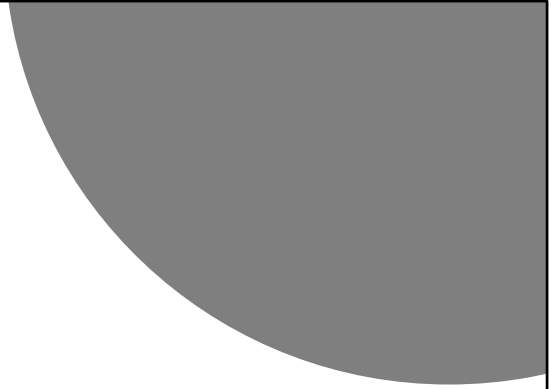
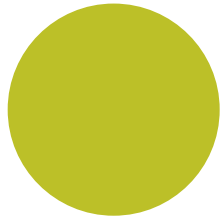


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Signed:  J. Thomas
Date: 04.11.2019



How to implement and manage change

Joanne Thomas

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Overview



Drivers of change



What can enable or hinder change



Change models



Positive relationships



Communication



Best practice



Planning



Monitor/evaluate

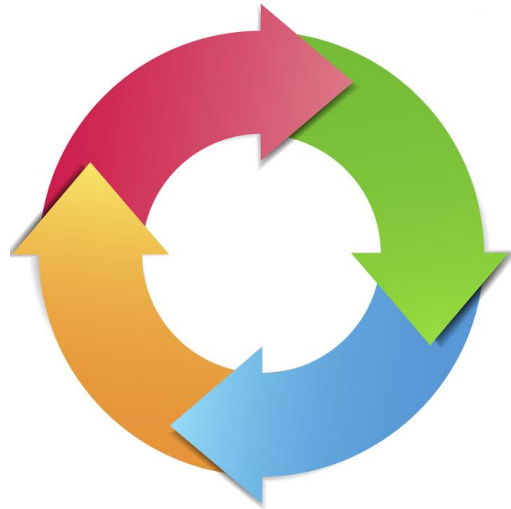
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Introduction

Organisational change is:

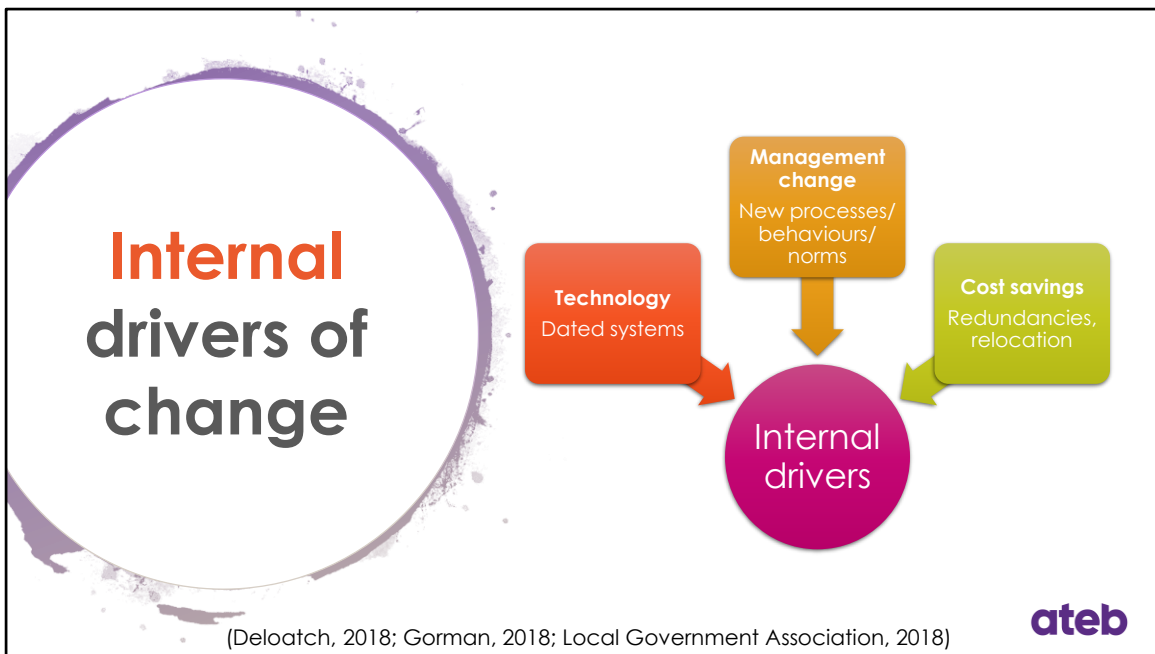
- Continuous
- Triggered by internal and external drivers
- Necessary for survival

(CIPD, 2018)



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Organisational change is frequent and constant in many organisations, driven by internal and external drivers. Continuous change is essential for an organisation to survive and maintain long-term sustainability however, change initiatives carry a high failure rate with many initiatives failing to reach their desired outcomes, which can have an adverse effect limiting the organisations potential. The levels of failure suggest that the management of change is problematic; there are varied models of change and no 'one-size fits all' therefore, it is crucial that HR and management are equipped with the necessary skills and knowledge to effectively manage change (CIPD, 2018).



Internal and external drivers can trigger change:

Technology

Deloatch (2018) highlights that many businesses are embracing newer technologies as they seek out their future business models. Ateb's existing technological infrastructure no longer supported changing working practices whereby, the working environment was becoming more agile to meet customer demand and employee flexibility expectations. Therefore, this triggered an organisation-wide digital transformation whereby, new flexible modern core software replaced existing systems and hardware replaced with mobile devices such as laptops and iPads.

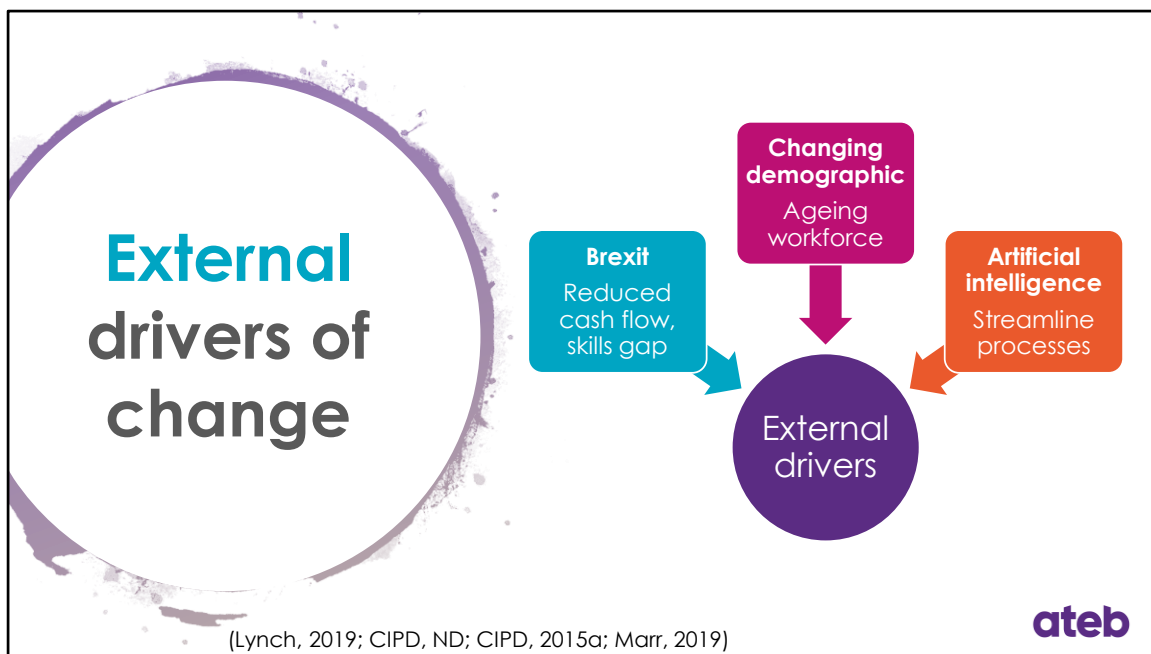
Management change

Management change can trigger organisational change as the new leadership may adopt new practices different to the known norm, such as culture, behaviour, procedures or technology. Gorman (2018) notes that Chief Executives' should always have a clear vision and encourage all leaders to continually review their working practices to determine what is meaningful and what could be done better in order to be ready for and to navigate change.

Ateb's new Chief Executive developed and implemented cultural and organisational changes. A new vision was developed informing stakeholders what 'good' looks like, including our mission, 'DNA' and strategic aims (Ateb, ND). Many processes within the workplace were processed-mapped to meet customer expectation and to align with Ateb's DNA.

Cost saving

New working initiatives can be implemented to reduce spending and costs. Local Government Association (2018) describe that many public sector services are providing collaborative transformations through sharing resources and service arrangement, to create cost-saving customer-focused working practices; this imitative resulted in £840 million in cumulative efficiency savings.



Brexit

Brexit is a big concern for businesses; Lynch (2019) explains that following Brexit, cash flow may become problematic if trading slows down resulting in less cash flow therefore, businesses will have to consider methods to make cost savings such as redundancies or relocating. Furthermore, the end of free movement may result in a skills and labour shortage in the workplace therefore, employers may introduce changes to their recruitment and development processes or introduce flexible working to recruit new labour and retain existing staff (CIPD, ND).

Changing demographic

The workforce is ageing with 30% of the workforce being over 50, moreover the number of workers over 50 has increased between 1992 and 2015. In the coming decades, a big proportion of this demographic will leave work however, it is unlikely that this gap will be filled by younger people or migrant workers resulting in a skills and experience gap. Businesses will need to change to either attempt to retain some of the older workforce or attract younger talent. CIPD (2015a) suggests businesses should; improve line manager capability so they understand the changing needs of the workforce; introduce flexible working such as reduced hours or phased retirement; and support employee health and wellbeing.

Artificial intelligence (AI)

The introduction of AI facilities in the workforce can trigger change and uncertainty as employees may envision job losses however, an augmented workforce will streamline processes and help people do their jobs more efficiently. For example, an engineering company changed their training process by adopting virtual reality and AI tools to capture working experience and job lessons for new starters to experience for their development (Marr, 2019).



What enables change?

Trust

- Demonstrate trustworthiness
 - Daily priority
- Less resistant to change

Employee Voice

- Inclusion
- Understand workforce reaction
 - Promote open culture
- Less resistant to change

(CIPD, 2018a; Stanford, 2017; Acas, 2014)

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Trust

Change management thrives in a high-trust culture. Change leaders must demonstrate their trustworthiness through competence and integrity during change (CIPD, 2018a). Trust must be evident across the business for employees to believe in the leadership; furthermore, trust should be established as a daily priority, as opposed to only during change, as this will increase employee readiness for change (Stanford, 2017). Employees are less likely to resist change if they trust their leaders as they may feel secure that the change is the right decision and trust they will be supported.

Employee voice

Employee voice can enable the change management process as employees will feel part of the organisation's future when they are able to express their opinions and views (Acas, 2014) thus, being less resistant to change if they feel their opinion influenced it. Investors in People (ND) note that if organisations are to adapt to the changing market conditions, they must promote a climate where employees can speak truthfully as for change to be sustainable, it must start with transparency. Employee voice can influence change plans as employees can inform leaders of the reality of daily operations and processes; furthermore, employee voice provides

employers with an understanding of how the workforce are coping with the change.



What hinders change?

(Gurchiek, 2016)

ICT Capability

- Employees struggling to adopt new technology
 - Fear of unknown
 - Additional training

Trade Unions

- Oppose change
- Negotiations to satisfy unions
 - Strike action

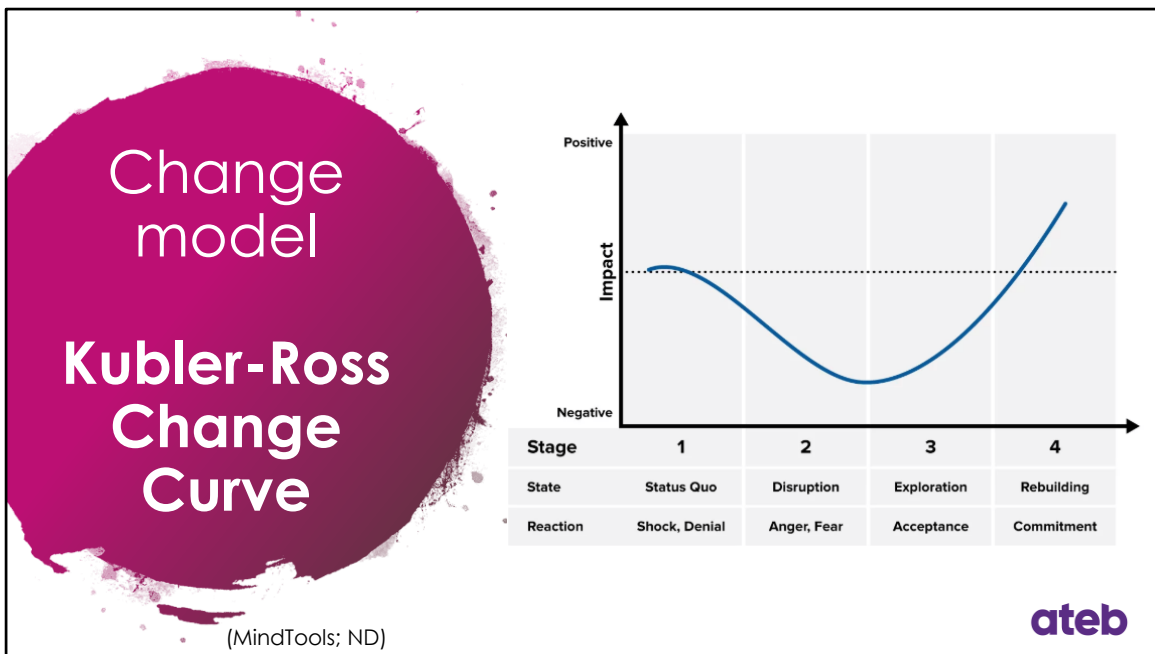
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ICT capability

As businesses adopt more technology to streamline processes or introduce new working practices, the ICT capability of employees may disrupt the change process. The introduction of technology to those who have limited ICT capabilities can result in resistance to the change due to fear of the unknown however, it will extend the change plan period to accommodate training and support sessions to train existing employees. Gurchiek (2016) encourages employers to keep all employee skills relevant and up to date, so when introducing new technology businesses do not have to focus on hiring new talent but instead recruit their own therefore, enabling all employees to adopt changing technologies more effectively.

Trade unions

The presence of trade unions can hinder change initiatives and prolong the process if unions oppose the change, or if consultations and negotiations are undertaken. Should unions oppose the trade, businesses may have to re-evaluate their change plans and make adjustments to satisfy the unions. Through negotiations, businesses may have to offer more desirable rewards to employees than anticipated which may increase cost. Furthermore, if in continual disagreement, trade unions may initiate strike action resulting in disruption across the business.



There are a wide variety of change management models which can be used as a framework and adapted to fit the needs of the business.

The Kubler-Ross Change Curve visually demonstrates the emotional transition employees will experience therefore, helping organisations predict reactions and plan the appropriate guidance and support they may need to minimize negative reactions and accelerate the change. Individuals progress through the curve and experience highs and lows at different times (Firoozmand, 2014)

The change curve has four main stages and associated reactions:

Stage 1: Status Quo.

Shock and denial

Stage 2 – Disruption

Anger and fear

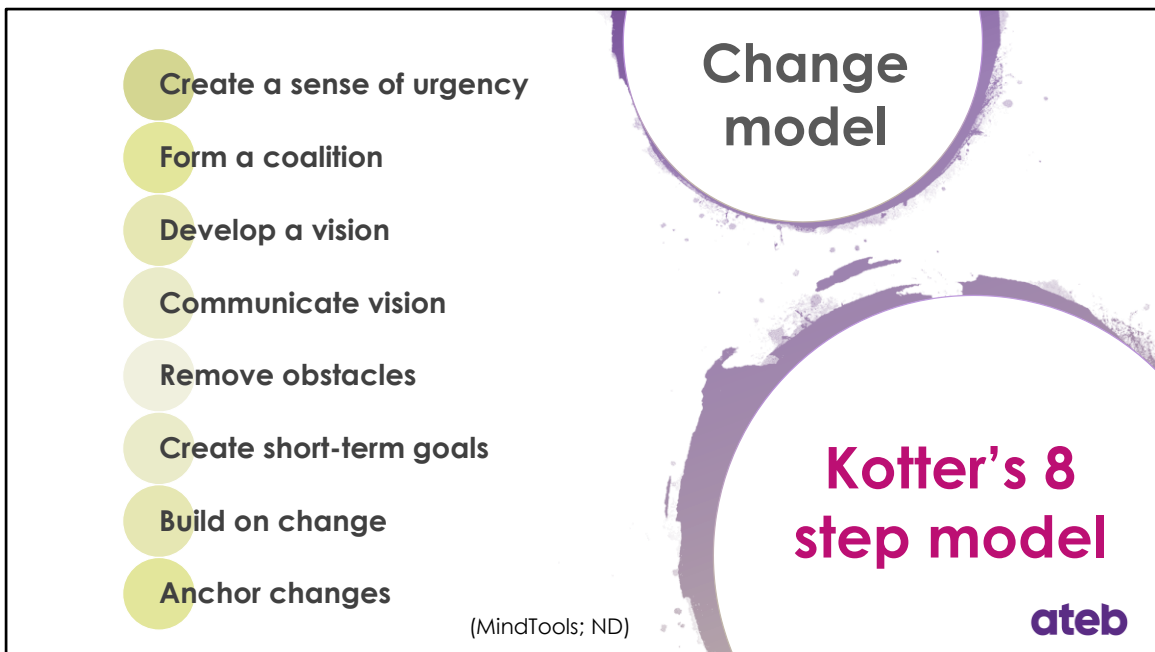
Stage 3 – Exploration

Acceptance

Stage 4 – Rebuilding

Commitment

By anticipating reactions, leaders will be able to plan accordingly to suit each stage; at stage one when people are experiencing shock, leaders should communicate effectively and regularly. Stage two must be managed effectively as bad management could lead to failure before the change has begun therefore, preparing by considering what objections people may have and how to deal with them. As the change is beginning to be accepted at stage three, people should be given the opportunity to experience the change and what it means. Finally, at stage four it is an opportunity to celebrate success and recognise the development and growth achieved (MindTools, NDa).



Kotter's 8-step change model is a framework to create change transformations in the workplace, helping to effectively guide, prepare and implement change in businesses to increase the chance of success. The model acts as a checklist minimising the risk of overlooking an important aspect of the change process. The first three steps create the right environment for change to thrive, steps four to six embeds the change into the organisation and steps seven and eight focus on implementation and consolidating change.

The stages are:

- Create a sense of urgency to encourage the whole company to want the change by discussing the need for change.
- Form a coalition by bringing together influential people from different corners of the business to continue to build momentum.
- Develop a vision so people can understand why change is needed and envision what the business is trying to achieve.
- Communicate the vision frequently and embed it across all communication furthermore, have integrity by role modelling the expected behaviours.
- Remove obstacles to empower people to move forward and embrace the vision.
- Create short-term goals for employees to achieve quick wins to celebrate success

and increase motivation.

- Build on change by reviewing the journey so far to identify improvements and build on what went right.
- Anchor the changes by making the change seen across the business whilst ensuring leaders and existing employees continually support the change.

(MindTools, NDb)

Building positive relationships



Employees are happier and more productive when they have good relationships in the workplace; they will enjoy their work more and importantly more likely to go along with and adapt to change (MindTools, NDc).

Positive relationships are can be defined by the following characteristics; trust, respect, welcoming diversity, mindfulness and communication. Individuals should promote positivity, honesty, and authenticity in their actions to build trust and avoid negative actions such as gossiping. Activity listening in the relationship and welcoming diverse opinions in the relationship will build respect and open lines of communication. Individuals must be aware of and continually develop their emotional intelligence to understand their own emotions and interpret their colleagues' emotions to demonstrate support and mindfulness (MindTools, NDc; Morrison, 2017).

Maintaining positive relationships



Help



Communicate



Anticipate



Positive
approach

ateb

During times of change, positive relationships can be maintained by:

- helping others to understand why the change is happening and having awareness of the impact on individuals and teams
 - anticipating reactions and providing support
 - regular and open communication will continue to build and maintain trust
 - resolving differences positively to maintain the relationship
- (MindTools, NDC).

Communication

- Develop strategy: issue, who, method, feedback
- Tailor communication
- Provide support
 - Counselling
 - Training
 - Mentoring
- Consider type
 - Email
 - Social media
 - Team briefings

(Acas, 2014; SHRM, 2015)



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A communications strategy is developed alongside the change initiative, to plan how to communicate considering basic principles; what is the issue, who to communicate to, the message, communication method and receiving feedback (Acas, 2014).

Different stakeholders will naturally have different interests therefore, communications must vary for it to be relevant to their individual needs; as such, the depth of information may vary between stakeholder groups. Furthermore, audiences vary and communications should be tailored to suit.

Stakeholders groups who are directly affected by the change may require more support including counselling to deal with stress (SHRM, 2015), further advice, training required for new processes and mentoring to help individuals embrace the change. Managers may need coaching and training on dealing with difficult conversations or how to motivate their teams. Stakeholders who are far removed from the change and are on a 'need to know basis' will require very little or no support.

Communications can be delivered through a range of methods including letters, social media, e-mail, newsletter, and briefings at team meetings. The communication

strategy will identify the appropriate method for each audience; for example, individuals with limited ICT skills will not benefit from e-mail or social media communication and may prefer a team briefing (Acas, 2014). Knight (2014) highlights that workforces will become five generational in future therefore, employers should consider the different needs of each generation including preferred communication style.



SHRM (2015) define three phases to facilitate change; design, enact and sustain. The phases may appear linear however, during change most businesses will cycle through the different stages multiple times as decisions are reconsidered as the change progresses.



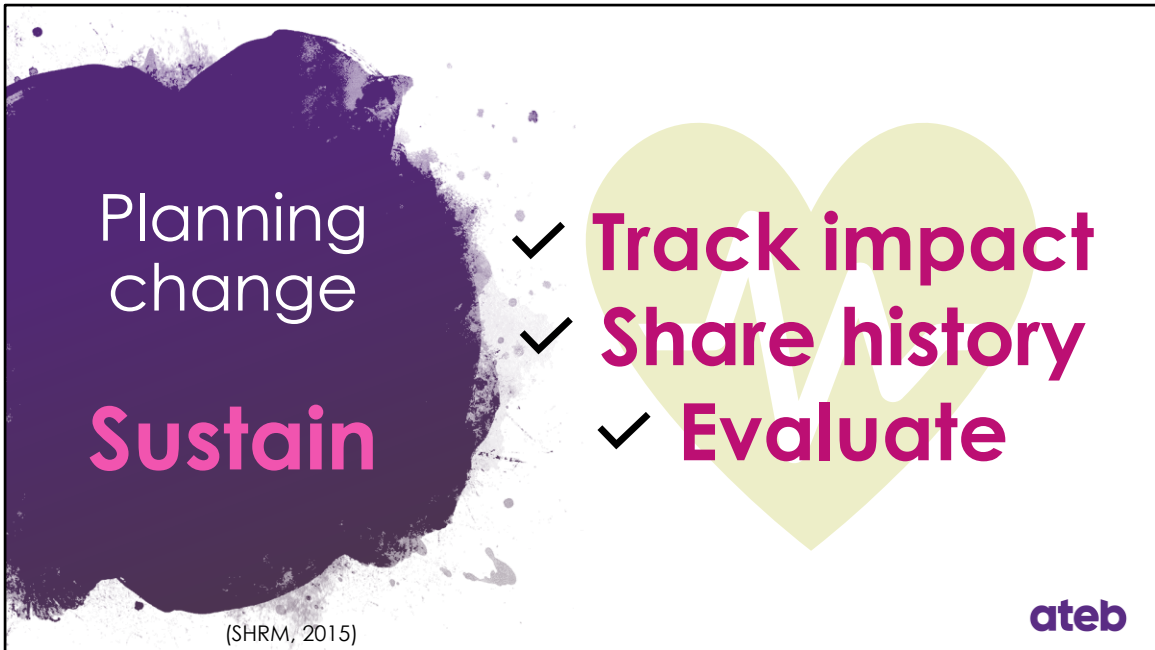
SHRM (2015) detail three guidelines to consider in the design phase:

- Conduct a current state assessment to understand business capabilities, as to create a change plan, the design team must understand the current state of the business. The assessment can review resources, capabilities and committed strategies.
- Design for the future as the external world is always evolving therefore, the business must not remain static. Due to the evolving world, the design team should examine different scenarios to identify the future needs of the business.
- Create prioritised, actionable and realistic goals as having a clear understanding of where the change is taking the organisation will make the change process easier; the team can create goals when they have a clear vision of what the change will achieve.



SHRM (2015) detail five guidelines to consider in the enacting phase:

- Prioritise expertise over availability when creating the change team. Team members may be considered based on their time availability however, focus should be given to expertise as the change is more likely to succeed; additionally, a team of experts sends a message that the change is being taken seriously.
- Recruit a change champion from the senior team to build momentum.
- Manage stakeholders effectively; some stakeholders may be able to offer valuable support with their expertise or ability to effectively map change.
- Recruit an experienced project manager to keep the change on track and further recruit a separate project team leader to help balance pressure and demands.
- Monitor the external world for changes and be prepared to make adjustment to account for changes identified. Other business initiatives should also be monitored and aligned with the change as useful overlaps may be identified alongside potential conflicts.



SHRM (2015) detail four guidelines to follow when sustaining change:

- Track the engagement of stakeholders and the change impact, as failing to assess impact and stakeholders can result in prematurely assuming the change was a success or failure.
- Share stories about the organisation before the change as pre-change memories will change and disappear which can slow momentum and feelings of accomplishment.
- Evaluate if the change fits the environment to identify challenges before they escalate.
- Departments are different however, effort must be made to ensure the change translates into daily expected behaviour.

Change plan example

Change Plan Example

#1	#2	#3	#4	#5	#6	#7	#8	#9	#10	#11
Vision	Leadership/ Champions	Stakeholders	Roles & Responsibilities	Objectives	Scope	Constraints	Support	Communication	Monitor	Milestones
What is changing and why	Who is leading and acting as change champions	Who are your stakeholders. What do they need to know	Define roles and responsibilities	Objectives to complete to achieve change	Who is affected?	Time, budget, resources etc..	What support is available. How to overcome resistance.	Attach communications strategy	Gather feedback	Celebrate successes

A change plan is essential to the success of the project as the plan prepares leaders to be agile and adapt to challenges as the plan progresses. There is no standard template of a change plan however, the plan should set out the key components of change to follow when executing and controlling the change project. Key components to be included in a plan can include:

- The vision, describing what the change is and why it is necessary.
- Identify effective leadership and change champions to build momentum, motivate and create a change-ready environment.
- Identify stakeholders.
- Identify roles, responsibilities and what needs to be achieved.
- Consider the scope of the change, identifying who is affected.
- Identify project constraints such as budget, time and resources.
- Identify possible resistance and how to overcome it.
- Communication strategy.
- Monitor the change by gathering and sharing feedback.
- Plan change milestones to celebrate success.

(Gesme and Wiseman, 2010; DoIT, 2007; SmartSheet, ND)

Best practice



COMMUNICATE
VISION



REGULAR HONEST
COMMUNICATION



MONITOR AND
REVIEW

(ACAS, 2014; SHRM, 2015)

There are several best practice phases when implementing change to increase the chances of success. As per Kotter's 8-step model, to create a sense of urgency the need for change must be communicated, including promotion of the benefits and vision of the change; CIPD (2018) encourages employers to present the change in ambiguous terms to purposely encourage employees to question the change to make sense of what is happening.

Acas (2014) emphasises communication as a key component in successfully implemented change; regular and honest communication throughout the process is essential including bad news, to continue to build trust and discourage an 'them and us' attitude. Furthermore, leaders must be empathetic and provide ongoing support.

SHRM (2015) encourage leaders to monitor the environment for changes to the impact of the change and if the change aligns with the external environment and make adjustments to account for changes. A period of review if required to sustain change, tracking the impact of change to identify if there are shifts in behaviours or perceptions. Understanding the impact is useful when planning other changes to consider what the business could do differently to improve success and longevity of the change.



During the sustaining phase of SHRM's three phase change model, the impact of change is monitored and assessed, using annual surveys and pre-scheduled stakeholder surveys and interviews. The BBC and Zurich UK utilised pulse surveys, engagement surveys and 360-appraisals to gain quantitative data. The BBC compared results year on year and Zurich UK addressed poor scores; furthermore, Zurich UK also gained qualitative data by conducting verbal activities such as change champions meetings (CIPD, 2015b). Engagement surveys promote open communication and changing behaviour as questions prompts individual to reflect; additionally, the non-response rate is important as non-respondents are more likely to resign (Judd et al, 2018).

HMRC reported analysing HR statistics, in particular sickness absence, to monitor impact, finding sickness fell by 19% following the change. HMRC also analysed customer and efficiency statistics identifying the change has increased customer satisfaction and streamlined processed in reducing the amount of referrals and incoming customer letters. News UK also used data analysis to assess impact, tracking circulation and subscriptions finding that both had increased following change (CIPD, 2015b). Data driven organisational change improves efficiency and manoeuvrability, can continue to inform decisions, advise transformation predictions and provide

insights to adjust the change process or seize a new opportunity (Gleeson, 2017).

Conclusion



Continuous



Internal &
external drivers

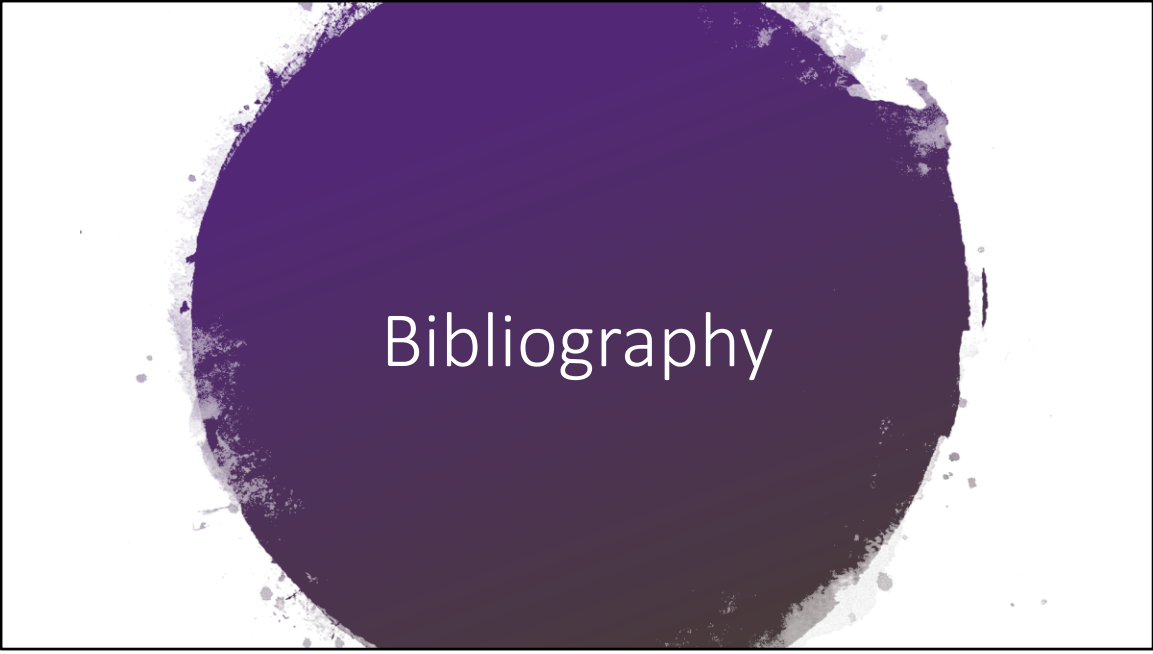


Plan



Review

Change is continuous and can be triggered by internal or external driver. To ensure success, every change initiative should be planned, monitored and evaluated, making use of change models, developing a change plan and communications strategy.



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