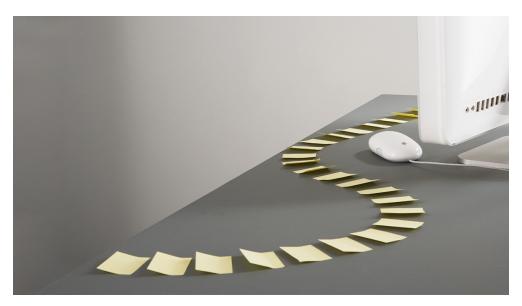
# Break Down Change Management into Small Steps

## by Jeff Kavanaugh and Rafee Tarafdar

Published on HBR.org / May 03, 2021 / Reprint H06BCJ



Anthony Lee/Getty Images

#### Business transformation has traditionally been associated with large,

drawn-out initiatives. After the Great Recession, they became smaller, faster, and more focused, yet change management was still executed in a mostly sequential waterfall approach. The breaking point came in March 2020, when Covid-19 provided a global wakeup call that forced all companies to rethink their ability to change — and fast.

At Infosys, we experienced this firsthand during our multi-year transformation and then again during the pandemic. We also wanted to compare our experience with other companies, so we surveyed 1,000 global corporate leaders to understand what the best companies do to get their people on board in the new environment.

In this research, we found that a persistent set of small, orchestrated changes is the best approach to drive large and lasting change at an organization. These small changes, when made continuously over a period of time, have a compounding effect that drives larger change and transformation. We call this approach microchange management, or "micro is the new mega." This approach is based on the Large Scale Adoption framework developed by Pramod Varma and Sanjay Purohit of the Societal Platform, an organization that addresses large, complex societal problems.

Microchange management was a major factor in the Live Enterprise initiative that transformed Infosys into a digitally native company over three years. Employee experience and business processes like new hire onboarding were reimagined, and a "digital runway" to launch capabilities was established through small implementations rolled out every six weeks. This enabled Infosys to be more resilient during the Covid-19 pandemic, when 99% of our workforce seamlessly moved to remote work, employee satisfaction increased dramatically, and client value scores were the highest they'd ever been.

Microchange management is based on human motivation and behavioral theory — not templates and communications, which traditionally have been infrequent, impersonal, and generic. Daily short stand-up meetings ensure change initiatives stay in sync with rapidly evolving needs, and require smaller benchmarks to measure progress. The sum of many microchanges brings about the larger change, creating a cumulative effect that delivers nonlinear improvements with greater likelihood of overall success.

Adopting these habits is essential, but it's often not easy. From our experience and research, we found three microchange techniques that drive successful change.

## Deconstruct big change into small steps.

Large-scale enterprise transformation takes a long time, and value realization typically takes even longer. However, thinking micro allows an organization to deconstruct larger transformation into a number of smaller initiatives that each have a well-defined objective and outcome. These are delivered by small teams comprised of hybrid talent with diverse cross-functional skills.

For example, to meet increasingly stringent regulations, a leading snack food company needed to improve their ingredient traceability. This meant asking local workers in factories across Europe to change longstanding practices in food production. To minimize risk, the program team implemented small country-based projects to incorporate local language and regulatory requirements. Then, the project teams further deconstructed changes to even smaller increments like a field modification or color palette refinement. This accelerated adoption by employees who had worked with the same legacy systems for a long time and were resistant to change.

To start thinking at the micro level, ask why a change is required, whether its value is incremental or exponential, and what change in behavior is needed. Agile teams can help unbundle existing processes and then reimagine them in a new context while designing the intended change for each quick release, organized to accomplish the larger program objectives.

## Change behavior through small modifications to habits and routines.

Microchange management uses a synchronized combination of cues, nudges, and suggestions, along with targeted rewards and recognition. It builds on prominent thinking from books like *Nudge* and *Atomic Habits* by applying it to large programs and moving beyond individual tasks and goals to the team and the overall initiative. Each microchange should drive a small modification in a habit or routine. We call this "Routine +1," a small but positive step that eventually leads to the ultimate behavioral shift with minimum resistance and risk along the way.

We studied 150,000 Infosys workers across 2,500 projects before and during the pandemic to understand how microchange methods were applied on a companywide reskilling initiative. By only changing one learning parameter at a time and providing a steady stream of gentle positive reinforcement, Routine+1 gradually yet successfully changed employee behavior. It reduced friction to learning using a series of individualized nudges on our learning platform. Previously, online training required formal coursework that might take an hour or a series of them that could require an entire day, offered periodically and requiring formal registration. This often became an all-or-nothing scenario, where employees delayed training due to perceived lack of time. Once training was deconstructed to smaller modules and intelligent email nudges provided, employees found it easier to consume training and steadily progress. The result: Infosys employees now average 35 minutes per day on proactive reskilling, which in turn helps them develop new routines and meet learning and business objectives.

#### Continuously measure, learn, and evolve.

As microchange programs are deployed, you need to frequently assess these initiatives to ensure they accomplish desired outcomes. When they deviate, analyze the data, rethink, and course correct through iteration. Embed change measurement into existing tools and evaluate for convenience, adoption, behavior, and value.

Our research found that pilot projects should include 2.5% of the eventual user population. Learnings from the pilot should be used to refine and scale the rollout across the entire user base. Adoption becomes significant

when it reaches between 20 to 40%, and then becomes standard at 60%. At 80%, it is considered assimilated into the organization and culture. To measure adoption autonomously, the process should be instrumented to produce data like usage patterns that can provide feedback for corrective action.

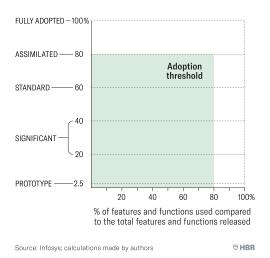
For example, as part of our digital transformation efforts, Infosys wanted to move from a series of desktop-based employee applications, many of which required in-office or VPN access, to mobile. This required major changes to both the user interface and the underlying security of the apps. To ensure employees would adopt the mobile apps, the project team led users through a series of small changes through animated email hints, activity recommendations, and credential badges. The 2.5% pilot user base was engaged on multiple releases to generate early feedback that accelerated adoption. Combined with the steady six-week release cadence of incremental functionality, this resulted in more than 200,000 employees (>80%) adopting the mobile version.

To measure microchange adoption, especially for software-driven experience and features, we developed the two-dimensional evaluation framework shown below.

#### **Measuring Change at Scale**

This two-dimensional evaluation framework can help measure microchange adoption, especially for software-driven experience and features.

% of users who have started to use the app or new release



Every organization has a distinct vision and must find their own pathway to fulfill it. Microchange management provides a low-risk, agile approach to deconstruct complex transformations into manageable change, minimizing the leap of faith required to reach the other side. Over time, this leads to real adoption: the ultimate goal for leaders in any transformation initiative.

Editor's Note (5/4): This piece has been updated to restore a statistic about Infosys employee reskilling that was dropped due to an editing error, and to credit the Large Scale Adoption Framework.



**Jeff Kavanaugh** is vice president and global head of the Infosys Knowledge Institute, and an adjunct professor at the Jindal School of Management at the University of Texas at Dallas. He is a co-author of the book*The Live Enterprise: Create a Continuously Evolving and Learning Organization*(McGraw-Hill, 2021).



**Rafee Tarafdar** is a senior vice president and chief technology officer of the Strategic Technology Group at Infosys. He is a co-author of the book *The Live Enterprise: Create a Continuously Evolving and Learning Organization* (McGraw-Hill, 2021).

Copyright 2021 Harvard Business Publishing. All Rights Reserved. Additional restrictions may apply including the use of this content as assigned course material. Please consult your institution's librarian about any restrictions that might apply under the license with your institution. For more information and teaching resources from Harvard Business Publishing including Harvard Business School Cases, eLearning products, and business simulations please visit hbsp.harvard.edu.