Why Transformations Fail Before they Begin

The missing variable in most plans isn't technology, structure or capital. It's people.

By Blair Severn

Transformation Starts With What You Change. Success Depends on How People Change

Transformation is usually approached as a business problem. The company needs to scale, competitive advantage has eroded, a new competitor has entered the market or an acquisition changes the organization. So leadership starts redesigning the things that are easiest to see and quantify:

Structure. Systems. Products. Processes. Technology. Capital. All important. But there is another foundation underneath all of them.

People

And not simply whether people have the capabilities to operate in the new environment.

Whether they are willing to behave differently.

This is culture.

The Transformation Nobody Puts on the Spreadsheet

I've guided enough transformations to recognize a pattern. When you tell an organization that it needs to change, employees don't respond as one population.

Directionally, I tend to see **three groups emerge**. Not three equal groups necessarily—but three very different responses to change.

The Advocates

The first group gets it. They may actually be excited by the transformation.

For some, the reaction is: **"Finally. It's about time."** These people have often been frustrated by the limitations of the current state. They see the opportunity before others do. They are your natural **change agents**.

Don't simply communicate the transformation to them.

Put them to work on it.

Give them formal or informal ownership. Let them influence peers. Give them problems to solve. Put them close to the transformation itself. Their enthusiasm can become organizational energy.

The Followers

The second group isn't opposed to change. But they aren't necessarily going to lead it either.

They've seen this movie before.

Another initiative.
Another announcement.
Another leadership presentation.
Another set of posters on the wall.

And then, eventually, things return to the way they were. **So they wait.**

"Show me."

These people can absolutely come along—but they need evidence. They need to see that leadership is serious. That the new way of working is actually taking hold. That the organization is rewarding the new behaviours rather than quietly tolerating the old ones.

They don't need to be convinced with another presentation.

They need to see the transformation working.

The Third Group Is Where Transformations Get Expensive

These are the people who make transformation difficult. And this group is **actually two very different groups**.

The Resisters

Resisters don't necessarily want to destroy the transformation. They simply don't want it to happen.

They may have built their status, influence or even livelihood around the existing model.

The current state works for them.

So when leadership describes transformation as moving forward, they may experience it as taking something away. Their position, authority, expertise, relationships—or security.

Some resisters can be converted. Once they understand the reason for the change and **see a place for themselves in the future state,** resistance can become advocacy.

The Destructors

Then there is a group, sometimes smaller, but much more consequential. These aren't simply people who resist the change.

They actively work against change.

They undermine decisions.
Create doubt.
Protect the old way of working.
Influence others against the transformation.

And because they often have long organizational histories and established relationships, their influence can be much greater than their numbers suggest. For this group, leadership has to make a difficult distinction:

You don't manage every form of resistance the same way.

Some people need to be **converted**.

Some need to be **contained**.

And some need to **leave**. The earlier this happens, the better.

The Financial Consequence of Ignoring Culture

This is where the issue becomes more than an HR or change-management consideration.

It becomes a financial planning issue.

Transformation business cases often calculate: technology investment, restructuring costs, new capabilities, acquisition premiums, integration costs, expected synergies.

But they can **underestimate the organizational friction** to get from the current state to the future state.

And friction costs, allot.

Transformation takes longer. Productivity dips.

People become distracted. Decision-making slows.

Critical talent leaves. New capabilities take longer to establish.

And sometimes the people that most need to be moved out are the people who have been with the organization the longest. And therefore have the highest cost of exit.

Severance.
Retention.
Replacement.
Lost productivity.
Delayed benefits.

A transformation that looked financially compelling on a spreadsheet, can suddenly have a very different economic profile.

Transformation Is a People Transition

This is why I believe transformation planning needs to ask a different question.

> Not simply: **"What needs to change?"**
> But: **"Who needs to change—and what will it take to move them?"**

Because a transformation isn't complete when the new structure is announced. Or when the new technology goes live. Or when the acquisition closes.

It is complete **when the organization behaves differently**. That's the real transition from current state to future state. And that transition is where strategy meets execution.

The Moments that Matter

This becomes particularly important during the moments that matter most:

Scaling into a fundamentally different organization.
Resetting advantage when the market has changed around you.
Leadership alignment when the organization needs to move in a new direction.
And M&A where two organizations must become one while continuing to perform.

In each case, the transformation isn't simply about building something new. It's about moving people from where the organization is to where it needs to be. That is why culture can't be the soft side of transformation.

> **It is part of the operating system.**

And if you don't deliberately design it into the transformation, the existing culture will design the transformation for you.

A Final Thought

The hardest part of transformation isn't usually knowing what needs to change. It's getting enough of the organization to want, understand and behave differently enough to make the change real.

The organizations that recognize this early don't simply manage transformation.

They accelerate it.

About the Author

Blair Severn is Co-founder and Managing Partner of enabling ideas® and creator of The Strategic Blueprint™**.** He advises CEOs and Boards, held corporate leadership roles, and built entrepreneurial ventures, He is recognized for translating complex challenges into clear, actionable direction that enables organizations to navigate critical inflection points with clarity, leadership alignment, and sustained momentum.

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