Jim Champy, Chairman of Perot Systems' consulting practice, is recognized throughout the world for his work on leadership and management issues and on organizational change and business reengineering.

His first book, *Reengineering The Corporation: A Manifesto for Business Revolution*, sold more than three million copies and spent more than a year on the *New York Times* best-seller list. He is also the author of the best-seller, *Reengineering Management: The Mandate for New Leadership*, which was recognized by *Business Week* as one of the top ten best business books of 1995.

With Professor Nitin Norhia of the Harvard Business School, Champy is the co-author of *The Arc of Ambition: Defining the Leadership Journey* and *Fast Forward: The Best Ideas on Managing Business Change*. His columns and articles appear in such magazines as *Forbes*, *ComputerWorld* and *Sales and Marketing Management*.


At Perot Systems, Champy provides strategic guidance to the company’s team of business and management consultants and plays a pivotal role in furthering the firm’s goal to create an approach to services design and delivery unlike any in the industry.

He consults extensively with senior executives of multinational companies seeking to improve business performance. His approach centres on helping leaders achieve business results through four distinct, yet overlapping areas – business strategy, management and operations, organizational development and change, and information technology.
The Elephant in the Corner

Or, Can resistance ever be classed as a positive force in change management?

When an executive is proposing major change and there is silence, I get worried. Debate and argument – and even some benign resistance – is important to making change happen. The late American President, Lyndon Johnson, had a practice of keeping a couple of contrarians in his “Cabinet”. Johnson knew that he could be fallible and needed someone to argue with him. Besides, there are always big issues to manage in a change programme. If you leave those “elephants” in a corner, unacknowledged, you will pay for it later, when they are exposed.

I saw this behaviour in a “start-up” company not so long ago. The CEO had the bright idea of inviting open customer criticism to products being offered on the company’s website. It was not a bad idea in theory, but competitors came on to the site and posted unfair critiques. The flaws in the idea were obvious, but everyone in the company wanted to “make nice”. So no one challenged the CEO or criticized what was about to happen. When the effort failed, the CEO quickly changed course. But some early discussion and debate could have avoided the problem.

“When I see resistance at the top, I have learned not to jump to the conclusion that the objecting parties are wrong.”

In older, more established companies, people who resist change are often seen as blocking the march of progress, stuck in old ways of doing things. From my experience, this resistance happens, not so much in the middle or front ranks of a company, but at the top. People in the front ranks of a company see the need for change first. After all, they are the ones dealing with disgruntled customers or see business lost to competitors. Front line people are often more open to change than they are given credit for.

But when I see resistance at the top, I have learned not to jump to the conclusion that the objecting parties are wrong. Recently, I was facilitating a meeting of senior executives in a company that was having performance problems. Wanting to encourage more radical thinking, I suggested that the company might need a new business model. A few people around the table agreed. But the CFO forcefully challenged my idea. The business model was fine, he argued. What the company needed was better execution. And he was right. A good debate ensued, and we finally got focused on the real issues.

There is also good reason to listen to opposing views from people who have been around for while. They may know something you don’t – and, remember, many company “veterans” have deep feelings for the place. They will express what they really believe. You must respectfully hear them, and then move intelligently forward.


Jim Champy is a leadership and management expert. Log on to www.jimchampy.com to find out more.