

# Strategies for Successful Change Management

Change coaching as a key for creating the organizational mind-set to drive long-term value.



## SUMMARY

Traditional change management no longer withstands the test of time. Companies are proving increasingly resistant to process classic change models and tools. Projects fail because of rigid organizational structures and employees rejecting classic change management measures or exhibiting passive resistance.

At the same time, the pressure to evolve is growing rapidly. Companies and employees have to adapt increasingly fast to new market conditions in order to survive and grow successfully.

Companies therefore need an expanded management approach so that they can adapt quickly and flexibly while retaining, or even increasing, the motivation and creativity of their employees. This white paper describes the change coaching approach to bring sustainable progress to organizations.

## Introduction

Permanent change is the new status quo. New technologies and business models, along with new players in established markets, can force out even the strongest market leaders from their traditional positions within a short timeframe. The major trends of our time – globalization, digitalization and demographic shifts – contribute to the constant transformation of markets and are accelerating change in many areas. This gives rise to challenges for established companies and opportunities for newcomers who can operate with a high degree of agility, without having the long-standing ties that their competitors have. Thus, for most market participants, this creates some fundamental questions: How can I survive – and even thrive – in this dynamic environment? How can I best deploy my resources to achieve this?

Creating innovative products and services, restructuring, mergers and acquisitions, as well as the modernization of legacy infrastructures are classic responses to this pressure to evolve. They lead to complex transformation projects which often need to succeed under time pressure. Formalized restructuring, communications and training programs common to traditional change programs are no longer enough. Critical success factors these days tend to be increased motivation and solid acceptance of change(s) among the affected parties, as well as the organization's ability to implement the change quickly. This demands intensively confronting the potential motivations for and against changes among managers, opinion leaders and all affected groups. Traditional change management disciplines must be combined with participatory methods to ensure sustainable change. **We call this broadened approach “change coaching”.**

### BARRIERS TO CHANGE IN COMPANIES



### CHANGE COACHING



### RAPIDLY INCREASING PRESSURE TO CHANGE

FIGURE 1:  
CHANGE COACHING HELPS COMPANIES OVERCOME  
INTERNAL BARRIERS TO CHANGE AND TO EFFECTIVELY  
DEAL WITH INCREASING PRESSURE TO CHANGE.

SOURCE: INFOSYS CONSULTING

# Why is change so difficult?

Management and employees must confront changes to a greater extent. In most organizations, there are traditional, "homemade" problems standing in the way such as the lack of willingness to integrate ("department silos"), outdated processes and procedures, lack of acceptance for change and, to an even greater degree, insufficient willingness to assume a leadership role in the process. This means that change programs soon face resistance on every level of the hierarchy. Typical reactions when plans are announced are to dispute the necessity of the change or relevance of the concrete project proposals as well as to cast doubt on the feasibility of implementation. Change management measures that simply serve to fulfill project milestones without taking into account the willingness to evolve within the organization often make the situation worse.

Common problems with this type of change management include:

- ▶ The overarching vision is not clearly formulated, so employees do not understand the motivation for change.
- ▶ A communicated vision is perceived as inconsistent or implausible.
- ▶ The affected (groups of) people cannot recognize why they are affected and what the transformation means for them ("What's in it for me?").
- ▶ Change management tools and processes are implemented for their own sake and not adapted flexibly to conditions within the company and the project
- ▶ The fear of loss of any kind (prestige, position, prospects) outweighs expectations of the achievable benefits for the company and for its development.
- ▶ Management doesn't succeed in motivating employees or to function as role models for a demonstrable willingness to evolve.
- ▶ Change is part of a very specific project and is planned and budgeted for as part of fixed measurement criteria.

In the worst-case scenario, these issues lead to the phenomenon of "change fatigue"<sup>1</sup>, whereby the mere announcement of a new change project prompts reflexive rejection among those affected.

## TYPICAL (NEGATIVE) REACTIONS TO THE ANNOUNCEMENT OF PLANNED CHANGES

- ▶ "It's an important issue, but I don't believe that we can implement it at our company."
- ▶ "Not another new project!"
- ▶ "Why does that need to change? It works fine as it is."
- ▶ "The project doesn't address our needs at all."
- ▶ "We have bigger things to worry about than this project."

»» The right mix of activities, methods and tools in change coaching and change management are crucial to successful, sustainable change. ««

# Characteristics of a successful change project

Successful transformation programs make "sense" of changes for those affected by offering them answers to these basic questions: Why? Why now? Why me?

This can mean, for instance:

- ▶ Affected parties and people recognize and accept the opportunities that the change offers. The results of the transformation are recognized as "normative" and crucial, and are integrated into the execution of day-to-day processes.
- ▶ The willingness to help shape the future structure increases – both on management level and among employees.
- ▶ The change process is explained in plausible terms and is implemented consistently (end-to-end); changes in the methodology are avoided.
- ▶ The transformation is supported by coordinated information and training programs (multi-channel).

It is not so much about administering the processes as assuming a leadership role in it within the company, and establishing a broad coalition for its implementation within the organization.

This means the change manager becomes a "change coach". Change coaching deals with motivational factors for and against change among all affected groups. It combines traditional change management disciplines with participatory methods to achieve sustainable change.<sup>2</sup>

A manager must not only be able to master the basic methodology for creating and implementing development programs, communications as well as training plans for the affected groups, but must also function as a coach who encourages affected parties to actively engage with the change and its implementation.

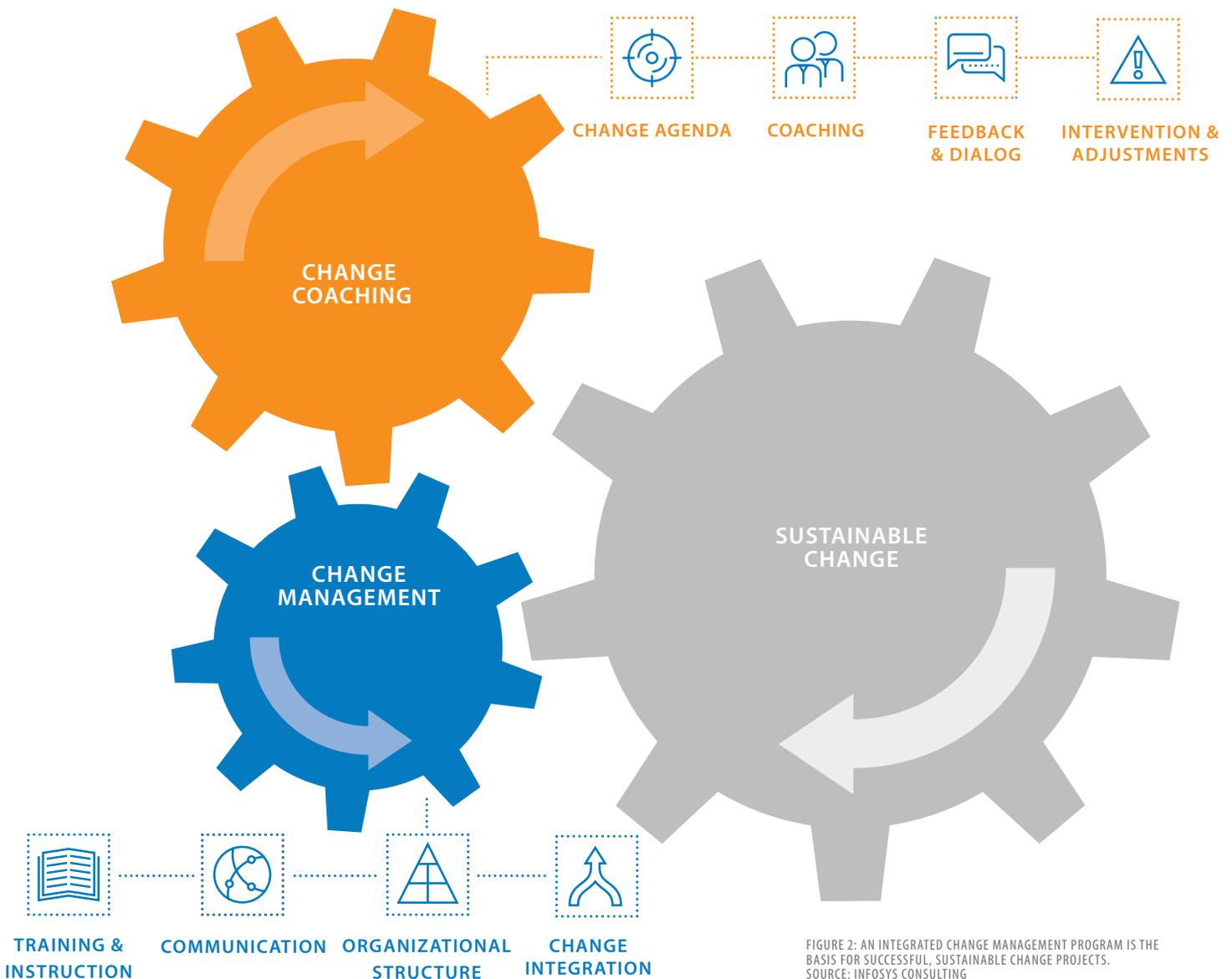


FIGURE 2: AN INTEGRATED CHANGE MANAGEMENT PROGRAM IS THE BASIS FOR SUCCESSFUL, SUSTAINABLE CHANGE PROJECTS. SOURCE: INFOSYS CONSULTING

**Key factors for successful transformation projects<sup>3</sup>:**

**1. Clear assignment of tasks**

The scope and substance of the planned program are clearly defined and comprehensible to both project managers and participants. The assignment of tasks is clearly described and defined for all participants. Dependencies are identified and documented.

**2. Proven methods and realistic estimations**

All participants know and accept the methods and processes used in the project. They understand why these are used and how they might realistically contribute to success.

**3. Experienced resources**

Employees and companies possess expertise and experience in their fields of work – but seldom make changes in these fields. Therefore, it is important that experienced resources – both internal and external – be incorporated into such projects. They offer experience on

two levels – experience in change processes and method competencies as well as in-depth knowledge of the organization. Both are necessary in order to drive change forward on different hierarchy levels.

**4. Appropriate budgeting**

The budget realistically reflects the scope and complexity of the project and the resources required.

These general conditions bring about a program that combines elements of traditional (deliverables-oriented) change management and elements of change coaching to drive forward successful, lasting implementation of changes. The advantage of such a combined approach is the effect it has beyond the project timeframe. Employees on various levels of the hierarchy can also apply the methods used in future change programs. This builds the foundation for an improved and potentially faster capability of the organization to transform.

Here, Infosys Consulting relies on an integrated change management concept that considers the client's individual situation and the transformation plan at hand.

Like the gears of a clock, elements of change coaching and change management mesh together to bring about sustainable progress. At the detail level, the individual elements address the following topics:

## CHANGE COACHING

Methods and measures of coaching go beyond a concrete project plan and aim at the development of general change competencies within an organization.



### Change agenda

Here, the goal of the change is specified from various perspectives, consequences are analyzed and a corresponding program drafted. Typical work elements include:

- ▶ Taking stock of the present situation and projecting the target outcome against the individual backdrop of the organization
- ▶ Coming to an understanding of the motivation for change and determining possible consequences
- ▶ Identifying, coordinating and choosing potential courses of action
- ▶ Defining and planning the program



### Coaching

This is where the organization develops its change competency. Individuals and/or groups are identified so that they can be trained to become “change agents” in the context of individual or group coaching. Change agents are key figures in the implementation of the plans within the company. But they must understand the appropriate instruments and methods, and use them in a practical setting to ensure the necessary professionalism in the implementation of the program.



### Feedback & dialog

Listening to and responding to feedback from affected parties plays a key role in the success of change processes. Therefore, it is important to establish channels that enable communication between the parties involved. The “recipients” of this feedback must be prepared for it and deal with it constructively (particularly criticism). For this reason, the following activities are important:

- ▶ Defining, coordinating and establishing feedback channels
- ▶ Defining clear responsibility for feedback channels
- ▶ Preparing/coaching those responsible
- ▶ Regular “pulse measurement” of the state of change based on feedback



### Intervention & adjustments

In many cases, the change cannot be implemented as planned. Interventions may become necessary if a counter-productive dynamic develops, for instance, when different positions of various groups paralyze the process or if there is disagreement over the right way to proceed with the project. These types of situations demand selective intervention which must follow an approach coordinated between change management and project management.

»» To measure progress and success, clear metrics must already be established during the project. ««

## CHANGE MANAGEMENT

Here, structured methods and measures for implementation of changes are addressed. The focus here is on concrete, predictable and measurable activities that make it easier for employees in the company to find their way in an evolving working environment.



### Training & instruction

Transformation affects various areas of a company. For example, the work processes employees have learned can evolve, as can functional processes, IT systems or the organizational structure of the company. The affected parties need the right training to ensure a smooth transition to the new working environment. Therefore, typical elements in this area are:

- ▶ Requirements analysis for training and instruction
- ▶ Definition of training content/curricula
- ▶ Planning and implementation of the instructional/training program
- ▶ Success monitoring



### Communication

Along with the opportunity to communicate through feedback channels, initiatives like this also require communicating standardized information to affected parties. Here, the spectrum ranges from general information about the program to specific information about training plans. The activities in this area therefore include:

- ▶ Definition of communication plans
- ▶ Coordination between the project parties
- ▶ Implementation of communication plans
- ▶ Ad-hoc communications measures

This form of communication is generally distributed one way through defined channels (for example, in newsletters, briefings, town halls). It offers relatively little room for individual dialog.



### Organizational structure

Transformation often requires adjustments or a complete reordering of a company's structure. Here, change management encompasses various tasks, particularly the appropriate communication (description, rationale, motivation) of the new structures to the affected areas of the existing organization. This cross-departmental issue is addressed jointly by the affected areas and the Human Resources department, also taking into account any existing participation bodies.

»» Traditional change management disciplines must be combined with participatory methods to ensure sustainable progress. ««



### Integration

Not all change-related activities can be carried out by the change management team alone. Complex, cross-departmental activities require the expertise and sometimes also the assertiveness of various participants. Here, the change management team coordinates relevant participants to identify, plan and implement the activities required for the change. The foundation for these activities includes questions such as:

- ▶ What impact does the project have on the affected areas?  
Will work processes, requirements, qualifications, structures, IT systems be changing?
- ▶ What measures have to be taken in each area to ensure clean implementation with as little friction as possible?
- ▶ Will the workload of affected employees evolve?
- ▶ What will the new or adjusted organizational structure look like?
- ▶ Exactly which employees are affected, and how?
- ▶ What qualification measures are required for which employees?

# Infosys Consulting's model for change coaching projects

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The key to successful and sustainable change within organizations is the right combination of activities, methods and tools in change coaching and change management, and specifying the extent to which the chosen measures are to be applied. In this respect, Infosys Consulting relies on a dedicated analysis phase at the beginning of the project to ensure the right scope and the right measures on the basis of client requirements. Here, a profound knowledge of the customer's situation, a clear understanding of the way tasks are assigned as well as experience with the aforementioned methods and tools are key. The analysis phase requires close cooperation between the client and experienced management consultants. This is the only way to identify, plan and implement programs that meet the challenge of sustainable evolution in the client organization.

»» A coach needs to directly address the change and its implementation by the affected parties. ««

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## What does sustainable change mean for the company?

### ► Stabilization of concrete changes from a project within the company

Changes must be fully implemented if they are to deliver the expected benefits. In order to measure progress and success, clear metrics must be established during the project itself. But in the course of the project, they also ensure that the desired goals are attained.

### ► Change in awareness and company culture

An awareness of the need for change must be inscribed in the DNA of the company culture. With current economic and social shift, this is a key success factor for companies. A flexible organization that is open to evolve is better able to deal with dynamic requirements.

Infosys Consulting offers a global Enterprise Change Community, which brings together change coaching staff who support worldwide clients in their change transformation programs. Infosys Consulting examines each project within its unique context. Even if the contents of transformation projects appear similar at first glance (more efficient processes, modernization of IT, organizational change, etc.), the starting point is different for each client.

For this reason, Infosys Consulting works with its clients to create and implement sustainable change programs that reflect the individual starting positions and objectives of its clients while at the same time preparing them for further evolution in the future. With its high quality standards, Infosys Consulting supports clients in the industrial, services and public sectors in implementing both business-driven and IT-driven change.

## CONCLUSION

“Traditional” change management approaches no longer fulfill the requirements of companies in rapidly shifting markets. The brevity of change cycles means that a generation of employees can pass through multiple cycles. The development of competencies in this domain is therefore essential for companies to ensure their competitiveness does not suffer, which is why they must rely on external expertise and strengthen internal competencies in each project. To do so, they need external partners with experience in many different change management projects who at the same time have excellent command of the entire set of change coaching instruments – partners who can execute a concrete project on time, on budget, while also strengthening the transformation competencies within the company.

## ABOUT INFOSYS CONSULTING

Infosys Consulting is a global advisor to leading companies for strategy, process engineering and technology-enabled transformation programs. We partner with clients to design and implement customized solutions to address their complex business challenges, and to help them in a post-modern ERP world. By combining innovative and human centric approaches with the latest technological advances, we enable organizations to reimagine their future and create sustainable and lasting business value.

Infosys Consulting is the worldwide management and IT consultancy unit of the Infosys Group (NYSE: INFY), a global leader in consulting and technology services, with nearly 200,000 employees working around the globe.

To find out how we go beyond the expected to deliver the exceptional, visit us at [www.infosys.com/consulting](http://www.infosys.com/consulting).

## Author

**Jan-Peter Höltgen** has worked in the areas of change management and coaching for top consultancies for over 15 years. In his work he creates added value for clients by combining traditional change management disciplines (such as change leadership, communication, training) with coaching approaches. In his project activities he develops and implements change programs for clients in various industries.

He has been working for Infosys since 2012 and, from 2014 has been head of the Infosys Consulting Change Management Community in Germany.

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