

MANAGING FOR SUCCESS

Preserve Team Morale During Disruptive Changes

By [Morey Stettner](#)

Posted 12/04/2009 06:45 PM ET

When a company undergoes a consolidation, workers can panic. People who resist mild change may find massively disruptive change too much to handle.

In managing a reorganization or merger, harness the power of empathy. By stepping into your employees' shoes, you can appreciate the anxiety borne by a new regime that imposes different processes and realigns job duties.

"Lack of communication poses a problem during times of major change," said Lori Dernavich, who runs an employee performance advisory firm in New York City. "It's important for managers to put themselves in the position of their employees and level with them."

Managers may figure if they have no new news, it's best to keep quiet. But Dernavich urges them to let employees vent and ask questions. A leader's willingness to listen can bring worried workers together and help them cope.

Unclog Communication

In uncertain times, employees cling to familiar routines. If those routines are suddenly threatened amid talk of sweeping changes, fear can run rampant.

"When employees get fearful, they'll make up their own assumptions of what's going on," Dernavich said. "Unless you step in and keep them informed, they may shut down."

Make it easy for staffers to open up to you. Hold informal meetings where attendees can pose questions and check the accuracy of rumors. Drop by employees' offices and initiate friendly conversations.

Get in the habit of asking employees, "What can I do to help?" and "Tell me what's on your plate this week." That's better than making vague inquiries such as, "How are you doing?" or "Is everything OK?"

Don't Lecture

When meeting with employees, leave lots of time for give-and-take. Don't hog the proceedings by lecturing.

Dernavich advised a chief executive who initially managed a consolidation by droning on

Registration Benefits

[Sign in](#)



IBD Forums

Participate in an IBD Forum and connect with other IBD subscribers.

[Register](#)

Investment management from U.S. Trust

Speak With Us

U.S. TRUST
Bank of America Private Wealth Management

Most Popular



Most Viewed

Highest Rated

All Articles Media

[Choppy Session Ends With Stock Gains](#) _ \$

[IBD Market Wrap 12/04/09](#)

[How Chile Got Rich](#)

[Stocks Rise In Wild Session](#)

[NASA-Gate](#)

12/06/2009 05:00:23 PM ET

Investing Tip

Saucer bases can launch powerful run-ups.



about financial minutiae. His employees were more concerned about job security, so they grew restless as he regaled them with numbers.

"He didn't appreciate what they were going through," Dernavich recalled. "Finally, he let them ask questions. That's when he became nervous and fidgety."

Afterward, the CEO asked Dernavich, "Why are these people whining?" She explained that he needed to let them gripe because "they aren't at the same place that you are in handling all the changes."

He took her advice and began holding more free-flowing discussions where employees could raise whatever issues they wanted. Whether they complained or grieved about the loss of a pleasing status quo, he listened and showed support and caring.

"Allow your employees time to digest changes," Dernavich said. "Don't expect instant buy-in. No matter how well you explain it at first, don't assume they'll say, 'Amen! We're ready for it!'"

Avg. Rating: ★★★★★ (0) Your Rating: ☆☆☆☆☆

[Email](#) | [Print](#) | [Comment](#) | [BOOKMARK](#) | [License](#)

[« Previous Article in Managing for Success](#)

[Next Article in Managing for Success »](#)

See Also

- [When Two Honchos Are Better Than One](#) 12/04/2009 06:52 PM ET
- [The Secret Of Ramping Up Business On A Skateboard](#) 12/04/2009 06:50 PM ET
- [Limited Guidance On Risk Oversight](#) 12/04/2009 06:39 PM ET
- [Business Leaders Are Less Upbeat](#) 12/04/2009 06:39 PM ET
- [Junk E-Mail Spurs Shopper Defections](#) 12/04/2009 06:39 PM ET

Comments

No Comments [Leave a comment](#)

Leave a Comment

[Back to Top](#)

To participate in Community areas, please [Sign In](#) or [Register](#)

Trading Center



More than a trade. More for the trader.



Trade free for 30 days at TD AMERITRADE.

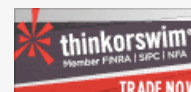


Get Actionable Trading Ideas with Power E*TRADE

Benefit today from our latest market insights



Should you be buying stocks right now?



thinkorswim: join the revolution! Member FINRA SIPC



Online Options, Stock, & Futures Brokers

Trade Options, Stocks & Futures at optionsXpress



Get free stock trades at Zecco Trading



FastBrokers.com for your Futures and Forex needs.

- [Lessons on Buying Stocks](#)
- [Lessons on Selling Stocks](#)
- [What is CAN SLIM?](#)
- [How to Invest in Options](#)
- [Investing Education Videos](#)

[Stock Research](#)

[IBD Charts](#)
[Stock Checkup](#)
[Screen Center](#)
[Options Center](#)
[ETF Center](#)
[IBD Indexes](#)

[eIBD](#)

[News & Analysis](#)

[Investing](#)
[Business](#)
[Economy](#)
[Technology](#)
[Management](#)
[IBD Editorials](#)

[Education](#)

[Daily Stock Analysis](#)
[Online Courses](#)
[Ask IBD](#)
[Financial Dictionary](#)
[IBD Workshops](#)

[Community](#)

[Forums](#)
[Meetups](#)
[Calendar](#)

[IBD TV](#)

[Store](#)