

14 Steps to Avoid Failure in Managing Change in Your Business

1. Develop a business plan for the next 2 years with data and a story. Data will include projected cashflow, investment, impact of new clients and potential client losses. Data will also include performance against current KPIs – i.e. what are the performance indicators that really matter to your business? The story adds colour – building on the past, hopes for future and why change is needed.
2. There is always a reason not to change. Ensure your arguments stack up supported by data. Ensure the story is compelling, honest and convincing. Rehearse it.
3. Communicate the plan to the management team to set the outcomes, boundaries and get buy in. This needs to be done initially collectively and then individually. Collectively to get feedback on the rational. Individually to get the emotional – the buy-in, the hopes and fears. You need 75% of people to be on board – make sure that you have this coalition of people on side before you progress. You don't want the nodding heads, the 'yes' people; you want people committed to changing.
4. Consider the organisational structure needed to achieve the business plan. Consider carefully the job titles used. Avoid the temptation to use the 'Manager' title – not only does this add to cost, it may also create bureaucracy and inefficiency. Are the hours/pay currently appropriate for what the business needs? If not, what changes need to be made. Where flexible working is in place, this can be changed as the needs of the business change.
5. Focus first on the management structure – are the right people in place? What new roles need to be filled?
6. Communicate on a 1-1 basis with managers about the impact of the plan on their roles and capabilities. What needs to change? What outcomes are you looking for in practical terms? What do the managers think about this? What are their hopes and fears? What needs to be done differently? What practical help do they need? Have they reached the limits of their capability?
7. Have managers go through steps 1-5 with their team but with you checking the boundaries and hearing them rehearse their visions for their departments. Coach them on being direct. Coach them on balancing data with the story. It's the story that sells. Yet the story will be slightly different depending on the role teams have.
8. Make the difficult people decisions first. It's more honest. If you have concerns/doubts about behaviour/capability they are unlikely to change. Such changes also send a signal that

you are serious about taking the next steps in growing the business. Stick to the business reasons for change. Rehearse the direct conversation. Consider a protected conversation if you want to accelerate an amicable exit.

9. Communication is key. If you are requiring a change in attitude and behaviour not only will this take several meetings to land the message it may take several months for the said behaviour/attitude to change. Hence the reason for starting quickly.
10. As the change process starts, what changes do you – the MD - need to make – in the way you work, in the way you communicate, in the way you manage? Consider a coach or NED as a personal change agent and sounding board. It should probably be someone with experience of taking organisations through change rather than your accountant, who has a vested interest in maintaining a good relationship with you. Changing the business might be personally challenging for you but the acid test is achieving the change you are seeking, not maintaining a relationship. Your team will be looking to you to model the changes you are seeking.
11. Now that the plan has been sold, and the new structure populated, where do the quick wins lie? Its important to celebrate success and progress and to acknowledge the role people have had in this. Reward the people who help you meet the targets.
12. Review progress with your sounding board. What progress is really being made? What concerns have you got? What tweaks need to be made to processes? To meetings? To 1-1s with your key staff? What decisions are not getting made? What situations are not changing? Why? What needs to happen? The answers here are all likely to be soft issues – i.e. around capability, competence, attitude and behaviour. Which of these are stopping people perform? What is working for you? What is still proving challenging and difficult?
13. Don't stop at the quick wins but build on these via continuous improvement and embedding the learning. Launching a second new product or service, building on the energy and learning, will start to cement the ability to change in your organisation.
14. Continue to communicate on progress and the success stories. Its all about achievement and the people who have done it. Ensure the organisation know the specific contributions individuals have made.

We would welcome your feedback on this checklist – what has been your experience? What is missing? Please send any comments to Stephen Cowburn (Stephen.cowburn@lgbusinessadvisors.co.uk) or call him on 07974 425 361.