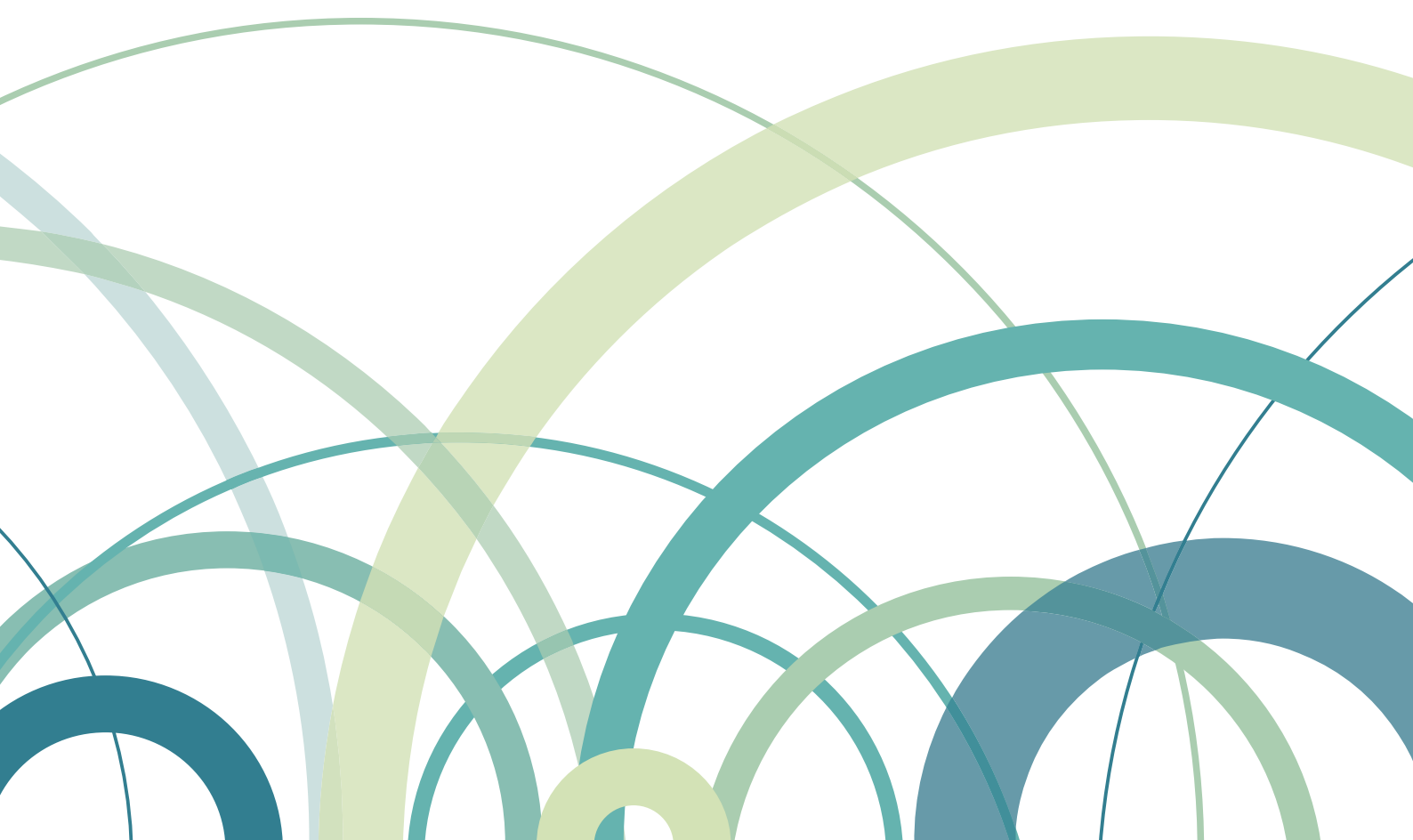


Building the capability for the effective implementation of change

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Change is too often seen as an impediment to be overcome, rather than the route by which the strategic objectives of the organization will be realized:

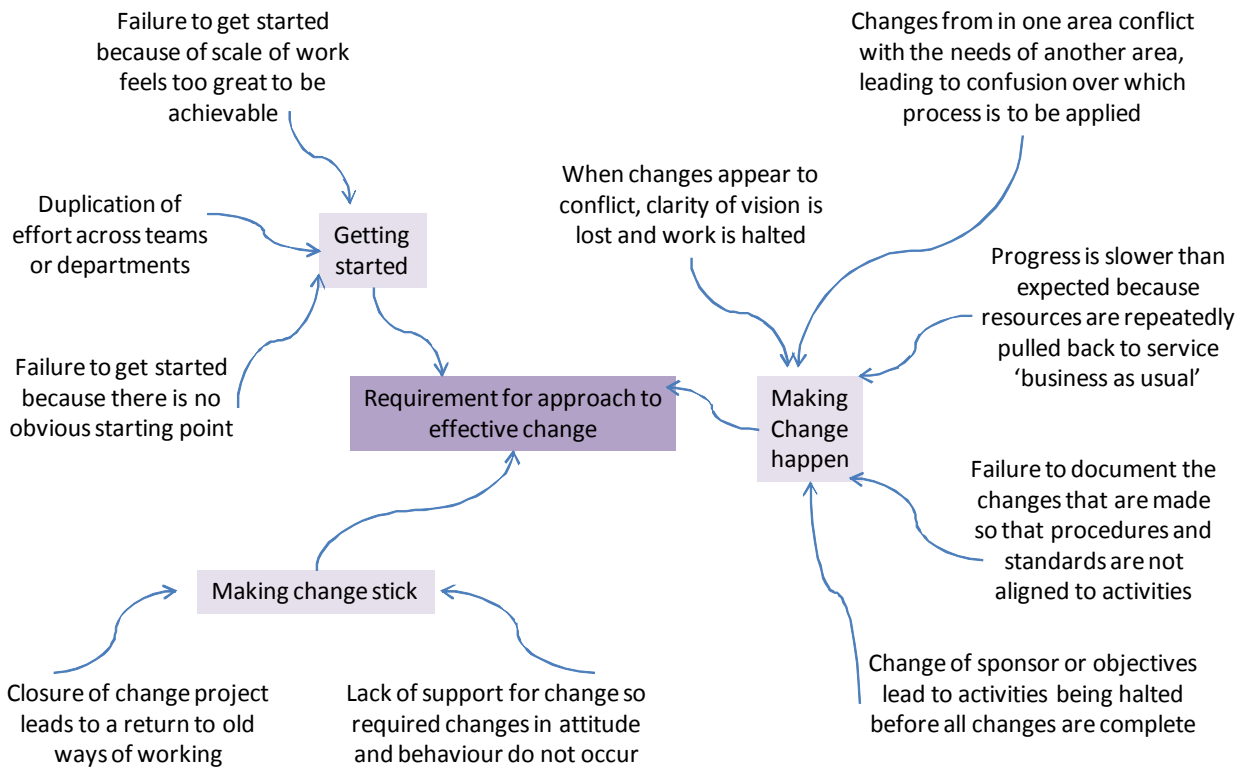
“It ought to be remembered that there is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success than to take the lead in the introduction of a new order of things, because the innovator has for enemies all those who have done well under the old conditions and lukewarm defenders in those who may do well under the new.”

Niccolo Machiavelli, ‘The Prince’, 1515

Many organizations have a well defined approach to developing change by commissioning projects to create new products, procedures or systems. Very few organizations have an approach for how to successfully implement these changes.

The time for managing the creation of change separately from the transformation of the business, where the change is embedded as the new ‘normality’, is over. The biggest complaint at the business level is that those responsible for managing projects hand over the deliverables and move to a new project, leaving the business to grapple with the difficulties of implementation alongside all the normal pressures of getting their work done.

There are multiple surveys indicating that up to 70% of all change initiatives fail. This is because implementation is far more challenging than creation. In a straw poll of our clients (public and private sector, small, medium and large organisations) the difficulties they identified included:



In summary these challenges are:

- The amount of work involved is significant - implementing a change can involve re-writing procedures, re-forming teams, appointing new staff, creating new responsibilities, introducing new meetings or reports into the daily routine, training staff to think or behave differently or re-prioritising effort to increase or decrease emphasis on specific products, markets or customers.
- These activities are a complex set of inter-dependencies where often there is no obvious starting point. If there are no agreed prioritization criteria to establish how to start then other factors will fill this vacuum, leading to a situation where change activities are led by those who shout the loudest.
- Those involved already have full time 'business as usual' responsibilities - the time required to halt their current approach to their work, learn a new approach and apply the new approach is not easily found. This is coupled with the reality of the productivity dip that results from having to do things in an unfamiliar way in an environment that is likely to be populated with people not motivated to abandon their current approach.

These challenges are encapsulated in the definition of change management which is:

"A systematic approach to dealing with change both from the perspective of an organization and on the individual level, proactively addressing adapting to change, controlling change and effecting change."

Case Western Reserve University

Effective implementation of change requires:

- An environment that is motivated and inspired by the benefits that the change will bring and employees who are sufficiently engaged to 'go the extra mile' to realize those benefits
- Employees who understand what is involved in organizational change and have sufficient understanding of their own abilities that they can identify those activities that they are best placed to undertake

Ability to define, plan and implement change is a core management skill. The pace of change continues to grow and where staff do not possess this capability it directly impacts the achievement of strategic objectives.

These skills are developed through experience of 'making change happen' but this experience can only be gained if we provide our staff with a simple, easy to understand set of steps which takes them from awareness of the need for change to creation of a new 'business as usual' environment where the change has been embedded and is now the norm.

Maven has a framework of interrelated activities that enable you to create and embed your approach to implementing change. These activities are summarized in this paper, but more details about a number of the elements can be found in our White Papers series at:

www.mavencapability.co.uk/resources

The benefits of ensuring that change occurs in a structured, well understood and efficient way will vary depending on what your organisation is trying to achieve. Even those organisations that are pursuing stability over growth and innovation will still need to make changes as the market place, customer demand and regulations continue to change. In other words, even to stand still you have to keep moving at the same pace as those around you.

Benefits include:

Return on investment

- Economies of scale as the approach to change is re-used for each initiative saving the number of days spent defining a unique approach to each change initiative
- Faster implementation of change as those involved have the confidence to know where to get started and who to involve, and can estimate with greater certainty the impact on their workloads and the level of impact in their departments

Quality of the outcome achieved

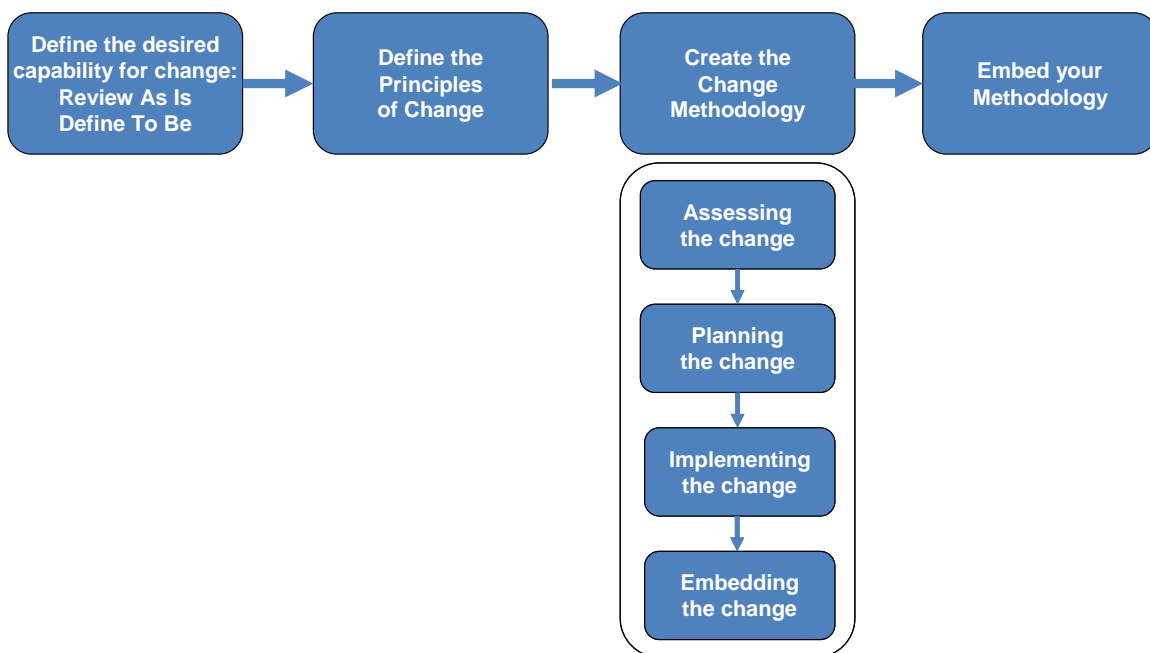
- Increased understanding of the impact of the change which ensures that all processes, systems and people impacted are consulted and their requirements incorporated into the change plan.
- Appropriate levels of involvement, with agreed responsibilities for making the change happen, reduces the resistance to change and increases the rate of adoption leading to greater realisation of benefits

Efficiency of resources

- Clarification of the roles and responsibilities of all those involved in the change effort, ensuring that those with the most relevant skills and experience are given appropriate activities to manage
- Reduction in the number of 'failed' change initiatives and the waste of resources involved in making changes that 'run out of steam' or get overtaken by other events which had not been assessed when the change was conceived
- Reduction in the level of activity that is duplication of effort or that is running at cross purposes to other changes being made elsewhere in the organisation
- Enhanced employee morale and a reduction in recruitment and retention costs

Building an internal capability for change is different to building a capability for technical skills in that the lead time for skills transference is much longer. Change is about influencing the way people think and feel about something; it is not as simplistic as showing them how to do something, giving them a user guide and walking away.

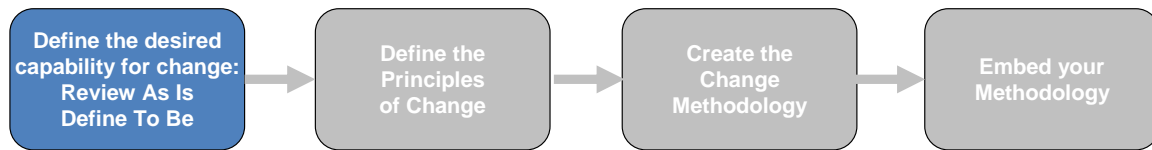
We find that although the detailed steps will vary from organisation to organisation, there are four critical steps that must be addressed. The Maven approach is to carry out these steps alongside yourselves so that we can transfer our knowledge and experience of successful change initiatives to you as we progress.



Building a capability for change, is a change to what you do now. Therefore we recommend that building the change capability:

- Uses the structure that you will use for all future change initiatives – start as you mean to go on
- Involvement in this project is as wide as possible and includes those resources that you think will offer the greatest resistance to change as it is much harder to fight against something for which you have been given responsibility

Step 1: Define the desired capability for change



Our first step is to clarify the boundary between incremental and transformational change. Incremental change is the improvement that is made as part of the day-to-day responsibility for getting things right and doing things well. Transformational change requires significant effort, alters the direction and context of the organization, and is the type of change to which the capability for change is required.

By establishing where this dividing line is we are able to ensure that sufficient governance is applied to transformational change, whilst incremental change is not burdened by this process.

As Is

Every organization has a different perspective of what change means and what the capability for implementing change should look like. We use a Change Experience Checklist™ to identify the most recent experiences of change, the history of successful and failed change initiatives and the assumptions that staff have about how change happens in your organisation. This provides valuable information about what works well (and should continue to be included in your approach) and what has caused difficulties in the past (and should be removed or reworked).

To be

The capability for implementing change must be defined because this gives us the scope of the framework that is relevant for your organization. We will consider what an effective capability means from the perspective of an individual and for the organization to build a picture of the attitude and behaviours that you are seeking to 'normalise'. For example:

- Individual capability:
 - Individuals have low levels of resistance to change
 - Individuals expect change and see it as a source of opportunities for innovation, expansion of knowledge and understanding and the realization of benefits
 - Individuals fully expect to participate in change activities and accept this as part of their role

- Organizational capability
 - Managers can clearly communicate the purpose, benefits and impact of changes at an organizational, departmental and team level
 - Managers have the skills to counsel their staff through change
 - Managers are able to assess the impact of change and accept the responsibility for scanning the environment for interdependencies between their change activities and those of other managers

We will work with your HR function to understand how these expectations can be mapped into the practices for hiring and inducting staff, performance management, succession planning and talent management. For example, we will embed messages about how your organisation has successfully implemented change in the past in the company history, which is viewed by potential employees on your website, and explained to successful candidates during induction.

We work with you to create a culture where all employees know the history of change and can proudly relay it to others. Making change part of the success story normalizes the expectation that everyone has to participate in change, that it is in the fabric of their role and is incorporated in every activity that they undertake.

We will also examine where the responsibilities for identifying, planning and implementing transformational change should lie within your existing organisation structure.

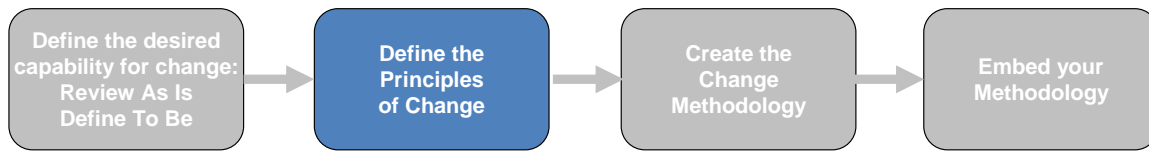
In best practice approaches for project and programme management the actions needed for transition (change management) and benefits realisation are clearly defined as the responsibility of the 'Business Change Manager', a sometimes mythical being drawn from the 'business as usual' environment.

Whilst this is an admiral idea, the reality is that those in this business facing role are often required to manage the transition to a new product or service too late in its development to allow them to build the necessary support amongst their staff and to make the hard decisions on how processes and productivity will be compromised whilst everyone builds their knowledge and skills and creates the new business as usual.

We believe there is a need for project managers to be effective advisers and managers of change to ensure that the physical delivery that they are responsible for is successfully adopted, thereby generating the benefits promised in the business case.

The planning skills that project managers have are an excellent skill set for identifying, prioritizing and assigning resources to all the transition activities and we have had a lot of success in teaming project managers with operational staff to create meaningful transition plans, where the structure is provided by the project manager and the content is provided by and owned by the operational staff.

Step 2 – Define Principles of Change



Implementing effective change is not an exact science. The approach adopted is dependent on the situation and the people involved. This flexibility and willingness to adapt to circumstances can sometimes lead to a lack of direction and focus.

To prevent this possible lack of focus all of our change management interventions are based on a core set of principles, providing a framework within which the most appropriate response can be crafted whilst ensuring that core activities are not forgotten.

Principles act as a guide to how we want people to behave, what we want them to prioritise and what we want them to consider whenever they are facing challenges in making change happen.

These principles act as the foundation for building your change methodology and every activity included in this methodology must adhere to these principles. For example if your organisation is committed to providing the highest quality customer experience then one of your guiding principles will be that changes that benefit the internal structure of the organisation, but have a detrimental effect on the customer experience, will not be endorsed.

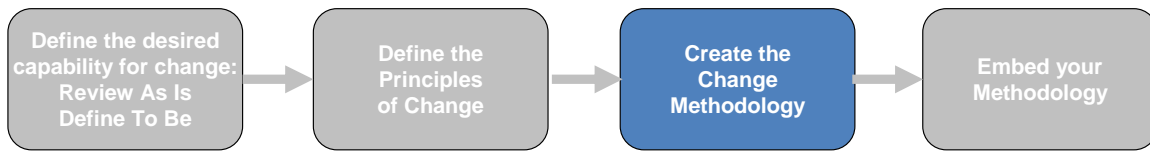
The principles we apply to your organisation will be developed in conjunction with your objectives, taken from your strategy, and your values – those you currently espouse or those that you want your organisation to adopt.

An example of the principles that might be adopted are:

- If the values of the organisation are respect for those that we work with – our colleagues and our suppliers - then one of the principles of all change activities is that, where relevant, suppliers and partner organisations are invited to participate in discussions on the impact of change and that there is a commitment to regular communication with all parties impacted by the change
- If the objective of the organisation is to develop a highly skilled workforce, then one of the principles of change might be that all change activities include the participation of all levels of management and staff, and that any consultants involved in the change must include 'skills transfer' in their activities
- If your organisation has very well documented procedures and a structure for knowledge management then a change principle might be that all changes must be accompanied by detailed activity flow charts showing inputs and outputs and that all change plans, impact assessments, progress reports etc. are included in the knowledge management activities

Experience has shown that handful of well crafted principles can provide a useful structure for maintaining existing achievements, reinforcing the message that whilst change brings new developments the core of the organisation remains the same. Alternatively, these principles can be created so that they embody the new values that the organisation wants to achieve as part of cultural change and act as a vision of what the results of the changes will look like.

Step 3 - Create the methodology

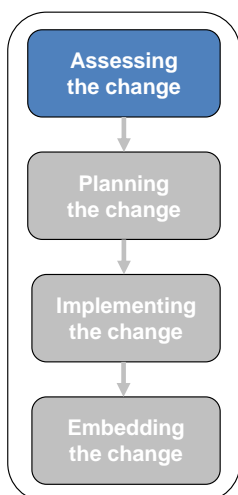


It is not possible to prescribe a series of activities that must take place for every change. Our role is to create a methodology that can be applied to any type of transformational change and that considers the change from all perspectives. We build a series of change activities that address change in three areas:

- People – organization structure, meetings, levels of authority
- Process – impact on existing quality standards, regulatory rules, internal procedures
- Technology – reporting, interfaces with other systems, system availability

To develop these activities, we move through four steps, reporting our progress and checking our understanding at the end of each step.

1. Assessing the change



To implement change - who is impacted, what this impact is and when it will occur - needs to be fully understood. It is helpful if a change team responsible for this analysis can be formed at this point.

In our experience this change team should be led by a senior manager who is committed to making the change happen and will provide the understanding of the strategic objectives of the organisation, access to senior stakeholders and introductions to external stakeholders.

Their help can be invaluable in understanding how to approach key members of staff and to support the change team members when the information they seek is not forthcoming.

An impact assessment (also known as a scoping document) should be created which defines:

- Scope of the change:
 - Identify the processes and systems that will be affected by the change
 - Identify those external to the organisation that will be impacted
 - Customers
 - Suppliers
 - Regulators
 - Opinion formers – media, unions etc.
- Impact of the change:
 - Identify those internal to the organisation that will be impacted:
 - Departments and team that will use new processes or systems, or create new products or services
 - Senior management for whom the reporting structure or content may change

When assessing the impact it is important to consider the tangible impacts (changes to systems, amendments to when information becomes available, office moves etc.) but also the ‘intangible’ changes relating to power, influence and importance.

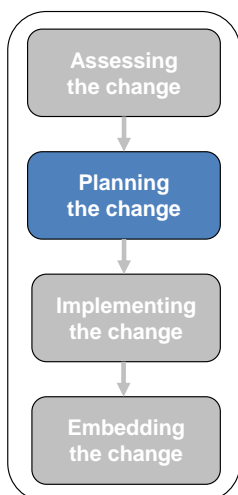
The greatest resistance to change occurs when an individual feels that a change is in some way disadvantageous to their current position in the society of the organisation or the wider business community. Whilst these changes are often difficult to document (because they are subjective judgements of character), they must still be included as to ignore them is to ignore a significant proportion of the impact of the change.

By understanding the impact we are able to build a comprehensive picture of the benefits that will be realised by the change. We will consult with all of the stakeholders to identify the widest possible range of benefits that can be derived from the change and we will develop profiles of each of the benefits. Benefits may include:

- Financial benefits – cost savings or greater generation of revenue
- Operational benefits – ‘doing more with less’
- Customer service benefits – improvements to the service that customers receive and improvements to the reputation of the organisation
- Regulatory benefits – increasing the compliance of the organisation with laws and regulations

We will also develop a map showing when in the lifecycle of the change the benefits are likely to be realised and their interdependencies.

2. Planning the change



This is where the planning of the change activities will take place. The input to this phase is the Impact Assessment which is used to create a Change Plan (also known as a Transition Plan).

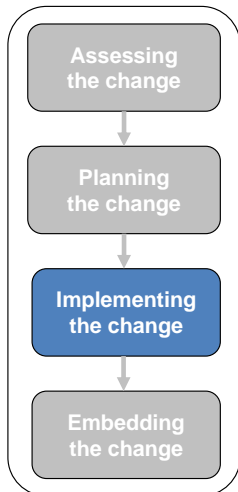
The plan will establish all of the activities needed to persuade, motivate and engage those impacted by the change. The purpose of the plan is to ensure that as many activities as possible can be foreseen and ownership assigned, with agreed dates for completion. This plan will be different for each change as a significant proportion of the activities address resistance to change which is influenced by the prevailing culture of the organisation, the past experience of change that those involved have had or the relevance that individuals ascribe to the change.

The activities needed to create this Change Plan include:

- Measuring the current performance levels, costs and resource requirements of all the processes, systems and teams that are to be affected to provide baseline information that will be used later in the lifecycle to prove that the change delivered the promised benefits
- Developing the initial scope and impact of the change into specific activities and assigning at least one person to be responsible for each activity
- Conducting an assessment of each area impacted by the change to see how ready it is for change
- Identifying additional activities to prepare the area for change as needed

Communication activities will form the bulk of any successful change plan. Communication about the change should have begun before the impact assessment but will increase in intensity during the planning phase. The aim is to build support for the change so that all of those impacted are motivated and energised to take part in the change activities.

3. Implementing the change



This is the phase in which the change activities are carried out and changes to the current business as usual environment are undertaken. Although the change plan has been carefully developed it must be recognised that implementing change is not the linear process that it appears.

We are asking people to stop doing what they know how to do and to do things differently. This means they have to take a leap into this unknown 'new world' and persuading them to take this leap can often take much more time than has been allowed for.

Time needs to be allowed for a fall in productivity and accuracy during this phase. This is because people are doing things differently and we all make mistakes when we do things for the first time. Think how much slower you were to drive your car the last time you got a new one or how much extra time you allow yourself when travelling somewhere you have not visited before.

For this reason, the business as usual environment must be surveyed to understand the impact of any slow down. In some cases it is sensible to realize that change cannot be implemented during certain busy periods or when there is a deadline looming.

It is also hard to predict who will adapt to the changes fastest and who will delay and procrastinate. For example we all have colleagues who are the 'go to' people. We always turn to them when we ourselves are not sure what to do. They seem to know everything about how things work, who to speak to and where things can be found. However it is often the colleagues we usually turn to in times of crisis that have the greatest difficulty adapting to the new environment. All of the knowledge that they have built up over the years appears to them to be useless now, as they are on the same level as everyone else in that this is a new world, and they don't know anything either. This can be a significant loss of power for these individuals and, recognizing that, they powerfully resist the changes for as long as possible.

When implementing the change, there must be clarity over who is involved in making changes and who is responsible for carrying on as normal, to ensure service levels are maintained. Work needs to be assigned by the owners of each activity, and support will be needed from:

- The project team that has developed new processes, systems, locations or products
- Staff impacted by the change who will have to come to terms with doing their work in a new way and learning what this new way is at the same time as carrying out their day-to-day responsibilities

During this phase, time will be needed for:

- Testing what has been created by the project team

- Training on the new ways of working
- Practicing the new ways of working

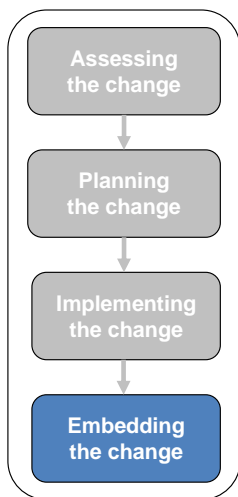
During the testing, training and practicing, additional change activities will be identified which need to be included in the change plan

This phase is a period of great disruption to the day-to-day operation of the organisation. Staff are asked to work longer, take on additional responsibilities and stress levels are likely to increase.

Ensure that support mechanisms are in place:

- Create 'Communities of Practice' or User Groups or Focus groups to allow staff to share their concerns, learn how each of them are handling the changes and develop innovative approaches for problems and difficulties that they encounter
- Provide a supportive environment where people feel able to 'try things out' and are not worried about being blamed if they get things wrong

4. Embedding the change



This is the last phase of the change management process and its purpose is to ensure that everything on the Change Plan has been completed or, where activities did not happen, that there is agreement to any follow on actions.

To ensure that the benefits of the change have been achieved the performance levels, costs and resource requirements of all the processes, systems and teams that were affected by the change should be measured and compared with the measurements taken during the planning phase.

To ensure that the benefits of the change are not lost, access to previous ways of working need to be removed. If they are not there is a chance that staff will fall back into old ways of working, especially when they are under pressure.

Removal of these exit routes might include:

- Stopping meetings if the purpose of the meeting is no longer valid
- Decommissioning systems and cancelling software licenses for systems no longer in use
- Archiving or destroying paperwork relevant to the old way of working

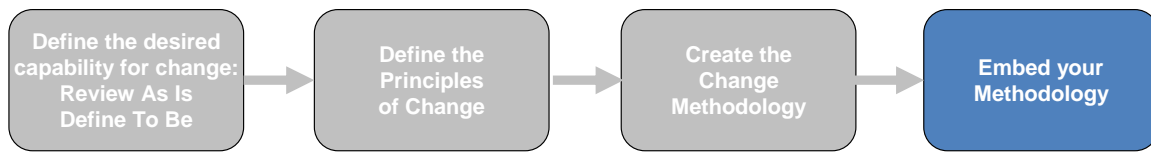
As part of embedding change it is important to reinforce the changes that have been made. Positive reinforcement can be achieved by recognising and celebrating achievements and thanking all of those involved, especially by senior management.

For example if the change included acquisition of new types of customers then there could be prizes handed out each time a sale was made to the right type of customer. If the change involved the completion of new forms when requesting IT support the Help Desk could send an automatically generated greetings card each time the right form was received.

These ideas can sometimes seem silly or feel a waste of time, but however small the gesture, it is an important activity because it is sending a message that the change in behaviour has been noticed, it is appreciated and the organisation needs it to continue.

Finally, although there will have been numerous opportunities for review throughout the change plan there should be a final review of the lessons learned to give staff an opportunity to air their views about how the change was planned and implemented from their perspective. Essentially this is to draw a line underneath the change and to state that the Change Plan has now been completed and that the organisation has moved to its new state, with the change now firmly embedded into business as usual.

Step 4 - Embed your methodology



The approach for how your organization implements change has to be adopted by all those involved. This will only happen over time as it is used for each new change initiative that arises.

The steps involved in embedding the methodology are just the same as for any other change and therefore everything we have explained about embedding change should be applied here.

Specifically, the steps will include:

- Identifying the users of the methodology including those performing change or project team roles, project or change managers, and sponsors and senior managers.
- Planning the implementation of the methodology so that its adoption is not seen as an additional burden on project and change managers. For example the roll out can be tiered so that it is applied to new initiatives only, and those initiatives already underway continue with their existing approach. This means that there is a two tiered approach in existence for some time and the confusion that this may cause has to be weighed against the difficulties of changing existing project and change plans for work that is near to completion.
- Alternatively a pilot project may be identified, and the knowledge of how to use the methodology acquired during this pilot can be used as the basis of training and guidance for subsequent initiatives.
- Finally, access to the previous project and change management approaches needs to be closed off so that this methodology is confirmed as the authorized approach. To achieve this all documentation must refer to it and presentations on successful change initiatives should acknowledge its use, as this will reinforce its acceptance across the organization.

Conclusion

Change management is becoming recognised as an important requirement for any management position and staff with qualifications and experience in this area are being sought by those organisations which have already realised that change they seek do not occur by accident.

I believe demand for change management ability will continue to grow as our organisations and the functions and processes within them become increasingly interdependent, linked by common systems that flow information and activities from the initial customer enquiry through to post-sales support, invoicing and reporting.

Whilst the need to ensure that change is led by those who are most impacted, we should not ignore the skill set that many of those working in project and programme management have for planning change activities and ensuring that their progress and completion is successfully tracked and reported upon.

In the next few years the partnership between those who deliver change and those who adopt it will grow. I believe that the development of these relationships can be accelerated by better explanation of what is involved in successful change and through the development of methodologies that establish best practice in change management for organisations.

Maven can assist you to address project management in the wider context of organisational development. We cannot fix all of your problems – we are not, and do not claim to be, a management consultancy. We are however experts in capability building and can work with you to align programme, project, risk and change management with the organisation you wish to become. We have the expertise and experience to do the alignment for you but it is our ethos to transfer the skills into our clients so they become self-sufficient going forward. Our services are designed to tap into initiatives designated as ‘transformational change’ programmes, talent management strategies etc. - in other words to take our services outside of the narrower definitions of project management and of training.

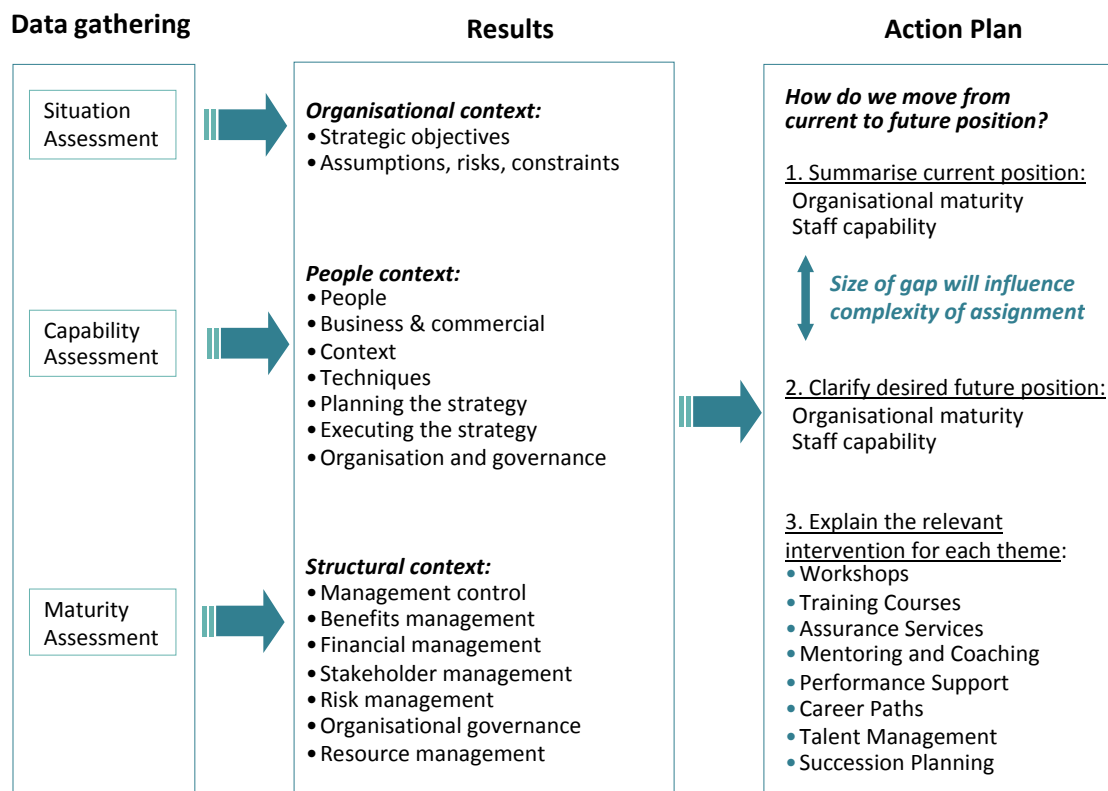
We apply a staged, structured approach to capability building by addressing:

The situation: we gather information on the objectives of the organisation and the goals and key performance indicators that need to be met

The people: we use best practice competence frameworks to assess current capability

The structure: we conduct a maturity assessment to demonstrate where the organisation is currently in relation to running its projects and, equally importantly, how it can progress to the next level of maturity

The diagram below illustrates the approach in more detail:



This approach has been successfully applied with our clients and Maven will be pleased to discuss its applicability to your organisation in more detail.

For further information about Maven Training and its capability building services please contact:

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