Manager's Toolkit for Managing Change

Note to L&D: Fulfilling Your Role in Change Management
Remove this cover page before distributing the toolkit to managers.

Supporting Change is Difficult for All Changes
Supporting change is difficult regardless of the type of change occurring in your organization, whether it's a large-scale change or a relatively small one. Surprisingly, even positive changes are difficult to manage because they also require employees to make changes in the workplace. While every change is different, the main challenges associated with the change and L&D's primary role supporting the change typically remain the same. Common types of change your organization may experience include the following:
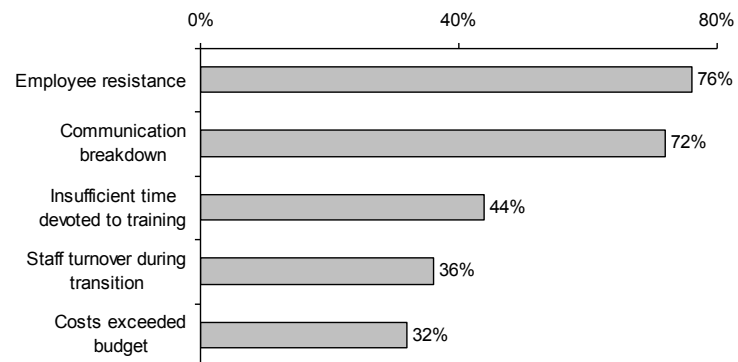
Common Organizational Changes	
● Mergers and acquisitions	● Technology systems changes
● Reorganization or downsizing	● Move to new office or geographic location
● Culture change	
● Compensation and benefits changes	● New products and services

Common Obstacles to Change and L&D's Response
Unfortunately, research indicates that most changes fail; a 2006 study by *Harvard Business Review* found that 66% of change initiatives fail to achieve their desired business outcomes. Why is change so difficult? The five most common obstacles to change, based on a 2007 survey by the Society for Human Resource Management, are depicted in the graph below. Helping the organization overcome these obstacles to change is central to L&D's role in change management.

Obstacles Experienced during Major Organizational Changes

Obstacle	Percentage
Employee resistance	76%
Communication breakdown	72%
Insufficient time devoted to training	44%
Staff turnover during transition	36%
Costs exceeded budget	32%

As you consider these obstacles, the good news is that L&D can significantly influence the top four. In particular, L&D can train managers to manage the effect of organizational change on their teams to minimize employee resistance, for example, using resources like those included in this toolkit.

See the Corporate Leadership Council's topic center on Change Management *for a full suite of resources for the broader HR function, such as change management models, tools for assessing the effectiveness of change efforts, and tools for establishing a company-wide communication plan.*

Manager's Toolkit for Managing Change

Section 1. Introduction to Change Management

Managing Change is Difficult for All Changes

Managing change is difficult regardless of the type of change occurring, whether it's a large-scale change or a relatively small one. Surprisingly, even positive changes are difficult to manage because they also require employees to make changes in the workplace. While every change is slightly different, the main challenges associated with the change and your primary change responsibilities as a manager will generally remain the same. Common types of change you and your team may experience include the following:
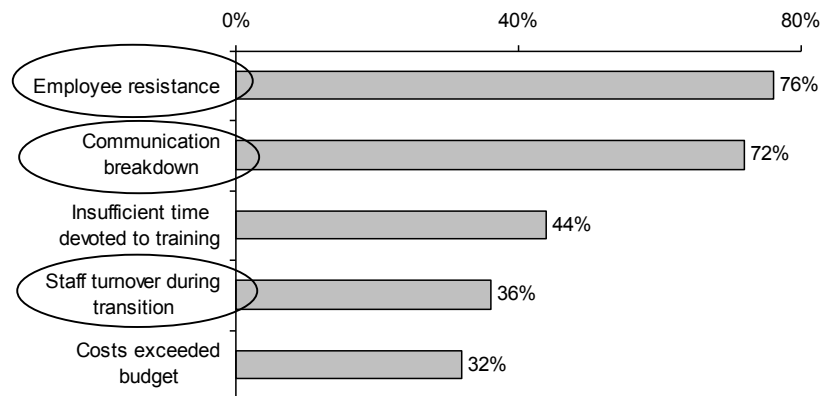

Common Organizational Changes

- Mergers and acquisitions
- Reorganization or downsizing
- Culture change
- Compensation and benefits changes

- Technology systems changes
- Move to new office or geographic location
- New products and services

Common Obstacles to Change

Research indicates that most changes fail; in fact, a 2006 study by *Harvard Business Review* found that 66% of change initiatives fail to achieve their desired business outcomes. Why is change so difficult? The five most common obstacles to change are depicted in the graph below. Note that three of those are obstacles (circled) that you, as a manager, can influence and improve.

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Given these obstacles and the high failure rate of organizational changes, managers have a critical role to play in managing change. While you can't overcome all of these obstacles, the next page details the key components of your role as a manager, as well as the resources in this toolkit to help you effectively fulfill that role.

Manager Role for Managing Change

Successful change requires many individuals at different levels to plan and implement the change. Depending on the specific type of change your organization is experiencing, the stakeholders involved will vary, but often include:

- Senior leaders who initiate and advocate the change
- HR to provide support to managers and employees
- Functional experts who support specific changes (e.g., IT department for technology upgrades)
- Change management team formed during the change to support each step and ensure its success

Of course, managers also play a critical role in change because of their relationships with their individual teams. In particular, the three manager-related obstacles presented on the previous page have a direct impact your role as a manager.

Overview of Manager Role for Managing Change	
Change Obstacles	**Corresponding Manager Role**
Employee resistance	Leverage your relationship with your team to address employee concerns on a personal level
Communication breakdown	Communicate key information to employees
	Share feedback from your team to senior management
Staff turnover during transition	Engage and retain your team

Using this Toolkit to Manage Change

To help you fulfill your role as a manager during times of change and overcome common obstacles, use the simple resources in this tookit to support you and your team throughout the change process. Specifically, the checklists, tactics, and information in this toolkit cover the following manager roles and responsibilities:

- Assess Your Own Response to the Change
- Communicate the Change to Your Team
- Manage Employee Resistance to Change
- Special Consideration for Layoffs—Minimize Survivor Guilt
- Appendix: Change Assessment and Planning Template

Section 2. Assess Your Own Response to the Change

As indicated earlier in this tooklit, resistance to change is common even if the change is positive or will only have a small impact on an organization and its employees, so your role as a manager is important to overcoming that resistance and ensuring the change is a succes. Your opinion of the change will affect your efforts to support your team and to fulfill the important role you play as a manager. Before you can work with your own team to overcome resistance, spend a few minutes answering the questions below to asses how you feel about the change.

Change Management Self-Assessment Questions

☐ Do you understand the rationale for the change, and can you explain it to anyone you work with?

☐ Do you believe the change is worthwhile?

☐ Are you clear about how the change will impact you and you team?

☐ How is the change impacting your existing workload?

☐ Do you believe the change is fair to you and your employees?

☐ Do you believe the change will actually occur (or is management merely paying "lip service" but likely won't follow through)?

Based on the questions above, do you generally have a positive or negative opionion of the change? Even if you don't agree with it, it's critical that you get on board so you don't hurt your own performance or your team's. If your response is largely negative, remind yourself of the benefits of the change and the rationale for it. If you have unanswered questions, be sure to discuss the change with your own manager.

Section 3. Communicate the Change to Your Team

Communication is critical! One of the most important roles you will play as a manager is to communicate the change to your team. Communication is a critical component to the success of any change initiative, and communicating to your team will be a top priority throughout the change. As we saw in Section 1, communication breakdown is one of the most common obstacles to change. Unfortunately, communication is also difficult. Most likely, your team will have heard many rumors and have a lot of tough questions for you. Follow the guidelines in the checklist below to ensure your communications will be as effective, and appropriate, as possible.

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Ten Manager Tips for Communicating Change

1. **Only communicate to your team what you have been authorized to do so**. This is critical so that communications are consistent across the organization and because of the sensitive nature of some changes. Closely review and follow any communication guidance provided by your company.

2. **Communicate the business rationale for the change** and the events leading up to it. Clarify the vision and specific change plans.

3. **Explain the benefits of the change** to the broader organization *and* the individuals on your team.

4. **Update your team regularly on the progress of the change**. Communicate any alterations to the change plan and how it will affect you and your team.

5. **Specify how your team members' jobs will be different** before, during, and after the change.

6. **Acknowledge the negatives of the change**. While they can be difficult to discuss, the downsides will be apparent to your team and you may lose credibility if you don't acknowledge them.

7. **Provide as much detail as possible to minimize rumors and the anxiety of your team**. However, remember to only communicate information authorized by your organization.

8. **Acknowledge when you don't have the answers** to questions posed by your team, and escalate those questions to your own manager or designated contacts. *Do not guess* or answer questions you do not have permission to address.

9. **Provide opportunities for private face-to-face dialogue.** While initial announcements will likely be delivered by your company using less personal methods, your team will be anxious about the affects of the change and have many questions.

10. **Emphasize that the change *will* happen.** A common response to change is denial, particularly if your employees consider it unfavorable. When communicating with your team about the change, emphasize that the change will indeed happen.

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⚠ **A Note of Caution about Communication**

Changes to a team member's employment status or job role should *always* be communicated individually due to the sensitive nature of this information. Your company will have policies and guidelines about communicating this type of information that must be followed strictly.

Section 4. Manage Employee Resistance to Change*

No matter how beneficial a change might be or how clearly and frequently you communicate the change, employee resistance to change is the greatest barrier. You will inevitably experience at least some degree of resistance by someone on your team, whether it's broadcast loudly by your employees or communicated in a subtle, passive way. Resistance can be particularly damaging to change initiatives because it can lead to decreased productivity and increased turnover. While it's difficult to prevent resistance altogether, there are some helpful strategies you can use to get your team on board.

Strategy 1: Allow Time to Digest the Change

Once your team has learned about the impending change, allow time for it to sink in. Step back and give them some space to think about the change and accept it. While they may resist it at first, resistors often come around with time.

Strategy 2: Track the Response

Organizational changes generally take place over a period of time—particularly large-scale initiatives—and your team's response will fluctuate. Keep track of the response over time so you can react quickly as resistance issues arise. To track the response, consider:
- What is my team saying about the change? What questions are they asking?
- Is there a change in employee productivity? Absenteeism?

Strategy 3: Ask for Feedback

Ask your team for feedback about the change, and cascade any noteworthy suggestions or criticism upwards. Your team can draw on its varied experience to avoid obstacles, improve planned processes, and save time and money on the change. Most importantly, they will feel heard and respected.

Strategy 4: Get Your Team Involved

Where possible, assign members of your team with tasks or projects related to the change. Specifically, consider their expertise or interests to identify aspects of the change they may be able to assist. For example, if your company is implementing a new customer relationship management system, see if your team can participate in a pilot run. Make sure to recognize their efforts and provide clear directions.

Strategy 5: Look for Development Opportunities

Development-based strategies are particularly effective for preventing resistance to change. Changes often provide opportunities for employees to step into new roles or perform new tasks, so consider the options the change might provide for on-the-job development.

See the Appendix for a template to help you track your team's response, obtain their feedback, and plan ways to get them involved.

⚠ A Note of Caution about Resistance Prevention Strategies

Organizations commonly default to reward and recognition or compensation-based strategies to prevent resistance to change. While they seem effective, they often don't work as well as the strategies listed above and can be costly to implement. Consider those strategies with caution, and reserve them to engage and retain only your most critical talent.

Section 5. Special Consideration for Layoffs—Minimize Survivor Guilt

While any type of change can be difficult, the most difficult to manage are changes that result in layoffs. The emotional response and resistance to layoffs is particularly strong, even if your team members are not directly affected by the layoffs. A common response by surviving employees who have not been laid off is guilt, also referred to as "survivor syndrome". Survivor syndrome can be particularly damaging to the morale and productivity of remaining employees both because of the guilt they feel and their concern for their own jobs. Survivor syndrome can even lead to increased turnover. While your company will have clear policies for managing layoffs that you must follow strictly, there are some approaches you can take to minimize the guilt experienced by you and your team.

Manager Communication Guide to Minimize Survivor Guilt

As we saw in Section 3 of this guide, communication is critical to the success of any change effort and becomes even more important in the event of layoffs. Specifically, to decrease the negative impact of layoffs on your surviving employees, your team will want to know that laid off employees have been treated fairly and with compassion. Follow the communication guidelines supplied by your company but share as much information as you can about the decision-making process for the layoffs and the benefits provided to laid off employees. If possible, share the following information with your team:

- **Alternatives considered.** Detail any alternatives that were first considered to prevent layoffs, such as leaves of absence, job sharing programs, or salary reductions. If your company considered or used any of these alternatives, make it clear to the remaining members of your team that as many actions as possible were taken to prevent layoffs and that they were a last resort. Otherwise, it communicates that your company does not value its employees.

- **Selecting positions for elimination.** Communicate how positions were selected for layoffs to demonstrate that objective criteria were used and applied consistently. For example, were positions selected based on job role, department or business unit, tenure, or performance?

- **Efforts to help employees in eliminated positions fill internal vacancies.** Communicate any steps taken to help employees in eliminated positions fill vacancies in other areas of the company. For example, were they given advanced notice of vacancies before the positions were communicated externally?

- **Severance and other benefits.** Inform layoff survivors about the support you are providing to laid off employees to demonstrate that they've been treated fairly and respectfully. If possible, provide basic information about severance packages, outplacement services, and counseling.

Survivor Syndrome – The Size of the Challenge

Decreased Morale
According to a survey by Anderson Consulting and Knowledge Systems & Research:

- Only 37% of survivors believed their organizations handled job cuts well
- 46% of survivors at companies that had made cuts indicated a decrease in morale

Increased Turnover
Turnover rates increase gradually as the percentage of the workforce that is laid off increases. Specifically, an article in *HR Magazine* reveals that expected turnover rates at organizations with layoffs are:

% of Workforce Laid Off	Expected Turnover Rate
0.5%	13%
2%	14.1%
5%	14.9%
10%	15.5%

Appendix: Change Assessment and Planning Template

Once an organizational change has been announced, effective methods to manage resistance to the change within your team include tracking your team's response, asking for feedback from your team, and finding ways to get members of you team involved. (See *Section 4: Manage Employee Resistance to Change*). A simple way to achieve these is to spend time during your regular team meeting assessing your team's response and planning next steps; the template below serves as a guide for conducting this discussion. In addition to the benefits for managing resistance to change mentioned above, this step will also alert you to communication challenges and indicate areas where you need to communicate further.

Ask your team what they feel is working well throughout the change process. Write down the 3-5 most common positive elements your team expresses.

Ask your team what they are most unhappy with about the change, and ask them to come up with suggestions for improvement. Write down the 3-5 most common suggestions your team identifies. Next, plan how you will respond to the improvement, including if it must be escalated or if you can involve a member of your team. Note that not all suggestions will be suitable for additional action.

Take a quick "pulse check" of the team by asking them how they feel about the importance of the change and the success of the implementation so far. It will provide you with a general sense of how happy and engaged your team is, and will help you prioritize the ongoing management of the change.

Change Assessment and Planning Template

Date:_____

Top 3-5 Positive Outcomes of the Change

1) *The team has a clear sense of the long-term benefits of the merger to the company's ability to expand our product offering, and is pleased with senior management's visible, hands-on approach to communiating this change.*

2)
3)
4)
5)

Top 3-5 Suggestions for Improvement

Suggestion	Follow-Up?	Next Steps	Owner
1) *The team is unclear about the specific timelines for the change, including the official merger date and suggests company-wide Webinar with additional communications*	*Yes*	*Review provided timelines with team; Suggest to central*	*Team lead; John Q.*

8

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