Reliable Green
Compendium for SMEs

Module 10: Change Management

In this module, you will learn…

By the end of this module, you will be able to:

✓ Understand and explain what change management is, and how it can help to future-proof businesses

✓ Build strong change management skills amongst employees and leaders alike

✓ Cultivate a proactive and adaptive attitude towards embracing and driving change in SMEs

Image source: Microsoft Creative Commons (n.d.)

Introduction

Change Management

- Change management involves leading an organisation through the process of business-wide change, including the planning, implementing, and consolidation of changes within an organisation.

- It involves managing the transition from the current state to a desired future state, ensuring that individuals within the organisation are well-prepared and willing to embrace the change.

- Change management is crucial to SMEs for several reasons including increasing adaptability and resilience, efficiency and effectiveness, and employee engagement.

Image source: Ross Findon (2017), Unsplash

Introduction to Change Management

Watch this short video into change management and the 5 steps included within to implementing change in your organisation…

Video Link: *5 Steps in the Change Management Process by HBS Online* – https://www.youtube.com/watch?v=wxVgd8h1svU

Change Management Skills

Image source: Microsoft Creative Commons (n.d.)

- Developing effective change management skills can empower SME leaders to navigate uncertainties, drive positive change, and position their businesses for long-term success.

- To develop your change management skillset, follow these steps:

Embrace a growth mindset → Invest in education and training → Lead by example → Develop strong communication skills ↓ Foster emotional intelligence ← Build a change management team ← Encourage feedback and adaptation ← Measure and celebrate success
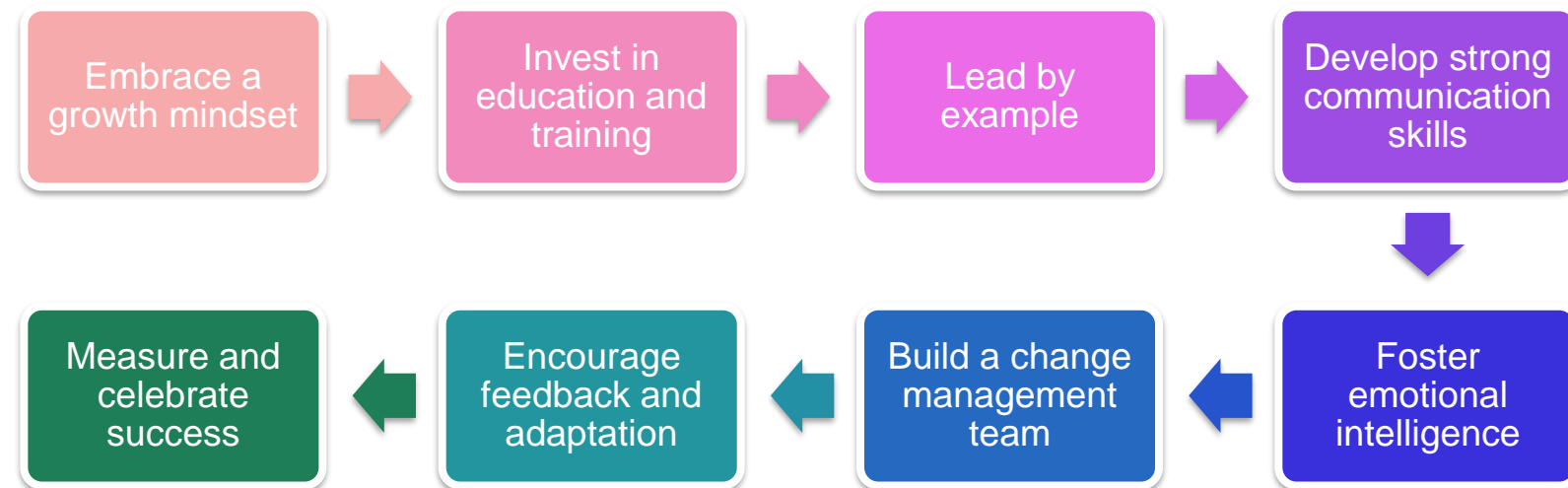
Four Change Management Principles

When implementing actual change into your business, there are four core principles that can help to guide your journey: understand change, plan change, implement change, and communicate change.

1 — *Understand Change*

To successfully promote the benefits of the change, you need to understand them yourself. Start by asking some questions about the change you are looking to implement.

2 — *Plan Change*

Plan the way that you will implement change within your organisation including using some of the available change management tools such as the Burke-Litwan Change Model, or Leavitt's Diamond.

3 — *Implement Change*

During the change implementation, it is important to ensure that everyone involved understands their roles. This includes addressing training needs, designating "change agents", and offering support throughout the organisation.

4 — *Communicate Change*

It is essential for everyone to comprehend the purpose behind the change, embrace a positive outlook, and grasp the path to achieving success.

Image source: Ryoji Iwata (2018), Unsplash

- It is important to identify the stakeholders in your business that are affected by any potential change.

- Stakeholders affected by change within an organisation can include various individuals, groups, or entities who have an interest or involvement in the change process.

- Each group may have different perspectives, concerns, and interests, and addressing their needs can increase the likelihood of successful change implementation.

- For most organisations, the core stakeholders affected by any major change are employees, leaders and managers, shareholders and investors, suppliers and partners, and customers. Understanding which stakeholders are implicated by change will enable SME leaders to communicate effectively.

Effective Communication

- One of the most important skills for change management is communication. Being able to communicate change effectively is one of the greatest challenges for effective change.

- Employers need to be clear and concise when communicating change to employees as it helps to understand the purpose and direction of the change, reducing uncertainty and resistance.

- Transparent and open communication also helps to foster trust between leaders and employees. It helps to emphasise the benefits and positive impacts of the change which provides motivation to help implement it.

- By providing frequent updates, multiple communication channels, employee surveys, and training sessions, SME leaders can ensure that there is plentiful communication during times of change to help to counteract resistance within the business.

Image source: Microsoft Creative Commons (n.d.)

Resistance Management

Resistance is an inherent response to change, yet we possess the ability to manage its duration, cost, and impact.

- Change often triggers anxiety and fear, leading to powerful physical and emotional reactions that foster resistance to the change itself.

- Resistance management, an integral aspect of change management, involves understanding, addressing, and mitigating resistance displayed by individuals and groups throughout the organisational change process.

- Recognised as a major hurdle to successful change, it is crucial for business leaders to master the art of identifying and countering resistance.

- Developing strong resistance management skills is essential for effective change implementation and addressing employee concerns, ultimately benefiting the overall success of the business.

Scan here to learn more about managing resistance to change!
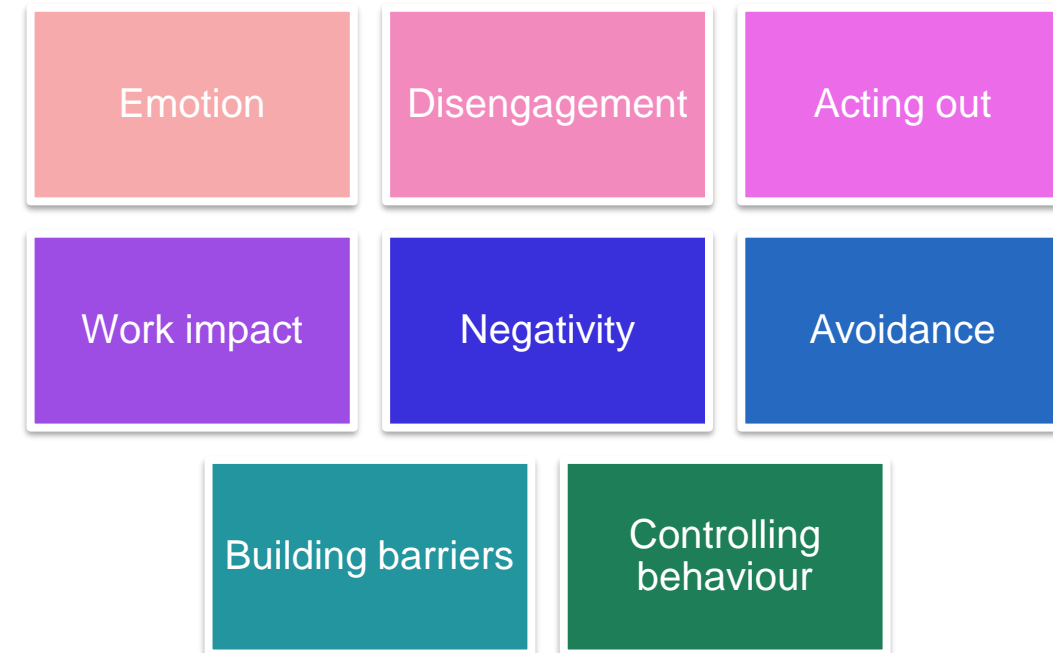
Resistance Management

How to Identify Employee Resistance

From a change management perspective, it is essential to consider various factors that influence an employee's resistance to change, such as:

➢ The effect on their work responsibilities;

➢ The credibility of individuals communicating the change;

➢ Personal factors affecting their perception of the change;

➢ The alignment of the change with their value system;

➢ The organisation's past track record in managing change.

What does employee resistance look like?

Emotion	Disengagement	Acting out
Work impact	Negativity	Avoidance
Building barriers	Controlling behaviour	

Key Steps for Combatting Resistance

1 **Identifying Resistance**

Recognising and understanding the sources of resistance to change through communication, feedback mechanisms, and open dialogue with employees and stakeholders.

2 **Addressing Concerns**

Engaging with individuals and groups to address their concerns, fears, and uncertainties about the change. Providing clear and transparent communication can help alleviate resistance.

3 **Creating a Supportive Environment**

Establishing a positive and supportive organisational culture that encourages open discussions, active participation, and involvement in the change process.

Key Steps for Combatting Resistance

4 | **Gaining Buy-In** | Building trust and gaining buy-in from employees and stakeholders by involving them in the change planning and decision-making process. Ensuring they feel valued and heard enhances their willingness to embrace the change.

5 | **Providing Support and Training** | Offering the necessary resources, support, and training to equip employees with the skills and knowledge needed to adapt to the change successfully.

6 | **Monitoring and Feedback** | Continuously monitoring the change process and seeking feedback from employees to address any emerging resistance and adapt the change management approach accordingly.

Key Takeaways

1. Embrace change management as a structured approach to navigate organisational transformations effectively. It helps SMEs adapt to dynamic markets, implement changes smoothly, and achieve sustainable growth.

2. Resistance to change is natural and address it proactively. Understand employees' concerns, communicate the benefits of the change, and involve them in decision-making to gain buy-in and foster support.

3. Prioritise effective communication throughout the change process. Be transparent, provide regular updates, and create a culture of open dialogue to keep employees informed, engaged, and motivated.

4. Empower employees by involving them in the change process. Seek their feedback, encourage input, and recognise their contributions. Engaged employees are more likely to embrace and champion the change.

5. Change is dynamic, and flexibility is key to successful implementation. Stay responsive to feedback, adjust strategies as needed, and celebrate milestones to maintain momentum and sustain positive change outcomes.

Image source: Microsoft Creative Commons (n.d.)

Additional Resources

If you want to learn more about this topic, check out these helpful articles and videos:

How to Deal with Resistance to Change | Heather Stagl | TEDxGeorgiaStateU
Link:
https://www.youtube.com/watch?v=79LI2fkNs2k

The Hard Side of Change Management *by Harold L. Sirkin, Perry Keenan, and Alan Jackson*
Link:
https://hbr.org/2005/10/the-hard-side-of-change-management

What is Change Management and How Does It Work? *By Prosci*
Link:
https://www.prosci.com/resources/articles/what-is-change-management-and-how-does-it-work

What Leaders Need to Know About Change | Taylor Harrell | TEDxSDSU
Link:
https://www.youtube.com/watch?v=4EvkGX_lr1A

Image source: Microsoft Creative Commons (n.d.)

You have now completed Module 10!

Thank you!