A

Seminar report

On

Change Management

Submitted in partial fulfillment of the requirement for the award of degree
Of MBA

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Preface

I have made this report file on the topic **Change Management;** I have tried my best to elucidate all the relevant detail to the topic to be included in the report. While in the beginning I have tried to give a general view about this topic.

My efforts and wholehearted co-corporation of each and everyone has ended on a successful note. I express my sincere gratitude to …………..who assisting me throughout the preparation of this topic. I thank him for providing me the reinforcement, confidence and most importantly the track for the topic whenever I needed it.

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INTRODUCTION

Change management is an IT service management discipline. The objective of change management in this context is to ensure that standardized methods and procedures are used for efficient and prompt handling of all changes to control IT infrastructure, in order to minimize the number and impact of any related incidents upon service.

Changes in the IT infrastructure may arise reactively in response to problems or externally imposed requirements, e.g. legislative changes, or proactively from seeking improved efficiency and effectiveness or to enable or reflect business initiatives, or from programs, projects or service improvement initiatives.

Change Management can ensure standardized methods, processes and procedures which are used for all changes, facilitate efficient and prompt handling of all changes, and maintain the proper balance between the need for change and the potential detrimental impact of changes.

Readiness assessments

Assessments are tools used by a change management team or project leader to assess the organization's readiness to change. Readiness assessments can include organizational assessments, culture and history assessments, employee assessments, sponsor assessments and change assessments. Each tool provides the project team with insights into the challenges and opportunities they may face during the change process.

• Assess the scope of the change, including: How big is this change? How many people are affected? Is it a gradual or radical change?

• Assess the readiness of the organization impacted by the change, including: What is the value-system and background of the impacted groups? How much change is already going on? What type of resistance can be expected?

• Assess the strengths of your change management team.

• Assess the change sponsors and take the first steps to enable them to effectively lead the change process.

Communication and communication planning

Many managers assume that if they communicate clearly with their employees, their job is done. However, there are many reasons why employees may not hear or understand what their managers are saying the first time around. In fact, you may have heard that messages need to be repeated 6 to 7 times before they are cemented into the minds of employees. That is because each employee's readiness to hear depends on many factors. Effective communicators carefully consider three components: the audience, what is said and when it is said.

For example, the first step in managing change is building awareness around the need for change and creating a desire among employees. Therefore, initial communications are typically designed to create awareness around the business reasons for change and the risk of not changing. Likewise, at each step in the process, communications should be designed to share the right messages at the right time.

Communication planning, therefore, begins with a careful analysis of the audiences, key messages and the timing for those messages. The change management team or project leaders must design a communication plan that addresses the needs of front-line employees, supervisors and executives. Each audience has particular needs for information based on their role in the implementation of the change.

Coaching and manager training for change management

Supervisors will play a key role in managing change. Ultimately, the direct supervisor has more influence over an employee's motivation to change than any other person at work. Unfortunately, supervisors as a group can be the most difficult to convince of the need for change and can be a source of resistance. It is vital for the change management team and executive sponsors to gain the support of supervisors and to build change leadership. Individual change management activities should be used to help these supervisors through the change process.

Once managers and supervisors are on board, the change management team must prepare a coaching strategy. They will need to provide training for supervisors including how to use individual change management tools with their employees.

Change Management trends

1. The awareness of the need and value of Change Management is increasing at all levels of organizations
2. Organizations continue to devote more resources and positions to Change Management – 36% of the 2012 Best Practices in Change Management respondents indicated that their organization has created an office or a functional group around the discipline of Change Management
3. Change Management activities are being introduced earlier and more often into Project Management programs
4. Demand is growing for building internal Change Management competencies versus relying on outside consulting
5. There is a greater demand for Change Management training and certification within organizations

Eight-Step Change Management Process

Step 1: Urgency Creation

A change is only successful if the whole company really wants it. If you are planning to make a change, then you need to make others want it. You can create urgency around what you want to change and create hype.

This will make your idea well received when you start your initiative. Use statistics and visual presentations to convey why the change should take place and how the company and employees can be at advantage.

Step 2: Build a Team

If your convincing is strong, you will win a lot of people in favour of change. You can now build a team to carry out the change from the people, who support you. Since changing is your idea, make sure you lead the team.

Organize your team structure and assign responsibilities to the team members. Make them feel that they are important within the team.

Step 3: Create a Vision

When a change takes place, having a vision is a must. The vision makes everything clear to everyone. When you have a clear vision, your team members know why they are working on the change initiative and rest of the staff know why your team is doing the change.

If you are facing difficulties coming up with a vision, read chapter one (Mission and Values) of WINNING, by Jack Welch.

Step 4: Communication of Vision

Deriving the vision is not just enough for you to implement the change. You need to communicate your vision across the company.

This communication should take place frequently and at important forums. Get the influential people in the company to endorse your effort. Use every chance to communicate your vision; this could be a board meeting or just talking over the lunch.

Step 5: Removing Obstacles

No change takes place without obstacles. Once you communicate your vision, you will only be able to get the support of a fraction of the staff. Always, there are people, who resist the change.

Sometimes, there are processes and procedures that resist the change too! Always watch out for obstacles and remove them as soon as they appear. This will increase the morale of your team as well the rest of the staff.

Step 6: Go for Quick Wins

Quick wins are the best way to keep the momentum going. By quick wins, your team will have a great satisfaction and the company will immediately see the advantages of your change initiative.

Every now and then, produce a quick win for different stakeholders, who get affected by the change process. But always remember to keep the eye on the long-term goals as well.

Step 7: Let the Change Mature

Many change initiatives fail due to early declaration of victory. If you haven't implemented the change 100% by the time you declare the victory, people will be dissatisfied when they see the gaps.

Therefore, complete the change process 100% and let it be there for sometime. Let it have its own time to get integrated to the people's lives and organizational processes before you say it 'over.'

Step 8: Integrate the Change

Use mechanisms to integrate the change into people's daily life and corporate culture. Have a continuous monitoring mechanism in place in order to monitor whether every aspect of the change taking place in the organization. When you see noncompliance, act immediately.

Change management theories

- **Effective communication**
  Communication is a key component in the success of any change initiative
- **Change management plan**
  A change management plan that defines the vision and scope of the change must be developed and followed. In its simplest form, a change plan answers three questions:
  1. Where are we now?
  2. Where are we going?
  3. How do we get there?
- **Acknowledgment of those affected**
  The experience and emotions of the people who will implement and live with the change must be addressed. Being uncomfortable with change can influence people to resist and oppose it. When you are about to launch any new practice or system it is important to understand how people are feeling about the change and provide support to help them accept and support it.
- **Strong leadership**
  Change should be led by a person or team who are passionate, visible and committed to the effort. Good leaders are skilled at managing the activities and mechanisms for planning and monitoring change and are able to create and sustain a sense of purpose.
- **Resources**
  Resources are clearly identified and made available

Principles of Change Management

1. **Address the "human side" systematically.** "Transformation causes "people issues"......A formal approach for managing change — beginning with the leadership team and then engaging key stakeholders and leaders — should be developed early, and adapted often as change moves through the organization. This demands as much data collection and analysis, planning, and implementation discipline as does a redesign of strategy, systems, or processes."

2. **Start at the top.** "Leaders themselves must embrace the new approaches first, both to challenge and to motivate the rest of the institution. They must speak with one voice and model the desired behaviors. The executive team also needs to understand that, although its public face may be one of unity, it, too, is composed of individuals who are going through stressful times and need to be supported."

3. **Involve every layer**. "As transformation programs progress from defining strategy and setting targets to design and implementation, they affect different levels of the organization."

4. **Make the case**. "confront reality and articulate a convincing need for change.... demonstrate faith that the company has a viable future and the leadership to get there. Finally, provide a road map to guide behavior and decision making"

5. **Create ownership**. "Ownership is often best created by involving people in identifying problems and crafting solutions. It is reinforced by incentives and rewards."

6. **Communicate the message**. "The best change programs reinforce core messages through regular, timely advice that is both inspirational and practicable. Communications flow in from the bottom and out from the top, and are targeted to provide employees the right information at the right time and to solicit their input and feedback. Often this will require overcommunication through multiple, redundant channels."

7. **Assess the cultural landscape**. "Thorough cultural diagnostics can assess organizational readiness to change, bring major problems to the surface, identify conflicts, and define factors that can recognize and influence sources of leadership and resistance. These diagnostics identify the core values, beliefs, behaviors, and perceptions that must be taken into account for successful change to occur. They serve as the common baseline for designing essential change elements, such as the new corporate vision, and building the infrastructure and programs needed to drive change."

8. **Address culture explicitly**. "Company culture is an amalgam of shared history, explicit values and beliefs, and common attitudes and behaviors. Change programs can involve creating a culture (in new companies or those built through multiple acquisitions), combining cultures (in mergers or acquisitions of large companies), or reinforcing cultures (in, say, long-established consumer goods or manufacturing companies)"

9. **Prepare for the unexpected**. "Effectively managing change requires continual reassessment of its impact and the organization's willingness and ability to adopt the next wave of transformation."

10. **Speak to the individual**. "Individuals (or teams of individuals) need to know how their work will change, what is expected of them during and after the change program, how they will be measured, and what success or failure will mean for them and those around them. "

Benefits of change management

These three articles form the basis of our assumptions on the best way to manage change. Click on the links above to read more but, here in summary are main benefits of change management.

Managing change:

1. Puts you in a better position to be *ready* for change.
2. Develops better understanding of the *kind* of change required – understanding that different characteristics of change need different approaches.
3. Helps you implement a process to navigate the required change.
4. Brings clarity to why change is necessary and what it will achieve.
5. Builds commitment to work together, to bring people with you.
6. Can help with appreciating what is currently done well, so that the future is built on strengths which currently exist within the organisation.
7. Shapes change through principles which establish how you manage change – the principles upon which change is shaped.
8. Delivers change that results in real improvements – all improvement involves change, but not all change brings improvement.

Overcoming the common change management challenges facing the insurance industry

Change is becoming a way of life across the industry. Even very traditional sectors can no longer afford to stay still. The stimuli are both internal and external. Regulatory changes such as Solvency II, industry wide initiatives such as the London Market Reforms, competitive pressures and individual organisation's own strategic agendas means almost every firm has a long list of changes to implement.

Clearly these changes have a significant effect on your organisation's structures and ways of doing things. However, and importantly, this in turn also impacts your people on a personal level. Often, this impact is underestimated and history is littered with examples where 'managed' change fails to deliver the promised benefits because people at the coal face have not been sufficiently engaged with the future vision.

Getting the people element right is critical to successfully delivering effective change, but how is this done in practice? We explore this tricky topic by looking at answers to four common change management questions.

1. The change is imposed from outside so how do we ensure that people still feel part of the decision and solution?

Just because the change is imposed does not mean people shouldn't be engaged with it. The more impacted stakeholders are involved and buy-in to the change the easier it will be to implement and achieve benefits.

Key recommendations

- Make a compelling case for change. This is about communicating why the change needs to happen and making it 'real' for individuals. In this case it is vital to explain the consequences of not changing. Don't assume that everyone fully understands the implications.
- Look for additional direct and indirect benefits of making a change. For example, it may be possible to link a regulatory change with other changes in the organisation. Bundling can introduce new synergies.
- Make the communications personal. For example if one stakeholder group just needs to be aware of the change then explain it at a high level and link to more information if the audience wants it. Alternatively, if another group require more detailed information make sure they receive it.

2. The stakeholders are at different level of acceptance so how do we craft common communications?

Stakeholder management does not necessarily mean that every stakeholder should be fully engaged and positive towards the programme. 'Stakeholder mapping' is a great tool for helping to design your communications to best effect according to the needs of each group.

Key recommendations

- Develop a common vision at a sufficient level for all stakeholders. The vision helps set priorities and describes what the organisation will look like once the change has been implemented. Crafting the vision should include representatives from all groups that have an investment in the outcome, increasing the chances of universal buy-in.
- Understand where each stakeholder group currently is and where they need to be. In this situation, knowledge is definitely power. Once you gain a good understanding of your stakeholders (Are they an advocate, ambivalent or a detractor? Are they predictable or unpredictable) this will help to inform what you need to do and who you need to focus on. There are many tools to help you understand stakeholder groups, one of the most common being an 'impact/influence' matrix.

3. There is already a lot of change going on in the organisation so how do we prevent this becoming the 'straw that broke the camel's back'?

In almost all cases change is a must, but for those impacted, it can feel like one change too many. Be realistic about how much change parts of your organisation can cope with. The more positive benefits associated with the change, the more people will be willing to deal with.

Key recommendations

- Look at all the changes happening within the organisation and prioritise against benefit and strategic importance. The two key limiting factors will be the capability of the organisation to manage change and the capacity of the organisation to make change.
- Break down the changes required and integrate them into existing programmes. Altering the scope of existing programmes to get a mutually exclusive set of initiatives can help reduce the perceived volume of change.
- Demonstrating immediate benefits of changes will encourage people to support more change. Rapid delivery of small but meaningful 'quick wins' early in the programme will send out powerful messages to the organisation.

4. I recognise change management is important but how do I build this into my existing programme structure?

Change management should be a key part of any programme structure. To help co-ordinate the change and communication effort, dedicated resources can be useful. However, the real value comes from when change management considerations are in-built in all programme management roles.

Key recommendations

- Include all change and communication activities within the programme implementation plan. For example, when an implementation milestone is put in the programme plan, it should also include communication activities prior to the roll-out and change interventions during the roll-out to encourage uptake.
- Use specialists in change and communications. This may not need to be external resources, utilise the expertise in HR and Internal Communications teams.
- Your programme leadership team should have specific roles and responsibilities relating to change management which they are wholly committed to. For example, providing content for key messages and role modelling the desired behaviours.

Common Factors to Successful Change Management

- **Planning**

Develop and document the objectives that need to be achieved with the change and the means to achieve it.

- **Defined Governance**

Establish appropriate organizational structures, roles and responsibilities for the change that engage stakeholders and support the change effort.

- **Committed Leadership**

Ongoing commitment at the top and across the organization to guide organizational behavior.

- **Informed Stakeholders**

Encourage stakeholder participation and commitment to the change by employ open and consultative communication approaches that will create awareness and understanding of the change throughout the organization.

- **Aligned Workforce**

Identify the human impacts of the change and develop plans to align the workforce in order to support the changing organization. The extent to which each of these five factors is exhibited in successful change projects will vary depending on the nature of the change involved.

Conclusion

In the constantly changing corporate world, the one who welcomes the changes stays ahead of the competition.

If you are not much comfortable with changes happening around you, reserve some of your time to read 'Who Moved My Cheese?' by Dr. Spencer Johnson.

This will tell you the whole story about why the change is required and how you can make use of the change to excel in what you do.

References

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