

REMOVING THE ROAD BLOCKS

Change management has been unfairly typecast as a feel good exercise, say leading practitioners in the field. But these days it's about delivering the successful implementation of complex projects. And in a world of empowered employees, change can be harder than ever if you don't have an action plan.

A company introducing

a new IT system or a new finance system wants it to be adopted quickly, they want people to be using it to the fullest and they want people to be performing in their jobs while the change is happening.

Making that happen as efficiently and as easily as possible is what change management is all about, says Catherine Smithson, the Managing Director of change management training and consulting firm Being Human.

"Change management is everything to do with the people side of change – getting people committed to the change and changing the way they operate in the workplace," says Smithson.

The success rate for change in organisations is quite low, about 33 percent, and over 60 percent of organisations have encountered major problems in introducing change.

"If you ask anyone in a major organisation, particularly those in the accounting and finance area, most people can tell you about changes that they've been through that haven't worked," says Smithson. "These failed changes create problems for the next set of changes."

Some organisations know from past experience that they need help in managing the people side of change. Other organisations call in change management specialists when they run into a problem.

"If employee resistance is not actively managed it can delay or derail the change," says Smithson.

She says that it is now harder to introduce change than in the past because employees at all levels have more confidence and more power in the workplace.

"Twenty years ago it was possible to dictate change. Today there is a lot more negotiation and convincing needed, so it is getting harder to introduce change not easier."

Resistance to change is a natural phenomenon but people don't so much resist change as resist being changed, says Smithson.

"All of us like to be in control, particularly in the workplace," she says, but resistance to change is more complex than that and is related to an employee's place within an organisation.

"Front line employees and staff generally resist change because they like things the way they are and they don't understand the bigger picture, why the business needs to do things differently," she says.

The reasons managers resist change are quite different, according to new research published in the Prosci Best Practices in Change Management Report.

"Most managers resist change because of competing priorities, because they've got too much on their plates and they can't see how they're going to get everything done properly," she says.

It is also important to consider people's history and experience of change. If changes have been badly handled in the past, employees will be much more change-resistant. If they have been well handled, people will be much more change-ready.

The Prosci Report found that there are two important factors for success. The first is active and visible sponsorship by the senior managers who are accountable for making the change work, such as the chief executive, the director of finance or the general manager of marketing.

"You've got to get these key leaders communicating the business case for change, building a coalition of sponsors across the organisation and removing road blocks," she says.

The second success factor is having a change management team or a change management specialist and a change management plan.

"You can go into fire-fighting mode but it is much better if you can sit down and develop a plan for the people side of change. Depending on the size of the project that might be one person's part-time job or it might be a team of people," she says.

There have been some misconceptions about change management, says Smithson who adds its primary purpose is to make sure that major projects are implemented successfully.

"Change management, quite unfairly, has been typecast as warm and fluffy stuff – the butcher's paper, the workshop with toys," says Smithson.

"It's moved away from making people feel good about the change to saying we've got to help people on the project management side and to help line managers deliver the change successfully." ■

The Institute of Chartered Accountants in Australia will be presenting Fundamentals and Intensive Change Management seminars in Sydney and Melbourne from July until September. The Institute of Chartered Accountants in Australia National has more details on 1300 137 322.

KEY POINTS

- Change management assists organisations with the people side of new systems or technology. The right technical solution is not enough
- Over 60 percent of companies encounter major problems in introducing change
- Introducing change involves more negotiation than in the past, making change management more challenging
- The reasons people resist change depends on their role in the organisation
- The two important factors for success are active sponsorship by senior managers and having a change management team or specialist with a change management plan

