

# Why transformations fail

A cross-section of 20 years of practical experience



## Key Stakeholder

Without a key stakeholder who defines and enforces goals, deadlines and quality standards, any transformation is doomed to failure. If there is no such person, appoint one or resign. Otherwise, you are part of the problem – not part of the solution.



## Mindset

If you set yourself the goal of earning a 3-5% EBIT margin, you will achieve 2-3%. But if you fight for market leadership with conviction, commitment and consistency, you will also achieve this goal. You may not be loved like 1. FC Köln or HSV, but you will be admired like Bayern Munich.



## Communication

Without open employee involvement, you are depriving yourself of the most powerful momentum you have. You don't need to protect your employees – they are adults. Trust them to handle the truth. If you dare to do so, they will fight like lions. If you treat them like children, they will behave like children.



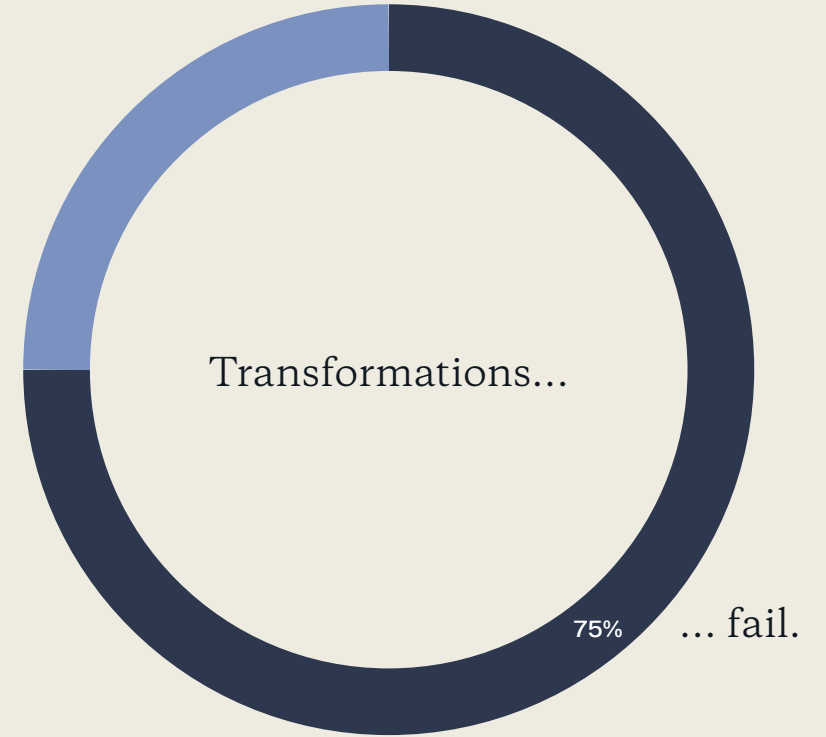
## Behaviour

Your employees are not stupid. They are not lazy. And they are not evil either. They behave according to the rules of your organisation. With four hotels on Castle Avenue, even Mother Theresa would have taken her fellow Monopoly players to the cleaners. The game plays the players. Not the other way around. So change the rules rather than replacing players at the operational level. The new player will behave like the old one as soon as they know how things work at your company.



## Measure

Every goal achieved and every failure is an opportunity to establish standards and rules for success. This requires organisation, communication and performance measurement. Yes, this involves bureaucratic effort, especially when day-to-day business and transformation have to happen simultaneously. But it is essential if success is to be achieved – and, above all, secured. No matter how good the new situation is, every system wants to return to its original state after a change. So keep measuring and stay on track. Organisations are only human, after all.



“Everyone knows that transformations fail. Consultants and scientists theorise about why. What is missing is the perspective from transformation practice.”

Felix Schwabedal,  
Managing Partner