



Title Page

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Date: 13th December 2020



Understanding the Management of change

SARAH MILLS



Objectives

- ▶ To understand the key principles, theories and models relating to change in organisations.
- ▶ To understand the importance of communication and relationship management with change processes.
- ▶ Know how to plan, implement and monitor change processes.

Contents

- ▶ What is Change?
- ▶ Drivers for change
- ▶ Enabling and hindering change
- ▶ Theories and models of change
- ▶ Relationships and change
- ▶ Communication and change
- ▶ Planning for change
- ▶ Best practise of change implementation
- ▶ Monitoring and Assessing change

1

(HR Zone, n.d)



(See Slide for definition)

5

What drives the need for change?

Internal drivers

- New strategic objectives
- Key staff changes
- Process Changes
- Employee feedback
- Learning new organisational behaviours and skills

External drivers

- Government Legislation
- Economic Changes
- Changes in global markets
- Customer feedback
- Technology

Organisational change can be driven by many differing factors, we will look at this in terms of Internal drivers of change and External drivers of change.

I have a number of drivers listed on the slides for you to have a think about, however will go into further detail on a few of them.

Internal

New Strategic Objectives – An example of this is within my own organisation Tai Tarian. In September this year, the 5 year Corporate plan was announced to all employees highlighting a change in direction. One of the main objectives is to drive change for a sustainable planet, with a pledge to be carbon neutral by 2030. (Tai Tarian, 2020). This vision comes hand in hand with lots of organisation change, for example introducing electric cars and vans and sourcing more sustainable materials to build new homes.

Key staff changes – Introduction of new key stakeholders can have big impacts on organisations. If we look at David Smith, a well known author and businessman in the change management world. When he joined Asda as the People, IT and Loss

Prevention Director they were close to bankruptcy, however he saw this as an opportunity for change in many elements of the business, including employee engagement. He drove change to the engagement culture and reaped the benefit of Asda claiming the top spot in the Sunday Times best place to work survey in 2002. (CIPD, 2014)

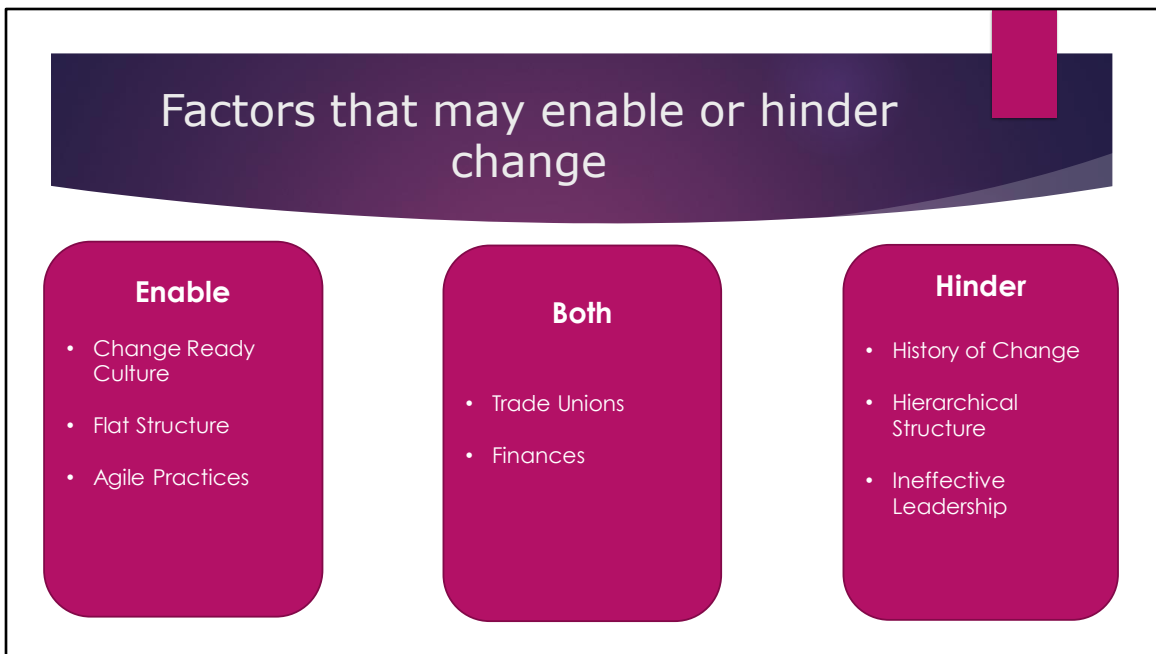
Employee Feedback – Many organisations use tools such as employee surveys to gain feedback from the workforce, this often results in internal changes.

External

Economic Changes – It is safe to say that the COVID-19 pandemic has driven rapid change to many organisations through 2020, with many of these of course being unplanned changes. Large employers such as 'Twitter' have made the decision to offer the workforce the opportunity to work from home for the foreseeable future, (BBC News, 2020) which I can probably guess was not a priority initiative on the table prior to COVID.

Government Legislation – If we look at GDPR, a government legislation introduced in 2018 drove major changes to many organisations around the UK around how they collected and processed employee data. (People Management, 2017)

Technological developments - With the presence and popularity of online shopping and social media over the years, many organisations have had to adapt their working ways to remain competitive with those e-commerce businesses such as Amazon.



Some factors that may enable change include:

A Change Ready Culture

Half the battle is already won if your organisation has achieved a change ready culture. The signs of this include:

- Employees are comfortable and encouraged to question the status quo
- There is no blame game, mistakes equal learning opportunities
- Employees are praised for new ideas and embracing new ways of working
- Communications are open, honest and genuine
- Change is expected

(Macpherson, n.d.)

A flat organisational structure

This structure can be described as having minimal levels between 'superiors' and staff. Due to the lack of hierarchy, employees tend to have more involvement in decision making and are therefore more likely to be open to change as they have probably been part of the initial change discussions or initiated ideas themselves.

(Forbes, 2018)

Although it may sound great, as with everything there are down sides to a flat structure, for example when staff do encounter issues they may not know who to approach for a resolve. It also makes it difficult to hold employees accountable as there is no middle manager/team leader to identify individual concerns. (bizfluent, 2019)

There are a number of factors that can be seen to enable and/or hinder change, for example **Trade Unions**, if there is a good relationship between the Management team and the unions, it is more likely that they will support change, however, should the relationship be sour, trade unions can be very impactful in hindering change ideas. (Butler and Tregaskis, 2018).

Another factor that can hinder change is if **previous attempts of change processes** have failed. As cited by the CIPD (2020) ineffective change can cause loss of stakeholder credibility and reduction on employee engagement and motivation. Considering the fact that 70% of change programmes fail to achieve the initial goals (McKinsey, 2015) then it is understandable that people can be resistant to change based on previous experience.

Change Models

Lewin's three step Change Model



Moving on to some theories/models that support the change management process.

Starting with Lewin's (1951) 'three step change model' which is often referred to as the 'classic' approach for managing change. His model uses the analogy of an ice block unfreezing and refreezing by transforming into a different shape to describe an organisational change process. (APM, 2017)

Unfreeze = The unfreeze stage is all about getting ready for change, this includes the acceptance that change is necessary and being comfortable to move away from the status quo.

Change = Lewin described this stage as the journey in our reactions to change. It occurs as the required changes are being made, and people are transitioning towards a new way of thinking.

Refreeze = Following the changes being made, the refreeze stage refers to '*stabilizing, supporting and reinforcing the new changed conditions*'. (Armstrong & Taylor, 2017, P.673)

Lewin's model supports a systematic approach to change management by identifying the opportunity to plan for change effectively and subsequently managing the

process through to the end. If the key stages are identified and understood, the likelihood of effective change management is increased. (Rees & Hall, 2013, P.112)

Although a popular model within the change management world, critics believe that in today's complex world, the model is out of date as it does not allow for the required flexibility and adaption. (Cummings et al, 2015)

Change Models Continued

Kubler-Ross Change Curve Model



Another interesting model to discuss is the Kubler-Ross Change Curve.

In 1969 Kubler-Ross described the five stages of grief as; Denial, Anger, Depression, Bargaining, and Acceptance, it is widely believed that these stages can also be used in relation to change within the workplace, known as 'The Change Curve'.

Tips for using the model in practise:

Stage 1 - Initial reactions to change are often shock and denial therefore effective communication at this stage is vital, keep staff up to date on the reason for the changes and what the steps are going to be.

Stage 2 & 3 - Anger and depression may come next. These emotions need to be handled sensitively and with care.

Stage 4 - Acceptance is usually achieved, however individuals may need extra time to get used to the changes.

Stage 5 - Finally when commitment to the change is in place, make sure you celebrate

as a team, recognising the success for all.

It is important to note that employees reactions to change will differ, some may follow all 5 stages in sequence, while others may go back and fore at some of the stages before finally reaching the acceptance stage.

As already discussed ineffective change management can have long lasting negative impacts on an organisation, therefore having the ability to use the Kubler-Ross model and predict the likely reactions to change, means organisations can accelerate development by providing the relevant help and support to the workforce. HR professionals are the experts in people, so they can have a powerful impact when using this model.

Mindtools (n.d)

Positive work relationships

Common themes in successful transformation:

- ▶ Relational Leadership
- ▶ Building Trust
- ▶ Voice
- ▶ Dialogue



All of these elements are people related, utilise your HR team as people professionals to help support you.

According to the CIPDs 2015 research report 'Landing Transformational Change' there are a number of common themes that have been identified in effective transformational change. One of the main elements is the importance of managing the process, which involves '*relational leadership, building trust, voice and dialogue, and maintaining emotion, energy and momentum*', all elements related to people.

Change in an organisation will inevitably affect the front line workforce, therefore it is imperative that a trusting relationship is built in order for transformation to be successful. There are many ways to build and maintain trust such as:

- Involve employees in the planning phase, give them the opportunity to express their views. If they feel they are part of the decision making process, they are more likely to want to be apart of the change journey. Strengthen this by involving key influencers in the organisation, those individuals who you know can gain buy in from others.
- When a decision has been made it is vital to communicate out effectively, this will probably include tailoring communications to differing stakeholders, therefore a communication strategy is key. At this stage it is important to show that the

organisations leaders are committed to the change and are visible throughout the process. According to ACAS (2014) this promotes engaged employees and maintains effectiveness.

- Anticipate the reaction to the change, and put things in place to address these straight away. For example if you know the change is likely to have a highly emotional response, make sure the Employee Assistance Programme details are to hand and easily accessible. Set up talking groups where people can talk through how they are feeling.
- Resistance to change is often inevitable, therefore it is important that strong processes are in place ready to manage any conflict in a timely manner, for example grievance processes.
- Work as a united team – Leaders, Middle Managers, HR and Trade Unions all have important roles to play in the change management process, if they are seen to all be modelling the desired behaviours, it is more like to motivate others to join in.

Communication

- ▶ Have a Communication Strategy
- ▶ Be clear, explain the reason for the change
- ▶ Communicate the benefits of the change
- ▶ Involve employees
- ▶ Support and encourage feedback
- ▶ Consider the impact on individuals and the different communication needs this may bring
- ▶ Continue to communicate throughout
- ▶ Have support mechanisms in place



It is safe to say that one of, if not the the most important factor when planning and implementing change is communication. (ACAS, 2014; CIPD, 2020) Forbes (2017) go as far to say that it is either the catalyst for successful change or the most damning piece of the puzzle. With this in mind, it is important to get it right first time. There are a number of things to consider when planning your communication strategy:

Method of communication

Top-down – examples of this are all staff meetings, team briefings or on the company intranet. Primarily this is where the information is coming from leadership.

Bottom-Up – This could be employee forum groups or consultation meetings. They allow for employee participation.

2 way discussion – Usually in the form of 121s with managers or HR.

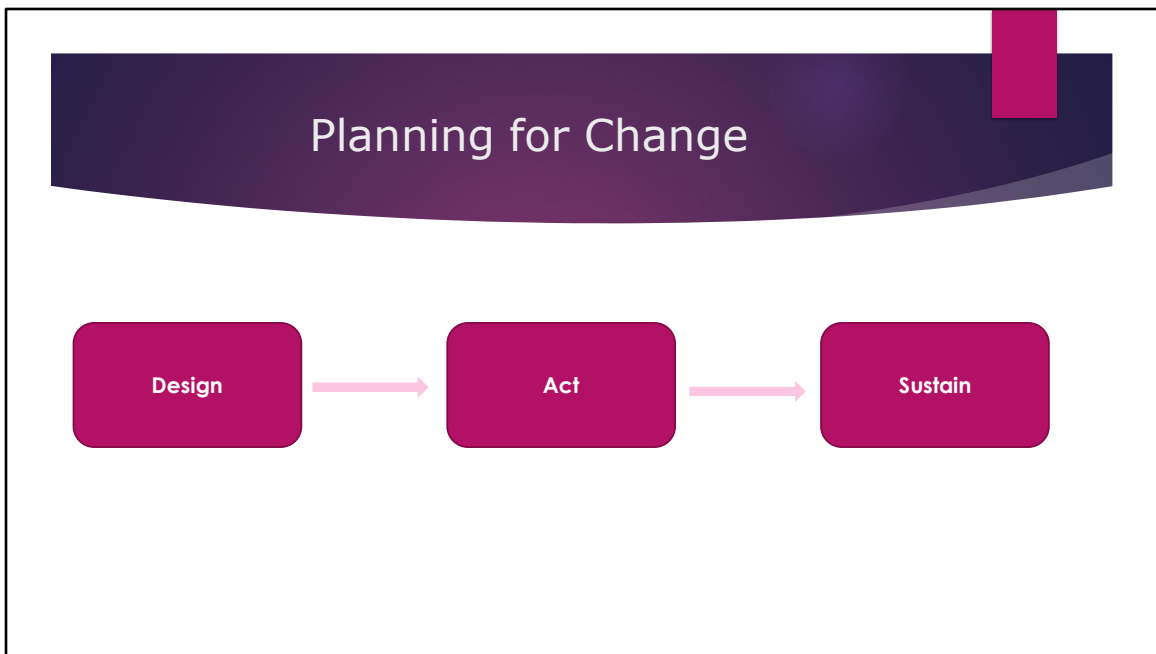
If we look at communication methods specifically in change management, all the evidence shows that change is more successful when you involve employees in the decision making and have them onboard for the journey. Therefore bottom up and 2 way discussions would be the better approaches to allow for feedback and ideas. It is also important that these communications continue throughout the full cycle of the transition process to keep momentum and trust levels high. (Forbes, 2017)

Consideration needs to be given to how the change will impact each stakeholder group and then tailor communication around this. Your HR team can support you in this. If we take an Organisational restructure as an example, the communication to those who are going to be directly impacted, for example potentially made redundant, will be different to the rest of the workforce which may not be directly impacted. Not only will the content differ, but also the tone of the message due to the emotional impact the change may have on specific employees.

Where to communicate the message is another crucial consideration. For internal staff, employee briefings, newsletters, posters, all staff emails may be appropriate, however for customers it may be a letter in the post or social media updates are the necessary approach.

Xpert HR (n.d)

In anticipation of the reaction to change consider support mechanisms, such as: Employee Assistance Programme, Drop in clinics, mentoring, or accessible FAQs. Hafod, a Housing Association in Cardiff set a number of employee FAQs around the Coronavirus and testing easily accessible on their internet site. (Hafod, 2020).



What do we need to consider when planning for change?

With all the elements we have discussed so far, it is safe to say presume that effective change does not just happen by chance, planning is key.

According to SHRM (2015) change can be seen as taking 3 phases – Design, Act and sustain.

Design – Lets consider:

Sponsorship – Who are the senior stakeholders you need to engage with in order to support and sponsor the change?

Involvement – Who do you need to be involved in order for successful transformation, do you need to reach out to external resource or can it be lead internally.

Buy in – for success it is essential people are bought in to the idea of the change, how do you see this playing out? What do you need to do to gain the buy in?

Impact – What will success look like, how do you measure this?
(Mindtools, n.d)

At this stage it is also important to consider the capability of the leadership team and front line managers, have they had the training and possess the skills to support the implementation of this change? If not this could be a major factor that could jeopardise the success of the initiative.

(Personnel Today, 2007)

Act – this is the implementation phase, putting the plans into action.

Sustain – Once the change has been implemented it needs to be monitored and reviewed constantly. For example, earlier this year Tai Tarian implemented an annual leave self service portal, switching from individual manual excel spreadsheets to an Organisational based portal. Once the change had been implemented, the work did not stop there. 4 weeks into the new 'state' we were having issues with the functionality of the annual leave side of the portal which results in further changes to the system.

Change Plan

- ▶ Vision and Objectives
- ▶ Tasks to achieve objectives
- ▶ People and Roles
- ▶ Stakeholders and Parties affected
- ▶ Communication strategy
- ▶ Support strategies
- ▶ Timings and milestones
- ▶ Resources
- ▶ Monitor activities
- ▶ Measure success



Having a change plan provides direction and purpose and is more likely to set you on your way to success.

Best Practise

- ▶ Agree the implementation strategy
- ▶ Agree timeframes
- ▶ Draw up detailed implementation plans
- ▶ Set up a team of change champions
- ▶ Establish good programme management practices
- ▶ Communicate clearly
- ▶ Ensure participation and help to minimise stress
- ▶ Personalise the case for change
- ▶ Be prepared for conflict and manage it effectively
- ▶ Motivate your employees
- ▶ Develop skills
- ▶ Maintain momentum
- ▶ Monitor and evaluate



(CMI, 2014)

In way of summarising what we have discussed today about change management, CMI (2014) have a useful checklist with best practise tips to support successful transformation.

Implementation Strategy – Define the required change and evaluate the gap between current and future state. Looking at things like resources and any required training. What activities will need to be conducted to achieve the change.

Timescales – How long will it all take?

Draw up detailed implementation plans – This will include working with department heads to understand how each department will implement the change individually.

Set up a team of change champions – Get commitment and alignment from the leadership team first. (Aguirre & Alpern, 2014) Also, remember this is a great opportunity to use your employees that you see as key influencers

Establish good programme management practices – Use tools such as GANT charts to keep you on track, do you need to consider any of the theory models such as Kubler-Ross? Continually risk asses all elements throughout the implementation.

Communicate early – As discussed earlier, communication is vital to the success of the change, therefore consider who/when/what and how in relation to communicating with all stakeholders. This can be drawn up in a communications

strategy. **Ensure Participation and help minimise stress** – Be open and honest about the changes, allowing for feedback and ideas. This will help the adoption and sustainability of the change.

Personalise the case for change – In line with your communications strategy, anticipate the reaction from different teams and individuals, it is not a one size fits all approach, not everyone will react the same, so have support mechanisms in place early on.

Be prepared for conflict and manage it effectively – Resistance to change is natural so ensure there are good processes in place to manage this quickly and effectively.

Motivate your employees – One way of doing this is by recognising and rewarding effort and achievements.

Develop skills – Make sure all the required training is planned and executed effectively so that employees/managers have the tools ready for the change.

Maintain Momentum - Change can be a long hard slog so make sure to reinforce the value and benefit of the change all the way through.

Monitor and Evaluate – Do any adjustments needs to be made along the way, if something is not working, utilise the contingency plan. Has the change been successful?

Evaluating the change process



Success or Failure?

Finally we are going to look at ways of monitoring and evaluating change management initiatives. This has become an element which is more common nowadays. Recent research by Prosci (n.d.) highlighted that 45% of participants had to report back data on how effective their change project had been. With this an upcoming requirement, it is important to know from the outset how you plan to evaluate the process.

Organisational Performance – Did the change deliver the planned objectives?

This can be measured through metrics such as:

- Performance improvements – this could be measured with quantitative data like increased productivity figures, or qualitative data such as written performance reviews.
- Business and change readiness – Has the workforce shifted to a more change-ready culture? The answer to this could be identified through employee pulse surveys.

Individual Performance – This highlights where the impacted individuals are on their change journey.

- Focus groups or interviews could be used to gain direct feedback from individuals
- Observations of behavioural change is another way to measure the impact of the change.



Summary

- ▶ To understand the key principles, theories and models relating to change in organisations.
- ▶ To understand the importance of communication and relationship management with change processes.
- ▶ Know how to plan, implement and monitor change processes.

Any Questions?

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