



# **THE FUTURE OF THE WESTERN CAPE AGRICULTURAL SECTOR IN THE CONTEXT OF THE 4<sup>TH</sup> INDUSTRIAL REVOLUTION**

## **Annexure E: Change approach**

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# A CHANGE APPROACH TO SUPPORT 4IR POSSIBILITIES<sup>1</sup>

## 1. Introduction

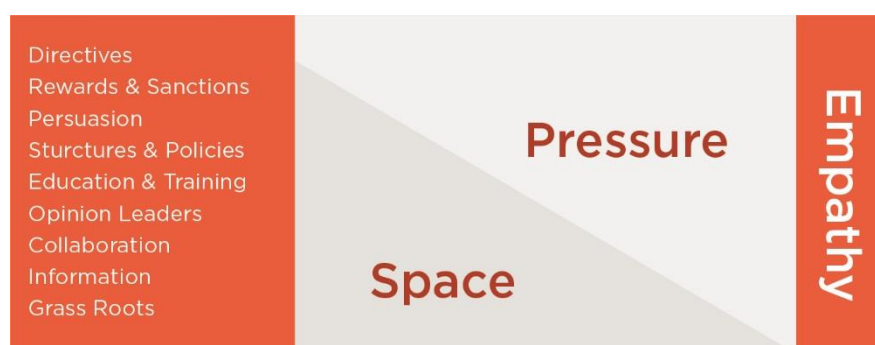
Two of the greatest causes of failure that bedevil change initiatives are the naive belief that<sup>2</sup>:

- *Change occurs spontaneously and should be allowed to flourish in the warm glow of human intentions.*
- *There is no one or other method which is the best way of ensuring successful change.*

For change to be sustainable and impactful over time, there are a range of activities, awarenesses and methods that must be applied. The change approach that is proposed for this project is called the *ESP of Change*<sup>3</sup> and consist of nine (9) elements which are infused with various levels of ESP or Empathy, Space and Pressure.

## 2. The ESP of change

The ESP change process model is shown in Figure 1 below.



**Figure 1: The ESPs of Change model**

*Next, the rationale for an overarching ESP departure view is motivated<sup>4</sup>.*

**Empathy:** Empathy remains perhaps the most essential yet least appreciated facet of guiding and entrenching change. All of us experience certain inevitable and human responses to change. Thus, when designing and applying any of the nine ESP tools it is essential to build empathy into the process by providing for at least the following opportunities: time to digest information regarding change; time to interact with others to debate the change; opportunity to question the stakeholder/s who are driving or proposing the change; freedom to voice concerns and cynicism; opportunity to hear answers to questions and concerns directly from the drivers or proponents of change; and opportunity to interact directly with the drivers or proponents of change instead of hearing the entire message through second parties.

**Space:** During the earlier stages of introducing change it is important for people to be given the time and opportunity to digest and internalise the reasons and implications of change. Methods that focus on offering or creating personal space enable individuals and groups to experience their own early human responses to change. On the whole, methods that offer space create the foundation upon which a creative minority and critical mass can work to build a committed, although probably inactive and cautious, majority.

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**Pressure:** Empathy and space help people to question and reflect, but *pressure* encourages them to behave differently and to adopt and entrench the requirements of the future.

As *Figure 1* above illustrates, the required depth of empathy is relatively constant for all nine tools and methods, but each tool and method has varying levels of space and pressure. This has some general implications for the planning and implementation of the ESP process.

### **The Action-Stakes Increase from Space to Pressure:**

At the deep end of space, the stakes to take action are not very high. Change is being debated. Opinions are tested and shaped. People are often oscillating between old contentment, denial, co-option and active resistance. As we move across to the deep end of pressure, the stakes increase rapidly. Change becomes increasingly non-negotiable. Individuals, groups and all stakeholders are required to change their behaviours, attitudes and responses. In the Pressure zone the methods tend to rely upon extrinsic controls that demand compliance. At the opposite end of the scale, in the Space zone, the methods rely primarily upon intrinsic motivation and self-regulation.

### **Relying on or entering too soon into Pressure Zones creating counter-productive reactions:**

People cannot be forced or manipulated to change against their will. Ideally, the earlier phases of change should provide empathy and space, with a steady move towards decreasing space and increasing pressure.

### **Relying primarily on methods in the Space zone entrenches very little change:**

While it is essential to provide space, it is not sufficient. Relying primarily upon space methods will possibly encourage some individuals to take action. It will in all probability remain a talk-shop with ongoing discussion, much philosophising, and very little real action.

### **Utilising the ESP tools or approaches is not a linear or chronological approach:**

The pressure zone's methods may thus be almost absent during the initial phases of change while emphasis is placed on those in the space zone. Over time, greater emphasis must be placed on the later methods that induce Pressure.

## 3. The Nine Elements of ESP

The nine (9) tools and methods that are used to create the required change focus and space are:

### **3.1 Grass roots**

The core ethos of a grass roots approach is the belief that people should be personally involved in issues that affect them. It also expresses the belief that the thoughts of the collective group or even masses will provide greater wisdom than relying purely on the contributions of only a few individuals or the views of only one or two stakeholders.

### **3.2 Information**

The primary motivation for applying information as a driving force of change is that it shapes and provides the context within which people need to act. It cannot be assumed that other people share a common or similar understanding of circumstances. Virtually every stakeholder or individual will at times develop selective blindness by ignoring information that contradicts their prevailing views.

### **3.3 Collaboration**

Collaboration demonstrates the belief that various stakeholders have valuable contributions to make, and that optimum ownership of the change process is created by involving stakeholders in co-designing or at least co-managing change initiatives and objectives. The

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difference between grass roots and collaboration is that collaboration has a more deliberate objective of achieving certain outputs.

### **3.4 Opinion leaders through servant leadership**

Perhaps one of the most misunderstood elements of change is the role and contribution of opinion leaders. Success stories show that opinion leaders who have really made a difference rely very little upon their own independent capacity to initiate and direct change. Instead, they make use of an array of approaches whereby they systematically grow a critical mass of support.

### **3.5 Education and training**

Change of any magnitude will invariably necessitate the development of certain new attitudes, knowledge and skills. Real change represents a shift in the environment and consequently requires an equally great shift of competencies to cope with the new demands of the new environment. In a sense, change of any magnitude reduces most of the people in that environment to a zero-base, at least as far as the changes are concerned.

### **3.6 Structures, systems, policies and procedures**

In most instances a change process requires, at a minimum, adjustment of structures, systems, policies and procedures. More often than not quite fundamental changes are needed to be made to some aspects of these.

### **3.7 Persuasion**

Persuasion is based upon the realistic belief that many people, and probably the vast majority, will not readily embrace change if they are either uncertain of the effects it will have on them or are not convinced that it will also benefit them. It is necessary to clearly articulate the desired end result but in a way that leaves no doubt that it is not possible to accommodate ongoing non-conformance to those requirements.

### **3.8 Recognition and rewards**

One of the most complex interventions, is recognition and reward. The moment a change process enters into a stage of recognition and reward, it sends out a powerful message. The recognition and reward intervention must at all times be positioned as an honest attempt to encourage and support people in the ongoing quest for continuous improvement and aspiring to meet and exceed the objectives of the change process.

### **3.9 Directives**

There comes a time in any change process when conformance to new requirements is now longer negotiable, and when it is essential for people to conform to the new requirements. This is a time when clearly defined requirements have to be stipulated, and people need to openly commit themselves to fulfilling those requirements.

In introducing new technology possibilities, new thinking paradigms and new ways of operations, it is always advisable to use a holistic change model and approach. In addition, there are levers that can assist companies in accelerating the adoption of technologies and innovate business practices. These are shown in Figure 2 below.

**Figure 2: Levers to accelerate the adoption of technologies and innovative business practices**

Most successful farming operations are business for which specific disruption business themes are identified (customer, operational optimisation, and the nature of work). In addition, there is also the disruptive technology themes, which have been identified and discussed (e.g. Ai, Robotics, IoT, etc.). Considering these two domains, the question is how best to drive changes in practice and technology adoption?

According to a McKinsey Quarterly Report <sup>5</sup>, there are six (6) levers that can assist companies to accelerate adoption of technologies and innovate business practices. These include:

1. *Attracting top managers with the visions and design to drive the adoption of new ideas.*
2. *Cultivate mindsets and culture for taking risks.*
3. *External collaboration to stay updated and absorb best practice.*
4. *Integrate business with advanced or global value chains.*
5. *Prioritise training and development to build skills and improve the understanding of technology.*
6. *Recruit people that can turn external innovation to internal business practices.*

In introducing new technology possibilities, new thinking paradigms and new ways of operations, it is always advisable to use a holistic change model and approach. There is no one or other method that is the best way of ensuring successful change. The change model outlined here starts with a space-led approach which needs to be complemented with pro pressure-processes to stimulate execution - all done with empathy for the target change audience.

In the context of this project, the primary target change audiences who can benefit from new technologies and a 4IR paradigm are: established and emerging Western Cape-based commercial farmers (large, medium and small) who produce for surplus to a market; together with agriculture-processing businesses in the value chain.

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<sup>1</sup> This change approach is based on Chapter 9, Change Leadership in: Nel, C. & Beudeker, B. 2009. *(R) Evolution: How to create a high performing organisation*. Cape Town: Paarl Print: 163-204. The copyright © remains with Village of Leaders Products.

<sup>2</sup> Nel, C. & Beudeker, B. 2009. *(R) Evolution: How to create a high performing organisation*. Cape Town: Paarl Print: 178.

<sup>3</sup> Chapter 9 on Change Leadership in: Nel, C. & Beudeker, B. 2009. *(R) Evolution: How to create a high performing organisation*. Cape Town: Paarl Print: 163-204.

<sup>4</sup> Ibid

<sup>5</sup> Tera Allas and Vivian Hunt, Accelerating the diffusion of technology enabled business practices, McKinsey quarterly, February 2018.