



By Tamra Chandler and Beth Montag-Schmaltz



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Change Management: Fad or Classic?

According to Dictionary.com, a fad is “a temporary fashion, notion, manner of conduct, etc., esp. one followed enthusiastically by a group.” We would add that a fad often has low or rapidly declining value. While most fads are product-based (Pet Rocks, anybody?), business and management are not immune to the siren song of the latest and greatest. Remember “quality circles” and management by walking around?

Some have asked whether change management will ultimately prove to be itself a fad or a management classic. We believe change management is neither a temporary nor a low or rapidly declining value effort. Admittedly it is not often undertaken with zeal. However, change management provides high value when strategically applied and successfully executed, and it is frequently acknowledged as a key contributor to driving value out of an initiative.

Change management has never been trendy, and those of us involved in leading and marketing change management programs in corporate America have never really been considered “cool.” Yet the demand for change management is growing steadily and is destined to become a classic tool for driving success.

Commonly, executives like to control and quantify and are frequently rewarded on these bases, but human behavior can be anything but controllable and quantifiable. As executives accept and embrace this paradoxical reality, we will see more and more focus on managing change in the workplace.

In fact, we are seeing a shift in attitudes that is making it easier to introduce change management and to drive change initiatives within corporations. This shift is being driven by a number of factors, including:

- Many companies and their executives have lived through failed initiatives, sharpening their recognition of the difficulty of delivering sustained change. Now more than ever, CEOs have greater expectations for change within their organizations.
- There is greater recognition of, and more data to support, the direct correlation between effective change management and a strategic initiative's return on investment.

The McKinsey Quarterly published a study, "Helping Employees Embrace Change," in which 40 companies from various industries shared attributes of their program successes. It indicated that, when strong change management was present, the average expected return was 143%. On the flip side, companies with weak change management received only 35% of expected return.



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In addition, Prosci's 2009 edition of the *Best Practices in Change Management* surveyed 575 participants from 65 countries around the world. Once again, their report found a strong correlation between project success and effective change management. In fact, when utilizing change management:

- 95% of large scale projects met or exceeded the projects objectives
- 71% were more likely to stay on schedule
- 82% were more likely to stay on or under budget

So can change management become something more than the dependable blue blazer? Can it become one of the classics: the little black dress, the navy power suit, the no-miss solution that packs pizzazz? Yes, it can!

Here are a few ideas to make change management work for you:

- Recognize that any significant corporate initiative needs dedicated resources to support effective change management. Change resources should represent 10-15% of the overall project budget.
- Change management needs to be an executive agenda item with active leadership and engagement.
- Ensure the people you rely on to drive the change effort have the right skills to lead with knowledge and experience.

Before your next big corporate initiative, skip the trendy and reach for the classic. Invest in change management and you'll be dressed for success.