create finance

Change Management

create
finance

Welcome To The Fast Lane

You work in an ever changing environment, meaning change occurs constantly. Sometimes these changes appear on the horizon and you can plan, sometimes these come out of nowhere, popping up at the last second.

In one way, you have to accept lack of control you have over these changes and the notice you receive and simply roll with the punches. However you're a Manager, so whilst you can't accurately plan for a specific change or changes popping up, you CAN plan for that fact that this WILL happen.

In other words, you don't know when it's going to rain, or even if it will rain at all, but you can pack a coat just in case.

Managing change in a 'changeable' business requires a Manager to set their team up for success pre-change. This occurs long before a change happens so that the methods and format can embed.

Plan Long Term

It seems counterintuitive, but successfully managing sudden change requires that you have planned your long term goals in 'broad strokes'. You don't need to have massively specific actions set as there will undoubtedly change.

Think of it this way, a boat sets off towards a destination, the sea may become rough or they may have to divert to avoid a storm, but the original destination is still their end goal.

Emphasising to staff that the long term plan of the business, or even their personal long term plan, is not at detriment is an important step in managing any change. Staff feel threatened when a change appears to impact their real or perceived needs.

create finance

Establish Methods Of Communication

For you to manage and communicate change, you need to have lines of communication. Setting these up specifically to effect change means you are faced with the task of embedding the communication methodology as well as the change at the same time.

Save yourself time and set yourself up for success by establishing the way(s) you disseminate information way before you need to. This means you know what works with who, what is effective and what didn't work. Not only that, your staff are used to the flow of information so you don't hit a brick wall when you want to talk about a change.

Empower Through Delegation

For someone to 'ally' with you and help drive the implemented change, they need to feel they're getting something out of the relationship. With staff, development is an excellent tool for building a team to lead change.

Delegate responsibilities before a change lands to set staff up for supporting roles. If a staff member's responsibility is threatened by people not embracing the change, or their newfound role seems at risk, they will fight your corner.

Don't delegate the lead to an individual, you can't absolve yourself of responsibility and you won't land change that way.

Review Change In Workshops

To review change and ensure its effectiveness, you want more than one person. A group is ideal as long as they are directed appropriately, you don't want your session having a negative impact on the acceptance of the change implemented.

Problems and countermeasures sessions, where a group looks at the issues raised around a change and discusses the way forward, are a great tool to bring people together in order to discuss change and its impact in a format that actively encourages a progressive approach.

create
finance

create finance

Nudge
Theory

A Nudge In The Right Direction

A class of psychology undergraduates played a mean trick on their lecturer. The students on the right side of the room gently nodded, smiled, and looked thoughtful, while those on the left seemed bored and glum.

Before long, the unsuspecting lecturer was addressing the "right" students with enthusiasm, with only the odd uncomfortable glance to the rest. On some secret sign, the students changed roles – and the lecturer duly switched to addressing students to the left. Memories are vague on how often the hapless lecturer was pushed to and fro.

People do not make decisions the way you assume. People like to think that groups and individuals make choices logically and rationally. They don't.

Nudge Theory

The use of Nudge theory is based on indirect encouragement and enablement. It avoids direct instruction or enforcement. In layman's terms, you positively reinforce the behaviour you want, rather than punish the behaviour you don't.

To illustrate what we mean, here are examples of enforcing changes:

Telling a child to tidy their room
Putting up no littering signs and fining people who litter.
Counting calories in meals.

Using nudge theory we would instead look at:

Playing a 'room tidying' game with the child.
Improving the availability and visibility of litter bins
Using smaller plates.

One of nudges' most frequently cited examples is the etching of the image of a housefly into the men's room urinals at Amsterdam's Schiphol Airport, which is intended to 'improve the aim'.

Using Nudges

Nudge theory accepts that people have certain attitudes, knowledge, capabilities, etc., and allows for these factors (where other methods would ignore them).

Nudge theory is based on understanding and allowing for the reality of situations and human tendencies unlike forcible instruction, which often ignores or discounts the reality of situations and people.

Fundamentally Nudge theory operates by designing choices for people which encourage positive helpful decisions; for the people choosing, and ideally for the wider interests of the business.

Nudge theory seeks to minimize resistance and confrontation, which commonly arise from more forceful 'directing' methods of 'changing' people/behaviour.

Nudge methods are easier for people to imagine doing, and less threatening and disruptive to actually do. Nudge methods are indirect, tactical, and less confrontational - nudge methods may be cooperative and pleasurable.

How Does Nudge Apply within Your Role?

There exist a set of defined 'nudges' used by psychologists, marketers and managers. Below are a number than may apply within your role for you to adapt.

Anchoring and Adjustment

Give your audience factual comparisons and references that are relevant to them.

For example, when discussing availability statistics, minutes or percentages are not as clear and understandable as using established block of time..."Over a week, that amount of time is the equivalent of taking another lunch!"

Framing

Design your communications so that choices are positioned and explained positively - relevant and clear to audience. Use words carefully. Understand and focus on what your communications mean to people, rather than what they mean to you. Orient communications according to received meaning.

For example, whilst you may fully understand how NPWs affect an overall monthly percentile, this may not be the case with your team, and so this will need to form part of a discussion around stats.

Temptation

Use short-term easy gains as incentives to break inertia.

For example, when landing training, use an incentive to 'kick-start' staff quickly.

Mindlessness

Clarify, educate, design and prioritize communications so that important issues are clear and cannot be overlooked. Avoid accidentally misleading people or hiding major considerations. Translate complexity into simplicity. Communicate in ways that people can understand.

For example, when you have multiple messages to deliver as part of an email, drill down on only the key points to ensure you leave your message clear.

Conforming

Consider the need for people to conform and avoid isolation/embarrassment when you are 'framing' and offering reference facts.

For example, try not to pick out individual poor performers within a huddle, instead talking generally about performance improvement across a team.

Facilitate real clarity of understanding between groups to avoid/dispel false assumptions and reduce risks of people following a wrongly perceived group view.

For example, don't ignore rumour or hearsay, get out in front of this and clarify what is actually occurring before this gets out of control. Learn from miscommunications to help craft better materials the next time.

Feedback

Build checking and feedback into choice processes wherever possible. Reflect people's responses back to them. Design processes that offer feedback while people are engaging with them.

Feedback is essential to maintain engagement in a process. People want to know what they are doing has been seen and that it's correct, appreciated and will be rewarded.

Nudge Techniques

The Value of Nudge

Here are some simple rules for working with Nudge theory.

Understand and validate the required change
Understand clearly the change you seek to encourage or enable, and confirm that this is in people's best interests. Consult as necessary. Be objective and fair. Use proper measures, not assumptions or guesswork.

Quantify and define situations, changes, and outcomes. Clarify terminology.
Avoid vague or technical terms which cannot be easily understood, or which could mean different things to different people.

Check for obstacles
Consider what might be preventing people from naturally shifting towards the identified/required change. If necessary consult a sample group. This often highlights obstacles which can be removed, and/or supporting arrangements that can be introduced which enable a natural change, without need of further intervention.

The Value of Nudge

Check for unhelpful existing nudges

Nudges often exist already which are unhelpfully influencing or obstructing people's thinking. These may have developed completely accidentally, or may have been established negligently or cynically by authorities, Managers, corporations, etc., in the past.

Remove obstacles and establish support

Even if further interventions are warranted, remove obstacles and introduce support as far as possible to make it easier for people to shift towards the desired change.

Explore which environmental/circumstantial factors can be altered/introduced

Assess and test the effects of altering/introducing these factors ('nudges'). Refine your ideas so that you can offer people new choices that can help their shifting - through free choice - towards beneficial change.

Change Management Methodology

create
finance

Traditional 'Long Form' Change Management

The key to change management is understanding that this process doesn't start with the change and end with the change landing.

A lot of planning goes into successful changes, much of it unseen by the staff members you deliver material to. There is a process to follow:

Establish A Sense Of Urgency

A change needs to have a start, middle and end. With that in mind you need to ensure that this change you are implementing has a 'finish' point that everyone is aware of. Otherwise there is no 'win' at the end of the process.

You need to make your workforce share your current concerns and lead them to realise that these changes are important, urgent and for the better.

Explain about the state of your market and compliment this with some negative business trends. It doesn't have to all be doom and gloom though, show your team what opportunities there are for the business and show how they could filter down to your staff on a personal level.

create finance

Build A Powerful Coalition

Establish a group of people to lead the change, you can lead this but you will need people other than you to drive change and assure buy in from others.

These people must have enough power and respect amongst their subordinates to lead the changes, with the skills to encourage teamwork, consider, who is the lead staff member on your team? Who do people listen to or look up to?

Use you influencing skills to get staff members on board before your 'big push'.

Remove Obstacles

Your obstacles will usually be your staff. If employees are resisting, they must be neutralised in a positive way. Ideally you should identify who these 'blockers' are before you roll out a change.

Reward your employees who adapt well to the changes and hopefully the people who are causing problems will commit in order to receive the same rewards.

If you have built a powerful coalition, staff members will submit to follow the popular consensus, peer pressure is a powerful motivator.

Create A Vision For Change And Communicate It

If you share your vision clearly, it will be easier for your staff to understand, remember the skills you have learnt across coaching and training as these will be useful.

You need to know exactly what you want from the process and outcome and communicate it so that your workforce are clear and informed.

This is a constant and repetitive process which you must persuade your team to embrace your new vision.

The End Isn't The End

Create quick wins

Ensure that some kind of quick result will be shown. This will increase your team's trust in your plan of change. Create a few of these throughout the process and ensure they can be highlighted as a slice of victory!

Build on the change

Don't celebrate your success too early. Although the changes may have been implemented well, this needs to be a continuous process and can probably be made more efficient. Pick up on the small elements that didn't go so well and make sure that you work to improve them next time.

Make it stick

These changes need to be embedded within your company culture. Try to make universal change to ensure that is seen by everyone and becomes change within a collective. This will also deep-root it within your business-New people will see it as part of your company culture and it will only get stronger.

create
finance

Peoples Response To Change

Fight or Flight

Animals (including humans) have an instinctive response to stress and stress factors, often referred to as fight or flight. Simplistically, either the animal fights the cause of stress, or they run from it.

With change being the largest cause of stress in the workplace, we need to understand how the fight or flight response can be handled when you inevitably change something within the business.

Fight

You will see this when someone starts to respond aggressively or tries to control a discussion around the change. This occurs when staff members feel they have lost control or aren't being heard, and so try to actively persuade others to feel the way we do.

What you need to do

- Be generous: assume the most positive interpretation of what they say
- Value their passion, and tell them so

- Try to find neutral ground to agree on and then grow from there

- Focus on the needs you both have

Flight

When people retreat from a stressful situation, you will see them shut down and disengage from a conversation or discussion or they may even have arrived at the conversation, meeting etc. like this already.

What you need to do

- Tell them: bring the staff member back into the discussion by pointing out that they seem to have retreated

- Dig deeper with your questioning and don't accept one word or token statements from the staff member

- If needs be, be humble and show that you don't have all the answers

24

create finance

Next Steps

Plan Your Communications Strategy

Consider how you will communicate regularly with your team. Plan this into your diary and strategise appropriately, vary the methodology for greater impact.
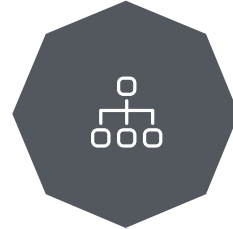
Look for Potential Nudges

Consider Nudge Theory and potential applications within your role.

Track Your Activity

The last section of training covers time management to ensure you are effectively using your time. Start to track your activity by listing your tasks during the day so that you can plan accordingly.