

Qualification: CIPD Diploma in Applied Human Resources

Module Name: 5KM0C
Understanding the Management of Change

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Date: 15th December 2019

Change Management



By: Amanda Glanville

Objectives

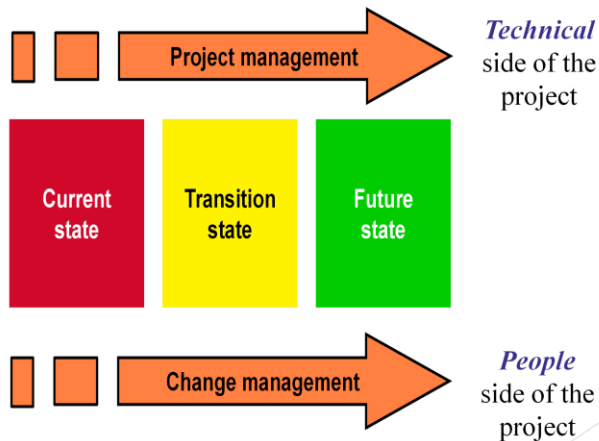
- ▶ Discuss the internal and external drivers for change
- ▶ Identify organisational factors that might enable or hinder change
- ▶ Discuss two theories relating to change
- ▶ Identify how positive working relations support change
- ▶ Identify communication methods for effective change
- ▶ Discuss factors to consider when planning for change and how this is recorded using a change plan
- ▶ Summarise best practice when implementing change
- ▶ Discuss techniques for the monitoring, implementation and evaluation of change

What is Change Management?

- ▶ **“Change management is a structured approach to moving an organisation from the current state to the desired future state”** (Association of Project Management, 2017).
- ▶ Hodges (2016) states **“As organisations face a changing environment they are required to adapt, change and in some cases totally transform in order to survive”**.

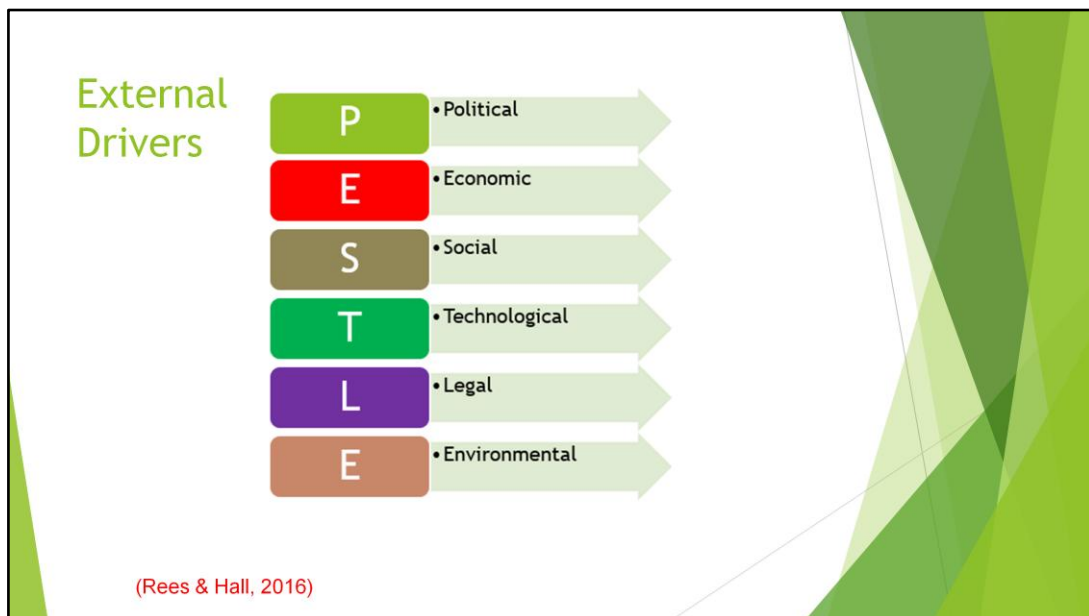
“Change management is a structured approach to moving an organisation from the current state to the desired future state” (Association of Project Management, 2017). Hodges (2016) states **“As organisations face a changing environment they are required to adapt, change and in some cases totally transform in order to survive”**. The high level of failure suggests that there is a greater focus needed for change management (CIPD, 2018). For successful change management, **“there needs to be the skills, knowledge and behaviours to drive effective change”** (CIPD, 2018). Change involves adapting working practices, the environment, personal circumstances or the structure of an organisation, which could result in it being seen as a threat if not managed effectively (ACAS, 2014). Organisations go through major change every three years (Wilkinson & Taylor, 2016).

Change management and project management



Project management skills are important however, change management focuses on the people side of the change (Hayes, 2014). From an organisational perspective, change management look at preparing, managing and reinforcing the change and from an individual perspective, increasing the awareness, knowledge and the desire of individuals, focusing on the skills and training needed and the reinforcement of the change.

Alexander (2016) identifies the difference being project management involves **“the use of people, processes and methodologies to plan, initiate, execute, monitor and close activities”**. Change management, **“involves people, processes, and tools to effectively help organizations’ manage all the changes that occur”** (Alexander, 2016).



The drivers of change can come from either external or internal sources. Managers have little control over external factors, whereas internal drivers are manager initiated with a desire to improve performance (Rees & Hall, 2016). Organisations can have an impact on external factors, through sector groups and lobbying government.

External drivers within an organisation include Political, Economic, Social, Technological, Legal and Environmental (Hayes, 2014). Examples include:

- **Environmental:** Climate change and resource scarcity
Climate change causes floods, droughts and storms as well as extreme heat waves, causing devastation for both property and individuals. Changes may relate to how they dispose of waste materials, recycling, the use of products or changes in the way their staff use business miles.
- **Technology:** Whilst technology increases and competitors acquire technological advancement, organisations need to respond in order to remain competitive. This could include artificial intelligence, 3-D printing, advanced material production, energy storage or even technology to support more agile working methods. The biggest technological threat to organisations is the development of technology that transforms working practices, with the need to ensure organisations have the skills and knowledge to support technological advancements (Hodges, 2016).
- **Legislation** is an external driver of change. Changes to legislation have a considerable impact on organisations. Where new legislation and policies are implemented, there is a need for organisations to implement changes to ensure compliance (Hodges, 2016). Examples include the 48 hour Working Time Regulations, employment legislation and more recently the General Data Protection Regulation, resulting in change in many organisations to ensure compliance.

Other external drivers include sector developments and customer feedback.

Internal Drivers

- Restructure
- New leadership
- Organisational growth
- Business performance
- Feedback and complaints from staff
- Change and focus
- Culture
- New products
- Staff changes
- Health and safety incidents

Internal drivers are often influenced by external factors (Rees & Hall, 2016). Internal drivers include restructure, new leadership, organisational growth, business performance, feedback and complaints from staff, wanting improvements to a process or a change and focus. Examples include:

- New Senior Management

Where there is a new leader, they are keen to implement new policies relating to their views or beliefs. This in turn could create changes in policies, structure, leadership or processes as a result (Hughes, 2010).

- Business Performance

An organisation may look at ways of improving business performance. This could be by streamlining processes or increasing new products. Within Hywel Dda, an example is how training was delivered by service. Now delivered as a Health Board approach, making effective use of training opportunities

- Feedback from staff

As a result of staff engagement surveys, organisations use change management techniques to implement internal changes to various aspects of the organisation. An example is Hywel Dda 2016 survey which identified that the levels of staff who felt valued and respected had reduced. As a result, the Performance Appraisal Development Review (PADR) was rewritten and the process changed, making the PADR process a part of the key reportable data (H DUHB, 2018).

Factors that enable change

- ▶ Change ready culture
- ▶ Effective communication
- ▶ Reward initiatives
- ▶ Flat business structure
- ▶ Flexibility in contracts
- ▶ Agile working
- ▶ High staff engagement

Other factors: Management Style, History of change management

Factors that might enable change are having a change ready culture, a flat structure, flexibility in contracts and agile working practices. Identification of the change ready culture can be achieved through qualitative research from employees in the form of focus groups or surveys with a range of stakeholders (Hayes, 2014).

A flat-business structure is a contemporary management structure, removing hierarchical structures (Hodges, 2016). “While a traditional hierarchy improves efficiency, it can also be a barrier to organisational change” (Cannon, 2016). Another area that can be a major enabler of change is that of communication, as this is a key factor within change management (Acas, 2014). Within a flat structure, communication can often be simpler, this less levels of complexity to relay messages.

Often where there are changes, individuals want to know “what's in it for me?”. With this in mind, offering an incentive or reward can enable the change. In addition, by celebrating the success of milestones, this supports intrinsic motivation (Hughes, 2010). In addition this increases engagement, thus making individuals more receptive and see things from a positive perspective (Hodges, 2016).

Factors that hinder change

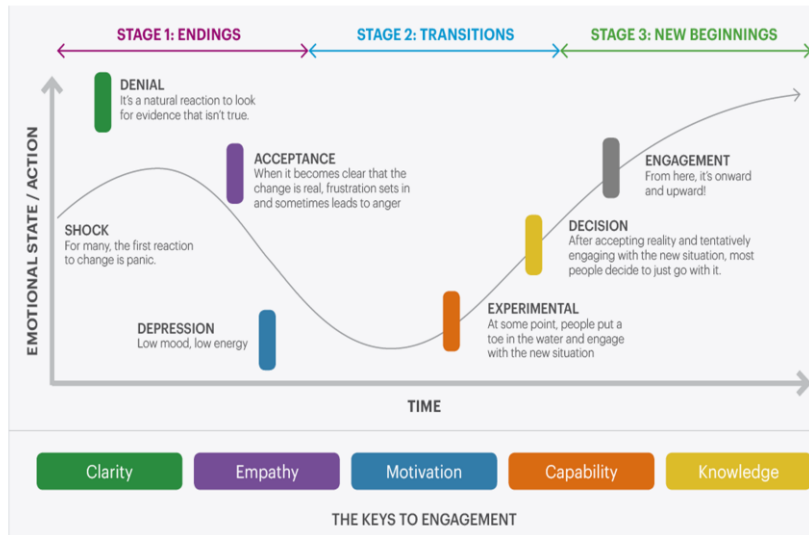
- ▶ Resistance to change
- ▶ Poor leadership
- ▶ Hierarchical structures
- ▶ Lack of involvement
- ▶ Poor change management planning
- ▶ Performance management systems
- ▶ Presence of unions
- ▶ Fails to meet organisational vision/objectives

From an organisational perspective, change initiatives that do not coincide with the strategic vision and objectives hinder the success. Where changes are being planned, there needs to be a consideration of the wider context of the organisation, ensuring that technology, systems and procedures do not conflict or sabotage the plan (CIPD, 2018). With any change management process, failure to follow an effective plan will result in difficulty measuring success, as well as actions not being achieved within realistic timescales. In contrast, over-managing a plan can be detrimental to the success as also the implementation of the change is often overshadowed by project management tasks (CIPD, 2018). Lack of leadership impacts on the success of change management (CIPD, 2018).

Individual or group resistance is another factor that could hinder change. Although there is a need to consider the reasons for the resistance before agreeing a solution. Resistance could be as a result of concern or knowledge, suggesting that there may be a need for further consultation. Resistance can be displayed in many ways from strikes, refusal to carry out tasks, withholding information or undermining managers or the change initiative (CIPD, 2018). Resistance can be as a result of fear, loss of control, technology, lack of knowledge, lack of consultation, shock, insecurity. Resistance can be either towards the content of the change or process of the change. Resistance to the content could refer to the change in shift patterns, the introduction of a new technology or changes in a new procedure such as flexible working. The resistance to processes refer to the way in which the change has been implemented, such as no consultation. Managers who do not respond appropriately to resistance reduce the overall success of the change (ACAS, 2014).

Other factors that may hinder organisational change include history of poorly managed change, performance management systems, a rigid organisational structure, presence of unions and hierarchical structure. Once the barriers to change have been identified, managers should then rewrite the context to remove or reduce these (CIPD, 2018).

Kubler Ross Change Curve

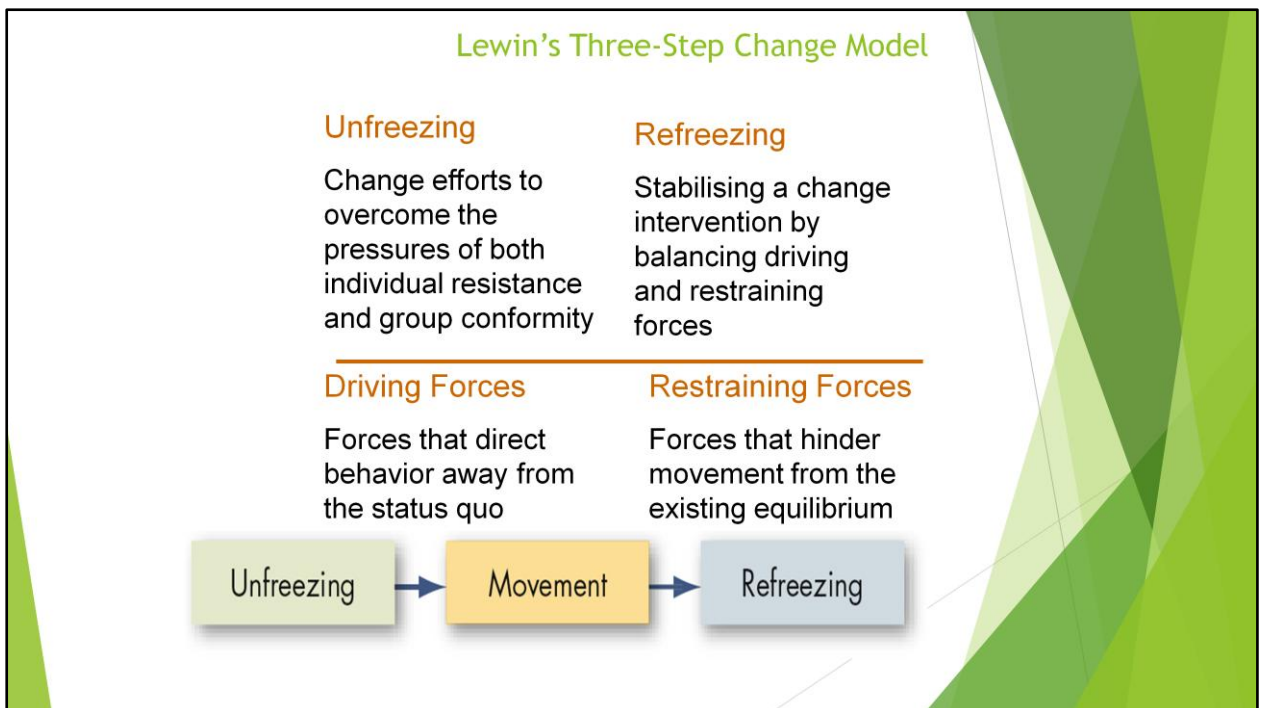


(Mosswarner, 2018)

It is important to consider that individuals do not positively react to change immediately. The Kubler Ross Change Curve identifies stages individuals experience as they adjust to change (Mindtools, n.d.):

With this in mind, there needs to be sufficient communication in the early stages. clearly is essential at this stage. When individuals show resistance, being seen and able to support and discuss through concerns will ensure transition to the next stage.

As they reach the acceptance stage, individuals will begin to explore possible changes and how they impact them. They begin to adapt to the change. On the upward curve trend, individuals begin to embrace and celebrate success. The time in which individuals reach stages depends on the change management approach adopted and the relationships within the organisation (Hodges, 2016).



Lewin's three-phase change model (1947) uses a systematic approach to behaviour modification, using psychology to support change. This is one of the earliest models (Rees & Hall, 2016). The stages are interrelated, identifying three stages:

Unfreeze

By identifying all the reasons why change is needed lowers the resistance (Rees & Hall, 2016). This stage provides an understanding as to why the change needs to happen, whilst preparing the organisation, challenging beliefs, values and attitudes. By doing this, creates controlled instability, thus providing motivation for a change (Mindtools, n.d.). Not everyone will accept the change, even if they understand change is necessary.

Movement

This stage encourages the new expected behaviours, developing new attitudes. Individuals are actively new ways of working and happy to embrace them (Hodges, 2016).

Freeze

Once the new change is embedded, the refreeze stage reinforces the new behaviours, recreating stability. This allows the organisation the opportunity to reinforce new methods of working (Hughes, 2010)

Being people centred, Lewin's model will allow individuals to identify the benefits of the change, providing a clear process to support change management (Hodges, 2016).

Kotter's Change Management Model



Source: John Kotter

Kotter's eight stage change model (1995) is widely used in large organisations. The first two stages create urgency and form a powerful coalition, promoting the need for change. Creating a vision for change and communicating the vision then support the change in direction. Empowering action and generating quick wins allows for behaviour modification, whilst building on the change and institutionalising new approaches create change sustainability (Kotter, 1995).

Kotter's approach has key similarities with Lewin's model, with stages 1-3 creating a climate for change, similar to the unfreeze stage of Lewin's model. Stages 4-6 relate to engaging, and enabling organisation, mirroring the movement stage of Lewin's model. Finally, stages 7 and 8 relate to the implementation and sustainability of the change, linking with the refreeze. Kotter's model considers a top down approach and focuses on the development of individual's capabilities to lead change. This demonstrates that many of the change management theories overlap (Hodges, 2016).

Impact of positive working relationship

- ▶ Providing a clear rationale for change
- ▶ Recognising the impact on individuals
- ▶ Anticipating and acknowledging reactions
- ▶ Regular and honest consultation and communication
- ▶ Networking and establishing change champions
- ▶ Providing or signposting to relevant support
- ▶ Resolving differences positively
- ▶ Actively monitoring relationships and taking steps to maintain them

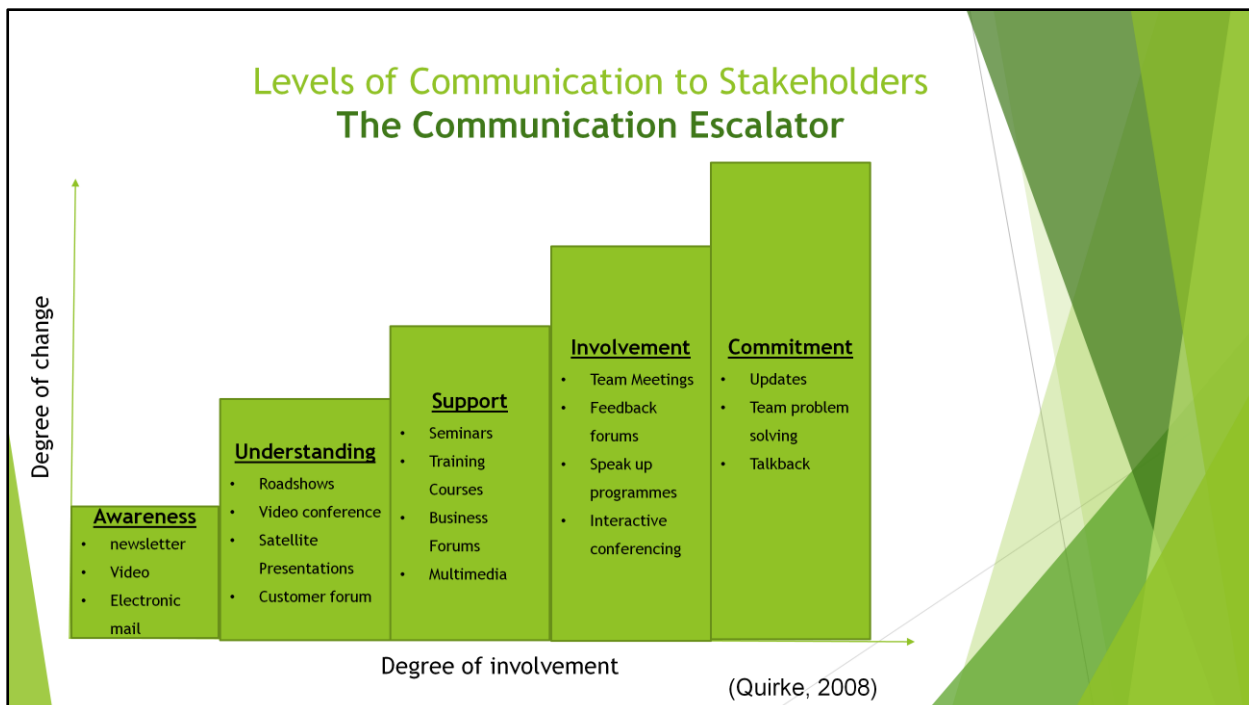
Positive working relations will significantly increase the success of the change initiative (CIPD, 2018). Where employees are engaged, they are more likely to embrace changes (Hayes, 2014). Involving employees from the outset, through planning and implementation will make them feel part of the change and therefore own it (CIPD, 2018). Providing as much information as possible reduces the resistance from employees (Healthfield, 2019).

CIPD (2018) state '**High levels of trust will deliver the enabling conditions in which significant change can thrive**'. Change leaders need to build both trust and gain employees confidence if they are able to demonstrate they are in control of the change, whilst providing a robust plan, acting with integrity (CIPD, 2018). Where there is high trust, employees will be engaged and embrace organisational change, whilst adapting faster as a result. High trust encourages employees to try new things as well as encourages teamwork (CIPD, 2012).

Change champions could provide ongoing support and signpost where needed. A change champion within each area is highly successful, providing intelligence to the change leader, whilst gaining commitment to the change. As they are a part of the team, they are also able to resolve conflict and challenge negative behaviour. Change leaders engage and involve employees and providing constant reminders of the vision, whilst encouraging or enforcing new behaviour to embedding the change. (Pickering, 2009).

Positive working relationships can be built and maintained by providing a clear rationale for change, and ensuring that updates in the change are also communicated effectively, through regular consultation. The impact on individuals should be considered and also identifying ways to improve their wellbeing. By effective planning there should be an awareness of reactions, and therefore being able to allay fears with honest dialogue. Resolving differences positively is also vital, taking steps to maintain positive working relationships (Hodges, 2016).

It is also important to consider the Kubler Ross Change curve, which is linked to the enacting phase of the three phases of change management. This identifies the reasons for employee's reactions and the resistance to change (Hayes, 2014).



Organisational communication can be divided into management, marketing or organisational communication (Riel & Fombrun, 2007). Change initiatives fail as a result of lack of effective communication (Hayes, 2014). According to Hodges (2016) “Communication should be **“tailored and scaled to meet the needs and concerns of the specific stakeholders affected”**”.

Quirke’s (2008) communication escalator demonstrates the level of communication is determined by the degree of involvement and the degree of change (Quirke, 2008). An example of this in Hywel Dda and the “All Wales Framework for HCSW”. The patient may need an awareness, social care and local authority may need an understanding, community teams may need support, lead registrants would need involvement and HCSW would need commitment as it relates to their role. Stakeholder mapping is therefore important to ensure consideration is given for all parties and the depth of communication needed (Hodges, 2016).

A communication strategy is a vital component in change management, considering how to communicate the purpose and benefits of the change, the risks of not changing, creating a positive mind-set and identifying timescales (Hodges, 2016). This will not only identify the types of communication, but also the timescales. Communication should be ongoing, providing progress updates and celebrating short term wins (Quirke, 2008).

Top down communication mirrors a traditional management style, with the managers remaining in control (Rees & Hall, 2016). Communication would be through bulletins, intranet and team meetings. A bottom up approach allows the organisation to benefit from the skills, expertise and knowledge of the workforce at all levels, involving employee participation, collective consultation and workshops. Rees and Hall (2016) argue that a combination of both approaches leads to a more positive outcome. From a communication perspective, two way discussions also play a crucial part, providing explanations of their role within the change (Hughes, 2010).

The 4 E's Principles of Human Change

- **Educate**
- **Engage**
- **Empower**
- **Enable**

As part of the communication strategy, it is important to consider the 4 E's Principles of Human Change. Geraghty, (2019) identifies that individual's need:

Educating, providing information and rationale.

Engagement, with two-way dialogue, gaining an understanding of why is it important to them.

Empowering, making individuals feel part of it, delegating tasks.

Enabled, remove barriers through training

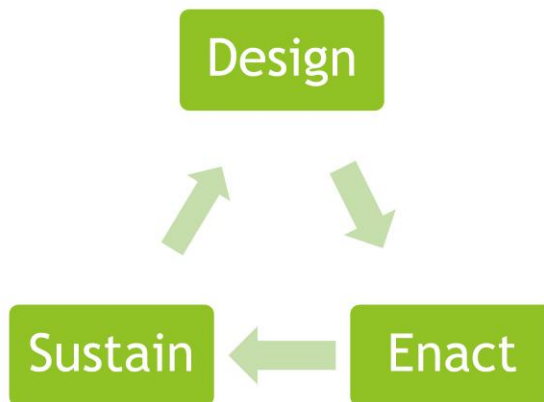
Both the principles of human change and the influence model have similarities aimed to engage the workforce in change.

Quirke (2008) suggest that the style of communication used should depend of the type, timeframe, expected reaction or urgency of the change. Traditional communication methods include meetings, focus groups, interviews, letters, memos, reports, conferences and newsletters. It is important to consider the five generational workforce and therefore communication methods need to include emails, use of social media, videos, websites, videoconferencing and animations. An example of this being that millennials expect real time communication, wanting to be able to access information by phone (Hayes, 2014).

Communication must have a relevance, purpose and meaning and ensure important communication is not lost in generic emails, which often are not read (McKinsey, 2016). Communication needs to be honest and sincere and where there are rumours, this is a sign of lack of communication, resulting in a loss of trust and commitment to the change (Hodges, 2016).

As well as communication, there should also be consideration given to support needs of individuals at all levels. This could be in the form of coaching and mentoring, training, advice or counselling. These support mechanisms play an important part in the change management process to overcome barriers (Hayes, 2014).

Three phases of change management



(SRHM, 2015)

There are three phases of change management. (SHRM, 2015). The designing phase allows for the collation of information by conducting a current state assessment, providing a history. It is imperative that this change is designed for the future, not the present, considering the context if it is in a large organisation. Goals need to be SMART, with priorities, actions and realistic goals (Hughes, 2010).

The Enacting stage focuses around maintaining momentum and maintaining open communication channels. The change team should be carefully considered to ensure that there is the expertise to support the change. Change champions should be at all levels, including senior management. Stakeholders should be identified and they should be engaged in the change. There should be a project plan in line with project management principles. Consideration should also be given to other initiatives, ensuring alignment of objectives (Hodges, 2016).

Sustaining collects data to identify not only the success, impact and engagement of the change, but also a clear identification of the new context. This phase allows for identification of any adjustments that need to be considered. At this stage, communication can relate to how things have improved as well. Processes should be embedded until all goals have become the norm (Hayes, 2014).

Content of a change project plan

- ▶ Outline the vision
- ▶ Objectives and benefits of the change
- ▶ Need for change
- ▶ The detail and scope of the specific activities
- ▶ Timings and milestones identified
- ▶ Identification of monitoring and success measures
- ▶ stakeholders and their roles
- ▶ Other parties affected
- ▶ Communication strategies
- ▶ Support and training requirements
- ▶ Resources required
 - ▶ People
 - ▶ Equipment
 - ▶ Materials
 - ▶ Finance

A change plan should outline the vision, objectives and benefits of the change and the reasons that there is a need. The detail and scope of the specific activities needed to be achieved, with timings and milestones identified should be stated as well as identification of monitoring and success measures. It should include stakeholders involved as well as their roles, along with any other parties that may be directly or indirectly affected. The plan should also identify support and communication strategies as well as the resources that are needed including people, equipment, materials, finance, support, training and time (Hughes, 2010).

Hywel Dda Project Plan



<http://www.wales.nhs.uk/sitesplus/documents/862/BC-TD8-EngagementPlan-Version1.pdf>

Example for managers of a project plan.

Best Practice for Implementing Change Processes

- ▶ Consider timing, avoiding peak periods
- ▶ Use project management techniques
- ▶ Follow a robust communication plan
- ▶ Use Change Champions
- ▶ Plan regular meetings with change implementation team

The Influence Model



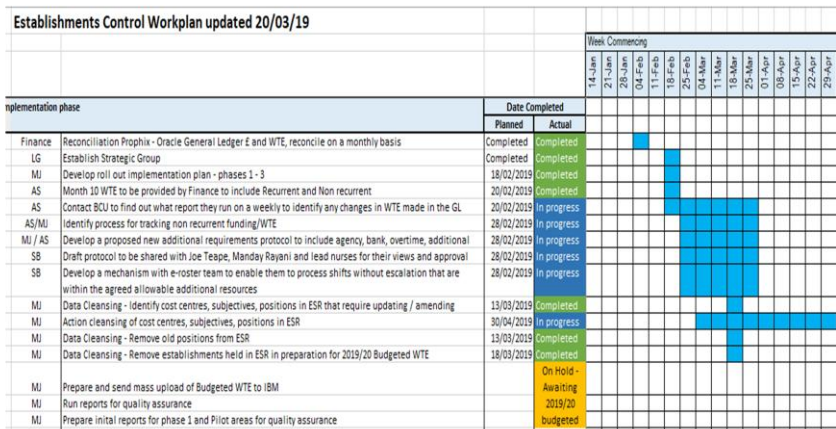
Consider the time of year and avoid implementing change when the organisation is under pressure (Hughes, 2010). Use a project management technique to implement the change such as a Gantt chart, which can be can, form part of an action checklist, outlining implementation plans, with timescales (Hodges, 2016). A plan should identify the opportunity for stakeholder voice where appropriate, change champions and their roles as well as the communication plan. With managers playing a critical role in the success of the change, the action checklist should also consider the support needed to ensure management practices build trust and motivation in relation to the change (Hodges, 2106).

Communication should be released as soon as possible, with further roll out of information in incremental steps. Implement the communication plan ensuring all stakeholders at all levels understand the vision and benefits of change using multiple communication strategies, from the appropriate level of management (Hughes, 2010).

It is important that the effective change champions are chosen, to support the implementation phase. Ensure these change agents have all information and training to support the change, following the Influence Model (McKinsey, 2016), by Fostering an understanding and conviction, role modelling, develop their talent and skills, and reinforcing with formal mechanisms as well as providing ongoing support and communication.

Implementation should include regular meetings, encouraging feedback and identify what is going well and what isn't, thus allowing for corrective action to be taken (Hodges, 2016).

Hywel Dda Implementation Plan



Example of a Gantt chart used in Hywel Dda University Health Board.

Techniques for monitoring change

- ▶ Qualitative (opinions/feelings)
 - ▶ Focus groups
 - ▶ Interviews
 - ▶ Surveys - paper based/ pulse surveys using apps
 - ▶ Internal Social media
- ▶ Quantitative (statistics/outcome or quality data)
 - ▶ Absence rates
 - ▶ HR data
 - ▶ Training data
 - ▶ Performance data

Success can also be measured using Project Plan, identifying achievement of objectives

Techniques for monitoring change processes could gain either qualitative data through staff surveys, interviews, observations or focus groups. Quantitative data could be collected from benchmarking, baseline measuring before and after the change, monitoring work performance and output, absenteeism and staff turnover (Hughes, 2010).

With an effective project management technique, progress could be monitored through reviewing of closed actions, updating the plan, discussing outstanding actions as well as making any changes to the plan based on feedback (Hayes, 2014). By having a steering group that meets regularly will support achievements of targets within the plan (Hodges, 2016).

In Summary:

- ▶ Line managers are critical to the success of change
- ▶ Poor or ineffective leadership hinders the change process
- ▶ Managers who are unable to respond to resistance can impact the success of the change
- ▶ Communication is key
- ▶ Own your part in the change
- ▶ Give regular feedback
- ▶ Consult your team
- ▶ Celebrate success

In summary:

Managers are critical to the success of the change (Marris, 2017) as poor leadership affects the change process (Hodges, 2016). Managers need to consider their management approach as responding positively to the resistance to the change can impact the overall success (Acas, 2014). Other points to consider as a manager are:

- Communicate the change and consult
- Ensure all changes comply with legislation
- Be aware of how this will effect individuals emotionally
- Where possible, allow people to get involved in the decision making
- Minimise uncertainty
- Celebrate success in working towards the goal
- Keep explaining why we are changing
- Lack of information will create rumours
- Be as transparent as possible
- Own your part in the change
- Give regular feedback
- Consult your team
- Celebrate success
- Role model behaviours

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