

# Change Management Process

## B1.10 Change Management Process

### 1. Introduction

This policy outlines [Your Company]’s approach to managing change within the organisation. **All changes in strategy, activities and processes could result in changes in HSE risks.** These risks need to be identified and assessed as part of the change management process.

### 2. Definition of Change Management

Change management means defining and adopting corporate strategies, structures, procedures and technologies to deal with changes in external conditions and the business environment.

### 3. Examples of Change Management

All organisations need to deal with change events. Successful organisations are able to manage change in a coherent manner and are able to generate the most benefit from changes and improvements to the way they do business.

A company such as [Your Company] is likely to deal with a number of different types of change events. These could include:

- **Changes in scale** – Where [Your Company] wins a large contract or opens a new business line there will be a need to change the way the business works due to the increasing size of the organisation (e.g. increases in employees, need for new premises, need for additional vehicles, changes in management structures etc.)
- **Changes in personnel** – A more common change event that all organisations will face from time to time is the need to adapt to changes in the personnel in key positions within the business. For example, a change in supervisor may change team dynamics whilst a change in accountant could include the risk of losing significant corporate knowledge.
- **Changes in technology** – Where there have been improvements in technology (e.g. communications, IT or equipment) there will be a need for [Your Company] to update their systems and train their employees to effectively manage the change.
- **Changes in service offerings** – In circumstances where [Your Company] was to change the business lines that we service then there will be a need to manage a change process through training existing staff, recruiting additional staff, updating the business plan and potentially investing in new equipment and marketing literature.
- **Legislative change** – Changes in laws and regulations could have a significant impact on how [Your Company] goes about undertaking its work.

#### 4. HSE implications of organisational change

All changes in scale, personnel, technology, strategy and processes could result in changes in HSE risks. These risks need to be identified and assessed as part of the change management process. Some examples of how change may impact risk are outlined below:

- **HSE risks - Changes in scale** – Where there will be a need to change the way the [Your Company] works due to the increasing size of the organisation there may be additional HSE risks that need to be considered due to recruitment and induction of additional staff, conducting operations in new premises; use of new vehicles or equipment or changes in management structures or reporting lines.
- **HSE Risks - Changes in Personnel** – Where there are changes in personnel there may be HSE risks associated with a lack of knowledge of the new staff of the correct safety procedures and protocols. Indeed, there may even be risks associated with the safety culture that these new employees may bring with them.
- **HSE Risks - Changes in technology** – Investment in new processes or equipment can bring HSE risks where personnel are not trained or experienced in the use of the new equipment / technology.
- **HSE Risks – Service Offerings** – Changes in the range and nature of services offered by [Your Company] would bring additional HSE risks due to the new activities that staff must undertake so as to provide these services.

#### Process for assessing HSE risks associated with Change Management

The control process for assessing and mitigating risks associated with Change Management are the same as those in place for other workplace HSE risks. These are as follows:

- **Eliminate** the hazard from the workplace altogether.
- If a risk cannot be eliminated, try to **substitute it** with something that has a lower risk.
- **Isolate the problem** - this is often done by the use of separate purpose-built rooms, barricades, or sound barriers.
- **Re-design** equipment, work processes or tools to reduce or eliminate the risk.
- **Administrative controls** include appropriate training, written work procedures, adequate supervision, signage, maintenance of plant and equipment, or limitation of exposure time.

#### 5. Key elements in successful Change Management

The key elements in [Your Company]’s approach to change management include:

- **Planning:** developing and documenting the objectives to be achieved by any change and the means to achieve it.
- **Defined Governance:** establishing appropriate organisational structures, roles, and responsibilities for the change that engage stakeholders and support the change effort.

- **Committed Leadership:** ongoing commitment from the leadership of [Your Company] and across the organisation to guide organisational behaviour, and lead by example.
- **Informed Stakeholders:** encouraging stakeholder participation and commitment to the change, by employing open and consultative communication approaches to create awareness and understanding of the change throughout [Your Company].
- **Aligned Workforce:** identifying the human impacts of the change, and developing plans to align the [Your Company] workforce to support the changing organisation.

The extent to which each of these five factors is exhibited in successful change projects will vary depending on the nature of the change involved. Clearly where large whole of organisation change (e.g. business relocation) is involved the complexities will be increased and each of the factors outlined will require fuller consideration. In the case of a small, more localised change (e.g. change in finance system), the need may be less significant.

## 6. Responsibility for identifying, assessing and addressing HSE risks

The responsibility for identifying, assessing and mitigating HSE risks lies initially with the *Change Agent*. The Change Agent is responsible for managing the overall day to day change management process and implementation, including coordination of any different work streams that may be required. In some circumstances this will be one of the [Your Company] Supervisors or could also be the Managing Director.

It is however important to note that all members of [Your Company]'s workforce will continue to be responsible for hazard identification and in completing incident reports where incidents or near misses occur.

### 6.1 HSE Continuous Improvement

[Your Company] is committed to continuous improvement of our HSE performance through learning lessons from the way in which specific change events are managed and implemented. As part of this process we will:

- Report – on any hazards, incidents or near misses that occur in respect of the change event;
- Investigate – any incidents and near misses to better understand the reasons for the incident and how it can be better mitigated in future.
- Improve – work processes and redesign systems to eliminate or reduce any HSE risks resulting from the change event.

## 7. Change Management

### 7.1 - Planning

There are a number of steps in planning for change. These are as follows:

#### Planning Context

Critical to successful change is good planning. Successfully managing the complexity of change is virtually impossible without a robust plan that is supported by strong project

management. A change management plan should be developed by [Your Company] for each change event. Such a plan is important to help the organisation to:

- Take stock of their current position;
- Identify what is to be achieved, and what the future position following the change is expected to be;
- Detail precisely the who, what, when, where, why and how of achieving and implementing the change objectives;
- Assess the impact of the change on the organisation and the people within it, as well as other stakeholders (**Health Safety and Environment**); and
- Ensure alignment with the organisation's wider business model/strategy

A good change planning process involves:

- Setting a clear vision for the change which is aligned with the organisation's vision and mission
- Documenting the case for change, and
- Developing the change plan.

## **7.2 - Clear Vision**

The starting point and focus of successful change planning is having a clear vision about what the scope and impacts of the future changed state will be. If the change vision is not clear or shared, commitment is unlikely, and change efforts will be short-lived at best and will likely fizzle out. Further, without a clear vision, change efforts can easily dissolve into a list of confusing tasks, directives and sometimes incompatible projects that can take the organisation in the wrong direction or nowhere at all. The vision should provide the direction, which ties everything together, showing where individual projects and initiatives fit into the big picture.

## **7.3 - Document the Case for Change and the Vision**

To ensure clarity about the change (and to provide a clearer picture of the magnitude and complexity of what is involved) the officers responsible for managing each change event (Change Manager) should document:

- Why the initiative is being undertaken - What are the business drivers?
- What outcomes and objectives the change is seeking to achieve, and
- How the change will benefit stakeholders, the organisation and the [Your Company] overall

## **7.4 - Develop Change Plan and Measures**

The [Your Company] Change Manager should develop a Change Plan for each event that should state:

- The objectives to be achieved by the change;
- The proposed new direction, core business, structure and staffing

arrangements to accommodate the change (if applicable);

- How the change is to be implemented, including how the change will be communicated to the workforce and other stakeholders;
- The resources to be used, and the timelines;
- The potential **HSE impacts and risks**;
- The relevant human resources principles and policies to be applied, particularly in relation to staffing issues; and
- The means by which performance in the changed environment will be assessed in relation to the stated objectives; i.e. how the organisation will know when it has achieved the desired change (Performance indicators and measures).

## **8. Defined Governance**

Strong governance and associated reporting arrangements need to be established to drive and monitor change. Change management governance involves establishing appropriate roles, responsibilities and a structure within the organisation to ensure a successful change. While each change process will adopt a governance structure suitable to its specific context and goals, the following basic change governance roles should be used by [Your Company] when establishing a change governance structure.

- Steering Committee. The Steering Committee provides overall oversight for the change process, setting the direction and providing leadership. It also ensures that the change process remains aligned with the organisation's strategic vision and direction (this will only be employed in more significant change events).
- Change Sponsor. The Change Sponsor has ultimate responsibility for the change and for building commitment for the change, particularly from leaders across the organisation. This would usually be the [Your Company] Managing Director.
- Change Agent. The Change Agent is responsible for managing the overall day to day change management process and implementation, including coordination of any different work streams that may be required. In some circumstances this will be one of the [Your Company] Supervisors or could also be a Director).

## **9. Committed Leadership**

### **9.1 Role**

The role of leadership in any change management effort cannot be underestimated, and is the number one contributor to change success.

### **9.2 Visible Support - Setting the Example**

Successful change management requires a large commitment from the [Your Company] CEO, regardless of whether the change is occurring in one section or across the whole organisation. Change is inherently unsettling for people, and when it is happening all eyes

turn to the organisation's leaders for support and direction.

### **9.3 Continuous Engagement**

A key role of the Change Sponsor is to ensure that the organisation's employees continue to be involved throughout the change. Their engagement is necessary throughout the full change project life cycle, as acceptance of the change must be evident in each phase, from initiation and planning through to implementation, with leaders exhibiting stamina and patience throughout the project to continuously engage with stakeholders. Key responsibilities for an organisation's leaders throughout the change process are to:

- Assess readiness and make adjustments.
- Take action to resolve issues.

## **10. Informed Stakeholders**

### **10.1 Communication**

It is [Your Company]'s workforce that will make change happen - nothing moves forward without engaged, motivated employees. To do that, [Your Company] Management will need to provide employees with an explanation for the reasons why the change is happening and its benefits. Employees also need to have an opportunity to express their views and contribute their own ideas about how it might be implemented.

### **10.2 The Purpose of Change Communication**

One of the most challenging and demanding aspects of any change project is communication. To achieve effective communication requires a deliberate plan for determining who needs to understand the what, why, when and how of the change. Good communication forms a significant part of the Change Plan.

### **10.3 Change Communication Fundamentals**

While there is no one perfect way to communicate change, and [Your Company] should incorporate the following elements in its communication approach:

- Clearly communicate the change vision and do it early
- Outline the benefits and impacts of the change.
- Ensuring that any changes in HSE policy and procedures are highlighted.
- Ensure the CEO actively communicates throughout the change process.
- Provide opportunities for dialogue.
- Repeat change messages often.
- Monitor and measure the effectiveness of communications.

## 11. Aligned Workforce

### 11.1 People Impacts

It is essential to identify the human capital impacts of a change effort on the workforce. Management should develop a workforce plan that ensures that the organisation has an adequately skilled workforce to support its post-change needs.

### 11.2 Organisational Needs Assessment

A first step in the workforce planning process is for [Your Company] Management to conduct an organisational needs assessment. This will involve the following issues:

- Future resource roles and needs:
  - What new roles are needed?
  - What are the responsibilities assigned to each role?
  - What are the HSE implications?
  - How many people are required in each of these roles?
  - Are work location changes required?
  - Is there an adequate supply of people for the new roles?
- Skills and Competencies:
  - What new competencies will be required for the roles?
  - What skills, education, knowledge, or work experiences should the resources have for each identified competency?

After determining the organisation's workforce needs in the changed environment, Management should determine the competencies of the organisation's current workforce, and identify and address the gaps between future needs and current workforce competencies.

### 11.3 Workforce Development

[Your Company] management should seek to address any gaps between the existing capacity of the workforce and the anticipated future requirements through initiatives such as:

- performance management;
- creating individual development plans; or
- training and education.

<b>Sign Off</b>			<b>Revision 12/12 to be revised 12/13</b>
	<b>Managing Director</b>	<b>Date</b>	