Trends in Change Management 2019

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Introduction

Welcome to my predictions for the issues and challenges that I think will shape our change management profession in 2019.

A lot of the trends I am seeing now have a common theme: they are all driven by the impact of high volumes of change. This impact is felt by those leading individual initiatives as well as those in the business who are trying to develop new ways of working whilst maintaining acceptable levels of "business as usual".
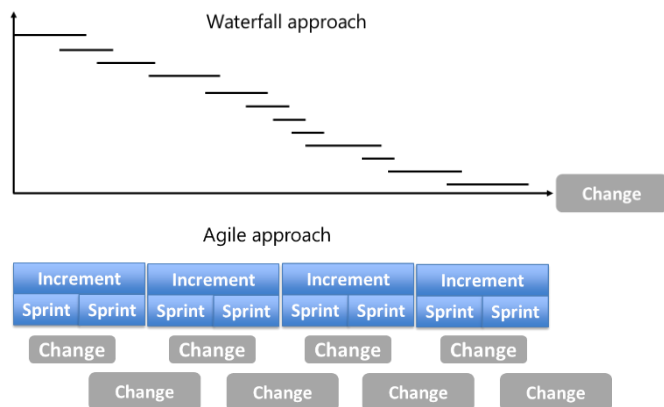
The challenges generated by increasingly high volumes of change include:
- Increased awareness of the need for change management
- The need to accurately map the impact of all the changes on individual business units
- The need for effective sponsorship
- The need to build internal capacity for change management

In this paper I will explore the issues and share examples of how forward thinking organisations are addressing them.
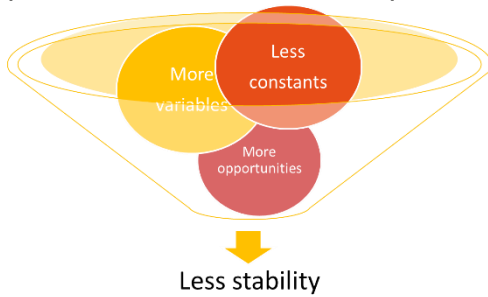
Where is the increase in change coming from?

In many organisations, Agile approaches to development are fuelling the increase in the volume of change, as changes are ready for implementation after every Sprint, and not just at project completion. Whilst these changes may be small-scale, they each represent a change in the ways of working for staff, which they need to understand, learn and practice. This takes time and commitment, but too often the pressure to deliver business as usual takes precedence, and there is a backlog building up.

Source: Melanie Franklin 2019

This backlog is demotivating, as it creates the feeling of things not done, which makes people feel they are being judged for not making as much progress as needed. Over time these feelings can lead to stress which in turn leads to staff absence which exacerbates the problem.

Agile is not the only driver of this volume. It feels as if organisations are in a race for survival, with the need to implement multiple changes and improvements to current ways of working to keep up with competitors and overcome the impact of disruptors.
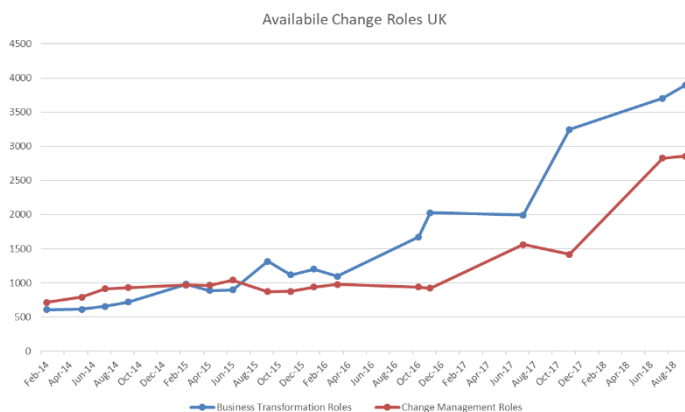

Source: Melanie Franklin 2019

The higher the volume of change, the shorter the lifespan of the change, which in turn increases the level of instability. I think we are beginning to see a realisation that the only way to break this deadlock is to develop the capability for implementing change, which brings me to my next point.

Increased awareness of the need for Change Management

The number of change management roles being advertised continues to grow in the UK, along with membership of the Change Management Institute and those getting qualified as change management practitioners.
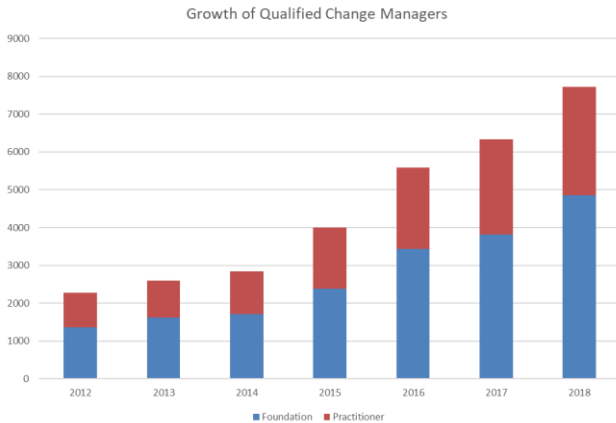
In 3 years the number of roles being advertised in the UK have increased 3 fold with Business transformation rising from an average of 1317 roles advertised per day to 3800 roles per day and advertised change roles increasing from 870 to 2857 roles (data taken from the UK's biggest job board).

Source: Melanie Franklin 2019

Change professionals continue to seek out accreditation for their skills. APMG International who offer a global Change Management qualification based on the Body of Knowledge of the Change Management Institute has seen increases in their entry level Foundation qualification, rising from an increase of 11% between 2016 to 2017 and a 27% increase from 2017 to 2018. Demand for their Practitioner level qualification has risen 14% in the last year.

Growth of Qualified Change Managers
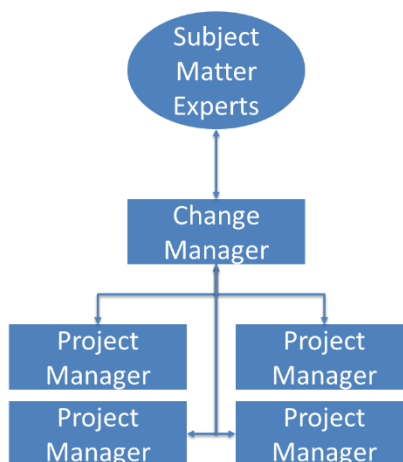
Source: Melanie Franklin 2019

Change management is becoming a recognised function that must be resourced, and organisations are doing this in a variety of different ways. Some are establishing a centralised function that acts as the centre of excellence for how change is to be managed, staffing this with a handful of change management experts.

Often this function is sat within an existing PMO structure or is part of the project and programme management function. Some are ensuring change resources are assigned as part of the project team, and others are appointing a change professional to work with subject matter experts in the business to develop their new ways of working, assimilating the changes from multiple projects.
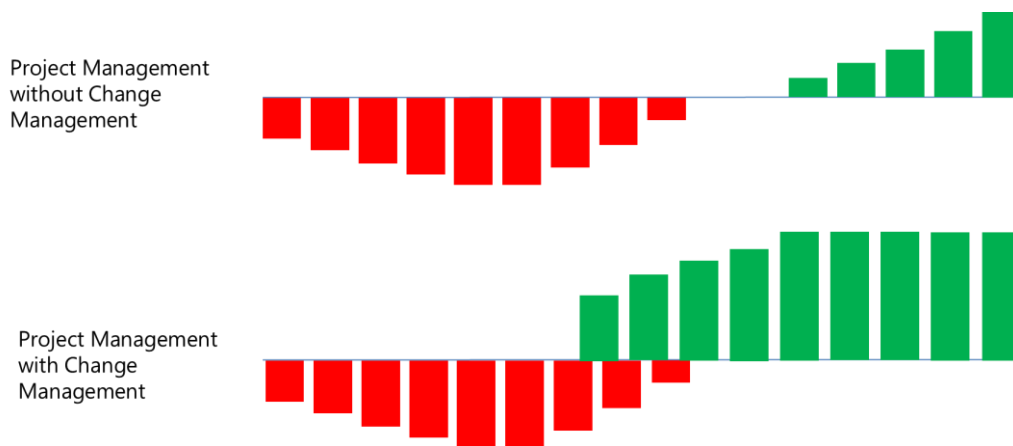

Option 1

Option 2

Source: Melanie Franklin 2019

In the many consultations that I carried out to research this paper, it became clear that there is no consensus on how to organise the change management function or indeed what the job titles of those involved in change should be. There is still lots of confusion about the role of Change Manager which varies by organisation, and sometimes within divisions of the same organisation.

However, there is still a lack of understanding of what change management is and this uncertainty means that it is not as valued as it could be. Change management needs to be portrayed as a risk management strategy, not as a 'nice to have' after-thought to the standard project plan.

Project Management without Change Management

Project Management with Change Management

Source: Melanie Franklin 2019

This means clearly demonstrating that the benefits of projects where the adoption of new ways of working has not been managed deliver lower levels of benefits and take longer to deliver these benefits. Change management is not a nice to have, to increases the chances that the benefits promised in the Business Case, on which the whole return on investment argument is based will be realised.

To increase the willingness of managers to view change management as an essential function, we as change management professionals need to be more explicit about what we do. We need to explain the activities and timeline needed to achieve behavioural change in simple step by step process models. The challenge is to explain in simple terms what we do, but without becoming so prescriptive that we oversimplify the steps needed to achieve sustained change.
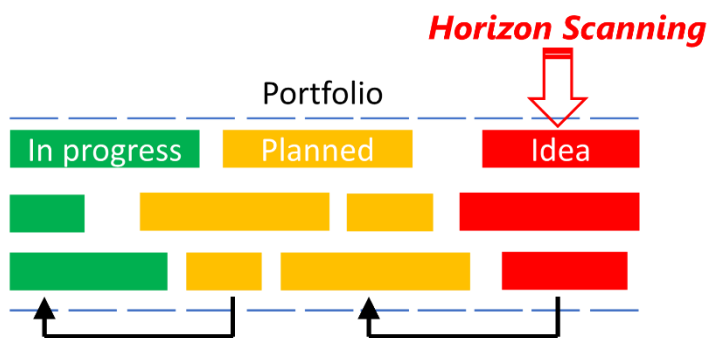
Our work is difficult to define because it is affected by the culture of the organisation, the complexity of the change, the level of change taking place in the organisation and the amount of change fatigue that those involved might be suffering.

There are models that set out a step by step list of things that need to happen, and whilst these can provide a starting point, they need to be tailored to the culture, complexity of the change and experience of change that those impacted bring to the new change.

The need to understand the totality of change taking place

A key trend in 2018 was the increase in portfolio management techniques. I don't see any sign of this slowing down, as organisations seek to capture the pipeline of ideas that are going to affect ways of working.

Source: Melanie Franklin 2019

What I do see happening is an increased professionalism in how portfolios are managed. Many organisations have addressed the basics:

- They have established an initial portfolio of initiatives
- They have ratified these with their management teams
- They have put in place regular reviews of the portfolio to ensure it stays current
- They are applying a standard process of business case creation, review and authorisation as a formal entry process into the portfolio

With these activities becoming the norm, they are now addressing the more difficult behaviours including:

- Putting in place an agreed set of prioritisation criteria to identify those initiatives that must be resourced and those that are not as critical or needed at this point in time.
- Applying these criteria to all potential initiatives, so that there is consistency in the way in which initiatives are agreed by senior management.
- Ensuring that those criteria include factors for assessing the capacity the business has for adopting new ways of working from multiple projects whilst maintaining acceptable levels of business as usual.
- Establishing a routine for seeking out future initiatives so that there are fewer surprise issues. This is leading to a recognition in some organisations that their horizon scanning is poor, with too little review of external factors contributing to a myopic view based on internal issues. Where horizon scanning is taking place, there is too little knowledge transfer, so the insight remains with a few, often senior personnel and is not shared across the whole organisation.

More sophisticated organisations are beginning to use their portfolios as the input to map the impact of their change initiatives on individual business units and departments. A growing concern, triggered by the increasing volumes of change is the risk to the business from too much change.
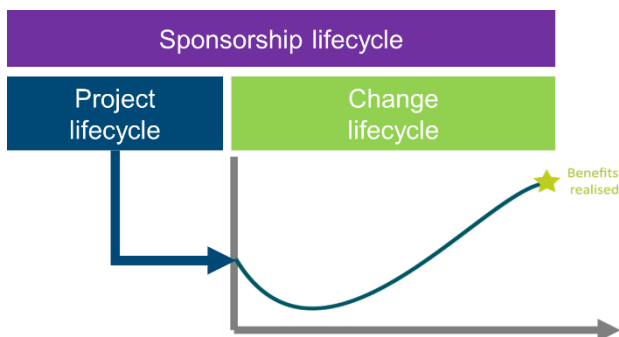

Source: Melanie Franklin 2019

There is a need to get the balance right between innovation and improvement and delivering current products and services. Too much change takes key resources away from their day job as they use their knowledge of how things are currently done to identify potential improvements and create new processes, standards, policies, templates, metrics and reports.

A common theme is the worry that there are too few "subject matter experts (SMEs)" to support all of the change needed. A corollary to this is that it is these SMEs who often have the fastest work rate and can handle the difficult and exceptional items in business as usual. Remove them from the process and the productivity of the whole department can fall below acceptable limits.

The need for effective Sponsorship

There is a need to win the argument that the role of Sponsor is wider than sponsoring delivery (project lifecycle) and it should include sponsorship of implementation (change lifecycle) which means encouraging and tracking the progress of behavioural change.

Source: Melanie Franklin 2019

This means asking questions about different progress metrics. It is not about the progress through tasks on a project plan but monitoring the level of participation of those impacted by change. I have shared these examples before, but I think that helping sponsors understand what to track to check if real change is happening in the workplace is so important that they are worth repeating. I think we should track four indicators of progress:

- Awareness – I think we can track how many people know about the change. I don't mean know as in 'they know what the change is and when it is going to happen'. I mean that they have a real understanding of what the change is will mean to how they work. Those leading the change have provided enough explanation of the change for people to assess what new tasks they will have to do and what work will remain the same.

- Perception – at the start of the process of change, this initial awareness generates negative feelings as the impact is understood. However, if we are doing our job well, we help all those affected by the change to appreciate its benefits and how it can help them work more effectively. We need to track the level of support the change has, to ensure that we are moving the conversation from the reasons why the change shouldn't happen to all the reasons why it is important and useful.

- Participation – change only happens if those affected by it make a personal decision to work in a new way. As Change Managers it is our job to influence that decision, and an important part of that is providing them with lots of opportunities to co-create the change and make it something they are doing to themselves, and not something we are doing to them.

- Adoption - change becomes a self-fulfilling prophecy when more people than not are working in the new way. We should track who has made the shift to doing things differently:
    o How many people are actively using a new system, not just logged into it?
    o How many people have applied the new process?
    o How many people are supplying information in the new format?
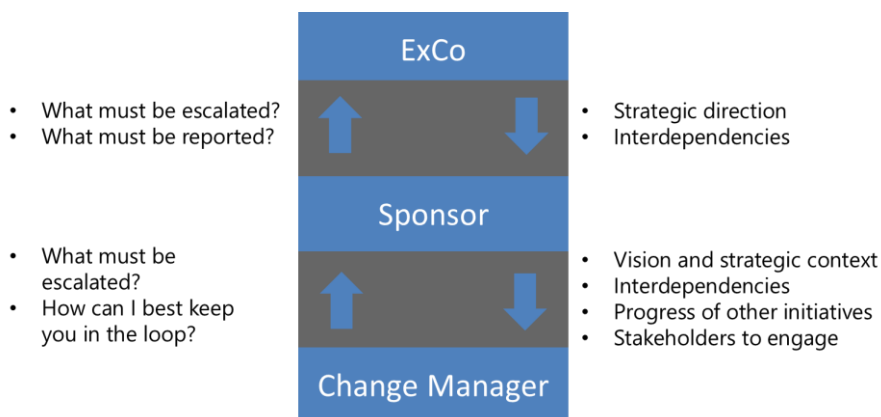
These questions will depend on the change you are making, but we should be tracking the shift to new ways of working early and consistently throughout the change.

As the volume of change increases, the need for active, well informed Sponsors becomes more necessary. From a bottom up perspective, there is increasing impatience with Sponsors who demand progress reporting about the initiatives they are supposedly sponsoring, but who do not participate in championing the initiative or in resolving complex issues.

This impatience is partly fuelled by the increasing pace of change. Project Managers and Change Champions need a partner willing to use their seniority to help resolve complex issues, and who help smooth the path of change. A Sponsor who needs to be serviced with regular progress reports is just a drain on resources, adding no value to the challenge of getting new ways of working established as "business as usual".

The hierarchical seniority of a Sponsor can be put to good use where multiple changes are impacting the same business unit all at the same time. Individual initiative managers are incentivised to ensure their initiative is implemented, so they lack the will (and the authority) to make decisions about which initiatives should be put on hold, which should be descoped and which should be expedited.

The Sponsor has a vital role to play as "honest broker", reviewing business need and taking prioritisation decisions based on the strategic, financial and reputational contribution of each initiative. All these issues need to be resolved with an early conversation between those leading change and their Sponsor, to understand the boundaries of responsibility and the contribution each can make.

Source: Melanie Franklin 2019

For this to be effective, we have come full circle to my opening argument, which is that the Sponsor needs awareness of the scope of their role, along with a willingness to give it the time and commitment. This is easier to achieve if change management is viewed as a risk management activity.
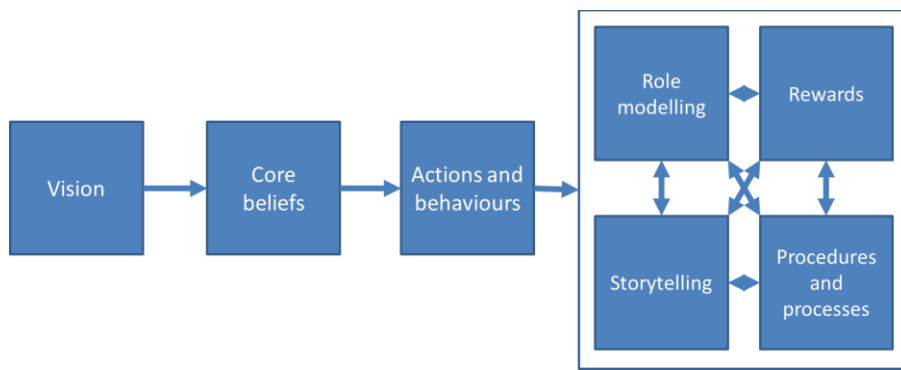
The need to build internal capacity for Change Management

As the volume of change shows no sign of a slow-down, the pressure for organisations to be able to implement change continues to grow. Change management is difficult to outsource to other organisations. Whilst establishing the strategy, developing the plan and training staff in how to manage change can benefit from external expertise, this is only a small part of the effort required. To create new ways of working alongside maintaining high levels of service and productivity in the existing 'business as usual' requires the commitment and ingenuity of all staff.

Change requires a willingness to try something new, and this in turn relies on a culture that supports trying out new ways of working, accepting that mistakes will be made, productivity will be temporarily lower.

It is nice to end on a positive note, and I am seeing greater awareness of the need to support change with role modelling of new behaviours by senior leaders, along with powerful stories explaining the benefits of the vision and how the current challenges can be overcome.

Source: Melanie Franklin 2019

This diagram demonstrates that new ways of working are not just changes to procedures and processes, but that they are underpinned by new thinking, new beliefs about how work should be carried out, how to involve customers and suppliers in achieving organisational goals and what to prioritise in a world of limited resources.

There is still a long way to go, but to ensure change moves smoothly from something new to something normal, I think this greater recognition that the culture needs to change and not just the activities is a positive development.

Conclusion

Change management is a relatively young profession which continues to develop and evolve as organisations like the Change Management Institute facilitate the sharing of knowledge and lessons learned.

As more managers become aware of the benefits of change management, we as a profession benefit from their ideas and their fresh perspective on how we do things. 2019 promises to be another year of innovation in how we manage change, hopefully enabling us to keep pace with the high volume of change that we are all experiencing.

About the author

I have been responsible for the successful delivery of effective change and for creating environments that support transformational change for over twenty years. I have an impressive track record of successful consulting assignments and I am an acknowledged thought leader in Change Management.

I am the Co-Chair of the Change Management Institute UK and a respected author of text books and articles on change, project and programme management. I am a talented communicator with a reputation for delivering complex information with humour and passion. I draw on my wealth of

practical experience to illustrate concepts and to engage my audience in lively debates on advantages and disadvantages of each approach that I outline.

To access more resources about change management, connect with Melanie on LinkedIn
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