

THE PACKER

Oct. 18, 2004

Life and the produce industry are a big ski trip: You'd better plan, prepare for lots of changes

PEOPLE JOKE THAT THE ONLY certainties in life are death and taxes, but I'd like to add one more element to that cliché: change. The older I get, the more inevitable change seems.

For instance, outside of my family, skiing is the love of my life. I learned to ski when I was 13. You can imagine how much the sport evolved in the intervening four decades.

When I began skiing, I wore lace-up boots, and only one or two options existed for skis. Today you can buy skis adapted to various conditions, so I own four pairs — ones for deep powder, light powder, regular pack powder and bump skis.

Altering your equipment to incorporate shifting weather, snow pack and ski run conditions is no different than managing change in our businesses. Both require responding rapidly to a constantly variable environment, while simultaneously weighing the attendant costs and benefits. As a result, on the slopes or off, the four management principles below can help us all manage change better.

Change is a given in the always-fluid, ever-evolving field of produce. Consider the following shifts, to name but a few industry consolidations: Wal-Mart's radio



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frequency identification declaration; contract pricing; the merger and alignment of once-competing suppliers; the reinvention of wholesalers; and the emergence of forward distribution locations.

In our industry in particular, most businesses live and die by Darwin's law: "It is not the strongest of the species that survive, nor the most intelligent, but the one most responsive to change."

Assess your change readiness.

The first step in change management is assessing your organizational change readiness. How quickly and adeptly does your business adapt to new competitors and customers? Do your employees regard change as a negative obstacle or embrace it as a positive opportunity? Is your company at the forefront of industrywide innovation, or does it lag behind by several months or years?

Being ready for change prepares you to manage it well. On the one hand, by resisting change, you expend tremendous resources on battling the inevitable. For instance, saying "I wish it weren't so" will never halt the industry's expansion into Mexico to increase product availability and year-round supply. On the other hand, if you're ready for change and go with the flow, you swiftly align your resources with the new reality.

Just as navigating a challenging ski run depends on being willing to change direction, so too does an evolving marketplace demand a willingness to change. To ensure your success, make adaptive change part of your company culture.

Plan for change.

Since change is constant, plan for it. Every significant change that you successfully anticipate will place you several steps ahead of the competition. Sometimes change extends beyond everyday market shifts and necessitates a sweeping organizational transformation. A case in point: centralized buying as large retailers acquire smaller independents. When top-to-bottom shifts are necessary, establish an internal structure that helps formulate, implement and support the desired institutional

changes — be it a formal steering committee, an informal guidance council or an ad hoc group of enthusiastic employees.

Planning is essential to driving systemic, systematic change. Here as elsewhere, the axiom holds: "If you fail to plan, you're planning to fail." Would you ski down an unfamiliar, avalanche-prone mountain without knowing or asking in advance which route was the safest? In the same vein, don't embark on a more ambitious adventure — companywide changes — until you've determined how to propel your organization in the right direction.

In planning, establish a clear vision for the change process. Paint a detailed picture of where you are now, where you want to go, and how, when and what changes will take you there. Furthermore, identify and assess change-related risks and problems. Can you surmount them? How will you mitigate them?

Appoint a change champion.

Embracing change is mandatory at the top. Senior staff members must either lead the change effort or get out of the way. Organizational change ultimately will sustain itself, but at least in the beginning, it requires upper management's active endorsement and

support. Therefore, consider appointing a high-level change champion to help guarantee staff commitment. This respected, influential leader will own the change process and model the new, desired behaviors and actions.

Above all else, this change champion must communicate well. In the past, a strong leader could say, "follow me," and employees would follow. But today, that's insufficient. A change champion must convey persuasively and powerfully where, how and why the company is changing and what employees will gain from changing with it. Additionally, a change champion must be positive and upbeat. As Winston Churchill declared, "A pessimist sees the difficulty in every opportunity; an optimist sees the opportunity in every difficulty." It's obvious which one will frame your change process in the best light.

Encourage widespread change collaboration.

As a grandfather of two, I can attest that the only person who likes change is a baby with a wet diaper. Whether it's holding onto a favorite (but 40-year-old) pair of skis or clinging to antiquated procedures, inertia makes the old ways seem best.

The solution? Start by recognizing

the change process's human element. Employees will react and adjust to change in different ways, but at heart, everyone wants to know "What's in it for me?" Clarify the benefits and advantages of changing, as well as the penalties for failing to change. When you ski in treacherous terrain or remote back country, the equation is simple — adjust your behavior to the weather and snowpack conditions, or risk your life.

Business is more complex, but it's still essential to align measurement, reward and recognition systems with the new, desired attitudes and actions. Otherwise, your incentive structure will short-circuit the change process, rather than reinforcing it.

In the end, change management reduces to a simple question: Will changing improve my job individually and our company collectively? In skiing, when the rewards outweigh the risks, you should tackle the slopes with confidence. In business the same holds true: Once the benefits outweigh the costs, you're pursuing the best part of change — progress.

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