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CULTURE

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CULTURE

is one of the hardest things to

CHANGE

WHAT IS CULTURE?

A group's shared **attitudes,**
behaviors, & values

CULTURE CHANGE

FROM

TO

old shared attitudes,
behaviors and values

new shared attitudes,
behaviors and values



70% FAIL

WHY?

BEST OF HBR

Leaders who successfully transform businesses do eight things right (and they do them in the right order).

Leading Change

Why Transformation Efforts Fail

by John P. Kotter

Included with this full-text *Harvard Business Review* article:

1 [Article Summary](#)

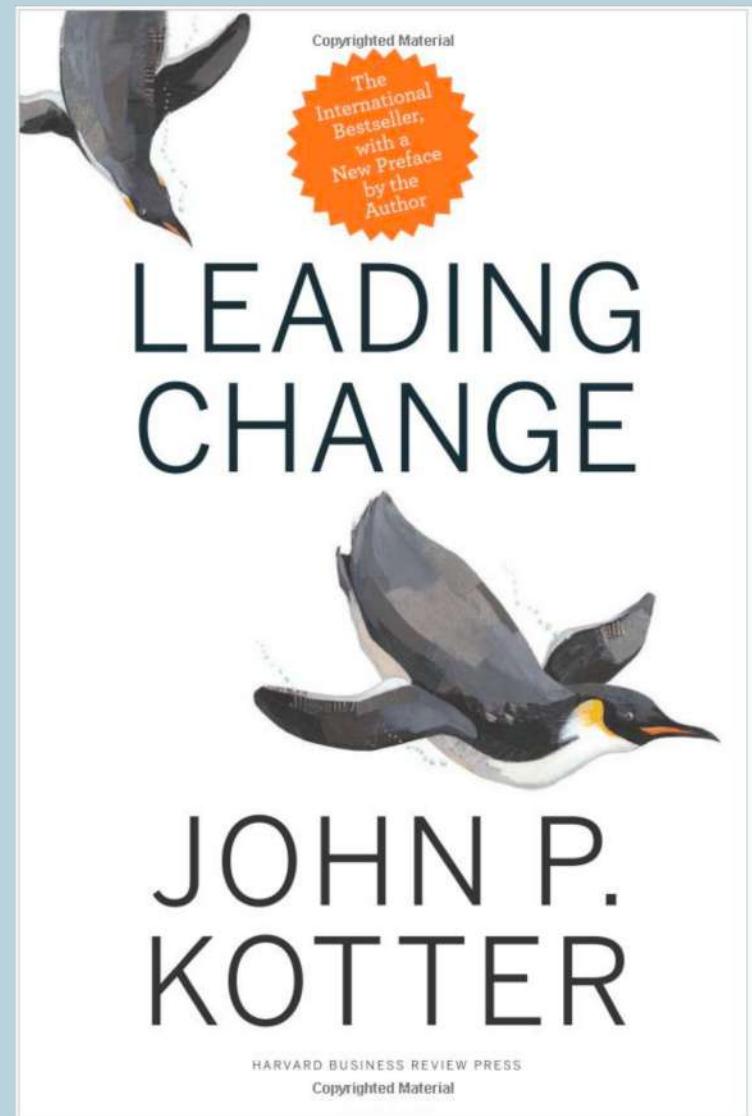
The Idea in Brief—the core idea

The Idea in Practice—putting the idea to work

2 [Leading Change: Why Transformation Efforts Fail](#)

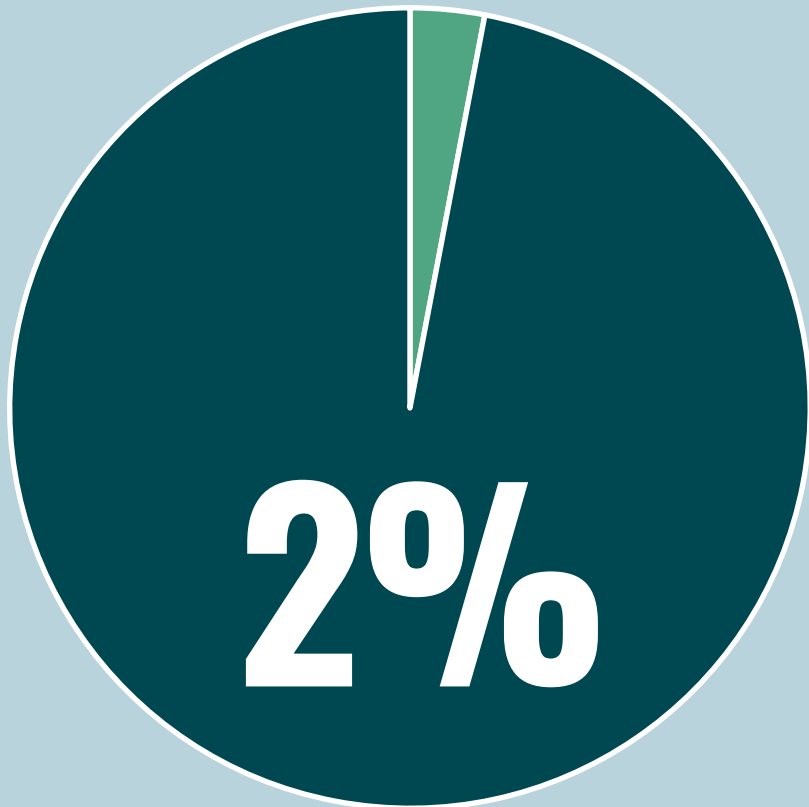
10 [Further Reading](#)

A list of related materials, with annotations to guide further exploration of the article's ideas and applications









EFFICIENCY

PREDICTABILITY



**EFFICIENCY +
PREDICTABILITY
IS EASIER**

habits
routines
agendas
schedules
processes



THE BRAIN
DOES NOT LIKE
CHANGE



x



a



b



c

CONFORMITY BIAS



x



a



b



c

CONFORMITY BIAS

HUMAN NATURE
DOES NOT LIKE
CHANGE

SURVIVE

- ◆ Threat
- ◆ Adrenaline, norepinephrine, cortisol
- ◆ Muscles tighten, attention narrows, breath quickens, “fight or flight”



THRIVE

- ◆ Opportunity
- ◆ Dopamine, endorphins, serotonin
- ◆ Blood flow and energy increase
- ◆ Excitement, exhilaration, vision, pride
- ◆ Broad thinking, accelerated



SURVIVE

or

THRIVE

BEST OF HBR

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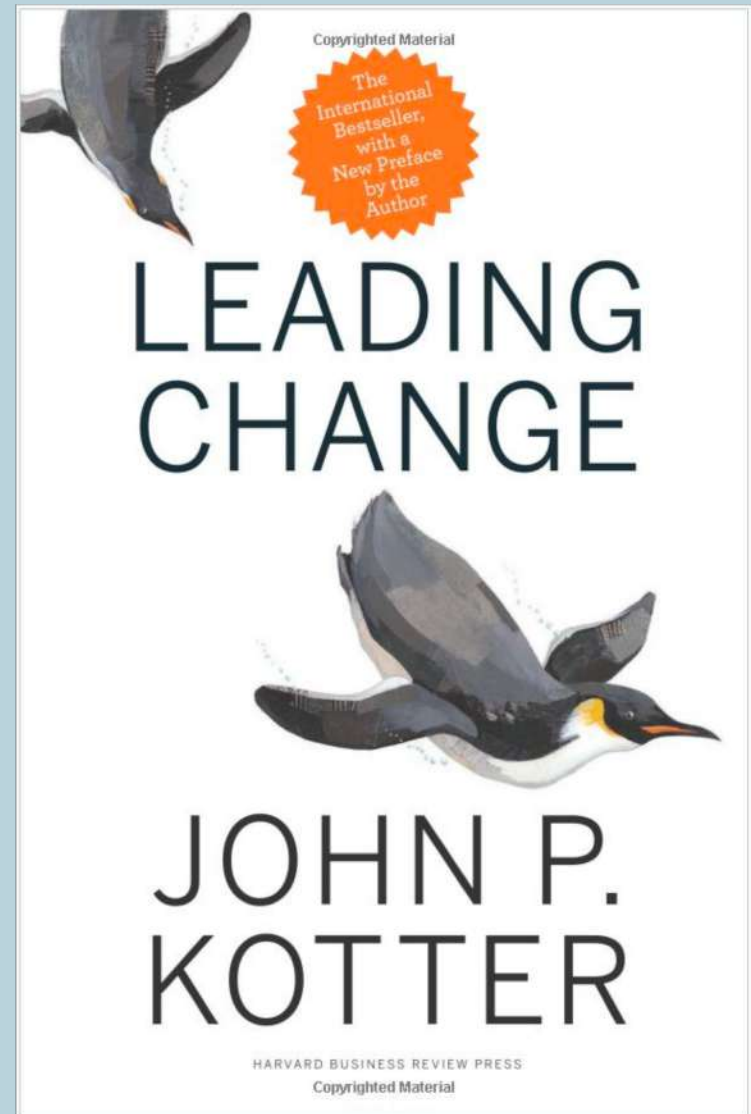
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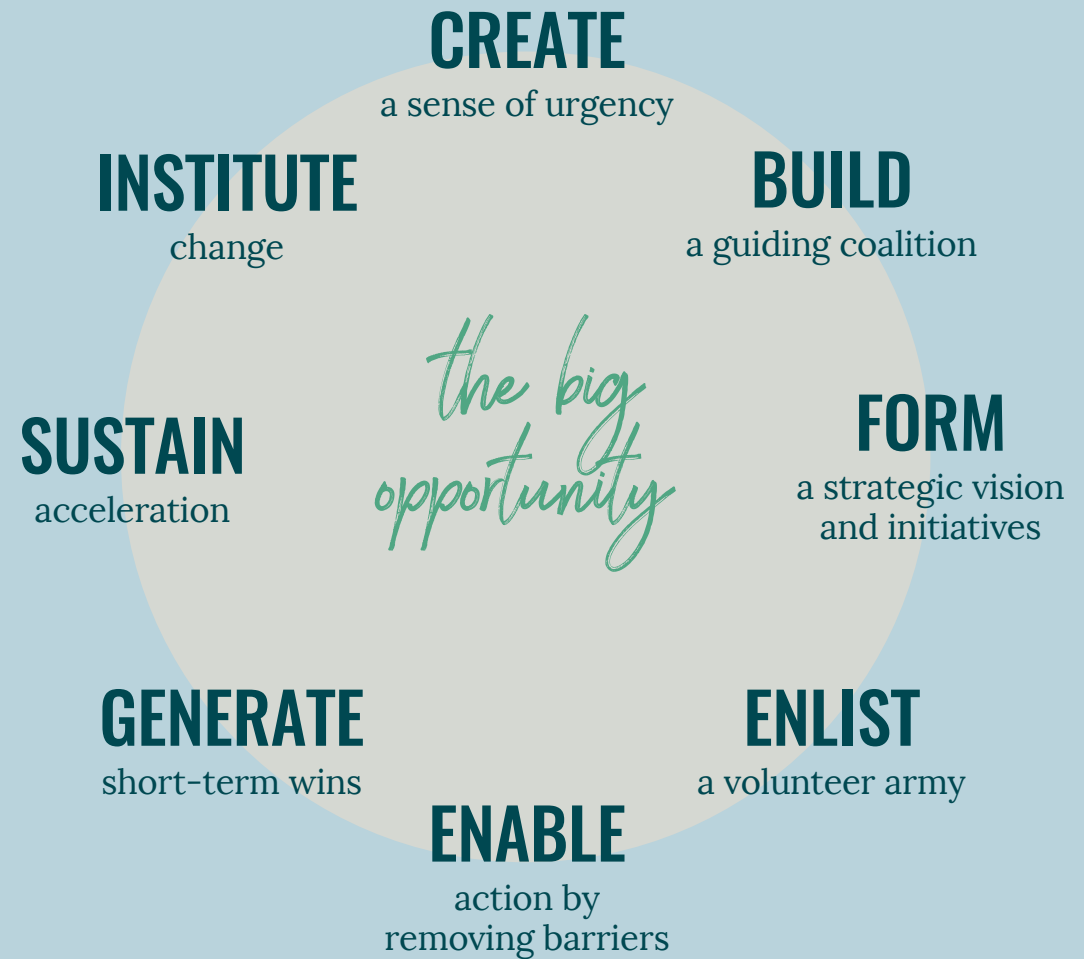
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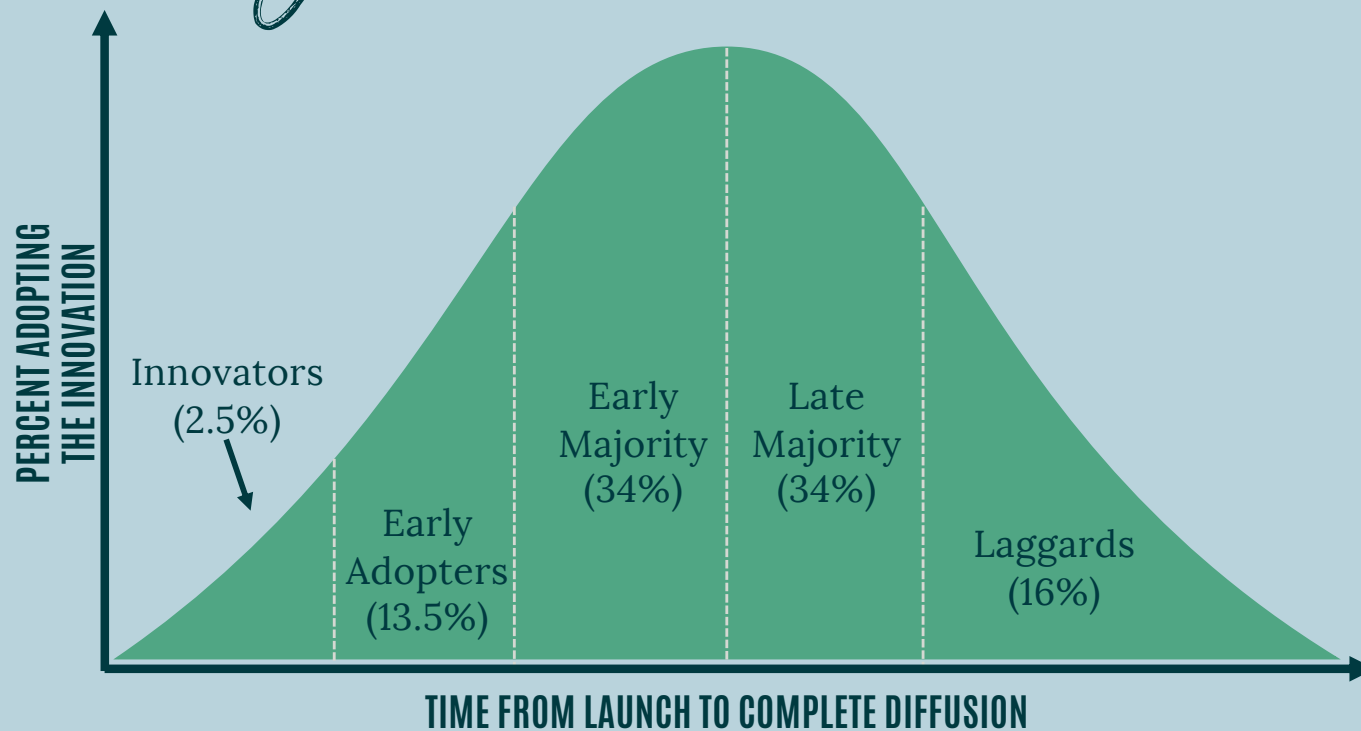
8 ACCELERATORS



the big opportunity

MAKE CHANGE AN INVITATION

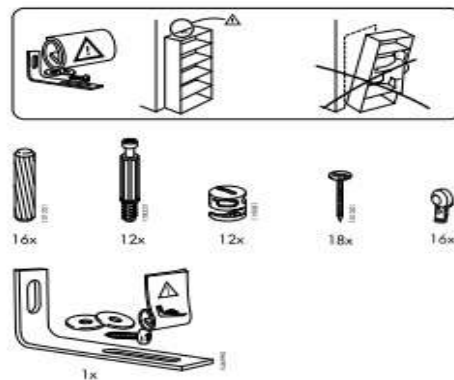
roger's law of diffusion



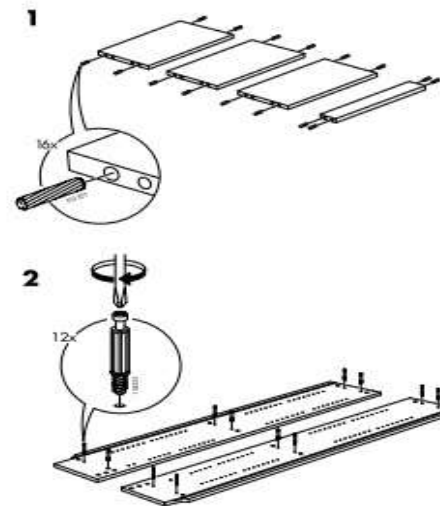
BILLY



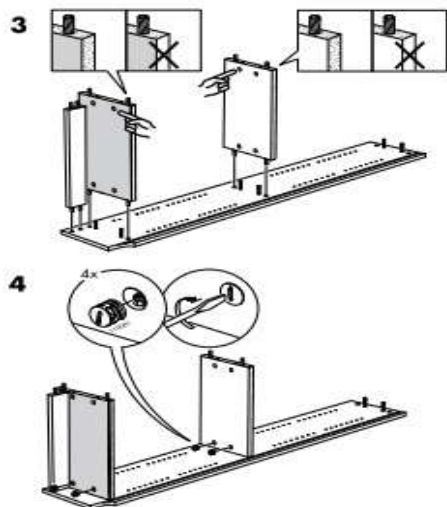
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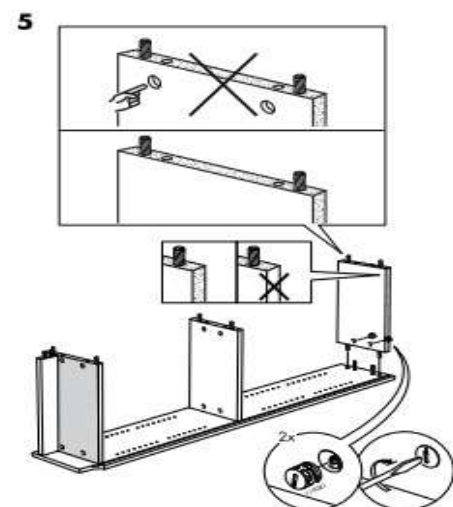
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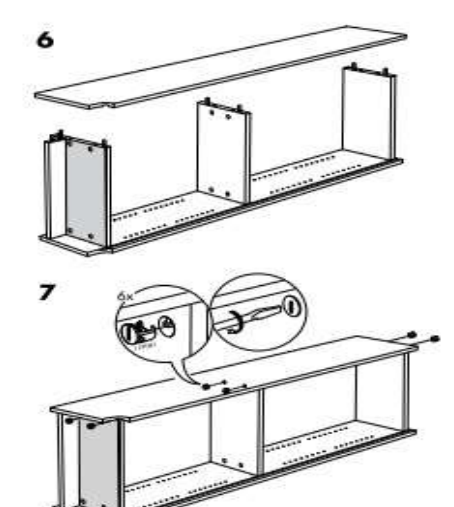
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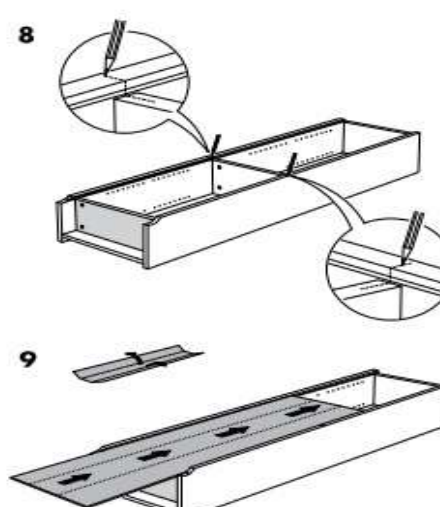
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6



7



8

IKEA EFFECT

INVESTED LABOR → INFLATED PRODUCT VALUATION

- Positive feelings (including feelings of competence)
- Focus on product/idea's positive attributes
- Relationship between effort and liking

CAN WE DO THIS WITH ISO 55000?

DELIVERING VALUE

- From Private company to Public NYSE listed company
- Increase (volume of) innovation
- Significantly increase speed to market
- Improve global plant efficiency and asset management

>> Successful NYSE listing

>> Partnering with Berkshire Hathaway to potentially acquire competitor

>> \$12.5bn acquisition of 43 P&G Global Brands

HOW TO ACTIVATE THRIVE + CHANGE THE CULTURE

- Leadership led the change / an aspirational opportunity
- Mid-level managers were encouraged to own it for their function/region
- Employees were encouraged to act (take risks and fail)
- WINS and wins
 - Create
 - Communicate
 - Celebrate
- It's not really about what you say ...
- Sustain – don't give up when it gets tough

CULTURE

can

CHANGE

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