years with no real increase in the conversion rate. So what did senior management really want? They wanted a conversion rate of 95–100% for new business. Clearly,





based on their history of working on the conversion rate for two years in an effort to raise it beyond 40%, 100% would be "pie in the sky"!

The challenge

What stood in the way of this mission to achieve 100%? There were industry trends guiding them to believe that a 40% conversion rate was acceptable. Therefore, ambition to improve on this was very low.

It became apparent there were some conventional assumptions standing in the way of a "breakthrough":

- If people own a credit card, why would they need another?
- One way could be to take on other people's debt, but credit card organizations don't buy debt on people's cards.
- We've tried everything, so it must be impossible!

The approach

There was a concerted effort with senior management to get them to be present to the thinking and acting that was getting in the way. In acknowledging past conventions, they were then able to consider possibilities that would have previously been disregarded. This shift in awareness allowed them to





authentically commit to what they really wanted and in turn challenge all the limiting conventional wisdom within the company and in the industry. This was central to being able to get a breakthrough in the number of people who wanted a credit card who went on the website.

The results

Conventional thinking was challenged, and action changed dramatically.

They became the first credit card organization to offer interest-free balance transfers, smashing existing assumptions and achieving a breakthrough result of almost 100% conversion to new business via their website. They went for a "breakthrough" and became the pioneers of a new market trend for 0% balance transfer! There was now no need to measure conversion rate and zero balance transfers became a game changer for the industry, as recognized by the company's market capitalization at sale.

What enabled this extraordinary result?

- There was an acceptance from the team that "more of the same" would not be enough.
- There was a willingness to be courageous and to "step outside the comfort zone".



- The risks taken in this example were phenomenal, which pushed the ambitions beyond "predictable".
- The actions that resulted from the new ambition of 100% were dramatically different from those involved in increasing website conversion rates to 40%.

This example required creativity and the coming together of many minds to find the breakthrough solution – this is the heart of real innovation and creativity.

Key takeaway practices

- Identify what you really, really want what would be a breakthrough for you. Distinguish between pipedreams (not believable) and what is predictable, and the breakthrough will be somewhere in between.
- Develop a powerful narrative of why you and others should believe and be excited by the possibility this is getting yourself on board.
- Declare the breakthrough publically this has a tremendous effect no going back now!

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