

Harmon on BPM Paul Harmon

Change Management and Human Performance

There are various theories about what constitutes “change management.” The bottom line, in all cases, involves people. When senior managers decide to make changes, they don’t care what the machines or the computer systems “think” about change. They care about what the employees, the customers and their business partners think. They worry that customers will decide they don’t like the new products and services, or that employees will resist making the changes required for success. Change management is about getting people to support change.

My reading of the Change Management literature suggests that there are, broadly speaking, four approaches, although most theories tend to combine the approaches:

- 1) Keep everyone informed
- 2) Work with individuals to overcome resistance
- 3) Assure that everyone agrees that the new tasks are part of their job
- 4) Encourage individuals to support the change

Keep Everyone Informed

This rule may seem obvious, but companies and process groups often ignore it. This is especially likely to happen if the company or the process team anticipates that the change will have a negative impact on all or a portion of the staff. If we know in advance, for example, that a change will likely lead to laying off a number of people, there is a tendency to try to avoid communicating that until the last minute. Sometimes this works, but more often people can sense what is likely to happen and they become nervous and upset long before the layoffs occur. In this instance, people resent the change effort and the entire effort suffers. Those who were involved in Business Process Reengineering in the 90s know that BPR came to be widely perceived as something that resulted in major layoffs, and that perception made it very hard for BPR people to achieve their goals of radically improving process improvement performance.

With or without layoffs, employees become nervous when they see that their work is being studied. It’s usually far better to start the project by sitting down with those involved in the As-Is process, explaining the goal of the project, and arranging to keep people informed as the project progresses. As a strong generalization, keeping people informed about changes that will likely affect them is the best rule of thumb.

And, of course, it’s not just the employees you need to keep informed. No one likes surprises, at least not in a business context. Keeping customers and business

partners informed is also important. Moreover, keeping the other processes, and their managers and employees informed about changes in your process that will likely have an impact on them, is just as important.

When a team using the BPTrends Methodology plans a project, they build in a number of meetings that are designed, in large part, to assure that everyone is kept informed on the goals and the evolution of the project's planned changes. Stakeholders are urged to share their thoughts and voice opposition so that everyone knows about potential problems well in advance of any actual process changes being implemented.

Work with Individuals to Overcome Resistance

A second emphasis in change management is on overcoming resistance. Let's assume that it emerges from an early meeting that some of the supervisors involved in the As-Is process are opposed to the type of changes that are being considered. A number of change management techniques are designed to help a process team overcome such resistance. It begins by determining exactly why the individuals are resistant. Some people, for example, are quite skilled using existing tools and are recognized and rewarded for those skills. They fear that a change will obsolete their skills and make them less important. Once this problem is identified, the process team can incorporate training into the transition program to assure that everyone gains the new skills required.

The general theory runs as follows: Individuals seek to secure their own advantage, or at least to avoid becoming disadvantaged. The process team needs to show individuals how the proposed changes will be advantageous to them, or at least show that the changes won't have a negative impact on them. This can't always be done, but it often can, and it's largely a matter of communicating with individuals and determining the exact nature of their concerns.

Assure that Everyone Agrees that the New Tasks are Part of Their Job

Once again, this seems obvious, but is often ignored. In union shops, this can be a very serious problem, but even in a non-union shop, most people have clear ideas about what they were hired to do, or what they are being paid to do, and most resent having their work assignments changed without some kind of negotiation and agreement. Many companies have formal documents, termed "job descriptions" or something similar. These documents define the work expected from a given employee. In the real world there is often some drift that has taken place since the employee was hired or the job description was written, but most employees have a strong idea about what they regard as a reasonable variation, and what is, in their opinion, an unreasonable change. The rule is simple: you don't make unreasonable changes in someone's job without some kind of negotiation and agreement. You might simply consider this a part of the basic approach that says you must communicate about changes, but it often requires a more formal approach.

If the process team sees that it is moving toward a process redesign that will require major changes in various employee job descriptions, it needs to alert appropriate people – supervisors, human resource people – and draft new job descriptions for the To-Be processes being designed. Then, those job descriptions need to be

discussed with the employees who will be affected. Often new training will be required to teach people to use new tools and techniques, hardware or new software. In most cases, some tasks previously performed will be discontinued at the same time that new tasks are being added. If the changes amount to requiring higher level skills, then changes in job status and pay will need to be negotiated and agreed upon. This transition can be especially difficult if the job is being deskilled.

Encourage Individuals to Support the Change

There are lots of theories of motivation, but the approach that works best in business environments is an informal kind of behaviorism. People tend to do more when they are reinforced, they tend to do less when they are not reinforced, and they tend to stop doing things when they are punished for doing them.

The key term in all of this is reinforcement. It takes many forms. A pleasant word or smile can be reinforcing, just as ignoring someone can be punishing. In some circumstances formal recognition can be reinforcing. A post saying that the night shift completed 200 units can be a challenge for the day shift, and the achievement of 201 units by the day shift can be reinforcing. Added vacation time, salary increases and bonuses are also good motivating factors.

I remember a situation in a call center when a new program was introduced to encourage the sale of some additional items that required longer call times to sell. After a couple of months, senior management was concerned that the new items were not selling. Investigation and closer observation revealed that supervisors were tracking the time each sales person spent on individual calls and complained to employees who had call times that exceed the average. In effect, anyone who tried to sell the new items was punished, so the items weren't being sold. In real work environments, rewards and punishments are often mixed, and you need to be sure you understand what is actually going on to understand why a given task is or isn't being done.

Management often postures about not wanting to offer bonuses to staff employees, although no one objects to senior management and salesperson bonuses. If you want something done, you need to be sure that the behavior is reinforced. When CEO, Jack Welch, launched the Six Sigma program at GE in the Eighties, he made 20% of each senior manager's bonus dependent on achieving Six Sigma goals. GE's Six Sigma program became a major success!

Once the process team has designed a new To-Be process, you need to consider what will happen when that process is rolled out. What will happen to supervisors who support the new process? What will happen to employees who work hard to try to make the new process a success? If you really want the new process to succeed, your team had better be sure that the supervisors and employees responsible for the new process get reinforced for making the new process a success.

Too many process efforts are launched with a bit of fanfare, and then gradually fail. In most cases they fail for one major reason - People are confused about the new process, and, worse, are being pressured by managers to solve problems that occur. Frequently, the easiest way to solve many of the problems is to revert to the old way of doing things. This environment, frequently typical of roll outs, doesn't provide any incentives for those who make the new process work. In fact, people take longer to use new and unfamiliar tools and techniques and, at the same time, they feel

awkward and under pressure to perform well. Understandably, they may find it easier (and more rewarding) to simply fall back on the old familiar ways.

At this point, it should be obvious that Change Management should be employed at two different stages in the redesign process. You use it at the beginning of the project to socialize the project and establish a clear communication plan. And, you use it, indirectly, during the process roll-out to assure the process is being implemented effectively. Normally, the process team is gone by the time the process is rolled out, so you need to build support for the process into the redesign plan. If you want supervisors to reinforce the process redesign or you want management to pay bonuses for good implementation efforts, you need to establish those requirements and guidelines at the time the redesign program is being developed. And, in some cases, you will need to provide supervisor training, to assure that supervisors effectively support staff employees.

Change Management is one of the keys to a successful business process change initiative. Learning the basics involved and incorporating them into your process methodology will increase your chances for success.

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