

Local Situation on Change (Australia)

Introduction

Based on the Karpin report (1995), the area that most worried management in Australia was change, and how to handle it

One of the few things experts agree upon is that change will keep coming and it will probably get faster

A more recent survey of local CEOs concluded that CHANGE

- is one of the main issues confronting organisations
- will be a bigger challenge in the future
- is unable to be handled by traditional methods of management

Around 250 local organisations, that are conducting a long-term change process, were surveyed

Findings of Survey

The capabilities to achieve change effectiveness are very different from those needed to achieve a positive current business performance, ie

- successful capabilities for day-to-day operations differ from those required to handle change
- current performance is no guide for future performance, ie success factors now are not necessarily elements for future success

The 3 capabilities that are most important to change effectiveness are engagement, development and performance management. These are reshaping capabilities.

The 3 capabilities that are most important to achieving high current business performance are biztech (technologies, processes, etc), performance management and, to a lesser extent, marketing and selling. These are operational capabilities.

Both sets of capabilities are needed to achieve high long-term performance. One set alone is simply ineffectual in achieving high current business performance and effective change when needed.

Having one set of capabilities is not related to having the other. An organisation can be good at managing current performance and bad at making effective change, or bad at managing current performance and good at making effective change. Being good at running your business today has little relationship to an ability to change it, and vice versa.

These conclusions apply to organisations of all sizes in all sectors (private, co-operative, public and not-for-profit).

Definitions of the capabilities

Engagement = getting people throughout the organisation informed, involved, committed and motivated to act, to achieve the organisation's purpose and defined future direction.

Development = developing the resources - personal, physical, technological and systems - needed to achieve the firm's future direction.

Performance management = proactive management of the factors that are important to an organisation's performance to ensure it consistently and effectively achieves what is desired.

Biztech = commanding and understanding the technologies, processes and mechanisms through which the organisation produces and delivers its products and services to its market.

Marketing and selling = understanding the firm's market and how the external events affect that market, identifying customers' needs and selling its goods and services effectively to them

(sources: Michael Crawford et al, 1996; Dennis Turner et al, 1998; Karpin Report, 1995; CEDA, 1997)