

AT A GLANCE

To stay competitive, organisations must be able to adapt and evolve their business strategy.

Communication and transparency can help organisations manage employee cynicism and hesitancy around change.

Explaining the rationale behind change to team members can help get everyone on board.

The art and science of change management

Shaking up how things are done in an organisation can improve productivity and profitability, but it is vital to get everyone on board for the ride.

Story **Megan Breen**

NEGOTIATING CHANGE MANAGEMENT in the workplace can be tricky, but organisations need to be able to adapt and evolve their processes and strategies to remain solvent and competitive.

However, prioritising workplace change and the logistical needs of employees above their emotional needs can make the process of change more difficult.

One example of change is the redundancy process. The advice from workplace experts is that employees should be part of the conversation in the lead-up.

Organisational expert Rebecca Houghton, founder of BoldHR, says that employers staying silent on potential job losses when discussing the change process is “one of the classic mistakes”.

“Employers often try to sell the benefits, but stay silent on the really obvious ‘elephant in the room’, which could be that 25 per cent of you are going to lose your jobs, and the rest of you are going to be demoted. It doesn’t inspire confidence in the process,” Houghton says.

How can organisations best manage a change process – especially when the change may be difficult?

CHANGE IN ATTITUDE

According to Natalie Whitaker, lead partner – organisation transformation at Deloitte Australia, the pandemic created a need for organisations to implement change swiftly. This has sharpened focus on how organisations approach transformation and how they think about change management.

“We have shifted to a place where leaders are really at the forefront of leading transformations and change agendas.

“The world that we are living in is less predictable and less linear. The reality is that having leaders who are adaptive and have developed a change or transformation muscle brings a real competitive advantage. It will determine the organisations that will rise and fall in coming decades,” Whitaker says.

This attitude is a shift from the techniques developed in the 1970s, where change



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REBECCA HOUGHTON, BOLDHR

management was presented as a structured process, with a start and end date and little room for innovation or adaptation along the way, Houghton adds.

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“To navigate this, people are starting to realise there is a difference between change management and change leadership and are taking a more holistic approach,” Houghton explains.

That approach includes understanding how to manage employees’ resistance to change and working with them before the change is implemented.

“There has been a traditional thought process that if you ‘sell’ the change based on the benefits to the individual, then

intellectually they will come to embrace it. What we now know is that this is not how humans deal with change. We’re not logical creatures. We’re very emotional, and sometimes we just don’t like it because we don’t like it.

“The reality is that very few people like change. Even the people who say they love change only actually like particular types of change,” Houghton says.

EXPLAIN THE RATIONALE

Workplace expert Michelle Gibbings says the biggest stumbling block is in not explaining the rationale behind why change is needed. People will not get on board if they do not know why things are changing.

“As a general rule, we don’t like change that is pushed on us and with what can appear as no logical reason. The key factor is to make people feel supported, interested

and involved, so that, over time, they accept the change. Listen to their concerns. Help them understand what the change will look like for them,” Gibbings says.

Change management comes on a sliding scale, with minor changes to systems and processes at one end and wholesale transformational change at the other, she says.

“One issue is that leaders often don’t look at the totality of change occurring across the organisation. If you are managing a change program, you may not be aware that there is a suite of changes from different programs or initiatives that will affect the same employees.

“Organisations that do change well invariably do capacity planning. They’re very clear about understanding where there are linkages and dependencies, because, often in an organisation, you won’t just have one change program – you will have multiple change programs occurring simultaneously,” Gibbings says.

CO-DESIGN THE CHANGE

To get a fuller picture of how a specific change will affect the organisation, working with the people who will be affected is critical.

Research from analytics firm Gallup shows that getting employees engaged in the process does more than help with engagement levels – it increases innovation and helps people adapt.

“In Deloitte’s *2023 Global Human Capital Trends* survey, organisations with higher worker involvement in designing and implementing organisational change were more likely to experience positive outcomes.

“Those who said they co-create with their workers stated they were 1.8 times more likely to have a highly engaged workforce, twice as likely to be innovative, and 1.6 times more likely than their peers to anticipate and respond to change effectively,” Whitaker adds.

Dr Denise Quinlan, co-founder and director of the New Zealand Institute of Wellbeing and Resilience, says, “The reason so many large-scale changes fail is because they’re imposed on people, rather than working with people and co-constructing a change. If you come in and ride roughshod over people, you are going to get resistance in spades”.

Quinlan recommends being patient with those reluctant to change.

“Change takes time. You can either think about pushing everybody into the pot or being patient, taking the early adopters through the process, and learning with and from them. Their shared stories are often a more powerful influence, encouraging others to accept the new approach,” Quinlan says.

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NATALIE WHITAKER, DELOITTE AUSTRALIA

BE TRANSPARENT AND HONEST

One of the biggest mistakes organisations make is being selective with the information that is released, and over-egging the benefits, says Houghton. Staying silent on potential job losses, demotions or changes to roles will not win any fans.

“If you stay silent on the thing that matters more to them, people totally ignore the benefit statements. In fact, they treat them with great cynicism.

“The longer you stay silent on it, the less they’re going to believe you when you do tell them the truth,” Houghton says.

Gibbings says staying silent is a dangerous tactic for another reason.

“If there’s no information out there, people will make it up – they will go to the organisational grapevine. If you’re leading the change program, you need to be in control of the message and manage the communication process.

“If you don’t do that well, someone in the organisation may fill that gap for you, and they might share information you don’t want shared,” Gibbings says.

If the change process goes awry, stop and listen, adds Quinlan.

“The single most useful thing to do at that point is acknowledge you have hit some roadblocks. Ask people what the problem is and how they are feeling and what are they concerned about. ‘Is it that we haven’t told you about your future job security? Is it that we haven’t involved you in designing the process? Is it that we haven’t explained why we’re doing it?’

“Working with employees to help design and implement the change agenda is more likely to lead to more positive outcomes than not,” says Quinlan. ■



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