

Staff productivity

– Change management perspective

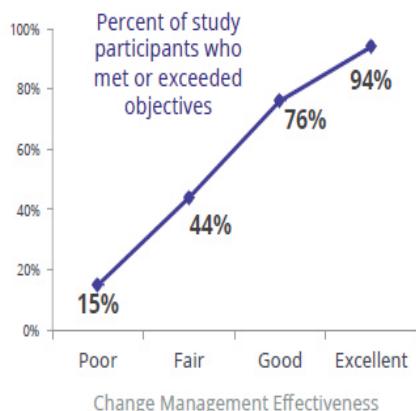
Change management is a success enabler

Research on thousands of initiatives shows a direct correlation between how well the people side of change is managed (change management) and how successful the effort is.

Projects with improved change management had increased likelihood of meeting objectives, finishing on time and finishing on budget.



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Best Practices in Change Management
2016 edition © 2016 Prosci Inc

Change Management

Overview

Change is an inherent characteristic of any organization and like it or not, all organizations must change to remain relevant.

Change can originate from external sources through technological advances, social, political or economic pressures, or it can come from inside the organization as a management response to a range of issues such as changing customer needs, costs or a human resource or a performance issue. It can affect one small area or the entire organization. Nevertheless, all change whether from internal or external sources, large or small, involves adopting new mindsets, processes, policies, practices and behaviour.

Irrespective of the way the change originates, change management is the process of taking a planned and structured approach to help align an organization with the change. Change management involves working with stakeholder groups to help them understand what the change means for them, helping them make and sustain the transition and working to overcome any challenges involved. From a management perspective it involves the organizational and behavioural adjustments that need to be made to accommodate and sustain change.

Fundamentally, the basic goal of all change management is to secure buy-in to the change, and to align individual behaviour and skills with the change.

**6x INCREASED
LIKELIHOOD
OF MEETING OBJECTIVES**

Why is Managing Change Important?

Meeting milestones is not the primary determinant of the success of a change project. Successful change also involves ensuring employees' capacity to adapt to and work effectively and efficiently in the new environment.

The underlying basis of change management is that people's capacity to change can be influenced by how change is presented to them. Their capacity to adapt to change can shrink if they misunderstand or resist the change, causing barriers and ongoing issues. The rationale is that if people understand the benefits of change, they are more likely to participate in the change and see that it is successfully carried out, which in turn means minimal disruption to the organisation.

Factors Common to Successful change Management

Planning:

The formal procedure of applying a planning process in preparation for change will help organization to:

- o Take stock of their current position;
- o Identify what is to be achieved, and what the future position following the change is expected to be;
- o Detail precisely the who, what, when, where, why and how of achieving and implementing the change objec

- o Assess the impact of the change on the Bank and the staff within it, as well as other stakeholders; and
- o Ensure alignment with the Bank's business model/strategy

A good change planning process involves:

- o Setting a clear vision for the change which is aligned with the Bank's vision and mission
- o Documenting the case for change, and
- o Developing the change plan.

Defined Governance:

Change management governance involves establishing appropriate roles, responsibilities and a structure within an organization to ensure a successful change. While each change process will adopt a governance structure suitable to its specific context and goals, the following represent basic change governance roles that can be used as a model for establishing a change governance structure.

Steering Committee:

The Steering Committee is the key body within the change governance structure that is responsible for the business issues associated with the change. It ensures the achievement of change outcomes/benefits.

Change Sponsor:

Direct responsibility and accountability for the change must be clearly defined and accepted at an appropriately high-level.

Change Agent:

The Change Agent is responsible for managing the overall day to day change management process and implementation, including coordination of any different work streams that may be required.

Work Stream Owners:

Work stream owners are specialist work groups responsible for implementing their work, delivering on the outputs assigned to them, delivering responsibilities within timelines and achieving the milestones.

Committed Leadership:

Ongoing commitment at the top and across the organization to guide organisational behaviour, and lead by example.

Role

The role of leadership in any change management is the number one contributor to change success. Change starts at the top and executive management of any organization must be the visionaries, champions and role models for change. Whether change comes easily or proves difficult to achieve depends in part on the atmosphere, the organisational culture and climate that the executive management create.

Visible Support – Setting the Example

Successful change management requires a large commitment from executive management. Change is inherently unsettling for staff, and when it is happening all eyes turn to the executive management for support and direction.

Fundamentally the onus is on the executive management to change first, motivate the rest of the organisation, set the example and model desired behaviour.

However, it is not just support from executive management that is required, support from leaders at all levels is critical to the acceptance of change within an organisation. Change efforts need to be “pushed” throughout the organization, with leaders delegating both the responsibility and authority to make decisions about the change, grounded on a clear change vision, to managers at all levels. This delegation of decision-making authority helps both to reduce blockages and increase buy-in from individuals affected by the change.

Leaders and managers throughout the organization are expected to support and communicate the benefits of change to their peers and employees - change needs to be “cascaded” through the firm, with real change happening at each level.

It demands ownership by leaders willing to accept responsibility for making change happen in all of the areas they influence or control.

Continuous Engagement

A key role of the Change Sponsor is to ensure that the executive management continue to be involved throughout the change. Their engagement is necessary throughout the full change project life cycle, as acceptance of the change must be evident in each phase, from initiation, and planning through to implementation, with leaders exhibiting stamina and patience throughout the project to continuously engage with stakeholders. Key responsibilities for the executive management throughout the change process are to:

Assess Readiness and make adjustments: By assessing change readiness across the organization, potential road blocks, areas that require remedial actions and areas of best practice can be identified.

Executive management play an important role in monitoring, assessing and understanding different area's capacity to take on and succeed in change.

Take action to resolve issues: throughout the change, issues will arise that will require the executive management to intervene and take decisive action. Leaders must maintain their authority to decide on issues that may impact not only their team/group but others within the organisation, escalate issues, as appropriate, to more senior leadership and push for timely resolution, or delegate this decision-making authority to others and support the final decision.

Informed**Stakeholders:**

encouraging stakeholder participation and commitment to the change, by employing open and consultative communication approaches to create awareness and understanding of the change throughout the organisation. Communication context

Fundamentally it is people who make change happen - nothing moves forward without engaged, motivated stakeholders. Stakeholders are the people that are directly involved in and affected by the change project.

As an organization there is need to engage stakeholders, in order to implement changes effectively. To do that, stakeholders need to understand the reasons why the change is happening and its benefits. They also need to have an opportunity to express their views and contribute their own ideas about how it might be implemented. Even if the change is non-negotiable, cooperation and collaboration to achieve the change is more likely if stakeholders are involved and kept informed

**Understanding the Audience
– Stakeholder Analysis**

A stakeholder analysis is performed as a foundation for overall communications planning for change. The larger and more disruptive the change, the more vital it becomes to assess different participants' influence on the change.

People can resist change for a number of reasons: self-interest, denial, fear of the unknown or different perceptions. If you understand the root of possible resistance to change then you can often plan for it before it becomes a significant obstacle. Stakeholder analysis is an important means of uncovering potential resistance or other risks to the success of the change. A stakeholder analysis is a useful way to:

- Determine specific stakeholders or stakeholder groups, and their relationship to the change

- Identify their current attitudes toward the change and level of influence,
- Identify their communication needs, and any risks associated with not meeting their needs,
- Determine the general means for delivering change messages that will meet the needs, as well as appropriate timing.

Without a stakeholder analysis and evaluation of the risk involved, the change team risks communicating inappropriately, resulting in stakeholder conflicts and uncertainty. Without understanding their motivations, needs and expectations, it is difficult to move a 'change blocker' out of that category and they will continue to be confrontational and cause conflict throughout the change.

"Fundamentally it is people who make change happen - nothing moves forward."

The Purpose of Change communication

Communication is the key way that people are engaged in the change. Introducing successful change relies heavily on how the participants in the change view it. Poor change communication is a common cause of complaint and change research emphasises that change can be derailed if the communication plan is ineffective.

Effective communication is designed to create awareness and understanding in order to get subsequent supportive action. The rationale is that if you want people to change, they need to invest in the changes you are asking them to make, and they are more likely to do that if they understand the benefits of the change.



Aligned Workforce:

Identifying the human impacts of the change, and developing plans to align the workforce to support the changing organisation.

People Impacts

It is essential to identify the human capital impacts of a change effort on the workforce. Workforce planning ensures the organisation has an adequately skilled workforce to support its post-change needs. The plan should also address the issue of redirecting resources in situations where the change creates a gap in the skills and needs of the organisation.

Organisational Needs Assessment

A first step in the workforce planning process is conducting an organisational needs assessment. The following are examples of the types of basic assessment questions that might be required:

- Future resource roles and needs
 - o What new roles are needed?
 - o What are the responsibilities assigned to each role?
 - o How many people are required in each of these roles?
 - o Are work location changes required?
 - o Will a different work structure focus people on what is important?
 - o Is there an adequate supply of people for the new roles?
- Skills and Competences
 - o What new competencies will be required for the roles?
 - o What skills, education, knowledge, or work experiences should the resources have for each identified competency?

Further, while particular initiatives and projects have a finite time-frame, change is an ongoing process, so it can be hard to identify successful change. Moreover change programs that are initially perceived as a success can later be declared problematic as commitment wanes and people revert to old practices.

In the final analysis, change is successful when it becomes institutionalised and part of "the way we do things around here," and like other processes, benefits from ongoing monitoring to ensure continuous improvement and relevance.

THE KEY FACTORS

Planning

Planning is Critical

- Set a clear vision
- Identify the case for change
- Develop a change plan and measures
- Document your plan

Defined Governance

Strong governance promotes positive change

- Establish appropriate organisational structures, roles and responsibilities for the change, that encourage stakeholders and support the change effort
- Ensure these roles and Structures are well Understood

Committed Leadership

Change starts at the top

- Leaders must visibly support the change
- Ensure continuous engagement regarding the change
- Assess readiness for the change and make adjustments accordingly
 - Take action to resolve issues

Informed Stakeholders

Poor Communication = Poor change

- Communication should be integral to the change plan - not an afterthought
 - Know your stakeholders
 - Communicate the vision, benefits and impacts
 - Communicate frequently, actively and across multiple channels
 - Monitor the responses

Aligned Workforce

Understand the human impacts

- Conduct proper workforce planning, involving:
 - o Needs assessment based upon the change
 - o Workforce development that aligns with the change