

Organizational change requires the right mind-set

In response to a global recession, many organizations are creating changes that will profoundly impact the way they do business.

While some of these changes will yield positive outcomes, research shows that many will fall short of executives' expectations. A global 2008 IBM study, for instance, reported that 60 percent of all projects aimed at achieving business change failed to reach some or all of their intended targets.

But why is it so hard to implement planned change successfully? The answer lies in understanding the psychological nature of the three phases of planned change.

When companies understand how employees respond to change,



BUSINESS VIEWPOINT

Tom Philp

they are better able to successfully manage the change process.

Phase one consists of information that runs counter to the organization's perception of its current performance. This information may come through a loss of market share or a customer complaint letter. Either way, the organization

now must reconsider its ways of working and determine whether changes are necessary.

Typically, organizations are resistant in this phase for one of three reasons: (1) they are satisfied with the way things are, (2) they are not dissatisfied enough to want to change, or (3) they think the economic and psychological cost is too great.

Creating a sense of urgency and having a strong vision for the future is the best way to gain stakeholders' willing participation.

Once companies decide to change, they enter the second phase, or the action phase.

To implement change successfully, companies should create a team and involve the organization's

members who are most effected by the change. Creating a team to lead the change helps model the desired behaviors for others to see. And involving those affected by the change mitigates a large part of the resistance that may be encountered in this phase.

The third and final stage of planned change consists of embedding the new ways of working into the fabric of the organization's culture. Companies can accomplish this by creating policies and procedures around the changes, or linking the changes to their vision and values.

People are more accepting of change when they feel a sense of shared commitment and community in achieving the same goals for

the same purpose.

Creating successful change is one of the most important business imperatives of our day.

With the increasingly complex and shifting environment, organizations must possess the competence to lead planned change successfully.

By understanding the psychological impact that each phase of planned change has on the organization's members, businesses are more likely to increase their success rate, and continue evolving their organizational capabilities.

Tom Philp is President of Philp Consulting Group Inc., a Tulsa-based leadership and organization development firm that assists clients in building sustainable organizations.

OG&E wins cases on land for lines

• The company wants to gain private property by condemnation.

OKLAHOMA CITY (AP) — Two judges in northwestern Oklahoma have ruled for Oklahoma Gas and Electric Co. in its attempts to gain private property through condemnation so it can build a high-voltage transmission line.

OG&E wants to build a 112-mile-long, 345-kilovolt transmission line to carry electricity from wind farms near Woodward to Oklahoma City.

Landowners argued that OG&E would use the lines for private purposes because it wanted to sell much of the electricity out of state.

But judges in Blaine and Dewey counties ruled Monday in separate cases that OG&E has shown that its customers in Oklahoma would also benefit, and the condemnation should be allowed.

Oklahoma City attorney Robert Gum, who is representing the landowners, said his clients plan to appeal.

Gum said he plans to ask the judges to require OG&E

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Brian Alford
OG&E spokesman

workers to stay off the properties until the state Supreme Court can rule on the cases.

OG&E spokesman Brian Alford indicated Tuesday that OG&E would be opposed to a lengthy delay.

"We're working to construct this line as quickly as we can to facilitate adding wind energy to our system," Alford said. "We would hope we could resolve outstanding issues in short order."

Some landowners have said they fear the line will devalue properties, obstruct views, create dangers for crop dusters, damage global-positioning systems on farming equipment, and create health risks for landowners who have pacemakers.



Workers assemble a substation that will carry electricity to the power grid from a wind farm near Woodward. Tulsa World file

Saving money is a habit everyone needs to develop

Dear Action Line: You have given advice on saving money on everything under the sun. How do we keep from spending it? How do we save this money we saved? — D.H., Tulsa.



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Rain falls: "Phil's Psychiatry" is one page over. Bankrate.com says we should save every day — even if it's only a little. Saving is a habit everyone needs to have. Everyone should build a "rainy day fund" to help get us past the unexpected emergencies such as job loss, health care bills, airplane tickets for a West Coast funeral, etc. Credit counselors say it should contain six months of bill payments, at least \$10,000. Once collected, go back to buying things, eating out, etc. The economy needs money, too.

Savings account: The fund should always be kept liquid: money in a bank or credit union savings account that can be accessed immediately — money not used for bills or extravagancies. Use a clean pickle jar or coffee can and set aside the same amount each week. The trick is, "Don't count it. Don't spend it."

Pocket change: Some people put their pocket change in a coffee can and get free change wrappers from the bank to package up Saturday for deposit Monday. Or buy the four lower denominations of coin wrappers at your local dollar store. Make a deposit at least once a month so you won't be tempted to spend it.

Big debt: If you're still paying off credit cards, put all of your "saving money" on that bill until you've paid it off. There's no financial sense in plugging a savings account that pays 1 percent when you're paying the credit card company 20 percent on borrowed money! Keep the card account open (for the sake of your credit score) but take all the money you'd been paying and put it in savings. Have you just paid off a large debt like a car payment or a college education? Keep making that payment to savings. Pay yourself!

Saving a bill: Treat your "saving project" as a "bill." You owe yourself X amount of money each day. Set it up with your bank or credit union to transfer funds automatically from your

Treat your 'saving project' as a 'bill.' You owe yourself X amount of money each day. Set it up with your bank or credit union to transfer funds automatically from your checking account to your savings account on a predictable date.

checking account to your savings account on a predictable date: the first and the 15th or just the 28th day of the month — so you can know when to expect it.

Too large: We all need to skip dessert or that afternoon candy bar. Take the money you would have spent on treats and put it in savings.

Raise: Save that raise. Save your tax refund.

Goal treat: Make saving a family project. When you've reached your goal amount, treat yourselves to a day at the movies or the Tulsa Zoo, Gilcrease Museum, Philbrook Museum of Art or the Oklahoma Aquarium. You deserve to celebrate!

Recycle aluminum: Recycle aluminum beverage cans and hang onto them until Earth Day (April 22). A 24-can case of empties weighs 1 pound. In honor of Earth Day this year, four Tulsa recyclers paid 40 cents per pound and one paid 43 cents. If your family of four drinks two cans of pop per day, then rinses and smashes them for storage in plastic grocery bags (no bugs) — that's 2,920 cans per year, divided by 24 is 121.7 pounds, times 43 cents is \$52.33. Not big money but at Reazor's sale prices it's 10 1/2 cases of Coke or Sprite!

Submit Action Line questions by calling 699-8888 or e-mailing phil.mulkins@TulsaWorld.com or mailing them to Tulsa World Action Line, PO Box 1770, Tulsa OK 74102-1770.

Air passenger revenue down

FROM STAFF REPORTS

Passenger revenue for U.S. airlines fell 18 percent in April compared with April 2008, the sixth consecutive drop, the Air Transport Association said Wednesday.

The ATA reported that traffic decreased 6.3 percent in April compared with a year earlier, while the average price to fly one mile dropped 12.6 percent. The trade group said revenue declines extended to the trans-Atlantic, trans-Pacific and Latin American markets. April results partially reflect the shift in the Easter holiday from March last year to April this year.

Compounding the softening demand for travel, U.S. airlines saw cargo traffic — as measured by revenue ton miles — decline 21 percent year over year in March, matching the decline measured in January and February and marking the eighth consecutive month of declining cargo traffic.

"The industry is seeing less demand in the cabin, as well as in the cargo holds," said ATA President James C. May.

Slumping Bizjet lays off 14

• Bad PR for jets is hurting the firm.

BY D.R. STEWART
World Staff Writer

BizJet International, the Tulsa corporate and general aviation aircraft maintenance, repair and overhaul company, is laying off 14 people or 6.5 percent of its employees, company executives said Wednesday.

The lost jobs are casualties of the recession and the political climate toward corporate aircraft as luxury "toys," said President and CEO Bernd Kowalewski.

"With the present political climate, corporate flight departments are shutting down," he said. "It's considered politically incorrect to have a corporate flight department. I've heard that 20 percent of the corporate fleet is for sale."

"Luckily, we have more work from other countries, which keeps us alive."

BizJet, a wholly owned subsidiary of Lufthansa Technik, has more than 200 employees at its 440,000-

'It all depends on how the economy comes back and if the political atmosphere changes toward business jets. We're paying the price for exaggeration.'

Bernd Kowalewski
President and CEO,
BizJet International

square-foot facilities at 3515 N. Sheridan Road. At one point in 2008, the company employed more than 250 people, company officials said.

The company provides corporate and private jet refurbishment services, from interior re-upholstery to major modification and floor plan alterations, engine overhauls, exterior painting and airframe maintenance. The company offers repair and overhaul services for Gulfstream, Learjet, Falcon, Challenger, Citation, Hawker, Sabreliner, Westwind and Jetstar aircraft.

Since the Wall Street fi-

nancial and credit crisis in September, corporate and general aviation aircraft manufacturers have slashed production and cut thousands of jobs as aircraft orders dropped. The aircraft manufacturing reductions have been followed by layoffs at overhaul and repair companies such as Tulsa-based NORDAM Group and BizJet.

Kowalewski said police and military aircraft overhaul and repair work remains strong, and he said corporate aircraft work could rebound if the economy improves.

"It all depends on how the economy comes back and if the political atmosphere changes toward business jets," Kowalewski said. "We're paying the price for exaggeration."

Bizjet was founded in Tulsa in 1986 by local businessmen Roger Hardesty and W.L. "Butch" Walker. The company was acquired by Lufthansa in 2000.

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FOREIGN EXCHANGE					
MAJORS	CLOSE	CHG.	%CHG.	6MO. AGO	1YR. AGO
USD per British Pound	1.5779	+0.0267	+1.69%	1.4812	1.9677
Canadian Dollar	1.1368	-0.0161	-1.42%	1.2842	.9923
USD per Euro	1.3807	+0.0157	+1.14%	1.2507	1.5669
Japanese Yen	94.89	-1.25	-1.32%	94.79	104.17
Mexican Peso	12.9515	+0.0210	+1.6%	13.8165	10.3950
EUROPE/AFRICA/MIDDLE EAST					
Israeli Shekel	4.0170	-0.0952	-2.37%	4.0268	3.3761
Norwegian Krone	6.3952	-0.0177	-0.28%	7.1530	4.9975
South African Rand	8.2812	-0.1560	-1.88%	10.6947	7.6687
Swedish Krona	7.5815	-0.0696	-0.92%	8.2713	5.9347
Swiss Franc	1.0993	-0.0081	-0.74%	1.2233	1.0368
ASIA/PACIFIC					
Australian Dollar	1.2819	-0.0036	-0.28%	1.6303	1.0432
Chinese Yuan	6.8268	+0.0003	+0.0%	6.8372	6.9745
Hong Kong Dollar	7.7518	-0.0001	-0.0%	7.7502	7.8003
Indian Rupee	47.470	-3.08	-6.5%	50.188	42.735
Singapore Dollar	1.4560	-0.0058	-0.4%	1.5310	1.3663
South Korean Won	1241.50	-3.30	-0.27%	1496.40	1048.10
Taiwan Dollar	32.84	-0.4	-1.2%	33.45	30.58

ENERGY FUTURES					
EXP.	OPEN	HIGH	LOW	SETTLE	CHG
HEATING OIL (NYMEX) 42,000 gal. cents per bushel					
Jun 09	149.00	154.53	148.40	154.11	+5.45
Jul 09	151.53	156.91	150.74	156.45	+5.28
Aug 09	155.19	159.90	155.10	159.57	+4.85
Sep 09	158.70	163.10	158.70	162.88	+4.54
Est. sales 53,359. Tue's sales 73,049 Tue's open int. 260,622, +162					
LIGHT SWEET CRUDE (NYMEX) 1,000 bbl. dollars per bbl.					
Jun 09	60.18	62.26	59.86	62.04	+1.94
Jul 09	60.87	62.83	60.55	62.62	+1.81
Aug 09	61.44	63.38	61.35	63.21	+1.62
Sep 09	62.60	63.88	62.42	63.75	+1.45
Est. sales 301,751. Tue's sales 422,330 Tue's open int. 1,093,976, -18,253					
NATURAL GAS (NYMEX) 10,000 mmbtu's, \$ per mmbtu					
Jun 09	3.939	4.008	3.815	3.970	+0.056
Jul 09	4.063	4.138	3.937	4.098	+0.068
Aug 09	4.182	4.254	4.069	4.222	+0.066
Sep 09	4.242	4.339	4.160	4.318	+0.069
Est. sales 105,797. Tue's sales 208,876 Tue's open int. 680,523, -3,740					
NY HARBOR GAS BLEND (NYMEX) 42,000 gallons, dollars per gallon					
Jun 09	1.8250	1.8724	1.5345	1.8095	-0.0030
Jul 09	1.7871	1.8315	1.5475	1.7788	+0.0033
Aug 09	1.7605	1.7956	1.7510	1.7548	+0.0087
Sep 09	1.7430	1.7648	1.7365	1.7385	+0.0128
Est. sales 80,732. Tue's sales 125,387 Tue's open int. 230,487, +1,099					

AGRICULTURE FUTURES					
EXP.	OPEN	HIGH	LOW	SETTLE	CHG
CORN (CBOT) 5,000 bu minimum, cents per bushel					
Jul 09	427	434.75	423	426	+25
Sep 09	436.75	444	432.75	435.50	+25
Dec 09	448.50	456	444.25	447.25	+25
Mar 10	458.50	465.50	454.75	457.25	+50
Est. sales 176,026. Tue's sales 176,026 Tue's open int. 876,844, +482					
COTTON 2 (NYBT) 50,000 lbs., cents per lb.					
Jul 09	56.05	57.80	55.85	57.15	+93
Oct 09	58.02	59.55	58.02	59.47	+95
Dec 09	59.25	60.54	59.12	60.36	+88
Mar 10	62.74	62.74	61.30	62.53	+86
Est. sales 2,822. Tue's sales 13,064 Tue's open int. 137,287, -609					
OATS (CBOT) 5,000 bu minimum, cents per bushel					
Jul 09	238	239.25	231.25	238.50	+4.50
Sep 09	242.50	247	242.50	247	+4.50
Dec 09	259.50	259.75	253.25	259.50	+4.50
Mar 10	269.75	273.50	269	273.50	+4.50
Est. sales 830. Tue's sales 830 Tue's open int. 12,956, -80					
SOYBEAN MEAL (CBOT) 100 tons, dollars per ton					
Jul 09	377.70	382.00	372.00	374.80	+80
Aug 09	351.80	354.00	355.80	358.00	+2.30
Sep 09	340.80	343.00	335.00	337.20	+2.90
Oct 09	316.60	317.90	311.20	313.70	+4.90
Est. sales 59,499. Tue's sales 59,499 Tue's open int. 168,710, +2,979					
SOYBEAN OIL (CBOT) 60,000 lbs., cents per lb					
Jul 09	38.53	38.96	38.17	38.37	+20
Aug 09	38.71	39.09	38.40	38.52	+19
Sep 09	38.84	39.25	38.55	38.66	+18
Oct 09	38.91	39.34	38.71	38.77	+19
Est. sales 63,006. Tue's sales 63,006 Tue's open int. 221,462, -164					
SOYBEANS (CBOT) 5,000 bu minimum, cents per bushel					
Jul 09	1172	1189.50	1160	1169	+7
Aug 09	1137.50	1147.25	1118.75	1129.50	+9.50
Sep 09	1071	1075.75	1050	1063.50	+12.50
Nov 09	1018.75	1022.50	993	1014.50	+18.50
Est. sales 138,837. Tue's sales 138,837 Tue's open int. 421,243, +3,851					
WHEAT (CBOT) 5,000 bu minimum, cents per bushel					
Jul 09	598	604.75	585.75	597.75	+9
Sep 09	624.75	630.50	612	623.75	+9.25
Dec 09	646.75	653.50	635	646.25	+9
Mar 10	662.25	668.50	662.50	662	+9.25
Est. sales 49,352. Tue's sales 49,352 Tue's open int. 300,559, -291					
WINTER WHEAT (KCBT) 5,000 bu minimum, cents per bushel					
Jul 09	652	659	645.50	650	+7.25
Sep 09	663	666	645.50	660	+7.25
Dec 09	680	681	670	673.75	+7
Mar 10	681.50	687	671.50	685.50	+6.50
Est. sales 3,215. Tue's sales 10,257 Tue's open int. 76,598, -1,426					
CATTLE (CME) 40,000 lbs., cents per lb.					
Jun 09	81.65	82.30	81.40	82.22	+55
Aug 09	82.47	83.12	82.02	82.87	+25
Oct 09	88.55	89.07	88.20	88.50	-12
Dec 09	90.55	91.15	90.32	90.70	-05
Est. sales 1,889. Tue's sales 43,458 Tue's open int. 205,034, -1,545					
FEEDEER CATTLE (CME) 50,000 lbs., cents per lb.					
Jun 09	88.82	89.12			