

# How Important is Managing Change?



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## High Performance Companies Weigh In

In a recent study Accenture analyzed over 6,000 businesses, and released a report detailing the definition of a "High Performance Company." Two of the talents high performance companies had in common, the ability to make quality decisions with speed, and an expertise in managing originative ideas and change, show that "Change Management" is essential to the well being of a business. As Harvard Business School professor Rosabeth Moss Kanter told *Strategy and Business Magazine*, successful companies develop "a culture that just keeps moving all the time."

"Change Management" is a concept that far too many business executives either ignore or fail to adequately grasp. How can you manage change? One method is to manage the *response* to the change. Employees are often used to one leadership style, one schedule, and one process. When change shakes up their daily work flow, employees can struggle to cope with new situations. Dick Brown, Chairman and CEO of EDS, said "People are not afraid of change. They fear the unknown." Leaders must educate the work force as to what they can expect. It is the leaders' job to recognize potential situations and develop strategies to counteract the negative effects that unmanaged change can bring about. A Corporate Strategy Board study found three predictable areas in which a company will often face problems during a period of change – leadership, timing, and behavior management. There are several approaches that can help you understand these budding issues:

- **Leadership** – Change experts agree that in order for a change to be viewed as a positive step for the company, the executives must "own" it. This means that leaders must show a full hearted resolve and positive attitude about the change in order for the rest of the company to back it up. Show that the change came from the top down, and have the top management distribute the

information directly to the employees.

- **Timing** – The majority of changes take place over an extended period of time. Inadequately timed change can slow down a company's performance. Change takes a while to be accepted by the workforce. Don't be disappointed when everyone doesn't jump on board right away. Start with what is most important; don't simply change everything at once. Use momentum to your advantage. If an initiative worked well, build on it, don't let it stop with one achievement.

- **Behavior Management** – Change leaders need to cultivate the executive vision in the behaviors of their employees. Behaviors that are not in line with the change goals can be a problem. Allow for communication between employees and management, the ability to discuss fears can be the greatest tool to quelling them. Understand that behaviors in line with the "old way" are not negative; you just need to show employees how the "new way" is beneficial to the company as a whole. Employees will be resistant to letting go of their old habits at first.

According to Peter Cheese, the global managing partner of Accenture Human Performance, employee training programs that develop the skills and behaviors employees will need to perform are essential to the successful implementation of change. Here at Farr Associates, we couldn't agree more.

**Farr develops leaders that are exceptionally better decision makers and excel at managing change by inspiring those they influence to deliver their best work. If you have any questions about change management or what Farr can do for your company, please give us call: 1-800-395-3277**