SABPP™
SA BOARD FOR
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Setting HR standards

JUNE 2016 · NUMBER 2016/05

FACT SHEET

CHANGE MANAGEMENT

1. INTRODUCTION

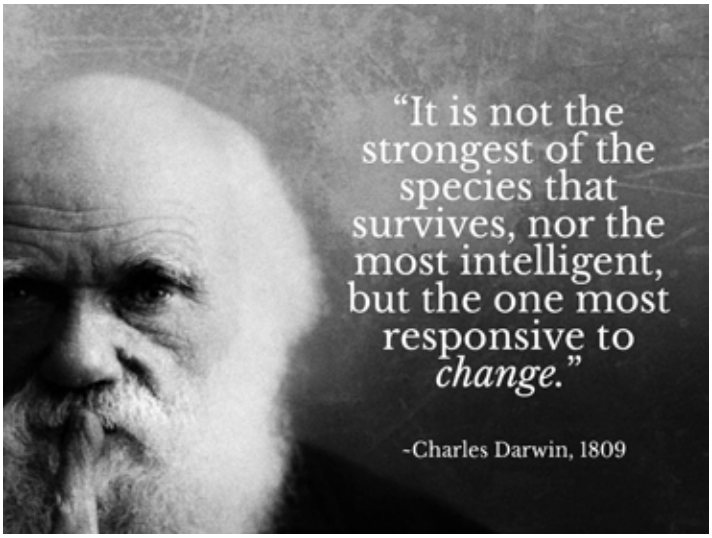
In the words of Heraclitus, *"Nothing is permanent, but change"* [1] and organisations today are experiencing immense change both internally and externally. The current socio–economic climate creates many avenues of change for organisations who are forced to adapt to new ways of functioning to meet the demands of that change. As a result of this we have witnessed organisations evolve or dissolve through their change management strategies and from an organisation development and design perspective the Human Resource (HR) function plays a critical role in designing, implementing and evaluating change management strategies and programmes.

As organisations change their strategic direction, policies and processes, services/offerings, HR drives the deliverance of change through skills and competencies. Some may say that HR becomes the glue that holds the organisation and employees together during change, provided that HR has credibility through trust and transparency.

Most schools of thought advance that transformation and sustainability is impossible without a change management process. The output of a change management process should be success and progress for the organisation. Change management itself has been perceived and defined in many different ways, however this Fact Sheet aims to highlight the prominent views.

The SA Board for People Practices (SABPP) Professional Practice Standard on Change Management defines change management as the following:

"Change management is a purposeful, systematic approach to supporting individuals/teams/organisations to arrive at a defined desired future state which involves changes to the work environment or to the work itself."



1 Heraclitus 535–475 BCE, pre-Socratic Greek philosopher

Ford and Ford, 1994[2] defined change as:

"Change is a phenomenon of time, where something over time turns into something else."

Lewin (1951)[3] defined change as a "sequence of activities that emanate from disturbances in the stable force field that surrounds the organisation (or object, situation or person) tends to focus on the role of context, stability as preferred state, and the onset of a chain reaction of events when the force field is disturbed."

The many definitions of change are all reflections of the many ways in which change is perceived and embraced. This Fact Sheet has been written to assist HR professionals, change professionals and organisations undergoing change.

The methods and standards referred to can be used across all types of change such as mergers and acquisitions, change in leadership, strategy direction, retrenchments, culture, policies, socio-economic change or wholescale implementation through projects impacting systems, process and people.

Any change that occurs might impact the various business pillars being systems, processes and people. Changes that may seem uncomplicated at first may develop in complexity but can still make use of the same approach. However, the earlier the change professional is involved in the change effort the more effective the outcome. As the change becomes more complex, involving deeper interventions, the more difficult the change management effort becomes.

The Association of Change Management Professionals has issued a comprehensive guideline for change management in which it is defined as follows:

Change management is not a one-size-fits-all approach and can be scaled to fit any organisational change.

WHEN AND WHY TO USE CHANGE MANAGEMENT

There are numerous reasons to employ effective change management on both large and small scale efforts. Even though change is inevitable, it is also essential. Since some employees do not like change, the professional approach to change management can assist in them to embrace it. The main questions that are essential to the discussion of change management is when, why and how to use it. Three main cases for change management are made below:

- Organisational change occurs a single person at a time. It is the sum of this change that really delivers organisational transformation.
- Change can be costly if poorly managed. The consequence of ignoring people during a change process can impact in a decline in productivity as people take longer to adapt, management's

2 Ford, JD & Ford, LW (1994). Logics of identity, contradiction, and attraction of change
3 http://onlinelibrary.wiley.com/doi/10.1111/j.1467-6486.2004.00463.x/full

time becomes consumed change barriers, deadlines may be missed and implementation of the strategy may be delayed. The structure that a change management expert/professional brings to the process can mitigate these negative impacts. The main point of concern is that if the change management process structure does not support the strategy, then failure in business success is very much possible.

- A structured approach to change management gives a solid framework for the delivery of outputs. The simpler the framework the more likely it is that it will be widely accepted and adopted by employees.

Since introducing an organisational change can be a challenging and timeous process, it should be viewed along an axis of employee and organisational partnership. Driving the synergy of the axis is the change management expert. In acknowledging that change is broad, Ackerman (1986)[4] distinguished the following types of change that can occur:

- Developmental change is seen as an improvement of something that is existing.
- Transitional change occurs with the implementation of a known new state, and the actual management of the interim transition state over a controlled period of time.
- Transformational change is when the old state dies and the emergence of the new state out of its chaotic remains.

Recognition of the type of change and the organisation's paradigms to manage change, assists HR and change professionals in their development and implementation of a change management plan. Van Tonder (2004)[5] discusses how organisations show prominent shifts in their nature to highlight change from:

- A largely unconcerned attitude towards the organisational environment to a hypersensitivity to the environment.
- Rational, structured and controlled organisational entities to highly fluid, changing and intuitive entities.
- Clearly differentiated structures to virtually unstructured ones.
- A sluggish, reactive style of business to a highly responsive, agile and action-orientated approach to business.
- To view employees as a cost-production factor to a shift in view that recognises them as influential and value-adding stakeholders.
- Control and limited access to information to a progressive opening up and sharing of organisational information.

Organisational Change Theory and Practice, CL van Tonder

4 http://www.learnmanagement2.com/changemanagement.htm
5 Organisational Change Theory and Practice, CL van Tonder

BEST PRACTISE METHODOLOGIES

Methodology is defined as "a set or system of methods, principles, and rules for regulating a given discipline, as in the arts or sciences."[6] The simpler the methodology, the easier it will be to apply, and the rate of adoption will increase as the understanding will naturally be better. Change management should be based on a clear methodology.

Since change management ultimately deals with the change of people's behaviour and a high level of complexity is inherent as humans are complex systems. To effect change on a number of complex systems will require a focused approach with feedback loops.

Many South African companies have used change methods and are very familiar with them. Accenture is a global company that has changed their practice of annual performance reviews. The company has ensured that all their branches around the world adopts the change.[7]

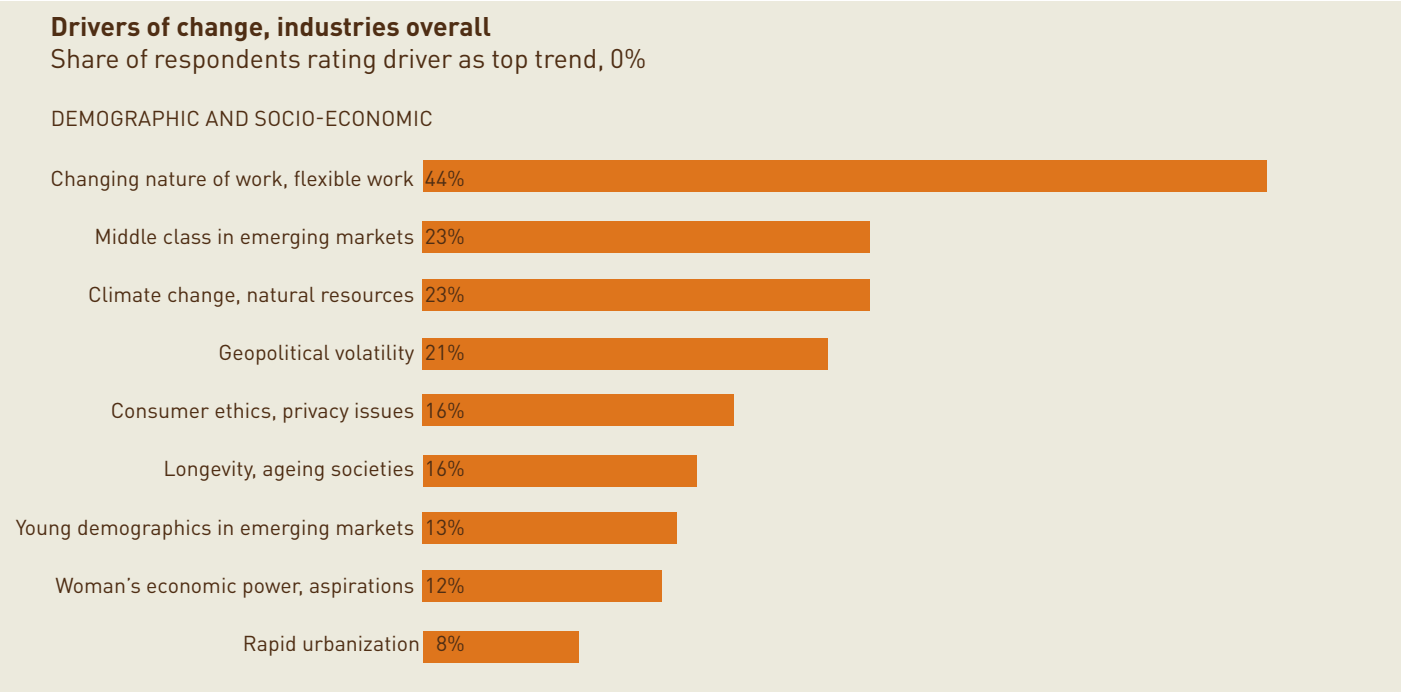
Accenture CEO Pierre Nanterme told The Washington Post that the professional services firm, which employs hundreds of thousands of workers in cities around the globe, has been quietly preparing for this "massive revolution" in its internal operations. "Imagine, for a company of 330,000 people, changing the performance management process—it's huge," Nanterme said. "We're going to get rid of probably 90 percent of what we did in the past."

The Washington Post, 21 July 2015

It is critical that organisations understand the trends and drivers for change management. Change management experts base their practice on some well-established theories and methods of change, and their proven success in implementation relies on how well they understand and predict change drivers.

Most drivers are used integrally within the business strategy to highlight change, in its process and plan. In the article by the World Economic Forum on the "Future of Jobs", new change drivers have been highlighted. This will assist the HR professional in preparing and planning for new and emerging roles, employment trends and new ways of recruitment. Knowledge sighted here adds tremendous value to the business growth and vision.

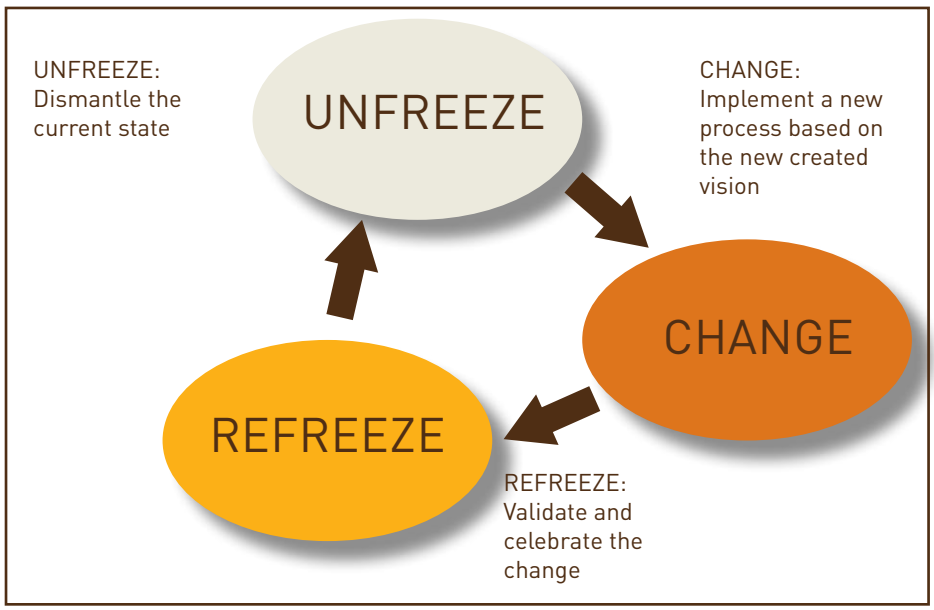
6 Dictionary.com
7 https://www.washingtonpost.com/news/on-leadership/wp/2015/07/21/in-big-move-accenture-will-get-rid-of-annual-performance-reviews-and-rankings/



Drivers of change, industries overall: World Economic Forum article: "Future of Jobs"

These methodologies therefore serve as a solid foundation to implement change, and HR and change management professionals need to adapt these methods to suit the particular context of their organisation. The methodologies also provide a way to communicate the process of change management to the rest of the organisation and assist with the buy-in of management and employees. The well recognised change management methods that have been impactful within South Africa are described below:

Kurt Lewin



Kurt Lewin's 1947 three stage theory of change was the first widely adopted model and involves three stages of change:

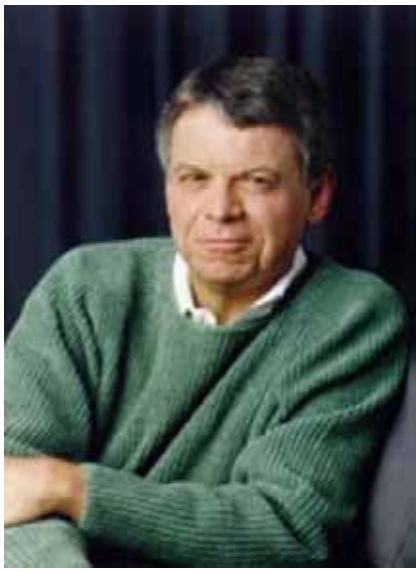
- **Unfreezing:** Refers to identifying the current state and what requires to be changed.
- **Changing:** Implementing interventions that will change the current state to the desired state.
- **Refreezing:** A process to ensure that the desired state is embedded and sustained as the new current state.

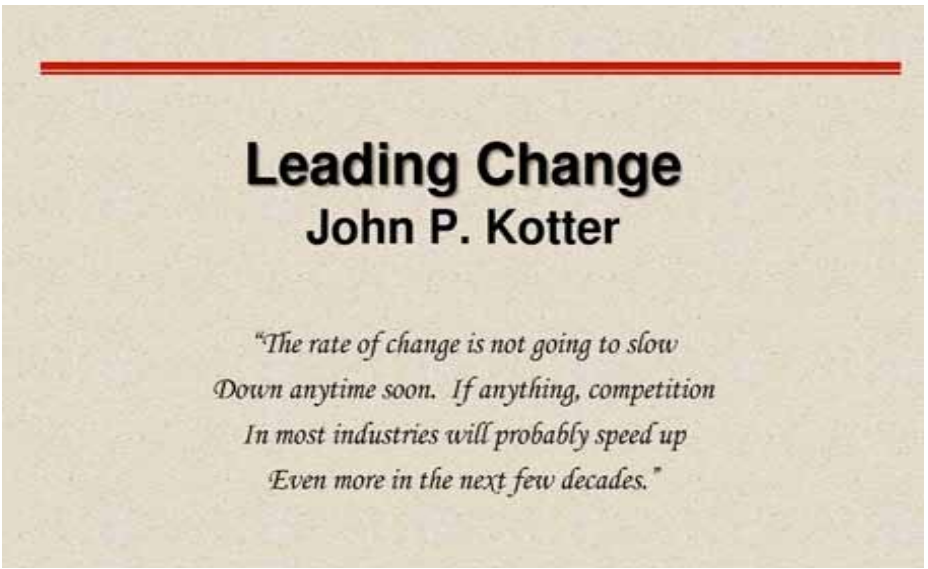
Although this theory has been criticised to be too linear and simplistic, it is still a worthwhile theory to consider and use as a basis to explain the process of change management. Lewin viewed the organisations as "systems in which the current situation is not a static pattern, but rather an equilibrium or dynamic balance of forces working in opposite directions." Many of today's methods are based on this approach, merely adding to it in order to make it more relevant to the changes we face in today's business and society.

"I often use Kurt Lewin's method in initial change investigation workshops to identify the as-is and to-be states. Once these have been defined, the gaps can be determined and appropriate interventions can be identified to best possibly address them".

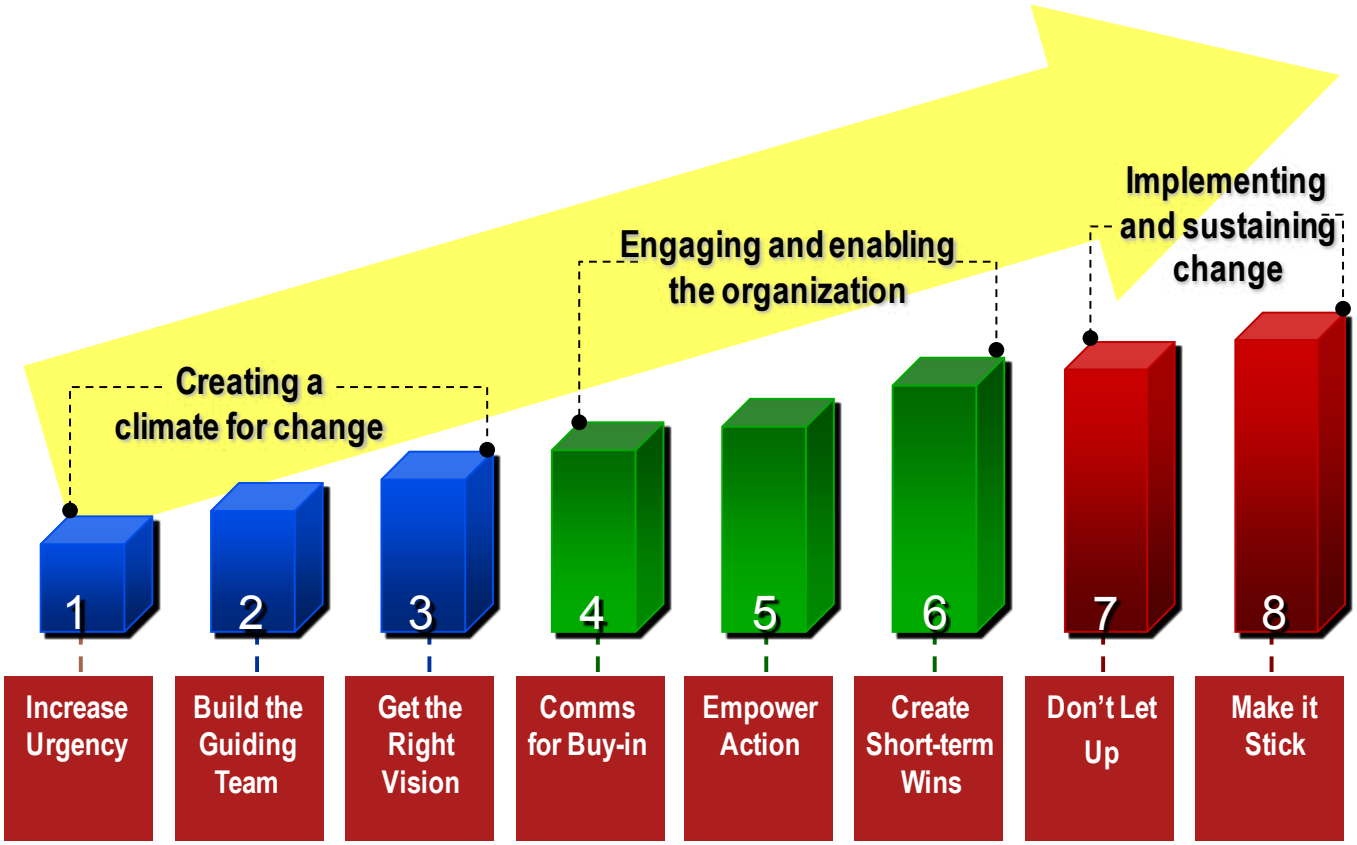
Bronwyn van der Westhuizen: Association of Change Management Professionals (ACMP) South Africa - Director

John Kotter





A good few years after Lewin, in 1996, Kotter introduced an 8-step change model in 3 phases for helping managers deal with transformational change.



Kotter,John P.and Cohen,Dan S. The Heart of Change, Boston: Harvard Business School Press

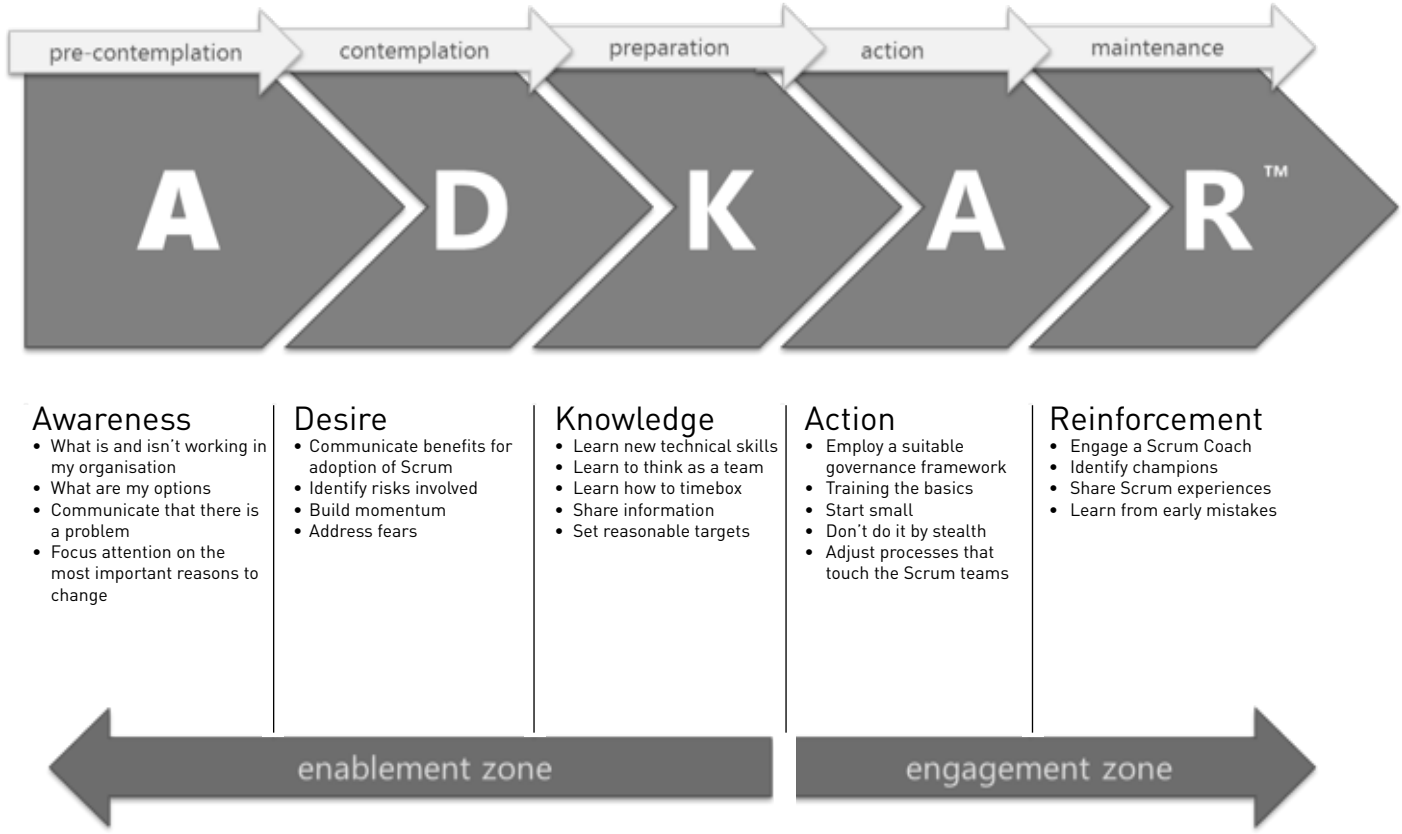
This more comprehensive model gives HR practitioners a deeper context and direction in terms of managing change initiatives and the 8 steps assist in a fluid plan to implement change initiatives. If we had to align it to Lewin's 3 stage model, Kotter's 3 phases might slot next to each as follows:

Kurt Lewin	John Kotter
Unfreeze	Creating a climate for change
Changing	Engaging and enabling the organisation
Refreeze	Implementing and sustaining change

Table 1: The alignment of Lewin and Kotter

Here a comparative alignment between the two famous models show how they both compliment the objectives of change and align the basic fundamentals that are required for change.

Prosci Model



More recently than the above two models, the Prosci Institute's[8] **ADKAR model** is well known to change managers as many have qualified themselves in this method as part of their training.

When applied to organisational change, this model allows leaders and change management teams to focus their activities on what will drive individual change and therefore achieve organisational results. ADKAR provides clear goals and outcomes for change management activities. It also provides a simple, easy-to-use framework for everyone in the organisation to think about change. Employees, managers and senior leaders alike can all use ADKAR to describe and discuss change together.

Awareness of the business reasons for change. Awareness is the goal/outcome of early communications related to an organisational change.

Desire to engage and participate in the change. Desire is the goal/outcome of sponsorship and resistance management.

Knowledge about how to change. Knowledge is the goal/outcome of training and coaching.

Ability to realise or implement the change at the required performance level. Ability is the goal/outcome of additional coaching, practice and time.

8 https://www.prosci.com/adkar/adkar-model

Reinforcement to ensure change sticks. Reinforcement is the goal/outcome of adoption measurement, corrective action and recognition of successful change.

The ADKAR model is used widely because of its ability to align directly to project plans which allows for the project team, sponsors and champions to understand the method more fully to support the change implementation.

Once again, this model can align to the previously discussed models in the below table and it displays key similarities and alignment to the fundamentals of change.

Kurt Lewin	John Kotter	ADKAR
Unfreeze	Creating a climate for change	Awareness Desire
Changing	Engaging and enabling the organisation	Knowledge Ability
Refreeze	Implementing and sustaining change	Reinforcement

Table 2: Alignment of Lewin, Kotter and ADKAR

Corporate Models

Many other organisations maintain their change management resources internally and build their organisational capabilities as an inhouse function. These organisations have a cyclical model that flows through 4 phases with a distinct entry and exit point to the process:

- Awareness and interest – in this phase the groundwork for the change is done
- Engagement – this phase encapsulates the approach and the plan to effect the change
- Mobilisation – this phase is where the plan and strategy for the change are executed, the stage includes refining the plan as feedback is received
- Landing – this checks as to the success

This model can be seen as a change system as each of the phases can loop back based on feedback and multiple iterations of a phase or the entire model may be used until the exit point at which the change is fully implemented or the change is no longer required.

CHANGE MANAGEMENT STANDARDS

With so many change management methods available, the HR practitioner needs expertise in selecting and applying a particular methodology. The methodology then needs to be used within a system of governance and ethics. Organisations such as the SABPP (SA Board for People Practices) and the ACMP South Africa (Association of Change Management Professionals) have recognised this and have introduced standards to guide practitioners.

Any individual who supports the people side of change (leaders, managers, change professionals, HR practitioners, OD practitioners etc) should be aligned in terms of the ethics and governance that reside around dealing with people. Ethics such as honesty, accountability, fairness and respect are fundamental.

"No one model fits all change efforts, hence the reason why there is constant development in this field. However, the way in which we manage change from an ethical perspective while still producing business results is the core of what the standards refer to. I personally encourage all change practitioners and leaders to familiarise and advance themselves in the standards and ethics of change management, as well as commit to advancing others in order to support the successful implementation of change in our country. Our country needs change professionals who not only apply methodology, but who implement change interventions ethically and according to agreed professional standards. There is a need to build up the next generation in this manner as well as advance our current professionals."

– Bronwyn van der Westhuizen

Leaders of change must revolutionise the way they do things and tailor different change methodologies to suit their own context so that those impacted by the change can adopt more quickly, so that the change is sustainable and that the intended benefits to the organisation are achieved. Change Management standards are not methods, but are there to assist in governing the change process.

ACMP AFRICA

The Association of Change Management Professionals (ACMP) summarises the change management process in the table on the next page. The possible tools are listed adjacently to help practitioners manage the change process, for which customised templates are usually used. The table is merely a brief summary for the purpose of this publication, the detail of which can be found in the ACMP Change Management Standard.

	Process Group	Description	Associated Tools
1.	Evaluating Change Impact and Organizational Readiness	Reviews the overall change and how it will impact the organization Establishes whether the organization is ready and able to handle the proposed change	– Change Definition / Vision Statement / Change Objectives / Success Criteria and Goals – Stakeholder Matrix – Change Impact Assessment – Change Readiness Assessment – Communication Needs Assessment – Learning Needs Assessment
2.	Formulating Change Management Strategy	Develops the approach for moving an organization from current state to desired future state in order to achieve specific organizational outcomes	– Change Management Strategy – Communication Strategy – Learning & Development Strategy
3.	Developing Change Management Plans	Documents the scope, actions, timelines and resources needed to deliver the change	– Change Management Plan – Communication Plan – Learning & Development Plan
4.	Executing Change Management Plans	Addresses the implementation processes for performing the change activities by monitoring, measuring, and controlling delivery against baseline plans	– Deliver plans – Use the plans to measure progress. – Update or amend where appropriate.
5.	Closing the Change Management Effort	Documents the actions and resources needed to close the change once the Change Management Strategy is achieved and activities are deemed sustainable and maintainable	– Measurement and benefits realisation – Document lessons learnt – Sustainability plans – Final summary report

Table 3: ACMP change management process

THE SABPP'S HR PROFESSIONAL PRACTICE STANDARD: CHANGE MANAGEMENT

The SABPP advocates that HR practitioners equip themselves to manage change and support them with the development of the fundamental requirements for good change management. Here change is positively embraced as an inevitable part of business. These fundamentals form part of their Professional Practice Standards and are listed below:[9]

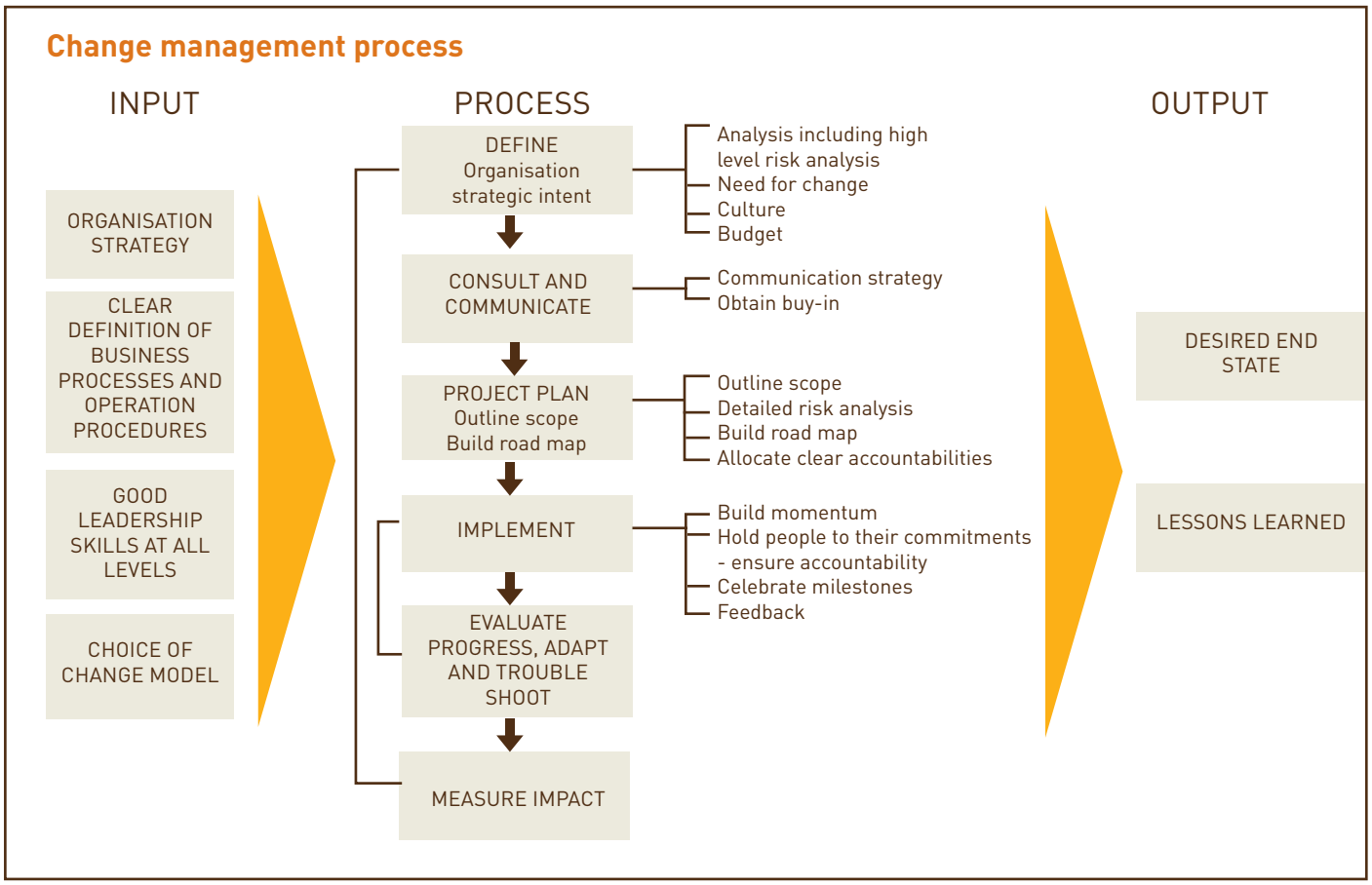
- Change management skills are necessary to all managers and functional experts who are required to lead projects. Care should be taken not to portray a particular change as out of the ordinary (unless it is really a massive, organisation-wide radical change), rather seek to "normalise" change as something that happens as the organisation learns, adapts and evolves to a changing environment.
- The role of HR practitioners, including OD practitioners, is to identify and work on the people aspects of the envisaged change, like:
  - Assisting the organisation's leadership to formulate the business case for change. An appropriate model must be chosen which fits the organisation's culture and the purpose and scope of the envisaged change.
  - Assisting in identifying risks and opportunities of any change that needs to happen and ensuring that risk management plans are in place.
  - Ensuring that change management skills are acquired and developed by everyone who needs them.
  - Supporting change teams with resources such as structured communication; facilitation of team sessions where required; diagnosis and trouble–shooting where implementation is off-track; monitoring of climate before, during and after the change and feedback of recommendations where necessary; counselling services where individuals are not coping; mobilising of training for new skills required; reward and recognition proposals for achievements in the change process; proposals on how to integrate the change project into the performance management system. An integration of support from the different sub-functions is important and should normally be led by the appropriate HR Business Partner, where the HR delivery model is used, otherwise by an HR/OD practitioner who knows the affected part of the organisation very well and is known by employees.

- Reviewing current HR policies and practices to identify to what extent they support or hinder the desired change(s) and adapt if necessary.
- Change should be managed to happen "with" and "through" people not "to" people. Suitable structures and mechanisms should be put in place to encourage collaboration and participation of those affected by the change.
- Ensure that a particular change project is finished off properly. At a point in time change must be declared complete. Failure to do this results in change cynicism and change fatigue.
- Capturing of lessons learned from any change and integration with knowledge management systems is critical to continuous improvements. After action reviews should be standard practice.

9 SABPP 2015 HR Professional Practice Standards

- The focus of change management is to develop an enabling environment and organisational culture conducive for continuous change which then results in an agile and resilient organisation staffed by employees who are individually agile and resilient.

The SABPP has developed a change management process that will assist and enable HR practitioners/ OD practitioners with their change processes. An effective change management process should look like:



SABPP Change Management Standard (2015)

More tips to manage change

The case study below creates the opportunity to unpack practical steps to manage change. These tips are good to know and easy to adapt to change management.

Case study:

The HR Manager (HRM) of a medium company was faced with a change challenge. The company is being taken over by a larger company. The HRM is tasked to manage the change process between the two companies and report to the new board on the progress on the takeover. The HRM is a generalist and has not had the experience in change management, only access to theory and popular models. It seems that this situation is causing stress to the HRM who does not know where to begin with the change management process.

Tips to assist the HRM in the case study above:

- The HRM must acquire the proper direction from leadership/management. The leadership/management from both the medium and large companies must direct the HRM with regards to alignment, timelines, positions, policies and communication. The mandate must be clear with no ambiguity.
- Identify the barriers to change like culture, clans etc.
- Identify a change model (like Kotter's 8-steps) that can assist in the understanding of the process. Create a plan that has deadlines and projections. Clarify the objectives within the process as this will assist with the implementation plan.
- Start listening to what employee concerns are and create a list for management to give feedback on them. Don't make promises you cannot keep, keep it simple and truthful. Understand that change can create "fear and anxiety" and this must be managed through mechanisms like conversations, coaching, surveys etc.
- The HRM must ensure that leadership/management is guided when addressing the employees of both companies, and meetings (for visibility) must ensue. A consistent communication plan to address employees and their questions must be created and accessible to employees. The HRM holds the responsibility to ensure that employees are relieved from the stress of change and consistent feedback on plans will assist accordingly. It is always a positive to have an inclusive approach and have employees be part of the process.
- Identify change champions from the employee groups/departments. Select employees who have good relationships with their colleagues and can assist in forming trust in the process.
- Policies and processes for adaption must be clearly aligned, and problematic ones must be flagged. Examples of these types of policies are remuneration, employee contracts and even job positions (OD).
- The HRM should ensure that the leadership/management is supportive and will drive the change from their positions. Their visibility is key during the change process, and they must show interest and care in the transitional phase.
- Create a spirit of partnership with the HR of the large company, start working more closely with them to ensure their assistance and support within the process. They need to be available to answer pending questions of the take-over.
- Do a proper skills audit, detail the job profiling and have the most updated structure available for the new management. Have upfront discussions with the new management about positions/structure, business vision and strategy, and place of work. All expectations should be discussed and agreed to communicate to employees within the communications plan.
- Document everything and have plans to manage any "disaster situations". These are normally identified for potential risks.
- Be available, honest and always act in the best interest of the employees and the organisation.

CONCLUSION

Change affects all individuals within an organisation and most importantly it requires all individuals to participate, engage and implement it. There are always many theories and models that explain change, however once change starts happening it requires the "human touch and care" to manage it. Since HR is the custodian of people, change will normally sit under its responsibility. By understanding the impact of mismanaged changed, one should always be mindful of their role within a change management process. The methodology and facts included within this factsheet is a great starting point to understand and implement change. Remember change is inevitable, be a change champion rather than a barrier.

This Fact Sheet was written by Lathasha Subban of the SABPP with contributing authors Bronwyn van der Westhuizen and Gillian Milne, acknowledgements to Mr Marius Meyer. The SA Board for People Practises (SABPP) is a well-established organisation focusing on all industries related to people, particular on standards and ethics. The ACMP Africa have had a 'Memorandum of Understanding' with them since 2012 with the intent to create a platform for a sustainable collaborative alliance in the interest of promoting sound Change Management practises in South Africa. The two organisations are now building a closer partnership in order to align standards and ethics for change managers in South Africa by creating more network opportunities, allowing for closer collaboration in advancing the change management discipline and aligning change management to other people practises (e.g. OD).

Bronwyn van der Westhuizen
Bronwyn studied Industrial Psychology and began her change management career 13 years ago at a reputable global consulting firm in the utilities, mining and banking sectors. Subsequently, she has worked for one of the top South African Bank's for 10 years with her strategic change management focus being on improving employee engagement levels whilst including interventions such as leadership development, performance management, reward and recognition, communication and training. Bronwyn's business transformation role and passion for aligning people to strategic intent is most significant to her company and she has been able to influence sustainable behavioural changes. She has been one of the directors for the ACMP Africa Chapter since January 2015 and currently chairs the board. She sees this volunteer role as instrumental in advancing the discipline of change management in South Africa which is one of her passions.

Gillian Milne
Gillian among other achievements majored in Industrial Psychology, holds an MBA from GIBS and has a coaching certification from Henley. She created a Change Managers Forum to enable a platform for knowledge sharing (not IP sharing) amongst Change management professionals. The SABPP and ACMP are present at this forum and use it as one of their platforms to advance the discipline.

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