The Three Most Common Change Management Mistakes…and How to Avoid Them

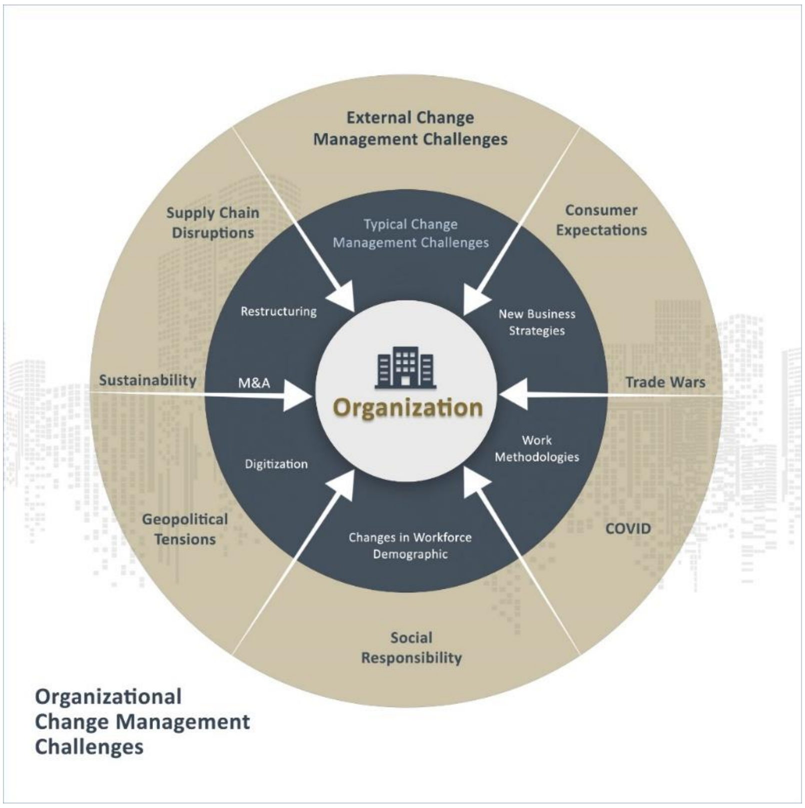
Fernando Zavala, Partner, Barcelona, Spain

70% of change programs fail within their first year. There are three main reasons for this, but they can be avoided.

The speed and variety of disruption to companies is currently unprecedented in any era in human history. At the end of the last decade, already inundated by rapid technological, competitive and societal changes, companies were plunged into the first global pandemic in a century. More than a year on, the workforce of many organizations has shifted tectonically, characterized by remote work and virtual collaboration.

Getting change management right is more important than ever for companies: strategically, operationally and commercially. Yet 70% of the time companies get it wrong. When badly managed, a change program can erode trust towards upper-level management, increase staff turnover, and decrease productivity and engagement.

For large external-facing projects, it can also have quite negative fundamental repercussions on the viability of the business – its revenue source can dwindle and its brand tarnished. Blockbuster Video and Kodak are examples of two former companies that did not get organizational alignment right which led to their downfall.



The three most common change management mistakes are:

1. Ignoring the foundational **planning** required for effective change
2. Lack of effective **communication** so the organization is engaged and empowered
3. Inconsistent **consolidation** of the change that has been made.

Looking at each in more detail, there are some key components which will mean that common shortcomings and oversights can be avoided.

1.Ignoring the foundational ***planning*** *required for effective change*
This is the most common mistake when companies tackle a change program. They fail when the plan is at its most embryonic stage by not undertaking the foundational planning and discovery process that is integral to its success. They start to implement the change before it has been communicated, or even before it has been properly planned.

The more work that goes into this stage the more likely it is to succeed. Engaging the organization's entire executive team is extremely important, particularly so they become agents of the change rather than recipients. This is particularly important in merger and acquisition (M&A) scenarios.

Along with the leadership group, however, it is important to establish a team of 'change champions' – individuals at all levels of the business who will act as a 'guiding coalition' throughout the project. This core team will be made up of employees who naturally identify with change and are innovators in their area. This group will be able to create a *cultural climate* for change, and have a consistent but broad vision and strategy for what success will look like.

> *"Ignoring the foundational planning required for effective change is the most common mistake when companies tackle change management."*

2. Lack of effective ***communication*** *so the organization is engaged and empowered*
Communication is often overlooked or undervalued in change management projects, but what is communicated, when, how often, by whom and to who is vital. Consistency of messaging is also often missing, which creates confusion, disengagement and cynicism.

The communication aspect of a change project should also be a two-way street. Make sure everyone has the chance to speak up. Ask employees for feedback, and make them feel part of the change. They will respect the efforts of those leading the project if they feel involved and their voice is being heard. The company's leaders should be prepared to listen actively to their teams and voice out the most important concerns.

At this stage of the process, the vision and strategy at a granular level will be finalized. In this way, each member of the organization can contribute directly to the project at hand, buying in to the process.

3. Inconsistent ***consolidation*** *of the change that has been made*
Many change management projects fail for their lack of embedding early wins and momentum in to the broader organizational culture. They often have a 'set and forget' approach to change, which could get swallowed up by inertia or an internal desire for how things used to be.

Seed a consistent pathway which ensures the change becomes locked in. Recognize publicly and reward the change champions, and ensure that the incentive structure is aligned. KPI and performance management metrics should also reflect the change. Employee early adopters should be identified and celebrated. This will create organizational cultural experiences that support the vision and keep the change train on track.

Finally, a follow-up plan should also be established, which assesses the success or otherwise of the project.

Change is here to stay. The host of traditional organizational change management challenges (digitization, work methodologies, new business strategies, restructuring, changes in workforce demographic, M&A, etc.) have intensified exponentially because of external changes (trade wars and geo-political tensions, COVID, supply chain disruptions, consumer expectations, social responsibility and sustainability, etc.).

With the right organizational alignment structures and processes in place, organizations can ensure they are in the 30% of companies that manage change successfully rather than the 70% of those that don't.

Fernando Zavala and NGS Global's team in Spain can assist your organization with strategic advice around change management and other organizational challenges, such as executive search, executive leadership consulting and leadership advisory services.