How to successfully manage your change effort

Despite all the rhetoric, books, effort, and money thrown into change efforts, most organizational change efforts fail. Arthur D. Little and McKinsey & Co., have studied hundreds of organizations that entered into change initiatives and have found that about two-thirds fail to produce the results expected.

In recent surveys, CEOs report that up to 75 per cent of their organizational change efforts do not yield the promised results. These change efforts fail to produce what had been hoped for and yet always produce a stream of unintended and unhelpful consequences.

These leaders develop clear strategies around re-design, restructuring, new efficiencies, and so on, hoping to get everyone to share their vision and create change programmes around these strategies. However, more often then not, they end up fighting fires and crises. People don’t want to change. They don’t believe in the change. They often feel demoralized by change initiatives.

Why change initiatives fail

According to the traditional change model, employees move through the phases of denial, resistance, exploration and commitment when a change occurs. However, too often, management fails to recognize that adjustment to change takes time. They very quickly expect employees to move from the denial phase to the commitment phase and fail to recognize that each individual will go through all of the phases at different paces. It is never uniform.

There are so many things that management do that create a crisis in the management of change. These may not be intentional; however, the results of these actions are generally the opposite of what was hoped for.

Things that create a crisis in the management of change include:

- not engaging all employees;
- managing change only at the executive level;
- telling people they have to change, we’re in a crisis;
- sending staff on a change programme and expecting change to occur;
- not honouring the past; and
- not giving time for staff to vent first and then change.

It is unlikely for change management techniques to manifest themselves in the same way twice. Each change is different, each organization is different and each department is different. Furthermore, no one is the same today as they were even five years ago because the circumstances now are different. The customers and structures are different. The drivers of change are different. If change were this easy, there would be no struggle with the issue of strategic change management.

How to move from crisis to control

- Accept that change is a process. First, recognize that change is a process and to move from crisis to control, we must follow the process. We must engage everyone in the change. It is not complex but it is a journey.

- Move forward step by step. When companies strive to restructure or gain greater efficiency, experts warn that moving too
quickly or failing to carefully implement changes can be detrimental to the process and ultimate result.

- **Assess potential risks and generate motivation.** First, executives or other players in the organization need to assess potential risks and stir up a sense of urgency among workers and stakeholders in order to generate the motivation to spur change within the firm.

- **Form a powerful guiding coalition.** Once change is identified as the best solution to market share, profit losses, or other catalysts, leaders throughout the organization have to band together to guide the transformation process, and these leaders can include board members, consumers, union leaders, executives, chairmen, and others.

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- **Create a shared vision for corporate change.** The group then coalesces to create a shared vision for corporate change, and this vision should go beyond the normal five-year forward looking plan generated at most firms. A clear vision should also include transformation steps that propel the organization toward the overall goal, and these visions should be communicated in not only words and speeches, but also actions of managers, supervisors, and executives. The transformation of a company should also include short-term goals that can be tracked to show executives and workers that progress is being made toward the ultimate vision and that the long journey will be worth it. Experts warn, however, that transformations can take between five and ten years to complete, and should not be declared as complete until the company culture has transformed to meet the vision.

- **Communicate that vision.** Leadership should estimate how much of the vision is needed, and then multiply that effort by a factor of ten. A transformation effort will fail unless most of the organization understand, appreciate, commit and try to make the effort happen. The guiding principle is simple: use every existing communication channel and opportunity.

- **Empower others to act on the vision.** Remove obstacles there may be to getting on with change. This entails several actions. Allocate budget money to the new initiative and free up key people from existing responsibilities so they can concentrate on the new effort. Allow people to start living the new ways and make changes in their areas of involvement. Nothing is more frustrating than believing in the change but then not having the time, money, help or support needed to effect it.

- **Plan for and create short-term wins.** Real transformation takes time, so the loss of momentum and the onset of disappointment are real factors. Actively plan to achieve short-term gains which people will be able to see and celebrate. This provides proof that efforts are working and will add to the motivation to keep going.

- **Consolidate improvement and keep the momentum for change moving.** A premature declaration of victory can kill momentum, allowing the powerful forces of tradition to regain ground. Keep in mind that new approaches are fragile and subject to regression. Use the feeling of victory as the motivation to delve more deeply into the organization: to explore changes in the basic culture, expose the systems relationships of the organization that need tuning, and to move people committed to the new ways into key roles.

- **Institutionalize the new approaches.** At the end of the day, change sticks when it seeps into the bloodstream of the corporate body and becomes “the way we do things around here.” This requires a conscious attempt to show people how the new approaches, behaviours and attitudes have helped improve the organization.

**Leadership commitment**

In too many situations the carnage of change has resulted in a significant amount of waste and anguish in organizations.

Useful change tends to be associated with a multi-step process that creates power and motivation that is sufficient to overwhelm all the sources of apathy. It requires dedication and must be driven by high quality leaders who demonstrate their commitment to its success.

The rewards for those organizations that manage their change efforts well are that they have improved their competitive standing and positioned themselves for a far better future.

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