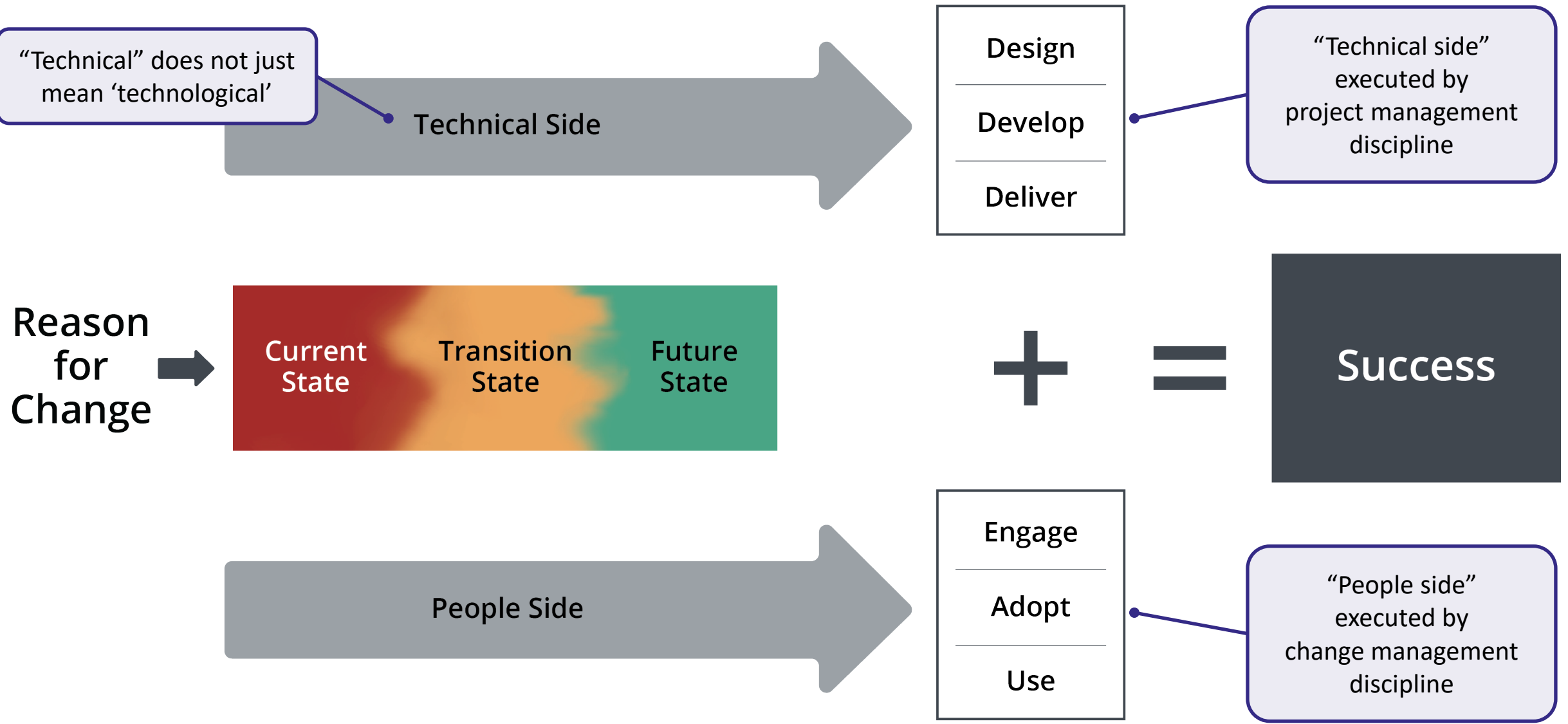# Change Management Principles

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PEOPLE. CHANGE. RESULTS.™
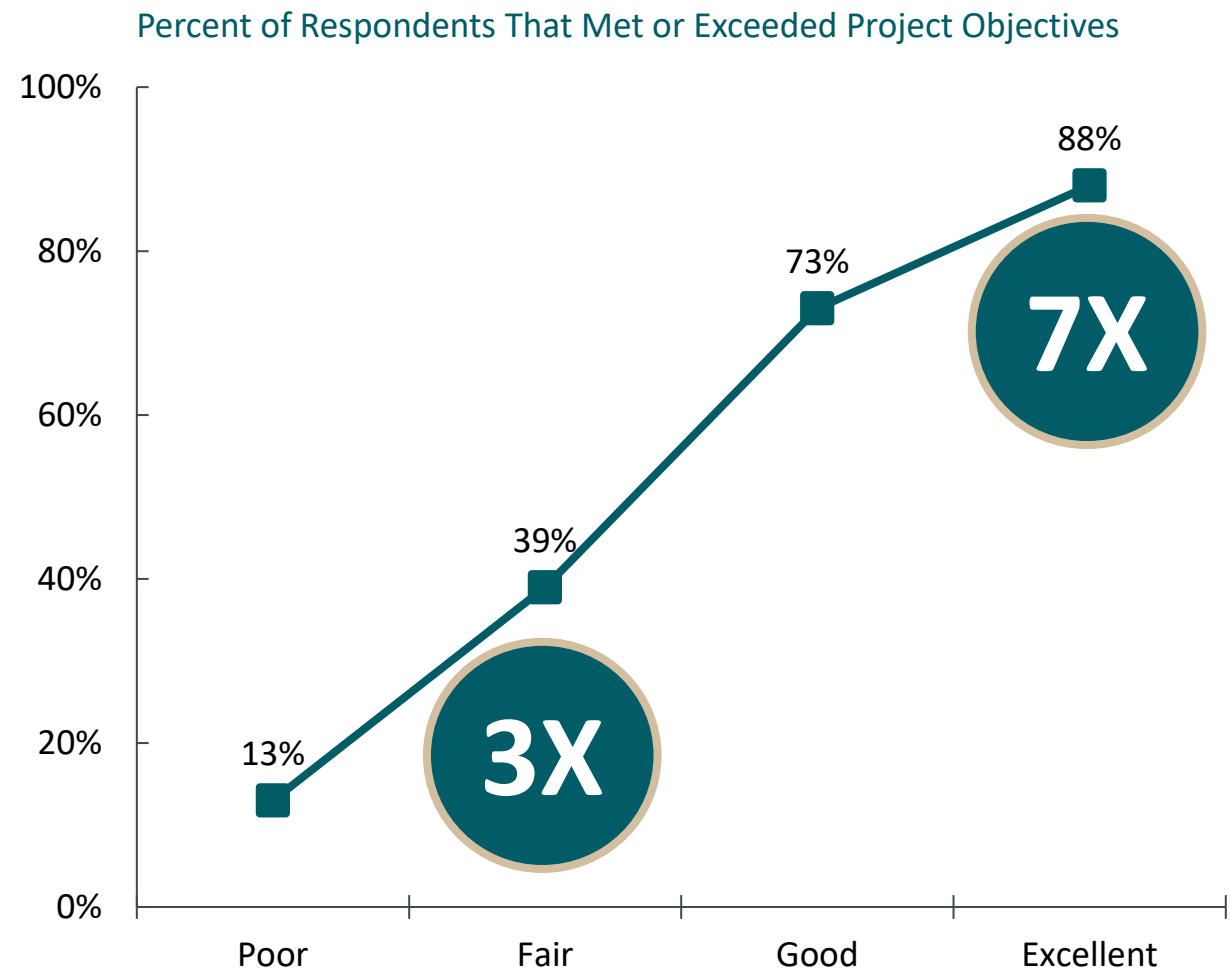
5 Tenets of Change Management – Plain Language Questions
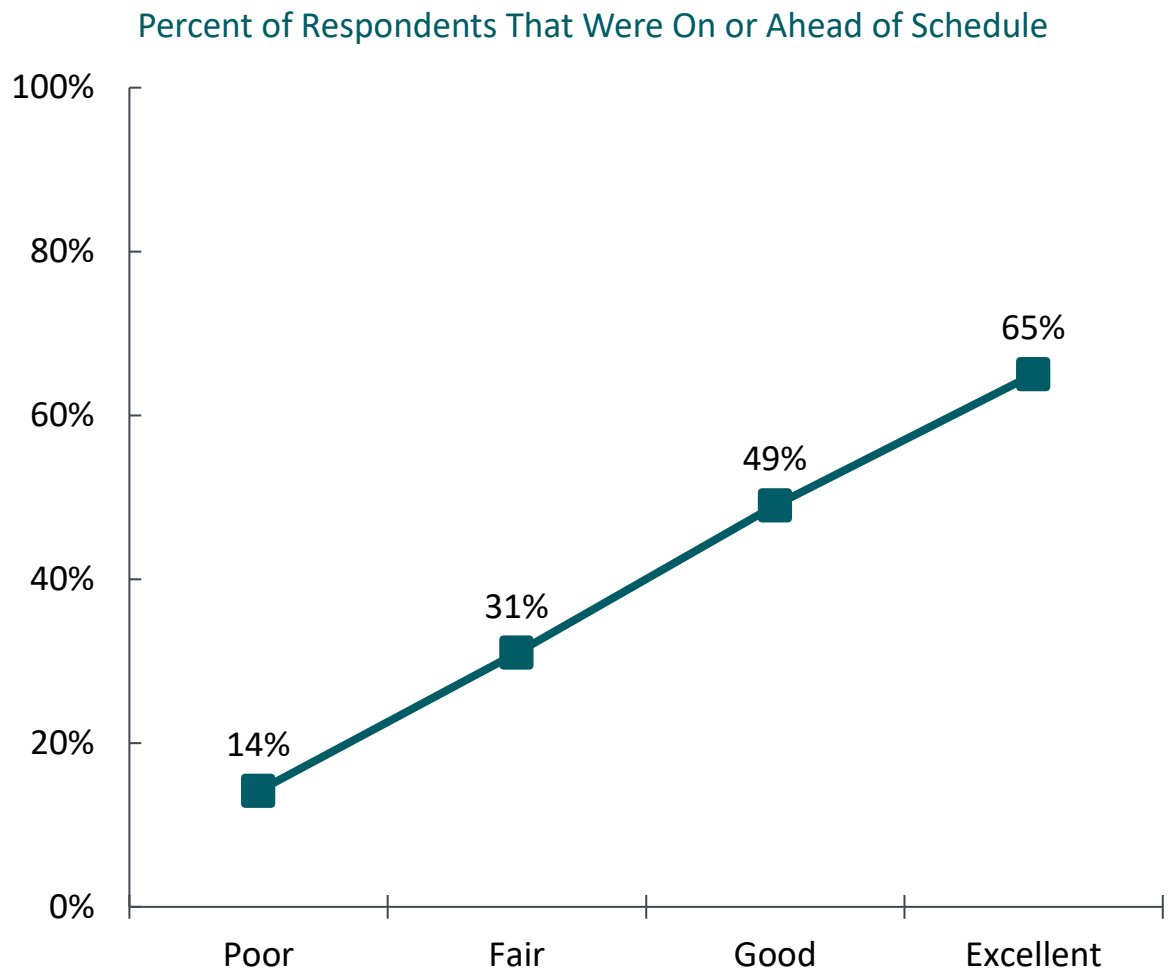
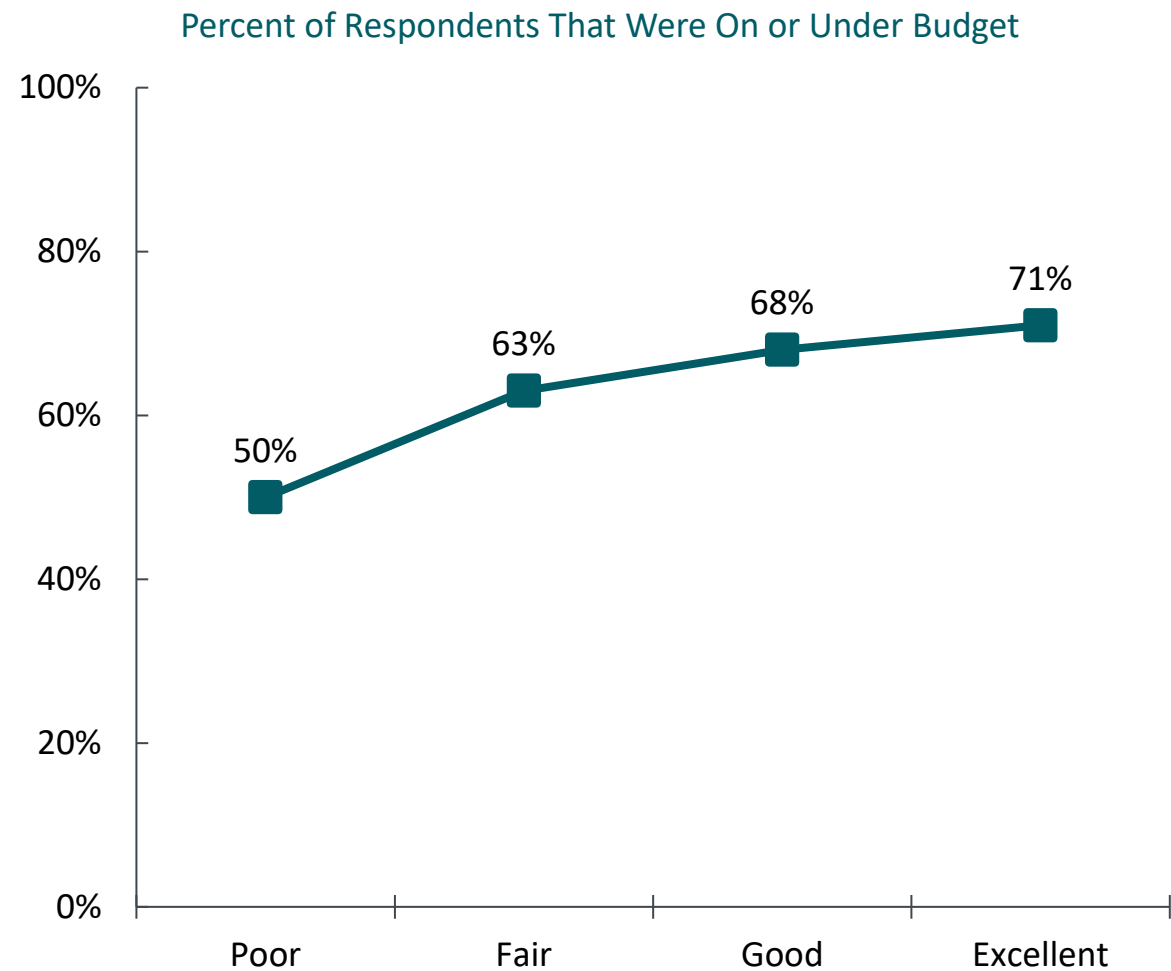**Tenet 1** — We change for a reason. — Why are we changing?

Tenet 2 — Organizational change requires individual change. — Who has to do their job differently (and how)?

Tenet 3 — Organizational outcomes are the collective result of individual change. — How much of our outcomes depend on adoption and usage?

Tenet 4 — Change management is an enabling framework for managing the people side of change. — What will we do to support adoption and usage?

Tenet 5 — We apply change management to realize the benefits and desired outcomes of change. — How will driving adoption and usage improve results?

Successful Change Requires Both Technical and People Sides

"Technical" does not just mean 'technological'

Technical Side

Design
Develop
Deliver

"Technical side" executed by project management discipline

Reason for Change

Current State | Transition State | Future State

+

=

Success

People Side

Engage
Adopt
Use

"People side" executed by change management discipline

Improve the Likelihood of Change Outcomes

Percent of Respondents That Met or Exceeded Project Objectives

- Poor: 13%
- Fair: 39%
- Good: 73%
- Excellent: 88%

3X

7X

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Improve the Likelihood of Change Outcomes

Percent of Respondents That Were On or Under Budget

- Poor: 50%
- Fair: 63%
- Good: 68%
- Excellent: 71%

Percent of Respondents That Were On or Ahead of Schedule

- Poor: 14%
- Fair: 31%
- Good: 49%
- Excellent: 65%

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Avoidable Costs and Mitigable Risks

	Costs:	Risks:
To the **project** if we do not manage the people side of change well	• Project delays • Missed milestones • Budget overruns • Rework required • Loss of work by project team	• Resistance – active and passive • Project put on hold • Resources not made available • Obstacles appear unexpectedly • Project fails to deliver results • Project is fully abandoned
To the **organization** if we do not manage the people side of change well	• Productivity plunges (deep and sustained) • Loss of valued employees • Reduced quality of work	• Impact on customers • Impact on suppliers • Morale declines • Legacy of failed change • Stress, confusion, fatigue • Change saturation
To the organization if this change **does not deliver the results** we expect	• Lost investment in the project • Lost opportunity to have invested in other projects	• Expenses not reduced • Efficiencies not gained • Revenue not increased • Market share not captured • Waste not reduced • Regulations not met

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Change Practitioners Work With and Through Others

■ Organizational Messages   ▤ Personal Messages

Business leaders are preferred senders of organizational messages

Employee supervisors are preferred senders of personal impact messages

Percent of Respondents

- CEO/President: 37%, 5%
- Executive Manager: 24%, 4%
- Senior Manager: 10%, 4%
- Department Head: 10%, 11%
- The Employee's Supervisor: 3%, 58%
- Communication Specialist: 2%, 1%
- Human Resources Representative: 1%, 4%
- Project Team Member: 5%, 4%
- Project Team Leader: 5%, 2%
- Change Management Team Member: 1%, 1%
- Change Management Team Leader: 5%, 5%
- Other: 1%, 1%

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Core Roles in Change Management

Employee-Facing Roles

Sponsor

- Authorize the change
- Fulfill three key roles: (ABCs)
  - Actively and visibly participate throughout the project
  - Build a coalition of sponsorship with peers and managers
  - Communicate directly with employees

People Manager

- Support direct reports in their change journeys
- Fulfill five key roles: (CLARC)
  - Communicator
  - Liaison
  - Advocate
  - Resistance Manager
  - Coach

Enabling Roles

Change Practitioner

- Apply structure and intent to change
- Enable and equip other change roles
- Collaborate on a unified approach with the project manager

Project Manager

- Design, develop and deliver the technical solution with employee adoption and usage in mind from the beginning
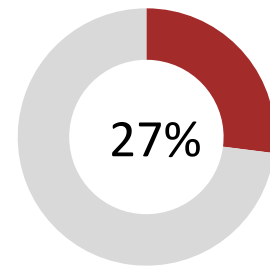- Collaborate on a unified approach with the change practitioner

In all 12 of Prosci's studies,

active and visible sponsorship

was the

#1 contributor

to success
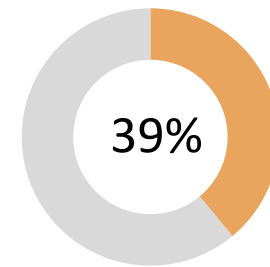
Sponsors Are Critically Important in Driving Success
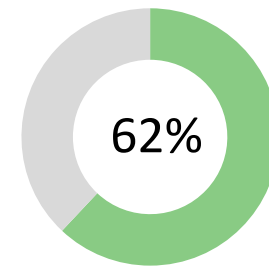
Sponsorship correlates with **project success**

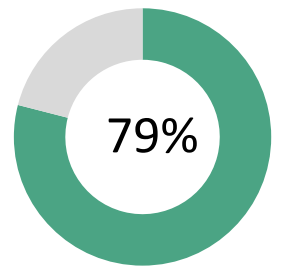Percent of projects that met or exceeded objectives based on sponsor effectiveness

27%	39%	62%	79%
Very ineffective sponsors	Ineffective sponsors	Moderately effective sponsors	Extremely effective sponsors

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Sponsor Role in Change: Fulfill the ABCs to Drive Success

It's not just signing checks and charters

Actively and visibly participate throughout the project

Build a coalition of sponsorship with peers and managers

Communicate directly with employees

Why Are People Managers So Important During Change?

Employees trust them

They are close to where the change happens

They mitigate resistance

They build support

They are a preferred sender!

People Manager Roles During Change

Research indicates five roles: CLARC

Communicator

Liaison

Advocate

Resistance Manager

Coach

In addition to fulfilling day-to-day managerial duties, managers and supervisors must perform five critical roles.

The 5 Elements of Successful Change

Change begins with understanding why

Awareness

Desire

Knowledge

Ability

Reinforcement

Awareness

What is the **nature** of the change?	Why is the change **needed**?	What is the **risk** of not changing?

The 5 Elements of Successful Change

Awareness

Desire

Knowledge

Ability

Reinforcement

Change involves personal decisions

Desire

| What's in it for me **(WIIFM)**? | A **personal choice** | A decision to **engage and participate** |

The 5 Elements of Successful Change

Awareness

Desire

Knowledge

Ability

Reinforcement

Change requires knowing how

Knowledge

Understanding how to change

Training on new processes and tools

Learning new skills

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The 5 Elements of Successful Change

Awareness

Desire

Knowledge

Ability

Reinforcement

Change requires action in the right direction

Ability

The **demonstrated capability** to implement the change

Achievement of the desired change in **performance or behavior**

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The 5 Elements of Successful Change

Change must be reinforced to be sustained

Awareness

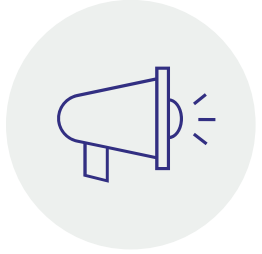Desire

Knowledge

Ability

Reinforcement

Reinforcement

Actions that **increase the likelihood** that a change will be continued

Recognition and rewards that sustain the change

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ADKAR Model on a Page

ADKAR element	Definition	What you hear	Triggers for building
(A) Awareness	Of the need for change	"I understand why..."	Why? Why now? What if we don't?
(D) Desire	To participate and support the change	"I have decided to..."	WIIFM Personal motivators Organizational motivators
(K) Knowledge	On how to change	"I know how to..."	Within context (after A&D) Need to know *during* Need to know *after*
(A) Ability	To implement required skills and behaviors	"I am able to..."	Size of the K-A gaps Barriers/capacity Practice/coaching
(R) Reinforcement	To sustain the change	"I will continue to..."	Mechanisms Measurements Sustainment

Consequences of Missing ADKAR Elements

Without Awareness and Desire you will see:

- Employees asking the same questions over and over
- Lower productivity and higher turnover
- Hoarding of resources and information
- Delays in implementation

Without Knowledge and Ability you will see:

- Lower utilization or incorrect usage of new systems
- Employees worry whether they can be successful in the future
- Greater impact on customers and partners
- Sustained reduction in productivity

Without Reinforcement you will see:

- Employees revert back to old ways of doing work
- Ultimate utilization is less than anticipated
- The organization creates a history of poorly managed change

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People Change at Different Paces
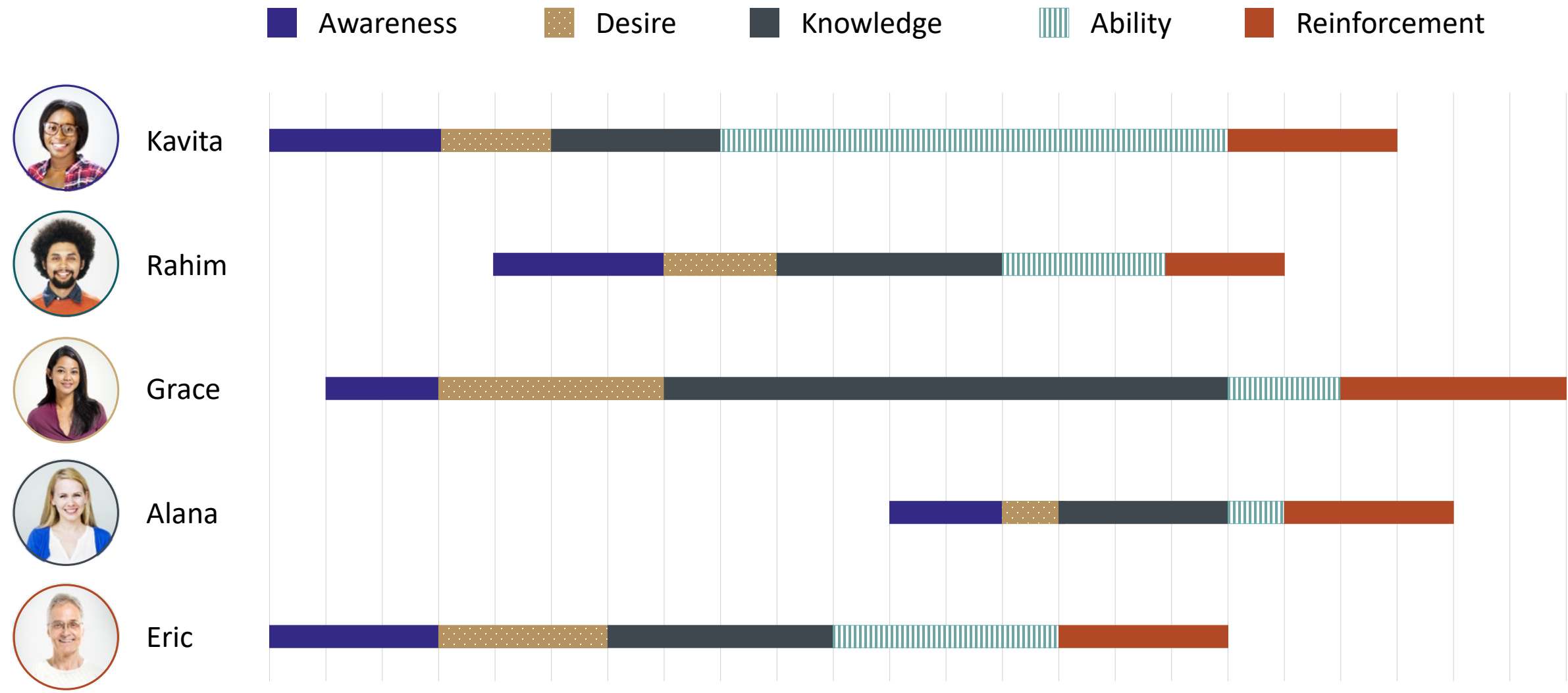
Prosci 3-Phase Process

Phases and stages
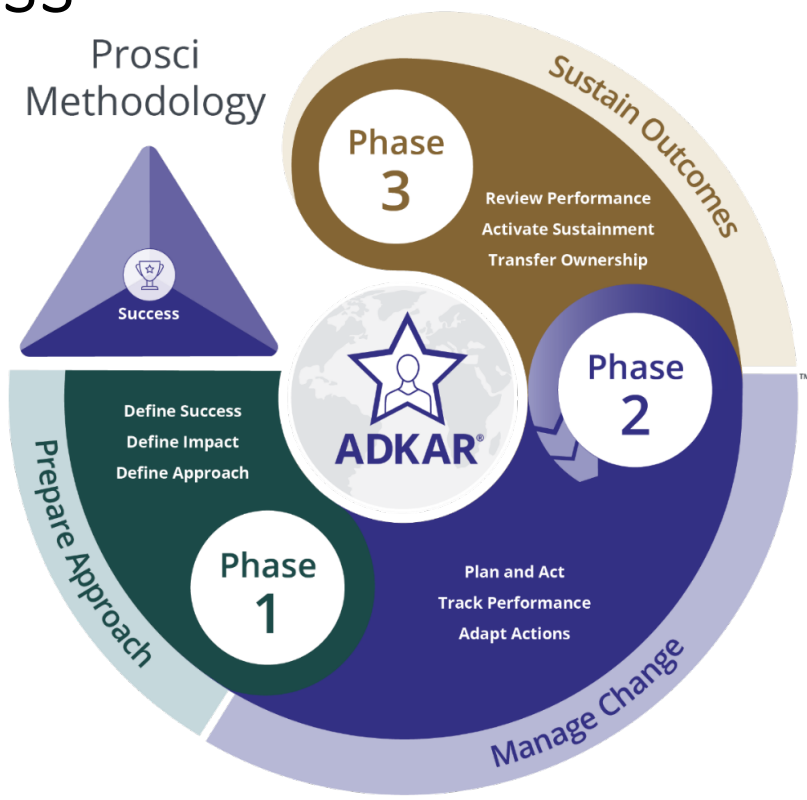
	Phase 1		Phase 2		Phase 3

Phase 1
Define Success
Define Impact
Define Approach
Prepare Approach

Phase 2
Plan and Act
Track Performance
Adapt Actions
Manage Change

Phase 3
Review Performance
Activate Sustainment
Transfer Ownership
Sustain Outcomes

Prosci 3-Phase Process Plain Language Questions

Phase 1

Define Success
Define Impact
Define Approach

Prepare Approach

Define Success

What are we trying to achieve?

Define Impact

Who has to do their jobs differently and how?

Define Approach

What will it take to achieve success?

Change Management Strategy

Phase 2

Plan and Act
Track Performance
Adapt Actions

Manage Change

Plan and Act

What will we do to prepare, equip and support people?

Track Performance

How are we doing?

Adapt Actions

What adjustments do we need to make?

Master Change Management Plan

Phase 3

Review Performance
Activate Sustainment
Transfer Ownership

Sustain Outcomes

Review Performance

Now, where are we? Are we done yet?

Activate Sustainment

What is needed to ensure the change sticks?

Transfer Ownership

Who will assume ownership and sustain outcomes?

Change Management Closeout

Prosci 3-Phase Process

Purpose statement

Plain language questions

Phases, stages and activities

Deliverable

Phase 1

Define Success
Define Impact
Define Approach

Prepare Approach

To position the change for success by developing a customized and scaled change management strategy with the necessary sponsorship and commitment.

Define Success
- Document change profile
- Capture definition of success
- Connect and align people to success

What are we trying to achieve?

Define Impact
- Define impacted groups
- Assess change impact
- Identify group considerations
- Define adoption and usage

Who has to do their jobs differently and how?

Define Approach
- Assess risk and scale
- Identify resistance and special tactics
- Identify resources and structures
- Identify required roles
- Align roadmap to timeline

What will it take to achieve success?

Change Management Strategy

Phase 2

Plan and Act
Track Performance
Adapt Actions

Manage Change

To achieve adoption and usage of the change by creating, implementing and adapting plan(s) that will move individuals and the organization through ADKAR transitions.

Plan and Act
- Build ADKAR Blueprint
- Determine plans required
- Create CM plan(s)
- Prepare and activate roles
- Integrate and take action

What will we do to prepare, equip and support people?

Track Performance
- Establish tracking calendar
- Track initiative progress
- Track ADKAR outcomes
- Track CM activities
- Identify strengths and opportunities

How are we doing?

Adapt Actions
- Decide if action is required
- Prepare adaptive actions
- Take adaptive actions
- Continue to track and adapt

What adjustments do we need to make?

Master Change Management Plan

Phase 3

Review Performance
Activate Sustainment
Transfer Ownership

Sustain Outcomes

To realize the value of the change by ensuring the change is adopted and the organization is committed and prepared to sustain the change.

Review Performance
- Review initiative progress
- Review ADKAR outcomes
- Review CM activities
- Document lessons learned

Now, where are we? Are we done yet?

Activate Sustainment
- Identify gaps, goals and priorities
- Develop sustainment actions, roles and timeline
- Prepare and activate roles

What is needed to ensure the change sticks?

Transfer Ownership
- Celebrate success
- Transfer knowledge and assets

Who will assume ownership and sustain outcomes?

Change Management Closeout

The 3 Human Factors That Determine ROI

Speed of Adoption

How **quickly** are people up and running on the new systems, processes and job roles?

Ultimate Utilization

How **many** employees (of the total population) are demonstrating "buy-in" and are using the new solution?

Proficiency

How **well** are individuals performing compared to the level expected in the design of the change?

Avenues of Resistance Management

1

Resistance Prevention

Planning for, addressing or eliminating resistance by effectively applying change management

2

Resistance Response

Developing effective responses when resistance becomes enduring or persistent

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Top 10 Tactics for Managing Resistance

1 — Listen and Understand Objections

2 — Focus on the 'What' and Let Go of the 'How'

3 — Remove Barriers

4 — Provide Simple, Clear Choices and Consequences

5 — Create Hope

6 — Show the Benefits in a Real and Tangible Way

7 — Make a Personal Appeal

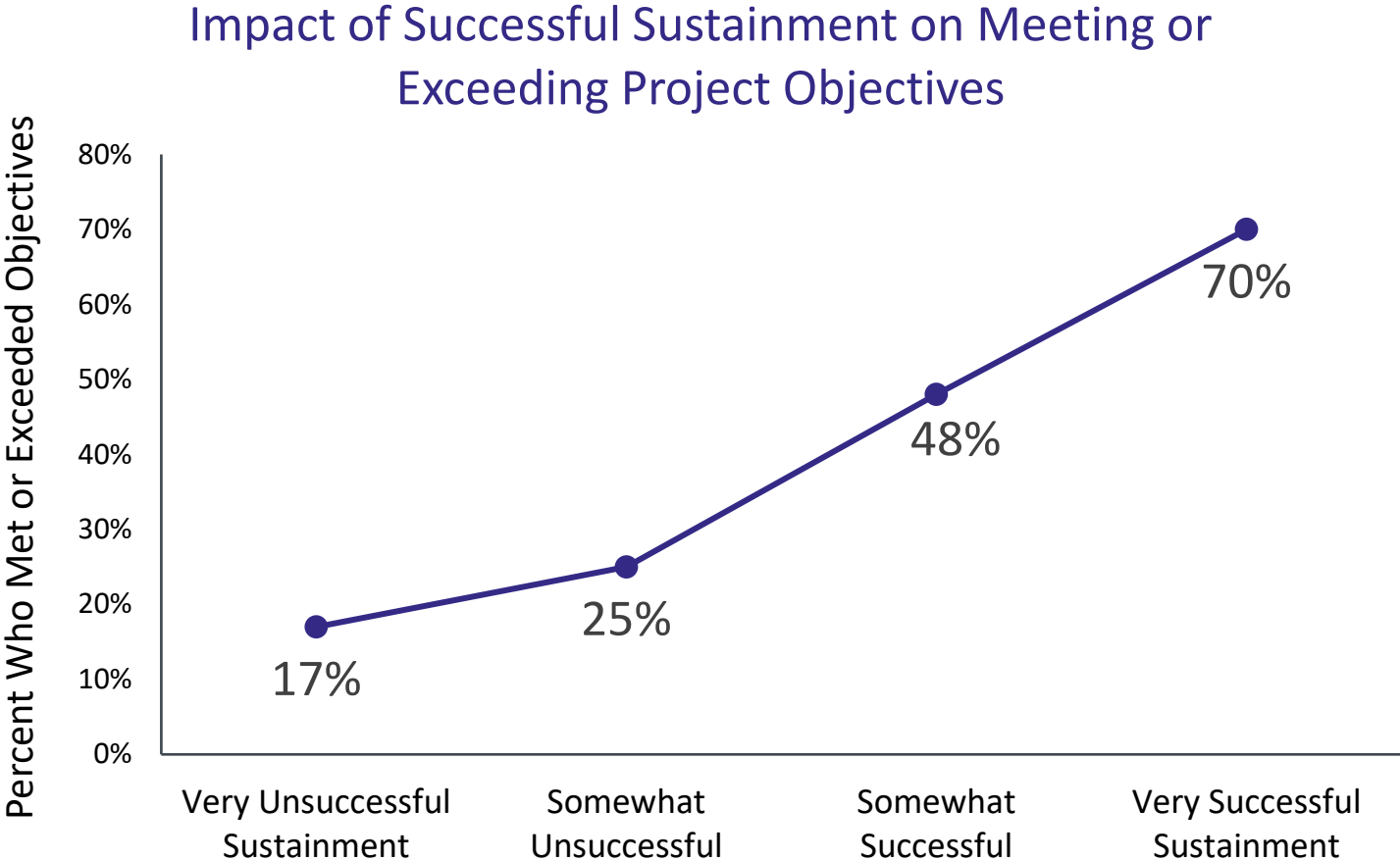**8** — Convert the Strongest Dissenters

9 — Demonstrate Consequences

10 — Provide Incentives

Why: Sustainment Drives Value

Projects with successful sustainment are more likely to meet or exceed objectives

Impact of Successful Sustainment on Meeting or Exceeding Project Objectives

Y-axis: Percent Who Met or Exceeded Objectives (0% – 80%)

Data points:
- Very Unsuccessful Sustainment: 17%
- Somewhat Unsuccessful: 25%
- Somewhat Successful: 48%
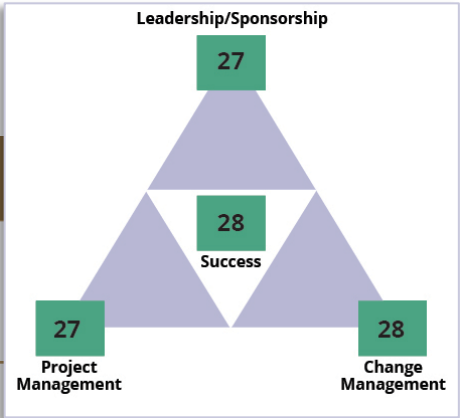- Very Successful Sustainment: 70%

Review Performance: Sequential

Organizational Performance

Did the initiative deliver what was expected?

Measure project objectives and organizational benefits

Individual Performance

How effectively did impacted individuals adopt and use the change?

Measure adoption, utilization and proficiency

Group Impact Inventory						
Impacted groups:	Number in group	Anticipated ADKAR				
		A	D	K	A	R
Shared Services Chicago: Finance	400	4	5	5	5	4
Shared Services Chicago: Accounting	375	5	4	4	3	4
Shared Services Chicago: Purchasing	125	5	4	5	3	3
Shared Services Chicago: Legal	675	4	5	3	4	5
Shared Services Chicago: HR	375	4	5	4	3	4
Shared Services Chicago: IT	550	4	4	4	4	4
Hong Kong Office	1,950	5	4	4	4	3

Change Management Performance

How well did we "do" change management?

Assess if planned activities resulted in the outcomes desired

Change Management Progress Assessment

ADKAR Blueprint	On target
Sponsor Plan	On target
People Manager Plan	On target
Communications Plan	On target
Training Plan	Behind target