Student Workbook
BSBINN601B Manage organisational change

1st Edition 2011

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Introduction

Features of the training program

The key features of this program are:

- Student Workbook (SW) – Self-paced learning activities to help you to understand key concepts and terms. The Student Workbook is broken down into several sections.

- Facilitator-led sessions (FLS) – Challenging and interesting learning activities that can be completed in the classroom or by distance learning that will help you consolidate and apply what you have learned in the Student Workbook.

- Assessment Tasks – Summative assessments where you can apply your new skills and knowledge to solve authentic workplace tasks and problems.

Structure of the training program

This training program introduces you to performance outcomes, skills and knowledge required to determine strategic change requirements and opportunities, and to develop, implement and evaluate change management strategies. No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement. Specifically, you will develop the skills and knowledge in the following topic areas:

1. Identify change requirements/opportunities

2. Develop a change management strategy

3. Implement a change management strategy.

Note: the Student Workbook sections and session numbers are listed next to the topics above.

You facilitator may choose to combine or split sessions. For example, in some cases, this training program may be delivered in two or three sessions, or in others, as many as eight sessions.

Recommended reading

Some recommended reading for this unit includes:

- 'ADKAR – a model for change management', *Change Management Learning Centre*, viewed May 2011, <*http://www.change-management.com/tutorial-adkar-overview.htm*>.

- Kotter International, viewed May 2011, <*http://www.kotterinternational.com/*>.

- 'Managing change: Managing people's fear', *About.com*, viewed May 2011, <*http://management.about.com/cs/people/a/MngChng092302.htm*>.

- Harvard Business Review, 2006, *Harvard business review on leading through change*, Harvard Business School Publishing Corporation, Boston.

- Maginn, M., 2007, *Managing in times of change*, McGraw-Hill, New York.

- Potts, R. and Lamarsh, J., 2004, *Managing change for success*, Duncan Baird Publishers, London.

Section 1 – Identify Change Requirements

This section is about the skills and knowledge required to analyse an organisation's strategic plans in order to identify change needs. The section focuses on reviewing existing policies, procedures and practices in comparison to planned or desired strategic plans and organisational goals. This section will also examine how to monitor trends in the external environment which may impact on the organisation's achievement of organisational goals. Section 1 also addresses the consultation requirements involved in identifying change requirements.

Scenario: Telephone Travel

Telephone Travel is a travel service run through a call centre. It has been in operation for five years and currently has one contact centre in Brisbane. Their primary business function is selling domestic travel packages.

The organisation is structured as follows:
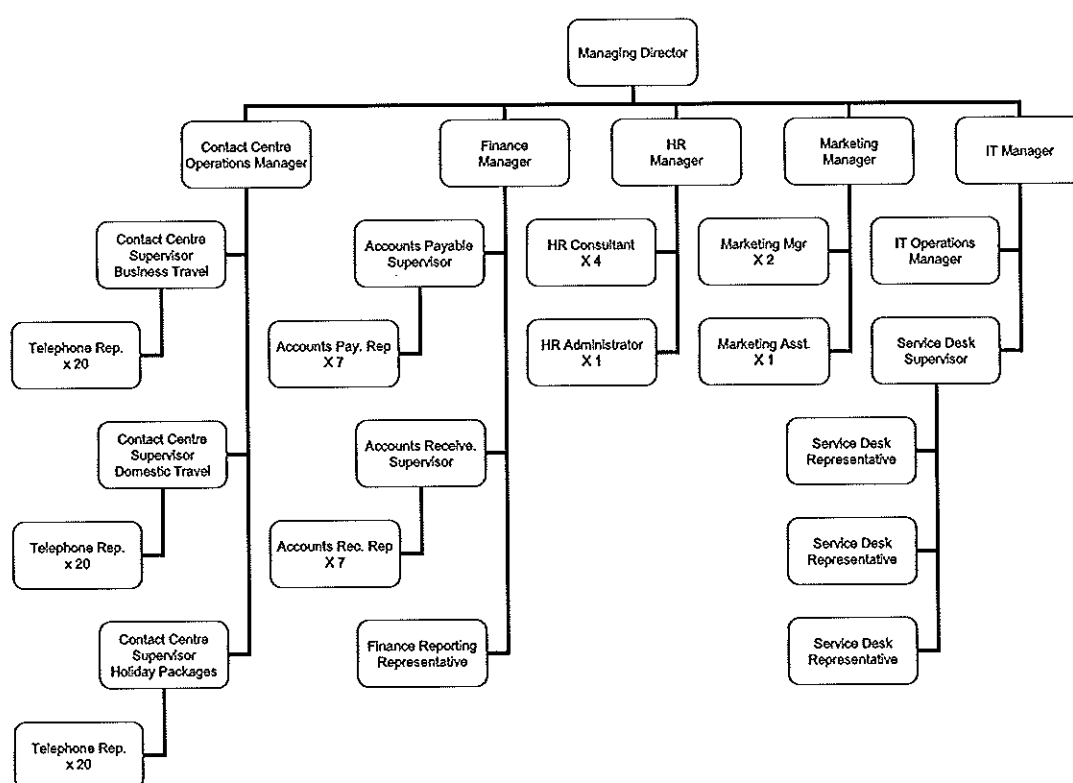
The organisation currently experiences employee turnover of 53% for the Telephone Representative positions. This is having a negative impact on the organisation's ability to deliver quality customer service. Constantly having a large number of new employees makes it difficult for Telephone Travel to provide the standard of customer service that they are aiming to deliver.

As a result of this business problem, the organisation has set a goal as part of their strategic plan to reduce employee turnover to industry best practice levels in the next five years.

Strategic Goal:

- To reduce turnover to 21% within five years.

Operational Goal:

- To reduce turnover by 15% by end of financial year.

Telephone Travel management believe that if they can reduce their turnover this will then allow them to better train and develop their staff to deliver quality service to their customers. However, they know that this means that they must change the way in which they do things now.

Sarah, the Contact Centre Operations Manager has been tasked with identifying what changes are required to implement this strategic goal.

What skills will you need?

In order to work effectively to manage change, you must be able to:

☑   identify strategic change needs through an analysis of strategic plans

☑   review existing policies and practices against strategic objectives to identify change requirements

☑   monitor trends in the external environment to identify events or trends which impact on the achievement of organisation's objectives

☑   identify major operational change requirements due to performance gaps, business opportunities or threats, or management decisions

☑   review and prioritise change requirements/opportunities with relevant managers

☑   consult specialists and experts to assist in the identification of major change requirements/opportunities.

Identify requirements to implement strategic change

Strategic plans are the road map for an organisation and its employees. They incorporate the values, vision and mission of the organisation and detail the priorities, actions and resources required to achieve the organisation's goals.

An organisation's strategic plan reflects what the organisation sees as most critical to its success in the next three to five years such as:

- increasing market share
- increasing sales
- increasing profit

- reducing operating expenditure
- expanding product offerings
- becoming an employer of choice.

Achieving these goals often involves making some sort of change to the way in which the business operates.

An organisation's strategic plan will often focus on addressing business problems that are affecting the profitability of the organisation such as:

- downturn in market conditions
- negative customer feedback
- loss of market share
- low employee engagement

- high employee turnover
- a company merger or acquisition
- increased product range
- rapid growth.

Whatever the situation, managers must be able to analyse an organisation's strategic plan and identify the strategic changes required to achieve the organisation's goals. This involves reviewing the strategic plan and identifying the goals of the plan.

At this stage you are not identifying all the things that need to change but what it is that the organisation wants to achieve. Essentially this is your 'change goal'.

Learning activity: Identify needs for strategic change
Answer the questions below by reviewing a strategic plan: • If you are currently employed, obtain a copy of your organisation's strategic plan • View the example of a strategic plan in Appendix 1. What does the strategy tell you about what the organisation is trying to achieve?

What information does the strategy include regarding the actions it will take to achieve its goals?

What are three requirements for change that you believe the organisation will need to address to successfully implement the strategy? Why do you believe this change is required?

Change 1

Change 2

Change 3

Reading: Identify strategic change needs

The article 'Growing pains: Recognizing and assessing the need for organisational change', covers one of the drivers of organisational change – growth. It provides a summary of ten of the most common signs that indicate that change is required as a result of growth. Organisations that suffer these signs and symptoms should address this need for change in their strategic plans to ensure they manage the growth they are experiencing and continue to grow.

At this point you should access the article online using the following information.

Flamholtz, E., 'Growing Pains: Recognizing and Assessing the Need for Organizational Change', *About.com*, viewed May 2011, *<http://entrepreneurs.about.com/cs/beyondstartup/a/uc070903.htm>*.

This space is provided for you to take notes and summarise the ten 'growing pains' and any further comments you have about the concepts covered in the article.

Notes:

Review organisational current state

Once managers have identified the requirements to implement strategic change, it is time to review the current state of the organisation to understand how the current policies, practices and operations deliver against the organisation's strategic goals. This review assists to identify what changes are required within the business, to its policies, practices or operations, to achieve the desired goals.

The information obtained in this review is also very useful when communicating the changes to employees because it assists you to demonstrate why the change is needed and how it will benefit the business to implement such a change.

To complete this review it is often helpful to look at the business from the following four perspectives:

- people
- process
- technology
- structure.

People

This perspective involves looking at the people of the organisation and how policies and practices affect people and, in turn, how they impact on the organisation's operation. You should be asking questions such as:

- do employees have the right knowledge, skills and experience to carry out tasks efficiently

- do the organisation's policies and practices support employees to perform in their role

- are employees engaged in the work that they do

- are employees contributing to the success of the organisation's operation?

Process

Reviewing existing processes involves looking at work flows; how operational results are realised. To complete this review you should be asking questions such as:

- what is the end to end process

- are work flows efficient

- are there any bottlenecks or slow points

- are there any recurring processing issues?

Technology

When you review technology you are looking at the technology that is used in the organisation to carry out its primary business. You should be asking questions such as:

- does the current technology support the organisation to carry out its business

- how old is the technology – is it outdated

- how often is the technology out of service, causing a disruption to business functions

- what impact would technology breakdown have on the organisation

- has the technology kept up with the organisation's growth/changing needs over time

- does the technology meet all of the organisation's needs?

Structure

This involves looking at the way in which the organisation is structured or organised. It involves asking questions such as:

- how is the structure organised (centralised, decentralised, sales and service, etc.)

- how many levels are there in the hierarchy

- does the current structure support fast decision-making

- does the structure promote team work?

Example: Telephone Travel – Review existing policies and practices

Sarah, the Contact Centre Operations Manager, knows that the first step she must take to determine the change requirements for reducing turnover to industry best practice levels is to analyse the current state of the business. She completes a review of the organisation's structure, processes, people and culture. Her review found the following:

People
- poor relationships between managers and staff
- little opportunity for training and development
- no team meetings.

Process
- no documented processes
- no process review conducted since company started five years ago
- convoluted and hard to understand. process

Technology
- old technology
- slow
- no manual or user guides available
- outages experienced weekly.

Structure
- high supervisor to employee ratios in contact centre
- flat structure.

Analysis

Sarah compared the actual practices and outcomes against existing policies and determined the results achieved did not reflect the policies of the organisation which included policies for:

- *review and upgrade of technology on an annual basis*
- *all supervisors to meet with their teams on a monthly basis*
- *performance review and evaluation conducted and individual development plans completed for each team member annually.*

As a result of this analysis, Sarah felt that these existing policies and procedures would support the organisation's strategic and operational goals and would not require change.

Sarah found that there were no current policies or procedures relating to reward or recognition programs, training and development planning or guidelines for supervisors and felt that these would need to be developed to support the organisation's goals.

Learning activity: Review existing policies and practices
Answer the questions below: Why must managers complete an analysis of an organisation's current state to determine requirements for organisational change?   What are some of the potential impacts for not completing this analysis?   Why is it important that managers review structure, process, people and culture when completing an analysis of an organisation's current state to determine change requirements?

Monitor external trends

When identifying change requirements, managers should always monitor the external environment to identify events or trends which may impact on the achievement of the organisation's objectives. This could include trends and events that are:

- consumer driven
- economic
- ethical
- legal

- political
- social
- technological.

Knowing what is happening in the external environment is critical when identifying organisational change requirements. You need to be aware of external trends to ensure that the change you introduce is the right one and keeps your organisation in a strong competitive position.

Example: Telephone Travel – Monitor external trends

Sarah knew that her analysis should not only be inwardly focused as that could result in the organisation falling behind their competitors.

Sarah wanted to examine employee turnover of Telephone Travel and she knew she should complete an analysis of external trends. To understand turnover trends, she obtained the contact centre industry turnover rates to determine how Telephone Travel rated within the industry. Her analysis found:

Turnover - Telephone Travel vs Industry Average
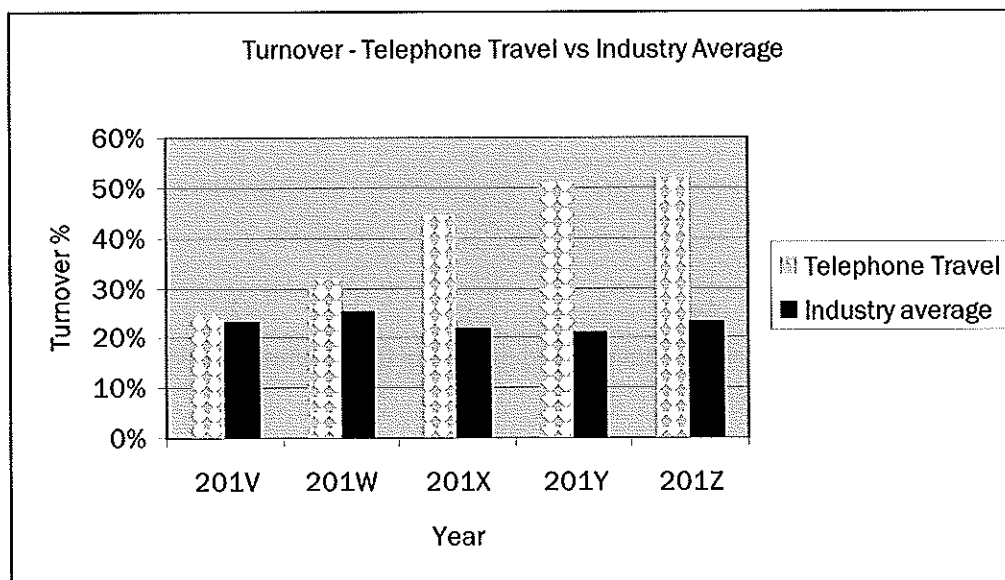
These results highlighted to Sarah that turnover was a serious issue at Telephone Travel as the organisation was experiencing a steady increase in turnover while the industry average had remained quite static. As a result Telephone Travel turnover was now at over double the industry average of 23%.

Learning activity: Monitor external trends

As you can see from the previous example, Sarah understands the importance of monitoring trends within the industry for dealing with turnover. She researched what other contact centres do to manage turnover.

As a next step, Telephone Travel needs to be able to reduce their turnover by identifying how other organisations within the industry address the issue of employee turnover.

Imagine you are Sarah and use the internet to research these trends. Document your findings in the space below detailing what websites you researched and what information you obtained from these websites.

Consider using the following organisations as resources:

- Australian Bureau of Statistics

- Tourism Australia

- recruitment sites specifically for telephone sales positions.

How would the information you have found be useful to Telephone Travel?

Review and prioritise change requirements with managers

When identifying strategic change requirements, it is important that you identify and engage with other managers across the business. This will allow you to review and prioritise change requirements as required. Managers that you should engage are managers who:

- are affected by the change
- are participating in the change project
- hold a leadership position in the organisation.

Review change requirements

Consulting with relevant managers is essential for ensuring that you have considered all of the necessary elements to identify the organisation's change needs. It allows you to obtain information from a variety of sources across the business to test your approach and findings. It also helps to obtain maximum support when you implement the change.

To effectively engage with these managers to complete a review of the requirements for change that you have identified, you will need to prepare a summary of your findings to present to them. This should include:

- the organisation's goals that you are trying to meet from the strategic plan
- details of the strategic change requirement that you have identified to achieve the goals
- results of your review of the organisation's current state with regards to policies, practices and operations
- outcomes of your research of external trends
- supporting data to help managers understand why identified change requirements are needed; supporting data could include:
  - o data on employees such as turnover, absenteeism, employee engagement scores, etc.
  - o productivity reports
  - o error reports
  - o technology outage data.
- summary of the identified requirements for change.

To ensure that you complete a thorough review you should aim to seek feedback with regards to each of the points above.

Example: Telephone Travel – Review and prioritise change requirements with managers

Sarah reviewed the organisational chart to determine which other managers in the organisation:

- are affected by the change
- will be participating in the change project
- hold a leadership position in the organisation.

She then used the following table to capture information about the impact of change on various managers:

Relevant managers:

Managers affected by the change	Managers participating in the change project	Managers that hold a leadership position in the organisation
Managing Director Finance Manager Human Resources (HR) Manager Contact Centre Supervisors.	Contact Centre Supervisors.	Managing Director Finance Manager HR Manager Marketing Manager.

The effects of change:

Relevant managers	How will the change affect these managers
Managing Director	Financial and resource allocation
Finance Manager	Financial and resource allocation
HR Manager	Recruitment and selection procedures Remuneration strategy Performance management strategy
Contact Centre Supervisors	Remuneration strategy Performance management strategy
Accounts Payable Supervisor	Financial and resource allocation
Accounts Receivable Supervisor	Financial and resource allocation

Now that she is clear on how the change will affect each manager, Sarah arranged the following meetings to review and prioritise the identified change requirements:

Meeting	Date and Time	Details
Telephone Travel management team	3 June 201X, 11am	Team meeting to review and agree identified change requirements and priorities.
Contact Centre Supervisor	2 June 201X, 9am	Team meeting to review and agree identified change requirements and priorities.
Accounts Payable and Receivable Supervisors	3 June 201X, 2pm	Meeting to review and agree change requirements and priorities.

Sarah has decided that while each of the meetings will focus on the same agenda, each meeting needs to be conducted separately. The needs and impacts of the identified change requirements are quite different for each of the groups, and to be sure these reviews are effective, she feels completing them as separate meetings will be most beneficial.

After completing the meetings, Sarah will consolidate all of the feedback she has received to determine the final position.

Sarah prepared the following report to present the identified change requirements to each manager. She sent this to each manager prior to the meeting to allow them time to consider the information prior to the review.

Managing turnover at Telephone Travel

Introduction

The organisation has set a strategic plan goal to reduce employee turnover to industry best practice levels (15–20%) in the next five years.

To achieve this goal changes need to be made across the business with regards to:

- people
- process
- technology
- structure.

Without changes in these areas the organisation will not achieve its strategic plan goal.

Analysis

Analysis has been completed of the organisation's people, process, technology and structure to identify change requirements. The results, for each category, of this analysis are set out below:

People:

- poor relationships between managers and staff
- little opportunity for training and development
- no team meetings
- turnover rate current 53%, 30% higher than industry average (23%)
- turnover trending upwards against a static industry trend
- absenteeism
    - Telephone Travel average per month last 12 months: 25%
    - industry average per month last 12 months: 17%.

Process:

- no documented processes
- no process review conducted since company started five years ago
- convoluted process.

Technology:

- old technology
- slow
- no manual or user guides available
- outages experienced weekly.

Structure:

- high supervisor to employee ratios in contact centre
- flat structure.

Sarah also included other supporting data:

- productivity

    Telephone Representative productivity has steadily decreased over the last five years in line with the increase in turnover:
    - 201V: 40 sales per rep per day
    - 201W: 37 sales per rep per day
    - 201X: 35 sales per rep per day
    - 201Y: 33 sales per rep per day
    - 201Z: 30 sales per rep per day.

Change requirements

The following change requirements have been identified as needed for the organisation to achieve its strategic plan goal to reduce turnover.

People:

- team meetings to be conducted weekly across the organisation
- all employees to have a documented Individual Development Plan.

Process:

- process review to be completed to ensure efficiency
- processes to be documented in procedure manuals.

Technology:

- review technology solution to reduce outages and identify required improvements
- technology user guides to be developed.

Structure:

- reduce manager to employee ratios in the contact centre to allow supervisors more time to spend with individual team members.

Learning activity: Review change requirements

Answer the questions below:

Why is it important that managers engage other relevant managers to review identified change requirements?

What are some of the potential impacts to organisations if this is not completed?

Prioritise change requirements

When engaging with relevant managers it is important to prioritise change requirements. Prioritising organisational change requirements involves determining what issues should be addressed first. When doing this you should consider:

- What can the organisation afford to implement – will more funding be available later down the track?

- What other activities are occurring within the business that may be impacted by the introduction of a change?

- What changes may deliver 'quick wins' that can be capitalised upon to assist with introducing other change?

To agree on priorities with managers you should ensure that you discuss each of these questions. This will help to identify and agree the priority order for change requirements.

To assist with this discussion you may want to consider using a priority management matrix.

Priority management matrix

To assist you with prioritising change requirements you could use a priority management matrix. This matrix allows you to plot your identified change requirements against four quadrants which can be useful in determining priority order for the change requirements.

The matrix is as follows:
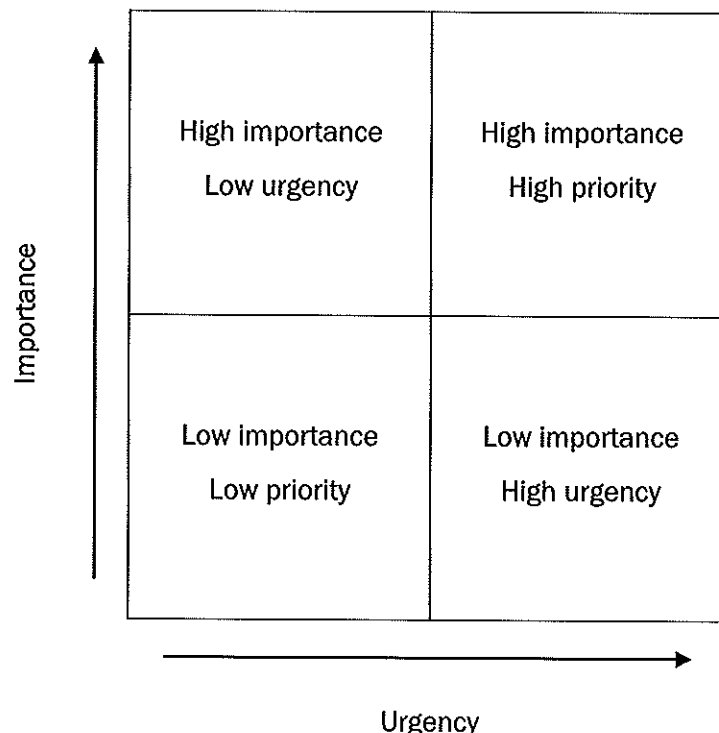
To use this matrix, you would simply allocate each requirement for change to one of the quadrants. You could do this prior to your meeting with managers or you could complete it with them as part of your discussion. Whichever approach you take, the important point is to agree which quadrant the change requirements should be plotted. This activity can be very useful for your discussion to determine the priority order of requirements for change.

Example: Telephone Travel – Prioritise change requirements

Along with her report, Sarah also provided each of the managers with a copy of a completed priority management matrix which will be reviewed and discussed at the scheduled meeting:

High importance Low urgency • process review and documentation • technology review.	High importance High priority • reduce manager/ employee ratios in contact centre teams.
Low importance Low priority • technology user guides.	Low importance High urgency • weekly team meetings (quick win).

As a result of conducting the planned meetings Sarah has obtained agreement from all managers and supervisors across the business that the change requirements in priority order are:

1. implement weekly team meetings

2. reduce manager/employee ratios in the contact centre teams

3. conduct a technology review

4. conduct a process review and develop procedure manuals

5. develop technology user guides.

Sarah is pleased that she invested the time in these meetings as she believes that this has resulted in obtaining commitment to the program for change that she is about to implement.

Learning activity: Prioritise change requirements
Answer the questions below: Why is it important that managers engage other relevant managers to prioritise identified change requirements?
What are some of the potential impacts to organisations if this is not completed?
How could a priority management matrix assist with determining the priority order of change requirements?

Consult specialists and experts

There will be times when managers will be required to consult with external specialists and experts regarding change requirements. Organisations typically use external consultants to:

- get an unbiased view of their organisation

- understand what is best practice

- supplement their knowledge and skills for a specific change project.

There are three different consulting models that organisations can engage external specialists and experts under:

- the purchase of expertise model
- the doctor-patient model
- process consultation.[1]

Let's look at these models in more detail.

The purchase of expertise model

Under this model, organisations engage an external service provider to deliver an outcome, for example, 'develop and implement a process for managing customer complaints'. Whilst the organisation remains the decision maker, they utilise the services of external service provider to perform the work.

Organisations that utilise this model usually either don't have the skills and knowledge internally or the capacity to deliver such an outcome.

The doctor-patient model

Organisations that utilise this model engage an external service provider to come in and diagnose a problem and then recommend the course of action to be taken to address the issue. Under this model, organisations usually have identified that something is not right with regards to their business operations; however, they are not sure what the problem is.

Like the purchase of expertise model, organisations may choose to engage an external service provider to identify the problem and solution because they don't have the skills and knowledge internally or the capacity to complete this activity themselves.

Process consultation

Under this model the consultant and organisation work together to identify the problem and solution. This is a more cooperative approach compared to the two models above.

Example: Telephone Travel – Consult specialists and experts
Sarah decides that it would be beneficial to the organisation to consult with an expert regarding best practice manager employee ratios and contact centre structures. Sarah wants to be sure that any changes made to the contact centre structure are aligned with industry best practice and therefore offer a long term solution. She does not want to be in a situation in another 12 months time after having implemented a new structure to find that the structure is 'behind the times' and impacting on the organisation's ability to be competitive.

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[1] Schein, 1988, *Process consultation: Its role in organization development*, 2nd edn, FT Press, New Jersey.

She decides to engage an external consultant using the 'doctor-patient' consulting model. She wants the consultant to come in and assess the contact centre structure and ratios and make a recommendation. Sarah will ultimately be responsible for deciding what change action will be taken and implementing that action, but she wants assistance to best determine the best action to take.

Sarah completes some research and identifies Veridian Solutions as a contact centre specialist consultancy firm. She arranges to meet with them to understand their services and how they may be able to assist Telephone Travel with re-structuring the contact centre team to achieve better manager employee ratios.

After meeting with a consultant from Veridian Solutions, Sarah engages their services. She is relieved to have an expert on her team!

Learning activity: Consult specialists and experts

Use the link below to access Veridian Solutions website. They are a contact centre consultancy organisation.

- *<http://www.veridian.com.au/consultancy.php>*.

Take some time to review the website and the services that Veridian offer.

Scroll down the page to read 'Case Study #1' and 'Case Study #2'. These short case studies are good examples of how external specialists and experts can assist organisations to identify change requirements.

Other websites which might provide useful information include:

- Human Potential Consulting: *<http://www.humangroup.com.au/human-potential-consulting.html>*
- Combined Management Consultants: *<http://www.cmcaust.com/>*.

You may also chose to conduct your own research into consultants relevant to the industry you work in or would like to work in.

Why is it beneficial for managers to consult with specialists and experts when identifying organisational change requirements?

What are some of the potential impacts for not obtaining specialist or expert advice?

Section summary

You should now understand how to analyse an organisation's strategic plans to identify change requirements. You should also have the skills and abilities to review existing policies, procedures and practices and compare to organisational goals. You should also be able to monitor trends in the external environment which may impact on the organisation's achievement of organisational goals. Finally, you should be able to consult advice under various consulting models to identify change requirements.

Further reading

- Harvard Business Review, 2006, *Harvard business review on leading through change*, Harvard Business School Publishing Corporation, Boston.

- Gordan, A., 2008, *Future savvy; identifying trends to make better decisions, manage uncertainty and profit from change*, AMACOM, New York.

- Kotter, J., 1996, *Leading change*, Harvard Business School Press, Boston.

- Potts, R. and Lamarsh, J., 2004, *Managing change for success*, Duncan Baird Publishers, London.

- Jackson, P. and McKergow M., 2007, *The solutions focus*, Nicholas Brealey International, London, pp: 202-203).

Section checklist

Before you proceed to the next section, make sure that you are able to:

☑   identify strategic change needs through an analysis of strategic plans

☑   review existing policies and practices against strategic objectives to identify change requirements

☑   monitor trends in the external environment to identify events or trends which impact on the achievement of organisation's objectives

☑   identify major operational change requirements due to performance gaps, business opportunities or threats, or management decisions

☑   review and prioritise change requirements/opportunities with relevant managers

☑   consult specialists and experts to assist in the identification of major change requirements/opportunities.

Section 2 – Develop a Change Management Strategy

This section is about the skills and knowledge required to develop a change management strategy. The section includes a discussion of the theory underpinning successful change management. Section 2 also includes a discussion of cost-benefit analysis, risk analysis and addresses the skills necessary to successfully plan the implementation of a change management strategy.

Scenario: Telephone Travel

Sarah has analysed and reviewed the goals and objectives of Telephone Travel and identified opportunities for change that will improve the organisation's performance in the area of employee turnover. She must now decide how to implement the change effectively.

Part of this process will involve analysing the risks and barriers to implementing the change and developing plans and strategies to ensure the change is implemented smoothly and efficiently.

By developing a change management strategy, Sarah can ensure she gains the support and commitment of all managers who will be affected by the change.

Sarah understands that she will need to consult with and gain approval from key people in the organisation in order to obtain the resources and support she will need for the change to succeed.

By developing a change management strategy, Sarah knows she will have a much greater chance of long-term success.

What skills will you need?

In order to work effectively as a manager, you must be able to:

☑ develop a change management strategy

☑ undertake cost-benefit analysis for high priority change requirements/opportunities

☑ undertake risk analysis, identify barriers to change, and agree and document mitigation strategies

☑ develop change management project plan

☑ assign resources to the project and agree reporting protocols with relevant managers

☑ develop and communication and education plans in consultation with relevant groups and individuals and ensure these plans promote the benefits of the change to the organisation and to minimise loss

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☑ arrange activities to deliver the communication and education plans to all relevant groups and individuals

☑ consult with relevant groups and individuals for input to the change process

☑ obtain approvals from relevant authorities to confirm the change management process.

Introduction

Now that you have identified the changes required, it is time to develop your change management strategy.

A change management strategy provides a framework for managing organisational change. The objective of a change management strategy is to reduce the risks that occur as a result of a change.

Organisations that implement change without a change management strategy often fail in achieving the best outcomes from change because they do not adequately plan for managing the people-related risks associated with implementing workplace change.

Scenario: Kings Sport and Recreation Barn
The manager of Kings Sport and Recreation Barn, a large retailer specialising in sporting, camping and recreational products, was dissatisfied with the terms of purchase he had established with a number of his major suppliers. These suppliers required payment at time of purchase and as the stock was not turning over quickly enough, Kings was suffering from cash flow problems which impacted on its ability to meet expenses such as wages and rent.
Mike George, the manager decided to change suppliers and sourced merchandise from suppliers who would extend 120 day credit terms and offered similar lines at much lower prices. Mike was excited at the prospect of increasing his profit and freeing up his cash flow and went ahead, quickly cancelling orders and signing contracts with the new suppliers.
As the new stock arrived, employees were confused about merchandising plans, where to display the stock and the pricing of the new merchandise. They also weren't familiar with the brands and their ability to sell effectively to their customers was impacted.
In an attempt to make space for the new lines, Mike held a clearance sale of old stock which resulted in reduced profit margins, further contributing to his financial difficulties.
Another result of the rushed and impulsive change was that the accounts payable officer was not informed of the new contracts and assumed they should pay invoices on receipt rather than wait the 120 days which defeated the purpose of the change.
When customer complaints began to come in regarding the quality of some of the merchandise, Mike attempted to obtain a credit for the faulty merchandise, only to discover the contract he had signed had a no returns clause and he was left with the cost of reimbursing disgruntled customers.

> Mike had accurately identified a requirement to implement change to his business operation but his failure to implement the change effectively ultimately cost him the very thing he was trying to attain – financial flexibility and a profitable business.

The change management process

Before you commence developing your change management strategy it is important that you understand the change management process. There are many theories that describe the change process (also known as the change cycle); however, most include the following three fundamental steps:

Prepare for change	Implement change	Reinforce and evaluate
Activities could include:	*Activities could include:*	*Activities could include:*
develop change strategy	implement project plan	collect feedback from impacted groups
develop project plan	conduct communication activities	identify and remove barriers
	conduct education activities.	activate strategies to embed the change
		evaluate and review project plan.

Change management theories

As mentioned above, there are many change management theories that describe how the change process or cycle works. These theories provide useful insights into the change process and can assist you with developing a strategy that will manage change effectively by addressing the needs of the people who will implement change.

As a manager responsible for implementing change it is important that you understand some these theories and how they apply when managing organisational change.

John Kotter – Eight-stage process[2]

John Kotter is a renowned change expert and a professor at Harvard Business School. He developed an eight step change process which is summarised below.

Step One: Create urgency

Kotter suggests that for organisations to be motivated to change there needs to be a sense of urgency about the change. By openly communicating and discussing factors

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[2] Kotter, J., 1996, *Leading change*, Harvard Business School Press, Boston.

which indicate change is not only needed, but necessary and desired, Kotter suggests that a sense of urgency can be created, driving people within the organisation to recognise and embrace the need for change.

Step Two: Form a powerful coalition

Kotter suggests that within organisations there are effective leaders who have the skills and abilities to lead teams through change. By bringing together a coalition of these influential people who have the power to drive change because of their job title, status, experience, expertise and political importance, you can work as a team to drive change with a sense of purpose and urgency.

Step Three: Create a vision for change

At this it is important to create an overall vision of the change that people can grasp easily and remember. To assist with this process, you should determine the values that are central to the change and develop a short summary statement that captures what you see as the future of the organisation. The next step is to develop or create a strategy to execute that vision. Kotter suggests that the change coalition should be able to describe the vision in five minutes or less.

Step Four: Communicate the vision

Kotter states that what you do with your vision after you create it will determine your success. It is likely that many things are happening in the organisation so it is important to embed the change vision by discussing it and reinforcing it in everything you do, not just at meetings specific to the change. Another strategy for communicating the vision is to use it daily to make decisions and solve problems. You should 'walk the talk' and demonstrate the kind of behaviour that you want from others.

Step Five: Remove obstacles

By stage five, you should have achieved a sense of urgency and excitement about the vision and have staff eager to proceed so they can achieve the benefits you have been promoting. This is the time to consider anything that may be an obstacle or barrier to the implementation of the change be they people, attitudes or processes. By putting in place the structure for change and continually checking for barriers, you can remove obstacles and keep your change process moving forward.

Step Six: Create short-term wins

Kotter maintains that by deliberately building short-term, achievable goals and targets into your plan, you can demonstrate early and often the benefits and successes of the change. By demonstrating success, the negative thinkers or critics will not have the opportunity to hurt your progress.

Step Seven: Build on the change

Kotter argues that change projects can fail if victory is declared too early. Quick wins are good for motivation and commitment to change but need to be embedded to achieve the desired long term objectives. By analysing what went right and what needs improving at every stage of the implementation, it is possible to keep building on the momentum created and to implement continuous improvement. Review goals and targets, involve

new change agents and generate discussion on improvement opportunities to ensure the best possible long-term outcomes.

Step Eight: Anchor the changes in corporate culture

The final step is to ensure the change becomes part of the core of the organisation and is accepted as part of the culture. The change needs to be included in and accepted in everyday actions, activities and policies and should continue to receive support form senior management. You can achieve this by talking about the progress and highlighting successes every chance you get. New staff should be trained and inducted incorporating the change ideals and you should publicly recognise key members of your original change coalition.

ADKAR Change management model[3]

The ADKAR model was first published in 1998 by Prosci Research after extensive research was conducted in over 300 companies undergoing change projects.

According to the model, two dimensions of change must occur simultaneously if successful change is to be achieved.

Business dimension of change

The business dimension of change includes the typical project elements.

- Business need or opportunity is identified.
- Project is defined (scope and objectives).
- Business solution is designed (new processes, systems and organisational structure).
- New processes and systems are developed.
- Solution is implemented into the organisation.

People dimension of change

The people dimension of change involves progressive education and understanding as follows:

- Awareness of the need to change
- Desire to participate and support the change
- Knowledge of how to change and what change looks like

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[3] Hiatt, J, 2006, *ADKAR: a Model for Change in Business, Government and our Community*, Prosci Research, USA

- Ability to implement the change on a day to day basis
- Reinforcement to keep the change in place

| Awareness | Desire | Knowledge | Ability | Reinforcement |
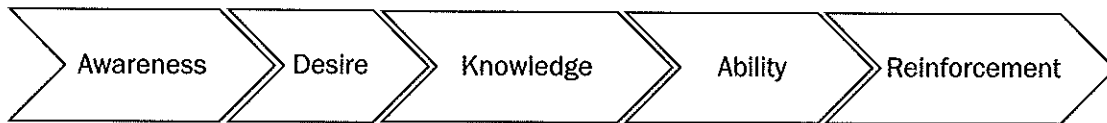
Note that the people dimension of change should closely align with the business dimension. Specifically, as the business need is identified, workforce awareness results; as the project is defined and planned, the desire to participate is generated: as the business solution is defined, knowledge increases; as new processes are developed and people are trained, the ability to implement the business solutions is enhanced; finally, as the solution is implemented, the change is reinforced through monitoring success and intervening where required to keep change on track.

Learning activity: Change management theories

To learn more about the theories mentioned above, search online for 'change management theories'.

Research 'Wilfried Kruger – Change Management Iceberg'.

Undertake a preliminary evaluation of the theories.

After you have completed this section, review your evaluation. Which theory (or combination of theories) would you use to inform your change management strategy?

Theory	Main points	Advantages/ applications	Possible drawbacks
Kotter			
ADKAR			

Kruger			

Develop a change management strategy

A change management strategy should address the following:

- change goals
- change impacts
- project management
- communication
- education

- cost benefits
- risk management
- stakeholder management
- measurement and reporting.

We will now cover in detail each of these essential elements to help you to understand how to develop a change management strategy and prepare a project plan to implement the strategy successfully.

Change goals

Your change management strategy must introduce the proposed change and define what the organisation will achieve by implementing this change. It must be clear in your strategy what the reasoning and objectives support the need for the change.

Your strategy should therefore clearly define:

- what is changing
- why it is changing
- the change goals including when the change program will start and finish.

Example Telephone Travel – Change goals
Continuing on from her work with Veridian Solutions and the completion of an internal analysis, Sarah has identified that the most appropriate manager employee ratio for the contact centre is 1:10. This is a substantial shift from the current 1:20 ratio.

Sarah believes that this smaller ratio will address the feedback received from employees that they leave the organisation because they do not have enough contact with their manager. Increasing the opportunity for employees to have contact with their manager should then have a flow on affect and reduce turnover.

Sarah defines the change goal as:

To decrease manager-employee ratios within the contact centre from 1:20 to 1:10 by 31 October 201X.

Learning activity: Change goals

Why is it important that organisations identify change goals and clearly define these goals in their change management strategy?

Change impacts

Understanding the impacts of a planned change is critical to the success of any change implementation. When assessing impacts you should consider the impacts for:

- people
- processes
- technology
- structure.

Your change management strategy should detail the impacts to the organisation as a result of the change including:

- who/what is impacted
- how they are impacted
- when the impacts will be realised.

Impacts on people[4]

Impacts on people are often the most complex because you are dealing with emotions and behaviours. When you change a process, technology or structure you identify what needs to change and the risks associated with those changes and then work to implement the change. Typically you can plan and manage risks and issues as they arise. You don't have to worry about how the process, technology or structure will feel about the change or accept the change – you just have to deal with facts.

When managing people impacts, you are dealing with more unknowns. Therefore understanding who is impacted is critical to managing any organisational change as these

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[4] Potts, R. and Lamarsh, J., 2004, *Managing change for success*, Duncan Baird Publishers, London.

impacts, if not managed correctly, can have enormous negative effects on the implementation.

Employees that are impacted by organisational change typically follow the phases of the change commitment curve below.
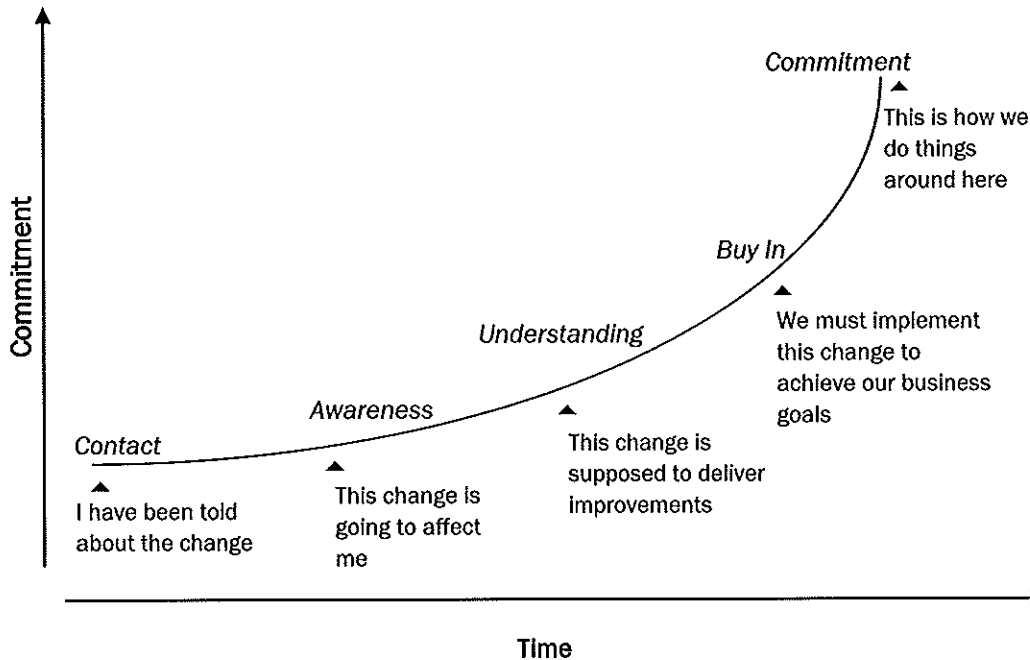
In a similar process to the ADKAR model, the employee follows a five phase process. The process begins with initial awareness of the change; no detailed information or buy in, the employee has simply been made aware of a change or planned change that will impact them. Further information provides more detail about how the change will affect the individual. At this stage there may be fear or concern about how and what those impact might be.

Helping employees understand the purpose, importance and benefits of the change will help them to understand why the changes are being made and lead toward the next stage which is buy in and acceptance of the change. Employees are able to understand the consequences of not changing and the advantages of change.

The final stage is commitment where the change is so ingrained and accepted that people perform to the new standard without conscious thought. This stage can be achieved when the change is reinforced throughout the organisation and embedded in its policies, procedures and practices.

When developing your change management strategy it is important that you address these phases of organisational behaviour as planning for these phases can help you to assist employees to move from one phase to the next as painlessly as possible.

Remember, your change management strategy is about minimising the risks associated with implementing the change. Therefore understanding employees' behaviour as they travel along the change journey is critical to managing those risks.

A change management strategy assists organisations to minimise the associated impacts on employees because it helps to:

- align all those impacted around a common vision

- develop a comprehensive communication program to ensure all those impacted by the change understand it

- create education and knowledge transfer programs to ensure that all those impacted have the skills required to operate in the new environment

- build an effective project plan that includes all of the required activities to achieve the identified change goals.

Example Telephone Travel – Change impacts

Sarah has determined that the simplest way to implement the new reduced ratios is to split each the Contact Centre teams in half and recruit a new supervisor to lead the teams created as a result of the split.

This would result in the following structure being implemented:

(The boxes shaded grey represent the newly formed teams)
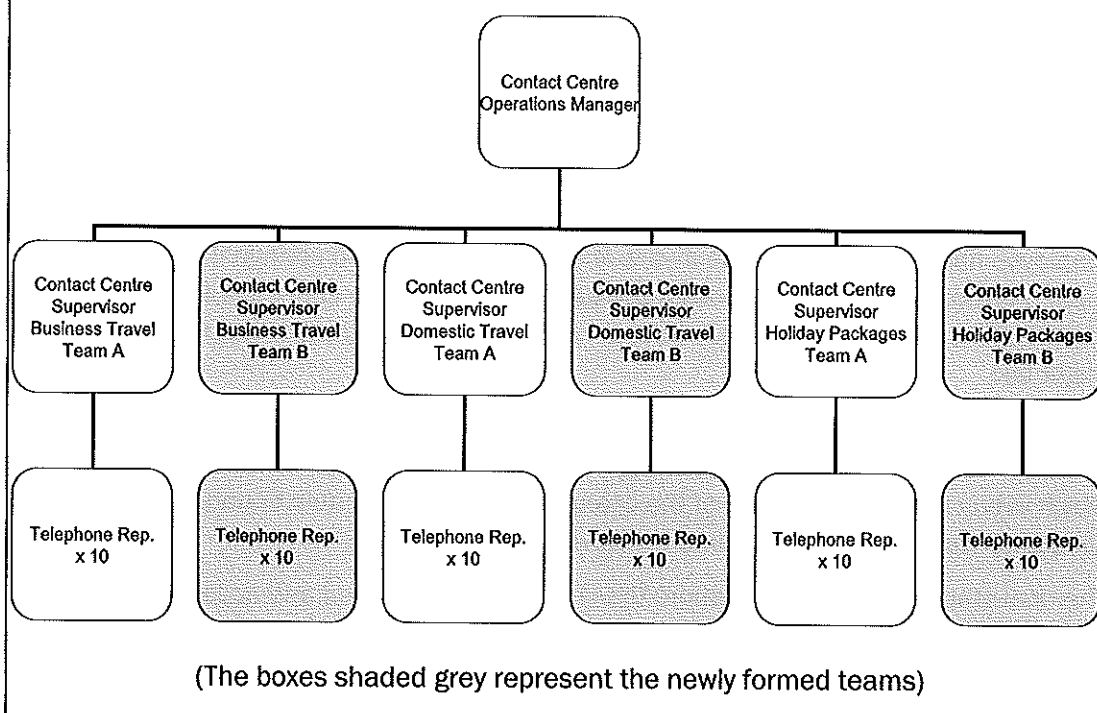
Sarah has identified the following impacts as result of reducing manager employee ratios from 1:20 to 1:10 and introducing this new structure:

People		
Who	How	When
Contact Centre Supervisor – Business Travel. Contact Centre Supervisor – Domestic Travel. Contact Centre Supervisor – Holiday Packages.	Reduction in number of direct reports from 20 to 10. Change from fully responsible for function to shared responsibility; two supervisor's per function.	31 October 201X
Telephone Representatives – Business Travel. Telephone Representatives – Domestic Travel. Telephone Representatives – Holiday Packages.	Reduced teams. Change in team members. For 30 representatives a supervisor who is new to the organisation.	31 October 201X

Processes		
What	How	When
Decision-making processes. Approval processes. Customer complaint processes.	All processes will need to be modified to cater for two supervisors per function.	31 October 201X

Technology		
What	How	When
Travel booking system. Human resource management system. Asset requirements.	Additional supervisor access to travel booking system required. Additional supervisor access to human resource management system required. Three additional computers with applicable software licences.	31 October 201X

Structure		
What	*How*	*When*
Financial management structures. Performance reports.	Financial management structures will need to be updated to include three additional cost centres. Reports will need to be updated to reflect new organisation structure and cost centres.	31 October 201X

Learning activity: Change impacts

Why is it important that organisations identify the change impacts when developing their change management strategy?

Project management

All change programs should be managed as a project. Taking a project management approach involves identifying a project team and senior support, assigning resources, and developing a project plan to implement the change.

Your change management strategy should include information with regards to how the project will be managed including:

- Project team roles and responsibilities such as:
  - Project Manager – responsible for developing and managing the overall project plan deliverables
  - Project Stream Leader – responsible for developing and managing project plan deliverables for a specific area such as communication or education
  - Project Team Member – responsible for completing activities within the project plan at the direction of either the Project Manager or Project Stream Leader
  - Project Analyst – responsible for compiling data and producing project reports.

- Executive or senior leadership support – This role is critical as it ensures that the project has visibility and support at an executive or senior leader level of the business. This is most important when trying to remove barriers to the change.

- Assigned resources – Your strategy should include information regarding what resources have been assigned to the project. This describes the people, budget and equipment or physical assets that will be utilised to implement the change. Resources could include:

  - employees and managers
  - contractors and external consultants
  - budget
  - office space

  - computers
  - printers
  - telephones
  - vehicles.

- Detailed change management project plan

  Your project plan should record all of the activities that need to be completed to achieve the change goal including when the activity will commence and be completed by and who is responsible for completing the activities.

  Your project plan could include activities such as:

  - job redesign
  - skills audits
  - training
  - documenting procedures

  - team building activities
  - feedback surveys
  - redundancy and redeployment activities
  - communication activities.

When developing your change management project management plan you should consider the change management models that you researched at the beginning of this section. You should choose one of those models or a combination of models to inform your project plan, making your plan easier to explain and gain support for, and improving its chance of success.

Innovative thinking!

It is important that when you are developing your project plan that you think laterally to identify creative activities to help people to accept the change more positively. Using creative activities can help people to feel excited about the change and therefore more willing to participate.

Innovative thinking is particularly important in organisations where change has failed in the past. Using innovative activities in these situations encourages employees to give the new change process a chance.

Innovative thinking should also be applied when developing your communication and education plans.

Examples of innovative thinking to help with implementing change are:

- research best practice and understand what innovative implementation processes have been used in other organisations

- make the change experience fun to help create excitement for arriving at the end state

- complete traditional activities differently. For example, conduct team meetings outside or in different locations.

Organisations that do not innovate and apply proven ideas based on research run the risk of falling behind organisations that do. Let's look at a detailed example of a change management project plan. The example uses the ADKAR change model to inform the change management project plan:

1. **Awareness**   of the need for change

2. **Desire**   to support and participate in the change

3. **Knowledge**   about how to change

4. **Ability**   to implement the change

5. **Reinforcement**   to sustain the change

The example demonstrates a robust approach to change management, using theory to inform strategy. The following example also includes some activities which help to make the experience of change fun and interesting for participants. Fun activities have the tactical effect of advancing strategic goals. For example, such activities build desire for change and reinforce messages in an engaging way.

Example Telephone Travel – Project management

To implement the changes she has identified, Sarah knows that she needs to complete the following:

- appoint a project team and define their roles and responsibilities

- identify an executive or senior leader who will provide support

- identify and assign required resources

- develop a detailed project plan.

She completes each of these requirements as follows:

Project Team

Sarah develops the following project structure identifying the roles required to manage and implement the change.
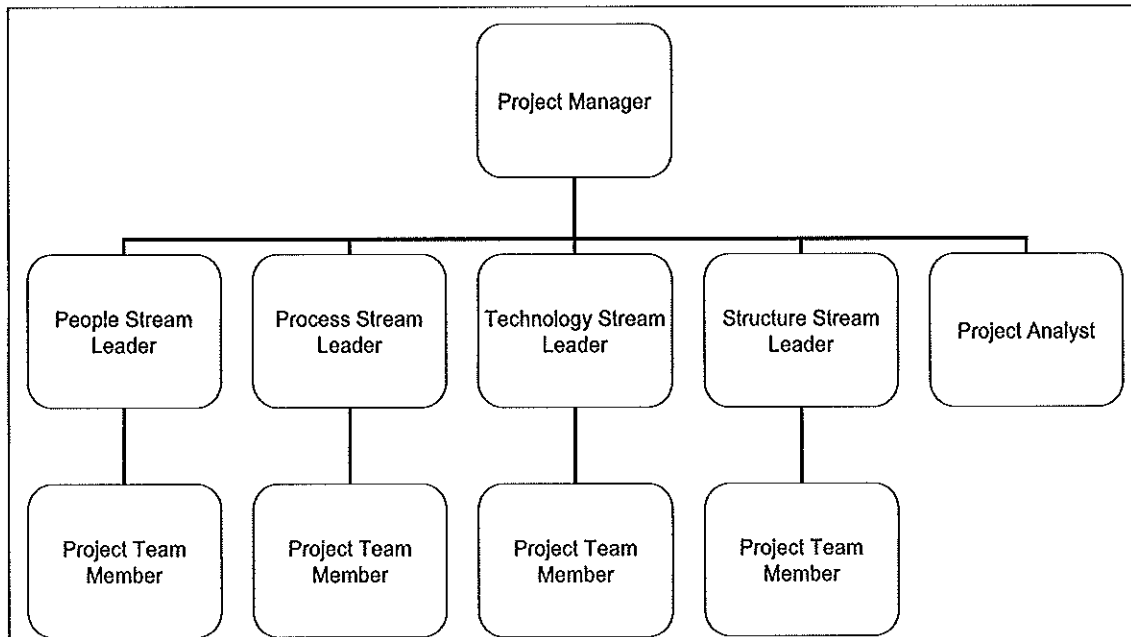
She defines each the responsibilities for each of the roles within her structure as follows:

Role	Responsibilities
Project Manager	Responsible for developing and managing the overall project plan deliverables.
People Stream Leader	Responsible for developing and managing project plan deliverables for all people changes such as recruitment, communication and education plans.
Process Stream Leader	Responsible for developing and managing project plan deliverables for implementing all process changes.
Technology Stream Leader	Responsible for developing and managing project plan deliverables for implementing all technology changes and requirements.
Structure Stream Leader	Responsible for developing and managing project plan deliverables for implementing all structure changes and requirements.
Project Team Member (x 4)	Responsible for supporting each stream lead to develop and implement the project plan for their stream.
Project Analyst	Responsible for compiling data and producing project reporting.

Executive Support

Sarah knows the importance of having senior support to ensure the success of her change project.

She arranges a meeting with the General Manager of Telephone Travel to discuss the most appropriate sponsor. He suggests that he supports the project due to the importance of its success.

Sarah and the General Manager agree that they will meet weekly to ensure that he is kept informed and the project progress and can provide timely support and assistance to ensure the project is completed within the desired timeframe.

Assigning resources

It is now time for Sarah to assign resources to her project. She completes the following to ensure she has all the resources she requires to success manage the change:

People resources

Role	Resource
Project Manager	Sarah has been assigned to this role
People Stream Leader	HR Manager
Process Stream Leader	Contact Centre Supervisor Business Travel
Technology Stream Leader	IT Manager
Structure Stream Leader	Finance Manager
Project Team Member (x 4)	People stream – HR Consultant Process stream – Contact Centre Supervisor Domestic Travel Technology stream – Service Desk Supervisor Structure stream – Finance Reporting Representative
Project Analyst	External Contractor

Budget

Sarah completes a budget to determine the financial resources she will require to implement the change. She knows that to complete her budget correctly she must forecast how much each activity and resource will cost to implement the project.

After considering the resources required to deliver the project and the planned activities, Sarah develops the following budget:

Telephone Travel Contact Centre Restructure Project		
Stream	**Description**	**Budget**
People	Recruitment	$18,000.00
	Education	$3,000.00
	Communication	$5,000.00
	People stream resources salaries (3 months)	$37,500.00
	People subtotal	*$63,500.00*
Process	Focus groups to draft new procedures	$3,000.00
	Instruction designer to rewrite procedures	$10,000.00
	Printing new procedure manuals	$6,000.00
	Process stream resources salaries (3 months)	$35,000.00
	Process subtotal	*$54,000.00*
Technolgoy	PC x 3	$9,000.00
	Software licences x 3	$3,000.00
	Upgrade system access	$1,000.00
	Telephone x 3	$900.00
	Technology stream resources salaries (3 months)	$32,500.00
	Technology subtotal	*$46,400.00*
Structure	Update financial management system	$1,000.00
	Technology stream resources salaries (3 months)	$40,000.00
	3 x desk space (nil investment as use existing desk)	$0.00
	Structure subtotal	*$41,000.00*
Other	Project Analyst salary costs	$12,500.00
	Project Manager salary costs	$22,500.00
	Other subtotal	*$35,000.00*
	Total Budget	***$239,900.00***

Physical assets and equipment

Sarah identifies the following physical assets and equipment to implement the change:

Resource	*Acquire from...*
Project team computers	current computers
Project team desk	current desk location
Meeting rooms to conduct communication and education activities	Telephone Travel existing meeting rooms.

Change management project plan

Sarah uses Microsoft Excel to complete a detailed project plan to implement the change. She works with each stream leader to capture the activities required to manage and implement the new contact centre structure.

Sarah has advised the stream leaders that they are to use the ADKAR change model as a guide for identifying the required activities to implement the change. This means that their project plan must include activities that meet the five phases of the of the ADKAR model:

1. **Awareness**   of the need for change

2. **Desire**   to support and participate in the change

3. **Knowledge**   about how to change

4. **Ability**   to implement the change

5. **Reinforcement** to sustain the change

The following is a copy of the People stream project plan. The HR Manager has ensured that the activities included in the people stream project plan meet the requirements of the ADKAR change model and be as fun for participants as possible:

Awareness	- communication activities commence once structure has been approved to implement - communication of the change to occur across the entire business - communication plan to include one-on-one meetings for the three existing Contact Centre Supervisors to ensure they understand the change - communication plan to include team meetings with Contact Centre Telephone Representatives teams to ensure they understand the change - communication plan to include weekly communications with Contact Centre employees to keep them informed and aware throughout the entire change process.
Desire	- supervisors to participate as part of the project team allowing them to affect how the change is implemented and therefore creating a desire to support the change - input should be sought through innovative activities such as brainstorming ideas for how to flow change down to team members - key messages to include the benefits of the change for: - employee - supervisors - organisation.
Knowledge	education plan to include activities to ensure all Supervisors and Telephone Representatives have the skills to operate in the new model.

Ability	• recruitment activities to ensure new Supervisors are recruited in time for 31 October implementation date
	• reported lines finalised and communicated in time for 31 October implementation date.
Reinforcement	• post-implementation review to be completed including feedback from Supervisors and Telephone Representatives
	• supervisors to conduct weekly team meetings post-implementation to maintain open communication with teams
	• supervisors to conduct team building activity off-site – games that require teams to work together to achieve goals or compete against other teams: paintball, treasure hunt; amazing race with activity stations – by 31 December
	• Contact Centre Operations Manager to conduct weekly Supervisors meetings to help form effective team relationships amongst Supervisors
	• team building activity to be completed with Supervisors by 30 November
	• celebration lunch to be conducted on 1 November; Supervisors to serve lunch.

People Stream Change Management Project Plan

Stream	Activity	Start Date	End Date	Who responsible
People	Announce change as per communications plan	1 Aug 201X	1 Aug 201X	Contact Centre Operations Manager
People	Brief recruitment agency to recruit 3 Supervisors	2 Aug 201X	2 Aug 201X	Human Resources Manager
People	Conduct interviews	10 Aug 201X	15 Aug 201X	Contact Centre Operations Manager
People	Complete reference checks	18 Aug 201X	20 Aug 201X	Human Resources Manager
People	Make employment offer	24 Aug 201X	24 Aug 201X	Contact Centre Operations Manager
People	New hire start date	30 Sept 201X	30 Sept 201X	Contact Centre Operations Manager
People	Conduct orientation, induction and role specific training	30 Sept 201X	30 Oct 201X	Contact Centre Operations Manager
People	Supervisors commence in role	31 Oct 201X	31 Oct 201X	Contact Centre Operations Manager
People	Determine new reporting lines	2 Aug 201X	11 Aug 201X	Human Resources Manager
People	Announce new reporting lines as per communications plan	12 Aug 201X	12 Aug 201X	Contact Centre Operations Manager
People	Conduct education activities as per education plan	13 Aug 201X	29 Oct 201X	Human Resources Manager
People	Celebration lunch	1 Nov 201X	1 Nov 201X	Human Resources Manager
People	Supervisor team building activity	7 Nov 201X	7 Nov 201X	Human Resources Manager
People	Telephone Representative team building activities	8 Nov 201X	30 Nov 201X	Human Resources Manager

Learning activity: Project management

Why is important to define the roles and responsibilities of project team members within your change management strategy?

What are the benefits of having an executive or senior leader as a sponsor for your change program? How could they assist you to achieve your change goals?

What are some of the potential impacts if you fail to complete a detailed project plan when implementing change?

How would you modify Sarah's plan if you were using the Kotter's eight phases of change model to inform your plan?

Consultation

When developing your project plan, it is important that you consult with relevant people to ensure that you have captured all of the activities that need to occur to implement the change. It is often through consultation that you will find out about small details within the organisation that could have a big impact on implementing change.

Change has an impact on more than the directly affected people within the organisation. Through consultation with the relevant people across the business you can identify all of the potential impacts and effectively plan for them.

Key people to consult with are:

- Managers responsible for a department, team, process or technology that will be impacted by the change

- Employees who have been in the organisation for a long time and know about what has worked well and not so well in the past

- Subject matter experts (SMEs) for areas that will be impacted by the change being introduced.

There are a number of consultation methods that you can use to obtain information from individuals regarding your change management project plan. These include:

- One-on-one meetings

    o One-on-one meetings are most effective for consulting with individuals to discuss specifics, for example, meeting a SME to discuss the planned activities for a specific process or technology. These meetings are also an excellent opportunity to engage individuals in the design of the project plan which often results in them supporting those activities during implementation.

- Focus groups

    o Focus groups are used to consult with groups of people where you want to obtain feedback regarding the same topic. For example a focus group could be used to consult with a people who have been working within the organisation for a while regarding what has worked well and not so well in the past when a similar change has been implemented.

IMPORTANT NOTE!

It is important to note that consultation should take place when you are developing your change management project plan; however, sometimes you will be implementing change that is either confidential or sensitive and therefore completing consultation prior to the change being formally announced would be inappropriate.

In this situation you should complete a draft plan and plan for consultation with key stakeholders to occur after the initial announcement is made.

Communication plans

Effective communication of the change involves developing and distributing messages in order to create awareness and build understanding and eventual buy in. A good communication program:

- shares information through various communication mediums
- establishes key messages and a brand for communication
- produces and disseminates clear, well-written, coherent material to target audiences
- fosters a relationship of trust through open and honest communication.

Research indicates, particularly in large scale organisation change initiatives, that face-to-face and interactive communication is far more effective and sustainable than any other mediums. The more interactive your communication methods are, the better.

Good communication is critical to any change management program and therefore it is an essential component of a change management strategy. When documenting your approach to communicating the change, within your change management strategy, you should include details of how and when you will communicate:

- why the change is occurring
- what is changing
- the benefits of the change to the organisation and individuals
- how change will be achieved
- progress updates and next steps
- where employees can get practical assistance to help them better understand the change.

It is important to note that a communication plan supports the overall project plan but specifically deals with the communication activities required to introduce the change. Your project plan should still include the high level communication activities such as 'Communicate the change to all employees'; however, your communications plan will provide the additional detail such as:

- who will be communicated to
- what will they be told
- when will they be told (sometimes includes at what time on a particular day they will be told)
- who will communicate the change.

Key messages

The goal of your communication plan should be to:

- highlight the benefits of the change to both the organisation and individuals – individuals need to be able see 'what is in it for me' (WIIFM).

- alleviate individual concerns

- confirm quickly what is NOT changing

- create a sense of excitement and buy in to the change

- create a relationship of trust with employee

- establish open and honest two-way communication.

To assist you to achieve this goal it is recommended that you develop a set of key messages. These messages are then repeated throughout all of your communications to reinforce what the organisation is trying to achieve. Hearing the same key messages over and over again helps employees to better understand the change and supports buy in.

Learning activity: Communication plans
Think of a time when you experienced organisational change. What communications did you receive regarding the change?   How effective were these communications in making you feel comfortable with the change? What made these communications effective or not effective?   Is there anything that could have been done to improve those communications?

Communication activity planning

The following is a table that can be used to complete a communications plan to manage the completion of all of planned communication activities. The table captures:

- who the audience is
- what the message is they will receive
- when this communication activity will occur
- how the message will be communicated (e.g. email, face-to-face, newsletter)
- who is responsible for communicating this message.

Who (Stakeholder)	What (Message)	When (Date and Time)	How (Communication method)	Communicator (Who is responsible for delivering message?)

Consultation in communication planning

When developing your communications plan it is important that you consult with line managers to ensure that your communications meet the needs of the individual employee groups within the business. This consultation will provide you with information regarding the communication needs of the teams and departments that they manage and ensure the effectiveness of your communications plan.

There are a number of consultation methods that you can use to obtain information from managers regarding the communication needs of their teams. These include:

- **One-on-one meetings** – One-on-one meetings are most effective for obtaining information regarding the specific needs of a team or department. They are also an excellent opportunity to engage managers in the design of the communications plan which will often prove to be beneficial during implementation. Managers that are consulted with during the development phase often feel like valuable contributors and therefore are more likely to actively support a successful implementation.

- **Focus groups** – Focus groups are used to consult with groups of managers. They are often the most time efficient method for obtaining information from large departments that have several managers responsible for teams of employees who will experience the same or similar impact. For example a focus group could be used to consult with managers in a warehouse where the team members complete the same role under the same work conditions and the change will impact them in the same way.

Let's look at an example communication plan.

Example Telephone Travel – Communication planning

Communication plans

Sarah knows the importance of having a communications plan to manage the implementation of this change. As this change is mainly about people change she asks the People Stream Leader to prepare and manage a specific communications plan to address the communications needs for implementing the change.

The HR Manager documents the following activities in a communications plan to announce the new structure and reduced manager employee ratios. Sarah then takes this plan to management team to consult with them regarding the planned activities.

Who (Stakeholder)	What (Message)	When (Date and Time)	How (Communication method)	Communicator (Who is responsible for delivering message?)
Contact Centre Supervisors	Announce new structure. Explain the purpose of the change. Discuss the impacts of the change. Next steps – direct supervisors to communicate change to their teams.	9am – 10.00am 1 Aug 201X	Face-to-face meeting.	Contact Centre Operations Manager
Telephone Representatives	Announce new structure. Explain the purpose of the change. Provide an overview of impacts. Next steps.	11am – 11.30 am 1 Aug 201X	Face-to-face 'All employee briefing'.	Contact Centre Operations Manager
Telephone Representatives	Discuss impacts of new structure. Next steps.	11.30am – 12.30pm 1 Aug 201X	Face-to-face team meeting.	Team Supervisor

Finance Team	Announce new structure. Explain the purpose of the change. Explain that there will be no impact to this team.	11.30am – 12 noon 1 Aug 201X	Face-to-face team meeting.	Finance Manager
IT Team	Announce new structure. Explain the purpose of the change. Explain that there will be no impact to this team.	11.30am – 12 noon 1 Aug 201X	Face-to-face team meeting.	IT Manager
HR Team	Announce new structure. Explain the purpose of the change. Explain that there will be no impact to this team.	11.30am – 12 noon 1 Aug 201X	Face-to-face team meeting.	HR Manager
Marketing Team	Announce new structure. Explain the purpose of the change. Explain that there will be no impact to this team.	11.30am – 12 noon 1 Aug 201X	Face-to-face team meeting.	Marketing Manager

Innovation!

It is important to keep communication fresh and effective to engage the audience in communication. Consider some approaches:

- group brainstorm to uncover issues; to come up with solutions; to generate feedback to management
- vote to prioritise issues
- use break-out groups to discuss issues and desired solutions and come back to group
- meet at a place of participants' choosing
- invite management to speak and make personal commitments to participants on training ,communications, incentives, etc.
- turn meeting into a more relaxed social setting:
  - change seating
  - serve food and drink

- turn the tables: Have managers serve food and drink

- have employees role-play managers to design ideal work conditions (within bounds of strategic goals, the budget, etc.)

- use games to lighten the mood.

Learning activity: innovative activities

In the communication plan above, the contact centre operations manager delivers a one hour face-to-face team meeting to discuss impacts. Plan the team meeting. Include 2–3 innovative activities (adapt those above or create your own) to:

- facilitate understanding

- build trust

- gain acceptance for the change.

Education requirements

Successful change requires that the employees impacted by the change are prepared and equipped with the required skills and competencies to effectively perform in the new environment. Your change management strategy should include information with regards to how education requirements will be addressed. Your change strategy should detail:

- **New skills required** – Depending on the change being introduce employees may need new skills. This is often the case when a new system or process or equipment is being introduced. To identify the new skills required you will sometimes need to complete a skills audit to determine what skills that employees currently have and how these compare to the skills that they require in the new environment. This is an effective way of ensuring that you are aware of all the skill gaps that exist between the old and new which will then allow you to determine the appropriate education program and methods.

- **Education programs and methods** – The education program and methods that you use to bridge the identified skills gaps will often vary depending on the training required and the employees who need to be trained. You must ensure that you consider:

  o location of employees

  o employee rosters/shifts

  o access to training rooms/facilities

  o availability of employees to attend training (especially those employees that interact with customers).

Just as your communication plan supports the overall project plan so does your education plan. Your education plan specifically deals with the education activities required to introduce the change. Your project plan should still include the high level education

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activities such as 'conduct skills audit' or 'train employees in new process'; however, your education plan will provide the additional detail such as:

- who needs training in what
- when they will be trained
- how they will be trained
- where they will be trained
- who is responsible for providing the training.

Key messages

Education activities provide an excellent opportunity to reinforce the key messages that you developed as part of your communications plan. As discussed in communication planning, repeating the key messages helps employees to better understand the change. Education activities are an excellent opportunity to repeat these messages and engage in two-way discussion about the messages.

During education sessions you should also be highlighting to employees:

- the benefits of the new skills they will have
- how they will be supported and assisted through the change
- the session provides an opportunity for them to learn how to operate in the new environment.

Learning activity: Education requirements
What are some examples of different methods for training employees in new skills? For example: class room training and procedure manuals.

Education activity planning

The following is a table that can be used to complete record and manage the completion of planned education activities. The table captures:

- who is attending the training
- the skills the training will provide
- when the training will occur
- how the training will be delivered (e.g., class room, online, on-the-job)
- who is responsible for organising the training.

Who (Employees)	Skills (Skills the training will cover)	When (Date and Time)	How (Education method)	Organiser (The person responsible for organising the training)

Consultation

As discussed above in communication planning, it is important that you consult with line managers to ensure that you fully understand and cater for the educational needs of the individual employee groups within the business.

There are a number of consultation methods that you can use to obtain information from managers regarding the communication needs of their teams. These include:

- one-on-one meetings (as discussed on page 49)
- focus groups (as discussed on page 49)
- surveys (discussed below).

Surveys are another consultation method for obtaining information from large groups of managers regarding the education needs of their teams. Surveys are not as effective for obtaining information regarding the communication needs of teams, but they can be very effective for obtaining information regarding educational requirements of teams going through change.

Surveys to obtain information regarding education needs could include:

- What orientation and induction programs do you currently provide to newly hired employees?
- As a result of introducing the new process, how many employees in your team will require training in new skills related to that process?
- What is the preferred delivery method for training for your team:
  - class room
  - online
  - on-the-job.
- What days and time are most suitable for completing training?

Learning activity: Consulting with managers

Develop a survey that could be provided to managers to obtain information regarding their education requirements for introducing a new piece of equipment to the organisation.

Survey question	Answer

Example Telephone Travel – Education requirements

Sarah knows that a successful change process relies on employees having the skills and knowledge required to implement the change. In the case of implementing a new structure it means that Supervisors and Telephone Representatives have the skills and knowledge to operate within the new organisational model.

Sarah asks the People Stream Leader to develop an Education Plan to address all of the education requirements to implement the change. Sarah asks the People Stream Leader to consult with the Contact Centre Supervisors to ensure the activities contained in the plan are suitable for achieving the intended results.

Who (Employees being trained)	Skills (Skills the training will cover)	When (Date and Time)	How (Education method)	Organiser (The person responsible for organising the training)
Contact Centre Supervisors (existing employees)	Leading through change	15 Aug 201X	Class room	HR Manager
Contact Centre Supervisors (existing employees)	New process	15 Sept 201X	Class room	Process Stream Leader
Contact Centre Supervisors (new employees)	Orientation and induction	30 Sept–7 Oct 201X	Blended learning: class room, online and on-the-job	Contact Centre Operations Manager
Contact Centre Supervisors (new employees)	Role specific training	8 Oct–30 Oct 201X	on-the-job	Contact Centre Operations Manager
Telephone Representatives	New process	16 October	Class room	Process Stream Leader

Cost-benefit analysis

It is important when developing your change management strategy that you are able to demonstrate the cost benefit to the organisation as a result of implementing the change. Sometimes changes that appear to be fantastic are just not worth implementing, as they require a large investment of time and money that the organisation will not be able to recover quickly.

A cost-benefit analysis is a relatively simple and widely used technique for determining whether an option makes financial sense. As its name suggests, it simply involves adding up the value of the benefits, and subtracting the costs or risks associated with the proposed change.

A cost-benefit analysis is completed using the following process:

1. State the ideas you are assessing in each row (column 1 in the table below).
2. Determine the tangible costs.
3. Determine the risks (e.g. losses; negative reaction; impact on safety; morale and operational effectiveness).
4. Identify the possible benefits of each idea.
5. Assess the benefits against the risks and costs.
6. Decide which ideas are feasible:
    a. feasible (F)
    b. maybe feasible (MF)
    c. not feasible (NF).

Option	Cost	Risk	Benefit	F / MF / NF

Example Telephone Travel – Cost-benefit analysis

Sarah completed the following cost-benefit analysis for implementing the structure change that reduced the manager employee ratios.

Option	Cost	Risk	Benefit	F/ MF / NF
Decrease ratio from 1:20 to 1:10.	Implementation cost of $239,900.	Productivity impacts during change implementation. Recruitment of supervisors by implementation date.	Improved manager-employee relationships. More time for manager to provide coaching to employees – reduction in errors. Improved employee engagement. Reduced employee turnover.	Feasible but needs to be carefully managed with a change and communication strategy.

Keep manager employee ratios at 1:20	Based on 53% of Telephone Representatives leaving per year at a cost of 1.5 x salary cost per employee who leaves: $2,385,000.	Continued increase in employee turnover. Affordability for the organisation to continue to incur cost of turnover.	No cost to the organisation (saving of $239,000) No disruption to operation or service.	Not feasible if want to achieve organisation's strategic goal to reduce turnover to industry best practice levels in next five years.

Learning activity: Cost-benefit analysis

Use the information below to complete a cost-benefit analysis.

You are the Operations Manager at N&J Foods. The organisation is considering implementing a new conveyer belt to assist with packing customer orders on to trucks. The organisation expects that this new conveyer belt will remove the need for having employees to pack a delivery on to a truck.

Option 1 – Implement the new conveyer belt

The new conveyer belt will result in requiring five less staff to pack customer orders as the belt will automate part of the process.

Average wage of each surplus employee: $33,000 per annum.

Costs include:

- cost of purchasing and installing conveyor belt – $75,000

- cost of training employees in using conveyor belt – $15,000

- costs for making redundant five surplus to needs employees – $145,000.

Option 2 – Maintain manual truck loading system

Under this option no change will be made and operations will continue with employees manually packing trucks.

- cost of five additional staff members required – $165,000

- costs of workplace injuries as a result of employees loading trucks – $45,000.

Option	Cost	Risk	Benefit	F, MF, NF

Based on the analysis you have completed above which option would you recommend and why?

Risk management

Risk management is the process of identifying the possibility of negative events occurring and developing plans to minimise the likelihood of those negative events occurring or to mitigate the consequences if they do occur.

As with any change, there are risks that must be considered and planned for to ensure overall implementation success. Your change management strategy should aim to remove or reduce these risks to increase the probability of a successful change implementation. Your change management strategy should therefore include information such as:

- the risks associated with implementing the change
- the potential barriers to change
- strategies to reduce the likelihood of the risk occurring
- strategies to reduce the impact on the change if the risk occurs.

It is important that you conduct a risk analysis to identify all of the potential risks and barriers to allow you to document the mitigation strategies.

3 Steps to managing risks and barriers

To effectively manage the risks and barriers associated with implementing change you should follow the following steps:

- Step 1 – Identify risks and barriers.
- Step 2 – Analyse and evaluate risks and barriers
- Step 3 – Identify strategies for mitigating risk.

Step 1 – Identify the risks and barriers

The first step is to identify the risks and barriers – what can go wrong or what can get in the way of change?

When implementing change some of the potential risks are:

- process changes result in slower service to customers

- poor change management results in disgruntled employees

- new equipment results in an increase of errors.

Barriers to change may include:

- fear of the unknown

- existing organisational culture

- history of failed organisational change

- loss of control

- poor manager-employee relationships

- lack of involvement in the change

- low morale

- vested interests.

You should try and identify as many potential risks as possible. Identifying risks could involve:

- reviewing similar past performance improvement actions that have been implemented

- seeking advice from specialists such as supplier of new technology or equipment

- obtaining feedback from managers regarding anticipated employee responses

- seeking feedback from employees.

Step 2 – Analyse and Evaluate Risks and Barriers

Once risks and barriers have been identified they need to be assessed with regards to the impact and likelihood of their occurrence. Risks and barriers are typically plotted as follows:

High impact		
	Medium Risk	High Risk
	Low Risk	Medium Risk
Low impact		

Low likelihood ⟶ High likelihood
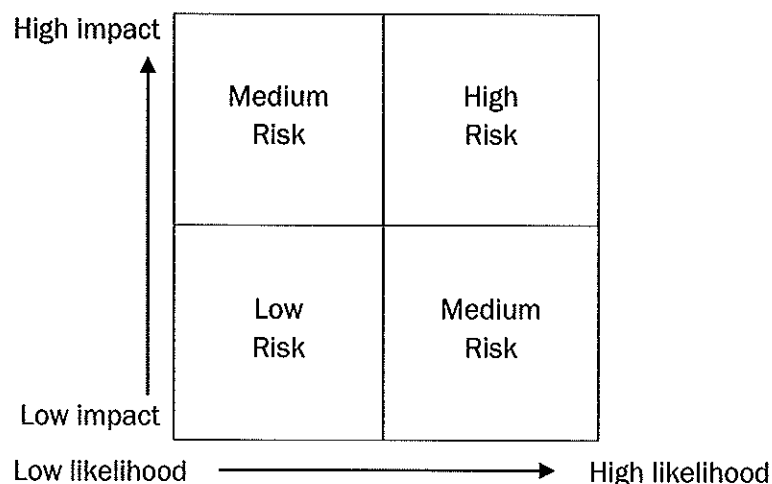
Impacts can be either simple to measure, such as an increase in error rates or increase in customer complaints due to slower processing times. They can be less easy to measure such as general satisfaction and buy in.

Likelihood can be easy to measure for situations that have occurred previously. For example, it is highly likely employees will be disgruntled if the changes result in a loss of jobs. However, likelihood can equally be very difficult to measure where no one is really sure how likely the risk or barrier will occur and impact the change.

Therefore, when developing your change management strategy, it is critical to obtain as much information regarding changes that have been implemented in the past to make the best educated guess possible. Finding information on other organisations who have faced these risks would also be beneficial. Being informed about what has happened in the past will allow for the risks and barriers to be properly prioritised within the risk management plan.

Step 3 – Identify strategies for mitigating risk

Once the risks and barriers have been identified and evaluated it is important to identify strategies to alleviate or eliminate the occurrence of these risks. A strategy for mitigating risks should be identified for each risk and barrier identified.

Example Telephone Travel – Risk management			
Sarah has identified the following risks and strategies for mitigating the risk for implementing the new structure to reduce manager employee ratios.			
Risk/Barriers	**Impact**	**Likelihood**	**Strategies for mitigating risk**
Lack of trust regarding organisation commitment to change due fact that only two years ago the organisation implemented the current structure and as a result of that made three supervisors redundant.	High impact	Medium likelihood	key messages to specifically address this change in direction employee focus groups conducted by the Managing Director to discuss this change in direction and hear employee's concerns.

Risk/Barriers	Impact	Likelihood	Strategies for mitigating risk
Disgruntled supervisors due to decrease in team responsibility and sharing responsibility for function.	High impact	High likelihood	participation in project team to allow them to have input into new processes and how shared responsibility will work consultation on change management project plan, communications and education plan Communications Plan to include weekly meetings with Supervisors.
Disgruntled Telephone Representatives due to change in reporting line and team.	High impact	Medium likelihood	Change Management Plan Communications Plan team building activities Supervisor to attend 'leading through change' workshop.
Reduced productivity during change implementation.	High impact	Medium likelihood	temporary Telephone Representatives to be on site for announcement day to ensure service levels are not impacted communication of new reporting lines to occur as a matter of urgency weekly updates.

Learning activity: Risk management

Answer the questions below:

What is the difference between a risk and barrier?

Why is important that you identify and analyse risks when developing your change management strategy?

> What are some of the potential impacts to organisations who fail to identify risks and barriers and who fail to develop strategies to mitigate risks when implementing change?

Stakeholder management

Stakeholders are who have an interest in the implementation of change, its activities and its achievements. These may include partners, employees, shareholders, or owners. In this section, we will be focusing on employees and managers.

Managers and employees need to be kept informed if you want to ensure smooth implementation. Building good relationships with everyone involved will lead to sustainable change. Effective stakeholder management is a key risk management activity and contributing factor to any successful change implementation. Your change management strategy should include details of:

- the roles of key stakeholders
- the status of their commitment
- concerns and issues and how can these be addressed.

Consulting with stakeholders

As you draft your change management strategy, you should consult with stakeholders. This consultation can provide you with information and direction that can assist with approval once you submit your strategy to leadership teams. If key stakeholders have had input into the strategy during its development, it is more likely to be supported and approved because it is more likely to meet senior leaders' expectations and because senior leaders will be more comfortable with approving something that has been discussed with key stakeholders.

Example Telephone Travel – Stakeholder management		
Sarah completes the following stakeholder map to ensure she has captured all of the relevant stakeholders. This step will then allow her to effectively manage stakeholder needs and consult with them along the way.		
Stakeholder	**Needs/concerns**	**Level of engagement**
Finance Manager	Impacts to financial structures and reporting. Cost implications including project costs and business as usual. Project support requirements.	High
HR Manager	Impacts to people. Payroll implications. Project support requirements.	High
Marketing Manager	Minimal concerns or needs as no direct impact to marketing team or function.	Low
IT Manager	Access to system requirements. Hardware and software requirements.	Medium
Contact Centre Supervisors	Concerns; how the change impacts them. Concerns; how the change impacts their team.	High
Telephone Sales Representatives	Concerns; how the change impacts them.	High
Finance, HR, Marketing and IT employees	Concerns; how the change impacts them. Concerns; how their colleagues are impacted.	Low

As a result of completing this map Sarah has identified the following:

- she must keep in close contact with the Finance and HR Manager and keep them informed as the project progresses to ensure she maintains their support

- she must be in regular contact and keep the IT manager aware of what is happening

- she will need to invest minimal time with the Marketing Manager regarding the changes

- her project plans must include specific strategies to manage the Contact Centre Supervisors and Telephone Sales Representatives through the change

she must quickly communicate to Finance, HR, Marketing and IT employees that they are not impacted by the change and provide for updates regarding the impact to their colleagues in the Contact Centre team.

Learning activity: Stakeholder management

Use the link below to access the article 'Stakeholder Analysis: winning support for you projects' on the Mind Tools website:

- <http://www.mindtools.com/pages/article/newPPM_07.htm>.

After reading the article answer the questions below:

What are the benefits of managing stakeholders when implementing organisational change?

What examples of stakeholders are as discussed in the article?

Summarise the 'Power/Interest Grid for Stakeholder Prioritisation'

How could this grid assist you when developing your change management strategy?

Measurement and reporting

Measurement involves the use of various mechanisms for tracking and reporting on the outcomes of the change against the goals that the change is designed to achieve. It also provides insight into issues that need attention along the way. Measurement is therefore critically important for reinforcing change and establishing support.

Your change management strategy should include information regarding how the change you are implementing will be measured and reported. This includes detailing:

- how you will measure success
- how you will report success.

Measuring success

The table below provides examples of potential measures for each element of the change management strategy:

Strategy element	Methods of measurement
Change goals	– achievement of change goals on track – achievement of milestones.
Change impacts	– feedback from impacted employees regarding the effectiveness of the change program.
Project management	– delivery of project activities as per project schedule.
Stakeholder management	– red, amber and green status against stakeholder mapping – unsolicited feedback from stakeholders.
Communication	– delivery frequency, audience response, event attendance, levels of awareness/knowledge, communication survey, unsolicited feedback.
Education	– pre-learning and post-learning competency assessments – workshop feedback.
Cost benefits	– if and when cost benefits are realised.
Risk management	– number of risks barriers realised – effectiveness of strategies to minimise risk to resolve issues.

Reporting success

Once you have identified the measures, you need to agree on the reporting protocols with the relevant managers within your organisations. Protocols might identify:

- format of reports
- what measures will be reported
- when reports will be produced (weekly, fortnightly, monthly)
- who will receive a copy of the report.

By including this information in your change management strategy you can obtain agreement on reporting requirements when you seek approval for the strategy.

Example Telephone Travel – Measurement and reporting
Sarah knows that the Managing Director and the key stakeholders of the project will require updates on how the project is progressing and whether it delivers on its goal. Sarah's overall project measure will be the achievement of the project goal – the new structure that reduces manager-employee ratios to 1:10 will be in place by 31 October 201X.

However, Sarah knows that the management team will want to be informed as to how the project is tracking toward the achievement of this goal. To meet this requirement she develops the following weekly report to provide an update on the status of the project.

The colours mentioned in the 'Status' column represent:

- Green: completed
- Amber: in progress
- Red: not completed.

Reporting element	Measures	Status
Change goal	New structure is implemented by 31 October 201X delivering reduced manager employee ratios of 1:10.	Amber
Project management	Delivery of project activities as per project plan for each stream.	Overall status Amber
	– People	Green
	– Process	Amber
	– Technology	Amber
	– Structure	Amber
Stakeholder Management	Stakeholders engaged and comfortable with current position.	Green
Communication	Communication Plan activities on schedule.	Green
Education	Education Plan activities on schedule.	Green
Cost benefits	Project budget on track.	Green
	Cost benefits on track to be realised.	Green
Risk Management	Risk Management Plan effectively managing risk.	Amber

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Learning activity: Measurement and reporting
What is the purpose of measuring and reporting on your change management strategy?

Document a change management strategy

The final step in developing your change management strategy is documenting it. Organisations use various formats and templates to document change management strategies. The important point to remember is that the strategy contains the following essential elements:

- change goals
- change impacts
- project management
- stakeholder management
- communication

- education
- cost benefits
- risk management
- measurement and reporting.

Example: Documenting a change management strategy
The following example provides a possible format for documenting a change management strategy.

1. Purpose – document the purpose of the change management strategy.
2. Inputs:
    a. change process
    b. organisational change management (OCM) objectives
    c. OCM standards
    d. stakeholders impacted
    e. key messages to be delivered
    f. available communication channels.

3. Outputs:

    a. training:

        i. training strategy outlining what training documents will be created

        ii. learning maps will be created for each impacted job role

        iii. training maps provided showing who is being trained to what functionality.

    b. communication:

        i. a communication plan will be generated showing channels, frequency and participants.

4. Change process:

    a. Document communication strategies for each stage of the change process:

        i. contact

        ii. awareness

        iii. understanding

        iv. buy in

        v. commitment.

5. OCM Objectives:

    a. document the objectives of the OCM project to inform, involve and prepare all audience groups impacted by the change.

6. OCM Standards:

    a. Document the standards for the training and communication tools and documents which will be used e.g.:

        i. all training and communication materials for the project will:

        ii. tailored to the audience

        iii. clear, simple and concise

        iv. include graphics, charts and diagrams where appropriate

        v. use appropriate language for the audience

        vi. be delivered by local audiences and leadership where possible.

7. OCM Tactical Guidelines – define the tactical goals of the OCM e.g.:

    a. At a tactical level the change management efforts will strive to:

        i. promote the project throughout the stakeholder community

        ii. generate excitement and support for the forthcoming changes

        iii. monitor employee reactions and morale

        iv. generate and demonstrate leadership support.

Learning activity: Documenting a change management strategy

Research 3 examples of documented change management strategies.

The following words when typed in your search engine should assist you in locating a variety of options:

- documenting change management strategies
- organisational change management plan template
- change management strategy template.

Answer the questions below:

What are some of the consistent elements that are included in the examples that you found? Why do you think that these elements are used?

Rate each of the examples that you have found as to their effectiveness for capturing the essential elements of a change management strategy as detailed above.

Use the following rating scale to assign a rating and detail why you have assigned this rating:

- excellent
- average
- below average.

Example 1	Rating:
Why have you assigned this rating?	

Example 2	Rating:
Why have you assigned this rating?	

Example 3	Rating:
Why have you assigned this rating?	

Obtain approvals

Once you have finished developing and documenting your change management strategy, you must obtain approval to implement. All change management strategies must be approved prior to being implemented. This is to ensure that management teams are aware of and agree with all of the activities associated with implementing the change.

You must ensure that you find out who are the relevant authorities to obtain approval from. Typically you will require approval from managers who have responsibility for the area/s of the organisation affected by the change.

Organisations use various methods to approve change management strategies. In some organisations it is enough to simply provide your strategy document for review and approval. In other organisations, you may be required to complete a presentation or submit a written report.

If you are required to complete a presentation or submit a written report you will need to ensure that your submission clearly outlines:

- how the change will improve organisational performance
- how the change links to the organisation's strategic and operational plan goals
- how the change will be managed, i.e. your change management strategy.

You should also ensure that your submission is supported by data to help demonstrate the value of the proposed change to the organisation. Supporting data could include:

- productivity data
- customer complaints data
- human resource data such as absenteeism, engagement, turnover.

You should also ensure that your submission is concise and professional. Management team members are usually busy people and like information presented concisely. You need to ensure that your submission and supporting documents detail the strategy and recommendations clearly and concisely but are still presented with enough detail to enable managers to make an informed decision.

Example Telephone Travel – Obtain approval
Sarah circulated a copy of her documented change management strategy to the management to obtain their approval.   The Managing Director requested that Sarah discuss the strategy document at the next management team meeting.   After discussing the strategy at the management team meeting, Sarah's change management strategy was approved and Sarah was now ready to commence implementation.

Delivering effective presentations

To effectively present your change management strategy to management teams to obtain approval you should develop some basic presentation skills.

The following provides information on how to deliver successful presentations.

Plan the presentation

As you start to plan the presentation there are two fundamental questions that you should answer:

1. Why are you conducting the presentation?
2. Who will be at the presentation?

The answer to question one should be the objective of your presentation. Your objective should be realistic, achievable and measurable. The rest of your plan is then built around achieving your objective.

Learning activity: Planning your presentation
What are you trying to achieve when presenting your change management strategy to management teams?

Once you have clearly determined your objective you need to keep your audience in mind.

Consider the following:

- what is their general attitude likely to be: interested, indifferent, friendly, or sceptical

- how much will they know already

- how fast can they take things in; are they accustomed to listening to talks or will they find it difficult to remain still and focused

- what would you want to know if you were sitting in the audience?

Always keep your audience in mind when preparing your presentation. Think about the information that will be relevant and necessary for your audience.

Targeting your audience

There might be times when you have both experienced and inexperience audience members. This is a challenge as too much detail may frustrate the experienced members and not enough may confuse the inexperienced. In this case you can deploy several tactics:

- try and pitch your presentation towards the middle

- keep the main presentation higher level but provide comprehensive notes or more detail in written form for the inexperienced audience members to refer to

- arrange follow up sessions for those who have more difficulty absorbing the information you are presenting

- use the experienced participants in your presentation – draw on their knowledge and ask them to work with those who are less familiar with the information so that you are allowing them to use their skills and knowledge productively.

Develop your presentation

After you have established your objectives and analysed your audience you are then ready to structure your presentation. When you begin to write your presentation make sure it's in the spoken word, otherwise it won't sound natural. There are many different ways to put a presentation together; it's about finding what works for you personally.

One method to develop a presentation is the design procedure: SYSTEMA.

1. Choose a topic.

2. Brainstorm all the information you would like to cover (use post-it notes or small pieces of paper.

3. Cluster headings – put the post it notes into logical clusters of like information

4. Breadth or depth – consider your objective and audience and determine how much information is required...what do they need to know about each key point

5. Sequence clusters – put into logical sequence that will take your audience from beginning to end

6. Expand on ideas – add the content to support your key clusters.

Prepare for the presentation (notes)

There are no hard and fast rules governing how you should have your presentation notes organised. Some people prefer to write out the presentation in full, while others prefer to note down the basics to use as a prompt.

You should avoid reading from a script, so bullet points tend to work better than full sentences. Some people use different colours or highlight key headings to remind them at a glance what point they are making.

If using more than one card or sheet of paper, make sure to number the pages so that you don't get lost. Keep your headings or key topics brief, well-spaced and easy-to-read.

It is expected that you have a good understanding of the content of your presentation, so that your notes merely guide you through. You should not have total dependence on your notes for content. They should mainly be used for prompts and to keep to your planned structure.

Learning activity: Preparing for presentations
Think of a time when you did not adequately prepare for a presentation? How did you feel and what impact did it have on the objective of your presentation?   If you have not had this experience yourself, think of time you attended a presentation and it was obvious the presenter had not adequately prepared. What impact did it have on you as a member of the audience?

Preparing your audience

Preparing your audience involves providing them with any information regarding the presentation prior to their attendance. This usually involves providing pre-reading to ensure they have a certain level of understanding prior to attending the presentation.

Learning activity: Preparing your audience
How could you prepare management teams who will be attending your presentation of your change management strategy?

Preparing yourself

Once you've developed your presentation, the only thing left to do is to practice.

Four Preparation Techniques

1. Go through the presentation in your head.

2. Do a stand up rehearsal by yourself.

3. Rehearse in front of a test audience.

4. Record the presentation with a video camera then watch the playback.

Practise until you feel comfortable with the:

- material
- structure and sequence
- key learning activities
- props or equipment used
- notes.

Present the presentation

There are four key stages in your presentation. These are the moments that can make or break your presentation.

1. The introduction

2. Getting the audience's attention

3. Your conclusion

4. Question time

These areas go above and beyond what you have planned for or written out in your presentation.

Introduction

- greet your audience
- introduce yourself
- establish your credibility
- state the subject of your presentation.

Get the audience's attention

- relate an anecdote
- ask a question
- recite a quotation
- make a bold statement
- establish WIIFM ('what's in it for me?').

Your conclusion

- review your main points
- ensure the audience knows that you are concluding; refer back to your opening comments if possible
- ask for approval.

Question time

- anticipate questions, practise answers
- look at and listen to audience for feedback.

Report writing

A report is an organised presentation of factual information or ideas about a given subject. It can vary in length from one page to several hundred.

The purpose of a report is to:

- transmit information
- seek approval for proposals
- analyse situations
- predict trends
- review progress
- summarise events
- construct plans
- research and develop proposals
- solve problems.

Reports often provide the basis for important decisions and therefore a poorly presented report can be harmful to a business.

Bad reports

Most bad reports suffer from a failure to recognise that their prime purpose is to communicate information.

- They can often be verbose and use unnecessary jargon. Long sentences, long paragraphs, a lack of headings and sub-headings are all aspects that hinder understanding.

- Lack of a clear structure makes it difficult to follow the argument and identify the main points.

- Important facts may be missing, or wrong.

- It can be unclear what is verifiable fact and what is the writer's opinion.

- Reports are often overly long because the writer has failed to identify the precise purpose of the report.

Good reports[5]

A good report avoids the failings detailed above by following the four C's:

- Clear – A clear report is simple and logical in communicating its message to the reader.

- Concise – A concise report is one in which the information is kept to a minimum. It is as long as it needs to be to communicate the necessary information, but no longer.

- Correct – A correct report is one in which all the necessary information is verifiable, that is, based on facts.

- Complete – A complete report is one in which all the necessary information is included.

Learning activity: Written reports	
Prepare a checklist of the requirements for preparing a written report to obtain approval for implementing a change.	
1.	☑
2.	☑
3.	☑
4.	☑
5.	☑

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[5] Deakin University 1995, *Managing Information, Topic 7 Report Writing*, Deakin Australia, Geelong.

6.	☑
7.	☑
8.	☑
9.	☑
10.	☑

Section summary

You should now understand how to develop a change management strategy that addresses the needs of an organisation. Concepts covered in this session included undertaking cost risk and benefit analysis of the change, developing change management project, obtaining approval for the change management process, documenting the change management strategy.

Further reading

- Harvard Business Review, 2006, *Harvard business review on leading through change*, Harvard Business School Publishing Corporation, Boston.

- Hiatt, J., 2006, *ADKAR: a Model for Change in Business, Government and our Community*, Prosci Research, Colorado.

- Holman, P., Devane, T., and Cady, S., 2007, *The change handbook*, 2nd edn, Berrett-Koehler Publishers, San Francisco.

- Kotter, J., 1996, *Leading change*, Harvard Business School Press, Boston.

Section checklist

Before you proceed to the next section, make sure that you are able to:

☑ develop a change management strategy

☑ undertake cost-benefit analysis for high priority change requirements/opportunities

☑ undertake risk analysis, identify barriers to change, and agree and document mitigation strategies

☑ develop change management project plan

☑   assign resources to the project and agree reporting protocols with relevant managers

☑   develop communication and education plans in consultation with relevant groups and individuals and ensure these plans promote the benefits of the change to the organisation and to minimise loss

☑   arrange activities to deliver the communication and education plans to all relevant groups and individuals

☑   consult with relevant groups and individuals for input to the change process

☑   obtain approvals from relevant authorities to confirm the change management process.

Section 3 – Implement a Change Management Strategy

This section is about the skills and knowledge required to implement a change management strategy. Section 3 addresses how to develop communication and education plans in consultation with relevant personnel to promote the benefits of a change in the workplace. This section also examines the processes involved in identifying barriers to change and identifies strategies to overcome those barriers so that the change becomes embedded in the organisation.

Scenario: Telephone Travel
Sarah has completed the Telephone Travel change management strategy and has gained the support of her managers to implement the plan. She must now develop the tools and resources mentioned in her education and communications plans. Sarah will use the backing from the management support she has achieved to help implement the changes and consult with relevant personnel in order to ensure the change project plan is smoothly and effectively implemented.
Sarah is confident her change management strategy will ensure a smooth implementation but she is also aware of the need to closely monitor the stages of the implementation and take what action is required to keep the plan on track. She will need to reinforce the change process to ensure the change becomes embedded within the organisation's culture.

What skills will you need?

In order to work effectively as a manager, change leader or strategic planner, you must be able to:

☑ identify and respond to barriers to the change in accordance with risk management plans

☑ action interventions and activities set out in project plan in accordance with project timetable

☑ activate strategies for embedding the change

☑ conduct regular evaluation and review, and modify project plan where appropriate to achieve change program objectives.

Introduction

Now that your change management strategy has been approved you are ready to commence implementation. Implementation involves actioning the activities as detailed in your:

- Change Management Project Plan
- Communications Plan
- Education Plan.

Consultation

As discussed in Section 2, consultation with managers and employees who will be affected by the change is critical to the success of your strategy. Where possible you should complete this consultation when developing your change management strategy to ensure that your project plan, communication plan and education plan are supported by those within the organisation who will be impacted by the change.

In some situations, completing consultation at the strategy development stage will not be appropriate because of confidentiality or sensitivity issues. In this situation you will need to document your strategy and relevant plans and then complete the consultation process after the change has been announced. If this is the case you should include consultation activities in your project, communication and education plans.

To effectively manage consultation after a change has been announced, you should plan for the following activities:

1. Announcing the change. Managers and employees are advised that consultation will take place regarding the implementation of the change.

2. Arranging consultation activities.

3. Conducting consultation activities to validate or identify required changes to your draft project, communications and education plans.

4. Updating your draft project, communications and education plans.

5. Submitting revised plans for re-approval (depending on the scale and nature of the changes you have made to your plans).

6. Commencing implementation.

Book Review: 'The Change Monster' by Jeanie Duck

Read a review of 'The Change Monster' by Jeanie Duck. The review provides some useful insights into how to successfully implement change.

Read a review:

Brenowitz, R., 2001, 'The Change Monster', *Tools for teams*, no. 3, Brenowitz Consulting, California, available online, viewed June 2011, <http://www.brenowitzconsulting.com/pub/tt_3.html>.

Learning activity: Keeping staff motivated

Watch the video 'BSBSMB407A: Keeping staff motivated' on IBSA's YouTube channel at <*http://www.youtube.com/ibsachannel*>.

Charles Bishop from O2C is talking to Coffee Guru to find out about what motivates their team.

1. Why is finding out about what motivates staff important?

2. Consider your business or a business you are familiar with. Do you know what motivates staff? How did you (or would you) find out?

3. Are the staff motivations in the business you considered for question 2 in alignment with the business vision? If not, what are some consequences of this?

4. Coffee Guru wants to ensure that as the business develops, the team remains highly motivated.

If the business you considered in questions 2 and 3 was changing (and you were managing a team of employees through the change), how could you maintain and enhance motivation?

What are some benefits of team building exercises to any team working through change?

Action planned activities

To implement the activities in your project, communication and education plans, you should:

- complete the activities detailed in the plan in sequence

- ensure you are aware of the start and end date for each activity and adhere to those timelines

- review the plan activities at the beginning of each week to understand the tasks and deliverables for the week ahead

- review the plan at the completion of each phase to evaluate your achievements against planned goals and milestones

- follow up with stream leaders with regards to completion of activities within each of their plans

- where required, modify your plan timelines and activities and inform key stakeholders of any changes, remembering to seek approval for major changes where required

- complete reporting requirements as detailed in your agreed measurement and reporting protocols.

Example Telephone Travel – Action planned activities

Sarah is pleased that it is now time to implement her change management strategy and action the activities set out in her project plan. She recognises the importance of her role as project manager to ensure that all activities are completed as per the plan and that she needs to monitor the progress of the plan very closely.

To ensure that all planned activities are actioned in accordance with the project timetable, Sarah:

- conducts a project team meeting every Monday morning to review the plan to understand the tasks and deliverables for the week ahead

- conducts a project team meeting every Friday afternoon to review the plan to understand what activities have been completed throughout the course of the week and can therefore be closed in the plan

- modifies the plan timelines and activities where required and informs key stakeholders of any changes

- takes action to remove any obstacles that may be preventing activities within the plan from being completed

- completes weekly reporting requirements as detailed in her measurement and reporting protocols.

Identify and respond to barriers to change

As discussed in Section 2, when managing change it is important to identify the risks and barriers to change and plan how you will respond to those risks and barriers.

Let's take a moment to recap what we covered in Section 2 – Risk Management:

3 Steps to managing risks and barriers

To effectively manage the risks and barriers associated with implementing change you should follow the following steps:

- Step 1 – Identify risks and barriers.
- Step 2 – Analyse and evaluate risks and barriers
- Step 3 – Identify strategies for mitigating risk.

During the implementation phase of change management it is likely that you will recognise some of the risks and barriers you identified, when completing your risk management plan, starting to emerge. This is when you will need to review your risk management plan and action the strategies for mitigating the risk that you detailed in that plan.

Examples of risk and barriers that you may witness are:

Risks	Barriers
- process changes result in slower service to customers - poor change management results in disgruntled employees - new equipment results in an increase of errors.	- resistance from those impacted by the change - fear of the unknown - existing organisational culture, e.g., history of failed organisational change - loss of control - poor manager/employee relationships - lack of involvement in the change - low morale - vested interests.

Learning activity: Action planned activities

In the space below, detail the challenges managers face when actioning the activities detailed in their change management project plan, communications plan and education plan. For each identified challenge, detail an innovative way in which the challenge could be overcome in the workplace.

Challenge	Ways to overcome...

Preparing a risk management plan will ensure that you are able to respond quickly to risks or barriers as they appear. Being able to respond quickly in these situations is critical to the success of the change as it prevents prolonged delays to the change process, which can make people feel like success is too difficult to achieve. Just as quick wins can motivate people and build momentum for change, barriers (when unaddressed) can generate negative feelings about the change process. Remember a successful change means arriving at the end state as soon as possible.

Once you have implemented the strategy for mitigating the risk, you must check that it has been successful in removing the barrier. You could this by:

- checking that the signs that demonstrated that the barrier was an issue are no longer visible

- feedback from stakeholders as to whether the barrier is still an issue

- analysing organisational behaviour to determine if employees are moving in the right direction along the change curve.

Understanding why people resist change

One of the biggest risks and barriers to change is resistance from those people impacted by the change. It is important that you understand why this resistance occurs.

When faced with a change, people can either choose to embrace it or resist it. In many cases people choose to resist. Research has produced insight into why people resist change and how managers can respond to help people to accept change more positively.

The activity below lets you explore one theory on how managers can respond to change resistance and remove it as a barrier to successful change.

Learning activity: 'Dealing with resistance to change – Why do people resist change
The following information is from 'Dealing with resistance to change – six change approaches' on the *Value Based Management* website: <http://www.valuebasedmanagement.net/methods_kotter_change_approaches.html>.   After reading the article and summary answer the questions below: How could these approaches assist you when managing organisation change?   Consider the Telephone Travel scenario or a change management scenario you are familiar with. If you were the project sponsor, what are some of the challenges you think you might face when implementing these approaches and how could you overcome those challenges using innovative strategies?

Approach	Challenge	Strategy to overcome challenge
1		
2		
3		
4		

Example Telephone Travel – Identify and respond to barriers to change

When implementing the new structure, Sarah was pleased that she had taken the time when developing her change management strategy to identify the potential risks and barriers that may be experienced when implementing the change.

Unfortunately a potential barrier that Sarah had identified has been realised. Contact Centre Supervisors and Telephone Sales Representatives do not believe that the organisation is committed to the new structure as only two years ago the organisation implemented the current structure. At the time they brought in that structure, the organisation made three supervisors redundant.

Sarah is hearing comments from Supervisors and Telephone Sales Representatives such as:

- 'Here we go again!'

- 'Do they even know what they are doing?'

- 'How unfair, those three Supervisors lost their jobs for nothing...do they realise these changes impact people's lives!'

- 'I would not take one of those Supervisor roles as in six months time they are likely to change their mind on the structure and make you redundant.'

- 'Why do they waste all of our time with this sort of stuff?'

- 'So it looks like we will have to listen all that mumbo jumbo again about how good this will be for us.'

- 'We told them two years ago that the new structure was not going to work and did they listen then? Of course not!'

Sarah knows that it is critical to keeping the change on track that she must quickly action the mitigation strategies she identified in her risk management plan. This includes:

- ensure the key messages that specifically address this change in direction are repeated consistently in all communications

- ensure the key messages are also repeated during education sessions

- arrange for employee focus groups conducted by Managing Director to discuss this change in direction and hear employee's concerns to commence within the next week

- ensure that the invitations to the focus groups advise employees that these sessions will specifically address concerns regarding the change in direction and they will be given opportunity to voice their concerns.

Activate strategies to embed change

Your change management project should include strategies to embed change. These strategies are important in making the change a 'business as usual' activity.

As discussed in Section 2, employees move through the change curve towards the final phase: commitment. Acceptance of the change means the general feeling amongst employees is 'this is how we do things around here'. You know you have been successful in embedding a change in your organisation when your employees reach this stage.

Time
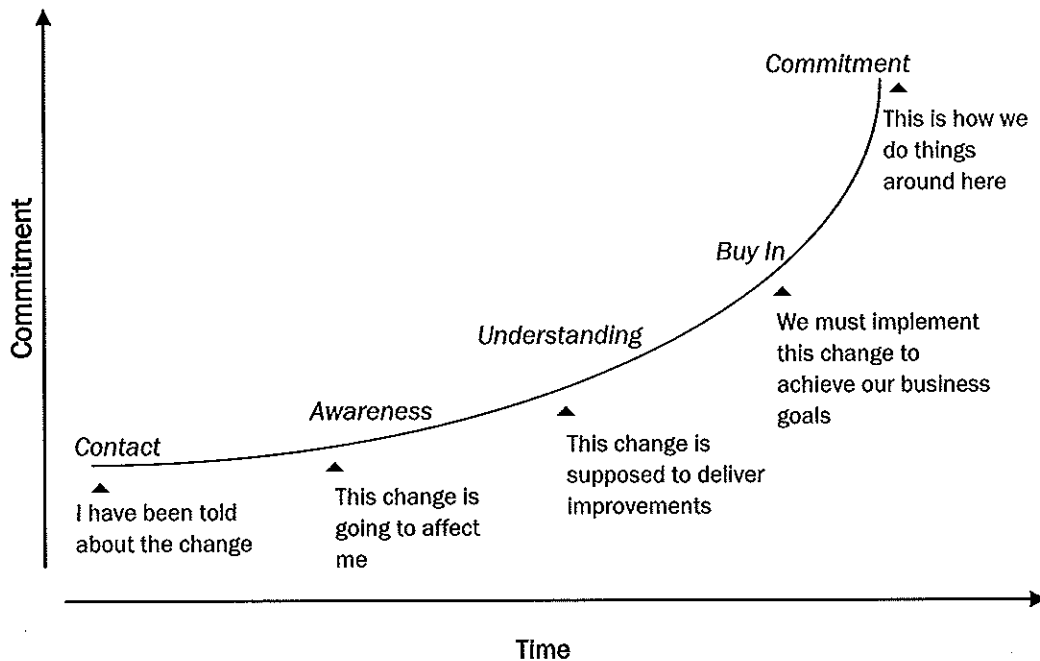
Strategies to embed change

Strategies to embed change are the tools you will use to eventually make the change something that is seen and treated throughout the organisation as 'business as usual'. To effectively achieve this outcome, you should identify strategies that embed the change across the four organisational categories:

- people
- process

- technology
- structure.

By taking this approach you can ensure that have addressed all of the areas that have been impacted by the change.

As noted in section 2, it is important you think laterally and develop creative means that help people to accept change more positively. Innovative thinking is particularly important in organisations where change has failed in the past. If you continue to use methodologies and approaches that have failed in the past, employees will not trust that this change will result any differently to the failed changes of the past.

Perhaps the most important barrier to innovation is lack of information and critical analysis. You need to be aware of what has been tried in the past and analyse success and failure to isolate root causes.

Five whys method

One approach to identifying root causes is the five whys method. Use this process by making a statement, and then asking 'why?' Come up with a reason and then ask 'why?' again. Repeat five times.

In the Telephone Travel scenario the method could work like this:

Employees resist the change.

1. Why?
   Because employees are fearful.

2. Why?
   Because employees feel that the change has been attempted and failed before and therefore their jobs or jobs of colleagues could be affected.

3. Why?
   Because the change has not been explained sufficiently. Change has not been approached in a positive enough way to overcome the barriers that caused the last attempt to fail.

4. Why?
   Because the communication plan did not contain enough information. The message was not strategically reinforced continually. Influential stakeholders were not engaged to deliver the message and back it. Information was not presented in an engaging enough way for employees to take it in and apply the new processes to their own situations. Employees/managers were not asked for input into how they were communicated to.

5. Why?
   These activities or strategies were not embedded within the project plan. Building a more strategic plan that contains this element could be the answer to overcoming the resistance.

Another aspect to lack of information is lack of theoretical knowledge. Academics and business leaders have likely already successfully deployed strategies or creative activities to specifically address the risks identified in your risk analysis.

Use the ideas of academics and business leaders to create a change management toolbox. Some of the strategies discussed in this Student Workbook to address resistance and embed change include:

- change management process/cycle
- eight change phases model (Kotter)
- ADKAR Change management model (Prosci Research)
- change process (Duck)
- six change approaches (Kotter and Schlesinger).

Build elements of these models into your change management plan so you can implement your strategy effectively. Importantly, when you build in elements to address problems before they happen, implementation will self-manage to a certain extent. As a project manager, you will be able to concentrate on the big picture – the achievement of stakeholder support and running on time and to budget – and not have to continually address smaller issues.

On a tactical level, you will need to include fun and engaging activities to aid the broader strategic objective of achieving support. Possible activities have been listed on page 51 under the heading 'innovation'. Review these for ideas.

Remember that a big part of innovation is taking great problem-solving ideas (developed by others) and applying them to your own particular issues. You will need to apply strategies and tailor generic types of activities to your specific organisational change scenario.

Innovation process

Follow the six step innovation process:

Step	Description
Interpret	Examine the root problem from all angles. Research theories and models.
Generate	Brainstorm solutions; select feasible ideas.
Collaborate	Work with others; refine solutions together; consult with your stakeholders for input.
Reflect	Think about the problem and solutions: visualise solutions.
Represent/test	Experiment with solutions; present the solution to others (sometimes problems with solutions don't become apparent until they are actually tested).
Evaluate	Review and monitor results; ask for feedback.

Learning activity: innovation process

Refer to the innovation process described above to outline what Sarah could do to develop innovative solutions for embedding organisational change in the Telephone Travel workforce. An example for the interpreting stage has been given.

Step	Action
Interpret	Observe the workplace: research theories; research tactics for gaining trust and acceptance
Generate	
Collaborate	
Reflect	
Represent/test	
Evaluate	

The example below illustrates some of the strategies and creative activities that Sarah will use to embed change within Telephone Travel.

Example Telephone Travel – Strategies to embed change

Sarah has identified the following strategies to embed the new structure within the contact centre. As this change is mainly about 'people' changes, Sarah has focused her efforts on strategies that address the people involved.

Category	Strategy to embed change
People	**Weekly team meetings**
	The organisation has previously only held face-to-face meetings with the management team. All other employees are communicated with through the monthly employee newsletter sent via email and quarterly employee updates conducted by the Managing Director.
	Weekly team meetings to communicate progress of the change and continuing team meetings after the change have been implemented. This is intended to demonstrate to employees that this change is not just about the structure but really about the relationships between managers and employees.
	Sarah works with her six Supervisors to develop a team meeting schedule. The schedule works as follows:
	• Contact Centre management team meeting is held every Monday at 10am
	• Business Travel Team A team meeting is held every Tuesday at 10am
	• Domestic Travel Team A team meeting is held every Tuesday at 2pm
	• Holiday Packages Team A team meeting is held every Wednesday at 10am
	• Business Travel Team B team meeting is held every Wednesday at 2pm
	• Domestic Travel Team B team meeting is held every Thursday at 10am
	• Holiday Packages Team B team meeting is held every Thursday at 2pm.
	This schedule ensures that all teams have an allocated time for their meeting which provides employees with certainty regarding when they will receive information. It also ensures that all teams are given fair opportunity to meet whilst ensuring that customer service levels are not impacted by too many Telephone Representatives away from the phones at one time.

People	**'I'm listening lunches' with the Managing Director**
	Sarah also knew that for employees to be committed to this change and believe that that the new structure is about providing them with more support to assist them, she needed to think laterally. She knows that many employees would be shaking their heads and saying 'here we go again' as it was only two years ago that the organisation implemented the structure of increased manager employee ratios which resulted in three of their supervisors being made redundant.
	Sarah needed to identify strategies and actions that would demonstrate to employees that this change is different to the previous structure change. Sarah decided that this could be achieved by having the managing director host a series of 'I'm listening lunches'. These lunches would be conducted every week whereby a random sample of ten employees would be invited to attend lunch with the managing director. Lunch would be held in the Boardroom and provided by the company. The Managing Director would give a brief introduction in which he would acknowledge that the previous structure was wrong and that based on feedback from the Telephone Representatives, he has supported a change in structure that provides smaller manager employee ratios to provide them with the support they need to be successful in their roles.
	The Managing Director would then explain to Telephone Representatives that to keep the communication lines open and to ensure that he continues to receive their feedback he will be conducting 'I'm listening lunches' on a monthly basis. He will also explain that he will use these lunches to also keep them updated on his work and planning for the organisation to help employees better understand the decisions he makes and actions that he takes.
Process	**Publishing revised policies and procedures**
	Policy and procedure manuals must be ready on 31 October.
	Updating intranet content
	Intranet content is to be updated to reflect the new organisational structure and procedures. Intranet content that reflects the old structure must be removed by 31 October.
	Updating external information/collateral
	All external information/collateral is to be updated to reflect the new organisational structure and procedures for operating under that new structure. All external information/collateral that reflects the old structure must be removed from circulation by 31 October.
	Sarah knows that to embed this change there must be no reference to the old structure in the new organisation and it is important that all documented policies and procedures only reflect the new organisation from when it is implemented on 31 October.

Technology	**Technology updates**
	All required technology updates must be implemented by 31 October. This includes new Supervisor access. This is to ensure that the new structure is fully operational on 31 October without any need for technology workarounds.
	Sarah knows that to embed this change it must be fully operational on the 31 October.
Structure	**Implementing new reporting processes**
	All accounting structures and business reports must be updated to reflect the new organisation by 31 October. This is to ensure that the new structure is fully operational as of the implementation date.
	Sarah knows the importance of being able to measure and report on financial performance in embedding the new organisational structure. If from day 1 Supervisors are fully responsible for their cost centres and reports can be produced to measure and report on their performance then 'business as usual' will resume quickly.

Learning activity: Strategies to embed change

Answer the questions below:

Why must the manager implementing change identify strategies to embed change?

Why is it important managers use innovative thinking when identifying these strategies?

> Where could you access information regarding innovative ideas for embedding change within an organisation?

Evaluate and review

The final stage of the change process is to evaluate and review effectiveness. This is best completed in two ways:

- During implementation – to monitor, evaluate and review the effectiveness of your change management project plan activities and allow for intervention when necessary to keep the change process on track

- Post-implementation – to evaluate and review the effectiveness of the change delivering against the organisation's strategic change needs – the reason the change was implemented in the first place.

During implementation evaluation and review

It is important that you complete regular evaluations and reviews of your project plans, including your communication and education plans, to ensure their ongoing effectiveness in delivering against the change goals.

After completing evaluations and reviews it may become apparent that you need to make changes and modify these plans to ensure they meet the needs of the change.

There are several ways in which you can evaluate and review your change management project plans. These include:

- pulse surveys

- stakeholder/employee focus groups

- review of achievement against project milestones.

Pulse surveys

Surveys completed by employees to evaluate and review organisational behaviour as a result of implementing a change.

If your change management project plans are being successful in implementing change, then your pulse survey results should demonstrate that:

- people understand what is changing, why it is changing and what the change goals are
- people understand how the change is going to impact them
- managers commit the time and resources required to achieve the change goal
- people believe that the change is positive and will improve the way in which the organisation operates
- people understand the link between the need for the change and the organisation's success
- people have the skills and knowledge required to effectively operate in the new environment
- people speak about the change as the way in which they do things now.

Stakeholder/employee focus groups

Focus groups are often very useful when conducted after the results of a pulse survey have been collated. You can use these focus groups to:

- further explore feedback received through the completed surveys
- identify where/how modifications could be made to the change management project plan to improve the change experience for employees
- open lines of communication between the project team and stakeholders/employees
- consult with stakeholders/employees to develop support and commitment to the change.

Review of achievement against project milestones

This where you implement the measurement and reporting program you developed as part of your change management strategy. As discussed in Section 2, this program is designed to track and report on the successful achievement of the change goals and highlight areas that need attention to ensure that project milestones are met. The program details what has been agreed and approved with regards to:

- how success will be measured
- how success will be reported.

During the implementation phase of the project you must ensure that you complete the activities detailed in your measurement and reporting program as this will ensure that you evaluate and review the project as it progresses.

Let's look at an example from the Telephone Travel scenario.

| Example Telephone Travel – Evaluate and review |

Sarah developed the following Pulse Survey to be completed by all stakeholders to evaluate and review organisational behaviour as a result of implementing the Contact Centre structure.

| We are seeking your opinion on our recent organisational change efforts when implementing the new Contact Centre structure.

Your responses are confidential and will be used to identify areas that require improvement.	Strongly Agree	Agree	Slightly Agree	Neither Agree nor Disagree	Slightly Disagree	Disagree	Strongly Disagree
Communication							
I trust that my Manager/Supervisor has provided me with all of the necessary information regarding the structure change.	1	2	3	4	5	6	7
I have been provided with information with regards to how and when the change will impact me.	1	2	3	4	5	6	7
I understand why this change is being implemented.	1	2	3	4	5	6	7
I understand how this change will assist the organisation to achieve its strategic goals.	1	2	3	4	5	6	7
I been invited and attended regular team meetings/ briefings regarding the change.	1	2	3	4	5	6	7
Education							
I have received the training I need to operate in the new organisational structure.	1	2	3	4	5	6	7
I know what skills I need to be a valuable contributor within the new organisational structure.	1	2	3	4	5	6	7

Consultation							
I have had the opportunity to provide input and feedback into the change process.	1	2	3	4	5	6	7
I feel that my input and feedback has been listened to and taken on board by the project team.	1	2	3	4	5	6	7
Leadership							
My Manager demonstrates a commitment to the new structure by his/her actions.	1	2	3	4	5	6	7
My Manager displays a genuine interest in me as a person and how I am coping with this change.	1	2	3	4	5	6	7
I am comfortable about approaching my Manager if I have a question or concern regarding the new structure.	1	2	3	4	5	6	7
Organisation							
I support the organisation's decision to implement this change and agree with what it is trying to achieve.	1	2	3	4	5	6	7
I believe that this change will better position the organisation for success.	1	2	3	4	5	6	7
Customer service							
The new structure allows me to provide quality service to my customers.	1	2	3	4	5	6	7
The new processes and procedures allow me to effectively meet my customer's needs.	1	2	3	4	5	6	7

Post-implementation evaluation and review

One of the best ways to evaluate and review the effectiveness of a change delivering against an organisation's strategic change needs is to identify a set of metrics that can be measured over time that demonstrates whether the change has had an impact. It will depend on what the strategic change need is as to what are the most appropriate metrics.

Metrics could include:

- **Financial** – has the implemented change resulted in financial gains for the organisation?
- **Productivity** – has the change increased productivity?
- **Customer** – Is the change delivering improvements that are having a positive impact on the customer experience?
- **Individual and organisational performance:**
    - has the change improved individual employee performance
    - has the change positioned the organisation as a strong competitor within the market
    - has the change proven to solve a specific business problem?

For this evaluation and review to be meaningful, performance should be measured on a regular basis over a period of time. This will ensure you can see if the change has delivered sustainable and long term benefits to the organisation. Below is an example of evaluation and review schedule that you could apply:

Review	Timing
1	3 months post-implementation
2	6 months post-implementation
3	12 months post-implementation
4	3 years post-implementation
5	5 years post-implementation

Learning activity: Evaluation and review

Answer the questions below:

Why is it important to evaluate and review the effectiveness of your change management strategy during implementation and post-implementation?

What are some of the potential impacts to organisations when these two evaluations do not occur?	
Impacts for not completing evaluation and review activities during implementation	Impacts for not completing evaluation and review activities post-implementation

Section summary

You should now understand how to implement a change management strategy to ensure an organisation's change goals are achieved. We have looked at how to develop communication and education plans in consultation with relevant personnel to promote the benefits of a change in the workplace. This section also discussed the processes involved in identifying barriers to change and how to overcome those barriers so that the change becomes embedded in the organisation.

Further reading

- Duck, J.D., *The Change Monster*, Three Rivers Press, New York.

- Harvard Business Review, 2006, *Harvard business review on leading through change*, Harvard Business School Publishing Corporation, Boston.

- Hiatt, J., 2006, *ADKAR: a Model for Change in Business, Government and our Community*, Prosci Research, Colorado.

- Holman, P., Devane, T., and Cady, S., 2007, *The change handbook*, 2nd edn, Berrett-Koehler Publishers, San Francisco.

- Kotter, J., 1996, *Leading change*, Harvard Business School Press, Boston.

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Section checklist

After you have completed this section, make sure that you are able to:

☑ identify and respond to barriers to the change in accordance with risk management plans

☑ action interventions and activities set out in project plan in accordance with project timetable

☑ activate strategies for embedding the change

☑ conduct regular evaluation and review, and modify project plan where appropriate to achieve change program objectives.

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Glossary

Term	Definition
Change management	Change management is a structured process and set of tools for managing the people side of change such that business results are achieved, on time and on budget.
Change management leader	This role is assigned to an individual who will plan and implement change management plans for the project.
Communication plan	The communication plan identifies the messages about the change that need to be spread through the organisation.
Managing Change	Managing change is the second phase in a change management plan and it includes the tactics the change management team employs to execute the strategy.
Organisational change management	The specific actions and steps that can be taken to implement a change management program.
Preparing for Change	Preparing for change is the first phase in a change management plan and includes building a change management strategy.
Stakeholder	Stakeholders are who have an interest in the implementation of change, its activities and its achievements.
Structure	Structure refers to the way an organisation is set out in terms of management. Flat: few layers of management between decision makers and employees; common in smaller organisations. Hierarchical: more layers of management; common in larger organisations and in organisations whose business priorities have shifted toward increasing productivity.
Transition state	The transition state is the organisation in the process of changing the way work is done.

Appendices

Appendix 1 – Quality Training's Strategic Plan

1.1 Objectives

The objectives of this plan are

1. To provide a written guide for the ongoing management of this training and development business; a strategic framework for developing a comprehensive tactical marketing plan.

2. To provide detailed projections for the current year and for the following two years.

The objectives of Quality Training are:

1. Profit – To achieve a net profit of $100,000 in the next financial year and a 25% increase in profit each succeeding year

2. Growth – To grow the business at a rate that is both challenging and manageable, leading the market with innovation and adaptability. Growth from 16 trainees at the year ending 2011 to 300 trainees at the year ending 2013.

3. Citizenship – To be an intellectual and social asset to the community by networking with community organisations (such as a local chamber of commerce) and offering services to charitable organisations when required.

1.2 Mission

*   Purpose – Quality Training exists to provide high quality, relevant training and development solutions which make a significant difference to the client's business performance. Quality Training aims to provide students with nationally recognised qualifications where applicable.

*   Vision – By providing quality training and excellent customer service, Quality Training will satisfy and grow its customer base, allowing the business to maintain profitability and to grow.

*   Mission – The short-term objective is to start this company quickly and inexpensively, with a minimum of debt. The long-term objective is to grow the company into a stable and profitable entity that the owners can easily and comfortably manage.

*   Marketing Slogan – 'Quality Training – Training that makes a difference!'

1.3 Key Performance Indicators

The keys to success for Quality Training are:

*   Marketing and networking – Identifying and following up potential clients.

*   Quality – Ensuring client satisfaction through providing superior training materials, delivery and follow-up.

- **Consultation** – Effective training needs analysis and client consultation to ensure the right training is delivered to the right people to meet the client's needs.

- **Relationships** – Developing loyal repeat customers.

- **Follow-up** – Monitoring student performance on the job during and after training to ensure transfer of skills and knowledge from training to the work.

- **Growth** – Assessing client needs and obtaining appropriate training solutions by extending the scope of registration or by developing suitable 'stand-alone' (fee-for-service) training packages.

2.0 Services

Quality Training will offer the following qualifications, training courses and services to its business clients:

- National recognised qualifications

  - BSB40807 Certificate IV in Frontline Management

  - BSB30407 Certificate III in Business Administration

  - BSB41407 Certificate IV in Occupational Health and Safety

  - SIR20207 Certificate II in Retail

  - SIR30207 Certificate III in Retail

  - TLI32410 Certificate III in Logistics.

- Stand-alone (fee-for-service training)

  - manual handling
  - time management
  - presentation skills
  - recruitment and selection
  - ergonomics

  - customer service
  - selling skills
  - personal effectiveness program
  - anti-discrimination, anti-harassment and equal opportunity.

- Training needs analysis:

  - Quality Training will conduct a training needs analysis and develop specific training materials and packages at the request of clients.

3. Competitive Comparison

Quality Training has identified three classes of competition in the training and development services industry.

1. In-house training departments and in-house training personnel – usually employed by larger companies that can afford the fixed costs of employees.

2. Public training providers (TAFE) – well established and respected, offering public courses and qualifications in a broad range of subject areas.

3. Private registered training organisations (RTOs) – offering similar training and qualifications to Quality Training and targeting the same client base.

3.1 Analysis of Competitors

- Quality Training does not intend to target large organisations with their own in-house training departments.

- While TAFE offers the same qualifications and is a highly recognised training provider, it does not offer flexible work-based training and delivery which will be the focus of the Quality Training approach to training.

- Private RTOs will provide the greatest threat to Quality Training. They are often national providers and, as such, can provide service to businesses with franchises or branches in other states.

- The local phone directory has seven training companies listed in the Penrith area. These are not large providers with the exception of two community colleges. There is a large TAFE. Many of the training organisations in the area are quite specialised e.g. retail skills training and computer training. These are not perceived as a threat to the success of Quality Training entering the local market.

4.2 Risks and Opportunities

Risks (Threats)	Advantages (Opportunities)
New business: - unknown in the market place - no references from former clients.	New business: - provide an alternative to clients unhappy with their current provider - clean record – no negative history.
Small business: - owner operated - limited resources (staff/equipment) - only operating in NSW - lack of funding for large marketing campaign - targeting local area initially – limited client base.	Small business: - flexible and adaptable to clients' needs - low start-up costs - personalised service – the training is conducted by the people who own the company and who meet with the clients; this is a level of commitment other training organisations may not have.
	Targeting local area: - able to visit trainees and clients more regularly - reduces costs to the business - knowledge of the local area and ability to market the business as 'local' - understanding of cultural influences - knowledge of local political situation and potential areas of growth.

Competitive market place:	Competitive market place:
• many RTOs and training organisations competing for business.	• as above.
Funding • reliance on Government funding.	Funding: • market training as a business benefit not an opportunity to attract incentives • offer a range of training services outside of traineeships.

4.3 Strategies to overcome perceived threats and weakness

- Network with friends and acquaintances to source business opportunities.

- Develop strong marketing materials including a website so that Quality Training can 'hit the ground running' on receipt of registration.

- Look for opportunities to deliver non-accredited training prior to becoming established as an RTO. This will bring in some income to offset the costs of registration and will assist in developing relationships with clients.

- Time-frame expenses – purchase materials and equipment when they are needed, rather than upfront.

- Be flexible in working policies and procedures – Think about contracting staff as required rather than employing them to save costs and eliminate the need for larger office space.

- Stay up-to-date with relevant legislation and industry requirements – Review websites regularly. Subscribe to industry publications and attend meetings or workshops when possible. Anticipate changes and act quickly to avoid issues with compliance to AQTF standards.

- Look for opportunities to develop working mutually beneficial partnerships with other RTO's or businesses – By keeping the business diversified and offering a variety of training and development solutions, the risk of losing Government funding for traineeships will be minimised.

5.0 Market Analysis Summary

Quality Training has identified potential clients from a number of industries. Because the training offered is fundamentally management, people skills or supervisory skills, the clients' industry is not particularly relevant.

Quality Training has identified the following businesses/industries as the key focus in terms of marketing:

- A logical segmentation breaks the market down into the following: Industrial, Manufacturing, Retail and Service Providers.

- As the larger retailers – Coles, Woolworths etc. – have internal training departments; our focus will be on the independents such as IGA supermarkets who have the autonomy to select their own training providers.

- In the Industrial and Manufacturing industries, we will focus on the medium-sized businesses, employing between 20 and 200 employees. Within Penrith there are a number of industrial parks and targeting business in these areas will be a prime focus.

- While there are a fair number of competitors in the local area, they seem to be specialised and a variety of sizes, leaving ample opportunity for Quality Training to create and expand a niche in the chosen market segment.

5.1 Market Trends

Worth noting is the trend for growth in the training market. With continuing low unemployment and competition for staff growing amongst businesses, many employers are seeing training and development and the offering of qualifications to their employees as a way of keeping qualified staff. This trend is likely to continue as population growth is decreasing, people are looking to retire earlier than in previous decades and the number of people joining the workforce each year is declining.

Schools are emphasising the importance of gaining recognised qualifications to their students. Many schools are now offering vocational subjects which will provide students with a nationally recognised qualification on leaving (VET in schools). Employers are finding that, to attract high quality applicants, they need to offer them opportunities to continue with their education. Traineeships are an effective and inexpensive way to do this.

Another trend which Quality Training intends to take advantage of is the requirement for business to comply with state and federal legislation in the areas of occupational health and safety (OHS), harassment, discrimination and unfair dismissal. Many small to medium businesses do not have in-house human resources facilities and as such need to train line management in understanding and complying with this legislation. Quality Training will offer this training in addition to nationally recognised traineeships.

5.2 Marketing Strategy

Quality Training will utilise a number of strategies in its marketing plan.

1. Personal contacts – Quality Training will network with friends to identify potential business opportunities. This will be done informally and through the mailing of brochures and information, followed-up by phone calls. This method has already proven successful, with a number of potential clients identified and interested in utilising the services of Quality Training when the organisation has received accreditation.

2. Cold calling – Quality Training will identify potential clients through the phone book and by driving through the industrial estates and obtaining business names and addresses. Quality Training will then call and forward information to these businesses in the hope of arranging a personal meeting.

3. Internet – Quality Training will develop a website advertising its services to the general public.

4. Yellow Pages – Quality Training will advertise in the yellow pages.

5. Networking – Quality Training will join the local Chamber of Commerce, where it can promote its services amongst local businesses and develop strategic relationships.

5.3 Marketing Materials

Quality Training will have a brochure professionally produced, outlining our mission, values and the training services provided by the organisation.

Business cards will also be produced and will be handed to friends and business acquaintances and networks.

Quality Training will maintain a professional website which will be updated regularly.

6.0 Pricing Strategy

Quality Training has a competitive advantage over a number of its larger rivals. Owner operated and with low overheads, Quality Training will be able to charge less for our services while maintaining the same quality of training and making a profit.

Individual fee structures will be negotiated with each client and will be based on a number of things including:

- requirement to conduct a needs analysis or develop materials
- length of course and number of participants
- ongoing contract vs. running a single course
- Government funding available
- ability to train at the clients site vs. the need to hire training facilities
- cost of printing training materials
- market rates.

7.0 Review of Business Plan

This business plan is formulated on assumptions, particularly with regard to financial forecasting.

Consequently, it is the intention of Quality Training to review this business plan on an annual basis.

The review will focus on:

- effectiveness of marketing strategy:
  - o number of trainees registered
  - o number of courses scheduled
  - o number of client enquiries
  - o feedback on marketing materials.

- financial management:
    - actual expenses compared to projected expenses
    - actual income compared to projected income
    - adjustments to budget required.
- strategy review:
    - are we targeting the correct market segment
    - are we capitalising on networking opportunities
    - are we under-resourced (including staff, equipment and materials) or over-resourced
    - is the business financially viable
    - do we need to make any changes to our scope of registration to meet customer needs
    - are we meeting our goals and mission (use client and student feedback on training effectiveness to determine)
    - what adjustments need to be made to the business to ensure success?

Appendix 2 – Telephone Travel Change Management Strategy

Change goals

To reduce manager employee ratios within the contact centre from 1:20 to 1:10 by 31 October 201X.

Change impacts

The following new management structure is recommended:
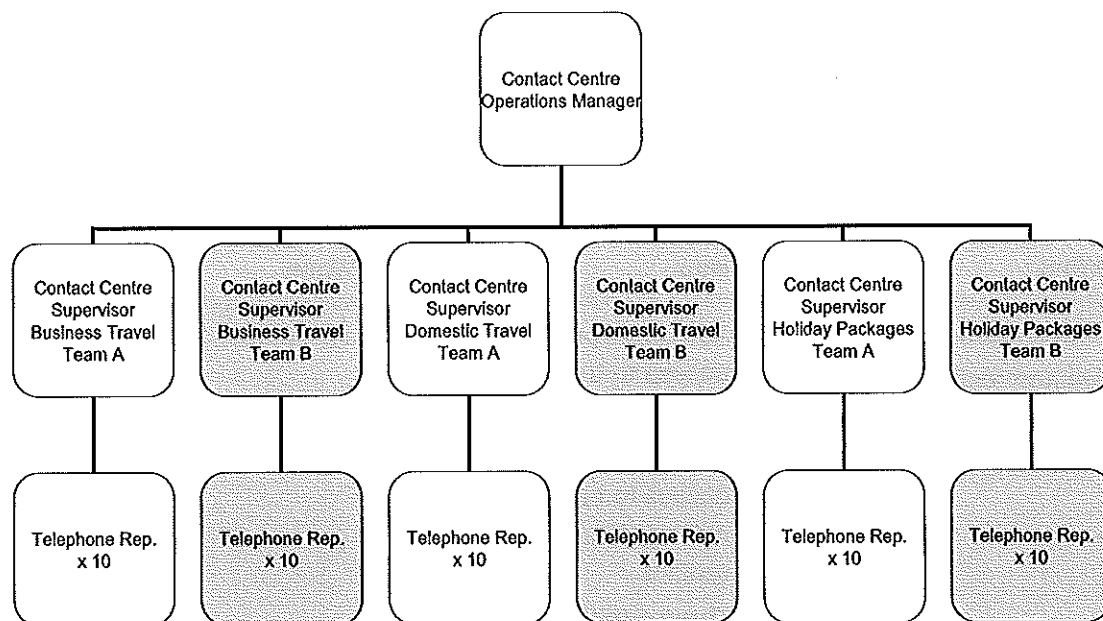
(The grey shaded boxes represent the newly formed teams)

People		
Who	How	When
Contact Centre Supervisor – Business Travel. Contact Centre Supervisor – Domestic Travel. Contact Centre Supervisor – Holiday Packages.	Reduction in number of direct reports from 20 to 10. Change from fully responsible for function to shared responsibility; two supervisor's per function.	31 October 201X.

Who	How	When
Telephone Representatives – Business Travel. Telephone Representatives – Domestic Travel. Telephone Representatives – Holiday Packages	Reduced teams. Change in team members. For 30 representatives, a new supervisor.	31 October 201X.
Processes		
What	How	When
Decision-making processes. Approval processes. Customer complaint processes.	All processes will need to be modified to cater for two supervisors per function.	31 October 201X.
Technology		
What	How	When
Travel booking system. Human resource management system. Asset requirements.	Additional supervisor access to travel booking system required. Additional supervisor access to human resource management system require. Three additional computers with applicable software licences.	31 October 201X
Structure		
What	How	When
Financial management structures Performance reports	Financial management structures will need to updated to include three additional cost centres Reports will need to be updated to reflect new organisation structure and cost centres.	31 October 201X

Project team

The following project structure identifies the roles required to manage and implement the change.

```
                        Project Manager
                              |
   ┌──────────┬──────────┬──────────┬──────────┬──────────┐
People Stream  Process Stream Technology Stream Structure Stream Project Analyst
  Leader         Leader         Leader          Leader
   |              |              |               |
Project Team   Project Team   Project Team    Project Team
 Member         Member         Member          Member
```
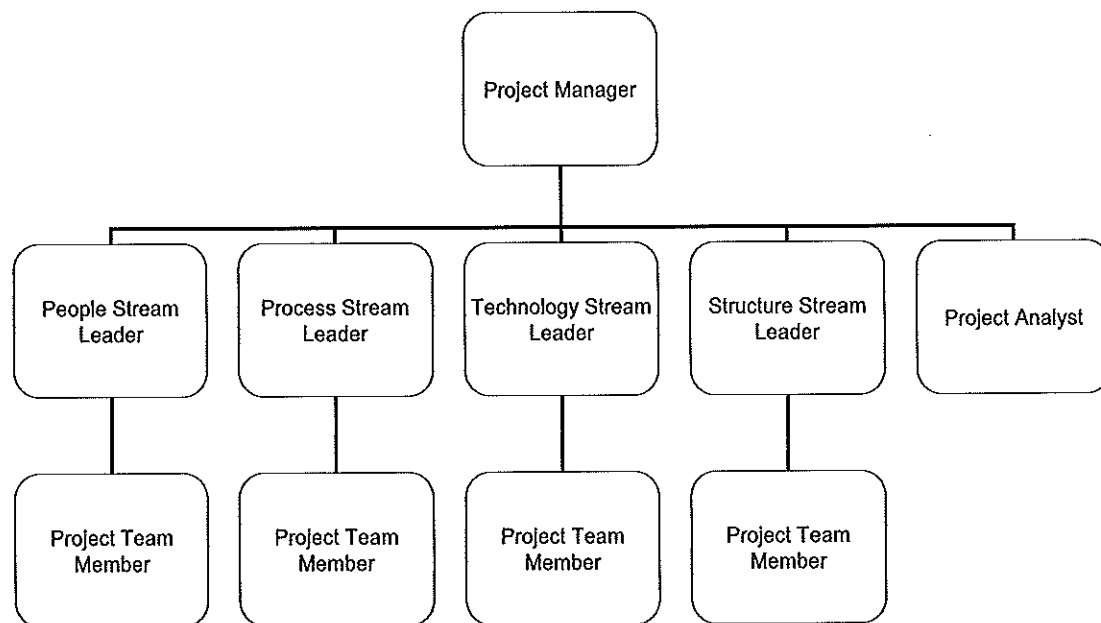
Project team responsibilities

Role	Responsibilities
Project Manager	Responsible for developing and managing the overall project plan deliverables.
People Stream Leader	Responsible for developing and managing project plan deliverables for all people changes such as recruitment, communication and education plans.
Process Stream Leader	Responsible for developing and managing project plan deliverables for implementing all process changes.
Technology Stream Leader	Responsible for developing and managing project plan deliverables for implementing all technology changes and requirements.
Structure Stream Leader	Responsible for developing and managing project plan deliverables for implementing all structure changes and requirements.
Project Team Member x 4	Responsible for supporting each stream lead to develop and implement the project plan for their stream.
Project Analyst	Responsible for compiling data and producing project reporting.

Senior support

General Manager of Telephone Travel

People resources

Role	Resource
Project Manager	S. B.
People Stream Leader	HR Manager
Process Stream Leader	Contact Centre Supervisor Business Travel
Technology Stream Leader	IT Manager
Structure Stream Leader	Finance Manager
Project Team Member x 4	People stream – HR Consultant Process stream – Contact Centre Supervisor Domestic Travel Technology stream – Service Desk Supervisor Structure stream– Finance Reporting Representative
Project Analyst	External Contractor

Budget

Telephone Travel Contact Centre Restructure Project		
Stream	**Description**	**Budget**
People	Recruitment	$18,000.00
	Education	$3,000.00
	Communication	$5,000.00
	People stream resources salaries (3 months)	$37,500.00
	People subtotal	*$63,500.00*
Process	Focus groups to draft new procedures	$3,000.00
	Instruction designer to rewrite procedures	$10,000.00
	Printing new procedure manuals	$6,000.00
	Process stream resources salaries (3 months)	$35,000.00
	Process subtotal	*$54,000.00*
Technolgoy	PC x 3	$9,000.00
	Software licences x 3	$3,000.00
	Upgrade system access	$1,000.00
	Telephone x 3	$900.00
	Technology stream resources salaries (3 months)	$32,500.00
	Technology subtotal	*$46,400.00*
Structure	Update financial management system	$1,000.00
	Technology stream resources salaries (3 months)	$40,000.00
	3 x desk space (nil investment as use existing desk)	$0.00
	Structure subtotal	*$41,000.00*
Other	Project Analyst salary costs	$12,500.00
	Project Manager salary costs	$22,500.00
	Other subtotal	*$35,000.00*
	Total Budget	***$239,900.00***

Physical assets and equipment

Resource	Acquire from...
Project team computers	current computers
Project team desk	current desk location
Meeting rooms to conduct communication and education activities	Telephone Travel existing meeting rooms

Change Management Project Plan

The activities included in the people stream project plan meet the requirements of the ADKAR change model as follows:

Awareness	• communication activities commence once structure has been approved to implement • communication of the change to occur across the entire business • communication plan to include one-on-one meetings for the three existing Contact Centre Supervisors to ensure they under the change • communication plan to include team meetings with Contact Centre Telephone Representatives teams to ensure they understand the change • communication plan to include weekly communications with Contact Centre employees to keep them informed and aware throughout the entire change process

Desire	• supervisors to participate as part of the project team allowing them to affect how the change is implemented and therefore creating a desire to support the change
	
	 • input should be sought through innovative activities such as brainstorming ideas for how to flow change down to team members
	
	 • key messages to include the benefits of the change for:
	    o employee
	    o supervisors
	    o organisation.

Knowledge	• education plan to include activities to ensure all Supervisors and Telephone Representatives have the skills to operate in the new model.
Ability	• recruitment activities to ensure new Supervisors are recruited in time for 31 October implementation date • reported lines finalised and communicated in time for 31 October implementation date

Reinforcement	- post-implementation review to be completed including feedback from Supervisors and Telephone Representatives - supervisors to conduct weekly team meetings post-implementation to continue open communication with teams - supervisors to conduct team building activity off-site – games that require teams to work together to achieve goals or compete against other teams: paintball, treasure hunt; amazing race with activity stations – by 31 December - Contact Centre Operations Manager to conduct weekly Supervisors meetings to help form effective team relationships amongst Supervisors - team building activity to be completed with Supervisors by 30 November - celebration lunch to be conducted on 1 November; Supervisors to serve lunch.

People Stream Change Management Project Plan

Stream	Activity	Start Date	End Date	Who responsible
People	Announce change as per communications plan	1 Aug 201X	1 Aug 201X	Contact Centre Operations Manager
People	Brief recruitment agency to recruit 3 Supervisors	2 Aug 201X	2 Aug 201X	Human Resources Manager
People	Conduct interviews	10 Aug 201X	15 Aug 201X	Contact Centre Operations Manager
People	Complete reference checks	18 Aug 201X	20 Aug 201X	Human Resources Manager
People	Make employment offer	24 Aug 201X	24 Aug 201X	Contact Centre Operations Manager
People	New hire start date	30 Sept 201X	30 Sept 201X	Contact Centre Operations Manager
People	Conduct orientation, induction and role specific training	30 Sept 201X	30 Oct 201X	Contact Centre Operations Manager
People	Supervisors commence in role	31 Oct 201X	31 Oct 201X	Contact Centre Operations Manager
People	Determine new reporting lines	2 Aug 201X	11 Aug 201X	Human Resources Manager
People	Announce new reporting lines as per communications plan	12 Aug 201X	12 Aug 201X	Contact Centre Operations Manager
People	Conduct education activities as per education plan	13 Aug 201X	29 Oct 201X	Human Resources Manager
People	Celebration lunch	1 Nov 201X	1 Nov 201X	Human Resources Manager
People	Supervisor team building activity	7 Nov 201X	7 Nov 201X	Human Resources Manager
People	Telephone Representative team building activities	8 Nov 201X	30 Nov 201X	Human Resources Manager

Stakeholder management

Stakeholder	Needs/Concerns	Level of engagement
Finance Manager	Impacts to financial structures and reporting. Cost implications including project costs and business as usual. Project support requirements.	High
HR Manager	Impacts to people. Payroll implications. Project support requirements.	High
Marketing Manager	Minimal concerns or needs as no direct impact to marketing team or function.	Low
IT Manager	Access to system requirements. Hardware and software requirements.	Medium
Contact Centre Supervisors	Concerns; how the change impacts them. Concerns; how the change impacts their team.	High
Telephone Sales Representatives	Concerns; how the change impacts them.	High
Finance, HR, Marketing and IT employees	Concerns; how the change impacts them. Concerns; how their colleagues are impacted.	Low

Communication plans

Who (Stakeholder)	What (Message)	When (Date and Time)	How (Communication method)	Communicator (Who is responsible for delivering message?)
Contact Centre Supervisors	Announce new structure. Explain the purpose of the change. Discuss the impacts of the change. Next steps – communicating change to their teams.	9am – 10.00am 1 Aug 201X	Face-to-face meeting.	Contact Centre Operations Manager
Telephone Representatives	Announce new structure. Explain the purpose of the change. Provide an overview of impacts. Next steps	11am – 11.30 am 1 Aug 201X	Face-to-face 'All employee briefing'.	Contact Centre Operations Manager
Telephone Representatives	Discuss impacts of new structure. Next steps.	11.30am – 12.30pm 1 Aug 201X	Face-to-face team meeting.	Team Supervisor
Finance Team	Announce new structure. Explain the purpose of the change. Explain that there will be no impact to this team.	11.30am – 12 noon 1 Aug 201X	Face-to-face team meeting.	Finance Manager
IT Team	Announce new structure. Explain the purpose of the change. Explain that there will be no impact to this team.	11.30am – 12 noon 1 Aug 201X	Face-to-face team meeting.	IT Manager

HR Team	Announce new structure. Explain the purpose of the change. Explain that there will be no impact to this team.	11.30am – 12 noon 1 Aug 201X	Face-to-face team meeting.	HR Manager
Marketing Team	Announce new structure. Explain the purpose of the change. Explain that there will be no impact to this team.	11.30am – 12 noon 1 Aug 201X	Face-to-face team meeting.	Marketing Manager

Education requirements

Who (Employees)	Skills (Skills the training will cover)	When (Date and Time)	How (Education method)	Organiser (The person responsible for organising the training)
Contact Centre Supervisors (existing employees)	Leading through change	15 Aug 201X	Class room	HR Manager
Contact Centre Supervisors (existing employees)	New process	15 Sept 201X	Class room	Process Stream Leader
Contact Centre Supervisors (new employees)	Orientation and induction	30 Sept–7 Oct 201X	Blended learning Class room, online and on-the-job	Contact Centre Operations Manager
Contact Centre Supervisors (new employees)	Role specific training	8 Oct–30 Oct 201X	On-the-job	Contact Centre Operations Manager
Telephone Representatives	New process	16 October	Class room	Process Stream Leader

Cost-benefit analysis

Option	Cost	Risk	Benefit	F/ MF / NF
Decrease ratio from 1:20 to 1:10.	Implementation costs $239,900	Productivity impacts during change implementation. Recruitment of supervisors by implementation date.	Improved manager employee relationships. More time for manager to provide coaching to employees – reduction in errors. Improved employee engagement. Reduced employee turnover.	Feasible but needs to be carefully managed with a change and communication strategy.
Keep manager employee ratios at 1:20.	Based on 53% of Telephone Representatives leaving per year at a cost of 1.5 x salary cost per employee who leaves; $2,385,000	Continued increase in employee turnover. Affordability for the organisation to continue to incur cost of turnover.	No cost to the organisation (saving of $239,000) No disruption to operation or service.	Not feasible if want to achieve organisation's strategic goal to reduce turnover to industry best practice levels in next five years.

Risk management

Risk/Barriers	Impact	Likelihood	Strategies for mitigating risk
Lack of trust regarding organisation commitment to change due fact that only 2 years ago the organisation implemented the current structure and as a result of that made three supervisors redundant.	High	Medium	– key messages to specifically address this change in direction – employee focus groups conducted by Managing Director to discuss this change in direction and hear employee's concerns.
Disgruntled supervisors due to decrease in team responsibility and sharing responsibility for function.	High	High	– participation in project team to allow them to have input into new processes and how shared responsibility will work – consultation on change management project plan, communications and education plan – Communications Plan to include weekly meetings with Supervisors.
Disgruntled Telephone Representatives due to change in reporting line and team.	High	Medium	– Change Management Plan – Communications Plan – team building activities – Supervisor to attend 'Leading through change' workshop.
Reduced productivity during change implementation.	High	Medium	– temporary Telephone Representatives to be on site for announcement day to ensure service levels are not impacted – communication of new reporting lines to occur as a matter of urgency – weekly updates.

Measurement and reporting

Reporting element	Measures	Status
Change goal	New structure is implemented by 31 October 201X delivering reduced manager employee ratios of 1:10.	Amber
Project management	Delivery of project activities as per project plan for each stream.	Overall status Amber
	– People	Green
	– Process	Amber
	– Technology	Amber
	– Structure	Amber
Stakeholder Management	Stakeholders engaged and comfortable with current position.	Green
Communication	Communication plan activities on schedule.	Green
Education	Education plan activities on schedule.	Green
Cost benefits	Project budget on track.	Green
	Cost benefits on track to be realised.	Green
Risk Management	Risk management plan effectively managing risk.	Amber