

intelligence vault

MANAGING A PROFESSIONAL SERVICES FIRM

change management via a programmatic approach

~ Mark Healy / Partner / Torque

You manage a business, maybe a professional services firm. You've come up with a great idea for your business. An idea that will help you tighten the ship, or propel the business forward. An idea you want all of your people to buy into and act on. In fact, everyone has to get behind the idea, or it won't work. Because your idea involves change. Changing or adding to, even if moderately, what your people do what they do.

Fantastic. How do you get it done? How do you go about implementing and executing on the idea? This is no easy task. In any business, the theory says there are typically three kinds of people when it comes to change.

1. Change junkies. They love change. 10%-20% of your team.
2. Stalwarts. They neither embrace nor fear change, but may resist. 60%+ of your team.
3. Cynics. They fear change. 10-20% of the team.

My experience in managing people and change tells me it is not so cut-and-dry. Change is definitely about people. And people need to be managed individually. They can't always be put in buckets like those described above. Change is also very business specific (What is the culture of the firm? What is the management style in the firm?) and case specific (What kind of change are we talking about here?). But the spirit of the theory is real.

Okay. So we all understand that change involves getting people bought in. We've probably all read books about this. The process goes something like this: generate the idea, hallway sell the idea to everyone, convince the change junkies to champion the idea with the rest of the team, implement the idea, personally try to convert the stalwarts by showing early small wins, and marginalize the cynics by addressing their concerns individually. Wonderful. Is all of this important? Yes. Is it easy to understand? Yes. Is it practical? No. It's still theoretic. In fact, it makes it sound like you have nothing better to do than meet with and/or deal with your team all day every day for some period of time. It is an idea, not a delivery mechanism.

So we're back to the question: how do you get the idea implemented and executed? When it comes to instituting your great (change) idea, a programmatic approach will likely work best.

A programmatic approach. This is a complicated way of saying you have to convert your idea into a program before it will go anywhere. People cannot act on a concept, but they can participate in a program. Programs are tangible. They have a manager in charge, they have processes to follow, they have actual output to read, and they have teeth in the form of rewards and performance metrics.

Here is a good recipe for setting up an internal program geared toward enacting some type of change. To set the stage, let's pick on a 30-person firm that sources and sells products, and also offers post-sales consulting services. Part of the company's overall strategy, since it has been around for eight years, is to take advantage of the collective experience of the company. But information is still not shared well internally. The goal is to increase communication internally, such that eventually sales increase.

Step 1: Pick a simple idea. A powerful idea is a simple idea. And programs are always more complex than the ideas they are based on. If the idea is complicated, the program will be ridiculous. Start over by thinking about making a smaller change. For example: if the change that is sought is about ensuring better communication



between individuals (sales people) or departments (sales and sourcing), a simple idea here could be 'share best practices'.

Step 2: Ensure strategic obviousness. The idea had better align with your overall business strategy, or why bother. But that's not enough. The idea/program name or theme must also blatantly advance or support the strategy, or your team will not buy it. Following the same example: sharing best practices makes sense in light of the 'collective experience' strategy. And the name Best Practices Program would be an obvious, and not cheesy, nod to the strategy.

Step 3: Develop the guts of the program with your team. See the points earlier in the article about people and buy-in. The point here is to get input from the team *along the way*, not after the fact. Staying with 'sharing best practices': asking, for example, the sales people what day is best to get together, and everyone on the team how they want the information communicated (in a meeting?, reported on an internal website?, emailed out by the office manager?, etc.) will go a long way toward getting the program put together and used properly later on.

Step 4: Make a big deal of the program launch. Get everyone in the company together. Dedicate a substantial amount of time. Play music. Serve food. Ensure the team understands a) this program is different from other ideas that have been discussed before, and b) you are serious about getting the message through and having the program succeed. For the example in question, all the field sales people and consultants would be brought back in for a 1 day session with everyone in the company. The launch would be held in the morning and the afternoon would include training on what the program is trying to accomplish and how the program will run.

Step 5: Tie the program to compensation. People are unlikely to change their behaviour if money is not somehow tied in. And it can't be a negative incentive. Money must be paid out to reward the desired behaviour change. The amount will be dependent on all kinds of factors, but it is the acknowledgement of increased activity that is important. In our example: a new bonus program could be set up such that those participating in the program north of 80% of the time are eligible for additional compensation.

Step 6: Also tie the program to performance evaluation. This isn't about slapping someone on the wrist at review time. It is about denoting to the team you are serious about the program by saying 'this is going to be one of the factors I look at when I think about your performance'. The example here would be: add 'sharing best practices' to the other key criteria used for performance evaluation during reviews with management.

Step 7: Institute team rewards. Sometimes money isn't enough. And programs are almost always about getting more than one person – usually everyone – mobilized. Team rewards are a great way to get people to work together inside the program. The reward should be tied not only to the desired behaviour but also back to the outcome you were looking for when you dreamt up the idea. For example: a team reward of a paid night out or a trip could be handed out when everyone has hit a program participation threshold (attended three sessions) AND the shared learning's have been positive for the firm (the collective experience led to converting a stubborn prospect into a client).

Step 8: Employ visual reinforcement. Most of us (~70%) are visual learners. And visuals can be strong reminders of progress toward goals (that's why the United Way always has fundraising thermometers on their campaign billboards). Banners, posters, websites and/or progress trackers will help keep the program top-of-mind for your team. In our example: a large board could be installed in a central area of the office which captures the key learning from each best practices sharing session. That board could also be replicated in emails for the folks in the field.



Lastly: Embed the program in your culture. The most straightforward way to do this is to make sure it is part of the conversation at your company. Bring it up in meetings. Ask people about how they are doing with it in the hallway. Invoke the department of redundancy department rule. This is the surest way to convince your team you mean business and want the program to succeed.

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