

# Human Resources role in Change Management

Do you live with any of these seemingly “no-win” balancing acts?

- Employee interests *and* company interests
- Be the voice of the employee and interpret *and* enforce company policy
- Advocate for employees *and* advocate for management
- Educate *and* regulate
- Employee development *and* organization development
- Competitive employee compensation *and* competitive organization bottom line
- Focus on relationships *and* focus on task
- Training for the job *and* doing the job
  - Employee satisfaction *and* customer satisfaction

In this downsized, outsourced world with resources stretched thin and performance expectations high, the Human Resources (HR) function must exert leadership to prove its worth as a business partner and show that it can provide incalculable value to the organization.

Paradoxically, this requires HR to act as both stabilizer and champion in the midst of the storms of change. The rest of the organization looks to HR to provide needed structures, processes and approaches to support change management. And, most importantly, to see that change management efforts deliver enduring results.

## How HR Can Deliver Change Management Results

HR can deliver these impressive results through a powerful combination of two new paradigms, a principle-based approach to change which simultaneously promotes stability and the management of the organization’s embedded polarities.

Adopting this combined approach will enable HR to:

- Accelerate the pace of sustainable change,
- Increase commitment to needed changes, and
- Develop greater capacity for future change in the organization.

At the same time, this dual approach will provide increased stability needed in the midst of the change management process.

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## Human Resources role in Change Management

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## New Paradigm #1 - Managing Polarities in Change Management

"The art of progress is to preserve order amid change and to preserve change amid order."

**Alfred North Whitehead,  
Mathematician, Logician and Philosopher**

Increasingly, an organisation's ability to respond and adapt quickly while providing increased stability in the midst of change is a great leverage point for achieving sustainable competitive advantage. But this is not about predicting or riding trends; change needs to be a lot more than that. Organisations can get caught in pendulum swings from one trend to another. Sometimes Human Resources professionals are responsible for flavour-of-the-month initiatives; other times they may be trapped by flawed strategies advanced by senior executives. Common examples of these traps include the following.

- **Cultural shifts:** such as from directive to participative management styles, or from hierarchical to team based management and decision-making
- **Structural shifts:** such as from more centralised to more decentralised operations (and back again!), or from downsizing to rehiring
- **Strategic shifts in focus:** such as from quality improvement to cost cutting or from product focus to customer focus.

Many change efforts follow a predictable pattern likely to lead organisations down paths filled with frustration, resistance, and ultimately preservation of the status quo. After compelling arguments are developed as to why change is needed, a plan for getting from "where you are now" to "where you want to be" is viewed as the solution, with implementing the strategy seen as the last step. However, if your vision of the future - the "where you want to be" - is a shift from one pole of a polarity to the other, your efforts are guaranteed to generate amazing resistance.

Polarities are interdependent opposites that need each other for sustainable success over time. Examples of polarities include:

- Directive vs. participative culture,
- Centralised vs. decentralised operations,
- Quality focus vs. cost focus,
- Company good vs. employee good

Polarities, unlike problems, can't be solved – they can only be managed. For example, a corporate decision to merge or not merge is a problem to solve. However, there are underlying polarities that will affect the success of a merger if that is the decision taken.

One polarity to manage is tapping the strengths of both cultures while avoiding the negative aspects of either. A second is paying attention to what's good for the merged company versus what is good for employees caught in the transition. HR should play a critical role in managing polarities such as these to best support and impact corporate decisions.

## How to Manage Employee Resistance

When in your efforts to implement strategies and plans you experience resistance, the most popular assumption is that you have a communication problem and the need is for greater clarity regarding the vision or change management strategy. Perhaps you have not defined the problem in dramatic enough terms, built a hot enough fire for the platform. Maybe you assume that you have not been clear enough about the vision, or that the strategy doesn't go into enough detail.

However when dealing with polarities, the clearer the communication, the greater the resistance generated. Some people, seen as resisters, are unwilling to sacrifice the benefits of current ways of doing business and only too clearly see the downside of the proposed strategy.

It's not that people don't understand your interests – it's that every time you try explaining them again, you confirm that you don't understand theirs. And paradoxically, what you thought was your best solution becomes your greatest problem.

### Employee Resistance case Study

Here's an example: A global oil company was committed to redesigning its entire assessment process to better assess and reward managers for promoting a culture that supported diversity.

Two key new measures in the assessment were that:

- The manager demonstrate flexibility in working with people different from him/herself, and
- The manager show respect toward those people.

At face value, these appear to be solid diversity-related criteria. However, the solution was met with resistance from some managers who were willing to be politically incorrect. They wanted to make sure that they could still be directive and clear when warranted, and were afraid that everything would become participative and flexible in deference to diversity. They were concerned that too much flexibility was going to lead to inconsistencies and unclear direction in the company. Finally they worried that it would be unacceptable to address poor performance as this would be interpreted as lack of respect for diversity.

The polarities at play in this situation are:

- Direction and participation,
- Clear and flexible, and
- Conditional and unconditional respect.

The paradoxical nature of polarities means that over-focusing on one pole will eventually result in experiencing the downside of that same pole.

- Over-focusing on participation, especially to the neglect of direction, results in slow decision-making and unclear roles.
- Over-focusing on direction, especially to the neglect of participation, leads to limited options and low levels of ownership for decisions made.

Effective management means achieving more of the positive dimensions of direction and participation, while minimizing their negative aspects. Similarly, over-emphasizing decentralisation to the exclusion of centralisation leads to inefficiencies and lack of integration.

Highlighting quality targets "at any cost" can price you right out of your market. What Polarity Management provides is tools for recognizing, understanding and managing these complexities all the way from company strategy level right through to dealing with daily line issues.

Managing polarities, as well as solving problems, is a key to effective organizational change. Real Time Strategic Change (RTSC) is a principle-based approach to achieving rapid, sustainable, organization-wide change that also helps manage polarities.

'Rapid' means thinking and acting as if the future were now. 'Sustainable' means that an organization is able to adapt and continue to be successful as new realities emerge over time.

The stability and consistency of the RTSC principles provide a solid platform and a blueprint for an organisation's change journey. Each of the six RTSC principles supports organizations in better understanding the nature of key polarities involved in any change management effort, and how to manage them effectively.

### Principle-based Real Time Strategic Change

Let's see how the RTSC principles support the oil company. In managing the multiple polarities inherent in its move to a culture of diversity and redesigning its assessment process to reflect that shift.

- **Real Time:** This principle challenges people to think and act as if the future were now. The oil company could benefit from early warning signals from the team redesigning the assessment process.

By adopting desired ways of working as they were developing the improved assessment approach (i.e., being flexible and respectful with people who were different), the team's own work could become an early prototype for the emerging culture. And if over-focused on a particular pole, they likely would realize that the plans they were developing would be as out of balance for the company's managers as they were for themselves.

- **Preferred Future:** This principle reminds people to pay attention to bringing the best of the past and present with them while at the same time they build the future they desire. The "politically incorrect" managers, who raised objections to the new performance assessment process, are actually calling attention to traditional strengths of the organization: clear direction setting and a performance-based culture.

Going beyond the Burning Platform – Vision trap, this principle focuses the oil company on a compelling future for the entire organization – engaging those who care for each side of the key polarities identified above.

- **Creating Community:** This principle encourages people to join together as strong individuals while at the same time becoming a strong community, and vice versa. A key question related to this principle is: "What kind of community do we want and need to be?" In the oil company story, members of the organisation deserve a basic level of respect; however, earned respect via individual competence and ongoing personal development are also required for the organisation to continue thriving.

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Paradoxically, raising diverse viewpoints – and encouraging these supposedly opposite voices – proves to be the best path to developing an informed assessment process.

- **Reality is a Key Driver:** This principle guides decisions and actions through people focusing in on specific issues and opportunities that provide significant leverage for change. They simultaneously scan for relevant information amidst the complex, wide-ranging, and often messy realities of change. Focusing in on the reality of not fully tapping the potential of its diverse workforce is the catalyst for the oil company's decision on a new culture and the redesign of the manager assessment process. The team's staying open to new realities, different from their own, during the redesign leads to a better assessment process, with greater ownership from all managers.
- **Empowerment/Inclusion:** This principle focuses on empowering individuals and teams through inclusion and delegation while clearly defining where power will be retained where it currently resides. In the oil company story, including people who are directly impacted by decisions regarding the new assessment process is the insurance policy needed to ensure the final product's quality. This level of inclusion is empowering to people representing opposite poles, and leads to support for and ownership of both the desired culture and the redesigned assessment process by a critical mass of managers.

### Applying a Combined Polarity Management – Real Time Strategic Change Management (PM/RTSC Approach)

What might it look like to apply this integrated approach in your organisation? Let's revisit the oil company story, this time by describing what the PM/RTSC delivers:

- Work with a representative cross-section of key stakeholders (e.g., managers, employees, senior executives and other HR professionals) to plan the changes needed to embed the new culture and implement an effective assessment process. Diversity in team composition makes it easier to manage key polarities. This microcosm group knows what will and won't work for the larger organization, so you're planning with a real-time focus group throughout.
- The new diversity culture starts to become a way of doing business as the team, not only plans to create the desired diversity culture in the future, but begins to implement it in their work with each other and the larger organisation – here and now.
- People developing the new system integrate it into their daily work outside of their microcosm team responsibilities. Process improvements are identified by many and channeled back to the redesign group to integrate these new ideas.

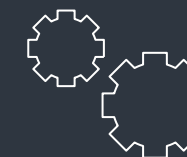
- A critical mass of key stakeholders (ranging from 20 to 2,000) think through intended and unintended consequences of proposed changes, the upsides and downsides of opposite poles. They roll up their sleeves in real or virtual large group working sessions planned by the representative microcosm team. This broad-based employee involvement improves the definition of the diversity culture and their commitment to its successful implementation. It also builds ownership in the new assessment process while also paving the way for accelerated implementation.
- Managers recognize the new culture and the new assessment approach as their own work, shifting it from something imposed to something chosen. With this shift comes sustainable change, as people make these choices the way they do business, instead of relegating this effort to another "binder on the shelf."

Finally, as a bonus and by-product of this integrated PM/RTSC approach to change, individuals and the organization develop a growing capability and capacity to handle future change. Such a competency is arguably one of the few sources of distinctive competitive advantage as organizations head full speed into the future.



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