

Snatching Success from the Jaws of Failure: The People Side of Change

Would you like your next technology project to be a \$10,000,000 black hole? You wouldn't be the first to have this result. Too many change initiatives fail to accomplish their goal. Successful change is a two pronged effort: managing the project and leading the people. Projects are all about scheduling, cost and product, but people are all about cooperation, concerns and communication. Ignoring either invites disaster. Successful change management provides the bridge that connects the project to the people. Christopher Technology's approach to technology implementation is unique in that it provides both technology expertise and a strong integrated program of change management.

Vendors may deliver a working product, new management may look like a good fit or the latest technology may be robust, but often the bottom line doesn't show much for the investment. In fact, the 2004 Chaos report indicates that 72% of information technology projects are considered failures with 18% of them being scrapped in the middle. Why? Most say that it is because of a lack of user involvement in the process. What is lacking is an overarching approach to the entire process which reaches all the people who are going to make the change a reality. Somewhere between the congratulatory hand shakes at the start and the puzzled searches for the cost savings at the end are lost opportunities to bring the people who are affected into the planning and decision-making process. Without their buy-in, new processes, equipment and personnel face an uphill battle and the chances for success are dim. This affects productivity, profits and morale.

Christopher Technology Consulting, a technology and business services consulting firm in Virginia, believes that the project failure trend can be reversed by creating a partnership between the change initiators and those who must adapt to it. This link establishes a noticeably different working environment. A software vendor who was installing a large customer response system (CRM) was so impressed during a 2004 installation that it recommended to its associates that our process be used with other clients. This approach can be used to introduce all change initiatives, not just those involving technology.

Leading the People

The change process is full of questions and potential pitfalls. Some relate to the project:

- Can this new technology, person, process or vendor really do the job?
- How do we keep costs under control?
- What is the real return on our investments?
- What is the right move considering our future plans, not just our current needs?
- How do we implement the change most efficiently and economically?
- What happens if we make the wrong decision?

Others relate to staff acceptance of the change: How can we minimize the strain and anxiety of innovation for our employees and customers? A people-oriented leader asks the following questions:

- Who will be affected by this change both directly and indirectly?
- How will these individuals be affected?
- What personal concerns will they have about this change?
- Where can I connect their issues with the company vision for planned change?

WHO: Management is often short sighted when identifying the people who are affected by a change. One department's decision to make a change may seem localized; however, it has an impact throughout the organization. For instance, in the case of a recent Christopher Technology client, the Print Operation installed a new piece of equipment that did more than the old and so the processes had to adjust in order to use it efficiently. This meant that other areas had to change their ways of interfacing with the Print department because it needed their data faster or in another format. The operators had to be trained to use the new machine; the primary internal customer had to learn to how to work in ways that took advantage of its capabilities during a time when it had to complete a major project for the rest of the company; the suppliers had to change their product line.

An antidote to narrow vision is to remember a phrase that Christopher Technology has coined: *No Change Is An Island*[®]. The effects ripple through staff, customers and suppliers, affecting productivity and profits along the way. Management needs to have the eyes of a detective and the hands of an octopus to trace all the threads of a proposed change. An objective outsider is sometimes necessary to unearth all effects of a change.

HOW: Changes may be small from management's perspective, but not much is small in the eyes of an employee. Changing a habitual way of doing anything takes effort and people tend to resist if they don't see a good reason for it. "Do it because I said so" is not an effective management tactic, but honest communication is. The "why's" and "how's" go a long way in getting buy-in from a work group.

When introducing new technology - or any kind of departure from the present - there are social issues that have a major impact on whether or not a person enthusiastically cooperates with a change. There may be fear of new equipment because of its complexity or disappointment because of unrealistic expectations. In addition, a staffer's power or status may be altered or even the criteria used in a performance review may change. Some people may lose their buddy in a reorganization and others may have to work with someone they dislike. One department may need to work closely with another which doesn't understand why they do what they do.

Ignoring these realities doesn't make them go away; it merely drives them to whispered conversations at the coffee bar and the rest room. One practice that has worked well for our clients is to hold a regular Town Hall meeting where a person in-the-know is open to all questions. The willingness of management to share its information and address the concerns of its people builds the morale of its staff.

WHAT: Some changes are so massive that a giant upheaval occurs. Mergers, acquisitions, bankruptcies, layoffs and advanced technology all shake the foundation of company life. Others are not so broad in their effects. Regardless, the first thought of any employee is going to be: how does this affect me? Primary in the workplace is concern for job security. If this an issue,

then staff is not hearing much else and the need for reassurance is paramount. If a staff reduction is going to take place, then addressing it early and assisting people with their outplacement needs keeps the issue from paralyzing everyone. If the change is going to require new skills, then arranging for training is necessary in order to prop up the level of confidence during the transition phase when staffers are feeling inept.

WHERE: A leader is an advocate for the people – all people. We operate on the principle that *No One Succeeds Unless Everyone Succeeds*. Where there are winners and losers, there is always an undercurrent of competition and fear. When consensus reigns, the goal becomes more important than the individuals involved. The key is to find the path that allows all players to realize their objectives and come away feeling as if they have made a contribution and kept their dignity. This is particularly true when two departments are working together as happens when IT is developing software to meet the needs of a specific group. Unless they learn to communicate and not compete, there will be nothing but dissatisfaction.

Paying the “People Price”

Some managers believe that focusing on the people side of change is an expensive proposition. In their view, there isn't enough time or money to provide change management training or to seek agreement by consensus. Our experience has shown that one always pays the “people price” – either upfront or at the back end. Getting early buy-in takes longer at the start, but it makes up for the time later when people need no convincing to initiate the adjustments that a change requires. Those who race ahead and make policy and design decisions with insufficient input from users get bogged down during implementation and may not ever recover. Users often find that critical issues have been ignored or misunderstood and they reject or find work-arounds for the new venture.

One of the reasons that people-oriented start ups are quirky and slow is that the silos around departments and working groups have to come down. Because *No Change Is An Island*[®], employees have to find out what others do and how they do it in order to gauge the organizational effect of a proposed change. The old adage of “try before you buy” applies here. When conversations center upon finding ways to work together rather than coping with the aftermath of enforced change, the result is a climate of patience and trust and work moves quickly on.

From an economic standpoint, skimping on change management training for the staff doesn't make sense, particularly in a technology project. Preparing the people is only a tiny fraction of the cost of a multi-million dollar investment and yet it makes the difference between its success and failure. One particularly successful technology implementation took place recently at a large East Coast hospital. The project manager made people his priority and the project came in a million dollars under budget.

Communicating Change

Far from being a luxury, handling the people side of change is a necessity and the key is to communicate frequently and honestly about what the change involves. Change is not linear and it is both an intellectual process and an emotional one. “Just the facts” isn’t enough. There are 4 key issues to communicate: (1) the reasons for change (2) the vision of the future that the change is going to enable (3) the process of change itself (4) details of how the change is to take place.

REASONS: People like to make up their own minds and are generally willing to make sacrifices when they are convinced of the value of a course of action. Business leaders have a chance to turn employees into a legion of change agents by motivating them and teaming with them to accomplish a change. In a recent software upgrade that Christopher Technology facilitated, the enthusiasm of the departmental representatives on the project team had the rest of the staff waiting eagerly for the change.

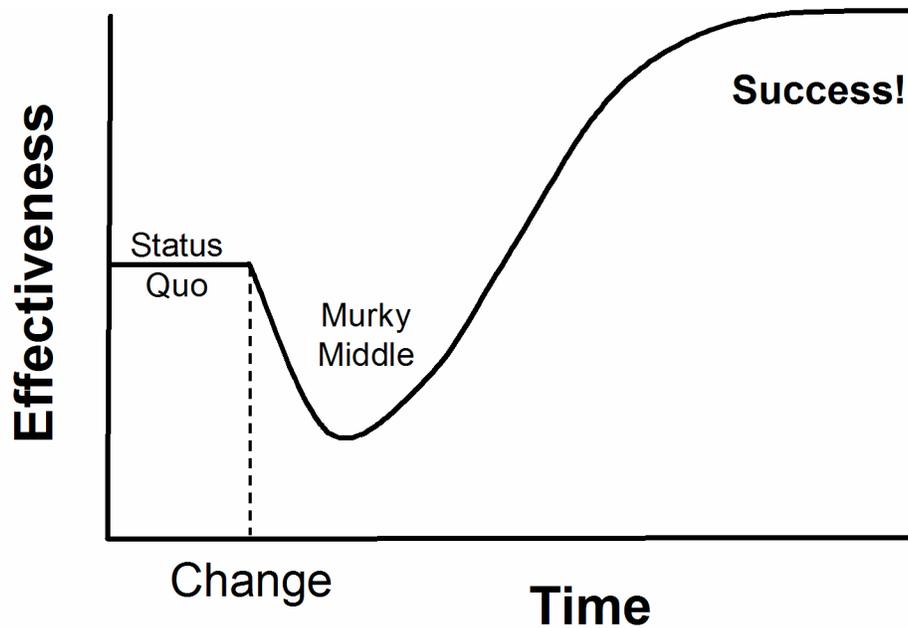
If the underlying reasons, both internal and external, are good enough for management, it’s likely that they will make sense to the staff as well. Honesty in formulating a true picture of the advantages of the coming change and the disadvantages of standing still will usually head off water cooler speculation. People tend to assume the worst, so getting the truth out early forestalls unnecessary ferment.

VISION: Some people are willing to die for a vision that catches their passion. On a lesser scale, coaches are able to wrest incredible performances from their teams with a half time locker room speech. Management has the same opportunity to encourage commitment and raise morale by picturing the benefits of a proposed change and getting its staff on board. Many can’t resist the chance to be part of something great.

PROCESS: The change process is a predictable cycle of events. Too often, people get frightened by what is occurring and dig in their heels and try to resist. Once they are aware that what they are feeling is normal, they are able to look more objectively at a change. Researchers have used different names, but generally speaking, the process

- (1) Starts with the excitement of a new vision
- (2) Falters when the familiar starts to disappear
- (3) Wavers when it takes effort to reach the same level of skill before the change
- (4) Progresses when the outcome is in sight
- (5) Completes when the Vision is clear.

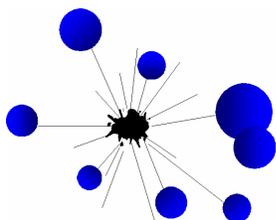
Steps two and three are what Ken Blanchard calls the “Valley of Despair.” We prefer the term “Murky Middle” – it doesn’t sound quite so calamitous. At this point, it seems as if the change has been a horrible mistake and people feel resentful and angry. They find fault with the product and the people. They may become argumentative and demanding and want nothing more than for the old to return and the new to go away because it hasn’t lived up to their expectations. For anyone involved in producing the product, this is bewildering. They believed that everyone was on board with the decision and now, they are the ones taking the heat.



The “Murky Middle” is a perilous time for a project team and the antidote to the hand wringing is to warn everyone ahead of time that they are to expect this kind of reaction. Unrealistic expectations are part of the problem. People would like to rip open the box, plug in a piece of equipment and have it produce a flawless product immediately or they want to work with a new team as if they’ve known them for years. Most people forget about the learning curve. Learning how to make the new copier do its wizardry takes time and a lot of paper thrown in trash. One employee whom we encountered contacted the vendor and wanted to send back the machine two days after it arrived. However, if management has prepared everyone for the discouragement, it won’t derail the project. In this case, reminding her about the “murky middle” lessened her frustration and salvaged the equipment.

DETAILS: Supposition fills an information vacuum. Most often, assumptions are wrong and they waste an enormous amount of energy and emotion. Letting people know what is going on staves off the rumor mill which always imagines the worst. Even “I don’t know” is an answer that will satisfy many questioners, simply because it allays the fear that management is hiding something. In one large media organization, we established a web site devoted to providing information about a change in progress. At first, the site was very popular, but as it became clear that nothing furtive or troubling was going on, people got absorbed in other things. Regardless, they knew where to go for answers. When information is not hoarded, cooperation is more likely to result.

Practicing Change Leadership



No Change Is An Island[®] is Christopher Technology’s way of visualizing the “splat” of change and how it affects the people and processes of the organization around it. Keeping the following five principles in mind will minimize the vexation involved. These involve (1) communication (2) early intervention (3) collaboration (4) media and (5) consensus.

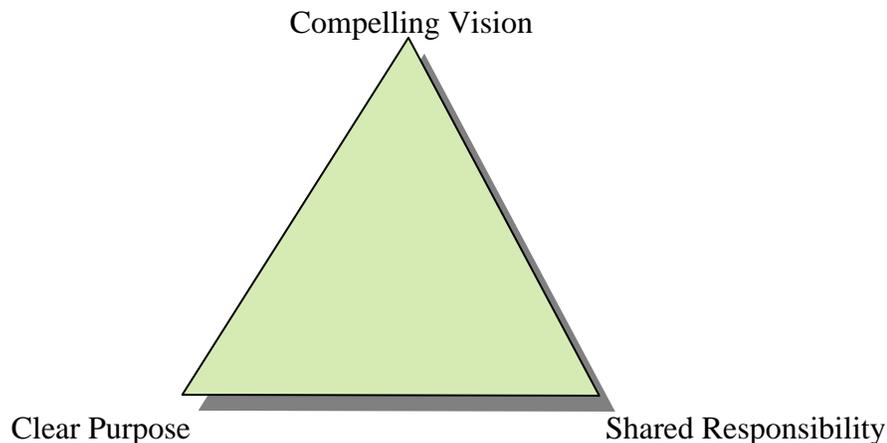
COMMUNICATION: People fear and resent uncertainty more than change. Sharing information early and often assuages anxiety and permits people to tend to business instead of worrying about the future.

EARLY INTERVENTION: Tacking on user input at the end leads to frustration and resistance. Soliciting input at the start of a project allows people to take ownership of it. Success becomes their goal as well as the goal of the project management team.

COLLABORATION: To use a sports metaphor, major change projects are about winning the league championship, not having a few people at the All-Star game. Teams need to believe and act on the premise that underlies our entire approach to business: *No One Succeeds Unless Everyone Succeeds.*

MEDIA: Information sharing takes place through many outlets such as newsletters, posters, check inserts, outside speakers, online presentations and chat rooms, give-aways, and skits. People have different learning styles. Some take in content that they hear while others need to see it written down and still others need to touch it and work with it in order for it to become part of their memory bank. Using various media ensures that the message gets out to everyone.

CONSENSUS: There is a triangle of unity that leads to project success.



COMPELLING VISION: The Marketing department is generally called upon to sell a product and create brand awareness. Perhaps it might be more useful if it were used to sell a company's vision to its internal constituency. Unless management can craft a message that inspires devotion to it, the investment of any funds in a change initiative is problematic.

CLEAR PURPOSE: Why is a change being made? Is management agreed on the object, intended outcome and criteria for success? If not, the organization will not unite behind it

because people will conclude that “this, too, shall pass.” The water cooler comments and rolled eyes about “the suits” latest grand plan guarantee a half hearted buy-in.

SHARED RESPONSIBILITY: Top-down management is not a popular approach to achieving business goals. Hierarchical rule shuts others out of the creative process and reduces loyalty and engagement with a company. The managing director of the Media Management Center at Northwestern University notes that giving people a voice in that which affects them is “...less expensive than always dealing with disgruntled people.” Sharing the responsibility for project success opens the possibility of many minds producing a solution that is beyond the vision of any one person.

Many businesses have become adept at project management and conceptualizing its benefits. Even so, the list of projects that have missed the mark is huge. People-oriented change leadership is the missing key to project success. On one side are managers striving for change. On the other are staffers hesitant to change. The principles of people-oriented change management outlined here form a bridge to bring both sides together.

Snatch Success. Contact Us

Put *No Change Is An Island*[®] to work for you.

Make your next project effective from day one – contact us at:

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