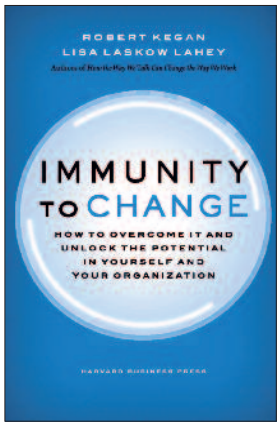
Immunity to Change

How to Release the Potential of Individuals and Organizations

3

POINT OF VIEW: *Immunity to Change*

Based on the book by **Robert KEGAN** and **Lisa Laskow LAHEY,** Harvard Business School Press, February 2009.



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INTERVIEW: When Growing People Helps Change Succeed, the UBS AG case

Interview with **Juerg HERREN,** managing director, Wealth Management International, UBS AG (Switzerland), June 2009.

8

INTERVIEW: MedImmune, Overcoming Personal Issues to Improve Team Performance

Interview with **Abigail JENKINS,** Chesapeake area business manager, MedImmune (US), June 2009.

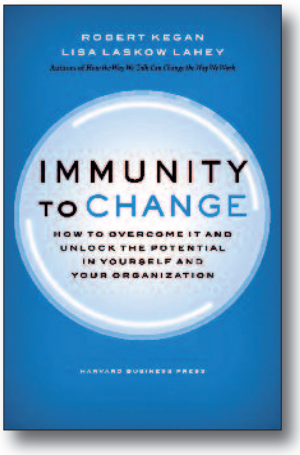
Key Ideas

Immunity to change, a paradoxical short-term self-defense mechanism, is a fundamental hindrance to organizational transformation. In "Immunity to Change," authors Robert Kegan and Lisa Laskow Lahey show that even the most willing will never truly change unless they come to understand how sometimes unconscious behavior prevents them from achieving their change objectives.

Juerg Herren has combined individual and group methods to counter resistance to collective change. Herren is general manager of Wealth Management International (a division of UBS AG). Since 2007, he has been leveraging the ITC ("immunity to change") scheme as well as group coaching to drive the achievement of common objectives. As a result, he has seen six people overcome previously powerful personal obstacles to change.

The ITC approach requires a long-term investment, claims Abigail Jenkins, sales director of MedImmune (United States). In 2004, while a member of Pfizer, she took part in a change initiative where the ITC method was used to transform a disparate group of people into a tight, effective team. Jenkins testifies to the positive impact of the experience on the rest of her career.

Immunity to Change



Based on *Immunity to Change: How to Overcome It and Unlock the Potential in Yourself and Your Organization,* by **Robert KEGAN** and **Lisa LASKOW LAHEY,** Harvard Business Press, February 2009.

Change or die. That's the choice that doctors give at-risk heart patients, and only one in seven is able to make the necessary life-style changes. Even when it's a matter of life or death, the ability to change remains the greatest challenge for most individuals. Given these daunting odds, how can leaders get their people to change in order to stay competitive in a fast-paced world?

Most leaders would agree that improvement and change are core organizational priorities. Yet, despite the plethora of literature, programs and training materials, most struggle to bring about change in themselves and others. The problem is, most people don't seem to know why. Common explanations—lack of urgency, inadequate incentives, lack of discipline—all point to insufficient motivation as the main barrier to change. Yet, according to Robert Kegan and Lisa Laskow Lahey, the problem is not a lack of will, but rather the "inability to close the gap between what [people] genuinely, even passionately want and what [they] are actually able to do." In other words, people (and organizations) may desire to change, but they are incapable of doing so! While frequently attributed to age, the authors provide scientific evidence that the adult mind evolves in complexity well beyond the age of 30. In Immunity to Change, they show how individual beliefs and the collective mindsets of organizations interact to create a powerful "immunity to change"—a paradoxical safety defense that protects people from change. By identifying the root causes of these immunities, individuals can overcome obstacles to change and move their organizations forward.

RECONCEIVING THE CHALLENGE OF CHANGE

According to Lahey and Kegan, human capability will be a decisive success factor for companies in coming years. "But leaders who seek to win a war for talent by conceiving of capability as a fixed resource to be found 'out there' put themselves and their organizations at a serious disadvantage." On the other hand, leaders who develop their teams, employees, and themselves will create a sustainable competitive edge and boost bottom-line results. Many senior executives are already aware of this and thus invest precious financial and human resources to improve their people's capabilities. Yet, such costly organizational efforts (e.g., personal-development programs, leadership trainings) seldom engender long-term change and result in slight or temporary behavioral adjustments at best.

"Technical" versus "Adaptive" Challenges

Why are these efforts so ineffective? Because, according to the authors, leaders often ask people to make changes that go beyond their current level of mental complexity (see below), while proposing technical solutions to adaptive challenges—which can only be met by a mindset shift.[1] The authors note, "The challenge to change is often misunderstood as a need to better 'deal with' or 'cope with' the greater complexity of the world. Coping and dealing involve adding new skills or widening our repertories of responses," not necessarily developing people. And while coping and dealing are valuable skills, they are inadequate for accomplishing long-term, adaptive change.

Understanding the Development of Mental Complexity

But can you really teach old dogs new tricks? That is, can adults after the age of 30 really change? The answer is yes, say Kegan and Lahey, whose research shows that the adult mind is capable of development throughout adulthood. They

identify three qualitatively different plateaus, or levels in mental complexity. These three systems—the socialized mind, self-authoring mind, and self-transforming mind—interpret the world in different ways. "Each successive level of mental complexity is formally higher than the preceding one because it can perform the mental functions of the prior level as well as additional functions," explain the authors. In sum, the higher one's mental plateau, the better one performs (because one is better able to meet adaptive challenges).

According to the authors, current levels of complexity of mind—which typically hover between the socialized mind and the self-authoring mind[2] in adults—are insufficient to meet the demands of today's business world. They note, "Skillful as … managers may be, their abilities will no longer suffice in a world that calls for leaders who can not only run but reconstitute their organizations—its norms, missions, and culture—in an increasingly fast-changing environment." In other words, companies need workers who are at (or beyond) the level of the self-authoring mind, and thus capable of carrying out adaptive solutions—that is, individuals who are able to make choices about external expectations, take stands, set limits, and create boundaries to advance a mission or agenda. The question is, how can companies accelerate the development of mental complexity or how can they meet an adaptive change through adaptive means? The first requirement is an adaptive formulation of the problem (i.e., how the problem runs up against the limits of an individual's mental complexity); the second is an adaptive solution (i.e., how the individual must adapt).

Three Plateaus in **Adult Complexity**

Having a socialized, self-authoring, or self-transforming mind strongly influences how one sends and receives information.

The socialized mind

- People are shaped by the definitions and expectations of their personal environment.
- People are loyal to the group with which they identify.
- People communicate and make sense of information in relation to these loyalties.

The self-authoring mind

- People are able to step back enough from their social environment to create their own personal framework or agenda for judgment and action.
- People send information that is likely to advance their own mission or agenda.
- People filter out information that does not have obvious relevance to their particular agenda.

The self-transforming mind

- People can take a step from and reflect on the limits of their own framework; people not only advance their agenda and design, but also make space for modifications.
- People prioritize information that may reveal limits to their current design or frame.

The Authors

Robert KEGAN and **Lisa LASKOW LAHEY** have worked as research and practice collaborators for 25 years. Kegan is the William and Miriam Meehan Professor in Adult Learning and Professional Development at Harvard University's Graduate School of Education. Lahey is the Associate Director of Harvard's Change Leadership Group, and a founding principal of Minds at Work, a leadership-learning professional services firm. They are coauthors of "How the Way We Talk Can Change the Way We Work" (Jossey-Bass, 2002).

UNCOVERING THE IMMUNITY TO CHANGE

To understand how a challenge brings an individual to the limitations of his or her mental growth, "immunity mapping" is an extremely effective tool. It helps people "see not just how things are at the moment, but why they are this way, and what will actually need to change in order to bring about any significant new results."

Understanding Immunities with Mental Mapping

Unlike traditional diagnosis techniques (which simply identify bad behaviors to be avoided), mapping gets at the root causes of the underlying commitments that make obstructive behavior effective yet prevent people from achieving their goals. Until these competing commitments have been brought to the surface, individuals will continue—in vain—to apply technical means (i.e., using plans or strategies for eliminating obstructive behaviors) to solve adaptive problems. The end result of the mapping process is a clear portrait of an individual's "immunity to change." The authors use the medical metaphor of immunity to highlight the duality of an individual's resistance to change. On the one hand, an immunity can be a source of strength. On the other hand, it can threaten an individual's health by rejecting new information "that the body needs to heal itself or to thrive." •••

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Overcoming Immunities: Different Situations, the Same Approach

With immunity X-ray in hand, individuals and groups are prepared to meet the challenges of adaptive change. Depending on the scenario (overcoming individual and/or collective immunities to change), the approach will differ slightly, but general guidelines will remain the same: diagnosis (creating an immunity map), testing new behavior, and follow-up.[3]

According to Kegan and Lahey, leaders and organizations that master the immunity to change will be more effective in accomplishing their own goals and will have a higher level of employee commitment. How can organizations foster a culture of change and personal growth? By adopting a development stance, that is, they need to send the message that they expect adults can grow. In particular, they must:

1. Recognize that adulthood is a time for ongoing growth.
2. Make the distinction between technical and adaptive learning agendas.
3. Recognize and cultivate an individual's motivation to grow.
4. Assume that a change in mindset takes time.
5. Recognize that changing mindsets needs to involve the head and the heart.
6. Recognize that changes in mindset or behavior do not necessarily bring about transformation.
7. Provide safety for people to take risks and explore new behaviors. ■

1. Ronald Heifetz makes the distinction between "technical" and "adaptive" changes in "Leadership Without Easy Answers" (Harvard University Press, 1998). Technical challenges require a specific, well-known skill set. Adaptive challenges can only be met by advancing to a more sophisticated mental state. According to Heifetz, the biggest error leaders make is when they use technical means to solve adaptive challenges.

2. Two separate studies of mental complexity, one using the Washington University Completion Test and the other the Subject-Object Interview, show an identical result--that the majority of people (58%) have not attained the level of the self-authoring mind; a small percentage (approximately 7%) has gone beyond the self-authoring mind.

3. For more details on this process, please refer to the two interviews in this dossier.

Mapping an immunity to change: an overview

To illustrate the immunity to change, the authors use the example of Peter Donovan, CEO of a multibillion-dollar financial services company based in New England. They started working with him after he had acquired two competitors in different parts of the US. This acquisition meant melding different corporate cultures, working with new senior players, and shifting to a more distributed leadership model—a particularly difficult challenge for Peter, who was used to a more hands-on, top-down leadership style. To help him meet this adaptive challenge, the authors led Peter through the mapping process.

Step 1: Identify a set of personal commitments or improvement goals

First, he identified a list of personal change goals: be more receptive to new ideas, be more flexible in my responses, and be more open to delegating and supporting new authority.

Step 2: Identify obstructive behaviors (that work against the goals)

Peter then looked at what he was doing to prevent him from achieving these goals. He responded: giving curt responses to new ideas; not asking open-ended questions or genuinely seeking out others' opinions; being too quick to give my own opinions when that may not be what people are asking for.

Step 3: Identify competing commitments

Finally, Peter looked at the reasons why he persisted with his obstructive behaviors. He uncovered various commitments that were competing with his change goal: to have things done my way; to experience myself as having a direct impact; to feel the pride of ownership; to place myself in the position of super problem solver, the one who always knows best.

According to the authors, this X-ray can help Peter "uncover and address his problem as an immunity to change, a way that he protects himself from accomplishing his goal in order to 'save his life'." In particular, he can see how his commitments are contradictory to his change goal. By understanding this opposition, he is in a better position to transform his immunity.

* For a more detailed explanation of how to map immunities to change, please refer to the job aid section on page 27.

When Growing People Helps Change Succeed

The UBS AG case

Interview with **Juerg HERREN,** managing director, Wealth Management International, UBS AG (Switzerland), June 2009.

After running in-house performance coaching programs for business units across the globe for several years using the GROW method, Juerg Herren identified the need to drive change further.[1] This was especially true in cases where the talent had the will but couldn't find the appropriate solution path for the desired change. Since 2007, he has been using the "immunity to change" (ITC) method as part of individual performance coaching programs.

BIOGRAPHY

Juerg HERREN is managing director, Wealth Management International at UBS AG (Switzerland). Since joining the company in 1975, he has held various positions in private banking and product/market management. In his current position, he leads a unit of wealth management client advisors.

In the early 2000s, senior leadership at UBS AG was looking for ways to increase growth. Senior management worked with consultants to identify best practices and found that high performance teams across the company had developed, among other things, a strong coaching culture. This culture seemed to make these teams more agile and better able to cope with change. To spread this best practice to the rest of the organization, leadership launched an organizational coaching project in 2004.

"GROWing" the Organization

Juerg Herren, managing director, Wealth Management International at UBS, was involved in program design and implementation. He explains, "We chose the GROW method, a relatively simple approach that is very effective when people are motivated to explore additional approaches. It's based on four steps. First, you identify your goal—what specifically do you want to achieve? Then, you look at reality—what is the situation right now? Next, you look at all the options you can think of—how can you address or overcome challenges, what have you seen other people do in similar situations, etc.? Lastly, and most important, you decide what to do next—what are you going to do to in the short term—i.e., one to three weeks—to achieve your goal?"

In 2004, the team rolled out the program to select European markets. "We worked with local management to identify various focus areas (usually three) such as prospect management and acquisition, client needs analysis, client development, best practice sharing, and specialist cooperation. After a kick-off meeting with all line managers, we met with managers individually. We then started the first phase of the coaching process, focusing on a particular goal. In the case that a (client-facing) team's objective was to acquire new clients, for example, we would spend one to two sessions discussing how to get new prospect names and how to effectively manage a prospect pipeline. Then, we would spend another two to three coaching sessions on how to approach these people, build rapport, and identify particular needs. Finally, we would spend two to three sessions talking about how to successfully close deals."

GROWing Pains

During these projects, Herren •••

••• identified certain limitations to the GROW methodology. "Unless individuals are motivated to change, and have the tools to do so, GROW is insufficient. It's one thing to want to change. It's another to be able to do so. I found that when people had competing motivations or beliefs, they often had difficultly achieving the desired change."

In light of these limitations, Herren and his colleagues started looking for new ways to take individual coaching to the next step. In 2005, they brought in Robert Kegan, co-author of Immunity to Change, to better understand the dynamics of (individual) change and explore alternative approaches. His co-author Lisa Laskow Lahey set up a pilot program with a dozen individuals, Herren included. During the four-month project, participants became familiar with the ITC method (see book summary, page 6) and learned how to overcome one or more of their own immunities to change. Afterwards, participants felt they had made progress towards their individual change goals.

However, it wasn't until August 2007 that Herren and another colleague took things further. They set off to Cambridge to work intensively with Kegan and Lahey, and upon their return, introduced ITC in individual coaching programs.

Rolling Out ITC

So far, ITC is in the "test phase" and has been used for a select number of employees (six in all), handpicked by Herren. "Unlike group coaching, ITC is designed to address and overcome an individual's specific barriers to change. It is not something you need to do constantly." The process, which typically lasts from two to six months, provides a diagnosis of the person's competing commitments, and identifies, questions, and tests his or her big assumption(s)."

According to Herren, the individual coaching programs have been highly effective. "All participants have achieved significant progress," he says. "I owe this success in part to the fact that I'm the manager, leader, and ITC coach—if the coach was someone from outside the organization, as is often the case, it might be more tempting for participants to be less engaged or quit."

Two Peas in a Pod: GROW and ITC

Herren emphasizes that GROW and ITC are by no means competing approaches. "GROW works when everyone has a common goal, such as increasing quarterly sales. ITC is more useful when someone has an inexplicable resistance to change, usually due to subconscious goals. It helps liberate people from something that has been holding them back from achieving organizational goals." Currently, GROW is the base methodology of all coaching programs at UBS AG. Still in its trial phase, ITC is being considered as a complementary approach.

ITC in Action

Herren provides the example of a wealth manager's behavioral transformation to illustrate the success of ITC. "Several years ago, a former corporate banker and consultant made the transition to wealth management. Having a background in business and liberal arts, it was easy for him to casually discuss with prospects and clients. However, he had a hard time shifting to concrete business discussions and deal negotiations. Applying the method in a series of coaching sessions (once every one to two weeks for a period of three months) enabled him to successfully manage this transition. Nowadays, he easily shifts between conversations of art, literature, and business, which has contributed to increased business results and client satisfaction."

FACTS AND FIGURES: UBS AG

Established: UBS has its roots as a Swiss bank, founded in 1747. Modern UBS was formed through a merger of the Union Bank of Switzerland and the Swiss Bank Corporation in 1998.
Sector: UBS AG is a diversified financial services company.
International presence: UBS AG is headquartered in Basel and Zurich, Switzerland, and has a major international presence, with offices in 50 countries.
Full-time employees (1Q 2009): 76,200.

Venturing into the Unknown to Achieve a Competitive Advantage

According to Herren, a change culture is at the heart of competitive advantage. "When you have a group culture that supports change (e.g., getting better as a team), people are less afraid to try new, and sometimes quite creative things." And in today's ultra competitive markets, those crazy, creative ideas can make or break a company's success. So what do companies need to succeed? "In addition to clear goals, you need to have strong leaders setting an example and encouraging people to embrace change and overcome their limitations or immunities to change," answers Herren. ■

1. The GROW (Goal, Reality, Options/Opportunity, Will/What Next) model of coaching was developed by Sir John Whitmore, a former race car champion and coach in the United Kingdom. These four steps can be applied to most any coaching situation.

MedImmune

Overcoming Personal Issues

to Improve Team Performance

Interview with **Abigail JENKINS,** Chesapeake area business manager, MedImmune (US), June 2009.

In 2004, while working at Pfizer, Abigail Jenkins took part in a change process using the "immunity to change" or ITC approach. The goal was to transform a group of diverse individuals, thrown together by reorganization, into a high performing team. After the year-long process, participants felt as if they improved on both an individual and group level.

BIOGRAPHY

Abigail JENKINS is the Chesapeake area business manager at MedImmune, the biotechnology arm of Astra Zeneca. She joined the company in 2006 in a marketing role. Previously, she held sales and marketing positions at Pfizer. She obtained a bachelor's degree in biology from Indiana University and a master's degree in biotechnology from Johns Hopkins University.

In 2004, Pfizer[1] was optimistic about the success of a new hybrid product containing two of its high-selling cardiovascular compounds. However, the product failed to meet expectations post launch. To improve sales, senior management decided to merge the ineffectual launch team with a high performing team, responsible for marketing one of the anti-hypertension drugs contained in the new product. Following the merger, team members became frustrated and anxious, displaying a natural tendency to "stay with their own," thereby preventing optimal teamwork.

Abigail Jenkins, an original member of the anti-hypertension product marketing team, says, "From the start, the situation was very tense. The pressure to immediately make the new product successful was immense. On top of that, the five members from the launch team and the five members from my team were seemingly in 'survival mode'; we all feared that we would lose our jobs, since the company was not likely to keep 10 people working on the product." The leader of the new unit realized that if she did not do something fast, the group would fall apart and the product would continue to fail. So she enlisted Lisa Laskow Lahey[2] and her colleague Bob Goodman to help with the transition and to turn the newly composed entity into a high performing team.

Overcoming Individual Immunities for Group Success

"Through a series of exercises, we diagnosed the team's strengths and weaknesses, as well as our individual contribution to the function or dysfunction of the team. This process provided much greater insight into how each teammate was wired. As it required a significant level of commitment to both personal and group change—while still in the pressure-cooker environment—five team •••

••• members inevitably left along the way."

The five remaining members made an "individual commitment" and presented it to the group for input/validation. Jenkins decided, for example, to focus on controlling her emotions. She says, "Given the pressure from the top of the organization and the tension within the group, I would get frustrated and react very emotionally to things. During the group discussion on my individual commitment, I realized that this behavior was having a negative impact on others. I really wanted to change, yet it was difficult for me to simply 'control my emotions.' As anyone who has ever attempted change knows, these habits are deeply rooted, so change is never as simple as it sounds. Lisa taught me that to accomplish my change goal, I would have to tackle the problem from its very core. This involved taking an inventory of the things I was doing that were working against my goal as well as my hidden fears associated with letting go of this 'protective behavior.' I learned that my emotional reactions were actually part of a subconscious self-preservation mechanism. But in truth, they were more detrimental than protective! Once these issues were on the table, I was able to understand my 'big assumptions' (basically internal truths a person creates that sustain immunities to change), test them, and finally disprove them. This enabled me to let go of my worries and actually change my behavior."

The Difficult Road to Change

During the year-long process, each person met separately with Lisa or Bob about once a month to work on his or her commitment. The group also came together to discuss its collective progress three or four times. After the formal team-building project ended, the coaches continued to check in for about three months.

According to Jenkins, everyone made progress on his or her individual commitments. "All of us grew and became more effective. I became more aware of the triggers that caused me to over-react, and developed techniques to diffuse my emotions. These changes, along with everyone else's, contributed in turn to improved group performance. Once the communication channels were restored, we were able to revise forecasts and set appropriate sales expectations. We were also able to reposition the product and improve its performance." In 2006, when Jenkins left the company, sales had increased 10-fold in two years.

"The advantage of ITC is that it helps you identify and deal with the root causes of obstructive behavior, truly enabling long-term change."

ITC: Long-Term Value

For Jenkins, the main value of the ITC method is its long-term success. "Some issues can be career stallers and some can be career stoppers. Whatever the issue, if it's problematic in one job, it will be problematic in another. So unless you change, it will likely follow you around wherever you go. The advantage of ITC over other change methods is that it helps you identify and deal with the root causes of obstructive behavior, truly enabling long-term change."

Being able to head off emotional outbursts has certainly had a positive impact on the rest of Jenkins' career. Since last fall, she has been managing a team of her own, with nine direct reports. "I don't feel as if I could effectively lead my team if I had not fixed this issue. I also feel like this process gave me tremendous perspective on how to effectively build a high performing team. I learned first-hand that it is not enough just being experts in the business or having the right functional skill set. To make a team successful, you have to create a high level of individual commitment. This requires leveraging individual strengths and working on individual and group weakness. To do this, you have to establish a strong foundation of trust and foster open dialogue." Thanks to these newfound insights, Jenkins has been able to transform a low performing, dysfunctional team into one of the highest performing, most cohesive teams in the company.

Getting Over Learned Behavior

"Behaviors are learned very early; they're survival mechanisms. Most people have been successful using these skills. But at some point, they need to let go of them to become more successful. Until someone tells them there's a problem, there's no reason to change. While many people—especially Americans—may believe that to improve performance, it is more important to fix a weakness than to leverage a strength, they often avoid talking about weaknesses or unproductive behaviors. Yet, if people do not identify a weakness and commit to working on it, it's hard to change. ITC teaches you that while the path to change is difficult, the rewards are undeniable – for the individual, the team, and the company." ■

1. A research-based pharmaceutical company headquartered in New York.
2. One of the authors of *Immunity to Change* (see book summary, page 2).