



Change Management

A Strategic Implementation Approach

The 5C's of Transition Leadership®

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Change is the new constant. Leaders from all types of organizations recognize the importance of being change-agile. This white paper is based on research validated through more than twenty-five years of experience working with hundreds of clients, large and small, across various business sectors.

The principal focus addresses two of the primary needs associated with large-scale change. First, there is the need for effective implementation planning and execution excellence. Second, there is the need to ready and prepare leaders to guide others through transition. To address both of these needs, a framework entitled, **"The 5C's of Transition Leadership®"** has been successfully utilized by a number of our clients. This model helps organizations systematically design an implementation cascade while also preparing their leaders to execute the change throughout the organization.

The Challenge

Times Are Changing: The Pressing Need for Organizational and Individual Change Agility

Keeping pace with the ever increasing rates of volatility, shifting demands, and technological advances require change agile organizations. Leaders that manage change in a deliberate, well-planned manner are most likely to achieve success. These leaders need a progressive skill set and a process that helps them translate and implement required changes throughout their organizations.

Regardless of the type of strategic change, all change initiatives require leaders who are:

- Masters at seeing and translating the strategic direction
- Able to quickly accept the need and make the commitment to drive change
- Experts at assessing risks and potential impact of change to the organization, team, and individual
- Skilled at creating high performing teams that can address pressing business concerns during periods of change
- Coaches that can address each team member's reaction and resistance to change

Typical Large-Scale Change Initiatives:

- Merger Integration
- Organizational Restructuring
- Enterprise Solutions
- Cost-cutting
- Process Improvement
- Cultural Transformation

High Failure Rate of Large-Scale Change

Research has shown that 70% of large-scale change initiatives do not reach their intended goals and often fail¹. Even with the availability of guide books and consulting services, profits disappoint, costs do not decline, market share remains stagnant, ROI is low, and human capital is not on board.



In spite of abundant resources, the failure rate of large-scale change initiatives remains high. A brief recap of the research is highlighted in the following table:

Category: Reported Reason for Change Failure and Source²

1	Vision	<ul style="list-style-type: none"> • Lack of a compelling organizational vision for change • Not directly tying the purpose of the change effort to an organization's business strategy
2	Beliefs	<ul style="list-style-type: none"> • Does not ensure individuals have bought in to the reasons for the change effort • Neglecting the cultural mindset, individual beliefs, and behavioral requirements
3	Planning	<ul style="list-style-type: none"> • Proceeding without a clear change strategy or impactful change methodology • Poor planning and/or execution of the change effort • Sense of urgency not established
4	Leadership	<ul style="list-style-type: none"> • Insufficient sponsorship from senior leaders • Lack of leader involvement, preparation, and capability • Not creating a powerful guiding coalition • Leaders are unwilling to change or develop themselves to clearly model the changes being asked of them by the organization
5	Communication	<ul style="list-style-type: none"> • Under communicating the vision • Lack of clear communication of the reasons for change and overall objectives • Resistance created by using top-down communications to announce the change and not engaging people through frequent touch points

What do the 30% do Well?

Successful Change Implementation

For large-scale change to succeed, the entire organization must buy into the vision, accept the change, and take actions that align with broader strategic goals.

THEY	Address Change on Three (3) Levels
	Equip Leaders and Develop Change Agility Capabilities
	Plan a Disciplined Implementation Cascade
	Monitor Progress and Recalibrate Quickly

Address Change on Three (3) Levels:

Organizational: Senior leaders need to clearly communicate, model, and reinforce the business case for change with linkages to organizational values.

Team: Translate strategic goals into team responsibilities and address the impact of these changes on the team.

Individual: Address the dynamics each person experiences during transition and provide coaching to minimize resistance and facilitate change adoption.

Equip Leaders and Develop Change Agility Capabilities

It is imperative to prepare leadership and management to guide teams and individuals through the transition in order to successfully execute the change strategy. Organizations and senior leaders often miss the importance of equipping managers with tools and training during organizational change. Kotter, a leading expert in change management acknowledges this gap. He calls for greater emphasis on “change leadership,” noting that “almost nobody is very good at it³.”

Mid-level leadership is a key front-line element necessary to achieve high-level change agility. When done effectively, these managers do not just survive the change, they thrive.

Best Practices Include the Following:

- Early commitment to develop change leadership capabilities
- Training to provide leaders with change agility skills including the ability to overcome resistance and guide transition planning
- Availability of resources and expertise that is dedicated to supporting the change effort
- Leadership accountability and metrics for driving change initiatives

Figure: The Three Levels



What do the 30% do Well?

Plan a Disciplined Implementation Cascade

It is important to engage cross-functional stakeholders to ensure challenges, impact, and overlapping requirements are incorporated into the execution plan. Throughout the planning process, leadership must remain mindful of what needs to be cascaded at each level of the organization. A specific implementation plan requires change leaders and sponsors to dedicate time and resources to think through the sequencing and timing for sharing information.

Crucial to a disciplined implementation plan is frequent and open communication, especially between leaders and their teams. Leaders are encouraged to communicate the business case for change and communicate with their teams early and often. When working with their teams, leaders need to share the impact of change and their plans to address challenges that arise due to the transition.

Best Practices Include the Following:

- Identify multiple work streams required during the planning process
- Provide tools for each level of the organization (especially managers) that can be used when communicating the change
- Remove obstacles to the change strategy and vision
- Engage employees in implementation planning and execution efforts

- Communicate the rationale for decisions in a clear and concise manner

Monitor Progress and Recalibrate Quickly

At the start of a change initiative, it is essential to establish critical metrics and milestones that indicate success. It is also imperative to communicate these messages throughout the organization. Individuals need to understand their responsibility to remain accountable for achieving the intended results.

Best Practices Include the Following:

- Establish metrics for success
- Launch a process to closely monitor these metrics for ongoing review and recalibration at the organizational, team, and individual levels
- Ensure leaders throughout the organization understand adjustments may be needed throughout the process

Research indicates many factors contribute to failed change initiatives; however, two (2) are especially noteworthy:

1. Lack of effective planning and effective execution
2. Lack of skilled leaders, who are unprepared to guide others through change⁴

To effectively address both of these needs, a framework has been developed by WLH Consulting, Inc. ("WLH"). This model is the culmination of 25 years of experience with hundreds of change management projects.

¹Decker, P. (July, 2012). Predicting implementation failure in organization change. *Journal of Organizational Culture, Communications and Conflict*, Vol. 16, No. 2, pp. 39-60.

²Sources include:

Ackerman Anderson, L. & Anderson, D. (2002). *The Ten Most common Mistakes in Leading Transformational Change*. Retrieved from <http://www.changeleadersnetwork.com/free-resources/ten-common-mistakes-in-leading-transformation>

Chaudron, D. (2003). *The Nine Pitfalls of Organizational Change*. Retrieved from: <http://www.organizedchange.com/ninepitfallsoforganizationalchange.htm>;

Kotter, J. (1995). *Leading change: Why transformation efforts fail*. *Harvard Business Review*, March-April, pp. 59-67.

Meinert, D. (2012). *Wings of change*. *HR Magazine*, November, pp. 30-36.

Palmer, J. *Change Management In Practice: Why Does Change Fail?* Retrieved from: <http://www.articledashboard.com/Article/Change-Management-In-Practice-Why-Does-Change-Fail/35180>

NOTE: not all items from every list were included in the table above. Items that were repetitive or less demonstrative of the categories were omitted for space considerations

³Kotter, J.P. (2012). *Leading Change*. *Harvard Business Review Press*

⁴Sources include:

In his classic 1995 *Harvard Business Review* article, "Leading Change: Why Transformation Efforts Fail," John Kotter provides 14 reasons for change failures, many of which are related to poor execution.

Ackerman Anderson, L. & Anderson, D. (2002). *The Ten Most common Mistakes in Leading Transformational Change*. Retrieved from <http://changeleadersnetwork.com/free-resources/ten-common-mistakes-in-leading-transformation>

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The Solution: The 5C's of Transition Leadership®

The "5C's of Transition Leadership"®

The 5C's framework provides a common approach that leaders can implement across the organization. Its primary focus is on what an individual leader must do personally to lead the business, address risks, assess impact on the team, and coach direct reports through the transition. The model also provides best practices for monitoring the change effort over time and calibrating action plans to ensure success.

Using the 5C's approach allows your organization to systematically address the two primary failures associated with implementing large scale change. Equipping your leaders to become skilled at leading their teams through transition and having a structured implementation plan will help increase your organization's success rate and become part of the 30%. The following pages will provide a high level overview of the solution: commit, construct, create, coach, and calibrate.

WLH also offers a comprehensive guidebook that will lay out the 5C's process in detail as well as providing you and your organization the tools, worksheets, and assessments required to guide your transition.



Figure: The 5C's of Transition Leadership®

1. **Commit** – by owning the change and preparing to lead
2. **Construct** – build a plan to address business impact and risks
3. **Create** – build a high performing team to deliver results
4. **Coach** – direct reports through the transition
5. **Calibrate** – adjust and fine tune to maximize success

5C's Sample Tools

- Personal Change Readiness Assessment
- Business Case for Change Worksheet
- Learning Plan Worksheet
- Manager Expectations Preparation Checklist
- Continuing Business Needs Worksheet
- Business Risk and Customer Impact Mitigation Checklist
- Assessing Team Impact
- Team Jump-Start Agenda
- Stakeholder Identification
- Transition Coaching Process Guidelines
- Leader's Transition Coaching Worksheet
- Team Member's Transition Coaching Worksheet
- Communication Action Planning Worksheet

The Solution: The 5C's of Transition Leadership®

COMMIT by owning the change and preparing to lead

Strong leadership is absolutely critical to any successful change initiative, particularly the ability to inspire colleagues to adopt seemingly threatening changes. Leaders must face and manage their own doubts before they concentrate on the transition issues of others. To be viewed as credible and authentic, leaders must take proactive steps to understand and accept the changes themselves.

Leaders must:

- Assess change agility and readiness to lead
- Manage personal reactions to the change
- Embrace the business case for change
- Understand the role requirements and implications to others' roles
- Establish a personal learning plan to close any gaps
- Align expectations with their manager
- Communicate continuously about their commitment to the change effort



CONSTRUCT a plan to address business impact and risks

Every change initiative has its own unique set of risks and challenges. One initiative may potentially impact customers, revenue, and market share, while another may impact production, process flows, and information exchanges. It is critical that the organization and its leaders identify the risks and develop mitigation strategies associated with the transition.

In all cases, the impact of change disrupts the status quo and distracts the organization from its original work; therefore, leaders must be careful to maintain business continuity. Watchful leaders ask: "Are you and your team staying focused on current goals and customer needs?" "What are the risks for individual productivity, employee engagement, and talent retention?"

Leaders must:

- Identify continuing business requirements and goals that need to be managed during the transition
- Mitigate business risks that may be associated with the proposed change in order to minimize customer impact
- Align their own plans with others' risk mitigation plans
- Communicate continuously about mitigating risks



The Solution: The 5C's of Transition Leadership®

CREATE a high performing team to deliver results

Large-scale changes can have various impacts on teams, and they can easily become distracted or neglect important priorities. Often, there are new team members, team leaders, and work responsibilities. In addition, new customers, geographies, and stakeholders may also be present. Whether the amount of disruption is large or small, people still need to quickly understand each other and learn how to work together to achieve the desired mission and stated goals.

Leaders must:

- Assess the team's readiness and ability to execute the strategic change initiative(s)
- Articulate a vision and performance expectations
- Determine the best approach for "jump-starting" the team
- Monitor team results and celebrate early wins
- Communicate continuously about why the team and individual performance is critical to success

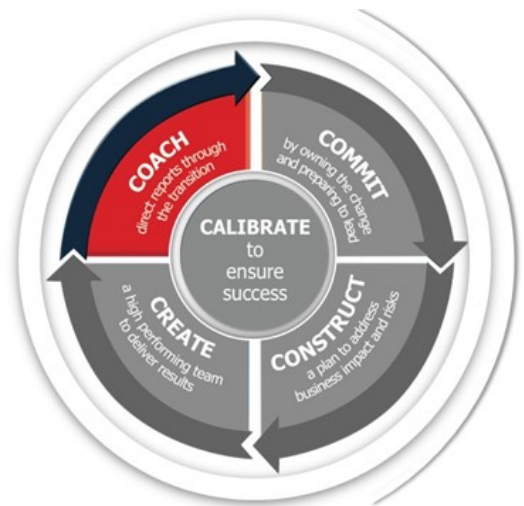


COACH direct reports through the transition

Coaching is an important skill at all times, however, it is absolutely critical during organizational change. William Bridges points out in his book, *Managing Transitions: Making the Most of Change*⁵ that people may react emotionally to organizational changes similarly to how they react to other life events. When individuals acknowledge an "ending," they must relinquish something stable, known, and predictable. It takes a strong manager to support and coach an individual to move through the uncertainty while gaining confidence for the "new beginning."

Leaders must:

- Establish or renew a working relationship with each direct report
- Identify transition challenges
- Set transition change goals and timelines to close any learning gaps
- Develop an Individual Transition Plan



⁵Bridges, W. (2003). *Managing Transitions* (2nd Ed.). Perseus Books: Cambridge, MA

CALIBRATE to ensure success

Calibration is monitoring, adjusting, and communicating the impact of the change initiative. This ensures team members are united and effective in their work responsibilities.

When calibration is done well, an early warning system of necessary course correction(s) is provided prior to issues becoming significant challenges. Instead, the change process is smoother and faster.

Leaders must:

- Determine specific responsibilities, metrics, and milestones for tracking progress
- Create a process of ongoing review to recalibrate change efforts for final success
- Communicate continuously about where performance is against these metrics
- Celebrate early wins and successes



Conclusion

Leading and managing change is always challenging. Change requires leadership, vision, commitment, teamwork, time, and resources.

The 5C's of Transition Leadership® supports any change initiative through a structured model, planning methodologies, and supporting tools. It provides busy leaders with the ability to successfully meet the challenges of implementing change.

A few major advantages of the 5C's are listed below.

1. Promotes accelerated buy-in throughout the organization and dramatically increases the likelihood that desired results are achieved
2. Leaders gain confidence and the ability to lead teams through change, and can then coach their direct reports effectively
3. Clear direction is provided to teams on what needs to happen to drive desired results
4. Individuals understand what they need to contribute effectively

WLH Consulting, Inc. ("WLH") offers customized consulting services and state-of-the-art learning interventions to organizations seeking to develop and execute more effective business strategies. We leverage our expertise in strategy development, business and organizational effectiveness, and human capital management to improve the overall performance of our clients.

Our clients count on us to gain a deep understanding of their issues and desired results. WLH considers projects complete only when our clients' goals are met and when they are confident in their abilities to sustain positive change. WLH has a proven track record of offering consulting services and customized learning interventions for many global pharmaceutical companies, nationally recognized integrated delivery networks, and in other various industries.

Consulting Services:

- Assess organizational readiness for change
- Clearly define the change initiative and the business case for change
- Create Communication Strategy(ies)
- Evaluate organizational health during a large-scale change effort
- Address human capital implications (new roles, new leaders, new people, new responsibilities)
- Ensure processes are streamlined and any obstacles between departments, administrators, and locations are addressed
- Customize the 5C's of Transition Leadership® to develop leaders during times of accelerated change
- Define metrics/measures of success



Wendy L. Heckelman, Ph.D., Founder and President

Dr. Wendy Heckelman leverages her twenty-five years of experience and expertise in cultural transformation, change management, organizational diagnostics, and strategic implementation to address complex business performance challenges. Wendy partners with senior leaders to craft, execute, and track the performance of their strategies. She uses a rigorous and scientific lens to diagnose business performance issues, challenges, and opportunities for organizational effectiveness. Wendy leads a team of experienced consultants who develop clear recommendations and custom solutions for each client engagement.

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Sheryl Unger brings more than twenty years of organizational development, human resources, and change management experience to WLH. Additionally, her diagnostic efforts have helped organizations with identifying organizational performance and employee engagement issues. Her training and development experience includes designing programs on change management, teamwork, leadership, business planning, and process improvement.

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