



## Change Management Now

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Change management is the most significant leadership challenge of this decade. We are operating in an environment of fast paced change frequently driven by technological innovation. The scale of the change is far reaching often because business processes and system usage are so inter-dependent that a change in one can affect many others across different departments and functions.

For this reason effective change management requires matrix management, as the authority to change a process in all the departments that it moves through cannot be delivered through a silo based management structure.

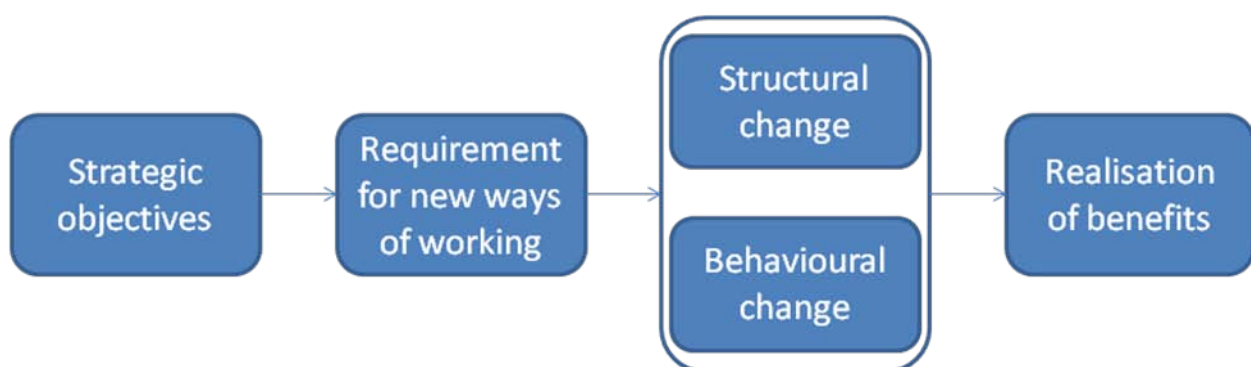
Change management brings together two distinct streams of work:

- Delivery of structural change through the introduction of new systems, processes, people, product and service innovation and the creation of new markets, suppliers, customers and competitors
- Behavioural change leading to a new emphasis, new culture and values, and changed priorities for each individual impacted by the structural change

Delivery of structural change can be “mechanised”, relying upon a foundation of project management processes and skills. Activities can be identified, their duration estimated, and schedules and plans developed with a reasonable level of certainty.

Behavioural change though requires an understanding of how the organisation operates as a living being, the power plays operating beneath the surface of the organisation structure, the values that individuals apply to their work and the forces that generate commitment, loyalty and motivation. Behavioural change can generate resistance, confusion and stress, decreased productivity and distancing of the individual from the ‘organisational good’.

As with structural change, resources in behavioural change must be assigned to take responsibility for developing and applying the change management methodology, communicating throughout the change, continuously measuring progress, recognizing and rewarding results, and reinforcing change so it becomes embedded in the culture.



The increased awareness of the need for behavioural change to be planned and managed has been driven by the increased demand for [benefits realisation](#) from expenditure on structural change. There is a recognition that the efficiencies and cost reductions that new systems and processes are expected to deliver will not be realised unless the way in which people work actually changes, and this change is reliant on a change in behaviour.

## Levels of change management activity

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In the UK the Interim Management Association has seen a rise in the demand for senior managers to undertake assignments in change or transition management. In 2009 this specialism accounted for 13% of all interim management roles, rising to 14% in 2010 and 18% in the first quarter of 2011.

Job boards have seen an increase in senior management positions specifying change management skills and competencies, with the regular posting of 'transformational change' roles. The use of the term transformation manager, transformation programme director etc. was not in common use in 2009.

Anecdotal evidence from the United States indicates that organisations are starting to ask for evidence of change management skills and competencies in tenders for project management and consultancy assignments. A similar request began over a decade ago in project management and fuelled the demand for 'certified' project managers and the demand for accreditation in project management qualifications.

Key areas where change management is being applied:

Type of change	Proportion of organisations tackling this type of change*
<b>Internal re-organisation:</b>	
Pressure on resources – too much work and too much fire fighting	25%
Need to improve flow of information across the organisation and move away from 'silo' based thinking	25%
Need for expensive resources to move from transactional to analytical contribution	8.3%
Opportunity to outsource transactional processes and systems	5.5%
Need to realise operational efficiencies from acquisitions	5.5%
<b>Innovation:</b>	
Launches of new products and services	11.2%
Find new and emerging markets	5.5%
<b>Shift in approach to customer service:</b>	
Re-organising to deliver two way engagement between the organisation and its customers	2.8%
Continuing need to reduce costs of administering customer accounts	11.2%

Survey by Maven Training Limited across 60 clients, February to September 2011

The increased interest in effective business change has led to an increase in research that applies psychological theory to the challenge of implementing and embedding changes in organisations. There are two specific areas of research that are influencing our approach to change:

1. Neural plasticity
2. Behavioural economics

**Neural plasticity** is the generic term for the ability of the brain to change structurally and functionally as a result of the environment. Up until the late 1990s the perceived wisdom was that after specific creative periods in childhood, the way our brains functioned was fixed. More recent research indicates that we can remap our brains through the use of learning, and by changing our personal beliefs and expectations we can create new pathways in the brain which in turn enable us to do things differently.

Neural plasticity frees us from the limiting belief that people become too old and set in their ways to change. Instead it opens us up to the opportunity that through the information we provide we can encourage people to learn new skills and exhibit different behaviours.

This implies that our approach to change management has to incorporate opportunities for individuals to review and reflect on what the changes mean for them and have a sympathetic environment in which to practice new skills and behaviours.

**Behavioural economics** is the study of psychology as it relates to the economic decision making processes of individuals. It explores why people sometimes make apparently irrational decisions, and why and how their behaviour does not follow the predictions of economic models.

Behavioural economics challenges the belief that humans are rational in their decision making, recognising instead that people often make decisions based on approximate rules of thumb, not strict logic, and that we use anecdotes and stereotypes to filter the information that we use in our decision making.

Behavioural economics points out that people value things differently according to the way the choice is framed. For example, people may be unduly impressed by "free" offers, or may have a preference for avoiding loss, and will choose what appears to them to be the least risky option.

This has an implication for the way in which we communicate organisational change. Simply presenting a change as a new and exciting opportunity may not generate sufficient support. Behavioural economics reminds us that we need to frame the change in terms of other less palatable alternatives that will help individuals reach the conclusion that the change is the best available alternative or least risky alternative for them. This means that individuals will decide for themselves that participating in the change is in their best interests, and will motivate them to take action and implement the change.

### **Managing in a constant state of change**

There is never a stable moment when it would be the best time to implement our change; we are typically competing with lots of other areas of the organisation that have also planned changes. Each of our changes in their own right is intended to make things better and to offer improvements. However, this environment of unremitting change makes it hard for our colleagues to achieve these improvements because the amount of change taking place destabilises the business environment, leading to lower productivity and higher levels of mistakes.

We need to recognise what this constant change means to those to whom we are presenting yet more change:

- Constant feeling of uncertainty – it's low level but it's always there, humming away in the background. There is a feeling that you never know how long something is going to last before it changes again, maybe a feeling that we shouldn't get too comfortable with something because it could be subject to change in the near future
- Confusion over priorities and the right way to do things - it's not easy to navigate the business environment when new systems and processes are introduced so frequently. Keeping up to speed with what's happening as well as getting the day job done is hard and requires real effort to process all the information that we are being given about new priorities, new strategies and new plans

I think part of our job in change management is to help people understand what isn't changing. It might sound counter intuitive if you are in a change role to be emphasising stability and consistency but we need to frame the changes we want to make in terms of what an individual can continue to do – still using their existing knowledge, still doing many things in the same way they do now.

We know that humans look for certainty -, consistency and stability in order to perform well. For your change project, balance the 'new' with the 'old' – tell people how your change will fit in with their current environment. I know change practitioners tend to be people excited by change, but let's remember that not everyone is like us and that the new can sometimes be threatening - let's offer reassurance along with our improvements and give people the best chance of being successful in their roles.

### **Developing an approach to change management that can be incorporated into existing governance frameworks**

In the last decade many organisations have invested heavily in the creation of project, programme and risk management processes.

A lot of project management frameworks don't have any formal activities or processes for incorporating change management into the project lifecycle, so many organisations are starting to enhance their project approach with activities for implementing and embedding change. For example:

- Setting the objectives of the project in relation to the wider objectives of the change that needs to happen. This means that from the start all members of the project team are working towards a wider goal than delivery of something new – they are working to create a positive impact and to achieve benefits
- Including as many stakeholders in the requirements gathering for the project as possible to help all those impacted by the change realise that it is going to happen, and that there are opportunities for them to participate and not passively wait for the change to happen to them

- Build strong relationships between the project team and those impacted by the changes so that there can be a real transfer of knowledge about all the details of how the deliverables actually work, what the inputs or sources are for certain deliverables and why features were added or excluded. This makes sure that when the project team close the project they aren't still the only ones who really know how things are supposed to work

In some cases organisations are formalising this link by renaming their project managers as change managers, or by ensuring that every project team has at least one change manager assigned to it. This is widening the role of those involved in supporting and assuring projects who now need to ask questions about how users are being persuaded to change their way of working to include the new systems and processes that the projects are delivering.

Whilst there are many consultants and organisational designers who have been working in the field of change management, up to now there has been no industry body representing change management as a profession. Whilst individual change practitioners may be highly skilled and effective, a lack of professional rigour means:

- There is no commonly agreed set of terminology surrounding change management
- There is no baseline set of skills and competencies that employers or organisations wishing to hire consultants can refer to
- There is no facility for individual change practitioners to share their learning and continue to develop the change management profession

In the last couple of years two bodies have formed who are positioning themselves as the professional body for change management practitioners:

- [Change Management Institute \(CMI\)](#) - an independent not-for-profit organisation set up to promote and develop the practice of change management internationally
- [Association of Change Management Professionals \(ACMP\)](#) - provides networking and collaboration for change management professionals who lead the people-side of change. ACMP is focused on developing industry standards and a professional certification program to ensure a globally recognized standard for the discipline.

The emergence of these bodies indicates a willingness by those already involved to 'professionalise'; this includes the development of a common terminology for this management discipline, as well as standards for the competence of individuals and the capability of organisations to manage change, represented by qualifications (see Appendix A).

The lack of agreed terminology in change management is energetically debated by practitioners. In general there is willingness when working for a specific organisation to use the terminology that fits the culture and existing management practices of that organisation. However, to develop change management into a recognised profession there will need to be a unified approach to terminology (if the development of the project management profession is anything to judge by).

There is a backlash in some organisations against using the term 'change management' because it is perceived as too generic and too simplistic. Instead the terms 'business transformation' or 'business readiness' are being used. In other organisations there is concern that the term change management has already been absorbed into the lexicon of IT so instead the terms 'business change management' or 'organisational change management' are being used instead.

Available qualifications in change management take two forms:

1. Knowledge of method and processes
2. Skills and competencies

### Knowledge of method and processes

- a) [Change Management Practitioner](#) – examining body is APM Group Limited  
The practitioner qualification is offered at two levels: Foundation and Practitioner, usually over 5 days and includes the following modules:
  - Define what change means in a work environment and examine its impact on individuals, teams and the organisation as a whole
  - Understand the principles of change management, and how they are applied when delivering change programmes
  - Describe the impact of change on individual and team productivity
  - Analyse how organisations with different cultures and values are affected by change
  - Consider various models of organisational change and appreciate the advantages and disadvantages of each
  - Specify how to apply Change Management approaches and techniques to the management of change within your organisation
- b) Change Management Certification – examining body is Prosci  
The qualification is trained over three days and includes the following modules:
  - Psychology of Change
  - Change Management Process – ADKAR model
  - Preparing for change
  - Managing change
  - Reinforcing change

### Skills and competencies

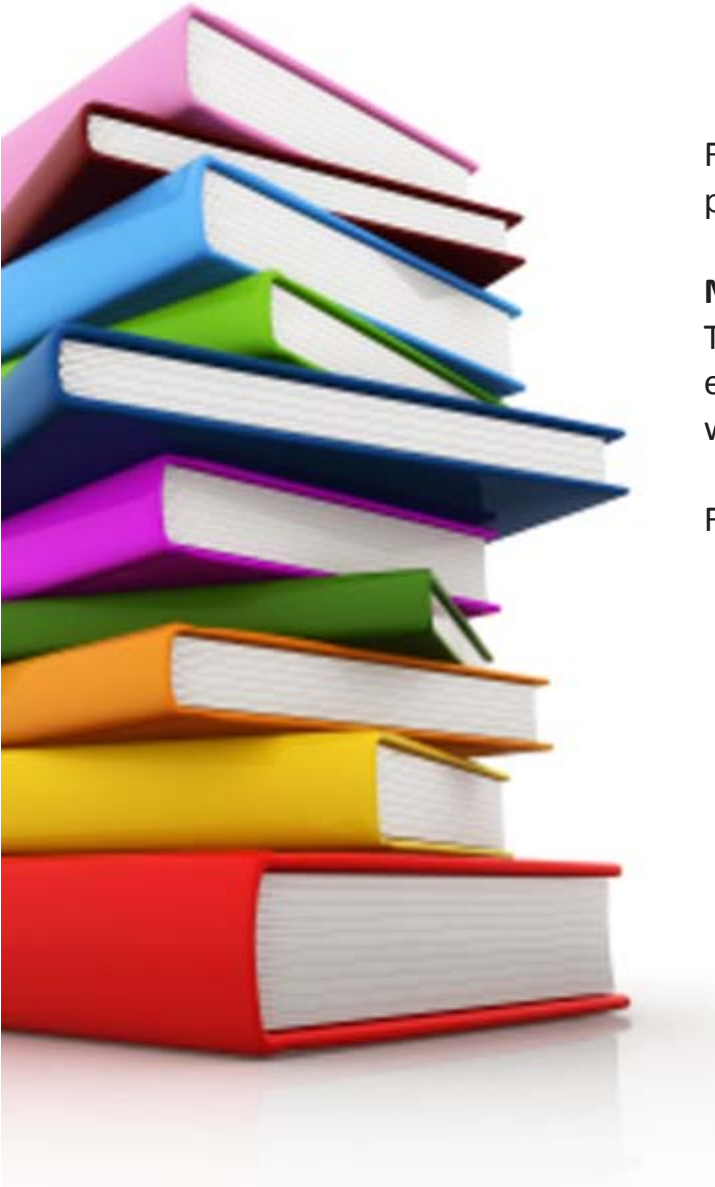
- c) Accredited Change Manager (ACM) – examining body is the Change Management Institute  
CMI Accreditation is the process and standard by which the independent not-for-profit professional body independently assesses and recognises good change management practitioners
- d) Diploma in Business Support – examining body is the Chartered Management Institute  
The Diploma in Management Consulting Essentials (DMCE) is intended for people who want to enter management consultancy from a functional discipline, or those who wish to develop their skills, knowledge and competencies needed to operate in the field of management consultancy. It includes the following modules:
  - Maintain effective business support relationships with clients
  - Help the client to analyse the business and decide the way forward
  - Enable clients to implement changes in their business
  - Encourage clients to act for themselves
  - Develop networks to provide access to information, support and resources
  - Evaluate the quality of your own practice in business support
  - Develop your own ability to provide business support
  - Monitor the performance of the business support service
  - Business support project

Maven is a leading provider of accredited and non-accredited training and learning consultancy in the closely interrelated disciplines of Programme, Project, Risk and Change Management. Our focus has led us to become recognised as a centre of excellence in our field with the best people, skills and experience to deliver what our clients need. We deliver our services through experienced practitioners who can advise our clients on implementation as well as deliver training to the highest standard.

Maven provides a first class training experience which forms the beginning of the learning journey for our delegates. By ensuring that each event is associated as closely as possible to each individual's real world environment, we are able to ensure practical and measurable benefits. We work with business leaders to help structure supportive learning programmes. We supplement delivery of training with skills and competence assessments which ensure that delegates learn what they really need to know.

All of our areas of expertise are rigorously governed by recognised professional bodies which ensure that best practice in training is adhered to – the APM Group, APM and the Project Management Institute. Our trainers, courses, materials and processes are subject to regular auditing to ensure consistent standards and control in delivery and logistics, and appropriate, accurate content which is relevant to examination syllabi.

We guarantee that our products and services meet the highest standards in helping delegates acquire skills and knowledge they require and, where relevant, achieve prestigious professional qualifications.



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