

Managing the people side of change involves one of the most unpredictable variables that you will ever encounter: people. To be effective at leading change, you will need to customize and scale your change management efforts based on the unique characteristics of the change and the attributes of the impacted organization. You should not blindly follow a recipe or formula but must carefully craft a change management strategy and approach that meets the needs of your situation, and you must be able to constantly adjust your tactics to match the evolving project conditions.

## THE PSYCHOLOGY OF CHANGE

To accomplish this customization, you must understand the psychology of change and its key guiding principles:

1. [Senders and Receivers](#)
2. [Resistance](#)
3. [Authority for Change](#)
4. [Value Systems](#)
5. [Incremental vs. Radical Change](#)
6. [The Right Answer Is Not Enough](#)
7. [Change Is a Process](#)

You will then be able to work with many change management tools and adjust your approach according to the size and nature of the change, ultimately making your change a success.

The guiding principles that will impact your change management activities are shown below. We want to investigate each of the areas and find out how they impact the successful application of change management.

### 1. SENDERS AND RECEIVERS

Every change can be viewed from the perspective of a sender and a receiver. A sender is anyone providing information about the change. A receiver is anyone being given information about the change.

Senders and Receivers are often not in a dialogue at the onset of a change. They talk right past one another. What a sender says and what a receiver hears are typically two very different messages. For example, if a supervisor sits down with an employee to discuss a major restructuring project within the company, the supervisor may be enthusiastic and positive. She may cover all the key

messages including the business reasons for change, the risk of not changing and the urgency to change the organization to remain competitive. The supervisor may even emphasize that this is a challenging and exciting time. However, when the employee discusses this change at home over dinner, the key messages to his family are often:

“I may not have a job.”

“The company is having trouble.”

Many factors influence what an employee hears and how that information is interpreted. Examples of these factors include:

- Other career or educational plans
- Situations at home or with personal relationships
- Their past experience with other changes at work
- What they have heard from their friends or work colleagues
- Their current performance on the job
- Whether or not they trust or respect the sender

As revealed in Prosci’s change management research since 1998, employees have consistently preferred two primary senders of change messages: Senior leadership and the employee’s immediate supervisor.

Senior leaders should communicate about:

- Why the change is necessary
- The risk of not changing
- How the change aligns with the organization’s vision and business direction

Supervisors should communicate about:

- How the change impacts the employee and their team
- How the change affects their day-to-day responsibilities
- “What’s in it for me?” (WIIFM)
- What’s in it for us (our team or workgroup)?

## Implications for practitioners

What does this mean for change management practitioners? Realizing that “what receivers hear and what senders say” is not always the same is the first step to understanding that change management cannot be reduced to a set of activities or steps without the addition of thoughtful guidance on the part of the change manager who can scale, customize and adjust as necessary. Understanding the underlying phenomena of communications, including the sender/receiver concept, causes us to rethink our traditional modes of communicating. Change

management practitioners, managers and executives alike must not only be clear in their communications, they must also listen to employees to understand how their messages are being received. They then must be willing to communicate over and over again, and be willing to correct misinformation that naturally spreads during change.

## 2. RESISTANCE

Change creates anxiety and fear. The current state has tremendous holding power, and the uncertainty of success and fear of the unknown can block change and create resistance. These physical and emotional reactions are powerful enough by themselves to create resistance to change. But there is more to resistance than our emotional response. From a change management perspective, we must examine the other drivers that influence an employee's resistance to change. Other influencers include:

- The impact on their work
- The trustworthiness of people communicating the change
- Personal factors, including finances, age, health, mobility and family status
- The change's alignment with their value system
- The organization's history of handling change

The question, therefore, is not if we will encounter resistance to change, but rather how we support our employees through the change process and manage that resistance.

### Implications for practitioners

Consider this basic thought process: If resistance to change is a normal and natural reaction, then resistance should be expected. If resistance is expected, then our planning activities should be designed to mitigate that resistance.

We can manage resistance early and at its source. In many cases we can prevent resistance or greatly reduce it. We also can stop treating resistance as a "problem employee" or a trouble area. We can understand the many factors that drive resistance and manage them accordingly, both professionally and with respect for the employees going through change. If we do a really good job at managing change, we will find that change management can shift from preventing and managing resistance to engaging employees and building enthusiasm and passion around the change.

The three critical and relevant lessons for change management practitioners related to employee resistance are:

1. Do not react to resistance with surprise; expect it and plan for it.
2. Be patient with individuals as they work their way through the change process. Enable business leaders and managers to become effective change leaders and teach them how to manage resistance effectively.
3. Assess resistance not only from an individual perspective, but also based on the larger organizational context.

### 3. AUTHORITY FOR CHANGE

Over the last two decades of change management benchmarking research, study participants have identified active and visible sponsorship as the top success factor for change management. However, a large percentage of projects have a senior leader named as the project sponsor, but they lack the true sponsorship required for success.

Executive sponsorship provides:

- Sufficient resources and funding for the project
- Established priorities between competing initiatives
- Consistent support of the project in every business division or group
- Employees understanding of why the change is being made and how the change aligns with the vision for the organization
- The proper channel for resistant managers to resolve their objections

### Sponsor in name vs. sponsor in practice

Consider a project that you are supporting today. If you concur with the statements above (you might even think we are simply stating the obvious), and if you have a senior leader sponsoring your change, you might assume that you are good to go. Unfortunately, the research data does not support that assumption. In the [2012 edition](#) of Prosci's Change Management study, 650 organizations cited ineffective change sponsorship as the number one obstacle to change. When you investigate why, the project leaders and change managers did not say that they lacked a sponsor in name. Instead they said:

- Our sponsor was at the wrong level or in the wrong part of the organization to support this change (they did not have control over the people and systems impacted by the change)
- Our sponsor was invisible (they were not involved with the project team nor did they communicate to employees)
- Our sponsor did not build a coalition of sponsorship with other business leaders (we encountered resistance from managers throughout the organization)

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- Our sponsor wavered in their support mid-way through the project (they found a different project that took priority)
- Our sponsor did not manage resistance that surfaced during the change

So when we conclude that executive sponsorship is the number one success factor for change, the mere assignment of a senior leader as a sponsor does not constitute having effective sponsorship for your change.

## Implications for practitioners

1. Active and visible sponsorship for change is the number one contributor to success
2. Having a project sponsor named for your change and having the required sponsorship for a successful change are not the same thing
3. A majority of executive and senior leaders lack the understanding and knowledge around the roles of effective sponsorship to provide the actions required for successful change
4. Effective change management requires a deliberate and proactive effort to create a healthy sponsor coalition

## 4. VALUE SYSTEMS

As a change manager, one key fact about culture stands out: organizational value systems impact the way change happens. What is important to our organization? How are decisions made? Who is in charge? How do I relate to other employees and groups within our organization? What behaviors are rewarded and recognized? What is compensation based upon?

The answers to these questions vary from country to country, from industry to industry, from organization to organization and from department to department. It is critical for all change managers to understand the underlying values of their organizations because these factors directly influence the way change will be accepted and how much work will ultimately be required to ensure successful outcomes for the business.

## Implications for practitioners

1. Value systems are the organizational canvas on which any change project is painted. Listen carefully and observe constantly to gain insight about the leadership structure, organizational history and underlying beliefs of the groups impacted by the change.
2. The basic principles of change management will be manifested differently in every organization. Conduct an organizational attributes assessment to spur discussion about these issues and to help you make sure you have asked the right questions. There is no magic formula for fully understanding value systems.
3. Only after the strategy work is complete, customize and scale specific change management action plans that take into account the unique value systems of the impacted organizations.

4. With changing values in business and in the world at large, change management as a discipline must address both the organization as a whole and the individual. Focusing exclusively on traditional organizational change activities such as communication and training is no longer sufficient.

## 5. INCREMENTAL VS. RADICAL CHANGE

The magnitude of a given change will impact how employees react and how the change should be managed. Incremental change that does not cause employees to move too far from what they know will experience a different level of resistance than radical change that introduces dramatic change. The right approach and amount of change management required by a given project or initiative is unique and specific to that change. In addition, adjust your approach based on how the change uniquely affects each group of impacted employees.

In the context of incremental vs radical change, we can ask ourselves the following questions:

- How big is the gap between the future state and the current state?
- How different is the future state from the current state?
- How much of a departure from the current state is the future state?

These may seem like simple questions, but they are often overlooked or not asked by the teams building solutions. Project teams tend to focus on the solution (the transition state they are designing). When we add a change management perspective to a project or initiative, it becomes important to understand just how much change or disruption is taking place because it impacts how we will manage that change. Answering the questions above provides an invaluable data point when developing the right change management approach.

### Incremental vs radical at the individual level

It is important to also remember that a given project or initiative will impact different groups in your organization very differently. Change is not homogenous. For some in the organization, the project may only have a small impact on their day-to-day work and processes. For others in the organization, however, the same project may cause tremendous disruption. Each individual has their own current state and their own future state required by the change - thus they have their own gap to bridge.

### Implications for practitioners

The biggest take away for change managers is that a one-size-fits-all approach is not appropriate or effective for change management. You must understand the magnitude, disruption, gap and size of change to build the right approach to change management.

### *1. Conduct sizing assessments*

In Prosci's 3-Phase Process, a change characteristics assessment is completed during Phase 1: Preparing for Change to help you understand the nature of the change, including how disruptive it is going to be. An understanding of the size and type of change is a necessary input for customized change management plans.

### *2. Customize your approach*

Your change management strategy and plans should reflect whether the change is incremental or radical. The size of the disruption of the change should impact your communications plan, sponsor roadmap, coaching plans, training plans and resistance management plans. Customize and scale your approach based on the unique impact and qualities of the change.

### *3. Segment groups and address them specifically*

This is the step of looking at the individual impacts that may be either radical or incremental depending on the change and the groups that are being impacted. Do not treat every group the same; adjust your approach based on how the change uniquely impacts that group. By focusing on the individual change impacts, you will build a more complete view of the change and better engage each of the groups.

## 6. THE RIGHT ANSWER IS NOT ENOUGH

Changes come to life through the work and behaviors of individuals in your organization. Simply coming up with the right solution is not enough to ensure that results are achieved. The right answer alone does not:

- Create buy-in
- Create commitment
- Mitigate resistance
- Eliminate fear

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- Ensure compliance

To deliver value, a solution must be adopted and embraced by employees. Change management, at its core, is a structured approach for bridging the gap between a great idea and tangible value to the organization. If you are only focusing on developing the right answer, you will not be successful at implementing lasting change in your organization.

## What change management adds

Change management adds structure and intent for moving employees from their current state to their future state. Through effective communication, sponsorship, coaching, training and resistance management, employees are led to make the decision to get on board and support a change. Change management provides a repeatable and rigorous approach to helping individuals move forward and adopt a change to their day-to-day work, which is what enables projects to ultimately deliver results.

It is important to have the right answer. But, the right answer alone is not sufficient to deliver lasting change in the organization. Change management is about moving employees forward through their own change processes using a robust organizational process. It is the combination of the right answer and engaged employees that results in lasting and successful change.

## Implications for practitioners

1. Changes ultimately come to life through the processes and behaviors of individuals
2. Meeting objectives results from both having the right answer and from motivating the individual changes necessary for employees to adopt and embrace the change
3. Resist the urge to focus all of your energies on creating the right answer. Employ change management as a structured approach to encouraging individual change.
4. Balance your effort between developing the right technical solution (arriving at the right answer) and applying change management (crafting a solution for managing the people side of change)

## 7. CHANGE IS A PROCESS

Change occurs as a process, not as an event. Organizational change does not happen instantaneously because there was an announcement, a kick-off meeting or even a go-live date. Individuals do not change simply because they received an email or attended a training program. When we experience change, we move from what we had known and done, through a period of transition to arrive at a desired new way of behaving and doing our job.



Although it is the last of the seven principles of change management presented, treating change as a process is a central component of successful change and successful change management. By breaking change down into distinct phases, you can better customize and tailor your approach to ensure individuals successfully adopt the change to how they work.

The easiest, most basic approach to understanding change as a process is to break change down into distinct, understandable elements. The three states of change provide a powerful framework: the current state, the transition state and the future state.

## States of Change



The three states of change provide a way to articulate how change actually occurs. Whether the change is an optimized and managed set of business processes, a new piece of machinery on the production line, or a new reporting structure, there is always a current state (how things are done today), a future state (how things will be done) and a transition state (how we will move from the current state to the future state).

## Managing change as a process

Once you have started thinking about change not as a singular event but as a process, the question remains: how do you manage the process of change? Managing change as a process takes place on two levels:

- Individual level
- Organizational level

### *Individual level*

Each individual employee or manager who is impacted by a change must go through their own, personal process of change. If the change impacts five people, then each of those five must move from their Current State through their Transition State to their own Future State. If the project impacts 500 people then there are 500 Current-Transition-Future processes that must occur. If the initiative impacts 5,000 people, then there are 5,000 individuals moving from a Current State to a Future State. This is the essence of change management, supporting individuals through the required personal transitions necessary in order for a project or initiative to improve the performance of the organization.

Once we begin viewing and managing the individual change processes associated with a project or initiative, we will be more successful at enabling those individual transitions that together will result in successful organizational change.

### *Organizational level*

When it comes to managing change at the organizational level, viewing change as a process helps determine the sequencing and content of the change management effort.

Research shows that change management practitioners have five tools or levers that aid in moving individuals forward through the change process:

1. Communications plan
2. Sponsor roadmap
3. Coaching plan
4. Training plan
5. Resistance management plan

Depending on if we are in the Current State, the Transition State or the Future State, different tools will be more effective and the content will change. Managing change as a process from an organizational viewpoint helps to ensure that the right activities are occurring at the right time, and that employees are receiving the right information they need to move through their own personal process of change.

## Implications for practitioners

1. Treat the changes you manage as a process, and not as a single event or series of events
2. Individuals experience change as a process. Evaluate and focus your change management activities based on where individuals are in the change process.
3. No one experiences the process the same
4. Your organizational change management efforts need to be tied to where you are in the change process