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# Managing change in your business

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*Many firms are operating under 'survive or thrive' conditions and are looking to make large scale changes – but too many are forgetting their most important transition tool – their people. David Jarrett reports.*

Economic challenges have forced many financial services firms to undertake radical and deep reaching changes in recent months to stay afloat, but during the course of these changes there is one key factor that's consistently forgotten. Changing the way

people within the organisation think and behave is often put in the 'too difficult' box – but it's also the very thing that will directly impact the success of any structural change.

Change projects usually start with presenting graphs and numbers that rationalise the need for change. The other - perhaps most challenging half – is implementing this new way of working without your best people leaving, morale crashing, performance falling through the floor and dissatisfaction erupting among your clients.

It isn't just your staff that has to change, of course; it's your leaders too. Without leaders to pave the way by 'being the change you wish to see', your people cannot follow. Moreover, when changes are radical it's almost certain that leaders will have to engage outside of their organisations with stakeholders, partners, suppliers and customers or end users, but this is only when they're ready.

### **Common causes of failure**

The big difference between success and failure is not the analysis of what changes need to be made, but actually how the change is managed.

There are three main reasons for failure: Firstly, front line people are not often sufficiently involved in designing the details of the change. As it's often said the devil really is in the detail. Secondly, the change programme itself is frequently not synchronised and integrated, with the result that in large complex organisations progress is slow and piecemeal.

The most common cause of all is that people see the change primarily as a structural one, not holistically and underpinned by a new mindset.

### **Starting the change journey**

Implementing change requires a capability as well as the

capacity to manage the change effectively. To start the journey to sustainable long-term change, organisations need to have the capability to plan at an organisational, departmental and individual employee level. However, it's important not to forget capacity; without effective change capacity it's like setting out to drive from London to Manchester with an empty tank and dodgy wheel bearing - you probably won't make it. That's why conversations about implementing change should start with a fitness assessment for the journey. Without attention to both change capability and capacity, organisations will fail to get the predicted return.

### **Five practical steps required in times of change**

1. Facilitation of sessions with staff, partners or users where the manager needs to hear and give difficult messages.
2. Personal and team coaching to help the manager stand back and focus on priorities as well as process what the changes mean for them personally.
3. Extra capacity for communication, engagement, and rapid problem solving so that difficulties don't become entrenched and everyone is active in solution finding.
4. Enabling effective decision making processes where assumptions get aired and differences heard.
5. Team development for new teams, where they take forward the best of the old culture and start to set norms for the new.

*David Jarrett is chief executive of [Bath Consultancy Group](#) [1].*

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[1] <http://www.bathconsultancygroup.com>