

**IMPLEMENTING CHANGE: WE DO IT ALL THE TIME, WHEN
WILL WE GET IT RIGHT?**

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IMPLEMENTING CHANGE: WE DO IT ALL THE TIME, WHEN WILL WE GET IT RIGHT?

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Abstract - *Change is inevitable. We all know it so why do people fight it? Most of us know that if we don't change, life will pass by, yet we still resist. Whether the reason for the change is a personal decision or imposed upon us, this will impact our acceptance of it. But one thing is certain, the rate and success of change an organization can accomplish is totally dependent upon its ability to support the change effort.*

This paper identifies those issues that an organization needs to address to facilitate a successful change implementation.

“Everything that can be invented has been invented.”- *Charles H. Duell, Director of U.S. Patent Office, 1899*

“Sensible and responsible women do not want to vote.” - *Grover Cleveland, 1905*

“There is no likelihood man can ever tap the power of the atom.” - *Robert Millikan, Nobel Prize in Physics, 1923*

“But what...is it good for?” - *Engineer at the Advanced Computing Systems Division of IBM commenting on the microchip, 1968*

“640 ought to be enough for anybody” - *Bill Gates, 1981*

A little more than one hundred years has passed since the mindset that everything that was to be invented was already in existence. Luckily, that was a false statement, but from that we can derive some universal truths. Whenever knowledge is transferred, change will occur whether we want it or not. It's also easier to ask others to change rather than

undergo the metamorphosis ourselves. And in most cases, although we may be traumatized while transitioning, we usually come out the other end wondering why we didn't do this sooner or how we managed to survive the old way.

The reasons for change - whether it's by choice or not, the rate at which the change is expected to happen, the proposed costs and benefits (both organizational and personal), and the influence we have on that change are all factors that determine whether the change will be implemented successfully or not. Organizations need to recognize this and address the associated issues if they want to remain viable entities. This holds true whether the organization is a service, manufacturing, non-profit, government, education, healthcare, large or small, domestic, or international entity. The latter holds additional challenges due to language constraints and country cultural differences.

Drivers & Rate of Change

Today, all entities, whether they be individuals or organizations are responding to forces both within and outside of their control. The majority of these drivers of change can be categorized into one of the following:

- ◆ customer/market pressures (e.g. global packaging smaller/cheaper/faster, health awareness, ISO 9000 registration,)
- ◆ regulatory requirements (e.g. ADA, OSHA, EPA, medical),
- ◆ shifting demographics (e.g. Gen Y, aging workforce, cultural differences, low unemployment rates),
- ◆ environmental awareness (e.g. second hand smoke, buried contaminants, air quality, hereditary diseases),

- ◆ economic indicators (e.g. Wall Street, , venture capital requirements, short term ROI's),
- ◆ supplier's constraints(e.g. sole source, e-commerce,),
- ◆ competition (e.g. lead time to market, market intelligence, intellectual property),
- ◆ rapidly changing technology (e.g. R&D funding, knowledge transfer),
- ◆ political impact (e.g. re-election, constituency demands, lobbying)

Although change is often perceived as negative, when change is chosen or sought after it can be quite exhilarating. For example, individuals may chose to

- ◆ change the pace of their life (e.g. slow down by stopping travel and staying home with family),
- ◆ improve their quality of life (e.g. take dance lessons, learn another language),
- ◆ increase their personal/professional growth (e.g. go back to school),
- ◆ accommodate their family requirements (e.g. move to a new home for a larger growing family or a smaller one for the empty nesters),
- ◆ better their financial situation (e.g. take on riskier investments),
- ◆ adapt their personal habits (e.g. lose weight, stop smoking).

From an organizational perspective, the management team may chose to

- ◆ stay/get ahead of competition,
- ◆ expand business (product/services or markets sold to),
- ◆ improve fiscal responsibility,
- ◆ increase community stewardship.

In the case where change is imposed, individuals may feel a negative impact to their professional status (e.g. up or out policy, layoff, transfer, demotion) or to their personal confidence (e.g. financial, safety, family, health). When organizations are "forced" to change it will ultimately impact the individuals. And this is where organizations always seem to fail to recognize this direct correlation.

Not only are we seeing major changes in organizations but also in whole industries

(e.g. telecommunications, travel). In many cases, shareholders put pressure on an organization to quickly return their investment resulting in disastrous endings. The pace of change has increased so significantly that many estimate that the amount of change to be encountered in the next 10 years will be equivalent to the amount of change experienced during the past 75! Anyone over 30 remembers life without microwaves, computers, remote control, and VCRS – those under 30 don't! ***To remain a viable entity, organizations must change the way they implement change.***

Historical Perspective: Lessons Learned from the Past

Most organizations in the past have concentrated on changing work processes, technologies, equipment, facilities, organization structures, etc. but have ignored the "softer side" of how to change – the PEOPLE aspect.

During the last few years, there seems to be a realization that people are an organization's most important asset. High turn over due to burnout, not being respected/valued, as well as pressure from a constantly changing environment are all factors that adversely drain the workforce. Softer issues are finally being given more attention (e.g. mentoring programs, diversity training, leadership development).

In addition, some universal truths about change within organizations are starting to be recognized:

- ◆ Change requires individuals and organizations to think, act, and perform differently
- ◆ An individual cannot make change alone, no matter how well motivated
- ◆ People feel awkward and self-conscious when asked to change
- ◆ The first thing people think of when change occurs is what they will lose
- ◆ People will feel alone, even if everyone around them is going through the same change
- ◆ People can only handle so much change at one time

- ◆ People are at different levels of readiness for change
- ◆ People are concerned they won't have enough resources (time, money, facilities, equipment, people), especially at the beginning of a change effort
- ◆ People will revert back to the way they were before the change if you take off the pressure
- ◆ The organization changes only as the percentage of people within the organization change
- ◆ Members of organizations are as important as leaders in changing organizations

Reaction to Change

Change in an organization must be distinguished between change at the individual level and change impacting the larger group. These distinctions are rarely clear cut but must be targeted so that the appropriate interventions can be utilized.

Individual Change

Each individual will be required to play many roles within the organization (e.g. champion, coach, leader, resource). Understanding these roles and knowing when to play each one will facilitate change not only for the individual but for the organization.

Fear of the unknown during organizational change will cause resistance. It indicates that some shift in the balance of the system has touched something of importance to the individual. Resistance can occur because people fear:

- ◆ Loss of credibility or reputation
- ◆ Lack of career or financial advancement
- ◆ Possible damage to relationships with boss
- ◆ Loss of employment
- ◆ Interpersonal rejection
- ◆ Change in job role
- ◆ Embarrassment/loss of self-esteem
- ◆ Job transfer or demotion
- ◆ Not being capable of learning or adjusting to a new task

Regardless of where in the organization the individual resides, if the change is being forced, there is a high probability the

individual will feel at least one of the following: stress, erosion of self confidence, inadequacy, demoralization, lack of control of a situation, failure, end of rope, or humiliation.

Group Change

Change will be perceived differently based upon an individual's position or ability to influence within the organization. For example, a top level executive may view the change as an opportunity to strengthen her business acumen, take on new professional challenges and risks, and/or advance careers. Lower level employees may feel imposed upon, feel the process is only disruptive or intrusive to their daily workload, and upset by the imbalance if they are used to coasting.

Also, change can occur either incrementally or overwhelmingly. Continuous improvement has the following characteristics:

- ◆ does not challenge assumptions or value of the existing culture
- ◆ modifies or slightly improves the overall operation
- ◆ uses existing structures, procedures, and processes
- ◆ causes minor disruption of "status quo"
- ◆ is relatively low risk

Compare this to the characteristics of transformational change:

- ◆ attempts to alter the culture
- ◆ focuses on significant, breakthrough improvements
- ◆ challenges the relevance of existing structures, procedures, and processes
- ◆ dramatically alters the "status quo"
- ◆ is relatively high risk

As an organization moves from a continuous improvement mentality to transformational change, stress and tension increase. Understanding how to handle them will also facilitate the change process. Many varieties of change models have been developed over the years to address organizational change.

So, whether it's an internally or externally driven change, the level in the organization the individual resides, the complexity of the

change, and the amount of control the individual has in implementation (e.g. timing, resources allocated), these factors will affect his/her personal willingness to change.

It's a human characteristic that people don't like to change! The key, therefore, is for an organization to help its members look at change from a different perspective. Instead of resisting it, encourage individuals to embrace it and make it work for them. Easier said than done and the reason why so many organizations rarely get it right.

Understanding what drives change and the relationship of reactions to change between an individual and a group provides an opportunity to map out the requirements in implementing change. Figure 1 depicts the major components to consider when embarking on a change effort.

$$C = \frac{(N)(V)(E)(S)}{R}$$

Where C = successful CHANGE
N = NEED to change
V = VISION of future
E = current ENVIRONMENT
S = STEPS to achieve change
R = RESISTANCE to change

Figure 1. Equation for Implementing Change Successfully

For the change to be successful, the organization must first understand the reason for it, the level of dissatisfaction with the current situation, the consequences of not changing, and the need for urgency. Next, it must articulate an idea of the vision of where the organization should go or a clear desired outcome. These first two steps are critical for the management team to understand, determine, and buy into.

However, before starting to implement change, a road map must be developed. For most organizations, an analysis must be made as to what their current environment or reality

is. Many jump in and try to implement changes without understanding where their starting point is. Concurrently the vision or future environment should be detailed enough so that the steps to get from the starting point to the end point can be clearly laid out. These are the line item tasks which make up an implementation plan. And of course, while all of this activity related to the change is going on, the softer PEOPLE portion of the change (e.g. resistance) needs to be addressed. These will be detailed in the next section.

With ALL of these factors (understanding the need for change and the "as is" environment as well as a vision of the "to be" environment and the approach that will be taken to get there) in place, resistance will be at a minimum thereby enabling the highest probability of a successful change result.

Implementation Tips

Obtain Leadership Commitment & Buy-in

Before an organization's associates can be expected to change, it's management team must be on board. This is the first step in implementing a successful change and the one most often overlooked. By not investing the time and resources upfront and ensure that the whole management team is committed, the organization is setting itself up for lots of rework, damaged morale, and a less than successful change.

The management team members will be the ones communicating the vision, instilling a sense of urgency, encouraging risk taking, clearing roadblocks, providing resources, developing/modifying/tracking the implementation plan, role modeling new behaviors, motivating the workforce, supporting a team environment, and recognizing/rewarding the associates involved in the change. If the management team members don't understand or agree with what is expected of them in this role, then the change is doomed to less than satisfactory results. Their buy-in is critical if the employees/associates are in turn being asked to buy-in to the rationale and vision of the change.

Support by the management team of its associates can be shown in a number of different ways: allowing them to detach from the past by venting their frustrations, showing empathy with their concerns, understanding what's behind their reactions, and not letting them stay in the past. Also, high involvement by the leadership encouraging input about "how the changes are going" will promote accomplishments and opportunities to address concerns in a timely manner.

Use Project Management Tools

As stated earlier, one of the reasons for resisting change is fear of the unknown. By laying out all of the activities that need to be accomplished, identifying the groups (and/or associated individuals) that will be impacted, as well as the timing of these impacts, the unknown will appear less fuzzy. Although the exact outcome may not be known, associates will feel more comfortable if they know that there is a plan to follow. It will also identify what won't change. Unfortunately, implementation of a communication plan is too often an overlooked line item on most change management project plans, in spite of the fact that communicating the plan is key.

As changes to the schedule occur, updates to the plan must be constantly made. This not only helps address the soft issue of individual's fear, but is a key tool for management to use when allocating resources or sliding priorities.

Plan on Resistance

Before an organization can acknowledge, confront, and address resistance, it needs to know what IT (the resistance) looks like so IT can be recognized. IT is a behavior and can take many forms in different individuals: changing the subject, being defensive, giving the silent treatment, not being accessible, flooding with detail, pressing for solutions whether they be right or not, giving one word answers, questioning everything done, becoming too compliant, looking/acting confused, and avoiding responsibility

Being able to recognize and name the different forms of resistance, enables an organization to anticipate seeing them during the different phases of the change process.

Understand the Phases of Change

Many studies have been conducted to determine what and how many phases of change there are. No one can agree, so suffice it to say, three models will be shared at this time. The key is to understand that different phases exist, they are temporary, and EVERYONE impacted by the change will go through it - at different intensities, different rates, and different times:

Kurt Lewin created this three step universal change model more than 60 years ago. It's simple, easily understood, and applicable to any change (personal and/or organizational).

1. *Unfreezing* – understand why the change needs to occur, understand what will be happening before the change happens (what will be impacted and what won't change), reduce defensiveness and any implied blame for creating the problems that now must be corrected, and deal with feelings. The key is to ensure that the individual understands why things can't stay the same and that no blame is being given.
2. *Movement Reinforcement* - communicate a winning theme for change and emphasize the benefits to the individual (over-communication can not emphasized), encourage discussions about the change and the individual's reactions to it with organizational leaders, provide individuals with opportunities to express ideas or concerns, actively listen to them, act on their ideas in a timely way, give feedback to them on the result, and ensure that each individual is focused on next steps to promote change. The key is to provide individuals with support mechanisms and keep them focused on the change and their specific role in the change
3. *Refreezing*- build self-confidence and self-esteem, balance their sense of loss with a sense of gain, ensure that performance measurements are in place to

highlight success and under performance, coach individuals to effectively take corrective actions, conduct major organization-wide events to celebrate the “survivors” of the change. The key is to ensure that individuals are reinforced for new behavior and continue to communicate successes and deal with feedback.

Kubler-Ross suggested that individuals give up the familiar and have strong feelings for their sense of loss. Experiencing these feelings are often mistaken as resistance to change rather than dealing with grief. This five stage process is detailed in her book “On Death and Dying” and applies to individuals going through other kinds of changes as well.

1. *Denial* - a natural and expected response. Individuals who continue to deny change need coaching to proceed.
2. *Anger* – takes many forms (e.g. sabotage efforts, shoot the messenger)
3. *Bargaining* – also takes many forms (e.g. “cutting a deal”)
4. *Depression*- may have accepted change but unclear about their role in it, may seem increasingly withdrawn and/or absent
5. *Acceptance*- ability to move on, focused on achieving benefits

Individuals will experience ALL of these feelings with varying intensity but movement through each of these requires accepting these emotions and coaching regarding coping behaviors

Emotional Cycle of Change Emotional shifts are not unique—everyone goes through them. The shifts become less severe once it’s understood and expected. By recognizing the symptoms, the organization can help individuals get through the change more quickly. There are five stages during the emotional cycle of change:

1. *Certainty* (uninformed optimism) - The beginning of the change effort is frequently a “honeymoon” period with high hopes among those involved. Feelings run high and morale is at a peak. This initial certainty about the success of the change is based on little information. High energy needs to be built into this

“honeymoon” stage so that the momentum can drive through the next stage.

2. *Doubt* (informed pessimism) - When the change has developed further, more and more problems surface; unplanned events, inadequate information, or political resistance occur. Morale drops and people ask themselves why they ever got involved or thought they could accomplish the task in the first place. This phase is a dangerous one - real problems begin to occur during this phase. These feelings, however, are crucial to successful change. The positive energy of the honeymoon is balanced by a negative response to the real problems of planning and implementation. Public and private withdrawal can occur during this part of the project and both must be managed.

3. *Hope (hopeful realism)* - Although the danger area of informed pessimism has not totally disappeared, people involved begin to feel a sense of hope based on solid reality testing (e.g. quick hits, pilot). They have not only survived past problems, but have also developed a new confidence in their capability to handle whatever new problems may surface.

4. *Confidence* (informed optimism) - Optimism continues to develop based on the growing confidence in self and change. There is a fresh burst of energy linked to overcoming problems’ uncertainty.

5. *Satisfaction* (rewarding completion) - At last, a successful change has been made. The outcome, however, is frequently much different from that anticipated in the beginning.

In all three of these change models, each phase will have had its impact on the perceptions, values, feelings, and needs of the individuals involved.

Implement a Communication Plan

The grapevine is the worst enemy of any change effort. Correct and timely communication is key. Why does such a simple concept carry so much weight but is so hard to make happen? There are many reasons and they need to be considered when trying to

implement change. Two of the more common reasons include:

- ◆ *Personal differences* An overwhelming number of studies indicate that differences between how we hear, speak, and process information are all impacted by our gender, age, ethnicity, and profession type.
- ◆ *Preferred personality style* Our normal personality also differs from the style that kicks in while under duress. This affects how we interact with others, absorb information, and are perceived by others. During change, stress will be a guaranteed component.

Knowing that communication helps reduce the fear of the unknown and therefore softens the resistance to change, a communication plan must be established when developing an implementation plan for change.

Components to consider when establishing a communication plan:

- ◆ information requirements (e.g. content – the who, what, when, where, why, and how will change, timing of release of the information, what won't change),
- ◆ recipients of the information (e.g. management team, associates, customers, suppliers, family members, community),
- ◆ design plan (e.g. media choice, tone, delivery mechanism of message, access to information, chain of command, standards to consider),
- ◆ implementation methodology (e.g. roll out, phasing, interactive, feedback mechanisms, ability to change/update).

Thinking through all of the possible combinations of communication is mind boggling. And even if all combinations are implemented, studies show that individuals need to be exposed to a concept/idea multiple times before it sinks in. However, making information about the change readily available facilitates change by lowering resistance, providing unanticipated assistance, and enabling a shorter lull in nonproductive time. Isn't it worth the investment?

Modify the Recognition/Awards Structure

Individuals won't change unless they have to. They need to either see the intrinsic value in changing and therefore do so because they want to or be rewarded or recognized for their change in behavior. Again, this is a critical factor that is often ignored when implementing change. If rules are set but not enforced, why follow them?

In many organizations, the recognition/reward system is set at a high or holistic level (e.g. corporate, worldwide operations). If the change is not implemented at that same level, it is difficult to try to change the holistic reward model. In this case, more localized creative approaches must be developed.

Understand Roles & Responsibilities

Regardless of an individual's formal title during a change effort, many roles will be played.

- ◆ *Champion:* Champions at all levels of the organization need to articulate the need for change and the vision of the future. They also need to role model new behaviors, when appropriate.
- ◆ *Coach:* A coach facilitates the growth of individuals within the organization as they develop new skills and behaviors related to the organizational change. They also provide feedback to individuals regarding their changing behaviors.
- ◆ *Leader:* A leader generates the pace and provides the environment which energizes people around the change. When leaders are effective, associates feel significant and empowered to embrace the vision and take risks.
- ◆ *Resource:* Resources have the materials, ideas, expertise, and examples of other groups who have gone through change. Resources usually provide information when appropriate but may also act as a sounding board when required.

Regardless of the title or role during the change process, the responsibility as a change agent means understanding the change process

and helping individuals in the organization deal with change.

In summary

Organizations going through change are bound to encounter some rough times. The key is to plan for them and harness the energy brought on by potential conflict and fear of the change in order to propel the organization through a smooth transition.

Although they may not like the change, helping individuals understand why there is a need for it will allow them to be more accepting. Having a plan on how to achieve the change and how to communicate during all phases of the change reduces the uncertainty and associated fears. Monitoring performance during the change and demonstrating support about achieving results also encourages the momentum and reduces the resistance of the change. Recognition, whether public or personal, is also critical in helping them understand that they are implementing the change correctly.

For organizations that can follow these tips, the change process shouldn't be so burdensome and the success rate should increase!

Triche Guenin is founder of Partners Through Change, Inc. a Change Management Consulting firm. She facilitates the change process organization's encounter when entering new markets, developing new products/services, merging multiple cultures, splitting off lines of business, and registering to management system standards (e.g. ISO 9000, TL 9000). She focuses on project management activities, problem solving skills, basic quality tools to improve business processes all while addressing the softer issues such as cultural behaviors, coaching, and team building. MBA, BS – Engineering, ASQ – re-certified CQM, APICS - CIM certified, Colorado Performance Excellence Award Organizing Committee, Denver Business Ethics Awards Selection Committee, ASQ Evaluator for Quality Grant Funding, Better Business Bureau's Evaluator for Excellence in Customer Service Award.