A Path to Success – Change Management in Your Organization

Presenters: Dan Vogt | Nicholas Favreau

BerryDunn

September 21, 2021

Today's Presenters

Dan Vogt

Principal | PMP, Prosci® CCP, LSSGB

Nick Favreau

Senior Consultant | Prosci® CCP, LSSWB

Agenda

2

Learning Objectives

Learning objectives

- Define Change Management

- Understand the tools used to manage change

- View change management as a tool to help manage the impact of change on your people.
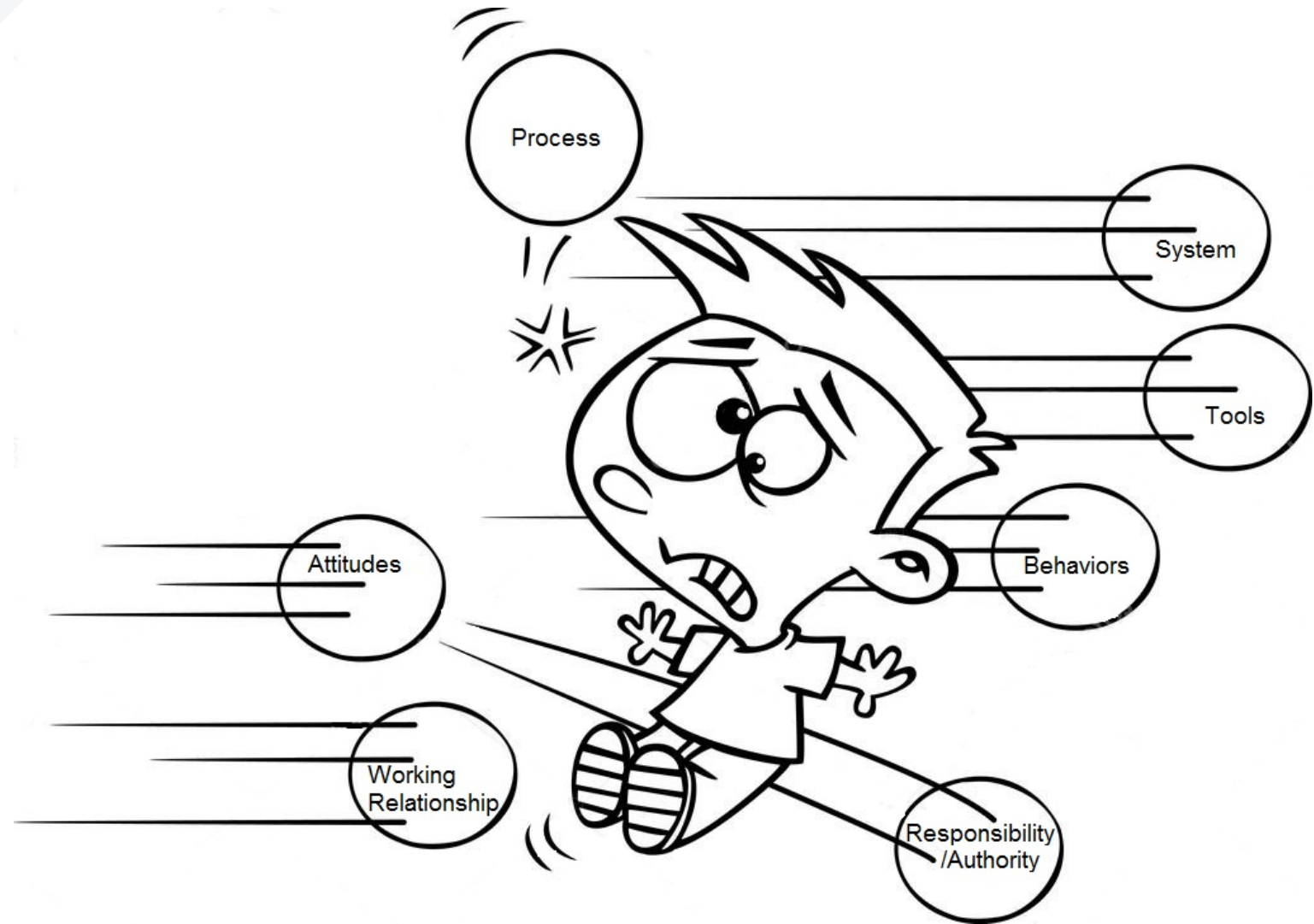
Polling question

3

Defining Change Management

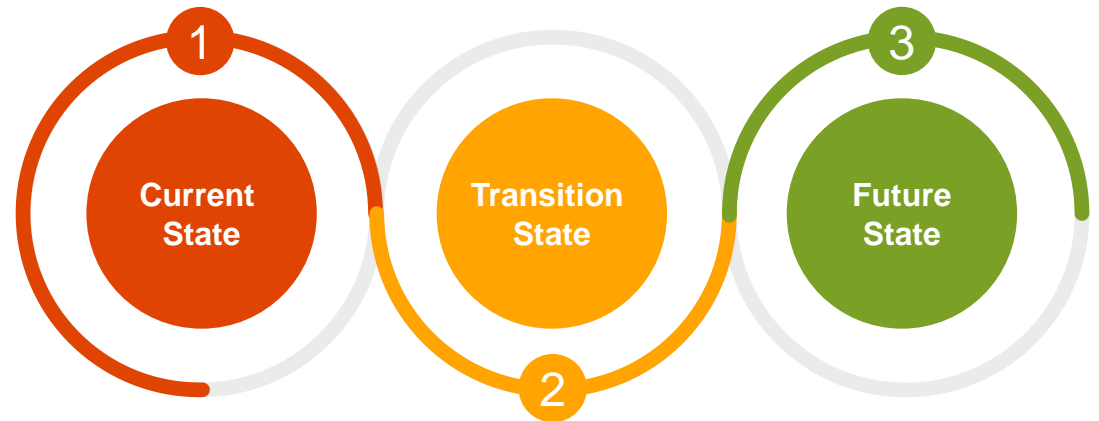# What does change look like?

Sources of Change

Definitions and Intent

Change Management

Definition: Preparing, equipping, and supporting people to deliver results during their change journey.
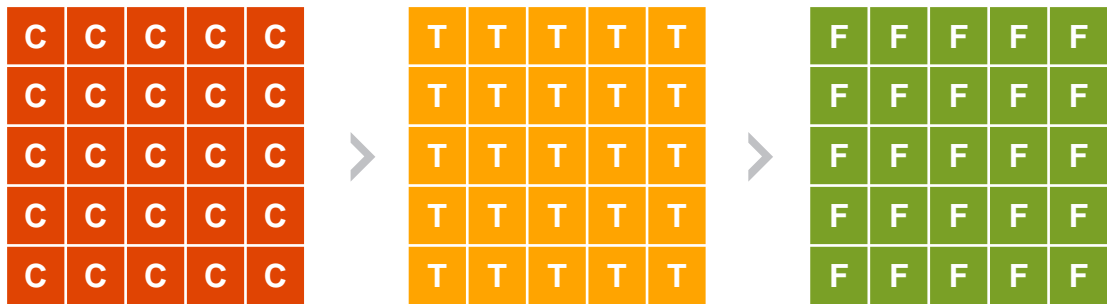
Intent: To ensure that impacted employees embrace, adopt and use the solution associated with the change

Change Journey

Why Change Management?

Individuals, who make up the Organization, are required to move from their own current to their own future.

C	C	C	C	C
C	C	C	C	C
C	C	C	C	C
C	C	C	C	C
C	C	C	C	C

>

T	T	T	T	T
T	T	T	T	T
T	T	T	T	T
T	T	T	T	T
T	T	T	T	T

>

F	F	F	F	F
F	F	F	F	F
F	F	F	F	F
F	F	F	F	F
F	F	F	F	F

If we do not **support** and **equip** individual transitions, then our future state looks **nothing** like the future state we expected.

Current > **Transition** > **Future**

Data supports the connection

Percent of participants who met or exceeded objectives

Change Management Effectiveness
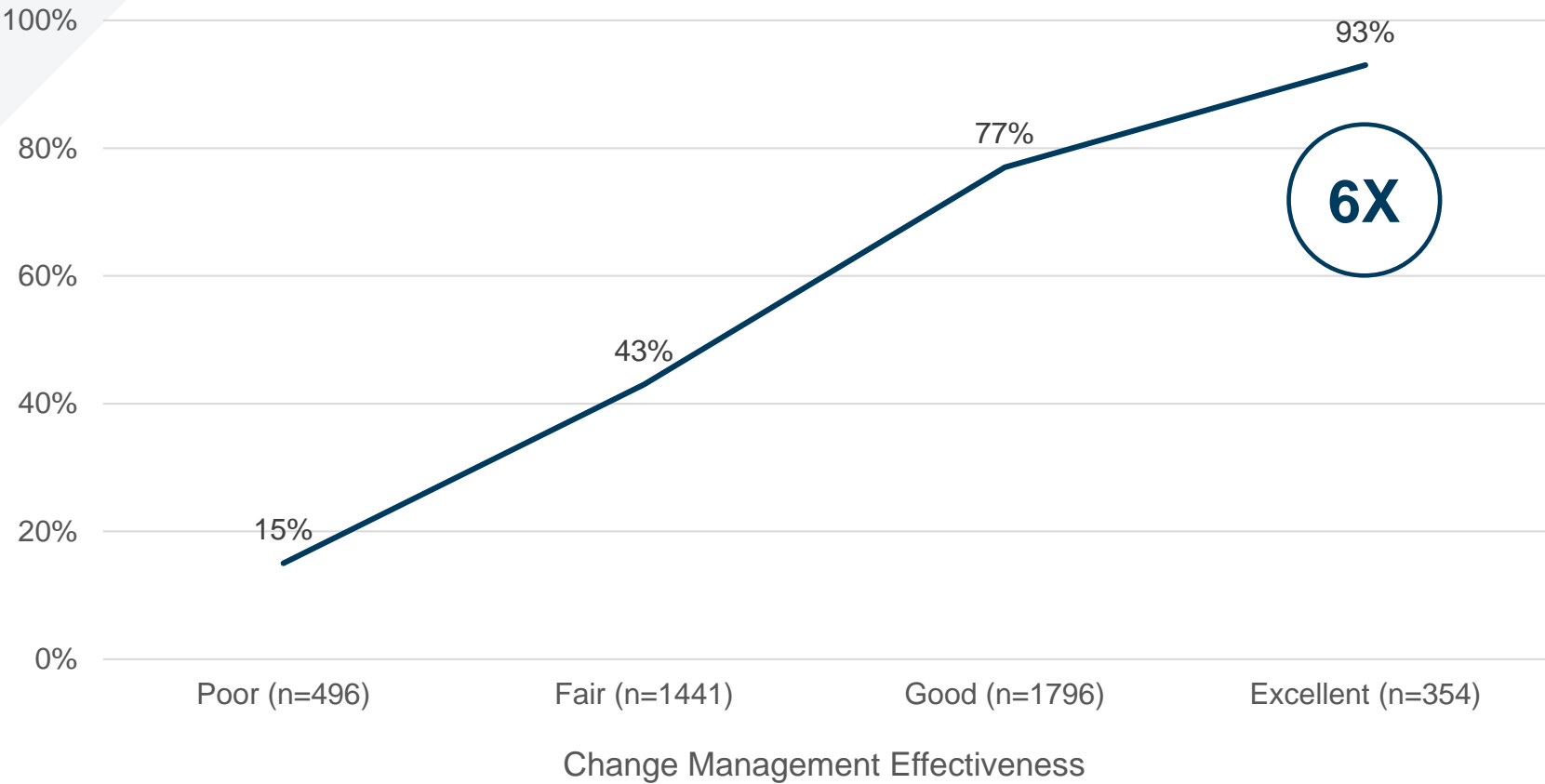
Change Success Factors

Active and visible
executive sponsorship

Employee engagement
and participation

Structured change
management approach

Frequent and
open communication

Dedicated change
management resources

Integration and engagement
with project management

Engagement with
middle managers

Successful Change requires Partnership

FOCUS: Technical side of moving from current state to future state.

Project Management →

| Current state | Transition state | Future state |
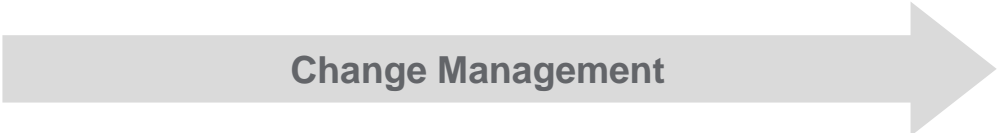
FOCUS: People side of moving from current state to future state.

Change Management →

Design
—
Develop
—
Deliver

+
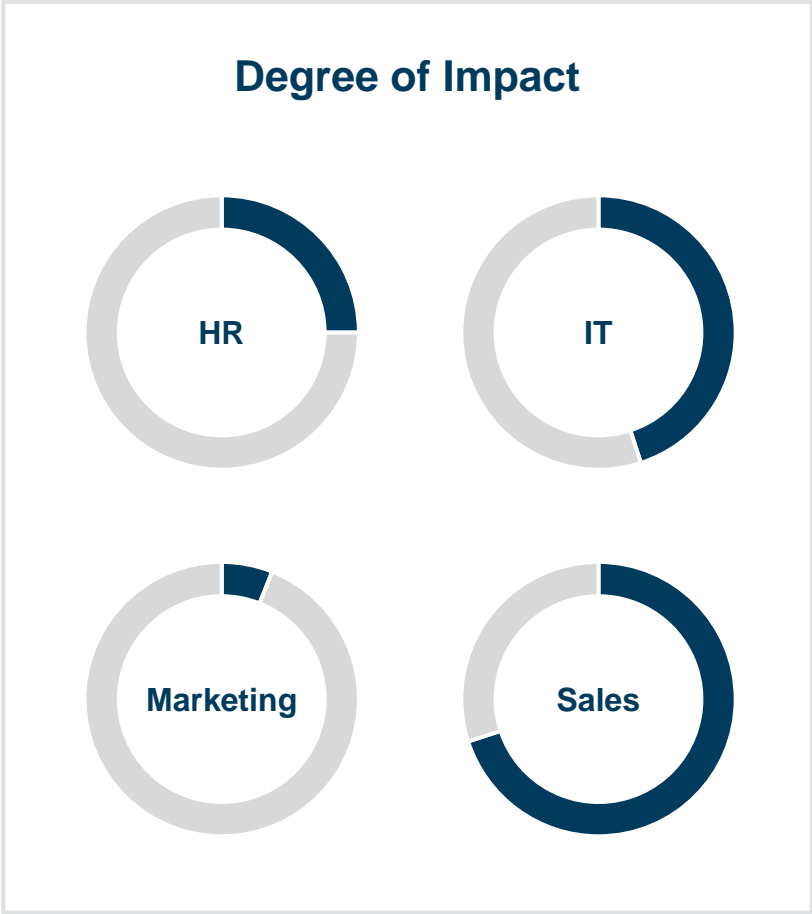
Embrace
—
Adopt
—
Use

=

Results
Outcomes
Success

4

Change
Management Tools

Degree of Impact Assessment

The aspect of a person's job that are impacted by the change determine the degree of impact for each group.

Aspects of a person's job you can impact

- Process
- Systems
- Tools
- Job Roles
- Critical Behaviors
- Mindset / Attitudes / Beliefs
- Reporting Structure
- Performance Reviews
- Compensation
- Location

Degree of Impact

- HR
- IT
- Marketing
- Sales

Building Blocks to Personal Change

ADKAR Methodology

R Reinforcement – "I will continue to..."

A Ability – "I am able to..."

K Knowledge – "I know how to..."

D Desire – "I have decided to..."

A Awareness – "I understand why..."

Successful Personal Change

ADKAR Assessments

▸ Individual and group results can be graphed

▸ Scores of 3 or below would be a **barrier point**

▸ A **barrier point** means that you first must address the ADKAR element before moving forward in the model.

18
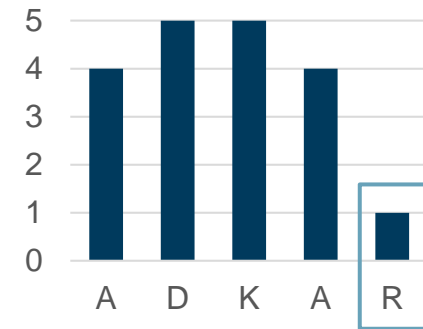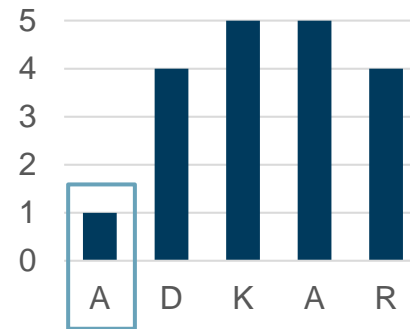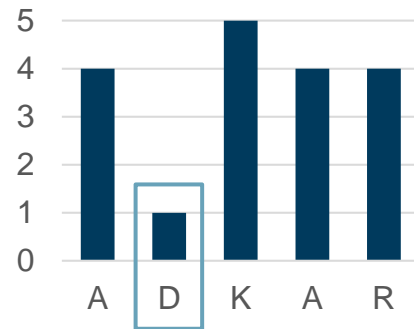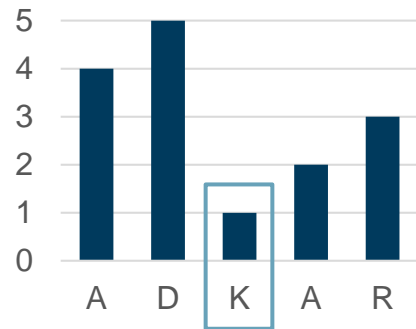
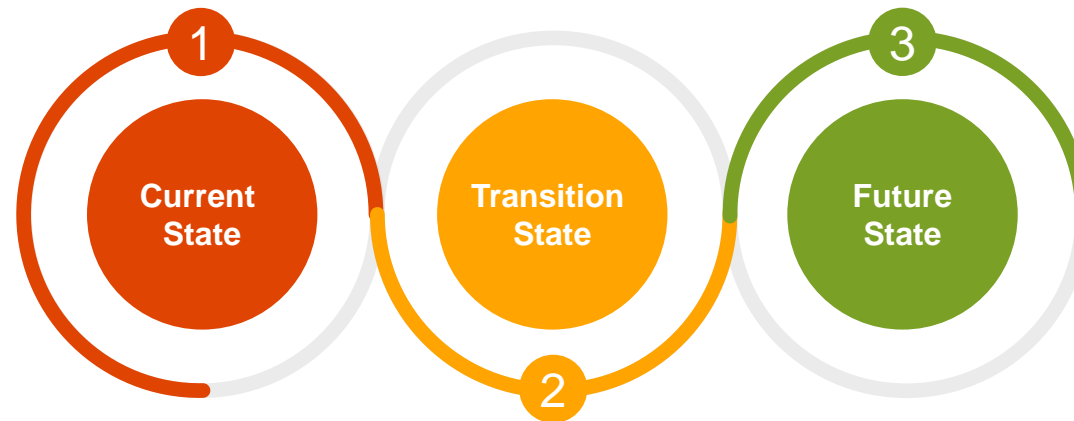# ADKAR and the Change Journey

Foundations for success

FOCUS

Awareness: Develop understanding for the need for change

Desire: Develop the individuals understanding of what's in it for them to make the change

FOCUS

Reinforcement: Provide recognition and opportunities for feedback from impact individuals

1

Current State

Transition State

2

3

Future State

FOCUS

Knowledge and Ability: Provide training and tools to properly support the individual make the change

Preferred Senders of Change Messages

Role	Business Messages	Personal Messages
CEO/President	45%	3%
Executive Manager	28%	4%
Senior Manager	9%	4%
Department Head	8%	11%
The Employee's Supervisor	2%	67%
Communication Specialist	1%	1%
Human Resources Representative	1%	3%
Project Team Member	0%	1%
Project Team Leader	2%	3%
Change Management Team Member	0%	1%
Change Management Team Leader	4%	3%
Other	0%	0%
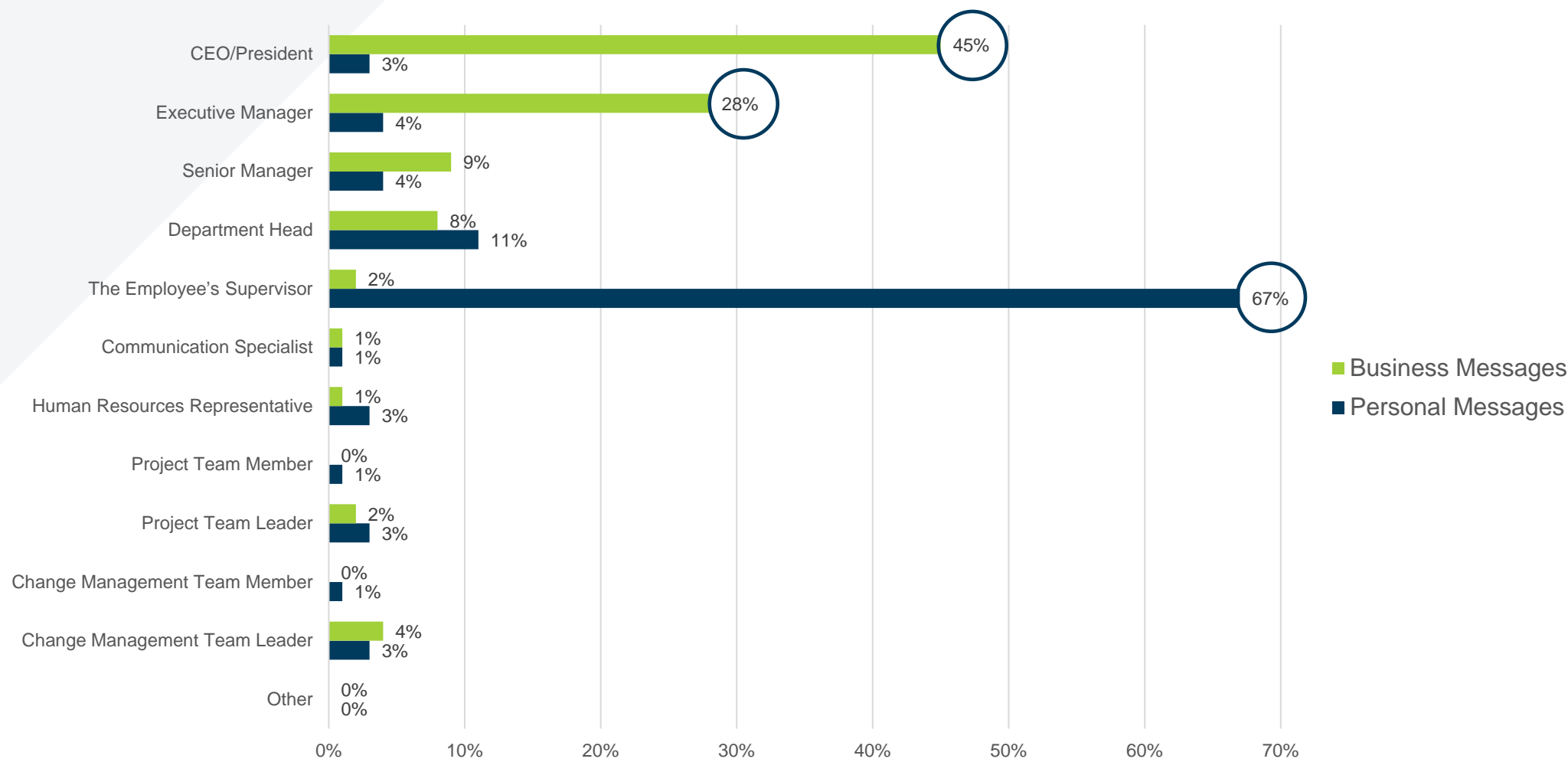
Top reasons for employee resistance

1	Lack of awareness of why a change is needed
2	Change specific resistance
3	Change saturation
4	Fear
5	Lack of support from management or leadership

Top reasons for manager resistance

1	Organizational culture
2	Lack of awareness and knowledge about the change
3	Lack of buy-in
4	Misalignment of project goals and personal incentives
5	Lack of confidence in their own ability to mange the people side of change

Polling question

5

Change Saturation

Change Saturation

INDIVIDUAL LEVEL

Employees can become:

- Disengaged
- Frustrated
- Fatigued
- Resistant
- Confused
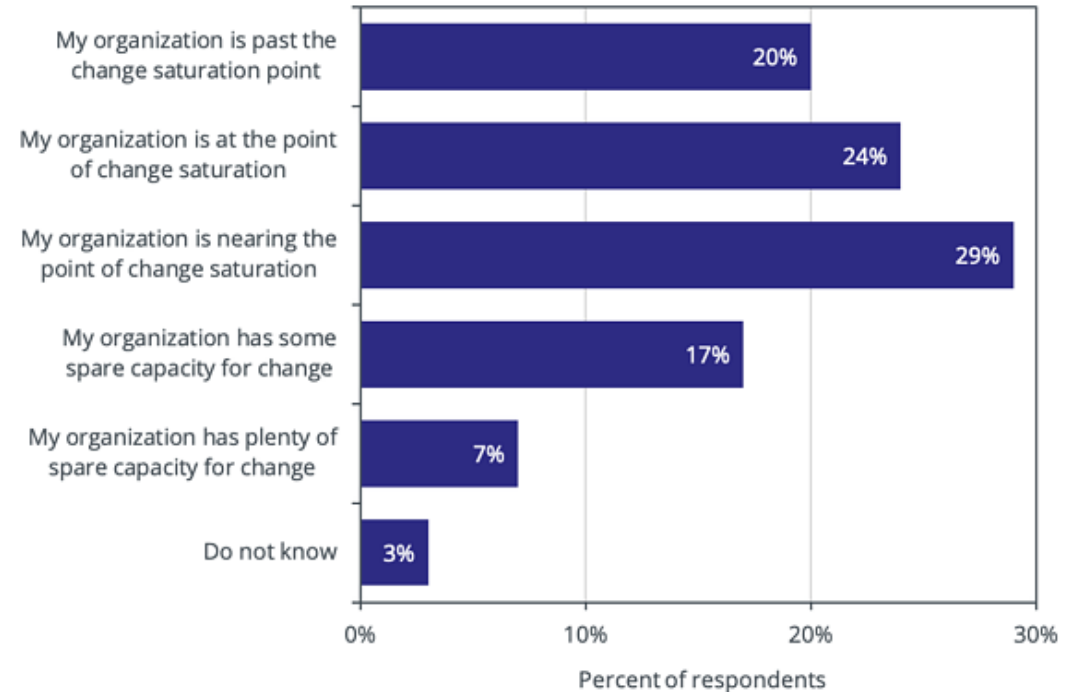- More cynical, skeptical

PROJECT LEVEL

Change projects:

- Do not realize benefits
- Lack resources to devote to each project
- Changes are not sustained
- Projects fail to gain momentum

ORGANIZATIONAL LEVEL

Can experience:

- Higher turnover
- Declined productivity
- Increased absenteeism
- Loss of focus
- Negative morale

Level of change saturation

	Percent of respondents
My organization is past the change saturation point	20%
My organization is at the point of change saturation	24%
My organization is nearing the point of change saturation	29%
My organization has some spare capacity for change	17%
My organization has plenty of spare capacity for change	7%
Do not know	3%

Change Saturation

What to do

- Inventory all change initiatives
- Reduce change if possible
- Sponsor communicate priorities and reinforce the "why"
- Analyze the source of the change saturation and coach employee
- Reminder of what is not changing
- Don't add new changes if possible
- Demonstrate listening
- Use your team to help coach
- Over communicate
- Understand the impact of the change(s)

26

6

Change Management Successes

6.1

Readiness for Change – Replacing Legacy ERP System

Readiness for Change

Supporting ERP Change

- 30 years on Legacy ERP system

- Lack of vendor support

- System not Intuitive

- HR and Finance wanted a change

- Initial ADKAR Readiness for Change Survey

  - 50% of participants lacked Awareness for the need for a change
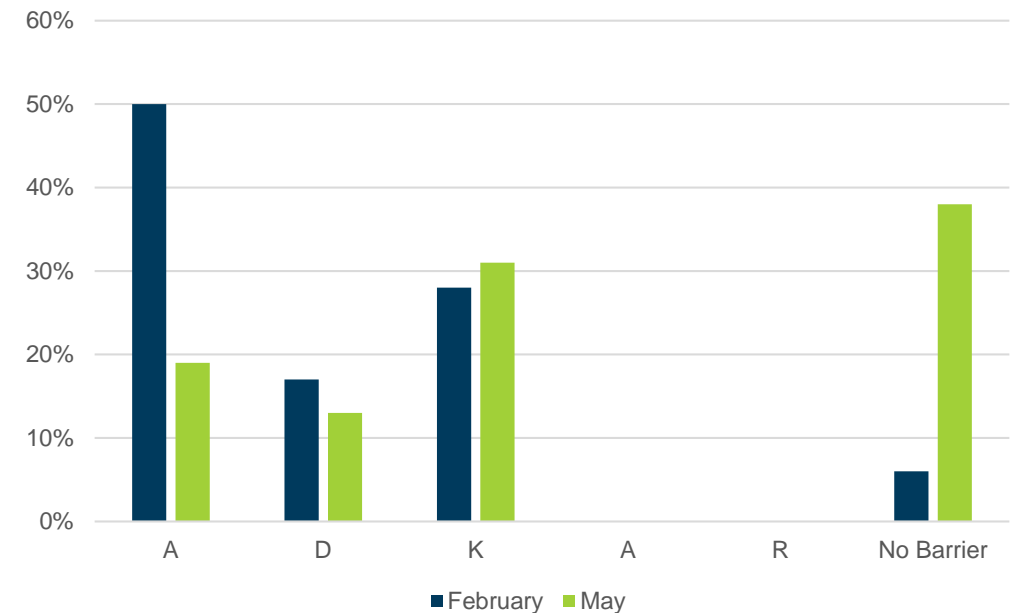
ADKAR Barrier Point Distribution
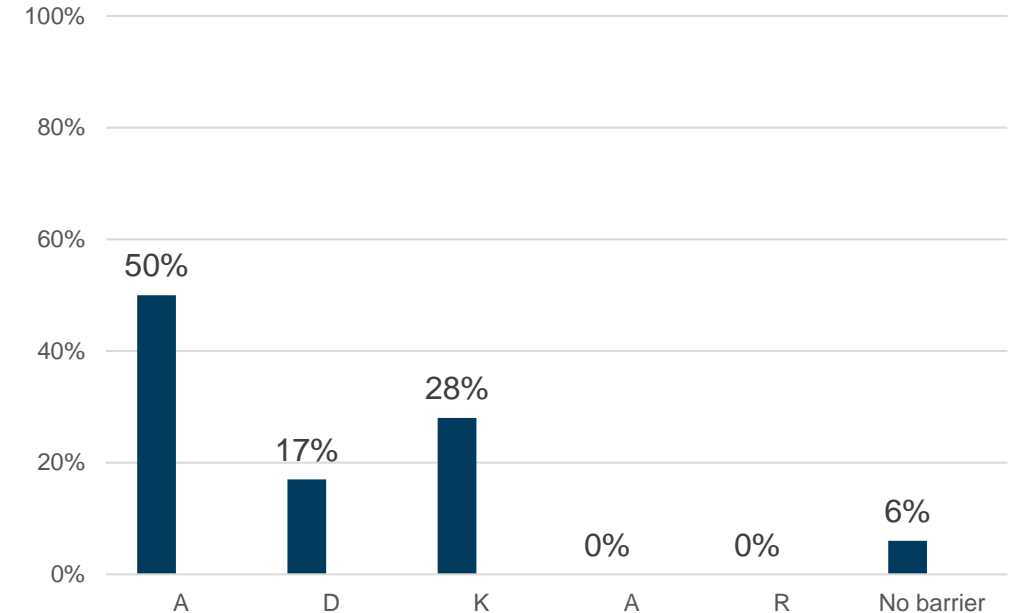
Readiness for Change

Supporting ERP Change

- Supported Leadership Communication during the Discovery Phase

- Led work sessions

- Facilitated vendor marketplace demonstrations

- Follow-up ADKAR Readiness for Change Survey

  - Barrier Points measurements improved

### ADKAR Barrier Point Distribution

Legend: February, May

6.2

Facilitating a Culture of Change Management

Facilitating a Culture of Change Management

Background

◢ High change environment

- 30+ enterprise modernization projects

- Numerous department process improvement projects

◢ Prior negative project experiences

- Morale is low (especially field teams)

◢ New leadership wants to support employees better

Organizational Impact

32
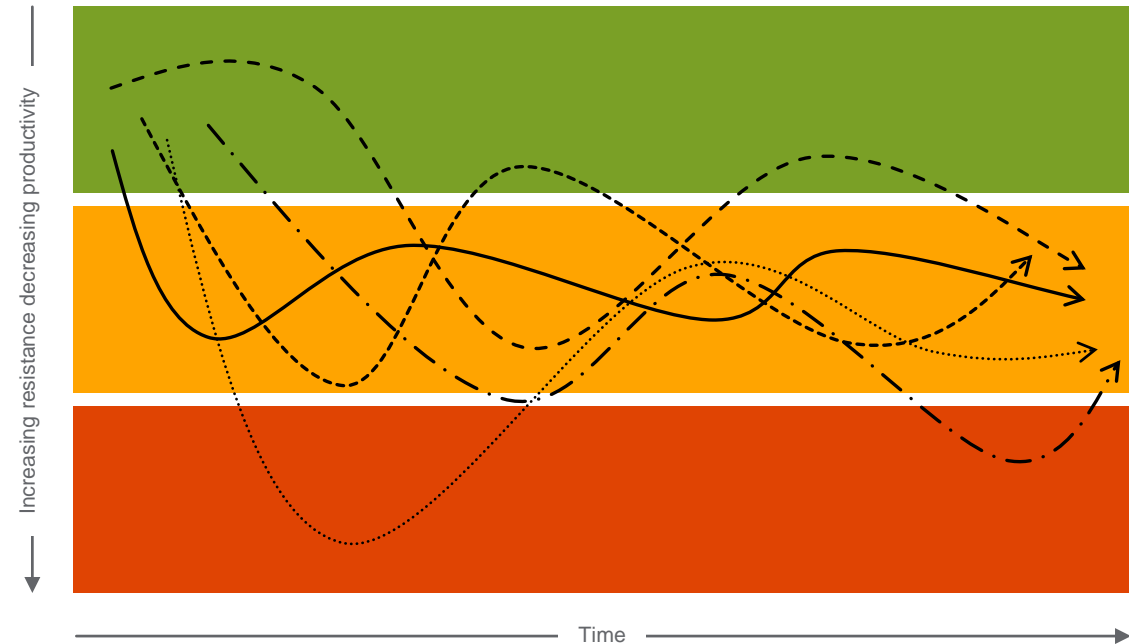
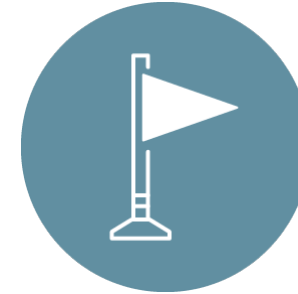# Facilitating a Culture of Change Management

Current State Assessment

- Interviews with Employees
- Establish baseline Organizational Change Maturity Assessment
- Change Management for Change Management

CoE Development

- Develop Enterprise Change Management Policy
- Create Center of Excellence Governance Structure
- Develop Procedures
- Create templates and workbook

Introductory Training

- Provide introductory CM training to all staff
  - 400+ people
  - 3 weeks
  - 12 Sessions

Facilitating a Culture of Change Management

Guidelines

- Change Management Activities by Phase

- Aligning CM and PM

- Change Fatigue

- Prioritizing Change

Policy and Procedures

- ECM Policy

- Initiating Change Procedure

- Determining Level of Effort Procedure

- Change Readiness Procedure

- High/Medium/Low Risk Procedures

- Key Performance Indicators Procedure

- Measuring Change Maturity Procedure

Polling question

7

Recap of Today

Recap of Today

Agenda

- Defining Change Management
- Change Management Tools
- Change Management in Action

Objectives

- Define Change Management
- Understand the tools used to manage change
- View change management as a tool to help manage the impact of change on your people.

Questions?

Dan Vogt

Principal

dvogt@berrydunn.com

207.541.2279

Nick Favreau

Senior Consultant

nfavreau@berrydunn.com

207.842.8098

BerryDunn

berrydunn.com