Building a Change Capable Organization: The Blueprint
(PART 1 OF 2)
Today’s leaders understand the value of being able to quickly adapt and effectively make changes that will keep them competitive and financially viable. They understand the pace of change will not diminish and the business challenges they face will only become more complex and demanding. The most effective leaders know they need to manage these changes better and they recognize the best way to consistently get positive results is to build an organization that responds positively to change, is able to quickly accept and adopt change, and can efficiently adapt and integrate change into existing businesses.

Establishing change management capability within any organization is complex. It must be a strategic business goal. It must be initiated and driven by executive leadership throughout the entire organization. Leaders at all levels must understand and accept the value of developing this capability, appreciate the future worth of the return on investment, and be willing to hold their employees accountable to a new standard for managing change and transformation.

THE CHANGE CAPABLE ORGANIZATION

The Parthenon stands solidly on the Athenian Acropolis in Greece. The ancient sketches and blueprints are a reminder that a strong foundation will enable the structure above it to endure most challenges, changes in leadership and unpredicted disasters. A change capable organization is based on executive commitment and a clear vision of how the organization will function when the transformation is complete. This foundation must be strong and sustainable. Ten enablers establish agile structure, process, people, and culture proficiencies necessary to design and implement a solid Change Management Strategy and the supporting tactics and plans. As the organization continues to implement changes, it continuously learns and the capability improves. Collectively, the individual change project successes incrementally increase the overall change management capability until the organization achieves its Future State Vision – organization transformation capability.

When the organization has achieved and installed the desired Future State Vision the infrastructure to deliver, steward and sustain transformation capability is in place in the form of a Center of Excellence (CoE), change management office or some other functional entity, such as a Change Management Community of Practice or Change Network. Leaders and employees at all levels in the organization understand and apply change management philosophy, methodology, process and tools appropriately as changes are implemented. Leaders lead change skillfully and enthusiastically. Change Agents have been trained and are able to demonstrate deep skill, knowledge and experience as they consult to project teams and coach leaders. They continuously sharpen their competencies and participate in communities of practice and other development activities. Leaders hold peers, project team members and employees accountable for being partners in the change process and recognize them for their supportive behavior. Overall the culture of the organization has evolved and the organization has a positive response to change and is able to implement change quickly, efficiently, and flawlessly.

WHAT IS MANAGED CHANGE™?

Managed Change™ is the organized, systematic application of the knowledge, tools, and resources needed to effect change in the people who will be impacted by it directly or indirectly.

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For most organizations, building organizational change management capability is mostly an evolution rather than a revolution.

Even with unwavering leadership commitment, appropriate resourcing and solid program management, the typical organization spends three to five years on the journey. Those who are able to accelerate the timing have a very clear understanding of what is required and use the LaMarsh Global’s Maturity Model as a roadmap to guide them. The Maturity Model also provides critical input into the definition of the Future State Vision and the required project management plan (Figure 3). Although the Maturity Model is presented as a sequential linear approach, in reality many of the Level milestones and tasks need to be implemented simultaneously.

Assessing where an organization is on its journey to maturity is greatly dependent on the “Dimensions” being tracked and associated performance “Metrics” (Figure 4). The Dimensions identify the attributes that will be assessed to measure progress. The Metrics define the target performance of each Dimension at each Level within the Maturity Model. Dimensions should be customized to address unique characteristics of the organization. Metrics need to be determined in partnership with executive leadership and the change experts within the organization. Periodic formal observations, interviews, focus groups, and surveys can provide the data necessary to assess performance to Dimensions and targeted Metrics. Eight Standard Dimensions are presented in Figure 4.

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<thead>
<tr>
<th>Dimension</th>
<th>Description</th>
<th>Level Metrics</th>
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<tr>
<td>Utilization</td>
<td>Number/percentage of projects effectively applying change management methodology, processes and tools.</td>
<td>Level 1</td>
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<tr>
<td>Value Perception</td>
<td>Beliefs and behaviors regarding OCM as perceived by employees and the commitment demonstrated by leaders.</td>
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<tr>
<td>Process Integration</td>
<td>Degree to which OCM is integrated into project management and other business processes, tools and disciplines.</td>
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<tr>
<td>OCM Methodology</td>
<td>Degree to which OCM standard methodology is adopted and uniquely adapted/customized to the needs of the organization.</td>
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<tr>
<td>Competency</td>
<td>Volume and quality of training/certification and ability of sponsors, change agents and employees to apply methodology.</td>
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<tr>
<td>Sponsorship</td>
<td>Level of leadership commitment demonstrated through words and actions and percentage of leaders developing competency.</td>
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<tr>
<td>Capacity</td>
<td>Ratio of projects where OCM is a Sponsor PULL versus a Change Agent PUSH and the ability to resource OCM requests.</td>
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<tr>
<td>Culture</td>
<td>Degree to which OCM philosophy, methodology and tools are naturally applied/leveraged in completing work assignments.</td>
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SIX PHASES TO ESTABLISHING ORGANIZATIONAL CHANGE CAPABILITY

Building a change capable organization must be approached like any other transformation project. The organizations that are most successful focus on defining a clear and measurable Future State Vision; developing employees who are skilled and competent in making change, and empowering them to be partners in the change processes; adopting business policies, practices, and structures that are flexible and enable change to happen easily; and establishing a culture in which people managers are held accountable for leading change through their organization. In these organizations managing change efficiently and effectively is a shared value imprinted on employees and reinforced by leaders.

Establishing transformational change capability is an evolution for most organizations. It requires long-term strategies and organizational stamina to remain focused and appreciate the evolving incremental accomplishments and successes. The evolution is a Six Step Strategy:

1. **Ready the Organization** – The organization must evaluate its readiness to launch and implement the transformation project and prepare itself to manage challenges and leverage opportunities.
2. **Establish Executive Commitment** – Leaders at all levels must be held accountable to support the transformation and guarantee the allocation of the resources required to be successful.
3. **Define Future State Vision** – Executive leaders must identify, communicate and socialize the Future State Vision and hold the organization accountable to achieve success metrics.
4. **Develop Change Management Proficiency and Operationalize with Agility** – Business processes, practices, philosophy, and culture must be focused on results and be “change ready” to enable swift and fluent adjustments.
5. **Implement Change Management Strategy, Tactics and Plans with Discipline** – A solid and proven change management methodology must be the foundation of organizational change management capability.
6. **Leverage Incremental Capabilities** – Each change project provides the opportunity for the organization to leverage what has been learned, validate the commitment to building change capability, celebrate successes and continuously improve and refine the approach.

Building a change capable organization is hard work that requires constant focus and leadership vigilance. For most organizations, the evolution to becoming a fully functioning, change capable organization is a three to five-year journey. And like any other transformation project there will be internal and external pressures and changing priorities that will constantly test leadership’s commitment and willingness to resource and fund the effort. Leadership must also manage the added complexity -- within the transformation (building a change capable organization) that the organization will be simultaneously managing many business-specific change projects. The organization must consider each business-specific change project as an opportunity to validate executive commitment and the definition of the Future State Vision and refine and improve change proficiencies and implementation strategies, tactics and plans.

### MANAGED CHANGE™ COMPETENCY FRAMEWORK

The LaMarsh Global Managed Change™ Competency Framework (Figure 5) leverages a building block, role-based strategy to ensure everyone engaged in the change process (Sponsors leading change, Change Agents implementing change, and Targets adopting change) understands their role, the associated responsibilities and the outcomes and actions for which they will be held accountable.

![Figure 5](image-url)

### SETTING UP A CHANGE MANAGEMENT CENTER OF EXCELLENCE

A core team of experienced change management professionals are chartered to establish and oversee the implementation and sustained application of change management methodology, processes and tools. The Center of Excellence (CoE) is most successful when it is organizationally aligned to the executive leadership team, has a Director level executive leading the function, and is positioned to contribute to strategic business decisions, policy, and practices. The CoE is often a shared service within the organization. Once established it is responsible for providing direction and leadership, best practices, research, consulting support, coaching and/or training in all areas of the change management discipline, and proficiencies across the enterprise.
Guidelines for Establishing a Center of Excellence

- Formalize the CoE as a business function with a defined business plan and budget.
- Operationalize the CoE to directly report to a member of the Executive Leadership Team.
- Research high performing change capable organizations and integrate best practices.
- Charter the CoE to be accountable for establishing, sustaining, and improving application of the change management discipline.
- Align the CoE Charter to support the strategic goals and objectives of the organization.
- Appoint a Director level leader who is trusted and valued by the organization.
- Staff the CoE with experienced and expert change management practitioners.
- Adopt and customize a proven change management methodology.
- Avoid functional scope creep -- keep the focus on developing a narrow and deep change management capability.
- Establish a Change Network of practitioners and provide guidance and support as they manage changes within their functions.

Guidelines for Establishing a Community of Practice

- Charter the CoP to be clear on the focus and objectives.
- Position CoP membership as voluntary. Avoid taking and reporting attendance.
- Calibrate expectations to meet the needs of the members not management.
- Keep it simple and informal.
- Focus goals, objectives, and meeting agendas on adding value to CoP members.
- Talk about what is interesting and important to CoP members.
- Keep the business of the CoP front and center – avoid it becoming a club.
- Create a learning, sharing, and collaborative environment without judgement.
- Encourage and nurture Sponsor/leader participation and contributions.
- Broker available expertise to CoP member needs.
- Reinforce the value of community and sharing experiences, expertise, and knowledge.
- Avoid the temptation to leverage technology.

DEVELOPING A CHANGE MANAGEMENT COMMUNITY OF PRACTICE

Establishing and sustaining change management competency across the organization is critical. Formal training and certification provide the framework for a consistent understanding and application of the methodology, processes and tools. This is an acceptable and proven launch strategy. As the Center of Excellence qualifies more employees as Change Agents, Sponsors, and Partners in the change process, their on-going professional development becomes a priority. A Community of Practice (CoP) provides a mechanism to continue the dialogue and keep everyone informed of the evolution of the methodology including exposure to new ideas, tools, strategies, etc.

A Community of Practice is typically an informal group. Practitioners come together on a regular basis, typically once a month or once a quarter, to learn and share. In most organizations, the mechanism for CoP meeting is either a webinar or a phone conference. Like any other gathering, events are most successful when they are publicized and marketed in advance, guided by a formal agenda, and have clearly stated goals, objectives and outcomes. As organizational change management capability continues to evolve, the Center of Excellence may find it valuable to refine the CoP by establishing Special Interest Groups or Areas of Focus. These groups will have a more granular focus and their charters will be more specific such as evolving elements of the methodology, unique applications or Sponsor coaching.

WHAT DOES AN EFFECTIVE CHANGE NETWORK LOOK LIKE?

The Center of Excellence within a change capable organization has created and operationalized the infrastructure and governance necessary to handle both the competency development of employees and the consulting capacity required to implement changes. Employees identified as Change Agents are trained and certified to apply the methodology, customize resistance data collection strategies and tools, and modify resistance mitigation actions to meet the unique requirements and culture of their business unit. Individually they support the implementation of change within their business unit. Together they form a Change Network and collaborate to identify common issues, concerns and challenges and develop generic solutions that will transition those impacted by change from a position of resistance to acceptance and adoption.

The reporting relationship between designated Change Agents in the Change Network is dotted line, matrixed and informal. They are responsible for representing the needs and interests of their function or business unit as they collaborate with others in the Change Network. The lead Change Agent on the project or design team coordinates the collective resources of the Change Network and provides guidance and coaching as they support their business unit or function (Figure 6).
Building a Change Capable Organization: A Blueprint

Typical Change Management Governance Structure

FOR MORE INFORMATION
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