A Sense of Urgency: an interview with John Kotter

Interview by Alistair Craven

Harvard Business School Professor John Kotter is widely regarded as the world’s foremost authority on leadership and change.

His is the premier voice on how the best organizations actually “do” change. Kotter’s international bestseller Leading Change – which outlined an actionable, eight-step process for implementing successful transformations – has become the change bible for managers around the world. Our Iceberg Is Melting, the New York Times bestseller, puts the eight-step process within an allegory, making it accessible to the broad range of people needed to effect major organizational transformations.

Kotter’s articles in the Harvard Business Review over the past 20 years have sold more reprints than any of the hundreds of distinguished authors who have written for that publication during the same time period. His books are in the top one per cent of sales from amazon.com.

Professor Kotter talks to groups with one and only one goal: to motivate action that gets better results. He is a graduate of MIT and Harvard and joined the Harvard Business School faculty in 1972. In 1980, at the age of 33, he was given tenure and a full professorship. Kotter’s latest book is called A Sense of Urgency and in it he shows what a true sense of urgency really is, why it is becoming an exceptionally important asset, and how you can create and sustain it within your organization – starting today.

You are widely regarded as the world’s foremost authority on leadership and change. How do you reflect on your achievements so far?

John Kotter:

I think about the future much more than I do about the past. I’m certainly very proud of what I’ve done so far, but I’m much more interested in what I can be doing over, I would hope, the next 25 or 30 years.

Are you comfortable with your “guru” status?

John Kotter:

I have very mixed feelings about the term guru. I’m certainly pleased because people use it in a positive sense, and it’s always nice when people say things that seem to suggest a form of respect. I’m very uncomfortable in the sense that I do not sit on mountains in India and dream spiritual thoughts: that’s not what I do! I go out and study the world – or at least I try to – very, very seriously. I look into things deeply and see patterns that are important to how people live and run their organizations, and try to communicate that. That’s not sniffing lotus flowers!

“Increasingly, as the rate of change goes up, if you are inwardly focused you simply don’t see it well enough, clear enough or often enough and that poses great risks.”
Your new book is called *A Sense of Urgency*. Where does it sit in relation to your previous works?

John Kotter:

I started many years ago catching on to the rate of change increase. (It’s a long story why, of course, it always comes from talking with people, managers and executives.) I started looking into it and eventually found a pattern that we then started testing out. Namely, when people got it right – that is to say made changes, made them faster, more efficiently, smarter and with the minimum of pain – what did they do? This was important because we had estimated that 70 per cent of change efforts that you and I, from the outside, would say were obviously needed, either were not launched, came in over cost, or came in by any reasonable definition a failure. They were certainly not meeting anybody’s aspirations. In other words, they had a terrible success rate. Therefore, it seemed only logical to look at the very best cases and in those we discovered an eight-step pattern which we tested out again and again and found the same results among the most successful cases. The first step in that process has to do with a sense of urgency. In the last few years when I have asked people which of those steps they struggle with the most, or they have asked me that same question, the answer over and again has been the first step: establishing the sense of urgency. Hence my own motivation to dig into that and understand it better, and when I think I do understand it, to write about it.

What are the dangers of a false sense of urgency?

John Kotter:

A false sense of urgency is a terrible, terrible problem. A false sense of urgency is an anxiety driven, frenetic behaviour of running around in circles, your tongue dragging after a certain point, and becoming stressed out. You have meeting after meeting, taskforce after taskforce, but it’s activity not productivity. It is so insidious and dangerous for two reasons:

a) It wears people out
b) From afar, from the top of an organization looking down, very often it looks like a true sense of urgency. So, people are satisfied, they think they’ve got it and they are working on other problems, or they are working on other steps in the change process and they don’t know that the very foundation of what they are going to need to make some serious change simply is not there.

Are your ideas about urgency applicable across different countries/cultures and sizes of organization?

John Kotter:

In the past 10 years I’ve been travelling more around the world and the number of people who come to Harvard on the executive courses has gone up to the point where in our senior courses, 75 per cent are non-Americans. As I’ve had a chance first to talk at Harvard and then to see first-hand organizations, managers and staff in Europe, East Asia, down under and so on, it’s very clear to me that it’s basically the same problems and the same solutions no matter what. I think if you talk about size, sometimes at the extremes it’s a more difficult problem in larger organizations – especially if they’ve been around for some significant period of time – and most large organizations have. In terms of culture, nationality or geography I see no difference. In terms of size I think it’s tougher in giant firms, but that does not mean it’s easy in small ones. I know a number of places with 100 employees that are totally stuck in a complacent attitude and it’s getting them into deep, deep trouble.

“...most firms don’t understand enough about how to produce change in an efficient way that doesn’t leave blood all over the floor.”
You say that business change is shifting from episodic to continuous. Can you give us an example to illustrate this?

**John Kotter:**

Well, let’s start with what we mean by those terms. Episodic change means that every so often the senior executives see that they have to go through a change “thing.” They talk about the change management “problem”, and it could be, and often is, when they have to dump in a huge new IT system. Sometimes, more rarely, it’s when they understand they have to develop and implement a new business strategy, either for the entire company or around specific businesses within the company. Less so in talking about it (even though some people recognize it) it’s within acquisitions where it’s not only making acquisitions, it’s integrating them into an organization. But they think of these as events, episodes that they wish they could get through as fast as possible – 6 months would be nice! The events come and go, so things destabilize and then they re-stabilize.

A lot of change that is going on right now is of that sort, but the shift is very, very clear. We are going from that to more continuous change because people are being hit more and more by events, by technological changes, and by the implications of globalization that are not just once in a while, they come constantly. This in turn requires much more frequent change on the inside – so it’s not just one big project every five years, it’s four or five or six projects going on at the same time.

The first is difficult enough for most firms because they don’t understand enough about how to produce change in an efficient way that doesn’t leave blood all over the floor. The second is very hard because firms don’t have a built-in capability, if you will, for handling a faster moving world that is throwing challenges at them that require change all the time.

In *A Sense of Urgency* you say that the argument that change is always with us, or that change is cyclical “misses the point entirely.” What do you mean by this?

**John Kotter:**

When I start talking about change, one of the responses that I have found over the years is that people will come up with an example from, say, 1787 where life changed a good deal and come to the conclusion that “change is always with us”. They might also point out that things do stabilize during periods, and very often in the US they will talk about the relatively calm mid-1950s. From these two facts – or perceived facts – they draw the conclusion that change is always with us, and sure it goes up and down, but that’s all there is to it. If you look enough at the real data from the past 20 to 30 to 40 years, not just anecdotal ideas or instances of the two types that I just articulated, what you find is that the rate of change is creeping up and it’s not even going up in a linear fashion. On lots and lots of dimensions it’s going up exponentially. Maybe there’s some time in history where in a period of 40 years or more that general pattern is found, but at no point in history that I know, or any historians that I know have been able to demonstrate to me, has there been that sort of exponential increase to the level that we are at right now.

**What are the risks of a company being too inwardly focused? What can be done to tackle this problem?**

**John Kotter:**

Increasingly, as the rate of change goes up, if you are inwardly focused you simply don’t see it well enough, clear enough or often enough and that poses great risks. IBM became possibly the most successful organization of its kind – perhaps of any kind in the world – by 1965. The company then became, for a variety of not uncommon reasons,
extraordinarily inwardly focused. As a result, when Ken Olsen (Digital Equipment Corporation) came along with many computing and other major technological advances in a similar vein to Steve Jobs and Apple, IBM simply missed it. That isn’t to say that there weren’t people inside the company who knew what was going on, but as an organization they could not see it. It almost led to the company dying out. I don’t think anybody realizes how bad the situation was when Lou Gerstner took over in the early 1990s. It is not an extreme example, we just know about it because it’s a very visible example. If you go down to smaller organizations or mid-sized organizations that you and I may not even have heard of, we can find lots of those stories. So, the internal focus that misses what’s happening on the outside can be truly horrid.

Chapter four in *A Sense of Urgency* includes the provocative statement “most organizations fail.” What can you tell us about this?

John Kotter:

Again, if you go out and look at the data, when most industries are originally formed lots of firms “jump in.” In a new industry you could literally have 30, 300 or 3,000 little firms exploring some new possibility, then 10 or 20 years later instead of 300 you are down to 30. 10 years after that you might be down to 10, hence the vast majority simply fail – that’s the way things seem to be in new industries. In more traditional industries, especially, for example, certain types of food service, because there are low capital costs you can find a lot of people that jump in and think it would be really “cool” to open a restaurant. Often what they don’t know before they start with their little bit of money is that most restaurants – certainly more than 51 per cent – last a few years and die out because there is just too much competition already in the industry to support all of those organizations. In industries that are easy entry, a lot of people get in and by definition the demand isn’t there and a lot die. In early entries it’s the same. In one sense it’s easy to enter, but after a while some people get the economies of scale, some get the brand name, some get the better technology, and they just kill everybody else off. The generalization “most companies fail”, believe it or not, is supported by the facts.

At the end of the book you state that the ultimate solution to the problem of urgency dropping after successes is to “create the right culture.” Can you provide us with your definition of culture and its importance in business?

John Kotter:

Culture is a set of norms of “how we do things around here” that are self-reinforced; they are not rules that some bureaucrat reinforces. They are self-reinforced by peer pressure and shared underlying values, which are even more invisible yet we all care deeply about and that are consistent with the norms. That’s the essence of culture; norms and values. Culture is especially important because it doesn’t change very easily. You can’t just grab it and twist it in one direction or another, and it is very influential on the way people behave. So, if it is very influential and you can’t change it easily, it becomes a big, important factor in shaping what organizations do and how they do it. It’s my judgement that as the world becomes faster moving (and I think this is one of the key points I’m trying to make, although in a light touch, throughout the new *A Sense of Urgency* book), if you can build not just into a few people’s minds, not just into some actions that could disappear easily when a powerful or popular boss leaves, if you can build a sense of urgency in beyond even the systems, into the very culture, then you have one heck of a competitive
advantage. I don’t think many firms anywhere have that right now. I think the ones that are smart enough to develop it are going to have very, very good futures.

You have studied what people actually do to help their organizations perform well for the past 35 years. How would you chart the progress of management practice over this time?

John Kotter:

I think the progress of management practice during my career – and we’ll just take 30 years or 35 years – has been getting better. I think the number of people who are actually providing some competent leadership has gone up. So that’s the good news! Some of that, to the credit of people who have established business schools around the world, has been aided by undergraduate or graduate management education. The bad news is twofold. Number one: the demands that are being placed on organizations – and hence the excellence of management process, the sophistication of management process and the amount and quality of leadership that is needed – has in many arenas been going up faster than our own capacity to provide it. The second piece of bad news, which is related to why our own capacity to manage and lead better has not gone up faster is that we haven’t got business schools right yet. It’s not because there aren’t a lot of good people trying, but I think that business schools are still limited in what they do in two year courses or in some of the executive three day programmes. I think the need for helping people to really understand, be inspired and to develop new tools is greater than they can handle, even though the capacity in terms of the number of schools out there has skyrocketed during the course of my career.

Would you say that was a global problem, or localized to the US?

John Kotter:

I think this is a global problem. If anything, we are going to see this as a bigger challenge if India and China really take off, because the rate with which China is creating organizations that demand middle management and senior management is far outstripping its capacity to train or find and develop people to run them.

To end on a completely different note, if you had the opportunity to have lunch with any famous leader from the past or present, who would it be and why?

John Kotter:

Nelson Mandela. It is because, in my opinion, if we look the last 35 years, he has been the most astonishing leader – not just business or political – in the world. I think it would just be a privilege to have lunch with him, and even though he is 90 years old, I still believe that I could pick up a few things by watching him face-to-face that would be useful in my work.

October 2008.

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