





Mr. Kabir's forehead throbbed with pain while exiting the conference room at the end of the marathon meeting with his Business Heads. The plan to implement the salesforce optimisation software across the 3,000+ workforce had hit major roadblocks - with Sales Managers covertly opposing its adoption. He reached his cabin titled "CEO – Green Ocean Group" and decided to spend some time mulling over this stumbling block. Even after a period of 6 months, the proposed changes had not borne fruit.

The oft-quoted adage that "The only constant in life is change" was something he had internalized in his previous organization. Markets, customers, and technology constantly keep evolving and organizations must adapt to stay competitive. Being the CEO and tasked to drive critical organisational change, it was now clear to him that change will not happen organically even if it has obvious benefits. Disruption of the status-quo can cause turmoil and the people involved can feel uncertain of their place in the new scheme of things.

During the recently concluded meeting, the Head of Strategic Initiatives had shared her past experience with comparable change efforts. Her previous company had implemented a new Al based Learning Management System. She offered the perspective that change can come in various forms and types, and that there are layers of complexity which could pose multiple challenges. This made Mr. Kabir realize that defining the kind of change at the outset will be critical to devising a well-rounded change strategy.

However, there was still something missing. "People are integral to the success of any change management initiative" – the Director of Human Resources kept reminding the CEO. He had highlighted in the last meeting that executing successful change is dependent on how organizations are structured. Studies showed that 70% of organizations struggled to successfully execute change. The absence of the right organizational design and appropriate culture were key contributing factors.

Mr. Kabir knew that there are many mature change management frameworks available in management literature. However, the challenge lies in choosing the right change management strategy. The Finance team had been concerns about flagging how the implementation of this project escalated costs by 15% instead of achieving the targeted savings.

This setback forced the CEO to pursue a comprehensive diagnosis to better understand what went wrong with the implementation and provide clear future direction to the group and its subsidiaries.







(Exhibit 1)

Unravelling the Forces of Change: External, Internal and Individual forces

Drivers of Change



Mr. Kabir brought together his core team of C-Suite executives to brainstorm and to develop a way forward.

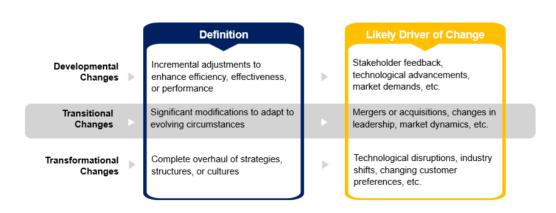
At the outset, the key drivers of changes were identified and classified as External, Internal, and Individual (Exhibit 1).

Change could also be categorised into Developmental, Transitional & Transformational based on the extent of change required of the organisation (*Exhibit 2*).

(Exhibit 2)

Classify change into 3 categories: Developmental, Transitional and Transformational

Change categories

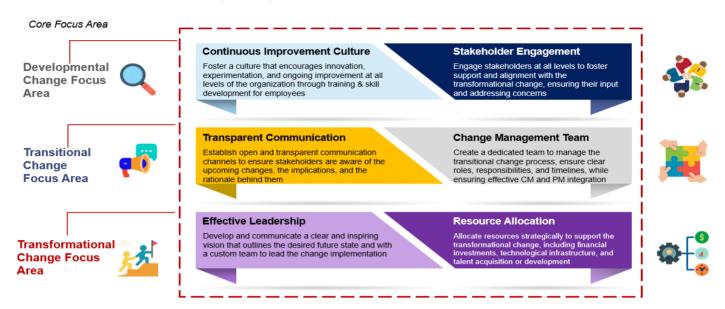


they changed their minds, when they came across a study by the American Productivity & Quality Center (APQC) tabled by the Strategy Head in one of the "brainstorming" meetings. According to the study, covering about 1,000 companies, organizations that use a structured change management approach are far more likely to succeed. Finally, utilizing the collective experience of the senior team, the core focus areas for different categories of change were established (Exhibit 3).





(Exhibit 3) Core focus area for the Change Categories



At this point, the final milestone of the change journey was to develop the change strategy. But as the leader of a group of diverse companies, Mr. Kabir had to tackle the complexity that (a) Not all the group companies have the same structure & culture and (b) Not all group companies face the same degree of change. Hence, he guided the team to design a framework (Exhibit 4 & 5) that balances an organization's propensity to change with the degree of change being proposed.

(Exhibit 4) Avalon Change Strategy Matrix

Change Strategy Matrix

No 1

CONTINUOUS ADAPTATION

No 2

INCREMENTAL IMPROVEMENTS

DEGREE OF CHANGE

HIGH





(Exhibit 5) **Key Activities under each quadrant**

Key focus areas

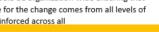
No 1: Continuous Adaptation

- Ideal for organizations which are always in an improvement/flexible frame for smaller changes
- Develop a culture of regular/continuous improvement and agility in responding to change
- Change should be implemented through regular feedback loops alongside iterative adjustments
- Employees should be empowered such that decision making is decentralized wherever possible to avoid bottlenecks



- Ideal for companies who are highly malleable and going through transitional and transformational change
- Develop a culture of innovation, experimentation, and risk-taking led by the leadership
- Implementation of change should be through cross-functional collaboration and pilot projects must test the scalability & acceptability of the change
- The engagement should be organization-wide ensuring that awareness and drive for the change comes from all levels of employees and is reinforced across all







- Followed by organizations who have relatively lower readiness to change and thus higher resistance internally to any implementations of change management
- Focus on making incremental changes which are carefully planned and controlled
- Minimize disruption and resistance to existing processes & systems through step-by-step implementation
- Involve specific departments or teams for the particular change only

- Changes in this category involve transitional & transformational change and require significant shift in processes, systems, culture or structure, usually for large organizations
- A model for a structured approach while addressing resistance to change is required
- There must be a focus on creating a compelling vision across the entire organisation
 - The leadership must be strong and guide the teams across all levels of this changes - specially with addressing resistance and implementing holistic initiatives which involves the entire organization



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After developing the framework (Exhibit 4 & 5), the team was able to easily decide on the appropriate change management strategy to be adopted by different group companies.

Mr. Kabir knew that the long and arduous journey with his senior executives had resulted in a comprehensive framework which could help the group in the future as well.

After a period of 6 months, at the next annual board meeting, the CEO and his team received commendations from the Board of Directors for their achievements. A very senior independent director, who was on the board of many large companies, commented that the Avalon Change Strategy Matrix (Exhibit 4 & 5) can be effective for all organizations who are about to undertake a new change journey.



Our Values -The Avalon EDGE



ENTREPRENUERSHIP

Enterprising ownership to transform ideas into pragmatic and profitable solutions



DEDICATION TO EXCELLENCE

Commitment to premier quality and highest standards in everything we do

GREAT VALUE CREATION

Focus on delivering maximum client impact through innovation and collaboration

ETHICAL APPROACH

Respect, fairness, and transparency in all our interactions

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