How to Deal with the People Factor of Change Management

By ExecutiveBrief

A 2008 survey by McKinsey of 3,199 executives around the world found that only one in three organisational transformation or change projects succeeded. This situation occurred mainly due to the people factor that is involved in any type of any quest for change, and the irrational side of human behaviour, according to Carolyn Aiken and Scott Keller, authors of the paper "The Irrational Side of Transformation" (McKinsey Quarterly, 2009). When changes such as new technologies, new processes, new groups (e.g., consultants) are introduced to the work environment, workers have counter-intuitive ways of interpreting these changes and may act differently than expected.

In their book "Change Management: The People Side of Change", Jeff Hiatt and Timothy J. Creasy discovered the top five obstacles to implementing change were as follows: employee and staff resistance, middle-management resistance, poor executive sponsorship, limited resources, and corporate inertia and politics.

Four out of these five obstacles are about people, while only one of these obstacles refers to resources. Yet if people were not a problem, limited resources should not be a major "show-stopper" either for any change project. For example, with the availability of free resources, such as open-source technologies, almost any project that seeks to introduce improvements in enterprise systems is possible. If people are receptive to changes, it should not be difficult to pool time, talent, and knowledge.

Given that people are usually the most common change obstacles, there are some approaches to manage the human factor of change management, based on the authors' suggestions.

1. Display a pro-active executive sponsorship

Change projects must be clearly communicated and championed by top management as they make the toughest decisions, as well as authorise the allocation of resources to a project.

2. Encourage buy-in by middle managers and employees

Middle management and staff members support initiatives that they believe will both benefit the business, as well as themselves. The question, "What's in it for me?" must be sufficiently answered by higher management to rally the support of their subordinates. The answer may be procedural, professional, or ultimately, financial in nature, but whatever the answer may be, the relevance of the change project must be communicated to everyone in the enterprise.

3. Build an excellent change management team

Build a team of the most dedicated, skilled, and if at all possible, charismatic people to implement the change process. These people can in turn encourage the support of all of the people who will be affected within the company.

4. Err on the side of over-communication

Remember that cynicism, if not downright suspicion, runs rampant when change is introduced. Communication is therefore essential in working through these psychological and professional barriers. Build a solid communication plan to constantly inform all concerned workers. Moreover, provide as much transparency as possible about the project's status and desired outcome. Most importantly
though, you should be open to questions.

5. Train and condition all concerned individuals to adapt to change as early as possible

Provide the skills needed to implement the change to an initial batch of appointed employees. Then, gather their thoughts about the strengths and weaknesses of the project.

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