



Change Management White Paper

Change Management Methodology

The main purpose of a Change Management workstream is to facilitate understanding among key stakeholders and personnel of the need for change; to implement interventions to equip them with the appropriate capabilities and motivation to change; and provide support through the appropriate organisation infrastructure processes and characteristics.

In its simplest form, Change Management is about changing individual behaviour. The real challenges of something like a system implementation initiative lie not in technology, but in the mind sets and skills of the people who must accept and exercise their roles in the new business environment.

We have a fundamental belief in terms of managing change. Our approach to addressing the Change Management aspects of a transformation project is to be inclusive and collaborative, providing you with an organisation-wide “readiness” process, bringing the process and associated tools to minimise the organisation’s delivery and performance risks, typically associated with large scale change.

Our Change Management method is made up of four focus areas:

Project Team: In order for you to realise the intended benefits of a major change project, it will be critical to build high performance project teams – which have a common understanding of the project objectives; are committed to the project and demonstrate consistency in terms of messages about the project. This aspect of the Change Management workstream also addresses the following activities;

- Project mobilisation and team building interventions
- Definition of team values and norms, roles, responsibilities, communication, goals and incentives
- Regular assessment of team effectiveness
- Implementation of interventions to improve team cohesiveness, performance and motivation levels
- Facilitation of team renewal interventions, as and when required
- Provision of support to other project workstreams on matters pertaining to change and stakeholder management – e.g. co-facilitation of business validation and change impact sessions with process teams
- Coordination of the project capability transfer programme.

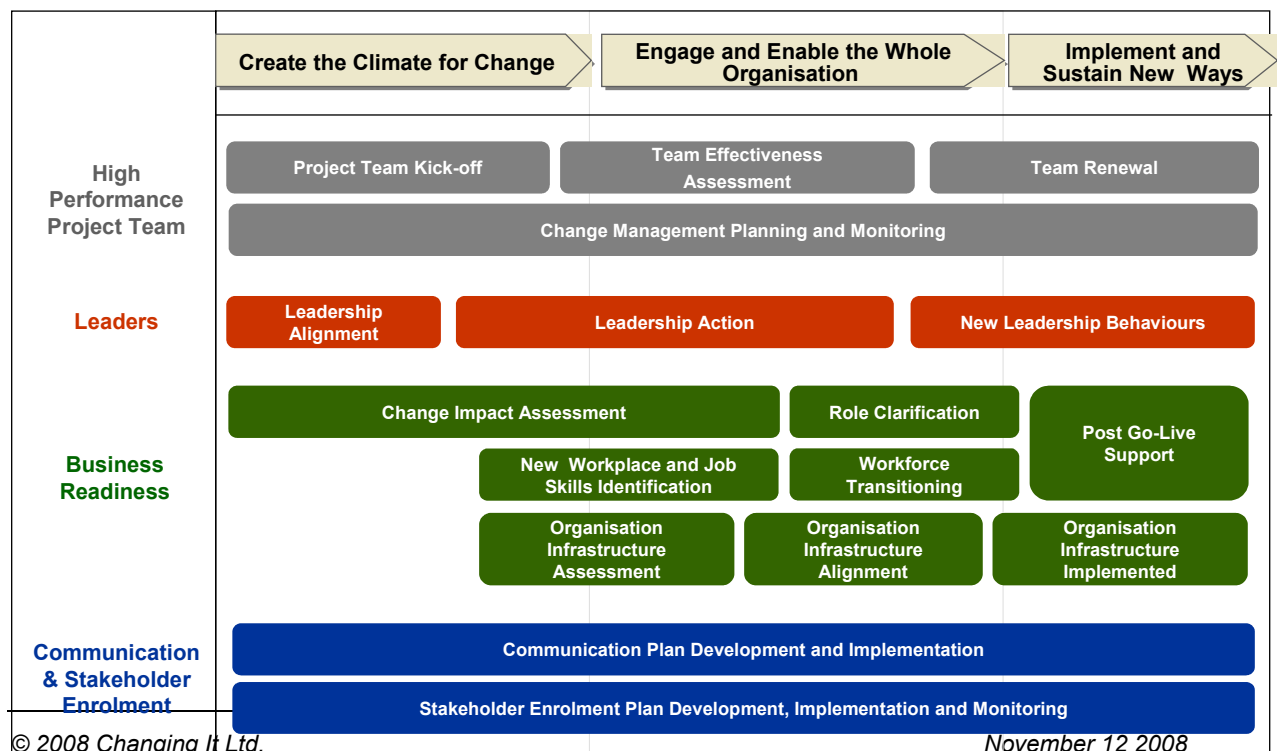
Leadership: Without leadership there can be no change. We work individually and collectively with the organisation’s leaders to:

- Focus attention on the change initiative.
- Help them build and demonstrate commitment
- Enable them in their roles as sponsors, communicators and benefit advocates.

Business Readiness: We identify the level of preparedness in the various business units in order to manage any people risks and also facilitate a smooth implementation. Our focus is also on helping individuals develop the mindset and ability to deal with change, as well as the skills and behaviours needed to work with the new business processes and technology. In addition, we align the organisation design, reporting relationships, role descriptions and performance measures with the reengineered business processes (in cooperation with your Human Resources), in order to sustain the change following implementation.

Communication and Stakeholder Enrolment: Effective project communication educates stakeholders about project progress and provides them with the opportunity to provide input into the project. By being “close” to the project, stakeholders will view themselves as being co-creators of project deliverables, rather than “recipients” of the project. This will not only lead to a better quality end product, but to a substantially improved understanding, acceptance and support thereof by stakeholders.

The following figure shows our Change Management method:



Our Change Management Method

The nature, depth and regularity of the interventions are dependent on the nature of the project, the needs of stakeholders and the appropriateness of the actions. The Change Management plan may have to be continuously adjusted to meet the changing needs of the project and the organisation.

The Change Management method is developed in such a way that it can be replicated for later roll-outs.

The Change Management Method also comprises 3 key phases:

Create a Climate for Change: This refers to setting the appropriate context and creating momentum for the change.

Engage and Enable the Whole Organisation: This refers to engaging all people impacted by the project and obtaining their involvement and buy-in.

Implement and Sustain the Transformation: This refers to implementing the changes and establishing an environment for the “to be” state to make the changes “stick”.

Critical Elements in our Method

Project Team Kick-off

The project team members have a key role to play on an initiative of this magnitude and significance to you and your stakeholders. The project kick-off sessions will be conducted at the beginning of each phase – to orientate project members on key project objectives, timelines, desired outcomes, methods and tools and to initiate a team environment that promotes cohesiveness.

Project Team Effectiveness Assessment

Given the intensity and duration of a change project, it will be necessary to periodically evaluate how the team is doing – to determine their levels of energy, commitment to project objectives, and ascertain the impact of their interaction with business users. At appropriate points of the project, team effectiveness assessment will be conducted, the outcomes of which will be used to develop and implement appropriate interventions.

Project Team Renewal Interventions

Based on areas of concern identified during team effectiveness assessment sessions, appropriate interventions will be identified. It will be important to adopt a proactive approach and build team renewal interventions into the programme from the onset. Team renewal interventions include activities that are aimed at re-energising the project team and re-emphasising team objectives, values and norms, at appropriate times of the programme.

Leadership Alignment

It will be critical for your management team to actively lead all stakeholders through the transformation process. Not only will the rest of the organisation take the lead from the executives on how to deal with the transformation process, but employees will also rely on the leadership team to receive regular information on why there is a need for change and how the new changes fit in with your vision, mission and strategic objectives.

We facilitate a process where your project will be linked with the organisational strategy and direction. The key objective is to ensure that executive sponsorship will endure throughout the project duration.

Leadership Action

From alignment amongst leaders regarding how the change initiative fits in with the business vision, the focus will shift to aligning leaders regarding their role in the project. The importance of leaders during a process of transformation cannot be stressed enough. The ability of your leaders to show visible support for the project and model the desired new behaviours will make or break the project.

Throughout the project we will touch base and qualitatively analyse the perceptions and experiences of leaders regarding the unfolding transformation. We will consolidate the feedback, communicate it back into the project approach and ensure that all concerns are addressed and followed-up. This also allows us to provide the overall project sponsor with the necessary warning if it appears that the support and alignment is decreasing, in order for him/her to take the appropriate actions to bring the leadership team back together again.

The result of all this is an integrated leadership / sponsorship effort linked to the project objectives. Also, leaders will have an understanding of the behaviours and attributes they need to sponsor and lead the transformation. This allows leaders to begin to demonstrate the competencies and behaviours required by the redesigned organisation from the onset.

New Leadership Behaviours

The Change Management team will work with the organisation's leadership to ensure it continues to provide visible and consistent commitment to lead the organisation throughout the change. Key focus areas will be:

- Translating project redesigns into practical, measurable new leadership and organisational competencies and behaviours. These could ultimately form part of the KPI's of leaders.
- Renewing and re-energising the leadership team.
- Focusing leadership on project implementation plans and challenges.

Again using individual interviews and leadership workshops, the project redesigns will be translated into new leadership competencies and behaviours. Leaders will be coached and trained in order to start changing their behaviour. During the phases just before and just after the systems will be going live - when the stress and resistance levels tend to increase - further leadership interventions will be used to help leaders to continue motivating and inspiring individuals in the organisation.

One of the key implications of leadership behaviour is to make the site leaders responsible for tracking preparations and change management for the "go-live" situation(s) at their respective divisions. A practical example of this would be to get division leaders to present progress on a weekly or bi-weekly basis to the steering committees – this is a key accountability shift and leads to very positive leadership behaviour.

In order to further equip leaders to adopt new leadership behaviours, we will develop a new leadership behaviours toolkit for executives, middle management and first line supervisors. These toolkits contained practical examples of behaviours that leaders on the different levels needed to exhibit, in order to set the right example and motivate their teams.

Change Impact Assessment

The Change Impact Assessment is the engine of the Change Management effort – without a proper impact assessment, the change management programme will struggle to be successful. Our experience has indicated the following:

The Change Impact Assessment puts you in direct contact with the process teams and it forces them to review what they are doing in terms of the practical people impacts. It indicates the extent of the impact on people, culture, functions, processes and roles, as well as the gap between the 'as-is' and the 'to-be' environments. This forms the baseline reference for the role clarification sessions (referred to in next section), communication interventions, and the development of practical new leadership behaviours.

It also forms the basis for the Executive Change Impact sessions, which are absolutely essential for ensuring the final push forward to implementation. Executive Change Impact sessions refer to sessions that we facilitate with the entire management group, where we make the impact of the change initiative very clear and tangible. This is where the proverbial penny drops, and the executives practically start to understand what the impact on the organisation will be. Once the change impacts have been discussed with management, they should be shared with the rest of the user base, which will be a key activity to prepare users for the future changes.

Key activities include:

- Working with process design teams to define the “people” impacts of the change.
- Conducting impact workshops across impacted audience groups, with support from interviews or focus groups to gather further information.
- Identifying how potential impact areas might be addressed (as input to the Transition Plan).
- Determining the gap between existing skills and those required to support new processes and the new system.
- Executive Change Impact Sessions (as discussed above).
- Change Impact workshops with future users.

Role Clarification

Once the nature of business changes related to the project have been identified, and presented to your leadership, the Change Management team will support business unit leaders in their provision of feedback to affected employees. Using information gathered through the Change Impact Assessment process, the Change Management team will translate the identified impacts into practical examples for employees as to how their role or position will change (new skills, competencies, tasks). The impact of what stops, starts and stays the same in terms of their roles will be discussed with affected employees in a series of Role Clarification workshops prior to the actual end-user training programme.

The objectives of Role Clarification are to:

- Initiate employee understanding of the impact of a project on their roles and positions, in a visual, compelling fashion.
- Begin the process of changing individual behaviour to align with transformational goals in the new environment.
- Provide a “push” for training; end-users must leave a Role Clarification session with a proper understanding of why it is necessary to attend training.

Role Clarification has been found to be a very powerful tool during transformation and system implementation initiatives. Facilitated Role Clarification sessions will be held for all significantly affected positions. These positions will be identified in conjunction with Project Management and the

process design teams. We focus on facilitating understanding regarding process thinking, and unpacking the practical impacts of the major changes affecting these positions. We provide workshop participants with a basic framework of what will stop, start and stay the same and then ask them to define the impacts further. The more end users discuss these impacts, the greater their own understanding of the change become. This also helps to create a massive “push” for affected end users to attend training.

The approach also addresses other end users who are not significantly impacted. Together with the process design teams we will develop electronic presentations regarding the impact on these end users. The messages will also be on what stops, starts and stays the same. These presentations will be made available through communication forums and media such as the intranet.

Workforce Transitioning

Effective Workforce Transitioning is critical to the success of the change initiative. If this process is not performed effectively, the change initiative will suffer significant damage and there will be disruption to the business and a risk of possible labour problems. Workforce transition is of particular importance when substantial job changes take place (e.g. due to substantial changes in job content or skills requirements). Based on the analysis done in the Change Impact Assessment process, the Change Management team will work with relevant team members and business representatives to:

- Determine whether any employees could be substantially impacted as a result of the project.
- Develop a Workforce Transition plan covering approaches for several outcomes, including redeployment or potential redundancies.
- Develop an approach for union interaction, if required. The plan must be aligned with the overall communication strategy and plan, as the communication of the processes, principles and practices according to which workforce transitioning will be handled need to be clearly communicated to all involved.

Due to the sensitive nature of Workforce Transition, it is critical for representatives of the affected organisation, and not the consultants, to be at the forefront of all communication. The role of the consultant should only be to advise on strategy – the HR divisions of the affected organisation should be responsible for implementing the strategy. We therefore regard our role in this process as driving a process to identify the key job impacts and to facilitate a process to develop a workforce transition plan. During the implementation of the plan, we will provide advice and guidance, but would not drive this process.

The results of the assessments should be fed back to the “Day in the Life” co-ordinator, who will identify problem areas, and implement corrective actions.

Organisation Infrastructure Alignment

For change to “stick” beyond the pressures exerted by the leaders throughout the change effort the management systems, leaders and organisational infrastructure (culture, performance management, reward and recognition, recruitment, training and development) need to measure, develop, reinforce and reward the new behaviours.

Together with they your Human Resource department, we will focus on aligning the organisational infrastructure processes and characteristics (performance management, training and development, rewards and recognition, recruitment and selection, culture and organisation structure) with the post go live processes and new system.

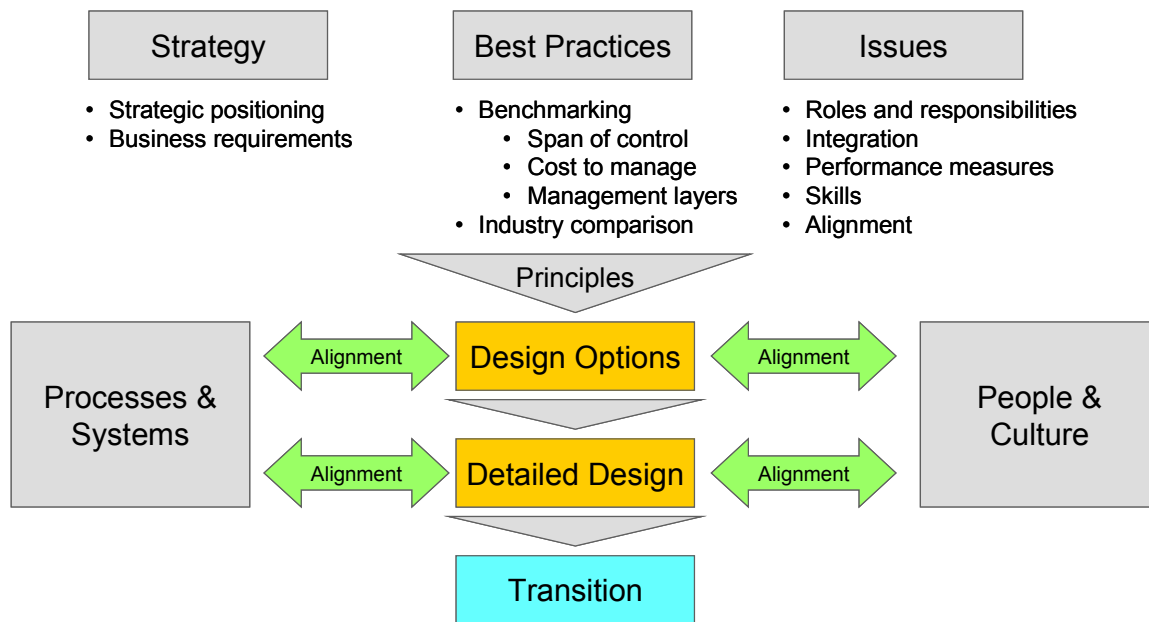
It is important to note that the implementation of the aligned organisation infrastructure should be the responsibility of Human Resources.

Organisation Design

This focus area of our approach deals with organisation design. Organisation design is more than just the circles and boxes on a chart. Although the reporting relationship is important, the design includes consideration of integrating mechanisms, governance processes, clearly defined roles and responsibilities, and performance measures and rewards.

Organisation design is the process of purposely configuring the elements of the organisation to foster the achievement of valued business, customer, and employee outcomes.

The diagram below outlines the process to translate key design requirements into a detailed organisation structure. The process takes into account the organisation’s strategic direction, business requirements, best practices and current organisational issues. These inputs help define a set of design principles against which any design option can be objectively evaluated. Once a high-level design option has been decided on, this design needs to be aligned with technology, process, people and culture requirements of the organisation.



The Organizational Design of Change Management

Following the high-level design and alignment the detailed design and transition process can be undertaken. Elements of the detailed design would typically include:

- Roles and responsibilities.
- Competence requirements (skills, knowledge and behaviour).
- Performance metrics.
- Integrating mechanisms.

Supporting HR Processes

We will also assess current HR supporting processes (performance management, recruitment, reward and recognition, training and development etc.) with the your HR Department. This can only be done when there is a clear understanding within the Project team of how the processes will change, and what the impact thereof will be.

During the Build and Test phase, we will start to align the current HR processes to the requirements of the changed processes and new system, once again in cooperation with the your HR departments. The impact of the changed processes will be based on the information gained through the Change Impact Assessment. The alignment of the performance management process will be based on the KPI's developed during the process design phase.

The implementation of the aligned HR processes should be the responsibility of line management and supported by HR.

Communication & Stakeholder Enrolment

Developing and executing a targeted communication strategy and customised plans will help to identify, address and reduce fears and resistance throughout the lifecycle of the programme. The communication plan and stakeholder enrolment programme will help educate employees, facilitate understanding of the project's impacts and establish a sense of urgency and motivation around the organisational changes.

Complementing the communication plan there will be a targeted stakeholder enrolment programme. Keeping all key stakeholders committed to the transformation process and focused on the desired business results is critical. Leaders will play a critical role in the communication process to build and sustain credibility.

The purpose of the Stakeholder Enrolment Plan is to identify who within the organisation will be affected by the project, their anticipated needs and interests, key messages required and allocate appropriate relationship owners. By identifying the key stakeholders and stakeholder groups, and how they will be impacted by the project, a strategy can be developed and implemented to engage stakeholders throughout the life of the project.

The Communication Strategy and Plan should be regarded as a living document and is expected to change throughout the course of the project based on communication needs and effectiveness of communication vehicles. The communication strategy outlines the objectives, desired outcomes and approach for communication during the project. The strategy is augmented by the communication plan, which details the vehicles and the roles and responsibilities of major players as the project is communicated to employees. The strategy and plan will lay the foundation for communication during subsequent phases of a project, and will serve as a model or template for ongoing communication efforts.


The Change Management team will conduct interviews with relevant key individuals from the business in order to identify and analyse stakeholders. The Change Management team members will play a critical role in bringing their business knowledge, experience and understanding of the stakeholders to the table.

The approach will be to:

- Identify stakeholders: Those individuals and groups who have a stake in the initiative and who can either help or hinder its successful implementation.
- Segment the stakeholders into meaningful clusters of individuals or groups using the matrix above.
- Identify the type and degree of support that will be required for each stakeholder.
- Assess the current level of stakeholder commitment and identify the most significant gaps.
- Appoint relationship owners for each of the stakeholder groups identified. The relationship owner will be responsible for managing the relationship and relationship health with that stakeholder group.
- Equip the relationship owners with the necessary communication material, advice and help them develop stakeholder engagement plans.
- Report back on a monthly basis on the stakeholder relationship.

Our communication and stakeholder enrolment approach will take end users through the enrolment curve, from awareness, all the way to advocacy and ownership, as illustrated in the diagram below:

Stages	Example Mechanisms	Outcomes
Advocacy & Ownership	Integrated engagement, lead role in public	Successful implementation, adoption
Commitment & Action	Participation in teams, focus groups, reviews	Invest resources and personal time; lead others
Support & Buy-in	Focused discussions, workshops	Positive personal perception and disposition toward change
Understanding	One-on-one communications, department/staff meetings, education sessions	Comprehension of nature, reasons, and intent of the change
Awareness	Printed publications, newsletters, electronic, informational meetings	Awareness that change will take place and how it will affect them



Over Time

Stakeholder Management supports stakeholders as they move from current to future state

We will select together with the project team the best way to support stakeholders. Some may include:

- Demos
- Process feedback sessions
- Workshop participation
- Large scale interventions
- Communication sessions

Effective project communication keeps stakeholders informed about project progress and provides them with the opportunity to provide input into the project. By being “close” to the project, stakeholders will view themselves as being co-creators of project deliverables, rather than “recipients”. This will not only lead to a better quality end product, but also to a substantially improved acceptance and support thereof by stakeholders.

We deliver communication according to the following 4-step process:

1. Planning: We do not believe in re-inventing the wheel, but seek to leverage off existing infrastructure in the organisation. Analysis involves the assessment of existing communication infrastructure (e.g. communication mechanisms, channels, role players, communication strategy and principles) as well as of required stakeholder groups, their needs and interests and possible messages.

2. Development: Development of Communication Strategy and Plan: A communication strategy and detailed communication plan will be developed (typically one plan per project) to address the particular communication needs that arise at a specific stage of a project. Measurement mechanisms will be defined and incorporated into the plan. Then it comes to the actual development and delivery of communication, our approach is to co-develop communication material with our clients. Through this we achieve the benefits of both our vast experiences as well as the business knowledge and language of the client organisation.

3. Execution: In our experience, communication is most effective if performed and delivered by a person from the business with the support of line management. The measurement of communication effectiveness is a critical step in the overall communication process. This allows the project team to adjust the message content, delivery method and timing, based on how it is received by end-users.

4. Evaluation: Our approach will include providing a mechanism for employee feedback as a component of all communications (i.e. participant feedback forms, online evaluations etc.). We will make use of focus groups and surveys to gauge overall effectiveness of the communication plan, in terms of levels of understanding of specific issues at a point in time, for example. (NOTE: Focus Groups may be conducted in person, via telephone or online). Communications will be measured based on the following elements:

- The effectiveness of media usage against stated objectives.
- The stated effectiveness of the communication content by the impacted audience.
- The effectiveness of communications against the objectives stated in the communication strategy.

Below is a high-level breakdown per phase of the typical messages that should be communicated:

Communication Objective	Momentum and Awareness	Understanding	Support, Buy-in and Advocacy	Optimisation
Project Phase	Transformation Imperative, Vision Target	Design & Build	Preparation & Go-live	Post Go-Live
Key Messages	<ul style="list-style-type: none"> • Increase awareness of this project. • Project goals and reasons for change. • Program overview, scope and objectives. • Business benefits. • Who is involved in the project? • How can I get involved in the project? • Expectation Management. 	<ul style="list-style-type: none"> • Major organisational impacts. • What will this Project do for me? • How will my job change? • How will I learn new skills? • What is the training plan? • Does my manager support this? • Cross initiative linkages and dependencies. 	<ul style="list-style-type: none"> • Implementation success measures / performance requirements • Prepare and motivate end-users for Go-Live. • Detailed stakeholder impacts. • What support will be provided through the transition? • What are the specific plans for going "live"? • What happens after this project? 	<ul style="list-style-type: none"> • Results achieved (Short term wins). • Can future enhancements be suggested? • Reinforce desired behaviours.

Typical Messages to be communicated

During Transformation Imperative and Vision Target: Momentum and Awareness

The most important focus of the communication effort during this time will be to create momentum. To create a significant change, an organisation needs more than the usual effort and commitment from its people. Creating a sense of shared need and urgency is crucial to gaining the needed cooperation and sustaining the momentum of change. People have to believe that change is necessary and understand the reasons for making the change before they can feel motivated to contribute to the effort for any length of time.

During Design and Build: Mobilisation and Understanding

Communicate major organisation impacts and involve stakeholders and seek input. It is necessary to maintain continuous dialogue with stakeholders in order for them to believe that they are co-designing the future. This serves to build commitment to the future solution as well as result in a better solution.

During Preparation and Go-live: Support, Buy-in and Advocacy

A critical focus area of communication during this phase will be to prepare and motivate end-users for go-live and what is required of them.

Provide forums where users will gain an understanding of the business processes and to clarify what will be required on their part to make new changes last.

Post Go-live: Optimisation

Communicate results achieved (short-term wins). Short-term wins are essential to create credibility and momentum. The project team needs to use the momentum created by the short-term wins to broaden the change effort, hence, tackling the bigger and deeper changes to the organisation that will deliver the real benefits that are sought.

New behaviours associated with the change need to become part of the culture, i.e. “the way things are done around here”. Only then can the organisation sustain the benefits and outcomes of the change. If the transformation effort goes against established values, norms of behaviours, practices and habits of the organisation, the effort needed to maintain the desired outcome becomes too difficult to sustain.