

# Do you change your people or change the way your people work?

EY Change Experience | Point of view  
11<sup>th</sup> June 2021 WA Clinical Senate

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The better the question. The better the answer.  
The better the world works.



# The Change challenge

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Our transformative age is exponentially increasing the speed of change as we experiment with, and adopt, new forms, models and experiences that deliver utility, convenience, ease and efficiency. As adaptive humans, we clearly know how to transition from threatening conditions and move toward favorable ones, however, the majority of organisational transformation efforts struggle to achieve promised potential or deliver business value.

So, what's the challenge?

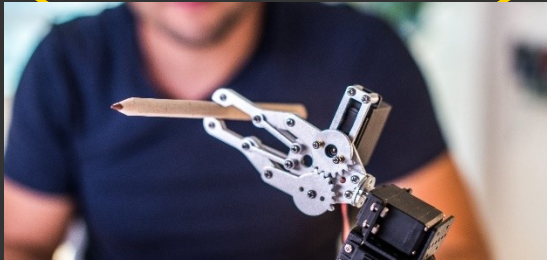


# Exponential disruption ...

is becoming business as usual.

**35**

days for a new technology to reach a critical mass of 50M users



**2<sub>B</sub>**

Jobs will be displaced by 2030 as a result of technology advances



**5**

generations sharing the workplace for first time, and robots are joining in, too



**5**

years is the average shelf life of a business skill today — it was 30 years in 1984



**20%-50%**

reduction in costs due to RPA, machine learning and AI

**40%**

of the S&P 500 will not exist in 10 years

**x3**

of millennials expect a more purposeful and personalized experience

**20**

years to catch up with the cyber-security skills shortage

# Ever increasing demands ...

from the markets, organization and workforce mean traditional changes are challenged in today's digital era



Innovation drives increased competition



Limited resources and competing demands



Increasing speed and complexity of change

## Markets

The Power of Purpose cannot be underestimated



Digital acceleration due to computing power, bandwidth and storage



## Individual

**Evolving expectations for tailored, consumer-oriented experiences that we control and customise**  
**Greater desire for flexible working conditions**

Change is no longer linear



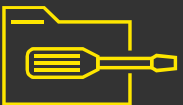
Fracturing and misalignment among Leadership

Digital transformation efforts continue to struggle



## Organisation

Data proliferation without insight



Fatigue from constant change significantly amplified with the pandemic



On-going workforce diversification

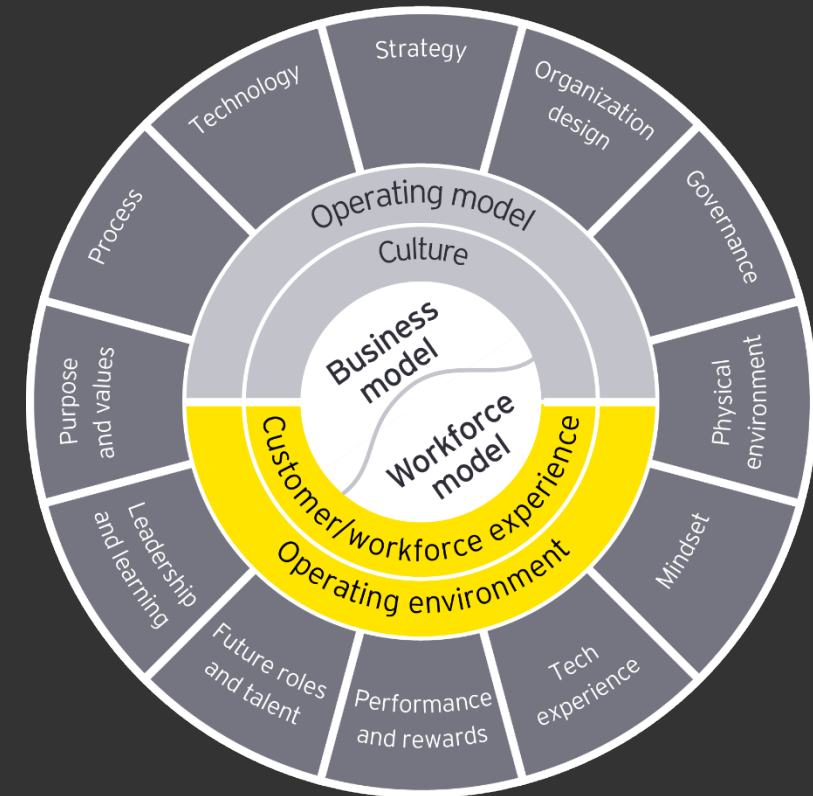
# A complicated puzzle for the organization

Successfully effecting change today is complex. It is increasingly multi-dimensional and about much more than people, process and technology.

As organisations implement change, there has traditionally been an implicit assumption that people will simply adjust.

However, this approach fails to consider the real needs of its people, the complexity of effecting change across the organisation and the increasingly multi-dimensional impacts on operating models and operating environments.

What's required is a holistic review of these factors to develop the right change approach, underpinned by an execution approach that addresses them. With this, organisations will realise promised value through efficient and complete implementation.



**EY Change Experience approach considers impacts across the organization**

# Adaptability is paramount

Increasingly, change approaches must also help people and the organisation navigate through complex, continuous transformation.



**Empathy** with people impacted by change is essential to demonstrate and reflect in the operating environment. When people feel supported and enabled, their motivation to change increases.



**Co-creation** is an imperative, as the complexity is too great for leaders to manage alone and employees increasingly expect to be actively involved. Everyone in the organisation is an agent of change.

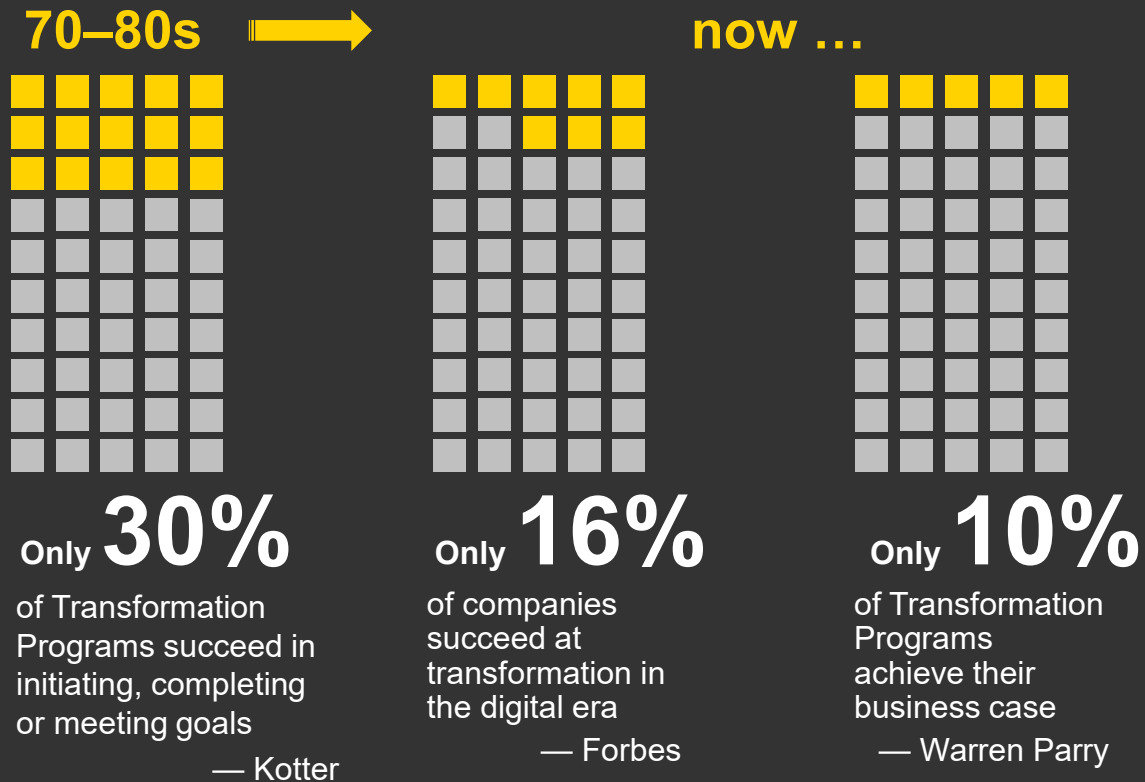


**Evolution** of mind-sets and behaviors requires application of Neuroscience and human-centric design and strategic use of incentives to cut through the noise of disruption and help a resilient workforce learn, develop and transform.



# However, organizations need to change

to deal with this, even more so than before ...



Amid growing disruption, increased complexity and heightened employee expectations, organisations can't afford to suffer the same pitfalls that commonly derail transformations:

- ▶ Lack of alignment to purpose or business outcomes
- ▶ Inability to adapt to an evolving, increasingly complex landscape
- ▶ Absence of data-led decision making
- ▶ Misalignment with human experiences and expectations

To help organisations address these challenges, a new approach to change management is required.

# Imagine the possibilities

If we were able to engage the head, heart and hands — balance the hard and soft — demonstrate empathy and deliver outcomes ...



## Purposeful

What is the north star and litmus test for all program activity?  
How do we maintain focus on value and business outcomes?



## Insightful

What are the metrics that matter?  
How and where do we best target our effort and investment?



## Personalised

How well do we know the workforce and what matters to them?  
How might we deliberately design unique experiences that delight?



## Interactive

What signature interventions will be used to gain emotional commitment to the change?  
How can we address changing workforce expectations for engagement and involvement?



# Purposeful

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All activity is aligned to the “why” and the provision of tangible and sustainable business value through relentless focus on outcomes and adoption.



Individuals typically have a need **to feel part of something bigger than themselves**. Orient the organisation to the “why” throughout the program, going beyond compelling narrative creation to make it relevant and real for the people impacted.



Focus on outcomes and engineer the approach to provide **tangible business value and ROI**. Observe, measure and track how people are responding to the change, e.g., behaviors, sentiment, ways of working and culture aligned to organisational imperatives.



Adoption is the biggest variable in achieving results and is portrayed as a soft benefit that is too difficult to measure. **Proactively seek, find and remove areas of friction by proactively understanding and working with end users** to drive improved adoption.

**Why oriented**  
**Value led**  
**Adoption focused**

# Resilience in the face of uncertainty – a winning formula

The letter 'R' has taken on increased significance in the past 12 months, as we monitor the Covid-19 transmission rate - waiting for the moment that R falls well below 1 and reaches 0.

We are realising that the disruption from Covid-19 is here to stay and all of us are preparing for a more hybrid future, ready to pivot to virtual work (and life) at a moment's notice.

As we have learned to do this, another 'R' is emerging – the resilience factor. The 'R' factor is critical for business success and business continuity, driving businesses to be innovative in how they deliver on value-adding growth despite monumental changes occurring around



Looking more closely at this illustrious 'R' factor, we notice that the most resilient organisations seem to have three common features: digital maturity, high sensitivity to customer and employee experience and the ability to adapt and flex, either ahead of or in response to, disruption.

So, we have distilled the 'R' factor into a winning formula: digital maturity (DM) x cultural quotient (CQ)<sup>1</sup> x adaptability quotient (AQ)<sup>2</sup> = resilience quotient (RQ)

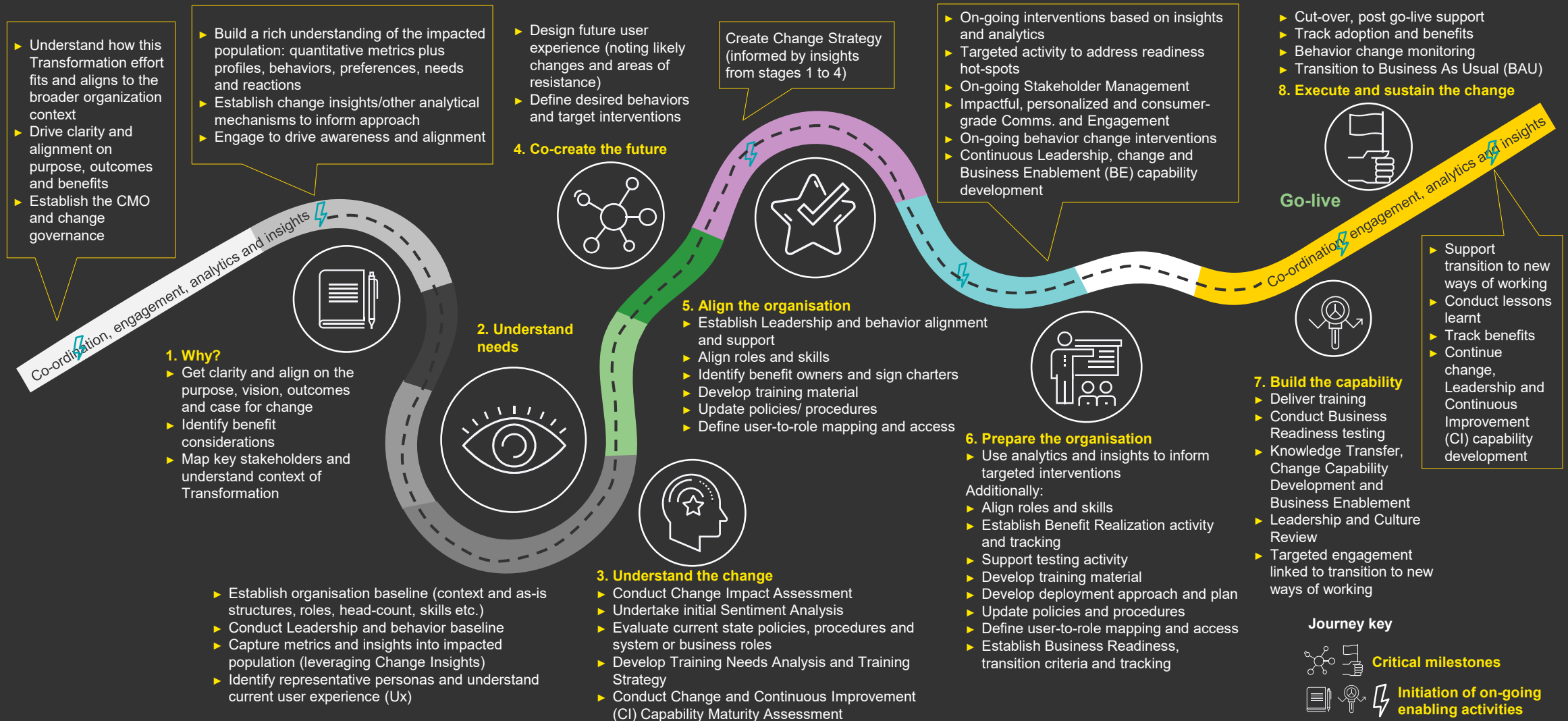
# Key “get rights”

While every change journey is different, below are the top 10 “get rights” from our experience and battle scars from decades of change delivery across the globe.

<b>1</b> <b>Tone is set from the top. Make sure Leadership “get it”</b> Get the whole Leadership engaged from the start — don’t assume they support central change initiatives.	<i>Senior Leadership engagement sessions to build an understanding of the purpose, business drivers, challenges and alignment around expected outcomes</i>	<b>6</b> <b>Balance global and local</b> Create a repeatable deployment approach and method, coach local teams to take accountability for delivery.	<i>Clear RACI outlining who does what in delivering the change at the central and local levels. Blended change and business resources with clear coaching</i>
<b>2</b> <b>Connect with the grassroots</b> Managers don’t deliver products or services, people and suppliers do — go to the place of work, ask and observe.	<i>Understand what’s important to people who transact the processes (including BU/ geography differences) ... don’t make assumptions</i>	<b>7</b> <b>Incentives matter</b> If employees are incentivised and engaged, they will find a way. If not, they will find an excuse!	<i>Get your recognition and reward systems on over-drive. Change is hard — recognising and rewarding the right behaviors would go a long way in cementing it</i>
<b>3</b> <b>Get everyone involved</b> Make sure opting out is not an option — create a clear engagement strategy and define KPIs for management.	<i>Actively involve employees in design of solution and change experience. Make involvement visible and recognized. Give them a sense that their “opinion counts”</i>	<b>8</b> <b>Think big, start small</b> Be ambitious and bold in your plans but always pilot and fine tune to ensure you get it right. Agility is key!	<i>Pilot initiatives in individual business units or locations. Model offices not at head office. Iterate and enhance regularly</i>
<b>4</b> <b>Create energy — keep it fresh</b> The bigger the change, the more energy required. Each deployment must feel like the first time this has been done.	<i>What iconic interventions will you deliver? Wavespace sessions, design theatres, innovation labs, gamification, other social and digital channels</i>	<b>9</b> <b>Answer the “so what?”</b> Does everyone understand what benefits you are driving towards? Make sure regional and business benefits are clear with agreed sponsors and plans.	<i>Clear benefits-driven roadmap. Business owners identified as benefit sponsors and benefits tracking integrated into BAU performance tracking</i>
<b>5</b> <b>Analyse and personalise</b> Evidence-based decision making based on solid proof of business readiness and change sentiment bottom-up is critical.	<i>Bottom-up Business Readiness and sentiment assessments to personalise the delivery. Local Business Readiness decision groups drive key decisions</i>	<b>10</b> <b>Make the business “future-fit”</b> Relentlessly refine processes to remove barriers, and up-skill the business to enable sustaining the change post go-live.	<i>Change and continuous improvement capability built within identified business owners. This team identifies and resolves problems as they arise</i>

# Embark on the journey

An illustrative change journey on a large Enterprise Resource Planning (ERP) rollout, supplementing wider process and system design and delivery.



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