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Executive Summary:

- Change Management tactics are cited as the **Primary Reason** Companies are able to achieve targets
- Change Management requires a time commitment from Executives, Management & Employees but aren't usually expensive
- Companies using Change Management experience an average of 108% increase in Return on Investment (ROI)
- 60% of Companies agree that a Change Management approach is necessary but don't use one

Are you looking for ways to achieve improved project Return on Investment? Better Change Management may be the answer!

Change Management – A Planned Method Based Approach

What is Change Management?

In its beginnings, Change Management was little more than a limited communication plan paired with a project-specific newsletter. Whether due to the need to retain or gain, today's companies experience change as a 'way of life.' As a result, Change Management has become a holistic, ongoing practice of changing employee emotions, attitudes, behaviors, and motivations, and is required to ensure that change is implemented successfully within an organization. As companies come to terms with change as the "new normal," demand for proven Change Management methods have moved from ad-hoc or iterative to becoming requirements of daily leadership practice.

Benefits of Implementing Change Management

Skeptics may question the value that can be realized by implementing a Change Management program. One study by McKinsey & Company, Inc. identified that organizations conducting effective, thorough Change Management tied into a specific initiative yielded an average Return on Investment (ROI) of 143% of targeted benefits, compared to just 35% of expected ROI when there was poor or no Change Management (Figure 1).¹

Another McKinsey study revealed that leaders of more than half of all successful transformation projects cited Change Management tactics as the **primary reason** they were able to achieve targets and sustain personal and organizational energy during the project.²

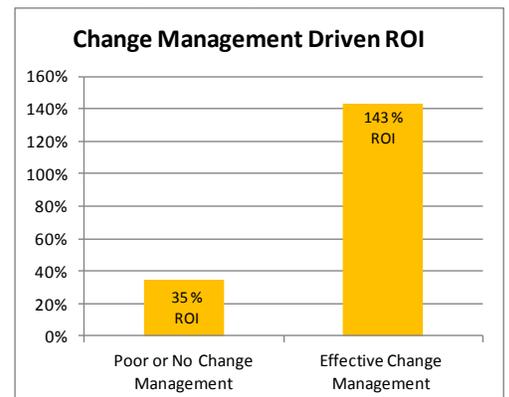


Figure 1



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An additional study also noted that project success rates were best for companies that consistently applied specific, formalized change management methods.³

Unfortunately, the same study shows that a methods gap currently exists: though the overwhelming majority of project leaders recognize value in systematic change management methods, few consistently use a standard approach (Figure 2).

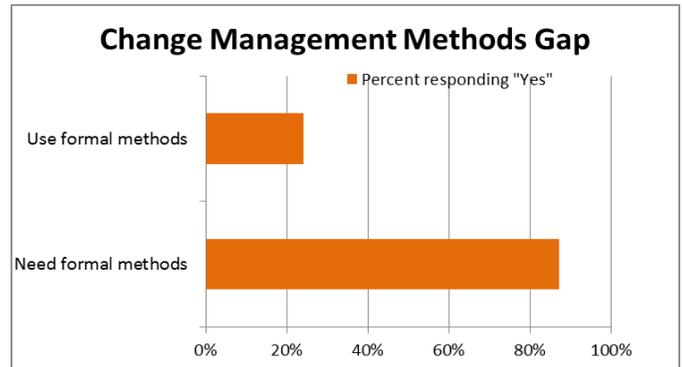


Figure 1

Change Management endeavors do not have to be particularly expensive, but do require a time investment from executives, managers and employees who will be implementing the change. Though an investment of time is required, Change Management programs are necessary to ensure that change is adopted throughout the organization, so that vitally needed benefits are realized.

Change Management – Keys to Success

Studies show that most successfully-adopted change projects have involved a planned, method-based approach to communicating and implementing the change.^{2,3,4} Below are a few tactics from the Himes Consulting Groups (HCG) methods that we’ve employed to help our clients execute a Change Management strategy. Each warrants its own detailed descriptions but in today’s communication we mention each briefly to provide an overall context. Utilizing one or more of these guidelines could help your organization successfully adopt new processes and technology:

1. Provide a Reason for Change that Hits Home

Getting employees to change their behavior begins with communication. The compelling reasons for change must appeal to each individual in the organization.

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2. Complete the Compelling Case for Change

Change is difficult at times, and in many organizations people will revert to their old behaviors if allowed. Once a persuasive case for individuals to change their behavior is made, force the next step by eliminating the opportunity to stick with the old ways.

3. Establish Measurements and Goals

In order to effect successful change within an organization, understand and measure the current state of the organization, the desired goals or outcomes which will result from the change, and how your organization will evaluate whether the change has been successful.

Developing a key set of metrics and creating visibility to those metrics throughout the implementation will be critical.

4. Communicate

Communication about the change should begin early in the effort, happen often, and provide information at various levels of detail throughout the life of the effort.

5. Be Realistic

Develop realistic expectations about how quickly you expect employees to adopt the new processes. Include these expectations in the overall communications, and communicate, in advance, the path your staff will take to adopt the new processes or tool.

6. Set your Staff up for Success

Allow your key Subject Matter Experts to experience the new processes first. These people will be key influencers in how the rest of the team feels about the change, and may be the most threatened by the change.

Evaluate whether your staff has actually developed the skills they need to execute their new job successfully. Make sure you have established a training schedule that will allow for continued training for employees who have not yet developed the necessary competencies.

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7. Create Incentives, Rewards, and Recognition

Reward and recognition programs can be used effectively to reinforce desired behaviors and skills during a change effort and should be structured for both short and long term acknowledgement aligned with the new skills required in the new environment.

Does your organization have a proven method for Change Management?

Change Management requirements have changed dramatically. In its beginnings, Change Management was little more than a limited communication plan coupled with a one-way mechanism such as a newsletter. More and more companies are now experiencing change as a 'way of life,' and need to encode interactive Change Management into their operations as the new norm. Are you looking for methods to ensure your organization obtains stated project goals? Are your projects consistently coming up short on success or adoption by the end user? Consider a more robust Change Management methodology as a mechanism to achieve better results. As experts in Change Management, Himes Consulting Group can help customize the processes and transfer the skills that your organization needs.

For additional information on this topic or to learn how Himes Consulting Group has helped dozens of companies achieve better results through Change Management, please contact us at INFO@himesconsulting.com

Works Cited

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