A Framework for Change in the U.S.D.A. Forest Service's NEPA Process

Written for the U.S. Forest Service's NEPA for the 21st Century Project

Feb. 9, 2007

Russ Linden, Bill DeLaney
Russ Linden & Associates
609 E. Market St., Suite 206, Charlottesville, VA 22902
(434) 979-6421; email: russlinden@earthlink.net
Website: www.russlinden.com

A Framework for Change in the U.S.D.A. Forest Service's NEPA Process

By Russ Linden and Bill DeLaney, Russ Linden & Associates

For the U.S. Forest Service's NEPA for the 21st Century Project

Feb. 9, 2007

Executive Summary

The purpose of this paper is to provide a framework for organizational change, for those leading the NEPA for the 21st Century project. It contains a description of the Forest Service culture, a three-phase guide to making changes in NEPA, a set of challenges during each phase and strategies for addressing those challenges (Appendix A), and a summary of the literature on organizational change (Appendix B). The three phases of change are:

1. Preparing the way
2. Planning the change
3. Implementing the change

This paper is informed by a review of the literature on organizational change that was produced for the NEPA for the 21st Century project by Russ Linden & Associates, and also by a two-day meeting of Forest Service leaders and managers to explore the process for agency-wide change, in Alexandria, Virginia, on December 13-14, 2006. The three-phase framework for change was presented at that meeting, and the participants validated its structure and contents. They also identified key challenges that would occur when applying the framework to major change in NEPA.

The review of the change literature and the results of the December, 2006 meeting demonstrated that five factors are especially critical in leading major organizational change in government agencies like the Forest Service. These factors are:

- Make the case for change
- Have passionate leaders, from all agency levels, who are actively involved throughout
- Actively involve stakeholders in the process
- Maintain active, two-way communications with employees and stakeholders
- Provide many structured ways for employees to be involved in the change

This plan for change emphasizes each of these factors, and offers ways to utilize them.

A Framework for Change in the U.S.D.A. Forest Service's NEPA Process

Introduction: The U.S. Forest Service and NEPA

The mission of the USDA Forest Service is "to sustain the health, diversity, and productivity of the Nation's forests and grasslands to meet the needs of present and future generations."[1]

To carry out its mission, the Forest Service follows a decision-making process that includes (1) preparing a long-term strategic plan, (2) developing regional guides that direct the management of its national forests, (3) developing plans for managing each forest, and (4) reaching project-level decisions for implementing these plans. In developing plans and reaching project-level decisions, the Forest Service must comply with the requirements of environmental statutes, including the National Environmental Policy Act (NEPA), the Endangered Species Act, the Clean Water Act, and the Clean Air Act.

A 1999 report by the National Academy of Public Administration, based on interviews with Forest Service personnel, estimated that planning and assessment consume 40 percent of total direct work at the national forest level. That represents an expenditure of more than $250 million per year, or more than 20 percent of the Congressional appropriations for managing the National Forest System.[2] Given the large amount of time and effort required for NEPA analyses, it is imperative that the NEPA process be conducted in the most effective and efficient manner possible. There is currently a high-level of interest within the agency to investigate how the NEPA process is managed, and how it can be improved.

The Environment and Organizational Culture of the U.S. Forest Service

It is important to recognize environmental conditions and cultural norms that effect decision making when developing change alternatives for the NEPA process.
The following are key cultural and environmental characteristics that have long been integral to the Forest Service organization and to how it operates and makes decisions:

- Decentralization drives individual/unit decision making at the field level.
- The agency's "can-do" attitude promotes quick, action-oriented decisions.

[1] USDA Forest Service Strategic Plan for Fiscal Years 2004-2008, p. 3.
[2] NAPA, Restoring Managerial Accountability, National Academy of Public Administration, 1999, p. 18.

- Polarization among agency stakeholders (who hold passionate views about the agency and its direction/priorities) creates a challenging political environment and makes it difficult to reach consensus.
- Employees also hold passionate and differing views about the best ways to accomplish the mission. This often results in conflicting priorities and contentious decisions.
- The complex nature of the agency's work requires a wide variety of specialized disciplines. This sometimes leads to the use of interdisciplinary employee teams.
- The highly political (and often fractious) environment surrounding the agency often leads to abrupt changes in direction and new decision making criteria.
- The volume of laws and regulations that govern the Forest Service mission and operations often requires standard policies and top-down decisions.

Implications

In general, organizations employ three kinds of decision processes – (1) individual/small unit decisions based on initiative taken in the field: (2) rule-driven top down decisions; and (3) group collaboration. The first two processes have been integral to the long-term success of the Forest Service. As Herbert Kaufman points out in his book *The Forest Ranger*, the Forest Service has succeeded by combining predictable standard behaviors/decisions around national policy, with individual initiative on the ground. But the NEPA process promotes a collaborative decision making style (with stakeholders, other agencies and regulatory offices), which by nature is more deliberate and less "can-do" (i.e., less subject to individuals' autonomous decisions). The collaborative decision-making style is also more complex and costly, and less adaptive to standard top-down direction. While the Forest Service in recent years has been striving to incorporate more collaboration into many decisions, collaboration goes against the grain of certain Forest Service deeply-held values.

Thus, the agency is currently facing important cross pressures:

- How to balance the NEPA emphasis on collaboration with top-down direction and the can-do culture?
- How to generate consensus among stakeholders with strongly-held, conflicting views?
- How to gain consensus among agency employees on the appropriate ways to reach decisions within the NEPA framework, given the culture and tradition of decentralized decision making?

As the NEPA change initiative goes forward, there needs to be careful consideration given to how the Forest Service can better adapt some of its strong and long-held cultural attributes ("can-do" ethic, interdisciplinary employee teams, and conformance to regulatory policies) to the collaborative decision process promoted by NEPA.

A Plan for Leading Major Change in NEPA

The following plan is based on a three-part framework for change that was described in a review of the literature on organizational change written for the NEPA for the 21st Century project by Russ Linden and Associates in Dec., 2006. In that paper we described three phases of change: Preparing the Way, Planning the Change, and Implementing the Change. We use the same phases in this plan for making major changes in how the Forest Service manages NEPA.

Phase I: Preparing the Way

Many change leaders spend months thinking about a change, planning the change, and talking with each other about their plans. When their discussions go no further than the executive offices, it is no surprise that many employees are shocked when they first learn of the change – the employees didn't see it coming, weren't aware there was a need for major change, and feel threatened by it.

Good physicians prepare the patients well before an operation. They tell their patients what will happen, how it will affect their patients' bodies immediately and after a few weeks, what the patients can do to reduce the pain and discomfort, maximize chances for success, and play an active role in their own treatment. Effective change leaders must do the same.

"Preparing the way" is even more critical for a change in something as encompassing as NEPA: the employees and external stakeholders must be well prepared for the change.

The following should be done in this first phase of NEPA change:

1. Leaders of the NEPA change effort should make a clear and compelling case to leaders of the Forest Service for change in NEPA. NOTE: This case becomes the foundation and guiding force for all the efforts that follow.
2. Leaders of the NEPA change effort should "ripen" the change issues; explain the gap between current reality and the desired state, the cost of the status quo, and the benefits of change.
3. The change leaders should build a Steering Team and several project teams, in order to get the right people on board.
4. Change leaders need to work closely with employees and stakeholders to present the case for change and develop major options for improving NEPA.
5. Project teams and the Steering Team should meet with Forest Service leaders, to learn whether the agency leaders support the key options suggested for change.
6. The Steering Team and other agency leaders should communicate major findings from this first phase to employees and stakeholders.

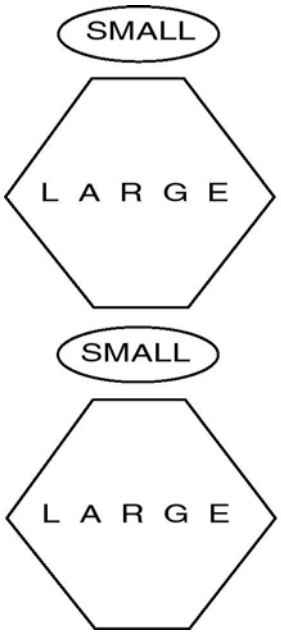
NOTE: The sequence of activities in this three-phase plan can be understood as an alternating series of small group and large group interactions. The graphic below captures the key elements of the plan's first phase:

Develop case for change,
form change teams.

Discuss case with
employees/stakeholders.

Discuss employee/stakeholder feedback,
meet with leaders to gain support.

Communicate findings to employees/stakeholders.



1. Leaders of the NEPA change effort should make a clear and compelling case for change in NEPA.

The case for change answers fundamental questions that employees and stakeholders will be asking: Why this change? Why now? What are the problems that this change will correct? What are the benefits we can expect (for our customers, for the agency, for us)?

The case should also include some facts and descriptions of how NEPA is currently being done (e.g., how the process works and how the assessment work is currently done); the cost and time consumed to do EAs, EISs, CEs; and the cost of litigation. For instance, it could cite the statistics noted in the Introduction to this report:

1. NEPA assessments consume 40% of total direct work at the national forest level,
2. This costs the Forest Service over $250,000,000 a year.

Revised estimates along these lines should be included in the case for change.

The case should also include an estimate of the impact that NEPA analyses have on stakeholders, on employees and on their work: What are the benefits of doing NEPA analyses the way the agency does them? Are the costs of doing NEPA this way justified? The NEPA change leaders should also develop a story that explains the need for change

in a way that captures the agency's challenges and connects to the customers and employees.

First, determine if agency leaders will place a priority on NEPA change

This case for change is critical. Agency leaders' support is even more critical. Before making this case for change, NEPA change leaders should interview senior agency leaders to find out what problems they see in the NEPA process, whether making major change in NEPA fits with their other priorities, and what concerns they may have about launching a major NEPA change effort. They should also state whether they think the timing is right for a major NEPA change.

This step is critical. If agency leaders are not interested in placing a priority on major NEPA change, the leaders of the NEPA change effort need to re-group and determine whether they need to make a more compelling case for change, find a senior agency leader to be the change champion, or wait.

2. "Ripen" the change issues; explain the gap between current reality and the desired state, the cost of the status quo, and the benefits of change.

The results of these meetings with agency leaders will be used to determine how to make the case for change, what examples and data to use, etc. Next, employees need to be stimulated and challenged with examples, data, and comments from key stakeholders, which make clear why the change is critical to the organization's future and what will happen if the change isn't made.

To ripen the case for change in NEPA and make it as powerful as possible, those making the case should interview a sample of forest supervisors, rangers and project leaders, to learn more about how the NEPA process is working at the field level. These managers should be asked:

1. How is the current process working in support of project-level decision making?
2. What are the tradeoffs involved in doing NEPA analyses? For instance, what important project work is not getting done or is being deferred, in order to accomplish the NEPA workload?
3. If NEPA costs could be reduced by 20%, what would the line managers invest the savings in?

The information gleaned from these interviews should be compiled and shared with agency leaders in the Washington Office, with regional foresters, with union leaders and external stakeholders, and used to refine the case for change.

3. Build the change teams; get the right people on board.

The teams need to have credibility in the organization; people draw conclusions depending on the teams' composition. There need to be at least two types of teams:

1. A Steering Team, made up of Forest Service leaders**.** This would include deputies or associate deputies from the National Forest System and from Research, selected regional foresters and forest supervisors, a representative from the Council on Environmental Quality, and at least two key stakeholders. The team should be facilitated by an external consultant.

The Steering Team's roles and tasks (throughout all three phases of change) include:

- articulate the case for change to the employees and other stakeholders
- be conduit to the National Leadership Team
- coordinate the change effort with stakeholders in the change process
- ensure ongoing, two-way communications with employees
- provide input to, and approve the plan for change
- determine the focus of change in NEPA (e.g., the organizational structure, laws/regulations, process, decision-making model, etc.)
- provide necessary resources to implement the plan
- hold senior and middle managers accountable for the change, and deal with those who are having difficulty moving forward

2. **One or more project teams.** Depending on the focus and scope of the change, these teams will be made up of subject matter experts and line managers who represent the NEPA process/system being changed. The teams' roles and tasks (throughout all three change phases) include:

   - Get extensive input from employees and stakeholders on the costs and benefits of doing NEPA analyses as they're currently done, and major options for improvement.
   - Do the detailed analysis of the aspect(s) of NEPA that is the focus of change.
   - Develop recommended options for change.
   - Work with external stakeholders on these items.
   - Conduct any needed pilots, in order to learn the impacts of certain parts of the change.
   - Report results of pilots and other tests to Steering Team.
   - Work with the Steering Team to implement the detailed NEPA changes.

4. Work closely with key employees and stakeholders: explain the case for change, get input on major options for change.

The project teams will include stakeholders in their analysis of NEPA. The Forest Service Environmental Coordinators should be used to identify the stakeholders. To get stakeholder support for future changes:

a. The project teams should seek stakeholder input on the key problems/needs with NEPA from the outset.

b. Project leaders also should get input from employees and stakeholders in discussing the cost of maintaining the status quo, and how the organization and its stakeholders can benefit from the change. This will help build employee and stakeholder involvement and investment in change.
c. The project teams should develop options for change. These options are not detailed plans, but rather are general concepts to consider (e.g., seek stakeholder input much earlier in the NEPA process).
d. The project teams then conduct meetings with groups of employees and stakeholders, at which they explain the case for change, and test out their options for change and get reactions/suggestions.

5. Project teams and the Steering Team should meet with Forest Service Leaders: Do agency leaders support the key options recommended for change?

The meeting will serve several purposes:

- Brief the agency leaders on what they learned from their further analysis, development of options, and stakeholder discussions/feedback,
- Connect the recommended options to the agency strategic plan, the agency's major challenges and other initiatives, and
- Determine if the agency leaders are ready to approve and actively support the recommended options for change. If yes, get leaders' formal approval to proceed on recommendations. If not, ask for alternative options, and get formal approval to proceed on them.

NOTE: This is a critical meeting. Many change efforts suffer because agency leaders have not committed themselves to the plan for change (but the change leaders believe that there is a clear commitment).

6. Steering Team and other agency leaders should communicate major findings from this first phase, to employees and Stakeholders

To truly "prepare the way" requires extensive communications. Having listened to employees and stakeholders in identifying problems with NEPA and generating some options for change, it is time to summarize the results of this phase for employees and stakeholders. The communications should be done several times, using a variety of means: town hall meetings, small group meetings in the field, electronic communications, statements from the Forest Service chief concerning her support for this change and resources that will be dedicated to it, etc.

Since front-line employees tend to put great emphasis on what their supervisors say concerning organizational change, members of the NEPA steering team should conduct meetings at the forest and district level to summarize the results of this phase and make the more detailed case for change: facts about the problems with NEPA, proposed options, how these change options connect with the agency strategic plan and other initiatives, how they will impact employees, etc.

Check Point: Are We Ready To Move On?

The NEPA Steering Team should meet with agency leaders to decide if they are ready to move to the planning phase. They can use these questions to make that decision:

1. Are there large numbers of employees and stakeholders who are questioning the need to make changes in NEPA?
2. Are each of the needed teams staffed with competent, respected employees?
3. Have significant numbers of employees and stakeholders been briefed on the case for change, and asked for input on options for change?
4. Were options developed to address the key problems identified in the case for change? Do these options have a reasonable chance of meeting the desired outcomes of NEPA change?
5. Is there significant opposition to any of the recommended options?
6. Have Forest Service leaders agreed to support the recommended options for change?

Phase II: Planning the Change

In some ways, planning an organization-wide change is similar to other large projects: the plan must include clear goals, identified roles, milestones, expected outcomes, etc. However, organizational change plans that go no further than this are likely to fail. The change plan must be sensitive to the organization's culture, to the political realities, to funding constraints and competing programs, to key stakeholder expectations and needs for involvement, and to those who worry that they'll lose something in the change. The plan also needs to have considerable input from the employees who will be putting it into place.

The key output from the second phase of NEPA change is to write a detailed plan, one that is credible and reflects significant input from Forest Service employees and stakeholders. In writing this plan, the teams start with the major change options approved at the end of Phase 1. The plan will spell out the specific steps, projects, roles and time lines needed to implement these options. The plan should honor core Forest Service values and build on the agency's core competencies.

The NEPA Steering Team should form a core team to write the detailed plan.

The detailed plan should include:

1. The case for change
2. Goals of the project
3. Directions and overall perspective from those leading the NEPA change
4. The scope of the change in NEPA (what's on the table, what's off the table)

5. Implementation details: Specific projects that will implement the approved options, with time lines and roles spelled out
6. How the agency will resource the project (both people and money)
7. A communications campaign

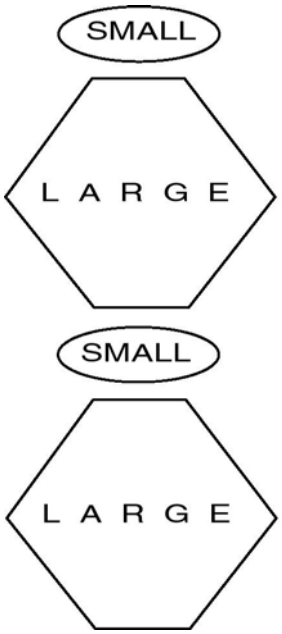
It is important to note that certain technical experts (e.g., IT, legal, HR, CEQ, CFO) should be involved throughout the project team's development of the detailed plan.

Form core team, start writing plan.

Gain input from employees/tech. experts/ stakeholders for plan.

Review draft plan.

Communicate with employees/stakeholders about plan.



1. The Case for Change

The case for change and its importance were described in the first phase. That case statement may have been altered as it was discussed with a variety of stakeholder and employee groups in the first phase. The change plan needs to begin with the (revised) case for change statement, and it needs to be clear and compelling.

2. Goals for the project

At the Forest Service meeting sponsored by the NEPA for the 21st Century project in Dec., 2006, the participants listed some factors that had derailed previous change efforts in the agency. One of those factors was, "Change was driven by outputs, not by outcomes." This is a common problem in change initiatives; the change leaders have difficulty talking in terms of outcomes, the desired future state.

The goals for a change in NEPA should be clearly stated in terms of *outcomes*, not outputs. Some examples of stating goals for change as outputs and outcomes are:

Outputs	**Outcomes**
1. Gain stakeholder input earlier in the NEPA process	Ensure meaningful and timely stakeholder input
2. Produce written guidance as to the purpose of NEPA analyses	Ensure all employees and stakeholders know what NEPA analyses are intended to accomplish

In the first example, the output is a strategy. It may be a good one, but it is not an end result or outcome. In the second, the output is a product (written guidance), which may or may not lead to the desired outcome (i.e., clear understanding by employees and stakeholders). The plan for change needs to identify the desired outcomes of the change, up front. Much of the rest of the plan details *how* those outcomes will be accomplished.

3. Directions and overall perspectives from those leading the NEPA change

The first item in this plan (the case for change) answers the "Why?" question. The second item (goals) answers the "Where?" question – where is this plan taking us in terms of NEPA? This third item answers a different question: What is the *context* of this change? NEPA change leaders need to articulate how these NEPA changes are part of other agency initiatives. Showing how a NEPA initiative is consistent with some other agency priorities will help employees/stakeholders understand the big picture.

Change leaders should also point out how the proposed changes in NEPA will address the agency's environmental conditions and cultural norms (discussed in pp. 3-4).

4. The scope of the change in NEPA (what's on the table, what's off the table)

Another question that employees/stakeholders ask, when a change is announced, is the WIIFM? question, What's in it for me? This isn't necessarily a selfish question. It is a very important question, however. Employees and stakeholders need to know how the changes will impact them, their roles, identity, skills, training needed, etc. Showing them what will change, and what will remain the same, helps answer that question.

For example: will the change involve organizational restructuring? Will any units have to be relocated? Will the number of agency FTE change? Is it anticipated that the process used to do analyses will change?

5. Implementation details: Specific projects that will implement the approved options, with time lines and roles spelled out.

This is where the plan gets very concrete. In the first phase of change, the NEPA Steering team proposed certain options (big ideas) for change, and got approval from senior agency leaders. Now the need is to detail the strategies and projects that will implement these options.

***Option 1:* _____**

Strategy for implementing:

Pilot phase done in (locations)
Pilot phase completed by (time line)
Implementation projects: (type of project, where, when)
Person(s) in charge:

***Option 2:* _____**
Etc.

The Steering Team and project teams need to build in responsibility/ownership for employees and stakeholders. One way to accomplish this is to model the approach used by the Forest Service Reinvention Team of the mid 1990s:

For each project or action, the Reinvention Team laid out the responsibilities for action in this way -

WHAT LEADERSHIP WILL DO .....

WHAT YOU, THE EMPLOYEES CAN DO .....

WHAT YOU, THE STAKEHOLDERS CAN DO .....

Spelling out these opportunities and responsibilities provides structured guidance for people to get involved, and increases the chances for employee/stakeholder ownership.

A note on pilots and phased implementation:

Implementation should be done in phases, for several reasons. First, no plan is perfect. There will be problems and mistakes; the lessons learned from each pilot and phase should be used to revise the plan and improve the next phase of implementation. Also, a phased implementation gives employees time to learn their new roles/tasks, and to learn from those who have already started to make changes. Further, the inevitable skepticism about change will be reduced as there are some visible “wins.”

Finally, NEPA includes an exceptionally complex set of tasks, and is closely connected to many other agency activities. There may well be unanticipated consequences elsewhere in the agency, as NEPA changes are implemented. Doing so in phases will make implementation more manageable and reduce complexity.

Concerning pilot projects, they are a key ingredient in learning and adapting a plan to the realities on the ground. The word "pilot" may send the wrong message to some employees, however ("project" or "phase" may be better). The change leaders should take care in their use of words, so that employees and stakeholders understand that the change effort has been approved and is going forward.

6. How the agency will resource the project (both people and money)

Once the detailed plan is written, it will be more feasible to estimate the cost of its full implementation. Committing resources to the plan sends a powerful signal to the employees and other stakeholders, of course. When resources are obtained for a program it helps clarify agency priorities. It also increases the emphasis on accountability for follow through.

In changing large systems like NEPA, it is often necessary to detail certain employees to change teams for several months. Supervisors and employees who need to be detailed to this change effort must be cleared of their normal duties.

NOTE: NEPA change leaders need to make clear to Forest Service leaders that implementation of the plan cannot begin until funding is approved. It will be important to communicate the resource commitments made to the NEPA change effort, throughout the agency and with stakeholders (see #7, below).

7. A communications campaign

An effective communications campaign is the best way to present the proposed change to employees and other stakeholders, and to involve them in the planning process. This campaign needs to be a carefully crafted mix of more formal (directives, letters, speeches) and informal (newsletters, briefings, website, etc.) communications, painting a clear picture of the project, why it matters and how it will proceed. It also needs to provide many opportunities for employees' and stakeholders' suggestions.

Specifically, the communications campaign should convey to employees/stakeholders the key elements of the plan (1-7 above). In addition, it should clarify:

- how employees and stakeholders will be notified as the planning and implementation move forward, how they can give their input and play meaningful roles in the change activities,
- the new behaviors, tasks, and roles that certain employees need to assume,
- what will change externally – relationships with customers, suppliers and other stakeholders? Changes in legislation?

Communications about the plan need to be two-way. Employees and stakeholders will have numerous questions as they learn about the implementation plan and discuss its impact on their units and jobs. The project teams and Steering Team need to hear these and find effective ways to respond to them. This kind of exchange can help the NEPA change leaders further test their ideas before putting them into action.

To help implement this campaign, the NEPA steering team should form a small communications team to help plan and execute the communications campaign.

Communications Team Tasks/Roles:

- Understanding what has to happen throughout the change
- Helping the Steering Team craft its messages to the workforce and other stakeholders about the plan. For instance, the communications team should act as a focus group, listening to the change leaders' messages and giving feedback
- Keeping in close touch with change leaders, to learn the status of the project
- Identifying formal and informal leaders among employees and stakeholders, staying in close touch with them
- Keeping the Steering Team and other NEPA change leaders fully informed of employee and stakeholder reactions and concerns
- Providing simple ways for employees and other stakeholders to ask questions and discuss concerns about the NEPA change. The goal is to provide prompt, accurate information and to minimize rumors and misinformation.

Check Point: Are We Ready To Move On?

The NEPA Steering Team should meet with agency leaders prior to implementing the plan, and mutually decide if they are ready to move to the next phase. They can make this decision by answering the following questions:

1. Does the NEPA change plan contain the items listed in #5 above ("The specific projects that will take place to implement the change …")?
2. Were significant numbers of employees/stakeholders involved in writing the plan?
3. Are there major objections to the plan that have not been addressed?
4. Have resources (people and money) been committed to implementing the plan?
5. Is leadership committed to supporting implementation of the plan?

Phase III: Implementing the Change

This is probably the phase of change that receives the least attention from change leaders. That's both ironic and potentially fatal. At the point where some employees are starting

to understand what the change is about and how it may affect them, many change leaders become distracted, lose interest, move to other organizations, or believe that the change has become "OBE" – overtaken by events. In other cases, change leaders assume that their written plans will automatically be implemented and don't give implementation the constant, thorough attention it requires. It is at the implementation phase, much more than the first two phases, that most employees decide if this change is for real.

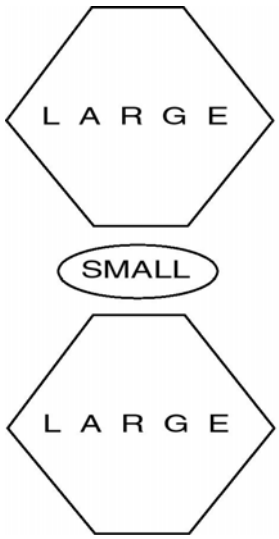
The following should be done in this third phase of NEPA change:

1. The Steering Team and appropriate project teams should hold a conference with a group of line managers and stakeholders, to review the plan in detail, do a reality check on it, and involve employees/stakeholders in carrying it out.
2. Steering Team and project team members need to provide and build support – to help people learn new skills/roles, and to work closely with external stakeholders and political overseers.
3. The Steering Team needs to give disciplined and persistent attention to the people and resources involved in implementing the plan throughout this phase.
4. The Steering Team and appropriate project teams need to ensure that organizational systems (IT, HR, etc.) support the change.
5. Organizational leaders should incorporate implementation of NEPA changes into the Forest Service's management review system.
6. Steering and project team leaders should celebrate successes and reward those who contribute.
7. To achieve accountability, Steering Team and agency leaders need to deal with those who are not moving forward on the change in a caring but candid and direct way.

Conduct conference on change plan; begin implementing plan, communicate results.

Ensure that organizational systems (including management review process) support the change.

Learn and adapt from implementation projects; celebrate successes.



1. The Steering Team and appropriate project teams hold a conference with a group of line managers and stakeholders.

The purpose of this conference is three-fold: 1) to ensure that leaders and managers throughout the agency as well as its key stakeholders understand how implementation will proceed, 2) to get a reality check on the plan from those who will be implementing it, and 2) offer participants structured ways to be actively involved in the process. The conference should be interactive. The change leaders will describe the plan, including the specific projects that will take place, with locations and time lines. They should clarify how communications will work during implementation, so that everyone knows whom to contact if and when problems (and opportunities) arise. The conference should conclude with an opportunity for managers and stakeholders to volunteer for various implementation projects and activities.

2. The Steering Team and project team members provide and build support for employees.

One way to provide support is to offer quality training. As various projects and phases of the change are implemented, employees at the affected sites need to be given just-in-time training so that they have the knowledge and skills to master the new process. Another way to provide support is to have employees who have already learned aspects of the new approach, work with those who are just starting to implement it. This peer-to-peer process is doubly effective; it enables employees to learn from each other, and it puts some employees in a teaching role, which usually builds their support for the change (because they are more invested in it).

3. The Steering Team needs to give disciplined and persistent attention to the people and resources involved in implementing the plan.

Each change project, pilot and activity, needs to be monitored and reported regularly to the Steering Team and any appropriate project teams. Each should report monthly on the status of its work. If a project falls behind or falters, problems should be noted quickly and someone from the Steering Team or a project team should work with the group involved.

The Steering team and project teams also need to use a balanced set of measures to assess the impact of the NEPA changes. The measures should relate to the original goals of the change effort (e.g., time, quality, cost, impact on customers, etc.).

4. The Steering Team and appropriate project teams need to ensure that internal organizational systems (IT, HR, etc.) support the change.

One of the important tasks in implementing a system-wide change is to seek consistency between the key goals of the change, and internal agency systems that support and

monitor employee behavior. For instance, it makes little sense to promote a change that requires a great deal of collaborative behavior, if there are no performance measures that deal with collaboration.

In the discussion of Phase 2 – Planning the Change – we noted the importance of including people from IT, HR, and external offices such as OGC in writing the plan for change. These experts need to be meeting with project teams that are implementing NEPA changes, to learn where they may have to make internal system changes in order to support these NEPA changes.

5. Organizational leaders should incorporate implementation of NEPA changes into the Forest Service's management review system.

The Management Review System is the agency's formal approach to reviewing program performance, regulatory compliance and financial integrity, on an annual basis. Annual reviews are conducted at all levels of the organization. The progress and effectiveness of the NEPA change is integral to the accomplishment of all programs-of-work (targets and strategic outcomes) and should be incorporated into all program and unit reviews. By integrating reviews of NEPA changes into the management review system, Forest Service managers are more likely to focus on and support the NEPA change initiative.

6. Steering Team and project team leaders should celebrate successes, reward those who contribute.

To help employees and stakeholders overcome skepticism and generate energy for the NEPA changes, it will be important to mark progress and celebrate success. This can be done in a variety of ways, and should honor agency values in the process.

Recognition should take a variety of forms, from on-the-spot, informal awards from local supervisors to more formal individual and group awards from agency leaders. In addition to awards and recognition, Steering Team members should look for opportunities to publicize milestones in the change. When a new sub process or information system has been implemented and shown to be an improvement, for instance, this needs to be marked and communicated widely. NOTE: To reduce cynicism, it will help to capture and publicize comments from employees and customers about successful changes, so that it does not appear that the change leaders are simply cheerleaders. Doing so also helps to answer the "WIIFM?" question that employees and stakeholders will continue to ask through implementation.

NOTE: This step should be closely connected to Step 3 above (on giving "… disciplined and persistent attention to the people and resources involved …") and to Step 7. As change leaders monitor the change projects, they should find creative ways to recognize successes as well as dealing with setbacks. Publicizing successes can make "accountability" a very positive experience for most employees.

7. To achieve accountability, Steering Team and agency leaders need to deal with those who are not moving forward on the change in a caring but candid and direct way.

In some ways, this is the flip side of step 6 above. And, according to participants at the December, 2006 Forest Service meeting on NEPA, the Forest Service has not been very effective in the past in terms of holding people accountable during change initiatives. The group also identified this as one of the most important factors in successfully implementing change in the agency.

Leaders can deal directly and effectively with those who do not agree with the change (and may be actively trying to defeat it), by doing the following:

- Don't assume bad motives. Those who are opposed to the change may be acting solely out of professional concern.
- Ask for constructive feedback; what worries them about the change? How would they improve it?
- Listen to their concerns and use their input where feasible. Where it isn't advisable to use their feedback, make the reasons very clear. Whether the input is used or not, communicate clearly to employees what was suggested and the change leaders' reactions to those suggestions.
- Make clear that everyone is accountable for helping to make the change successful.
- In those cases where an employee is simply refusing to work with the change, managers need to take corrective action.
- In working with stakeholders who are not supporting the change, keep in mind that the stick is rarely as effective as the carrot. Find stakeholders who will champion the change and invite them to take a leading role in working with other stakeholders.

Final Note:

This three-part framework for change is not set in stone. Any change plan must itself be open to change. There will be many revisions as change leaders learn from initial actions and adapt their plan. While a few of the recommended actions are critical and must be firmly established (e.g., making a compelling case for change, ensuring strong leadership commitment, genuine employee and stakeholder involvement), this process will be an iterative one, requiring flexibility and open communications by the change leaders.

Along with the need to learn and adapt, it will be critical for change leaders to keep the process moving and not get bogged down in details or overwhelmed by critical feedback. Just as change leaders must demonstrate their desire to get and use feedback from employees and stakeholders, they must also demonstrate their courage and ability to act in the face of setbacks and disagreements. Legislators sometimes tell each other that "the perfect is the enemy of the good." That is also true in leading change.

Appendix A:

Challenges to Change, and Responses to The Challenges

This section details some challenges to several strategies suggested in this paper, and offers ways to overcome those challenges. The challenges were identified at the meeting of Forest Service managers and leaders in December, 2006, noted earlier.

Challenges in Phase One: Preparing the Way

There are a number of challenges to overcome throughout a major change, and effective change leaders anticipate and plan for such challenges. The following challenges were identified by participants at a two-day Forest Service meeting on NEPA, held in December, 2006, at which this three-phase change model was discussed.

Challenges to "making the case for change:"

- Inconsistent approaches to change taken by Forest Service leaders in past
- Lack of a holistic vision of change, at all organization levels
- People in different parts of the agency have different views of the problem frame
- Key individuals may try to subvert the change
- People in different parts of the agency use different processes to implement NEPA
- Agency leaders sometimes make the case "too nicely" (and dumb it down); don't really demonstrate how critical it is to change
- Poor communication on the case for change
- Lack of agreed-upon view of NEPA within the agency: some see it as a decision – making process, others see it as a documentation model (of how we made a decision). This difference in perception needs to be resolved or addressed.
- Lack of clear agreement in the agency on NEPA's desired outcomes

Overcoming these challenges

Some of these challenges are unavoidable. For instance, different people in the agency do have different views of the problems with NEPA, and these differences won't evaporate as result of this phase of change. Leaders of the NEPA change can address most of these challenges, however. For instance:

- When communicating about NEPA, its problems and proposed solutions, they can use the "5x5" approach – communicate the message at least five times, using five different mechanisms (email, large group, small group, video, etc.).
- Use data and examples of problems with NEPA that are drawn directly from agency employees who work extensively with NEPA.

- To reduce confusion, show how the proposed changes are consistent with certain other priorities and change efforts going on the agency.
- Create a story for changing NEPA. The story should include an actual anecdote or two from the field that demonstrate how much employee time is wasted in the agency's NEPA process. Doing so can help create an answer to the "what's in it for me?" question.
- Show how the plan for change makes sense, and is critical to the Forest Service's future success, improved relationships with stakeholders and customers, and ultimately to employee job security.
- Develop a clear agency-wide definition of NEPA and how the agency needs to use this process to improve project-level decision making. The definition must be kept simple.

Challenges to "ripening" the case for change:

- Perceptions that there are higher priorities elsewhere
- Belief that there's already too much change going on in the agency
- Change leaders who do not give answers to the questions employees usually wonder about (when a change is announced): Why? Why now?
- Leaders who do not describe the consequences of not changing
- Information clutter and overload
- Lack of clear problem scope at the start

Overcoming these challenges

As members of the Steering Team take the case for change to agency employees, they should distribute a short paper that anticipates employee questions. Some of the categories in the paper should be:

Why this change? And why now?
What does this have to do with _____ (other changes going on in the agency)?
How will this benefit our customers? The land? Our operations?
What is the anticipated timeline?
What are some ways employees can get involved?

NOTE: This should be part of the communications campaign, described in Phase Two. This presentation will have the most credibility if it is created by people who have considerable experience working on NEPA, and who are informal leaders in their units. The data and examples for this discussion can be gleaned from the meetings with project leaders, other employees and stakeholders.

When Steering Team members have their meetings with employees to make and ripen the case for change, they should create a format that gives employees in each unit some time to discuss what they see as the major problems (and positives) of how NEPA is currently done. This gives employees a chance to make the case for change to each other.

To deal with the question of the scope of change, the presentation should include a section on: "What will change, and what won't?" It is important for employees to see what will remain the same.

The Forest Service chief and her leadership team need to clearly and concisely articulate, as part of the communications plan, that the NEPA change is critical to the agency's mission, is being incorporated into the strategic plan, and will be funded accordingly.

Challenges to having passionate leaders, from all organizational levels, who are actively involved throughout:

- Not having a consistent message
- Line managers who don't understand or support the change
- Changes (e.g., rotations, retirements) among senior leaders
- Potential loss of energy in a long change effort
- Unclear business reasons for the change
- Political pressures that work against the change
- Perception that there are higher priorities elsewhere (thus, distracting agency leaders and other employees)
- Leaders not available to champion the change
- The decentralized nature of Forest Service, and agency tendency to respect regional forester boundaries and give them autonomy

Overcoming these challenges

The key steps in persuading agency leaders to champion this change are:

- Identifying people with passion for this project, to serve on the steering team
- Listening carefully in the early meetings held with the agency leaders, to truly capture those leaders concerns and frustrations with NEPA (and their concerns about trying to change it) and build those into the case for change
- Continually briefing agency leaders on the results of meetings held during the first phase, so that there are no surprises and leaders feel they have a level of control over the change process
- Tying the options for change to some concerns held by agency leaders. There must be an answer to the "WIIFM" question, from the agency leaders' point of view. If changes in NEPA help these leaders address other concerns that are giving them problems, they will have a greater stake in supporting the change.
- To make the NEPA change effort "political proof," describe how the major change options are good, common-sense government under any administration.
- Another option: request the National Academy of Public Administration to study NEPA and make recommendations on ways to save employee time and improve the process for external stakeholders.

Challenges to maintaining active involvement of employees throughout the change:

- Employees who are detractors (a problem for this agency)
- Not giving employees clear business reasons for the change
- Employees' collateral duties during the change
- Knowing appropriate answers to the "WIIFM?" question for employees at different levels of the agency, and also for agency customers

Overcoming these challenges

It is easy for change leaders to fall into the trap of believing that sending information to the employees is the same as "involving the employees." It isn't. To "involve" means just what it says. Employees need structured ways to play an active role. Some examples:

The first phase includes interviews of employees (as well as external stakeholders) to learn about their perceptions of NEPA, its problems and positives. The project teams doing these interviews must listen to this feedback, summarize with the employees what they got from each interview, build some of the employees' input into the case for change (as appropriate), and show how the final case for change was built on input from the field.

The same process should be used for soliciting suggestions for change in NEPA. Most employees will be willing to withhold judgment of this change effort if they see, early on, that they are being listened to and that some of their input is being used.

To ensure continued employee involvement throughout the change, trust must be built by following through on the key steps in the plan for change. For example: the next fiscal years' budget should reflect how the key changes in NEPA will be funded.

Challenges to working closely with key stakeholders:

- Leadership not getting all stakeholders' views
- Leadership not wanting to get this input
- Some external stakeholders have had success in the past by fighting agency change
- Some stakeholders may fear a loss of influence over the agency, depending on the changes proposed in NEPA
- Not defining what's in it for stakeholders to support a change

Overcoming these challenges

Working closely with stakeholders will be similar to actively involving employees, but there are a few key differences. Some stakeholders have low trust in the agency, and will be very slow to accept change in NEPA at face value. Many of the stakeholders will have

difficulty getting beyond the WIIFM? question; they may not be able to see the large-scale benefits of changing NEPA if they have any serious concerns about the proposed changes. And some stakeholders will be concerned if they believe that another stakeholder (with whom they have fought in the past) is gaining something at their expense.

Given these dynamics, it will be important to first do a number of individual interviews with stakeholder groups to learn their interests in/concerns about NEPA change. The Steering Team members should summarize the comments from each meeting, and identify the shared concerns about NEPA that were expressed by many groups. Doing so helps to demonstrate what the external stakeholders may have in common.

Later in the first phase, it will be important to hold meetings with a variety of stakeholder groups. At these meetings the groups can look at their shared concerns (as well as their differences), and should be asked to identify options for change in NEPA that will address some of their shared concerns, without harming the interests of others. Conducting such meetings will require talented and objective conveners and a degree of patience by all. The Forest Service chief may be able to play an important role in some of these sessions.

In general, stakeholders need to be viewed as partners, not adversaries. This attitude should be maintained throughout the effort. If Forest Service leaders demonstrate a genuine interest in stakeholder involvement, they will be giving stakeholders considerable influence in this change process. Giving stakeholders influence in the change can reduce their concerns that they are losing influence because of the changes.

In addition, Forest Service leaders and Steering Team leaders should use interest-based negotiations in communicating with stakeholders about NEPA. That is, the early discussions should focus on the interests (underlying needs) that each party has concerning NEPA. If those interests can be discussed candidly, it can improve the chances of designing changes that meet the parties' key interests.

It may help to bring in an outside facilitator who is respected by all parties, to help them use interest-based negotiations and develop the candor necessary for such talks.

Challenges in Phase Two: Planning the Change

NOTE: again, these challenges were listed by participants at the Forest Service NEPA meeting in December, 2006:

Challenges to "chunking" the change:

- The use of the word "pilot" can send the wrong message (i.e., that this change is an experiment, and may not go forward)
- Not explaining what was learned from pilots

Overcoming these challenges:

Change leaders need to emphasize that there must be continual learning and adaptation throughout the change, and plan opportunities for follow-up reviews and adjustments. They should stress that pilots (if the word is used) are for improvement, not for determining whether to move forward. And they should share lessons learned widely.

Challenges to active, two-way communications with key employees and stakeholders

- Some employees don't listen well, don't read their emails, and can't separate the critical from non critical messages.
- Leaders can get caught up in vetting and framing the problem, and not focus on clearly describing the proposed solution and its impact on others
- Forest Service change leaders often set unrealistic time lines for change projects – they want it fast, which is one reason why they don't take time to actively seek and use employee input.
- The word "savings" will suggest that units retain some money if they are especially efficient. "Reduce costs" would be better.
- "Asymmetry of information" is a challenge – leaders will see the need for change differently than those in line manager roles, because their roles are different and some have more information about the need for change than do others

Overcoming These Challenges:

Communications during major change is difficult, but vital. In one survey of private sector executives who'd led major changes, the respondents were asked what one thing they would do differently, the next time. The most frequent answer: "The way I communicated with employees."

The use of tools like the "5x5" method described in the first phase, is helpful. Most important is for the NEPA Steering Team to create a solid communications campaign, and to put strong people on the communications team described earlier.

Other ways to deal with communications challenges include:

- Bringing key messages about the plan for NEPA change to the field, to interact with employees and line managers at all levels. The communications team should develop "Current/Future" examples, with visuals, that show how a part of NEPA is done now, how it will be done once changes are implemented, and the impact of such changes on customers, employees, other stakeholders.
- *Managing expectations* of the workforce and other stakeholders. The communications team and other change leaders should never over promise. They

should remind people that there will be delays, that it will be challenging to keep the focus on this change, and that they will revise the plan as needed.
- Allocating sufficient resources to implement the planned changes will build confidence among employees and stakeholders that the change is a priority. When agency leaders discuss resources, it gets employees' attention.

Challenges in Phase Three: Implementing the Change

Challenges to leadership paying disciplined and persistent attention:

- Leaders/other employees who are distracted by other priorities
- Political pressures to oppose the change
- Leaders who aren't available to champion the change
- The decentralized nature of the Forest Service (and the tendency to respect line managers' boundaries and their autonomy)

Overcoming these challenges:

Some of the strategies for overcoming these challenges were articulated earlier: learning how NEPA changes can address other concerns on agency leaders' agendas; getting agency leaders to decide on and commit to the key options for change at the end of phase one; gaining commitment of resources during phase two; ongoing communications with leaders about the change and its status; and active involvement of key stakeholders.

Challenges to the Steering Team and agency leaders dealing directly with those who are not moving forward on the change.

- Lack of understanding opposition – seeing it as stubborn resistance to change
- Fear of holding people accountable
- EEO complaints/grievances
- Reticence to discuss internal/external disagreement
- Fear of acknowledging and honoring the old way of doing business

Overcoming these challenges:

In the description of the third phase (implementation), step 7, we offered a structured way to deal with those who oppose the change. To deal with the expected challenges, leaders need three things: 1) political savvy, 2) good interpersonal skills/emotional intelligence, and 3) courage.

1. Political savvy will help leaders look for ways in which the NEPA changes can produce win-win situations for employees and stakeholders. The best time to look for the win-win solutions is in phases one and two. That is one reason why we have emphasized

open, two-way communication so many times. There should be few surprises during this implementation phase. NEPA and agency leaders “smoke out” concerns and opposition early, so that they have time to understand the opposition and jointly search for ways to reduce the concerns and increase chances for win-win solutions.

2. Leaders’ interpersonal skills and emotional intelligence will give them a way to empathize with those who are struggling with change. Some employees have invested decades of their lives doing work in a particular way; making a major change in that work can be perceived as an enormous personal loss. Change leaders can help employees overcome this sense of loss by acknowledging the problem. Leaders can talk about their own difficulties in adapting to major changes that were led by others. And they can help employees move forward by honoring the past. That is, they can validate the ways employees used to do the work – it made sense given the state of the art, of technology, of customer expectations, etc. Today, those factors are changing and the agency must adapt. By honoring the past, leaders will (ironically) help many employees start to focus on the future.

3. As for leadership courage, there is no formula, no “12-step” plan. At some point, leaders need to ask themselves if they are willing to risk something for making a major improvement in their agency and its impact on its communities. Using political savvy can reduce the perceived risks, but it will not totally eliminate risk.

Appendix B:

Summary of the key phases and factors noted in a review of the literature on organizational change*

I. Phases of Change:

1. Preparing the Way

- Build the change team; get the right people on board
- Make the case for change, through facts and a change story (why? why now? etc.)
- "Ripen" the change issues; explain the gap between current reality and the desired state, the cost of the status quo, the benefits of change
- Do a stakeholder analysis (external and internal) – understand the political dynamics
- Build internal and external coalitions of support (including lateral partners, senior leaders)

2. Planning the Change

- Connect the change to the agency's core purpose, major challenges and other initiatives
- Show what the change will look like: desired outcomes, new business model
- Honor core organizational values, learn from the culture, build on core competencies
- Define the processes, employee behaviors and (when appropriate) structures that will change, with a timeline for implementation
- Ensure organizational systems (IT, HR, etc.) support the change, and that obstacles to change are removed
- Define what needs to change externally – relationships with customers, suppliers and other stakeholders, legislation, etc.
- "Chunk" the change – plan pilots, early wins, visible successes
- Decide what to drop, as well as what to add (activities that do not add value should be reduced/eliminated, to free up resources and energy for the new direction)
- Commit resources to the plan

* Written for the NEPA for the 21st Century project, by Russ Linden and Terry Newell. The substance of the literature review provided an outline and some of the content for this paper on making major change in NEPA.

3. Implementing the Change

- Give disciplined and persistent attention to the people and resources needed, use a balanced set of measures to monitor and review their progress regularly
- Manage the emotional process of change: honor past efforts, pace the change, deal with perceived loss, demonstrate what's in it for those affected by the change
- Provide and build support – to help people learn new skills/roles, and to work closely with external stakeholders and political overseers
- Celebrate success, and reward those who contribute
- Deal directly with those who are not moving forward on the change (and/or are actively trying to defeat it); learn and address their concerns, use their input, hold them accountable for making a genuine effort

NOTE: When a change initiative is ready to move from one phase to the next, there will still be activities to perform from previous phases. Thus, for instance, "building the change team" must be done in the first phase. It must be done again throughout the change, however, as members of that team leave, as energy ebbs and flows, etc.

II. Insights for Change Leaders

- People are more likely to support a change – and the change is more likely to be carefully thought through - when they have been actively involved in shaping it
- Leaders cannot over-communicate during a major change effort.
- Leaders' persistence is essential
- Managing energy is central to successfully leading change
- Leaders need to think politically, stay in continual touch with key external and internal stakeholders and power holders
- It is important for leaders to manage disagreement well