



Change Management: What Organizations Need to Survive

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Abstract

Effective change management is crucial to any organizations ability to adapt and react. The objective of any change management is to maximize benefits, while minimizing the risk of failure during the change implementation. This white paper provides insight into change management and recommends ways executives can best prepare to handle the complex process of change management.

Globalization, glocalization, privatization, outsourcing, mergers and acquisitions are just some of the revolutionary changes encompassing organizations today, in addition to the rapid change in technology and higher levels of competition. The volatile environments in which corporations operate make it easy for senior management to ignore what is often called the 'soft side' of doing business. A recent Harvard Business study conducted in 255 companies showed that shorter, more frequently evaluated projects are more likely to succeed than longer ones, which are evaluated more than two months apart.

Senior management's fear of employee reaction often keeps them from successfully implementing change. Industry analysts believe that the 'human aspect' becomes the most important issue once change management initiatives are rolled out in any organization.

The following are the key aspects of any change management initiative that the executives should bear in mind as change sweeps their company:

CREATE OWNERSHIP

Whenever any form of change hits a company, people seek and need answers to all their queries. If left unanswered, such questions give way to dissent and mistrust about the change. The credibility of the management executing the change also comes under scrutiny. Teams with nominated or appointed leaders should be created to dissipate such a scenario, which can dampen the objectives of change in any firm, big or small. Appointed leaders operating in small teams have been observed to be more effectual than the manager you last saw at the annual conference.

COMMUNICATE THE CHANGE:

Good communication is, more often than not, the biggest carrier of any proposed change. Senior leadership often assumes the communication process to be effective, when it is not. The focus on the formal communications network should be interspersed with the way in which the informal networks are used: an impromptu meeting with the CEO or an extempore at the quarterly meeting could sometimes be more emphatic than a formal memo. Research has exhibited that the various

communication channels companies use have different levels of effectiveness: a face-to-face conversation will always work better than an email, which could at best serve to reinforce.

CREATE LAYERS AND ADDRESS EACH GROUP

As mentioned previously, the groups created with the objective of implementing change successfully should be small. An average employee feels 'lost' in a maze of people and keeps his questions and objections, if any, to himself. As the change cascades throughout the organization, each group should feel involved and empowered; each individual should feel they have contributed towards the successful implementation of the efforts. They should feel aligned with the company's vision, and understand the need for change, in the context of their markets, competition and other related aspects. Lou Tice, founder of **The Pacific Institute**, once said "All meaningful and lasting change begins on the inside and works its way out."

ADDRESS THE HUMAN ASPECT – REACH OUT TO EVERY INDIVIDUAL IN THE VALUE CHAIN

Any change effort requires people to reconcile and adjust to the new situation they find themselves in. As job functions are moved around, responsibilities reassigned, and in some cases restructuring of the company (read: firings), people are led by their personal agendas to protect themselves. If not given the credence of being an important part of the organization, employees are vulnerable and susceptible to the 'water-cooler' conversations that often act as rumor mills, impeding the change process. As Steven Covey famously said, "People can't live with change if there's not a changeless core inside them. The key to the ability to change is a changeless sense of who you are, what you are about and what you value."

CREATE CHECKPOINTS AND FEEDBACK LOOP

However drawn-out the change effort, a feedback loop helps take stock of the current company culture and the 'voice of the employees'. This helps in making modifications to the change management rollout plan, which can be an effective way to concurrently make amends, rather than making iterations only at the end of the engagement. This ties-in with the Harvard Business recommendation that constant evaluations should form part of the change effort. Creation of a feedback loop also tells the employees that they are being heard, and their suggestions are valued – this single fact can do wonders for the organization.

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