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Organizational change orchestration, in the **digital era**

Start with the smallest, practice the easiest

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Point of view

Post COVID19, the digital revolution 2.0 has been brewing. The pandemic unnerved the global economic activities into an unparalleled spiral, forcing organizations to embrace digital technologies However, without effective execution, an extensive organizational change can augment the risk of derisory returns on investment, which may inevitably lead to a monumental failure. Apropos, boiling the ocean is not the way forward.

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Executive Summary

From incubated start-ups to colossal organizations, digital transformation is becoming a disruptive force for all. While start-ups are invading territories of deep-rooted organizations, the bigger players are recognizing the favorable impacts of the digital revolution on citizens, even at the gross domestic product (GDP) levels.

In the face of the recent COVID-19 crisis, digital change has become inevitable, and many organizations are now focusing on additional external factors, like customer experience and novel revenue streams. Therefore, while addressing issues at a macro-economic level, internal changes within an organization are just as crucial for the digital transformation to succeed. This includes new skills, employee performances, organizational infrastructures, and culture.

Outdated organizational ladders can create impairment to move ahead with a new modus operandi which is much-needed in the current digital age, particularly as small, agile, and innovation-led organizations are moving rapidly to capture market share from traditional organizations. According to Klaus Schwab (Founder and Executive Chairman, World Economic Forum), “In the future, it will not be the big fish that eats the small fish, it will be the fast fish that eats the slow fish.”

This gave organizational change management a pivotal status. Numerous organizations recognized the need to uphold a constant state of evolution and hence allowed workforces to remain motivated and productive during the introduction of new technologies or procedures. Those with a systematic approach to handling changes witnessed unprecedented growth even during turbulent times, thereby, emphasizing the need for taking smaller, premeditated, and the easiest steps towards the end goal.

Focusing on the development and implementation of digital tools itself, while overlooking the organizational implications of such technology, may not warrant long-term success.

Introduction

The concept of change management was enunciated in 1994. In 1995, Dr. John Kotter from Harvard Business School presented the well-known 8-step model for implementing change at an organizational level. Nevertheless, the concept of change management was formally researched during the early 2000s. During this time, PROSCI introduced the foremost unified approach to change management in 2003.

The term ‘change management’ is used to represent a combination of approaches to formulate, support, and aid either individuals or teams of an organization in executing an organizational change. Enablers of change may include the unending evolution of technology, business processes, crisis, market demand changes, competition density, mergers and acquisitions, internal restructuring, and more. Managing organizational change refers to the process in which an organization starts looking at possible inertias in their existing business strategies and processes. The intent is to overcome challenges by being more flexible and innovative to sync with the ever-evolving global business landscape. In addition to that, being ‘change-savvy’ also entails getting the most out of existing available resources.

Theories on change and adoption

The foundation of all theories on change is rooted in Kurt Lewin's three-step change model. In summary, it is about 'unfreezing', 'moving', and 'refreezing' employee behavior . This applies to all organizations; however different organizations may have variations in the number of steps concerning their change process (see Weick and Quinn 1999; Kotter 1999). Based on numerous articles published, the theories associated with change can be categorized into four large groups (Van de Ven and Poole, 1995):

1. The teleological motor
2. The life-cycle motor
3. The dialectical motor
4. The evolutionary motor

The need for change usually emerges due to one or more of the following areas (Luecke 2003):

1. Structural
2. Reorganization
3. Cost cuts
4. Process re-design
5. Cultural change.

Change adoption enablers

Bringing change calls for the 'ability' to connect with people. Aside from well-defined frameworks and comprehensive templates, it is the emotional intelligence and empathy that cements the foundation for a successful transformation journey. Be it a 'mission change' that entails a new direction for an organization, a 'strategy change' that involves how an organization tackles the business problem, an 'operational change' that encompasses re-organization or departmental changes, or a 'technology change' to keep up with the inexorable advancement in the technological landscape; the organizational change journey starts with understanding the intent and expectation from a diverse group of stakeholders.

Since change management was recognized as an art that involves robust connections with people, plentiful theories and models were introduced by academicians and corporate veterans. Some notable ones like are (1) Technology Acceptance Model - TAM (by Davis, 1989), (2) Augmented TAM (by Venkatesh & Davis, 2000), (3) Theory of Reasoned Action — TRA (by Fishbein and Ajzen, 1975), and (4) Theory of Planned Behaviour — TPB (by Ajzen, 1991), and more have suggested key enablers that drive adoption of any given product, service or change. Among them, the ones quite relevant for organizational change initiatives are 'subjective norm', 'job relevance', 'ease of use', 'trial-ability', and 'perceived usefulness'.

Although these models and theories hail from diverse domains and industry sectors, nevertheless they are closely aligned with change introduction and its adoption. A quick matrix-view showcases how the enablers are positioned across varied models and theories.

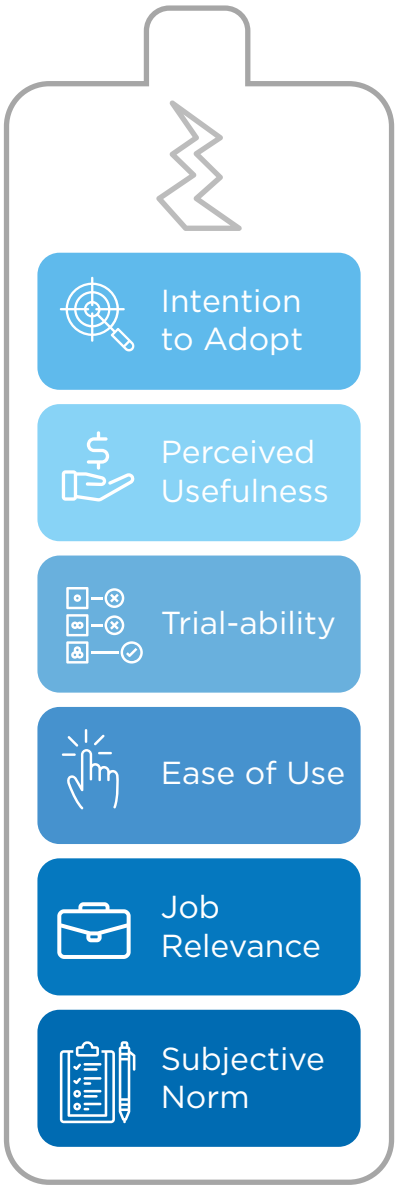
Enablers	Enablers Technology Acceptance Model (Davis, 1989)	Augmented Technology Acceptance Model (Venkatesh & Davis, 2000)	Theory of Planned Behaviour (Ajzen, 1991)	Theory of Reasoned Action (Fishbein and Ajzen, 1975)
Subjective Norm	✓	✓	✓	✓
Perceived Usefulness	✓	✓		
Ease of Use	✓	✓		
Job Relevance		✓		
Trial-ability			✓	

Table 1 The positioning of change enablers across varied models and theories

There are plentiful research studies on adoption and engagement behavior that have established a correlation between the aforementioned enablers with 'Intention to Adopt' (Luis Ernesto Prado Tamez, 2014). The hypotheses that were tested, showcased a positive influence of 'subjective norm' on 'perceived usefulness', and similarly a positive influence of 'job relevance' on 'perceived usefulness'. Likewise, 'ease of use' and 'trial-ability' also exhibited their positive influence on 'perceived usefulness'. It was also found that 'perceived usefulness' had a positive influence on 'intention to adopt'.

One of the most important enablers is 'subjective norm', which emphasizes people or personalities that are capable of influencing others. These influential individuals, if made enthusiastic about change, can pave the way for a successful adoption journey. Identification of such individuals should be the first step, before rolling the dice.

The following enablers, ‘perceived usefulness’, ‘ease of use’, and ‘job relevance’ are pertinent for a change initiative to fly high, as the end-users or stakeholders must be able to perceive the usefulness and see job relevance alongside the ease of understanding and onboarding with regards to the current and future business scenarios. For stakeholders to get the feel of the new change in terms of concept, user interface, process, and modus operandi, ‘trial-ability’ should be introduced, if possible, as part of the pilot launch.



Together, these enablers will power up the adoption behavior of the intended audience. Every enabler introduced as part of change intervention, like communications, training, and more augments the confidence of stakeholders or intended audience to move ahead in the change journey.

Based on the type of change (mission, strategy, operational, or technological), the combination pattern of these enablers may differ and so does their levels of intensity.

Salient benefits that would emerge will include alignment of the organization’s vision with the expectation of the target audience, reduced resistance towards change, speedy adoption of change, lesser failure risks, seamless commitment towards change, and achievement of ROI.

The following section will highlight how these enablers are positioned across the change journey.

Change journey and the 'commitment curve'

Any change journey starts with a diagnosis, quite like a physician examining their patient. It is typically represented as a 'readiness assessment'. While examining the readiness to change, numerous scholars and practitioners have diagnosed wide-ranging scenarios pointing towards the need for multi-level readiness. Readiness may be defined as "a cognitive precursor to the behavior of either resistance to, or support for, a change effort." (Armenakis et al., 1993). The outcome of this assessment lays foundations for building the change roadmap with specific enablers for the change journey.

The journey can be better understood by breaking it into levels while depicting the same through a 'commitment-curve chart'. The chart demonstrates how the 'change-journey' impacts the target audience at different levels, establishing the need for multi-level readiness.

The Awareness Phase: Any given change initiative starts with spreading awareness, that begins with making the 'first contact'. This is where the enabler 'subjective norm' plays a pivotal role to drive stakeholders up this curve, through influential people. This enabler works best to spread awareness of the intended change.

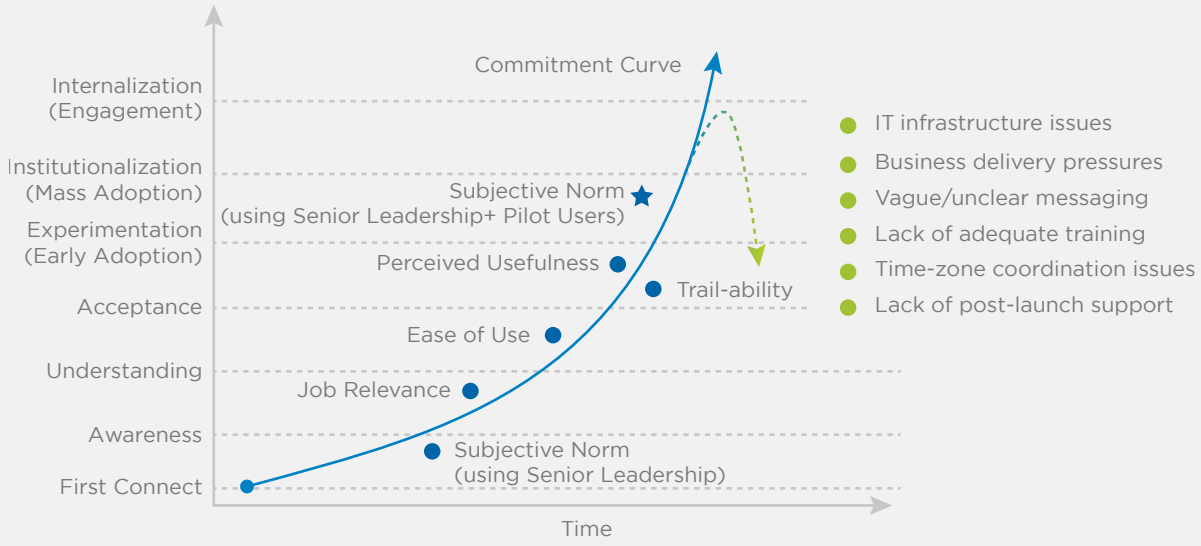
The Understanding Phase: Typically, any given change initiative observes disengagement by people as soon as it is introduced. Due to a lack of awareness and uninterested stakeholders, a change initiative does experience a push-back. While Kotter's 8-step model recommends the 'creation of urgency' through an effective communication process, the Technology Acceptance Model (Davis, 1989), on the other hand, lays importance on the enabler 'job relevance' to attain the next phase —'understanding'. This enabler is also featured in the Augmented Technology Acceptance Model (Venkatesh & Davis, 2000), and is aligned to the questions 'What is changing?', 'What stays the same?', 'Why is the change needed?', and 'What are the operational and commercial benefits of the intended change?'.

The Acceptance Phase: To reach the 'acceptance' phase, the change journey must further be empowered by messages delivered through personal connections, print or visual mode that demystifies doubts around the questions 'What to do?', and 'How to do it?'. Apt messaging around these questions builds confidence in early adopters (typically supervisors, line managers, project leaders, and more). The adoption enabler linked to this phase is 'ease of use'.

The Experimentation Phase: The enabler 'ease of use' encourages early adopters to proceed towards the 'experimentation or early adoption' phase. During this phase, the enablers 'trial-ability' and 'perceived usefulness' empower the early users to actively test the new concept, evaluate its feasibility and learn to make the most out of it. Unavailability of pilot users, low response rate, misaligned perceptions, and issues logged during the testing phase leading to ad hoc change requests are some of the prominent challenges that are typically observed and addressed during this phase by remedial actions like leadership connect sessions, all-stakeholders meet-ups, reminders, and targeted messages. Such interventions normally help in overcoming the roadblocks.

The Institutionalization Phase: Once the early adopters are on board, interventions are planned for achieving the next level, that is 'institutionalization'. At this level, early adopters play the role of change ambassadors, trainers, and evangelists. The enabler 'subjective norm' is again activated, however, at this level it is not only used by senior leaders and change sponsors but also by the early adopters and change ambassadors to push the adoption level upwards.

The Internalization Phase: Use cases and success stories from early adoption are mustered for messaging at a mass level alongside the usage of 'rewards and recognitions' for cementing the change.



Despite all efforts, one may observe a slow adoption rate during the ‘institutionalization’ phase. Many barriers to change may stand in way during the ‘go live or launch’ phase. The challenges observed during the full-scale launch would dwarf the ones observed during the early adoption phase. Aside from low response rate, and low participation in training sessions, there might be issues related to IT infrastructure, business delivery pressures, vague messaging due to diverse personas of audiences, language translation issues, geographical time-zone issues hampering knowledge sharing or training sessions, and above all the need for a robust post-launch support team.

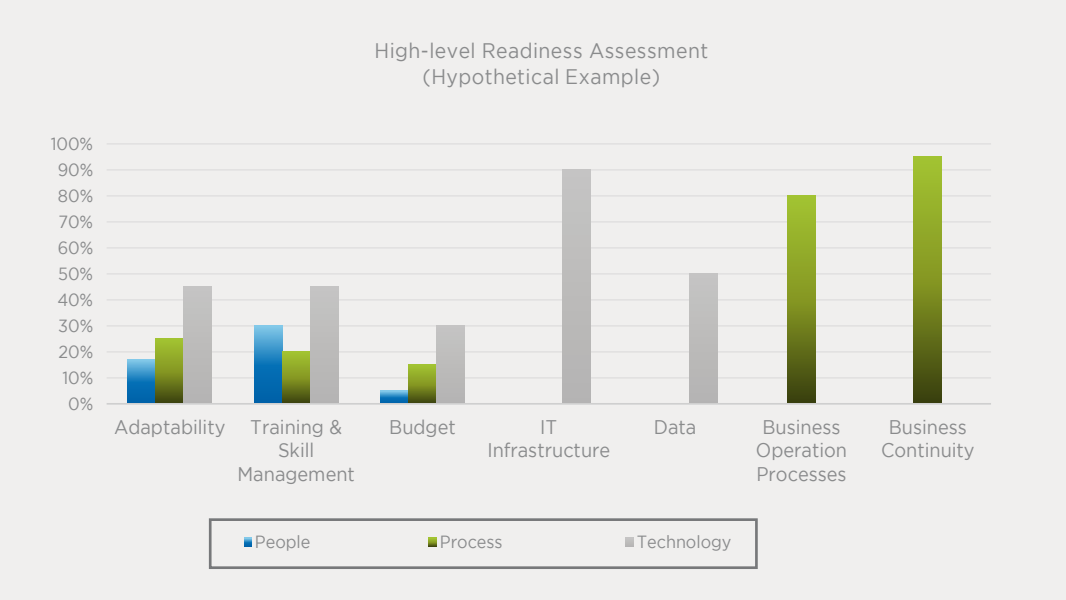
On observing a low adoption rate, it is pertinent to understand the whys and wherefores behind ‘poor adoption’, sooner than later. One can gauge the human context behind poor adoption by speaking to end-users. However, there may be process and technology-related facets, as well. Therefore, identifying appropriate interventions and implementing them to augment adoption is pivotal. This is where the concept of ‘internalization or engagement’ comes into the picture. At this stage, stakeholders should find the change most viable and effective thereby showcasing their unwillingness to go back to the old methods. To achieve this, the remediation efforts need to continue for an extended period until the change is anchored. Some of such popular efforts are the usage of refresher training sessions, discussion forums, toll-free numbers for support, support email ID, incident reporting tools, contests, challenge games, awards, badges, and more.

Starting with the ‘smallest’ necessary preparation

To increase the crop yield, a farmer must monitor the condition of the soil or, in other words, should conduct a ‘soil readiness assessment’. Upon gauging the condition, the first approach is to remove unnecessary rocks and prepare the soil to create a desired bed for the crops. Haste actions will undermine the quality of soil, which may only end up in poor crop yield.

Understanding the vision, purpose and expected business value provides the direction. However, it is the ‘readiness assessment’ that helps in designing the customized roadmap for the intended change that includes ‘audience profiling’ to plan customized change interventions, ‘identification of relevance’ to draft impactful messages, and ‘selection of pilot users’ for building a strong team of change ambassadors.

The readiness assessment report with regards to people, process, and technology will reveal the potential challenges that one might face during the change endeavor. This report sums up the responses received from stakeholders on readiness questionnaires, personal interviews, focused group discussion, or a combination of all the three.



A simple scoring mechanism may include 'yes/no' questions on varied categories like adaptability, training and skill management, budget, IT infrastructure, data, business operation processes, business continuity, and more. The number of 'yes' responses from the total number of questions within a category would give the percentage. Here, based on the percentage, a decision rule can be defined that may reflect the state 'ready' or 'not ready' for each category.

At a category level, the report may showcase areas of low and high readiness, therefore, a decision rule based on the overall average score would reflect the true readiness scenario. In a hypothetical example, if the people-readiness average is 17%, process readiness stands at 47%, technology readiness at 52%, and if the decision-rule for 'ready' status is set at 50% and above, then the outcome will reflect only 'technology' to be in the ready-state. This may put the entire change initiative on hold until people and process readiness are also achieved. Here, an organization needs to start focusing on the smallest aspects that can be improved easily rather than boiling the ocean.

Practicing the ‘easiest’ solution first

Numerous types of interventions can be carried out to augment change readiness during the initial phase or to increase change adoption during later stages. The easiest approach is to identify key individuals or stakeholders that are capable of influencing all others, including change champions, team members, and even the target audiences. This is where ‘subjective norm’ comes to play.

The next approach is to simplify the communication for prominent stakeholders according to their perception and viewpoint on the change initiative. Clear and precise messages keeping change enablers like ‘perceived usefulness’ and ‘job relevance’ in mind helps bring everyone on the same page. Scheduling a recurring all-stakeholders connect helps them to understand each other’s challenges, thereby squaring out internal differences. This eventually leads to their expectation alignment that considerably reduces resistance.

In a typical change initiative, the role of training and development is to increase familiarity with the new change and allow the target audience to be comfortable with the change. The ‘ease of use’ enabler is of utmost importance in drafting simplified communication and training modules. Having one-pagers, flyers, and screensavers covering important aspects can bring down confusion and resistance by a great deal. Some noteworthy aspects are ‘Who has initiated the change?’, ‘What is changing?’, ‘What stays the same?’, ‘What to do?’, ‘How to do it?’, ‘Why is the change needed?’, ‘When is it effective?’, ‘Who is impacted and how?’, ‘What are the operational and commercial benefits of the intended change?’, and finally ‘Whom to connect with, for clarifying doubts?’.

Building trust is the key to success and the easiest way to gain it is by being honest. Being open about challenges and conceding to unforeseen situations help all key individuals and stakeholder groups to appreciate ground reality. Rather than fake promises about things under control, accepting being clueless around tricky scenarios with the willingness to find solutions is far better. Such sincerity helps build credibility that reaps indefinable dividends in the long run.

Yet another easiest practice is to keep stressing the vision and need for change during all interactions. Creating theme-based connect sessions that culminate towards the end goal helps all stakeholder groups to be on track and avoid digression.

Having a central repository of knowledge and documents with access to all key individual and stakeholders' groups has become quite common. However, having a RACI (responsibility assignment matrix) to ensure the continued commitment is pertinent for a change initiative to succeed as stakeholders may digress or lose track due to their core tasks or deliverable pressures. An agreed-upon RACI matrix ensures that a backup point of contact will work towards change goals even if the primary point of contact is unavailable.

An agile approach to any given change initiative aids in the incremental realization of benefits, as early as possible. Agility also brings, in most cases, a real-time feedback mechanism that enables all stakeholder groups to take corrective actions whenever required.

Conclusion

A well-planned and executed ‘organizational change management’ initiative not only reduces risks but also increases time to value. Taking well-planned, agile, and calculated ‘smaller’ steps towards a common goal surely avoids a bad start that may paralyze the change journey, and probably also, eclipse the dividends reaped from impactful interventions at a later stage.

Apt utilization of elements from behavioral sciences expedites the execution of change. The sought-after elements, with the highest probability of success, tend to demystify reservations around the usefulness of a given change, the ease of operating in a future state, and the relevance of personal goals and job requirements. These elements are portrayed as enablers for adoption in varied theories and research studies over a period of time by academic scholars and industry veterans.

The best practices are often those that are time-tested, and the ones easiest to implement. Accretions to the existing best practices over the years, owning to newer chaotic scenarios, normally put forth innovative and easier solutions to roadblocks and rudimentary processes. It is not the most comprehensive or all-inclusive solution that works, but rather the one that is the easiest to comprehend and recognize.

Above all, when people, processes, and technology operate in seamless sync, organizations get empowered to endorse their change management strategies successfully. Change specialists with extensive exposure can help develop such kind of capability-focused plans that orchestrates effective change within an organization. Synergies among different teams can help achieve the full potential of any transformation, with minimal disruption.

Footnote

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Dr. Amit Vikram attained his doctorate in 'Technology Adoption Behavior' and is serving as an Associate General Manager for Digital Consulting Solutions in HCL Technologies' D&A Practice.

His, approx. two decades of, corporate experience in planning and executing multi-million dollar 'organizational change/transformation programs', has directly impacted over half a million end-users till date. He has also recruited, mentored, and groomed over 1,500 next-gen associates during his professional stint alongside leading 'industry-academia' collaboration encompassing guest lectures, faculty development programs, and campus recruitment drives.

With numerous publications including books, white/research papers, and point-of-views, Dr. Vikram has been adding value to the organization's intellectual capital and has been recognized as a specialist in driving large-scale transformations.

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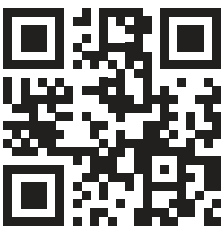

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