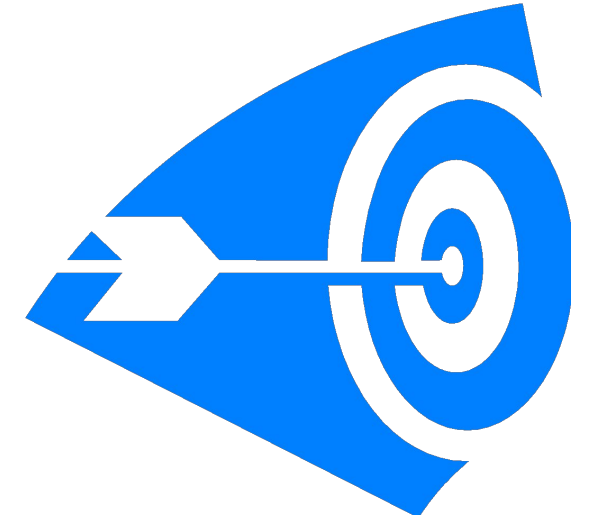


Managing People Change

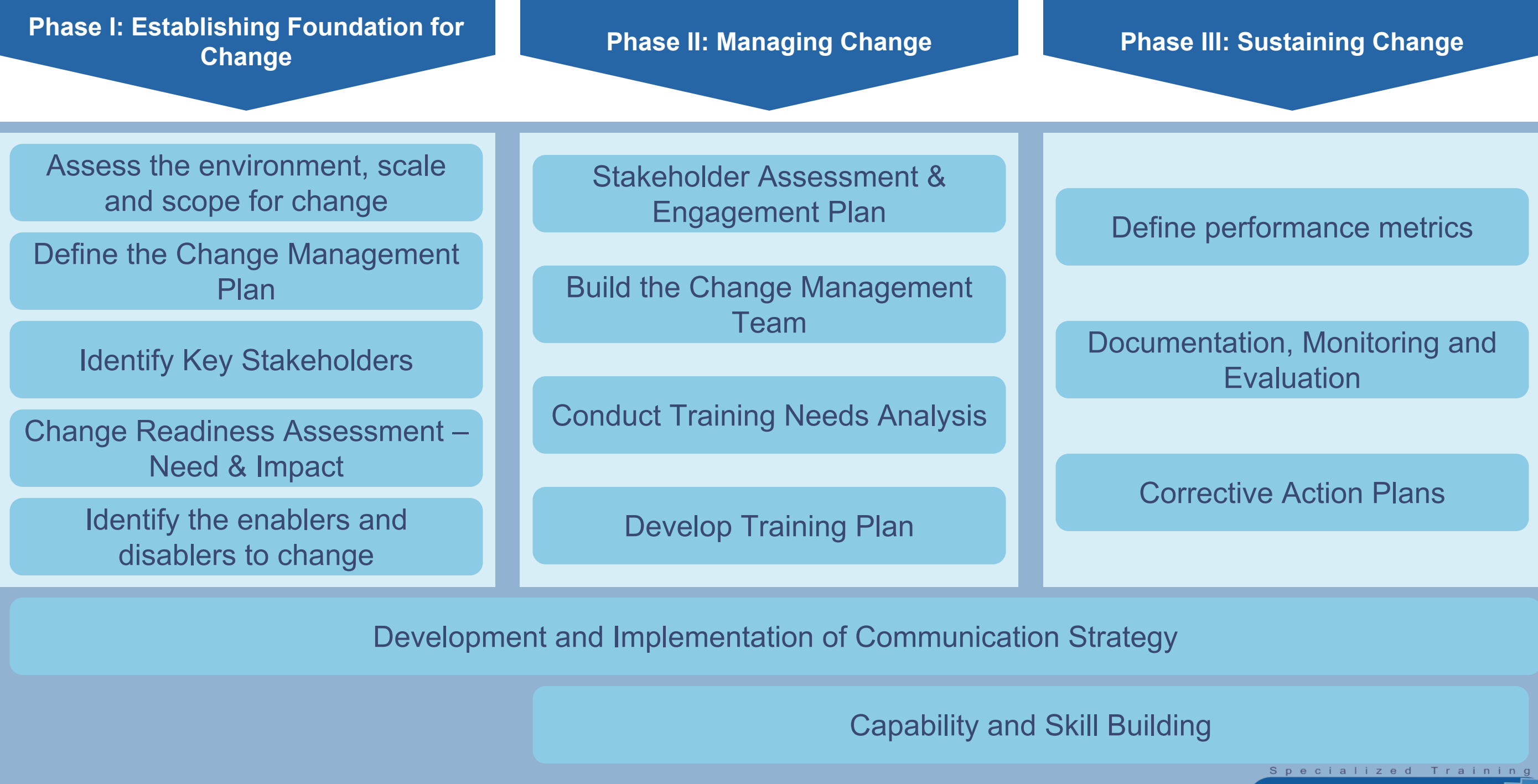


Agenda

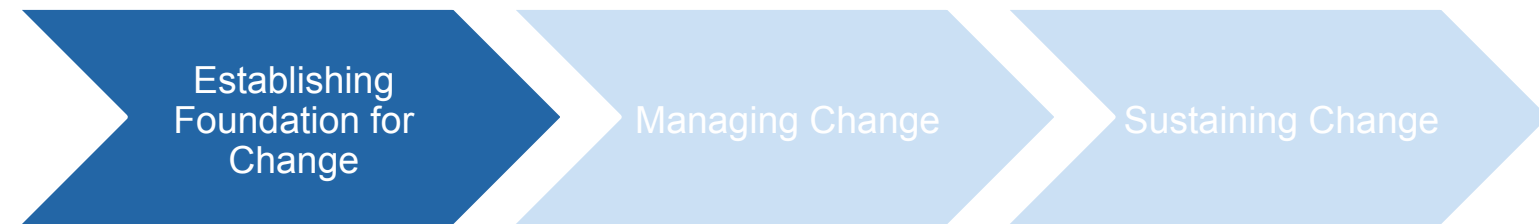
- Overall Change Management Framework
- Barriers & Success Factors related to people
- Change Models
- Approach to manage transformations & people change



Overall Change Management Framework



Overall Change Management Framework



Phase I: Establishing Foundation for Change

Activities

- Assessing the Scale of change in terms of number of affected entities, users, geographical spread, etc.
- Assessing the scope in terms of policy, process, system and structure
- Assessing the existing environment to understand 'Change Readiness' and 'Culture' Assessments
- Preparing a Change Management Plan
- Identifying the key stakeholders, in terms of people impacted and those capable of influencing the outcomes of the change initiatives
- Identifying the key enablers and disablers of Change

Overall Change Management Framework



Phase II: Managing Change

Activities

- Assessing the stakeholders for understanding their power, influence, impact and support in the project
- Mapping of various stakeholders and stakeholder groups
- Building the Change Management Team to make change 'happen'
- Defining the roles and responsibilities of the members of the Change Team
- Conducting Training Needs Analysis to understand the training objectives
- Prepare the Training Plan for addressing the training needs

Overall Change Management Framework



Phase III: Sustaining Change

Activities

- Identifying the performance metrics for measuring the success of 'Change' and cascading the same to the stakeholders
- Monitoring and evaluating the metrics to measure the change outcome and incorporate necessary modifications
- Developing a repository / knowledgebase for documentation of the 'Change'

Barriers and success factors related to People

Top 10 barriers Top 10 success factors

Competing resources	48%
Functional boundaries	44%
Change skills	43%
Middle management	38%
Long IT lead times	35%
Communication	35%
Employee opposition	33%
HR (people/training) issues	33%
Initiative fatigue	32%
Unrealistic timetables	31%

Line manager sponsorship	82%
Treating people fairly	82%
Involving employees	75%
Giving quality communications	70%
Providing sufficient training	68%
Using clear performance measures	65%
Building teams after change	62%
Focusing on culture/skill changes	62%
Rewarding success	60%
Using internal champions	60%

The mentioned survey findings indicate that most of the barriers as well as success factors relate to **PEOPLE**, hence the need to manage them

Let us understand some Change theories to better understand the approach for handling 'People' in the change management exercise



Lewin's Change Management Model

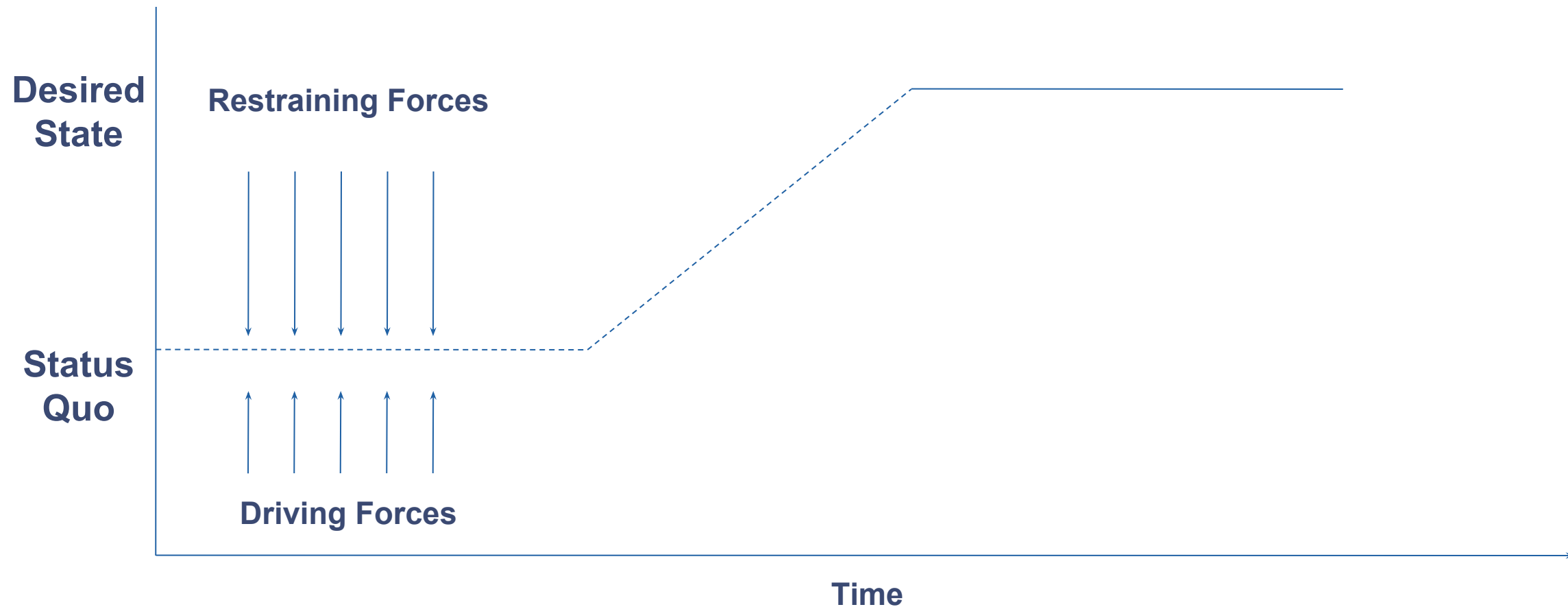
Understanding the Three Stages of Change

One of the cornerstone models for understanding organizational change was developed by Kurt Lewin back in the 1950s.

- ***Unfreezing:*** a person becomes ready to learn or acquire a new behavior, perhaps by recognizing the ineffectiveness of a current behavior or by learning about the benefits that would accrue if the new behavior were implemented.
- ***Changing:*** a trial period during which the person familiarizes him or herself with the new behavior.
- ***Refreezing:*** new behavior becomes habitual or ingrained with the individual.

Lewin's Change Management Model

Unfreezing involved breaking the existing status quo



Lewin's Force Field Analysis

Equilibrium could more easily be moved if one could remove restraining forces since there were usually already driving forces in the system

John P Kotter's eight steps to successful change

Kotter's eight step change model:



John P Kotter's eight steps to successful change

Kotter's eight step change model can be summarised as:

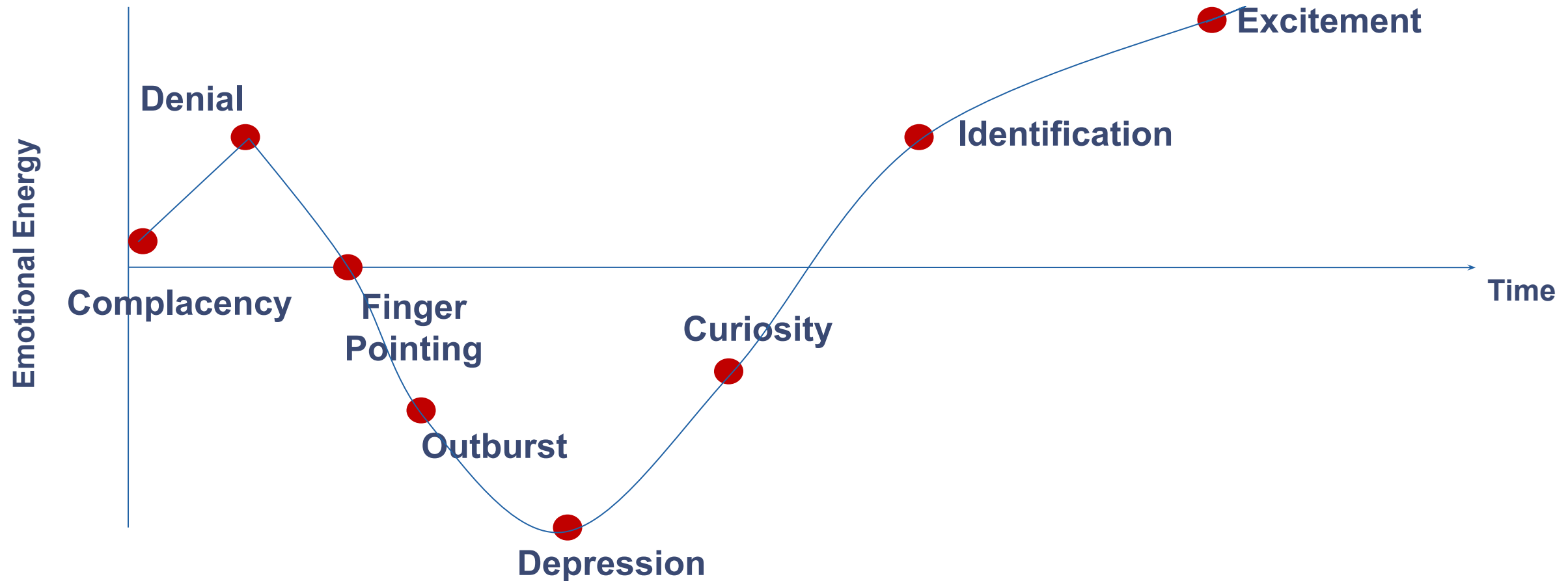
1. **Increase urgency** - inspire people to move, make objectives real and relevant.
2. **Build the guiding team** - get the right people in place with the right emotional commitment, and the right mix of skills and levels.
3. **Get the vision right** - get the team to establish a simple vision and strategy, focus on emotional and creative aspects necessary to drive service and efficiency.
4. **Communicate for buy-in** - Involve as many people as possible, communicate the essentials, simply, and to appeal and respond to people's needs. De-clutter communications - make technology work for you rather than against.
5. **Empower action** - Remove obstacles, enable constructive feedback and lots of support from leaders - reward and recognise progress and achievements.
6. **Create short-term wins** - Set aims that are easy to achieve - in bite-size chunks. Manageable numbers of initiatives. Finish current stages before starting new ones.
7. **Don't let up** - Foster and encourage determination and persistence - ongoing change - encourage ongoing progress reporting - highlight achieved and future milestones.
8. **Make change stick** - Reinforce the value of successful change via recruitment, promotion, new change leaders. Weave change into culture.

What is Change Management?

Change management is the process, tools and techniques to manage the **people-side of business change** to achieve the required business / organizational outcome, and to realize that business change effectively within the social infrastructure of the workplace.



Phases of Transformation: Journey from caterpillar to butterfly involves different kinds of emotions



Different emotions that people go through during times of 'Change'

Approach to manage transformations

1: Successful transformation requires agility and shared understanding of current and predicted drivers for change

2: Building an effective management team to lead change is important but so is the flexibility of the leader's personal leadership style

3: The customer should remain central at all points in the transformation process

4: Effective communication requires early and ongoing stakeholder planning and management

5: Making culture change stick is a core ingredient of successful transformations

6: Successful execution is impossible without early baselining of "As is" and development of clear metrics to achieve transformation vision

7: Leaders must ensure business can continue as usual, which often requires more resources than planned

Managing 'People' during times of Change

Stakeholder Management

It is a long-term commitment, which spans all through the Change Management effort, and consists of:

- Identifying stakeholders
- Understanding their expectations
- Managing those expectations
- Monitoring the effectiveness of stakeholder engagement activities
- Continuous review of the stakeholder community

Why is stakeholder management important?

- Getting the stakeholder buy-in is the first step towards laying a strong foundation for 'Change'
- Identification of key stakeholders is critical for owning and managing the new system and ways of work
- Efficient stakeholder management helps minimise the resistance to change

Understanding the Key stakeholders: Who are the key Stakeholders?

Some of the key stakeholders in an e-Governance Project are:

- Individuals such as Secretaries, Head of Ministries, Heads of Directorates;
- Project sponsor, Project manager, Heads of budgeting and spending units in pilot Ministries; Business process owners; Funding Agencies
- Consultants, Vendor/ Intermediaries
- Divisions, departments or units, employees, user groups, legal entities, or location / geography (e.g., headquarters, plant, location, state, country), citizens

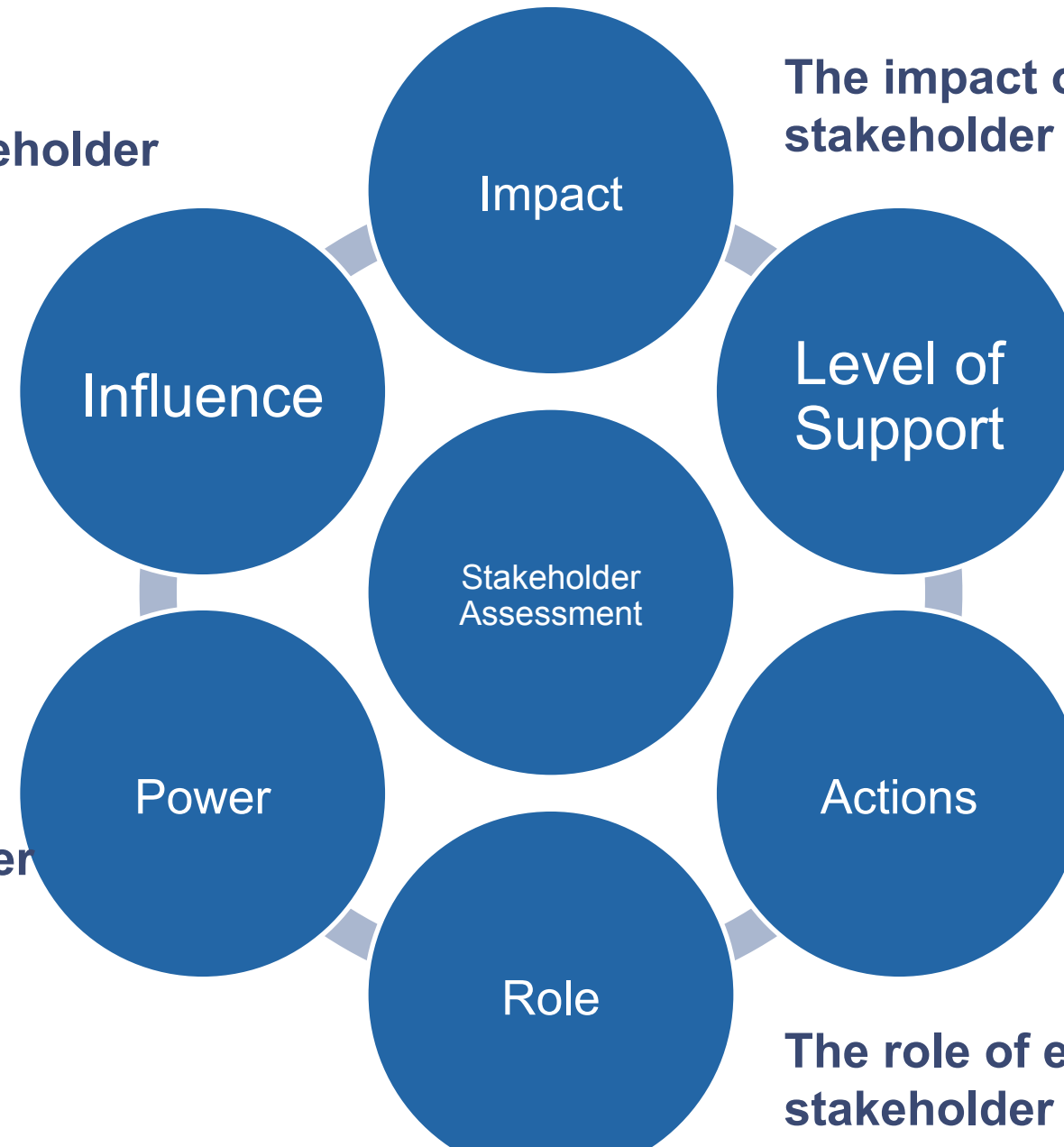
All these stakeholders can perceive the same project in different ways depending upon their Expectations

Assessing the Key stakeholders

Stakeholder assessment defines the power, influence, impact on the project and support required from the stakeholders and stakeholder groups.

The influence of each stakeholder or stakeholder group

The impact of the project on each stakeholder or stakeholder group



The level of support required by each stakeholder or stakeholder group

Actions to be initiated post stakeholder assessment

The role of each stakeholder or stakeholder group

Stakeholder Mapping

A stakeholder map tells us:

- Who stands to gain and lose from the proposed changes
- The main forces and individuals supporting and resisting
- The degree of expectation and readiness for change
- What factors affect people's commitment to the process
- Possible actions to take, and issues to address



Understanding the Key stakeholders

Primarily four dimensions need to be considered for understanding the stakeholders:

- How **powerful and influential** the stakeholder is: Low, Medium or High
- What would be the **impact** of change on the stakeholder: Low, Medium or High
- What will be the stakeholder's **reaction** to change?
 - Will he be 'unsure' of the change? Low
 - Will he just 'let the change' happen? Medium
 - Will he 'make the change' happen? High
- To what extent will the stakeholder **support** the change? Low, Medium, High

Stakeholder Engagement in e-Governance projects

- Determine the level and type of stakeholder activities required to inform, involve and engage with them.
- Invest the appropriate resources to engage with stakeholders who are 'critical'
- Make sure that the Stakeholders are aware of their roles and responsibilities in ensuring success e.g., ICT implementation, the identification and acceptance of the responsibility for owning and managing the day-to-day aspects of the system and the new ways of working
- Minimize resistance to the programme through stakeholder engagement strategies and prevent the programme from being derailed
- Build a vision & desire for success of the programme & generate enthusiasm for the change

Approach to address people related challenges in Change Management

Some steps for managing people related challenges:

- Change needs to be explained to people as early as possible
- Obtaining people's involvement in validating and refining the changes is crucial
- Participation, involvement and open, early, full communication are the important factors.
- Workshops are useful processes to develop collective understanding, approaches, policies, methods, systems, ideas, etc.
- Staff surveys are a helpful way to repair damage and mistrust among staff, if carried out anonymously, and the results published and acted upon
- Management training, empathy and facilitative capability are priority areas



What has been your key learning from this session?

