Week 5

A previous lecture touched on the importance of preparing the environment and one's peers for accepting change, which requires thoughtful consideration of the elements that are important to the constituents you hope to persuade. In this week's material, you will examine various aspects of persuasion. In the Cialdini (2016) text, a recommended reading, you will find interesting perspectives and tools that will help you in persuading others of the need to do or accomplish something.

The persuasion aspects are important, especially when you need to convince others of the need to do or implement something that does not have demonstrable ROI. In cases like this, you will need to rely on your abilities to persuade others to see beyond what is *obvious* to the things that are not –in other words, the valuable intangibles of the situation.

An example of this is the intrinsic, but intangible value, that many consumers place on purchasing products that are "green" or that include socially responsible aspects to the product. Green and socially responsible products and services are often more expensive than those that have no association with either of these aspects. So, what makes consumers purchase these products over cheaper products that have no associations with the intangible elements? Ah! That's the real question, isn't it?

Understanding what your customer is considering to be valuable and worth the additional cost is a vital aspect for providing those elements in future products and services. This skill of identifying intangible value is not exclusive to socially responsible or green products. Being able to recognize intangible elements so that you can leverage them or convince others of the values the intangible aspects hold, is a skill that you will often use during your career.

The "intangible value" concept is important when seeking to make organizational or process changes that have little or no demonstrable way to quantify the benefits of a change. Recall that these are aspects that are beyond ROI or other quantifiable measures. An example of this is implementing an ERP system into the organization. The ERP system has the potential to streamline the organization's processes; but because the system has to be in place in order to identify and quantify the actual streamlining benefits, one must take the otherwise intangible benefits as the actual value of the proposal.

Another example of intangible value is the development of artificial intelligence (AI) to provide consistent decision-making capabilities in an organization. The immediate benefits might seem to be the obvious driver, but the true benefits of consistency this

will have more intangible value over time will be to the organization's reputation of fairness and consistency as it grows with the use of AI – which could be seen as a much more lasting value than the immediate tangible value to the bottom line.

Consider also that the implementation of any technology can also bring currently unknown benefits by way of efficiencies that would only be realized *after* the implementation of the system. Intangible value often comes from a variety of sources, such as employee morale, job satisfaction, process efficiencies, organization reputation, and a variety of unknown benefits that won't be recognized until the system is in place for awhile.

Being able to quantify the unquantifiable aspects *qualitatively* is an excellent skill to acquire. In today's organizations, it is much more common to have intangible and often unquantifiable benefits to proposed improvements or changes, especially when implementing new technology. It is the nature of technology improvements -- and especially where it concerns implementation of innovative technology -- that the future benefits of implementation are not quantifiable, simply because they have not yet been done in the environment. But, as a champion of change, you can see the intangible benefits that your idea for change can bring.

So, what do you do? You will need to prepare the environment through persuasion, and Cialdini (2016) is a great source for ways to do this. You will need to envision the benefits that the changes can have on elements such as employee morale, customer NPS (net promotor score), job effectiveness, or improving organizational culture and/or reputation. Then, share narratives with others that paint the picture the changes can bring.

These are just a few of the aspects that have intangible but intrinsic value – your job is to persuade others of the benefits that could be realized from your ideas. Remember, just because something doesn't have a demonstrable ROI does not mean that it has no value. You'll need to lay the preparatory groundwork in order to develop a receptive audience willing to accept that the benefits are intangible but no less valuable to the organization.

References

Cialdini, R. (2016). *Pre-suasion: A revolutionary way to influence and persuade*. Simon & Schuster.