

Change management

Richard Cairnes, director in our London office, evaluates the importance of change management and discusses how thorough planning can present opportunities.

In our 21st century world, everything happens quickly, and no-one can afford to stand still. Continuous change isn't just an option, but rather a fact of life. Managing this change properly is one of the biggest challenges facing any organisation.

If you do not control change, it will control you. That means you have to analyse it, understand it and then plan for it. By being proactive and taking the right steps, a challenge can be turned into an opportunity.

Triggers to an organisation for this process of change can be large or small, internal or external. Examples of internal drivers for change can include new staff, conflict, a drop in turnover or profit, motivation of employees or an audit of available resources. External triggers might be Brexit, the economy, the media, supply chain, technology, government policies and funding.

| External triggers | Internal triggers |
|---|-------------------|
| Economy, eg collapse of currency | New staff |
| Suppliers | Conflict |
| Government policies, eg cuts in funding | Lost sales |
| Competitors | Drop in profits |
| Funders | Demotivation |
| Customers | Overstocks |
| Shareholders, eg drop in share price | Skills gaps |
| Financial community franchisees | Loss of key staff |
| Media | A fire |
| The public | |
| Technology | |

Change management has developed significantly over the last 20 years and the public sector in the UK is currently delivering a number of large, high-profile programmes such as One Public Estate and the Government Hubs programmes. Most organisations now recognise the benefits of managing change, and they put in place formal programmes as a delivery vehicle for the change implementation process.

The first step in the process should be to understand the business case and the benefits change will bring. Other matters to consider include how those benefits can be maximised and how the organisation can continue to work as normal throughout the change process.

Change management programmes across organisations are constantly evolving. They tend to be broader, seek softer outcomes and take more of an overview than their equivalents at a project or portfolio level. Projects are generally designed for specific one-off deliverables that are defined in advance, with pre-agreed budgets and timescales.

What does a well-planned and structured change management strategy involve? There are a number of factors. It has to be holistic, integrated with the organisation's strategy and be practical to deploy.

In order to be fully effective, such a strategy also needs to be well structured, understandable and not too technical in the language it uses. In addition, it must identify the successes to be gained and the benefits of those, consider the scale, type of change and culture; and be communicated properly.

All this, of course, means that proper planning and appreciation of potential outcomes vital. The construction sector tends to be very traditional in its business models and outlook and may well not recognise the full range of benefits change management can bring. There is a strong argument that the sector needs to catch up on this and be more open minded to the varying approaches and benefits of change management.

One potential obstacle to the review process is resistance from employees and others. Generally, people are suspicious of change and nervous about what it may bring.

The best way of dealing with this is to engage other staff members and stakeholders who may be affected by the review and bring them on the journey. Simply presenting them with a fait accompli and expecting them to accept it is far less likely to achieve satisfactory results.

The ideal approach is to agree a clear communications and stakeholder engagement plan at the outset. You need to identify exactly who you need to bring onboard and how best to interact with them. It could be online, via workshops, through focused events or face-to-face, for instance.

Plans also should not be set in stone. While it makes sense with change management to follow a carefully thought-out route, the strategy needs to be flexible enough to cope with any unexpected developments that have to be factored in during the process. These could be technological, political or involve the introduction of new statutory legislation. Other unplanned external events may also have an impact.

There is no one-size-fits-all approach to change management. A programme put in place by a high-tech company will, for instance, be very different to that used by a local authority. The important thing in all cases is to match the scale and speed of the strategy with the outputs the organisation is trying to achieve.

Ideally, change management is a process rather than an event. It makes sense to continuously monitor the performance of an organisation and make adjustments as the need to do so is identified. Gateway reviews are often used to benchmark a change initiative against an agreed cost, programme, design, specification and end user requirements at the end of each programme tranche.

There is still a lot for us to learn about the best way of managing change. It's hugely important, but it's still evolving as a discipline, with new research constantly providing greater insights into the most important elements of a strategy to achieve success.

If there is one major issue that needs to be addressed, it is that too many organisations still see it as a hindrance rather than as a way to achieve real and tangible improvements. Change management is an important tool for business and it's here to stay. Far better, then, to abandon suspicion of it and instead embrace it as a lifelong friend.

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