

# Change Management

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## Change

- ▶ "To make something different"
- ▶ Change in our lives



## Management

- ▶ "The conducting or supervising of something"
- ▶ Management in our lives



## Change Management

- ▶ "Managing the process of implementing major changes in information technology, business processes, organizational structures and job assignments to reduce risks and costs of change and optimize its benefits"
- ▶ Change management and Software teams



## History

- ▶ Fairly new concept. (1980s)
- ▶ Pioneer companies (Ford, AT&T and GE)
- ▶ Exponential growth during the 1990s
- ▶ Becoming a standard (2003 vs. 2011)
- ▶ Association of Change Management Professionals (ACMP)
- ▶ Future outlook



## Quiz 1

- ▶ Which company was a pioneer of Change Management?
  - a) Apple
  - b) Toyota
  - c) Bell
  - d) GE

WHY DO WE NEED CHANGE MANAGEMENT?

## Change

- ▶ The act or instance of making or becoming different
- ▶ Change is often questioned and resisted
- ▶ Leave comfort zone
- ▶ Unsure as to how to approach change.

## Response to change



## Individual behaviour

- ▶ Plays a key role in change, and change management.
- ▶ The diagram on the previous slide shows how individual behaviour changes
- ▶ The people involved in this process might stay better motivated if an inspirational role model was to be introduced.

## Need a role model

- ▶ To express what is to be done
- ▶ Also, how it is to be done
- ▶ To help maintain interest
- ▶ Role models should show this:
  - through their actions

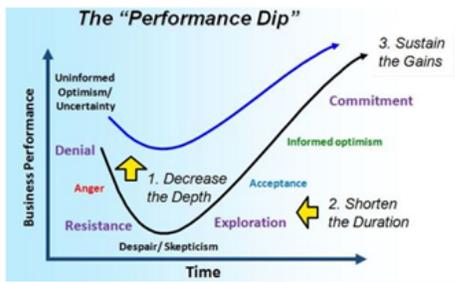
## Evaluate the Task

- ▶ Change management will be used to evaluate the task at hand.
  - who will implement it?
  - who will it effect?

## Documentation

- ▶ Documentation process will help with:
  - change negotiation
  - when implementing the change
  - and re-evaluating everything
- ▶ Before documenting:
  - Evaluate and re-evaluate everything

## The Performance Dip



## Organizational Leader

- ▶ An organization leader should try to do three things:
  1. Decrease the depth of the performance dip.
  2. Shorten the duration of the performance dip.
  3. Sustain the gains in performance after the initiative is complete.

## Quiz 2

- ▶ Which is not a response to change?
  - a) Denial
  - b) Commitment
  - c) Amazement
  - d) Resistance

## WHEN DO WE NEED CHANGE MANAGEMENT?

## Forces That Drive Change

- ▶ Internal forces
  - Conflicts between managers or subordinates
  - High turnover rates
- ▶ External forces
  - Technology
  - Social factors
  - Demographic

## Unplanned Change

- ▶ Changing employee demographics
- ▶ Performance gaps
- ▶ Government regulations
- ▶ Economic competition

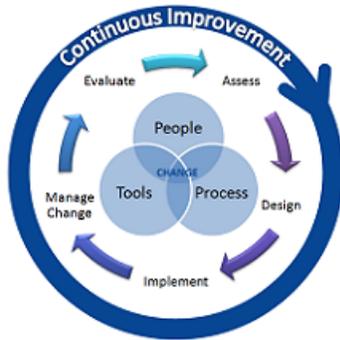


"Welcome to Change Management 101.  
We'll start with some free falls."

## Planned Change

Areas that can be improved

- Human Resources
- Functional Resources
- Technological capabilities
- Organizational capabilities:



## Some considerations

- ▶ Do I know the changes - impact, rationale and benefits?
- ▶ How to communicate the need for change?
- ▶ Is there room for learning and improving?
- ▶ Who is going to be affected?
- ▶ Is it possible to lessen the impact?
- ▶ Do leaders know their responsibilities and commitment expectations?

## SIGNS YOU NEED A CHANGE MANAGER

- ▶ Leaders are not visibly supporting your project
- ▶ Employees don't know what's going to change - poor communication
- ▶ Human resources is not included in planning
- ▶ No commitment

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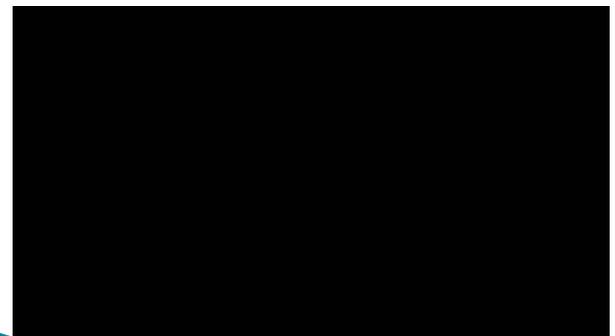
WHILE THE POSTERS PROVIDED A LOW COST ALTERNATIVE TO FORMAL CHANGE MANAGEMENT, THEY INEXPLICABLY FAILED TO GET EMPLOYEE BUY-IN.

## Quiz 3

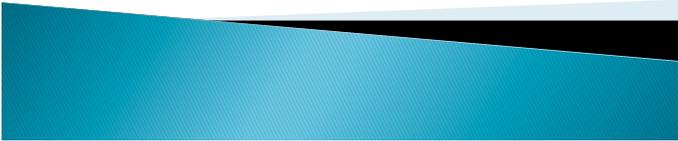
- ▶ Change can be unplanned?
  - a) True
  - b) False

## Before moving on:

- ▶ Before we go to talk about change management techniques
- ▶ Let's watch a quick video to sum up change management.



# Change Management Technique: Negotiation



## Negotiation

- ▶ Is a non-individual, decision-making procedure
  - ▶ Two or more parties resolve a disagreement or determine outcomes of mutual interest via:
    - Exchanging thoughts
    - Advices
    - Ideas
    - Arguments
    - Suggestions
  - ▶ In negotiation, parties exchange offers. If these offers are mutually agreeable, an agreement may be reached.
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## Preferences When Negotiating

- ▶ The origin of preferences and their stability over time varies widely across fields:
    - Economist: assume preferences are stable over time.
    - Psychologist: preferences are constructed by the time an agent faces a choice situation. (It is not stable over time)
  - ▶ Preferences is a modeling device that simplifies what negotiators want to achieve as a final goal.
  - ▶ Preferences are needed to understand the behavior of a negotiation process.
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## Types of Negotiation

- ▶ A negotiation with superiors, colleagues and subordinates is rather inevitable.
  - ▶ All individuals have different needs and different reference points whenever analyzing an outcome.
  - ▶ The difference of opinions differs in status position within the team.
  - ▶ When two or more parties need to achieve a decision but have opposing ideas, they negotiate.
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## Characteristics of Negotiation

- ▶ Agents believe that they have conflicting interests
  - ▶ Intermediate solutions or compromises are possible
  - ▶ Communication is possible
  - ▶ Parties may make provisional offers and counteroffers
  - ▶ Offers do not determine outcomes until they are accepted by both parties
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## Negotiating with Superiors

- ▶ Studies have shown about everybody must negotiate with a superior at some point in their career.
  - ▶ The negotiation might be for:
    - A raise
    - An assignment
    - A change management regarding a new idea for a project
  - ▶ Best way to approach a superior is by thinking, "How can I get them to see my position satisfying their interest?"
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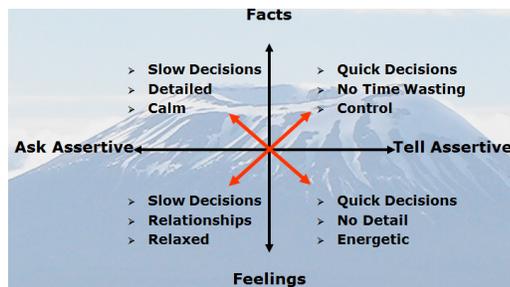
## Negotiating with a Colleague

- ▶ Whenever negotiating with a colleague, the way to manage the negotiation process differs since neither person has authority over the other.
  - There is not intimidation
  - There is not extreme respect
- ▶ Despite the lack of authority, the majority of the same negotiation principles apply when negotiating with a colleague or a superior

## Importance of Negotiating with Colleagues

- ▶ Dr. Lee, "Internal business negotiations surely occur more often than external ones. Purchasers frequently find that the primary negotiation takes place internally rather than with suppliers. Therefore, they may also be more important."
- ▶ Negotiation gives you as little as you can while getting as much as you can
- ▶ According to Michael Babineaux, the keys to successfully negotiate with colleagues are to find an agreement that mutually satisfy both.

## Personality Factors (Opposites Don't Attract)



## Steps to Successfully Negotiate

1. Describe positions
2. Offer to negotiate
3. Invent options
4. Evaluate alternatives
5. Pick the best
6. Plan implementation

## Negotiating with Subordinates

- ▶ When negotiating with subordinates, the supervisor performance expectation should avoid incongruence with subordinate capability.
- ▶ The supervisor should attempt to negotiate face-to-face.
- ▶ Whenever participants negotiate in an environment that is not face-to-face, the subordinate tends to perceive more task-related conflict.
- ▶ On other hand, when face-to-face is employed, there is less interpersonal conflict.

## Final Thoughts When Negotiating

- ▶ Warn people
- ▶ Time requests
- ▶ Sell benefits/penalties
- ▶ Ask for more
- ▶ Timetable/deadline
- ▶ Sympathy & guilt
- ▶ Make it easy
- ▶ Give rewards/recognition

## Summary when Negotiating

- ▶ The more severe that the differences are in the initial negotiation, the more likely a standoff is to result.
- ▶ When pre-negotiation expectations are similar:
  - There is not a perception of forced behavior within the teams and everything will move much more smoothly.

## Quiz 4

- ▶ Who is someone you may not need to negotiate with in a workplace?
  - a) family
  - b) superiors
  - c) colleagues
  - d) subordinates

Thanks for listening

- » The presentation is concluded, please feel free to ask questions

