Encouraging successful change

By Graham Yemm

Much of the work many of you in 'management services' do is going to lead to people needing to change, whether in the way they work or what they do. In this, lies one of your major challenges.

What you can do to help your clients, or the organisations you work in, is powerful and can make a real difference to their success. You have many tools to work with, from the early quality programmes, through kaizen and Six-Sigma to lean thinking, lean processes and agile manufacturing. Although many of you reading this may be experts in one or more of these, how many people within organisations understand them, or the processes behind them? I wonder how this affects the degree of 'buy-in'?

The requirement to improve productivity and quality is high on the agenda of most senior management thinking – or at least it should be! Many of the people at these levels are open to change, and even drivers of it. The difficulty is that many people further down the organisation still perceive change as threatening or something negative. As a result, their response to change initiatives is often less than enthusiastic, to put it mildly! Change is necessary in most organisations for a variety of reasons. Maintaining the status quo can lead to stagnation as markets (and customers) move on, competition evolves and changes, and so do other stakeholders. One of the problems with

many of the tools listed above is they tend to have something of an internal focus and, therefore, can fail to create the real urgency for change or to engage the people within the organisation to come along with the need to change.
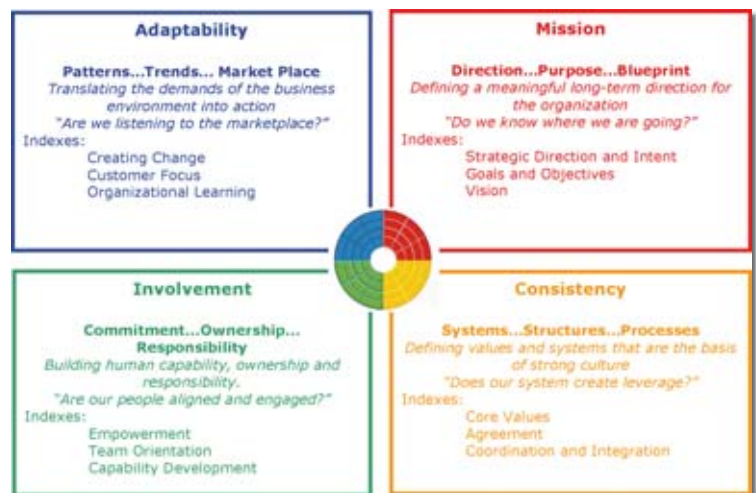
The bigger picture
There are two key dimensions to successful and effective change initiatives. The organisational rationale and case to fit with the market needs is one. The other is the people part of the equation. Ideally, this involves gaining their commitment, at the very least you want to have their acceptance and compliance. By approaching the first one in the right way, you can increase the chances of bringing people with the process. Looking at the broader picture and reasons you can create a better, more rounded case for change. You can enhance it further by involving more of the personnel in all or part of this process. If people feel they have been part of the evaluation they are likely to be more supportive of any required changes, even more than if they are

consulted on the need to change. In this article, we are looking more closely at the organisational analysis aspect rather than handling teams and individuals.

I have worked with some client organisations where they have been undergoing a change or recognised the need to change, using the Denison Organisational Culture tool. Although the model looks at the culture, it has a wide range of applications for using in conjunction with many of the more 'standard' management services and process improvement tools. It can also help to identify the probable financial performance of the organisation!

The first step is to assess the present situation. Just how well is your organisation operating to achieve the current business aims or the planned changes? There are four traits within the model.

You can see that these give a mix

Adaptability
Patterns...Trends... Market Place
Translating the demands of the business environment into action
"Are we listening to the marketplace?"
Indexes:
 Creating Change
 Customer Focus
 Organizational Learning

Mission
Direction...Purpose...Blueprint
Defining a meaningful long-term direction for the organization
"Do we know where we are going?"
Indexes:
 Strategic Direction and Intent
 Goals and Objectives
 Vision

Involvement
Commitment...Ownership... Responsibility
Building human capability, ownership and responsibility.
"Are our people aligned and engaged?"
Indexes:
 Empowerment
 Team Orientation
 Capability Development

Consistency
Systems...Structures...Processes
Defining values and systems that are the basis of strong culture
"Does our system create leverage?"
Indexes:
 Core Values
 Agreement
 Coordination and Integration

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of perspectives, external and internal, people and processes. Some organisations are good at one or even two of these and put themselves under threat because the fail to consider the others.

Case in point
One client, a newly merged telecom company had a very clear strategy and plan for what it was going to do over the next three years. It looked very impressive for the stakeholders and shareholders! Additionally, the upper levels of management also thought that the overall mission trait was strong and they were clear about the vision and strategy. The thing they had overlooked was that in the merger their involvement trait had actually diminished as a number of key people had left for a variety of reasons and in general leadership was not paying much attention to the people! They wanted to be very proactive in the market, which needs higher scores in the 'adaptability' trait – and they did not have these,

The top team had been planning many

of the expected initiatives to create the organisation they wanted, in order to move ahead and achieve their strategic aims. Within their more technical areas they wanted to introduce Six-Sigma or one of the other more serious quality processes.

On the marketing, sales and customer service side they were going to invest heavily in a new CRM system and plenty of personal skills training for the front-line. Seemingly all good ideas. Yet, when they started to talk to line managers about these proposals they found varying degrees of resistance. The top team were both confused and frustrated.

They were following many of the principles of effective implementation of change – consulting, sharing the vision for the way ahead, being open about the strategy etc. What was getting in the way?

We had been involved with some parts of one of the merging companies carrying out various development projects and were working with the newly formed top team to help them bond together and lead the business forward. We suggested that taking an objective overview of the organisation and finding out what people thought could help to overcome some of the apparent blocks which seemed to be impacting their progress.

Inclusive design
We set it up so that a large number of the staff could take part in different functions within the business and across most of their locations. This was to get a breadth of responses, which we considered to be important in a newly merged organi-sation, where two very diverse cultures were coming together. (And this had already contributed to the reasons for a number of the people leaving.) The process involves people completing an on-line instrument which can provide the client with reports for the organisation as a whole, by level, location or function. The choice is the client's.

The senior management of the newly formed company thought they were doing a good job of assessing the possibilities for their strategy and even analysing this information. (The report for their group confirmed this for their level!) However, even they admitted that they did not have a clear process for sharing this knowledge and integrating it with the day to day planning and operations within the organisation. When they saw the reports for the other levels in the organisation they received something of a shock! The scores from the majority of the workforce thought that there was no great sense of a clear strategic direction, because they did not feel that information was being shared and fed down to them! Without going into the scores in the other dimensions, this was a tricky situation which had all of the potential to get considerably worse before it would be better. Would the shareholders and other stakeholders put up with it? The very act of merging was introducing a challenging (and even threatening!) change. As often happens

with mergers, the people from one of the organisations felt slightly more comfortable, and positive, about it. Many of those from the other were disillusioned and negative.

We had alerted the top team to the fact that the response might be challenging for them! We also explained that using the information in the right way they would be able to move the business forward with a lot more commitment and support from the workforce. What they received was something similar to this: (these are samples from a dummy organisation and not the real client!)

The results
When we produced the actual reports for the telecom company, drawing attention to these percentage responses to each question, it opened the eyes of the top team. Firstly, it clearly highlighted where there were differences in perception between the top team and others in the organisation. Secondly, it showed the key areas to start to address. Thirdly, and this is where it really helped to get a quick buy-in to the need to change, they were able to present the overall information across the company and explain what it meant and what they wanted to do. In doing this they were able to acknowledge the additional concerns of the personnel of one of the companies in the merger. In sharing the feedback with the staff, the top team were able to be

They could see the percentage ratings from the people across the organisation in each of the traits and the indices within them. The scores from the telecoms company had some similarities to the sample. Their 'mission' rating was OK in one index and low in the others. They were also pretty poor in 'adaptability' and 'involvement' and 'consistency'. They certainly needed to change – in a number of areas at the same time!.

The next level of detail looks in more detail at each trait. The reports, presented as bar charts, show the weighted responses for each question. Therefore, the client is able to see exactly what the people think. In the case of the telecoms company, one of their primary aims was to generate a strong sense of team and teamworking as a key driver to achieve their new strategy and vision. The problem was that even the overall average score, including the top team, showed that the scores in four of the five elements of 'team orientation' showed less than 15% believed that teamworking was encouraged or important! I could go on, suffice to say that in many of the 12 main indices, the scores were distinctly worrying!

objective and pragmatic in putting across the need for change and what they felt would be involved. Taking this approach, and stressing how it was using input from the staff, meant that there was a more positive reaction from the vast majority. We do not pretend that it was greeted with 100% enthusiasm – some people will resist any change!

From this point, they were able to set up cross-functional and multi-level action teams to address the key items which would begin to make a difference. Setting up a clear communication process enabled sharing of the outcomes across the organisation. Implementing the plans quickly showed the staff that this was serious, non-threatening and could make a more successful organisation. Within a relatively short period of time, processes were in place to address some of the strategy issues and also there was a strong commitment to address the teamworking and personal capability requirements. This led to a sharp reduction in staff turnover and a general improvement in morale and buy-in to the change process. Alongside this, there is still a need to utilise the 'normal' change implementation processes and good management practices. By linking them with the information from carrying out the Denison culture assessment, there was a clearer focus. The communication of the need for change and how it needed to be carried out was much easier because the staff felt more involved, as they could see what the ratings were. Oh, and they were able to introduce Six-Sigma and the new CRM system after a couple of months!

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