

Successful change management

Written by Sarah Cook

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The considerable upheaval caused by the pandemic and Brexit are indicative of the shockwaves and uncertain climate that all organisations face. More and more, businesses are recognising that in the face of change, transformation is a must, however tough the challenge. They also conclude that change management has become a core organisational discipline. Larger numbers than ever are currently engaged in the process of change.

The last few years have seen a greater maturity of understanding of how to turn an organisation around and reshape it. However, there are considerable barriers to overcome; such as a required change of mind-set by leaders, a disruption in the power balance within the organisation, and the need for a change management team to adopt an influential role, ensuring that organisational learning is achieved and employee engagement maintained. This often needs to be achieved at speed as at the same time, many organisations are now feeling great pressure to achieve change and this is forcing the pace.

This runs counter to the still common traditional approach where change is carried out project by project, with the emphasis often placed on short and medium term targets, such as time and cost.

Organisational agility

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Organisations increasingly need to become more agile and, therefore, better able to respond to changing circumstances. This can be a tall order for organisations that have been built around a business model which, over time, has become embedded within the organisation. The effect is one of rigidity and resistance when changes are demanded. This can pose problems akin to knocking down a thick solid stone wall and rebuilding it afresh in bendy plastic. The collapse of the financial service sector in the UK in 2008 for example, has led to the need for banks to be more agile and responsive to market and customer needs.

Customer focus

Organisations today need to be responsive and adaptive to the all-important customer. In an increasingly service-aware, cost-conscious and competitive age, understanding and responding to the changing needs of customers must take a high priority. Organisationally, this demands an ability to refashion how to listen and anticipate customer and employee requirements and then put into practice skilfully what has been learned from top to bottom of the organisation. This can include its culture, processes, products and services. The demise of the retail group BHS shows how, over a period of time, misjudging the customer can have disastrous consequences even where the company once served the customer well. In fact perhaps because the company had been so successful in the past, it was reluctant to change its well-proven ways to its long term disadvantage.

Honing the skills of managing change

Managing change requires particular approaches and distinct sets of advanced skills and capabilities. These go beyond those of day-to-day management. They include;

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- dealing with stress and fear of the unknown as a response to change;
- recognising how feelings and attitudes change over time;
- the skills of addressing resistance;
- acknowledging the importance of frequent regular communication and active listening, gauging and maintaining confidence and morale;
- giving feedback and providing coaching;
- developing the strategies and skills of stakeholder politics and influence.

Our research¹ has concluded that a wide range of skills is needed, varying at different stages in the change process. A skilful and strategic approach must embrace all aspects of change, from initiation through to implementation:

- planning change strategies;
- taking a strong lead in change;
- putting change into day-to-day practice;

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- managing a spread of change initiatives;
- embedding sustainable change to minimise slippage and a return to old ways or bad practice.

Based on our analyses of companies undergoing long-term change, the top skill areas involved are:

- Leadership skills
- Political and influencing skills
- Managerial and implementation skills
- Development of individual employees' skills and commitment.

Leadership skills are essential throughout, not just at the start

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Leadership must be a regular and continuing practice throughout, not delegated to specialists or to others. Since leaders are a catalyst and role model for change, self awareness is an important first step in creating the right environment. It is the actions not words of change leaders that count.

Although little mentioned publicly, it is increasingly recognised that top management divisions and lack of unified direction and commitment have a substantial and depleting effect on the energy and success of a change initiative. New ideas and changes can often be treated with superficial agreement but private cynicism, which means they are not fully embraced.

Senior managers often represent interests within the organisation and have arrived at their position through historical success. This can lead to less than wholehearted commitment to new directions, ones that may be unfamiliar and are inevitably less tried and tested in that organisation. Unless the cynical and apathetic are genuinely won over, the chances of long term success are limited.

Political skills are an underplayed but essential skill

This involves attention to the political 'temperature' of a change initiative, including careful stakeholder management and applying influence to encourage support and deal with resistance.

Politics and influence are inherent parts of the change process, and it is very important for the change manager to know and practise them. Political forces and pressures can distort the process of bringing about change and push the direction of an initiative away from its intended goal. The ability to involve all stakeholders and carry people along with you is essential; yet in

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the hurly-burly of driving change forward, this can be lost. Then disaffected and resistant individuals and groups can start to dominate. Our research has concluded that political activity is often at its height in the early stages-just when the success and vitality of a change initiative is at its most vulnerable.

Management and implementation skills become more vital as the change progresses.

Middle managers, including specialists, play an important role in supporting the introduction of new ways of working in local environments. They need help to change themselves, as well as applying coaching skills to change others.

Engaging and developing employees is essential for sustainability

No initiative will take root without the buy-in of a wide range of people at every level. In practice this means setting up processes to involve employees and take on board their suggestions. Change programmes are most successful when a strong shared sense of commitment and urgency to deliver real and lasting change has been developed.

Perhaps rather belatedly, there is now greater focus on how to make a change initiative sustainable; this particularly involves taking active steps to nurture the commitment of individuals, who can easily become detached from and fearful of change.

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How can this be achieved?

- Development sessions, aimed at bringing out issues and developing change leaders
- Change management programme events, to raise competency levels in key areas and build support networks
- Wider development for all those involved, not just selected groups, to raise awareness and promote discussion
- Inserting change management as a key theme into existing corporate development programmes to further the change agenda
- Mentoring and coaching key people to strengthen implementation and work through personal and local blocks and barriers

Few successful interventions are 'off the shelf': the majority tackle the key issues facing the organisation in a structured way, identifying the key competencies needed to address them.

Use of models or approaches to change

The last decade has seen a spread of models of change which many organisations find offer them valuable assistance in managing and facilitating change, by providing a template or check list for implementation. These approaches include Six Sigma and Lean2, or approaches put

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forward by consultancies such as Prosci's ADKAR³ and business schools such as Kotter's 8-Step Process for Leading Change⁴, or Balogun and Hope Hailey's Change Kaleidoscope⁵.

These models can be valuable, but there is a temptation to adopt uncritically much of what experts suggest and become dependent on a single approach suggested by others. The best consultants guard against this by spending a lot of time and effort passing on the applied knowledge of these approaches to the organisation. This is because it is increasingly recognised that all those in an organisation need to understand how such approaches work and, importantly, how to apply the principles to every part of the organisation.

Organisational examples of successful change initiatives

The EFMD, Management Development Network, 2016 Gold Award winning organisations⁶ exemplify the trends we have described above. The winners feature a spread of organisations and a range of chosen methods, but the single-minded focus on change is a critical common theme.

Professor Eric Cornuel, CEO & Director General, EFMD commented "This year's winners clearly show that Learning & Development must be closely linked to organisational strategy, involve a partnership model in design and execution, measure and show impact, and have a strong focus on the personal growth, values and behaviours of individuals taking part,"

Examples of successful change include, in the Leadership culture change category, NHS Leadership Academy & Alliance Manchester Business School whose programme : "Changing the Leadership Culture in the English National Health Service: Building Care and Compassion into the Leadership DNA" included a blended learning experience, combining online and experiential learning. This included a bespoke "Virtual Campus" and interactive case studies based on real patient scenarios, to create a learning environment that directly addressed fundamental NHS leadership challenges.

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2015 TJ Change Management winner Q5 Partners and News UK is another example of an organizational transformation which is impressive in scope and significance. The complex transformation process was sustained across multiple organizations and over three years. It included fundamental changes to both technology and work processes, and the need to engage in excess of 2000, sometimes sceptical, stakeholders – all whilst maintaining a consistent daily output of news.

This initiative was well defined in terms of technological, procedural and cultural (working practices) changes. Vision, operating model and skills requirements were all clearly identified. The focus on 'ways of working' was established as the key change lever. It began with Q5's facilitation of visioning workshops and continued through 25 'Ways of Working' sessions they conducted. The process was collaborative, and gave credible, effective outcomes.

The team engaged the editors (CEO/COO-level) of three different titles, supporting and resourcing them to provide visible leadership and advocacy for the transformation. Despite editorial changes, these key roles remained 'front and centre' in communications, providing clear sponsorship for their respective titles. The team also successfully engaged early adopters to build awareness and to provide effective local 'change advocacy'. This success is validated by the way three very different brands all signed up to a standard way of working across all newsroom disciplines.

Conclusion

Turning around ingrained practices and routines, breaking down, reforming and reshaping the organisation presents undoubted difficulties. We have presented here our observations on current trends in how organisations are developing successful and sustainable change strategies. In every case, change has proven complex and this means easily transferrable success factors are hard to come by—you cannot simply transfer one initiative directly into another organisation. However, some pointers aid understanding of what it takes to set up and forge a transformative culture

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- start by closely analysing the major strategic issues facing the organisation and recognise the undoubted challenges;
- partner with external specialists if you judge internal resources can benefit from enhancement;
- jointly tailor suitable approaches;
- don't shy away from innovative methods if they fit well with your culture;
- put in the necessary resources and senior backing;
- measure progress and adjust accordingly;
- communicate change and listen to feedback;
- recognise the importance of leadership and support and strengthen its contribution.

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6 For more details see

<http://www.efmd.org/blog/view/1048-2016-excellence-in-practice-gold-award-winners>