# Superfast Business Wales

# Business Guide

# Change Management

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Effective change management is an essential ingredient to the successful implementation of technology-based projects that are made possible by Superfast Broadband. When new systems are introduced, to improve the performance and/or reduce costs, they need to be part of a more general rethink on the way in which people will work. Without changing people's behaviour, at best the full potential of any new system is unlikely to be achieved, while there is a serious risk that the new system will be rejected and any investment wasted.

Change management involves the process of influencing people's feelings, attitudes, mind-sets, and behaviours to achieve widespread organisational support for a programme of change intended to achieve business benefits. The people who have some form of interest in the change are known as stakeholders. There are two main types: 'sponsors' are the people with power who have a direct interest in the project; and 'targets' who are people who will intentionally be affected by the change (they could be employees, business partners and customers).

> To remain competitive in today's rapidly evolving business environment companies need to embrace change, because without change they risk losing their competitive edge and failing to meet the emerging needs of their customers.

## Understand

## How to Plan for Change

### Thinking strategically

The first step is to develop a strategic vision that succinctly explains the purpose of the change and describes what things will be like after the project is finished. This will help to identify the different stakeholder groups and how their engagement can be planned.

The vision should paint the future 'picture' and this can be compared to the current situation – how will the introduction of Superfast Broadband impact the business? By analysing the gap between the two situations, the changes that will need to be made such as new ways of working and new skills and attitudes to support them can be identified. Obstacles that could hinder the achievement of the vision should be amended or removed. These may include current goals, targets and incentives, together with reporting criteria.

### Determining how business benefits can be achieved

Benefits management is an integral part of change management and is aimed at increasing the successful delivery of quantifiable and meaningful business benefits to an organisation. It focuses on

how business areas will benefit from change and provides a framework for identifying, planning, measuring and actively managing these benefits.

## Assessing readiness for business change

Assessing the readiness of the business to accept change is an important factor in preparing for change. The following questions will help to assess business readiness:

- Is there sponsorship of the project at senior levels?
- How well have changes been handled previously?
- What levels of risk are people allowed to take without criticism or formal action being taken?
- Is there two-way communications at all levels?

## Devising a business change roadmap

A change roadmap should be created showing the sequence and nature of change expressed as a timeline with key milestones identified. It maps out the often challenging journey from the current 'as is' situation to the future required 'to be' state.

## Addressing culture change/people issues

The effectiveness in engaging and managing the expectations of the company's stakeholders will, to a large degree, determine success. The new system is likely to require staff to perform different tasks or work in a different way. People are often resistant to change, for understandable reasons, not least because they are comfortable with current working practices and feel threatened by new initiatives.

Involving people at the outset in the design of the new system can prevent concerns from arising. Communicating the project's vision and purpose is perhaps the most important step in managing the change to new ways of working. Without the hearts and minds of stakeholders, projects will rarely be successful; persuading them of the benefits can be a demanding task.

Informal discussions, ideally in a relaxed setting, with individuals will bring out concerns that might not be raised in a more formal context and help to formulate ways of dealing with them.

## Engaging staff and stakeholders

The person leading the change must be able to inspire, motivate and persuade staff of the benefits of the new ways of working, and have the leadership skills necessary to see the project through to fruition. Ideally, they should lead in word and deed, changing their own working practices where necessary to engender trust and avoid accusations of hypocrisy.

A culture of trust will be of great benefit in this process. Pay attention to the values, needs, and expectations of people. The degree that an organisation and its staff accept the changes brought about by a project will affect the rate with which the change (and therefore the business benefits) will be taken up.

## Planning the transition

It is important to avoid any adverse impact on business operations while change is being implemented. It may be necessary to decommission existing systems and migrate the historical data held in them.

Successfully migrating data will be essential to continued and unhindered operation and for maintaining staff morale and customer confidence.

## Foreseeing and managing risks

A risk-free world is utopian - problems will occur in any project. Although the success of any given project or system might be threatened by a number of factors, their potential impact may well be outweighed by the benefits that could be delivered.

Without taking risks you will have no chance of reaping rewards from the many opportunities provided by Superfast Broadband.

If likely risks are identified in advance, their impact will be reduced before the project gets underway. The relevant stakeholders should be consulted in a common 'brainstorming' session to identify all of the potential risks it entails. They should also ascertain the potential impact of each threat, how likely it is to happen, and allocate responsibility for managing it accordingly. This ensures that stakeholders are involved in the project from its outset.

## Devising communications and training plans

According to Jack Welsh, former CEO of GE, "Communication is more than transferring information; it means more listening and talking". Communication can make or break a project. Too often, change leaders make the mistake of believing that others understand the issues, feel the need to change and see the new direction as clearly as they do.

The communication plan should be derived from the stakeholder management analysis done as part of the preparation of the strategic vision. It should set out the key messages to be communicated, the target audiences and who is responsible for delivering key messages. Measures should be put in place to determine how well the communication process is engaging the stakeholders.

Training needs should be put at the centre of change management to demonstrate to people the importance of their skill development, helping to remove obstacles and empower people. It is important to schedule training in the new technology as soon as possible, persuading the people involved of its potential when it is deployed. The training should encompass not just technical steps but also new processes and should also include how to cope with the change.

## Adopt

## How Do I Get Started?

### Develop a business change strategy

The business change strategy is the practical implementation of the strategic vision. The strategy should contain the approach to be taken, resources required, key risks and issues, and any major constraints. It is important to identify some quick wins' that deliver significant benefits within a short space of time. These outcomes will provide something to celebrate and help to maintain momentum.

### Produce a benefits realisation plan

In outline the process of business benefit realisation consists of identifying outcomes from the change and associating measurable improvements (particularly financial benefits) with these outcomes. Having established what can be measured; targets can be set and monitored as change is implemented. In reality not all benefits will be tangible or easily measured.

### Engage staff and stakeholders at the outset

The building of stakeholder commitment to change commences at the start of the project, long before the project's implementation phase. Preparing people early will reduce negative impacts.

All employees should be informed of the purpose of the change from the outset. If any rumours do emerge, it's imperative that they are nipped in the bud, whilst legitimate concerns are taken on board. Good communication can quickly help to overcome concerns during the initial phases, improving morale among the project team – and thus improving the chances of early success.

## Exploit

## What Business Benefits Can I Expect?

### Benefits that can be measured and monitored

Change management is about ensuring that benefits arising out of any change are realised by addressing one of the most critical elements-the people side of change. The likely benefits of any change are known before implementation and serve as motivators and assessment of progress. Tracking benefits will tell you whether you are meeting or falling short of your target.

### Change and its impacts are planned and managed

Change management provides a systematic process for managing change and its impact. Change management activities can be included in the overall project plan.

### Stakeholders prepared and accepting of changes that the project will deliver

By preparing people at the start of the project and building stakeholder commitment, change management will reduce resistance to change. This is particularly important where new technologies, such as Superfast Broadband, are involved.

### Provides a way to anticipate challenges and respond to these effectively

Analysing and understanding challenges means that the interests of all stakeholders can be anticipated and their objections can be addressed.

### Disruptions to business operations can be reduced

Through careful preparation and planning, changes can be implemented without negatively affecting the day-to-day running of business.

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### The risks of unsuccessful change can be identified and mitigated

The risks of the failure can be mitigated by the adoption of change management practices e.g. by ensuring there is a shared vision, and people are trained for their new roles.

## Top Tips

### Make the people part of the change

Change management is all about people so ensure the stakeholders feel engaged in the process from the outset.

### Give people options that work for them and the organisation

This is an ideal win-win situation.

### Keep communication simple and heartfelt

Do your homework before communicating, especially understanding people's feelings. Avoid complex and technocratic language.

### Make sure communication is maintained

The best change programs reinforce core messages through regular, timely advice that is both inspirational and practical.

### Encourage participation through workshops

Workshops are the best way to analyse and understand business processes prior to the introduction of new systems.

### Publicise the success of the quick wins.

Communicate the achievement of quick wins and the various benefits they have brought to stakeholders.

### Be prepared to talk to key stakeholders individually

This will encourage people to identify benefits that could be delivered on a more personal level i.e. 'What's in it for me?'

### Delegate responsibility and power as much as possible

Whenever feasible empower people to make decisions at a local operating level.

### Don't go too fast

It's often prudent to take small steps when implementing new systems and processes. It is much less risky than a big bang approach when everything changes on a given day.

### Make sure change is embedded

Failure to anchor change into an organisation's culture risks jeopardising all of the benefits that the project has achieved to date.

### Plan the long-term broadly

Detailed five year plans could be out-of-date soon after.

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## Other Relevant Guides

SFBW Guide Revisiting the Business Case for ICT
http://business.wales.gov.uk/superfastbusinesswales/revisiting-business-case-ict

SFBW Guide Project Management
http://business.wales.gov.uk/superfastbusinesswales/project-management

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## NEXT STEPS

1. **Register to attend a fully-funded Business Development Workshop.**
   **www.business.wales.gov.uk/superfastbusinesswales/events**

2. **Make an appointment to see a Business Advisor who will help you create a personal action plan to grow your business.**
   **www.business.wales.gov.uk/contact-us**

## For further information on Change Management take a look at:

See how other businesses in Wales have exploited Superfast Broadband
**www.business.wales.gov.uk/superfastbusinesswales/superfast-success-stories**

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Find out how much your business could save with our
**www.business.wales.gov.uk/superfastbusinesswales/savings-calculator**

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Other business guides that may interest you include:
**www.business.wales.gov.uk/superfastbusinesswales/superfast-business-guides**

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subscribe to the Business Wales Newsletter below.
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