



CHANGE MANAGEMENT PROCESS

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1	MOTIVATION FOR CHANGE
2	CHANGE MANAGEMENT PROCESS
3	LESSONS LEARNT

IT ADOPTION IN AN ORGANIZATION

CONTEXT

- | | |
|---|---|
| 1 | Individual e.g. productivity tool |
| 2 | Functional e.g. e-service solution |
| 3 | Group e.g. forum |
| 4 | Cross-organizational e.g. seamless services |
| 5 | Whole of government, e.g. infrastructure |

ROLE

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|---|---|
| 1 | As a resource |
| 2 | As a means of supporting capabilities |
| 3 | As a basis for enabling new capability |
| 4 | As infrastructure for the organization |
| 5 | As communication tool within and beyond |
| 6 | As distribution and delivery channel |

PERSPECTIVES

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|-----------|--|
| EXTERNAL | using IT to increase the ability of the organization in managing external stakeholders |
| INTERNAL | using IT to support innovation within an organization |
| TECHNICAL | using IT to improve efficiency and quality and reduce cost |

Change is the only constant in our life.

Change management aims to implement different structures, systems and skills in an operating organization.

Change management:

- is necessary to ensure the effectiveness of the desired changes
- ensures that no undesired side effects of the changes are introduced into the organization
- provides strategies to manage the resistance to change

The rate of change in public organizations is generally slow due to resistance from different stakeholders.

Reasons for resisting change are generally fears:

- of failing in a changed environment due to uncertainty about it
- of more control on performance
- of being controlled by technology.

WHY CHANGE EFFORTS FAIL?

allowing too much complacency	“if it ain’t broke, don’t fix it” attitude
no guiding coalition	individuals alone never have the power to carry out large changes
no vision	transformation will dissolve into confusing, incompatible, and time-consuming projects
undercommunicating the vision	decisions are not in line with the vision
permitting obstacles to block the new vision	such as structures or compensation systems
failing to create short-term wins	people will give up and actively join the resistance
declaring victory too soon	resistors spot the chance to have change agents send home
neglecting to anchor changes firmly into the culture	changes won’t stick until they become “the way we do things here”

- new strategies are not implemented well
- reengineering takes too long and costs too much
- downsizing or rightsizing does not get costs under control
- quality programmes do not deliver expected results

Recall a big project implemented in one organization you know.

Can you identify problems raised by resilience to change?

What were the consequences of these problems?

How were the problems solved?



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THE 8-STEPS CHANGE PROCESS

1) establishing a sense of urgency	defrosts the hardened status quo	Unfreeze
2) creating the guiding coalition		
3) developing a vision and strategy		
4) communicating the change vision		
5) empowering employees for broad-based action	introduces new practices	Move
6) creating short-term wins		
7) consolidating gains and producing more change		
8) anchoring new approaches in the culture	grounds the changes into the organizations culture to make them stick	Freeze

1 – ESTABLISHING A SENSE OF URGENCY

Sources of complacency:

- absence of major or visible crisis
- too many visible resources
- low overall performance standards
- organisational structures focusing employees on narrow functional goals
- wrong performance indexes
- lack of sufficient feedback from external sources
- culture of low-candor, low confrontation
- too much happy talk from senior management.

Transformation often starts when a new person is placed in a key role who does not have to defend his past actions.

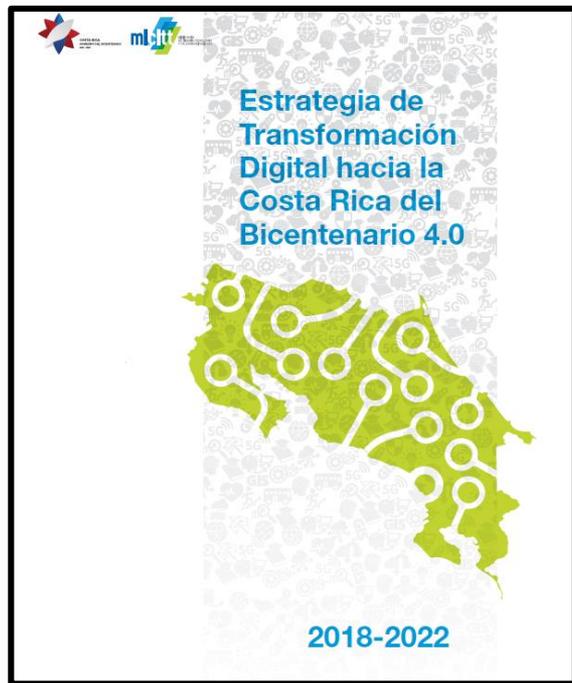
- allowing errors to blow up instead of last-minute fixes
- eliminating obvious examples of excess
- setting targets so high that they cannot be reached through business-as-usual
- sending more (negative) information regarding clients and performance to more employees
- insisting that managers and employees talk to unsatisfied clients and unhappy suppliers regularly
- using external consultants to force more relevant data and honest discussion into management meetings
- bombarding people with information regarding future opportunities

EXAMPLE – DIGITAL TRANSFORMATION STRATEGY IN COSTA RICA

Case study:

Digital Transformation Strategy towards the Costa Rica of the Bicentenary 4.0

Ref – strategy [<https://bit.ly/2QS0OnS>]



EXAMPLE – DIGITAL TRANSFORMATION IN COSTA RICA

The President, Carlos Alvarada Quesada, initiated his mandate on 8 May 2018.

He requested the Minister of Science, Technology and Telecommunications the development of the strategy.

Palabras del Presidente de la República



Nos hemos propuesto posicionar al país como un líder en el aprovechamiento de las tecnologías digitales en el concierto de las naciones. Las tecnologías han llegado a ser un eje transversal de las políticas públicas, mediante el cual organizaciones sociales, la academia y nuestro tejido productivo construyen soluciones innovadoras para atender los retos del futuro sostenible. Esa es la razón por la cual vemos en las tecnologías disruptivas una caja de herramientas para la construcción de una sociedad más cohesionada, y para el rediseño de un Estado más transparente y eficiente.

La transformación digital está llamada a ser una fuerza que potencie el ejercicio de los derechos y responsabilidades ciudadanas. Por ello, esta Estrategia, ocupa un lugar prioritario en nuestra agenda de desarrollo y en el trabajo cotidiano de instituciones públicas. De forma más importante, deberá ser una vivencia concreta en la innovación de las dinámicas sociales sobre las cuales las comunidades, las empresas, las familias, y los individuos construyan, entre sí, la ruta del desarrollo y los proyectos de vida por los cuales tienen predilección.

Pensar y delinear la Costa Rica del Bicentenario es una tarea indelegable, tanto como lo es enfrentar los retos del crecimiento económico y el desempleo; fortalecer la sostenibilidad ambiental y la resiliencia frente al cambio climático; o, impulsar la equidad y la inclusión social.

La Costa Rica del Bicentenario, es una visión y, a la vez, una construcción que toma lo mejor de nuestro legado -natural, productivo, institucional y ético- y lo potencia al integrarnos con los avances del conocimiento, para diseñar una nueva era de desarrollo para nuestra población.

Ref – strategy [<https://bit.ly/2QS00nS>]

Palabras del Ministro de Ciencia, Tecnología y Telecomunicaciones



Este documento es producto de un ejercicio de consulta y co-creación con múltiples actores de la sociedad costarricense, y en él se ha plasmado la visión de corto, mediano y largo plazo, los ejes estratégicos y las líneas de acción que deberán desarrollarse en los próximos años para alcanzar una Costa Rica digitalmente más inclusiva, tecnológicamente mejor conectada y productivamente más innovadora.

En nuestro país, existe un amplio margen de crecimiento en las oportunidades de digitalización e innovación, por lo cual, la coordinación Interinstitucional, articulación política y normalización técnica requieren del apoyo político del más alto nivel. Por esta razón, la Administración Alvarada Quesada ha encomendado al MICITT consolidar una estrategia de transformación digital, la cual permita identificar las iniciativas y las propuestas tecnológicas disruptivas que permitan crear un ecosistema digital nacional que habilite mayor equidad de oportunidades y beneficios para los ciudadanos, las empresas y el Estado costarricense.

2 – CREATING THE GUIDING COALITION

If there is not enough trust within the guiding coalition or between the coalition and the employees, change efforts are doomed to fail

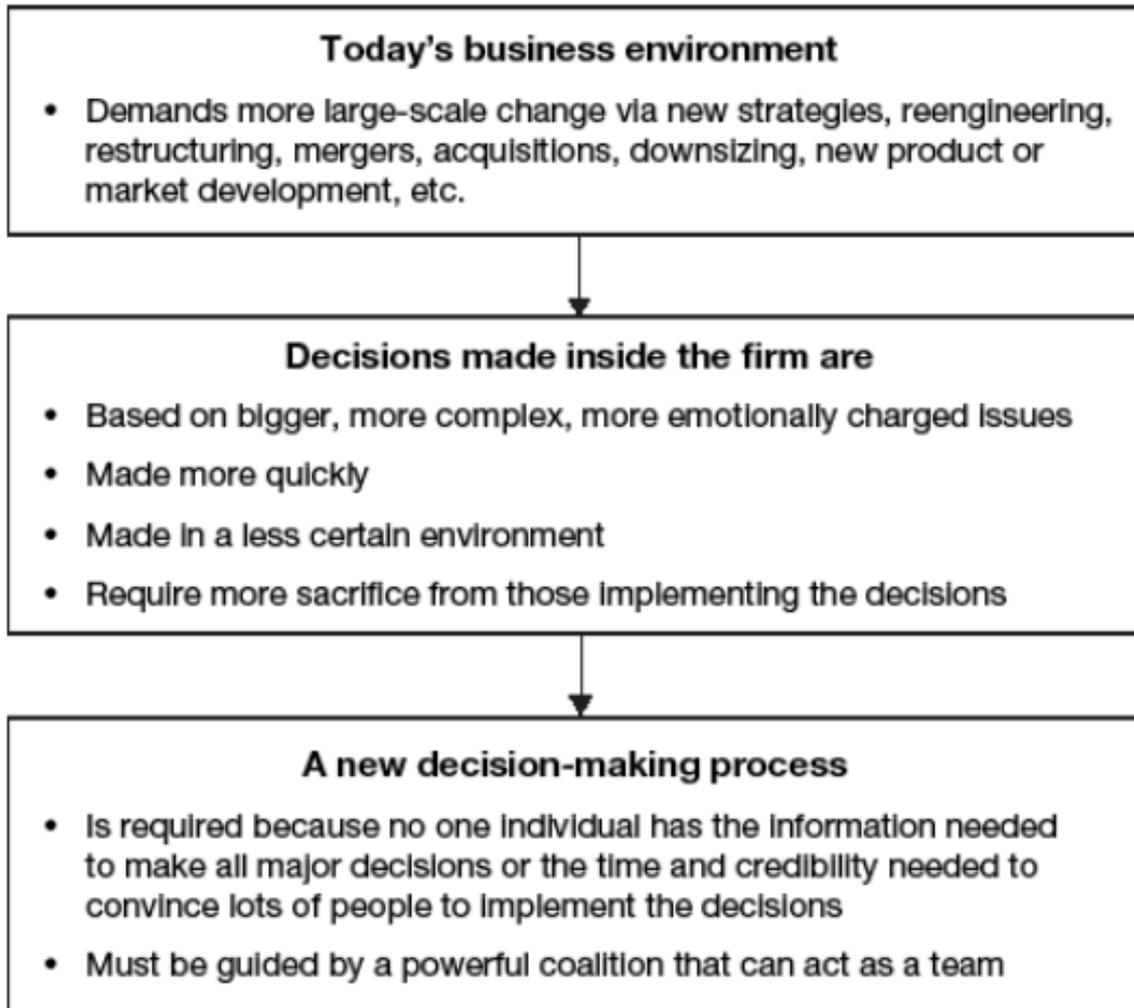
Characteristics of guiding coalitions:

position power	with enough key players on board and those who are left out cannot block progress
expertise	the various points of view – discipline, experience, nationality etc. – relevant to the task in hand are adequately represented leading to informed and intelligent decisions
credibility	with enough people with good reputations so that its pronouncements will be taken seriously by the employees
leadership	with leadership and management skills working in tandem <ul style="list-style-type: none">○ leadership drives change○ management keeps the process under control

CREATING THE GUIDING COALITION – HOW?

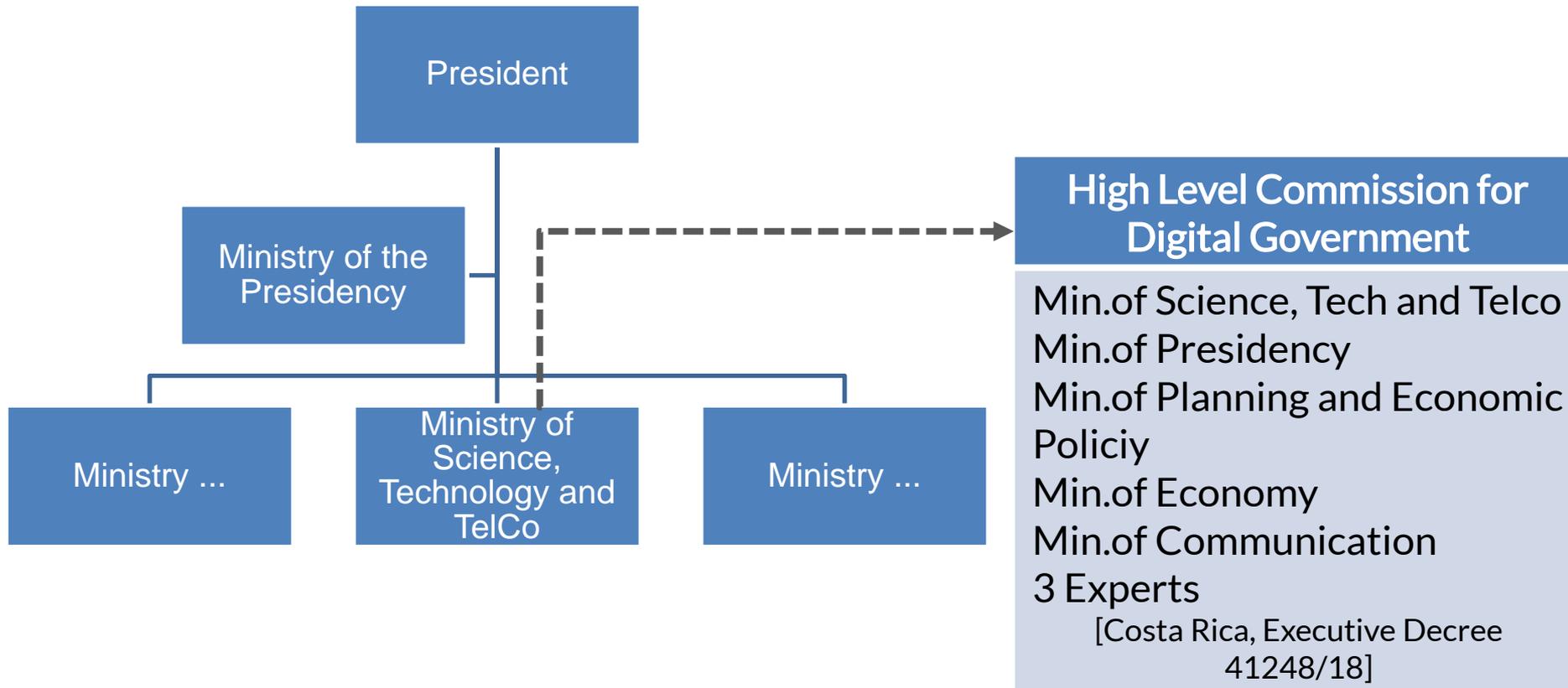
Guiding coalitions that make things happen:

finding the right people	<ul style="list-style-type: none">○ with strong position power, broad expertise, and high credibility○ with leadership and management skills○ change group must share the diagnosis of the organization's problems, otherwise they'll not agree on the cure
creating trust	<ul style="list-style-type: none">○ with lots of talk and joint activities with the employees, such as off-site events○ trust must be raised to have people looking beyond their small world and creating a common goal
developing a common goal	<ul style="list-style-type: none">○ sensible to the head○ appealing to the heart



Ref: John Kotter, *Leading Change*, ISBN 978-1-4221-8643-5, pp.58 e-book

EXAMPLE – CREATING THE GUIDING COALITION



3 – DEVELOPING VISION AND STRATEGY

Vision refers to a picture of the future with some implicit or explicit commentary on why people should strive to create that future.

Characteristics of a good vision:

imaginable	convey a picture of what the future will look like
desirable	appeals to the long term interests of employees, clients, and other stakeholders
feasible	comprises realistic, attainable goals
focused	clear enough to provide guidance in decision making
flexible	general enough to allow individual initiative and alternative responses in light of changing conditions
communicable	can be successfully explained within 5 minutes

VISION, STRATEGY, PLANS AND BUDGETS

leaders	responsible for doing the right things - effectiveness	
leadership creates	vision	<ul style="list-style-type: none">• sensible and appealing picture of the future
	strategies	<ul style="list-style-type: none">• logic on how the vision can be achieved
	programs and projects	<ul style="list-style-type: none">• for implementing the strategy
managers	responsible for doing things right - efficiency	
management creates	plans	<ul style="list-style-type: none">• specific steps and timetables to implement the strategies
	budgets	<ul style="list-style-type: none">• plans converted into financial projections and goals

CREATING AND EFFECTIVE VISION

1) first draft	vision process often starts with an initial statement of a single individual, reflecting his dreams and real needs
2) role of the guiding coalition	the first draft is modeled over time by the guiding coalition or even a larger group of people
3) importance of teamwork	the group process of developing the vision only functions with good teamwork
4) role of the head and heart	both analytical thinking and some dreaming are essential throughout the activity
5) messiness of the process	vision creation is usually a process of two steps forward and one step back, moving from left to right
6) time frame	vision is never created in a single meeting
7) end product	the process results in a direction for the future that is desirable, feasible, flexible, conveyable in 5 minutes max

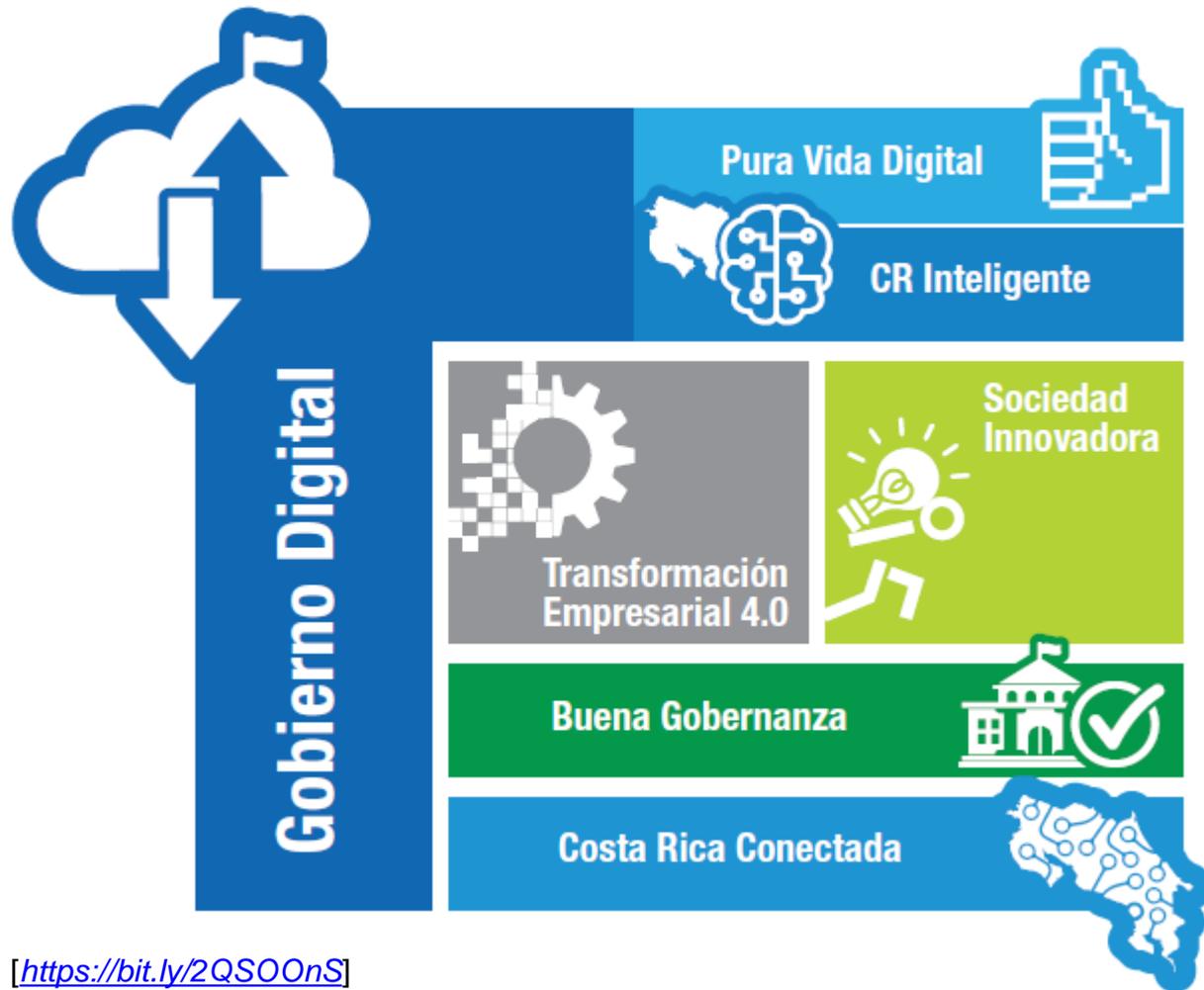
8. Visión

Una Costa Rica transformada digitalmente acelerando la productividad, la competitividad y el desarrollo socio-económico, tomando ventaja de la cuarta revolución industrial y las sociedades del conocimiento, para procurar el bienestar de todos sus habitantes de manera inclusiva y potenciar el desarrollo sostenible del país.

A digitally transformed Costa Rica accelerating productivity, competitiveness and socio-economic development, taking advantage of the fourth industrial revolution and knowledge societies, to ensure the well-being of all its inhabitants in an inclusive manner and to promote the sustainable development of the country.

Ref – strategy [<https://bit.ly/2QS00nS>]

EXAMPLE – COSTA RICA VISION AND STRATEGIC LINES



Ref – strategy [<https://bit.ly/2QS00nS>]

4 – COMMUNICATING THE VISION

simplicity	all jargon and technobabble must be eliminated
metaphor and analogy	a verbal picture is worth a thousand words
multiple forums	same message should come from many different locations – large group meetings, memos, posters - and stand a better chance of being heard and remembered
repetition	ideas sink in deeply only after they have been heard many times
leadership by example	behaviour from important people that is inconsistent with the vision overwhelms other forms of communication
explanation of seeming inconsistencies	unaddressed inconsistencies undermine the credibility of all communication
give-and-take	<ul style="list-style-type: none">○ two-way communication is always more powerful than one-way communication○ if people do not accept the vision, the next two steps in the transformation process will fail

EXAMPLE - COMMUNICATING THE VISION



Ref – announcement : [https://micit.go.cr/index.php?option=com_content&view=article&id=10399:gobierno-presento-estrategia-de-transformacion-digital-del-bicentenario&catid=40&Itemid=630]

Ref – strategy [<https://bit.ly/2QS00nS>]

5 – EMPOWERING EMPLOYEES

Barriers to empowerment (4S):

Structures	client-focused visions often fail because of client-unfocussed organizational structures
Skills	<ul style="list-style-type: none">○ people are expected to change habits build up over years or decades with a few days of training○ people are given a course before they start their new jobs, but are not provided with mentoring and coaching while on the job
Systems	<ul style="list-style-type: none">○ promotion and compensation systems must be geared towards objectives and create useful change○ hire and fire systems must be in line with the new vision
Supervisors	If one behavioural aspect of a supervisor is changed, all other aspects put great pressure to switch this one aspect back to the way it was

communicating a sensible vision to employees	if employees have a shared sense of purpose, it will be easier to initiate actions to achieve that purpose
making structures compatible with the vision	unaligned structures block needed action
providing the training employees need	without the right skills and attitude, people feel disempowered and anxious
aligning information and promotion systems to vision	otherwise they block needed action
confronting supervisors who undercut needed change	nothing disempowers people the way a bad boss can

6 – CREATING SHORT TERM WINS

Short-term wins must be planned, organized accordingly, and implemented.

Characteristics of short-term wins:

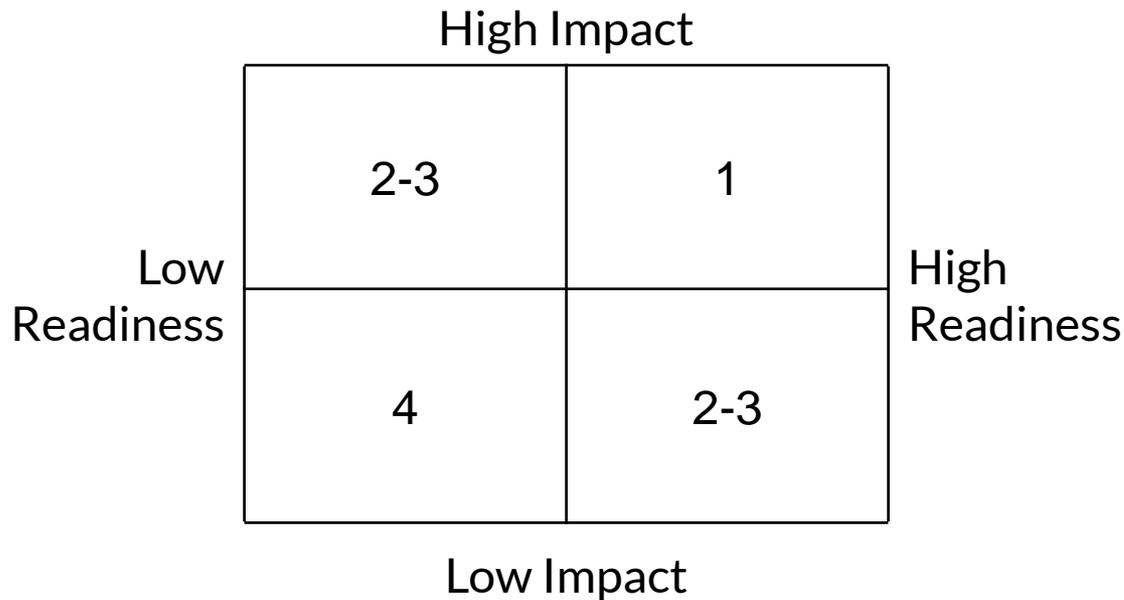
visibility	<ul style="list-style-type: none">○ large number of people can see by themselves that the result is real○ visible results build the credibility needed to sustain efforts over longer periods of time
unambiguity	<ul style="list-style-type: none">○ there is little argument over the win○ wins are clearly related to the change effort

ROLE OF SHORT TERM WINS

providing evidence that sacrifices are worth it	wins greatly help justify the short-term costs involved
rewarding change agents	after much hard work, positive feedback builds morale and motivation
helping fine-tune vision and strategies	short-term wins give the guiding coalition concrete data on the viability of their ideas
undermining critics	clear improvements in performance make it difficult for people to block needed change
keeping bosses on board	providing those higher in the hierarchy with evidence that the transformation is on track
building momentum	turns neutrals into supporters, reluctant supporters into active helpers

EXAMPLE – IDENTIFYING SHORT TERM WINS

INICIATIVAS AGENDA PARA LA TRANSFORMACIÓN DIGITAL HACIA LA COSTA RICA DEL BICENTENARIO			IMPACTO	COSTO	PREPARACIÓN	VISIBILIDAD
EJE 1	ID	PURA VIDA DIGITAL				
L1		Servicios digitales, proactivos e integrales para ciudadanos				
1	E1L1-1	Expediente Digital Único en Salud (EDUS)				
2	E1L1-2	Citas y recordatorios electrónicos				
3	E1L1-3	Botón digital de pánico para atención en casos de riesgo				
4	E1L1-4	Hospitales digitales				
L2		Sistema Nacional de Transporte Inteligente				
5	E1L2-5	Pago electrónico en el transporte público				
6	E1L2-6	Modernización del Sistema de Movilidad Urbana				
7	E1L2-7	Inteligencia de datos abiertos del transporte público para la mejora de la experiencia de				



Plan de Despegue – Junio 2019

La estrategia de gobierno digital expresa las principales áreas de acción del gobierno de El Salvador en materia de desarrollo de gobierno digital al año 2022. La implementación de esta estrategia inicia con un programa de despegue (julio 2018 – junio 2019), destinado a poner en marcha los primeros peldaños de un plan de gobierno digital integral. La fase de inicio o despegue se centra en los objetivos de infraestructura más urgentes y prioritarios, que van a sentar las condiciones para en una segunda etapa articular un marco normativo adecuado y una gobernanza digital más eficiente. La misma se encuadra dentro de los objetivos de la estrategia, y consta de las siguientes metas, con sus respectivos plazos en orden cronológico:

● No iniciado ● En proceso ● Finalizado

N°	Fecha	Descripción	Entidad Responsable	
2	Julio 2018	Comisión de Gobierno Digital designada y operativa	Secretaría Técnica y de Planificación (SETEPLAN)	●
3	Julio 2018	Lanzamiento de la Política de Datos Abiertos: visitar	SETEPLAN y Secretaría de Participación, Transparencia y Anticorrupción (SPCTA)	●
4	Julio 2018	Publicación de listados de Referencia para homologación de datos: visitar	SETEPLAN y Dirección de Estadística y Censos (DIGESTYC)	●
5	Agosto 2018	Taller de capacitación para la publicación de Datos Abiertos	SETEPLAN, SPCTA	●
6	Septiembre 2018	El plan de acción para digitalizar trámites prioritarios definido	Dirección de Gobierno Digital (DGD) y Consejo de Gobierno Digital	●
7	Septiembre 2018	Plataforma de consulta pública para regulaciones: visitar	Organismo de Mejora Regulatoria (OMR), SPCTA y DGD	●

Ref: [<https://www.gobiernoelectronico.gob.sv/?p=683>]

Do not declare victory after the first performance improvement.

- the celebration of short-term wins can be lethal if the urgency is lost afterwards
- until changed practices attain a new equilibrium and have been driven into the culture, they can be very fragile
- because all functions of an organisation are inter-dependent, change now needs to be comprehensively carried through

New approaches must be anchor to the culture.

Culture refers to norms and behavior and shared values among a group of people (They way we do things out here).

Culture is powerful and difficult to grab and change because:

- expresses itself through actions of allmost everyone in the organization
- happens without conscious intent and is difficult to challenge or discuss.

Culture changes only after:

- peoples actions were successfully altered
- new behaviour produces some group benefit for a period of time
- people see the connection between the new actions and the performance improvement

Anchoring new approaches in the culture comes last, not first, because:

depends on results	new approaches only sink into the culture after it is absolutely clear that they work and are superior to old methods
requires a lot of communication	without verbal instructions and support, people are often reluctant to admit the validity of new practices
changes promotion processes	if promotion processes are not changed to be compatible with the new practices, the old culture will reassert itself
may involve staff replacement	sometimes the only way to change culture is to change key people

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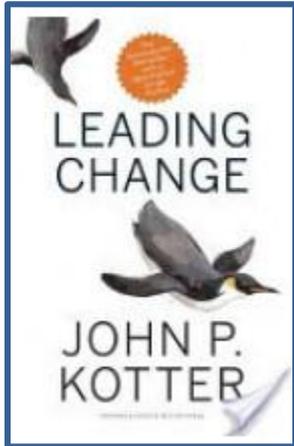
Organizational transformation cannot be achieved solely by ICT.

ICT is completely utilitarian, a tool, nevertheless powerful, but not sufficient.

Approaches for organizational change, like Business Process Reengineering (BPR) is major agent for transformation.

ICT enables BPR.

Along with BPR, change management must be carried out.



John Kotter, *Leading Change*, *Harvard Business Review*, ISBN 978-1-4221-8643-5, (2012).

ONLINE MATERIALS

John Kotter, *Leading Change*, Why Transformation Efforts Fail, *Harvard Business Review*, https://wdhb.org.nz/contented/clientfiles/whanganui-district-health-board/files/rttc_leading-change-by-j-kotter-harvard-business-review.pdf

Videos:

- John Kotter, *Leading Change*, <https://www.youtube.com/watch?v=HPh6mv4DN0o>
- John Kotter, *Change Management vs Change Leadership*, https://www.youtube.com/watch?v=7qIJ_Y8w5Yk

Questions?

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