

Managing Change Effectively

Presentation aims:

By the end of this presentation, you will:

- Understand key principles, theories and models relating to Organisational Change
- Understand the importance of communication and relationship management within Change processes
- Know how to plan, implement and monitor change processes.

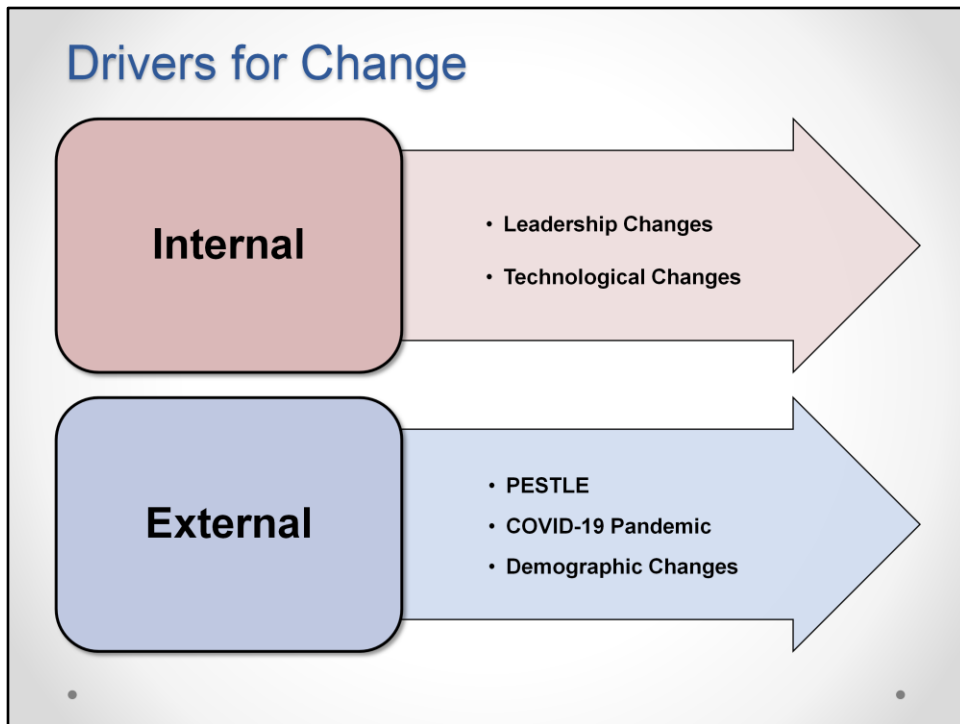
Introduction

- Change is frequent
- COVID-19 has been a test
- The role of the Line Manager is crucial
- Compassionate Leadership is key in a crisis
- Planning, Communication and Relationship Management are vital for success

Change is frequent; sometimes controllable and sometimes not, but it's important to manage it effectively. The impact of poor change management may last a long time (CIPD, 2020).

Organisations have been tested with the most significant change this year; the ongoing COVID-19 crisis (CIPD, 2020). This pandemic has tested Leadership skills (CMI, 2020). Being a Compassionate Leader is important during times of crisis (D'Auria et al. 2020).

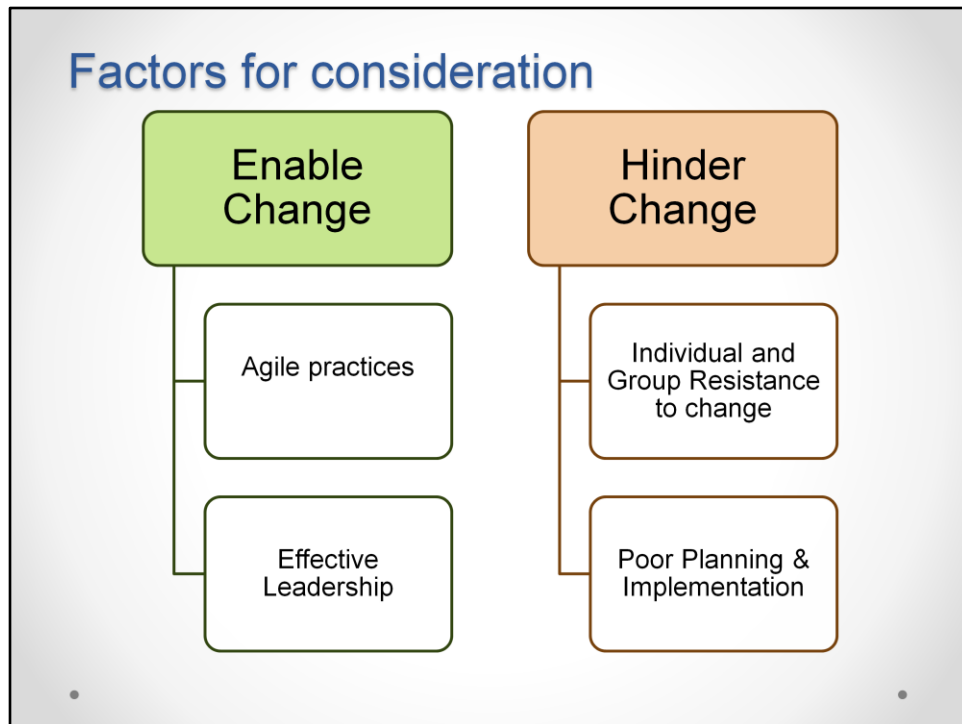
If we *Plan* for change, *Communicate* well and *Manage Employee Relationships* to build trust; we are more likely to implement and embed change effectively (CIPD, 2020).



Internal drivers for change are often linked to organisation improvements; creating better ways of working, reducing costs, improving the quality of processes. This can include the arrival of a new leader (Hodges, 2016). A new CEO replaces continuity with uncertainty. When changes from new Leaders are properly managed they can bring opportunity and future-proofing of an organisation (Hsieh & Bear, 1994). Internal technological changes such as Artificial Intelligence and Automation are on the rise. These major changes need to be managed effectively to increase opportunities for more value-added jobs, to help employees manage risks to their jobs and ensure risks to performance are limited (CIPD, 2020).

External drivers of change are often linked to Political, Economic, Social, Technological, Legal and Environmental (PESTLE) factors. Some examples of these include Climate change; Demographic shifts; changes in Legislation (Hodges, 2016). The COVID-19 Pandemic has been a huge driver of change this year. The virus continues to pose a risk and employees' health and wellbeing has to be at the core of every employer's response. Organisations have had to make swift changes to their operations, role delivery, preparation for employees to return to work and ensuring their return is safe (CIPD, 2020).

The population continues to grow rapidly along with an extraordinary ageing of the global population. These demographic changes are going to have a major impact on organisations in years to come. Organisations need to become more agile and offer more flexible working options such as part-time working, working from home and/or phased retirements to retain the older workforce (Hodges, 2016).



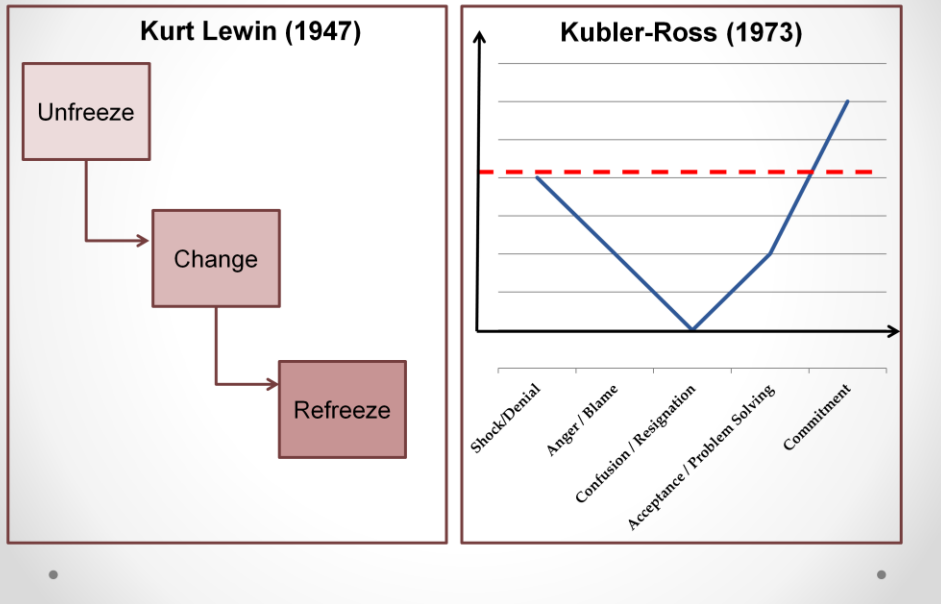
Organisations must respond quickly to the fast pace of change. Today's workforce is more diverse and requires increased flexibility (CIPD, 2014). Agile Organisations are able to adapt; adopting simple, unrestrictive processes (Miller, 2011). A change-ready organisation is more likely to achieve sustainable success (Lamb, 2011). Organisations with a customer-focussed culture are much more likely to adapt than those overwhelmed by process. Gallup analytics discuss that agility needs to be driven by great managers and simply developing a matrixed organisation won't be enough to achieve it (Clifton & Harter, 2019).

Gallup describes 'Initiation' as one of the five great traits of Managers; influencing and pushing through resistance. Great Managers build agility into each stage of the employee journey (Clifton & Harter, 2019). Managers must lead by example, motivate their workforce and adopt a sophisticated communication strategy (McNally, 2019). Organisations have had to upskill or reskill staff during the COVID-19 pandemic. Leaders have the ability to shape the culture and the ability to learn, adapt or continually improve is vital in the face of such a challenge (CIPD, 2020). Colleagues that are engaged, empowered and feel they have a purpose will progress through uncertainty (Cheese, 2016). The younger generation see change as part of life, increasing the likelihood that organisations will more easily be able to implement change in the future (Taylor, 2010). Resistance to change may be evidenced by subtle undermining, to active resistance, such as strikes. Resistance tends to be created by a loss of control, uncertainty, shock, competence fears and inconvenience (CIPD, 2020). Trade unions can be resistant, but Managers are starting to work collaboratively with

unions to tackle change (Pardy, 2010).

Carnall (1991, cited in Armstrong, 2016) discusses how most failures to implement change have been due to inaccurate timescales; lack of contingency planning, lack of training and uncontrollable external factors (Armstrong, 2016). A lack of effective project management can lead to slipped timings or too much time spent on project management and not enough on enacting the change (CIPD, 2020).

Models of Change



Kurt Lewin (1947, cited in Hodges, 2016) developed a model of planned change, comprised of three stages; 'Unfreeze', 'Change' and 'Refreeze'. Motivation for change needs to be established as a priority (Mindtools, 2006). Situations are maintained by a balance between forces that *drive* change and those that *resist* it. To enable change, the driving forces must be strengthened or resisting forces weakened (Mindtools, 2015). During 'Unfreezing', it's crucial that the organisation is prepared to accept the change. Uncertainty is expected. Certainty is created by enabling the change. Individuals need to understand how it benefits them. The 'Refreezing' stage takes place once new ways of working have been established. The success of the change should be celebrated (Mindtools, 2006). Lewin's model has faced criticism for its emphasis on 'refreezing'. Some argue that it's more important for organisations to remain fluid and agile (Dawson, 2003 cited in Hodges, 2016). Others argue the model treats people as 'automations' (Hodges, 2016)

A model heavily focusing on people was developed by Kubler-Ross in 1973; originally describing how people respond to bereavement. The immediate reaction to change is shock. Some may feel threatened. Some may go on to deny the existence of the change. Communication behind the need for change is crucial, along with empathy and patience. Some may get angry and blame management. Open dialogue must be encouraged whilst looking for existing capabilities that are of value to planning, implementation and sustainment. The third stage is where individuals may be so desperate that they don't see a future in their role. Positivity needs to be reinforced and coaching considered. Most will accept the change and behaviours will become

more positive. Role models should be selected to support sustainment (Hodges, 2016). Some argue that the stages are too simplistic and cannot adequately describe the wide range of emotions people go through (Connelly, 2020).

Positive Work Relationships

- **Trust** is crucial
- Mayer & Davis (1999) describe how Leaders gain trust by evidencing the below attributes:



- Support colleagues' **Wellbeing**
- Ensure colleagues are **Involved**
- **Communicate** the need for change
- Select 'Change Agents'
- Colleagues need a **Voice**
- Change mind-sets and behaviours.

Most successful changes are achieved through social interactions and negotiations (CIPD, 2020). Trust is vital during uncertain times. Organisational change is easier to adopt in high trust workplaces (CIPD, 2012). Mayer & Davis (1999, cited in Hodges, 2016) describe the attributes that Leaders need to gain trust as *Honesty*; *Competence*; *Fairness*; *Benevolence* and *Openness* (Hodges, 2016).

The pandemic has highlighted the importance of supporting colleagues' wellbeing during significant change. Leaders are currently stepping up to this expectation; dealing with change and wellbeing on a huge scale and adapting quickly (Palmer, 2020).

McKinsey's 2017 survey saw *Communication* listed as the most effective method to engage employees. Communicating the need for change is crucial. Leaders are most successful when they articulate a vision effectively (Maor et al, 2017).

Leaders need to be emotionally aware to anticipate and plan for reactions. Some employees will raise concerns. This isn't 'resistance' and instead should be reinterpreted as 'Employee Voice' (CIPD, 2020). Employee voice helps build open and trusting relationships (CIPD, 2020).

Sustaining organisational change requires influencing people to think and act differently (DiLeonardo, 2020). One of the most common barriers is when Leaders expect others to change their mind-set, rather than supporting them to achieve this. McKinsey's Influence Model is proven successful in this area. Employees need to see their Leaders, colleagues and staff behaving differently; they have to be given the skills and knowledge to behave in the new way expected of them; they have to

understand what is being asked of them and the structures, processes and systems need to support the change (Keller & Schaninger, 2019).

Communication and Support Needs

- | | |
|---|--|
| <ul style="list-style-type: none">• Storytelling• Rumours arise from no communication• Zone of Uncomfortable Debate• Empathy and honesty• Content and Body Language• Social Media• Focus Groups | <ul style="list-style-type: none">• People Professional Support• Communication tools• Counselling support• Training & development• Mentor Support• Trade Union / Employee Representatives• Collaborative workshops |
|---|--|

Communication about change needs to be tailored to the needs of specific stakeholders (Hodges, 2016). 'Storytelling' is used to make the content and implications easier to comprehend. Organisations sometimes use Objects or Pictures to help translate change for colleagues (CIPD, 2020). Rumours arise from a lack of communication. Leaders will sometimes need to get into the 'Zone of Uncomfortable Debate' to gain commitment (Hodges, 2016).

ACAS (2010) considers 'Communication' to be an Organisation's top priority to effectively manage change. Line Managers should avoid ambiguity and communicate directly with individuals if there is any impact to their job. Employers must be empathetic and honest; developing an internal communications strategy that ensures the emotional journey is considered. The words used and body language are crucial for colleagues to genuinely believe feelings of empathy. Communication must be prompt and messages repeated if necessary. Communication can be in the form of team meetings, emails, newsletters etc. (ACAS, 2010). Social Media is becoming a popular channel for Organisations to facilitate change communication; bringing employees together to share experiences and ideas. This can be helpful for Leaders as it's quick and improves employee involvement and engagement (Hodges, 2016). Focus groups should be held to review ongoing changes. These enable Managers to gain feedback and help to tackle any resistance to change (ACAS, 2010).

People Professionals can support with mass communication, creating change sponsors, removing obstacles and ensuring Leaders are visible (CIPD, 2020).

Managers should be provided with the right tools for communicating with their

teams locally (ACAS, 2010).

Individuals can feel overwhelmed and Employers should ensure that Counselling support is made available (ACAS, 2010). Providing employees with training and development gives them the knowledge and skills to adapt to new ways of working (Hodges, 2016). Colleagues who accept and adapt to change more quickly should be used as 'Mentors' for those who may be falling behind (ACAS, 2010).

Managers may need to communicate with Trade Unions and other Employee Representatives whom can ensure two-way effective communication between staff and management take place. They encourage employees to get involved. ACAS Advisers can also support organisations to facilitate participative workshops during significant periods of change (ACAS, 2010).

Planning the Change



Austin (2015).

Change Plan Template

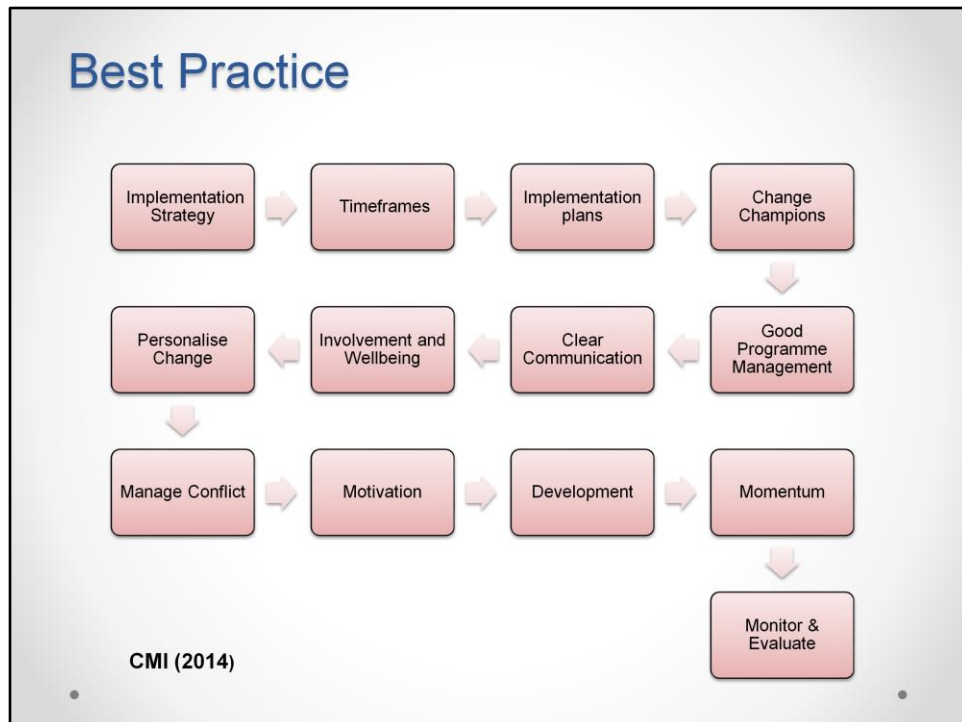
Vision / Objectives	Breakdown of Activities to achieve objectives
Business Case for the Change	Key Stakeholders
Scope of Change	Individual Roles
Communication Plan	Support to be made available
Timings / Milestones	Resources & Cost
Monitoring Plan	Measures of Success

A change plan can be separated into Design, Enact and Sustain. It's important to understand what the current position is first. Retrieving reliable data from multiple sources ensures the plan isn't built on perceptions or assumptions. It's important to also plan change for future needs. Goal Setting must be shared to ensure complete transparency (Austin, 2015).

At the bottom of this slide, you'll see an example of a Change Plan Template, highlighting the key information that needs to be captured in a Change plan.

The Change Team must be selected for their expertise which can be achieved by facilitating a Stakeholder Mapping Exercise. It's recommended to select a Change Champion from a Senior Level position who can ensure the project gains the commitment and momentum it requires. An experienced Project Manager is essential to ensure the plan accomplishes its objectives. Any changes to the external environment need to be monitored (Austin, 2015).

Following successful change, it's important to ensure 'sustainment'. HR can support by monitoring that people benefits are being achieved (Hodges, 2016). The pre-change situation needs to be continually discussed to ensure participants feel a sense of achievement from the transition (Austin, 2015).



The Chartered Management Institute (CMI) revised their action checklist in 2014 to support Managers to implement change. Please refer to this guide as it's a useful resource whilst also encouraging you to seek additional research into the work from Kotter, Lewin, Kanter and Burnes. How, where and when the implementation will take place needs consideration. Urgent but Realistic timescales need to be set.

Detailed implementation plans need to be drawn up and Managers given the autonomy to decide how to implement the change in their areas (CMI, 2014).

Change Champions should be selected to encourage commitment, engagement and a change in behaviours (Pickering, 2009).

Robust Programme Management toolkits should be utilised, led by an experienced project manager to keep the change on track (Austin, 2015). This is a different role to the Change Manager.

Communication surrounding the need for change needs to be clear and consistent. Stories are powerful in prompting understanding and action. Rumours need to be addressed promptly. Messages should be repeated and dialogue must continue to check in on colleagues. A stakeholder communication plan needs to be developed to ensure those who can influence change are kept informed (Hodges, 2016).

Employees need to be involved from the start. Employers must ensure to support with wellbeing needs. Communicating concerns must be encouraged and Managers must convey empathy (ACAS, 2010).

Managers must personalise the change for individuals so they can relate to it. If conflict arises, it's important to deal with it. When it can't be resolved through

explanation and discussion; negotiation and persuasion will be necessary (CMI, 2014).

Leaders need to be aware of employee's motivation triggers and understand the extent to which these outcomes will be achieved by this change. Ensuring employees have the skills, knowledge and capabilities will build confidence. Training and development gaps must be identified and interventions implemented (Hodges, 2016). Strategies to reignite urgency if the pace of change is slowing down must be developed to maintain momentum. Monitoring and evaluation of results needs to be continuous to check the change is on track (CMI, 2014).

Monitoring and Assessing

- PROSCI (2018) describe how outcomes can be measured in three categories:
 - Organisational Performance
 - Change Management Performance
 - Individual Performance

Method	
Surveys	Focus Groups
• Quantitative data	• Qualitative Data
• Cheap, Fast	• Constructive Feedback
• No prompting	• Dialogue & Discussion
• Low Response Rates	• Must represent all colleagues
• ' <u>What</u> ' is happening	• ' <u>Why</u> ' it's happening

Reporting a change initiative as successful is the aim for all Leaders (Hughes, 2010). The most meaningful outcomes will be agreed at the start along with the techniques to collect and review data. PROSCI (2018) describes three separate categories from which to measure success; 'Organisational Performance'; 'Change Management Performance' and 'Individual Performance'. Measuring individual progress can be a primary indicator of overall project success (PROSCI, 2018).

Surveys are used to monitor perceptions, behavioural shifts and gather feedback.

The impact of change can be assessed from the annual employee survey.

Assessments ensure the change objectives are at the forefront and success or failure is not determined too early (Austin, 2015). Surveys generally provide quantitative data; are cheaper and faster to administer. They don't allow for prompting and response rates may be low. Survey data helps us to establish the extent to which things are taking place (Perkins & Woodhams, 2016).

Collection of qualitative data through a Focus Group enables Leaders to understand 'why' things are happening (Perkins & Woodhams, 2016). Taking regular temperature checks is important and focus groups allow for constructive criticism (ACAS, 2010). They promote dialogue and discussion. There is a risk that some individuals may dominate the discussion so it's important to ensure the focus group is representative of the whole group impacted (Perkins & Woodhams, 2016). A mixed approach between collecting qualitative and quantitative data is often considered most reliable to assess success (CIPD, 2019).

Summary

- Agility and Strong Leadership is needed for success
- Utilise Change models
- Communication, Employee Voice, Engagement, Involvement and Trust are crucial
- Design, Enact and Sustain
- Monitor and assess to determine success

You and your teams will have been through significant change this year. Agility and Strong Leadership increases chances of implementing change successfully. We have discussed models of change such as Lewin and Kubler-Ross. These and others should be considered when planning for and implementing change. 'Communication', 'Employee Voice', 'Employee Engagement', 'Involvement' and Trust' are crucial. The Change Plan can be separated into three phases: Design, Enact and Sustain. Monitoring and Assessing Impact of Change are just as important to enhance learning and determine if the change initiative has been successful.

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