

Recap of the East Town Business Partnership Business Forum
Thursday, October 20, 2016
11:30 a.m. – 1:00 p.m.
Thrivent Financial, 625 4th Avenue South, Conference Room 270
Downtown West Neighborhood of Minneapolis

- **Welcome and Introductions**

East Town Business Partnership President Paul Mellblom welcomed the audience to the October business forum and thanked ETBP Board member Kelly Stenzel for hosting.

Then he spoke anecdotally about his experience walking from his office in the Mill District to Thrivent. Because of all the transformational development occurring in East Town, he is now beginning to feel more like being a part of the city rather than being in a left over area and reminded of the role the public and private sectors played in bringing about this transformation, i.e., pushing the City to push for better development. What The Commons has turned out to be versus what the Vikings or Ryan Companies initially envisioned exemplifies what happens when the public and private spheres come together and work towards a goal that benefits the entire community. The ETBP played a vital role in that process by sometimes being an agitator and sometimes being the convener for the disparate voices in the community in order to help the overall mission of the park, and there's still more money to be raised and more work to be done to fulfill the vision of The Commons. Towards that end, the ETBP, the two neighborhood organizations, and the Minneapolis Downtown Council have all collaborated to make the public spaces within the district better.

Lastly, Mellblom encouraged the audience to join the ETBP, and/or to serve on its four committees: Board Development; Business Forum; Membership, Marketing and Communications; and the 2025 Plan East Town Development Task Force. Thereafter, the audience was asked to introduce themselves.

After ETBP Executive Director Dan Collison introduced himself, he welcomed the new ETBP members:

- Green Minneapolis (<http://www.greenminneapolis.org>);
- Leo A Daly (www.leoadaly.com/locations/north-america/minneapolis/);
- St. Paul Development Corporation (www.stpauldevelopmentcorporation.com);
- Marriott Courtyard Minneapolis (<http://www.marriott.com/hotels/travel/mspdc-courtyard-minneapolis-downtown>);
- Institute for Translational Research in Children's Mental Health (<http://itr.umn.edu/>); and
- Community Housing Development Corporation (<http://chdcmn.org/>).

Collison advised currently there are a total of 81 members and that between 250 to 300 businesses exist within the district comprised of individuals and small to large size businesses and corporations. Then he gave a special thanks to the 2016-2017 platinum members who allow the ETBP to invest in staff time and initiatives that help make the business forums great and to be able to represent the membership all over the city:

- Allied Parking
- CenterPoint Energy
- Clear Channel Outdoor
- Community Housing Development Corporation
- ESG Architects
- Hennepin County Medical Center
- House of Charity
- Izzy's Ice Cream

- Kraus-Anderson
- Minnesota Vikings
- Mortenson Construction
- Neka Creative
- NRG Energy
- PadillaCRT
- Thrivent Financial
- U.S. Bank
- Valspar
- Wells Fargo
- Xcel Energy

East Town is being recognized as the fastest growing district in the region, and because of all of the interests in the area, the ETBP is kind of a special child right now. As Governor Mark Dayton noted at the U.S. Bank Stadium ribbon-cutting, the stadium started an “economic renaissance” of the Downtown East section of Minneapolis (<http://finance-commerce.com/2016/07/u-s-bank-stadium-opens-with-ribbon-cutting/>). Thus, we’re being watched and the membership and audience’s participation is greatly appreciated.

- **District Events**

Collison announced the following upcoming events:

- Engaged Philanthropy joint business forum with the Minneapolis Downtown Council on Thursday, November 17th, 11:30 a.m. to 1:00 p.m., at Twin Cities United Way (<http://easttownmpls.org/event/november-17-etbp-business-forum-at-the-twin-cities-united-way/>);
- Annual meeting of the Downtown Minneapolis Neighborhood Association (<http://www.thedmna.org/>) on Thursday, October 27th, 5:30-8:00 p.m., at The Depot Renaissance Hotel. The featured speaker will be Minneapolis Parks Foundation Executive Director Tom Evers who will present on the Water Works project;
- Downtown Hotel Boom presentation hosted by the Minneapolis Regional Chamber of Commerce on Friday, October 28th, 7:30-9:00 a.m., at the Hilton Minneapolis (<http://www.minneapolischamber.org/>);
- Minneapolis 2040 (<https://minneapolis2040.com/>) Open Houses on Tuesday, October 25th, 5:00-7:30 p.m., at Midtown Global Market, and Thursday, October 27th, 5:00-7:30 p.m., at North Commons Park to obtain community input on the City’s Comprehensive Plan update which shapes the future development of Minneapolis. State law requires comprehensive plan updates every 10 years. To meet regional planning requirements overseen by the Metropolitan Council, the City must complete an updated plan in 2018. Policy topics include: growth; equity; sustainability; livability; competitiveness; and good governance;
- Trunk or Treat event by North Central University (<https://www.northcentral.edu/>) on Monday, October 31st, 6:30-8:00 p.m., at the parking lot on the corner of Chicago Avenue and East 14th Street;
- Islamophobia Town Hall Meeting, a joint meeting sponsored by Council Members Council Members Abdi Warsame and Jacob Frey on Wednesday, November 2nd, 6:30-8:00 p.m., at Our Savior’s Lutheran Church, 2315 Chicago Avenue (<http://oursavioursmpls.org/news/365/64/Islamophobia-Town-Hall-Meeting.html>);

- A Secret Garden Fall Musical production at North Central University. For November dates and times and to purchase tickets, visit <https://www.northcentral.edu/events/the-secret-garden-fall-musical/>; and
- 2016 Holidazzle beginning the day after Thanksgiving, Friday, November 25th, running Thursdays through Sundays concluding on Friday, December 23rd (<http://www.holidazzle.com/schedule/>).

Thereafter, Collison encouraged the audience to send activities about their businesses related the East Town community to his attention.

- **The Communication of Change**

Collison explained that the changes occurring in the district are phenomenal, but with so many businesses converging, change can be disruptive as well. Thus, the ETBP thought it would be beneficial to have a professional discuss the dynamics of change toward the goal of having its membership apply it to their own businesses. Then he introduced Carlson School of Management Senior Lecturer Lori Abrams, PhD, by providing a summary of her strategic and organizational development experience (<https://carlsonschool.umn.edu/faculty/lori-abrams>).

Using a slide presentation entitled “Organizational Change Management” dated October 20, 2016 [which was subsequently emailed to the Board by Collison], Abrams began by stating “change is bad” unless we initiate it. Then she gave a couple statements as food for thought when considering an organizational change: “We strategize beautifully, we implement pathetically;” and “Strategies are intellectually simple: their execution is not.”

Further, she asked the audience to read a quote by change consultant William Bridges (<http://www.wmbridges.com/>):

”The outcome of our preoccupation with content is that we manage the technical, economic and staffing aspects but avoid the psychological effects of change on people. We are unprepared when the changes we make disorient people and leave them demoralized, self absorbed, and full of mistrust. We are surprised when we set out to improve productivity, only to find that productivity falls because of the disruptions caused by its introduction...”

Abrams noted there are three important questions to ask during an organizational change: What to do now or later? What requires much time and personal attention? What can be delegated to others?

Events that destabilize or trigger organizational change include:

- Initiatives
- Competition
- Change in personnel
- Continued improvement issues
- Technological innovation
- Shifts in industry or product class life cycle
- Regulatory and legal changes

In order for organizational change to occur, there must be transformational leadership that:

- Builds a tolerance for ambiguity
- Builds confidence in the advantage of change
- Questions historical performance

- Questions information systems

Forces resistant to change include:

- Technology
 - Habit and inertia
 - Fear of unknown
 - Cost
- Political
 - Threats to powerful coalitions
 - Win/lose decision making
 - Indictment of leadership
 - Regression to old ways
 - Lack of supportive climate
 - Selective perception
- Self interest
- Lack of trust
- Different assessments
- Low tolerance to change

Ways to dealing with resistance include:

- Education and Communication
- Participation and involvement
- Facilitation and support
- Negotiation and Agreement

In assessing the various factors that influence organizational change to determine whether they are driving movement toward a goal or restraining movement toward a goal:

- Every change process should include an analysis of driving forces and restraining forces, i.e., a force field analysis;
- Skilled manager can help their organization be more thorough in planning and more successful implementing change by developing the ability to use this tool;
- The current behaviors/activities and values all act as restraining forces and therefore support maintaining the current state;
- Most organizational change efforts focus resources on increasing driving forces often decreasing the restraining forces is ignored; and
- Attention paid to words, assumptions and values of an organization can reduce these powerful restraining forces.

Principles management should follow during organizational change:

- Keep performance results the primary objective of behavior and skill change;
- Continually increase the number of individuals taking responsibility for their own change;
- Ensure each person always knows why his or her performance and change matters to the purpose and results of the whole organization;
- Put people in a position to learn by doing and provide them the information and support needed just in time to perform;
- Embrace improvisation as the best path to both performance and change;
- Use team performance to drive change whenever demanded; and
- Concentrate organizational designs on the work people do, not the decision-making authority they have.

The dynamics of change management require communication roles and responsibilities of the executive, sponsor, team leader, and managers/supervisors.

On an individual level, change occurs in four stages: (1) *Denial* typical and effective reactions; (2) *Resistance* typical and effective reactions; (3) *Exploration* typical and effective reactions; and (4) *Commitment* typical and effective reactions.

Persuasion and influence are necessary to effect organizational change. To be persuasive, one must display personal credibility; use logical reasoning; and use emotional reasoning.

When assessing resistance to organizational change, it has been determined that 20% of the stakeholders disrupt change (the “resisters”); 60% of the stakeholders have a neutral attitude toward change (the “bystanders”); 10% encourage change (the “helpers”); and 10% lead change (the “champions”).

To effect change at the organizational level:

- Understand the need for change;
- Enlist a core change team;
- Develop vision and strategy;
- Create a sense of urgency, share information;
- Communicate the vision;
- Take appropriate actions; and
- Develop people who can implement vision.

However, be aware of discounting behavior, i.e., individuals who maintain a position where they lack responsibility or make something less than it is.

Abrams then cited the 8 steps for transformation an organization should follow:

1. Establish sense of urgency;
2. Form a powerful guiding coalition;
3. Create a vision;
4. Communicate the vision;
5. Empower others to act;
6. Plan for and creating short-terms wins;
7. Consolidate improvements; and
8. Institutionalize new behaviors.

Thereafter, she entertained questions from the audience.

- **Closing Remarks**

Collison thanked the audience for attending, Thrivent Financial for hosting, and Dr. Lori Abrams for presenting. Then he reminded them of the next ETBP business forum on November 17th regarding engaged philanthropy.