

Seven core factors are key to counteracting the frequently encountered pitfalls to change management.

# Keeping Change on Track

Richard Bevan

It's rare to find a business leader who is not involved with planning or managing a change process of some kind. Whether major (a plant shutdown, merger, installation of a new IT system) or on a smaller-scale (engagement of a new leader, sales force reorganization, new compensation plans), change can raise questions and concerns, present operational challenges, and impose demands on time and resources. The cost of managing the process may increase greatly if attention is diverted from day-to-day work with customers and prospects.

We often see significant changes implemented with scant attention to identifying and addressing the challenges it may create among those involved, the questions it will raise, and the issues and needs it will generate. As a result, many change efforts stumble, and some fail entirely. For example, Peter Senge states that two-thirds or more of total quality management (TQM) programs and reengineering initiatives fail.<sup>1</sup> John Kotter noted that few of the companies he studied were successful in making major changes to their ways of doing business.<sup>2</sup>

A simple series of questions will enable you to assess quickly where the process is going well and where it might need strengthening. These questions assess the status of the change initiative

in relation to a set of seven core factors typically present in successful change.

Before reviewing those factors and the questions we will briefly consider the nature of change within organizations and the reason that—more often than not—the process doesn't run entirely smoothly.

## Why Is Change So Often a Challenge?

The characteristics and processes that predict effective adaptation to change have been defined and described by many leaders, researchers, writers, and educators. At its most basic, effective management of change requires leaders to be very clear about the purpose and the process; seek input and information from those involved and affected; deploy sufficient resources to manage the transition without losing focus on day-to-day business processes; and maintain an effective multi-directional flow of communication and information.

The attributes are straightforward, readily implemented, and perhaps considered self-evident. Most people manage change continually: at home, in recreation and volunteer activity, and at work. They have an intuitive understanding of what needs to happen if change is to move forward. Even if they haven't consciously thought about or



documented the principles, they do what makes sense. They consult people, discuss the alternatives, try to anticipate and plan around the obstacles, adapt their plans as needed, get on with it, and address issues and challenges along the way.

Yet when organizations implement change, these straightforward needs are often missed. The intent and the broad strategy get the attention; the details of execution are forgotten. We repeatedly see change initiatives within organizations stumble and sometimes fail entirely. We see participants in the process who are unclear about the purpose, the impact, and their role. We see insufficient resources assigned to much-needed systems changes or to prepare or train people for new roles and behaviors. We see managers and supervisors unable to respond to questions and concerns from their teams.

If the core needs are well known—and perhaps even intuitive—why does change within the organization so often present such challenges and run into difficulties? Part of the reason is that leaders and sponsors of change initiatives already face a heavy workload and multiple initiatives and activities. They rely on the so-called “memo and conference call approach” and assign far too few resources to managing the process of transition.

Significant change calls for proportionately significant effort and resources: for planning, communicating, training, and many other activities. In some cases, and especially where there is resistance to the change, the process of persuasion, engagement, and adoption calls for continuing time and commitment from managers at all levels. Initiating change will likely create a complex and extensive set of issues, questions, and unresolved concerns. These, in turn, create the need for a continuing and demanding process of explaining, discussing, persuading, and planning.

Many years of working with change provided opportunities to generate a substantial list of the potential pitfalls. We have also seen the tactics, strategies, and processes that provide a positive effect and enable change processes to succeed. These inputs suggest a framework of characteristics or attributes that can guide successful management of change. Of course, no single element in this framework—or even several of them—can guarantee a successful outcome. The absence of even one will certainly lead to difficulties, and absence of more than one will cause the challenges to grow exponentially.

For example, change rarely succeeds without a clear awareness of purpose and process. People need to understand why the change is needed, how it will be accomplished, their role in the process, and what it means for them at an individual level.

### Case History: Anticipate the Issues and Plan the Response

A medical-equipment company was expanding quickly by internal growth as well as through acquisitions. The announcement about consolidating into a single new Midwest plant (from several locations in the United States and Mexico) raised many questions and concerns across the organization.

Would people lose their jobs or face relocation? How would the organization retain expertise and apply it in the new plant? Was the change motivated by cost reduction and, if so, what other approaches were explored? What impact would this have on production cycles, product lines, and development teams? How would this affect pay and other conditions?

A transition steering group was asked to develop the implementation plan. As the leader commented, “There wasn’t much source information for us. The board made the decision based on a presentation from the planning team. They talked about industry economics and financial implications but didn’t get into the implications for the organization and our people—how we would actually get this done. And the rationale hadn’t been summarized in a clear and concise way.”

The team interviewed key executives for brief outlines of purpose, rationale, process, and implementation steps. They conducted research among employees and other stakeholders (including customers) to explore and understand their reactions to the planned changes and the implications.

The resulting database of questions, issues, and ideas provided the raw material for developing responses and action plans. The implementation plan was built on this foundation, including activities to address training needs, manager support, alignment of reward systems, communication programs and processes, and many other actions in support of the change.

The research jump-started planning, identified major issues to address, and clarified priorities. It provided a clear starting point and foundation for implementation planning. Follow-up research

in specific areas and functions evolved into a key change-management tool.

### Some of the Pitfalls

Change is often imposed without advance assessment of the issues, questions, concerns, and ideas of the stakeholders—those most involved and most able to influence the outcome. Yet if questions remain unanswered and concerns unaddressed, employees may be distracted and distressed. This carries a high potential cost. How often have we experienced the frustration of dealing with a distracted employee in a business providing a product or service? Very often, a poorly managed change process lies behind that negative customer experience.

Even if change efforts are well planned and executed, those involved and affected will ask questions and analyze purpose and implications. This is especially true if they haven't been involved in the planning. "They never consulted me," is a common refrain, and it will slow down the process and create challenges and additional workload for line managers. Acknowledging the level and nature of concerns and questions and building a degree of involvement can also provide insight and information about how best to manage the process. The energy and focus of employees, frequently encountered as a challenge or obstacle, can be harnessed and turned into a powerful tool for change.

Following are a few of the pitfalls that cause change to get off track:

- *Ineffective or missing business case:* Managers communicate a case for change that is unrealistic or incomplete; it isn't readily understood. Here is one of many areas where a robust, concise business case document is invaluable.
- *Costs not recognized:* The costs of implementing and supporting change are not planned for or adequately acknowledged. Resources need to be allocated, workloads adjusted, and responsibilities reassigned.
- *Systems not aligned:* Existing processes and systems (e.g., rewards, training, and information) don't support the new model. Change ripples across many areas and functions, and these need to be aligned with the new direction.
- *Limited and one-directional communication:* Leaders expect to persuade and inform by one-way communication. Audiences have limited

### Webinar: A Fresh Look at Managing Change

It is ironic that most of us know intuitively how to manage change—be clear about purpose, listen effectively, involve those affected, and communicate continuously—yet somehow many change initiatives falter or fail. In part, it's because attention is paid to the strategic need for change, and the broad solution; but too few resources are applied to execution, to actually getting it done.

In this webinar, the author of *Changemaking: Tactics and Resources for Managing Organizational Change* will provide background on the challenge of change, set out a simple framework to guide planning for change, and provide ideas and guidance about how to deploy it. Richard Bevan will also cover the following topics:

- Insights into the reasons change efforts succeed or fail.
- Approaches to assess the status of a change initiative that is in progress.
- Key factors in successful change, including strategic clarity, stakeholder engagement, and sustained communication.

To learn more about this webinar, go to <http://www.asq.org/pub/jqp>.

opportunity to ask questions, offer ideas, or engage in discussion about the changes.

- *Line management support not built:* Line managers don't support the direction and approach. They share the uncertainty and concerns of employees and need to be informed, persuaded, and engaged.
- *Lack of insight into stakeholder issues:* Leaders assume they know what people think. They fail to identify key concerns and obstacles. They need to listen informally, and at an institutional level, to the questions and concerns of stakeholders and (most importantly) to their ideas.
- *Minimal involvement:* Input, questions, and ideas aren't recorded and documented. As a result, responses and tactics don't reflect the needs. A continually revised FAQ document, available online, can be of great value.

- *Success assumed*: Leaders make a premature assumption of success and fail to follow up, support, and drive continuing change.

Awareness of these and other pitfalls doesn't ensure success, but it does provide ideas about where change most often gets off track and opportunities to implement course corrections. Each pitfall has a positive counterpart—a proactive measure to support and facilitate change.

### Core Factors in Successful Change Management

These seven factors summarize the conditions, resources, and processes that support successful change.

- *Clarity*. Be clear and unambiguous about the purpose of the change, its direction, and the approach.
- *Engagement*. Build a sense of ownership, belonging, and commitment; consult with and involve the people who will be affected by the change.
- *Resources*. Put the needed resources in place (e.g., financial, human, and technical) to enable the change.
- *Alignment*. Ensure that systems and processes (e.g., rewards, information, accounting, and training) support the change.
- *Leadership*. Guide, train, and equip leaders at every level so that they display consistent commitment to the change.
- *Communication*. Facilitate an effective two-way flow of information; be aware of issues and questions; provide timely responses.
- *Tracking*: Establish clear goals; assess progress against these; adjust and fine-tune as necessary.

The set of factors listed here aligns with models and frameworks developed and applied by many writers, educators, and leaders. These include John Kotter<sup>2</sup> and Daryl Conner,<sup>3</sup> as well as Kurt Lewin,<sup>4</sup> one of the earliest commentators on change and still fully relevant. The challenge doesn't lie in understanding the process, or even in putting together an effective plan: it's in putting the plan into action and sustaining the effort.

### Making It Happen

"Everyone knows you have to do these things" is a frequent comment when the elements of successful change management are outlined. When we ask if those elements have been put into practice, it often turns out that perhaps some of

the details were overlooked; maybe most of the details; sometimes, all of them. In many change initiatives, large-scale and small, at least one of the core principles (and, typically, several of them) is not followed.

Senior leaders often say of their employees, "They're smart; they'll figure it out." Yes, they are indeed smart. They figure out that the direction isn't clear and the planning is imperfect. They discover that those leading the initiative, already committed to a heavy workload, have little time to focus on the new task. They figure out that they need a great deal more convincing that this is a change that warrants their involvement.

The details are what make change work for those whom it impacts most sharply. It's hard work to make a significant additional effort while continuing to run a complex business, but there's a high price if that effort is not sustained. Employees get distracted and unmotivated; customers' needs get ignored or forgotten; and questions, issues, concerns, and distractions consume managers.

Change can happen without all seven core factors in place, but it's likely to be difficult, expensive, and painful—for your customers as well as your employees.

### A Simple Assessment Framework

The questions below can be asked and answered informally, in a series of conversations or discussions with those involved, or more formally—for example, through an online survey of stakeholders. They provide a means of quickly assessing status and key issues, with the negative items offering a guide to where attention is needed to keep the process on track.

At the least, the areas of concern offer direction for additional research and study. The data can serve as a primary driver of planning. The issues and questions you uncover in the research process will determine the activities (including communication, process support, and training) that form your tactics for redirection.

Following are the assessment questions—two for each factor, one primary and one secondary or follow-up—together with some examples of tactics that support positive outcomes.

- *Clarity*. Are the purpose, direction, and approach defined and documented clearly? Are these understood and accepted by key stakeholder groups?

- *Engagement.* Have you engaged individuals and groups who can influence the outcome by involving them in the process? If so, have you acknowledged their input and ideas and applied them to planning and action?
- *Resources.* Are needed resources (e.g., financial, human, and technical) in place and available? Is a strong and effective team ready to lead and guide the change process?
- *Alignment.* Do systems and processes (e.g., rewards, information, accounting, communication, and training) support the change? Have you identified, developed, and implemented needed changes to these systems?
- *Leadership.* Are leaders at all levels of the organization involved in and committed to the change? Do leaders and managers follow up on issues, provide guidance and support, and proactively manage the process?
- *Communication.* Is clear, timely, and complete information available to stakeholders involved in and/or affected by the change? Do these groups and individuals have access to information and a way of providing input and feedback?
- *Tracking.* Are systems in place to assess progress and identify issues to address? Are adjustments implemented as necessary and is information continuing to flow?

### Tactics for Supporting the Change Process

The responses to these questions will suggest areas for action and perhaps offer ideas for some of the actions themselves. Ideally, ask the questions in a manner or setting that permits responses that go beyond a simple answer to the question. For example, if they're raised in a discussion led by a team leader, there is an opportunity to ask team members what ideas they have for facilitating, supporting, and driving the change. The result is that awareness of the change process status is complemented with ideas for addressing issues and correcting issues and problems.

Every change is different, but some consistent themes emerge. Following are just a few examples, relating to two of the seven factors, of actions that can support and refresh the change effort.

#### Clarity

- Develop and distribute a summary document to drive clarity and serve as a reference source on the purpose and process of change.
- Distribute the summary. Use it as a platform on which to build all communication (internal and external) related to the change.
- Create a brief elevator pitch for managers—what's changing and how the transition will be accomplished.
- Develop other tools to assist in the process; for example, a brief PowerPoint® deck for executives and others to use in discussing the changes with their teams.
- Provide managers with talking points and suggested responses to key questions.
- Maintain and manage the summary. Seek input and comment; keep it current, accurate, and complete.
- Provide online access to the current version and enable input, questions, and discussion.

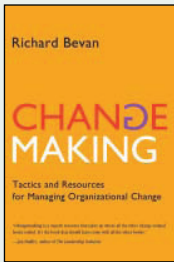
#### Leadership

- Ensure that the primary sponsor(s) of the change (in some cases, and certainly for major changes such as mergers or acquisitions, this may be the chief executive) is visible, accessible, and driving the process consistently.
- Engage leaders at other levels in planning and implementation; provide guidance and training as needed.
- Encourage leaders to promote behaviors and actions that will support the change.
- Implement processes and activities to maintain leadership engagement—for example, weekly conference calls, regular e-mail bulletins, online forums, blogs and other interactive media, and planning-review meetings.
- Address concerns that leaders may have about their roles and responsibilities in and after the change process; provide guidance, tools, and support.

#### Manage Change Before It Happens

Many strategies for managing change are not proactive; they focus on the defined period when change is actually occurring. These include the phase following an acquisition, process redesign, division-wide reorganization, or the response to a competitive threat. Such change management efforts often fall short of expectations in terms of accomplishment and employee satisfaction. You can't always create the core factors in successful change at short notice: They need to be in place.

## Change Making: Tactics and Resources for Managing Organizational Change



**Author:** Richard Bevan

**Abstract:** This book contains information that the author developed during his years of consulting and teaching. It includes guidance ideas, short case studies, and a variety of resources. Amazon.com

describes the change issues addressed by Bevan, “It’s ironic that while most people know what conditions need to be in place for effective management of change, these straightforward needs are often missed. The intent gets the attention; the details of execution are forgotten. The elements are simple: listen to the stakeholders, learn about the issues, lead with clarity and involvement, align systems, communicate relentlessly, follow up, and course correct. Consider who will be most affected; ask questions and listen carefully to the responses. This can be on a small, local scale, through informal conversations.

Or it can be on a larger, even corporate-wide scale, through meetings, surveys, social media, focus groups, or a combination of methods. If the most important stakeholder group is employees, ask them what they think about what’s happening, what their concerns are, what they need and what they think should be done. You’ll learn fast; you’ll have answers to your own questions; and you’ll have the raw material for a plan to address the issue, solve the problem, or lead the change. And then make it all work through sustained follow-up. Never assume that things will happen as planned. Is the change working? What needs to happen to make it work better? What’s working well and what’s not? Assess progress; fix it; keep listening, learning, and leading.”

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Change comes more readily to the organization that has:

- A clear mission and strategy that guides and informs the goals of teams and individuals.
- Supportive leaders at every level who effectively engage, motivate, and communicate with their teams.
- Employees who are engaged, informed, and involved.

Creating change readiness means managing in a way that encourages engagement, commitment, aspiration, and adaptability. A transition is far more likely to achieve success when the leadership style, work climate, and environment are already receptive to change.

### References

1. Peter Senge, *The Dance of Change*, Doubleday, 1999.
2. John Kotter, *Leading Change*, Harvard Business School Press, 1996.
3. Daryl Conner, *Managing at the Speed of Change*, Random House, 1992.

4. Kurt Lewin, *Resolving Social Conflicts: Selected Papers on Group Dynamics*, Harper & Row, 1948.



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