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# Change management

Learn how to manage, enable and support change management initiatives effectively

## Introduction

Organisational change is a constant in many organisations, driven by a number of different forces including customers, markets and technology. Yet research shows that most change initiatives fail to get their intended outcomes and may even limit an organisation's potential and its people. The effects of not managing change effectively can be devastating and long lasting, so it's important that people professionals understand the issues and equip themselves with techniques to support change management initiatives.

This factsheet looks at why change management is important, the implications of not managing change effectively, and the potential issues that can arise in change management processes. It also offers a series of techniques to help ensure change is effective.

## Why organisations need to change

There are many drivers of organisational change. These include:

- growth opportunities, especially new markets
- economic downturns and challenging trading conditions
- shifts in strategic objectives
- technological developments
- competitive pressures, including new entrants, mergers and acquisitions
- customer or supplier pressure, particularly shifting markets
- learning new organisation behaviours and skills
- government legislation/initiatives.

Many organisations are in flux: changing their focus, expanding or contracting their activities and rethinking their platforms, products, and services. This is particularly so during times of significant uncertainty, for example following the vote by the UK to leave the EU - see our [Brexit hub](#). In the wake of financial pressures, corporate scandals and

greater public scrutiny, organisations are developing a more balanced view of their stakeholders, and taking account of a greater range of considerations (beyond financial) in making decisions. Meanwhile, emerging technology is driving new forms of employment relationship and fundamentally changing the way businesses operate.

In this context, organisations need to introduce and manage change to achieve organisational objectives, maintaining the commitment of their people, both during and after implementation. Often, at the same time, they must also ensure that business continues as usual.

So it's vital to consider carefully the way any change is managed, and those doing it are properly supported. While each change situation is unique, there're still some common themes that will help give the change process the best chance of success.

## Why managing change is important

People are at the centre of many of the changes in the workplace. People professionals and HR functions are among those best placed to drive effective change. They have a role and responsibility to ensure that organisation development, (re)design, due process, employee voice and clear communications are appropriately and effectively addressed as part of the change process. L&D professionals have a particular role to play in ensuring the long-term sustainability of a change, through effective design and delivery of learning initiatives. It's key for all people professionals to understand and work within the network of change activities across different departments, enabling them to anticipate, design, and shape organisational change.

Change management matters not least because change is taking place at an accelerating pace and there's evidence change initiatives often fail. Our research has found that fewer than 60% of re-organisations met their stated objectives - usually bottom line improvement. Failure to introduce effective change can have a high impact: loss of market position, removal of senior management, loss of stakeholder credibility, loss of key employees, and reduction in employee engagement and motivation.

Organisational forms are themselves evolving. Increasing competitive challenges and the need to be responsive to changing environments are resulting in new organisational models. Traditional models following functional or matrix lines are being supplemented by models that rely on project teams, networks and virtual structures. Change management responses will also have to be adaptive.

In theory, some of these newer models, for example virtual and project-based structures, allow increased flexibility to respond to change. However they are not always introduced uniformly, and in practice often bring other issues that affect change management, for

example ability to share knowledge and to operate efficiently. They may also impact communication or employee commitment, which themselves have implications for change effectiveness.

## Issues in the change management process

A number of key issues have a negative impact on effective change management.

### Organisational issues

Individual change initiatives are not always done as part of a wider coherent change plan. For example, a change that considers a new structure, but fails to establish the need to introduce new systems or processes to support such a structure, is less likely to succeed.

Lack of effective project management and programme management disciplines can lead to slipped timings, achieving desired outcomes and ensuring that the projects do deliver as planned. Insufficient relevant training, for example in project management, change management and leadership skills, can all impact negatively on the effectiveness of any change initiative.

Poor communication can be linked to achieving effective change in various ways. For example, imposed change can lead to greater employee resistance (see below).

Change initiatives can also be over-managed, with too much energy spent on project management and too little on enacting change.

Finally, lack of effective leadership is an inhibitor of effective change.

### Individual and group resistance to change

Resistance to change can be defined as an individual or group engaging in acts to block or disrupt an attempt to introduce change. Resistance is not necessarily negative, as it may be a clear signal that the change initiative requires rethinking or reframing (see below). Resistance itself can take many different forms from subtle undermining of change initiatives and withholding of information to active resistance, such as through strikes.

There are two broad types of resistance:

- Resistance to the **content** of change. For example to a specific change in technology, or to the introduction of a particular reward system.
- Resistance to the **process** of change. This concerns the way a change is introduced rather than the object of change in itself. For example, management re-structure of

jobs without prior consultation of affected employees.

Reasons for resistance include: loss of control, shock of the new, uncertainty, inconvenience, threat to status and competence fears. It's important not to assume that resistance is negative, and to try to diagnose the cause of employee resistance as this will help determine the focus of effort in trying to address the issue.

Our [Neuroscience in action](#) research suggests that 'resistance to change' may in fact be a deep rooted threat response, designed to keep us safe.

## **Making change management more effective**

It's clear that change is complex and there isn't a single solution to managing it. However, a number of key areas of focus emerge. Our [transformational change](#) research, in collaboration with the University of Bath, identifies ten techniques, across three themes, which can be applied to a variety of change management scenarios to enhance the effectiveness of change programmes.

### **Designing the transformation**

Leaders and designers of change need to be able to 'read' their context; to evaluate it to identify aspects that hinder change. They then need to design change programmes which first put in place initiatives to rewrite or rewire their context in a way that overcomes obstacles to enable the desired change.

### **Aligning strategy and culture**

For transformation to succeed, designers of change need to align strategic and cultural aspirations. Using new strategic goals of the organisation as a starting point, they must identify a new supportive and goal-consistent culture in terms of beliefs and behaviours.

If open discussion and debate is encouraged in the top team this enables more proactive, opportunistic change to happen, as leaders become more open to breaking with the past and moving away from old business models as they become irrelevant.

### **Techniques for building understanding**

#### **Ambiguity and purposeful instability**

Transformation can be facilitated if a change vision is ambitious yet also presented in ambiguous terms, with the deliberate intention to encourage individuals to actively question and attempt to make sense of their situation.

## **Narratives, storytelling and conversations**

Narratives and stories can be used as devices to make the content and implications of new strategies easier to understand, enhancing individuals' ability to translate change into meaningful actions for themselves. Organisation development work provides useful structure and guidance for conversations, and considers the role of self too as an important part of the change process.

## **Physical representations, metaphors and play**

Use of objects, metaphors, symbols and pictures - maybe as part of playful design as an alternative to traditional and often rather dry change workshops - helps to engage individuals and to enable them to translate change rhetoric into meaningful change-related actions.

## **Managing the transformation**

### **Relational leadership**

Rather than implementing change through authority and control, in new forms of leadership transformational change is achieved through negotiations and social interactions with organisational members.

### **Building trust**

High levels of trust will deliver the enabling conditions in which significant change can thrive. Change leaders need to emphasise their trustworthiness by demonstrating their competence to design change intelligently, and their benevolence and integrity in the way they attend to the needs of the business, employees and the wider community. HR and L&D systems and processes designed and administered in a fair way, help foster trustworthiness in the organisation.

### **Voice, dialogue and rethinking resistance**

In more democratic workplaces, the actions of employees who raise concerns about change should not be labelled as resistance, but instead reframed and reinterpreted in terms of legitimacy of employee voice.

### **Emotion, energy and momentum**

Change is often an emotional process and so emotional awareness by those leading and designing change is required to anticipate and plan for reactions. Those managing the

change must also maintain levels of energy and momentum throughout the change process.

## HR and L&D's role in managing change

Our [transformational change](#) research, with the University of Bath, explores HR and L&D's role in managing change through four case study organisations.

The research demonstrates that people management and development professionals have a significant role to play in any change management process. They often act as 'stage directors of change' playing a critical role behind the scenes – appreciated by all, but not front of stage. The report provides a number of recommendations that people professionals should consider if they are to be successful expert initiators and facilitators of transformational change:

- Be willing to work as the 'hidden hand' of change, highly relevant to its success. Work in partnership with the CEO/business leader and their executive team and as 'back stage' support for their 'front stage' activity.
- Facilitate translation of the overall vision through mass communication, use of relevant techniques, and changes to interactions and entrenched systems.
- Create change advocates, remove obstacles, act on measurement and ensure leader visibility.

Listen to our [Landing transformational change podcast](#).

In our new Profession Map, understanding how to effectively enable change is a '[core knowledge area](#)' for all people professionals. But they may experience a conflict of interest between the business and employees, when leading and managing change. The ability to apply [situational judgement](#) and demonstrate moral integrity is what will enable them to be trusted advisors, and help the organisation create long-term sustainability. Since HR is responsible for making decisions that affect workers' lives, it's important that practitioners have confidence to uphold [professional standards when faced with difficult situations](#). For more, see our report on [professional identity](#).

## Further reading

### **Books and reports**

CAMERON, E. AND GREEN, M. (2019) *Making sense of change management: a complete guide to the models, tools and techniques of organisational change*. 5th ed. London:

Kogan Page.

HOLBECHE, L. (2018) *The agile organization*. 2nd ed. London: Chartered Institute of Personnel and Development.

*On change management. HBR's 10 must reads* (2011) Boston, MA: Harvard Business School Press.

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## Journal articles

AGUIRRE, D. and ALPERN, M. (2014) [10 principles of leading change management](#). *Strategy+Business*. No 75, Summer. pp65-71.

ANAND, N. and BARSOUX, J-L. (2017) What everyone gets wrong about change management. *Harvard Business Review*. Vol 95, No 6, Nov/Dec, pp78-85.

BROWN, G. (2018) [Six ways to help guide employees through multiple changes](#). *People Management* (online). 14 June,

LAWRENCE, P. (2015) Leading change: insights into how leaders actually approach the challenge of complexity. *Journal of Change Management*. Vol 15, No 3. pp231-252.

WIEDNER, R., BARRETT, M. and OBORN, E. (2017) The emergence of change in unexpected places: resourcing across organizational practices in strategic change. *Academy of Management Journal*. Vol 60, No 3. pp823-854. Reviewed in [In a Nutshell](#), issue 69.

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This factsheet was last updated by Steve George.