

Anticipating & Managing Change

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We've all been there. Just when we think things are working and the business is doing well, something seems to hit us out of nowhere. All of a sudden we're faced with the need to fix or change some things in our business to get ourselves back on track. Never has that been more true than in today's challenging economic reality.

When the need for change hits an organization by surprise it often results in disruptive and dramatic results such as downsizing, plants closing, or re-engineering. Dramatic and disruptive change is often accompanied by downturns in the business that can ultimately have an impact on the financial stability of the organization. At ArchPoint, we remind our clients that "all organizations are perfectly designed to achieve the results that they are getting." But what if you want bigger and better results even in difficult times? That takes change, and there are many things organizations can do to better prepare for change.

The ability to anticipate and manage change before a crisis is a core competency that all organizations should consider embracing. Some organizations achieve their competitive edge through research and development. Others may be the best at manufacturing and supply chain efficiencies, or marketing and customer service. In addition to those two to three core competencies that are essential to your business, the ability to anticipate and manage change has clearly become a key competency for those who succeed in the long haul.

Important questions to ask to determine whether change is on the horizon include:

1. Are expectations being missed such as customer expectations, Wall Street expectations, or end user expectations?
2. Are there new technologies and systems that have been adopted or need to be adopted that require new work processes that must be learned?
3. Are there competitive challenges either anticipated or unanticipated that require us to innovate or change in order to compete?

So where do you start? How do you get ahead of a crisis by anticipating change? The answer is **strategy**. Most organizations go through a yearly process to establish a strategic business plan with goals and budgets. Our experience shows us that your strategic plan will be much stronger if you incorporate change principles into it and continually revisit it. This allows the business to better execute the plan.

To anticipate and be proactive to change, the following key elements must be assessed:

1. Business Situation – Are customer needs changing? Are your customers facing new challenges and pressures? Are you facing new challenges and pressures? Is the economy changing and how will that impact you and your customers?
2. Business Strategy – Knowing what you know now, is your business strategy still pointing you in the right direction? Does the direction need to be adjusted? Do you need to reevaluate priorities? Is the direction attainable in the current environment?

3. Business Results – Are your business results changing? Are you meeting previously set goals and objectives? Is customer satisfaction meeting expectations? Do your financial targets need to be adjusted?
4. Culture – Evaluate the work habits, norms and values that explain “how we really operate around here” – Have they recently changed? Are they good or bad and what needs to be addressed and adjusted?
5. Design Elements – Is your organization still optimally designed to meet its objectives? Meaning, is work getting done efficiently? Does the current structure support delivery of the work tasks? Is the organization staffed accordingly? Are the decision making processes effective? Are information systems supporting the work? Are the recognition and reward programs reinforcing the desired results?

There are certainly times when a major organizational change initiative has the luxury of enough time and resources to systematically identify the critical elements of change that are necessary. However, it is equally as important that organizations develop the ability to anticipate change and embrace adjustments for competitive advantage and continual improvement “on the fly”. An early assessment can be critical to help guide annual adjustments that need to be made in structure, reward & recognition, work that needs to be done or eliminated, decision making processes, staffing and investments in systems for support.

It’s been said that “an ounce of prevention is worth a pound of cure.” In today’s economy nothing could be more true.