MODULE 10

CHANGE MANAGEMENT AND
COMMUNICATION

PART OF A MODULAR TRAINING RESOURCE

© Commonwealth of Australia 2015.

With the exception of the Commonwealth Coat of Arms and where otherwise noted all material presented in this document is provided under a Creative Commons Attribution 3.0 Australia (website) licence.

The details of the relevant licence conditions are available on the Creative Commons website (accessible using the links provided) as is the full legal code for the CC BY 3.0 AU licence.

Disclaimer

All of the material published in this Package is provided for general information purposes only. It does not constitute professional advice for any particular purpose, and the Commonwealth of Australia does not warrant or represent that it is accurate, reliable, current or complete. The material should not be relied on as the basis for any decision without users exercising their own independent skill or judgement or seeking professional advice. To the maximum extent permitted by law, the Commonwealth of Australia does not accept any legal liability or responsibility for any injury, loss or damage incurred by the use of, or reliance on, the material contained in this Package.
CHANGE MANAGEMENT AND COMMUNICATION

INTRODUCTION – WHY WORRY ABOUT CHANGE MANAGEMENT?

CHANGE MANAGEMENT

Change management is the process of dealing with the impact of change in an organisation. It is a structured approach to ensuring that change initiatives are thoroughly and smoothly implemented, and that the lasting benefits are achieved.

Types of change include:

- process change
- organisational restructure / reorganisation
- culture change
- facilities / locations change
- staff levels
- IT / System implementation
- service changes (staff and citizen)
- employment conditions.

When done well, change management accelerates the successful implementation of a change initiative. It achieves this by using strategies to deal with the impact that changes of the types outlined above have on people.

The success of any change initiative depends on the ability of the people involved to accept and embrace the desired change. It is important to understand change as a social process that is, to know and understand the effects it has on people.

Change management is about supporting individual employees impacted by the desired change to manage their own transition process. It is necessary because organisational change - moving from a current organisational state to a future organisational state - ultimately impacts on the way in which people do their jobs.
### KEY DEFINITIONS

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buy-in</td>
<td>Acceptance and commitment to the change, especially those impacted by the change.</td>
</tr>
<tr>
<td>Sponsorship</td>
<td>Support and commitment by the organisation’s leaders to the change.</td>
</tr>
<tr>
<td>Stakeholders</td>
<td>Those individuals (not necessarily just employees) who are affected by the change.</td>
</tr>
</tbody>
</table>

### PHASES OF CHANGE

Change involves movement from the current state (how things are today), through to a state of transition, and finally a future state (how things will be done). People deal with change in different ways, often depending on their personal experiences with change in the past.

The diagram below shows the phases people generally go through when dealing with change.
You can often identify the stage people are at by their actions and behaviours. Look and listen for:

- denial and/or resistance
- stress
- cynicism
- silence
- leaving.

**GETTING CHANGE RIGHT**

To get it right, you will need:

- **SPONSORSHIP** – This is a critical factor in the success of a change. Ensuring there is active sponsorship for the change at a senior executive level within your organisation, and engaging this sponsorship to achieve the desired results, is essential.

- **BUY-IN** – Gain buy-in for the changes from those involved and affected, directly or indirectly.

- **IN VolvEmENt** – Involve the right people in the design and implementation of changes, to make sure the right changes are made.

- **IMPACT** – Assess and address how the changes will affect people.

- **COMMUNICATION** – Tell everyone who is affected about the changes, and listen to concerns.

- **READINESS** – Get people ready to adapt to the changes, by ensuring they have the right information, training and help.

**Tips**

- Have a great leader
- Know your stakeholders
- Identify what's in it for them
- Involve the right people
- Support impacted employees
- Establish two-way communication channels
- Assess the level of readiness
Change management cannot be undertaken through a one-size-fits-all approach. It is important to understand your organisation, its culture and challenges to ensure a successful outcome. In reality, managing change is an iterative process with change management techniques applied in a situational context and often running in parallel.

**KNOW YOUR STAKEHOLDERS**

**TYPICAL STAKEHOLDER ROLES**

- **Sponsor**
  - Stakeholder who is ultimately responsible for the success of the change

- **Influencer**
  - A stakeholder who has strong influencing abilities, not necessarily related to level of authority

- **Target**
  - Any stakeholders affected by the change

- **Agent**
  - A stakeholder responsible for implementing the change, or part of the change, usually at a tactical level

Stakeholder engagement is a key factor in implementing change successfully. Knowing who your stakeholders are, their concerns and motivations are important in helping to shape the strategy you will use to keep them informed.

Stakeholders can be defined as any person or group of individuals, internal or external to your organisation, who will be impacted by the changes, or who could have an impact on the success of the change.

A Stakeholder Analysis identifies who the stakeholders are, evaluates their current commitment and identifies what level of commitment is required from them in order for the project to succeed. A Stakeholder Analysis should be undertaken early and repeated at regular intervals throughout the change. This analysis would include:

- **IDENTIFYING STAKEHOLDERS** – Clearly identify each individual stakeholder/group and their role/connection with the change.
• **GATHERING KEY INFORMATION** – Collate critical information on each stakeholder/group to support subsequent analysis.

• **ASSESSING CURRENT STAKEHOLDER COMMITMENT** – Based on the attitudes and behaviours demonstrated by the stakeholder/group, assess their level of impact or influence and support or commitment to the change.

• **ASSESSING REQUIRED STAKEHOLDER COMMITMENT** – Identify the level of commitment you would like to see demonstrated by each stakeholder to help achieve successful change. This will vary depending on stakeholders’ connection with the change program and the influence they exert within the organisation.

• **IDENTIFYING PRIORITY AREAS** – Based on your review, you can identify the key people for active stakeholder engagement or management.

**Tools to help:** Use the Stakeholder Analysis Matrix (at the end of this Module on page 14) to help you identify and assess your stakeholders. Complete this for all your known stakeholders. Once you have completed this analysis, use the Stakeholder Impact/Influence Matrix (at the end of this Module on page 15) to plot each stakeholder/group in relation to:

- the impact of the change on them and their role
- the influence they exert within the organisation.

This will help you to determine the type of engagement they will require throughout the change.

**KNOW YOUR RISKS**

It is important to have an understanding of the risks you are addressing with your change initiative. This helps to identify the priority activities that need to be undertaken and provides recommended actions to enable you to be proactive in managing the change effort. Identifying risks will:

- allow for the proper degree of attention and focus on the impacted people
- allow you to identify the situational enablers and barriers
- provide you with a proactive means to engage stakeholder groups
- provide you with an opportunity to drive two-way communication around resistance areas
- help you understand the organisational capacity for change.
UNDERSTAND THE BENEFITS OF CHANGE

It is important to clearly understand what you are changing, why you are changing it and the benefits of the change. Having a clear vision will ensure that the reasons for the change are clear to stakeholders, and will help you to stay focused on the end result. You should be able to clearly state what you are moving away from and what you will be moving to.

It is useful to consider the benefits of the change in terms of the organisation, people, technology and finance. By plotting these benefits you can start to identify the messages that can be used with your stakeholders, given their particular areas of interest or concern. Tools to help: The Benefits of change template at (at the end of this Module on page 13) will assist you in identifying the benefits.

MANAGING THE PEOPLE SIDE OF CHANGE

COPING WITH CHANGE

Change can be disorienting, creating stress and anxiety for many people that is similar to shock. Many people’s first reaction is to try and avoid the change. Often this occurs by people simply being passive. Others will actively resist the change through tactics such as negativity, destructive criticism and, in extreme cases, sabotage.

During times of change it is important that affected employees continue to do their existing work to the best of their abilities and aim to enhance their personal development. Those directly affected must be encouraged to be proactive in seeking out new opportunities and to participate actively in the change process.

It is important to offer support to those that may be affected, including access to counselling services. The best approach, however, is to be transparent with your communication and communicate often.

It is important to guide people through the change, so that they do not perceive it as a threat, but harness it as an opportunity, or a means of achieving goals. For some people, this process of acceptance will be fast; for others, it will be very slow.

To help people cope, you should make it easy for them to:

- find the facts about the change and possible outcomes
- build a good support network
- plan ahead
- have their feelings and concerns acknowledged.
IMPORTANCE OF GOOD LEADERSHIP

Strong leadership is a vital change management tool. Managers have a very powerful role during change given their daily interactions with employees. Your ability to recognise and respond to certain behaviour that arises in response to change can help reduce anxiety and turn the change process into a more positive experience.

A successful leader:

- publicly supports the change
- actively tracks and measures progress
- sensitively understands the adjustments that must occur
- pays attention to those who have strong influence but are not engaged with the change and endeavours to engage them.

As a leader, you will need to develop your own coping strategy, as well as helping others to find theirs. You will need to lead by example, set realistic expectations of yourself and others, acknowledge that people will adapt at different rates and appreciate that there will be bumps along the way.

Some people will need support to become effective leaders of change.

WHAT CAN GO WRONG

When leaders are not managing the change effectively, the following could go wrong:

- The leadership team is not aligned or supportive of the change either in public or private.
- Sponsorship roles are unclear, resulting in no one clearly in the role, or multiple people being called sponsor.
- The leadership team is out of touch with how staff are feeling.
- Communication is poor, and key stakeholders have not been identified or engaged.
- There is a lack of confidence in delivery due to previous experiences of poorly managed change.
- Risks are not assessed or risks that may be critical to the success of the change are not managed effectively.

TIPS

BE OBSERVANT AND A GOOD LISTENER – People take time to really reveal how they feel about change.
TRY NOT TO TAKE THINGS AT FACE VALUE – See if actions match words. There are signs of resistance to change, such as people not attending meetings, slow response to provide information, key influencers being negative about the change in front of their peers, and so on.

ASSUME COMMUNICATION WILL NEED A LOT OF ATTENTION – Communication will take a lot of focus and effort to get right.

COMMUNICATION

A communication strategy helps guide your communication activities through the change process and ensures that you are actively engaging all your stakeholders. The communication strategy articulates and answers the ‘what’, ‘who’ and ‘why’. It includes the following elements:

- goal and objectives
- principles
- audiences
- key messages
- methods and tactical planning
- communication infrastructure
- measurement and evaluation.

Tools to help: The Communication Plan Template (at the end of this Module on page 16) will assist you in planning your communication strategy.

When communicating about major change, you should communicate early and often. Initially the communication will focus on the possible outcomes of the change. This is the priority topic for employees - they want the uncertainty to be reduced. While you will not have all the answers at all times, you can help reduce uncertainty by communicating:

- the timeframes associated with the change
- alternative scenarios, highlighting what may happen and what options are being considered
- ranges and estimates: if you are reducing the workforce, can you provide a range? If your budget is being reduced, by what factor?
- hypotheses: what you believe may happen; what you are working towards.

Internal and external communication should be run simultaneously. Internal communication is with employees. External communication is with other stakeholders:
in this instance, your job seekers and the Department of Employment are key external stakeholders. Members of the broader community and others with an interest in your organisation may also be important external stakeholders.

It is preferable that employees are advised of major changes either before or at the same time as external announcements are made. It is damaging to the reputation of leaders and the level of trust in the organisation if the staff hear about the change from external sources before being advised by management.¹

**COMMUNICATION CHANNELS AND METHODS**

Different communication channels should be used to ensure you reach your audience. Each channel is useful for a particular communication task, for example:

- Intranet is best for short, quick information retrieval.
- Paper is best for learning long, complicated, new ideas.
- Face-to-face is best for sensitive information and changing behaviour.

**TIPS FOR COMMUNICATING**

**ENVISAGE AND DESCRIBE THE CHANGE JOURNEY** – Create a story; ensure people can see, hear and feel the vision.

**DESCRIBE THE CHANGE – THE WHAT AND THE WHY** – Help others see the need for the change and the importance of acting quickly.

**EXPLAIN THE CURRENT EXTERNAL ENVIRONMENT TRENDS** – Give people all the facts and outline the challenges you as a team are likely to face.

**APPOINT A TEAM TO MANAGE THE CHANGE** – Let people know who the team is and ensure the team members are visible.

**WINS AND SUCCESSES** – Produce and celebrate all wins, big or small.

**COMMUNICATE FOR UNDERSTANDING AND BUY-IN** – Send clear, credible and heartfelt messages.

**Tools to help:** The Checklist for Managers (at the end of this Module on page 17) provides you with a quick guide to framing your communication.

**REACTIONS TO CHANGE**

Some people naturally resist change. When dealing with resistance, you should:

---

• acknowledge the legitimacy of anger or frustration
• distinguish between feelings and inappropriate behaviour
• reiterate the reasons for change that the senior management has articulated (for example, goals of the organisation, budget issues, external environment)
• focus on how the individual or their function will benefit from the change
• keep problem solving focused on the root cause
• provide a series of specific next steps and follow up frequently
• reinforce positive actions the individual can take.

You should take the earliest opportunity to discuss any changes that may affect your employees. Your management team are responsible for providing support to employees who may not have an ongoing job in the organisation. This can include:

• assisting in identifying training requirements
• allowing reasonable time off work to attend training
• encouraging job seeking activities
• ensuring the employee has meaningful duties
• acknowledging that some employees may feel anxious about the change and encouraging them to access support, such as employee assistance programs.

The table below describes some of the emotional responses people may experience and how you can help.²

<table>
<thead>
<tr>
<th>Emotional response</th>
<th>Employee reaction</th>
<th>How managers can help</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acceptance</td>
<td>Individual expresses ownership for solutions</td>
<td>Use the individual as a coach or mentor for others</td>
</tr>
<tr>
<td></td>
<td>Individual focuses on achieving benefits promised by the change</td>
<td>Provide recognition for the individual’s efforts</td>
</tr>
<tr>
<td>Anger</td>
<td>Individual tries to sabotage the change effort</td>
<td>Acknowledge legitimacy of anger</td>
</tr>
</tbody>
</table>

² Based on the Kubler-Ross Grief Cycle.
<table>
<thead>
<tr>
<th>Emotional response</th>
<th>Employee reaction</th>
<th>How managers can help</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anger</td>
<td>Individual tends to “shoot the messenger”</td>
<td>Distinguish between feelings and inappropriate behaviour</td>
</tr>
<tr>
<td></td>
<td>Individual withdraws from the team</td>
<td>Redirect the blame from the change agent to the real reason for change (goals of the organisation / business case)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Bargaining</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Individual tries to “cut a deal” to spare himself or herself</td>
<td>Focus on how the individual or his/her team will benefit from the change</td>
</tr>
<tr>
<td></td>
<td>Individual suggests other concerns to redirect problem solving away from change</td>
<td>Keep problem solving focused on the root cause</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Denial</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Individual believes that the problem has corrected itself and will be over soon</td>
<td>Review the business case for the change</td>
</tr>
<tr>
<td></td>
<td>Individual displays apathy and numbness (e.g., “I don’t care what happens” or “It doesn’t matter to me”)</td>
<td>Emphasise that the change will happen</td>
</tr>
<tr>
<td></td>
<td>Individual tries to rationalise the change away (e.g., “They’re not seriously going to lay off employees”)</td>
<td>Allow time for change to sink in</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Depression</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Individual expresses a loss of control over the work environment</td>
<td>Provide a series of specific next steps and follow up frequently</td>
</tr>
<tr>
<td></td>
<td>Individual’s absenteeism increases</td>
<td>Reinforce positive actions the individual can take to adjust to the change</td>
</tr>
<tr>
<td>Organisational benefits</td>
<td>Financial benefits</td>
<td></td>
</tr>
<tr>
<td>-------------------------</td>
<td>-------------------</td>
<td></td>
</tr>
<tr>
<td>Technology related benefits</td>
<td>People related benefits</td>
<td></td>
</tr>
<tr>
<td>Stakeholder name and role</td>
<td>What is the impact of the change on them?</td>
<td>What is their current understanding of the change?</td>
</tr>
<tr>
<td>--------------------------</td>
<td>------------------------------------------</td>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Plot your key stakeholders on the chart below to identify the type of engagement they will require throughout the change. This is based on your stakeholder analysis.

For example, if the impact of the change on a stakeholder will be high, and they have a high ability to influence the outcome, you would need to partner with them.
**COMMUNICATION PLAN**

**Goal**: What is the goal of the communication plan?

**Key Messages**: What are the messages that your communication needs to get across (refer to your change benefits)?

<table>
<thead>
<tr>
<th>Item</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Who are you communicating to? (Audience)</td>
<td>e.g.: All staff</td>
</tr>
<tr>
<td>What do they need to know?</td>
<td>What is happening to them?</td>
</tr>
<tr>
<td></td>
<td>Why is it happening?</td>
</tr>
<tr>
<td></td>
<td>When will it happen?</td>
</tr>
<tr>
<td></td>
<td>What are their options?</td>
</tr>
<tr>
<td>When do they need to know it?</td>
<td>Date / ongoing</td>
</tr>
<tr>
<td>How are you going to tell them?</td>
<td>Face-to-face briefings</td>
</tr>
<tr>
<td></td>
<td>Weekly team meetings</td>
</tr>
<tr>
<td></td>
<td>Weekly email from CEO</td>
</tr>
<tr>
<td>Who is going to tell them?</td>
<td>CEO initial briefing</td>
</tr>
<tr>
<td></td>
<td>Supervisor regular updates</td>
</tr>
<tr>
<td>Feedback</td>
<td>Open question forum</td>
</tr>
</tbody>
</table>
MANAGER’S CHECKLIST FOR COMMUNICATING CHANGE

This checklist helps managers prepare for initial change communication, as well as maintain strong, ongoing communications with employees during the transition.3

THE MESSAGE

- Is your message consistent with that of HR, executives, and other managers? What additional information do you need to effectively communicate with your team?
- Does your message detail the business rationale behind the change and explain the benefit?
- Does your message ask for your employees’ help in making the change work effectively?
- Does your message show support for the change (i.e. help others accept the change)?
- Does your message clarify the vision, plans and progress of the change initiative?
- Does your message relay how the change will affect employees and the business in the short- and long-term?
- Does your message provide as many details as possible?
- Does your message address the question, “What’s in it for me?”
- Does your message supply realistic detail of both the positives and negatives of the change?
- Does your message let employees know that the organisation understands the range of emotions associated with the change?

THE COMMUNICATION STRATEGY

- Are your formal and informal communications timely, honest and accurate?
- Are you repeating key messages numerous times?
- Have you addressed employee questions and issues, and have you captured and escalated important employee concerns?

3 Adapted from Corporate Leadership Council research.
• Has the organisation determined how to clearly communicate what is expected of employees and resources available to them to help them transition?

• Do you communicate proactively and adjust your communication approach depending on employee reactions?

• Do you create opportunities for two-way, face-to-face dialogue and follow up on items of concern following these conversations?

• Are you reaching your audience via numerous channels?