



# **Driving Change in Organizations: Can Organizations and People Really Change?**


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**The MITRE Corporation**

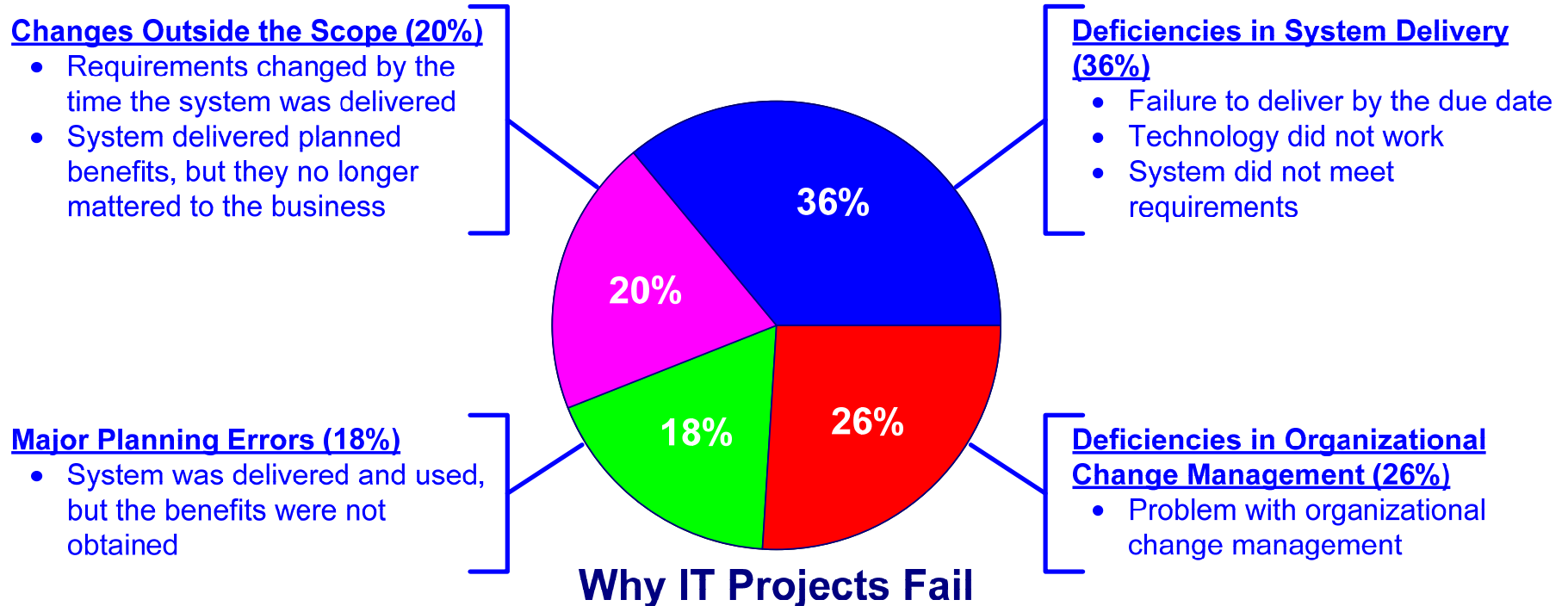
**Center for Enterprise Modernization (CEM)**

**December 16, 2008**

# Agenda

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- **Organizational change – Why the buzz?**
  - **What is the nature of the change process?**
    - Linear vs. non-linear
  - **Understanding how organizations and people change**
    - Organizational models and assessments
    - The individual change process
  - **Navigating the change process**
    - The role of leadership, communications, training and transition plans
  - **Implementing organizational change in government**

# Why is Organizational Change Important to Enterprise Systems Engineering?



Source: Flint, D., "The User's View of Why IT Projects Fail," © 2005 Gartner, Inc. Findings based on 520 failed IT Projects with over 1000 staff.

# Why is Organizational Change Critical to Successful Business Transformations?

- Research indicates that:

- Lack of change management is a common barrier and success factor to achieving organizational goals.

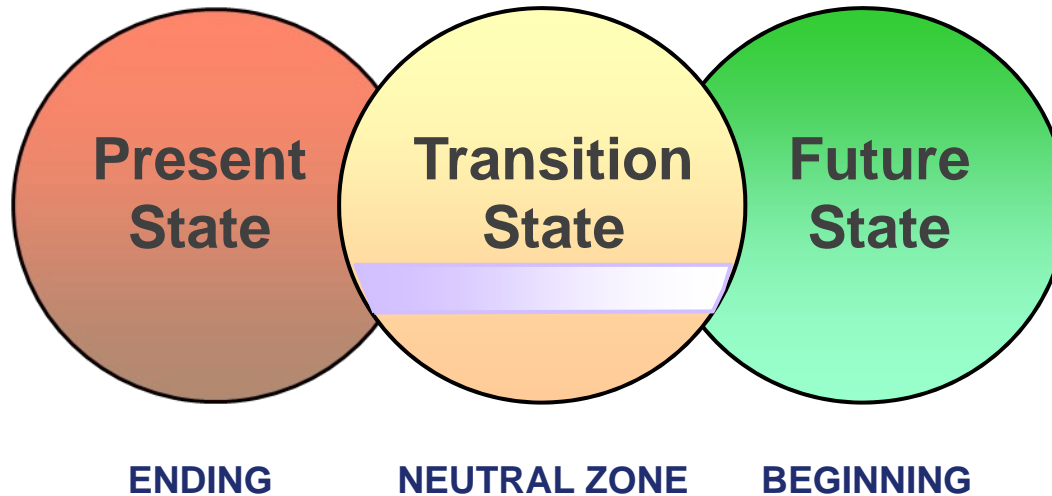
Top Barriers % of 500 companies		Top Success Factors % of 500 companies	
Functional boundaries	44%	Ensuring top sponsorship	82%
Lack of Change skills	43%	Treating people fairly	82%
Middle management	38%	Involving employees	75%
Long IT lead times	35%	Giving quality communications	70%
Communication	35%	Providing sufficient training	68%
Employee opposition	33%	Using clear performance measures	65%
HR (people/training) issues	33%	Building teams after change	62%
Initiative fatigue	32%	Focusing on culture/skill changes	62%
Unrealistic timetables	31%	Rewarding success	60%
		Using internal champions	60%

Coopers & Lybrand and Opinion Research Corporation International, Jointly Sponsored Research Study, October 1997.

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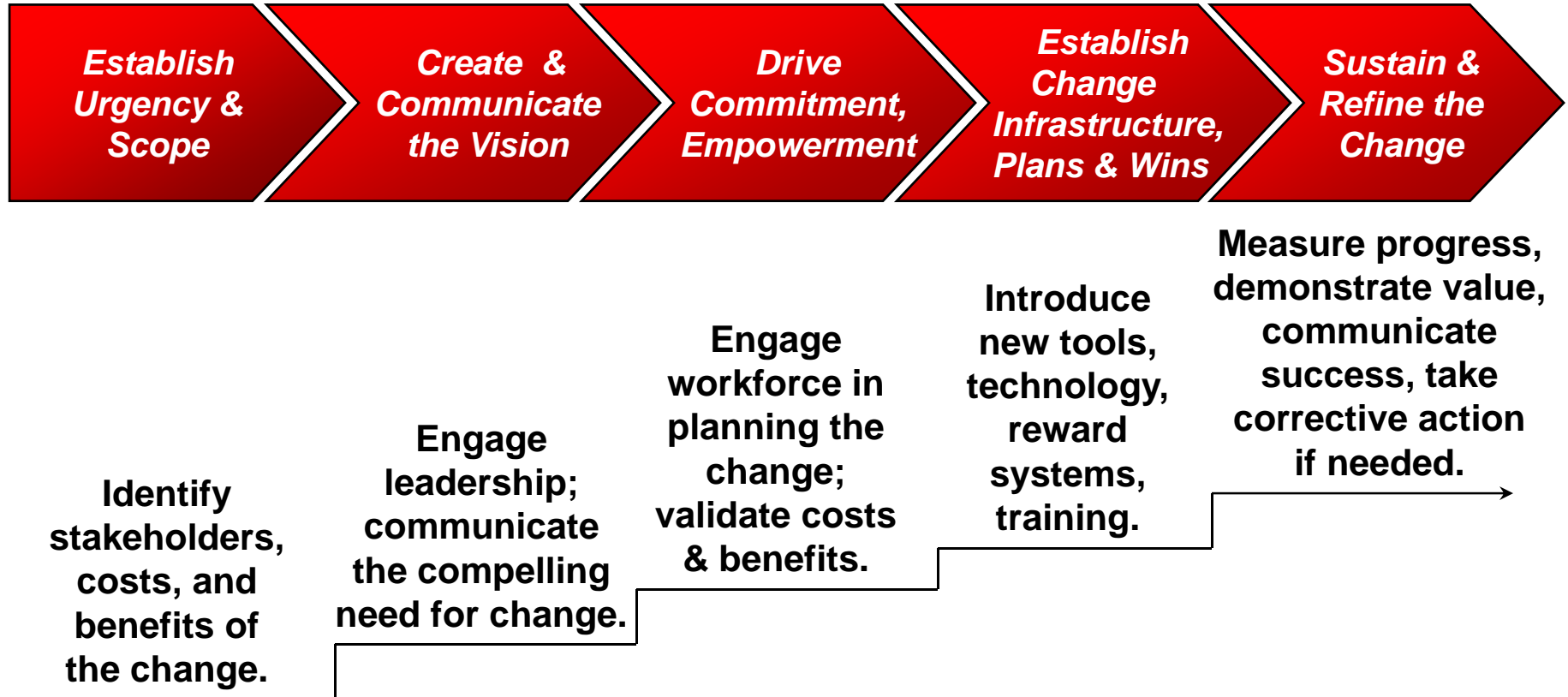
# The Change Process: Moving through the Transition State



**Change is the act of letting go of existing behaviors and attitudes, and moving to and establishing new behaviors and attitudes that achieve and sustain desired business outcomes.**

Richard Beckhard, *Organizational Transitions*.  
William Bridges, *Managing Transitions, Making the Most of Change*.

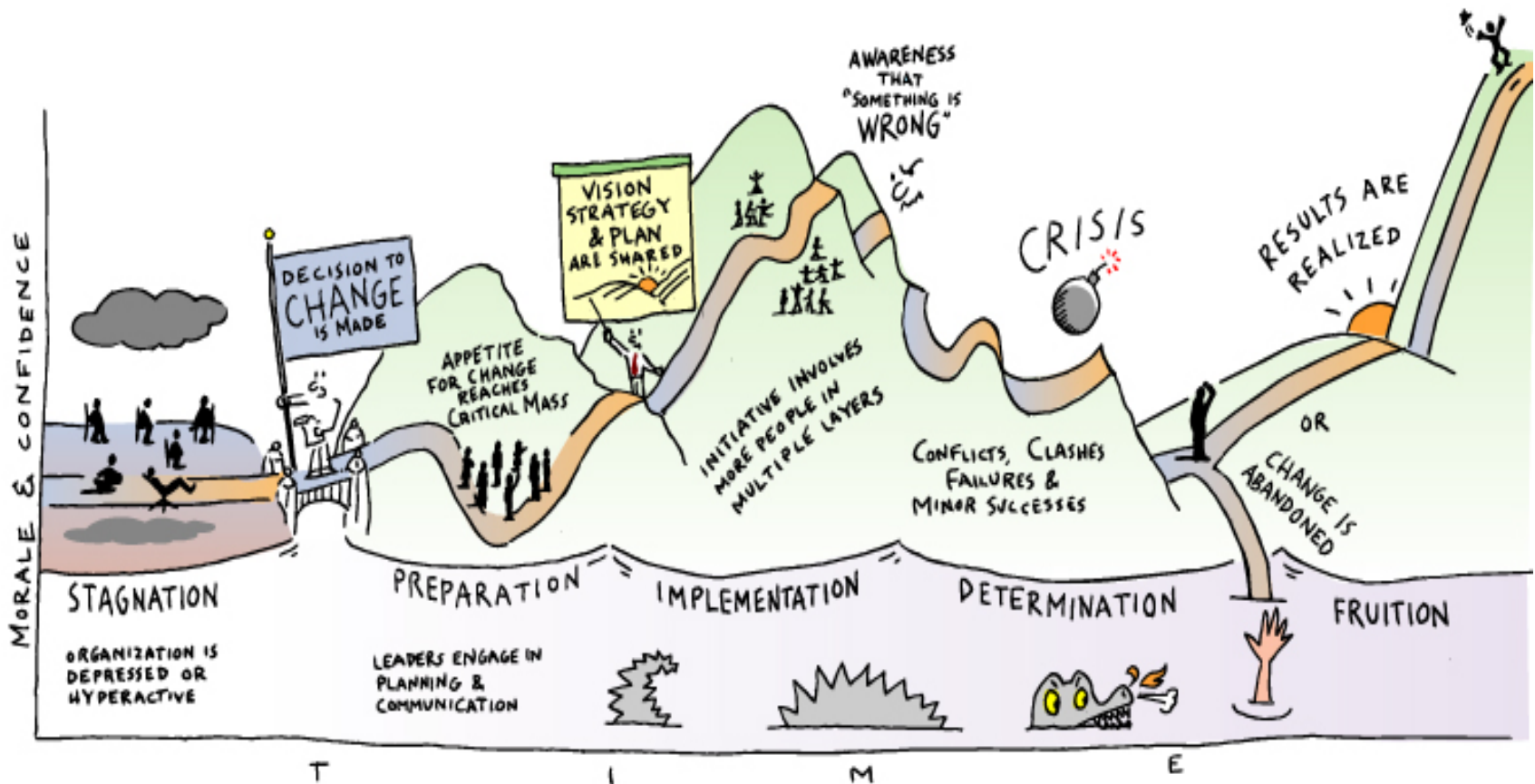
# Understanding How Organizations Change Can Help Us Prepare for the Long Journey Ahead



J. Kotter, *Leading Change*, 1996.

# The Path to Change for Both Individuals and Organizations is Non-linear

The Change Road Map – “The road ahead is full of landmines.”




The nature of change unfolds in a series of dynamic but manageable phases that require preparation.

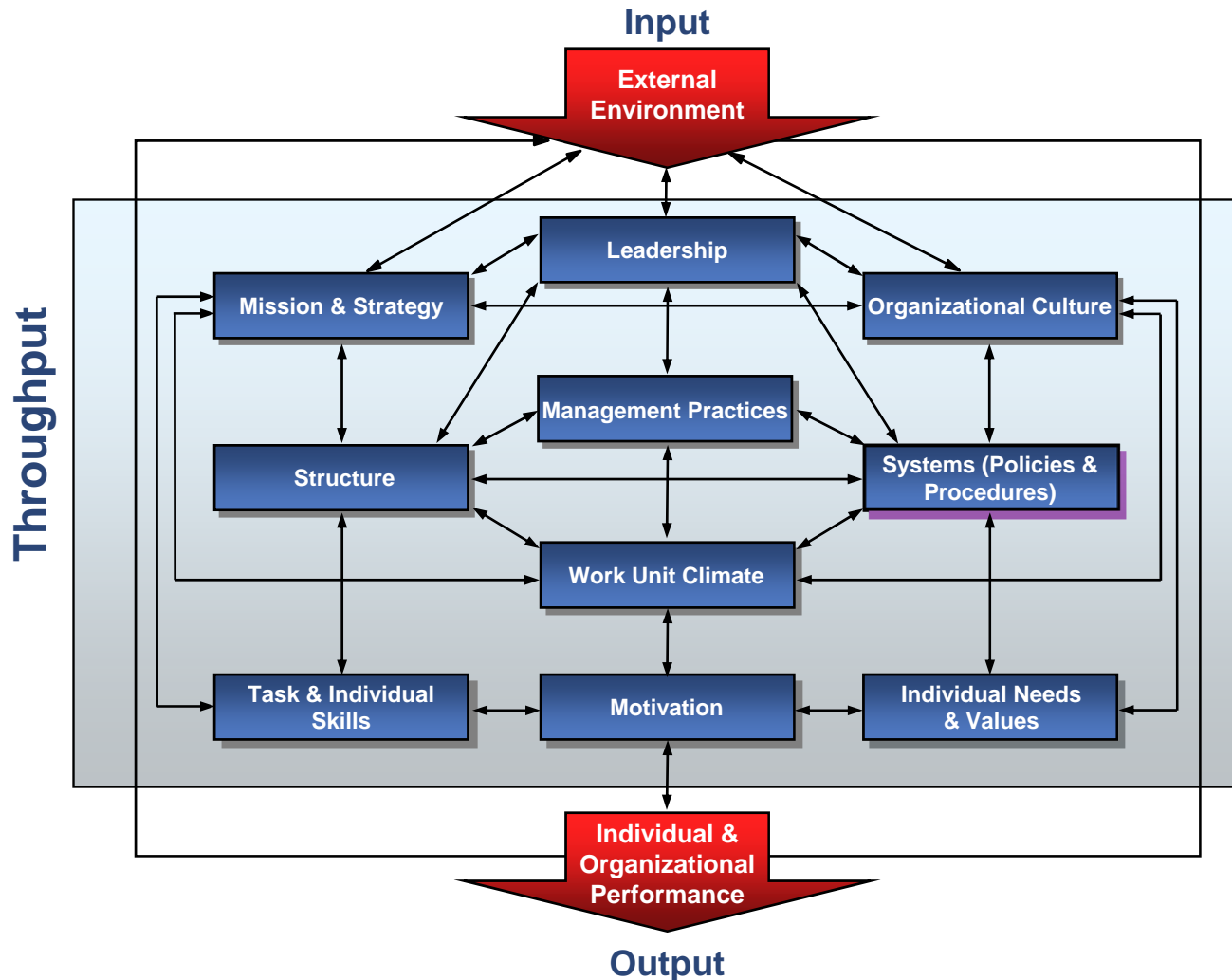
Jeanie Daniel Duck, *The Change Monster*, Crown Business, 2001 (Illustration by Gene Mackles).



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# Understanding and Assessing the Complexity of Organizational Change

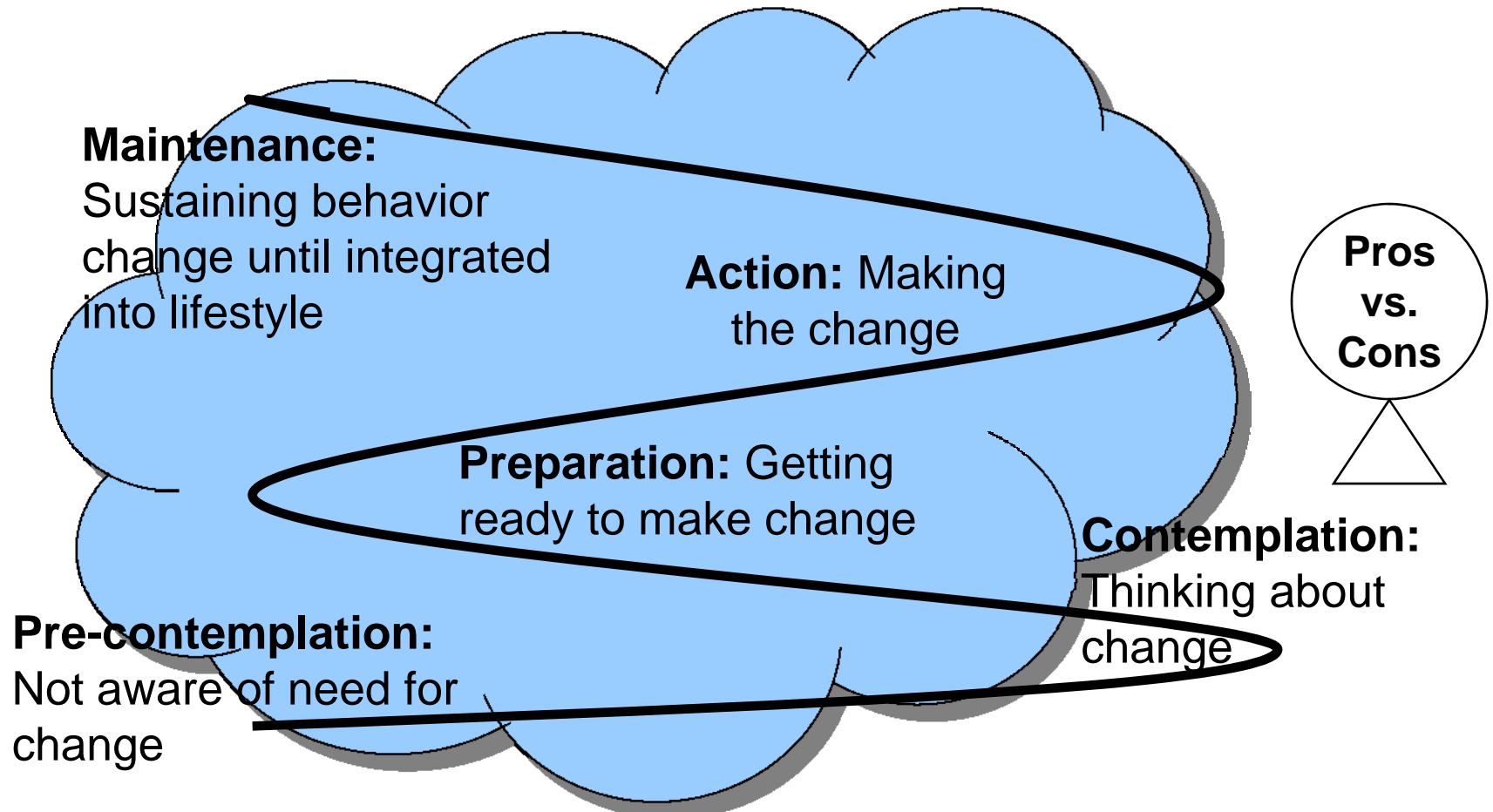


- Most organizational change is driven by environmental impact.
- Boxes indicate primary variables affecting organizational performance.
- Arrows indicate critical linkages.
- A change in any variable will ultimately affect every other variable.
- Higher level variables have greater weight in effecting organizational change.

W. Warner Burke & George H. Litwin, "A Causal Model of Organizational Performance and Change," *Journal of Management*, vol. 18, 1992.

# Understanding the Nature of Individual Change Provides Additional Insights

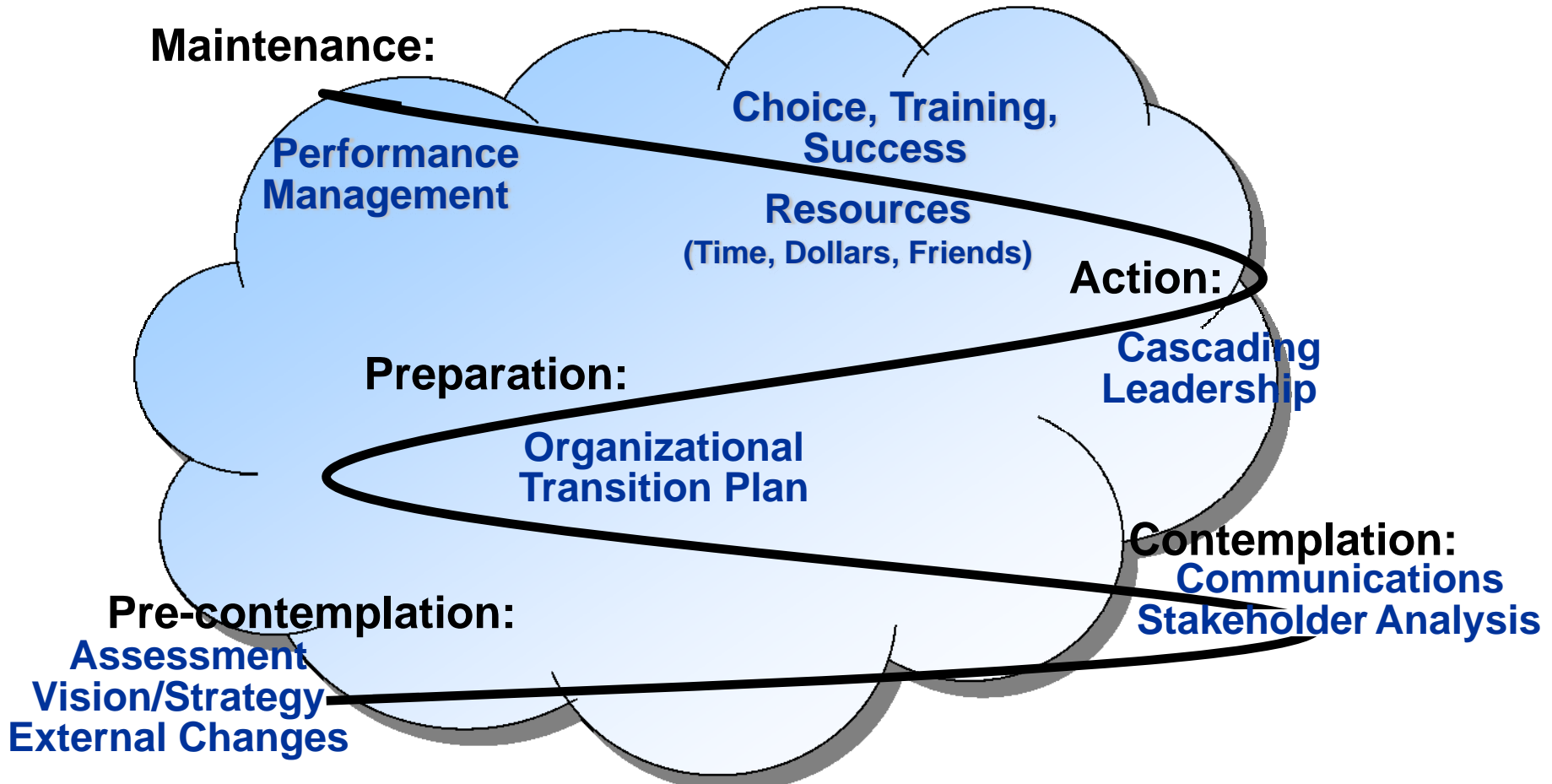
## The Spiral of Individual Change



Prochaska, Norcross & DiClemente, *Changing for Good*, Harper-Collins Publishers, 1994.


# What are the Organizational Implications of Individual Change Patterns?

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Prochaska, Norcross & DiClemente, *Changing for Good*, Harper-Collins Publishers, 1994.

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# Navigating the Change Process: The Role of Leadership — What are Today's Key Leadership Challenges?

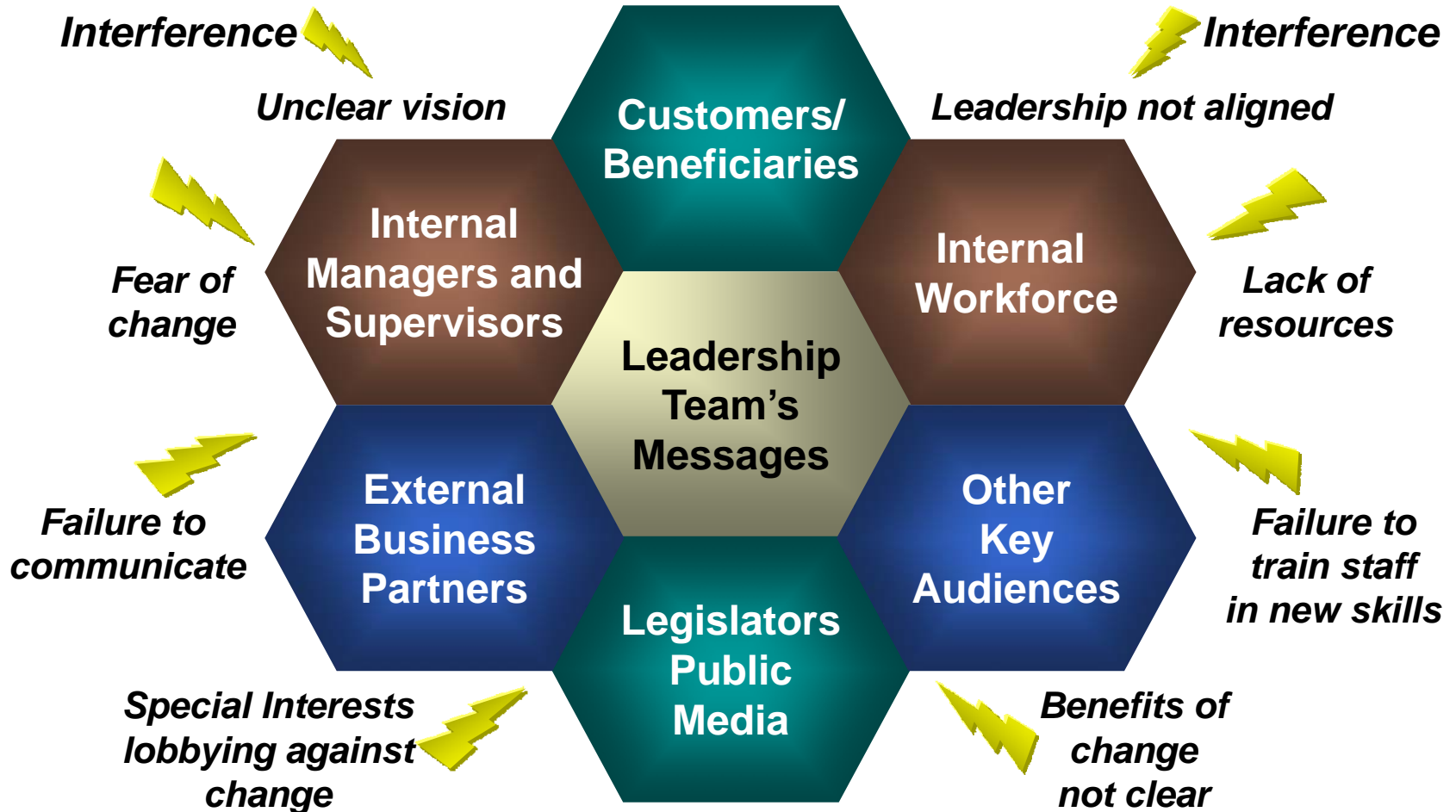
**Executive behavior that encourages others to take required actions.**

## **Key Challenges:**

- 1. Ability to articulate a clear vision of the future**
- 2. Consistency of leadership behavior across all organizational levels**
- 3. Continuous development of the leadership talent pool and pipeline**
- 4. Powerful leadership development architecture**
- 5. Strategic organizational alignment**
- 6. Top team unity**
- 7. Ability to manage change and pursue continuous organization renewal**

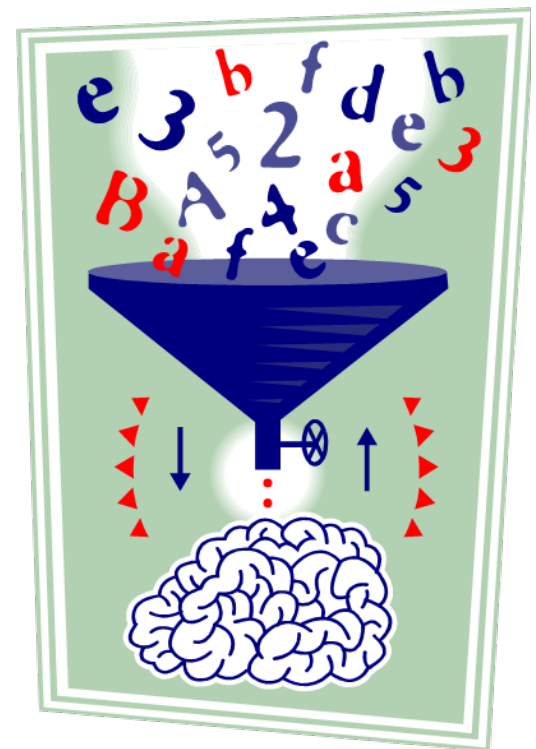
# Navigating the Change Process: The Role of Stakeholder Communication

Why is communicating during times of change so difficult?



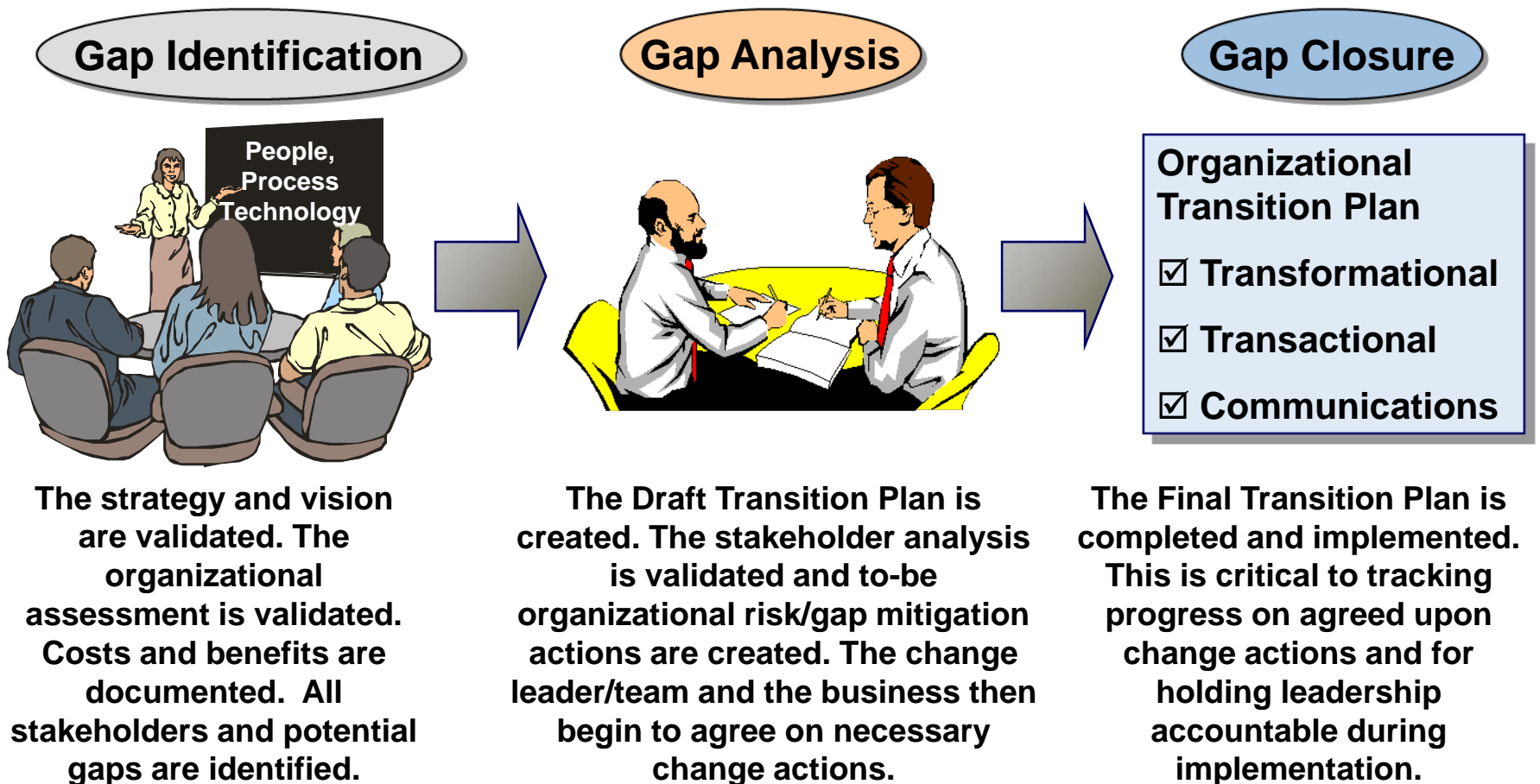
# Navigating the Change Process: The Role of Training

- Knowledge transfer
  - Define and implement a knowledge transfer process early
- Define training requirements
  - Support systems
  - Resources (people and materials)
- Model training to user and organizational needs
  - Directly vs. indirectly impacted users
  - Develop the right training, at the right time, for the right users
- Training evaluation
  - Kirkpatrick





# Once the Nature and the Impacts of the Change are Understood, a Transition Plan Must be Created



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# Can Change Occur in Government? YES!

- **Be a leader, not a bureaucrat**
  - Ensure top leadership drives change
- **Take a comprehensive approach**
  - Establish a coherent vision, mission and integrated strategic goals
- **Create a road map**
  - Involve employees to gain ownership and minimize resistance
  - Dedicate an implementation team to manage the process
  - Set implementation goals and a timeline to build momentum and show progress from day one
- **Improve performance against agency mission**
  - Focus on a key set of priorities at outset of the transformation
  - Use performance management system and ensure accountability
- **Win over stakeholders**
  - Establish a communications strategy to create shared expectations and report on progress

References: *Mergers and Transformation: Lessons Learned from DHS and Other Agencies*, GAO-03-293SP, 2002.  
*Change Management in Government*, Harvard Business Review, May, 2006.

# Change Indicators: How Can You Tell If A Change Is Taking Hold In Your Organization?

- **Process to results/outcomes**
- **Stovepipes to matrices**
- **Hierarchical to more horizontal structures**
- **Inward focus to external focus (citizen, customer, stakeholder)**
- **Micro-management to employee-centered decision making**
- **Reactive behavior to proactive approaches**
- **Hoarding knowledge to sharing knowledge**
- **Avoiding risk to managing risk**
- **Protecting turf to forming partnerships**

# Closing Thoughts: Can Organizations and People Really Change?

**Yes!** Successfully managing change requires...

- An understanding of the organizational change process
- A model for assessing the complexity of the challenge
- The development of an “integrated” transition plan
- Insight into the nature of how individuals change
- Leadership, communications & training

...and, of course, **RESOURCES!**

# Closing Thoughts: Schrage's Law of Organizational Obviousness

**“The smarter the organization thinks it is, the more complacently it manages the obvious.”**

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