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Change: always necessary, often disruptive

Advances in technology, the rise of competitors, new laws, restructures, expansions, mergers... All sorts of things can shake up the status quo. Businesses that fail to adapt, do so at their peril.

Those with a high capacity for change, on the other hand, are much more likely to survive and thrive. That takes more than a knack for noticing when it needs to happen, though.

Around half of all organisational change initiatives end in failure¹, which goes to show how tricky managing them can be. But people who are aware of how, why and when to go about them are much more likely to succeed.

What do those in the know have in common? A solid understanding of change management. Read on to brush up on yours.

Change management

Change management is a methodology that organisations can use to help ensure that implementation of change is successful. It can be applied to changes grand or small that alter anything from goals to processes, technology to departmental structure.

Two key aims of change management are to make people who will be affected understand why change is happening and to ensure the availability of the time, tools and resources necessary to bring it about with due care and precision. When these aims are satisfied, change can be adopted faster, and its disruption, reduced to a minimum.

The offshoot is a flexibility that allows organisations to better navigate trends, advancements and disruption, and in doing so, gain an advantageous step ahead of their competitors.

Organisations with excellent change management are

4.6x more likely to stay on or ahead of schedule

7x more likely to achieve project objectives

1.4x more likely to stay on or under budget

Ref: 2



What does it look like?

Broadly speaking, change management strategy is made up of three branches: one for initiating change, another for controlling the process and its outcome, and a third for helping affected people adapt.

More so than project management, change management focuses on the human aspect of change. To be effective, a change management strategy must:

- Consider impact on processes, systems and employees
- Define processes for planning and testing change
- Include a section that details how news of the change and its progress will be communicated
- Specify how change will be documented and evaluated

There's no avoiding it

Change happens. All the time. And while some industries and organisations change faster than others, all evolve, sometimes suddenly. Ignoring change can be catastrophic. But then, managing it poorly or not at all can be just as bad.

It's worth remembering that change of any scale can have a big impact. The car industry is in the throes of adapting to the rise of electric technology. That's turned many aspects of design and manufacture on their heads, which in turn is having big knock-on repercussions for automotive marketing and sales departments.

But then say, the creation of a new department, or the hiring of a new senior member of staff or introduction of a key new piece of software can be just as seismic, only on a more localised scale. That's especially the case for smaller organisations.

And while it's all well and good to set up practical changes such as new systems effectively, unless the human side of change is managed, people can end up lost at sea. Morale can then suffer, and vital structures and processes can begin to break down.

**75% of executives
anticipate their
change projects
will fail**

Ref: 3

Types of change

Organisational change is the technical name for any kind of change that significantly alters an organisation. It comes in many forms, but generally speaking, it falls into three categories:

Developmental change

Aims to improve one or more existing processes or procedures.

Transitional change

Radically changes or replaces one or more existing processes or procedures. Mergers, acquisitions and task and process automation fall under this category.

Transformational change

Alters the culture and operation of an organisation fundamentally. The result of this kind of change may be difficult or impossible to predict. Switching markets, replacing all services or products with completely different ones and restructuring an organisation's hierarchy are examples of transformational change.

75% of businesses struggle with digital adoption

Ref: 4

Slow vs fast

The nature of change can, and often does influence the speed and style of its implementation. Changes, broadly, are either:

Adaptive

Small changes intended to develop an aspect of an organisation gradually or incrementally. Examples of adaptive changes include the introduction of a work-from-home policy and the hiring of a new team member. They adapt an organisation to help it deal with a problem or achieve a goal.

Transformational

Big changes intended to overhaul an organisation's scope or scale are referred to as transformational. They include the launch of a new product or service, changing premises and overseas expansion. Often they occur suddenly, and with dramatic effect

58% of CEOs are under pressure to accelerate their business transformation agenda

Ref: 5

5 key stages of change implementation

1. Lay the groundwork

That means making cultural preparations within your organisation. No one likes having change thrust upon them. But when the need for it is recognised, its arrival becomes much more palatable.

Cultivate recognition of the need for change by raising awareness of problems your organisation is experiencing that will be resolved by affecting it. There's no need to mention what the change might look like right now or even that it's on the way at all. This stage is all about merely building an appetite – one that will limit resistance down the line.

2. Make a plan

You've got your organisation to understand the need for change; begin to desire it, even. Great. You're ready to strategize its implementation. Make sure you cover all the bases. The plan you create should be thorough, realistic and detail:

- **Goals** what you want your planned change to achieve
- **Metrics** the key performance indicators (KPIs) that you will use to judge the success of the change and the process of bringing it about
- **Facilitators** identify who is going to carry out the change and oversee it
- **Scope** the steps for roll-out and what they include, identification of key milestones and the pinning down of the stage when you will consider your change implementation project complete

And don't forget to factor in the unknown. What might happen that could throw your project off course? Disruption can scupper the best plans. Make sure yours has enough flexibility to cut through whatever headwinds it is likely to encounter.

3. Take action

Your plan is complete. Time to execute it. Follow the steps and procedures you have outlined as closely as you can, but if the need to deviate a little crops up along the way, don't be afraid to. Remember, flexibility is crucial.

The manager or whoever else has been given the responsibility for implementing the plan is your key player. Their focus must be fixed on giving everyone else involved what they need – time, support, resources – to complete every step. Maintain an open channel of communication with them and meet regularly to discuss progress.

To boost morale along the way, don't forget to celebrate short-term wins and remind everyone in your organisation about the problems your change is going to solve.

4. Seal progress

Your change is implemented. Congratulations. But don't pop the champagne just yet. The work isn't over. Without due care, progress made can easily slip away. And that is especially the case when changes are made to processes.

To prevent regression back to square one, do all you can to cement the change you have made into your organisation's culture and practices. Keep an eye out for any backtracks into old habits and nip them in the bud.

5. Review

Time to evaluate your efforts.

If you've achieved a roaring success, make note of how you made it possible. Doing that will better your chances of replicating it next time the need for change comes knocking.

Didn't produce the desired result? Take stock of what went wrong and think about how you can learn and improve.

How to overcome resistance

If you're going to implement change, expect some push-back. But remember these tips and you should be able to handle it when it comes your way.

- Clearly define the reason for change, its goal and what benefits it will bring
- Listen to objections, then address or tactfully dismantle them
- Build agreement rather than crushing dissent
- Take feedback on board, and if necessary, adjust your plan accordingly
- Celebrate success when you achieve change – it will make implementing future change easier
- Don't be afraid to revise your plan or abandon it altogether if the desired results fail to materialise



Richard Starkey's bottom line

"In business, you have to change with the times. That might mean changing approach, structure, strategy or even your whole direction. And to make sure you can, you need to set aside time and resources. Successful change takes thorough planning. It's not an odd job you can tick off on a Friday afternoon.

"Over the years I've worked with many companies. The ones that have achieved the most success and longevity are those that have been best at adapting to market fluctuations by changing their ways of working and the products and services they offer – those that stay a step ahead. Because, whether slow or fast, gradually or suddenly, all markets change.

"One of the secrets of change management is to embellish what you're already good at. To keep building upon existing strengths. To make the processes that enable you to deliver what you're good at easier; more efficient. That way, you're continuously improving.

"If you want to spot indicators that suggest you might need to implement some form of change, keep an eye on your figures and take note of emerging trends. Carefully observe your market and customers, and anything they're starting to do differently. Networking is key. Talk with your peers, suppliers and customers. Get out there and feel the market.

"But don't forget that the need for change often doesn't call for all-out revolution. Use your judgement and make smart decisions rather than jumping in gung-ho. Don't change for change's sake. All change comes with an element of risk, and that always needs to be weighed up. But the risk of remaining static is always much greater."



References

¹ Gartner

² Prosci

³ Nine Feet Tall

⁴ Nine Feet Tall

⁵ Nine Feet Tall

Nine Feet Tall are a valued Business Control client. **Visit their site** for more Change Management insight.

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