



Achieving Workplace Excellence: Renewal in Challenging Times

Change Management - How to Make Change Sustainable

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Public Works and
Government Services
Canada

Travaux publics et
Services gouvernementaux
Canada

Canada

Getting Started...

- Introductions
- Expectations
- Code of Conduct



Introduction to Change

- Examples of Change
- Clustering
- Implications – Tactics



Quick Exercise!

Write down an example of a time when you and your change were met with something less than unbridled enthusiasm:

- What was it?
- How did you present it?
- What was the reaction?

If you didn't lead a change, a change you experienced is fine, too!

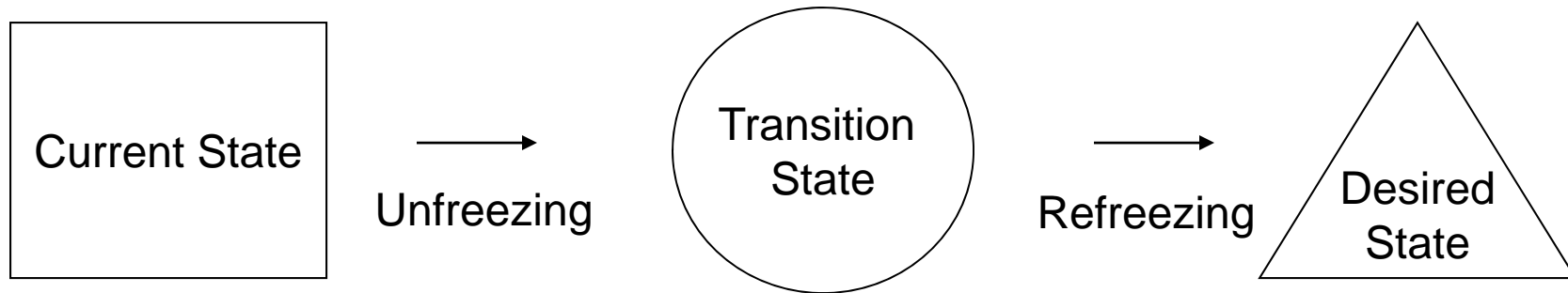


Agenda

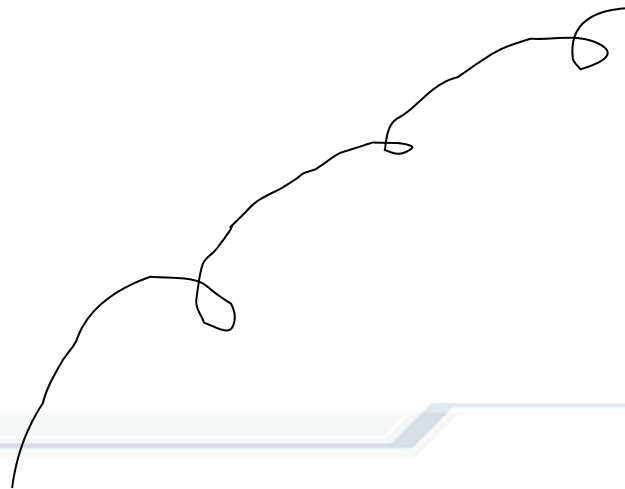
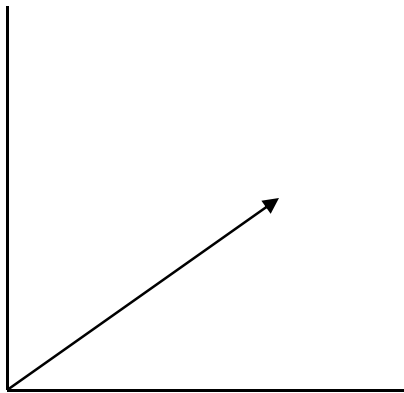
- Change Management Basics & Theory
- PWGSC Tools
- Pitfalls - Worst-case scenario
- Desired Outcome - Best-case scenario
- Engagement
- Communication
- Key Success Factors for Sustainability



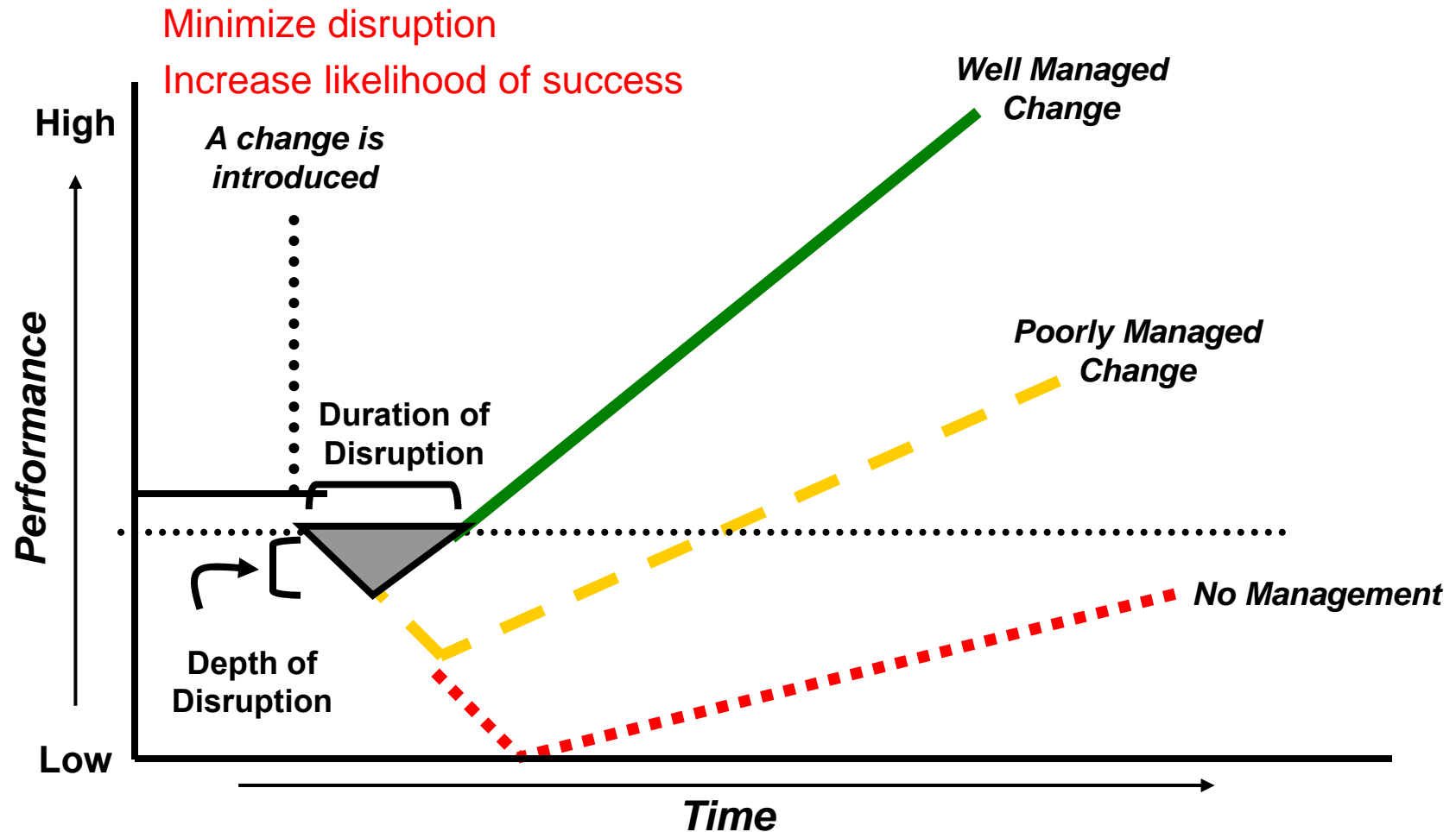
Change Process



(Lewin's Change Model)



Why is change management so important?



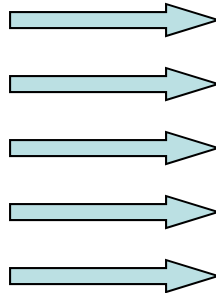
Change Management

The systematic planning and effecting of a change by applying a Process and Tools to helping individuals transition from a current state to a desired future state.

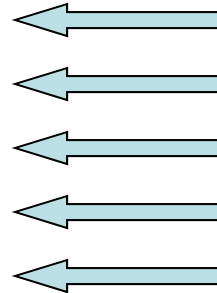


Force Field Analysis (Lewin)

Driving Forces for Change



Restraining Forces against Change



Change can occur by:

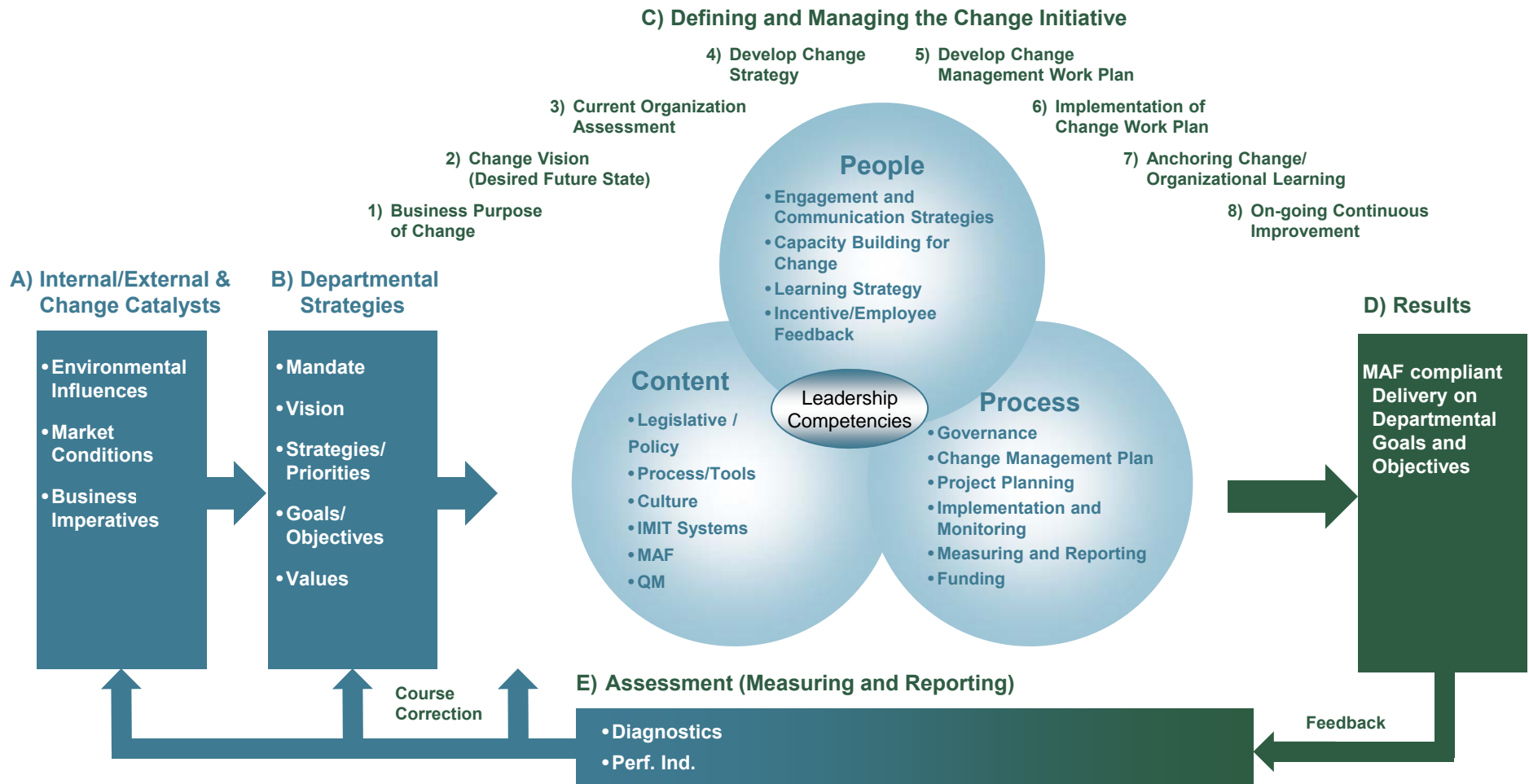
- 1- Strengthening or adding forces in the direction of change
- 2- Reducing or removing some of the restraining forces
- 3- Changing the direction of the forces

Taken From: **Organization Development and Change**

Source: *Brenda B. Jones, NTL Institute*



PWGSC Integrated Change Management Framework



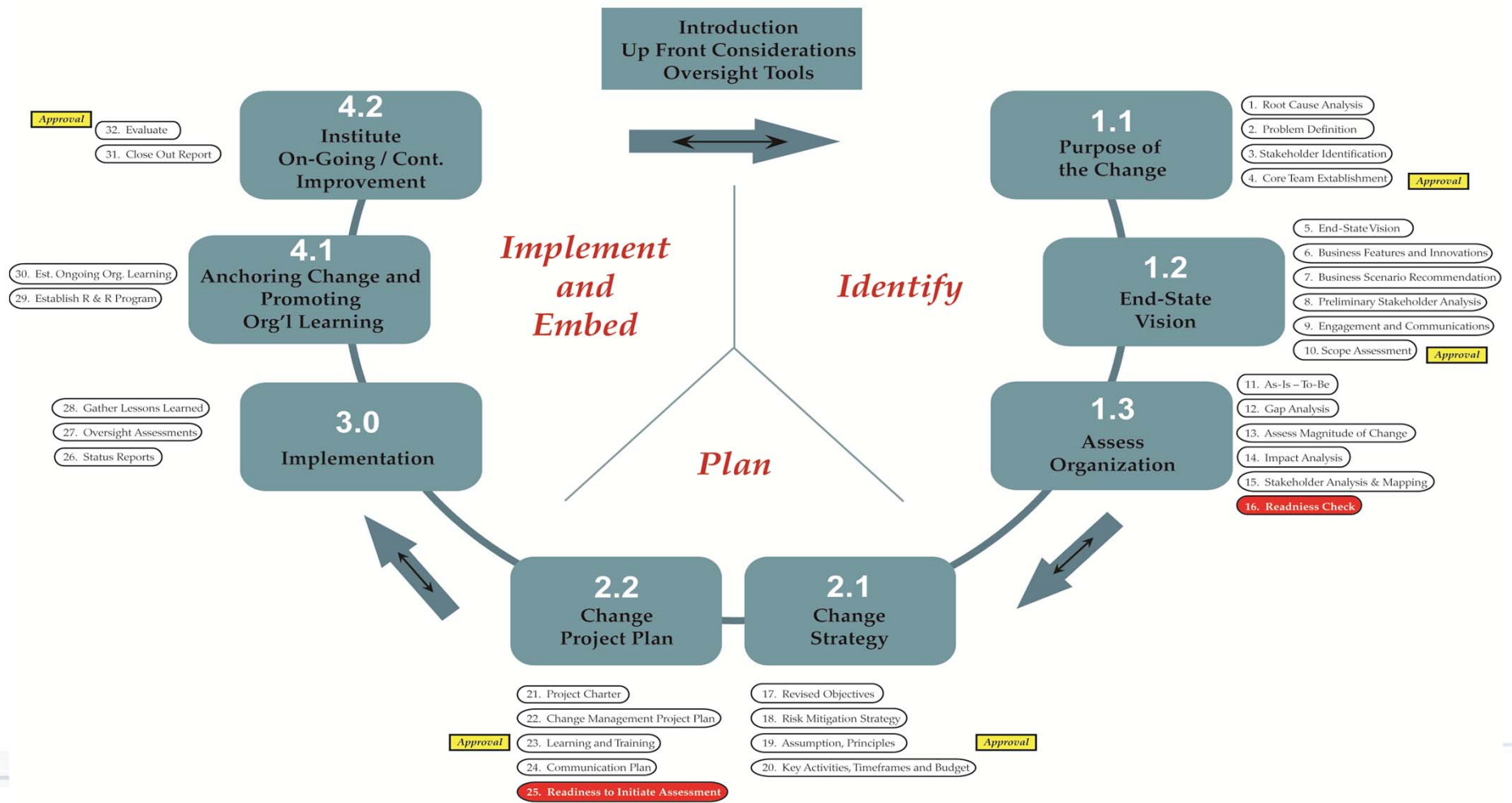
*Adapted from Being First, Inc. and CPSA



PWGSC

Change Management Process

Tools and Templates



Practicing Change Management

Change Management is an umbrella concept encompassing:

- Business Transformation project planning
- Communications
- Training
- Governance
- Leadership
- Rewards and Recognition...

...where we create a two-way dialogue between the change practitioners and the stakeholders to ascertain how well your activities are being received by people

...and then seek to improve on those results.



Some Roles in Change Leadership

Change Sponsor

This is the individual with the highest authority over the Change. The Sponsor is the primary influencer of the new direction, change strategy, values and conditions for success. They set parameters, provide resources, and keep the initiative aligned with overall business strategy.

Executive Team (of business line leaders)

This is usually composed of the executive leadership team of the organization, or segment thereof, in which the change initiative is occurring. They are responsible for supporting and modeling the desired outcomes of the transformation. The team runs the business and buffers the change initiative from organizational constraints.

Change Initiative Leader/Team

This is the individual or cross-functional team with the delegated authority to shape the change strategy and allocate resources. It oversees the strategy level of the planning, design, integration and implementation of the change process.

HR and Communication professionals

Other roles....



Activity – Better Understanding Perspectives

Break out groups:

Group 1:

- ID yourself as sponsor
- List characteristics and attributes you must demonstrate consistently
- List expectations, deliverables and activities required by you throughout

Group 2:

- ID yourself as a manager
- List characteristics and attributes you must demonstrate consistently
- List expectations, deliverables and activities required by you throughout
- Be mindful that this group is “in the middle,” and play a key role in channelling information

Group 3:

- ID yourself as a front-line employee
- List things that you expect/require from the sponsor, the manager and the initiative



Pitfalls - Why do so many initiatives fail?

A 2006 Harvard University study revealed that roughly two-thirds of all change initiatives fail to reach their goal.

This is largely due to:

- an ineffective change management program
- lack of sustained, committed, visible leadership to managing change
- poor employee engagement
- under resourced or improper resource dedication to CM initiative (CM plus their day job)
- resistance



Measuring Change - The Danger of Tracking Actions

What's wrong with these two statements?

“I’ve held town halls. I’ve had my VP/ADM send dozens of emails. I’ve done everything by the book. We’re ready to implement.”

And then you begin to measure adoption.

“I’ve purchased \$500 of Nortel shares every pay period since 1998. I am ready to retire!” And then...

We don't know the current value of the work / investment until it's too late.

Intent ≠ Impact



Action ≠ Successful Change

Actions are a trailing indicator of the change process itself

Exhibiting the desired behaviour today is not always enough to ensure a lasting change

- People may do what you expect...reluctantly
- People may revert back to earlier behaviours when your focus and effort shifts away
- People may independently introduce other behaviours they see as more valuable

As a result, monitoring and evaluation is often employed as a compensatory tactic simply to ensure people do what is required



A Worst-case Scenario

- You use operational indicators as your change barometer
- You claim victory when the project is delivered on time and on budget (and tell your stakeholders as much)
- You rely on a costly monitoring program to ensure (if not enforce) compliance
- All the while, your stakeholders become more disengaged



The True Desired Outcome of Change Management to ensure a Successful Change

We are seeking to ensure stakeholders are engaged by the change such that they:

- have a cognitive commitment to it (*understand it*);
- have an emotional attachment to it (*believe it*); and
- of their own accord, exhibit the desired behavioral outcomes (*do it and advocate for it*).



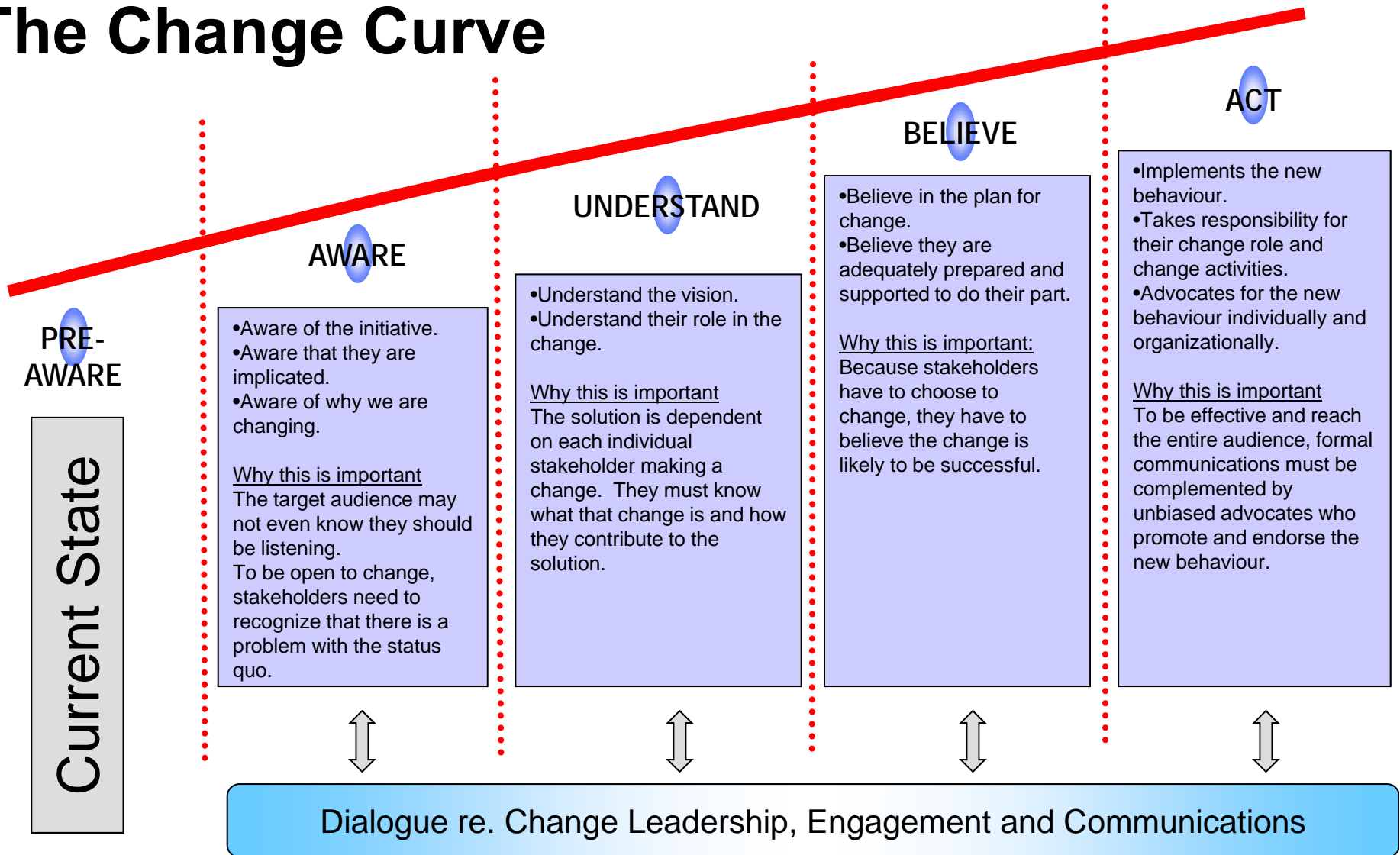
The Current Value of your Change Efforts

The value of your change effort is measured by how well individuals have assimilated the messages you are delivering:

- Are they **Aware** of why we need to change?
- Do they **Understand** the vision and their role?
- Do they **Believe** in the plan, that we are prepared and that we will be successful?
- Are they ready to **Act**?



The Change Curve



Defining the Success of an Initiative

- The rate of adoption
 - how quickly people change
- Ultimate utilization
 - does everyone change?
- Proficiency
 - how well everyone performs the new behaviour



Best-case Scenario - an Analogy

Engagement is a tub of water, the colder the better.

A well-managed change initiative: You take a cup of water from the tub and put it in your CM freezer. When your initiative is over, and everyone is “engaged”, you drop what should now be an ice cube (or thereabouts) back in the tub.

The overall temperature drops slightly.

The next time you begin an initiative (assuming no-one has made your employees “boiling mad” in the interim), the water is that much cooler. It takes less time in your CM freezer (less time, less effort, less money...) to create your engagement ice cube.

Keep engaging your stakeholders; keep making it easier to engage your stakeholders...



Why Does This Matter?

- Because you can't possibly script every thing that will have to happen for your initiative to be wildly successful
- You are relying on your stakeholders to:
 - Go beyond the bare minimum
 - Give of their “discretionary effort” to support the change



Quick Poll!

What do you do to get people engaged?

What can you do to get people engaged?



Key Engagement Drivers

Top Four Levers of Discretionary Effort

- Connection between work and organizational strategy
- Importance of job to organizational success
- Understanding of how to complete work projects
- Internal communication

Source: Corporate Executive Board, *Driving Employee Performance and Retention Through Engagement; A Quantitative Analysis of the Effectiveness of Employee Engagement Strategies*, 2004.



There Are Many Drivers of Engagement

Manager

- Accepts Responsibility for Successes and Failures
- Accurately Evaluates Employee Performance
- Accurately Evaluates Employee Potential
- Adapts to Changing Circumstances
- Analytical Thinking
- Appropriately Handles Crises
- Articulates a Long-Term Vision for the Future
- Attains Information, Resources, and Technology
- Breaks Down Projects into Manageable Components
- Cares About Employees
- Clearly Articulates Organizational Goals
- Clearly Communicates Performance Expectations
- Commitment to Diversity
- Creates Clear Work Plans and Timetables
- Defends Direct Reports
- Demonstrates Honesty and Integrity
- Demonstrates Passion to Succeed
- Encourages and Manages Innovation
- Encourages Employee Development
- Has a Good Reputation Within the Organization
- Helps Find Solutions to Problems
- Holds People Accountable
- Inspires Others
- Is Friendly and Approachable
- Is Intelligent
- Is Open to New Ideas
- Lets Upper Management Know of Employee Effectiveness
- Listens Carefully to Views and Opinions
- Makes Sacrifices for Direct Reports
- Puts People in the Right Roles at the Right Time
- Persuades Employees to Move in a Desired Direction
- Places Employee Interests First
- Possesses Job Skills
- Provides Job Freedom
- Quality of Informal Feedback
- Recognizes and Rewards Achievement
- Respects Employees as Individuals
- Sets Realistic Performance Expectations
- Treats Direct Reports Equally
- Trusts Employees to Do Their Job
- Values Work-Life Balance of Employees
- Works Harder Than Expects Employees to Work

Senior Executive Team

- Deeply Cares About Employees
- Is Committed to Creating New Jobs
- Is Open to New Ideas
- Makes Employee Development a Priority

- Provides Necessary Tools and Resources
- Strong in Day-to-Day Process Management
- Strong in Leading and Managing People
- Strong in Personal Characteristics
- Strong in Strategy Selection and Implementation
- Teaches About Organizational Vision and Strategy

Compensation

- Total Compensation Satisfaction
- Total Compensation External Equity
- Total Compensation
- Base Pay Satisfaction
- Base Pay External Equity
- Base Pay Internal Equity
- Cash Bonus Satisfaction
- Cash Bonus External Equity
- Cash Bonus Internal Equity
- Commission Satisfaction
- Commission External Equity
- Commission Internal Equity
- Profit-Sharing Satisfaction
- Profit-Sharing External Equity
- Profit-Sharing Internal Equity
- Stock Bonus Satisfaction
- Stock Bonus External Equity
- Equity Stock Bonus
- Internal Equity

Benefits

Health Benefits

- Health Benefits Plan
- Health Benefits Information
- Prescription Drug Benefit

Leave Benefits

- Leave Benefits Information
- Long-Term Disability
- Maternity Leave
- Paid Time Off Bank
- Short-Term Disability
- Sick Leave
- Vacation

Retirement Benefits

- Retirement Information
- 401(k) Plan
- Employee Stock Ownership Plan (ESOP)
- Pension Plan
- Retirement Medical Group Plan (RMGP)

Work-Life Benefits

- Work-Life Balance Information
- Day Care
- Domestic Partner Benefits

- Employee Assistance Program (EAP)
- Education Assistance
- Fitness Program
- Flexible Work Schedule
- Telecommuting

Onboarding

- Clearly Explains Job Importance
- Clearly Explains Job Responsibilities
- Clearly Explains Performance Objectives
- Introduces New Hires to Other New Employees
- Provides Necessary Tools and Resources
- Provides Work Immediately
- Teaches About Group or Division
- Teaches About Organizational Vision and Strategy

Day-to-Day Work

- Ability to Obtain Necessary Information
- Amount of Travel (Actual Versus Desired)
- Connection Between Day-to-Day Work and Organizational Strategy
- Employee Understanding of How to Complete Projects and Assignments
- Freedom from Harassment in the Workplace
- Importance of Job to Organizational Success
- Importance of Projects to Employees' Long-Term Career
- Importance of Projects to Personal Development
- Job Challenge
- Job Fit—Better Suited for Another Position
- Job Fit—Type of Work
- Job Freedom
- Job Influence
- Opportunity to Take Breaks
- Job Fit—Opportunity to Work on Things You Do Best
- Opportunity for Promotion
- Safe Work Space
- Safety of Tasks
- Sufficient People to Complete Tasks
- Sufficient Time to Complete Tasks
- Sufficient Tools and Resources
- Task Variety

Learning and Development

- Amount of General Skills Training Received
- Amount of Job-Specific Training Received
- Development Plan: Challenge
- Development Plan: Effectiveness
- Development Plan: Emphasis on General Skills Training, Job-Specific Training, Skills and Behaviors, Job Experience, Leadership Training, and Management Training
- Development Plan: Employee Influence in Creating

- Development Plan: Sufficient Time to Complete
- Development Plan: Use
- Effectiveness of General Skills Training
- Effectiveness of Job-Specific Training
- Effectiveness of Mentor
- Opportunity to Be Promoted
- Opportunity to Help Launch a New Business, Initiative, or Program
- Opportunity to Help Turn Around a Struggling Business
- Opportunity to Spend Time with a Professional Coach
- Opportunity to Work in a Different Country
- Opportunity to Work in New Divisions or Business Units
- Opportunity to Work in New Functional Areas
- Opportunity to Work in a Variety of Jobs/Roles
- Opportunity to Spend Time with a Mentor
- Opportunity to Work with Senior Executive Team

Organizational Culture

- Communication
- Community Involvement
- Company Performance
- Culture of Flexibility
- Culture of Innovation
- Culture of Risk Taking
- Customer Focus
- Diffuse Decision-Making Authority
- Diversity
- Differential Treatment of Best and Worst Performers
- Equity and Recognition
- Future Orientation
- Opportunity
- Reputation of Integrity



Stakeholder Participation

Decisions are more likely to be accepted and supported if people are consulted:

- Increases motivation
- Builds commitment
- Creates underlying understanding and acceptance for change

How Participation Helps

- Building shared goals
- Gathering the information required to make a good decision

• This is particularly true in the public sector where:

- Power is diffused
- Stakeholders have divergent objectives



Engage Early. Engage Often

Systematically solicit input and feedback from all your stakeholders from the outset

Don't assume you will have a complete answer:

- Even if you do, engagement is more likely if you engage in a dialogue
- If you don't, the process will help you make better-informed decisions



Communication - Control the Message

Communicate everything you're doing:

- We typically underestimate how much we have to say and how often we need to say it to be effective
- Not everybody participated, did they?

If they don't get answers from you, where are they getting them?



Communication - What Employees Need to Know

A study done by Towers Perrin indicated that there are seven questions that employees want to know when faced with a change situation:

- **Do I have a job?**
- **How am I doing?**
- **Does anybody care about me?**
- **How do I fit in my team?**
- **How is my team doing?**
- **How does my team contribute to the organization?**
- **How can I help?**

These questions are building blocks. In other words, employees will be willing to offer help once they have received clear answers about the previous questions. Keep these questions in mind when delivering any messages to your employees.

Reference: *Employee Engagement and Internal Communications Toolkit* (<http://source.tpsgc-pwgsc.gc.ca/ci-ic/text/engagement-e.html>)



The 5P-2R of Communicating

Purpose Explain why the change is occurring

Picture Explain the Vision

Plan Explain the CM approach and plan

Position Explain how the change will or will not impact their job and position

Participation Explain how they will participate in defining and implementing the change

Reinforcement Explain how the new behaviours will be encouraged

Recognition Explain how staff will be recognized for adopting new, desired behaviours



Communication - Deliver the Right Messages

The Burning Platform

- what is the compelling need for change (disadvantages of the status quo)

Key Messages

- what are the benefits of the future state and how will we get there (advantages of the change)

Needs and Concerns

- articulate the challenges/concerns and how these will be minimized (disadvantages of the change)

The Comfort Zone

- point out what is staying the same (advantages of the status quo)



Change Communications Tips

Be visible and honest throughout

Acknowledge impacts on people

Listen to employees and understand their concerns

Foster inclusiveness and involvement

Communicate in a timely way

Explain 'why' at every stage



Key Success Factors for Sustainability

Tend to the Human Dynamics at Play:

Strong Leadership

Systems Approach

Know Resistance, Ensure Readiness

Know Where People are on the Change Curve

Build Engagement (stakeholders)

Communicate Often

Build on Progress

Set Reasonable Boundaries

Once implemented, nurture the new state

Undertake Change Leadership



Summary

- Know the systems
- Plan your change
- Measure the change itself, not just what's changing
- Increase understanding and engagement
- Ensure readiness
- Dialogue with stakeholders
- Take control of the message



Coming Full Circle

Looking back at your initial examples of less-than-perfect changes, what would you do differently?



Thank you!



Your Take Away

PWGSC Change Management Tool Kit on CD

Table of Contents

Intro and How to Use the Toolkit

Up Front Considerations

- Advice on getting started
- Assemble Core-Transformation Team
- Review the CM Framework and Process

Oversight Tools

- Change Sponsor Checklist
- Process Overview
- High level analyses and reporting tool for Sponsor, Consultant and/or Change Leader.
- CM Process Initiative
- Oversight Manual

Templates

Developed by PWGSC for PWGSC

- Industry best practices
- GoC best practices

CM templates

- For navigating large and small change initiatives

Directly support the CM Framework and Process

Integrated with existing PWGSC resources and requirements

- Communications
- Risk Management
- Learning
- Awards and Recognition

Users Guide and Tools

Detailed instructions on how to complete each template

Leadership tips

- Tips on effective change management practices
- Helpful links on change and employee engagement

Tools

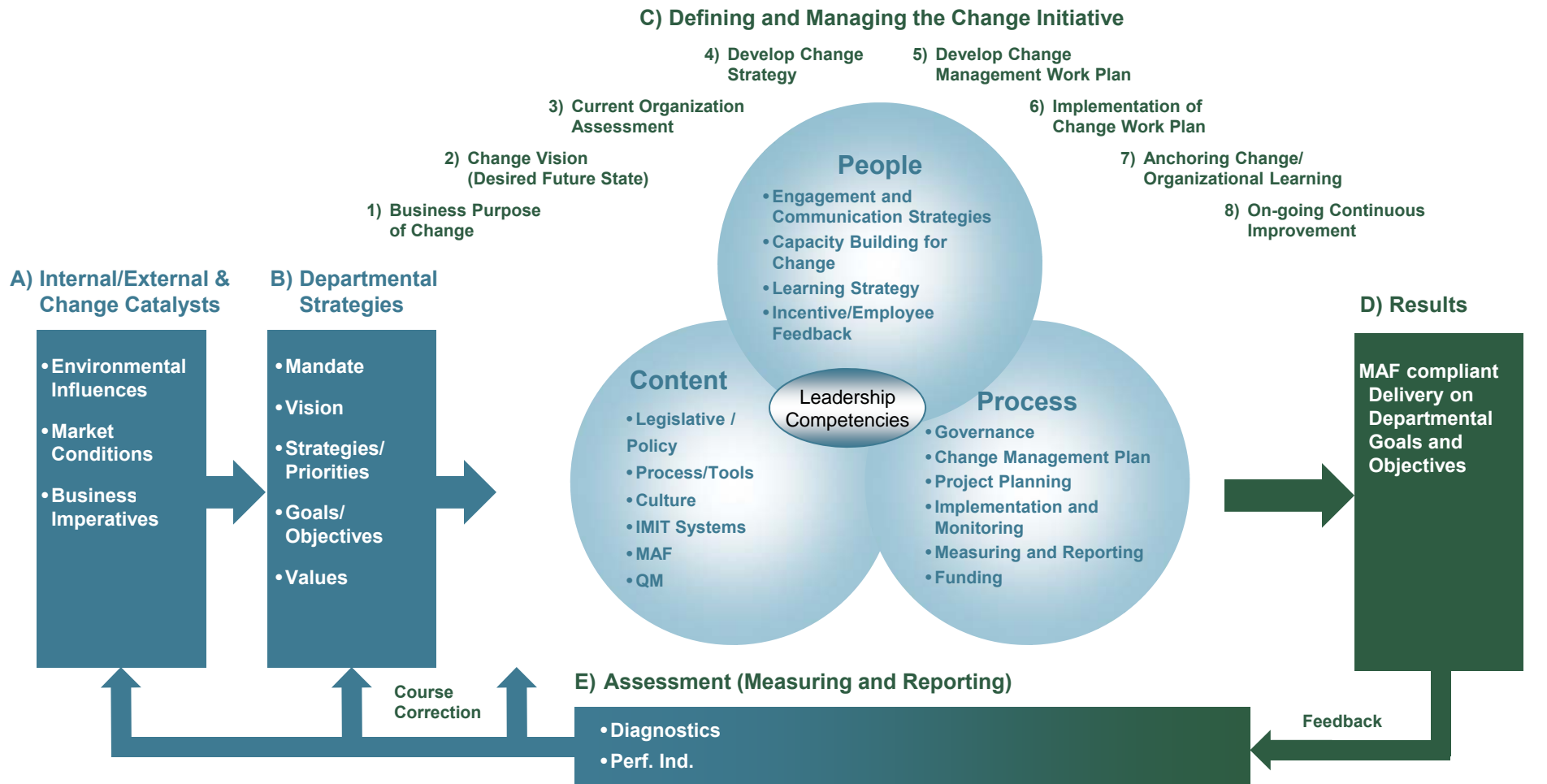
- Readings
- Presentations/Decks
- Reporting / Assessments

Links

- Helpful links to existing departmental resources



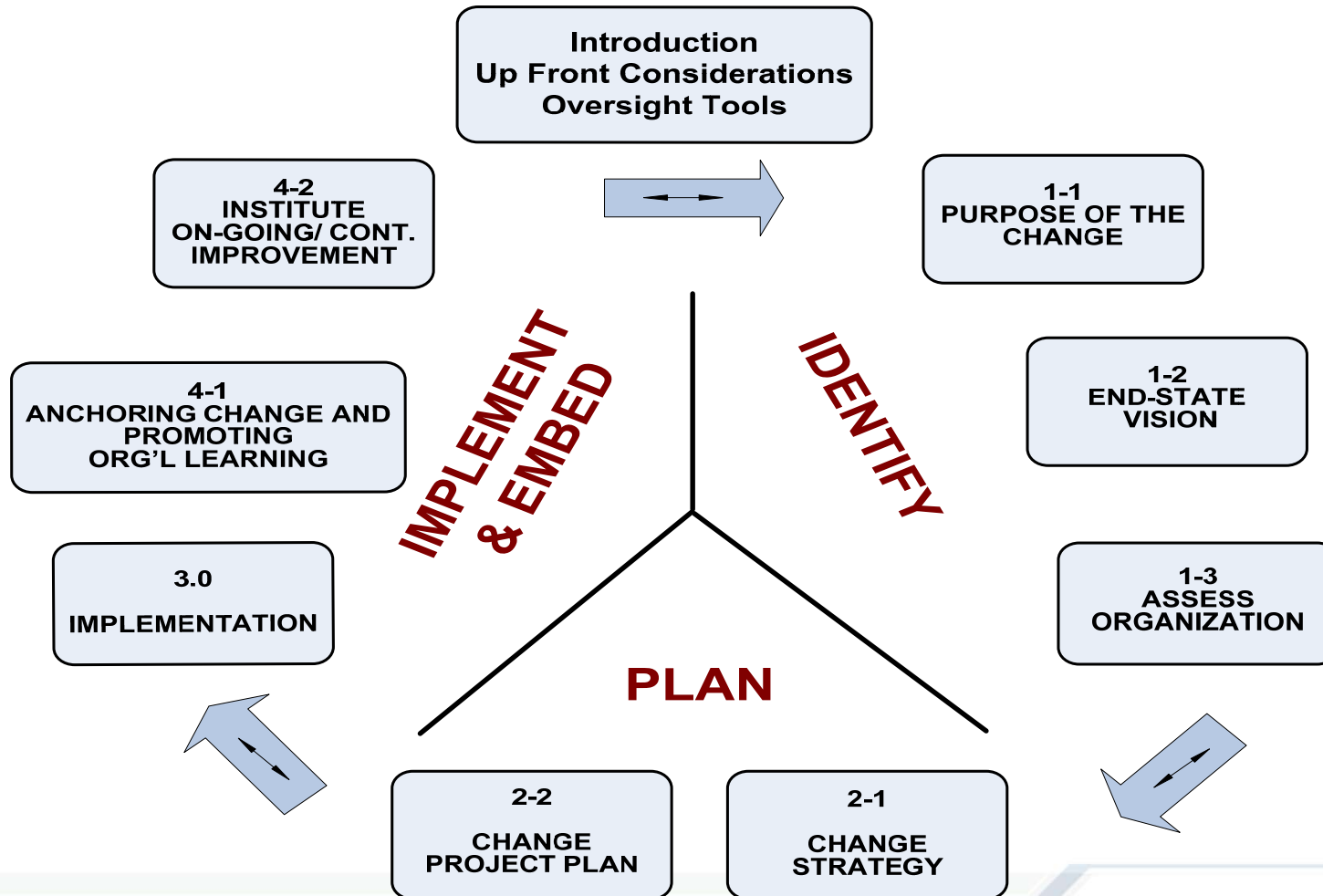
PWGSC Integrated Change Management Framework



*Adapted from Being First, Inc. and CPSCA



PWGSC Change Management Process, Tools and Templates



PWGSC

Change Management Process

Tools and Templates

