

# Change-Management in Changing Times

EFCOG: ISM, QA and Contractor Assurance Working Groups

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# Objectives for this hour

- Consider elements from change-management frameworks to plan, implement, communicate, and improve change-initiatives.
- Have a collective conversation to learn from and build on each other's ideas.

# Agenda

- The Current State/Changing Times (10 minutes)
- Change Management Frameworks (:20)
- Reflection/Small Group Discussion (:10)
  - Consider how you could (or share how you) apply these ideas to your organization's change-initiatives
- Discussion (:10)
  - Insights from the full group
  - Questions and change management topics to discuss at next EFCOG meeting

*This slide is a work in progress*

# Changing Times: External Drivers

## The New Fiscal Environment

Congress

HQ

Site Offices

Corporate

Labs & Facilities

Decreased or flat budgets

Improve effectiveness and efficiency – A Partnership Perspective

Stewardship excellence: prioritization/resource allocation

Demonstrate cost efficiencies

Drive to a more efficiently run enterprise

Achieve programmatic mission and national competitiveness objectives - safely

- What are the drivers? What is the business case/rationale for this change?
- How do we demonstrate the value/impact of this change?
- What could be the impact of not implementing this change?

# Changing Times

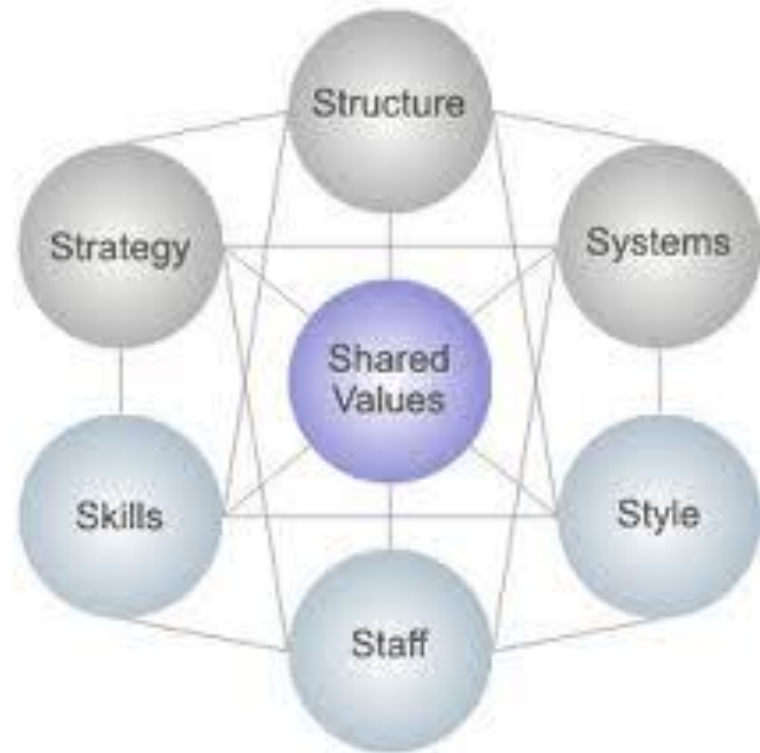
- ▣ Transformational vs. Transactional changes
- ▣ Leadership by compliance:
  - ▣ Formal power - top down.
  - ▣ What behavior is incentivized?
- ▣ Leadership by commitment:
  - ▣ Can come from any part of the organization.
  - ▣ Create and sustain a shared vision - motivate others to contribute to it.
  - ▣ The art of getting other people to do what you want done because they want to do it.
  - ▣ This is harder but more sustainable.

# Change Management Frameworks

- ▣ Encourage a strategic approach to change-initiatives
- ▣ Help identify categories to consider
  - ▣ provide broad and/or diverse perspective
- ▣ Will not tell you what to accomplish
- ▣ Do not always provide the order of steps
- ▣ Can be used to create planning tools or checklists
- ▣ There are many frameworks and tools, for example:
  - ▣ [http://www.12manage.com/index\\_expert.html](http://www.12manage.com/index_expert.html)
  - ▣ [http://www.mindtools.com/pages/main/newMN\\_PPM.htm](http://www.mindtools.com/pages/main/newMN_PPM.htm)

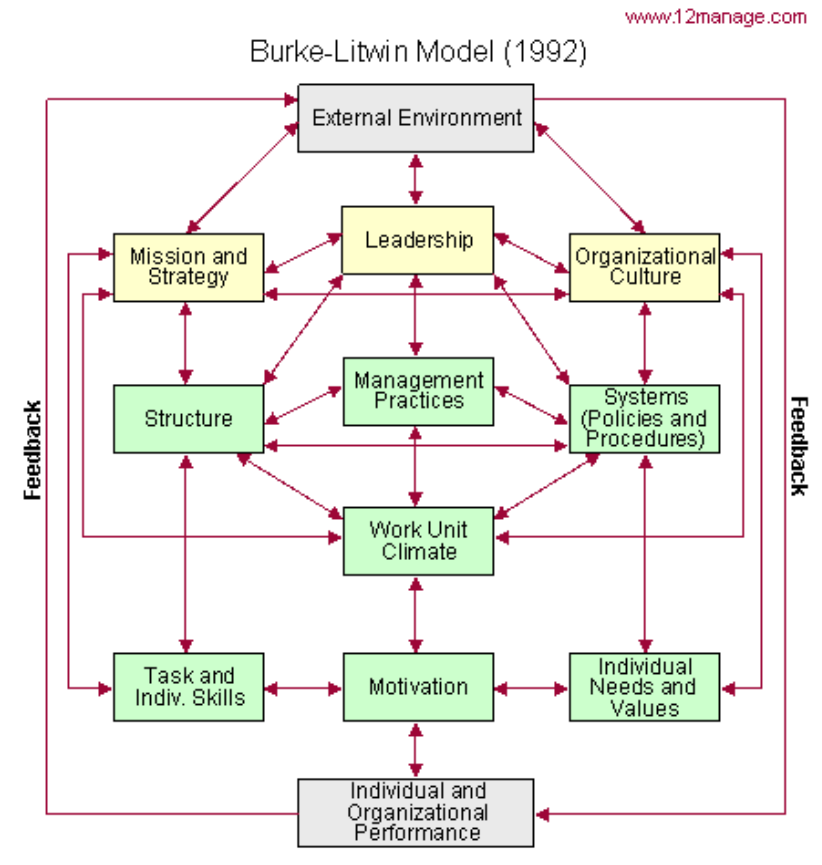
# McKinsey's 7-S Framework

- ▣ Shared Values
- ▣ Strategy, Structure, Systems
- ▣ Skills, Staff, Style/Culture



# Burke-Litwin

- External Environment
- Mission, Leadership & Culture
- Structure, Mgmt. practices, Systems
- Work Unit Climate, Tasks, Individual Skills, Motivation, Individual Needs & Values
- Individual & Organizational Performance



# Kotter

- ▣ Establish a sense of urgency
- ▣ Create the guiding coalition
- ▣ Develop a vision and strategy
- ▣ Communicate the change vision
- ▣ Empower others to act on the vision
- ▣ Generate short term wins
- ▣ Consolidate improvements/gains & produce more change
- ▣ Anchor/institutionalize new approaches in the culture

# Carr, Hard, & Trahanant

- ▣ Planning
  - ▣ Compelling need (current state)
  - ▣ Key roles
  - ▣ Guiding principles
  - ▣ Create vision (articulate the desired future state)
  - ▣ Identify goals of the change project
  - ▣ Consider other projects
  - ▣ Organize design requirements to support change

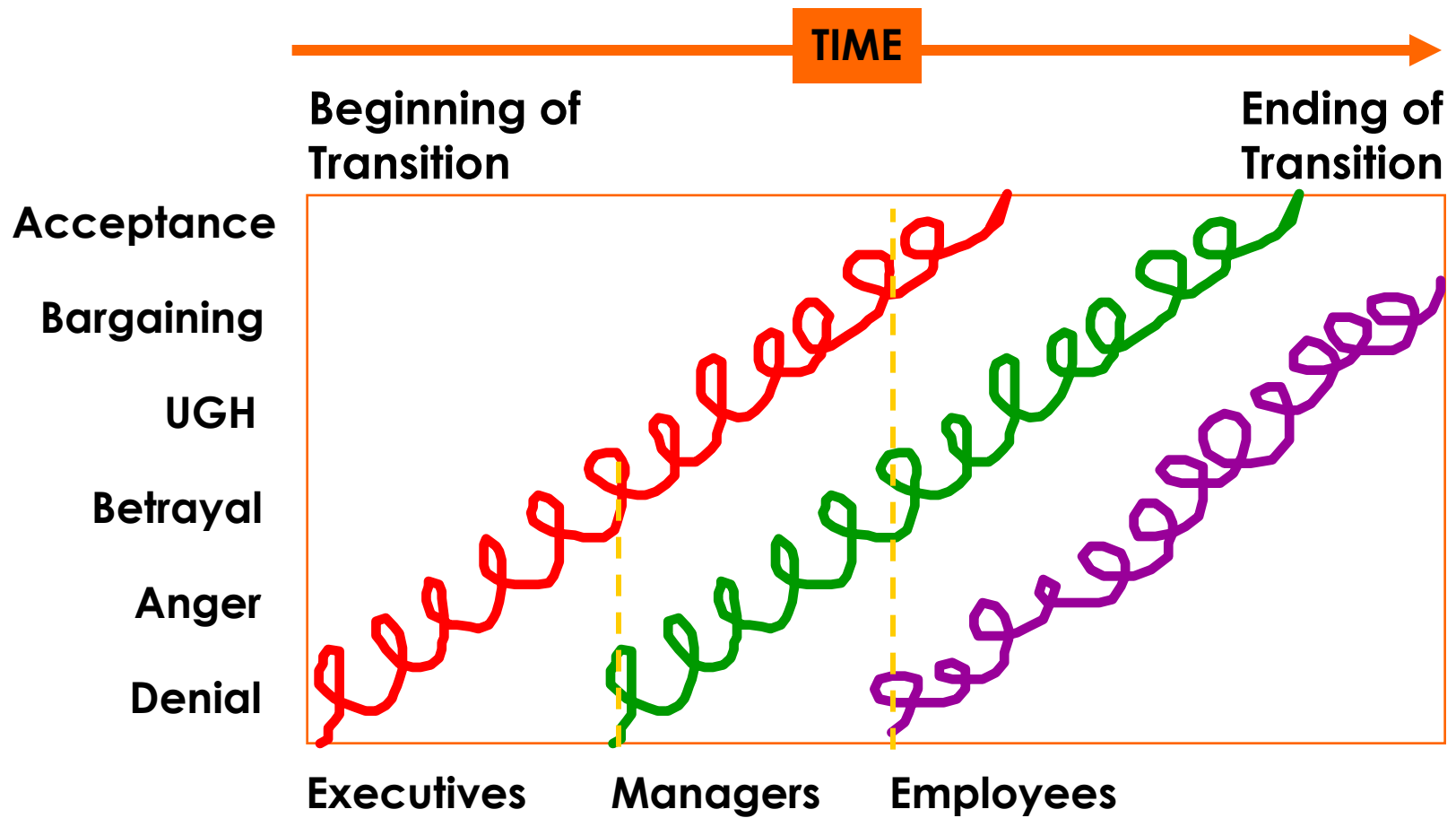
# Carr, Hard, & Trahan

- ▣ Implementation
  - ▣ Identify & implement the enabling strategies
  - ▣ Implement the communication strategy
  - ▣ Reward desired behaviors; address unproductive behaviors
  - ▣ The performance management system reinforces the desired change
  - ▣ The change-initiative is integrated into overall organization, work process, training, etc.
  - ▣ Feedback mechanisms are in place
- ▣ Renewal
  - ▣ How do you know when you are there?
  - ▣ Monitor processes and reassess
  - ▣ What are the change-issues?

# William Bridges

- Change is situational (e.g. new process, new policy, new supervisor, new job, new system).
- Transition is the psychological process people go through to come to terms with the new situation.
- Be aware of (and help people make) the transition
- People Transition Management Model
  - Endings
  - Neutral Zone
  - New Beginnings

# Perceived Transition



# The Cost of Change

$$C = [ABD] > X$$

- ▣ Beckhard
  - ▣ C = Change
  - ▣ A = Dissatisfaction with status quo
  - ▣ B = Desirability of proposed change
  - ▣ D = Practicality of the change
  - ▣ X = Cost of Changing

# Small Group Discussion

- ▣ Think of a change-initiative in your organization
- ▣ In a small group, consider any elements from the frameworks you've heard today?
- ▣ Are there change-management models you've used that would be helpful to others.

# Discussion & Next Steps

- ▣ Insights from the Full Group
- ▣ Questions and Change-Management Topics for Next Meeting