

Why Do I Need a Change Management Plan?

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"Change before you have to." This maxim, credited to former General Electric CEO Jack Welch, is a pithy reminder that being able to manage change skillfully is not an option but a necessity for business leaders.

The term "change management" entered the business vernacular in the 1990s. It describes the discipline that emerged when people accepted that individual change does not happen by chance but rather can be fostered through careful planning and repeatable steps.

General Electric became one of the earliest adopters of change-management plans when it produced the [Change Acceleration Process](https://bvonderlinn.wordpress.com/2009/01/25/overview-of-ges-change-acceleration-process-cap/) (https://bvonderlinn.wordpress.com/2009/01/25/overview-of-ges-change-acceleration-process-cap/), which emphasized focusing on workplace culture when pursuing change by creating a shared need, shaping a vision and mobilizing commitment from the workforce.

Fast forward to 2023, where change-management plans have become the cornerstone for how companies across all industries think about and execute change. In a broader sense, change-management plans offer companies a roadmap to their goals by outlining the changes needed to achieve them.

Know When It's Time to Change

Sometimes, the best time to consider implementing a change-management plan is before you're forced to change out of necessity.

"That sounds counterintuitive, but in my experience, change has a way of sneaking up on you," [Autoloancalculator.net](https://www.autoloancalculator.net/) (https://www.autoloancalculator.net/) founder Anup

Kayastha said. "If you're considering a shift in strategy, technology or even company culture, you should already be sketching out a change-management plan. Being proactive rather than reactive can make a world of difference."

At other times, however, the writing is on the wall when your company is ready for significant changes.

Alister Wood, the CEO of [VisitUs](https://visit-us.com/) (https://visit-us.com/), a software-as-a-service company, realized he had to think clearly about managing global scale when he expanded to new international markets.

"[The expansion] meant that we had to develop a change-management plan because every employee would get new responsibilities and they needed to understand their roles," Wood said. "Of course, we needed to upscale our workforce and feature set of our software, too."

New technologies, the rise of competitors and changes in regulations can all be signs that your business needs to adapt.

When content-marketing service [Aloha Digital](https://www.aloha.digital/) (https://www.aloha.digital/) transitioned from traditional marketing strategies to digital strategies, CEO Itay Malinski knew it was time to consider a change-management plan.

"This was a significant shift that required us to rethink our processes, tools, and even our team structure," Malinski said.

First, Build a Good Foundation



Change-management plans are most successful when executed with a solid, structured methodology.

According to a [study](https://www.prosci.com/resources/articles/change-management-best-practices) (https://www.prosci.com/resources/articles/change-management-best-practices) by Prosci, a leader in change-management research, 59% of businesses that used a particular methodology achieved good or excellent levels of change management. Only 29% achieved the same levels of success with a structured approach.

Start by listing your main goal, including the reason for the change as well as the outcome.

Next, list the changes that need to be made and draw up assignments with responsibilities and a blueprint of how operations will run after the change.

Finally, ensure you include all of your stakeholders — including employees — in the process.

"Communication is key during this stage, and it's essential to clearly articulate the reasons for the change, the desired outcome and how it will affect everyone involved," said David Zhang, CEO of Kate Backdrop. He has implemented multiple change-management plans at Kate, which makes backdrops for photographers.

If your team needs to get up to speed on looming changes, consider providing the necessary training, such as workshops or one-on-one coaching, to educate stakeholders and help them adapt to the changes, Simply Business CEO Alan Thomas said.

Look Out for These Pitfalls

Unfortunately, even the best-laid plans are subject to challenges and change-management plans are no exception.

Because change has to be a team effort, some of the biggest roadblocks could be made by people in your organization. That may be why, a McKinsey [study](https://www.mckinsey.com/~media/mckinsey/dotcom/client_service/public%20sector/pdfs/how_do_i_implement_complex_change_at_scale.pdf) (https://www.mckinsey.com/~media/mckinsey/dotcom/client_service/public%20sector/pdfs/how_do_i_implement_complex_change_at_scale.pdf) found, only 30% of change programs succeed.

The leading causes of failure are employee resistance

and management behaviors that do not support desired changes, according to the study.

"In my experience, resistance from employees or stakeholders who are comfortable with the current state of affairs can be a significant obstacle," Zhang said. "This is why involving them in the process and providing clear communication from the beginning is crucial."

Any major change to your company's structure or day-to-day procedures will affect your team, so you must give them the tools they need to understand and navigate the changes.

"We first trained our team on the new tools and strategies," Malinski said. "We then implemented these changes gradually, ensuring everyone was comfortable with the new processes. We also made sure to reinforce these changes through regular training sessions and updates."

People, as creatures of habit, can be anxious about change, particularly if we have become accustomed to normalcy. By engaging your employees about the *why* behind the change, you build a stronger team that is ready to navigate the dynamic currents shaping your industry.

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