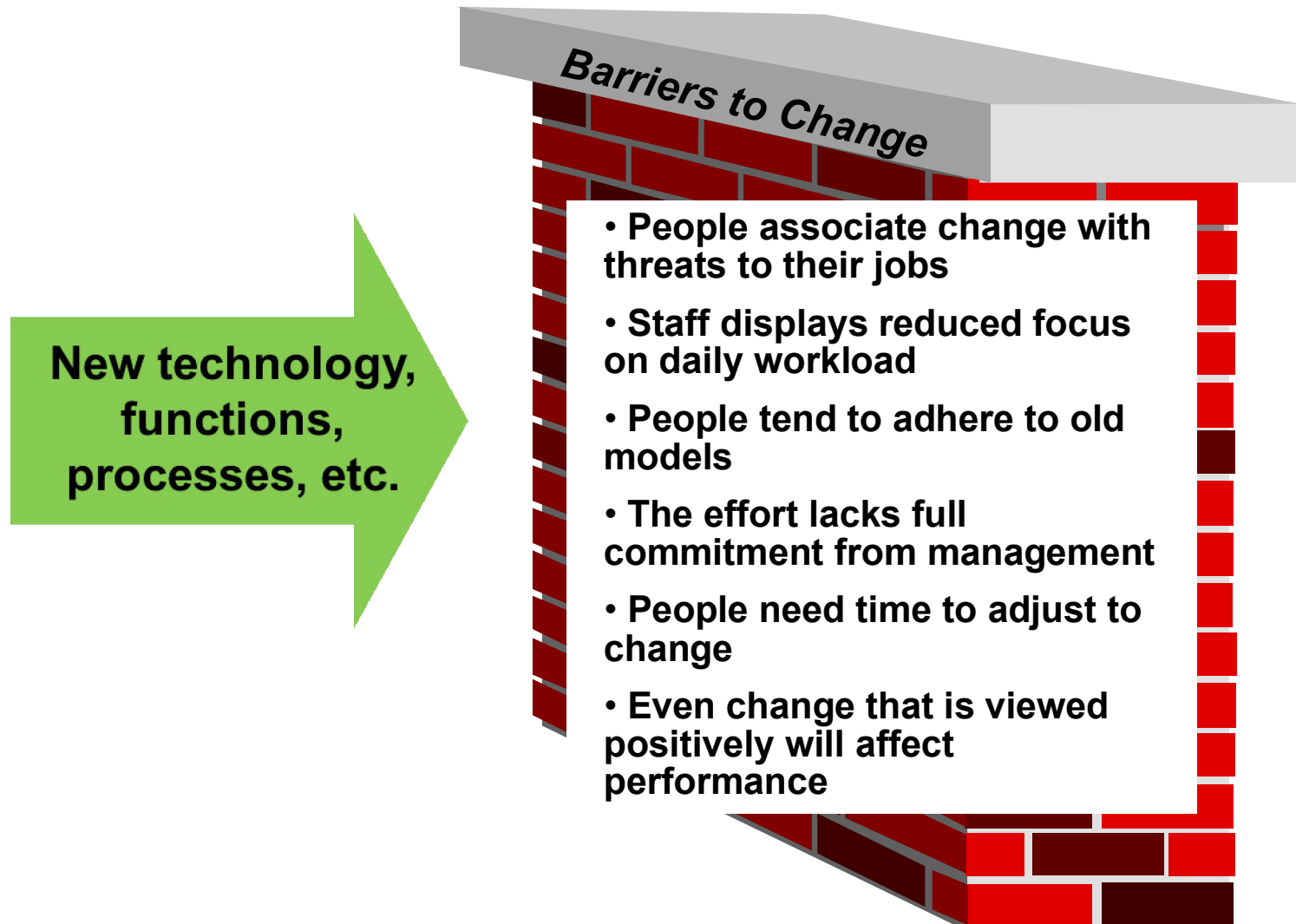

Your Transformation Program - \$20m;
A Willing and Able Workforce -
Priceless

October 24, 2012

Why Change Management?

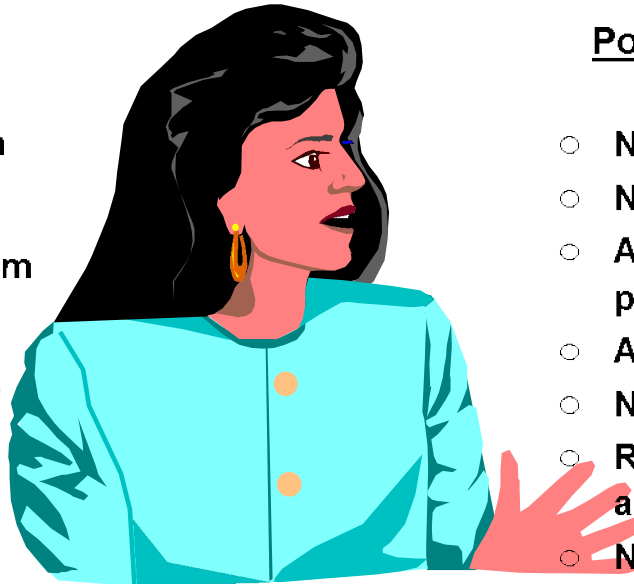
All organizations undergoing change encounter certain barriers



People are naturally reluctant to change because it's uncomfortable, and it alters and disrupts their lives

Reasons for Reluctance:

- Unwillingness to change from status quo (safety)
- Difficulty in disconnecting from the past (habit)
- Uncertainty of what the future holds (unknown)
- Fear of Loss
 - ✓ Economic Security
 - ✓ Friendships
 - ✓ Self-respect
 - ✓ Self-fulfillment



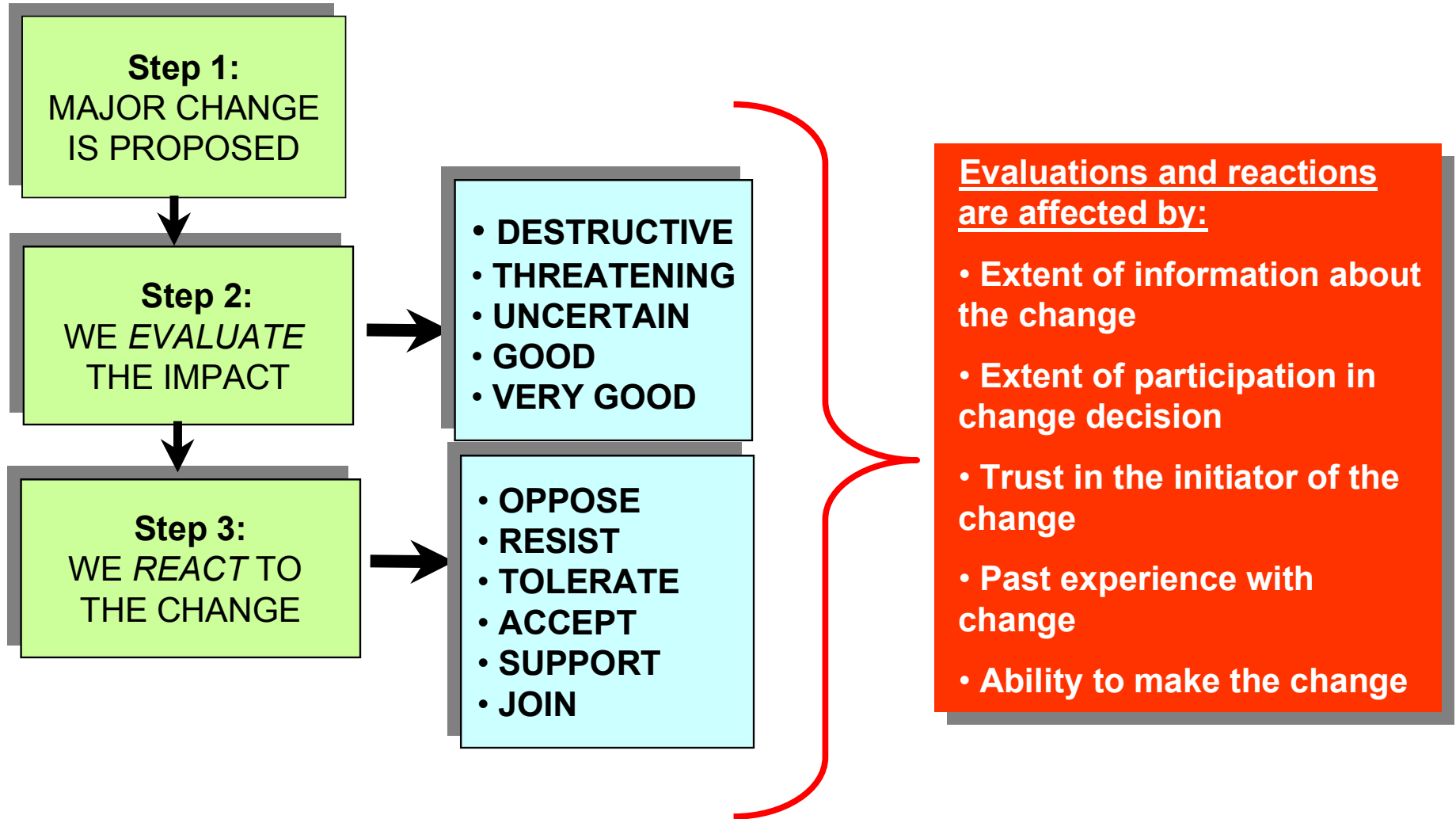
How will this change affect me?

Potential Change Factors:

- New roles and responsibilities
- New skills
- Altered communication patterns
- Altered work relationships
- New work schedules
- Redefined points of influence and authority
- New management approaches (coach vs. supervise)
- New work approaches (individual vs. team)

Major change causes significant modification of established patterns of behavior and expectations.

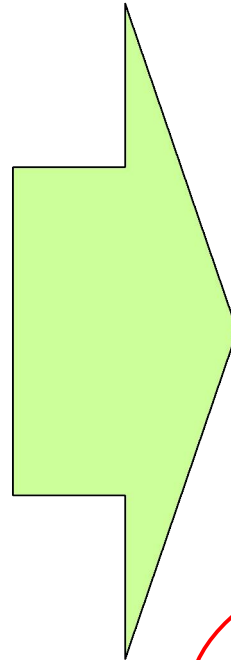
How individuals respond to a proposed change is determined by several factors



CM strategies address evaluations and reactions

CM Strategies

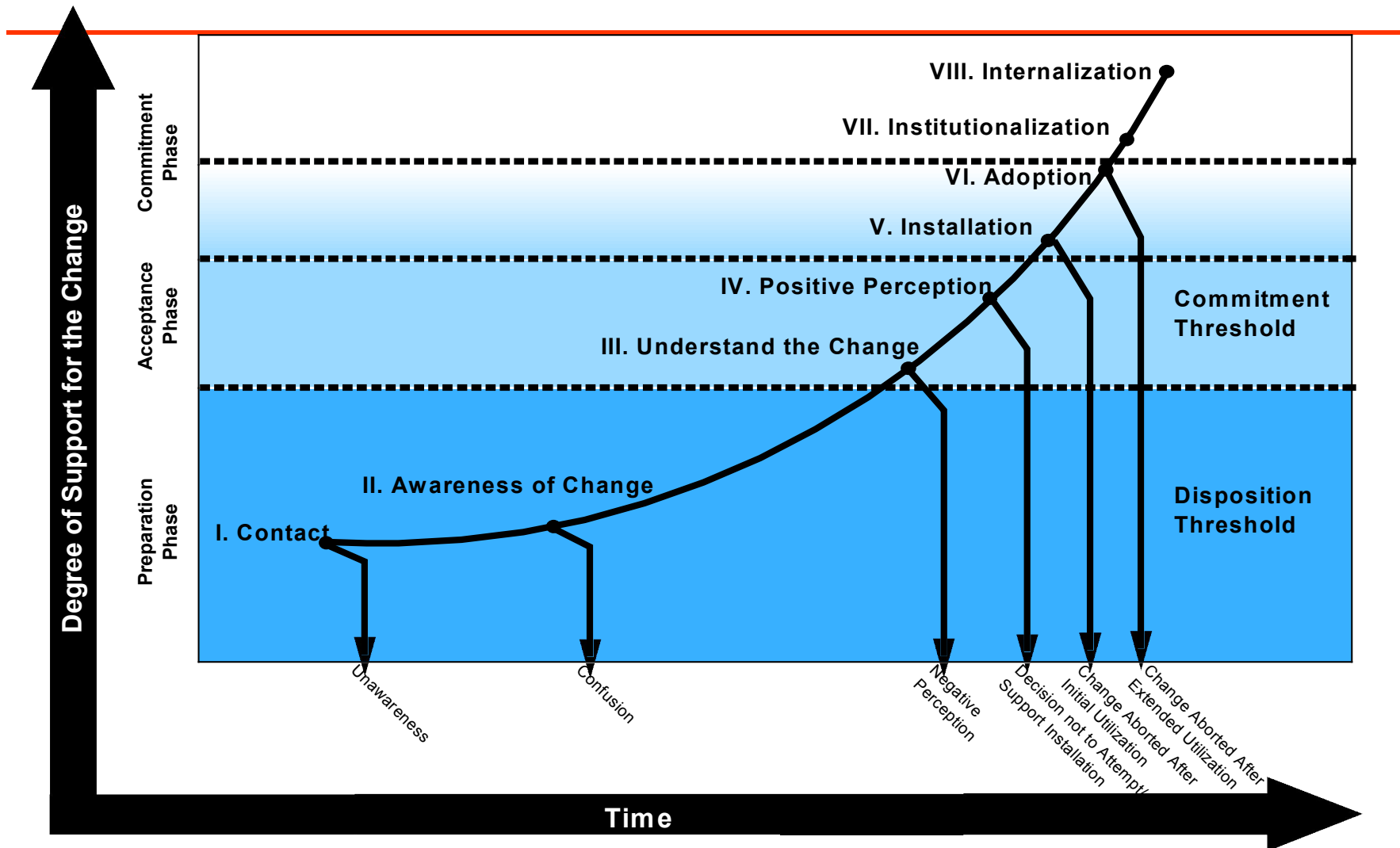
- Broad management and workforce participation
- Shared perspective of where the org is going
- Targeted and effective communications
- Targeted training
- Incentives and disincentives



Results

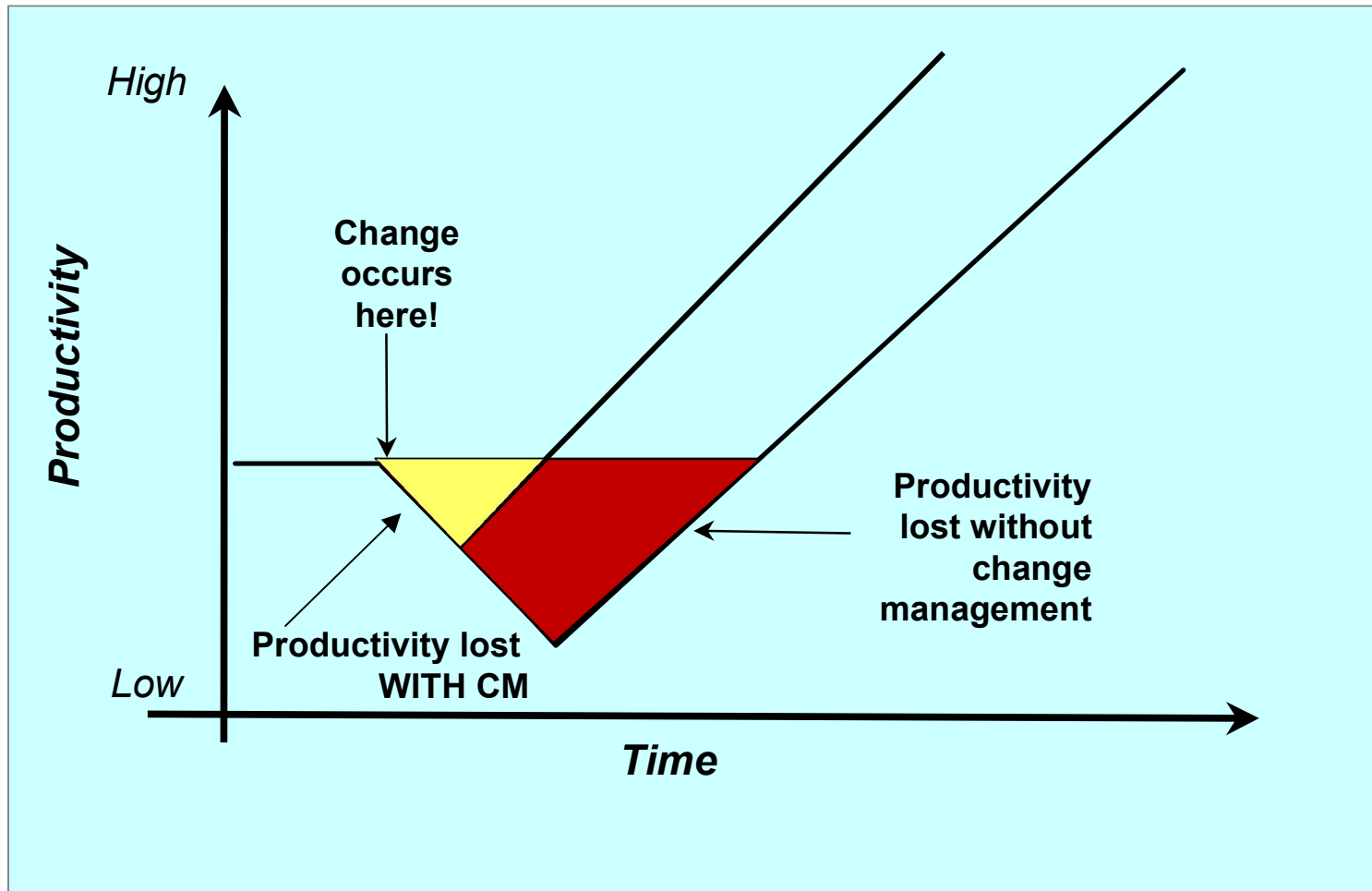
- Informed workforce
- Enabled workforce
- Supportive and motivated workforce
- Active leadership
- **PREVENT negative evaluations and reactions (such as resistance and apathy)**

CM's objective is to PROACTIVELY move people up the "commitment curve"



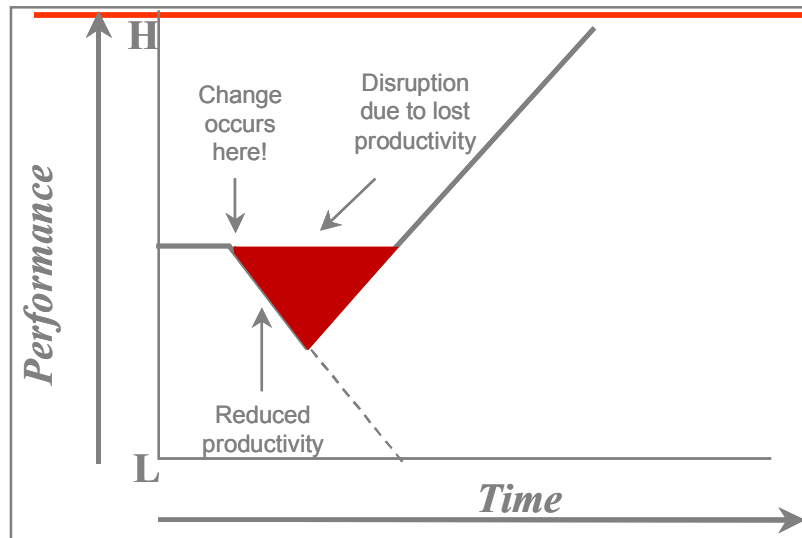
Variation of the Patterson-Connor Commitment Curve. Patterson, Robert W and Daryl Conner, eds., "Building Commitment to Organizational Change", Training and Development Journal, Apr 1982: pp 18-30.

By moving people up the commitment curve, CM minimizes the impact of change on productivity



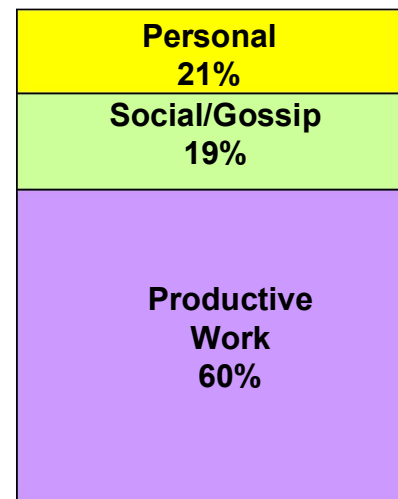
Source: "Fundamentals of Change Management", IBM Executive Training, 1998

What happens to productivity during a transition period?

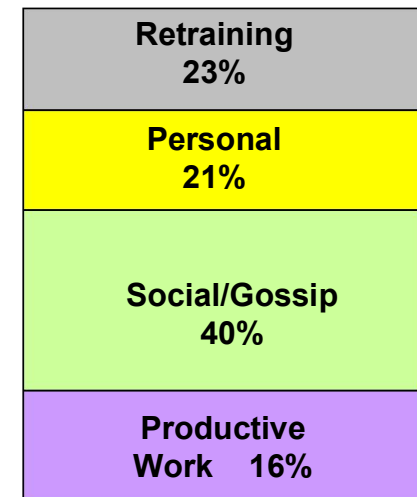


Time Allocation

Normal



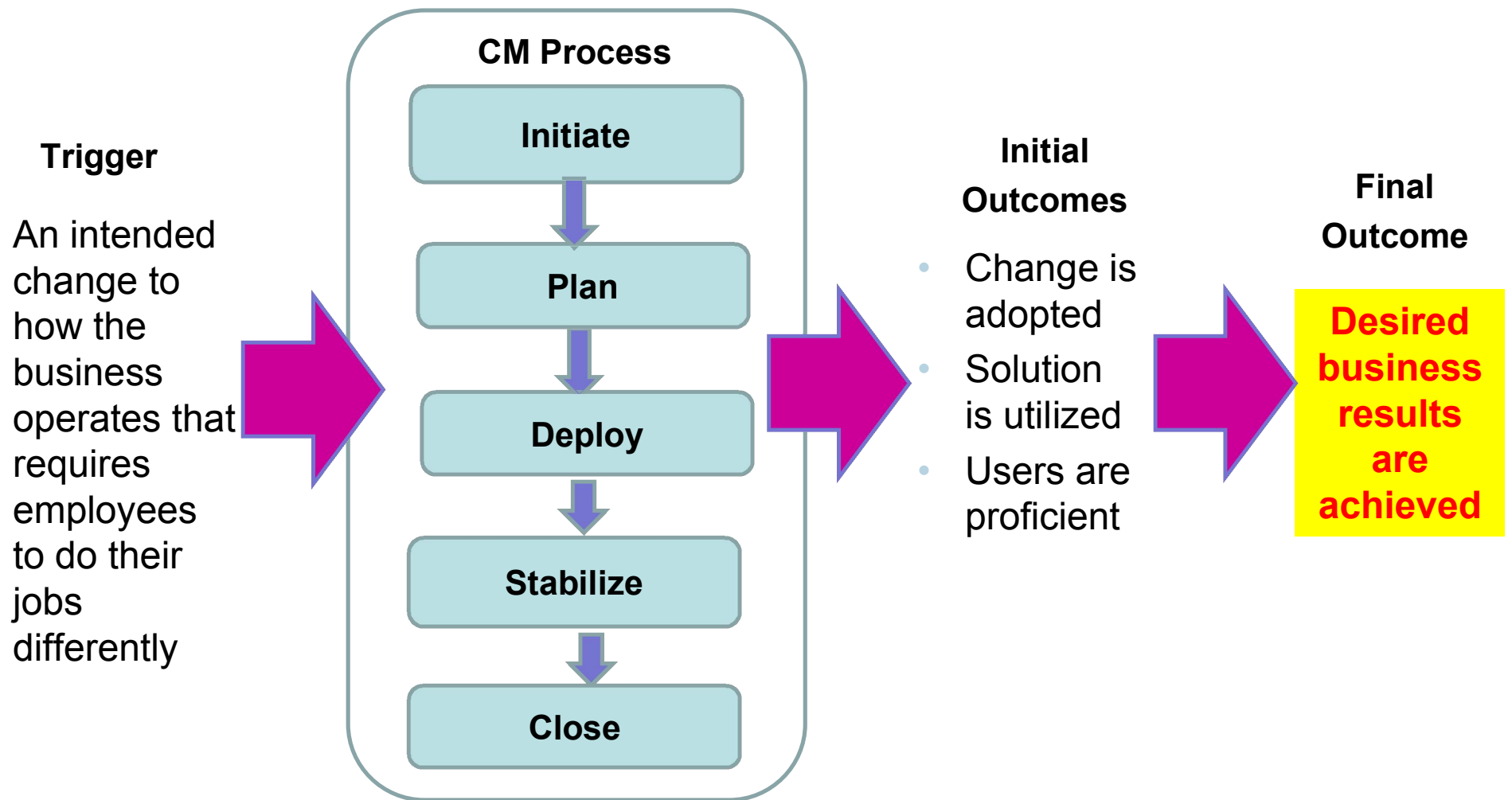
Transition



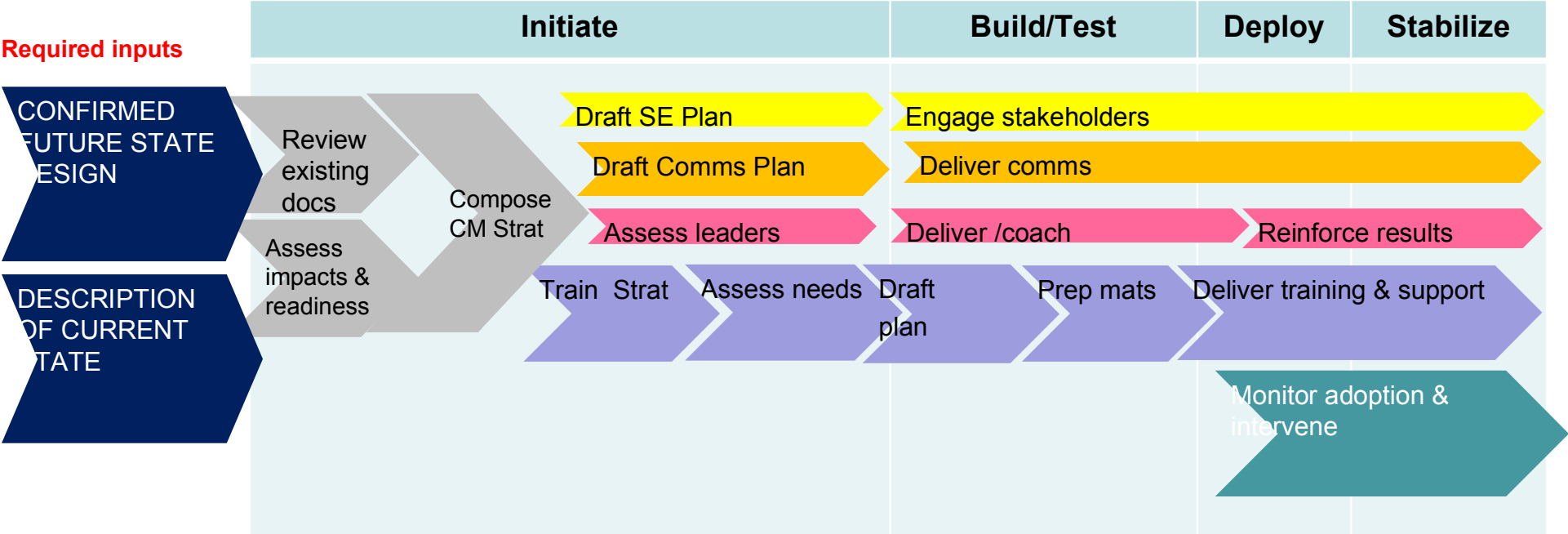
What is Change Management?

(What does it look like in practice?)

The role and value proposition of change management

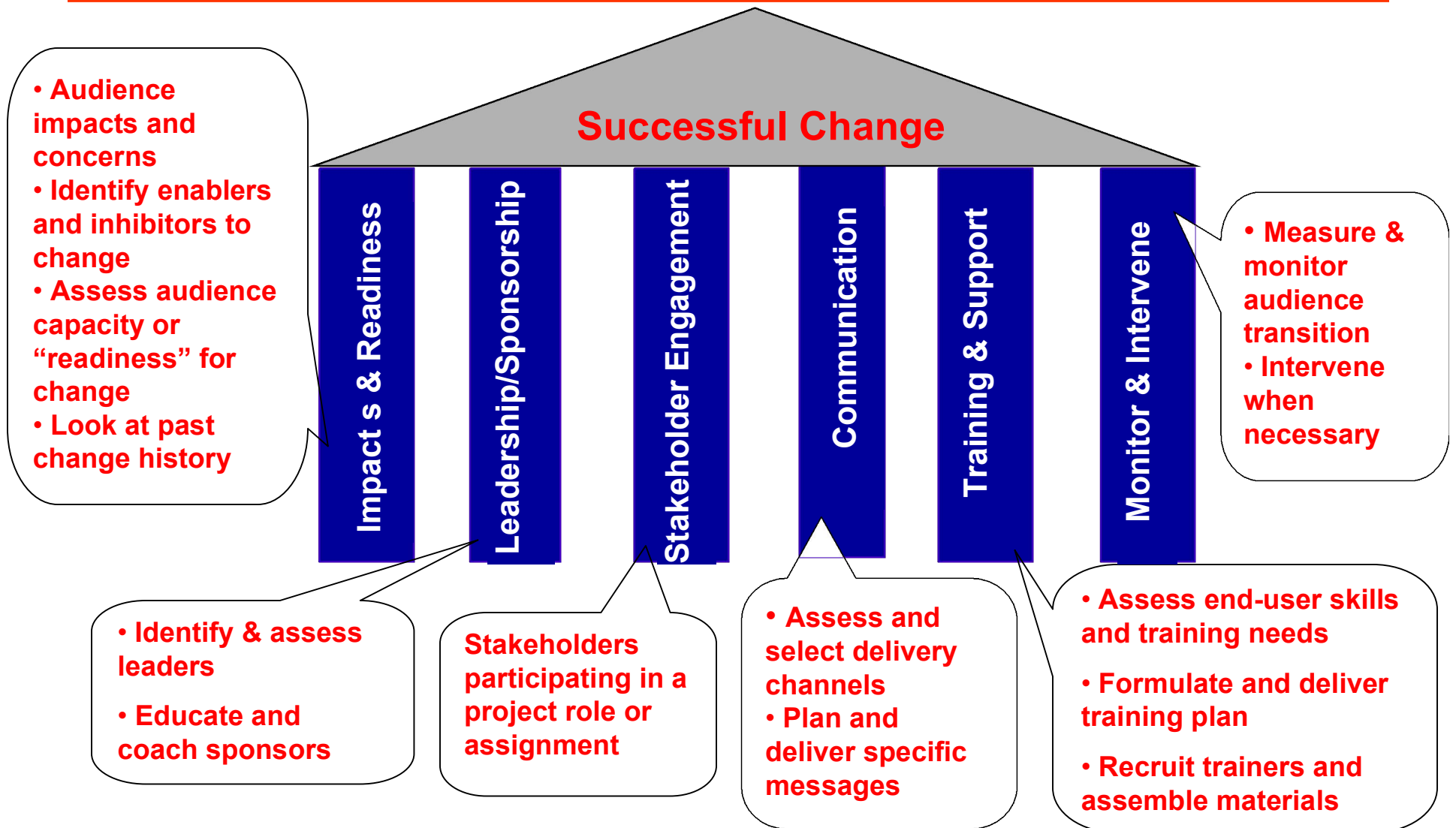


CM method for BC Hydro Transformation with six workstreams



- The entire change management workstream for any release is dependent upon documentation of both current and future states
- Diagram does not show project “close” phase or activities

The same approach in a six-part framework



Stakeholder engagement at BC Hydro

Stakeholder:

An internal or external individual or group who will be directly or indirectly impacted by the change.



Engagement: The involvement, participation, and/or input of stakeholders in future-state decisions and logistics of how change is delivered.

IS

- Contributing role, such as
 - sponsors
 - process workshops
 - super-users
 - change agents
 - interviewees
 - pilot/test group

IS NOT

- Solely for communication (one-way or two-way)
- Solely for education or training

More CM workstream descriptions

Communications

The content, target audiences, authors, and delivery timing, channels, and process of messages about the project to internal and external audiences.



Training & Support

The events, content, materials, and delivery mechanisms to impart and maintain necessary knowledge, skills, and abilities (KSAs) needed by stakeholders to perform in the future

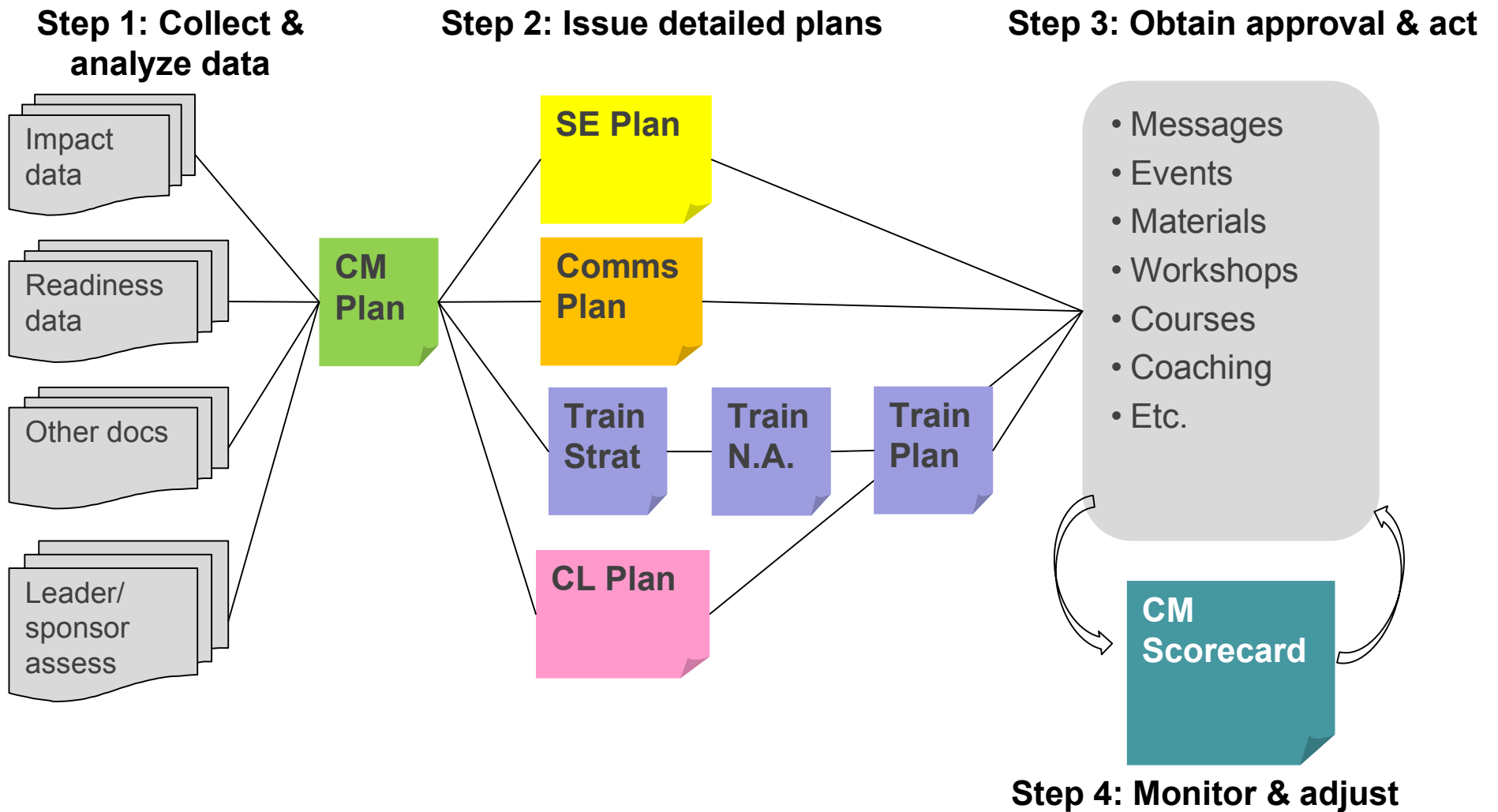


Leadership/Sponsorship

–Events, materials, and delivery channels to grow the change leadership capability at all levels of management
–Coaching of change leaders from exec sponsors to front-line managers



Typical flow of CM deliverables



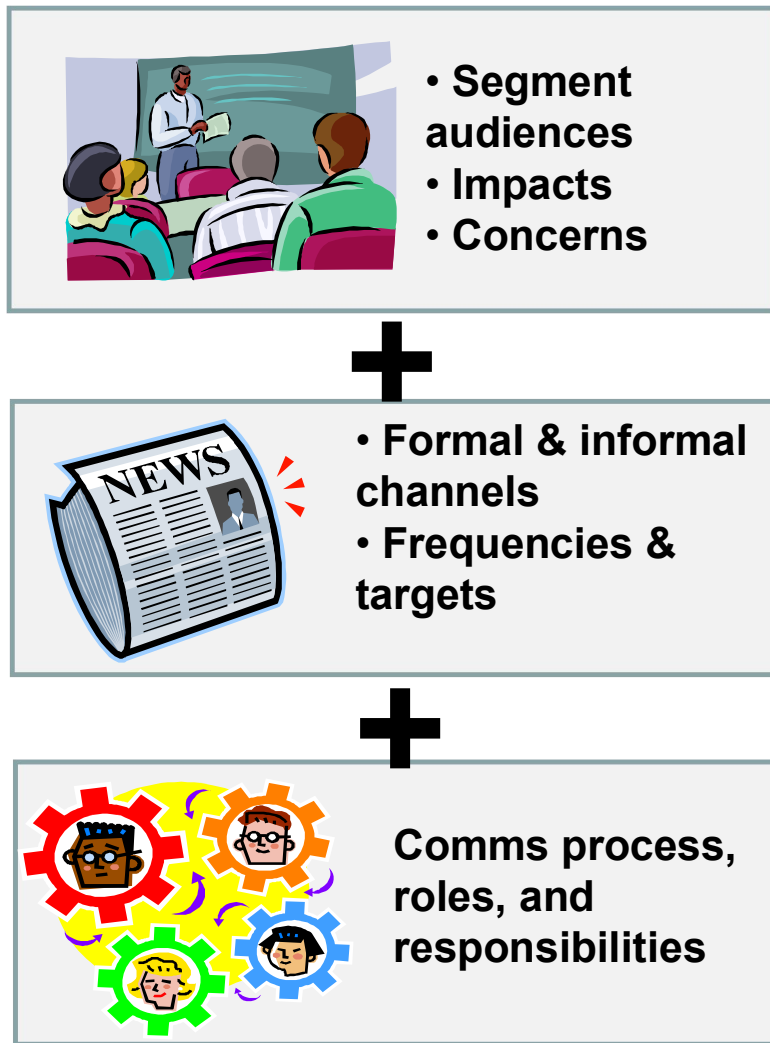
Step 1: Sample interview questions

CATEGORY	QUESTIONS
Change History & Culture	<ul style="list-style-type: none">• What does your org do well in transformation projects and where does it typically fall short?• In past systems implementations, what org factors impeded adoption of change?• Will these same factors impede this project or other factors?
Change Capacity (readiness)	<ul style="list-style-type: none">• What degree of risk do competing changes pose to successful implementation of this project? (H, M, or L)• On a scale of 1-5, how pre-occupied are your staff with other change efforts between now and Dec 31?
Comms	<ul style="list-style-type: none">• What are your concerns about this change?• How would you rate your current level of knowledge about the change?• What aspects of previous project comms have worked well?• What channels are best to reach your staff?
Training	<ul style="list-style-type: none">• What aspects or approaches of previous training programs have worked well?• What is your availability for training?• Is backfill required for staff while in training?

Step 1: Typical components of a CM Strategy/Plan

COMPONENT	EXAMPLES
<p><i>Change Characteristics:</i></p> <ul style="list-style-type: none"> • Org scope of the change • Population impacted by the change • Types of change • Amount of change: incremental or dramatic 	<ul style="list-style-type: none"> • 328 managers, 100 schedulers, 800 employees • Change is complex - includes changes to processes, forms, systems, job roles, and org structure • Change is dramatic as all types will be occurring simultaneously
<p><i>Org Attributes</i> (as change enablers and inhibitors):</p> <ul style="list-style-type: none"> • Categories of culture, user mind-set, user involvement, comm practices, technical • Project Risk Matrix (characteristics mapped against attributes) 	<ul style="list-style-type: none"> • Some units have poor relationships and lack of trust in the office (inhibitor) • Skepticism that unique union needs will not be met by the new organization (inhibitor) • On-line training registration and attendance tracking tool (enabler)
<p><i>Readiness:</i> Enviro scan of other, concurrent projects in systems, physical space, operations, staff, or equipment & past change history</p>	<p>Managers will be participating in 4 other projects concurrent; their capacity to absorb change will be very low.</p>
<p><i>Recommended CM strategies</i> for comms, training, CM team structure and roles, project sponsorship model</p>	<ul style="list-style-type: none"> • Proactively address audience concerns • Allow extra time for training of foremen • Provide on-site support at go-live

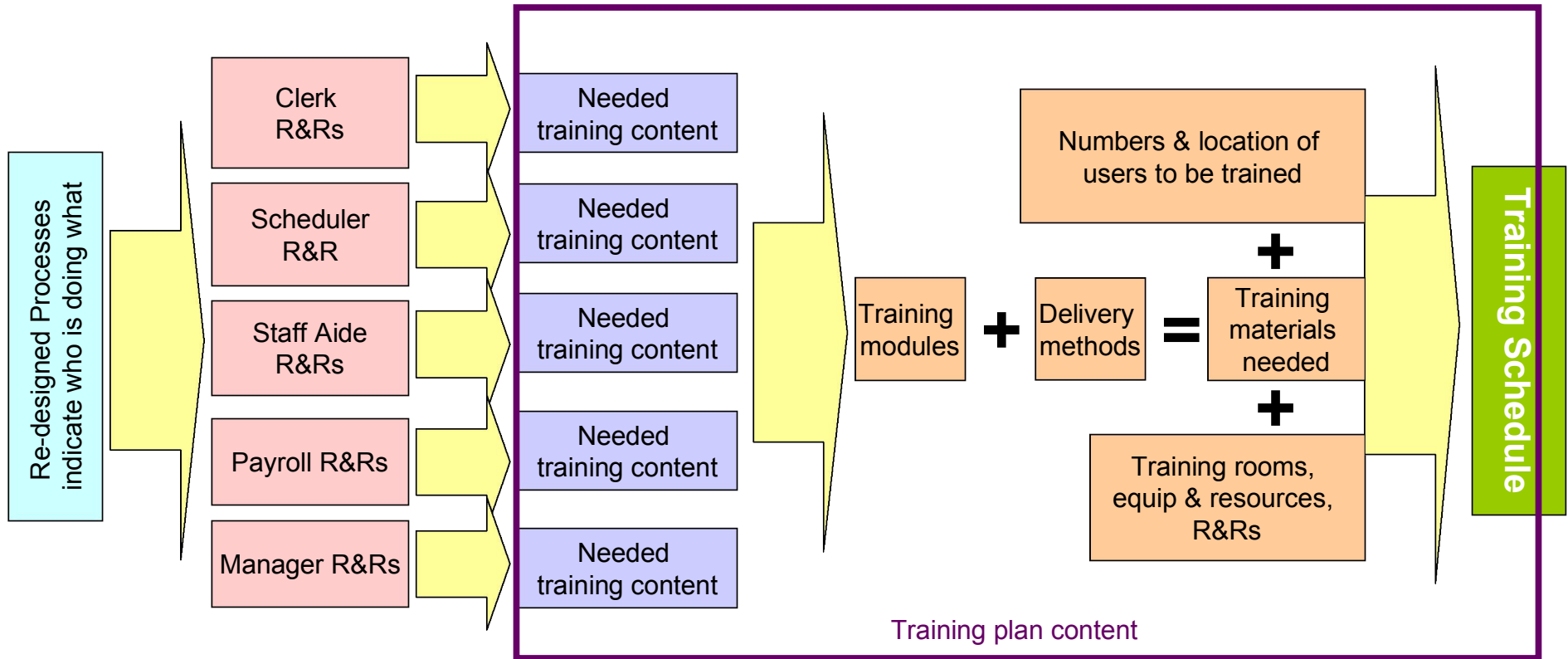
Step 2: Basic formula behind a communications plan



COMMS GOAL:

- The ***right content***
- To the ***right people***
- At the ***right time***
- Through the ***best channel.***

Step 2: Sample development path for a training plan



- **The training schedule is a necessary input to the comms plan**
- **“R&Rs” = roles and responsibilities**

Step 3: Change agent roles and responsibilities

ROLE	RESPONSIBILITIES
Organization SME	<ul style="list-style-type: none"> • Provide organizational knowledge like past change history and current comms practices • Identify data sources/interviewees within faculties • Identify and address issues that may hinder the project
Program/facility liaison	<ul style="list-style-type: none"> • Report back on: <ul style="list-style-type: none"> • The “word on the street” • How staff are reacting to the project • Are CM activities such as comms and training working?
Spokesperson	<ul style="list-style-type: none"> • As needed per the communications plan • Neutralize rumours and blockers
Training Support	<ul style="list-style-type: none"> • Ensure their staff (where appropriate) attend training • Assist in procurement of training facilities and tools

Workshop instructions

- Develop conclusions and recommended change tactics (in any and all workstreams) for the scenario below
 - Sample conclusion: Without basic skills, users cannot use new modules
 - Sample recommendation: Managers are responsible for identifying users and getting them to training
- Present your results

SCENARIO

- Happytown Health Services is implementing two new pieces of system functionality: on-line test results, and patient discharge and transfer, in Phase 2 of a multi-year system upgrade program
 - 3000 users will be impacted by Phase 2 including nurses, doctors, care aids, and porters
 - Users work on all three shifts at four different sites, not all within walking distance
 - All users except doctors report to HHS administration; Doctors report to the provincial Medical Association
 - 25% of targeted non-physician users (700 people) lack basic computer skills
 - Org culture will stigmatize those lacking basic skills if identified
 - Stigmatization would cause backlash
 - Org has a policy that all training must utilize the on-line registration system
 - Largest, available, on-site, training room holds 16 people
 - No time or budget to custom-develop training materials
 - No backfill or OT budget is available for those who attend training
 - Many users share one workstation (like a nurses station)
 - Most users spend little time at a workstation (mostly bedside or hall walking)
 - Users were not engaged in the design of the tools
 - Users, except doctors, frequently utilize the break room, cafeteria, and staff washrooms
 - Phase 1 was a complete failure from the users perspective, and it just finished 3 months ago
 - It is late November and go-live is April 15th
 - In past projects, the Corp Comms division has held up distribution of messages by weeks or months
 - Hospital administrators are over-committed, under pressure to show efficiency gains, and stressed
 - There are 20 other projects going on at HHS in a similar time-frame; not all impact the same users
- 22** • Org culture is one of dedication to saving lives and reducing suffering

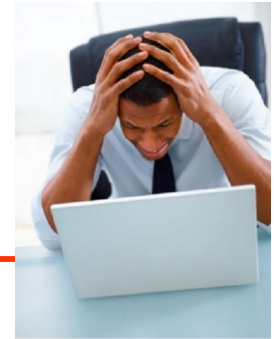
Relationship between CM activities and ADKAR® “levers”

	Awareness	Desire	Knowledge	Ability	Reinforcement
SE	✓	✓			
Comms	✓				✓
CL	✓	✓	✓	✓	✓
Train & Sprt			✓	✓	✓
Monitor					✓

- **Awareness** of the need for change
- **Desire** to participate, support and engage in the change;
- **Knowledge** on how to change
- **Ability** to implement the required skills and behaviors
- **Reinforcement** to sustain the change.

Common Misperceptions & Challenges

What CM is NOT..... but many people think it is



- Assessing personality or work styles (e.g. Myers – Briggs)
- Organizational or individual psychology
- Leadership retreats
- Arbitration / negotiation between business units or vendors
- Project team communications, team- building, and effectiveness
- Keeping everyone happy (there is no “H” in ADKAR)

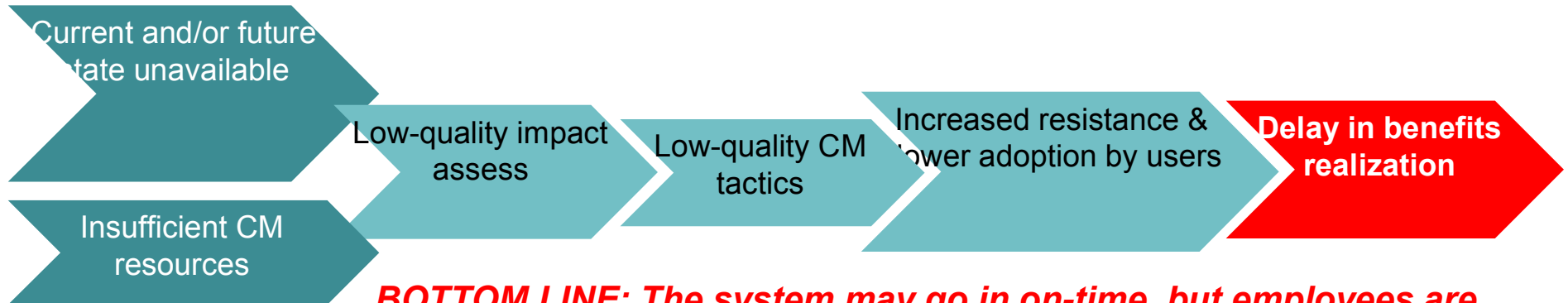


Common issues that degrade CM work and effectiveness

- Lack of documentation of current state
- Outstanding or reversed future state design decisions
- Lack of sufficient, skilled CM resources
- CM is begun too late; project is already suffering from resistance
- PMs or sponsors do not support CM

- Extra effort to capture a minimum sense of current state with no additional time allotted
- Comms messages will be low quality - incomplete, incorrect, or late
- Cannot complete training needs assessment or training plans
- Training materials are incomplete or incorrect
- CM deliverables not reviewed or approved; CM tactics not supported

The Undesirable Causal Chain



BOTTOM LINE: The system may go in on-time, but employees are short-changed.

In summary, change management is.....

- Underpinned by research, methodology, and tools
- Planned and proactive
- Based on data
- Customized tactics



- Enabling and supporting the leaders who will create, lead, and reinforce change
- Preparing impacted groups to succeed in a new operational environment
- Critical for a successful transition to future state, and to minimize the impact on operations

CM and realization of project ROI (as depicted by Implementation Management Associates)

