



Change Management in Not for Profit Organizations

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February 11, 2011

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Accepting the Need for Change:

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- ***“My interest is in the Future, because I am going to spend the rest of my life there.”***
Charles F. Kettering, 1876-1958 American Inventor

- ***“The Third World is no longer Third – Think China”*** Macleans Magazine

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Areas of Focus in this Session:

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- Types/Categories of Change to Consider
- Being Change Ready as an Organization
- What Kills or Lessens Change Efforts
- 8 Step Systematic Change Process – Harvard Method
- Other Related Suggestions for Managing Change
- Change Impact in Smaller Organizations
- Implementation Efforts and Improving the Odds
- Dealing with the People Issues in Change
- Being the Leader in a Change Process
- Continuous vs. Event Change



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Paradoxes of Change

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1. To respond rapidly - You must initially slow down.
2. To go forward - You must look back.
3. You must facilitate a culture of change - Change exacerbates internal anxiety, confusion and conflict.
4. Conflict is essential to innovation and creativity - Conflict can destroy or paralyze change efforts.
5. Change efforts must include diverse perspectives - The more diverse the perspectives the greater the potential for gridlock.



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Various Types of Change Efforts:

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- **Strategic Planning Change** – Agency mandate and longer term direction focused planning;
- **Cultural Change:** Shifting the attitudes & belief systems of staff, consumers, other stakeholders;
- **Structural Change:** reconfiguring functions, redesigning staff groups, changing reporting relationships, integrate/amalgamate, etc. Purpose is to achieve greater effectiveness, efficiencies or cut costs.
- **Process Change:** improve reliability, measurability, effectiveness, reduce cost/time, etc.



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Reality of Change Mgt. Efforts:

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- None of these efforts are easy or guarantee success.
- Many change projects do not reach the intended initial expectations.
- The most difficult change to reach relates to altering belief systems and people's attitudes.
- This requires leadership, evidence, implementation planning, communication, engagement, monitoring, empathy & trust.
- Every form of change mgt. noted will be necessary at some point in an organization's life.



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Being Change Ready:

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- Is your organization prepared for and capable of major change?
- When four important factors are present, your odds of success increase dramatically in the effort:
 - a) Leaders are in place, are respected and are effective.
 - b) People feel motivated to change because they understand the shortcomings that are present.
 - c) Collaborative approach vs. traditional hierarchal mechanisms are present and in use.
 - d) Commitment to good planning is present.



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Processes to Become Change Ready:

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- 1) Generate discussion with stakeholders about the challenges and limitations affecting the organization's performance. Share relevant information.
- 2) Listen to their perspective about the problems that they experience and their hopes for change. (Don't always ask consultants to do this for you)
- 3) Create dialogue on the data developed, not just the original problems. This proves that you are listening and open to new views.



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What Kills Change Efforts:

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- Lack of involvement of the people impacted by the change. (Fears of their resistance) Lack of consistent and present leadership.
- Inaccurate or insufficient view of the present reality. (what is the real problem with the status quo anyway?)
- No sense of vision into the future state. (better, preferred, hope, where we need to go)



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Wasted Change Efforts:

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- Lack of resources. (time, staff, change team, \$\$\$,)
- No formal monitoring and fixing along the way.
- Formal structure of the organization itself gets in the way. (communication, decision making)
- Complacency Sets In. (what real problems? Things are okay!)



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Systematic Change – A Step by Step Guide

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- 1) Jointly identify problems & challenges across the area selected or in the organization as a whole.
- 2) Involve staff and others in developing potential solutions. (Use a facilitator approach where possible vs. a consultant/expert, unless the consultant is both)
- 3) Develop a compelling vision of a preferred future state. Communicate it and the benefits for all. Be specific about “why” and capture the 50% fence sitters.



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Systematic Change:

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- 4) Specify the leadership group or person(s). They must champion, resource and take responsibility for the project's success or failure and be consistent all the way through the effort.
- 5) Focus on measurable results & not just on tasks/activities. (Training, team building, planning, etc. are good/necessary, but the measure is the outcomes).
- 6) Initiate change on a smaller scale whenever possible. Then spread it across the organization with this experience– not from the top. Changing an entire organization at once is very difficult.



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Example of Measurable Change Statements:

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- *Within 90 days, our intake process will be redesigned based on staff input and under the leadership of a designated manager.*
- *Within six months, new client/consumer satisfaction will have been surveyed.*
- *Within nine months the original re-design will have been adjusted with identified limitations responded to.*



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Systemic Change:

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- 7) Institutionalize the change by the following:
 - a) Formalize it in policy.
 - b) Reward people when they demonstrate the change and celebrate successes.
 - c) Challenge practices that reinforce former thinking and expectations.
- 8) Monitor and adjust based on problems encountered along the trail. Face new issues. Be flexible.



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Related Suggestions:

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- Don't use a shelf version of a change plan developed elsewhere. Every organization is unique.
- Don't change everything at once.
- Identify champions or change enablers at all levels.
- Keep the process resourced.
- Consistent leadership increases credibility.
- Measure your real results, not your desired ones!



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Change Impact in Smaller Organizations:

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- Small organizations are often more nimble, have less bureaucracy, communicate efficiently and have less resistance to change than larger organizations.
- Leadership can be more visible and this is necessary.
- On the down side, small organizations typically have less specialization, (HR, technology, planning), less resources to manage the change process itself.
- Plan accordingly but ensure that some dedicated time/resources are present or success will be elusive.



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Implementation Challenges:

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- Change implementation is rarely smooth. Unforeseen problems will arise. (e.g. lack of support from a key stakeholder; a new crisis or a major shift in policy, key person leaves, etc.)
- It takes longer than predicted. (76% of the time)
- Training is not adequate in terms of new skills.
- Goal setting and planning is fuzzy or worse.
- There are inadequate resources (time, money, enablers) to manage the change process.



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Improving the Odds for Success:

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- Have the support of some key players besides the Board. (managers, clients, informal leaders in the organization, union, etc.)
- Determine “*Who has the power to make or break this effort?*” and invest time with them.
- Put together a change team/group that has skills, is credible, can demonstrate leadership.
- Specify responsibilities & roles of the players.



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Increase Your Success Potential:

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- Insist on a simple nuts & bolts plan.
- Chunk out the work in stages in terms of what has to be done, by when and in “results” terminology.
- Message the change consistently as well.
- Walk the talk.



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Other Realities/Needs

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- Build in important enablers like training, rewards, pilot projects, celebrations, strong and ongoing communication, team tasks, etc.
- Communicate the change effort relentlessly. (why it is necessary, rewards, keys to implementation issues, feedback, etc.)



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Use of Experts:

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- Experts can play a consultative role or a facilitation role. Both can add value to your process and effort.
- If you can afford it, get some help from an expert in terms of readiness assessment, strategy formation & implementation planning.



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Help People Adapt to Change:

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- Change puts many people through the wringer.
- Regardless of its value, it produces stress, loss and sometimes displacement.
- Stages in response to major change are similar to grief: shock, anger/retreat, acknowledgement, acceptance/adaptation.
- Typically, people have to work through each level, one by one. Be patient and understand the journey.
- Some will move through easily-others will be stuck.



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Human Factors:

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- Change also affects people's identities, their relationships, routines, emotions, attitudes, etc.
- Change creates discomfort for many people. Some, on the other hand, are totally energized by it.
- Don't put people who are uncomfortable with change in key change leadership roles.
- Discovery Learning, Inc. categorizes people as either change resisters, (no – 20%); change originators, (yes - 30%); or change pragmatists. (maybe - 50%)



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Working with Resisters:

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- Resisters may profit from the old order or be change averse. Resistance is natural. It's "Why should I?"
- Over history, resisters have been shot, sent away to be "re-educated" or sent to the gulags.
- Identify resisters and try to redirect them by:
 - A) Identifying those who may lose in the process.
 - B) Communicating the "why" & the benefits.
 - C) Helping them to find new roles and minimize their losses.



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Enablers or Change Agents:

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- Look for potential "change agents" in your organizations.
- They tend to not be happy with the status quo and have ideas about change.
- They should also appreciate the organization's culture and hard work of the past.
- Change agents can articulate the need for change to others. They are catalysts who should be in various locations or positions if possible. |(not just in leadership roles)



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Minimizing the Negative as a Leader:

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- Be cool at all times and patient with your staff.
- Respond non-defensively when others disagree.
- Be empathetic. Let the loss take its course.
- Adjust your plans to changing conditions.
- Be visible and active in the change process.
- Make decisions and bring clarity to the work.
- Rule out entitlement to the past and help people move on.



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Focus on Continuous Change:

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- Event change can be minimized by focusing on continuous change as a way of doing business.
- Remain “change ready” by being collaborative, scanning the environment regularly, talk about a changing context regularly, etc.
- Review your services on an ongoing, scheduled basis.
- Provide stability and anchors. (core values, strong teams, sense of connectedness)
- Try to avoid major abrupt change when possible. Small changes are easier to manage & less disruptive.



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Good Luck!

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- Best of luck in your change efforts!
- Thanks for a good exchange of views.

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