EtonBridge
Consulting

Six *essential steps* to help everyone succeed in your new *business model*

Contents

Introduction

As the saying goes 'the only constant is change' and the business environment is changing every day - this means that companies need to be responsive to change to be successful. We are experiencing the fastest ever rate of change and it's expected that the pace of change is to accelerate still further this year, driven by technology advances. You must plan how to help people through change as much, or more, than the actual changes themselves. If you are spending months or years on a new Organisational Design (OD) and/or new processes and systems, you need to spend at least as much time planning how you are going to help everyone through the change.

LinkedIn's recent Work Change Snapshot found that 70% of global executives believe the rate of change at work is speeding up and 64% of professionals globally are feeling overwhelmed by the pace of change.

These findings are also backed up in research by telecomms giant BT Group; over half (58%) of business leaders surveyed were worried about the pace of change.

The people-focus is often missing from change programmes

Organisational change usually results in restructuring, new systems and new processes. What's interesting is that when these changes are made, there is usually little consideration for people. Organisational change is normally supported by leadership messages about what's happening, technical training so everyone can use the new systems or new policies regarding new processes.

Sometimes change is supported by a 'culture change programme'. This typically includes a reminder of the company's values (or the introduction of new ones), leadership messages about the goals of the new organisational change, expectations for employee behaviour, and internal communications with eye-catching newly branded materials.

The reality is that throughout organisational change, people are often left fearing redundancy or facing sudden changes in their roles, expected to adapt to new systems and processes, and adhere to new behavioural expectations. Reporting lines may change to a new individual, someone they're unfamiliar with, or even several people, if a matrix structure is adopted.

Expectations change; sales teams are not being asked to sell anymore, but rather being asked to 'meet customers' needs.' A completely different way of working is introduced that is usually only supported by a training course. When employees are feeling vulnerable and uncertain, change requires far more than internal communications or a swift conversation with your manager. There can also be an element of 'change fatigue.' According to Gartner research, the average employee went through 10 enterprise changes in 2022 up from just two in 2016 with employees' willingness to support change down to 43% in 2022 from 74% in 2016.

We go
beyond
the brief

Many change programmes fail as a result

It is no surprise that organisational change programmes often fail to achieve their goals. This is because companies consistently underestimate and under focus on assisting individuals through change, despite the well-known resistance they may face. This often results in failure of the programme.

Companies need to look at how people-change programmes can be delivered more effectively. You can't make changes within a business without helping your people. Given the importance of successfully achieving change, it is staggering that according to change management guru John P. Kotter's seminal book, Leading Change, 70% of change programmes fail. Something is clearly going wrong.

When delivering change, you need to consider the effect of the changes you are planning on the people who work for you, right from the beginning. Understanding that people fear change is essential. Whether it's "good change" or "bad change", it doesn't matter - good change aims to improve things without the worry of job loss, yet any announcement of change rarely feels positive. We're naturally wired to fear the unknown, a survival instinct that has protected us as humans for hundreds of thousands of years.

Regardless of how effective a leader may be, people are often suspicious that something is being withheld and are on the lookout for potential issues. This scepticism arises because, in the past, organisations tended to emphasise the benefits of change while downplaying the drawbacks. As a result, trust can be difficult to establish; individuals recognise that no matter the nature of the change, they will likely experience discomfort and stress. It's a common human response.

So how do you help people through change?

Forget about the posters, intranet messages, rebranding and written leadership communications. Although these can all help signal change, they are not going to help people build confidence or capability. You need to do one thing really well – connect with people.

While it may sound straightforward, organisations must truly engage with their people. It is crucial to invest significant thought, planning, and effort into determining how to connect with everyone before announcing any changes. This can be difficult as most change is intangible and can be emotional.

/. Start at the end

If you are changing something in your business, you already know why you are doing this. Once you have a vision of how you see your business in its future state; you need to consider how people need to behave to be successful.

Changing a company requires individuals to adjust their behaviours and collaborate differently. It's essential to clearly communicate what this will be like from the outset; without this clarity, you cannot effectively support people in becoming what you want them to be.

Later on, we will discuss why trying to change behaviour directly doesn't work. Only an indirect approach will work.
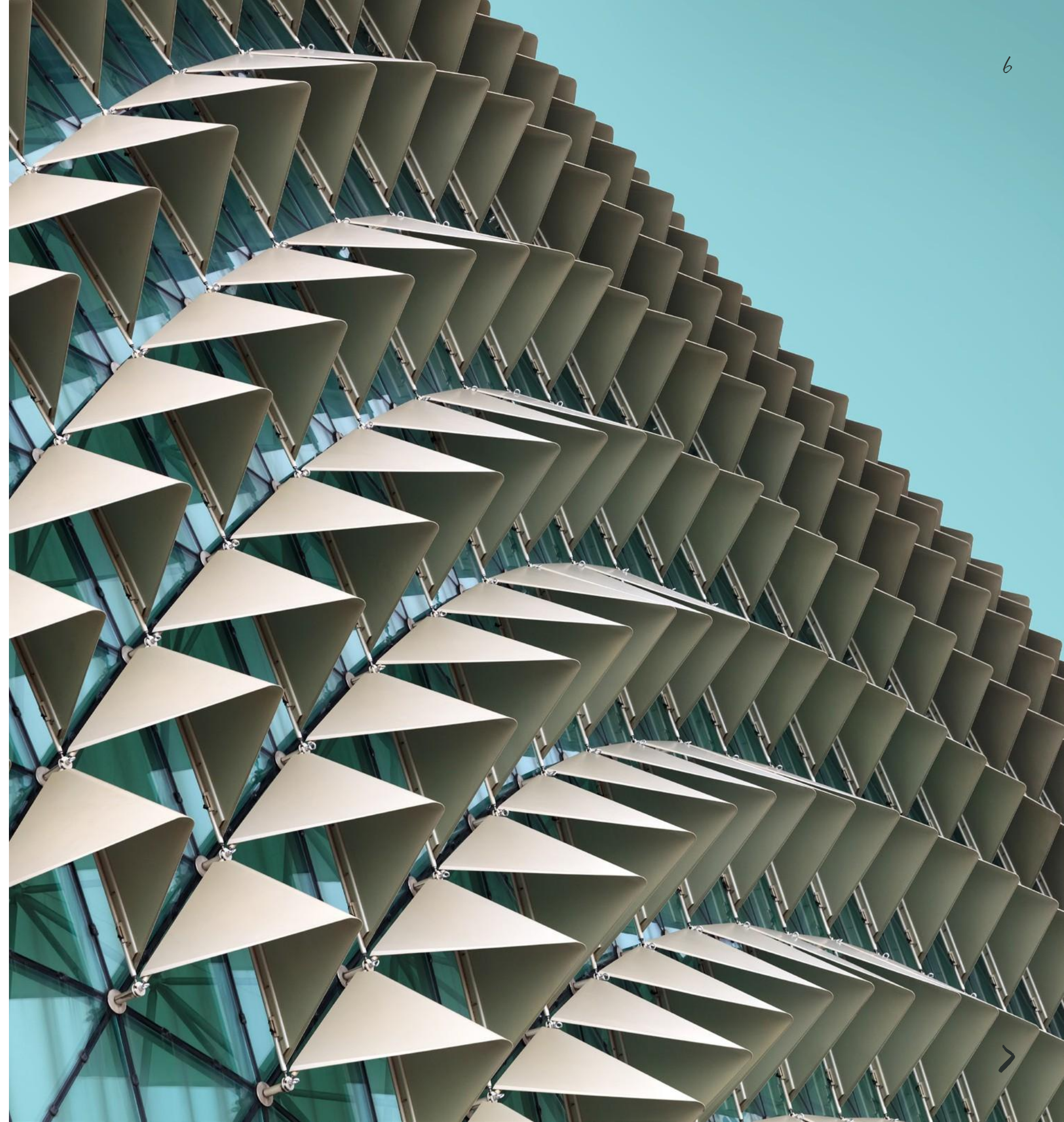
2. Identify the gaps between current and future capabilities

This issue is not technical skills; you should be doing this anyway. Instead, it is about the person at work. You need to ask yourself a lot of questions. For example:

> What kinds of behaviours are needed to be successful in the new organisation?

> How do I want people to collaborate in the new organisation?

> How do people relate to their managers and their teams? This is going to be different.

> Most Organisational Design changes reduce management layers and hierarchy. This means everyone has less direct management support. So, what level of increased self-sufficiency is required?

> How do I want decisions to be made? Who is being consulted about a decision, who is being informed?

> At each level of the company, who is held accountable? Who is responsible?

There are many more questions that need to be asked and it's important to get to the point where you are clear how your new structure and processes are going to work in reality. This isn't an organisational chart or a process map; it's being clear what you are asking of everyone and how they are going to do it.

These questions help you define where you are empowering people to make their own decisions and where you are putting a framework around them to ensure the integrity of the company.

Let's look at an example.

Empowerment in a Train Operating Company (TOC)

A train operating company (TOC) worked in a very traditional way. Every role was clearly defined, the remit of what every job would and wouldn't do was clear, hierarchy was very controlled, and every process step was mapped and adhered to. The problem was this created a structure that was so rigid it wasn't able to adapt to a changing world, it couldn't respond to customer needs and if one link in the chain was missing (e.g. illness absence), nothing worked properly.

The CEO recognised things needed to change, that the company needed to modernise.

The TOC restructured each of its stations. They designed a new hierarchy, organisational charts, role profiles and processes. Following careful communications and a well-designed roll out of the new structure, the CEO stood back to see his new vision for the station in action. Unfortunately, nothing changed for the better, in fact, things got worse. All they had achieved was mass confusion.

There was nothing wrong with the OD changes, they were well planned and executed. The problem was they had forgotten about the people. They had forgotten about the collective ways of working that created the culture.

The CEO carefully considered his next steps. He decided to help everyone adapt the culture so they can be successful. What does this actually mean?

They recognised that highly defined roles, hierarchy and processes also meant everyone was clear what they needed to do. Moving to a new structure where this wasn't carefully defined meant that people didn't know what to do or have the confidence to do the right things because of the fear of failure. They decided to:

> Give everyone confidence they can work in new ways.

> Enable employees to believe that they can make the right decisions and be successful.

> Help everyone get over the fear of change by assuring them that trying new ways of working was a learning experience and that learning involves making mistakes. Mistakes that won't be punished.

> Empower people to work in less defined ways, rather than the rules, processes or hierarchy defining their actions. Everyone needed to feel confident that they can make the right decisions for the customer, the team and the station.
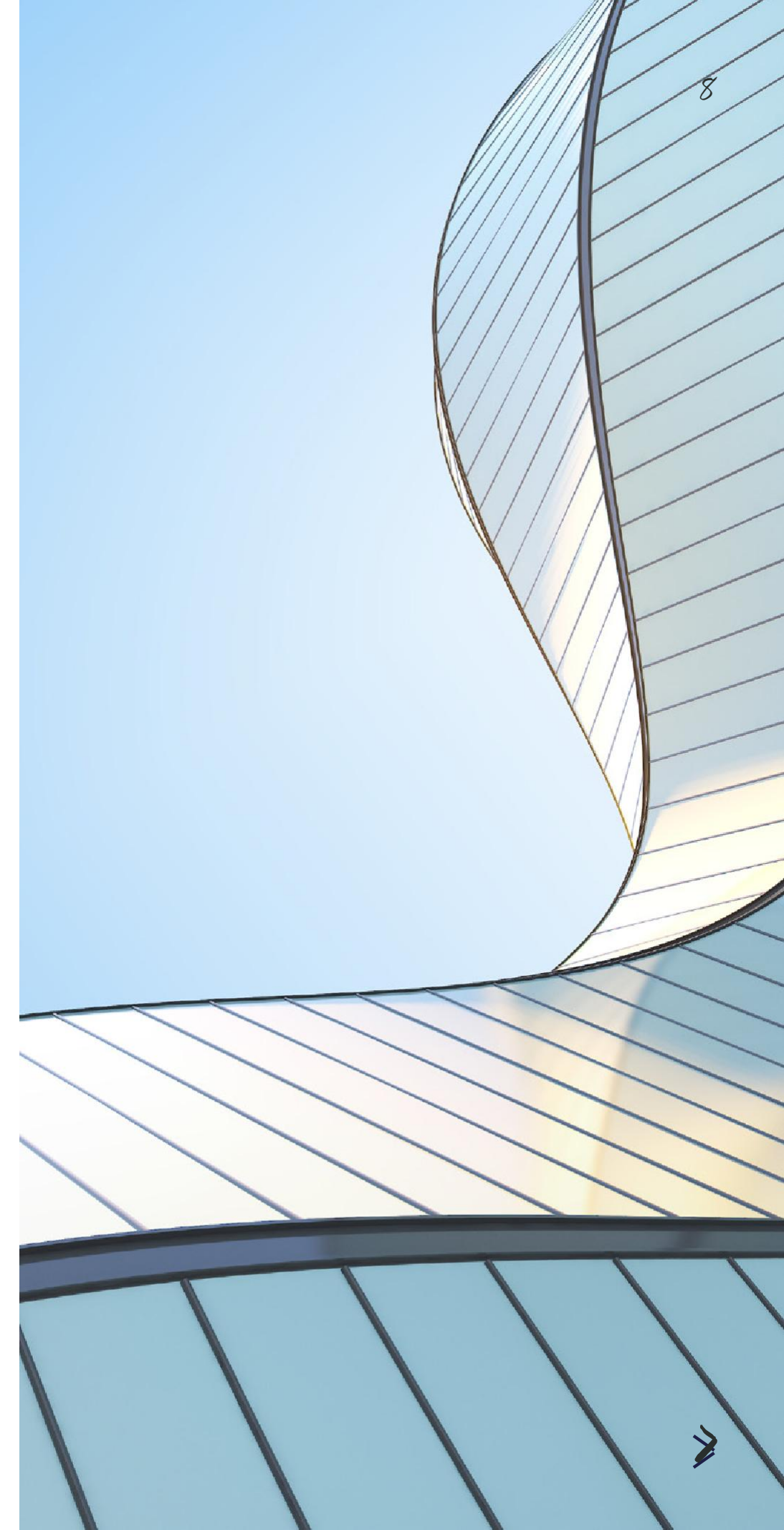
The CEO recognised that employees fear change, we are all naturally uncertain about working differently, we fear failure, we fear punishment. He also recognised that most people want to do a great job and know how to do it. Effective culture change is giving everyone permission to be empowered to do a great job.

To unlock change everyone was given a 'zone of empowerment.' So rather than following all the rules, it's the space where everyone can make their own decisions providing they are in the best interests of the customer, the team and the station.

You still need rules and some level of hierarchy to be effective, for example health and safety is really important in this industry. That's why it's a zone of empowerment. It was clear what is outside the zone, outside the 'guiderails' as it was called. These are the important things, like health and safety, like trains leaving on time. However, inside the zone people made their own decisions and didn't need to follow the rule book, process or ask their boss, they just did it.

The result was amazing, the station's performance on every KPI excelled, people were happy in their work and the customers felt like they were listened to and any problems were quickly resolved.

The new culture was underpinned by the new organisational design because the OD was much simpler, less hierarchy, fewer levels and much simpler processes – it didn't need the complexity of the past because everyone felt empowered to do the right thing.

Most change programmes hardly even think about the way they want people to behave, work together or relate to their manager.

If you don't do this properly you will cause mass confusion, stress, resistance and see performance deteriorate significantly.

You really need to understand what you mean by 'empowerment' right from the beginning.

"

I told them they need to, change, and *they won't*, what's wrong with them?"

CEO of a FTSE 100 plc

"

It's not what's wrong with them, you need to take a *different approach*."

Eton Bridge Consultant

3. Understand how people change

Have you ever changed your behaviour simply because someone told you to? Perhaps you complied because you felt observed, or maybe you behaved differently for a few days before being yourself again. More often than not, you might have felt irritated and resentful at being told to change who you are.

People don't change just because they're told to; they change because they believe it's in their best interests. If someone genuinely believes they should change the way they do things, their behaviour will change as a result.

Behaviour is an output, it's the things we see and feel as a result of people's beliefs and attitudes.

Most 'people-change' initiatives completely fail to understand this. They focus on the tangible things such as behavioural expectations and a list of values.

4. Develop a clear plan

Step one allowed you to determine how you want people to work together. Step two identified the gaps between where you are now and where you want to be. Now is the time to look at the people-change plan.

We don't just mean a project plan, we don't just mean a communications plan, we don't just mean a list of values and behaviours. We mean a real, comprehensive, multi-faceted plan that really helps people though change. We mean a plan that helps people through the emotional journey they are going to go through.

Your plan needs to:

> Respect the past, make everyone feel proud of what they and your company has already achieved.

> Recognise that your company has already changed many times before - you've done it before, you can do it again.

> Give consistency of message through every touch point with your employees.

> Understand how people change and help them through this by making a deep emotional connection with them and allowing the time, space and support to make the changes they need to themselves.

> Recognise that everyone will fear change, no matter what the change is and whatever you tell them. Recognise this, accept it and help them move from fear to confidence.

> Create a learning environment where everyone can practice and explore new ways of working. This means you are going to let people make a lot of mistakes. We all learn by making mistakes so be comfortable that this will happen and don't punish them.

> Your plan is a journey for your employees. It's a journey to confidence about new ways of working and being successful at work.

If insufficient time and support is devoted to helping people through change, you will find yourself needing to address the consequences for many years to come. This can lead to low motivation among employees and challenges in their roles. Ultimately, if employees struggle, it can impact the overall performance of the company.

The list above is just some of the things you need to do. It isn't everything. The point about 'understand how people change and help them through this' is a big piece of work on its own. However, every day you spend on getting this part right will save you months of work in the future.

Getting this part right is really hard and requires expertise and experience.

5. Ensure everything is implementable before you implement

Most of us are action-orientated; we like to have meetings, create project plans and work tangibly. Then we like to get on with it and take action.

By only focussing on the above, we miss a crucial step which is ensuring everything is 'implementable'. Implementation goes beyond simply taking action; it is the effective delivery of change. The term 'implementable' refers to ensuring that all necessary preparations are in place before executing the change. It serves as the critical step between planning and taking action.

Often people change is carefully planned and launched, yet received badly. People are confused because the team leading change has forgotten they have had months understanding change in detail, but their employees haven't. It's new to them, it's unfair to expect them to understand and absorb it over a short period of time.

Implementable means you understand this, you build in time for people to really understand what change means for them.

'Implementable' also means that you have thoroughly considered all aspects before initiating people change. This includes establishing support systems, governance structures, and equipping management teams to effectively oversee the change prior to its execution. Additionally, it's important to plan for potential setbacks and how to address them. You only have one opportunity to ensure that people change is successful. You need to know exactly the order and sequence of events before you do anything.

6. Execute with excellence

Implementing effectively means you are helping everyone in your company to be the best version of themselves and to change in a way that will make your new organisation work. You are enabling everyone to work in a new organisation design, follow new processes and adapt to new systems.

When you change your organisation design, processes and systems, it's crucial to recognise the vital role that your people play in their success or failure. People will contribute positively when you instil confidence in them and foster a belief that working differently and collaborating effectively will lead to the success of the new organisation.

Conclusion

All companies go through change and the pace of change is only getting faster. If you don't respond to external changes by adapting your internal organisational design, processes and systems you significantly hamper the achievement of your strategic goals.

As the world changes around you, you need to change with or ahead of it to maximise competitive advantage.

The success of new organisational design, processes, and systems ultimately hinges on the people you employ, rather than the tangible changes themselves. Your organisation will thrive only if you instil confidence in your employees and foster a belief that they can succeed in the new business environment.

We have all experienced organisational change. For most of us this has been painful, stressful and taken years to get right. It takes time because the level of thought, designing, planning and ensuring everything is implementable before implementation, is rarely done well. The traditional approach of 'let's change things and let everyone figure out how to make it work' is a guaranteed way to fail.

Thank you for taking the time to read this. If you've made it this far, it likely means you find this subject interesting, are preparing for change, or have experienced change that hasn't yielded the desired results. We've only scratched the surface of what needs to happen for change to be successful. No matter where you are in your change journey, we would be delighted to engage in a conversation with you.

Consulting

Our Business Consulting team are experts in Organisational Effectiveness and Culture helping some of the world's leading companies implement change in a way that everyone responds to.

Our mission is to reinvent Consulting and deliver lasting results for our clients. We put people and practical implementation at the heart of all we do, combining real industry experience with a refreshingly human approach.

Our team of 650 consultants are all experienced, high performing industry professionals providing unrivalled, real functional and sector expertise. They know that every situation requires a different approach and that whilst tools and methodologies are essential building blocks, adaptability is key for success.

We are proud to be a 21st century consulting firm for 21st century clients.

> **Read more**

EtonBridge
Consulting

Chat with us

+44 (0)20 8059 4443
www.etonbridgepartners.com
info@etonbridgepartners.com

Meet with us

London Office

Fourth Floor
262 High Holborn
London
WC1V 7EE

Windsor Office

Riverside House,
Riverside Walk
Windsor, Berkshire
SL4 1NA