10 THINGS THAT CAN GO WRONG IN ANY CHANGE INITIATIVE AND HOW TO AVOID THEM

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CHANGE AROUND US

Whether we know it or not change is always happening in our lives and around us

- In our workplace – 15 years ago/today
- How we communicate – 10 years ago/today
- Use of technology
- How we live – yesterday versus today
- How we socialize – house parties versus pay parties
- Pop shows – foreign artists versus local artists
- How we do business
CHANGE AROUND US

How we shopped/shop:

• The Chinese corner shop & the red book/credit

• The Supermarkets/’Cash & carry’-Grace Kennedy

• The Wholesale/ Membership Shopping – Pricesmart & Megamart

• Shopping on line – ebay & amazon.com
BUSINESS CHANGES THAT AFFECT US (OUR COMFORT ZONE)

• Restructuring of Company or Department (internal)
• Expansion/retraction /combination (external)
• Mergers & Buy outs
• Rebranding- change of Name/Change of motto/Change of logo
• Relocation of business
• Technology – manual to machines – technology to updated technology
10 THINGS THAT CAN GO WRONG

1. No guiding ‘change agent’/Manager
2. Lack of communication
3. Explaining ‘the vision’
4. No Employee involvement
5. Planning the roadmap
6. Leadership
7. Not executing the plan/roadmap
8. Staff training
9. Discussing only negatives
10. No evaluation
1. LEADERSHIP

Good or bad leadership can make a huge difference to the change process:

- Strong leadership allows for a smoother flow of the process
- Weak leaders allows for delays and decision making is not always as urgent as it should be.

What to do:
- know your Manager/Leader
- suggest ways to do things so that the individual can make the suggestion theirs
- stress urgency of the situation in a subtle way
2. NO GUIDING ‘CHANGE AGENT’/MANAGER

Who is the person in charge of the Change?

What to do:
- Appoint a person in charge of the project – whatever it is!
- The Manager can be ‘the change agent’ depending on the type of change
- This person is accountable to the person/s in charge – The MD or GM or Senior Manager or Board
- The individual makes sure all the ‘i’s are dotted and the ‘t’s crossed
- For a large project – external change agent
- Usually the regular work has to continue
3. LACK OF COMMUNICATION

People need to know what is happening. Lack of communication causes rumours and assumptions.

Communication is one of the keys in mastering change.

What to do:

- Communicate, communicate, communicate
  - John Kotter – Step #4 – at least 10 times the amount you expect to communicate (Kotter’s 8 stages of change management model)
  - Use all possible means – notice boards, email, intranet, texting, if very important- notes in pay slips, town hall meetings, departmental meetings, one & one discussions, group discussion

- People do not need to know the fine details, they need to know what is affecting them NOW. – Are there changes in their lives at this time or at what time in future
4. EXPLAINING “THE VISION”

The “The Vision” of a business tells the ultimate about the business

What to do:
• People need to understand where you want to go in order to ‘buy’ into what you are doing.
• Communicate the vision in having discussions with staff so that they can ask questions like -‘Why’?
• Write to staff explaining some of the ‘whys’ that you have been asked. Such as using email, intranet and notice boards
5. NO EMPLOYEE INVOLVEMENT

Employees like to know that they have contributed to a solution.
John Kotter in his Stage #2 ‘Creating a Guiding coalition or Project Team

What to do:
• Create a cross-functional team – influential, high level, committed, passionate and enthusiastic for the change initiative. Involve Union delegates as delegates from the beginning if your company is unionized
• Select persons carefully
• Deal with the resistance early
• Ensure all stakeholder groups in the process is represented.
• The ideas from the bottom are sometimes excellent if you listen!!!!
• This team of results oriented individuals will help implement the change
6. PLANNING THE ROADMAP

Plans always need to be made for the simplest change

What to do:
• Work from the end – start at the final date
• Like a bride planning her wedding
  - what to do in x months, then y weeks, the week before, the days before, on the day
• Make a **realistic budget** for the project including training
• Planning must be as detail as possible to avoid leaving out anything. Get help from persons who have been this route.
• Get the project team to help with the above – so you can deal with individual departments and their needs
• Make time for ‘murphy’s law’.
7. NOT EXECUTING THE PLAN/ROADMAP

‘Unless you know where you are going, and why, you cannot possibly get there’ Warren Bennis 1994

What to do?

• Follow the plan
• Meet the deadlines – crucial
• Remember to communicate what is happening
8. STAFF TRAINING

When any changes occur staff needs some form of training

What to do?

• Make time for change management training
• Look at the change and decide what training is necessary and how much, especially when technology is involved
9. DISCUSSING ONLY NEGATIVES

Staff have the habit of discussing the negative side of projects.

What to do?
• Emphasize the positives
• Discuss the improvements
• John Kotter # Stage 6 ‘Generating Short-term wins’
  - advertise short term visible improvements
  - reward people publicly for improvements
• John Kotter # Stage 7 ‘Consolidate improvements & produce still more change’
  - reward persons who are able to promote and work towards the vision
  - energize the process of change with new projects and resources
10. NO EVALUATION

Each project has to be evaluated otherwise the same mistakes will be made in the future.

What to do?
• Let the project team help with the evaluation and feedback
• Check the roadmap? Did you cover all aspects?
• What was left out? What could have been added?
• Should anything have been added or subtracted
• Has the plan succeeded?
• How is the staff acceptance?
GENERAL ELECTRIC (GE) 1980

- Produces from engines – jet, marine, commercial & military to refrigerators, washing machines, stoves & MRI’s
- 1980 - Jack Welsh became its 8th CEO (joined Co. in 1960)
- 1981 Decision – No. #1 & #2. The decision was crucial to the survival of GE – 15,000 persons across the world lost their jobs from GE
- In 20 years he moved revenues from 26 to 130 billion (2000)
- Largest & most valuable American Co. in the world
- Jack Welsh had ‘a vision’ – read ‘Winning’ by Jack & Suzy Welsh especially if you are in HR
- GE has remained in the Top 3 companies in the world.
NOKIA CORPORATION

How many persons in this room has a Nokia Phone?

**Milestones in the story of NOKIA**

- Started in 1865 in paper production called Nokia AB in Finland
- 1898: Finnish Rubber works founded and became Nokia’s rubber business
- 1912: Finnish Cable Works founded – foundation of Nokia’s cable & electronics businesses
- 1937: Former Olympic wrestler, Verner Weckman becomes President of Finnish Cable
- 1960: First electronics department – selling & operating computers
- 1981: The mobile era begins..................

*The World will never be the same*
JOHN KOTTER (1995) 8 STEP PROCESS

- Professor at Harvard Business School
- World renowned change expert
- 1995 published the book ‘Leading Change’
- 8 point step process – used in change management for all types of institutions – small, medium and large

Any discussion on ‘Change Management’ is likely to include a discussion on Kotter’s 8 steps
KOTTER’S 8 STEPS

Step 1
Establish a sense of urgency

• Examine market and competitive realities and identify and discuss crises, potential crises or major opportunities

• Have an open and honest and convincing dialogue about what’s happening in the market place
KOTTER’S 8 STEPS

Step 2
Create a guiding coalition

• Assemble a group with enough power to lead the change effort and encourage the group to work as a team
• Make sure all the stakeholders are properly represented
KOTTER’S 8 STEPS

Step 3
Developing a Change Vision

• Create a vision to help the charge effort and develop strategies for achieving that vision

Step 4
Communicate the vision

• Use every vehicle possible to communicate the new vision and strategies and teach new behaviours by the example of the Guiding coalition
KOTTER’S 8 STEPS

Step 5
Empowering others to act on the vision

• Remove obstacles to change – change systems and structures that seriously undermine the vision and encourage risk-taking and non-traditional ideas, activities and actions
KOTTER’S 8 STEPS

Step 6

Plan for and create short term wins

• Plan for visible performance improvements, create those improvements, recognize and reward employees involved in the improvements

• Award these improvements publicly
KOTTER’S 8 STEPS

Step 7
Consolidate improvements and produce still more change

- Reward persons who are able to promote and work towards the vision
- Energize the process of change with new projects, resources, and change agents
KOTTER’S 8 STEPS

Step 8
Institutionalize new approaches (incorporating changes into the culture)

• Articulate the connections between new behaviours and organizational success and develop the means to ensure leadership development and succession

• Reinforce the value of the successful change via recruitment, promotion, new change leaders. Weave the change into the culture
FINALLY

“Change is the only constant’....Heraclitus, Greek Philosopher  500BC

• There are many things that can go wrong in any change initiative regardless how simple
• Highlighted are some negative areas and how to deal with them
• These are not the only points that can give problems, but these can be avoided if we move into the change process correctly
Thank you for listening,
Any questions????