

*Cayman - Government  
Professional Development  
Week 2014*  
Making Change Happen

*Strictly Private  
and Confidential*

*14th November 2014*

**Dr. Cherry Hinkson**

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***“Only those who will risk going too far can possibly find out how far one can go.”***

***T.S Eliot***

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## *Why am I here?*

- **Education**

- Doctorate in Organisational Psychology
- Masters and professional designations in Human Resource Management and Public Policy

- **Career**

- 20 years consulting experience, more than 1/2 that with public sector including UK government departments and executive agencies, International NGOs and Government of Barbados
- Participated in and managed large scale change projects

- **Personal**

- Wife and mother of 3 in search of 'work-life balance'!
- Relocated from UK to Caribbean



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## *Why are we talking about change today?*

- All Governments globally are facing fiscal challenges since the Global Financial Crisis.
- In parallel, they're trying to shape their public sectors to fit a rapidly changing world. Countries like Cayman, with its focus on international finance and tourism need to be at the cutting edge of this.
- Worked with Governments in the UK and the Caribbean and can conclude that there are no simple, clear cut solutions, and change in the public sector of a small island will have big reverberations throughout the whole society.
- Now more crucial than ever to be proactive in your approach to managing change

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## ***Change is the only constant***

- Change affects every aspect of life.
- Taking a proactive approach to change is the only way to take charge of the future, either as an individual or as an organisation.
- Adapting to the ever-changing present is essential for success in the unpredictable future.
- Understanding and managing change are the dominant themes of management today.

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## ***Session Objectives***

By the end of our time together this morning, we will:

- Have a common understanding of **What Change Is**
- Be aware of the importance of **Navigating Change Effectively**
- Have an understanding of the **Steps to Transforming the Organisation**
- Appreciate the need to manage **Resistance to Change**
- Understand what it takes to **Make Change Happen - Successfully**
- Have time to ask **Questions**

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# *What is Change?*

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## *Natural Change*

In a lifetime everyone goes through personal transformation from:

- infancy to adolescence
- young adulthood
- middle age
- and finally.....old age

Personal career paths may lead from:

- subordinate to junior management
- middle management
- board level or advisory/consultancy

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## *Types of change*

### Gradual change

- A gradual change is a change that occurs slowly over a prolonged period
- It can involve many people or just a few
- Seen as a long term process to improve quality, productivity and effectiveness

### Radical Change

- A sudden, dramatic **C**hange with marked effects
- Normally large scale
- Organisations stand to gain more from radical changes
- Plan thoroughly, thinking through the options to minimize risks

# *What transformations are to come?*

How do you anticipate your working life may be transformed within the next few years as a result of any relevant factors including:

- Consumer demands
- Funding and finance
- New technology applications
- Competition and collaboration
- Mega trends:



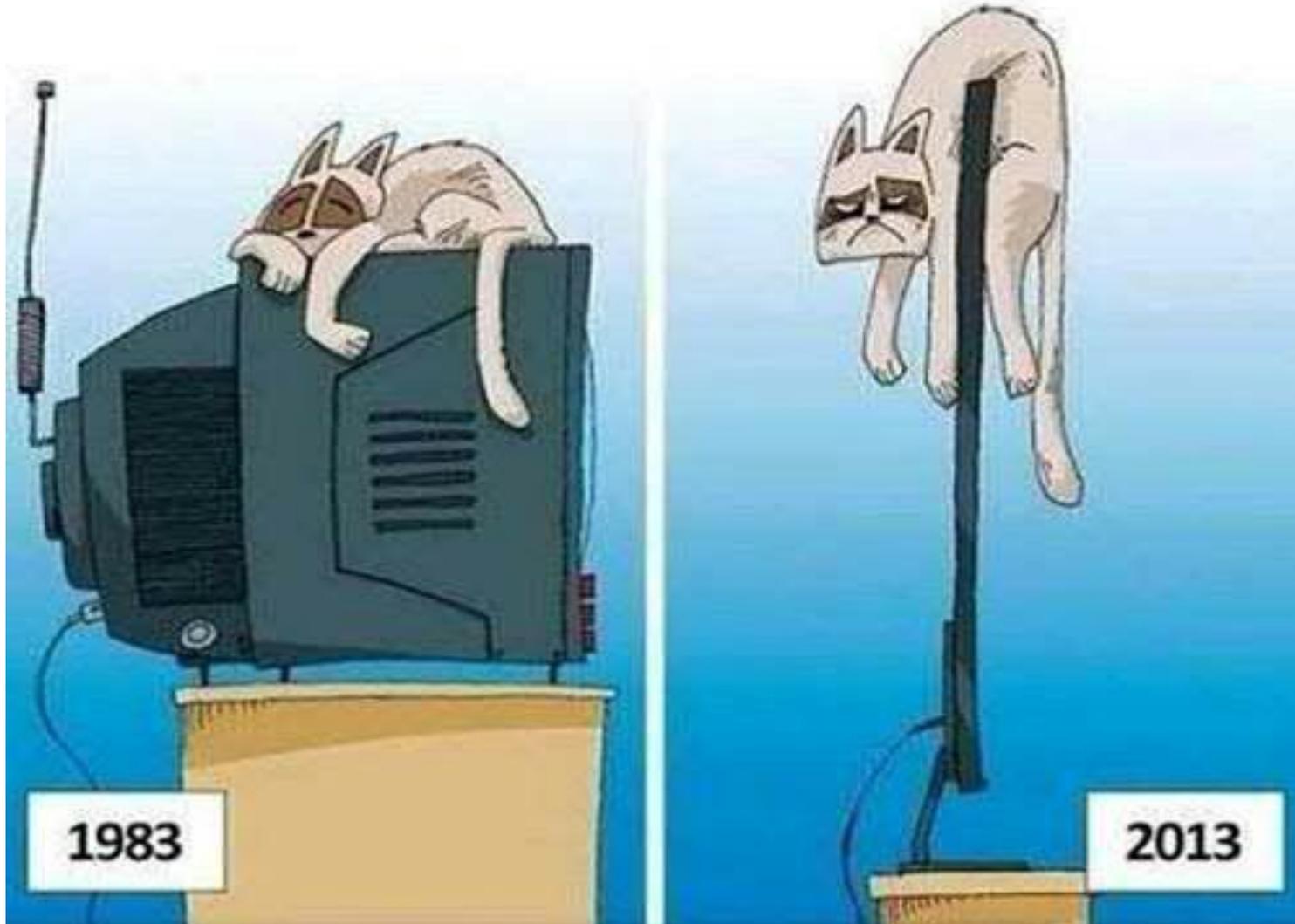
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*Maintaining the status quo is not a viable option!*

“Even if you are on the right track you will get run over if you just sit there.”

Will Rogers

*Not convinced? Ponder this.....*



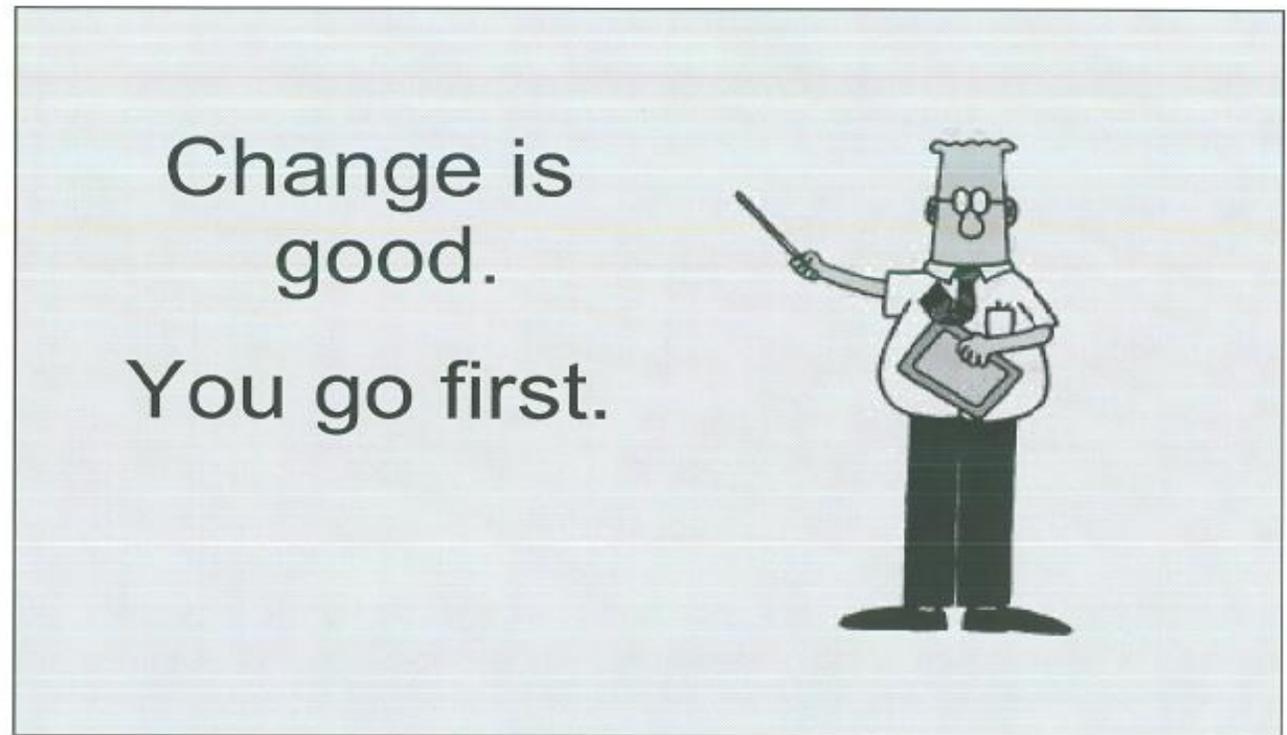
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# *Steps to transforming the organisation*

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## *People generally react to change in 3 ways*

- Resisting
- Following
- Leading



*Kenneth F Murphy, 1955, former SVP HR of Altria Group and writer  
Garry Trudeau, Doonesbury creator, cartoonist and writer*

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## ***Kotter's 8 Step Change Model***

- John P Kotter's 'eight steps to successful change' Kotter's highly regarded books 'Leading Change' (1995) and the follow-up 'The Heart Of Change' (2002); Our Iceberg is Melting (2006) and Sense of urgency (2008) .....
- Describe a helpful model for understanding and managing change.
- Each of the 8 stages acknowledges a key principle identified by Kotter relating to people's response and approach to change, in which people see, feel and then change.

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***Step 1: Increase  
urgency***

***Inspire people to  
move, make  
objectives real  
and relevant***

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## ***Burning platform***

- Successful change is driven by a real reason not just for change sake
- First decide the reasons for change, for example:
  - If your organisation is losing funding or sales income you will need to look at ways of saving money and/or generating revenue;
  - If you want to expand the business or services you offer, you will need to look at ways of increasing investment into the business.
  - Crises!

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"When you are thirsty, it's too late to dig a well."

Unknown

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## *Step 2: Build the guiding team*

*Get the right people  
in place with the  
right emotional  
commitment, and  
the right mix of  
skills and levels.*

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## *It starts from the top*

- Transformational leaders: inspirational leaders are needed at all levels of an organisation when a turbulent environment exists
- These are people who have/are:
  - Vision
  - Creativity & innovation
  - Credibility
  - Capable of getting others to share their dreams while playing down self interest
  - Willing to operate with others in reshaping the strategies and tactics of an organisation
  - **Willing to challenge and push the envelop**

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*“What you do speaks so loud  
that I cannot hear what you are  
saying!”*

*Ralph Waldo Emerson*

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## *Step 3: Get the vision right*

*Get the team to establish a simple vision and strategy, focus on emotional and creative aspects necessary to drive service and efficiency*

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## ***What type of organisation is this?***

- Forward-thinking, emotionally-mature?
- Integrity above results and people above profit?
- Triple Bottom Line (Profit People Planet)
- Corporate Responsibility, Fair Trade, Sustainability, etc. are increasingly and ever more transparently becoming the criteria against which modern successful organisations are assessed - by customers, employees and the world at large.
- ***Who do you want to be?***

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## *Step 4: Communicate for buy-in*

*Involve as many people as possible, communicate the essentials simply, and to appeal and respond to people's needs. De-clutter communications - make technology work for you rather than against.*

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## ***Why Manage Employees as Stakeholders?***

- Are employees stupid?
- Can they not see the need for change?
- Do they not realise that if the organisation cannot make these changes then
  - we will become uncompetitive?
  - we will lose market share.
  - there will be job cuts.
  - we will eventually go out of business.
- **Can they not see it?**

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## *Imposing Change*

Imposing change and new skills on people doesn't work because:

- It assumes that people's personal aims and wishes and needs are completely aligned with those of the organisation, or that there is no need for such alignment, and
- It assumes that people want, and can assimilate into their lives, given all their other priorities, the type of development or change that the organisation deems appropriate for them.

## *Imposing Change*

**Imposing  
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***Change plans must address the ...***



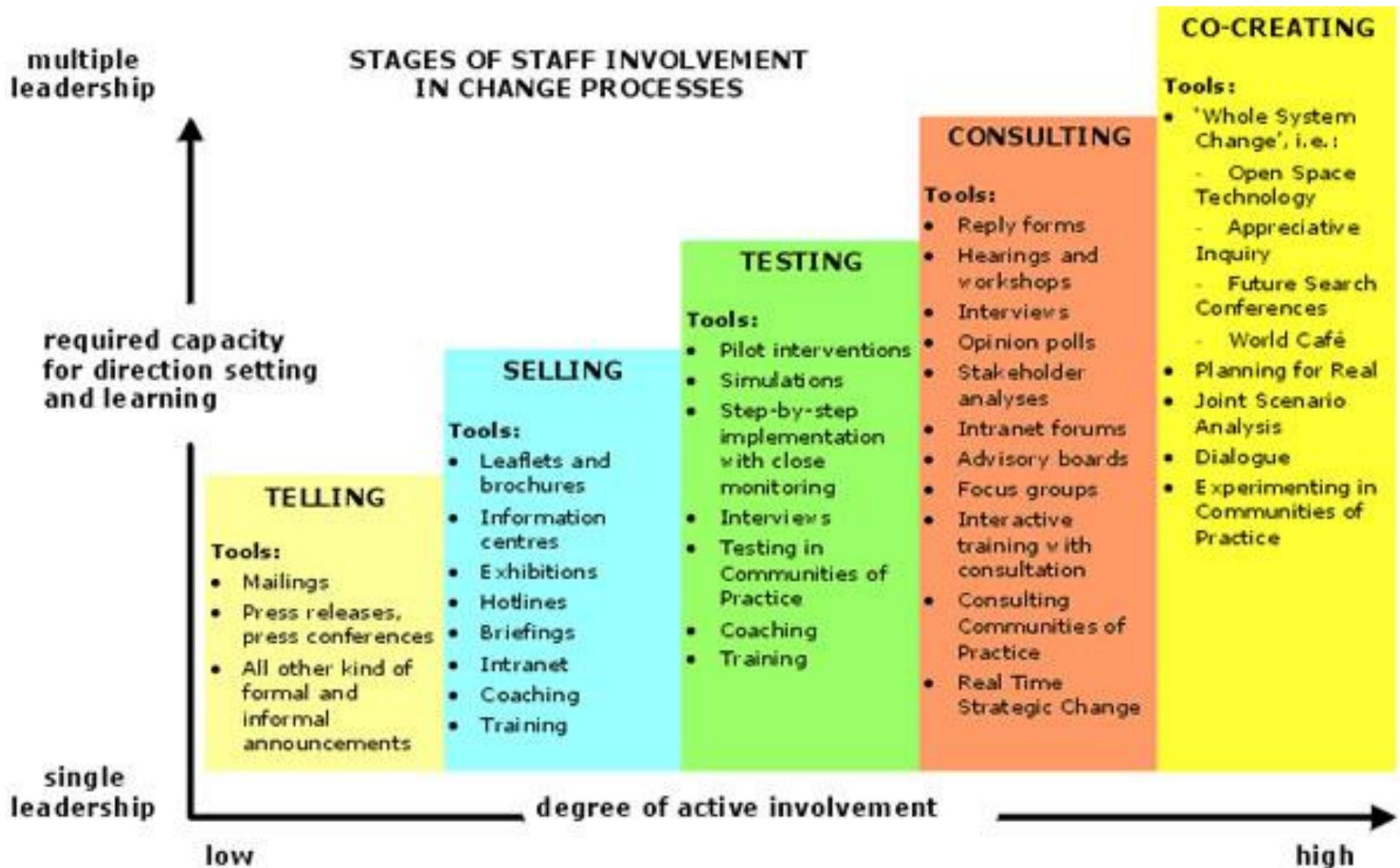
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*Change plans must address the ...*

***WIIFM***



# Staff involvement increases buy-in



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## *Step 5: Empower action*

*Remove obstacles, enable  
constructive feedback and  
lots of support from  
leaders - reward and  
recognise progress and  
achievements.*

# *Simultaneous project and change activities*



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## ***Change programmes must be fully comprehensive if they are to last***

### **Be Specific**

- Be careful not to overwhelm people with too many specific changes
- Focus on priorities that have most impact

### **Be Realistic**

- Make a realistic estimate of the complexity of the changes
- Recognise who change will affect directly and indirectly

### **Manage Tasks**

- Break down tasks into smaller manageable sub tasks
- Try proposed changes on a small scale first

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## *Step 6: Create quick wins*

*Set aims that are easy to achieve - in bite-size chunks. Manageable numbers of initiatives. Finish current stages before starting new ones.*

## *Step 7: Don't let up!*

*Foster and encourage determination and persistence - ongoing change - encourage ongoing progress reporting - highlight achieved and future milestones.*

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***The reality is even change programmes change!***



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## *Step 8: Make change stick*

*Reinforce the value of successful change via recruitment, promotion of new change leaders. Weave change into culture.*

# *Why does organisational change fail?*

PwC survey focusing on large change programmes in 500 multinationals and public sector companies covering all industry sectors in North America, Europe and Far East:

<b>% of 500 companies</b>	
<b>Competing resources</b>	<b>48%</b>
<b>Functional boundaries</b>	<b>44%</b>
<b>Change skills</b>	<b>43%</b>
<b>Middle management</b>	<b>38%</b>
<b>Long IT lead times</b>	<b>35%</b>
<b>Communication</b>	<b>35%</b>
<b>Employee opposition</b>	<b>33%</b>
<b>HR (people/training) issues</b>	<b>33%</b>
<b>Initiative fatigue</b>	<b>32%</b>
<b>Unrealistic timetables</b>	<b>31%</b>



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*9 out of 10 barriers are people related ...*

**People**  
**resist**  
**change!**

## ***Why is change so hard?***

**When too much change is occurring at the same time, we experience change fatigue/saturation**

**People often feel it's happening *to* them rather than *with* them**

**Not enough time is taken to plan nor enough time taken to build awareness and understanding about:**

***why* the change is occurring,**

***how* it impacts them, and**

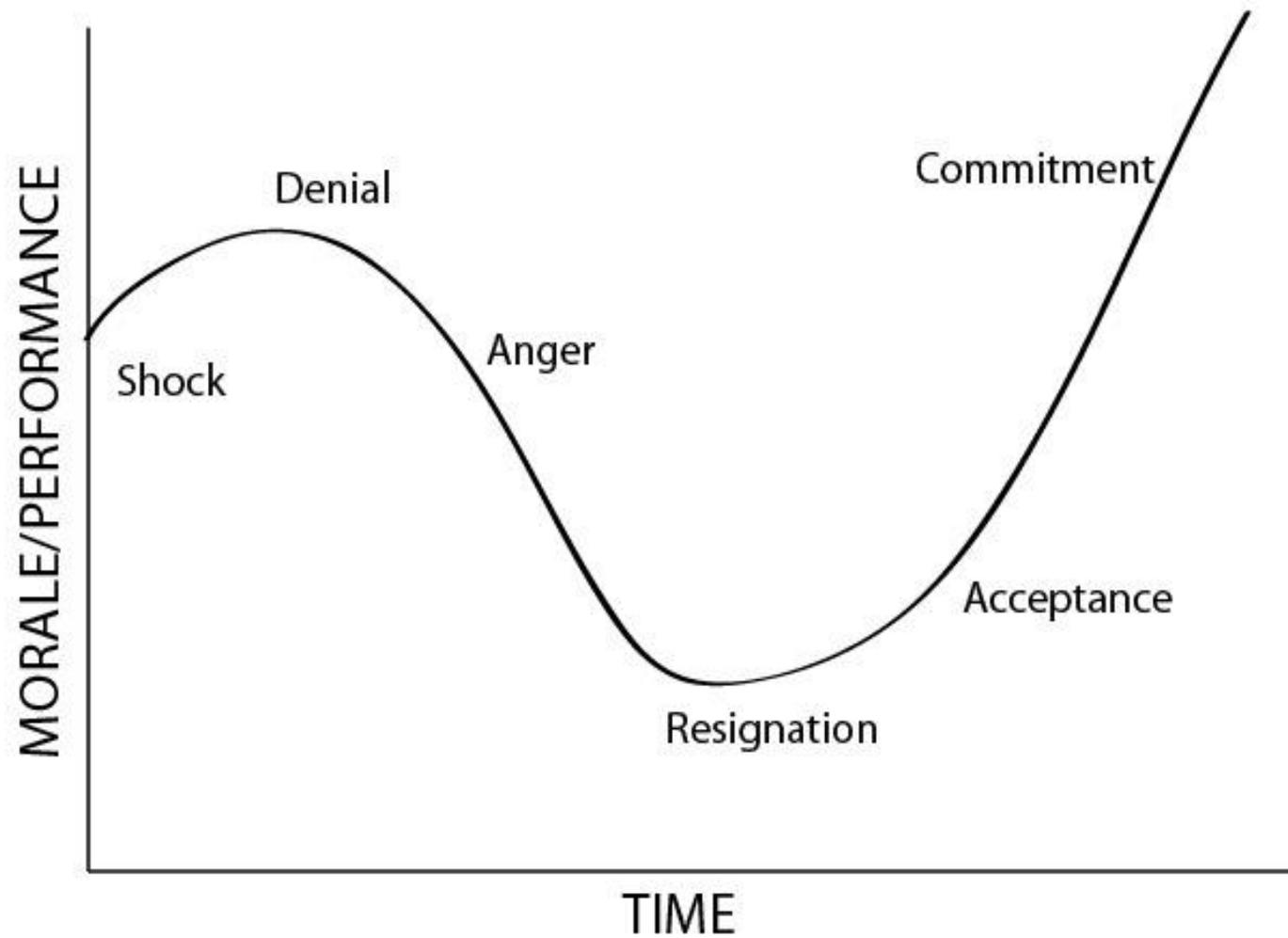
***what* is changing**

**Solutions do not always consider the people implications**

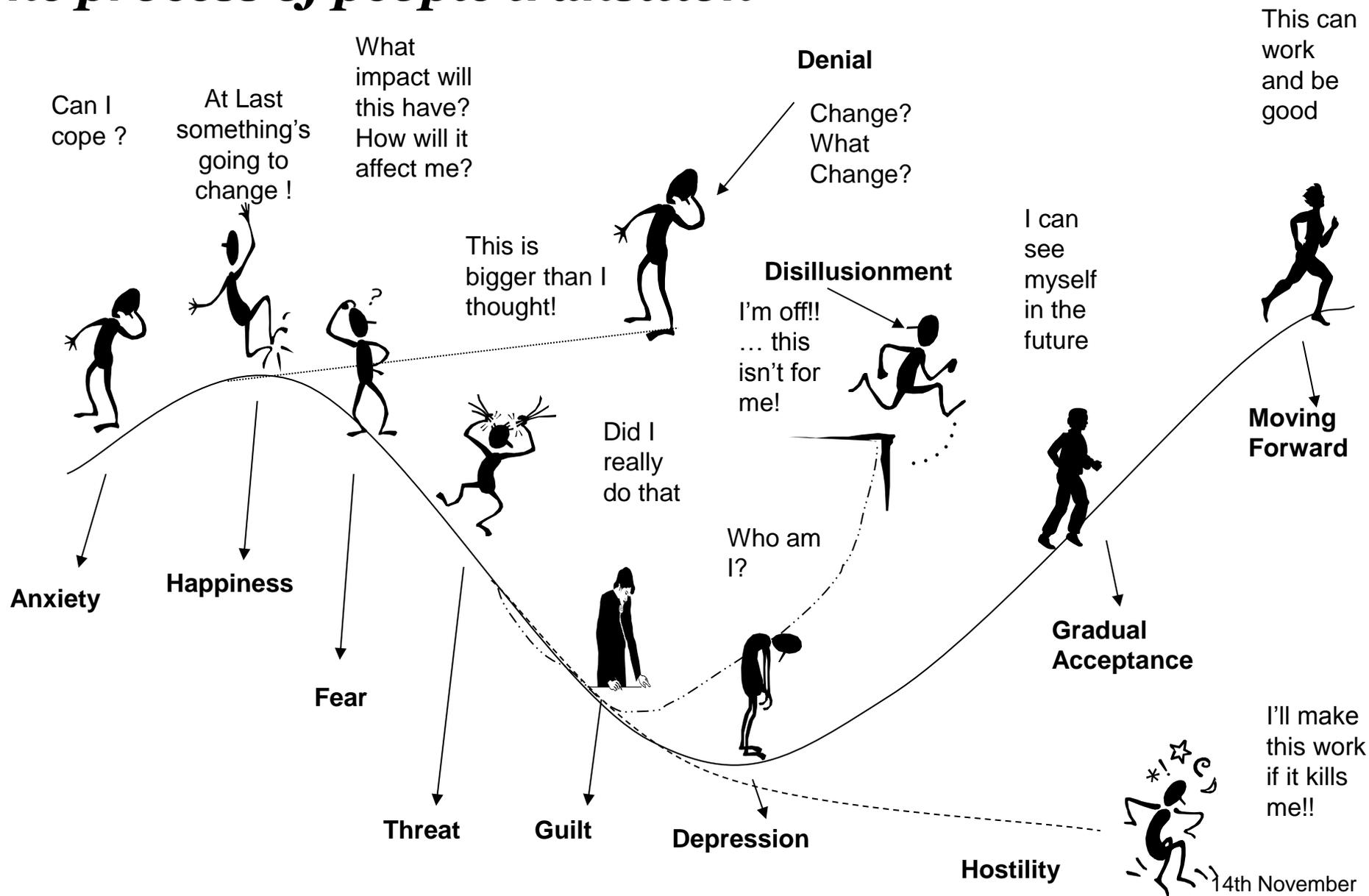
**Changes are often isolated, not taking into account the broader picture**

**Even if it's positive, resistance to change is a natural reaction**

# *The Change Curve*



# The process of people transition



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***The transition doesn't happen by magic or wishful thinking***



Proactive



Change  
Management

# *Why are some organisations better at successful change?*

PwC survey focusing on large change programmes in 500 multinationals and public sector companies covering all industry sectors in North America, Europe and Far East:

<b>% of 500 companies</b>	
<b>Ensuring top sponsorship</b>	<b>82%</b>
<b>Treating people fairly</b>	<b>82%</b>
<b>Involving employees</b>	<b>75%</b>
<b>Giving quality communications</b>	<b>70%</b>
<b>Providing sufficient training</b>	<b>68%</b>
<b>Using clear performance measures</b>	<b>65%</b>
<b>Building teams after change</b>	<b>62%</b>
<b>Focusing on culture/skill changes</b>	<b>62%</b>
<b>Rewarding success</b>	<b>60%</b>
<b>Using internal champions</b>	<b>60%</b>

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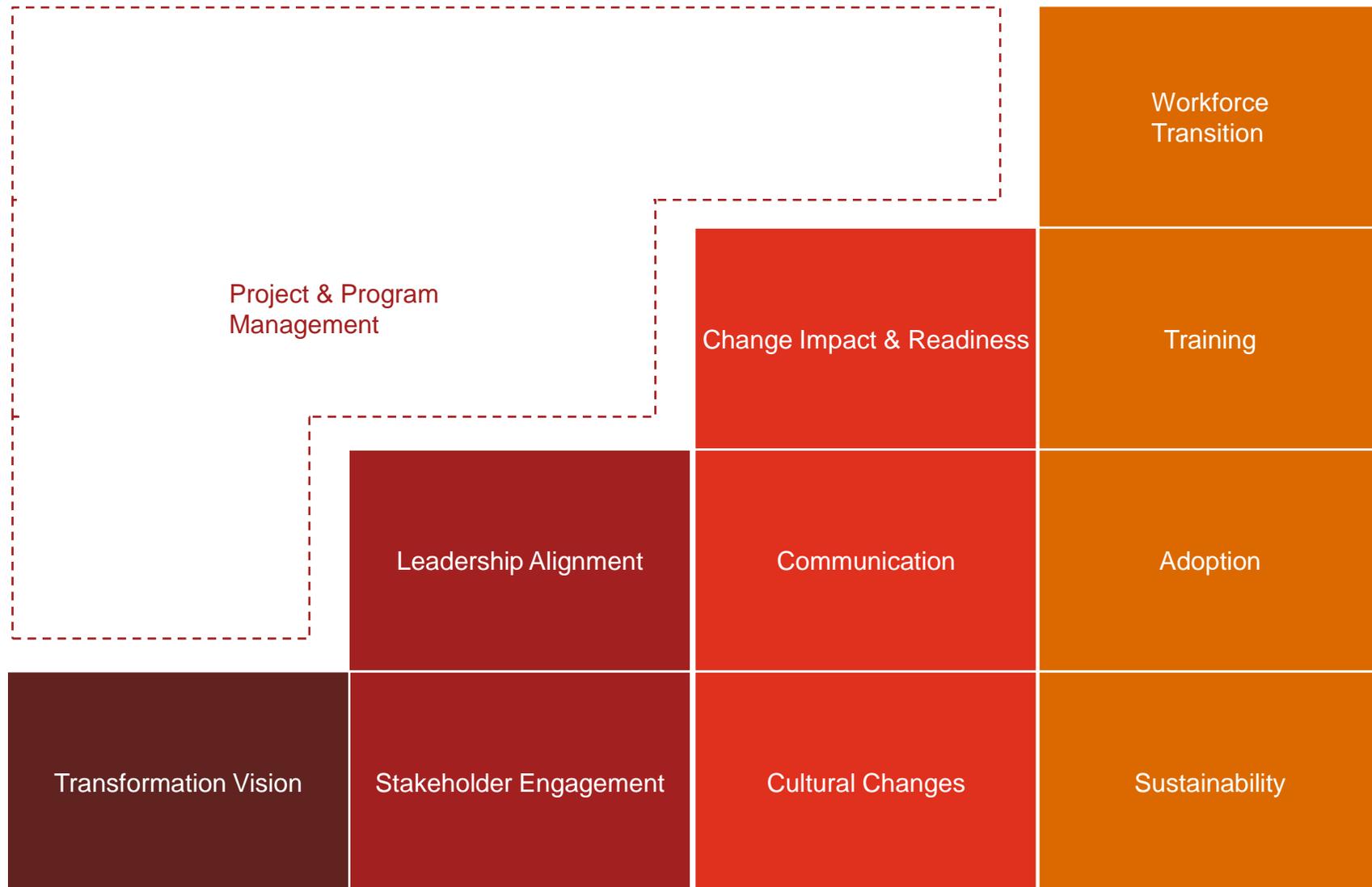
## ***What is change management?***

It is the process of developing a **planned approach** to change in an organisation to:

- Maximise the efforts and **minimise the risk of failure and resistance** of implementing the change.
- Maximise achievement of desired business objectives while minimising loss in productivity
- Ensure alignment with the broader technology and business process transformation
- Support and promote the “people” aspects of a project

It is **NOT communications and training alone!**

# *PwC's Best Fit Change Approach has 10 building blocks*



# Phases of Change – helping people move through them

## Awareness

- Newsletters
- Memos
- Voicemails
- Bulletin Boards
- Kickoff/update meetings
- E-mail

## Understanding

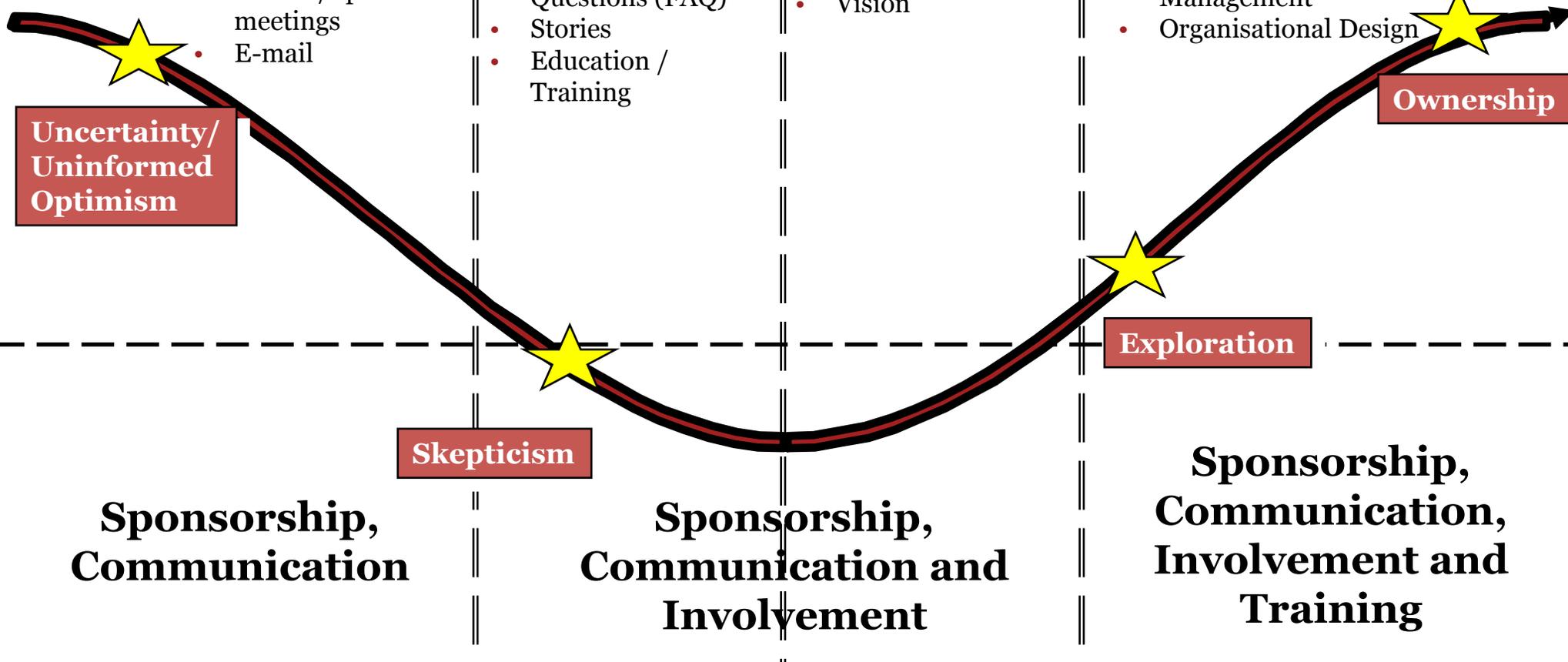
- Meetings with 2-way dialogue
- Q&A sessions/ Frequently Asked Questions (FAQ)
- Stories
- Education / Training

## Commitment

- Meetings with 2-way dialogue
- Business Cases / ROI
- Vision

## Engagement

- Face-to-face meetings
- Demonstrations
- Hands-on experience
- Performance Management
- Organisational Design



Uncertainty/  
Uninformed  
Optimism

Skepticism

Exploration

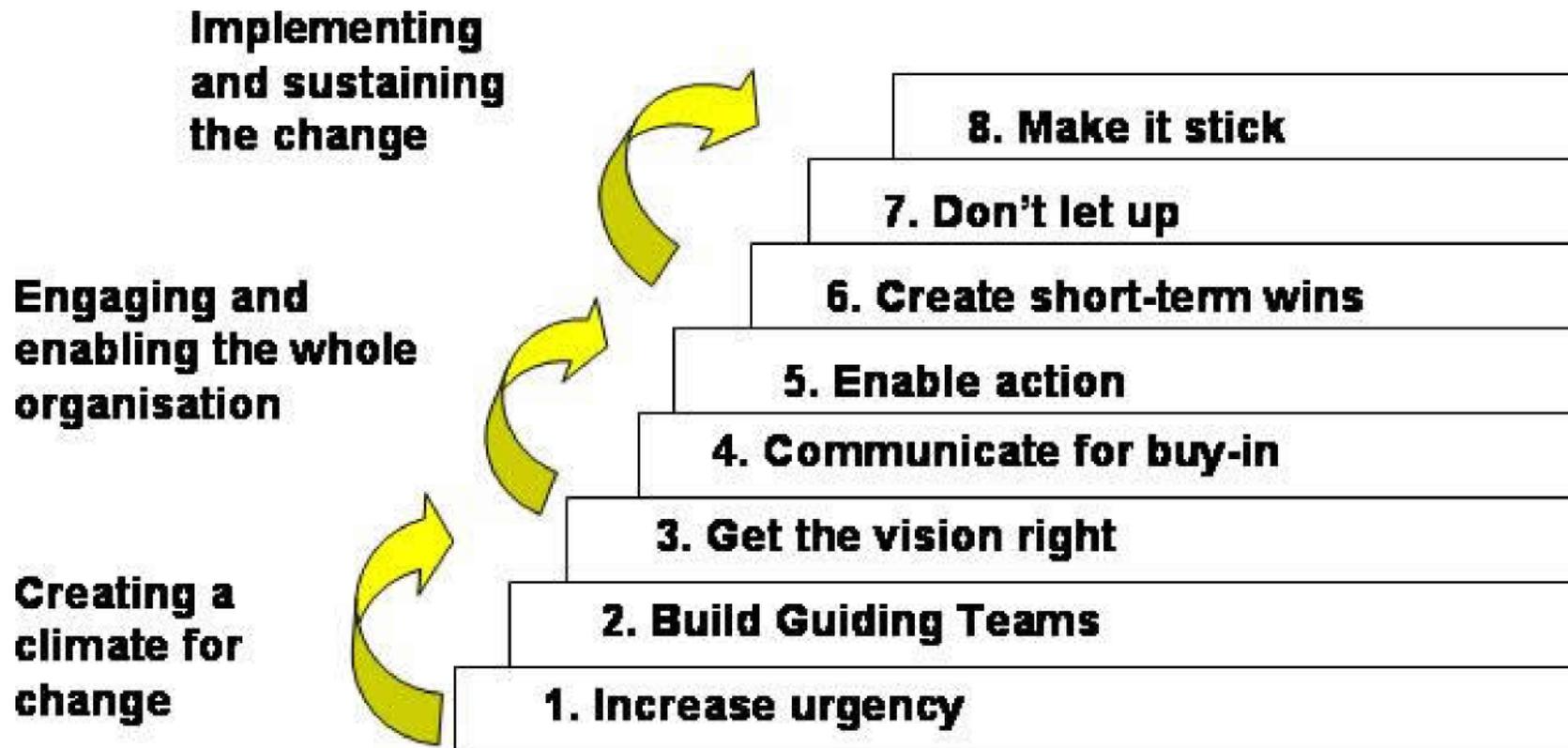
Ownership

Sponsorship,  
Communication

Sponsorship,  
Communication and  
Involvement

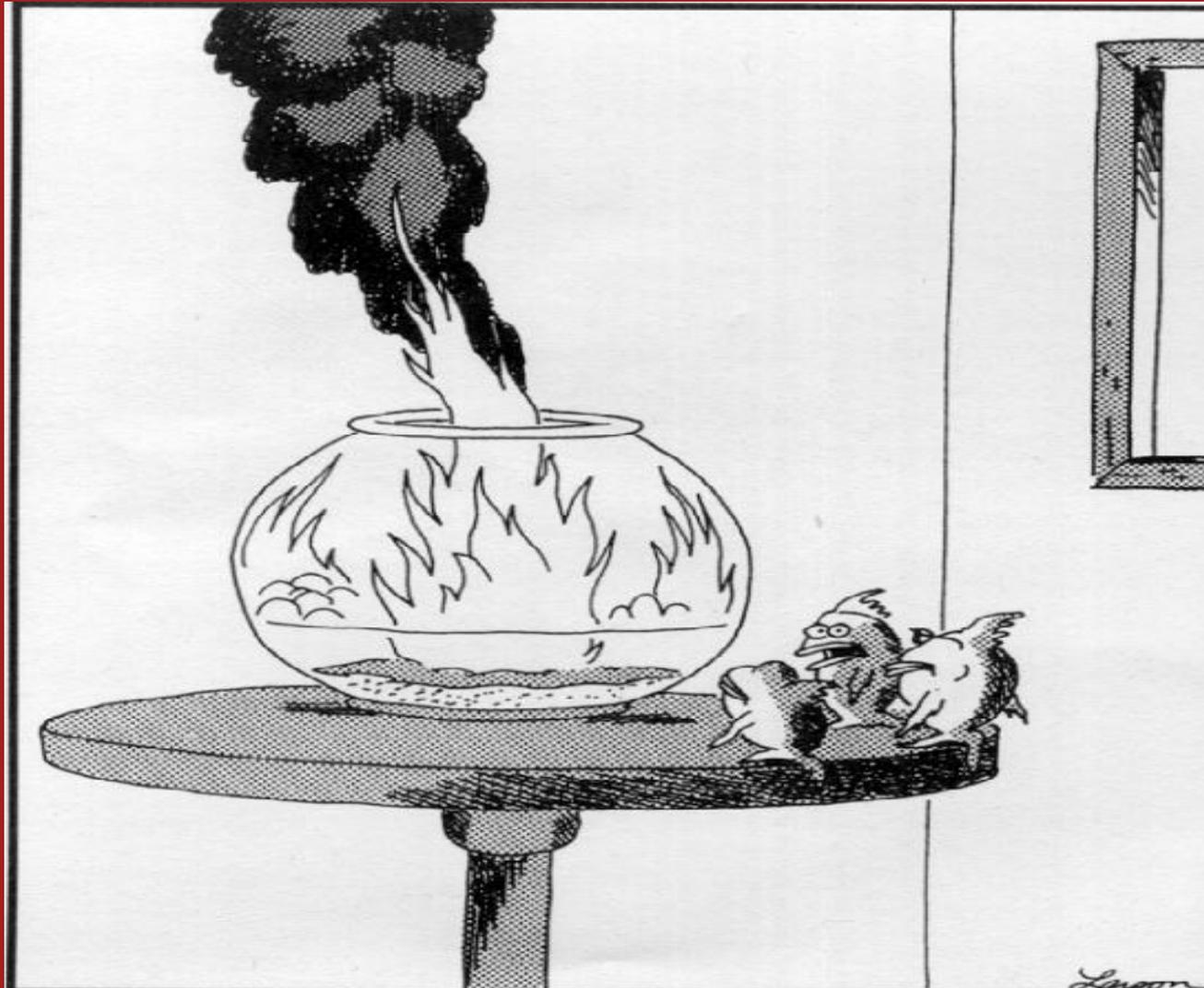
Sponsorship,  
Communication,  
Involvement and  
Training

# Summary



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*And what happens if you don't plan  
for and manage change effectively?*



“Well, thank God we all made it out in time. ...  
'Course, now we're equally screwed.”

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# *Questions?*

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***Thank you for your attention.....***

***Now let's eat!!***

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# *What is Change Management – for break*

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Play Video:

[http://www.youtube.com/watch?v=\\_\\_IYNMdV9E](http://www.youtube.com/watch?v=__IYNMdV9E)