

What to Do When Employees Are Gaming the System: Overcoming Resistance to Change

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An attempt to address an ongoing talent retention crisis at a large service firm uncovered the root cause of staff members' discontent: Employees working in the field felt disconnected from the organization's sense of purpose and community. To address that concern, management enlisted IT consultants to improve communications throughout the enterprise. Both the consultants and company managers soon realized, however, that the mere introduction of a new system did not guarantee its widespread acceptance—particularly when employees were gaming the system for fear of being negatively affected by it. Careful mapping of the cause-and-effect relationships that led to employees' overt and covert resistance to the initiative was instrumental in gaining the support needed to help management achieve its goals. © 2015 Wiley Periodicals, Inc.

FieldCo, a medium-size global service organization headquartered in the United Kingdom, had been in existence for a little over a decade when, in the face of increasing competition, the company began losing both money and some of its best employees. The senior managers had been in place for some time and, having guided the company through some strong growth patterns, they believed that they were smart enough to make it through anything and that they were the right team to lead the company. They had been quite successful in their work, developing products for consumers that were both reliable and affordable, but like so many other business leaders, they saw their firm's fortunes shifting.

As the result of changing market dynamics, the financial losses were easy to explain. Working diligently to turn things around, the senior managers were confident that the losses would be reversed within a few quarters: After all, this was not the first time that they had lost money; if they had rebounded before, they could do it again. What continued to worry them, however, was the departure of key employees.

Whenever an employee had resigned in the past, it was common to conduct an exit interview. The standard questions were asked: Why are you leaving? Where are you going? Any tips to improve the company that you would share before you go? Did you turn in your computer?

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The interviewer would review the information gleaned from these exchanges and then file it away. There was no ongoing analysis to look for patterns of behavior that might help the company's management better understand why people would leave. In hindsight, it is almost inconceivable that this was not done, but at that time senior managers were so confident that they had everything under control that none of them believed there was a need to do

anything further. There was, however, a definite pattern that merited tracking. The problem was that no one was seeing it.

That changed when a stream of both senior and junior employees left to work for a competitor. A newly hired manager who had recently read some articles about systemic thinking began delving into the comments made by the previous employees, including the one he had replaced. When he compared the information from their exit interviews with the comments made from staff members who had previously left the company, he came upon the root cause of the recent exodus: The vast majority were employees who sold or installed products for clients out in the field and, therefore, felt little or no sense of community with the business as a whole. The statements they made during their exit interviews painted a rather grim picture:

- “I was out with clients almost every day of every week and all I ever got from the home office were messages about my sales performance. I didn’t even know who is working for us anymore.”
- “When I joined the company eight years ago, I knew pretty much everyone in the firm. But now, with the growth that we have been experiencing, I had no clue what was going on.”
- “It used to be that it was easy to talk to [the CEO] about the future direction of the company, but now all we get are short messages at companywide meetings about stuff that I don’t even understand anymore. I sure wish it would be like it used to be—I might have stayed.”
- “The money was great, but I wish I could have been able to understand why management was making the decisions they were. The whole thing made me feel as if I was only valued as a warm body cranking out money for them. It sure lost its luster over the years.”

Such comments clearly revealed a multilayered sense of disconnection among employees—disconnection from their colleagues, from management,

and even from their ability to help create their own future.

Charging Into an Incomplete Solution

Eager to quickly address this situation, the senior management team retained the services of an IT consulting firm to design a way to keep everyone connected and improve communications throughout the organization. The company that was retained was recognized for its ability to effectively utilize the latest in technology solutions to do just what the senior managers wanted. Although the price was high, the CEO pushed his management team to acknowledge the fact that the price for not doing something was most probably higher.

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Within two months after being hired, the IT consultants delivered their plan: FieldCo would implement an internal communications system along the lines of the Internet. FieldCo’s employees were already internally connected through the Internet, as they used e-mail for much of their communications, and they were spending substantial amounts of money to keep current with technology. Nonetheless, the consultants advised FieldCo to design and implement an internal Internet-type system that all employees could use to share information. Although the investment was high, the consultants said the new system would improve the overall effectiveness of the company and its people. The senior management team agreed—or so they said in their meetings.

Rumblings and an Epiphany During the “Meetings After the Meeting”

Meetings in most companies tend to go like this: Someone begins the meeting, some people make

presentations, someone asks what the meeting participants think about the presentations, someone asks for any questions or concerns about the presentations, and someone adjourns the meeting. After the meeting is over, however, the real meetings begin. Whether at the coffee machine, in the hallways, in the restrooms, or outside the building during lunch, conversations take place that get to the real issues concerning staff members and elicit genuine feedback about the presentations that had been made in the “official” meeting. In these “meetings after the meeting,” support for organizational initiatives is either assembled or destroyed. In some cases, what took place during the first meeting ultimately may not even matter. The meetings after the meeting often will determine how much staff members will cooperate with—or resist—management’s initiatives. This is precisely what happened at FieldCo when management proposed the new communications system to foster a sense of community among the workforce.

The IT consultants had used a traditional multiple-box planning model: Interview senior managers to determine their needs, develop a plan to meet the needs, present the plan, implement the system, and collect the fee. This process had always worked well in the past; after all, they were directly responding to the stated needs of their clients. Rarely, however, were the consultants involved in determining the effectiveness of the implementation. They assumed that putting more bells and whistles into the communications software would increase its effectiveness. If the implementation did not work as well as anticipated, the gap would be attributed to the client’s implementation team, and this would undoubtedly lead to an additional assignment for the consultants.

Just before the plans for the new communications system were finalized, potential problems were identified, thanks to a systemically focused review of the organizational dynamics regarding internal culture and communications that was going on at the

same time as the communications implementation. These unrelated efforts came together through one of the company’s many meetings after the meeting. A conversation between a member of the internal communications team and a member of the group that was reviewing the organization’s dynamics revealed that successfully deploying the new internal communications program was far more complicated than just writing software and putting it on the network.

An ad hoc group of employees who were involved in the implementation process were brought together to assess what they thought was going on in the organization. By asking such cause-and-effect questions as “What happens during a large-scale implementation program?”, it was possible to understand what the people in the middle of the process were feeling. The key to asking a question like this is to look not only at the typically visible effects of grand implementation programs but also at what impacts might be barely visible, but still significantly felt, by employees and managers. Clearly, people’s beliefs and assumptions would guide their actions, so the responses they supplied to the cause-and-effect questions were important to note.

Although having a technically functional communications system certainly is important, the willingness of employees to actually want to use it was essential.

As more and more cause-and-effect relationships began to surface, the group’s coach suggested that they be mapped out. A facilitator was brought in, and the same day a large diagram was developed that showed a systemic structure that would probably drive performance behaviors before, during, and after the implementation of the new communications system. **Exhibit 1** shows the cause-and-effect

Exhibit 1. Implementation Process Dynamics and Their Impact on Managers and Employees

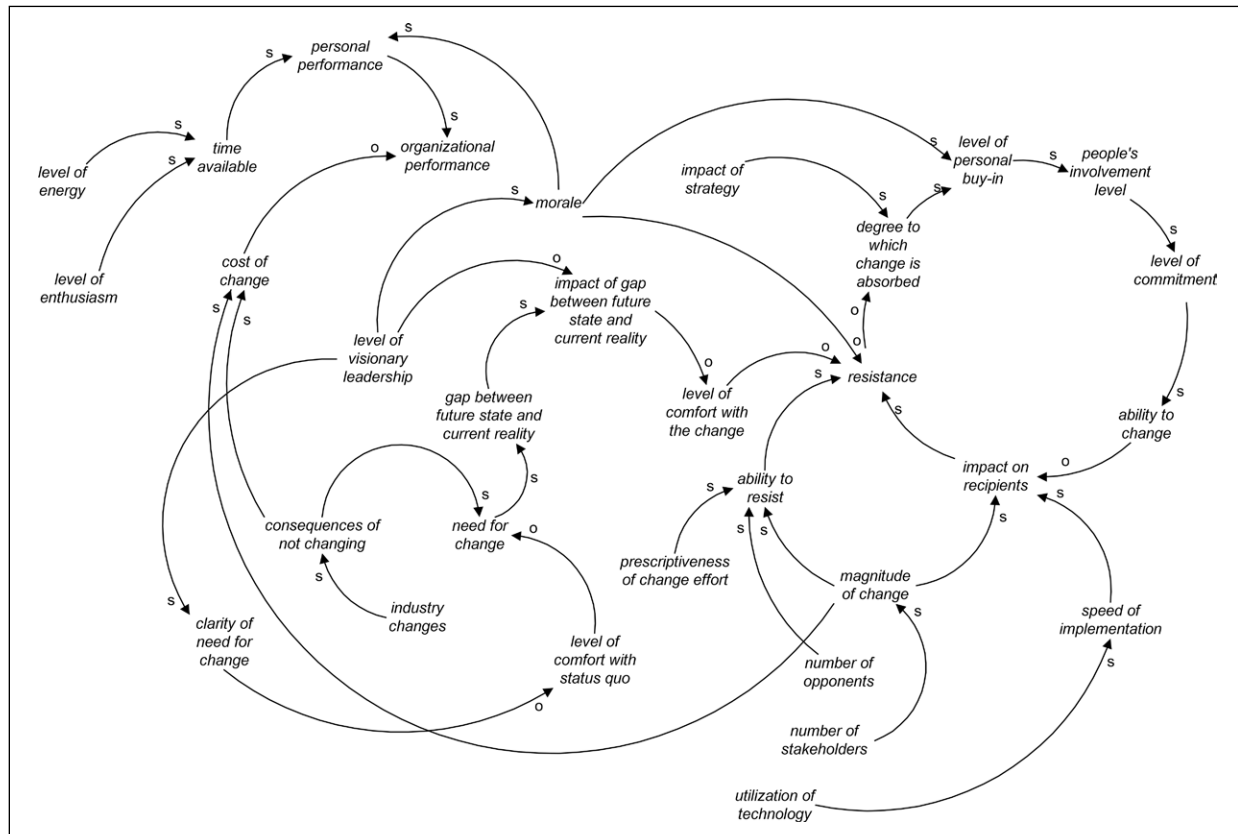


diagram that was created; **Exhibit 2** explains how to read it.

Addressing the Need to Refocus on Alignment

The successful implementation of any organizational change—such as deploying a new communications system—requires a high level of alignment regarding the need for change, both perceived need and actual need. When the IT consultants saw the diagram, they were startled. They had always focused their efforts on making their product—the software—work well. They had never actually noted what takes place in terms of daily human interaction during an implementation. Although having a technically functional communications system certainly is important, the willingness of employees to

actually want to use it—a point that the consultants had never considered in their dealings with their client—was essential.

The diagram illustrated two key concepts:

- As the magnitude of change increased, so did employees' ability to resist the change.
- As the level of commitment to change increased, so did employees' ability (willingness) to change, thus decreasing the overall impact of the change and any potential resistance to it.

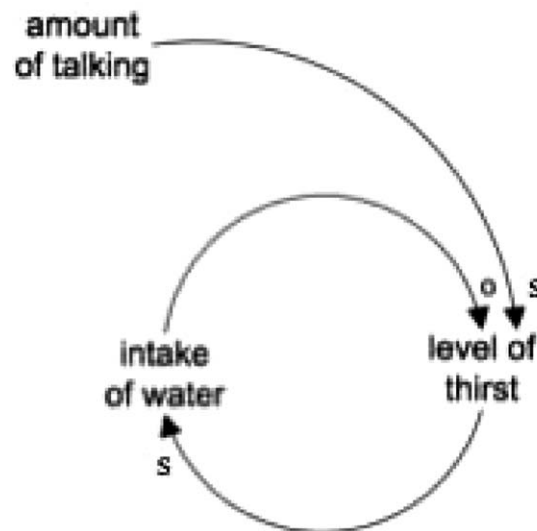
Ultimately, these lessons had a significant impact on the implementation of the new communications system, but when they first came to light deployment continued to slog along.

Exhibit 2. How to Read a Cause-and-Effect Diagram

When building a diagram that reflects the cause-and-effect relationships in a system, there are only three elements to consider:

- **The variables that affect the system:** Variables are adjective-like neutral elements of the system that can change over time. Variables can go up or go down; they can become larger or smaller; or stronger or weaker.
- **The connecting arrow:** This shows how two variables are connected.
- **The small letter (either an “s” or an “o”) next to an arrowhead:** An “s” means “same,” and an “o” means “opposite.” An “s” notation shows that as one variable changes in one way (increases or decreases), the following variable changes (increases or decreases) in the “same” way.

The power of the diagram is in the way these three elements can explain what is going on. A diagram showing what happens when someone gives a long talk offers an easy example of how these elements work together.



In this system, the variables are the amount of talking, level of thirst, and intake of water. Each of these variables can increase or decrease. The letter notations indicate what is happening. As the amount of talking increases (or decreases), the level of thirst increases (or decreases). And as thirst goes up (or down), the need to quench that thirst increases (or decreases). The more (or less) water the speaker drinks, the less (or more) the level of thirst.

In Exhibit 1, one of the variables is morale; another is resistance. Morale can increase or decrease. For example, morale may be high among managers and low among employees. Resistance also can increase or decrease. For example, there can be more or less resistance to organizational initiatives. An arrow in the exhibit connects morale to resistance, which means that as morale changes, it causes resistance to change. The “o” notation at the arrowhead means that the causal change happens in the opposite way. That is, if morale within the organization decreases, it will result in increased resistance to the change initiative.

By looking at pairs of variables that are connected by an arrow and by looking at the letter notation next to an arrowhead, it is possible to read the diagram, regardless of how complex it may seem and, consequently, to understand the dynamics at play in the system.

As the infrastructure for the new communications system was being put into place, another dynamic surfaced—an implementation team’s worst nightmare: Some of the employees simply did not want to use the new system. Among their comments:

- “I’ve been through these types of change initiatives in the past, and I am fed up with them all. They can install any system they want; I just won’t use it. Okay, so maybe I will use it, but not to the degree that they want me to.”
- “How many times does management think they can change things here? I am just trying to do my job, but if they keep changing things, I will never be able to get good at what I am paid for. What is their problem?”
- “You know, I spent quite a few years getting to fully understand the [old system], and I don’t think that I have that many years left in the company to understand all the nuances of a new system. They can bugger off as far as I am concerned.”
- “Well, I have two problems with the new system. It is not what we need right now, and I don’t think that anyone will like it. I sure don’t, and I don’t think that many people will use it— at least not to the degree that they want us to.”

These comments have little to do with not being able to use the system and little to do with understanding why a new system was even coming. But they have a lot to do with employees’ unwillingness to use the system. Most certainly, all three concepts are interlinked, but as long as employees were able to make their own decision as to whether or how much they would use the new communications system, it did not really make any difference if they understood the logic behind the system or had the skills to use it. This is a classic example of *gaming* the system.

Moving Forward

The IT consultants began to explore what they could do to keep gaming to a minimum. They decided to try

to shift people’s behaviors by sharing the lessons they learned in the process of making the new system the principal system for internal communications. They examined all the various communications vehicles in place, in addition to the new system, including time, procurement, and expense reporting, and the research database. By making the new system the only system that would enable staff to file time reports, purchase new equipment, file expense reports, and research data, the consultants created an environment in which using the new system was the only way to conduct business. Although there were still some employees who whined about the system’s nuances, they were using it.

By creating an environment in which behaviors were encouraged to shift in accordance with revised organizational structures, the company’s leaders ended up saving both time and money and also came to reduce the level of managerial turnover.

Two main steps were taken to ensure that the implementation process worked. Step one was to identify the key influencers in the organization. Regardless of their position in the organizational hierarchy, these individuals needed to be brought onboard first. The logic behind this is simple: If you can obtain buy-in and support from those whom others respect and listen to, it will be easier to accelerate the overall implementation. The assumption was that the key influencers would begin to spread the word about the benefits of the new system during the companywide meetings after the meeting. The second step of the process, which took place a month later, was to shut down some of the other communications vehicles that had been in use so that staff members would have to increasingly adopt the new system.

The objective of these two steps was not to drive a high level of buy-in but to get at least 30 percent of the

organization to accept the new system. Although it is commonly assumed that getting the support of the vast majority of a given population is essential before rolling out a new way of working, an organization initially needs the backing of only about a third of a given population for an innovation to take hold and ultimately catch on. Getting preliminary acceptance of the communications initiative from just 30 percent of the workforce would help FieldCo's managers ensure its eventual widespread adoption.

Behaviors can gradually shift over time, but time is a precious commodity. By creating an environment in which behaviors were encouraged to shift in accordance with revised organizational structures, the company's leaders ended up saving both time and money and also came to reduce the level of managerial turnover.

The lessons that were highlighted through the implementation of the communications system at FieldCo have been applied to process learning by both the company and the consulting firm that devised the communications solution. Three key points stand out:

- Have a clear picture of the organizational dynamics at play before tackling any implementation. Also be sure to get a handle on what those dynamics are expected to be during and

after the process. Without this knowledge, unintended consequences pop up, damaging both the process and the behavioral structure of the organization.

- Talk to the people who will be influenced by the implementation process. Although this group of people may not rank high in power, they are the ones most likely to know how work actually gets done in the organization and, because of this, know how to avoid roadblocks to implementation.
- Work with the key influencers throughout the organization, regardless of their seniority, tenure, or union affiliations. Developing a rapport with key influencers will save time, effort, and distress.

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