Change Management Tools Guidance Notes

The document outlines the CIPS Change Management Tools created to help you implement and lead change successfully in your organisation.

This knowledge paper is supportive of Procurement professionals operating at operational level of the CIPS Global Standard

01 CPD HOURS

CIPS members can record one CPD hour

CIPS Change Management Tools Guidance Notes

Change management is a structured process to move individuals, teams and organisations from the current state to the desired state. Change management ensures that the identified change is carried out effectively and efficiently with stakeholder buy-in and engagement.

Change occurs when something changes and organisations have to adapt or react to that change. The change could be a micro/internal or a macro/external change and could be something that is radical and requires urgent and immediate response or could be something that is gradual and needs a long term, structured and gradual approach.

For change management to be effective and for the change to be accepted by stakeholders, the process should be well structured, work in accordance with the organisation's strategy, vision and culture.

You can also access further CIPS change management guidance here.

This document will cover the following tools which CIPS members can download here.

Tools

- Drivers for change
- Types of change
- Change cycle
- The big opportunity (Kotter)
- Change Vision
- ADKAR
- Stairs Of Change
- Step V Incremental
- Freeze unfreeze model
- Shared values
- Resistance to change
- Change Management Model
- Change Management Plan

1. Drivers for Change

The need for change can be instigated by a variety of factors. These can be generated from internal/micro drivers or external/macro drivers. The STEEPLE model is a recognised tool to help understand macro factors and this considers areas such as social, technical, ethical, economic, political, legal and environmental.

Other external factors that could force or result in change include stakeholder needs, market forces within the industry or the requirement for an organisation to become more sustainable.

Internal factors are things that are bespoke to one organisation – things that are specific to the way in which that company runs.

The model shows that internal factors could be areas such as the capacity of the organisation. If the business needs to generate more profit but does not have the capacity to manufacture more products, for example, change may be required to amend that capacity restraint i.e. move premises or build an extension.

Resources are another internal driver that could result in change. Should a business not have the resources (i.e. skills, equipment or time) needed to develop a product line, change may be required to upskill individuals, change the working hours or invest in different machinery.

The drivers for change are vast and the model does not cover every single one due to the variety of situations which could present themselves.

Drivers for change that an organisation has control over are known as the micro drivers and areas in which there is no control are macro.

Both micro and macro drivers work together to ensure that organisations continually develop with a view to remaining long term sustainable.
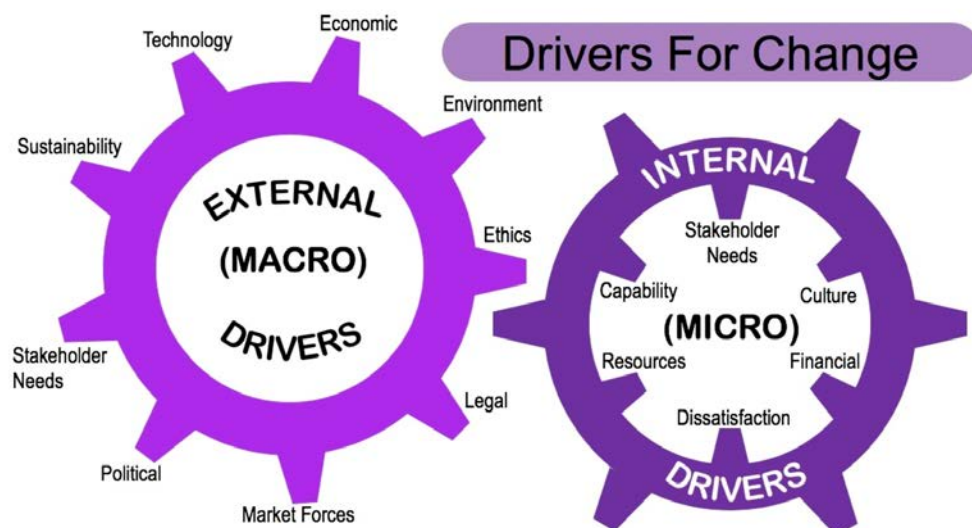
(Source: Jarvis-Grove, 2020)

2. Types of Change

This model shows the four main types of change to which a procurement professional may be exposed to.

The horizontal axis on the model shows the level of urgency of the change i.e. must it happen quickly or can it be gradual and the vertical axis demonstrates the extent of the change. Will the change cause significantly different end results to the current state or will the outcome be negligible?

By understanding where the change sits in relation to the two axis, it is possible to use the model to identify the type of change with which a procurement professional will be dealing.

Change that is fast and major is referred to as radical reactive change. This change has to happen quickly and will have a significant impact on the organisation.

Change that is fast but causes minimal disruption is referred to as radical anticipatory change. This change will happen quickly but the impact will not be significant.

Change that is neither urgent nor major is incremental anticipatory change and this type of change is the least evasive. This type of change is about reacting to something that will happen in the near future, being ready for that expected driver albeit the outcome will not have a severe impact on the organisation.

The final quadrant represents incremental radical change. This is change that does not have to happen with immediate effect but will have a big impact on the organisation or industry.

Through understanding the drivers for change and the associated types of change that those drivers can generate, a procurement professional managing change gains the ability to be able to effectively, competently and strategically, manage the process.
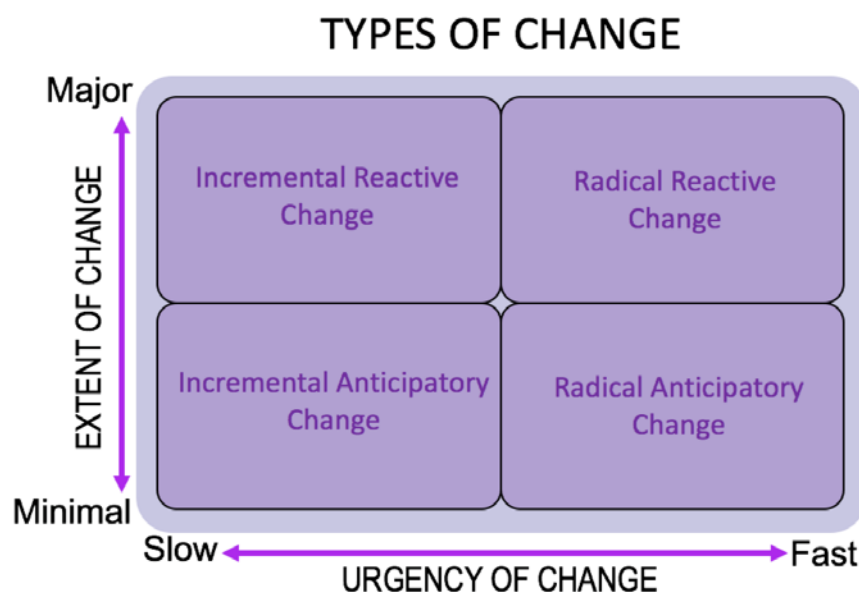
(Source: Jarvis-Grove, 2020)

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3. Change Cycle

Whichever of the four types of change an organisation is reacting to or planning for, most stakeholders will go through several stages of emotion.

The change cycle outlines the most common seven stages after a change process has been instigated.

Initially when change has been communicated the first reaction stakeholders feel is that of **shock**. This is more apparent if the change is major and/or fast. The stakeholders could find themselves with a feeling of disbelief and this links to the second stage of the Change Cycle.

This stage is **denial:** if the change is something that is not initially agreed with or accepted the stakeholders may deny that anything is going to happen or refuse to engage.

After denial comes **fear.** The stakeholders, once at this stage, have realised that the change is going to be conducted and with this realisation comes apprehension as the uncertainty of what lays ahead becomes apparent. Stakeholders may worry about the guarantee of future employment or be concerned about having to learn new skills, meet new people or move locations.

After fear some stakeholders enter a phase of **depression**. This is where they miss and grieve for the status that has been affected by the change. Motivation and output is often minimal at this point where stakeholders are genuinely sad at what is going to happen.

Next comes **bargaining**. Stakeholders here have realised that they really need to be on board as the change is going to happen so logically it makes sense to try and accept it, albeit embracing the change is not an option at this stage. Within bargaining the stakeholders talk to the change managers, learn more about what is happening and the direct effects. Stakeholders may present ideas of how to better implement the change and start to feel included in the process.

Acceptance comes next. Ideally this is because the stakeholder is now brought into the change concept but it could be the opposite. If a stakeholder does not buy into the change but there is no option but to move with the organisation as the change is implemented, and acceptance will still come. This acceptance may be with reluctance but is acceptance nevertheless.

The final stage of the change cycle is the **embracing of change**. Stakeholders now understand and realise the benefits of the change and believe in the situation in which they find themselves.

Whilst embracing is the final stage, **change is an ongoing process** so once at this point, there is a high possibility that another change may soon present itself and the process starts once again.
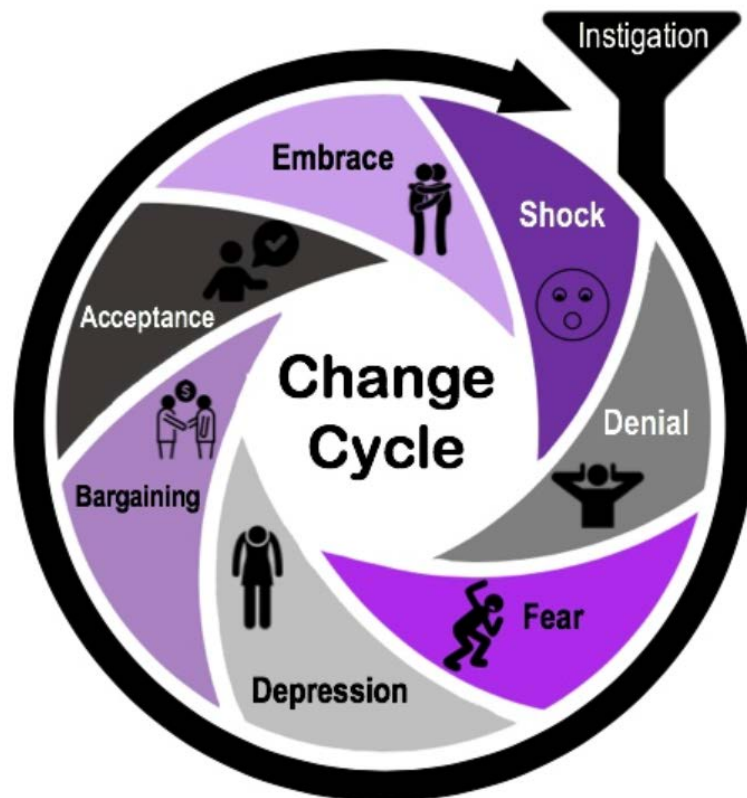
4. The Big Opportunity – Kotter

Dr John Kotter created 8 step process for leading change model from observations over four decades. The big opportunity was developed to help create lasting transformational change within an organisation. It aims to help you to prepare for the change and also ensure stakeholders are committed for the change to be most effective. More information on the model and Kotter can be found here.

5. Change Vision

This model shows how change is conceptualised in the form of a vision. That vision is the way in which an organisation moves from the current state or status quo to the desired future state.

The physical change process sits between the current state and the achievement of the desired outcome. For the change to be effective and a success, effective communication has to take place with all stakeholders to try and achieve buy in.
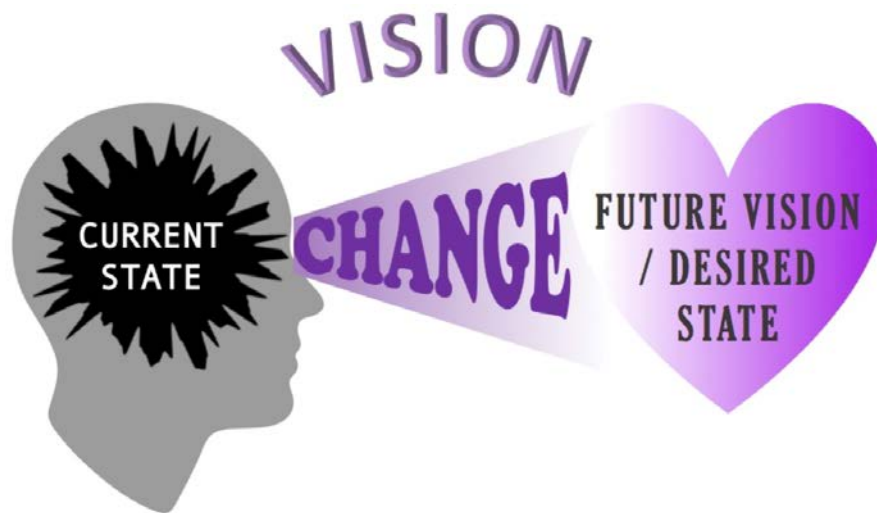
(Source: Jarvis-Grove, 2020)

6. ADKAR

The ADKAR model is a tool that can be used in the change management process. The tool focuses on five areas:

1. The **AWARENESS** for the need for a change to happen
2. The **DESIRE** for the change to be supported by the stakeholders
3. **KNOWLEDGE** of how to ensure the change happens
4. The **ABILITY** to demonstrate the correct skills and behaviours for a successful change to occur and
5. Finally **REINFORCEMENT** to ensure the change is constant.

The ADKAR model works well when used alongside the Change Cycle model and in accordance with Change Management Template and Change Management Diagram

7. Stairs Of Change

Change can be approached in a variety of ways. The approaches used depend on the situation in which the change instigator finds themselves along with the mindset and degrees of buy in from the stakeholders.

Resistance to change can be a concern and should be accounted for in the approach which is adopted.

The six most well adopted approaches to change are shown within this model.

- **Coercion** is an approach which is not recommended nor seen as good practice. Coercion is linked to force and ensuring a person does something by the use of threats. Coercion can include fraud, corruption, embezzlement and/or bribery.

  Whilst coercion is not seen as good practice it is important to understand this method to (1) be aware for one's own protection and (2) be able to identify it should a stakeholder opt to use this method. Coercion is not ethically acceptable and whilst some countries still engage in this practice, it does not sit as acceptable within CIPS Code Of Conduct or CIPS Code Of Ethics.

- **Manipulation** is the next approach to change on the model. Whilst not as frowned upon as coercion, manipulation is not the best approach to use to gain willing buy in from stakeholders.

  Manipulation can be complex and involves the sharing and using of information in a way in which it encourages the stakeholders to react in a way that would benefit positive acceptance of the change. Whilst this can help to achieve the required results in relation to acceptance of change, it is not a transparent approach and would not add value to any supplier relationship.

- **Negotiation** is the next approach on the model and this approach is much more acceptable in the aim to achieve collaboration than coercion and manipulation.

  Negotiation, as an approach, uses communication as a skill and takes into account all sides' views and opinions with a desired outcome of gaining a win-win situation.

- **Facilitation** is a positive approach to change. This approach is based around the change agent working with stakeholders to promote the change and support individuals. Should there be resistance the facilitation approach uses feedback, meetings and forums as well as a withholding a neutral stand point from the facilitator to try and solve any problems and ensure positivity and buy in.

- The penultimate step in the model is the **participation** approach. Change is widely more accepted if the stakeholders are included in the process.

  Participation is about being open and honest about what is going to happen and the drivers that have made the change a necessity.

  Through sharing information about the reasons, timelines, concerns and intended outcomes of the change and inviting participation from the affected individuals, participation contributes towards all parties having a say and being included in the process.

- The top step and the most important and effective approach to change is that of **communication.**

Through the use of open and honest communication and being completely transparent about the drivers for change, the concern as well as the desired future state of this approach should establish a high level of respect, buy in and positivity from the stakeholders.

Whilst the mode outlines six different steps or approaches to change, in some cases a mix of more than one approach will be required.

Each stakeholder will react differently, have different concerns, different levels of resistance and as such the approaches may need to be selected in accordance with the situation in which a procurement professional finds themselves
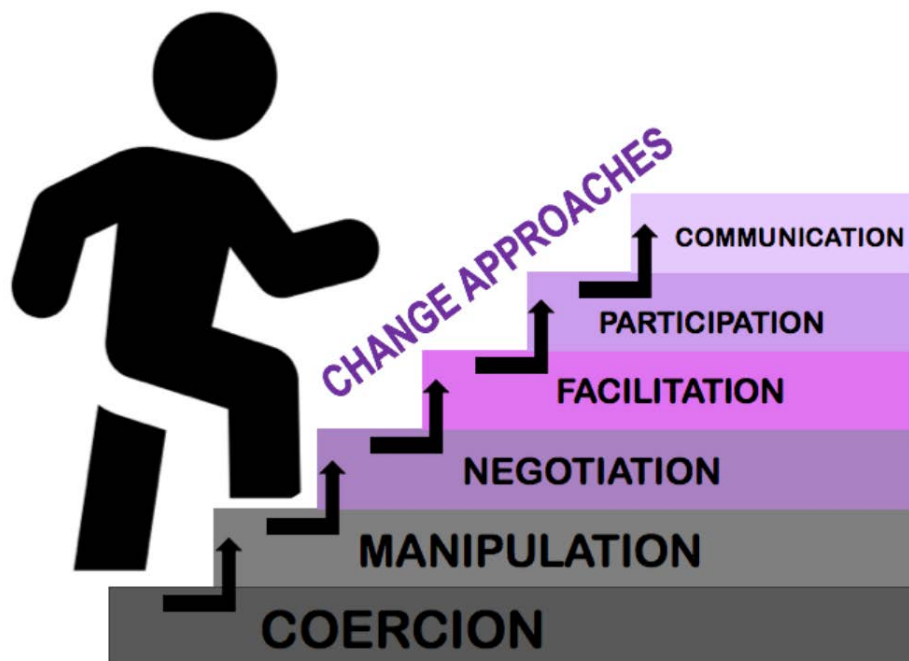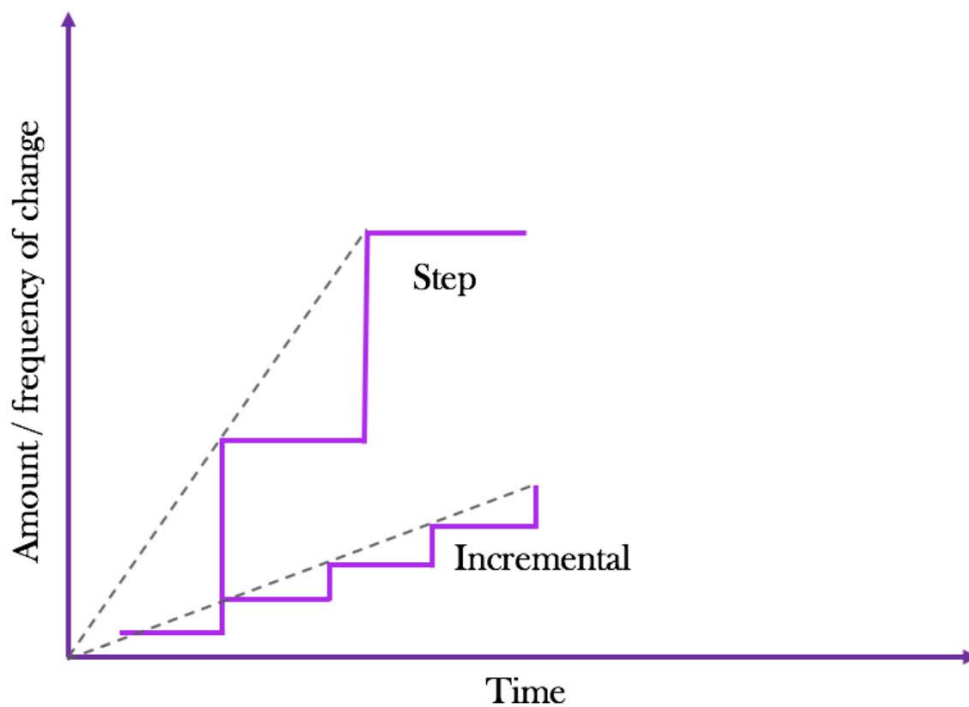

(Source: Jarvis-Grove, 2020)

8. Step V Incremental Change

Change can take two forms in the way in which it is rolled out.

Change that needs to happen rapidly is referred to as step change. This is represented on the model by large steps to get from one point (the current state) to the desired/future state.

Incremental change is a slower, gradual change – this is show on the model by more in number but a lower gradient of step.

The end point of both step and incremental change is the same - it is the speed and severity of the journey to the future state that is differentiated within this model.

(Source: Jarvis-Grove, 2020)

9. Step V Incremental Change

If change is step change this model is relevant.

This model shows how change can happen rapidly and drastically.

The melting icicle in its first state represents the preparation of the imminent change, the water or melted state relates to the change happening and then finally once the ice forms a cube there is the representation of the solidified final stage – the change has happened and been instigated.

Current State　　　　**Change**　　　　**Desired State**
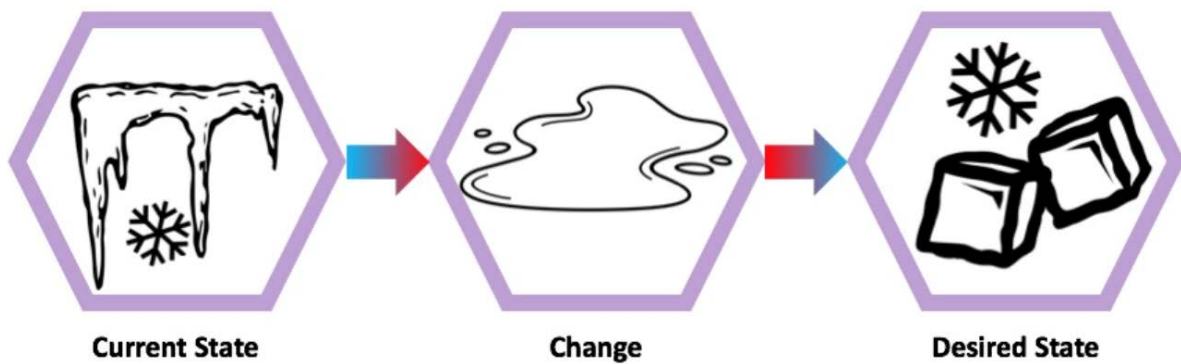
(Source: Jarvis-Grove, 2020)

10. Shared Values

For change to be effective, buy in gained and the results adopted it is important that the values associated with the desired/future state are shared.

Value associated with positive change management include the structure or approach by which the change is being managed.

The systems being used should be aligned and understood by all stakeholders to ensure continuity of supply. If a system such as ERP or MRP is being amended then all stakeholders need to be aware and able to adopt the change without technological concerns.

The styles of change relate to the approach and that of the culture of the organisation. The micro factors within the organisation will dictate the style in which the change will be rolled out.

Staff are key stakeholders in any change. It is important that the staff share the same values for the success of the change if the results are to be in accordance with the vision.

The skills in managing change are very important and the values surrounding these skills relate to areas such as communication, delegation and empowerment of stakeholders.

Finally the strategy of change has to be able to be shown to add value to an organisation. If the change does not generate a positive outcome for the organisation, sector or industry as a whole, the stakeholders will question the drivers for the change.
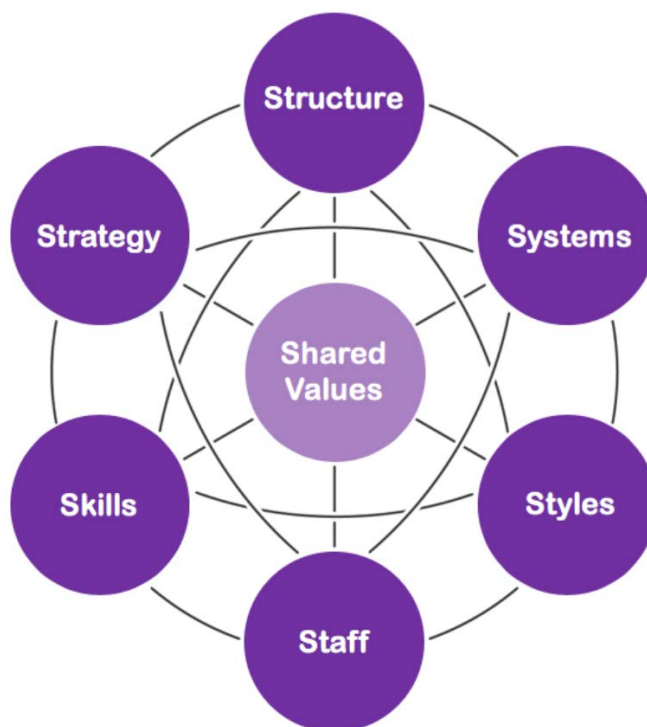
(Source: Jarvis-Grove, 2020)

11. Resistance to Change

Resistance is the refusal to comply or accept something. Within change management resistance can be caused by a number of factors – these factors are identified within his model.

The **RISK** associated with change can generate resistance. Risk relates to many aspects of change and it could be that a stakeholder is concerned that processes may change, their working hours might be amended or that they are worried that the overall culture of "their" organisation may change.

The **END RESULT** of change could be a reason by which resistance is generated. If stakeholders do not buy in to the desired/future state the end result could be a cause for resistance. For example if the end result is based on changing what is produced by an organisation the stakeholders may not agree with that decision.

The **SITUATION** in which stakeholders find themselves may not be acceptable and as such resistance could become apparent. The situation could be part of the process, i.e. the change agent is not deemed to have the right approach or it could be that the future state that provides a situation is not pleasing to the stakeholders.

INSECURITY is a natural feeling for stakeholders in relation to change. If change is managed effectively this may not be a concern. Insecurity could be linked to a change in job role or even the risk of redundancy.

STABILITY is a concern related to job continuity, rates of pay or a known and unchanged workforce. If stability is a concern, stakeholders may resist the change.

TURBULANCE is apparent most of the time during any change. Turbulence relates to the level of uncertainly within an organisation during times of change. Change will cause unrest within an organisation of a supply chain. The management of that turbulence is critical and should be focused on achieving buy in and calming the unrest.

The **APPROACH** to change can cause resistance. If the approach is as per steps one or two in the Stairs To Change model, resistance is more likely to occur than if the approach is more collaborative, as per steps three to six.

Change can be seen as a **NUISANCE.** Without full details and effective and honest communication, a stakeholder may not grasp the need for the change or understand the driver which has presented itself as the need for an organisational reaction.

The **CULTURE** is which the change is managed may cause resistance. If the culture is one of inclusion and facilitation the chances of resistance are much lower than if the culture be one based on a dictatorial and directional approach.

The **ENVIRONMENT** in which change is presented may cause resistance. Similar to culture, if the environment for change is not prepared and the stakeholders are not communicated with effectively, resistance is likely to occur.

ENVIRONMENT can also relate to sustainability within the procurement function stakeholders who appreciate and understand the importance of ethical and sustainable procurement.

By having an understanding of what may cause resistance a good leader or change agent will be able to ensure that any change rolled out in the supply chain or procurement function will happen with as low a level of problems as is possible.

12. Change Management Model

This model is a circular process which can be followed to promote the effective and accurate management of change. This model can be used for all four types of change regardless of whether they are step or incremental.

The effectiveness of change management is related to the resources, process and stakeholders which are available, created and involved with its roll out.

Resources relate to time, materials, skills and finances. Processes are the ways in which change is applied and conducted and stakeholders are anyone that has an interest in the change and its outcome.

Once a need for change has been identified by the existence of a driver the next stage is to evaluate whether the change needs to happen rapidly, in a reactive or anticipatory style.

The change team is formed with key stakeholders and the individuals are communicated with in relation to what to expect and the reasons why.

These stakeholders and team members are managed in accordance with the chosen approach.

The change is then created, the way in which it will happen is defined and finalised, taking into account views and feedback from the stakeholders and supply chain representatives.

Implementation is a critical stage – the implementation is where the desired future state is actions and becomes the norm. Moving forward after implementation this future state will be the current state.

Through the entire process and at each stage feedback should be invited, accepted and reacted to in a positive and professional manner.

Once the change is complete the process and change itself should be reviewed. From this review lessons can be learned about how the process was conducted and areas for improvement learned in readiness for when the next driver presents itself and change starts again in its continuous and unrelenting cycle.
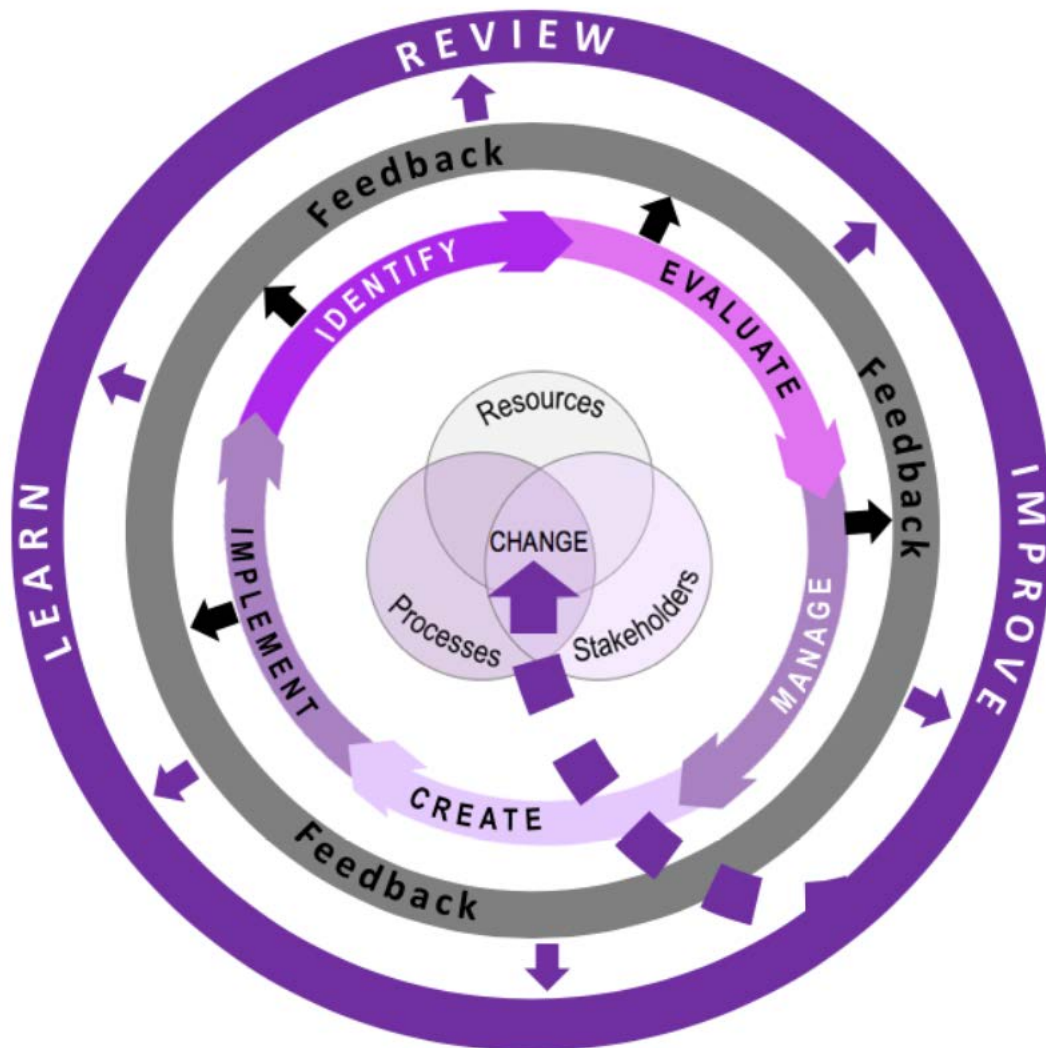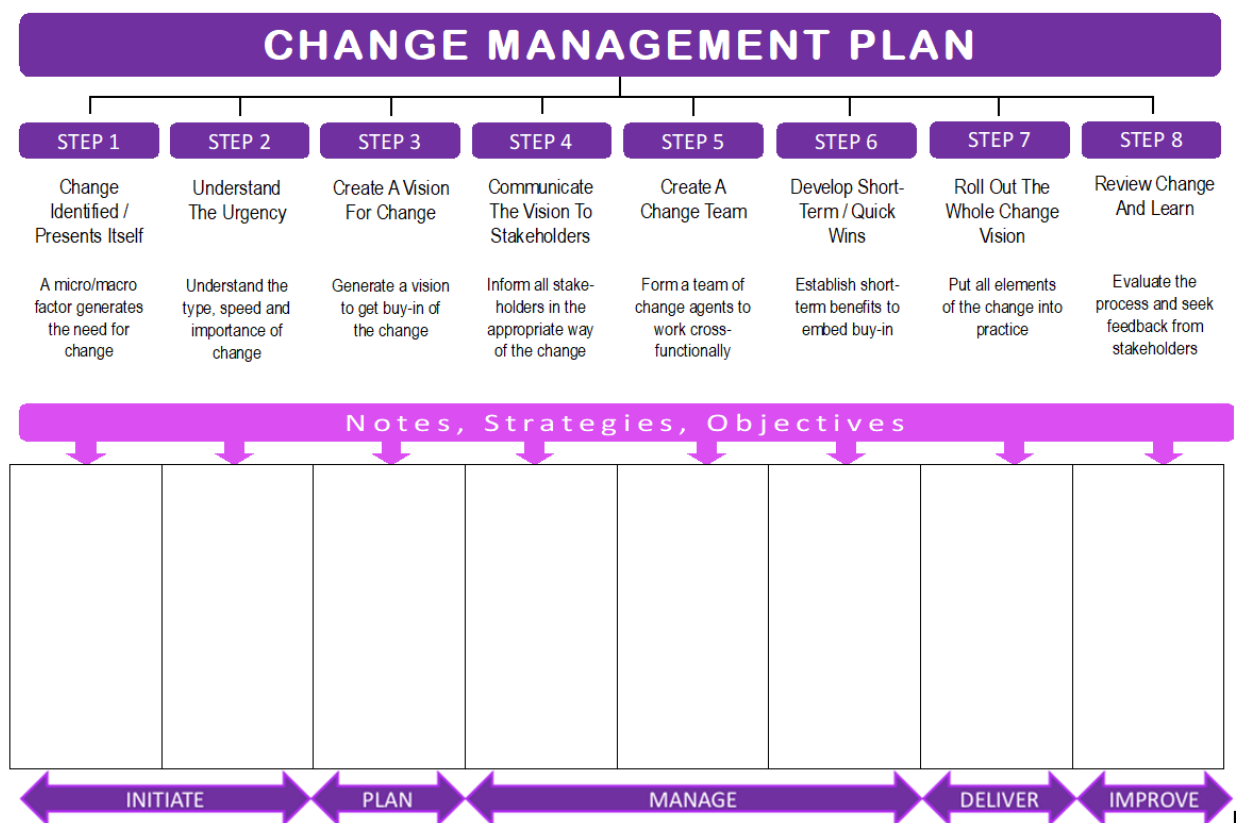

(Source: Jarvis-Grove, 2020)

13. Change Management Plan

This template is to be used in conjunction with the Change Management Plan.

The template has an area for notes, strategies and objectives to be added at each stage.

Using this template will help to ensure that the change follows a structured process.

CHANGE MANAGEMENT PLAN

STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8
Change Identified / Presents Itself	Understand The Urgency	Create A Vision For Change	Communicate The Vision To Stakeholders	Create A Change Team	Develop Short-Term / Quick Wins	Roll Out The Whole Change Vision	Review Change And Learn
A micro/macro factor generates the need for change	Understand the type, speed and importance of change	Generate a vision to get buy-in of the change	Inform all stake-holders in the appropriate way of the change	Form a team of change agents to work cross-functionally	Establish short-term benefits to embed buy-in	Put all elements of the change into practice	Evaluate the process and seek feedback from stakeholders

Notes, Strategies, Objectives

INITIATE — PLAN — MANAGE — DELIVER — IMPROVE

(Source: Jarvis-Grove, 2020)

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