

Qualification: CIPD Diploma in Applied Human Resources

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Signed: 
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Implementing Change

MANAGER INSIGHT SESSION

Learning Objectives

- ▶ Understand the internal/external drivers for change.
- ▶ Identify both the organisational enablers of change as well as the barriers to change.
- ▶ Understand how selected change models and theories support change management.
- ▶ Recognise the significance of work relationships in effective change management.
- ▶ Differentiate each stakeholder group and their differing communications needs (support).
- ▶ Understand the factors involved in change and how these inform the change plan.
- ▶ Gain an insight into current thinking and best practice change management processes.
- ▶ Analyse a selection of tools for monitoring the implementation of change processes and the impact of change.

Introduction

Given the pace at which change is occurring in the world of work globally and the requirement for organisations to adopt and instil a change ready mindset amongst their employees if they are to survive and thrive, it is now widely recognised that managers play an instrumental role in determining whether a change initiative succeeds or fails. As highlighted in a recent McKinsey survey, only 3% of companies who failed to engage managers and frontline employees experienced successful transformations (McKinsey & Company, 2017).

This presentation seeks to provide managers with an insight into the fundamental elements of change management and to highlight a selection of the models and tools that managers can utilise to actively manage change in their work places.

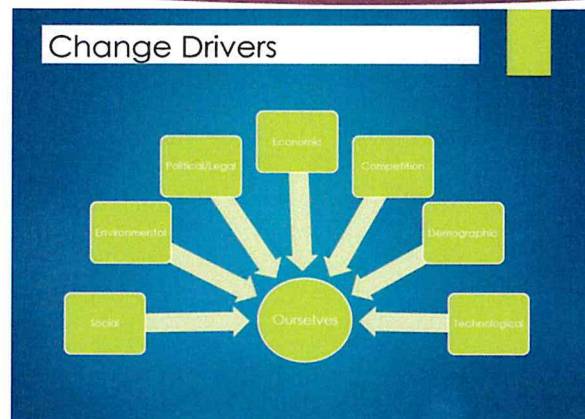
Change management can be described as the process, tools and techniques utilised for managing the people side of change to effect a required business outcome (Prosci, nd).

Summary Overview

By the end of this session, you will be equipped to respond to the following questions?

- ▶ What are some of the internal / external factors driving change?
- ▶ Which factors enable change and what are examples of potential barriers?
- ▶ Which change models can be applied to change processes and what role do they have in supporting change?
- ▶ How do managers establish and sustain positive work relationships and what impact does this have on change processes?
- ▶ What communication and support strategies should managers introduce to their stakeholders during the change process?
- ▶ What factors require consideration during a change process and what does a change plan comprise of?
- ▶ What does contemporary research say about "best practice" when implementing change processes?
- ▶ What techniques can managers apply in order to monitor change processes and measure the impact post implementation?

External Drivers for Change



(Narver Management Consulting, 2017)

There are many aspects that drive the need for change within organisations, which encompass both positive business developments (expansion, altering strategic direction) and drivers that are necessitated as a result of more negative circumstances (decrease in customer demand / shrinking margins). As external markets are subject to continuous change, the environment in which an organisation operates changes, which in turn, impacts demand and supply, expectations and satisfaction, whilst creating a different set of opportunities and threats. Two of the most commonly used tools when evaluating the pros and cons of a business idea or project are SWOT and PESTLE analyses which are useful in identifying the factors that affect success (Woodruff, 2019).

For example:

- Political – the current uncertainty regarding Brexit has resulted in many organisations considering the viability of their supply chain and the impact that changes to border controls could have on access to goods and services.
- Environmental – there is increasing pressure brought to bear on governments regarding climate change, for example, the Extinction Rebellion protests and the impact this had on London commuters. This sustained pressure could result in further restrictions placed on businesses to reduce their carbon footprint.
- Emerging technology – the advances in AI technology has resulted in many organisations transitioning to digitised processes, requiring a fundamental change to the way in which roles are scoped and the requisite skills necessary for people to fulfil them successfully.

Internal Drivers for Change



(Australian National Training Authority, nd)

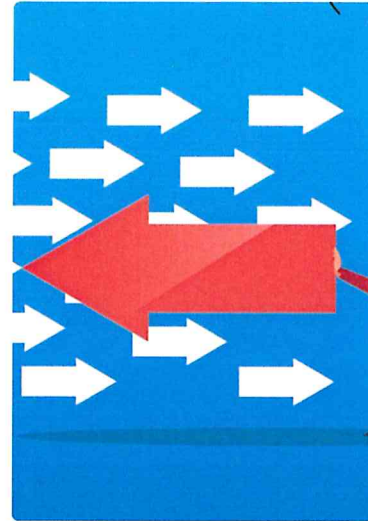
Internal change usually comes about as a result of stakeholders (leadership team, unions) within a business seeing the need for change to occur, for example:

- Strategy – a Board may decide that following the acquisition of a company that the strategy and direction of the organisation should be adjusted.
- Workforce – jobs may be restructured as a result of a digital transformation process
- Employee attitudes – a change could be brought about as a result of employees expressing concerns around working conditions and the impact on their health and safety.

Change Barriers

Examples per CIPD (2018):

- Failure to establish linkages between strategy, structure and processes
- Poor communication
- Lack of effective leadership



The above examples are some of the areas that can have a catastrophic impact on change initiatives if ill thought out and incorrectly applied, for example:

- Failing to devise a change initiative against a coherent change plan – consideration should be given to the impact that a change to strategy has on the organisational structure that underpins the current strategy and whether this would require adjustment or potentially, a restructure. Equally, amending the structure without giving thought to how that impacts the processes that support this structure could also impede the change process (eg: changing to a matrix structure to deliver on a project would have an impact on the reporting workflows and approval hierarchies which could lead to ambiguity creeping in managers being confused about their roles and responsibilities (The Economic Times, 2019).
- Poor communication - according to the CIPD (2018) imposing change without having achieved the buy-in of the stakeholders concerned can lead to increased resistance can impact timelines, employee attitude towards the change and ultimately the overall success of the initiative.

Change Enablers

- Adopting a change ready culture
- A comprehensive communication strategy tailored to stakeholder groups at all levels of the organisation
- An effective change leadership team who ensure changes are understood, accepted and enacted (Mulholland, 2017)



Enablers of a successful change process are essentially the opposite of what the identified barriers to implementing a change process might be so if utilising two of the aforementioned barriers for example, the following would apply:

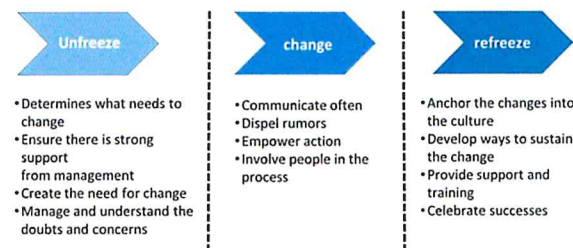
- Good communication practices – getting this right is essential at every stage in the change management process, from the conceptualisation stage through to the planning, implementing and evaluating phases of a change programme and includes the need to convey the need for change to employees, for which the CIPD (2019) advocate the use of stories to enable employees to connect with the reasons driving a change and any resulting benefits. Equally, the frequency, consistency and utilisation of diverse communication channels (emails, working parties, staff forums and newsletters) play a role in ensuring that employees are informed and re-assured through the process. Additionally, frontline managers are best placed to identify any potential operational issues arising from a change (Mulholland, 2017) so a platform should be created in which managers can have a voice in shaping how a change is devised and implemented (eg: team meeting, Yammer group).
- Strong leadership team – according to McKinsey (2017), whilst enacting change requires C-suite buy-in, the involvement of frontline managers and their managers is what enables transformational change to occur.

Lewin's Change Model

"Learning is more effective when it is an active rather than a passive process" – Kurt Lewin

LEWIN'S CHANGE MODEL

Lewin's Three Stage Change Process – Practical Steps



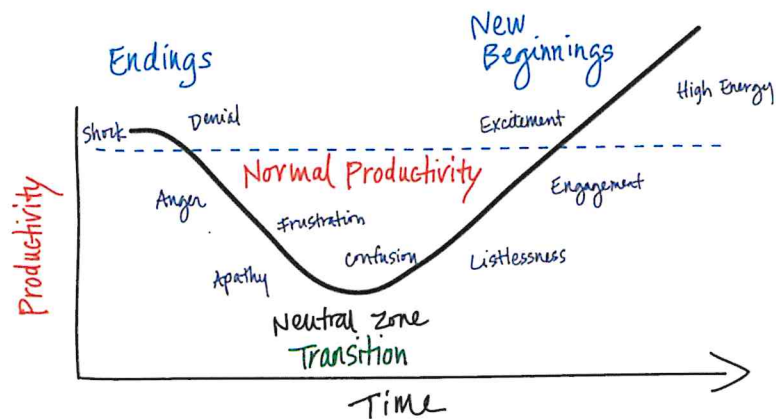
(process.st, 2017)

Lewin's model is popular as it accounts for both people and processes in an organisation whilst breaking the unwieldy change process into 3 steps (Unfreeze, Make Changes and Refreeze):

- Unfreeze – As indicated above, this stage serves to facilitate a number of outcomes. Firstly, an analysis is conducted of what needs to change and human interaction for potential improvement. This enables the removal of any existing bias and commonly accepted mistakes whilst giving stakeholders the perspective necessary to change the causal factors, rather than just the symptoms. This step includes preparing teams for the new elements and starts the process of embedding the change once deployed whilst highlighting what is wrong with the current process, why it should change, the changes been proposed and any prospective benefits.
- Change – Lewin advocates the need for communication, training and support during this transition phase and highlights the need for managers to be mentoring and guiding their teams whilst providing any supplementary training during this deployment stage.
- Refreeze – This phase is critical if a return to old habits is to be avoided. Measurement and reinforcement are the cornerstones of success here with the new status quo being subject to regular review and employees rewarded for supporting and upholding the new process.

Bridges Transition Model

"Nothing so undermines change as the failure to think through the losses people face" – William Bridges



(process.st, 2017)

All change manifests in emotions and behaviours as people adjust to a new status quo and given that people are creatures of habit, there are a number of models that act as a foundation from which managers can guide their teams through a change process. The Bridges Transition Model is one such model that separates the reactions that the majority of people feel when faced with change and equips managers to guide them through these stages in order to effectively deploy them.

According to process.st (2017), the 3 zones comprise:

- Ending, Losing & Letting go – During this phase, Bridges recommends that managers engage with their teams to provide support mechanisms through which employees are given the opportunity to work through their feeling of anger, denial and uncertainty whilst giving them a platform to provide input into the process
- The Neutral Zone – a phase in which productivity is at its lowest with the greatest chance of employees reverting. Bridges encourages managers to celebrate short term successes to buoy team spirit and provide regular feedback
- The New beginning – this is a time during which change has been accepted and energy levels are high, Bridges warns that complacency could take hold at this point so goals should be clarified, success rewarded and momentum utilised to continue to embed the change.

Impact of Positive Relationships on Change

Fostering authentic relationships serves to create a culture of trust within an organisation and this is at the heart of a change ready culture – it is against this backdrop that the following benefits can be attained:

- Increased creativity (innovative thinking) translates into improved contributions.
- Improved emotional wellbeing.
- Reduced resistance / willingness to go along with proposed changes.
- Enhanced communication / landing key messages to all stakeholder groups.

(Mindtools, 2019)



In a high trust society... We interact with less friction, resulting in greater speed and lower cost. - Stephen M.R. Covey

CULTUREUNIVERSITY.COM

In the recent Gallup publication, “It’s The Manager”, a critical success factor is identified as successful change being effected by managers once they themselves are connected as a group. It is only once this connection is established (and managers are engaged and experiencing development themselves) that the teams they manage will support other teams (Clifton & Harter, 2019).

Building & Sustaining Positive Relationships

"Mindsets ingrained by past management practices remain ingrained far beyond the existence of the practices that formed them" – McKinsey, 2019)

Building Blocks as outlined in McKinsey's Influence Model (McKinsey, 2016):

- Provide a clear rationale for the change in a manner that **fosters understanding and conviction**.
- **Role model** expected behaviours and practices.
- **Develop** the **skills** and **talents** of teams so they experience change as opportunity.
- Ensure that **formal mechanisms** (structures, systems and processes) support / **reinforce** proposed change.

In their 2019 quarterly report, McKinsey state that the biggest block to transformational change is failing to shift employee mindsets (McKinsey, 2019). The above building blocks for facilitating positive relationships are captured in the McKinsey Influence Model (2016), however, there are various other tools that can be utilised as a roadmap to foster employee buy-in whilst serving to strengthen relationships, for example, the Nudge Theory which veers away from a traditional top-down change directive from the leadership, towards a method that seeks to garner the full support of employees through clarity, reciprocal communication, transparency and collaboration as follows (assuming business culture aligns to this technique):

- Clearly defining changes
- Considering changes from employees' points of view
- Utilising evidence to demonstrate best option
- Presenting change as a choice
- Listening to feedback
- Limiting obstacles
- Sustaining momentum through short-term wins

Contemporary thinking supports the view that managers should coach their teams and support them by providing the mentoring, space and resources to develop the people skills necessary to build and sustain friendships, which facilitates improved business outcomes and translates into the benefits highlighted previously, eg: enhanced wellbeing and effective communication (Ulrich, 2018).

The Role of Communication

Delivering a successful change initiative involves bringing people along on the journey (APM, 2017) and a robust communication is central to achieving this. Consideration should be given to:

- Which methods / types of communication should be applied to each stakeholder group.
- The level, depth and breadth of communication.
- The timing and frequency of communication.
- Methods / types of communication.
- How employee concerns (and related actions) will be relayed.
- Devising a communications plan.



According to Acas (2014), if they were asked to give a 3 word response to the question “*how to manage change*”, their response would be “*communication, communication, communication*”.

Change managers need to think “outside the box” in terms of how best to leverage communication to achieve the desired business outcome. In their work with organisations, IES (2018) saw the benefits that teams derived from conducting facilitated reflection sessions on previous change initiatives and used these as a precursor to discussions that enabled an exchange of ideas about what to do differently next time.

According to the CIPD (2014), transformational change is brought about by narrative and story-telling which can be used through a variety of channels (eg: change workshops) to share a vision and establish links to the strategy, structure and processes that will bring the process to life through the facilitation of shared understanding. Further, communication needs to have purpose and meaning for each stakeholder group. For example, millennials and Gen Z members of the workforce are used to real time communication and utilising social media platforms to celebrate successes and showcase development opportunities is arguably the best platform to encourage participation and drive momentum (McKinsey, 2016).

Supporting Change Stakeholders

- Equip managers with the tools and skills necessary to drive the change process.
- Facilitate two way discussions and coaching sessions to enable employees to adapt.
- Invest in capabilities - including developing skills and abilities of those impacted by change.
- Engage employee representatives throughout the change cycle.
- Appoint change champions across the organisation at various levels / geographies to address concerns and advise on process.
- Managers should act on measurement (eg: removing obstacles impeding a change process).
- Ensure high levels of leader visibility throughout the process.

(CIPD, 2019)

According to the CIPD (2014), building understanding techniques are essential in supporting people's understanding of / commitment to change.

- Hosting engagement events.
- Changing the pattern of interaction and tailoring these interactions to each stakeholder group.
- Repeated and consistent communication (a view also held by Marris (2017) who advises that change advocates need to utilise multiple forums to guide and support people through a change process in order for the vision for the future to be clarified (eg: social media networks, working parties, surveys).

Considerations when Planning Change

Will the organisation's culture and levels of trust support the impending change? (Brighton Leadership Group, 2014)

Adopt strategy, structures, procedures and technology to support the change process – not forgetting external context and business environment (shrm, nd)

Change Management Model



According to SHRM (nd), a systematic approach is required to change which involves applying the appropriate knowledge, tools and resources to manage the change process. The four-stage change management process includes:

- **Define:** Align expectations as to the scope of the change, timing and potential business impact.
- **Plan:** Understand how the change will impact stakeholders and design a strategy to help them navigate it.
- **Implement:** Engage with stakeholders to execute the change.
- **Sustain:** Monitor and measure progress / make adjustments to further embed change process

Change Plan: Inclusions

75% of large corporate changes fail, however, following a methodical approach that allows for mis-steps and devising a robust change plan can enable a successful change process (Brightline Initiative, 2018).

A comprehensive change plan outlines what needs to be done in sequence and by whom to navigate the impact of the impending change on the business. Actions for inclusion:

1. Outline the reasons for the change
2. Indicate the scope of the change and the impact on organisational structures / people
3. Identify the level of stakeholder support
4. List members of the change management team
5. Include an approach sanctioned by business leaders
6. Have a plan to address the concerns of each stakeholder group
7. Draft a communication plan
8. Devise a method to track resistance
9. Monitor on an ongoing basis, adapting if required / celebrate successes

(wikiHow, 2019)

1. Demonstrating the reasons for the change – a current/future state analysis could be conducted at this stage.
2. Demonstrate the scope / type of change – describing the nature of the change and the systems, policies & processes and job roles impacted.
3. Describe stakeholder support – list all those impacted by the change (end users, customers, leadership team etc) and utilise this phase to identify influencers whilst canvassing each group to gauge the level of support for the change.
4. Assign a change management team – select credible people who can effectively communicate and drive the change across the organisation.
5. Finalise approach with senior leadership – C-suite and senior managers are crucial in championing the change.
6. Devise separate plans for each stakeholder group – change management team should be tasked with addressing concerns / risks.
7. Draft communication plan – communication should be from a senior sponsor (change champion), include personal two-way interaction where possible and reinforce the reasons for and benefit of the change through consistent messaging.
8. Track resistance – monitor grievances and address concerns (eg: fears regarding job security or employees unsure of how to develop skills required for future roles).
9. Address roadblocks whilst monitoring progress – tailor solutions as issues are identified and celebrate successes along the way to drive momentum forward.

Change Management Best Practice

According to Forbes (2018), many leaders in the field of change management (McKinsey amongst them) agree that best practice change programmes are based on the premise that:

- Change is led from the top by a fully invested leadership team who hold a clear vision for the future and are able to create a sense of urgency.
- Compiling an expert change team for developing the strategy to convey this vision in a manner that resonates with all stakeholders.
- Middle management drive change through the organisation utilising multiple channels of communication to reinforce the change.
- Accountability is created by monitoring progress, rewarding those who demonstrate the desired behaviours and anticipating resistance.

The same article does, however, provide an alternative view on how change management should be viewed in today's world of work and questions whether conventional models require a rethink, specifically in regards to the following:

- Top-down models subscribe to the view that all change ideas originate at the top of the hierarchy and by this construct, employees are "auxiliary implementers" in the process and their knowledge / insights are lost from the outset.
- People who exhibit "divergent thinking" risk being categorised as resistant to change which stifles transparency and creativity.
- These models advocate staying the distance in the face of challenge as opposed to a model where an iterative process of "design/build/test/repeat" would allow for learning and adaptation, whilst detecting flaws.
- Traditional models view change management as a project with a beginning and an end. It could be argued that today's change managers should focus their efforts on designing organisations to enable them to adapt to a continually evolving environment.

NHS Change Model

This model was devised by the NHS and its stakeholders to facilitate transformative and sustainable change and is a good example of a framework that encourages a shared approach to leading change in line with "best practice" thinking.



This model can be adapted for both small and large scale change and has the benefit of offering flexibility, so it supports people determine what matters most within their own context without being too prescriptive.

The Change Model has eight components which set out the elements that should be considered when planning and implementing change and enables (these include prompts, resources and tools that can be applied to unique situational contexts). Importantly, this framework has a shared purpose at its core and it is only once belief systems align with the common vision for change, that the remaining components can be addressed.

Assessing & Measuring Impact

In today's VUCA world and increasing complexities and fluidity of change, measuring success is instrumental in determining if the change is on the right path and enables adjustments to the plan to be effected.

Measures can be either:

- Qualitative (use when **evaluating** trends in performance over time): Surveys, interviews focus groups.
- Quantitative (frequently involves data that is generated electronically and is useful when **analysing** trends in performance over time): Management reports indicating comparable statistics, system ratios.

(APM, 2017)

According to APM (2017), stresses the importance of having baseline and success criteria defined at the outset of a change initiative and relate measures to the agreed vision and benefits.

These measures demonstrate to sponsors / wider stakeholder group whether the initial objectives are being met or not and whether the right resources have been deployed.

The authors do, however, highlight the inherent subjective nature of qualitative methods so this needs to be borne in mind when evaluating outcomes.

Additionally, change can only be measured over time and assembling a completed set of measures may extend beyond the end of the change programme itself.

Change is ultimately about people. If we do not change, nothing significant happens!

(Miller, 2004)



"What if we don't change at all ...
and something magical just happens?"

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