Best Practices in Change Management

MNASQ Program Meeting
October 9, 2012
WHY CHANGE MANAGEMENT?
Why Change Management?

- Increases probability of project success
- Manages employee resistance to change
- Builds change competency in the organization
  - Increasingly important as we deal with increasing rate of change
Why Change Management?

• Connect to business results
• Mitigate negative consequences
• Translate change management to financial performance
Correlation of change management effectiveness to meeting project objectives

Overall effectiveness of change management program

Data from 2007, 2009 and 2011

© Prosci. From Prosci’s 2012 Best Practices in Change Management benchmarking report
Correlation of change management effectiveness to staying on schedule

Overall effectiveness of change management program

*Data from 2007, 2009 and 2011

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Correlation of change management effectiveness to staying on budget

Overall effectiveness of change management program

*Data from 2007, 2009 and 2011

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Prosci® Flight Risk Model

1st communication or 1st rumor

Increasing resistance
Decreasing productivity

Dept. A
Dept. C
Dept. B
Dept. D

Time

Productivity loss
Employee dissatisfaction
Passive resistance

Turnover of valued employees
Tangible customer impact
Active resistance
Opt-out of the change

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Change is a process...

Current State  →  Transition  →  Future State

Not an event.
# Five Tenets of Change Management

1. **We change for a reason.**
2. **Organizational change requires individual change.**
3. **Organizational outcomes are the collective result of individual change.**
4. **Change management is an enabling framework for managing the people side of change.**
5. **The application of change management helps to realize the benefits and desired outcomes of change.**
The five building blocks for successful change

Awareness
Desire
Knowledge
Ability
Reinforcement®
ADKAR Model

- Represents the 5 elements of change that must be achieved for change to be a success.
- Developed by PROSCI after studying change patterns of more than 700 organizations.
- An effective tool for managing change at an individual level and guides activities at the organizational level.
Awareness

Change begins with understanding why.

• What is the nature of the change?
• Why is the change needed?
• What is the risk of not changing?
• Resistance to change is the norm.
• Lack of awareness is the most common reason for resistance.
Desire

Change involves personal decisions

• What’s in it for me (WIIFM)
• A personal choice
• A decision to engage & participate
• Awareness ≠ Desire
• Often considered most difficult step to achieve
Knowledge

*Change requires knowing how*

- Understanding how to change
- Training on processes & tools
- Learning new skills
Ability

*Change requires action in the right direction*

- The demonstrated capability to implement the change
- Achievement of the desired change in performance or behavior
- Knowledge $\neq$ Ability
Reinforcement

*Change must be reinforced to be sustained*

- Actions that increase the likelihood that a change will be continued
- Recognition & rewards that sustain the change
SUCCESS FACTORS?
Success Factors

1) Sponsorship
2) Communications
3) Approach
4) Resources and funding
   5) Employee engagement
   6) Manager engagement

Top contributors to success from Prosci’s 2012 edition of
*Best Practices in Change Management*
Success Factors - Sponsorship

• Active, visible, engaged sponsorship
  – Talk about it – formally & informally
    • Communicate directly with employees at all levels
  – Demonstrate commitment – in words & actions
    • Build a coalition of sponsorship
  – Employees evaluate importance of change based on what they see & hear from senior leaders
  – Involvement, Commitment, Action
  – Sponsor is a verb – not a title
Success Factors - Sponsorship

• What are some of the things you can do to create active & engaged sponsors?
Success Factors - Sponsorship

• What are some of the things you can do to create active & engaged sponsors?

Project teams ranked **over 50%** of their sponsors as having a **moderate to low understanding** of their role in managing the people side of change and graded them “**average to poor**” in terms of sponsorship activities.
Success Factors - Sponsorship

• Assess sponsor competencies
  – Is the sponsor at the right level?
  – Does sponsor support the change?
  – What is sponsors track record?
  – What is sponsors communication style?

• Prepare the sponsor
  – Training
  – Assistance
  – Clear responsibilities
  – Examples of good sponsorship activities
  – Examples of common mistakes
Success Factors - Sponsorship

- Plans
  - Sponsor Roadmap
  - Communication Plan
  - Coaching Plan
- Regular meetings with sponsor
- Hold sponsor accountable
The critical role of coaching your sponsor

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Success Factors – Communication

• Employees often do not hear or internalize key messages from managers, despite efforts to create the most complete & clear communications.
  – Often must hear a message 5 to 7 times before they internalize the message.

• Preferred senders of change messages
  • Sponsor
  • Immediate Supervisor/Manager
Success Factors – Communication

• Send the right message
• To the right audience
• At the right time
• From the right sender
• Through the right channel

Think you’ve communicated enough? Communicate MORE!
More communication was the #1 “do differently next time” suggestion.
Success Factors - Approach

Not everyone changes at the same pace

Person A

Person B

Person C

Person D

Person E

Person F

Person G

Person H

Person I

A structured approach ensures objectives realized
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Resources

http://prosci.com/
http://www.change-management.com/
http://www.acmpglobal.org/