

## **Five Good Ideas about Turning Around your Organization**

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### **1) Foster a climate of urgency and demonstrate change is possible**

Some will say *create* a climate of urgency – but I reject that. Artificially creating urgency will lead to cynicism and skepticism. But you do need to *foster* a climate of urgency. I used to work for the CEO of a major Canadian retailer and he once reminded me that he had to report results every 90 days, and that in the market eighteen months is an eternity. While in the social purpose sector we do not usually report to shareholders, our board members do typically serve for a short time and our staff is generally on term contracts. There is a need for them to see results.

Let me provide two examples. When I worked for the Association of Canadian Publishers I met the membership at the end of March and committed to creating a new strategy by the end of June – 90 days. We commissioned research, established a task group of industry leaders and started a dialogue with the federal government. By the end of June the association committed to a three point plan that led to the restoration of funds within the following six months.

At the World Service University of Canada (WUSC) we identified a strategic partner, completely redesigned our core volunteer program and negotiated the Canadian International Development Agency's (CIDA) support for a funding increase within six months. It was actually very exciting to challenge long-held assumptions. To gather a team to redesign our program – at one point we had 35 people working on four continents to meet our self-imposed deadline.

Change processes often take so long that people lose confidence. People need to see and feel that change is happening and it is not just another consultation exercise. Achieving and celebrating early wins is also critical. This creates momentum for bigger wins downstream. Sometimes the early wins are exceedingly modest and you feel like a lonely cheerleader, but overtime it creates a climate where people see that change can happen – and that they are contributing to it.

I suggest you read an essay by Canadian writer Margaret Laurence. It is called *My Final Hour*. It was given in March 1983, and the premise is that Laurence has one hour to live during which she will impart a lifetime's wisdom. It is powerful in its sense of urgency. I kept a copy of the speech in my briefcase for 15 years.

Laurence refers to Catharine Parr Traill's observation in the 19<sup>th</sup> century: "in cases of emergency it is folly to fold one's hands and sit down to bewail in abject terror." Laurence's essential message is "Do not despair. Act."

### **2) Be transparent**

When attempting to make change, it's important to be candid. A striking example is the famous quote from the Apollo 13 mission that went disastrously wrong: "Houston, we have a problem"

Throughout any change process put an emphasis on communicating with staff, with the board and with stakeholders. Although staff members are often closest to the problem, they can be the last to see the need for change. WUSC's revenues had been in a period of decline; programs



were not being renewed; alumni and other donors wondered if we really needed WUSC anymore. But the staff fear on my arrival was that my solutions would be lay-offs.

Board members *must* know the hard truth about the challenges the organization is facing – what the chances of success are and what the risks are. There can be no surprises.

Dealing with stakeholders can be difficult. With donors, there is a tendency to withhold all but essential information and to always put a brave face on. Yet a candid discussion that outlines an understanding of the problem and a path forward will earn trust and confidence.

In working with WUSC I sat down the Vice President of CIDA, and acknowledged that WUSC had been engaging in strategy of attrition and resisting the signals CIDA had sent. I conceded some major points and sought undertakings that we would create a new relationship.

And I had a very memorable discussion with Ratna Omidvar and Alan Broadbent (CEO and chair of Maytree). Ratna told me some of our programming reflected a 1950s attitude to social change and that we were absent from key policy discussions. They weren't even donors at the time, but by being candid with them I earned their confidence and their support.

Alumni or “organizational elders” are often more likely to cling to the past. They may be less aware of underlying changes in the external environment. With this group there is a need to affirm that the planned changes are designed to fulfill the underlying vision of the founders. I was very fortunate to have on WUSC's board an individual that had been involved with us since 1948. He could have been an intransigent ‘dinosaur’ but in fact he helped us all understand the early vision and push us to think about how to fulfill that vision 60 years later.

In the case of WUSC we also had to deal with longstanding overseas partners. In some cases we ended partnerships, while in others the nature of our engagement changed. Honest, candid description of the changes was our best path forward.

Let me illustrate the need for transparency by drawing attention to the inaugural address of Vaclav Havel. The poet and playwright had been in prison for many years as a dissident. In the space of about six weeks he was vaulted into the position of President of Czechoslovakia immediately following the Velvet Revolution. Havel is a personal hero because he rejects the old belief that politics is the art of the possible and insists that politics is the art of achieving the *impossible*. In his inaugural address he told his people the plain truth about the situation they were inheriting.

*“Our country is not flourishing. The enormous creative and spiritual potential of our nations is being wasted. Entire branches of industry produce goods that are of no interest to anyone, while we lack the things we need. The state humiliates and exploits workers. We have polluted our land, rivers, and forests, bequeathed to us by our ancestors; we now have the most contaminated environment in all Europe.”*

Imagine hearing such candor in Canada!

### **3) Be tenacious**

Winston Churchill once said: “When going through hell keep going.” This means sticking to your plan in spite of the resistance you face.

A colleague once remarked that the irony of working in social change organizations is that we are often the most resistant to change ourselves. And when asking anyone to change, there is an implicit criticism that what they are currently doing is not good enough. People are naturally defensive.

What's more, there will always be a chorus of doubters. Here, the support of the board is key to persevere through the choppy waters, and why celebrating the early wins is so important.

The best advice I have received is to constantly honour the work and decisions of the past, but insist that new approaches are required in order to achieve the founders' vision. Be ready for pushback. You may adjust course, but the best advice is to keep moving.

The resource I suggest to illustrate this point is the work of the late Canadian songwriter Stan Rogers. His 1979 album *Between the Breaks* is a beautiful collection of songs capturing the stories of working people. In particular, the song 'The Mary Ellen Carter' is an inspiration to all those facing hardship and adversity. The song is about a shipwreck. The survivors refuse to leave the boat on the ocean floor. I will quote just a part of it.

*And you, to whom adversity has dealt the final blow  
With smiling bastards lying to you everywhere you go  
Turn to, and put out all your strength of arm and heart and brain  
And like the Mary Ellen Carter, rise again.*

*Rise again, rise again - though your heart it be broken  
Or life about to end.  
No matter what you've lost, be it a home, a love, a friend,  
Be like the Mary Ellen Carter, rise again.*

#### **4) Be humble**

'Nunc Cognosco Ex Parte' is a quote from the Bible and means 'now I know only in part.'

This is a sentiment that has fueled each of my change projects, for two reasons. First, it reminds me to seek the views, experiences and wisdom of others; and secondly because leadership is about harnessing the ability and power of others. We cannot do this alone.

All of us in this field are part of a very long tradition. We are a force for positive change – seeking the increase of civil society, of greater participation, of greater inclusion. And so keeping a sense of that tradition – that others have gone before, that our predecessors have already made significant progress and that our colleagues today are doing excellent work - strengthens the likelihood of success.

Learn from one another and from those in other sectors. Both with the Association of Canadian Publishers (ACP) and WUSC I actively sought out those who were competitors; and those whose views were very different from my own. Unlikely as it may sound, it was not until the crisis of 1995 that writers, publishers, printers, and retailers actually met together to describe the kind of future they wanted to shape. And within the volunteer-sending agencies the nine executive directors now meet eight times a year to learn from one another, and to be honest and open whilst still competing in the marketplace.

The success that I have had in introducing change has not come from some kind of top-down position of absolute certainty – remember I was a novice in each of the roles – rather it has been from engaging people, inviting their participation; honouring their contribution and showing results.

There is an emphasis on so-called “strong leadership” these days – perhaps best evidenced by our current prime minister. But durable change requires drawing the talents of the whole community to a project, not simply imposing a vision.

### **5) Promote hope, not fear**

Consider for a moment the current US Presidential Election. It is in essence a battle of competing visions – one based on fear and a diminishing view of the world and another grounded in hope and renewal.

Too often, when significant change is introduced people and organizations use fear as the underlying motivation – ‘If we do not change we will be out of business.’ In many change scenarios the pervasive attitude is ‘there is no alternative.’

People that work in the field of social change are not driven by the prospect of increased market share or shareholder value – they are driven by a desire for greater impact in the world.

The very nature of our work means it is never finished. Frustration and despair are often our default positions.

Instilling a sense of hope, constantly reminding staff, board and stakeholders that the change is about increasing impact, and creating space for sustainable results will enable people to adopt or embrace the change, or at least suspend disbelief, while you move forward.

Two very practical examples. When book publishing sustained a 55% immediate funding cut the instinctive reaction was to proclaim that this would mean the end of publishing, that authors would no longer be published and that a generation of funding would have been wasted. Instead we shifted the position to say that prudent investment had generated spectacular results in creating a national literature, in introducing Canadians to one other and Canada to the world. The narrative resonated with the government’s agenda – it spoke to prudent investment that delivers unparalleled success. It also spoke to the government’s other objectives – national unity and a place in the world.

We shifted the message from one of fear to one of hope.

We did the same with WUSC’s student refugee program. When CIDA threatened to cut their funding they did indeed stop funding one of our flagship programs. Every year WUSC sponsored students from refugee camps to study in Canada – WUSC has been doing this in various forms since the 1930s. Our instinctive reaction was to say if CIDA won’t fund it we will have to close. Instead we shifted our message to one of hope. Canadian students raised over \$1 million to support the program. It is unique in the world. If we were a country we would be the 13<sup>th</sup> largest recipient of refugees. Those sponsored are making outstanding contributions to Canada and the world in business, the public and voluntary sectors. Despite the cuts we have gone from sponsoring about 35 people a year to over 50. Later this year we will welcome the 1000<sup>th</sup> person to come to Canada through the program. We did a lot of work in face of the cuts, but a key element was moving our message from one of fear – ‘we are going to close’ - to one of hope.

For turnarounds to work in the long run the emphasis needs to be placed on fostering hope.

So this afternoon I have suggested five key elements in a successful turnaround – urgency; transparency; tenacity; humility and hope. I will close with an observation about public life in Canada today.

### **Concluding Thoughts**

Every generation in public life has the opportunity to tackle one or two major issues. In the 1940s and 1950s it was about post-war reconstruction and building a rules-based international order. In the 1960s and 1970s major strides were made in advancing a social agenda – role of women; poverty reduction, medicare. In Canada, generations of leaders came to Ottawa to address the Constitution and national unity.

What is the clarion call of our era? Our era is one of accountability.

I am obviously in favour of accountability and results. But in response to isolated examples of wrongdoing our public service has become crippled by the accountability agenda.

Here is an example: I have three children, and one Saturday morning I wanted to know how soon we could go to the Museum. I visited the website of the Museum of Civilization to see what time it opened – it was easier to find the Museum President's expense account.

There is a pervasive climate of risk-avoidance that is weakening our ability to solve serious issues.

Related to this is an obsession with results-based management. It is of course important to show results, but let's remember that the great advances in human history have never been achieved by setting out to accomplish precisely what you set out to accomplish. If that is all we are doing we are setting our sights too low.

In a world where two billion people live on less than \$2 a day, where our natural environment is under sustained attack and where 250 million people have no access to primary education, we have to raise our sights. We have to take bold risks and we have to be prepared to innovate.

And that is perhaps one of the greatest benefits of working in an NGO. While it may not always be obvious, we have the room to change, innovate, and grow in response to a changing and challenging world

There is no single roadmap. But there are resources to guide us. And we are all part of a long tradition of social change.

Finally, here is a reminder of my five good ideas: urgency, transparency, tenacity, humility and hope.