

A Hybrid Change Approach

Our approach to change management needs to evolve, specifically the view of change management as a one-off static event.

Why? Because there is a contradiction at the heart of large change projects; the very act of embarking on a large change project can reduce an organisation's capacity to respond to market changes. This is especially true for large organisations.

Typically, large change projects will:

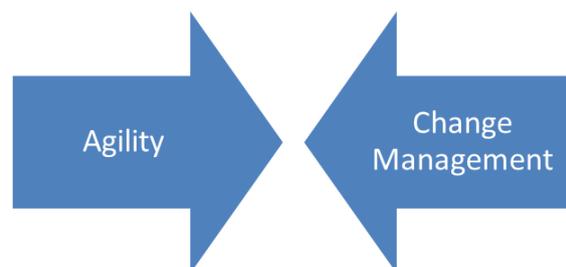
- take too long; more change comes into the pipeline before the last change is completed.
- run the risk of overloading staff who have to deal with their day job as well as undertaking additional responsibilities.
- make the assumption that the changes that they put in place will be a permanent fixture and will still be fit for purpose in 2 years' time.
- involve a move to increased standardisation and more controls across the organisation.

Because of this, organisations run the risk of continually being in change project mode with a huge drain on resources, only to find that, once they have finished their project, the outside world has moved on. Change management in this sense can stop an organisation's ability to be agile and responsive.

So what needs to be different; what can we do about this?

The key is to get the balance right between standardisation and where individualisation and difference can add value and create agility. This involves allowing small scale changes to happen at a more local level by building flex and autonomy into key parts of the business where they add value. At the same time, we must also standardise and create global efficiencies that don't overlook difference or stop or slow the organisation's reaction to change.

This is not a pure agile methodology, stripping away procedure and hierarchy just before the point of chaos, but rather a hybrid of change techniques. The aim is to empower and let change happen at a local level where it strategically makes sense while taking advantage of standardisation and lean methodologies where these are more appropriate.



More often than not the quick wins and easy changes demonstrate a high ROI. These are changes that could have happened at a local level with little or no effect to business as usual. What usually stops this happening is just the lack of permission to try something new and a culture of 'this is how we have always done things'. If a company is clear about the things employees can help change, it affects the way they approach problems and empowers them to do something about it. This is not just about consulting with employees but letting them lead change at a local level. The benefit to the organisation is the huge positive effects on engagement and speed of change.

The challenge is that for every organisation the things that we will want to keep flexible so that we can react to the market will be different. To help address this, we use the

concepts of 'tight' and 'loose'. Tight are the things that are essential to the organisation's market offering and that have to be consistent. This could be:

- a cultural element like the drive for quality;
- an important manufacturing element;
- a key procedure that brings consistency to the customer experience.

Loose are the elements that could be different or improved on, this could be:

- how a team delivers a specific target.
- how staff meet customer KPIs.
- how staff are engaged.

What the loose elements allow is for two important factors to be addressed: difference and experimentation.

Different solutions for the parts of the organisation that need to be more reactive can not only drive greater efficiencies but also reduce reaction time to specific geographic or demographic events. Difference can be driven by:

- Geographic factors
- Market factors
- Engagement potential
- Skills & competencies
- Department purpose/



Having loose elements also allows for experimentation; essentially we can spread the risk of change by parallel piloting of ideas or processes in different departments or geographic areas. However, this does require us to not just empower our staff to challenge and try new things but also to very clearly communicate to them their purpose and the aim of the organisation.

The other important part of this process is actually discovering what can then be standardised. The balance of tight and loose will differ from organisation to organisation and actually, for some organisations, going through this discovery process leads to further standardisation with only a few key procedures being considered loose.

There is an important rule that must be adhered to whether we are making changes at a global or local scale and that is, we must measure, and we must measure the right things. Monitoring and learning from small scale experiments at a local level informs what can be standardised and what cannot, while at the same time demonstrating where standardisation is not working. To be able to do this efficiently, organisations have to get to the bottom of what it is they are trying to achieve and what it is their staff are there to do.

The future for change management is to move away from the reactive, change project based format and to start to build organisational structures and processes that have change inbuilt. Rather than a perfect fit between the current organisational situation and the processes, training etc. that are in place, a refocus on implementing changes that are flexible and agile so that they can be modified and adapted to new situations. At the same time not everything is up for grabs. There are huge gains by having organisational wide processes and culture. By getting this right, organisations can save huge amounts of money that would have been spent on restructuring and change projects every time the market demands it by reaping the rewards of efficient working and a shared purpose and culture.