The Changing Face of Change Management
And the role of learning and development
Discoveries Report Spring 2014

Report Extract
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Foreword

The learning and development world is experiencing an ever-increasing focus on change management training. It is predicted that over the next decade we can expect to see change management internalised into organisations as an expected competency rather than an ad-hoc requirement. As a result businesses are looking to up-skill existing employees.

This increase in focus is in response to the growing number of change projects or transformation initiatives occurring. Research suggests that companies that are more than ten years old look nothing like they did five years ago – both organisationally and operationally. Businesses are evolving and it is predicted that over a period of 3 years, large companies will typically undertake an average of 7 business changes.

Training for change projects focuses on the required project management tools for the change managers and on the impact change can have on employees. Therefore, change management umbrellas a number of different techniques that are effective for the different audiences when implementing and embedding the different elements of an organisational change. In fact, research states that 63% of change managers who attended formal change management training saw more than ¾ of their projects succeed versus 37% of respondents who reported not attending formal training and saw less than half of their projects being successful.

The pace of business is accelerating. Executing new strategies, developing new products and inventing new ways of servicing clients’ needs are all pressing challenges for organisations. Change management training has had to evolve to meet this new demand. New ideas and innovative approaches are emerging and experts are not all universally agreed on the best approach or the most useful set of skills. In this report, through research, case studies and supplier overviews, we will shed light on the different change management tools, demonstrate their effectiveness in training and point you towards those suppliers that are most successful in the change management training world.

Sophie Cannon,
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A ‘changing’ landscape

A change refers to the act of altering an element in a business to help the business develop, grow or achieve a set of objectives. Change management is a set of ideas, strategies and skills that are applied to engage change effectively\(^1\). A physical change in an organisation requires an emphasis on communications, training and the overall culture or value system. It involves the changing of skills and practices that will help support the required business change.

In today’s current climate, change management has become an increasingly important subject vertical. The economy is a dynamic environment and is continually changing on a global level, organisations need to constantly and effectively adapt to stay competitive or they risk becoming obsolete. An organisation’s ability to deal with change has become a greater requirement to sustainable performance. However, 70% of change initiatives are seen to fail, as a result it has been suggested that the content for change management plans are reasonably correct but the majority of organisations do not have the capacity to implement procedures effectively.

This example demonstrates how effective change management training and planning has become more of a necessity than luxury in today’s competitive world. Research has shown that 12%-15% of a project’s budget should be devoted to change management, but the reality is that many projects still lack the required budget. This has been linked to people’s misunderstanding of what change management is and a misunderstanding as to what value it could bring to their organisation or the ROI they could achieve.

\(^1\) ‘Change Management’ - http://www.cipd.co.uk/hr-resources/factsheets/change-management.aspx
The different types of change

It is recognised that change comes in a number of different formats. Our analysis has shown that there are four areas of change\(^1\) - strategic, structural, process-orientated and people-orientated. Different types of change can require different methodologies, tools and strategies. The graph below demonstrates the frequency at which the different types of change occur and the level of complexity that each involves.

### Strategic

Making changes to overall organisation goals, strategy or missions refers to strategic change and it is the most complex to implement. The external environment can place significant demands on an organisation that they need to rethink their fundamental approach to business. The types of changes that this could include are a change in the products or services the organisation offers, the target market they are trying to reach, how products or services are distributed or a change in who it partners with for manufacturing. Any change that affects the manner in which you do business, a change in an overall goal or strategy refers to strategic change.

### Structural

This change refers to the internal factors that will affect how the organisation is run. It could be as small as a policy change to as big as a job re-structure. Examples of changes would include a change in the organisations hierarchy, chain of command, management systems or administrative procedures. Circumstances that usually create the need for structural change include mergers and acquisitions, job duplication, changes in the market, process and policy changes.

What next?

If you have a specific learning requirement - be it to do with change management or another aspect of learning - then please contact our consultancy team who will be more than happy to discuss your specific need.

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About KnowledgePool
KnowledgePool is Europe’s leading provider of managed learning services and an independent expert on best practice in the training supplier marketplace. We specialise in improving the performance of learning for dozens of global corporations, managing hundreds of thousands of training activities and thousands of suppliers on their behalf, building up unrivalled market intelligence in the process.

About the Learning Discoveries Club
Designed specifically for learning and development professionals, the Learning Discoveries Club provides an independent and research-driven view on an increasingly fragmented training market.

Our series of Discoveries Reports focus on specific subject matter areas, and are the ‘must-read’ guide for learning & development professionals, highlighting what works, where it works best and how to do it yourself.

The club also runs Innovation Days, Webinars and Breakfast Briefings which provide the perfect opportunity to network with like-minded professionals and hear about innovative new learning programmes.

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