

eBCM Mindset: **AWARENESS AND MOTIVATION, COOPERATION**

LEARNING OBJECT #02

## **CHANGE MANAGEMENT**

**EMPLOYEE MOTIVATION, HUMAN RELATION MANAGEMENT,  
PERFORMANCE MANAGEMENT**

### **Outline**

- Change Management
- Resistance to change
- Employees' Stress
- Job Development
- Positive Attitude
- Motivation
- Communication
- Trust and understanding – building up self-confidence
- Technical change

### **Introduction of change management**

Changes can be either expected or unexpected but nowadays change is a permanent phenomenon. Change management itself should contain thoughtful evaluation, planning, sensitive implementation, monitoring and consultation and above all involvement of the people affected by the changes. Change has to be realistic, achievable and somehow measurable. Some indicators for success of each step in the change process should be established before commencing. This enables evaluation of each step and makes progress visible.

Change management is part of the organisational change and on the other hand also part of individual change. There is no one-size-fits-all approach to change management. Each unit must assess its unique culture and receptivity to change and develop a change management strategy based on that profile. Change requires the ability and willingness to relinquish many of the old ways of thinking and of doing things. It is also crucial that employees can handle the uncertainty during change. For management the ability to take risks and willingness to relearn processes are important factors. This section is written mainly from a management perspective, but the employee perspective should also be emphasised during the training.

People cannot be forced to change. Management has a responsibility to manage change; it is not the employees' responsibility. Their responsibility is to do their best during the change process. The fact is that management heavily influences an organisation's culture, and can do so positively and/or negatively. The way employees handle change is different for every person and depends on a wide variety of factors (age, health, personality, motivation, experience of changes). Different people, different changes and different phases of change should be managed in different ways. Respect, support and make good use of individual differences.

The most important thing for management is to be present and show that they are also part of the change process. People want to feel as if they are part of something bigger than themselves. If they understand the direction, and their part in making the desired outcomes happen, they can effectively contribute more.

Management has a responsibility to facilitate and ease change and also help employees understand reasons, aims and goals as well as strategic framework, including mission, vision and values. The most important is to respond positively (non-judgmental) to change and employees' reactions. Management should help employees see change as an opportunity, and management should demonstrate this in their own reactions to change. It is also important to see the balance between change and permanence.



### Resistance to change

People's resistance to change is one of the major challenges companies face in their development process towards becoming eBusiness companies. There are usually two main reasons why people resist new ways to work or new technologies; they do not have skills to use them or gain benefits from them, and secondly, because they lack understanding of how they change the way business is done and processes are executed. If there is no willingness to change, or threat or fear is hanging over the organisation, the change competes with the existing status, and it is not difficult to guess which of them win.

Strong resistance to change is often rooted in deeply conditioned or historically reinforced feelings. Patience and tolerance is required to help people in these situations to see things differently. Bit by bit. And it has to be remembered that there has to be a reasonable and logical reason for change, otherwise employees do not see why they should be a part of a change process.

*Management / be prepared to answer following questions:*

- Has management thought/studied all the other options?
- Why do we need this kind of change, why can't the organisation continue to work in its current state?
- What do we want to achieve with this change?

*Employees:*

It is important to emphasise to employees that resistance is a natural phenomenon; nobody expects a magic transformation, just an open mind to the future and to change. It is important to remember that major change should be implemented in small steps. If you have to eat an elephant, you wouldn't eat the whole elephant at once, but bit by bit. The same applies to the change process. Focus on one change at a time.

### Employees' stress

Each employee is different and has a different background and issues that cause stress. The common stress causing issues are listed below:

- Feeling out of control.
- Feeling directionless.
- Guilt over procrastination or failing to keep commitments.
- More commitments than time.
- Change, especially changes you didn't initiate.
- Uncertainty.
- High expectations of one's self.
- Change threatens a person's sense of control.

Managers need to find ways to limit employees' insecurity towards changes when adopting new work procedures. It has to be remembered that if people do not get any positive things from the change, they may turn bitter. Humans are not machines. Open communication about benefits will reassure them. Humans will "serve" best when somebody has provided motivation. Managers must control operations and take responsibility. They must know how to help and when. Management and understanding have not only to deal with issues but also with humans.

Management / be prepared to answer following questions:

- Do I have a job in the new organisation after the change?
- What happens if I make mistakes?

*Employees:*

It is important to emphasise the need for patience to employees. During major changes they should accept that they cannot be expected to master them all right away. Things will take time, but a positive attitude towards innovation will help during the process. Employees shouldn't be afraid to talk to management about things that cause confusion or stress.

### **Job development**

It is necessary to ensure that employees understand the importance of their role in the eBusiness chain and for them to understand basic functions and how eBusiness works. People have to be told what change means and how this affects their job (pros and cons). The staff should be told what is expected of them and encouraged to suggest solutions. Opportunities should be provided for people to make decisions about and control and/or influence their own job.

Much emphasis should be put on explaining and training people and managers in understanding the benefits of the new work methods applied when adopting eBusiness. Training must be given to perform the work within the new business environment

*Management / be prepared to answer following questions:*

- How will the project improve the business environment, both for the organisation and for the individual?
- How will the project impact the employees, both positively and negatively?
- How will work change?

*Employees:*

It is important to emphasise to employees that they should request appropriate training when required.

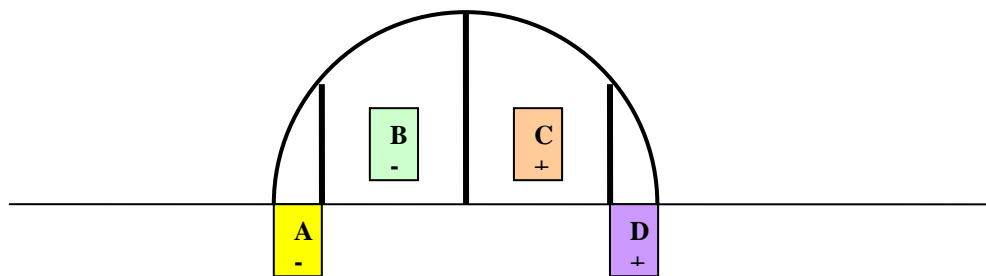
### **Positive attitude**

The toughest sales job for anyone is to sell their own company new ideas and new opportunities. Management has to create a positive atmosphere and to sell all the advantages that change will provide. Adoption of eBusiness should be seen as enhancing companies' competitiveness and reputation. Appropriate rewards and recognition should be provided for staff so that they feel that their contribution is valued.

To support positive feelings and motivation among employees, "super users and teams" could be used in co-operation with the management. They can relate more easily to the employees. Getting the right people in place with the right emotional commitment, with the right mix of skills and levels will help the process. A super user is active (see group D in the figure below). She has a positive attitude to change, she understands the meaning of change and how it affects people's daily life.

Usually employees can be divided into 4 different groups during the change process:

- Group A means people who openly resist change – “opponents”  
Keywords: Sower, position, active, critical, distressed.
- Group B means people who have a negative attitude towards change – “advocates of traditions”  
Keywords: Certainty, safety, fearful, withdrawing, accepts constant change.
- Group C means people who have a positive attitude towards change – “bystanders”  
Keywords: Step by step progression, co-operation, approving, positive.
- Group D means people who openly support change – “change agents”  
Keywords: Self-piloting, visionary, motivated, communicative.



*Management:*

Group B should be identified and then motivated, concentrated and supported most. After convincing group B, the majority of employees will stand behind the change process. Giving positive feedback to all employees is really important.

*Employees:*

It is important to emphasise to employees that everyone’s input is important during the process. Also positive thoughts and questions will make a positive difference. Discussing with colleagues about positive things and future plans may encourage someone else who is not so sure about this change. Keep in mind that even the most difficult changes can produce positive results. It is a waste of time dwelling on what you don't like. Focus instead on the potential benefits and new opportunities the changes may bring.

**Motivation**

Employees are afraid of changes involved with eBusiness and what effect it will have on their job processes and job situation. The idea of eBusiness and the new work processes should be sold to employees and what they mean for them and for their job in particular. Managers must emphasise the benefits eBusiness will bring for employees.

The basis of motivation can be divided into two parts; external and internal. External comes from outside (“stick and carrot”, strong competition, evaluation etc.). Internal comes from inside (passion, challenges, interest etc.). Internal motivation should be supported more, because it will last longer and will help real commitment.

People should be helped to understand all the processes such as understanding their own role in an important process. An environment for new routines and working methods should be created. This enhances credibility. It is rewarding to achieve something, so proceeding step by step can help motivate employees. Also current stages should be finished before starting new ones. Provide rewards and opportunities for staff to express their positive opinion

about workplace policies and procedures. Positive feedback about work done can have significant influence.

*Management / be prepared to answer following questions:*

- What I will gain from this change?

Where management notices a lack of motivation the following issues should be checked:

- Is there enough communication and information about/during change process?
- Have all the advantages been presented in a concrete and understandable format?
- Have employees been able to participate in making decisions that concern their own working methods?
- Have the words: "Well done, great job, thank you" been used enough?

*Employees:*

It is important to emphasise to employees their own motivation should be carefully considered and that they should approach change from that point of view. What new possibilities will this change will bring to me?

## **Communication**

In introducing and managing change, continuous communication is the most important thing to remember. Change usually causes fear about different things. Communication must be very open, honest and encouraging. It also has to cover all the parties involved in the change.

There are certain topics to communicate all the time; why this change (pros and cons), what are the intermediary goal and all the phases of this change process. The communication must be interactive and what's most important, it must cover the whole change process from the planning phase to the monitoring. Face-to-face communications to handle sensitive aspects of change management are crucial. Everyone has to appreciate the difficulties of unlearning and giving up old habits.

*Management:*

Credible and sincere communication will encourage employees. Communication with every person involved and during the whole change process is crucial. Making a communication plan (what, when, to whom...) will ease communication. Management cannot over-communicate when asking an organisation to change. Communication about all that is known about the changes, as quickly as the information is available is important. It is important to recognise that true communication is a "conversation." It is two-way and a real discussion. It cannot be just a presentation.

*Employees:*

It is important to emphasise to employees that the person receiving the message must decide to listen, ask questions for clarity, and trust the sender of the message.

## **Trust and understanding – building up self-confidence**

Willingness to change comes from understanding and trust. To help personnel to adopt the change, management has to be present. The management has to attend, encourage, inspire, disperse the fears, set intermediary goals and also reward and thank after success. Removing obstacles, enabling constructive feedback and lots of support from leaders - rewarding and recognising progress and achievements are the main issues to create trust between management and employees. Mistakes cannot be punished; instead employees should be encouraged to get to know systems, processes etc. deeply and better.

Honesty is important. Employees have the right to know about things which concern their life. Functions, tasks, responsibilities, job descriptions etc. must be gone through carefully. It must be checked what stays, what changes, what is needed and what can be left out. At the same time, all the capabilities, know-how, talents, interests, physical and temporal resources and

need for training and support for each employee personally, must be identified. This must be done very carefully but at the same time honestly, so that everyone knows what is really expected. Treat people as adults with fairness and consistency.

*Management / be prepared to answer following questions:*

- How will management participate / support this change process?

*Employees:*

It is important to emphasise to employees that they can ask about and discuss the issues with management. It is also important to remember that trust and understanding must be mutual.

## Technical change

Both management and employees must understand what it means when new processes and systems will be adopted. Everything does not change in a day, but detailed planning will help the whole process both mental and technical. Needs have to be evaluated carefully. The decision-making process concerning the new needs must be implemented by people with the right mix of skills and motivation. The pressure to change should not lead to premature and ill-considered decisions. The future users should participate in the implementation process from an early stage. It has been stated that participation increases motivation and success in the process.

Things to consider carefully during the change and implementation process:

- Needs: Detailed planning and acquisition plan.
- Future: Looking to the future, what is enough at the moment may not be enough in the near future.
- Training: Both technical and human resources training should be organised for all the people involved this process.
- Communication, motivation. Support from management is crucial.
- Simulate the future (working procedures, systems etc.)
- Implementation phase
- Continuous testing, checking and quality control
- Follow-up process

*Management / be prepared to answer following questions:*

- Why this system?
- Is this safe?
- Does this system make us redundant?

*Employees:*

It is important to emphasise to employees that they can help this technical change by indicating issues that need to be addressed and by evaluating new opportunities. Usually the user knows best which issues are under control and which could be improved. It should also be kept in mind that after the implementation phase the process still continues with updates and training etc. Patience is needed. There will always be surprises but which can be dealt with where the right attitude prevails.