

Change Management: Hitting the Wall

Organizational Change

The fundamental premise behind Change Management is that it represents the organization's understanding and recognition of the value of individual employees regardless of their role or seniority. It nurtures the relationship that exists between the organization and its employees.

Approaches to Change

Change Management can be approached from two different directions: the "top-down" or the "bottom-up". The top-down approach utilizes the legitimate power base of the organizational structure to reduce the resistance and gain compliance during the process of change, while the bottom-up approach is grass-roots based and gains buy-in from the employee base during this process.

Culture & Chain of Responsibility

Both of the approaches, top-down and bottom-up are associated with two main components of an organization: structure and culture. In order to develop a strategic plan for change management, we must first understand the corporate culture or how people relate to each other within the company ("the way we do business"). This insight is important as it illustrates how employees navigate the system of corporate policies and procedures to accomplish their main responsibilities and are often able to supersede their own levels of authority. It is this knowledge of corporate culture that may be used in the development and implementation of normative, adaptive and rational strategies in a "bottom-up" approach to change management.

Next, understanding the organizational structure or the formal chain of responsibility will help the change management team navigate through the barriers presented at the employee level. It is the chain of command that regulates the impact of change through the development of coercive and normative strategies by taking a "top-down" approach to change management.

Power Strategies

"The power you use is the power you respect." What that means, is that while overall strategies that are developed serve as a baseline for how the company wants to deal with the resistance it will receive when attempting to implement large-scale change, we then tailor these strategies to the individual situation. Remember, change management strategies are designed to mitigate the impact

Organizational Concerns:

- ✓ **Ready adoption of new products & processes**
- ✓ **Maintaining momentum**
- ✓ **Improving or maintaining productivity**

Change Management: Hitting the Wall

of change on both the individual employee and the corporate environment.

It is important to know when to use each strategy, but in order to know what the real situation is, you need to LOOK, LISTEN and ENGAGE before you respond. As you begin to apply any strategy, you also need to monitor the response, keep the lines of communication open by asking engaging questions and providing opportunities for involvement and input.

80/20 Rule

In the wake of the announcement of impending change, people will very quickly identify themselves according to the strategy that will best suit their needs. Bear in mind, that 80% of the people will use 20% of your time and conversely 20% of the people will use 80% of your time. The language and image or the overall “look and feel” of both the announcement and the foundation of the corporate change itself, whether it is a deployment, new policies or a merger, should already be consistent with the existing culture. In this situation, the adaptive and normative strategy would account for 80% of the employees. However, the remaining 20% will require the implementation of coercive and rational strategies such as working closely with their supervisor and demonstrating that the large majority of employees have already integrated the change into their workday.

Scenario

As member of a software deployment team, you have identified that many people in the corporation are happy with the way their computers currently operate. In order to prepare for absolute resistance (people who will respond with flat refusals and hostility), we would devise a strategy for contacting the next higher up in the chain of command and utilizing the credibility of their position to sway the employee towards integration. Acceptance and buy-in will come later, so there's no reason to worry about that now.

I Need More Information

Developing and implementing a rational strategy will be reliant on your knowledge of the corporate culture, however these employees also tend to separate themselves into the 20% of employees who will seem resistant to change. The important difference to recognize here is that these employees are more likely to be asking for additional information before they agree to integrate the change. By providing this information, we can quickly assimilate

Change Management: Hitting the Wall

them back into the 80% who will use only 20% of our time. The types of rational statements you can use should be based on the type of concerns they express in the initial interview.

Tips & Tricks:

- ❖ *Ask for input*
- ❖ *Enlist volunteers*
- ❖ *Look: watch how people interact with others*
- ❖ *Listen: listen to what is being said and clarify*
- ❖ *Engage people where & when you can*

What it Looks Like

Argument: "We're moving to an inferior product."

Possible meanings: "I won't be able to do the same kinds and quality of work anymore." "I feel unimportant and not heard." "I don't know this new product."

Possible response: "Tell me how you use the existing product." "What kinds of features would you like to see?" "Actually both products are comparable. Many people often express a personal preference for one or the other, but the company has decided to standardize its software base and after careful review of all the factors, determined that this one would become that new standard."

360 ° Approach Cultivates Feelings of Importance

The importance of generating an overall strategy that uses both top-down and bottom-up approaches cannot be underestimated. It is the combination of normative, adaptive, rational and coercive strategies that will be the most effective in addressing the needs of the entire employee base.

Change management is really about managing the relationship and fostering goodwill with employees. It is about making the effort to get a degree of buy-in from the majority of employees and compliance from the remainder. We need to recognize that people have an intrinsic need for control over their own circumstances. In times of change this control is threatened, people will react simply as a means of regaining that control.

Case in Point

E2 Consulting applied IEMO on an engagement with a large gas & energy client. The project started as a 1 year, \$2 mil project to migrate operating systems and convert from WordPerfect and Lotus 123 to MS Word & Excel. E2 got involved at the outset of this project and supported development of the implementation plan. The employee and system base was spread over a geographically diverse region with large differences in levels of computer literacy. We established a communications focal point with intranet, help desk and email presences so

Change Management: Hitting the Wall

that communication could be filtered to the project team for consistent messaging.

E2 resources applied a 360° approach to the implementation by migrating the executives and then communicating the schedule to all employees. One month prior to specific implementation, an email followed advising them of the migration process, training schedules and how they could help.

We held workshops with users to understand the volumes and types of documents that would require conversion. For this purpose, we established clear criteria for migrating documents for active or archival purposes. The implementation team was then able to migrate their systems as planned.

Results

For the most part we found that 80% of the employees accepted the changes and simply went about their daily routine. Of the remaining 20%, about 80% of those people just needed more information and then quickly accepted the changes as a part of their routines. Only 20% of the 20% actually needed firm hand-holding and to be guided through the changes. In the end, only one person needed to be coerced by management to migrate.

From a project perspective, the team was free to work on the implementation and this resulted in surpassing client expectations by 10%, conversion of 45,000 documents, migration of 6300 systems, gap analysis and rectifying break-downs in the asset management process and adoption of a document management methodology.

The collaboration and open-door policy of the project team with the business users focused and directed user interactions effectively so that the project team was free to implement and the user community supported the project and adopted the changes more readily.

Benefits to Client

The client benefitted from cost savings realizations of over \$500,000 due to the efficient and systematic implementation and the ability of the team to gain buy-in from resistant employees. Individual team members benefitted from increased confidence and feelings of job security. The business benefitted from rapid adoption, complete asset inventory, and document management policies.

Contact Us:

E2 Consulting Inc.
Tel: (866) 900 – 0657

Sales -
sales@e2consultinginc.com

Info –
info@e2consultinginc.com