

## Executive Summary

### Research Question

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How would we best engage and excite overall organization (employees, managers & business leaders) about an HR system and process changes that they'll need to use in their day to day work?

### Engaging Employees in Change Management

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Change is a phenomenon that is vital for growth and is constant in all settings. In the context of business, organizations continually change their strategies, culture, structure and processes in response to markets, technological advancements, and legislation.<sup>1</sup> A recent study highlighted that 90% of change management programs fail, largely due to employee resistance and the lack of management support.<sup>2</sup> However, when employees, human resources (HR) professionals and leadership are invested in change, it is 30% more likely to succeed.<sup>3</sup> Therefore, everyone in the organization holds the responsibility to manage change with transparency and communication.<sup>4</sup>

### Best Practices for Change Management

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Effective change management involves all employees and presents an opportunity to inspire and connect everyone to a shared vision.<sup>5</sup> Communication is critical to any change management initiative as it informs, involves, and motivates individuals to participate in the process. It is imperative to identify all audiences, how these HR process changes will impact them, and address this accordingly.<sup>6</sup>

1. **Evaluate and ensure readiness for change:** Readiness is a vital determinant of the outcome of a change process because it affects the motivation to implement the change.<sup>1</sup>
2. **Articulate the mandate and clarify expected benefits of the change:** The vision for the future and the benefits of a change mandate should be defined so that everyone involved understands the advantages of proceeding with the change.<sup>7</sup>
3. **Engage senior stakeholders:** Get senior leadership buy-in for the mandate and commitment to actively and publicly endorsing the vision for change.<sup>55</sup>
4. **Prepare managers to own the vision:** Engage managers and influence them to demonstrate commitment to the process by acting as role models and champions of the new mandate.<sup>5</sup>
5. **Educate, communicate and link to a broader employee value proposition:** People are more alarmed by uncertainty than the change itself. Therefore, it is essential for them to be equipped with the necessary information to engage in the change process and know that their input and involvement are important.<sup>8</sup>

### Recommendations

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This CAHRS partner should identify how the new HR system and processes changes around accessing compensation, talent management, and employee information will affect different individuals in the organization. When making these changes, strengthening senior leadership, managers and employees allows the company a greater chance of success (See Exhibit 1). Below are recommended strategies that this company should adopt to drive employee excitement about its change efforts.

## Employees

1. Ensure that employees are aware of the short and long-term goals before and during a change<sup>9</sup> and educate them to fully understand the reasons for change and contribute their ideas.<sup>10</sup>
2. Produce and distribute media and print messaging to the overall employee base. For example, inform through corporate homepage branding, e-mail and Yammer chats. Further, create and share print and video tutorials detailing how to use new HR processes.<sup>11</sup>
3. **Manufacturing division:** Considering that this division differs from the rest of the organization because they lack access to personal computers, consider leveraging on managers/supervisors as key communicators early and often to verbally discuss the new processes, the rationale for change, and the benefits. Further, posting flyers around the plant is a valuable tool.<sup>10</sup>

A study conducted using the Australian Workplace Industrial Relations Survey data across 2,000 companies explored how change management strategies impact employee trust and showed that management fostered employee trust through informally including employees in the rollout of changes through seminars and workplace empowerment programs.<sup>11</sup>

## Managers

Managers are the most vital participants to leverage for successful change implementation as they are the first point of contact for employees during such situations. Consequently, a manager's effectiveness as a change agent depends on the level of trust that manager has among their team.<sup>12</sup> For this reason, HR must engage well-trusted managers to be drivers of change across the organization.

1. Collaborate with managers to determine the feasibility of the change and prepare the implementation plan, which includes goals, phases, milestones, timing, accountability, key risks, mitigating actions and metrics for success.
2. Provide training to prepare for ongoing administration and implementation of the change, as well as tools and resources for monitoring employee engagement and addressing resistance.

A good reference point is how ING Bank, during a major change initiative, achieved its expected results by committing time and effort to win over its managers through repeated training sessions that laid out the expected behaviors and translated them into practical realities and included the development of an individual plan for each manager.<sup>13</sup>

## Business Leaders

Research on organizational change indicates that the extent to which an executive leader encourages participation in a change effort influences the success of that change effort in the organization because people will tend to follow their leaders actions.<sup>12</sup> As such, it is imperative that business leaders are provided with the support necessary to drive change. This involves consistent communication that lets them know real-time progress and provides them the resources to continue in their change efforts.<sup>5</sup>

Most recently, the Bill and Melinda Gates Foundation drove successful change as they transitioned to using Yammer for mass communication across the organization. Their leaders, supported by the marketing and communications team, influenced everyone across the organization to jump on the tool as they leveraged it to send out all kinds of communication.<sup>14</sup>

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## Conclusion

Effective change management drives both holistic and individual growth through constant communication, organizational buy-in, knowledge sharing, and the opportunity for employee feedback. As discussed, responses to change will vary in type and in degree depending on employee level and how the change impacts their job. It is important to keep the lines of communication open, include employees in the conversation, and listen, learn and respond to their feedback.<sup>9</sup>

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## Appendix

Exhibit 1

## Factors for successful change

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### Senior managers

Commitment	Put initiative at top of agenda
Communication	Relate single, clear, compelling story—no mixed messages
Financial incentives	Reward senior managers if initiative is successful
Nonfinancial incentives	Provide recognition for strong performance
Leadership	Identify owner/champion
Stretch targets	Uphold goals with mantralike consistency; team “lives or dies” by the numbers

### Middle managers

Decision authority	Exercise consistent control over defined set of tasks
Skills in managing people	Provide feedback to employees on status of initiative
Skills in managing projects	Achieve measurable milestones in timely manner

### Frontline staff

Skills	Consider training key aspect of initiative
Tools	Make technology and techniques available to employees
Motivation	Clearly reward excellent performance to improve morale

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