



Blue Seed
Consulting

Change done well, by design

What is change management and how it can help your organisation

By Huw Thomas

Organisations are constantly adapting to our rapidly evolving landscape.

Forces like the COVID-19 pandemic, intelligent technology, emerging competitors, regulatory reform and changing customer preferences simultaneously present opportunities and threats. How executives respond and the pace and effectiveness of their response, determines success and survival.

While the adaptive response can include implementing new systems, processes and structures, these are really only tools used by people. So, if the people don't adapt – their beliefs, knowledge, skills, communication, habits and other behaviours – your new system, process or operating model will not be adopted and will fail to deliver any new outcomes or business value.

**Organisations don't change,
people do.**



What is change management?

Change management is the practice of ensuring people change to enable organisational change.

It has been said, "change is preceded by chaos." You could then say that the goal of change management is to turn this into 'controlled chaos' – where there is a well-planned transitional method, thoughtful interventions to influence behavioural change and the right resources and contingencies assigned (the controlled part). There should also be some acceptance of the complexity in play and expectations that transitioning is difficult and disruptive (the chaotic part).

If you've worked in a large organisation, you've probably seen examples of poorly managed organisational change. You will have heard people say things like:

“ We don't have time to use all those new system functions and don't understand why we should anyway ”

“ We re-structured for efficiency but everyone still behaves in the same way only with fewer resources. We didn't change the way we communicate, collaborate and innovate within the model ”

“ The poor quality of data in our system makes it hard to leverage its analytical capabilities ”

“ We weren't given adequate time to get across the changes and learn how to make it a success, so we're just doing what we can to avoid failure ”

When employees are not given the understanding, knowledge, skills and time to adapt, your investment in the change effort will fail to return the desired value set out in your business case.



Where organisational leaders go wrong

The practice, profession and science of change management has been around for more than half a century and while constant change and transformation is the mantra of leaders today, most organisations lack the organisational change capabilities to successfully and sustainably change and transform.

This is often due to the attitude and practices of executives and project managers, including:

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| 1 | The rush to change drives a tendency to take short cuts and hope for the best |
| 2 | Cost containment measures see change management treated as a nebulous, nice-to-have |
| 3 | The time it takes for people to adapt and the support they need is underestimated, with BAU operations (sales, service etc.) tending to take priority, reflecting employee KPIs and habits |
| 4 | Poor understanding of human behaviour and the important role of influencing emotions and sentiment (about change), at scale through effective leadership |
| 5 | Leaders' not freeing up capacity to sponsor and lead change, instead delegating excessively to project teams and HR |
| 6 | Firms that grow rapidly from small to large often fail to evolve project and change delivery practices to deal with newfound scale and complexity |
| 7 | High-calibre, specialist change management expertise is in short supply (despite many possessing the title 'change manager') |
| 8 | Widespread misconception that training and top-down communications are sufficient to enable people to adopt change. |



With these attitudes and approaches, investments in change management often fall short.

This is somewhat understandable as the value of change management is hard to quantify financially given change management alone doesn't deliver any financial value. Change management simply fuels or amplifies the value of other capital investments like software, new equipment and workplaces or financial investments made in activities such as a merger, acquisition or restructure. A can of petrol is only attractive if you have a car with an empty tank.

Conversely, a new software system can't deliver financial value without people changing their ways of working to adopt it. For some reason though, many consider a new system to hold inherent value, stating things like "the new system will save us X amount of time."

But a system is only as good as its user and their free will. A more accurate framing of the reality might be: "our people will have the opportunity to save X amount of time, using this system, if we help them do so correctly and if they choose to."

Organisations don't change, people do.



Get ready. Make change happen. Make it stick.

Key steps to make your change project a success

| Get ready (Plan) | Make it happen (Implement) | Make it stick (Embed) |
|--|--|---|
| In-depth analysis of the solution and its impact to human behaviour, operating model, processes and other organisational elements | Regular engagement with representatives of impacted workforces, to build alignment, understanding and support for the change | Track achievement of change outcomes and metrics set in the planning stage |
| Define the change, beyond just the target-state solution being developed, but how people must adapt to make the solution work (and the risks associated with this) | Engagement with middle-managers, driving accountability and capability for them to lead employees through the challenges of transition | Provide support to impacted employees and managers, to ensure new capabilities are embedded |
| Set and agree target change outcomes and metrics that will define implementation readiness and embedding success | Ensure leaders free up adequate workforce capacity to absorb the change | Design and implement additional change management measures to reinforce behaviour change |
| Craft a compelling change narrative that catalyses rapid understanding and support at scale | Track awareness, support and assess business readiness for transition. Also drive accountability from the business to take ownership of making the change | Review stakeholder and end-user feedback to assess adoption, support and overall sentiment |
| Onboard specialist change management resources and ensure change strategy and plans are viable, timely, realistic and achievable | Ensure impacted employees have access to knowledge, skill-building resources before and after transition. Also, review and adjust talent management approaches | Handover project assets to agreed business owner(s) of the implemented solution, to manage in business-as-usual state |



Why organisational change management is more important than ever

While the volatility and uncertainty of COVID-19 may subside in 2022, the pandemic has simultaneously propelled some organisations forward and exposed organisational failures in others.

Today, the market leaders in each sector are characterised by:

- 1 A recent history of successful change and transformation, delivering adaptive, modern systems involving artificial intelligence, machine learning, data-analytics and digital maturity led by agile delivery and a change-fit workforce.
- 2 The installation and constant enhancement of the change capability assets needed to enable change and transformation, such as a change-capable workforce culture, consistent change management approaches and influential leadership.

These traits have enabled market leaders to pivot quickly around lockdowns, social distancing, consumer spending habits and other stakeholder needs. As a result, they grew revenue, profits (or overall impact in the public sector) while making further strategic changes to sustain their position for years to come.



For example, Coles and Woolworths' investment in digital in the years preceding the pandemic, enabled their home delivery service to boom during lockdown. Similarly Super Retail Group's online click and collect capability had similar results for the Rebel Sport and Supercheap Auto brands. These companies have since further boosted their digital capabilities and enhanced their culture to continue leading through the pandemic and into the future.

More waves of change are coming. AI and machine learning are only beginning to make their mark. Regulatory reforms are impacting many sectors and consumer preferences continue to shift rapidly.

For organisations that are playing catch-up, the message is clear: Start preparing your organisation for change.

Install improved organisational change capabilities, free up workforce time to make change happen and get the expert resources you need to fast-track strategic change programs and ensure their success.

**Contact us to
learn more.**



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Talk to us when:

- + Change is a necessity, doing nothing is holding you back.
- + Change is planned, and you're preparing for it.
- + Change is a reaction to a situation that requires a response.
- + Change underperforms, recent change efforts are not delivering ROI.
- + Change merits expansion, a successful change program can be extended to other areas, markets or communities.



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