

Preface

Few will dispute that we currently face one of the greatest challenges and opportunities in modern history. As we navigate the waters of modern business, we do so at a time when even the most seasoned and experienced executives and companies are reeling from the powerful and somewhat unpredictable winds, tides, and waves of globalization. This churning environment can provide the chance for some to rise to new heights while sending others to the bottom of the sea. For example, we live in a world where a company that didn't even exist when we sent the first edition of this book to the publisher in 2002—Wikipedia—emerged to create three times the content of *Encyclopedia Britannica*, the original industry creator and benchmark company for more than 250 years.

Thus, it is not into calm waters that we sail, but into a tumultuous sea of opportunity and risk. As we enter this future, government and business executives will face nearly a constant sea of change—changes in technology, society, demographics, competitors, suppliers, and so on. Change of any significance has never been easy, and in the turbulent world of the future we can expect it to be even more challenging. Perhaps this is why between 50–70 percent of all strategic change initiatives fail. With such a high average failure rate, the difference between successful companies and executives will largely rest on those who can effectively implement change and those who cannot.

This book is about that process. We start by outlining why most change initiatives fail, and then describe what we can do to avoid common pitfalls and ultimately succeed at leading strategic change. Based on our research and experience, it turns out that the key to successful change is not systems such as information, pay, or communication, but at the core it's people. If you cannot get the people to see the need for change, to make

the needed changes, and to follow through, all the time and money spent on information systems, pay systems, communication systems, or new organizational structures is wasted.

This is why we believe this book delivers unique value to executives and managers. Today more than ever before, people are a company's greatest resource, and they are key to sustainable competitive advantage. However, the constantly changing nature of the world means that executives cannot simply set their people off in one direction doing things a certain way and then put their organization on auto-pilot. A new technology, competitor, government regulation, or other innovation can easily make what was right for today incredibly wrong for tomorrow. If executives and managers can more effectively help people see the need for changes, provide the resources to make the changes, and follow up and reinforce the changes, then the people will propel the company forward. If not, the reality of the future will fall far short of the promised vision.

The world stands at one of the greatest moments in history, at the beginning of an upcoming century of breathtaking change. In 100 years, when we look back at the successes and failures, we believe that much of the success and failure will have been determined by those who were—or were not—capable of leading strategic change. We hope in some small way that this book will have been an influence for good in helping executives and managers become better leaders of change at work and in the world.