

The True Meaning of Change – Paying attention to people and processes

The complexities of reorganisation

For most organisations that embark on a major reorganisation, much emphasis is placed on aspects such as IT systems, the redesign of reporting lines, budget allocation, union consultations and general briefings to staff. However, the complexities of leading groups of people through changing times are often unpredictable. The informal networks of people are often what make an organisation work on a day-to-day basis and where these are fractured, performance suffers.

As time passes between the date a new organisation structure or an outsourcing project is announced and the date it is finalised, a ‘creeping death’ of uncertainty permeates the organisation. This usually has a very unsettling effect on many people and can become a preoccupation of many staff – to the detriment of their daily work. New organisation structures then usually take much longer to bed in than anticipated – often a year or even longer. Finally, new issues always arise with a new organisation and ultimately it may not prove to be much better than the previous structure.

Key considerations

At Touchpoint Change we recommend that several key elements are considered when embarking on a review of structures. During both design and implementation, as much effort needs to be placed on people and processes as it does on the other elements listed above. This includes:

- Two way communications and employee involvement
- Improvement of business processes and the flow of work
- Facilitation and team building
- Personal coaching

Communication and involvement

There is always an opportunity for all staff to feel part of the change, even in the circumstances where headcount reduction is considered a necessity. The effective engagement of the workforce will help drive the new organisation forward in a positive way. It will reduce the number of people who either fight the change or feel they are powerless in the face of it – both of which will impact morale and productivity and therefore delay the anticipated benefits.

When people have a say as to how the change is implemented they often voice quite small and easily accommodated facets as being important to them. When they have had some input to the new structures, they are more likely to see the rationale, talk positively and look for quite subtle ways to make it work. With this positive approach, change has a better chance of settling down quickly and then being sustained over time. It turns out that people resent *change* less than *being changed*.

Processes and the flow of work

Business processes are another critical element of a successful reorganisation. Whereas organisation structures and budgets are hierarchical, business processes weave across the organisation in a different way entirely. Whenever the hierarchy is changed it can become very difficult for the business to continue as work, information and communication need to find new pathways. Without careful planning the *flow* of work is damaged and that always results in poorer service, higher costs, staff frustration and customer dissatisfaction for a period.

The antidote to this is to create a clear view of the end-to-end business process, or Value Stream. This is the process that goes from customer need or organisation trigger through to fulfilment. This process almost always weaves through many teams and often through many businesses. A clear understanding of how the business process works and how each team copes with exceptions and issues is critical. It is also a critical input to the design of the organisation – where the structures map easily on to how the work gets done, boundary issues are less common and typically organisation costs reduce too.

Well-designed change programmes often finish with an initiative to embed the culture and methods of continuous improvement (CI). However, CI is actually a better place to *start*. The clarity of purpose, the analysis of performance and the solving of problems that is a fundamental part of CI is the best input to organisation design. It may even demonstrate that organisation structure is not the biggest issue, thus avoiding a costly and time-consuming initiative.

Facilitation, team building and coaching

Well run team building workshops can make a big difference. These could be aimed at natural work teams, leadership teams or cross-functional teams, even including customers where appropriate. These sessions enable staff in a variety of roles to discuss the implications of the change in terms of their day-to-day work, their changed working relationships, working styles, behaviours, culture and ideas for improvement. The workshops might take the form of a series of half-day workshops or may take a more formal, training approach. They could have input from senior managers who have an opportunity to articulate their thinking, listen to feedback and concerns and ultimately enhance the perception of their leadership.

Appropriate advice, challenge and support for managers can make a huge difference, as the difficulties of leading large groups of people into a less certain future can be daunting and prone to unexpected and sudden issues. Coaching can be highly cost-effective as managers seek to lead their teams whilst simultaneously adjusting to the impact of the change on a personal level.

Getting better at managing change

Managing change is always a unique challenge as every organisation has its own combination of people, personalities, processes, partners and problems. There are many approaches that will make the changes more effective, but each organisation also needs to build up its own expertise in managing change. This includes capturing the process used, evaluating lessons learned (what worked well and what did not), making use of external knowledge, and putting in place improvements for next time. A dry procedure manual is not the most important part of this. The people leading or supporting the change must have access to insight and experience that will enable them and the change team to think through changes more effectively each subsequent time – even when the individuals have changed.

People and processes are key. Ultimately they deliver the value to the customers, and reorganisations interrupt them at their peril.

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