

**Human Resource Strategies  
for the  
Transformation and Renewal  
of the  
Ministry of Children and Family Development**

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## TABLE OF CONTENTS

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<b>EXECUTIVE SUMMARY.....</b>	<b>1</b>
<b>OBJECTIVE.....</b>	<b>1</b>
<b>SUMMARY OF METHOD.....</b>	<b>1</b>
<b>RESULTS .....</b>	<b>2</b>
<b>RECOMMENDATIONS – CHANGE MANAGEMENT .....</b>	<b>3</b>
<b>RECOMMENDATIONS – WORKFORCE RENEWAL.....</b>	<b>5</b>
<b>MAIN REPORT .....</b>	<b>7</b>
<b>INTRODUCTION AND PURPOSE.....</b>	<b>7</b>
<b>THE MINISTRY OF CHILDREN AND FAMILY DEVELOPMENT.....</b>	<b>9</b>
<b>LITERATURE REVIEW.....</b>	<b>14</b>
Introduction .....	14
Vision .....	14
Leadership During Change.....	19
Managing the Transformation .....	25
Summary.....	35
<b>METHODOLOGY.....</b>	<b>37</b>
Research Design .....	37
Data Collection .....	37
Instrument Design .....	38
Method of Analysis.....	39
Research Limitations .....	39
<b>FINDINGS.....</b>	<b>43</b>
Change Management .....	45
Workforce Renewal .....	58
Summary.....	76
<b>DISCUSSION.....</b>	<b>83</b>
Change Management .....	83
Comparative Analysis – Findings and Literature Review.....	98
Workforce Renewal .....	102
Summary.....	104
<b>RECOMMENDATIONS .....</b>	<b>108</b>
Change Management .....	109
Workforce Renewal .....	114
<b>CONCLUSION .....</b>	<b>126</b>
Recommendations for Future Research.....	127
<b>BIBLIOGRAPHY.....</b>	<b>129</b>
<b>APPENDIX 1: RESPONDENT ORGANIZATIONS.....</b>	<b>131</b>
<b>APPENDIX 2: INTERVIEW GUIDE .....</b>	<b>132</b>
<b>APPENDIX 3: SECTOR COMPARATIVE ANALYSIS .....</b>	<b>134</b>

## **EXECUTIVE SUMMARY**

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### **OBJECTIVE**

The objective of this report is to provide information on human resource practices and strategies that will assist the Ministry of Children and Family Development in managing change and renewing its human resource capacity during its transformation process over the next three years.

### **SUMMARY OF METHOD**

A review of background material on the client was done first, along with discussions with key staff members to gain a clear, complete understanding of the transformation process, the factors that influenced the decision and the desired end–state. A review of the literature on change management was then conducted; to gather information on current recommended practices, theories and views. A total of thirty interviews were completed, along with three follow–up interviews with upper level managers in the public, private and nonprofit sector to determine what the most useful strategies used in each sector were for managing major change and renewing the workforce. Information was gathered through the use of a formal interview guide, which consisted of a total of eleven qualitative questions on change management and workforce renewal strategies and practices. The findings were collated and analyzed for recurring and predominant themes found across the sectors and variations between them. The top strategies used in all sectors were identified and organized into tables to show the similarities and differences.

## **RESULTS**

All of the respondents had been involved with major change initiatives within their organizations and many had extensive experience with a wide variety of change processes. Organizations in the private sector used the most sophisticated approaches to managing change— in terms of the tools used and level of expertise involved.

Communication stood out as the most useful strategy for managing change in all sectors and involvement came in a close second. The importance of information and direct engagement of all stakeholders were shown to be critical components of the entire transformation process. As well, it was revealed that the most helpful strategies used in each sector were also the least helpful—the more a specific practice is relied upon, the greater the chance for problems to arise.

No matter how well a change effort was resourced or what strategies were employed, organizations in all sectors experienced some problems after the change process was completed. Allowing time for acclimatization and increasing communication to reinforce the change helps to alleviate some of the difficulties, but other problems may be present that are unique to the sector or organization and must be handled as identified.

The most important finding of the study is that each sector relies on a different combination of strategies for managing change. Communication is the fundamental approach used in all sectors, but from that point on, the mix clearly differs. The bundles of strategies (in rank order within each sector) that are used are as follows:

**PUBLIC SECTOR:**            **Communication, leadership, involvement and planning.**

**PRIVATE SECTOR:**        **Communication, involvement, vision, planning and leadership.**

**NONPROFIT SECTOR:**    **Communication, involvement, planning and expertise.**

The presence and absence of certain types of strategies in one sector when compared with another led to three follow-up interviews to further explore the nature and use of leadership, vision and involvement in each sector. These three components are interpreted and used differently in each sector for several reasons, primarily because of cultural, structural and goal-related differences. The absence of the use of vision in the public and nonprofit sectors led to the formulation of a transformation model for MCFD that is based on the five key strategies used in the private sector and is supported by the overall findings. The recommended model has communication as its core strategy and four other interrelated components: vision, leadership, involvement and planning. These five strategies represent the strongest approach for managing change, and provide the basis for the recommendations.

## **RECOMMENDATIONS – CHANGE MANAGEMENT**

### **1. Review and reassess the current communication strategies in the transformation plan.**

- Keep people at all levels of the ministry regularly informed of progress
- Inform people using a variety of media: newsletters, internet, meetings, bulletins
- Use direct, face to face communication as much as possible
- Make all communication factual, simply worded and repeated often

## **2. Reassess the vision of MCFD.**

- Revise the vision to more accurately reflect the future end–state of MCFD
- Ensure leaders articulate the vision in a way others can understand and picture their future role in it and model the vision consistently and constantly
- Align all structures, practices, policies and procedures with the vision

## **3. Review and reassess the role and function of leadership in the transformation process.**

- Ensure there are credible leaders at all levels of the ministry
- Ensure senior leaders are visible throughout the transformation process
- Ensure leaders involve themselves in small & large informational forums and regular walkabouts to build support and increase understanding about the change

## **4. Review and reassess the current transformation plan.**

- Ensure the plan is adaptable and aligned with the ministry’s vision and goals
- Have clear reporting and accountability mechanisms to ensure tasks are assigned and deadlines met
- Ensure all key initiatives are linked with the plan, so projects and tasks support the future direction

## **5. Assess the level and type of involvement currently being used in the transformation process and strengthen wherever possible.**

- Engage internal and external stakeholders at all levels and in a variety of ways (e.g. cross–functional teams, surveys, quarterly meetings, focus groups)

## **RECOMMENDATIONS – WORKFORCE RENEWAL**

**1. Use a combination of strategies and practices to ensure good client service.**

- E.g. surveys, focus and advisory groups, cross-functional teams

**2. Lessen control and use involvement, training and encouragement to foster innovation and empowerment.**

- Minimize control by removing policy, procedure and budget barriers and decentralizing down the line as far as possible
- Empower staff through use of surveys, employee issues teams and advisory groups
- Foster innovation by encouraging staff to share ideas, listen and be supportive, maintain open door policy, engage with staff through weekly walkabouts

**3. Employ communication strategies, involve people in a variety of ways and plan celebrations and social opportunities to maintain and build morale.**

- Make information available as much as possible
- Include staff in focus groups and teams to discuss new direction
- Hold informal social activities to mark progress and thank staff

**4. Use a variety of communication and involvement strategies to generate enthusiasm for a new vision.**

- Have senior leaders talk extensively about the vision and involve others in discussion about it

**5. Utilize communication, training & development, involvement and planning practices to retain skilled staff during the transformation process.**

- Have leaders communicate the vision in a clear and compelling way and be able to show staff how they will fit in with the future picture
- Give staff a part to play in the transformation process (e.g. projects)
- Provide training opportunities to enable staff to fill skill deficits and fulfill personal growth needs

**6. Use encouragement, openness and modelling to encourage flexibility and freedom in the workplace.**

- Model flexibility in MCFD from the Deputy Minister down
- Ensure leaders show openness to doing business differently
- Encourage ideas and give staff latitude on how to achieve goals

**7. Encourage the application of business thinking and provide appropriate levels of support, tools and training to foster responsible risk-taking.**

- Have leaders and managers set clear parameters and stress informed thinking and use of good judgement

The Ministry of Children and Family Development has already started its transformation process, and leaders and staff are well aware of the complexities and challenges they face as they move from the old identity to the new. However, they have already taken many progressive steps towards strengthening the ministry's future structure, and the application of these recommendations will ensure a more effective, stronger outcome for MCFD.

## MAIN REPORT

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### INTRODUCTION AND PURPOSE

“By any objective measure, the amount of significant, often traumatic, change in organizations has grown tremendously over the past two decades” (Kotter, 1996, p.3). This statement by John Kotter, one of the leading authors in the field of change management, captures the essence of the current climate in many organizations today. Change has always been a factor in organizational growth and development. But, the growing body of literature on leading and managing change is indicative of the increasing pace and evolving nature of the forces that drive change today. The prevalence of change also means that no organization, whether large or small, public, private or nonprofit is immune to the wide variety of internal and external factors that can create the need for major change.

As Kotter’s comment indicates, the field of change management has only come into its own within the past twenty years. The majority of literature that exists on this subject comes from the private sector. Business journals such as the ‘Harvard Business Review’ abound with articles on leading change, surviving change and communicating change. But, private companies are not the only ones who are going through major re-structuring processes and experiencing profound challenges. Governments in many countries, at the provincial and national level have initiated major downsizing initiatives in an effort to manage programs and services with ever decreasing resources. And, many nonprofit agencies have been forced to develop new funding strategies and change their structures to operate more effectively in an increasingly competitive environment.

The various challenges that are affecting organizations of every size and type demand that the best available tools and knowledge be employed to manage organizational change as effectively and efficiently as possible. Because resources are limited, the need to maximize the use of human and financial capital is paramount for the benefit and survival of the organization. It is with these thoughts in mind that the client, the Ministry of Children and Family Development (MCFD), requested that a paper be developed on best practices in human resource strategies, to guide their own change process. The purpose of this project is to research and recommend human resource (HR) practices and strategies that will assist MCFD in managing change and renewing its human resource capacity during its transformation process over the next three years.

The report begins with a literature review that identifies and explains the key components and strategies that leading authors emphasize are essential for managing major change. The three stages of change are also defined and described and a summary of the most important elements for successfully managing change is provided. Following the literature review is a description of the methodology used to conduct the research for this report. Next, is an account of the interview findings and then a discussion of the results. Finally, the report concludes with a set of recommendations for the client and an overall conclusion about the project.

## **THE MINISTRY OF CHILDREN AND FAMILY DEVELOPMENT**

The Ministry of Children and Family Development (MCFD) 's mission is to “promote and develop the capacity of families and communities to care for and protect vulnerable children and youth; and support adults with developmental disabilities” (Annual Report 2001/02, p.9). The vision of MCFD is “a province of healthy children and responsible families living in safe, caring and inclusive communities” (Annual Report, 2001/02, p.9). The role and mandate of the ministry is to: “advance the safety and well-being of vulnerable children, youth and adults; advance early childhood development through strategic investments and advance and support a community–based system of family services that promotes innovation, equity and accountability” (Annual Report, 2001/02, p.10).

To fulfill these requirements and goals, MCFD is structured into two components: headquarters and the regions. Headquarters provides advice and central support for ministry operations in the areas of legislation, performance management, quality control, best practices and partnerships. There are eight divisions within headquarters that address specific areas such as regional operations, child and family development and electronic services. Services are currently delivered through eleven regions in the province, but will be changing to a five–region model over the next three years. The type of services that MCFD provides are grouped into five primary areas: adult community living services, youth justice/mental health services, early childhood development and special needs, family development and child protection, and corporate services, program and regional management. The majority of these services, with the exception of youth justice/mental health services and corporate services will eventually be devolved to regional entities.

Headquarters will then become a much smaller, more specialized body that has a focus on legislation, governance and quality assurance while the regional bodies will take on the majority of the service function. And, many corporate services, such as information technology and financial services will be merged into one corporate entity that will provide services for all of government.

The Ministry of Children and Family Development began a major change initiative starting in the fall of 2001. It started with a review of programs and services, to assess whether the ministry was meeting the economic, fiscal and social objectives of the Liberal government. “The Cores Services Review revealed a gap between what the ministry was offering and what government required the ministry to deliver. The ministry (then) determined that a community–based governance structure with provincial or regional authorities, would be better able to deliver services tailored to client’s needs” (MCFD Annual Report, 2001/02, p.8).

This decision to devolve authority from headquarters to regionalized bodies represents a major operational and cultural shift for MCFD and its community service partners in the way that social services will be provided in British Columbia. The ministry will be changing its service delivery model from direct government delivery of core programs to one that has community governance authorities delivering the majority of programs and services.

The ministry currently delivers key functions such as child welfare through eleven regions. It is moving to a five region structure for child and family development, a

provincial authority for community living and there will be at least five Aboriginal authorities, one in each region. All of these regional authorities will operate as independent entities and have independent boards. Each of the governance authorities will also become separate employers outside of the public service and their employees will be outside the public service.

At the same time that MCFD was conducting a review of their programs and services, the Liberal government initiated a public service renewal project in September, 2001. The mandate of the project is to “rebuild and sustain a professional public service that provides quality services to meet the needs of British Columbians” (Report on Stage One, PSERC, 2001, p.3). The project was implemented in response to an earlier survey done by the Office of the Auditor General and a cross-government survey by Malatest and Associates. The results from both surveys showed a need for stronger leadership, improvements in the work environment and a change in the organizational culture of the public service. As well, the public service is facing demographic challenges and increasing competition from other sectors for retaining and attracting qualified staff. To meet these current and future challenges, the renewal project was launched across government. A corporate level human resources plan was developed to work towards realizing the mandate of the project, and each ministry took on the responsibility of developing and implementing their own vision and plan of renewal to achieve the overall goal of building and maintaining a professional public sector workforce.

In addition to these two major changes is a third movement that specifically impacts the human resource (HR) area of the ministry, as well as the overall ministry and the whole of government. A new entity is currently being formed that will provide HR services to all of government. This means that the current operational side of HR in all ministries will be consolidated over the next year into one agency and the remaining HR component within MCFD will be the Strategic HR Services Branch.

All of the described changes will have a significant impact on MCFD. And, the Strategic Human Resource Services Branch in particular has a major role to play in planning and implementing strategies that will facilitate an effective transition for staff and the ministry from the current service delivery model to the new one. The ministry also views this time of transformation as the best time to implement their renewal plan—an opportunity to strengthen service quality, improve the work environment and build the capacity of the workforce. To this end, they are embarking on a renewal program during the transition that includes developing leadership skills and creating a more dynamic work environment to sustain and attract a workforce that is appropriately skilled, motivated and passionate about their work. To effectively realize this transformation, the client (Strategic Human Resource Services Branch of MCFD) has requested that a report be produced on best human resource practices used by successful organizations in the public, private and nonprofit sector for managing change and renewing the workforce. The ministry is interested in discovering what practices are used by sectors outside of government, as well as what has been shown to work within the public service. The final

document will be used to inform MCFD's planning process and facilitate a successful approach and outcome for the transition and renewal.

## **LITERATURE REVIEW**

### **Introduction**

The literature on change management tends to be divided into theoretical and prescriptive approaches. Some earlier theoretical researchers, such as psychologist Kurt Lewin, developed theoretical change models that are still widely used and referred to today. Other more current theoretical researchers, such as Peter Senge, embrace theories such as systems thinking, which bases its approach on seeing all individual parts as connected to the whole. Prescriptive researchers, such as John Kotter, provide a specific framework for guiding the change process, as well as strategies to use for making each step of the process effective. And finally, some researchers are a blend of both theory and prescription, such as William Bridges, who emphasizes the transition process of change and offers strategies for coping with each stage.

### **Vision**

A great deal of the literature emphasizes the importance of vision in the overall change management process. Kotter (1996) defines vision as “a picture of the future with some implicit or explicit commentary on why people should strive to create that future” (p. 68). The picture that is the organization’s vision is extremely important to the change effort for three reasons: it clarifies the general direction that the change initiative will take, it motivates people to take action towards that direction and it assists the change process by helping to coordinate the actions of everyone in the organization (Kotter, 1996). To be truly effective, Kotter recommends that a vision should have the following six

characteristics: imaginable, desirable (appeals to most of the stakeholders), feasible, focused, flexible and communicable (Kotter, 1996, p. 72).

The organization's vision will only be useful if it can be effectively communicated to everyone involved. Several sources in the literature recommend the use of a metaphor, analogy or "purpose story" for this intent (Senge, 1990, p.345). Metaphors can be used to help managers and employees understand the difference between the current operation and the desired future. The vision of an electronics company that wanted to become more aggressive provides an excellent example: "We need to become less like an elephant and more like a customer-friendly Tyrannosaurus rex" (Kotter, 1996, p.92). Metaphors are also helpful for understanding a vision because they provide context and meaning, stimulate thinking and encourage reflection (Barger & Kirby, 1995). The journey metaphor is a favoured approach for communicating a vision and preparing staff for the impact of major change. Barger and Kirby for example, use the pioneer journey to Oregon as a metaphor for helping people understand and cope with change (1995). This can be extremely useful, particularly in current times when, as Peter Drucker succinctly states: "Every organization has to prepare for the abandonment of everything it does" (Drucker, quoted in Barger & Kirby, 1995, p. ix). Understanding the change process as a journey over time also provides a way for staff to let go of the past, tolerate and overcome short term discomforts and identify essential characteristics and approaches they will need to make it through the journey to the new world.

Once the vision has been clarified and communicated, it is important to align all internal processes and systems with it, particularly in the human resource services area. It is critical that all human resource (HR) systems be reviewed and evaluated to see if they align with the new vision. If not, necessary changes need to be made so the systems support the implementation of the new vision. HR systems such as performance appraisals, succession planning, mentoring, compensation, hiring and promotion all need to be aligned with the vision so that staff will be encouraged and enabled to conduct business in the new way, rather than falling back into old patterns of behaviour. If systems do not reflect the new vision, they act as barriers to change and support people's resistance to adopting new ways (Kotter, 1996).

### **Strategies for Communicating Change**

Communicating change begins with a clear vision that is articulated and understood by everyone, in all levels of the organization. The literature also emphasises several key principles for effectively communicating change information throughout an organization. They include using simple messages that are jargon-free and repeated often through a variety of media; face-to-face communication through immediate supervisors and leadership by example.

The literature notes that each stage of change requires different types of communication approaches for maximum effectiveness. At the beginning of the process, an emphasis should be placed on providing the rationale for change and challenging and questioning the status quo in order to build support for change and decrease resistance (Klein, 1996).

To do this, Bridges (1991) promotes selling the problem before trying to convince people of the solution, so people fully understand the reason for change and Kotter (1996) stresses the need to create a sense of urgency about the problem to encourage people to let go of the status quo. During this stage, the most effective communication strategies are the use of message redundancy, multimedia approaches and the use of an authority representative and direct supervisors in face-to-face forums.

As the change process evolves, communication strategies should become more specific in nature. Klein (1996) recommends the use of three types of strategies: providing detailed and factual information about the progress of the initiative; providing information about how the change will affect staff and how they will be engaged in the future and providing challenges to any misinformation that may be circulating.

Towards the end of the change process communication strategies should focus on building an understanding about the results and celebrating the successes of the process. It should be expected that operational problems will arise and that people will question whether desired efficiencies and the new vision have been realized. Direct supervisors have a particularly important role at this stage, in encouraging communication that alleviates misunderstandings, helping to clarify roles and responsibilities and providing support for the new structure and behaviours. It is also important during the final stage to take time to celebrate the achievements of the change process and recognize the successes of the work effort (Klein, 1996). Calling attention to successes helps to reinforce the vision and commitment to the new structure.

### *Change Communication Examples*

Awareness of successes achieved and lessons learned by other organizations can be extremely helpful when planning and implementing a change initiative. Two public sector organizations stand out in the literature as examples of major change initiatives that provide proven communication strategies and helpful lessons for other similarly large and complex organizations: Transport Canada and Heritage Canada.

Transport Canada downsized its operation from 19,881 full time equivalents (FTE's) to 4,258 between 1993 and 1999. It was a measure that was carried out under the program review initiated by Finance Minister Paul Martin's 1994 budget, and "was consistently held up as a model for other departments to follow" (Bakvis, 1998, p.99). The ministry experienced a high level of commitment from employees to the new approach where staff had previously been regarded as resistant to change. Factors that were identified as contributing to the positive attitude of staff included an emphasis on departmental leadership throughout the process, acknowledgement of the union as a critical element that could make or break the transition and "the highly effective intra-departmental communications network" (Bakvis, 1998, p.133).

Transport Canada strengthened its internal communication system for the change process. It revamped its newsletter and included staff from headquarters and the regions on the editorial board; started a second newsletter which came directly from the Deputy Minister's office and set up monthly video conferences with senior managers and made tapes available to employees. Transport Canada also established a transition team that

was made up of headquarters and regional staff that held consultations across the country, and developed three options for organizational models.

Heritage Canada's creation as a new department involved the clustering of several programs and agencies that were not operationally similar, under extremely tight timelines. It is noteworthy that "the human resource committee of the transition team ... emerged as a leader among the restructured departments" (Lindquist, 1997, p. 85) and was noted for its fair and open process for assigning staff to the various departments.

Heritage Canada established and sent out a weekly transition bulletin as a vehicle for building trust. It proved to be a very important tool for tackling the human resource component of the restructuring and was also useful for lowering the anxiety level of staff. As well, staff working in the regions appreciated the weekly bulletins. Heritage Canada also set up a hotline with telephone, fax and voice box contacts for people to direct their concerns.

## **Leadership during Change**

### **Leadership versus Management**

Earlier literature placed a greater emphasis on managing change rather than leading change, but many recent authors, such as Kotter, are giving more attention to the importance of leadership during the change process. Kotter takes a strong position on the role of leadership and change: "Successful transformation is 70–90% leadership and only 10–30% management" (1996, p.26).

During a change effort, it is important to differentiate between the role and function of leadership and management. Both are necessary, but focus on different types of action that are particularly useful at different stages in the change process. The leadership role is particularly important in the beginning of the change effort. At this stage, it is the senior leader's responsibility to articulate the vision to the management team who in turn help to align people with the vision through role modelling, coaching, providing feedback and rewarding behaviours that support the change initiative.

As the activity and needs of the change initiative grow, so does the need for leadership to provide direction for the organization, motivate and inspire people and keep the organization on track. To provide effective leadership during major and ongoing change, leaders must motivate others to provide leadership as well. As Kotter describes "When this works, it tends to produce leadership across the entire organization, with people occupying multiple leadership roles throughout the hierarchy. This is highly valuable, because coping with change in any complex business demands initiatives from a multitude of people. Nothing less will work" (Kotter, 1995 (2), p.109).

Thus, managers may also become leaders during a change process, in addition to their managerial functions that focus on coping with the operational complexities of the change and helping to bring about order and consistency in implementation activities. The manager draws on planning, budgeting, organizing, problem solving and staffing

skills, and abilities to operationalize the vision that the leader has articulated (Kotter, 1995 (2) ).

### **Trust, Modelling and Visibility**

The importance of building and generating trust within the organization during a change initiative cannot be overestimated. If the leaders of an organization do not have the trust of the majority, the change initiative will not move forward. Trust is imperative for being able to effectively influence people, convince them of the need for change and gain their support for the change effort. The most effective and lasting way to build trust is by having the leaders within the organization adopt and model the behaviour they expect from others. The power of modelling is demonstrated by the story of the change of culture that occurred during the construction of the Heathrow Express Railway during the mid-1990's. The depth and degree of involvement of many of the project's most senior managers played a major part in the success and sustainability of the project. "The behaviour of your key managers will make the difference between success and failure and between transition or termination. Anything less than total commitment to the cause that they, after all, will usually have initiated, anything less than daily demonstration of the behaviour that will support the principles and philosophy of the change programme will be perceived as insincere and ineffective. But the senior team that is seen, without exception, to have changed its own behaviour will outstrip expectations, win over waverers and neutralise the "well-poisoners". The greater the change, the greater the need for this example from the top. They are the epicentre." (Lownds, 1998, p.41)

The second way that senior managers in the Heathrow project brought about effective change was through close and constant contact with front line staff. Managers conducted regular walkabouts and kept in contact with individuals and teams at all levels of the project. Pam Withers, in her article “The Leadership Challenge” also identifies the importance of a regular presence by managers during chaotic times: “teams crave compassion and decisiveness, and desire that the individual be constantly visible” (2002, 35).

### **Survival Strategies for Leaders / Managers**

The literature offers several strategies for managing change from a professional and personal point of view. Six key techniques are recommended for enhancing coping abilities.

#### ***Observe and Participate***

Heifetz and Linsky call this skill “ getting off the dance floor and going to the balcony” (2002, p.66). What the authors are describing is the ability to remove yourself from the day to day change activities and see the big picture from outside of the operation. Being able to regularly do this back and forth process helps the manager stay in the context of the change initiative without losing contact with the ongoing change activities. This approach was also found to be important for senior managers in the Heathrow Express project, where they found that staying in the context of the big picture helped them to keep problems in the proper perspective (Lownds, 1998).

### ***Practice What You Preach***

This strategy is also one of the main approaches for communicating change. Heifetz and Linsky highlight this practice as being critical for diffusing resistance and getting buy-in from staff (2002). Before you can do this effectively however, Bridges recommends taking the time to examine how the change initiative will affect your own situation and future. Identifying what you as a manager will need to let go of in terms of practices and behaviours will help to increase understanding and ability to empathize with the employee's situation.

### ***Manage Stress***

Heifetz and Linsky emphasize the importance of maintaining employee's stress levels at a productive level, by monitoring staff's tolerance for stress and regulating it as needed. Regulating can be done by implementing strategies that will either increase or decrease stress levels, as necessary. To increase stress levels, both Kotter (1996) and Heifetz and Linsky (2002) recommend increasing the sense of urgency to give people an incentive to change and focus their attention on the difficult issues of the change process. Other approaches can be used to decrease organizational stress, such as slowing the pace of change by adjusting deadlines, tackling clear-cut problems before complex ones, creating structures for problem solving, forming work groups to address problems and holding periodic social gatherings/events to relieve tension. As well, creating safe settings where conflicts can be expressed and managing conflicts so the energy is used for positive benefit rather than negative outcomes also help to control stress levels. (Heifetz & Linsky, 2002).

### ***Court the Uncommitted***

Heifetz and Linsky (2002, p.67) stress the importance of paying attention to and making an effort to win over the people who are not fully committed to the change movement.

These are the people who can ultimately make or break the initiative in the long run and taking the time to understand their views and concerns can do much to increase the effectiveness of transformation.

### ***Resist the Reaction to Provide Answers***

Leaders and managers should try to resist the natural desire to provide people with answers to every question and problem posed. It will be more effective if senior leaders delegate or transfer much of the problem solving work to others so that more people are involved in the overall process and the likelihood of sustained change is enhanced (Heifetz & Linsky, 2002).

### ***Anchor Yourself***

To be most effective as a change leader/manager, it is important to find ways of keeping yourself grounded. Heifetz and Linsky (2002) recommend three strategies. Firstly, to establish a “safe harbour” at the end of the day—a place you can escape to from the ongoing activities (p.73). Secondly, establish a confidant who can support you and listen to you—preferably not a co-worker. Thirdly, be able to distinguish between your personal self and your professional role, so confrontations about decisions made and actions taken in the change effort are not internalized personally.

## **Managing the Transformation**

### **Changing the Culture for Effective Transformation**

Before introducing change into an organization, it is necessary to understand and reflect on the nature and characteristics of the organization's culture and the depth and breadth of change that will be required of employees. What is the organization's history? What is the potential for resistance to change? Has the organization been through many changes before, or is this the first major change in a long time? Many sources in the literature state strongly that change must be transformational for it to be sustainable. Heifetz and Linsky call this transformation "adaptive change" and describe it as the type of change where "people give up the things they hold dear: daily habits, loyalties, ways of thinking" (2002, p.65). Bridges differentiates between change and transition, where change is the external situation and transition is the internal process that people go through to adapt to change. "Unless transition occurs", Bridges states, "change will not work" (1991, p.4). Senge uses the term "profound change" to describe when the capacity for doing things in a new way is built into the change process and learning actually occurs, rather than simply action without understanding (1999, p.15). The emphasis on learning is also supported in the article "The Anxiety of Learning", an interview by Pam Withers with Edgar Schein, world-renowned psychologist. Withers begins by stating "...few companies ever succeed in genuinely reinventing themselves...because the people working at those companies more often than not fail at transformational learning...most people end up doing the same old things in superficially tweaked ways (2002, p.100).

Both learning and cultural change then, are required for major, sustained change to occur. Major change requires people to give up and let go of many ingrained routines, practices, attitudes and values—in essence, their culture—and adopt new ones. Culture is a powerful force that, according to Kotter, can be the “biggest impediment to creating change” (1996, p. 155). Because of this, it is important to be aware of existing culture as change is implemented, find ways to honour the past and symbolically say farewell to old ways so that new ones can be introduced (Kotter, 1996).

Carol Bernick, in her article “When Your Culture Needs a Makeover”, states “Passion, in fact, is probably the single prerequisite to cultural change...” (p.61). During a major change effort, when people’s motivation is suffering and anxiety is increasing, their passion for work can dwindle drastically unless some effort is made to rekindle it.

Boyatzis, McKee, and Goleman encourage people who may be feeling restless, trapped or at odds with the organization’s direction to treat those feelings as a “wake-up call” and take stock (2002, p.89). This personal review is important for managers and staff alike and managers should support staff through the same process, even if it may mean losing the employee as a result. Boyatzis et al. emphasize that there is no single way to re-awaken passion, but recommend five types of strategies that are helpful for reassessing your life and re-aligning your direction. Firstly, take time out to reflect and re-connect with your dreams and desires (e.g. take a sabbatical from work). Secondly, find a structured program such as a leadership/executive development program that will force you to clarify values and strengths and help you to reconnect with personal aspirations.

Thirdly, create reflective structures—build in time and space apart from work for reflective thinking (e.g. regular walk, run/meditation/retreat). Fourthly, work with a coach—informally through friends, family, colleagues or formally with an executive coach/mentor. Use the time to help identify strengths and new approaches, sort out what is important in life and translate it into what is essential in work. And finally, find new meaning in familiar territory—“make small adjustments so that your work more directly reflects your beliefs and values” (p.92). (2002, pp. 90–92)

### **Stages of Change**

Prevalent models that dominate the literature include the work of the three formerly mentioned researchers: John Kotter’s Eight-Stage Process to Managing Change (Kotter, 1996, p.21); William Bridges’ three phases of transition (Bridges, 1991, p.70); and Kurt Lewin’s three general stages of change (Klein, 1996, p.36). There are distinct similarities among the three models, but the authors use different terms for commonly identified stages of change. For example, Bridges calls the first phase of change “ending”, Lewin refers to it as “unfreezing” and Kotter speaks of “establishing a sense of urgency” as the first step in the change process (see Figure 1). The overlaps in these models suggest that a hybrid approach is the best way to capture the common and individual strengths of each, augmented by additional research that has been shown to be effective for managing change. For simplicity’s sake, Bridges’ terminology will be used to discuss the three stages: Ending, Neutral Zone and Beginning.

**Figure 1: Change Models**

<b>Source of Model</b>	<b>First Stage</b>	<b>Second Stage</b>	<b>Third Stage</b>
William Bridges (1991)	Ending	Neutral Zone	Beginning
Kurt Lewin (Lewinian Model) (1996)	Unfreezing	Changing	Refreezing
John Kotter (1996)	Establishing Sense of Urgency/ Communicating the Change Vision	Empowering Broad- based Action/ Generating Short Term Wins	Anchoring New Approaches in the Culture

***Ending***

In the first stage of change, Bridges in particular emphasizes the importance of supporting and convincing people to let go of the present ways of doing and thinking and “leave home” (1991, p.32). Both Klein (1996) and Kotter (1996) support the significance of the first phase of change and provide several communication strategies for making this phase effective (see strategies for communicating change).

The strategies that Bridges (1991) promotes for initiating change focus on clearly identifying what will be changing and ending, supporting people’s reactions to this information, providing information repeatedly and planning activities to honour the past and mark endings.

*“Define What’s Over and What Isn’t” (p.28)*

The ramifications of not being clear about what is going to change make this an important strategy. Unless people clearly understand which practices are ending and

which are changing, they will do one of three things: continue to do the old ways in addition to the new ones, make their own decisions about what they should be doing or discard all past practices in favour of the new ones.

### *Support Reactions to Change*

Bridges (1991) compares the reactions people exhibit during a change process to the stages of grieving that are expressed when a loved one dies. This is because change is often experienced as a significant loss that can evoke feelings of denial, anger, bargaining, anxiety, sadness, disorientation and depression. Strategies that can assist people at this time include acknowledging losses openly and sympathetically, expecting and accepting signs of grieving, and finding ways to help compensate people for their losses (e.g. ways to increase a sense of control, feelings of competence, career development opportunities).

### *Provide Information Over and Over*

The importance of providing information is important in all three stages of change. Often information is withheld because of concerns about proper timing, redundancy, insufficient details or assumptions that other people will relay it. However, delays and infrequency of communication can increase mistrust, resentment and anxiety and decrease the effectiveness of the change effort.

### *Mark the Endings*

Symbolic events or activities can be used as a way of encouraging people to move forward. They also send people a clear and visible message about how things will be different in the new world. For example, when the new CEO of Dana Corporation wanted to show his managers how the culture was going to change, he piled a stack of the company's procedural manuals on the table. "They formed a stack almost two feet tall. Then he swept them onto the floor and held up a single sheet of paper on which the corporate principles were typed. "These are our new rules, he said." (Bridges, 1991. P.29).

### *The Neutral Zone*

Bridges' term, "the neutral zone" refers to the middle stage of the change process (1991, p.34). He warns "when the change is deep and far-reaching, this time between the old identity and the new can stretch out for months, even years" (1991, p. 34). Bridges also points out several specific dangers that can emerge during the neutral zone, including increased anxiety, decreased morale, increased staff overload, turnover and sick time. On a more positive note, the middle stage of change is also a time when innovation and creativity can best be fostered.

### *Redefine the metaphor*

It can be useful to develop a new metaphor that will redefine the current situation for people, acknowledge their feelings of ambiguity and anxiety and encourage them to stay on until the end of the journey.

### *Review & Develop Systems*

Senge calls doing a review of the current system a “work-out”—taking the time to remove the excess/unnecessary work from the system (1999, p. 76). The neutral zone is the best time to examine current policies, procedures and practices to evaluate their effectiveness and determine their future need. As well, attention should be given to removing any structural barriers that may exist that inhibit actions and communication (Kotter, 1996). Temporary policies/procedures/systems, as well as new roles and reporting relationships may also need to be put into place to provide adequate structure for the change process.

### *Create Short-term Goals/Wins*

Both Bridges (1991) and Kotter (1996) support the use of short-term goals or wins, for a number of reasons. Bridges feels that establishing check points along the way gives people a sense of achievement and forward movement. Kotter supports the generation of short-term wins to reinforce the change effort, provide an opportunity to relax and celebrate, retain support, maintain a sense of urgency and build momentum. Kotter emphasizes that the wins should be visible, so a large number of people can see the result, unambiguous and clearly related to the change effort. He also recommends that small organizations should plan short-term wins within six months of starting the change effort and large organizations should plan them within eighteen months, for maximum effectiveness.

### *Don't Promise High Levels of Productivity*

Bridges (1991) emphasizes that setting unrealistic timelines and targets sets everyone up for failure and that it may be necessary to educate upper management about the benefits in the long run of setting realistic objectives that result in success at all levels.

### *Train Managers as Needed*

Special training may need to be provided for managers/supervisors to maximize their function during this stage of change. Training could include problem solving, team building and group facilitation techniques (Bridges, 1991). As well, Kotter (1996) suggests that organizations should also identify the types of behaviours, attitudes and skills people will need to have once the change process is completed. Training may be required towards building the desired competencies that will be needed to sustain the vision.

### *Rebuild A Sense of Identity*

During the middle phase of change, the old identity of the organization is being discarded and the new one is being formed. It's at this time that people's sense of identity particularly needs nurturing, to strengthen the new one and build a sense of trust and connectedness. Socially oriented activities such as weekly scheduled lunches for managers is one approach that can be used to build a sense of cohesion (Bridges, 1991).

### *Encourage Innovation*

Bridges promotes the neutral zone as an ideal time for innovation and offers several strategies for encouraging it. These include modelling creativity through word and example and providing opportunities for people to review and take stock of current practices and develop new ones. Providing training in creative thinking techniques also fosters innovation by expanding staff's knowledge and skill base in this area. As well, creating a work environment that encourages people to experiment and brainstorm new answers to old problems will do much to stimulate creative ideas. And finally, allow time for creative solutions to emerge: "restrain the natural impulse in times of ambiguity and disorganization to push prematurely for certainty and closure" (Bridges, 1991, 44).

### *The New Beginning*

The literature draws attention to the importance of ensuring that the transformation of the organization is sustained once the change process is completed. Kotter (1996) refers to this process as "anchoring new approaches in the culture" (p. 145). In his article "Leading Change: Why Transformation Efforts Fail", Kotter notes that "until changes sink deeply into a company's culture, a process that can take five to ten years, new approaches are fragile and subject to regression" (1995, p.66). He identifies two factors that are important for institutionalizing change in corporate culture: firstly, to make a "conscious attempt to show people how the new approaches, behaviours, and attitudes have helped improve performance" (p. 67). Making a concerted effort to demonstrate the linkages between change and results helps to reinforce the new ways and increase people's commitment to them. Secondly, Kotter recommends taking the time to ensure that "the

next generation (of managers) really does personify the new approach” (p. 67). Unless hiring and promotional criteria align with the desired characteristics of the renewal effort, the work of the transformation process can be undone by the next set of leaders.

Bridges (1991) also supports the importance of reinforcing the “new beginning” of the restructured organization to secure the changes. He recommends four strategies for doing this. Firstly, to be consistent—ensure that all forms of communication (including policies and procedures) and actions align with the new vision and reinforce the new ways.

Secondly, ensure quick successes. Generating short-term wins is as important in the final stage of the change process as it is in the neutral zone. “Quick successes reassure the believers, convince the doubters, and confound the critics” (Bridges, 1991, p. 62).

Thirdly, symbolize the new identity for employees A new logo/image/ or name for the new organization sends a message to staff that helps to reinforce the new identity and anchor the change. And fourthly, celebrate the successes the organization has achieved.

Taking time to mark the ending of the transformation process in an official way provides an opportunity for people to celebrate their effort and embrace their new identity. A souvenir of the change effort could also be provided, to provide a tangible memento of the process and thank people for their participation in it. (e.g. a T-shirt with “I Survived the Transformation). (Bridges, 1991, p. 61 - 63)

## Summary

A great deal of literature exists today on change management—a reflection of the increasing prevalence and pace of change that can be found in organizations of all sizes and in all sectors. A review of the literature reveals that there is no single best approach or model for managing change. However, the steps and strategies recommended by some authors, such as Bridges and Kotter stand out in terms of providing pragmatic and comprehensive information that covers the change process from beginning to end. The key elements of good change management that arise from the literature include the following:

- A clear vision that is well communicated through all levels of the organization
- Strong leaders who can articulate the vision, communicate it in an inspiring way and model it constantly and consistently
- Communication that is factual, simply worded, repeated often, transmitted through a variety of media and face-to-face via immediate supervisors wherever possible
- Use of different, appropriate sets of strategies for each stage of the change process
- Structures and practices that are aligned with the vision
- Managers who maintain close, constant and open contact with their staff
- Learning occurs that embeds and sustains the change
- Active & intentional reinforcement of the change to assure adoption

The strongest messages that emerged from the literature review were the importance of having leaders who modelled the vision and behaviour they expected from others and communication that was frequent, honest and easily understood. These two factors were

seen to have the strongest effect on influencing people throughout the organization and helping to make the change process an effective one.

The literature review provides an excellent framework for evaluating and guiding the transformation process that is already underway at the Ministry of Children and Family Development. It also acts as a useful reference tool for verifying the appropriateness of strategies currently being applied and providing proven ones that can be used to improve the process. Overall, the literature review provides a useful summary of best practices in change management that can be applied by the Strategic Human Resource Services Branch of the ministry to make the transformation process an effective one.

## **METHODOLOGY**

### **Research Design**

The research for this project consisted of a set of personal interviews conducted with upper level managers in the public, private and nonprofit sector, mainly in the greater Victoria region. Interviews were conducted primarily in person, at the workplace of the interviewee. In cases where respondents were located outside of Victoria, interviews were conducted by telephone.

### **Data Collection**

Research began with a review of background information on the client and discussions with key staff members to clarify the factors that have led to the current situation and influenced the ministry's plans for the future.

A total of thirty interviews were conducted with upper level managers: nine public sector, eleven private sector and ten nonprofit sector. Three follow-up interviews of approximately forty-five minutes each were also completed with an additional manager in each sector. These were done to gain a more complete understanding of some specific aspects of the findings about most helpful strategies used in each sector. A complete list of all organizations represented is included in the appendix (see Appendix 1). Participants were contacted by telephone to confirm willingness to participate, date, time and location of interview. When the interview was confirmed, a copy of the participant consent form and the interview questions was electronically mailed to the participant, along with a short summary about the researcher and the purpose of the project. The information was provided at least a week in advance, to provide the respondent with adequate time to

review the material and prepare for the interview. Each interview was scheduled for one hour, and the majority were completed within the slated time period. At the beginning of the interview, the researcher reviewed the consent form with the participant, explained how the data would be used, answered any questions the participant had about the project and asked them to sign the consent form. Participants were informed that they could choose not to answer any of the interview questions and could withdraw from the interview at any time. Respondents were also told that if they chose to withdraw, their responses would not be used in the report.

### **Instrument Design**

The interview guide consisted of a total of eleven questions. A copy of the guide may be found in the appendix (see Appendix 2). Questions were structured in an open-ended format in order to obtain comprehensive and complete information during the interview. The questions were divided into two sections: change management and workforce renewal. The first section, change management, dealt with broad-based questions about the type of major changes that the respondent had been involved with, the strategies they found helpful and not helpful for managing those changes and what problems existed after the change was completed and how they were managed. The second section, workforce renewal, addressed more specific components of the change process. Several questions looked at aspects of the middle or neutral phase of the change process, to investigate particular types of practices that were used to manage challenges such as retaining skilled staff and encouraging innovation. As well, one question was included at the end of the interview to allow respondents to add comments or elaborate on any issues

that had not been previously addressed. Interviewees were encouraged to speak freely to each question and responses were recorded manually during the interview.

### **Method of Analysis**

Once the interviews were completed, the notes were typed and organized by sector. Responses to each question were then analyzed for common themes. These themes were identified by key subject area—for example: communication, leadership, involvement, planning. As themes were identified in the notes, they were colour coded to facilitate further analysis. The most frequently occurring subject areas were tallied to show the top strategies used in each sector for each of the interview questions. For example, in the public sector, the interview results showed that communication, leadership, planning and involvement are the top four most helpful strategies for managing change. The highest rated strategies were then organized into an overall table that shows the most often used strategies used in each sector for each of the interview questions (see Figure 18, Findings). Interview results were also put into a second table to show the similarities across and differences between the sectors for each question (see Appendix 3). Finally, the similarities and differences between the sectors were plotted separately in tables in each section of the findings, to show the key points for each question. The findings were then compared to the literature and the resulting information is contained in a table in the discussion section (see Figure 19).

### **Research Limitations**

There may be several potential limitations within this study. Firstly, there may be a bias towards the positive in the responses of the interviewees, in an effort to make the change

processes within their organizations appear more effective than they actually were.

Although all interviewees acknowledged that there had been some problems evident after the change was completed, they may also have been hesitant to be completely frank about mistakes made during the change process and the depth and breadth of problems that were present after the change. To minimize this bias, the researcher attempted to make interviewees feel comfortable about discussing their experiences openly and honestly by encouraging them to talk freely and reassuring them that no specific comments would be attributed to an individual or an organization.

Secondly, the findings in this report have been gathered through interviews with people in the upper level only of each organization. Managers in upper administrative positions may have different views about what strategies were most and least helpful for implementing change, as well as what problems remained after the change process and how they should be handled. What is seen to be most effective from an upper management level may not be perceived as effective in other levels of the organization. The focus of this report however, is aimed at macro level change, rather than specific procedural and systems types of changes. As such, it is more appropriate to conduct the research with people involved in the strategic level of change who have an understanding of the organization as a whole, rather than staff at the line level who are more involved with the operational side.

Thirdly, the number of interviews conducted may not be sufficient to present a wholly accurate picture of the key strategies used in each sector. For example, the ten interviews

conducted in the nonprofit sector were done with executive directors from relatively small organizations. Nonprofit agencies tend to be smaller on average than public sector organizations, but it may be that a larger nonprofit might use a slightly different set of strategies than the agencies included in the interviews. To counteract this limitation, the researcher attempted to include a wide variety of organizations in each sector to provide a balanced set of responses.

Fourthly, the current economic and political climate in British Columbia and Victoria in particular may be influencing the type of strategies that organizations are currently using for managing change. For example, in a follow-up interview with a manager in the public sector, it was revealed that the strategy of involving people would be used more readily in times of expansion and growth than in current times of major downsizing. The lesser role of involvement as a strategy for managing change found in the public sector may be a reflection of the type of change that is going on, rather than an indication of the overall preferred strategy.

Fifthly, the researcher may have misinterpreted some of the information that was recorded during the interviews and consequently not represented the findings as accurately as they might be. The results are also the interpretation of one researcher only, and may contain a certain amount of bias because of her specific background and experience. To counteract these limitations, the researcher strove to record interview notes as accurately and completely as possible and clarify information with the respondent whenever it was not clear.

Finally, the time frame for conducting this study was limited, which restricted the number of interviews that could be done and the amount of literature that could be reviewed. To maximize the usefulness and relevancy of the results, the researcher aimed to complete as many interviews as possible within the given time frame, conducted approximately the same number of interviews in each sector, involved a wide variety of organizations and used qualitative questions to gather as much detailed, current information as possible for the client. As well, the review of the literature was focused on sources that were highly recommended by experienced professionals and academics who are familiar with the subject of change management and knowledgeable in their respective fields.

## **FINDINGS**

Interviews were conducted over a five–week period with a total of 30 upper level managers in the public, private and nonprofit sector (e.g. executive directors, human resource directors). Approximately the same number of interviews was completed in each sector, to provide a balanced representation. A wide variety of organizations were involved. For example, interviews in the private sector included managers who worked in the hospitality, financial investment, property management, information technology, utility and resource industries. A complete list of organizations represented is included in the appendix (see Appendix 1). The majority of the meetings were held in person at the workplace of the interviewee and the remainder was done over the telephone. Most people answered all of the questions and interviews lasted about one hour. A copy of the interview questions can be found in the appendix (see Appendix 2).

Interview questions were divided into two main sections: change management and workforce renewal. Questions in the change management section looked at the broader aspects of change. They explored the types of initiatives interviewees had been involved with, the key strategies or practices managers found most helpful and least helpful and the types of problems that remained after the change was completed and how they were handled.

Questions in the workforce renewal section investigated approaches used for more specific aspects of human resource management, particularly during the middle phase of change —the “neutral zone”, as William Bridges calls it (1991, p.34). Because the type

of change that the client is undergoing is “deep and far-reaching”, the middle stage can go on for an extended period of time (Bridges, 1991, p.34). MCFD is undergoing a transition that is a profound type of change for the organization. The depth of this transformation places added emphasis on the middle stage of change, where people must let go of old ways and develop new systems. Bridges has identified this stage of change as the ideal time for encouraging innovation, reviewing old systems and introducing new approaches. As well, the neutral zone is also a time when morale can decrease and staff turnover can increase, because of the uncertainty and anxiety that people feel when moving from an old identity to a new one. To address these specific concerns, several questions have been included to explore the best approaches for managing them. In addition to these, one question on service delivery was also included to provide information for the client that would assist in developing the service excellence component of the ministry’s vision of renewal.

Throughout the findings, figures have been included at the end of each section to provide a snapshot of the key strategies used in each sector, in order of priority. The key practices were identified by first noting the most frequently occurring strategies used per sector for each interview question and then singling out the top ones. The ranking of each strategy reflects the number of interviewees within that sector that use that practice. Similarities and differences across and between the sectors are reported on separately to highlight these findings. Tables that show similarities across the sectors include the specific rankings by interviewees in terms of importance. In all of the tables, the bold lettering

corresponds to the subject of the figure—for example, in the table that shows similarities across the sectors, the similar strategies are in bold print.

## **Change Management**

The first question is meant to act gain a sense of the manager’s overall depth and breadth of experience in change management. Answers to this question also provide information about the differences between the sectors regarding type and complexity of change operations.

## **Types of Major Change Initiatives**

Interviewees in the three sectors had experienced a wide variety of change processes that ranged from mergers to downsizing to expansion. In general, the nonprofit sector experienced fewer types of change than other sectors, and change in public and private sector involved larger scale projects that had a greater level of sophistication.

Re-structuring was the most common type of change that interviewees had been involved with. In the public sector, re-structuring included whole government systems, regions, and specific ministries. Private sector re-structuring primarily had a market focus—changing internal structures to reflect the changing marketplace. Re-structuring within the nonprofit sector often meant a change in the organizational model, towards one with an executive director and/or fewer managers.

Performance management is an increasingly present factor in change initiatives across the sectors. Many ministries in the public sector are re-organizing and developing

themselves in this area; private sector firms are introducing performance management systems and competency-based frameworks and many nonprofit agencies are being forced to adopt outcome focused systems of program evaluation in order to obtain funding.

There were some differences between the sectors. Expansion and collaborative partnerships, for example, were unique to the nonprofit sector. By comparison, public sector organizations were amalgamating and regionalizing, whereas private companies were centralizing and downsizing. Unionization was common to two nonprofits, but not experienced in other sectors. As well, there was a greater focus on the re-organization of processes in both public and private sector than in nonprofit. And finally, new models and systems were being developed in public and private organizations, such as performance management and shared services in government and re-engineering of business processes in private companies.

### **Most Helpful Strategies for Making Change**

The second question investigates the practices that managers found were most useful and effective for managing change. Interviewees were asked to provide information about the specific components of the strategies and describe what it was that made the strategy most helpful.

### ***Similarities across the Sectors (Figure 2)***

**Communication** was ranked as the most helpful strategy for making change in all three sectors. Interviewees emphasized using a variety of approaches to communicate change

and increase people's understanding of it, including technology, newsletters, meetings and retreats. Several private sector companies had a communication plan within their transition plan and provide training for their managers to increase their overall effectiveness in communicating change. Face-to-face communication stood out as the best way to communicate change—in regular meetings with staff, to bring people together to reinforce and clarify messages, to explain the why and what of the change initiative. Interviewees impressed that it was important to be open about what you do and do not know—honesty and frankness should be key components of all communication. As well, interviewees highlighted the importance of constant dialogue, consistency of message and clarity. Constant communication may mean weekly bulletins, regular meetings and periodic retreats to keep people informed of progress and provided with a sense of moving forward towards organizational goals. Consistency and clarity of communication is essential to reinforce people's understanding of the new direction and build support. Clarity is also required in communicating why the change is needed, what the change intends to accomplish and how that new state differs from the old one.

**Involvement** was rated as the second most helpful strategy by both private and nonprofit interviewees and as third by public sector respondents. For the private sector, involvement means a high level of inclusion in business process, change management, and cross-functional teams and quarterly meetings to review progress, quality and productivity. Private sector managers in particular spend a great deal of time involving people in change processes, to the extent that one interviewee stated “employee engagement is critical”. For the nonprofit sector, involvement is a strategy that is used

constantly in every aspect of change and development—to engage with clients, other agencies and entire communities. The public sector also relies on involvement to effect change, although to a lesser extent than private and nonprofit organizations. Public sector respondents use teams, steering committees and consultation processes to engage stakeholders, increase the strength of the project and spread responsibility for tasks.

**Planning** was the third strategy common to all sectors. A formal transition/transformation/change plan was noted as essential for guiding the overall change process and facilitating movement from current to future state. The plan must be adaptable, aligned with business goals and contain clear reporting and accountability mechanisms to ensure that tasks are completed within set deadlines. It should also be laid out at a high level, but have sufficient detail to support it. And finally, key initiatives should be clearly linked to the plan so every project and task supports the direction of the change.

*Figure 2: Most Helpful Strategies – Similarities across the Sectors*

	<b>Public sector</b>	<b>Rank</b>	<b>Private Sector</b>	<b>Rank</b>	<b>Nonprofit Sector</b>	<b>Rank</b>
#1	<b>Communication</b>	9/9	<b>Communication</b>	9/11	<b>Communication</b>	5/9
#2	Leadership	8/9	<b>Involvement</b>	8/11	<b>Involvement, Expertise &amp; Planning</b>	4/9
#3	<b>Planning &amp; Involvement</b>	6/9	Vision	7/11		
#4			<b>Leadership &amp; Planning</b>	5/11		

### ***Differences between the Sectors (Figure 3)***

**Vision** is highly valued by private sector managers, yet was not ranked in the public or nonprofit sector. Private sector interviewees ranked vision almost as important as involvement. One interviewee stated that “expression of a vision with clear purpose was central” (to change management). A clear vision was described as important for describing the direction desired, defining the difference between the old and new organization and engendering support for the change effort. Consistency of vision is also important—the fundamental vision should remain the same over time, although finer details may change.

**Leadership** was ranked as the second most helpful strategy used in the public sector. Private sector interviewees rated leadership as important as planning, and after communication, involvement and vision. Leadership was not ranked by the nonprofit sector. For the public and private sectors, having an executive sponsor team was important for signaling that the change effort is legitimate and significant. Although champions of the change can be at lower levels of the organization, it is critical that the official leader takes a leadership role in the change initiative. Respondents also emphasized that senior people need to be highly visible during a change effort and involved in providing communication updates to staff in small and large forums to add credibility and build support. Backing for the initiative can also be developed by having credible champions at all levels of the organization. This strategy helps to decrease resistance and increase buy-in.

Neither leadership nor vision was rated as a useful strategy by nonprofit managers. In their place were communication, involvement, planning and the use of outside expertise. Involvement was noted as a recurring theme throughout nonprofit responses to all interview questions—it was relied on heavily in all aspects of change management.

**Figure 3: Most Helpful Strategies – Differences between the Sectors**

<b>Strategy Ranking</b>	<b>Public Sector</b>	<b>Private Sector</b>	<b>Nonprofit Sector</b>
#1	Communication	Communication	Communication
#2	<b>Leadership</b>	Involvement	<b>Involvement, Expertise &amp; Planning</b>
#3	Planning & Involvement	<b>Vision</b>	
#4		Leadership & Planning	

### **Least Helpful Strategies for Making Change**

Lessons can often be learned from failures as well as successes. The third question attempts to reveal some of the pitfalls of managing change, based on the direct experience of others.

### **Similarities across the Sectors (Figure 4)**

The strategy that was rated as most helpful for each sector was also noted as the least helpful in the public and private sector. Apparently, the approach that organizations use and rely on the most can also be the most problematic. For both public and private sector organizations, communication was the most and least helpful strategy. In nonprofit interviews, involvement was rated the least helpful strategy. Involvement in the nonprofit area is ranked as a close second to communication for the most helpful strategy.

**Communication** problems arose from sending counterproductive messages, using a closed or secretive approach, missing out the middle managers and not using a variety of communication tools. Other concerns centred around the quantity and timing of communication—not communicating early enough in the process, giving out too much information at once, not being thorough enough and not doing enough of it. Public sector interviewees also noted that the vision was not communicated up front or clearly enough and insufficient time was spent on explaining the reason for the change effort. As well, electronic mail was not used as much because some people did not have access to the technology and there was a lack of excluded managers in the regions who could articulate the vision to other employees.

**Involvement** was noted as a least helpful strategy by all sectors. Public organizations experienced difficulty getting inter–ministry groups to work together and underestimated the impact of change on relationships with other external bodies. Private sector companies had problems in trying to involve unions and getting buy–in at the detail level of the change plan. Nonprofit agencies did not get full support from all stakeholders and transition team members, did not involve staff soon enough in the process and neglected to include some decision-makers at the table.

**Leadership** was ranked as a least helpful strategy by public and private sector interviewees. Public managers experienced challenges when executive support was in name only, when only senior managers were engaged in the change process and when there was inadequate discussion with senior executive about the implications of major

change initiatives. Private sector respondents noted the need to do leadership training earlier in the process, have greater focus on leadership and team skills, be clearer and more specific about the leadership strategy and not implement initiatives without senior leader support.

**Planning** was also noted as a least helpful strategy by both the public and nonprofit sector. Public managers learned that it was not helpful to be fixed on a plan or final outcome, have misalignment with the overall business direction, use a command and control approach, or assign project tasks without careful thought to the resources that would be required. Several nonprofit managers found that they were often not prepared enough, had no change leader, did not stick to the strategic plan and allowed the planning process to become overwhelming.

*Figure 4: Least Helpful Strategies – Similarities across the Sectors*

	<b>Public Sector</b>	<b>Rank</b>	<b>Private Sector</b>	<b>Rank</b>	<b>Nonprofit Sector</b>	<b>Rank</b>
#1	<b>Communication</b>	5/9	<b>Communication</b>	6/11	<b>Involvement</b>	4/9
#2	<b>Planning</b>	4/9	<b>Involvement, Leadership &amp; Training</b>	3/11	<b>Planning &amp; Communication</b>	3/9
#3	<b>Leadership, Involvement &amp; Time</b>	3/9				

*Differences between the Sectors (Figure 5)*

**Leadership** was not ranked as a least helpful strategy by the nonprofit sector, despite it being rated by both public and private sectors. Leadership was also not ranked as a most

helpful strategy by the nonprofit sector—communication and involvement were emphasized much more strongly in both cases.

**Training** was ranked as a least helpful strategy by the private sector only, on an even scale with involvement and leadership. Some private sector managers found that the benefits of change management training were greater if embedded in the business rather than taught in isolation. One manager also learned not to depend on outside experts too much, since the recommended approach may be too narrow for the organization's needs. And, another found that training for new jobs should not be done too far in advance of the change, or staff may forget what they learned by the time they need to apply the new skills.

**Time** was noted by only public sector managers as a least useful strategy, and on an equal basis with leadership and involvement. Interviewees expressed the need to set realistic but responsible time frames for change initiatives and found that some change processes took too long and ended up exhausting people. Other interviewees stated that expecting a quick response to change strategies and new practices was unrealistic—change does not happen overnight.

**Figure 5: Least Helpful Strategies – Differences between the Sectors**

<b>Strategy Ranking</b>	<b>Public Sector</b>	<b>Private Sector</b>	<b>Nonprofit Sector</b>
#1	Communication	Communication	<b>Involvement</b>
#2	Planning	<b>Involvement, Leadership &amp; Training</b>	Planning & Communication
#3	<b>Leadership, Involvement &amp; Time</b>		

**Problems after Change Completed**

In most cases, a change is never really completed. The process of fine-tuning, adapting and problem solving may continue for months or even years after the change is implemented. The fourth question investigates the types of problems that managers found after making the change and what was needed to correct the problem or avoid it if the change was done again.

**Similarities across the Sectors (Figure 6)**

All of the organizations experienced some problems after the change initiative was completed. Problems included an increase in the number of grievances, a lack of awareness and understanding about the change, decreased efficiency, loss of staff confidence in the new environment, decreased trust, an us versus they attitude among managers and staff, a tendency to revert back to old ways if new ones were not reinforced vigilantly and information technology restrictions.

**Time** was the single element that managers commonly expressed a need for. They found that many of the problems present after a change get worked out over time. Public sector interviewees found that it takes a long time for people to adapt to all the changes and time is required for re-defining relationships. An adjustment phase of up to two years was recommended, to sort things out. Private sector managers also learned that the change process can take years and in many cases, it took a full year before the change could be seen to be working. Respondents found that it takes time for staff to let go of old responsibilities and roles and learn to trust the new ones and it takes time to set up new policies and procedures, communication techniques and build confidence in new practices. Nonprofit managers as well, found that many problems work out over time and that staying focused on the vision and learning to adapt to the new environment helps to alleviate difficulties.

**Communication** was the second area that all sectors had some problems with and more notably in the public and private sector than the nonprofit. Public sector managers found the need to re-state and re-clarify the vision and provide increased support and communication to staff, particularly through middle managers. Private sector managers also noted the need for increased communication and worked on giving consistent messages to staff, clarifying decision parameters and providing additional information on business direction and costs to reinforce the change.

*Figure 6: Problems after the Change – Similarities across the Sectors*

	<b>Public Sector</b>	<b>Rank</b>	<b>Private Sector</b>	<b>Rank</b>	<b>Nonprofit Sector</b>	<b>Rank</b>
#1	Leadership	6/9	<b>Time</b>	8/11	Involvement, <b>Time &amp; Expertise</b>	3/9
#2	Planning	4/9	Reinforcement	6/11		
#3	<b>Time &amp; Communication</b>	3/9	<b>Leadership &amp; Communication</b>	5/11		
#4			Training	3/11		

*Differences between the Sectors (Figure 7)*

**Time** was noted as a similar problem in all sectors, but it also stands out as the most strongly ranked problem expressed in the private sector interviews. Private sector managers emphasized that time is required for managers and staff to acclimatize to the change, set up new systems and gain confidence in the new ways.

**Leadership** was the problem most strongly rated by the public sector, rated third most important by the private sector and not rated at all by the nonprofit sector. Public sector interviewees found that continual visible presence of leaders was essential and that it was problematic to have leaders at the top change several times during a change initiative. Interviewees also noted the need for leaders to be strong public advocates after the change was completed and continue to provide support to others within the organization. Private sector managers highlighted the need to have senior management behind the change to sustain it and have them work with frontline managers to provide support and keep staff on track. Like public sector interviewees, private sector managers also noted the importance of visibility of senior leaders for sustaining change and building relationships. Training and developing leaders was also noted as critical for managing

change: in relationship and team building skills to build trust and credibility and training the frontline leaders to decrease the us versus them feeling and help managers understand that they too, are leaders.

**Reinforcement** was ranked as the second greatest problem for private sector interviewees. Managers stressed the need to be vigilant once the change is completed to avoid being pushed back to the status quo. Reinforcement was needed to sustain and anchor the change, or staff would tend to revert to old ways of practice. Private sector managers used tool box meetings, reinforced positive parts of the change, discouraged old behaviours, kept in constant contact with staff and persevered on a daily basis to reinforce the changes.

**Training** was used by several private sector interviewees to manage problems, but it was not ranked by the other sectors. Some private organizations used training to anchor change and to strengthen managers’ skills in relationships, team building and communication. Training was also used to instruct frontline managers in their role as leader, to clarify and define the client relationship and distinguish between leadership and management functions and roles.

***Figure 7: Problems after the Change – Differences between the Sectors***

	<b>Public Sector</b>	<b>Private Sector</b>	<b>Nonprofit Sector</b>
#1	<b>Leadership</b>	<b>Time</b>	Involvement, Time & Expertise
#2	Planning	<b>Reinforcement</b>	
#3	Time & Communication	<b>Leadership &amp; Communication</b>	
#4		<b>Training</b>	

## **Workforce Renewal**

The interview questions in this section probe specific aspects within the change management process. Strategies that focus on workforce renewal address the particular practices that managers use to retain their best and brightest during change and improve the overall work environment so the organization will manage change effectively and emerge from the process with a stronger and more resilient workforce.

## **Strategies for Ensuring Good Service Delivery**

This question looks at how managers build a strong client focus in their organizations. Although this question does not relate directly to change management, it was included because the client ministry's vision of renewal after their transformation includes a service excellence component. Responses to this subject will assist in developing this new direction.

## ***Similarities across the Sectors (Figure 8)***

**Involvement** was the single common strategy used by all sectors for ensuring good service delivery to clients and it was ranked as the most important one by the public and nonprofit sectors. In the public sector, involvement included having a shared sense of direction—following organizational goals and principles for making decisions, matching service delivery offerings to the client, creating opportunities for closer contact with clients and partnering with other sectors to get out of the silo approach. Private sector interviewees involved staff in focus and advisory groups, cross-functional teams and surveys to improve customer service. Private sector managers also involved clients

themselves in customer service measurements such as surveys, by using client service teams to build concepts and in strategic planning processes to build strategies that are service-focused. Nonprofit interviewees involved staff directly in regular meetings and retreats for planning and decision-making with board and staff and to develop vision, mission and budgets. As well, nonprofit interviewees practiced an open-door policy to encourage staff to share concerns and ideas.

**Figure 8: Ensuring Good Service Delivery – Similarities across the Sectors**

	<b>Public Sector</b>	<b>Rank</b>	<b>Private Sector</b>	<b>Rank</b>	<b>Nonprofit Sector</b>	<b>Rank</b>
#1	<b>Involvement</b>	6/9	Recognition	8/11	Client focus	7/10
#2	Hiring/HR strategies	5/9	Training	7/11	Performance Management	5/10
#3	Communication	3/9	Performance Management	6/11	<b>Involvement</b>	4/10
#4			<b>Involvement &amp; compensation</b>	4/11	Hiring	3/10

***Differences between the Sectors (Figure 9)***

There were more differences between the sectors than similarities in strategies used for service delivery, as well as different mixes of strategies.

**Recognition** was strongly ranked by private sector interviewees as the most successful strategy for ensuring good service delivery. Several organizations have an extensive recognition program for staff that includes individual employee, leader and team recognition on a monthly and annual basis in addition to an overall annual special event. As well, a three-dimensional recognition program is used by some respondents, and includes customer, peer and management recognition for good service to clients.

Recognition is also done informally in many private organizations, where managers give staff direct recognition on the spot, along with a small prize such as a lottery ticket. And, recognition is embedded in the performance contract in many cases, so compensation and incentives such as extra vacation days are directly tied to customer service performance.

**Training** was clearly rated as the second most successful strategy used by private sector interviewees, but it was not noted at all by the public or nonprofit sector. Private sector organizations used a broad spectrum of training and development programs and activities to emphasize and improve client service. Training may be as extensive as a six-week program prior to staff having any contact with customers, or as short as a lunch and learn program to help staff understand their role with clients. Formal programs include leadership coaching and development to ensure client focus and clarity about service and learning supports such as access to courses and online career-pathing tools.

**Performance Management** was rated as the second most successful strategy by nonprofit interviewees and the third most important in the private sector. Performance management was not rated as an effective strategy in public sector interviews. Most managers in the nonprofit sector conduct annual performance appraisals, both formally and informally, include service delivery as a component in orientation sessions for new staff and use direct supervision to ensure good client service delivery. A performance-based culture generally permeated all of the private sector organizations represented in the interviews. In many cases, incentives are both individual and team-based and centred on achievement of organizational objectives (e.g. profit). A strong linkage is present

between individual, divisional and corporate objectives and between compensation and career development plans. In some cases, gain sharing is tied to customer satisfaction or company stock is offered to employees for extra contributions. A final component of the private sector system is the individual performance plan that is taken down to the line level, with accountability for set goals and objectives.

**Client focus** was ranked as the most effective practice for ensuring good service delivery by the nonprofit respondents. Public and private interviewees did not refer to this strategy. Nonprofit managers focus heavily on listening to and learning from clients, in an effort to better understand their needs and concerns. Nonprofit interviewees also facilitated staff connections with the community and collaborated with other groups to provide better service. As well, many nonprofit organizations incorporated service delivery into the philosophy of the agency.

**Hiring** was noted as the second most successful strategy used by public sector interviewees, and as a minor strategy in the nonprofit sector. The hiring strategy involved developing a set of core competencies for hiring that includes a client service component, actively seeking people who see client service as important and having human resources staff who understand the business and provide direction in service delivery. The human resources strategy should also be tied to business goals. One interviewee who had been involved with significant downsizing activities noted that senior managers and human resource directors must think carefully about the skills and abilities that will be needed in smaller, flatter organizational structures. His experience showed that after downsizing,

there was a need for different types of skill sets and a greater reliance on teamwork and individual members’ strengths than on the leaders’.

**Figure 9: Ensuring Good Service Delivery – Differences between the Sectors**

Strategy Ranking	Public Sector	Private Sector	Nonprofit Sector
#1	Involvement	<b>Recognition</b>	<b>Client Focus</b>
#2	<b>Hiring/HR</b>	<b>Training</b>	<b>Performance Management</b>
#3	Communication	<b>Performance Management</b>	Involvement
#4		Involvement & Compensation	<b>Hiring</b>

### **Key Practices to Empower Staff and Encourage Innovation**

Periods of change are good times for giving staff new responsibilities, as well as introducing and encouraging innovation and improvements. This question explores the different ways managers create an environment that fosters empowerment and innovation.

### **Empowering Staff - Similarities across the Sectors (Figure 10)**

**Involvement** was used by all three sectors to empower staff—it was ranked as the most important practice by private sector interviewees, and to a lesser degree in the other sectors. To empower staff, private sector managers used employee/client surveys, employee issues teams and advisory groups and de-centralized authority as far down the line as possible. Public sector managers relied on workshops, small discussion groups and team-based multidisciplinary approaches to break down hierarchies and encourage

involvement. Nonprofit managers involved staff in all major changes and used problem-solving and group decision-making activities to empower staff.

***Innovation – Similarities across the Sectors (Figure 10)***

**Encouragement** was used most frequently by nonprofit and public sector respondents for fostering innovation and to a lesser extent by private sector interviewees. Encouragement was used in the public sector to reinforce trying new approaches and taking risks. Not punishing failure was also emphasized as a way to encourage innovation. In the private sector, innovation was often a core organizational value and encouraged through work teams, working circles, the performance culture and included in hiring criteria. Nonprofit managers also encourage staff by listening to and supporting ideas, providing opportunities to share ideas, maintaining an open door policy and doing walkabouts to keep in close contact with staff. In all sectors, creating an environment where people feel safe to come forward with ideas was a central component of promoting innovation.

***Figure 10: Empowering Staff and Encouraging Innovation – Similarities across the Sectors***

	<b>Public Sector</b>	<b>Rank</b>	<b>Private Sector</b>	<b>Rank</b>	<b>Nonprofit Sector</b>	<b>Rank</b>
#1	Lessen control	6/9	<b>Involvement &amp; Training</b>	7/11	<b>Encourage &amp; Involvement</b>	5/10
#2	<b>Encourage</b>	4/9			Delegate	4/10
#3	Recognition, <b>Involvement &amp; Performance Management</b>	3/9				

### ***Empowerment - Differences between the Sectors (Figure 11)***

**Lessening control** was given as the key practice for empowering staff by public sector interviewees. This strategy involved minimizing controls and removing barriers such as policies, procedures and budget parameters where possible, helping people to understand the rules, giving permission to break the rules and giving staff increased authority. The other part of this strategy included true delegation and clear expectations. Respondents emphasized the importance of allowing staff to accomplish tasks in their own way and without interference after deadlines, outcomes and deliverables are communicated. Nonprofit interviewees also accented true delegation as a central practice for empowering staff. Giving staff the freedom to act on ideas and take responsibility for programs was seen as essential for giving people a sense of control.

**Training** was underscored as a key practice used by managers in the private sector for empowering staff, but was not noted by other sector interviewees. Training practices in the private sector included orientation sessions for all staff, team training and ongoing leadership development programs to increase leader's understanding of empowerment and learn how to empower others. The learning component of staff development was strongly emphasized in this area. Learning was included as an organizational value, in general management training and policy that makes training opportunities open to employees at all levels of the organization.

**Recognition and Performance Management** were both noted as practices used by some public sector interviewees for empowering staff and to a minor extent by private sector

managers. Public sector recognition involved giving staff both formal and informal acknowledgement, verbal appreciation for work well done and providing the opportunity to take individual work to the highest level possible within the organization. Performance management included using performance reviews to provide feedback, identify gaps in competencies and pinpoint areas to work on to improve staff's effectiveness. In the private sector, some interviewees give staff free reign, within guidelines, to please clients with special treatment where appropriate and also encouraged staff to submit ideas to competitions and conferences for recognition of excellent work.

***Innovation – Differences between the Sectors (Figure 11)***

Private sector interviewees used a mix of approaches to encourage innovation, in addition to involvement and training. Innovation is an integral part of the performance culture in many private sector companies and also a core value. Many private sector respondents use innovation as one of their hiring criteria and encourage innovation through the use of work teams and working circles. And, several companies have formal suggestion and innovation award programs with cash prizes to encourage new ideas.

***Figure 11: Empowering Staff and Encouraging Innovation – Differences between the Sectors***

<b>Strategy Ranking</b>	<b>Public Sector</b>	<b>Private Sector</b>	<b>Nonprofit Sector</b>
#1	<b>Lessen Control</b>	Involvement & <b>Training</b>	Encourage & Involvement
#2	Encourage		Delegate
#3	<b>Recognition, Involvement &amp; Performance Management</b>		

## **Approaches for Building Morale During and After Change**

Morale can easily drop to dangerous levels during times of change, decreasing support and energy and threatening the success of the change initiative. Unless specific strategies are employed to address morale issues when they arise, the problem may create a real barrier to effecting and surviving change. This question investigates how managers have handled problems with low morale.

### ***Similarities across the Sectors (Figure 12)***

**Communication** was the most common approach used across the sectors for maintaining and building morale during and after major change. It was ranked as the most important approach by public and nonprofit interviewees, and second by private sector interviewees. In the public sector, respondents spoke of communicating as much as possible and keeping communication continuous, honest, direct and verbal. Visibility was also emphasized—increased visibility of leaders in walkabouts, visiting teams and branches, talking with managers and staff, being available to answer questions and encouraging people to bring rumours forward to be addressed.

Nonprofit interviewees also stressed the value of using communication to keep people informed and decrease rumours. As well, staying engaged with staff, using reflective practice and reinforcing staff's skills and abilities were seen as helpful for maintaining and building morale.

Private sector respondents also highlighted the effectiveness of honest, transparent, personal and accessible communication for maintaining morale. Having a leader who was truthful, open and made information available as much as possible was seen as very useful. Private sector managers recommended using supervisors as the first line of communication and holding forums to provide opportunities for people to give opinions and ask questions. Other interviewees felt that people generally assume too much about communication and found that it was necessary to educate managers about what they could and could not communicate to staff. Overall, the general consensus was that personal and frank communication about progress being made did much to maintain and build morale.

***Figure 12: Building and Maintaining Morale – Similarities across the Sectors***

	<b>Public Sector</b>	<b>Rank</b>	<b>Private Sector</b>	<b>Rank</b>	<b>Nonprofit Sector</b>	<b>Rank</b>
#1	<b>Communication</b>	9/9	Involvement	6/11	<b>Communication</b>	7/10
#2			Celebration, Recognition & <b>Communication</b>	4/11	Involvement	6/10
#3					Social Opportunities	5/10

***Differences between the Sectors (Figure 13)***

**Involvement** was ranked as the most helpful approach used by private sector interviewees for building and maintaining morale and the second most effective practice used in the nonprofit area. To address morale issues, private sector managers included staff in mini conferences, focus groups, surveys and teams to discuss and affirm the new direction, re-energize people, increase a sense of control over the future and decrease

uncertainty. Nonprofit managers emphasized involving everyone in the change process by getting staff together frequently and using staff/board retreats and a project-oriented work approach to build a collaborative team feeling.

**Celebration, recognition and social opportunities** were rated as helpful approaches for boosting morale during times of change by both the private and nonprofit sector.

Interviewees in the private sector rated celebration and recognition equally as important as communication. Private sector respondents felt it was valuable to celebrate milestones of the change initiative, but only if they were perceived as true wins and not simply token accomplishments. Effective practices included formal celebrations to demonstrate progress and improvements made, show appreciation and acknowledge and thank employees for their effort. Nonprofit interviewees highlighted the value of planning informal social activities, such as special lunches and recreational activities to take a break from work, have some fun and build morale.

*Figure 13: Building and Maintaining Morale – Differences between the Sectors*

<b>Strategy Ranking</b>	<b>Public Sector</b>	<b>Private Sector</b>	<b>Nonprofit Sector</b>
#1	Communication	Involvement	Communication
#2		<b>Celebration, Recognition &amp; Communication</b>	<b>Involvement</b>
#3			<b>Social Opportunities</b>

### **How to Build Enthusiasm for a New Vision**

Vision is identified in the literature as a critical component for managing change and it is highlighted in the interviews as an essential strategy. Just having a vision, however, is not

sufficient to implement change —support and interest must be garnered in order for it to be a useful component of the change process. This question looks at how commitment for a new vision is developed.

### ***Similarities across the Sectors (Figure 14)***

Responses on how to build enthusiasm had the greatest clarity and agreement of all the interview questions. Interviewees from all sectors rated communication and involvement as the top two strategies for building enthusiasm for a new vision.

**Communication** was ranked as the most important of the two favoured strategies by public sector interviewees. The private sector rated communication and involvement equally important and the nonprofit interviewees ranked it second to involvement. Key people with high credibility, clarity and conversation were emphasized as essential elements for communicating the vision and building enthusiasm for it. Leaders must be clear and consistent about the vision and be able to articulate it and break it down so individuals at all levels can see their role and the opportunities that exist for them.

Leaders also need to talk about the vision extensively and involve others in discussing it, to build a common sense of purpose and generate interest. As well, leaders should be frank about the challenges that will be encountered, share information openly and align their actions to reflect the vision.

**Involvement** was rated as the most important approach by the nonprofit interviewees and it was ranked second by the public and private sector. Engagement of managers, staff and

clients was seen as a critical practice for building support for a new vision. Private sector interviewees used mini-conferences and problem-solving activities to involve staff and build enthusiasm for the new direction. They also included customers in defining the new service vision, engaged middle managers as implementers of change and involved employees in the strategic planning process. Public sector managers used team approaches, project work and staff meetings for involving people and creating enthusiasm.

**Figure 14: Building Enthusiasm for a New Vision – Similarities across the Sectors**

	<b>Public Sector</b>	<b>Rank</b>	<b>Private Sector</b>	<b>Rank</b>	<b>Nonprofit Sector</b>	<b>Rank</b>
#1	<b>Communication</b>	9/9	<b>Communication &amp; Involvement</b>	9/11	<b>Involvement</b>	7/10
#2	<b>Involvement</b>	4/9			<b>Communication</b>	6/10

### **Approaches to Retain and Support Skilled Staff during Change**

Major change is a time of uncertainty for staff. They may be unsure if they will have a job after the change is over, or if they will like the new environment once it has been created. Many employees may consider leaving the organization to seek a more stable situation, unless strategies are used to maximize everyone’s contribution and encourage people to stay. This question addresses the problem of retention and looks at what managers do to prevent turnover during change.

### ***Similarities across the Sectors (Figure 15)***

**Communication** was named as either the most important or second most important factor for retaining and supporting skilled staff, by interviewees from all sectors. Being able to communicate a clear and compelling vision early in the change process was seen as essential for keeping staff. Staff need to understand where the organization is going, why the direction is changing and be able to connect that direction to their own jobs. Leaders must be able to paint a picture of the future that demonstrates future opportunities and shows staff where and how they will fit in. Organizational honesty in all communication was also emphasized by respondents—being frank about the opportunities and risks of leaving and staying with the organization and the amount of support that can be provided. Finally, several interviewees in the nonprofit sector also felt that the organization must be grounded in shared principles to retain staff, and those principles should be communicated as part of the vision and goals.

**Involvement** was the second component that respondents from all sectors identified as essential for retaining staff. Nonprofit managers ranked it as the most important factor, public sector managers rated it equally with planning and training and the private sector managers rated it as a minor factor. Nonprofit interviewees stressed the value of giving staff a part to play so people feel like they are contributing and have a sense of ownership over the process. Project work, opportunities for brainstorming and honouring staff's contributions were seen as ways to involve staff and hold onto them.

**Training and development** was the third common element that all respondents noted for keeping and supporting skilled staff. Private sector interviewees ranked it as the most important strategy, public sector managers rated it equally with involvement and planning and the nonprofit respondents ranked it third after involvement and communication. In the private sector, training and development was used during and after the change to retain staff. Expertise in change management was brought in for management seminars, cultural education was included in leadership development offerings and other growth and development opportunities were provided to give staff support where needed. Public sector managers also recommended providing ongoing education and development throughout the change initiative and using it to help people fill gaps in skill deficits.

**Planning** was noted as equally important as involvement and training by public sector interviewees. Private and nonprofit sector respondents identified it as a minor strategy for retaining skilled staff. Public sector managers stressed the importance of having a human resources plan to be knowledgeable about workforce, market and demographic trends and provide some stability for the organization. Private sector managers emphasized that a solid plan gives people confidence in the future of the organization and nonprofit managers identified the value of planning sessions for retaining staff.

**Figure 15: Retaining and Supporting Skilled Staff – Similarities across the Sectors**

	<b>Public Sector</b>	<b>Rank</b>	<b>Private Sector</b>	<b>Rank</b>	<b>Nonprofit Sector</b>	<b>Rank</b>
#1	<b>Communication</b>	5/9	<b>Training &amp; Development</b>	6/11	<b>Involvement</b>	6/10
#2	<b>Involvement, Planning &amp; Training</b>	3/9	<b>Communication</b>	5/11	<b>Communication</b>	3/10
#3			<b>Incentives, Planning &amp; Involvement</b>	3/11	<b>Training &amp; Development</b>	2/10

**Differences between the Sectors (Figure 16)**

Incentives were used by some private sector organizations to retain skilled staff. Types of incentives included an increase in salary for greater contributions to the organization, stock options and executive benefits.

**Figure 16: Retaining and Supporting Skilled Staff – Differences between the Sectors**

<b>Strategy Ranking</b>	<b>Public Sector</b>	<b>Private Sector</b>	<b>Nonprofit Sector</b>
#1	Communication	Training & Development	Involvement
#2	Involvement, Planning & Training	Communication	Communication
#3		<b>Incentives, Planning &amp; Involvement</b>	Training & Development

**Encouraging Flexibility, Freedom and Calculated Risk-Taking**

The middle stage of change is a good time for inciting greater flexibility and experimentation. At a time when many organizations are downsizing and flattening their structures, adaptability and the ability to take risks are seen as desirable attributes and

signs of a progressive organization. This question explores how managers foster this type of environment.

### ***Flexibility and Freedom—Similarities across the Sectors***

**Encouragement and openness** stood out as common themes across the sectors for fostering a flexible work environment. Interviewees encouraged staff to think creatively and independently, bring ideas forward, experiment, make decisions and be responsive to the client. Managers in all sectors also stressed the need to be open to doing things differently, give staff latitude on how to achieve goals and be able to stand back and allow staff to try things on their own.

**Modelling** was identified by respondents in the public and private sector as a practice for encouraging flexibility and freedom in the workplace. Top down modelling by leaders and positive examples of being flexible were seen as important elements for encouraging similar behaviour in lower levels of the organization.

### ***Flexibility and Freedom—Differences between the Sectors***

Several interviewees in the nonprofit sector emphasized setting clear parameters and allowing for flexibility within set guidelines. Private sector managers rely more on the use of guidelines than policies and procedures. The broader nature of guidelines gave staff greater flexibility in how to deliver service, enabled decisions to be made quickly and increased innovation within the system. Public sector interviewees observed that flexibility was increased with downsizing and flattening of organizations—less

bureaucracy brought about increased accountability, expectations and freedom of thought and action.

### ***Risk-Taking— Similarities across the Sectors***

Respondents in all sectors emphasized the importance of responsible risk-taking when it is practiced within their organizations. Accountable risk-taking included having clear parameters and informed thinking around the potential risk before action was taken. Managers stressed thinking through the pros and cons of an action or applying some business thinking first to the situation and using good judgement to make the final decision. Responsible risk-taking also meant ensuring that staff had the necessary training and tools to do the job effectively and providing them where needed. Providing support for staff was also accented as helpful for encouraging risk-taking. Support was given through supervisory opportunities where risk could be clarified and discussed, by being clear and accepting of the potential for failure, by telling staff that the manager will take responsibility for the action if it is done with good intentions and by giving consistent messaging about risk. Interviewees in the public and private sector also acknowledged that risk-taking could be increased by making it one of the criteria for hiring and by making the environment as permissive and de-centralized as possible.

### ***Risk-Taking —Differences between the Sectors***

There were no significant differences between the sectors concerning practices used to encourage calculated risk-taking.

## **Summary**

All of the interviewees had been involved with major change in their organizations recently and many were currently in the midst of managing significant change. The sophistication and extent of the change initiatives that people had been involved with, or were currently heading up varied a great deal by sector. The private sector stood out in terms of the high level of up to date tools utilized and the level of expertise involved in the change management team. Many public sector managers also had vast experience with comprehensive change operations conducted under different governments.

Nonprofit interviewees were familiar with change as well, but on a smaller scale, and limited to more minor re-structuring and changes in funding and evaluation systems. In all cases, the differences in the type of change per sector were influenced by varying sets of external factors—changing marketplaces, governments, availability of resources and funding requirements.

Communication stood out as the most useful strategy for managing change in all sectors, and involvement played a close second. This says much about the importance of information and direct engagement of people in the change process, from beginning until long after it ends.

It is insightful to find that the most helpful strategies in all sectors - communication and involvement—were also found to be the most problematic. Communication is a challenging and difficult practice to perfect, and the interview results clearly show this. The more a practice is used and relied on, the more opportunities may be created for

errors and misperceptions to occur. The literature and lessons learned from other organizations in this area can be extremely helpful for avoiding some of the pitfalls experienced by others. However, both communication and involvement must still be tailored to a certain extent to individual work environments to be most effective.

All interviewees noted problems after the change was completed—no organization emerged without some difficulty, whatever the resources and strategies employed. Time and increased communication helped to alleviate many situations, but there were different types of problems found per sector after the change as well. Leadership, for example, was the greatest problem experienced in the public sector after change, time was the greatest in the private sector, and a real mix of problems was present in the nonprofit sector.

The differences identified as the most helpful strategies used in each sector lead to the most important finding: that each sector prefers or relies on a different combination of strategies for managing change. For all sectors, communication is the number one element—an absolutely essential component of a major change process. Once communication is removed from the formula however, the remaining mix of strategies clearly differs for each sector.

The public sector for example, relies heavily on leadership as its second most important practice, followed by planning and involvement. In contrast, private sector companies use involvement as a close second to communication, vision as a third strong component and

finally leadership and planning. The nonprofit sector uses a relatively balanced blend of involvement, expertise and planning as secondary strategies to communication.

What stands out about the differences is the presence and absence of certain strategies in the individual sectors. Vision is consistently mentioned in private sector interviews as an important component of change management, yet it was not identified as a helpful strategy in either the public or nonprofit interviews. Organizations in all sectors have vision statements, but it appears that vision may be developed and used in different ways in each sector and may or may not play a strong role in implementing change in the public and nonprofit sectors.

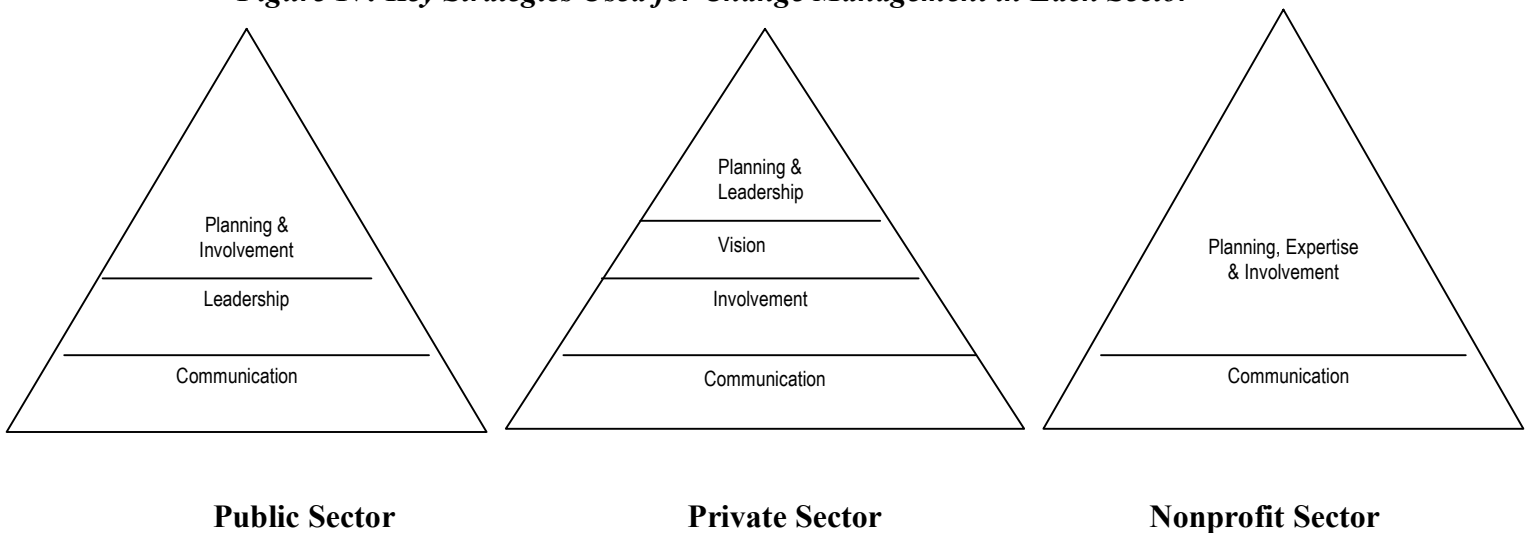
Leadership is noted as a very useful strategy in the public sector, as a more minor practice in the private sector, but was not named by nonprofit respondents as a practice that helped to manage change. Like vision, the absence of reference to the use of leadership may indicate that the role and function of leadership is different in the nonprofit sector, and is used to a lesser extent or in a different way during a change process. As well, the use of involvement and expertise may partially fulfill the function of leadership in nonprofits that it has in the public and private sectors.

The third area that stands out in the various mixes of strategies is the use of involvement. Although it is included by all sectors as a most helpful strategy, the extent to which it is used varies strongly. Private sector respondents rely heavily on the involvement of managers, staff and clients when implementing change, almost as much as use of

communication practices. Involvement is also noted as an important and consistently used practice in the nonprofit area. However, public sector interviewees rely on leadership much more heavily than involvement. It may be that the larger, more complex structure of many public organizations creates a barrier for using involvement as a strategy, or that other factors are influencing the present use of leadership as an important strategy for managing change in the public sector.

A summary table of the strategies used in each sector can be found at the end of this section (see Figure 18). A second table that highlights the similarities and differences of strategies used can be found in the appendix (see Appendix 3). The following figure shows the models that are currently being used in each sector for managing change.

***Figure 17: Key Strategies Used for Change Management in Each Sector***



**Figure 18: Interview Results - Change Management**

<b>Interview Question</b>	<b>Public Sector</b>	<b>Private Sector</b>	<b>Nonprofit Sector</b>
<b>1. Types of change initiatives involved with</b>	<ul style="list-style-type: none"> <li>• Re-structuring (gov't wide, region, sector, ministry)</li> <li>• Creation of ministry/new entity</li> <li>• Merging/amalgamation</li> <li>• Regionalization</li> <li>• Re-org. process/system – contract, performance management</li> <li>• Shared services project</li> </ul>	<ul style="list-style-type: none"> <li>• Re-structuring</li> <li>• Consolidation/centralization/merger</li> <li>• Downsizing</li> <li>• Re-engineering bus. Processes</li> <li>• Change in service del. Model</li> <li>• Intro new task approach/system – perf. mgt./competency framework</li> <li>• Intro new culture</li> </ul>	<ul style="list-style-type: none"> <li>• Re-structuring</li> <li>• Unionization</li> <li>• Collaborative partnership</li> <li>• Shift to outcome focus/shift in funding distribution process</li> <li>• Expansion</li> </ul>
<b>2. Most Helpful Strategies</b>	#1 Communication 9/9 #2 Leadership 8/9 #3 Planning & Involvement 6/9	#1 Communication 9/11 #2 Involvement 8/11 #3 Vision 7/11 #4 Leadership & Plan 5/11	#1 Communication 5/9 #2 Involvement, Expertise & Plan 4/9
<b>3. Least Helpful Strategies</b>	#1 Communication 5/9 #2 Plan 4/9 #3 Leadership, Involvement, Time 3/9	#1 Communication 6/11 #2 Involvement, Leadership, Training 3/11	#1 Involvement 4/9 #2 Planning, Communication 3/9
<b>4. Problems After the Change</b>	#1 Leadership 6/9 #2 Plan 4/9 #3 Time, Communication 3/9	#1 Time 8/11 #2 Reinforcement 6/11 #3 Leadership, Communication 5/11 #4 Training 3/11	#1 Involvement 3/9 Time, Expertise, Culture change 2/9

*Workforce Renewal*

<b>Interview Question</b>	<b>Public Sector</b>	<b>Private Sector</b>	<b>Nonprofit Sector</b>
<b>1. Strategies for ensuring good service delivery to clients</b>	#1 Involvement 6/9 #2 Hiring/HR Strategies 5/9 #3 Communication 3/9	#1 Recognition 8/11 #2 Training 7/11 #3 Performance Management 6/11 #4 Involvement, Compensation 4/11	#1 Client focus in org. 7/10 #2 Performance Management 5/10 #3 Involvement 4/10 #4 Hiring 3/10
<b>2. Practices to empower staff &amp; encourage innovation</b>	#1 Lessen Control 6/9 #2 Encourage 4/9 #3 Recognition, Involvement, Performance Management 3/9	Involvement 7/11 #2 Training 7/11  Re innovation – mixed responses.	#1 Encourage , Involve 5/10 #3 Delegate 4/10
<b>3. Approaches to build &amp; maintain morale</b>	#1 Communication 9/9 Other – mixed response	#1 Involve 6/11 #2 Celebrate, Recognize, Communicate 4/11	#1 Communicate 7/10 #3 Involve 6/10 #3 Social Opportunity 5/10 #4 Focus on Vision 2/10
<b>4. How to Build Enthusiasm for New Vision</b>	#1 Communication 9/9 #2 Involvement 4/9	#1 Communication & Involve 9/11	#1 Involve 7/10 #2 Communicate 6/10
<b>5. Need to Have to Retain &amp; Support Skilled Staff</b>	#1 Communication 5/9 #2 Involve, Plan, Train 3/9	#1 Training & Development 6/11 #2 Communication 5/11 #3 Incentives, Plan, Involve 3/11, 2/11	#1 Involve 6/10 #2 Communication 3/10 #3 Training & Development 2/10
<b>6. How to Encourage Flexibility, Freedom &amp; Calculated Risk-taking</b>	Re Flexibility – <ul style="list-style-type: none"> <li>• Encourage</li> <li>• Be open to new ways</li> <li>• Provide examples</li> </ul>	Re Flexibility – <ul style="list-style-type: none"> <li>• Guidelines rather than p &amp; p</li> <li>• Give staff latitude</li> <li>• Allow flexibility in service</li> <li>• Model, encourage</li> <li>• Provide consistent message</li> </ul>	Re Flexibility – <ul style="list-style-type: none"> <li>• Allow for individuality</li> <li>• Set up clear parameters</li> <li>• Flexible schedule</li> <li>• Encourage independent thought</li> </ul>

Interview Question	Public Sector	Private Sector	Nonprofit Sector
<b>6. Continued - How to Encourage Flexibility, Freedom &amp; Calculated Risk-taking</b>	Re Risk-taking <ul style="list-style-type: none"> <li>• Provide clear support</li> </ul>	Re Risk-taking <ul style="list-style-type: none"> <li>• Emphasize responsible risk-taking</li> <li>• Clear parameters, informed thinking</li> <li>• De-centralized structure encourages</li> <li>• Give latitude &amp; support</li> <li>• Consistent message</li> <li>• Performance Review measure</li> </ul>	Re Risk-taking <ul style="list-style-type: none"> <li>• Some programs risk-adverse</li> <li>• E.D. encourages, acknowledges</li> <li>• Do incrementally – pilot project</li> <li>• Ensure skills of staff</li> <li>• Use supervision to discuss &amp; clarify</li> <li>• Encourage response to community issues</li> </ul>
<b>7. Anything You would Like to Add re Change Management/ Workforce Renewal</b>	<ul style="list-style-type: none"> <li>• Give equal attention to leavers &amp; stayers</li> <li>• Key to communicate vision up front</li> <li>• Allow flexibility in process to reflect org. characteristics</li> <li>• Recognize ending &amp; new beginning</li> <li>• Gov't trying to do too much @ once re time line</li> </ul>	# 1 Leadership 4/10 (sponsorship critical, role & creating environment) #2 Communication 3/10 re vision Other: <ul style="list-style-type: none"> <li>• Give graceful way to leave</li> <li>• Celebrate, recognize effort &amp; endings</li> <li>• Provide ways to increase sense of control</li> <li>• Link initiatives w/ change</li> </ul>	#1 Involving everyone important #2 Try to understand people's motivation, barriers #3 Demographic awareness #4 Need strategic HR plan

## **DISCUSSION**

### **Change Management**

It is clear from the interviews that major change is a common occurrence today in every sector, no matter what the size of the organization or the type of business conducted.

Although the managers who were interviewed all shared the common experience of being involved with change, the reasons for the change and the type and level of sophistication involved varied by sector. This information is not surprising. Each sector is subject to a different set of external influences and relies on a different blend of internal resources when it comes to managing change. For example, public sector organizations have been heavily affected by a change in the provincial government and subsequent funding cuts which have forced many ministries to downsize and de-centralize their operations.

Private sector companies are faced with ever-increasing competition and have been forced to follow marketplace trends in an effort to retain a solid customer base and grow their businesses. And, many nonprofit agencies are experiencing changes to their funding distribution systems that require them to demonstrate the outcome benefits of their programs in order to maintain funding and continue operating.

Internal resources within the sectors vary as greatly as the external influences that affect them. The limited resource base of most nonprofit organizations requires staff to wear multiple hats—the luxury of having a director assigned to exclusively manage the human resources area is virtually unknown. As well, funding distribution systems permit only minimal use of monies for administrative purposes, limiting the amount of personnel

support a nonprofit can provide for managing change. In contrast, the resource base of many private companies provides sufficient capital to run a full and sophisticated human resources department that may have both local and corporate responsibilities. Training is ongoing in most private organizations and the latest models and tools are used to stay ahead of the competition and preserve a market share. Public sector ministries also have dedicated human resource departments, with trained personnel to support and guide change efforts.

### **Most Helpful Strategies**

#### ***Similarities across the Sectors***

**Communication** stands out in the findings as the most important aspect of managing change. Both the literature and the interviews highlighted communication as a critical component and demonstrated strong agreement concerning the type, frequency and best mediums to use for effective communication. It is also one of the most difficult strategies to do well. Interviewees openly acknowledged mistakes made along the way, efforts made to improve communication and frustrations experienced because the effectiveness of communications had been perceived differently by managers and staff. Despite these challenges however, it must be recognized that communication as a strategy takes precedent over all others and never really ends in the change process—ongoing communication is required at all stages and long after the change is said to be completed, in order to sustain it.

**Involvement** also had strong support as a useful strategy for managing change. Managers in the nonprofit and private sectors in particular described using a high level of inclusion in all aspects of the change process. Involvement was identified as a recurring practice used by nonprofit agencies for managing all aspects of change and workforce renewal. In a follow-up interview with a manager in the nonprofit sector, the use of involvement was described as stemming from the influences of culture, professionals in the community and funding bodies. For example, the culture of most nonprofit agencies is very service-oriented. To identify what types of service to provide, staff collaborate with the community, seek advice from external professionals and try to match their offerings with funding availability—an extremely complex process. The private sector as well, relies heavily on involvement as a strategy, but is more focused on including employees than outside stakeholders. Many private sector interviewees use formal approaches to engage staff, such as cross-functional teams and advisory groups to help plan and implement major change.

**The need for a plan** to guide and help manage the change effort was also specified as an essential strategy in all sectors. The type and complexity of plan used in organizations varied greatly by sector. Many private sector companies used advanced approaches, tools and techniques for effecting change and employed specific people to act as change managers for the duration of the process. The types of resources used by the private sector were by far the most sophisticated of any sector. In contrast, it was evident in many interviews with nonprofit managers that the lack of resources negatively affected the planning process. Only a few of the nonprofit agencies had a designated human

resources (HR) person. In most cases, managers had multiple roles and did HR planning as a side job in addition to many other duties. In a follow-up interview, a nonprofit manager identified resources as an issue that affects the organization's ability to attract and hire an executive director (ED) with business training. Most ED's in the nonprofit sector have a social services background and do not necessarily have the business skills for doing high level planning. The funding structure within the nonprofit system also restricts the amount of money that can be used for administrative support for programs and as a result, many organizations run a very lean staffing component and have few resources to support activities such as planning. All of these factors affect the nonprofit's ability to implement and manage change. They make it difficult for staff to develop a solid plan, maintain a focus on it and provide adequate support and resources to see it through to completion.

### *Differences between the Sectors*

**Vision** was strongly ranked by private sector interviewees as a helpful strategy, but noticeably absent from both nonprofit and public sector responses. The key bundle of strategies used in the private sector—communication, involvement and vision provides a sound combination for managing change effectively. Leadership and planning were also rated as helpful strategies by the private sector, but to a slightly lesser degree than the first three. When all five strategies are combined, it presents an effective blend that stands apart from the public and nonprofit strategy mixes. The high rating of vision by private sector interviewees evokes questions about how vision is communicated or used in the public and nonprofit sector for managing change. Is vision easier to define in a private

sector company, where businesses are forced to narrow their focus and clearly define their market in an effort to be competitive? Is vision more difficult to define in both the public and nonprofit sector where the business is broader and the client base more diverse? Two follow-up interviews provided some insight into these questions.

The first meeting was held with a manager at a nonprofit agency. Discussion revealed that the vision of most nonprofit organizations does tend to be very general and staff are often too busy to conscientiously think about the vision or take the time to make it current and meaningful. The diversity of services and programs that most nonprofits offer, coupled with a desire to be responsive to the community creates a challenging environment for developing and maintaining a succinct vision and a clear direction. As a result, many nonprofit agencies seem to rely more on collaboration with the community and availability of funding to guide their work, than relying on the vision.

Like nonprofits, public sector organizations also tend to have very broad visions that are less defined than a typical private sector company. It may be that ministries are affected by different types of influences, such as a change in government, that make it more difficult to establish a concise vision and retain it over a long period of time. Additional information was obtained in a follow-up interview in the public sector that clarified how vision is used. The respondent explained that the vision originates at the political level of the public sector—politicians are the leaders who articulate the broad direction for government. Each ministry is then responsible for operationalizing the vision and advising politicians on the best ways to achieve it. It is not the function of the ministry to

develop the overall vision, but ministries do have their own vision statements that speak to the outcomes they hope to achieve and the core services they provide. It is the ministry's role to create enthusiasm for the government's vision, sell the positive aspects of it and shape its work to align with the overarching direction. Since the main vision is developed at the political level, rather than with managers and staff in the public service, a distance is created that may affect the degree of support and the amount of clarity that people have around the vision. It may also create less reliance on use of the vision as a strategy for managing change in the public sector, because the vision of government is more a broad statement that provides general direction, rather than a succinct picture of success.

**Leadership** was ranked strongly (#2) by public sector interviewees as one of the key strategies for managing change. It was also rated as one of the top four strategies in the private sector, but not at all in the nonprofit sector. The emphasis on leadership in the public sector may be a reflection of the current focus on improving the leadership component in the provincial government. In the Ministry of Children and Family Development (MCFD) for instance, a forum was held in June, 2002 called "Leadership in the New Era—Building Excellence". Leadership was identified in a cross-government service survey completed in the spring of 2001 as an area that needed to be developed to ensure quality service delivery. And, proactive and visionary leadership is currently one of MCFD's six strategic shifts for achieving the BC government's vision of achieving excellence in the public service. Additional information about the role of leadership was obtained in a follow-up interview with an Assistant Deputy Minister (ADM) in one of

the larger ministries. She suggested that the current emphasis on leadership may be a response to the way that leadership was viewed towards the end of the last term of the previous government. Criticisms about poor leadership in the New Democratic Party may have caused the Liberal Party, once in office, to place a greater focus on leadership to build confidence and trust in their government. She also explained that there are three kinds of leadership in the public service. The first is the politician's role, which focuses on articulating the broad direction and acknowledging the challenges of implementing the government's vision. The second kind of leadership occurs at the Deputy Minister/ Assistant Deputy Minister level. It is the responsibility of these leaders to see and interpret the strategic picture—how the ministries' work fits with the government's vision—and communicate that direction to staff. The third type of leadership is at the line manager's level, and is more personally based. Staff look to their immediate supervisors for affirmation of the value of their work, for recognition and support. At this level, leadership is more of a direct connection with staff to help them see the linkages between their work and the overall government vision.

The absence of leadership as a key strategy in the nonprofit sector was investigated in a follow-up interview with a manager in a nonprofit agency. From her perspective, leadership was seen more as a shared function within the organization and was not necessarily the role of one person. The executive director in a nonprofit agency may be seen as a leader in certain areas, but other people within the agency may share the function in other fields of expertise. This approach aligns with the need for staff in nonprofits to have multiple roles, because of limited resources. Depth of expertise in one

area may be lacking, but it is balanced out to a certain extent by utilizing the breadth of expertise within the whole organization. Leadership was also described as not a very visible type, which helps to explain the lack of identification of leadership as a strategy for managing change.

Another factor that affects the type of leadership found in a nonprofit organization is resources. Nonprofit agencies do not have the funds to attract an executive director with a master in business administration (MBA)—a more visible kind of leader. The issues of culture and gender were also discussed—the majority of executive directors interviewed in the nonprofit sector were female, whereas a more even ratio between male and female was found in the public and private sectors. Did the culture of a nonprofit tend to attract women more than men, or did the leadership style of women fit better with a nonprofit environment? Executive directors in nonprofits are inclined to have a social services background rather than a business background and there are generally more women than men working in social service areas, but the lack of money available to attract people with a business background may be a greater factor. The question of cultural acceptance of a strong leader with an MBA background was also discussed—would such a leader be acceptable in the nonprofit environment? Did the culture actually discourage such people from working there? Response to this question was yes, a person with a business background was acceptable, provided they were in tune with the organization's values. Obviously, many factors can influence the type of leadership an organization in any sector has, including resources and culture. And, each of the questions posed presents an

opportunity for further research to explore the nature of leadership in the three sectors and investigate the reasons for the differences.

### **Least Helpful Strategies**

#### ***Similarities across the Sectors***

**Communication** strategies were identified as the most important aspect of change management, but they were also noted as the area that is most problematic. It makes sense that the principal practice that is relied on most heavily would also have the greatest potential for problems, simply because it is used more often than other types of strategies. Communication is also a very difficult practice to do well at any time, because it is a complex form that is open to subjective interpretation and misperception.

Interviewees emphasized doing more communication rather than less and sharing information as soon as it is available, in an honest and straight-forward fashion. Keeping communication continuous, simple and clear is essential for making sure information is understood and accepted with trust and confidence. Using a variety of mediums was also highlighted by several interviewees as a fundamental part of good communication during major change—reliance on any one medium, no matter what it is, is not necessarily effective, because of people's individual differences in receiving and interpreting information. Repetition of messages and in a wide variety of ways increases the likelihood of information being understood at all levels of the organization.

**Involvement** was the second area that all sectors experienced troubles with. Engaging people in the process of change was identified as very important, but like communication,

can be very challenging to do well. Key messages communicated by interviewees were to put careful thought into who should be involved at decision-making tables and meetings so important stakeholders are not left out, to involve people sooner than later in the process and be aware that established groups such as unions may not give full support. Several respondents recommended putting more time and energy into involving the people who supported the change, than giving attention to resisters. This strategy was used to build support quickly, and create an atmosphere that would positively influence the fence-sitters. Some interviewees related workforce characteristics to the bell-curve image, where 20% of the staff at one extreme end of the curve are behind the change, 60% are the neutral middle and the lower 20% are the people opposed to the change. Given this model, several managers recommended devoting more initial time and energy to the committed 20% and found that over time, the neutral group would become supporters as well.

**Leadership** was also noted as a difficult strategy for the public and private sector. One of the key requirements for an effective change strategy is a committed and involved group of senior leaders. Some interviewees had experienced a token form of support from senior executives and found that, if the change was not fully supported and endorsed by top leaders, the initiative would flounder and fail in the long run. The strength of leaders must be sufficient to inspire other managers to take up the cause and in turn, engage their staff. If support for change is found only in pockets of the organization, it is not sufficient to bring about and sustain real change.

**Planning** was the fourth area that managers in the private and nonprofit sectors experienced problems with. Interviewees expressed the need for flexibility in the development and implementation of the plan to demonstrate openness and sensitivity to ideas and concerns, as well as to allow some adaptability to changing circumstances and information. Planning seemed to be a particularly difficult area for nonprofit agencies—in some cases, the planning process got out of control and became a time-consuming, ineffective strategy. In other instances, nonprofit managers found it difficult to stay on course with a plan once it was established, because of changes in funding requirements and funding availability. Leadership was also identified as a problem within the planning process in some nonprofits. In some situations, no one took on the role of change leader and this created a stalemate in the development and implementation of the plan. The diversity of the nonprofit environment and lack of resources to devote to planning both play a role in this area. As well, a lack of expertise may also play a part in the planning problems experienced in nonprofit agencies.

Two other areas that posed problems are also worth noting. The need to dedicate resources for the change initiative was identified by several interviewees in all sectors. Resources include time for planning, training and communicating, as well as money for purchasing expertise and tools for facilitating the change and making it as effective as possible. It is unrealistic and unfair to expect people to take on the added workload of the change effort without providing adequate resources to implement the new system.

The second area that many interviewees brought up was the need to celebrate milestones during the change effort. Several managers acknowledged that this practice had been overlooked in past experiences and expressed regret that it had not been done more often. The value of celebrating progress and accomplishment was recognized as a valuable part of the change management process. This feeling aligns with William Bridge's (1991) recommended rules for reinforcing the new beginning after a change has been completed. Bridges endorses celebration for several reasons, among them simply to give people a respite from the hard work of implementing change and have some fun (1991).

### *Difficulties across the Sectors*

**Training** was rated only second to communication, and equally with involvement and leadership as a least helpful strategy by private sector managers. Private sector interviewees used training more than other sectors for both change management and workforce renewal, so it stands to reason that they would also encounter more problems in this area. The effectiveness of training for managing change is certainly supported by the private sector, with some cautions about the extent it should be used, how it should be incorporated and what the best timing is for it. Some managers found that training was most valuable if it was fully incorporated into the overall business than treated as a separate component. Another respondent found that experts in the change management field may be helpful for facilitating change, but specific models or strategies may not be fully transferable to individual organizations. Change plans may need to be adapted or used only in part—there is no perfect change recipe for an organization. And, timing of training is also critical—new skills and knowledge need to be developed before they need

to be used, but if training is done too far ahead, people may forget new information and training may need to be repeated. To maximize use of resources then, careful thought must be given to when and what type of training will be needed.

**Time** was noted as a problematic area by public sector respondents and equally as challenging as leadership and involvement. Public sector managers were the only ones who identified time as an issue and comments from several interviewees indicated that it was a difficult element to control during the change process. In one large ministry, the change process went on much longer than anticipated—people were so worn out by the process that they had little energy left for work once the change was completed. In the private sector, where time is closely connected to company profit, time lines are kept tight for change processes and individual stages are pushed through quickly to obtain visible results and minimize disruption to customers. The perception and management of time seems to vary greatly by sector. In the private sector, time is treated as a valuable commodity that must be used as efficiently as possible. In the public sector, time is seen as a more nebulous and limitless resource. This difference in attitude may affect immediacy of and adherence to deadlines, motivation to implement and complete change and the overall length of the change process.

## **Problems after Change Completed**

### ***Similarities across the Sectors***

Despite the type of leadership used, resources available or training done, interviewees in all sectors experienced at least some problems after the change effort was completed. In

many cases, working out the problems mainly required a certain length of time for people to get used to doing things in new ways and refining the skills needed in the new system— in other words, adapt to the new world. It is understandable that leaders are anxious to see results as soon as possible after a change is completed, particularly in the business world, where time is money. However, managers in all sectors identified time as a problem after a major change and in the private sector, it was rated as the biggest concern. People naturally need some time to acclimatize to change and unless this is allowed for in the overall plan, additional problems may be created that will require extra time and resources to manage them. One of the most important aspects about time is the need to have realistic expectations concerning adaptation to change. Several private sector interviewees spoke of requiring adjustment phases of up to two years for some major changes, so it is clearly not feasible to expect immediate adaptation.

**Communication** was the second area that interviewees named as problematic after change. Manager's comments indicated that communication must continue after the change is completed in order to reinforce and sustain the change. Careful attention must be paid to ensuring that messages given to managers and staff are consistent—mixed messages encourage people to question the changes and may cause them to slip back into old ways. Repetition and support were also emphasized in the interviews. Even though the vision had been communicated in earlier stages of the change, it needed to be shared again to maintain support and continue to move forward. Managers then, should not be concerned about repeating information too much, since people will question new ways until they start to see results.

### *Differences across the Sectors*

**Leadership**, like communication, must continue after the change is completed.

Leadership was ranked as the greatest problem after change in the public sector and was also a difficulty in the private sector. Change efforts are less problematic when leadership positions are held consistently by the same people and leaders are continually visible and supportive. Strong leadership is needed before the change process starts and long after it is completed. Training of leaders should also continue after the change, on an as needed basis. Relationship skills in particular, may need reinforcing and refining to be adequate for the needs of managers after the change, when maintaining and building new and different types of relationships is critical.

**Reinforcement** was noted by private sector interviewees only and seems closely connected with time—the greatest problem in the private sector. Since time is such a valuable resource for private firms, most companies would be hesitant to give more time than was absolutely necessary for adapting to change once it was completed.

Consequently, added reinforcement was required to make up for the time not allowed to enable people to adapt fully to new systems and procedures. Author William Bridges (1991) stresses the need for reinforcement as a key component for sustaining change, through communication and action. Consistent messages, modelling of the desired new behaviours and consistent support for new ways rather than old behaviours are all part of the reinforcement that is necessary to maintain change.

## **Comparative Analysis – Interview Findings and the Literature**

### *Similarities*

**Communication** had the strongest alignment with the literature. The importance of communication, particularly at the beginning of the change initiative with regards to clarifying the vision, was emphasized in the interviews and the literature. The type of communication recommended were also very similar: honest, clear, repeated, face to face where possible and through a variety of media.

The importance of explaining the reason for change, what it will look like and how it will be accomplished was also noted by both sources. The why of change corresponds with William Bridges' (1991) emphasis on selling the problem and convincing people to leave home as well as John Kotter's (1996 (1)) recommendation to increase the sense of urgency initially to build support for the change. Clearly communicating the what of the change aligns with Bridges' (1991) purpose and picture and Kotter's (1996 (1)) communication of the change vision. And finally, the how part of change corresponds to one of Bridges' (1991) four P's, which includes the plan for change and Kotter's (1996 (1)) developing strategies to achieve the vision and get buy-in for the change.

Frankness and the ability to communicate the impact of change down to the line level were highlighted in the interviews and the literature. Managers from all sectors recommended being up front with staff about what information was known and not known, in order to build trust and maintain confidence in the leaders. And, explaining to

staff how the change will affect them personally in their work was also stated as important for increasing staff's understanding of the change.

**Planning** was the second area of change that corresponded with the literature. All sectors noted the need for some kind of plan to guide the change—a transformation or transition plan that is adaptable and well communicated throughout the organization. A plan is one of Bridges' four P's—a transition management plan that “starts with where people are and then works forward”, one which is both process and outcome oriented (1991, p.59). Kotter (1996 (1)), on the other hand, recommends that the plan be based on the vision of the organization, to help simplify more detailed decisions and avoid the pitfall of becoming a micromanagement plan.

**Leadership** was the third area of alignment with the literature. Respondents in the public and private sector stressed the need for strong leadership and executive sponsorship to make the change an effective one. In the literature, Kotter (1996 (1)) in particular places a great emphasis on strong leadership for implementing change. He lists “creating a guiding coalition” as the second step in his eight-stage process for creating major change, after “establishing a sense of urgency” (1996 (2), p. 21). Kotter (1996 (2)) also recommends having a leadership team rather than a lone individual to lead the change, and that the group have position power, expertise, credibility and leadership for maximum effectiveness.

**Recognizing endings and celebrating successes and new beginnings** was the fourth area that corresponded between the interviews and the literature. Managers in both the public and private sector acknowledged the importance of using recognition formally and informally to show appreciation for people's efforts, provide an opportunity to socialize, relieve stress and demonstrate progress towards organizational goals. However, respondents also noted that their organizations did not do this kind of activity very well, or often enough. The literature supports and promotes the practice of celebration and recognition during the change process. Kotter recommends "generating short-term wins" to recognize and reward people for their work, take some time to relax and build positive momentum for the change effort (1996 (1), p. 21). Bridges also endorses the facilitation of "quick successes" to boost people's confidence in the change, "reassure the believers, convince the doubters, and confound the critics" (1991, p.62). And, he emphasizes the importance of formally marking the ending of an old culture to honour the past and distinguish it from the new culture, and then celebrating success once the change has been completed (1991).

### *Differences*

Both minor and major differences emerged in the analysis of the literature and the interviews. Minor differences were identified in communication approaches and the benefit of time for acclimatization to change. With regards to communication, the strategy of using a metaphor or analogy to communicate a new vision to employees is highly recommended in the literature, but was never mentioned by interviewees as an effective strategy for implementing change.

The second difference involved the importance of time in the change process. Interviewees stressed that the entire change process can take years to complete, and often a full year is required before a change can even be seen to be working. Quick responses to new strategies were noted as unrealistic expectations, because people required time to adapt to the new environment, set up new systems and build confidence in new practices. Interviewees from all sectors also noted that time was required after the change was completed to work out problems that were still present and that over time, many problems such as grievances and resistance to change decreased. The length of time that a change initiative requires will vary significantly from organization to organization, and is dependent on many different factors. For example, Bridges notes that the neutral zone of change, “this time between the old identity and the new can stretch for months, even years” (1991, p.34). The benefit of time however, in helping to alleviate problems and enabling people to adapt, is not highlighted as strongly in the literature as in the interviews.

***Figure 19: Comparison between the Literature and Interview Findings***

<b>Similarities with the Literature</b>	<b>Differences with the Literature</b>
<ul style="list-style-type: none"> <li>• Communication</li> </ul>	<ul style="list-style-type: none"> <li>• Using a metaphor</li> </ul>
<ul style="list-style-type: none"> <li>• Planning</li> </ul>	<ul style="list-style-type: none"> <li>• Importance of time</li> </ul>
<ul style="list-style-type: none"> <li>• Leadership</li> </ul>	
<ul style="list-style-type: none"> <li>• Recognition and Celebration</li> </ul>	

## **Workforce Renewal**

The literature review for this report revealed that there are three major phases of change.

The second phase, or “neutral zone” as author William Bridges calls it, can dominate the process in terms of the length of time that is often required to complete it (1991, p.35).

This middle stage is very important, because it provides the greatest opportunity for growth and development within the organization. Once people have gotten on board with the change and have begun to let go of the past, a prime window of time exists for introducing new practices, getting rid of old ones and encouraging people to be creative.

The major transformation that the client is embarking on places a special emphasis on the middle stage of change. To assist MCFD in maximizing the potential of the neutral zone, a set of questions was included in the interviews to address specific practices that are best focussed on during this time. These include among others, encouraging innovation and risk-taking, retaining skilled staff and building morale.

## **Similarities and Differences**

The responses to these more specific questions showed distinct similarities across the sectors for some areas and clear differences in others. For instance, there was strong agreement around the use of communication and involvement for building enthusiasm for a new vision and for building and maintaining morale. In contrast, practices that were used to encourage a service delivery focus varied considerably. Public sector managers relied on involvement and hiring strategies, private sector used recognition and training and the nonprofit sector preferred a mix of client focus and performance management strategies. These differences may reflect the varying types of culture and relationships

that each sector has with clients. For instance, the term customer is relatively new in some areas of the public sector and is only just becoming more commonly used. Hence, the strategy mix that public sector managers currently use to encourage a service delivery focus may still be in the developing stages and does not yet reflect a fully developed relationship. In the private sector, the client or customer is the source of the company's business—companies must attend to marketplace trends and customer needs in order to be competitive and increase profit. Consequently, private sector companies devote a great deal of attention to encouraging and training staff on how to build the client base, retain customers over a long period of time and increase customer satisfaction. In the nonprofit sector, the client is also a very important component of the operation. Agency vision and mission statements speak directly to service delivery and client needs and staff spend a lot of time collaborating with community groups and individuals in an effort to keep in touch with and meet client needs. Overall, these differing types of environments and relationships with clients directly influence the type of strategies used in each sector to foster good service delivery.

The second area that is managed differently by sector is empowerment and innovation. Public sector managers favour a lessening of control to foster both, private sector interviewees rely on involvement and training and the nonprofit sector uses encouragement and involvement. In the public sector, the use of policies and procedures as opposed to guidelines seems to restrict staff's abilities to take on added responsibility and experiment with new approaches. The private sector is more directly supportive of both areas and use active practices to encourage staff, such as employee issues teams and

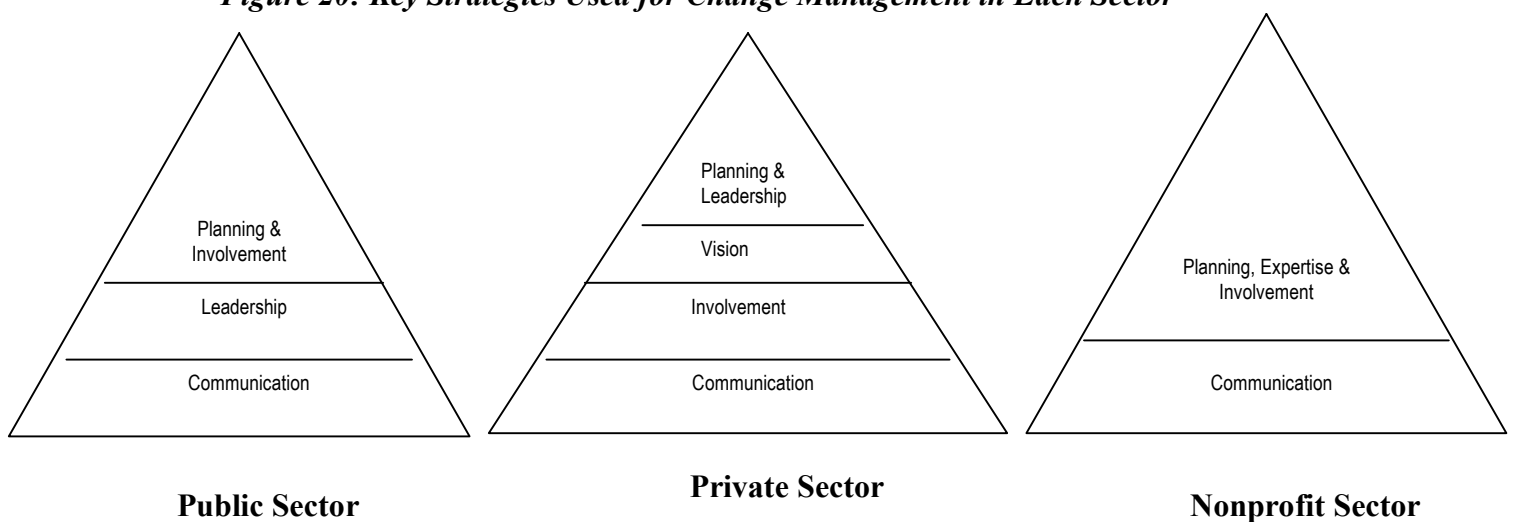
advisory groups. The private sector also provides more ongoing learning opportunities than other sectors and in general promotes learning for the advancement of the organization. In the nonprofit sector, approaches for fostering innovation and empowerment are more informal and individual—managers use direct encouragement on a one-to-one basis or through staff meetings and support involvement through team planning and project work.

## **Summary**

There is definite agreement across the sectors for the use of certain strategies, such as communication and involvement for certain aspects of managing change. There is also strong alignment between the literature and the interviews for certain types of communication practices and the use of planning, vision and recognition/celebration to support and facilitate the change process. However, what stands out most strongly are the differences between the sectors in the bundles of strategies that are identified as most helpful for managing change. These disparities could indicate several things. Firstly, there may be a tendency within each sector to rely on the use of certain types of approaches and avoid the use of others. Cultural factors, organizational structure, other internal and external influences and resource levels may all play a part. Secondly, this tendency to use certain strategies may create certain types of strengths and weaknesses within the organization and the sector generally, in ability to manage change. Reliance on the use of involvement, for example, in the nonprofit sector may cause the change process to be more complex and time-consuming than if leadership and vision were used more actively. Thirdly, an opportunity for learning exists between the sectors because of

the differences. The public sector for instance, may be able to benefit from using more involvement in their strategy mix, since it has been used successfully in the private sector. Incorporating other types of strategies could help to strengthen the organization’s overall approach to managing change and make it more effective. The following figure shows the differences between the sector strategy bundles:

**Figure 20: Key Strategies Used for Change Management in Each Sector**

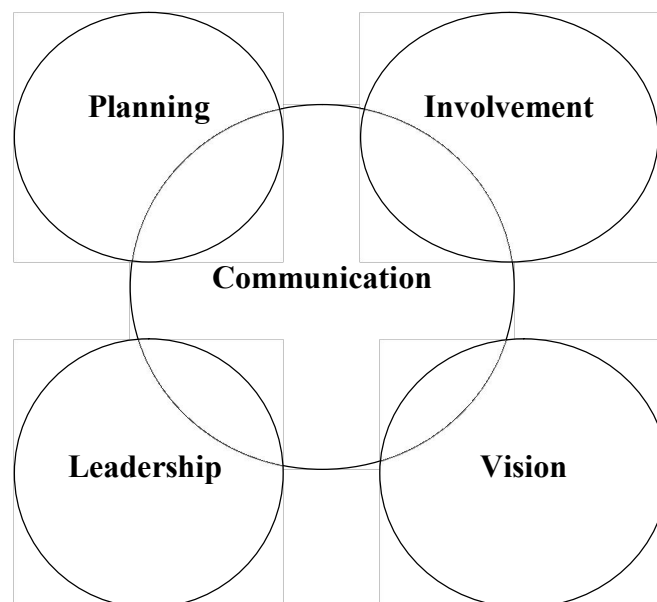


In the illustration, communication forms the foundation for the change management process in all three sectors. Communication was identified as an essential element by the literature and the interview respondents—major change cannot be created without good communication strategies. The pyramid shape of the models represents the level of importance that each sector gives the different strategies, with the highest rated one being at the bottom and the lower rated ones towards the top. For the public sector, leadership was ranked as the second most important strategy, and planning and involvement were noted as the third most important practices. In the private sector, involvement was identified as the second most important strategy, vision third and leadership and planning

fourth. For the nonprofit sector, involvement, expertise and planning are equally ranked as the second most important strategies after communication.

A great deal of the literature on change management comes from the private sector, and consequently reflects the characteristics and needs of that area. Leading authors, such as John Kotter, emphasize the components of communication, vision and especially leadership for managing change effectively. Other writers, such as William Bridges, recommend a mix of communication, vision, planning and involvement. Each of these sets of approaches may not be entirely suitable for the public or nonprofit sector, whose values, goals and structures differ significantly from private sector organizations. What is needed then, is a model that contains all the essential elements that the client, MCFD needs in order to manage their transformation process effectively and realize a successful outcome at the end. I propose the following model for this purpose:

***Figure 21: Transformation Model for MCFD***



The new model has communication at its centre—the key component that was identified as the most important by all respondents. The other elements are drawn from the results of the private sector interviews—the strongest combination of all the sectors. The elements of involvement, vision, planning and leadership are each necessary in their own right, but also integrally connected to communication, as illustrated in the diagram by the overlapping circles. For example: vision must be communicated clearly and effectively through all levels of the organization and leaders must be able to articulate the vision to gain support and instill confidence in the change. This model provides a balanced mix that, when used, will strengthen the approach currently being used in the public sector, yet allow for some adaptation to individual culture and structure.

## **RECOMMENDATIONS**

The recommendations have been organized into two sets for the client: change management and workforce renewal. This approach aligns with the way in which information has been presented throughout the report and provides a clear way of differentiating practices that are most useful for each component. The key recommendations on change management flow out of the discussion section and are based on the five components of the proposed transformation model for MCFD: communication, vision, leadership, involvement and planning. A table has been included at the end of this section (see Figure 22), that highlights key client needs, research findings and recommendations for the five areas. Each of the recommendations are expanded on in the body of the recommendations section, with pertinent examples that can be used as a checklist for measuring whether the recommendations have been met within the ministry's current transformation plan. Recommendations for the workforce renewal component are broader descriptions, with some pertinent examples provided. More complete information about practices to use for workforce renewal can be found in the Findings section. A summary table on client needs, research findings and recommendations for workforce renewal has also been included at the end of this section (see Figure 23). When taken as a complete package, the recommendations represent a toolkit that can be used to gauge and increase the effectiveness of the change process and assist MCFD in achieving their future vision of success.

## **Change Management**

### **Communication**

#### ***1. Review and reassess the current communication strategies in the transformation plan.***

Managers and staff at all levels of the ministry should be kept informed regularly of progress, and through a wide variety of media. Using more than one medium to communicate change increases the chances that the majority of people will be able to receive and understand the information. Creating a monthly ‘Transformation Bulletin’ is an excellent way to keep staff updated. Bulletins can be made available through the ministry’s intranet site as well as in paper form. Maintaining a website on change activities, with a direct link to the Deputy Minister and Assistant Deputy Minister give staff the opportunity to forward ideas and questions directly to the top. Key questions with responses can then be channelled into the newsletter, to increase everyone’s understanding of issues. Direct face to face communication is one of the most important mediums to use during major change. Having Deputy Ministers and Assistant Deputy Ministers speak personally at large and small staff forums and meetings is essential to build support and instill confidence in the upcoming changes. Visibility of top leaders is an important element throughout the entire change initiative.

Communication should include information that explains the reason for the changes, what the changes will entail and how they will be implemented. People need a complete picture in order to buy-in to the plan and understand it. All information

should be frank and factual, simply worded, repeated often and communicated directly as much as possible. Managers play an important link in communicating change, as the people who are the most immediate connection between line staff and upper management. They must be able to interpret information for the staff, so employees can see and understand the direct linkages between their work and the new direction of the organization. Managers play a key role in garnering support, communicating staff's value in the overall picture and providing support to staff where needed to reinforce the change.

## **Vision**

### **2. *Reassess the vision of MCFD.***

The vision is a critical component of the overall transformation plan—an essential part of the roadmap that gives people a shared sense of direction and guides the organization in moving from the old identity to the new one. The vision should be clear, simple and complete. It should convey a clear and accurate picture of the new entity that MCFD will become at the end of the transformation period and define the difference between the old and new worlds. The current vision of MCFD is more reflective of the services that will eventually be provided by independent governance bodies in the regions than what the ministry itself will be responsible for. A visioning exercise may be required to develop a statement that is more in keeping with the future end-state that MCFD is aiming for. Once the vision has been updated, leaders such as the Deputy Minister, Assistant Deputy Ministers and Executive Directors are responsible for articulating it to other levels of the ministry in a way that all can understand it. As well, leaders need to model the vision constantly and consistently to

reinforce it and build support for it. This means that the vision should be referred to regularly in meetings and documents, and leaders should proactively create opportunities to discuss it with managers and staff to increase understanding and acceptance. Direct verbal and written connections should be made between the vision and all activities, so people can see the linkages between the future direction and their daily work. References to the vision can be included in written memos, bulletins and letters and discussion about the vision can be included in staff meeting agendas and forums. As much as possible, the vision should be made visible and real to everyone in as many ways as possible and communicated consistently and constantly.

As well, a review of structures, systems, policies and procedures should be done to ensure that all parts align with the vision. When the vision is clear, people at all levels of the ministry can use it to assess their own actions and tasks and determine if they are in keeping with the vision. In this way, the vision facilitates everyone working together to support and achieve the overall goals of MCFD.

## **Leadership**

### ***3. Review and reassess the role and function of leadership in the transformation process.***

Having an executive sponsor team that is credible, appropriately skilled in leadership and fully committed to and supportive of the change is critical. Once the change team is established, its membership should stay the same to provide stability and build confidence and trust in the overall initiative. As well, top-down leadership is not

adequate to effect major change. Trustworthy leaders are required at all levels of the ministry to help decrease resistance to the change and build support for it.

Visibility and accessibility of leaders is critical to the process. Senior leaders, such as the Deputy Minister, Assistant Deputy Minister and Executive Directors should do regular walkabouts (e.g. weekly) through the branches for one-to-one talks, to engender support and increase understanding and awareness about the change. An open door policy gives staff the message that their contributions are welcome and encouraged, and attendance by top leaders at staff meetings fosters direct connections for feedback and questions. Managers also play an important role as leaders who have direct influence and daily contact with staff. All managers at MCFD should work diligently to keep in close and constant contact with the staff, in order to quell rumours, increase understanding and build support for the transformation.

## **Planning**

### ***4. Review and reassess the current transformation plan.***

The plan is the master roadmap that helps to operationalize the vision and achieve the end goal with the resources at hand. The transformation plan should be closely aligned with the ministry's vision and all projects and key initiatives associated with the change should be linked to the plan, so everyone's work supports the new direction. Once developed, it should also be adaptable to changing circumstances—being overly rigid about the plan can create problems in the long run and hamper ability to achieve the vision.

The transformation plan should have clear reporting and accountability mechanisms built into it, to ensure deadlines are met and responsibility is assigned for all tasks. Since the time frame for MCFD's transformation is a relatively long one, an effective strategy is to break down the various stages into shorter-term phases. Then, keeping the timelines for those pieces as tight as possible and pushing the parts through quickly will give people a sense of progress and accomplishment, while helping to minimize stress and exhaustion.

### **Involvement**

5. *Assess the level and type of involvement currently being used in the transformation process and strengthen where possible.*

A high level of engagement with all lines of the ministry and external stakeholders is recommended, particularly because MCFD's transformation process is also a culture change that involves developing new relationships in the community and a new identity for the ministry. Involvement of internal and external stakeholders should be done in a wide variety of ways. Staff can be included in focus and advisory groups for problem-solving purposes and cross-functional teams are excellent for eliminating the silo approach in planning sessions. Surveys are another useful practice for gathering information about the current and future needs of staff and clients. For example, a survey of managers on training and development needs would help to guide resource allocations and ensure that gaps in skills will be identified early in the change process.

## **Workforce Renewal**

### **Service Delivery**

*1. Use a combination of strategies and practices to ensure good client service.*

A blend of several different approaches is best for developing and improving a client service focus. Involvement is one strategy that is used by all sectors for ensuring good service delivery. For MCFD, involvement can be done through matching service delivery offerings to the client, creating opportunities for closer contact with clients, and partnering with other organizations to minimize the silo approach. Staff and clients can be involved through the use of focus and advisory groups, cross-functional teams and surveys to solicit ideas for improving customer service.

Other approaches that are successful include recognition, training, performance management, client focus and hiring strategies. Recognition is highly used in the private sector for ensuring good service delivery. MCFD already has an existing recognition program, but could look at expanding it to include additional ways of recognizing individuals, leaders and teams on a monthly and annual basis, in addition to an annual special event. Companies such as the Fairmont Empress have highly developed recognition programs that could be adapted for use at MCFD. For example, the Fairmont Empress has a ‘Service Plus’ program that uses a simple ‘Bravogram’ form for nominating co-workers and managers for excellent performance. Another recognition approach that MCFD could employ is a three-dimensional program that includes customer, peer and management recognition for good service to clients. Informal recognition practices could also be introduced, where managers give staff recognition on the spot, along with a small prize, such as a

lottery ticket. Other forms of recognition for client service could be an extra vacation day for exceptional service to clients.

Training and development is also heavily used by the private sector for strengthening client service delivery. MCFD could incorporate a client service component into its overall staff orientation sessions and develop a lunch and learn series with a focus on client service. Other training in client service could be provided through mentoring and coaching opportunities and MCFD's 'Inquiring Minds' education program.

Performance management is another successful way to develop and improve client focus. MCFD could incorporate client service into the performance appraisal system for all staff, both formally and informally, emphasize it in direct supervision situations and introduce incentives such as an extra holiday for outstanding individual and team performance. The ministry can also increase client focus by creating more opportunities to listen and learn from clients through facilitated connections with client groups. As well, the ministry can introduce client service into their hiring criteria to ensure that new hires have the competencies and attitudes desired for service delivery.

## **Innovation and Empowerment**

### ***2. Lessen control and use involvement, training and encouragement to foster innovation and empowerment.***

The use of involvement is an important practice for empowering staff. A multi-faceted approach is best, utilizing approaches such as employee/client surveys,

employee issues teams and advisory groups, and de-centralized authority as far down the line as possible. During the transformation, MCFD could facilitate empowerment by surveying the staff on various components of the change, setting up teams to address specific issues and increasing responsibility and accountability for individuals and committees. MCFD can also review policies, procedures and parameters to see how control can be reduced to enhance empowerment. As well, ensuring that managers set clear expectations for tasks and then truly delegate them gives staff an increased sense of control and empowerment. And finally, MCFD can use training sessions to increase staff and leaders' understanding of empowerment and facilitate its use.

Encouragement is an excellent way to foster innovation and a variety of ways should be employed. These include using work teams, listening to staff and supporting their ideas and making innovation part of the performance culture. Leaders such as Assistant Deputy Ministers and Executive Directors can encourage innovation by creating opportunities to share ideas, such as maintaining an open door policy and going on weekly walkabouts to engage with staff directly. MCFD can also incorporate innovation into its hiring criteria and core organizational values, to embed it in the ministry.

## **Morale**

- 3. Employ communication strategies, involve people in a variety of ways and plan celebrations and social opportunities to maintain and build morale.*

Communication and involvement are both highly successful strategies for maintaining and boosting morale during major change. Direct communication is extremely valuable. For MCFD, it would be most beneficial to have Assistant Deputy Ministers and Executive Directors make themselves visible and accessible through walkabouts and visits with teams to talk with managers and staff and make themselves available to answer questions. Keeping communication continuous, honest, verbal and direct is an effective way to keep up morale.

MCFD can also directly involve people in mini conferences, focus groups, surveys and project teams to maintain morale. Getting everyone together frequently helps to build a collaborative, team feeling which in turn makes people feel more energized and included.

Celebration and recognition are useful as well for keeping spirits up. MCFD should plan special events to celebrate milestones achieved during the transformation process, to give people a sense of progress and thank staff for their hard work. Special luncheons, teas and recreational activities all give people a chance to socialize, refresh and feel recognized for their contributions.

## **Enthusiasm**

### ***4. Use a variety of communication and involvement strategies to generate enthusiasm for a new vision.***

Communication and involvement are the top two approaches used in all three sectors. The key to using communication lies in who does the communicating and how. For

MCFD, it means having the Deputy Minister, Assistant Deputy Ministers and Executive Directors talking about the vision extensively and involving others in discussions about it. These leaders should be honest about the challenges involved in achieving the vision, share information openly and align their actions with the vision. As well, leaders must be clear and consistent in their messages about the vision, and be able to articulate it in a way that people at all levels of the ministry can understand.

The second approach, involvement, is equally important. Managers, staff and clients need to be engaged in order to build support for the new vision. MCFD can use a variety of approaches to do this, such as problem solving groups and project teams, forums and staff meetings.

## **Staff Retention**

### ***5. Utilize communication, training & development, involvement and planning practices to retain skilled staff during the transformation process.***

Communication is an important factor for retaining staff during major change. Leaders at MCFD must be able to communicate a clear and compelling vision of the ministry's future, explain why the direction is changing and demonstrate how staff will fit in with the new picture. Being frank about the opportunities and risks that exist for staying with and leaving the ministry, and the amount of support that can be provided to people are other key communication elements.

Involving people is also essential for retaining skilled staff. MCFD leaders need to find ways of providing parts for staff to play in the transformation process, so employees feel valued by the ministry and have opportunities to contribute to the new goals. Special project work is an excellent way to involve people in the transformation process.

Training and development is a third useful approach for retaining staff. In the private sector, it is the most important strategy. Training activities that MCFD can do include bringing in outside expertise for management seminars, leadership development sessions, and workshops to strengthen specific skills, fill gaps in skill deficits and provide personal development opportunities.

Having a transformation plan that is clearly communicated to staff also helps to retain people. A plan, if well developed and articulated, gives staff confidence in the leadership of the organization and the new direction of the ministry. To be most effective, leaders at all levels of MCFD should communicate the plan in a variety of ways to their staff and involve people in planning processes as much as possible.

### **Flexibility and Freedom**

#### ***6. Use encouragement, openness and modelling to encourage flexibility and freedom in the workplace.***

The Deputy Minister, Assistant Deputy Ministers and Executive Directors can increase the amount of flexibility and freedom in the work environment of MCFD by

encouraging their staff to approach problem solving creatively, bring ideas forward, make decisions and be responsive to clients. Leaders must be open to doing business differently and giving staff latitude on how to achieve ministry goals, in order to foster a more flexible atmosphere. As well, flexibility needs to be modelled from the Deputy Minister down, to provide positive and real examples for staff, and encourage similar behaviour at lower levels of the ministry. Other measures that can facilitate flexibility include using more guidelines in place of policies and procedures and flattening the organizational structure to give people greater responsibility and freedom of thought and action.

### **Risk-Taking**

#### ***7. Encourage the application of business thinking and provide appropriate levels of support, tools and training to foster responsible risk-taking.***

The element of responsibility in risk-taking is an important aspect of this practice in all sectors. Clear parameters and informed thinking are essential components of any risk-taking activity. Leaders and managers at all levels of MCFD should stress thinking through the pros and cons of an action and the use of good judgement for making final decisions. As well, managers should ensure that staff have the necessary tools and training to do their work effectively and safely. Managers should use supervisory opportunities to discuss and clarify risks, be clear with staff about the potential for failure and provide strong support by taking responsibility for action when it is done with good intentions.

**Figure 22 - Change Management Recommendations**

	<b>Client Needs</b>	<b>Summary of Research Findings</b>	<b>Summary of Recommendations</b>
1.	<b>Communication:</b> <b>People are informed appropriately and effectively throughout the transformation process.</b>	<ul style="list-style-type: none"> <li>• Communication was identified by respondents in all sectors as the most important strategy in change management</li> <li>• Communication should be factual, simply worded, repeated often, and face to face as much as possible</li> </ul>	<ul style="list-style-type: none"> <li>• Review and reassess the current communication strategies in the transformation plan, to ensure that people at all levels are kept informed regularly and through a variety of media.</li> </ul>
2.	<b>Vision:</b> <b>There is a vision of the future to guide current thinking and action and facilitate movement from current to future state.</b>	<ul style="list-style-type: none"> <li>• A succinct vision is an essential tool for managing change</li> <li>• The vision provides a roadmap to guide decision-making and action</li> <li>• All structures, policies &amp; procedures need to be aligned with the vision</li> <li>• The fundamental vision should remain the same over time</li> <li>• Leaders play an important function in articulating, modeling and reinforcing the vision</li> </ul>	<ul style="list-style-type: none"> <li>• Reassess the vision of MCFD to ensure that it conveys a clear and accurate picture of the new entity MCFD will become.</li> </ul>
3.	<b>Leadership:</b> <b>There are an adequate number of skilled leaders to guide the transformation process.</b>	<ul style="list-style-type: none"> <li>• An effective change process requires strong, supportive and committed executive sponsorship</li> <li>• Credible leaders are needed at every level of the organization to articulate the vision, engender support and align actions with the new direction</li> <li>• Leaders need to model the vision consistently and constantly to build confidence and trust in the change</li> <li>• Visibility of leaders is important throughout the process to lend credibility to the change and build trust</li> </ul>	<ul style="list-style-type: none"> <li>• Review and reassess the role and function of leadership in the transformation process to ensure credibility, consistency, visibility and accessibility.</li> </ul>

	<b>Client Needs</b>	<b>Summary of Research Findings</b>	<b>Summary of Recommendations</b>
4.	<b>Planning:</b> <b>There is a satisfactory plan in place to guide the transformation process.</b>	<ul style="list-style-type: none"> <li>• A plan was identified by respondents from all sectors as a key component for effecting major change.</li> <li>• The plan must be adaptable and aligned with business goals</li> <li>• The plan should contain clear reporting and accountability mechanisms</li> <li>• The plan should be laid out at a high level, but have sufficient detail to support it</li> <li>• Key initiatives should be clearly linked to the plan so all work supports the direction of the change</li> </ul>	<ul style="list-style-type: none"> <li>• Review and reassess the current transformation plan to ensure adaptability, alignment and accountability.</li> </ul>
5.	<b>Involvement:</b> <b>People are involved appropriately in the transformation process.</b>	<ul style="list-style-type: none"> <li>• Involvement is a key strategy used in the public, private and nonprofit sector</li> <li>• Involvement can be used in every aspect of change and development</li> <li>• Involvement is useful for reviewing progress, improving quality of service &amp; productivity and engaging external bodies</li> <li>• All sectors use a variety of ways to involve stakeholders: cross-functional and business process teams, quarterly meetings, focus and advisory groups</li> </ul>	<ul style="list-style-type: none"> <li>• Assess the level and type of involvement currently being used in the transformation process and strengthen where possible in a variety of ways.</li> </ul>

**Figure 23 - Workforce Renewal Recommendations**

	<b>Client Needs</b>	<b>Summary of Research Findings</b>	<b>Summary of Recommendations</b>
1.	<b>Service Delivery: To develop a workforce that is focussed on service excellence.</b>	<ul style="list-style-type: none"> <li>• Involvement is the single strategy used by all sectors for ensuring good service delivery</li> <li>• Successful involvement strategies include focus &amp; advisory groups, cross-functional teams, surveys, meetings and retreats</li> <li>• Recognition, training, performance management, client focus and hiring strategies are also used to improve service delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Use a combination of strategies and practices to develop and improve client service.</li> </ul>
2.	<b>Innovation &amp; Empowerment: To foster a dynamic work environment.</b>	<ul style="list-style-type: none"> <li>• Involvement is used by all sectors to empower staff, through surveys, issues teams, advisory groups, problem-solving activities</li> <li>• De-centralized authority, training &amp; multi-disciplinary approaches foster empowerment</li> <li>• Encouragement is used to increase innovation, through work teams, performance culture &amp; by supporting ideas</li> </ul>	<ul style="list-style-type: none"> <li>• Lessen control, and use involvement, training and encouragement to foster innovation and empowerment.</li> </ul>

	<b>Client Needs</b>	<b>Summary of Research Findings</b>	<b>Summary of Recommendations</b>
3.	<b>Morale: To build and maintain morale during the transformation process.</b>	<ul style="list-style-type: none"> <li>• Communication most commonly used approach to build and maintain morale</li> <li>• Visibility of leaders helpful</li> <li>• Involvement useful – include staff in conferences, focus groups, surveys &amp; teams to re-affirm new direction, re-energize, decrease sense of uncertainty &amp; increase sense of control</li> <li>• Celebration, recognition &amp; social events helpful to demonstrate progress, thank employees and boost morale</li> </ul>	<ul style="list-style-type: none"> <li>• Employ communication strategies, involve people in a variety of ways and plan celebrations and social opportunities to maintain and build morale.</li> </ul>
4.	<b>Enthusiasm: To create enthusiasm for the new vision of the ministry.</b>	<ul style="list-style-type: none"> <li>• Communication &amp; involvement most effective strategies</li> <li>• Clarity &amp; consistency of message important, along with use of credible leaders &amp; constant, open dialogue</li> <li>• Involvement used to build support for new vision, through mini-conferences, problem-solving activities, project work, team approaches</li> </ul>	<ul style="list-style-type: none"> <li>• Use a variety of communication &amp; involvement strategies to generate enthusiasm for the new vision.</li> </ul>
5.	<b>Staff Retention: To retain skilled staff during the transformation process.</b>	<ul style="list-style-type: none"> <li>• Communication important for retaining staff – clear &amp; compelling vision, explain connection between future direction &amp; people’s own jobs, demonstrate opportunities</li> <li>• Involvement also seen as essential – give people a part to play, sense of contribution, use project work</li> <li>• Training &amp; development helpful during &amp; after change to fill skill gaps, offer opportunities for growth</li> <li>• Planning important for giving people confidence in the future, sense of stability</li> </ul>	<ul style="list-style-type: none"> <li>• Utilize communication, training &amp; development, involvement and planning practices to retain skilled staff during the transformation process.</li> </ul>

	<b>Client Needs</b>	<b>Summary of Research Findings</b>	<b>Summary of Recommendations</b>
6.	<b>Flexibility &amp; Freedom: To develop a work environment that inspires passion, performance and pride in making a difference.</b>	<ul style="list-style-type: none"> <li>• Encouragement &amp; openness foster a flexible work environment</li> <li>• Give staff latitude on how to achieve goals, bring ideas forward, make decisions, be responsive to clients</li> <li>• Modelling by leaders provides positive example to encourage flexibility &amp; freedom</li> <li>• Use of guidelines provides more flexibility than policies &amp; procedures</li> <li>• Flattening of organizations brings increased accountability &amp; freedom of thought &amp; action</li> </ul>	<ul style="list-style-type: none"> <li>• Use encouragement, openness and modelling to encourage flexibility and freedom in the workplace.</li> </ul>
7.	<b>Risk-Taking: To encourage calculated risk-taking in the work environment.</b>	<ul style="list-style-type: none"> <li>• Importance of <i>responsible</i> risk-taking emphasized in all sectors</li> <li>• Establish clear parameters, stress informed thinking &amp; use of good judgement</li> <li>• Ensure staff has necessary tools &amp; training</li> <li>• Provide support through supervisory opportunities, accept potential for failure</li> </ul>	<ul style="list-style-type: none"> <li>• Encourage the application of business thinking and provide appropriate level of support, tools and training to foster responsible risk-taking.</li> </ul>

## **CONCLUSION**

The Ministry of Children and Family Development has already begun its transformation process. Leaders and staff are well aware of the many complexities and challenges they face in moving from the old identity to the new. Progressive steps, such as implementing leadership development forums, show that MCFD's management is open to change and eager to embrace practices that will strengthen the ministry's structure and facilitate its future work.

The sincere interest of the Strategic Human Resource Services Branch in implementing a renewal program during the transformation also indicates a proactive attitude towards improving the work environment of MCFD and a desire to become a more competitive and attractive employer in the future.

The information contained in this report can be used throughout and after the transformation process is completed, to facilitate a smooth, efficient change effort and assist in realizing an improved and more dynamic work environment. Major change is a complex and challenging process, but the application of successfully proven strategies will ensure a more effective, stronger outcome for MCFD.

## **Recommendations for Future Research**

The body of literature that exists on change management focuses almost exclusively on the private sector. Therefore, existing change management models do not necessarily take into account the needs and characteristics of the public and nonprofit sector and may not be appropriate for use in these areas. Findings in this study show that organizations in the public and nonprofit sector use bundles of strategies that clearly differ from those of the private sector. Consequently, a tremendous opportunity exists for investigating these differences to advance the body of knowledge that exists on change management and assist managers in the public and nonprofit sector in managing their change processes more effectively.

An excellent opportunity also exists for investigating the different ways in which leadership, vision and involvement are used within each sector. Findings in this study show, for example, that leadership is perceived and practised very differently in the nonprofit sector than in the public sector. Additional knowledge in this area can be used to broaden understanding about these three components and strengthen the approaches that leaders in the public and nonprofit sector use for managing change.

Finally, an opportunity also exists to explore the relationship between culture and resource availability with the type and gender of leader that is hired into an organization. This study showed that a pattern exists in the nonprofit sector, in which executive directors are predominantly females with social services backgrounds whose values align with those of the organization. Findings also showed that an inability to provide a certain

level of salary is a limitation in the nonprofit sector to hiring leaders with business backgrounds, such as an MBA. Are culture and resources the main factors in attracting and retaining well qualified individuals, or do other factors influence whether men or women with certain types of training become leaders in the different sectors? Can the present pattern that exists within the nonprofit sector be changed to encourage a greater number of leaders with more business-based backgrounds to work in nonprofit organizations, and thus help to increase their effectiveness in managing change? Each of these questions is worth exploring to better understand the factors that influence the type of leadership used in each sector and in turn, how that affects the management of change within the organization and the sector.

It is also recommended that an identical study be done in a different geographical area and/or a similar study be conducted with a larger interview sample, to verify the findings and add to the body of knowledge on change management in the three sectors.

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## APPENDIX 1: RESPONDENT ORGANIZATIONS

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### Private Sector

- \* 1. BC Buildings Corporation
2. BC Coastal Group – North Island Timberlands
- \* 3. BC Hydro (2 respondents)
4. Coast Capital Savings
5. IBM Canada
- \*\* 6. Royal Roads University
7. Skeena Cellulose
8. The Fairmont Empress
9. UMA Group Limited
10. Van City
11. Western Management Consultants

### Public Sector

1. BC Government – Premier’s Office
2. Capital Health Region
3. Ministry of Children and Family Development (2 respondents)
4. Ministry of Health Services (4 respondents)
5. Ministry of Sustainable Resources
6. PSERC (Public Service Employee Relations Commission)

### Nonprofit Sector

1. Blanshard Community Association
2. Burnside Gorge Community Association
3. Cool Aid Society
4. Family Caregiver’s Network Society
5. Island Deaf and Hard of Hearing Centre
6. James Bay Community Project
7. Transition House
8. United Way of Greater Victoria
9. University of Victoria – Research Scholar on nonprofits
10. West Shore Community Resources (a.k.a. Capital Families Association)
11. Women’s Sexual Assault Centre

\* These organizations are officially categorized as Crown Corporations. They have been regarded as private sector organizations in this report because their approach to doing business is more private sector in nature than public sector.

\*\* Royal Roads University is officially categorized as a public post-secondary institution. It has been treated as a private sector organization for the purposes of this report because of its entrepreneurial management approach. Royal Road’s programs are market-driven and entrepreneurship is one of its four founding pillars.

## **APPENDIX 2: INTERVIEW GUIDE**

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### **Human Resource Strategies for the Transformation of the Ministry of Children and Family Development**

#### ***Change Management***

The Ministry of Children and Family Development (MCFD) will be changing its service delivery structure over the next 3 years from a direct government delivery model to a community governance model. This represents a major operational and cultural shift for the organization. MCFD would like to find out what strategies other organizations have used to manage change, in order to inform and facilitate their transformation process.

1. Would you describe what types of major change initiatives you have been involved with and what the change entailed?
2. What specific strategies or practices did you find to be most helpful in making the change?
3. What strategies or practices did you find least helpful?
4. How well did the organization function once the change was completed? Were there problems for awhile? Would you describe what the main concerns were and what was done to manage them.

#### ***Workforce Renewal***

The BC provincial government is embarking on a service renewal initiative. The goals of the program are to develop service excellence, create a more dynamic work environment and to keep employees motivated and passionate about their work.

1. What specific human resource strategies or practices have you found to be most successful for ensuring good service delivery to your clients?
2. What key practices do you use to empower staff and encourage innovation?
3. What approaches have you found to be most helpful for maintaining and building employee morale during and after times of major change?
4. How do you build enthusiasm for a new vision within your organization?
5. What does an organization need to have in place to retain and support skilled staff during a change initiative?

6. How do you encourage flexibility, freedom and calculated risk-taking within your work environment?
7. Is there anything that you would like to add or elaborate on regarding managing change or renewing the workforce that has not been addressed in the previous questions?

## APPENDIX 3: SECTOR COMPARATIVE ANALYSIS

### CHANGE MANAGEMENT

Interview Question	Similarities Across Sectors	Differences Between Sectors
<b>1. Types of Change initiatives involved with</b>	<ul style="list-style-type: none"> <li>• Re-structuring common to all, most prevalent type of change</li> <li>• Wide variety of change present in each sector</li> <li>• Culture in all becoming more performance focused</li> </ul>	<ul style="list-style-type: none"> <li>• Expansion &amp; collaborative partnership in some nonprofits versus consolidation &amp; downsizing in private &amp; public.</li> <li>• Unionization only in nonprofit (2)</li> <li>• Outcome focus prevalent in nonprofit</li> <li>• Greater focus on re-org. of processes in public &amp; private vs. nonprofit</li> <li>• New models/systems in public &amp; private e.g. shared service, service delivery model, performance management systems</li> </ul>
<b>2. Most Helpful Strategies</b>	<ul style="list-style-type: none"> <li>• Communication ranked #1 in all sectors</li> <li>• Involvement #2 in private &amp; nonprofit &amp; #3 in public</li> <li>• Planning/vision included in all, #2-4</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership strong #2 in public, not ranked in nonprofit &amp; ranked #4 in private</li> <li>• Vision – strong #3 in private sector</li> <li>• More reliance on involvement &amp; use of external expertise in nonprofit than emphasis on internal leadership</li> </ul>
<b>3. Least Helpful Strategies</b>	<ul style="list-style-type: none"> <li>• Involvement noted by all - #1 nonprofit, #2 private, #3 public</li> <li>• Communication #1 public &amp; private, #2 nonprofit</li> <li>• Planning #2 public &amp; nonprofit</li> <li>• Leadership #3 &amp; #2 public &amp; private</li> </ul>	<ul style="list-style-type: none"> <li>• Involvement #1 for nonprofit</li> <li>• Leadership not ranked in nonprofit</li> <li>• Training ranked in private only, as #3</li> <li>• Time noted for public only, and as #3</li> </ul>

Interview Question	Similarities Across Sectors	Differences Between Sectors
<p><b>4. Problems After the Change</b></p>	<ul style="list-style-type: none"> <li>• Time noted in all three - #1 private, #2 nonprofit, #3 public</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership strong #1 – public</li> <li>• Leadership not ranked by nonprofit – emphasis on involvement over leadership (nonprofit ranked involvement #1 or 2 for all other questions)</li> <li>• Time strong #1 – private</li> <li>• Planning only ranked by public</li> <li>• Reinforcement - #2 for private</li> <li>• More emphasis on training in private sector (included in least helpful strategies, problems after change, strategies for renewal. Less training in nonprofit - more limited resources. Less training emphasis in public)</li> </ul>

## WORKFORCE RENEWAL

Interview Questions	Similarities Across Sectors	Differences Between Sectors
<p><b>1. Strategies for ensuring good service delivery to clients</b></p>	<ul style="list-style-type: none"> <li>• Involvement in all 3 sectors - #1 public &amp; nonprofit, #4 private</li> </ul>	<ul style="list-style-type: none"> <li>• Recognition – strong #1 in private, not ranked in other sectors</li> <li>• Training – strong #2 in private, #3 nonprofit, not ranked by public</li> <li>• Performance Management strong #3 in private, #2 in nonprofit, not ranked for public</li> <li>• Communication only ranked in public - #2</li> <li>• Hiring/HR strategy #2 public, #3 nonprofit</li> <li>• Compensation only listed in private</li> <li>• Client focus thru the org – only found in nonprofit</li> </ul>

Interview Questions	Similarities Across Sectors	Differences Between Sectors
<p><b>2. Practices to empower staff &amp; encourage innovation</b></p>	<ul style="list-style-type: none"> <li>• Involvement common to all, in top 3 rankings - #1 private, #3 public, listed as other for private</li> <li>• Encouragement listed for all 3 - #1 nonprofit, #3 public, other – private</li> </ul>	<ul style="list-style-type: none"> <li>• Lessen control - #1 for public</li> <li>• Training - #2 private</li> <li>• Delegate - #3 nonprofit</li> <li>• Performance management &amp; recognition only listed by public, as #3</li> </ul>
<p><b>3. Approaches to build &amp; maintain morale</b></p>	<ul style="list-style-type: none"> <li>• Communication - # 1-2 for all sectors. Ranked #1 public &amp; nonprofit</li> </ul>	<ul style="list-style-type: none"> <li>• Involvement – Ranked #1 private &amp; strong #2 nonprofit, not listed by public</li> <li>• Celebrate/social opportunities listed #2 &amp; # private &amp; nonprofit, not listed by public</li> <li>• Recognition – rated as strongly as communication &amp; celebration by private, not ranked by public or nonprofit</li> </ul> <p><b>Note</b> – other responses besides ranked ones include wide variety of approaches: fairness, respect etc. &amp; also 2 comments that people need to take personal responsibility for own morale – leaders not fully responsible</p>
<p><b>4. How to build enthusiasm for a new vision</b></p>	<ul style="list-style-type: none"> <li>• *Strongest clarity &amp; consistency of response for any interview question – all sectors ranked communication &amp; involvement as # 1 or 2 and no other strategies were stated</li> </ul>	<ul style="list-style-type: none"> <li>• No differences noted for this question</li> </ul>

Interview Question	Similarities Across Sectors	Differences Between Sectors
<p><b>5. Need to have to retain &amp; support skilled staff</b></p>	<ul style="list-style-type: none"> <li>• Communication ranked #1 or 2 by all</li> <li>• Involvement included for all as #1 – 3</li> <li>• Training &amp; development included by all - #1 private, #2 public, #3 nonprofit</li> </ul>	<ul style="list-style-type: none"> <li>• Incentives – only listed by private</li> <li>• Planning – Ranked #2 – 3 by public &amp; private, not at all by nonprofit</li> </ul>
<p><b>6. How to encourage flexibility, freedom &amp; calculated risk-taking</b></p>	<p>Re Flexibility – no clear ranking of any approach</p> <ul style="list-style-type: none"> <li>• Encouragement used by all</li> <li>• Allow staff to do things in their own way</li> <li>• Modelling common to public &amp; private</li> </ul> <p><b><i>Re Risk-taking –</i></b> Support used by all sectors, but very mixed set of responses generally</p>	<p>Re Flexibility-</p> <ul style="list-style-type: none"> <li>• Guidelines used in private sector instead of policies &amp; procedures</li> <li>• Use of clear parameters strongly ranked in nonprofit (allow flexibility w/in guidelines)</li> </ul> <p>Re Risk-taking –</p> <ul style="list-style-type: none"> <li>• * Not many suggestions from public sector – Low risk sector</li> <li>• Clear parameters emphasized by private</li> <li>• De-centralized structure in private sector encourages risk-taking</li> <li>• Giving staff latitude enc. by private</li> <li>• Performance measure in private</li> <li>• Informed thinking – emphasized by private</li> <li>• E.D. in nonprofit encourages/acknowledges</li> <li>• Skills concern in nonprofit re risk</li> <li>• Incremental approach – pilot project suggested by nonprofit</li> </ul>

Interview Questions	Similarities Across Sectors	Differences Between Sectors
<p><b>7. Anything you would like to add re change management /workforce renewal</b></p>	<ul style="list-style-type: none"> <li>• Public &amp; private both noted need to recognize endings &amp; celebrate new beginnings more</li> <li>• Importance of communicating vision noted by both public and #2 for private</li> </ul>	<ul style="list-style-type: none"> <li>• Importance of leadership role noted as #1 by private, not highlighted by other sectors</li> <li>• Importance of involvement – recurring theme throughout for nonprofit</li> <li>• Need for flexibility in change process noted by public – adapt it to the org. needs &amp; characteristics</li> <li>• Need for strategic HR plan noted by nonprofit (lack of resources to do)</li> <li>• Giving equal attention to leavers &amp; stayers noted by public</li> <li>• Importance of linking change initiatives to the business direction noted by private</li> <li>• Providing ways for staff to feel sense of control noted by private</li> </ul>