BSBLDR601

LEAD AND MANAGE ORGANISATIONAL CHANGE

BSBLDR601

Lead and manage organisational change

Release 1

Learner Guide

Aspire version 1.3

Aspire
Learning Resources

Version	Release date	Modification
Release 1, version 1.1	October 2020	First release
Release 1, version 1.2	November 2021	Inserted content into section 3A.
Release 1, version 1.3	January 2022	Updates to Topic 3 to further align to Unit of Competency.

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Before you begin

This Learner Guide is based on the unit of competency *BSBLDR601 Lead and manage organisational change*, Release 1. Your trainer or training organisation must give you information about this unit of competency as part of your training program. You can access the unit of competency and assessment requirements at: www.training.gov.au.

How to work through this Learner Guide

This Learner Guide contains a number of features that will assist you in your learning. Your trainer will advise which parts of the Learner Guide you need to read, and which Practice Tasks and Learning Checkpoints you need to complete. The features of this Learner Guide are detailed in the following table.

Feature of the Learner Guide	How you can use each feature
Learning content	▪ Read each topic in this Learner Guide. If you come across content that is confusing, make a note and discuss it with your trainer. Your trainer is in the best position to offer assistance. It is very important that you take on some of the responsibility for the learning you will undertake.
Examples	▪ These highlight key learning points and provide realistic examples of workplace situations.
Practice Tasks	▪ Practice Tasks give you the opportunity to put your skills and knowledge into action. Your trainer will tell you which Practice Tasks to complete.
Summaries	▪ Key learning points are provided at the end of each topic.
Learning Checkpoints	▪ There is a Learning Checkpoint at the end of each topic. Your trainer will tell you which Learning Checkpoints to complete. These checkpoints give you an opportunity to check your progress and apply the skills and knowledge you have learnt.

Foundation skills

As you complete learning using this guide, you will be developing the foundation skills relevant for this unit. Foundation skills are the language, literacy and numeracy (LLN) skills and the employability skills required for participation in modern workplaces and contemporary life.

The following table provides definitions for each foundation skill.

Foundation skill area	Foundation skill description
Reading	• Interprets detailed information that may deal with complex ideas related to issues both within and outside the workplace context
Writing	• Uses clear and precise language to develop information about objectives, requirements, activities and recommendations • Develops complex plans and strategies in appropriate format for the audience and purpose
Oral Communication	• Discusses and seeks information using appropriate structure and language for the particular audience • Uses questioning and active listening to clarify or confirm understanding
Numeracy	• Interprets, analyses and presents numeric information in complex documents
Initiative and enterprise	• Takes a lead role in the execution of organisational strategic goals and associated roles and responsibilities • Develops new and innovative ideas through exploration and lateral thinking
Teamwork	• Uses a variety of communication tools and strategies to build and maintain effective working relationships • Uses inclusive and collaborative techniques to seek feedback, negotiate and consult with a range of stakeholders
Planning and organising	• Plans, organises and implements activities required to achieve strategic priorities and outcomes, including consulting with others and sequencing events to minimise uncertainty for staff • Uses problem-solving skills to identify and analyse issues or barriers, and develop responses

What do you already know?

Use the following table to identify what you may already know. This may assist you to work out what to focus on in your learning.

Topic	Key outcome	Rate your confidence in each section
Topic 1: Develop change management strategy	1A Identify change requirements	☐ Confident ☐ Basic understanding ☐ Not confident
	1B Assess risks and opportunities	☐ Confident ☐ Basic understanding ☐ Not confident
	1C Consult with stakeholders	☐ Confident ☐ Basic understanding ☐ Not confident
Topic 2: Implement change management strategy	2A Establish resources and reporting protocols	☐ Confident ☐ Basic understanding ☐ Not confident
	2B Develop the communication or education plan	☐ Confident ☐ Basic understanding ☐ Not confident
	2C Deliver the communication or education plan	☐ Confident ☐ Basic understanding ☐ Not confident
Topic 3: Evaluate change management strategy	3A Assess performance of communication or education plan against objectives	☐ Confident ☐ Basic understanding ☐ Not confident
	3B Identify and respond to barriers to change	☐ Confident ☐ Basic understanding ☐ Not confident
	3C Modify communication or education plan according to objectives	☐ Confident ☐ Basic understanding ☐ Not confident

Topic 1 | Develop change management strategy

1A   Identify change requirements

1B   Assess risks and opportunities

1C   Consult with stakeholders

1A Identify change requirements

Successful change management begins with identifying the need for change and adapting business practices in order to achieve strategic goals.

Managers need to analyse the external and internal organisational environments to identify the need for change to improve performance. Senior management analyses the external and internal environments to define new organisational goals and develop strategic plans committed to achieving these goals.

Changes at the strategic level are considered top-down changes. When change is driven from the bottom, managers and employees at various levels identify the need for change as part of a continuous improvement process or to address performance issues.

Analyse organisational objectives

To identify strategic change needs, an analysis of the organisational objectives and competitive strategies is conducted.

This information is presented in the strategic plan. The strategic plan outlines the organisation's direction and desired outcomes for a period (usually five years) and the strategies to achieve them.

Following the identification of organisational objectives and strategies, managers then identify the operational or functional plans to meet these objectives.

From the strategic plan, managers can identify:
• the goals or objectives of the organisation, which establish the purpose of the organisation and the basis for the organisation's activities
• the corporate or top-level strategies, which determine the direction of the organisation
• the strategies to achieve competitive advantage in the organisation's markets over the competition.

Broad strategic goals are generally communicated in organisational publications, and on its web and social media pages, to communicate to employees and other stakeholders what the organisation wants to achieve.

There are also detailed objectives that are communicated internally and are specific, measurable, attainable, realistic and time framed. These are known as SMART objectives (or goals) and they assist in driving organisational activity.

Events and trends affecting organisational objectives

Additionally, events and trends may affect an organisation's ability to achieve its objectives.

Events are specific and may be a one-off occurrence or they may be a series of occurrences that impact an organisation. Trends are broader, more gradual occurrences over a period.

Events that may impact organisational objectives
▪ Resignation of key staff members
▪ Change of government
▪ Change of legislation/government policy
▪ Natural disaster
▪ Civil or international conflict
Trends that may impact organisational objectives
▪ Economic performance/exchange rate fluctuations
▪ Increased use of social media in marketing activities
▪ Shifting demographics (e.g. ageing population, increased immigration, etc.)
▪ Changing fashion trends
▪ Change in competitor presence or activity

It is important for managers to keep abreast of events and trends to assess the likelihood of these occurring and to develop strategies to adapt.

Identify performance gaps

Identifying the gap between desired and actual performance provides the basis for determining change requirements.

A gap analysis is a three-step process that compares the current state or actual performance against the desired state or performance in order to identify areas of improvement. Once these gaps have been identified, an organisation can determine the changes required in order to address the gap and pursue its objectives:

Identify strategic goal	- Improved financial performance (e.g. increased turnover or profit) - Increased market share - Shift into new market/area/industry - Reduce staff turnover
What is the current state?	- Current financial performance, (e.g. turnover or profit) - Market share - Current market/area/industry - Current staff turnover rate
Identify gap	What is the gap between the goal and the current state?

Analyse the internal environment

Organisational culture is the character of the organisation, which acts as a template that shapes future behaviours. Organisational behaviours may assist or impact an organisation's ability to achieve its strategic objectives.

A review of the internal environment may reveal areas in which change is required in order to meet strategic goals.

Factors identified may include:

- a *silo* mentality, where departments work in isolation and do not collaborate with peers
- a lack of awareness of how actions in one area impact another
- negativity or blame shifting within workers and managers
- a limited understanding of an organisation's values and strategic goals.

In instances where internal attitudes or behaviours may be affecting performance, it may be necessary to apply organisational development techniques or programs (such as team building or cultural awareness programs) to improve attitudes, behaviour and relationships.

Internal forces for change
- new leadership requiring a restructure and a change in culture   - rapid growth or decline, affecting structure and employee performance   - poor employee engagement and high employee turnover as a result of structural or organisational cultural issues   - a lack of awareness of how areas of work affect and intersect, across the organisation

Review existing policies and practices

Reviewing existing policies and procedures helps to identify whether the current practices enable the organisation to achieve its objectives for change.

A review can highlight strengths in performance and provide information on structural elements that work well. Where productivity is low and costs are high, a review may identify that an organisation or department restructure could streamline the decision-making process in a certain area of operations to improve performance.

Some areas included in a review are listed below:

- Job descriptions – to determine whether documentation reflects actual job tasks
- Work practice instructions – to determine where process efficiencies could be made
- Review policies – to ensure an organisation is compliant with legislative requirements (e.g. privacy or workplace health and safety)
- Staff training practices – to ensure staff have the skills required to meet objectives (e.g. customer service staff have the skills to support increased customer retention)

Analyse the external environment

The external environment can also impact organisations, and some of these may be beyond an organisation's control.

External environments can be categorised in two ways: **macro environmental** forces and **micro environmental** forces.

The macro environmental forces include the political, legal, economic, demographic, sociocultural and technological factors that may affect an organisation.

The micro environmental forces are more closely related to an organisation; they include customers, competitors, suppliers and pressure groups, such as an environmental lobby.

Examples of macro environmental and micro environmental forces, which may impact the education sector, are outlined in the following table:

Macroenvironmental forces	Microenvironmental forces
• Political/legal: e.g., increased government support for training organisations • Economic: e.g., rise of the Australia dollar making it more expensive for international students • Demographic: e.g. population growth creating greater demand for vocational training • Sociocultural: e.g. an increased need for language support services • Technological: e.g. advancements in e-learning platforms to provide flexible learning models and communication	• Customers: e.g. increased demand for e-learning from individual students and for groups learning from corporate and government agencies • Competitors: change in the number of competitors due to assistance provided by government to registered training organisations • Suppliers: e.g. increase in cost of computers • Pressure groups: e.g., local residents concern with increased need for parking around the campus

Identify business opportunities and threats

Change requirements depend on a thorough understanding of four aspects of an organisation: strengths, weaknesses, opportunities and threats.

A SWOT (strengths, weaknesses, opportunities and threats) analysis is a useful tool to identify internal and external factors affecting an organisation. It provides a clear list of what will help or hinder the organisation in meeting its objectives. To perform a SWOT analysis, first brainstorm an organisation's strengths and weaknesses to gain an internal perspective; then identify threats and opportunities to gain an external perspective.

Once you've recorded the results, you should relate the analysis to the change requirements and the ability to meet organisational objectives.

Example

SWOT analysis

The following example demonstrates how to conduct a SWOT analysis for the introduction of a new product.

Strengths	- Strong marketing team with experience in managing new products - Sales team with the appropriate knowledge and experience - Good supplier networks - Technological resources - Current business process able to support introduction and delivery
Weaknesses	- Limited budget for marketing activities - Technological resources that need replacing in 12 months - Warehouse concern about additional workload and space required
Opportunities	- Growth in existing client revenue - Access to new markets - Increased acceptance of e-commerce enabling the organisation to sell more online - Increased uptake of social media (use for promotional activities)
Threats	- Pending changes in consumer legislation that may affect e-commerce activity - Possibility of competitor getting to market first, affecting sales volumes - Difficulty sourcing a component from a supplier – may have to consider manufacturing component in-house

Management decisions

Change requirements at an operational level must align to the strategic objectives based on management decisions.

Consultation and ongoing communication are required when actioning change at an operational level to ensure so the strategic vision is correctly interpreted and enacted during the change process. This may be achieved by undertaking regular meetings to provides updates on how the changes implemented are meeting strategic objectives.

Change requirements due to management decision
- Organisation restructure within manager's department.   - Increased social media usage within communications team.   - New warehousing work task design.   - Changed process for induction of new staff.

Practice Task 1

Question 1

Explain the difference between the macro environmental and micro environmental factors that affect organisational change.

Question 2

Which of the following statements are correct? Tick all that apply.

- ○ SWOT stands for strength, weakness, options and threat.

- ○ A gap analysis seeks to find the difference between the current state and desired state.

- ○ Change requirements affecting a specific department are often made due to management decision.

- ○ Strategic plans often cover a one-year period.

- ○ Employee morale can negatively affect productivity.

Question 3

Which of the following policies and procedures would you review as part of developing a change management strategy? Tick all that apply.

- ○ Marketing and sales policy and procedures

- ○ Staff communication policy

- ○ Staff induction procedure

- ○ Customer service and complaints handling policy and procedure

- ○ All of the above

1B Assess risks and opportunities

When preparing for change, managers need to analyse the risks and opportunities associated with the proposed change.

An analytical approach should be taken to identify and assess the risks associated with change. This includes using tools, such as a risk assessment matrix, which calculate the probability of a risk occurring and its consequences.

A cost benefit analysis evaluates the costs involved in pursuing an opportunity. It can then be measured against the potential benefits in order to determine whether an opportunity is viable.

Identify and assess risks

Identifying and assessing risks associated with change is an important component of developing change management strategies.

Many organisations have developed risk management processes to guide and assist staff in identifying, analysing and treating organisational risks.

The following provides an outline of how risks relating to change can be identified and analysed within a workplace.

Identifying risks
- Risks can be identified by brainstorming likely risk scenarios as well as by consulting area specialists, experts and staff.   - It is useful to review documentation related to previous change initiatives to identify indicators of risk, which may include: - loss of production capability   - loss of key staff or staff resistance   - delays in installing new equipment   - budget overruns   - resources not made available at the appropriate times   - impact on current service delivery to clients   - impact on suppliers if different resources are required.

Assessing risks
• Assessing risks evaluates two things: a risk's likelihood and the impact.
• The likelihood of the risk occurring may be described as very likely, likely or unlikely. Some organisations may use different words such as expected, probable and improbable.
• The consequences of the risk may be described as minor, moderate and major. Other rating terms commonly used are negligible, minimal, significant, severe, extreme and disastrous.
• Risk analysis is generally directed at the negative consequence of risks. However, risk management is also able to identify and prioritise opportunities. For example, analysis may reveal that a member of the group has relevant expertise that has not been considered previously.

Evaluate risks using a risk assessment matrix

A risk assessment matrix can be used to evaluate risk/s : the likelihood and impact are identified to determine the level of the risk.

High risks become the priorities for treatment and may require attention by senior management. Moderate risks need management focus. Some low-level risks may be seen as low priority as they can be resolved through routine procedures.

Consider the likelihood and impact of an activity you have been involved in and use the matrix below to estimate the risk level.

		Consequences				
		Insignificant	**Minor**	**Moderate**	**Major**	**Catastrophic**
	Almost certain	High	High	Very high	Very high	Very high
Likelihood	**Likely**	Moderate	Moderate	High	Very high	Very high
	Possible	Low	Moderate	High	High	Very high
	Unlikely	Low	Low	Moderate	Moderate	High
	Rare	Low	Low	Low	Low	Moderate

Manage and treat risks

Organisations aim to eliminate or avoid the risk where possible and, should the risk materialise, control the outcome.

Here are five options to control or manage risks:

Avoid the risk	Can the risk be removed completely? For example, if the risk of moving into a newly identified market at this time is too high, can the organisation simply look for an alternative market first? Options to avoid risks include: ▪ avoiding activities that lead to the possibility of the risk eventuating ▪ outsourcing risk-related tasks to contractors or specialist providers ▪ discontinuing practices that may realise the risk.
Change the likelihood	The likelihood of risks can be lowered by removing various stimuli or situations likely to materialise the risk. This may be as simple as improving consultation or communication channels with suppliers or: ▪ reducing exposure to the risk environment ▪ removing or reducing activities that may lead to the risk being triggered ▪ using inspection controls and quality assurance measures ▪ implementing tighter control of contract conditions ▪ ensuring timelines are realistic.
Change consequences	Consequences can be managed through contingency planning. Contingency plans are valuable for helping to reduce the impact or consequence of a risk event. They include: ▪ establishing measures to control or minimise damage if the risk is realised (e.g. fraud control planning, public relations, disaster recovery planning, pricing controls, etc.) ▪ developing administrative measures, controls, policy or procedures to provide guidance.
Share the risk	If a risk is at too high to take on alone (for example, expanding the business into a new industry), partnerships and strategic alliances allow for risks to be shared. Sharing a risk also commonly involves external investors, such as venture capitalists or insurers. This includes: ▪ insurance against an event occurring ▪ joint ventures ▪ partnering arrangements ▪ underwriting ▪ investor participation.
Retain the risk	Some negative risks may be at an acceptable level when the likelihood and consequences can be adequately managed internally within the organisation. Others may be so negligible so as to not warrant any effort. For example, occasional staff absences may not have a huge impact on meeting timelines, so this low-level risk can be accepted.

Assess opportunities presented by change

Analysis of the external and internal environments, as well as a business's overarching corporate and competitive strategies, provides a foundation to assess opportunities.

Implementing a change management strategy designed to support an organisational objective – for example, expansion into a new market – may also benefit the business, such as generate an opportunity to spread labour costs.

A cost benefit analysis is a useful tool for assessing the overall costs associated with a change management process, particularly where additional opportunities may be presented as part of the change process.

Cost–benefit analysis of opportunity

A cost–benefit analysis is needed to begin the process of evaluating opportunities presented by change.

This process seeks to determine whether the costs associated with pursuing an opportunity make the pursuit worthwhile. A cost-benefit analysis involves:

- identifying costs and benefits of an opportunity
- assigning a monetary value to the cost (e.g. labour costs)
- assigning a monetary value to the benefit of this opportunity
- comparing costs with benefits
- deciding if an opportunity is worth pursuing.
- The following table summarises these steps below:

Identify costs associated with opportunity	• Identify the costs involved in addressing performance gaps, which may include time, physical resources and equipment needed. • It may be difficult to assign a monetary value, so this is where the input of an organisation's finance team is critical. • Consider that the costs incurred for addressing gaps and ongoing maintenance may be less than the costs that might be incurred if the requirement or gap is not addressed.
Identify benefits associated with opportunity	• Benefits associated with an opportunity may be quantitative or qualitative. • Strategic benefits relating an organisation might include an increased competitive advantage and increased sales; other benefits may relate to increased efficiencies, effectiveness and innovation. • Benefits need to be considered in relation to meeting organisational objectives (it is important to remember that they are also merely predictions).
Compare costs and benefits of an opportunity	• To determine if the benefits outweigh the costs, calculate the total costs and total benefits for comparison; compare them by dividing the total costs by the benefits. • Ask if the costs outweigh the benefits.

> ### Example
>
> ## Opportunities presented by change requirements
>
> Goldman Medical Supplies has, until recently, relied on a basic invoicing system where invoices are prepared and tracked using a spreadsheet. Growth in the business has led management to consider introducing cloud based invoicing software. While the associated costs are significant, a number of benefits and opportunities have been identified:
>
> | Identify costs associated with new invoicing system | Annual subscription charge for cloud based invoicing software Staff training costs Initial system set up time Initial delay in invoicing while system is implemented |
> |---|---|
> | Identify benefits associated with new invoicing system | Tighter control on incoming and outgoing payments. Improved cash flow Greater ability to collect and store client data leading to the ability to customise sales approaches Increased security of data offered by cloud-based software Increased efficiency leading to a cost saving |
>
> The analysis leads the company to decide that the benefits of introducing the new software outweighs the costs.
>
> Although initial costs were significant, it was determined that the ability to track and categorise customer sales more closely provided the opportunity to customise sales approaches to their customers leading to increased revenue.

Practice Task 2

Question 1

Identify whether the terms below present a risk to a business. Tick all that apply.

○ Technology and other resource delays

○ Access to new customer markets

○ Loss of specialised staff

○ Closure of a competitor in the same territory

Question 2

A risk that is unlikely to occur with moderate consequences would be assessed as:

◯ Low

◯ Medium

◯ High

◯ Extreme

Question 3

What are the three major steps involved in performing a cost–benefit analysis?

Question 4

What should be done when undertaking a cost benefit analysis? Tick all that apply.

◯ Costs should be divided by benefits.

◯ Benefits should be divided by costs.

◯ Costs should be subtracted from benefits.

◯ Benefits should be multiplied by costs.

1C Consult with stakeholders

Consulting with stakeholders to confirm change opportunities and processes is an essential part of successful change management.

Findings from reviews of organisational policies and strategies, internal and external analyses need to be interpreted and presented to key stakeholders. From there, a list of change requirements is developed and presented to key stakeholders to determine change priorities.

Stakeholders, specialists and experts

Key stakeholders are those who are affected by the change and involved in the implementation and management of the change within the organisation.

Stakeholders, specialists and experts may include:

- employees
- senior management
- external business/operational specialists or consultants
- suppliers
- clients affected by changes in product development or service delivery.

During the planning phases, consultation may be undertaken via dedicated meetings, as part of broader management or team meetings, via email or surveys.

A summary of those involved is listed in the following table:

Change stakeholders	- Employees (may be divided into subsets where change impacts departments differently) - Customers - Clients - Suppliers
Specialists	- Change management consultants - Organisational development consultants - Strategy development specialists
Experts	- External subject matter experts (e.g. IT consultants - Internal subject matter experts (e.g. IT team leaders) - Experienced staff members - Procedural experts

Confirm the change management process

It may be necessary to consult with relevant change specialists, either internal or external to the organisation, on specific elements of the change process to determine priorities and actions.

Change management consists of three major stages:

1. The identification of change requirements and opportunities

2. Change management planning

3. The implementation of change within the organisation

The number and nature of steps will vary according to the type of change as well as the organisation's preferred approach. The steps within each stage are outlined in the following table:

Identification of requirements and opportunities
- Identify the internal and external needs for change.   - Identify the organisational requirements needed to make the change.   - Prioritise the identified change needs.
Development of change management strategy and plan
- Analyse costs and risks and barriers to change.   - Develop change management plan.   - Assign resources to begin plan implementation.
Implementation and evaluation of change
- Implement change management plan.   - Communicate the reason for change and the plan to manage resistance.   - Action change interventions and activities to ensure change becomes embedded.   - Monitor the plan and evaluate the change.

> ### Example
>
> #### Confirming requirements with stakeholders
>
> A review of internal processes at Dillington Early Learning Centre identified the need for cultural awareness training for its staff in response to a rise in refugee families from the Middle East attending their centre.
>
> The HR Manager, Harvey, has been tasked with introducing this training to ensure it is forms part of the induction process for new staff.
>
> Harvey has met with the centre's team leaders to seek input as to their needs and preferences around this training event. In addition, he has contacted several parents at the centre to confirm the nature of information to be addressed as part of this training.
>
> As a result of this consultation process, Harvey has identified the need to engage cultural sensitivity experts to ensure the training is developed and implemented in a manner that meets the needs of his team and families at the centre.

Practice Task 3

Question 1

Which of the following statements are correct? Tick all that apply.

- ◯ Only senior management should be consulted when confirming change requirements.

- ◯ Change management consists of two major stages: the identification of change requirements and opportunities, and the implementation of change within the organisation.

- ◯ Employees are a stakeholder group.

Question 2

Draw a line to match the stage of the change process to the activity undertaken.

» Prioritise the identified change needs.   » Identify costs, risks and barriers to change.

» Develop the change management strategy and plan.   » Communicate and consult with stakeholders about the reason for change and the plan, to manage resistance.

» Implement and evaluate the change.   » Identify requirements and opportunity.

Summary

- An analysis of organisational goals, corporate and competitive strategies enables management to identify strategic change needs.
- Need for change may be driven by gaps between desired and current performance.
  - This can be evaluated using a gap analysis process.
- Internal analysis requires examining the organisation's current structure, work processes, technology and people to determine their ability to meet organisational objectives.
- This analysis enables management to identify gaps between the current and desired situations.
- An analysis of the external environment, using environmental scanning techniques, allows management to identify events or trends that may affect the achievement of organisational goals.
- Analysis of risks using a systematic approach allows an organisation to evaluate the potential impact of change management activities.
- Evaluation of opportunities presented by a change management process, can be undertaken using a cost benefit analysis.
- Consultation should be held with key stakeholders to confirm and prioritise change activities. These could include people form inside or outside the organisation such as employees, managers, department heads, customers, suppliers, industry bodies, etc.
- Internal or external consultants may be required to confirm the change management process to ensure smooth implementation.
- A systematic approach to change planning includes:
  - identifying required changes
  - developing a strategy and plan
  - evaluating that plan.

Learning Checkpoint 1
Develop change management strategy

Part A

1. Which of the following statements are correct? Tick all that apply.

   ○ There is no difference between a "strategic goal" and a "strategic objective".

   ○ A risk assessment matrix plots the likelihood of a risk occurring against the consequence should it occur to identify the risk impact.

   ○ Clients and customers should be consulted as stakeholders to identify needs for change.

   ○ Current policies and procedures should only be considered when change priorities have been confirmed.

2. Draw a line to match the terms on the left that may lead to change with the examples on the right.

   》 Technological trends
   》 Revisions to workplace health and safety regulations requiring changes to how workers in a food manufacturing facility access and select items in cold storage.

   》 Political/legal trends and events
   》 Ageing population has resulted in an increase in demand for places within an aged care facility management group.

   》 Demographic
   》 Increase in value of Australian dollar rate results in a company's Australian made products becoming more expensive for overseas buyers. The company decides to restructure operations and downsize the workforce.

   》 Economic trends
   》 A secondary school bans the use of print text and exercise books in favour of offering a fully online learning system.

3. List the three major stages of the change management process.

4. What must an organisation do when managing risks? Tick all that apply.

   ○ Always eliminate risk, regardless of cost or impact.

   ○ Undertake analysis to determine the likelihood and consequence of risk.

   ○ Try to share the risk with others.

   ○ Weigh up what it will cost of the risk is realised.

   ○ Determine barriers to change and plan to mitigate the risks of these barriers.

5. Describe how employee attitudes and behaviour impact an organisation's ability to meet its objectives.

Part B

Read the case study and answer the questions that follow.

Case study

A senior director has asked the human resources manager to identify the major trends in the external environment that will likely affect achieving organisational objectives. The director also wants to know the internal strength and weaknesses, and how these may affect the organisation's response to the trends before making any decisions about changes to the business plan.

1. What sources should the HR manager consult to research political, legal, economic, sociocultural and technological trends?

2. When researching the behaviours of major competitors, what sources would the HR manager need to consult?

3. List the steps the HR manager should take to conduct a SWOT analysis to identify the organisation's requirements.

4. When developing a list of potential change requirements, what process should the HR manager follow?
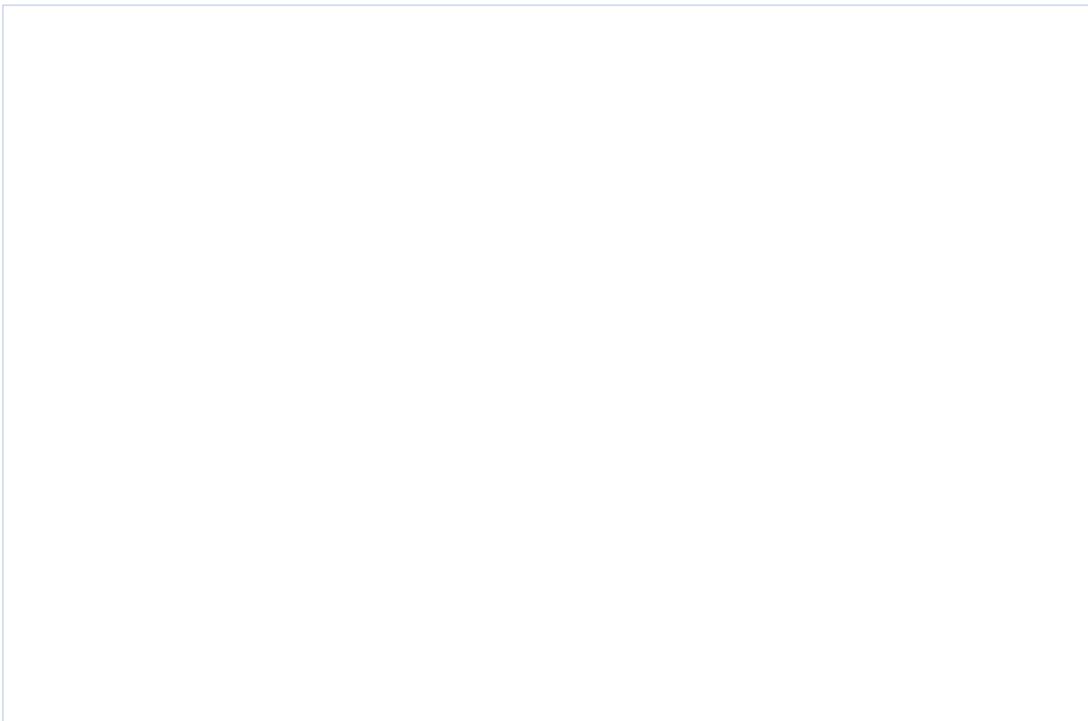
Topic 2 | Implement change management strategy

2A   Establish resources and reporting protocols
2B   Develop the communication or education plan
2C   Deliver the communication or education plan

2A Establish resources and reporting protocols

Identifying required resources and establishing reporting lines are essential when implementing a change management strategy.

Once resources have been assigned against change management objectives, an organisation needs to establish and document reporting lines, accountability and methods for monitoring and reporting on progress.

Assign resources

All change management processes require the allocation of adequate resources, whether they be human, physical or financial.

Once areas for change have been identified and approved, a work breakdown structure (WBS) needs to be developed. This defines the specific goals, tasks and activities required to achieve the goals; resources then need to be allocated against each task.

Resources may include:

- Labour (e.g. staff or external consultants)
- physical resources (e.g. access to workspaces, equipment and technology)
- time allocation (e.g. freeing up employees' time to work on the change processes)
- financial resources (e.g. for purchases of new equipment or staff training)

The following table summarises the process for estimating resources:

Resource analysis	- What are the results of the gap analysis? - What are the skills and experience necessary to do the work? - Is a training needs analysis required? If yes, allocate responsibility for analysis. - Who should do the work? - How long will each task take to complete? - What equipment or facilities are required to undertake each task? - What are costs and availability of each resource? - Are there alternatives? - What contingencies need to be developed?

Resource determination	- These include:
	   – human resources, such as specialist or expert staff or consultants, team members, their skills, roles and responsibilities
	   – physical resources, such as equipment, technology and workspace
	   – time required to implement, measure and achieve change
	   – financial resources, such as funds to buy new equipment, update technology or training, provide coaching or mentoring of staff to address skill gaps.

Resource estimation	- It is important that all costs are included and allow for contingencies. For example, there may be breakdowns in equipment or staff movement that will involve additional costs. - The finance and human resources teams should be able to provide cost estimations and possible contingency costs required in planning budgets. - Their assessment should determine the total estimated cost of all activities conducted per month until the project is finished; this is the project's budget.

Approvals and reporting protocols

Confirmation of reporting lines promotes a smooth change management process and avoids delays in implementation.

Once employees have been assigned to the change planning group or team, reporting lines and approval protocols, both within the change team and throughout the wider organisation should be established.

These protocols will determine the scope of responsibility of the change management team, its constituent members and how approvals for resources are sought.

Project reporting may include:
- a flowchart of seniority for reporting (e.g. who reports to who) - a senior manager responsible for approving change activities and resources - change leaders identified for specific areas - a diagram demonstrating who team leaders and members report to (e.g. a human resource leader manages the change impact on employees).

Develop a change management project plan

A project plan outlines activities, resources and milestones required for achieving objectives.

Without an effective plan to guide change implementation, the organisation has little chance of successfully embedding the new behaviours, structures and processes. Some organisations have a procedure and template for developing a change management plan.

The plan should be developed in consultation with relevant managers and sponsors. It is also useful to meet with those responsible for guiding the implementation, such as a formally appointed change team.

The final project plan needs to be approved or signed off by stakeholders and participants before the change project commences.

Change management project plan elements

Explain reasons for change
• Overview of the background to the change, including needs, opportunities, threats and risks

Develop change vision and strategy
• The overall goal the organisation hopes to achieve once the change process has been implemented

Identify change activities
• Specific actionable items that need to be accomplished to achieve the visions • The activities are a breakdown of the change strategy and may include training, education, implementation of new systems and development of new or revised policies and procedures

Timelines or schedules for tasks
• A set of key dates for actions or milestones to be achieved and the final date for when the change process will be fully implemented

Allocate resources against activities
• People – this may involve hiring new staff or seconding staff members from their current role to work on this this project for a set period • Finance – this includes the costs of resources • Equipment and technology • Information and materials

Identify and mitigate risk factors and potential barriers
• Risks highlighted from the initial risk assessment and SWOT analysis work conducted in the planning process • Mitigation strategies explaining how these risks will be monitored and controlled • Potential barriers and how these will be monitored and managed (e.g. milestones are not achieved by due date)

Plan how change will be monitored and evaluated
• Key performance indicators (KPIs), showing the metrics for success • Reporting methods, including frequency of reports, communication protocols for reports • Processes for evaluating and modifying the plan

Risks and contingency planning

Identifying risks and planning for contingencies is a critical part of any change.

Implementation risks can be identified and assessed by the project team using the same risk assessment process used in assessing impact and readiness. Based on this risk assessment, the contingency plan or risk mitigation plan involves documenting treatment options.

Sources of implementation risk:
• Lack of financial support • Time constraints • Milestones not achieved • Staff acceptance and cultural issues • Technological issues and failure • Capacity of suppliers and availability of contractors

Plan timeline

Within your project plan, milestone timelines are strictly monitored to measure the progress and success of change management.

Your timeline will outline the dates key milestones are to be achieved and those responsible for delivering these goals. Reports to major stakeholders on the achievement of these milestones occur regularly throughout the life of the project to ensure progress is being made. This plan is often presented in the form of a table or a Gantt chart, which shows the start and finish dates of each milestone.

See the following sites for more information on project management tools:

- **Assignment schedule**: http://aspirelr.link/excel-assignment-schedule-template
- **Gantt chart**: http://aspirelr.link/gantt-chart-excel
- **Gantt project planner**: http://aspirelr.link/gantt-project-planner-excel

Practice Task 4

Question 1

Draw a line to match each type of resource on the left with the correct example on the right.

» Financial   » Approval to spend 10 hours per week on a task

» Human   » Use of office as meeting space

» Time   » Seconding staff member from another department

» Physical   » Approval to engage external trainers

Question 2

Which of the following statements about change management are correct? Tick all that apply.

○   Staff resistance should not be considered a risk to implementation

○   Time frame for completion does not form part of a change management plan

○   Approval requirements and reporting processes should be agreed once resources have been allocated.

○   Reporting processes should include performance metrics, key personnel and reporting frequency

2B Develop the communication or education plan

When implementing change, a strong communications strategy needs to be in place to engage stakeholders and reduce uncertainty – particularly for those whose jobs are directly affected by the change.

The communication plan or education plan describes the communication methods used to share information with project stakeholders. An overall communications strategy for the change process should identify the requirement to educate stakeholders on the needs and benefits of change.

A communication or education plan should detail actions for:

- educating and training staff on the need for change
- processes to implement change
- strategies to predict, identify and manage actual or potential resistance to change.

The plan may also include details for training staff regarding the need for change. For example, it may include:

- a training needs analysis
- space for learning materials and training
- other educational elements that may effectively facilitate adoption of the change.

The change team also needs to consider the resources and tools required to communicate information, such as videoconferencing, social media or more traditional media avenues.

Determine different audience needs

Communication methods must be decided according to the requirements of various stakeholder groups.

Typically, employees in a department directly affected by the change will require a greater and more personalised level of communication than those not directly affected.

To assess needs for each group, brainstorm the following questions:

- What does the audience already know about the subject?
- What are the main ideas that the audience needs to know about the change plan?
- What specifics does the audience need to know about the change and by when?
- What training and support will be needed, by those whose jobs will change as a result?
- Who in the organisation requires written progress reports and when do they need them?
- What methods of communication have worked in past initiatives for this group?

- How do the different audiences expect to be spoken to/communicated with?
- How does the audience expect to access information?
- Within units, groups or teams, are there language, literacy and numeracy needs, or disabilities such as hearing and vision impairments?

Determine communication and consultation methods

The differing needs of stakeholder groups will determine the consultation and communication methods most applicable to each during the change management process.

To determine the needs of the audience, consider:

- what the audience already knows
- what the audience needs to know
- what training is available
- who needs written progress reports.

Once each group's communication needs have been determined, it is time to decide the most appropriate methods. Resources and expertise of those managing the change must also be considered. The following table provides examples of communication and consultation methods for different stakeholder groups:

Staff directly affected – Manage closely	Staff not directly affected – Keep informed
- Regular, personal interactive conversations to win and maintain support - Consultation to seek input into change strategy - Biweekly or monthly status updates - Milestone announcements and reports - Group activities and consultation sessions	- Occasional personal contact - Some stakeholders may have expertise that can provide input into the change process, so allow consultation when required - Emailed progress or budget reports - Newsletters via email - Announcements and briefing via blogs/ posts on wiki or intranet
Senior management – Scheduled updates	**External stakeholders – Scheduled updates**
- Consultation and approval as defined during change management process - Consultation to seek input into change strategy - Biweekly or monthly status updates - Milestone announcements and reports - Written reports - Verbal updates during management meetings	- Newsletters via email - Announcements via blog posts or company intranet - Seek general feedback via email or intranet - Organisational briefings - Updates on websites

Promote benefits of change

The promotion of the benefits related to the change management process should be central to stakeholder communication plans.

Establishing stakeholder engagement is vital to the success of any change management process. This may be achieved through articulating the vision of what the organisation hopes to look like in the future. Presenting the vision in terms of how it will positively impact specific stakeholder groups can help overcome any resistance that may occur as a result of uncertainty about outcomes.

A failure to communicate the benefits and vision may result in wide ranging losses for an organisation, such as increased employee dissatisfaction, absenteeism, resignations or a loss of productivity. A useful way of framing communications is to imagine yourself in the employee's position and ask the following question, 'What's in it for me?'

Example

Changing from telephone-based ordering to online sales

The table below shows how the benefits of change management activity can be tailored to promote the key advantages to specific stakeholder groups:

Warehouse packers

- Change means no more incomplete orders.
- Change will result in faster packing times, as an online system presents items in the same order as the warehouse system.

Customer service team

- Change means less phone calls from angry customers who have received incomplete or incorrect orders.

Customers

- Change means higher order accuracy and quicker despatch times

Senior management

- Change means higher level of return customers.
- Change has the potential to save costs and reduce customer service team numbers.
- Change will lead to increased sales and profits.

A failure to promote benefits and engage stakeholder groups can result in a number of negative impacts, not only for the change process in question, but the organisation as a whole:

Losses associated with stakeholder disengagement
▪ Loss of stakeholder confidence in organisation
▪ Resistance to making change
▪ Loss of employee morale and productivity
▪ Increased staff turnover
▪ Negative impact on sales and profits

Managers can become change agents by training to develop change action plans specific to their areas, implementing organisational strategies to manage barriers, or setting up coaching and mentoring initiatives. However, it is vital that all actions are documented. You can achieve this by assigning tasks to ensure personnel understand who is responsible for carrying out, and reporting on, the communications activities that take place.

Example

Communicate with, and educate, internal stakeholders

When the change team at an Australian engineering firm was implementing a new quality management system, it was mindful of the implications that the new processes might have for the work teams.

The team leader decided to brief the staff at each milestone along the way in order to instill confidence in management. The team leader also hoped to promote respect and understanding for the reasons behind the decision.

They held weekly or fortnightly meetings with the work teams affected by the new processes, using the meetings to involve the staff in decision-making about inclusions for the new quality management system and communications to industry and client groups.

For those work teams located in the Singapore office, the change team held videoconferences to achieve the same objectives.

The change team also created a wiki site where information and knowledge were shared, and internal stakeholders could post questions and provide feedback to the team interactively.

Practice Task 5

Question 1

Which of the following questions should be asked when preparing a communication or education plan? Tick all that apply.

○　What are the key points to be communicated?

○　Whose jobs are directly affected by the change?

○　What communications methods are easiest?

○　Who needs to be consulted about the plan?

○　What methods will take the least amount of time?

Question 2

Which of the following statements are correct? Tick all that apply.

○　A communication plan should consider the needs of different stakeholder groups.

○　Benefits of change should be communicated from the perspective of senior management.

○　Social media should be used to communicate with external stakeholders.

○　Staff directly affected by change should rely on the company website for updates.

○　A communication plan should consider the training needs of different stakeholder groups.

2C Deliver the communication or education plan

The plan must explicitly state the strategies that will be developed to promote acceptance and embed change.

Delivery of the communication or education plan should focus on specific actions that ensure those affected by the change are well-educated and trained in their requirements under the process.

Activities to deliver a communication plan

The specific needs of stakeholder groups should be considered when developing activities to deliver a communication plan.

When preparing the communication plan, the most appropriate methods for communicating with each stakeholder group are identified. However, when it comes to delivering the plan, specific activities and actions to support that method should be considered. For example, if it has been determined that a regular newsletter is the best way to communicate with customers, then activities designed to support that should be developed. This is demonstrated in the table below:

Activities to support newsletter communication with customers
• Identify internal resources needed to prepare newsletter (e.g. software, access to customer database, team member responsible) • Identify the key messages of newsletter. • Identify how often newsletter should be sent. • Explore activities that encourage newsletter opening (e.g. promotions, quizzes, etc.) • Identify the languages the newsletter needs to be printed in.

Strategies for communicating and embedding change

Communication strategies must focus on activities that support the successful adoption of change outcomes.

This is particularly important with employee groups directly affected by the change and whose acceptance is critical to ensure change is adopted.

The following table outlines useful strategies and activities that promote change acceptance:

Team building	- Team building helps employees get to know each other and understand the ways they can best work together. - Running brainstorming workshops allow members to develop change goals, identify strengths and weaknesses, devise ways to build on strengths and overcome weaknesses.
Intergroup development	- This involves changing the attitudes and perceptions that work groups have of each other. - A common technique is conflict resolution meetings; different groups or teams get together to brainstorm issues affecting cooperation and efficiency and work together to identify solutions to these issues. - Common goals are identified, and actions undertaken to develop and achieve these goals.
Process consultation	- This method improves processes within the organisation. - Groups and teams come together to develop practical solutions to issues related to process effectiveness and efficiency. - The process is mapped, and performance is reviewed, to identify habits and practices that need to be improved to meet organisational objectives.
Survey feedback	- Surveys can be used to identify and assess attitudes and issues. - The questions look at such factors as organisation and team culture, employment and pay conditions, the chain of command and senior leadership styles or team structures. - Differences between the current and future attitudes can be discussed and resolved in feedback groups.

Effective change often relies on being able to win stakeholder cooperation of the changes proposed. Often the most difficult task is promoting why the organisation is doing what it is doing. Communication activities should focus on building this connection and cooperation. There are two ways that you can encourage this: motivation and inspiration.

Many organisations try to embed change at the employee level by applying pressure on their staff to respond to change. This is not always successful. When there is an immediate, specific goal that you want your team to achieve, you need to help them understand the reason for this change and motivate them to accept it. You need to identify their aspirations and commitments in order to inspire action.

Ways to motivate, inspire and encourage employees
• Challenge and inspire them through creativity and sacrifice.
• Trust them; this will empower them to be their best.
• Understand their value systems and consistently act within these values.
• Be the change; your behaviour will inspire people more than anything else.
• Share the sacrifice and share the load.
• Be clear about what it is that you want your employees to do.
• Set an end date to the effort you expect.

Example

Communicating and embedding change

Two medium-sized engineering companies recently merged due to an acquisition made at the global level. As a result, the head office teams from two companies have been merged, resulting in a number of redundancies across sales, marketing and finance departments.

This has led to a fractured and tense working environment (or an 'us and them' mentality) between employees from each company. It has also fomented overall distrust of the management team.

A working group has been created to develop new administrative processes to build a team culture for the newly formed organisation.

The change group has met with representatives from each department, including members from each of merging companies. It was agreed that, before addressing the administrative processes, activities should focus first on team building; without a sense of commonality, it would be difficult for parties to work together and successfully embed the required administrative changes.

The working group has explored a range of team building activities that will help team members to get to know each other and, at the same time, develop an appreciation of the individual skills and working styles of their new colleagues.

Practice Task 6

Question 1

Draw a line to match each term about change strategies to its correct definition.

» Team building

» Intergroup development

» Process consultation

» Survey feedback

» Brainstorming sessions to develop goals, build on strengths and overcome weaknesses

» Can involve meetings to identify common goals and workshop cooperation and efficiency issues

» Used to identify and assess attitudes and issues

» Helps people get to know each other and how they can work together

Question 2

Provide two examples of methods to motivate employees.

Summary

- Resources required to implement a change management process should be evaluated and sourced at the outset of a change management plan.
- This may include human, physical, time and financial resources.
- Once parties to the change management process have been established, reporting lines, approval protocols and responsibilities should be developed and documented.
- A change management plan should be created to guide the execution of the change management program.
- Management approval should be sought for this plan and its constituent parts.
- A strong communication plan supports stakeholder engagement and should describe specific methods to be used to communicate with all stakeholders, along with the messaging and communication needs of each stakeholder group.
- Communication should focus on the benefits of change to promote employee engagement in the process.
- A failure to secure employee engagement can result in a loss of productivity or increased employee turnover.
- Specific organisational development and consultation interventions can be used to ensure change in team behaviours, attitudes and practices; it also helps to embed change.

Learning Checkpoint 2
Implement change management strategy

Part A

1. Provide two examples of resources for each of the resource categories listed below:
    - Human
    - Financial
    - Time
    - Physical

2. Which of the following are examples of reporting/approval protocols? Tick all that apply.

    ○ Agreed scope of change team to make changes

    ○ Emailing updates to customers

    ○ Team members reporting on their specific area (e.g. the finance team leader reporting on performance against the budget)

    ○ A senior manager signing off on change process activities

    ○ The method for seeking additional resources

3. Which of the following are components of a change management plan? Tick all that apply.

    ○ Strategies for executing change

    ○ Explanation as to why change is required

    ○ Milestones

    ○ Risk factors

    ○ All of the above

4. List four reasons why face to face meetings are an important part of stakeholder communication and consultation.

Part B

Read the case study and answer the questions that follow.

Case study

James is the general manager at a wholesale plant nursery. He has been asked to take part in a process to introduce a new native plant division. James' particular area of responsibility will be communicating the change plan to employees and customers.

1. List three things James should include in the communication plan to employees.

2. Describe three methods James could use to communicate the change process to employees, and describe three methods he could use to do the same for customer

Topic 3 | Evaluate change management strategy

3A   Assess performance of communication or education plan against objectives

3B   Identify and respond to barriers to change

3C   Modify communication or education plan according to objectives

3A Assess performance of communication or education plan against objectives

It is essential that change is monitored for its effectiveness; and new processes, structures and behaviours that result from the change must also be regularly evaluated and communicated.

The change team and relevant managers need to evaluate the communication plan to determine whether it has met the organisational objectives. Measuring the success of the communication or education plan requires an evaluation strategy that will help you determine whether your communication plan has achieved the requisite objectives.

An evaluation strategy will support effective engagement with your audience and stakeholders and guide the process of modifying the communication or education plan to ensure program objectives can be met.

Identify evaluation strategy

When evaluating change effectiveness, consideration should be given to both anticipated and unforeseen factors.

A commonly used technique to review progress is to perform a gap analysis; put simply, this helps determine the gap between the old and the new situation. To measure the gap, evidence needs to be gathered through various data-collection mechanisms. This includes feedback from stakeholders, procedural audits, evaluations of systems and roles, profit calculations or efficiency measurements. The timeline developed in the initial planning stages can also be a useful tool for measuring progress.

Barriers that impede milestones must also be identified. If milestones are not reached, or if key performance indicators (KPIs) are not met, the reasons need to be identified, and solutions need to be developed. This may require implementing new or revising existing interventions.

To evaluate change effectiveness, team, unit, and organisational performance can be measured to identify the success of the change in relation to organisational objectives.

Evaluation questions
▪ Have the anticipated benefits been realised?
▪ Has organisational performance improved as a consequence of the change?
▪ Are the changes within the organisation a direct result of increased/decreased performance? Or are they due to external factors, such as improved economic and market conditions?
▪ Are there any unforeseen positive or negative consequences of the new structures, processes or behaviours?
▪ Have the costs of the change outweighed the benefits of the change?
▪ What has the team learnt? What needs to be done to improve future change processes and activities?

Evaluating the communication or education plan creates an opportunity to review the communication plan by:

- seeking consultation either formally or informally from stakeholders and employees
- applying continuous improvement to communication processes where needed
- monitoring the communication goals
- tracking completed communication activities or reporting.

Share results and celebrate success

Results need to be communicated to stakeholders, and the information and reporting methods for doing this must adhere to the communications plan.

When a change project is completed and signed off by senior management, the change team will be disbanded. Team members may be allocated to other projects, or they may return to their substantiated positions. Before this occurs, the successes need to be celebrated and formally acknowledged through workplace reward and recognition programs. For example, following the development of a new product, for example, there may be a launch party to celebrate success with internal and external stakeholders, including customers.

Review and evaluate change

In recent years, an Australian airline announced its five-year Game Change program to reposition itself in the market as Australia's airline of choice.

This program involved major restructuring and transformation. Ticketing processes were changed, and new electronic technology systems were implemented. Furthermore, the organisation acquired two airlines to reposition the business across all key markets.

During this time, it reviewed its progress against its change plan and evaluated the effectiveness of change strategies by:

- measuring sustainable efficiency gains
- quantifying changes in their Frequent Flyer membership
- measuring revenue and capacity increases to identify access to global markets
- seeking feedback from staff and customers on the impact of enhancements to customer experience
- drawing on the results of external studies, such as the Roy Morgan Domestic Airline Business Satisfaction surveys.

The organisation reported these successes in its annual report and published wins on its website. At the same time, it used these methods to communicate the next phase of the program.

Practice Task 7

Question 1

How can an evaluation strategy improve the effectiveness of the communication or education plan?

Question 2

Which of the following would you use to assess the performance of a change management plan? Tick all that apply.

- ❑ A gap analysis
- ❑ External environmental scan
- ❑ A review of project timelines
- ❑ Data that is relevant to the KPIs or performance metrics

Question 3

Briefly explain at what level of performance change effectiveness should be evaluated.

3B Identify and respond to barriers to change

Potential barriers to change must be identified as part of the change project plan; however, it may also be that unforeseen barriers arise during change management implementation.

By monitoring and identifying barriers early, you can address them before they derail the change process or affect stakeholder morale. Before responses can be developed, understand why the barrier arose.

Some common reasons why barriers emerge during change processes are listed below:

Common reasons for barriers to change
▪ Lack of understanding regarding why change is needed and how it will impact work ▪ Lack of employee involvement in the chance process ▪ Poor employee morale ▪ Failure to tailor communications to stakeholder groups ▪ Lack of resources ▪ Resistance to a change in culture ▪ Past experience of change colouring perceptions ▪ Limited management support for the process ▪ Past experience of failed change initiatives

The processes used in the initial planning stages, such as brainstorming sessions, can be useful to revisit when monitoring barriers and understanding why they are emerging.

Respond to barriers to change

Responses to barriers to change should be tailored according to the nature of the resistance.

Barriers to change are most commonly experienced in employee groups. Several initiatives may be useful when responding to barriers to change. For starters, members of the change team may work with relevant staff members to ensure that those affected by change understand their efforts are valued.

Other more direct initiatives may be required:

Employee counselling
▪ Organisational change involving a redundancy can be incredibly stressful – for both those who have been made redundant and those who remain. ▪ Managers and employees should have access to personal counselling, and affected staff members should be assisted to present their skills in a positive way to find new employment. ▪ Some organisations choose to outsource this counselling to behavioural and occupational psychologists to ensure that the impact is minimised.

Recognition and rewards
▪ Recognition provided through feedback, acknowledgments or rewards, gives those directly affected by change a sense of achievement; it also incentivises new behaviours, attitudes and practices. ▪ Formal and informal reward systems help to embed a change by encouraging the new behaviours and attitudes to become the norm.
Deal with conflict
▪ Conflict can be positive and even actively encouraged in order to shake up the current state. ▪ However, if conflict is ignored, the change will not be successfully implemented. ▪ Mediation skills may help ensure all parties are heard and listened to. ▪ Some organisations may use external mediation experts if conflict escalates.
Negotiate outcomes

▪ Negotiation should aim to seek a win-win outcome. This can be promoted by:
  – focussing on the problem, not the person
  – focussing on needs, not wants or positions
  – identifying and emphasising common ground
  – exploring creative options
  – making agreements.
▪ Key negotiation skills include appropriate assertiveness and active listening.

Example

Resolve conflict

A conflict arises over the allocation of financial resources between two members of the change team. Maya is facilitating the team members to negotiate a win-win situation.

In her previous role as a team leader, where there was a conflict between two members relating to differences in values, she applied the conflict resolution ladder approach.

Given the success of the approach, Maya decides to use it to resolve her current conflict. The conflict resolution ladder is a great tool that provides six simple actions that enable her to resolve her team issues. It provides instructions for conflicting parties to resolve their disagreements:

1. Contain and manage strong emotions.
2. Verbally express own thoughts and feelings.
3. Identify and express own interests.
4. Empathise with others.
5. Generate several solutions to the problem.
6. Negotiate a win-win solution.

Practice Task 8

Question 1

How do recognition and rewards programs assist in the implementation and embedding of change? Explain your answer.

Question 2

Which of the following statements are correct? Tick all that apply.

- ❑ Past experience can affect attitudes towards a change management process
- ❑ Negotiation should seek a win-win outcome for both parties.
- ❑ Counselling should be offered to retrenched employees only.
- ❑ Staff surveys are a good way of exploring why a barrier has arisen.
- ❑ Conflict is always negative.

3C Modify communication or education plan according to objectives

Communication or education plans may need to be modified if evaluation activities, such as a gap analysis, reveal aspects of the project are not meeting the program's objectives.

The nature of the required changes will vary depending on the results of the evaluation process. An organisation may need to make adjustments to adjust:

- implementation timelines
- budgets and expenditure
- risks and mitigation strategies
- communications and reporting protocols.

Evaluations need to be scheduled to ensure that corrective action is taken according to the communication plan. Adjustments to change management plans should be identified in consultation with key stakeholders and approved by the change sponsor or a senior manager.

Understanding required changes

To effectively update the change communication or education plan, understand why aspects of the plan are currently not meeting the desired outcomes.

An evaluation of the communication or education plan may involve revisiting some of the earliest steps in the change management process, such as determining change priorities, analysing risks and opportunities, or identifying the stakeholders in the change management process.

A thorough investigation, starting with examining the assumptions and requirements regarding the change process, is key to ensuring that changes are sound. You want to avoid reactionary or knee-jerk responses to hiccups in the change management process.

Reasons to modify the communication plan according to change program objectives
▪ Objectives and goals lack clarity
▪ SMART objectives are not set
▪ Stakeholder needs are unclear or not defined
▪ Difficult to explain why the change is occurring
▪ The communication plan is unable to articulate the benefit for the change
▪ Evaluation tools and metrics have not been established
▪ The plan is not working
▪ There is no risk management strategy in place
▪ Infrequent communication or too much communication

Consultation on potential changes

Best practice recommends that stakeholder groups must be consulted to confirm change requirements and methods.

Consultation with those who are directly impacted by the change provides additional perspectives; these new ideas may shine a light on modification opportunities that have not yet been considered.

It also provides an opportunity to address any resistance that may have built up during the implementation phase.

Key stakeholders you may wish to consult are listed below:

- Customers
- Suppliers
- Workers
- Supervisors and frontline managers
- HR team members
- Subject matter experts (SMEs)

Approval to make changes

Approval to amend a communication or education plan must be sought in line with the reporting and approval protocols established at the outset of the change project.

Approval protocols include:

- the scope of the change request
- the impact of the changes to the plan
- budgetary considerations

- required resources
- the implications for change implementation
- communications with those impacted by the adjustment.

Follow established protocols to ensure that the proposed changes are adopted and supported.

Example

Modify plan for change program

A leading HR consulting and training organisation recently introduced a learning management system committed to ongoing professional development activities for staff.

Because the introduction of this change represented a significant departure from the organisation's previous offering, a change management plan was developed to support the rollout and support the training activities associated with the new system.

This training required participants to watch a series of short videos prior to attending a face-to-face training session in each state.

The program's change leaders felt that the videos would provide employees with a good overview of the new systems ahead of the briefings. Sessions could focus more on skills acquisition rather than introductory information.

After the first briefing session, the change leadership group were surprised to find that a significant number of employees had not viewed the video content prior to attending the briefing.

As a result, the session ran significantly over time, resulting in frustration and resistance from those employees who had viewed the videos and disengagement and confusion from those who had not.

Investigation by the change management team, in conjunction with on-site team leaders and change representatives, revealed that the lack of video captions made it difficult for those working in high traffic or noisy environments to follow.

As a result, it was agreed that:

- captioning would be applied to the videos
- approval would be sought for a second round of briefings
- project timelines would be modified accordingly.

Practice Task 9

Question 1

Describe three steps that could be taken to overcome staff resistance towards a newly introduced system.

Question 2

Describe how modifications to a change management activity could be communicated to each of the following stakeholder groups.

- High interest, high power groups
- Low interest, low power groups

Summary

- Assessing the communication or education plan is another way of confirming whether the change program worked.

- Regular evaluation of the change management process ensures that progress is being made towards the desired objectives.

- Gap analyses and regular meetings with stakeholders help identify issues regarding the implementation of changes; it also determines whether adaptations are needed.

- Resistance to change is a common phenomenon.
  - Careful monitoring is required to recognise resistance and establish strategies to overcome barriers.
  - Tools to achieve this may include counselling, recognising and acknowledging complaints, managing conflict and negotiating.

- Reflecting upon progress and learnings across the organisation can help embed change and reinforce newly acquired skills.

- Celebrating and sharing results acknowledges efforts made during the change management process.

- Consultation with stakeholder groups regarding proposed adjustments to the change management plan promotes fresh perspectives and engagement.

- Reporting and approval protocols identified during the initial stages of the change management project must be followed; this ensures appropriate authorisation of changes to the project plan.

- Solutions need to be incorporated into the change plan; they must also outline any corrective measures required.

Learning Checkpoint 3
Evaluate change management strategy

Part A

1. What review and evaluation techniques need to be applied when assessing the performance of a change project plan?

2. Explain the process for ensuring that corrective actions are developed and incorporated into a change plan.

3. What would typically be involved in approving proposed changes to a change management plan?

Part B

Read the case study and answer the questions that follow.

Case study

Jenny is part of a change management team that has been tasked with introducing new security procedures for a large company head office.

New procedures include swipe card access to office areas and mandatory wearing of ID tags. Because of this new system, delays have occurred due to staff requiring access to specific parts of the building that they previously could visit without authorisation.

As part of this change management, a communications plan has been developed, which is currently only for head office. Development involves fortnightly status updates via email, structured workshops to train staff about new practices as well as surveys to obtain feedback. Some of the staff at head office have complained that these communications are impersonal, and they don't feel directly included in the change management process.

1. List four types of communication Jenny could add into her plan to help communicate information with head office staff.

2. Jenny has now been asked to add other offices into her communication plan.
    List two communication methods Jenny could use to communicate with staff from other offices.

3. Consultants appointed to install the new system have suggested a new process that would impact how the cards are used by staff. List three parties who could be consulted on this proposed change.

4. Jenny's risk management plan identifies a lack of confidence from staff in the new system. They believe it will make work harder for them. Suggest how Jenny can overcome this barrier.