

*“Leadership produces change.
That is its primary function”*

Dr John Kotter



Outline

- aims
- drivers of change
- change management failures
- phases of managing change
- change & transition
- stakeholder strategies
- close

Change is Permanent!

1990 – 2000

- Nearly 50% of all US companies were restructured
- Over 80,000 firms were acquired or merged
- Over 450,000 organisations failed
- More than 24 million jobs were lost

2000 – 2010

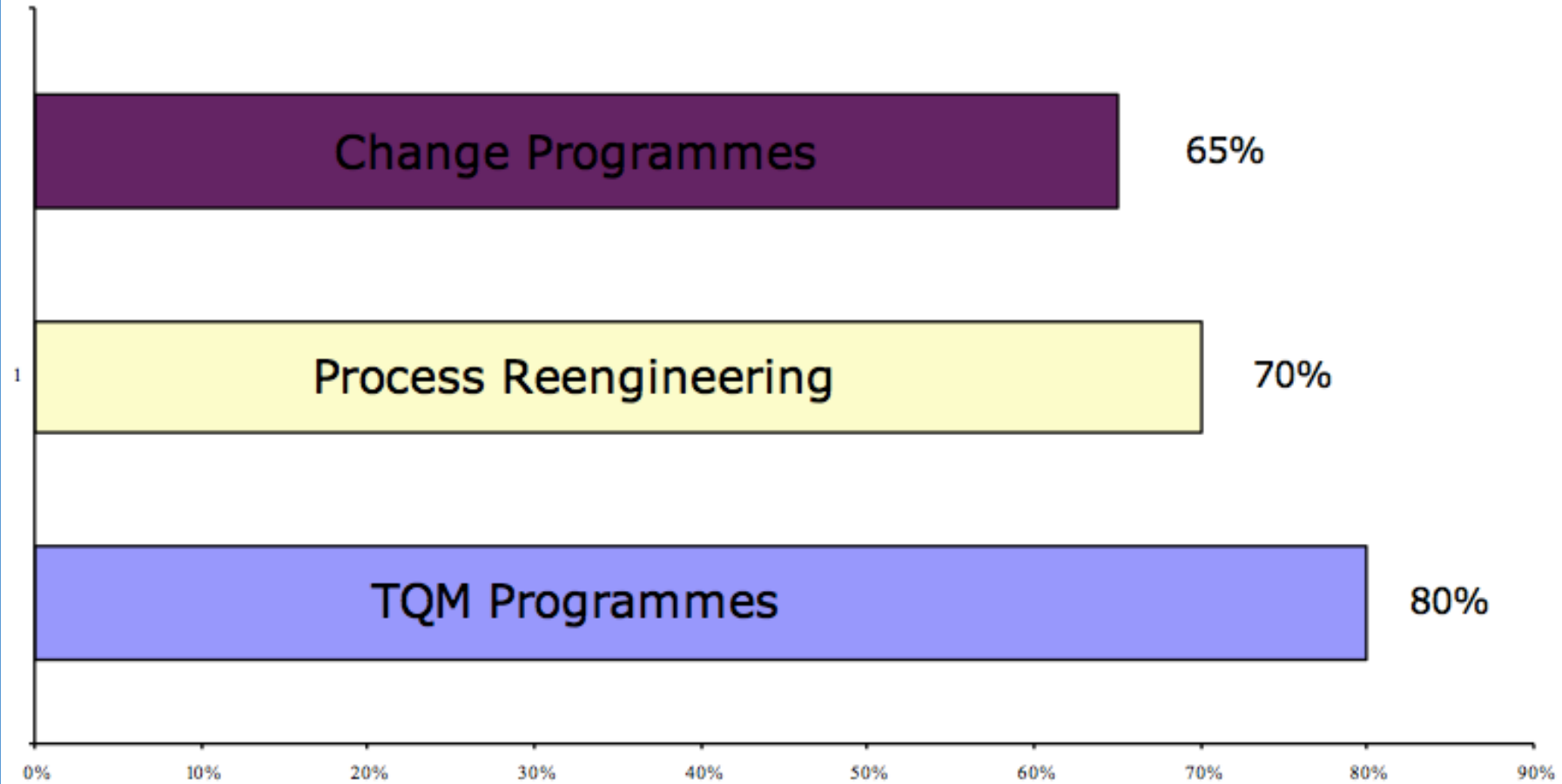
- 🎬 About ¼ of all current knowledge and practice will be obsolete
- 🎬 The life span of new technology will decrease from the current 18 months
- 🎬 Twenty times more people will be working at home



A group of eight people, four men and four women, are standing in a line in a gymnasium. They are dressed in casual athletic wear. The first three people on the left are wearing white shirts and shorts, while the last three on the right are wearing dark shirts and shorts. The person in the middle is wearing a white shirt and dark shorts. A basketball is being passed between the person in the middle and the person on the far right. The text "How many passes does the team in white make?" is overlaid on the image.

How many passes does the team in white make?

Change Failure Rates

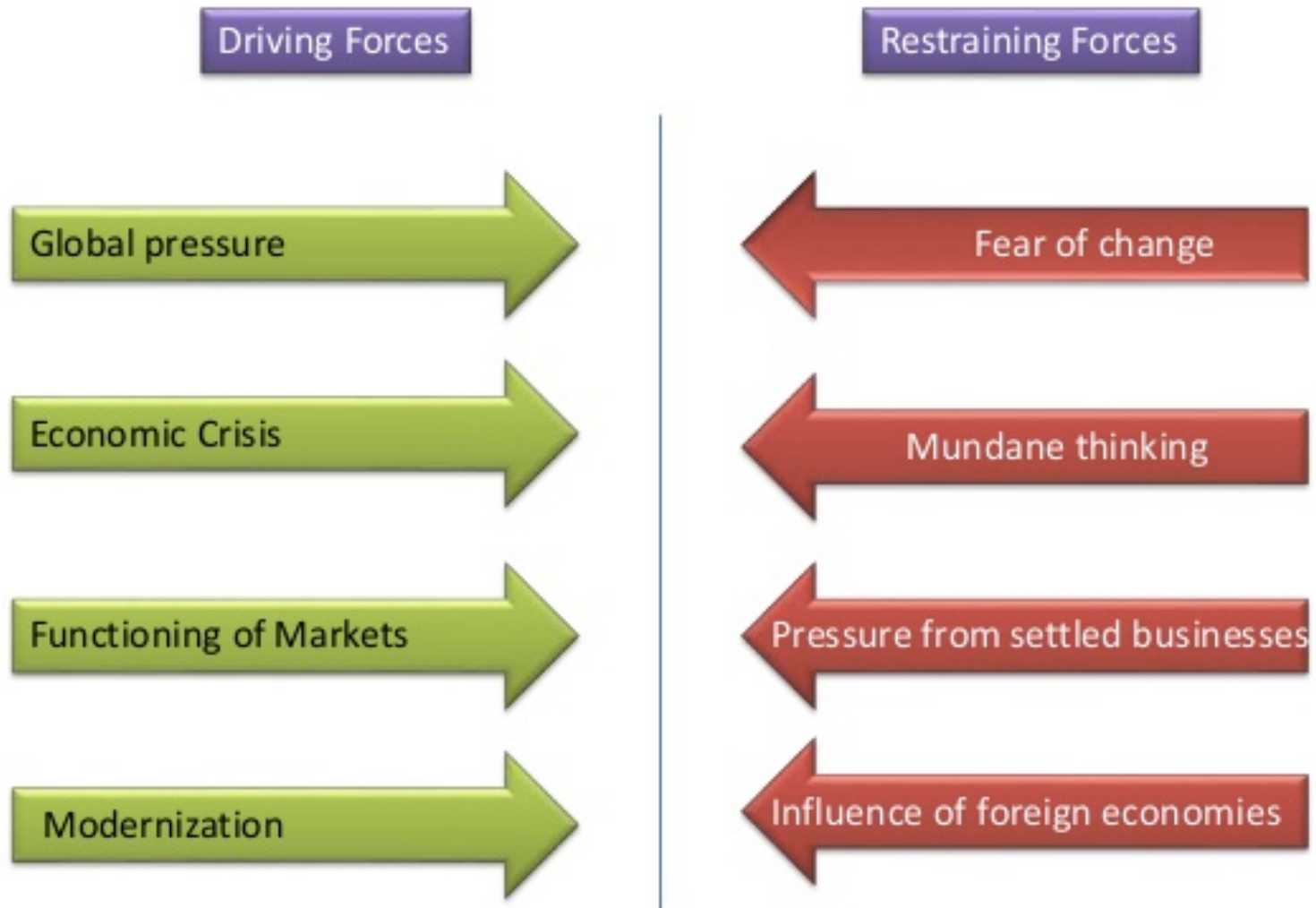


A hand is reaching up from the surface of a blue ocean, with the fingers spread. The background is a clear blue sky and the ocean surface. The title 'WHY CHANGE FAILS' is overlaid on the right side of the image.

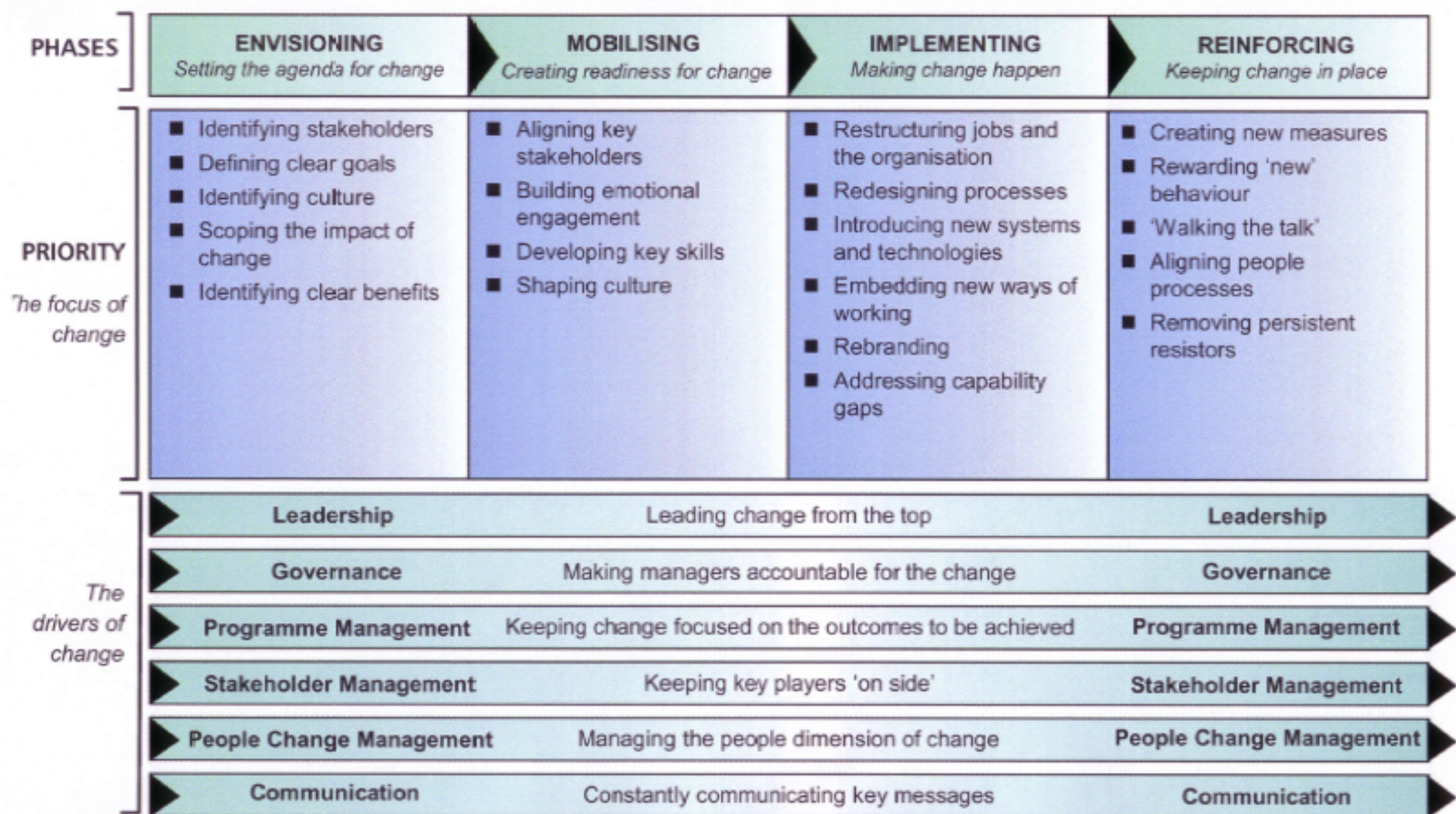
WHY CHANGE FAILS

1. Initiative overload
2. Implementation is neglected
3. Senior level turnover
4. Unintended consequences
5. Project creep
6. Not managed as important
7. Ownership obscure

Field Force Analysis: (Diagram)



The Psychology of Organisational Change





Change Management

Vision

+

**Communi-
cation**

+

Capability

+

Tools

+

Incentive

+

**Action
Plans**

=

**Real
Change**

**Communi-
cation**

+

Capability

+

Tools

+

Incentive

+

**Action
Plans**

=

Confusion

Vision

+

Capability

+

Tools

+

Incentive

+

**Action
Plans**

=

Rejection

Vision

+

**Communi-
cation**

+

Tools

+

Incentive

+

**Action
Plans**

=

Fear

Vision

+

**Communi-
cation**

+

Capability

+

Incentive

+

**Action
Plans**

=

Frustration

Vision

+

**Communi-
cation**

+

Capability

+

Tools

+

**Action
Plans**

=

**Slow
Change**

Vision

+

**Communi-
cation**

+

Capability

+

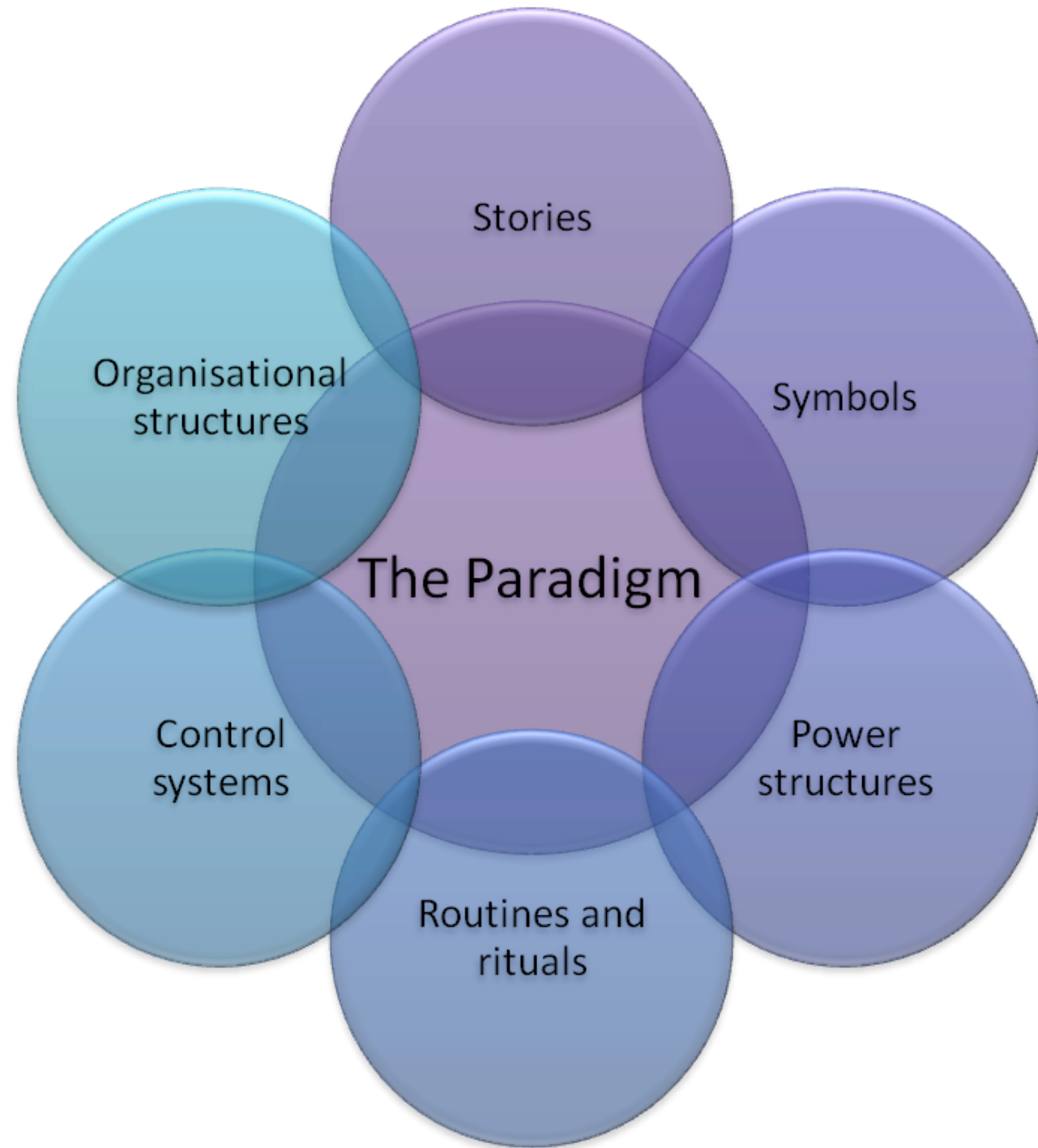
Tools

+

Incentive

=

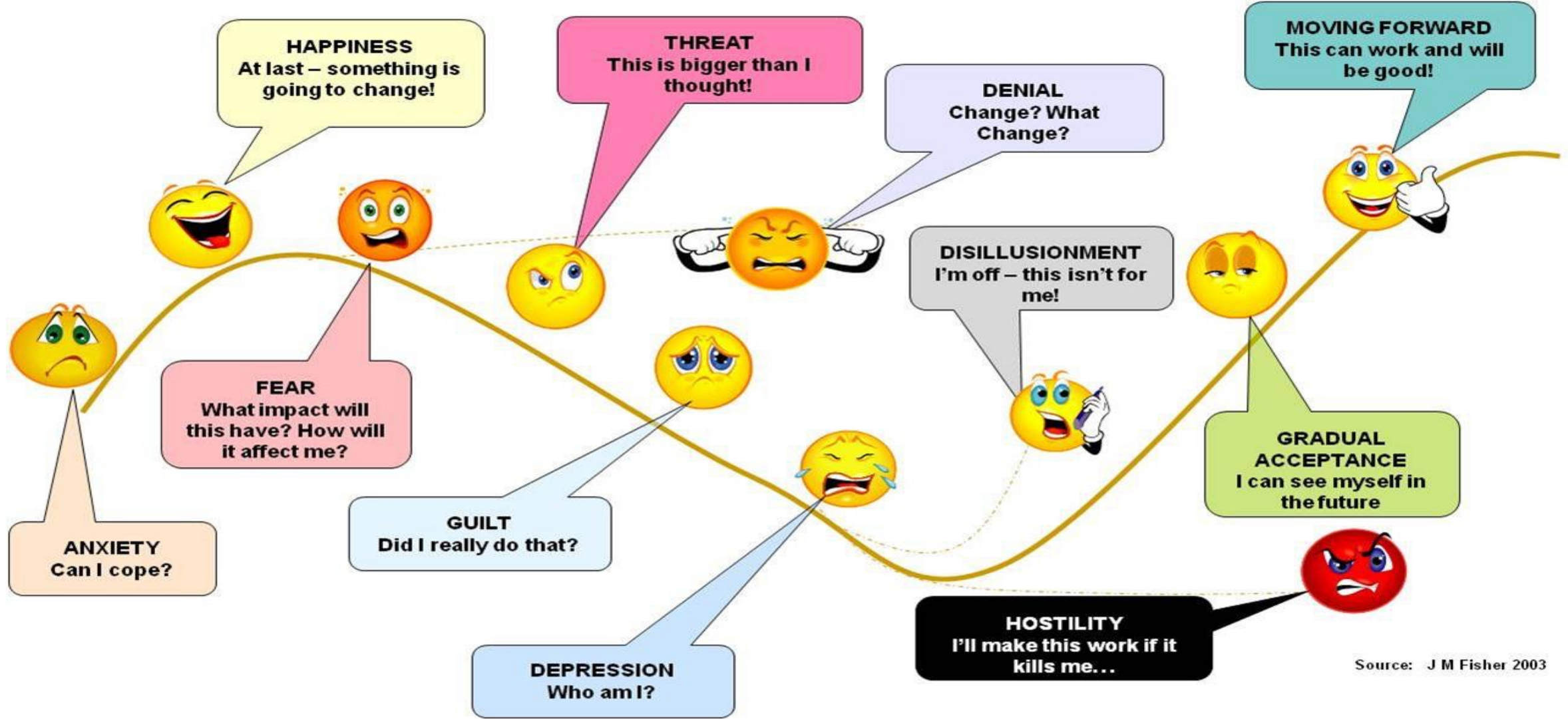
Chaos



A silhouette of a person in mid-jump, crossing a gap between two dark, jagged rock formations. The background is a vibrant blue sky filled with white, fluffy clouds. A bright sunburst with radiating rays is positioned behind the text on the right side of the image.

**Unless
TRANSITION
occurs, CHANGE
will not work.**

- William Bridges, "Managing Transitions"



Top Ten Resistors to Change (Harvard)

- Loss of control
- Lack of clarity
- Surprises
- Change for change sake
- Trashing the past
- Fear of becoming 'redundant'
- Lack of transparency
- Ripple effect
- Past resentments
- Real pain

C = Current commitment to the change | R = Required commitment to the change

Stakeholder	Perceived Benefit (or <i>dis-benefit</i>)	Support Commitment Required					Perceived Resistance	Changes Required
		Anti	Neutral	Allow	Help	Make		
Functional Managers	Focus more on catering quality of service Remove admin Be accurate <i>Potential skill exposure</i>	C	→			R	Take current work away Ask them to do things would not normally do Do not see themselves as part of a large whole	Get them involved Show them the benefits Give some accountability for project Make champions



The Psychology of Change Management (McKinsey)

- a compelling story, a purpose to believe in
- consistent role models
- reinforcing mechanisms, e.g. reward & recognition
- build capability, the skills required for the change



IDENTITY

WHO

BELIEFS / VALUES

WHY

CAPABILITY

HOW

BEHAVIOUR

WHAT

ENVIRONMENT

WHERE / WHEN

I CAN'T DO THAT HERE