Agenda

• People and Organizational Change in e-Governance Projects
• Implications of Change Management
• People related challenges in change management
People and Organisational Change

There are three key levers of Change in Government reforms and initiatives

People
- Change in attitude and behaviours to accept the change, New skills sets required to assimilate the new ways of working, a more flexible approach to working patterns and practices.

Process
- Change in structure and processes to adopt to the new ways of working, business process design.

Technology
- Application of Information and Communication Technologies to improve the service delivery to citizens, business and Government employees.
People and Organisational Change

Change Management involves aligning the trinity of People, Process and Technology to strategy.

Research shows that ‘Nine out of ten significant barriers to achieving successful change are people related’
People and Organisational Change

• Implications of Change Management in e-Governance Projects

<table>
<thead>
<tr>
<th>Key Initiatives</th>
<th>Key Result Areas</th>
<th>Key Impact for People</th>
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<tbody>
<tr>
<td>e-Governance Projects / Programmes</td>
<td>New Policy Framework</td>
<td>New Roles and Change</td>
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<td>Key Initiatives</td>
<td>New Structure</td>
<td>Need for knowledge enhancement on new policies and processes</td>
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<td>New Processes</td>
<td>Need for new skill sets</td>
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<td>New Systems</td>
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People determine the project success and it requires effective management of people related ‘soft’ and ‘hard’ aspects.....
People and Organisational Change
Top ten barriers to change

1. Inadequate resources
2. Poorly communicated strategy
3. Unclear definition of actions required to execute
4. Unclear accountabilities for execution
5. Organisational silos and culture blocking execution
6. Inadequate performance monitoring
7. Inadequate consequences or rewards for failure or success
8. Poor senior leadership
9. Uncommitted leadership
10. Unapproved strategy
Individual
- **Habit**: Deep rooted ways of doing things and working in the government
- **Security**: Loss of feeling safe. Underlying security & Suspicion
- **Economic factors**: Doubts around performance, productivity and pay issues. Lack of confidence in using the IT systems
- **Fear of unknown**: What will happen next? Will ICT implementation lead to my job becoming redundant?

Organisational
- **Structural Inertia**: Rigid processes and systems
- **Lack of common vision**: There is no common understanding of the vision for change
- **Group Inertia**: Change in individual behaviors at times inhibited by the way the group works
- **Threat to expertise**: The implementation of ICT may be observed as a threat to the expertise of a specialized group.
- **Threat to established power relationships**: Perception of loss of power, authority and discretion.

“Management of change issues and people perceptions becomes imperative in e-Governance projects.”
Almost 92% of the challenges in a transformation exercise are around people issues.

<table>
<thead>
<tr>
<th>People</th>
<th>Leadership</th>
<th>Organizational &amp; Cultural Issues</th>
<th>User Issues</th>
<th>Process Issues</th>
<th>Technology Issues</th>
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<tbody>
<tr>
<td></td>
<td>42%</td>
<td>27%</td>
<td>23%</td>
<td>4%</td>
<td>4%</td>
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<tr>
<td></td>
<td>Lack of Participation</td>
<td>Lack of involvement</td>
<td>Fear of Job loss/Change</td>
<td>Weak / inadequate processes</td>
<td>Faulty data</td>
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<td>Ineffective Communication</td>
<td>Lack of Readiness</td>
<td>Lack of understanding</td>
<td>processes</td>
<td>• Poor process alignment</td>
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<tr>
<td></td>
<td>Lack of ownership</td>
<td>Lack of Readiness</td>
<td>Lack of strategic alignment</td>
<td>• Faulty data</td>
<td>• Configuration Issues</td>
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<td></td>
<td>Limited endorsement/support</td>
<td>• Lack of understanding</td>
<td>• Lack of strategic alignment</td>
<td>• Over complex technology</td>
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</table>
People related challenges in Change Management relate to three important aspects:

- Mindset (Culture)
- Communication and Awareness (Internal and External stakeholders)
- Skill-sets (Human capital development and life-long learning)

75% of all organizational change programs fail, largely because employees feel left out of the process and end up lacking the motivation, skills and knowledge to adopt new systems and procedures.
Essential ‘People’ components of Change Management

Stakeholder Management
- Make sure all stakeholders are identified, relationships are managed; stakeholders get information about progress, programme needs, and benefits tracking, their feedback is received and incorporated in the programme

Communication
- Provide planned communication throughout the organization and execute this along effective means and channels. Make sure that communication reaches the target audience in time and provides just enough information for that audience so that they are informed on and excited about the change and effectively implement it

Training
- Provide training materials, trainers and logistics; ensure the target audiences are trained in the new ways of working (including data, processes, systems/tools and governance) just in time and just enough
People related challenges in Change Management

Normally, decisions are made by the management *without taking inputs from staff* who are *expected to change their behaviour*

People are willing to change if they:

- Understand and accept the reasons
- Have a say in the way their jobs get restructured / affected

Behavioral change is most likely to occur when *organizations connect with human nature rather than oppose it*
Importance of ‘mindset’ in Change Management

• Mindset is the way we think, which reflects in our action

• For managing change, change in mindset is important

• Shift in mindset required to focus on new ways, techniques, requirements and outcomes

• Experts say that half the battle is won if people develop the right mindset and thereby focus their efforts towards the change initiative

• Change in mindset is also essential for sustaining change / making change stick
Challenge: Organizational Culture / mindset

Some of the typical challenges / barriers caused due to culture / mindset issues are:

- Employees believe that ICT would replace them and cause job losses
- Reluctance to give up traditional methods of working and adopt new ones
- Suspicion about the security of IT systems
- Lack of confidence in using the IT system
- Change in mindset of entire Government entities required

The best way to meet the ‘mindset’ related challenges is by developing an appropriate communication strategy.
Style vs. Degree

- Collaborative
- Consultative
- Directive
- Coercive

Degree of change:
- Fine Tuning
- Incremental
- Transformational

Supportive workforce
Resistant workforce
People and Organizational Change

• **Collaborative** - The target population are engaged in the change process, typically through cascading workshops or meetings. They will be kept up to date on the issues. Their views will be actively sought and acted upon. Feedback will demonstrate how their input has been acted upon.

• **Consultative** - The target population is informed about the changes and their views are sought.

• **Directive** - The workforce is informed about the changes and why those changes are important.

• **Coercive** - The workforce is told that they must obey the new instructions.
When do change management activities begin?

Research shows an overwhelming bias toward initiating change management early in the project. Change management activities that are launched at the beginning of a project can be more proactive in addressing the people side of change. When change management is brought in as an add-on late in the project, it is typically to 'fight fires' and help with damage control.

Stages
People and Organisational Change

Organisations don’t adapt to change, People do.

• Human behavior is complex

• Change initiatives face varying levels of resistance and questioning of motive of change

• People resist change only when they feel that change is being imposed on them, without their consent

• Costs of ignoring behavioral risk could be significant in the current economic context