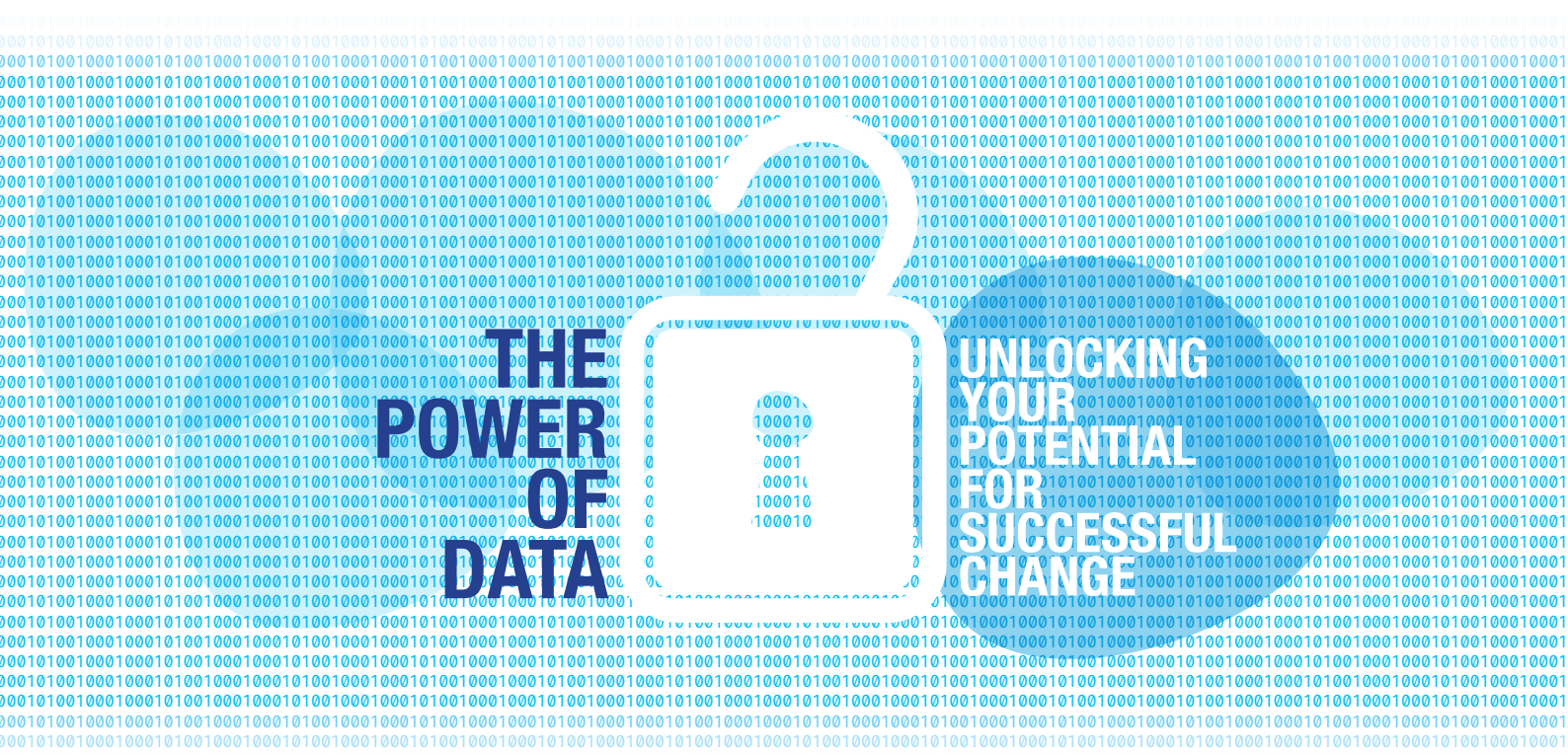


# REPORT 1

## UNDERSTANDING CHANGE LEGACY & TRACKING RISKS



THE  
POWER  
OF  
DATA

UNLOCKING  
YOUR  
POTENTIAL  
FOR  
SUCCESSFUL  
CHANGE

What more than 26,000 people  
and almost 400,000 data points  
can tell you about  
Successful Change  
Implementation

## Background

*Since the mid-1990s, Changefirst has been perfecting processes, skills and tools to help people in large private and public organisations build internal change capabilities. We found that the process of successful change runs a fairly similar course regardless of how big an organisation is or what the change is, and have taught over 15,000 people in more than 40 countries worldwide how to implement change that “sticks” using our people-focused approach.*

*We call it PCI® – People-Centred Implementation. As the name would suggest it revolves around the appropriate and effective engagement of people in change, plus teaching those in key positions how to use a methodology (with concepts, skills, processes and tools) to build people’s commitment to change, help them change their behaviour, deal with the inevitable resistance that change brings and create ownership in the organisation.*

*In 2006 we started providing a set of ten change tools online to clients, and this allowed us to build banks of data about change projects. The world of change is full of anecdotes and folklore but for the first time we could begin to identify what really made projects successful and what were the common change risks. The result of this is that we have a data rich premise for the information and insights we offer to our clients and this information, in turn, has informed our planning roadmaps and action-learning workshops where we transfer skills, tools and processes to change practitioners.*

*We now have a significant database with over 26,000 respondents and almost 400,000 data points. All of this data is held on our Enterprise Change Management Platform – e-change® – and is available to be utilised by practitioners on a subscription basis.*

*Over the next 6 months we will be delivering a series of reports which will cover the results from most of the ten tools in our toolkit. See Appendix 1 for a description of the tools covered in this report series.*

*In this first report we review the data from two complimentary tools; Initiative Legacy Assessment and Initiative Risk Assessment.*

## Acknowledgements

**Study Design & Analysis**  
~ Audra Proctor, Director

**Data Collection, Graphs & Tables**  
~ Nathan Brewer, Operations &  
Clare Hayward, IT

**Reviewers**  
~ David Miller, CEO &  
Hanna Greenfield, Marketing

**Cover, Layout Design &  
Document Production**  
~ Debs Hyde, DESIGNsmile

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## Data Report Notes

The follow notes apply across the analysis:

**Note 1** – we protect confidentiality by only reporting out on groups of no less than 1% of the total (or a minimum of 5 individual responses).

**Note 2** – more than 90% of the work done by the industry section labelled “Professional Services” is done with Central Government in respective geographical areas. Therefore any discussion about this data is really a discussion about change implementation in the government/public services area.

**Note 3** – the “OTHER” category is an aggregate of all small groups plus responses that do not neatly fit into the industries represented. For example, we have a number of independent consultants using our tools, and they would fall into the OTHER category.

Where percentages are used we are typically referring to the percentage of respondents.

**Data Key:** As a general rule of thumb...

### ABSOLUTE RISK SCORES of

60+ =	Serious Problems
50-60 =	Require a lot of improvement
40-50 =	Require some attention/improvement
0-40 =	Typically good indicator for success

## Summary

Our significant database, with over 26,000 respondents and almost 400,000 data points provides a data rich basis for the information and insights we offer to our clients on what it takes to implement change that sticks!

**#1** Real commitment to change appears hard to achieve.

If success is measured in terms of people's commitment, then we have just a 1 in 4 chance of delivering successful change.

**#2** Risks can be proactively managed to increase commitment.

This involves gathering change implementation legacy data as part of early risk assessment and planning and focusing on specific actions to address past problems. Key change legacy insights derive from almost 6,000 responses to our Initiative Legacy Assessment tool.

**#3** Regular tracking against the project life cycle stages shows how commitment levels shift.

The only way to know for sure if commitment and behaviour change is happening is through tracking and measurement. The data shows a clear dip in commitment levels early in the project then commitment steadily builds towards the end.

**#4** Converting new risks into enablers can increase commitment.

In fact, very small drops in risk can make a significant difference to commitment levels – not necessarily moving people from **resistance to commitment**, but certainly from **compliance to commitment**.

**#5** Commitment to change remains difficult to sustain.

The data shows that commitment levels of 54% nearing the end of implementation, is more than halved 6 to 9 months after implementation.

You will never reach 100% commitment but; establishing the measurement tools and tracking processes, comparing mid-point measures against the base-line or legacy data and adding new/re-occurring people risk dimensions to the project dashboard will go some way to improving change implementation and releasing business benefits.

# INITIATIVE LEGACY ASSESSMENT

*Successful projects require a full, realistic understanding of potential challenges and complexities, followed by specific actions to address them.*



**22%**

of total respondents, contributed to data captured by this tool.

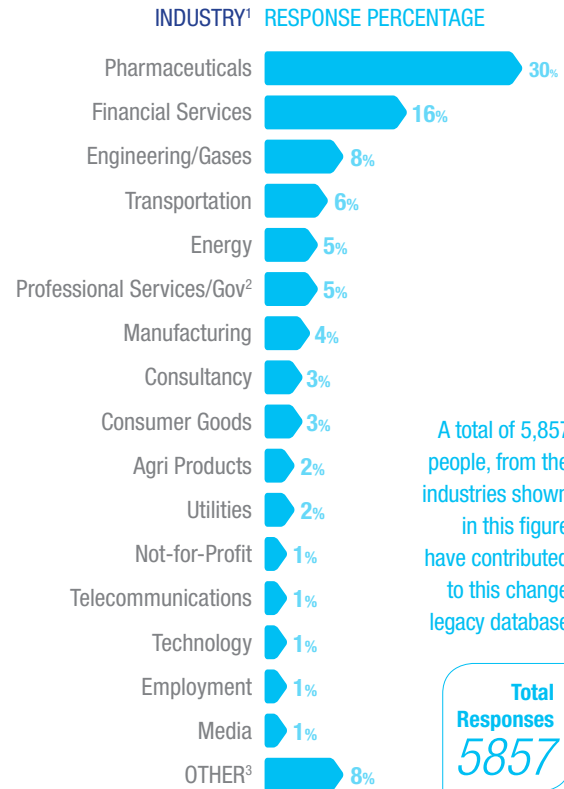
## About the Initiative Legacy Assessment

A lack of early insight leads to a high risk that issues are underestimated or even overlooked.

In particular, the challenges of implementation are often underestimated in the early project planning and scoping stages. By hooking into the history of change, learning from both good and bad experiences, there are clear insights for change leaders about the likely results from new change projects if old practices are repeated.

### ASSESSMENT FACTS

- This assessment provides early diagnosis and allows you to “baseline” people risks to implementation at the start of change projects.
- It takes a historical performance check against 6 Critical Success Factors for effective change implementation, using 20 questions which relate to 20 specific people change risk dimensions – see Appendix 2 for description of people change risk dimensions.
- When completing this tool, people are asked to reflect on lessons learned from the implementation of past changes in the last 18-24 months.
- In some cases people are asked to consider how a particular type of change has been implemented in the past.



The figure here shows the different types of change project that were being considered when completing this assessment.

PROJECT TYPE	%	TOTAL
Quality (TQM 6 Sigma)	22%	1099
Organisational Restructure	12%	618
Merger or Acquisition	11%	548
Major IT System	10%	519
New Business	8%	388
CRM	7%	371
Performance Improvement	5%	238
Re-engineering/Process Design	4%	212
ERP (SAP Oracle etc.)	4%	190
Workforce/Cost Reduction	3%	144
OTHER <sup>3</sup>	13%	674

## Insights from the Initiative Legacy Assessment

### #1 Real commitment to change projects appears hard to achieve

A change environment that has a history of implementation success is more welcoming of new change projects. If success is to be measured in terms of people's commitment to change, then the data, as shown here, suggests that:

- there is a 54% chance of delivering change in a compliant manner – we see a close relationship between Acceptance and compliance
- if change planning and implementation practices remain the same one could expect no more than a 1 in 4 chance of implementing new change successfully



The figure here shows how respondents have identified themselves at different levels of ownership to change.

### #2 Risks can be proactively managed to increase commitment

Top 5 Risks

- (9) **Rewards & Recognition** – people withhold their support because they feel that their extra efforts for the change will not be rewarded.
- (7) **Scope of Involvement** – people withhold their support because they feel that there will be insufficient opportunities for them to be involved in defining the change and how it affects their work.
- (6) **Informal Influence** – people withhold their own support because they feel that it would be difficult to secure the support of key influential people in the organisation.
- (11) **Local Role Modelling** – people withhold their support because they don't see Line Managers demonstrating the new behaviours required for change.
- (3) **Solution Visibility** – people withhold their support because the specific milestones and change deliverables are not clear to them.

	DIMENSION	SCORE*	
1	Future State Vision	40	
2	Organisational Imperative	33	CSF1
3	Solution Visibility	44	
4	Sponsor Behaviour	40	
5	Confidence in Agents	40	CSF2
6	Informal Influence	49	
7	Scope of Involvement	52	
8	Training & Education	38	CSF3
9	Rewards & Recognition	53	
10	Communicating the Plan	43	
11	Local Role Modelling	45	CSF4
12	Local Manager's Support	37	
13	Personal Imperative	42	
14	Solution Viability	34	CSF5
15	Being Successful	28	
16	Future Security	37	
17	Financial Impact	27	
18	Work Relationships	35	CSF6
19	Levels of Responsibility	35	
20	Learning Curve	42	
	<b>*AVERAGE</b>	<b>40</b>	

**Conclusion**

Making change implementation legacy insights a part of early risk assessment and planning can enhance people’s receptiveness and early energy for new change projects. Focusing on specific actions to anticipate and address past problems can improve commitment levels significantly.

You will seldom be able to move people from resistance, but you could move people from acceptance to commitment with integrated change management.





# INITIATIVE RISK ASSESSMENT

*Remember, "...re-lapses are the rule rather than the exception when it comes to change!" ~ Prochaska et al, Change for Good, and this is why measurement and tracking of people change risks is crucial to change success!*

13%

of total respondents, contributed to data captured by this tool.

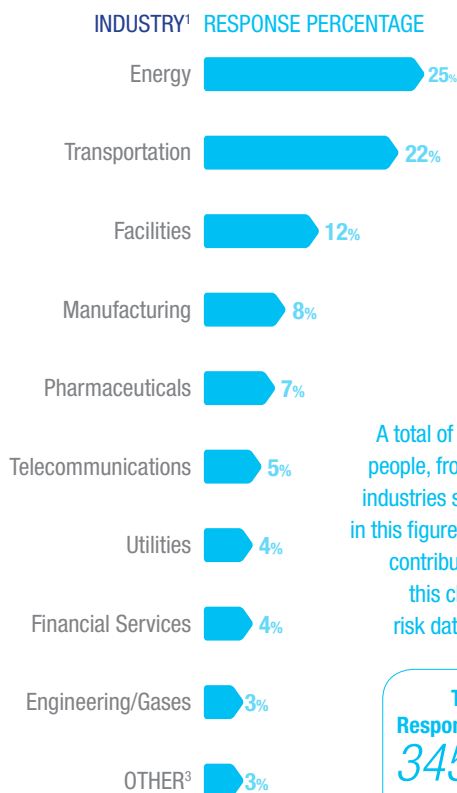
## About the Initiative Risk Assessment

As change plans are communicated, tested and executed, new risks will emerge to threaten early commitment.

If true implementation success is to be measured in terms of levels of sustained commitment and visible behaviour change among key individuals, then the only way to know for sure is through tracking.

### ASSESSMENT FACTS

- This assessment allows for mid-point measures to be taken across the change lifecycle, and new barriers and breakthroughs to be identified and compared against the baseline.
- It takes a measure against the same 6 Critical Success Factors and 20 specific people change risk dimensions used for the legacy assessment, to determine where progress has been made – see Appendix 2 for description of people change risk dimensions.
- When completing this tool, people are asked to reflect on their current experience of the performance of a particular change.



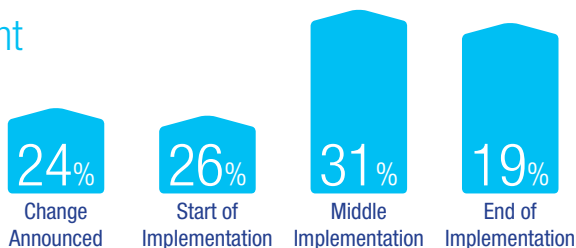
The figure here shows the different types of change project that were being considered when completing this assessment.

PROJECT TYPE	%	TOTAL
Organisational Restructure	20%	687
Performance Improvement	13%	449
ERP (SAP Oracle etc.)	11%	380
Workforce/Cost Reduction	8%	267
Major IT System	6%	194
Re-engineering/Process Design	5%	181
Merger or Acquisition	3%	132
CRM	2%	77
New Business	1%	33
Quality (TQM 6 Sigma)	1%	22
OTHER <sup>3</sup>	30%	1036

## Insights from the Initiative Risk Assessment

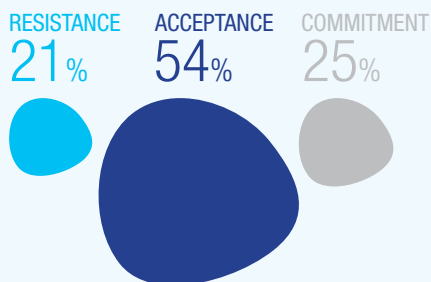
We segmented the data from this assessment across the project life cycle so as to get deeper insights from the Initiative Legacy Assessment.

The figure here shows the percentage of respondents per project stage.

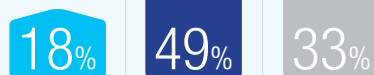


### #3 Regular tracking against the project life cycle stages shows how commitment levels shift

Baseline from the Initiative Legacy Assessment tool



When change is announced there is an energy and optimism for change that generates an early spike in commitment to 33% and slightly lessens resistance to 18%.



In the early stages of implementation and as more becomes known about the change, people's view of change seems to be more conservative, with commitment falling to 18% and acceptance jumping up to 66%. Resistance remains relatively unchanged.



Mid-way through implementation while resistance remains the same, the acceptance level is reduced to 56% while commitment is increased by the same amount.



When the assessment is nearing the end of implementation, with the change mostly in place, the environment is characterised by 19% resistance, 27% acceptance and 54% commitment. People have clearly moved from acceptance to commitment.



Insights from the Initiative Risk Assessment

#4 Converting risks into enablers can increase commitment

Small drops in risk (by just a few data points) can bring about a substantial shift towards commitment. This is highlighted by examining the risk dimensions coloured dark blue in the figure to the right

#5 Commitment to change remains difficult to sustain

Data shows that commitment levels of 54% that were achieved nearing the end of implementation are not sustained. 6 to 9 months after implementation commitment drops dramatically to 25%.

People may be using new systems, processes and structures associated with a change, but their ownership, and responsibility for continuous improvement is not guaranteed.

	DIMENSION	Change Announced	Start of Implementation	Middle Implementation	End of Implementation
1	Future State/Vision	40	41	41	35
2	Organisational Imperative	61	58	62	72
3	Solution Visibility	43	46	43	36
4	Sponsor Behaviour	37	38	38	32
5	Confidence in Agents	38	39	41	39
6	Informal Influence	54	54	53	58
7	Scope of Involvement	53	57	53	53
8	Training & Education	33	33	33	30
9	Rewards & Recognition	46	48	50	50
10	Communicating the Plan	44	46	43	40
11	Local Role Modelling	55	56	61	67
12	Local Manager's Support	33	32	34	29
13	Personal Imperative	52	48	51	47
14	Solution Viability	32	32	33	33
15	Being Successful	29	27	27	27
16	Future Security	40	40	43	41
17	Financial Impact	60	56	58	62
18	Work Relationships	33	31	37	37
19	Levels of Responsibility	60	57	56	60
20	Learning Curve	40	39	41	42
	*AVERAGE	44	44	45	44

## The BIG Questions

At this stage in our data review 3 big questions come to mind...

- 1) Why are the resistance numbers more or less unaltered throughout the whole process of change?
- 2) What happens at the end of a project that makes acceptance fall and commitment increase, both dramatically?
- 3) Why are commitment levels nearing the end of implementation twice the level of commitment shown by the Initiative Legacy Assessment?

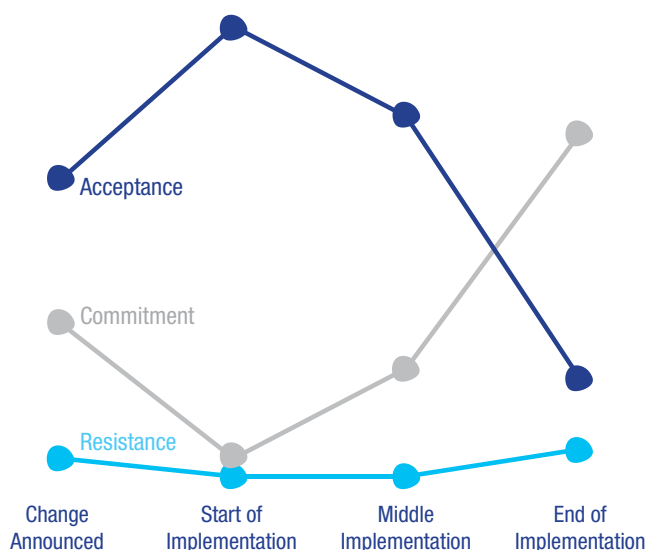
## Some Answers

We are not sure whether there is a core of hardened resisters to change who will resist any changes and stay fixed in that position. However, it is clear from the data that people move between acceptance/compliance and commitment.

There is a clear dip in commitment levels in the early stages of a project and then commitment steadily builds towards the end.

It's useful to note that the majority of organisations who use this survey are also using a structured change methodology, and in the main that is our People-Centred Implementation methodology (PCI®).

So it seems fair to conclude that a structured methodology (and PCI®) makes a real difference. It also suggests that focused attention on the following 5 areas will increase commitment.



- There are clear steps, milestones and plans that help people understand how change will progress – (3) [Solution Visibility](#) shows a 7 point improvement.
- People have a clear picture of the future when change is implemented – (1) [Future State/Vision](#) shows a 6 point improvement.
- There is active direction, guidance and support for the change from senior leaders – (4) [Sponsor Behaviour](#) also shows a 6 point improvement.
- Line Managers are prepared and equipped to provide practical support to their people during change – (12) [Local Manager's Support](#) shows a 5 point improvement.
- People understand why they personally cannot continue to work in the current way – (13) [Personal Imperative](#) shows a 4 point improvement.

**Conclusion**

So, the use of a structured change methodology (and PCI®) can actually double commitment and halve acceptance, but have little or no impact on hard core resistance.

We believe that the risk dimensions that re-occur across the project life cycles, (shown in light blue in the figure on page 12), go some way to explaining why commitment can quickly shift to acceptance and even resistance, after implementation was considered to be complete. You will never reach 100% commitment in all change projects, but these are additional risk areas that organisations need to focus on if change implementation is going to “stick” and release business benefits.



# NEXT STEPS

*Focus on the critical few...  
NOT the insignificant many!*



## Call to action for Leaders and Practitioners

- Establish the measurement tool and tracking process
- Compare midpoint measures against the base-line legacy data
- Add new or re-occurring people risk dimensions as described below to the project dashboard

RISK DIMENSION	DESCRIPTION	ACTIONS
To be considered in early planning		
(9) Rewards & Recognition	No real correlation between people's extra efforts and contribution to change success and their rewards and recognition during the change period	<ul style="list-style-type: none"> <li>• Agree the blueprint of both intrinsic and extrinsic rewards that will be used to support and reinforce the change</li> <li>• Work with HR to decide on how extrinsic rewards will be linked to the performance review or appraisal process and timings</li> <li>• Prepare a time line plan outlining when senior leaders are required to deliver intrinsic rewards</li> </ul>
(7) Scope of Involvement	Insufficient opportunities for people to inform the change outcomes and a sense that their input and suggestions have not been taken into consideration	<ul style="list-style-type: none"> <li>• Set clear expectations about the nature and scope of involvement</li> <li>• Plan specific activities that may be deployed across the project life-cycle (solution design, detailed development and implementation) to increase support and personal ownership for change.</li> </ul>
(6) Informal Influence	No active support from influential people (who are not sponsors or change agents) during the change and after its completion	<ul style="list-style-type: none"> <li>• Identify key people who have informal or political power in the organisation</li> <li>• Understand the source of their power and assign them a role in the change process e.g. to support communications, nurture relationships and engage others</li> </ul>
To be considered during mid-point tracking		
(3) Solution Visibility	Step, milestones and plans to help people understand how change will progress are unclear	<ul style="list-style-type: none"> <li>• Craft the solution in terms of components, milestones, opportunities for involvement in solution design</li> <li>• Be sure to provide a clear listing of things that will not change</li> </ul>
(1) Future State Vision	No clear picture of what the future would be like when the change has been successfully implemented	<ul style="list-style-type: none"> <li>• Create a definition of the future state that describes behaviours as well as process and outcomes that define successful implementation</li> </ul>
(4) Sponsor Behaviour	No clear direction, guidance and support for the change from senior leaders	<ul style="list-style-type: none"> <li>• Use the Sponsor Assessment tool to pinpoint areas for develop among key sponsors</li> <li>• Where there are individual gaps, identify others in the change network who already have the characteristics</li> </ul>



# APPENDICES

*A comprehensive methodology,  
capable of providing valid answers  
to all your change questions*



# Appendices

## Appendix 1: 6 CSF Model & 20 Risk Dimensions

A short description of each CSFs and risk is shown in the table below.

	CSF	DESCRIPTION	RISK DIMENSIONS
ORGANISATIONAL	SHARED CHANGE PURPOSE	A compelling case for change has been created and shared in such a way that it has created a sufficient critical mass of early urgency and commitment.	<ul style="list-style-type: none"> <li>• Future State Vision</li> <li>• Organisational Imperative</li> <li>• Solution Visibility</li> </ul>
	EFFECTIVE CHANGE LEADERSHIP	A network of skilled and accountable change leaders exists. They provide direction, guidance and support for specific changes they are involved with and champion a people-centred approach.	<ul style="list-style-type: none"> <li>• Sponsor Behaviour</li> <li>• Confidence in Agents</li> <li>• Informal Influence</li> </ul>
	POWERFUL ENGAGEMENT PROCESSES	An engagement plan that encompasses processes for involving, communicating with, rewarding and developing people has been agreed and is being implemented and measured.	<ul style="list-style-type: none"> <li>• Involvement</li> <li>• Learning</li> <li>• Rewards &amp; Recognition</li> <li>• Communications</li> </ul>
LOCAL	COMMITTED LOCAL SPONSORS	Middle and front-line managers have the skills, tools and motivation to work with their people during the change roll-out, and to be role models for the behaviour change required.	<ul style="list-style-type: none"> <li>• Local Role Models</li> <li>• Local Manager's Support</li> </ul>
	STRONG PERSONAL CONNECTION	Middle and front-line managers develop and deliver local plans that include strategies to build personal commitment, build skills and deliver behaviour change.	<ul style="list-style-type: none"> <li>• Personal Imperative</li> <li>• Solution Viability</li> <li>• Being Successful</li> </ul>
	SUSTAINED PERSONAL PERFORMANCE	Middle and front-line managers are able to help people adapt personally to the change, minimising disruption and maximising performance in a way that ensures the change really sticks!	<ul style="list-style-type: none"> <li>• Future Security</li> <li>• Financial Impact</li> <li>• Work Relationship</li> <li>• Level of Responsibility</li> <li>• Learning Curve</li> </ul>

## Appendices

### Appendix 2:

### 9 Key Change Diagnostic tools from our PCI® toolkit\*

A short description of each tool is shown in the table below.

TOOL	DESCRIPTION
OCA: Organisational Capacity Assessment	Used to diagnose an organisation's ability to assimilate a portfolio of change based on the existence of 6 key building blocks of change capacity.
CDA: Change Demand Assessment	Used to diagnose the cumulative impact of a change portfolio on an organisation, and to test the change environment for potential overload. It takes a measure against 6 drivers of Change Demand.
ILA: Initiative Legacy Assessment	Used for early diagnosis and baseline of people-centred risks in single change projects. It takes a historical performance check against the 6 CSFs, using a total of 20 questions which relate to 20 specific risk dimensions.
SA: Sponsor Assessment	An interactive risk assessment designed to provide education and promote discussion about the critical dimensions of successful change Sponsorship.
CAA: Change Agent Assessment	An interactive risk assessment designed to support Change Agent selection and promote discussion about the critical dimensions of successful Change Agents.
CEA: Communications Effectiveness Assessment	An interactive risk assessment designed to help Change Agents and project teams to probe any suspected issues with the project communication process.
ARA: Adapter Readiness Assessment	An interactive risk assessment designed to make an early prediction of the degree of disruption and likely levels of readiness for the change amongst Adapter groups.
IRA: Initiative Risk Assessment	Used for diagnosis and tracking of people-centred risks in single change projects. It is modelled on the 6 Critical Success Factors (CSFs) for single projects. The 6 CSFs are assessed by a total of 20 questions, which relate to 20 specific risk dimensions.
RRA: Resistance Reasons Assessment	An interactive risk assessment designed to help Change Agents and project teams to identify underlying reasons for Adapter resistance to a particular change project.

\*Full PCI toolkit comprises eleven multi-lingual change tools that can be used to assess, plan and track changes. You can benchmark your change and segment data for internal comparison purposes. Many of the tools come with a set of recommended tactics to manage risk areas.



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## About Changefirst

Since 1995, Changefirst has been transferring change management skills, processes and tools inside organisations to help them deliver change successfully. Over 15,000 people have learned our proven People-Centred Implementation (PCI®) methodology in 50 countries around the world. Over 6,500 people currently use our online application e-change, and around 350 in-house PCI Master Trainers help to embed the capabilities inside their organisation.

Our clients choose us because:

- they need to deliver specific changes whilst developing internal change-management capabilities
- they require a scalable, robust, methodology that is easy to access and simple to use
- they need tools that integrate with their project framework and a solution that is value for money

Our clients include The Linde Group, Novartis, Rentokil Initial, Virgin Media, HSBC, Network Rail and MSA.

We have probably the largest global Organisational Change Management research and assessment database in the world with over 26,000 respondents and 400,000 datapoints. This enables clients to benchmark their change performance.

We are regularly invited to share our thought leadership on the international speaker circuit by the likes of ACMP, APMG and PMI.

We are based in the UK, Australia and Brazil and we deliver our services globally.

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