“Riding the Waves of Change”: How to Lead, Manage, Measure and Sustain Organizational Change for Smooth Engineering and Construction Project Sailing April 17, 2015

Presented by:

Mark Hordes

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Professional Motivational Speaker. Change Management Consultant. Seminar Leader
Mark Hordes works with companies and leaders who want to increase organizational performance and manage successful change.

A former partner with a “Big Five” management consulting firm, Mark has successfully led global change management engagements, leadership development, behavior change management and cultural alignment engagements for clients such as Chevron, Hoechst Celanese, Shell Oil, Baker Hughes, Blue Star, SADARA, KBR, Saudia Airlines, Tasnee, Marathon Oil, Conoco Phillips, Schlumberger, Tenneco, Dow, well as clients representing Energy, Manufacturing, Services, Refining, Consumer Goods, Travel & Transportation, and Governmental Bodies in the North America, Europe, Middle East, Mexico. China, Scandinavia, South Africa, South America and Canada.


Mark has been profiled in the media and press, “The Houston Business Journal: “Face to Face with Mark Hordes”, Houston Chronicle, ”His Job is to Help Companies Ease the Pain of Change“ and interviewed on radio and television.

Mark is a professional motivational speaker and change management consultant who has led performance improvement projects and change workshops for clients throughout the U.S. and globally. He resides in Houston, Texas and is a graduate of the University of Houston, and holds an MBA and MS in Human Behavior from Aurora University.

Mark was also a 2014, “Who’s Who in Energy Honoree” from the Houston Business Journal.
<table>
<thead>
<tr>
<th>In <em>My Company</em> These Changes are Occurring</th>
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<td><strong>5. Productivity Issues</strong></td>
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(MOC) Process versus - Organizational Change Management: There is a Difference

An MOC project process identifies an impact or a modification to some change or issue where the risk is assessed, communicated, documented, and approved prior to implementation.

On the other hand, Organizational Change Management is the alignment of the organization’s people and culture with changes in the business’ strategy, organization, processes or systems.

It is transitioning from the "As is - CURRENT STATE" to the "To be - FUTURE STATE"
The Road to Successful Change Involves 8 Steps

1. Change Readiness
2. Stakeholder Engagement
3. Managing Communications
4. Leadership & Sponsorship
5. Measurement Tracking
6. Training and Knowledge Transfer
7. Sustainability Reinforcement, and Coaching
Compelling Business Case for Change

A Change Management process is initiated when the **STATUS QUO** in a company is effected by changes in:

<table>
<thead>
<tr>
<th>Strategy and Leadership (Vision and values shift, Profit Performance improvement, etc.)</th>
<th>Technology (IT Go-Live, SAP, ERP, CRM, Maximo, PeopleSoft, ITSM/ITIL, e-Commerce Social Media, Internet, Mobility, remote access and monitoring)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization (Plant Start-Ups, Re-structuring, Commissioning, Organizational Re-Designs, etc.)</td>
<td>Processes (Reliability, Asset Utilization, Maintenance, Standardization, Reengineering)</td>
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<td>Cost Reductions (Head count, facilities closings, waste identification, cycle time etc.)</td>
<td>New Products and Services (Training, Monitoring, customer intimacy and satisfaction)</td>
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<td>Culture (M&amp;A, safety, and business and customer alignment)</td>
<td>Performance Management (Multi-tier 360 feedback, talent management rewards and recognition programs)</td>
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What’s Required to Gain Change Readiness?

10 Areas Requiring Change Readiness

1. Appropriate Resources
2. Strong Sponsorship
3. Realistic Expectations
4. Case for Change Compelling
5. Clear Scope and Pace
6. Team & Project Management Skills
7. CM Skills
8. Change History
9. Integrated Process View
10. Training Capabilities

The failure is often not in engineering, systems or process designs, but in implementation:

Projects are more likely to fail when the readiness for change is not addressed early in the process.
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Stakeholder Engagement: Getting the Right People at the Table

Stakeholder Management involves identifying all the groups of people involved in, or impacted by the project and helping them manage their journey to the desired result.

- Get the right people to the table
  e.g., Operations Managers, Superintendents, Logistics
- Engage and involve them early in the effort
- Communicate, communicate, communicate
- Must have Leadership involved

“Those who tend to contribute, tend to support. Everyone wants a return on their investment: emotional, time and financial!”

February 18, 2015
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Develop & Deliver Six Levels of Communications

Level of Stakeholder Influence

- **High**

Level of Stakeholder Engagement

- **Current State**
  - Level 1: Awareness
    - Announce
    - “I know what is happening.”

- **Desired State**
  - Level 6: Sustainability
    - Transition
    - “I can’t believe we used to do it any other way.”
  - Level 5: Ownership
    - Prepare
    - “I will do what it takes to make it happen.”
  - Level 4: Commitment
    - Involve
    - “I need to do something to make it happen.”
  - Level 3: Support
    - Agree
    - “I can support what is happening.”
  - Level 2: Understanding
    - Discuss
    - “I know what is happening, why it is happening, and how it is happening.”
  - Level 1: Awareness
    - Announce
    - “I know what is happening.”

Goal:

- **Awareness**
  - Announce
- **Understanding**
  - Discuss
- **Participation**
  - Involve
- **Ownership**
  - Prepare
- **Alignment**
  - Agree
- **Sustainability**
  - Transition
### Use Multiple Communications Vehicles

#### Create Informed Workforce
- Newsletter
  - **Story Telling Communications Process and Support**
- Electronic Bulletin Board Displays
- Printed Documents/ Coffee Pot
- Broadcast cc: email messages
- Flash/ Web/ Postings/ Video Conferences

#### Establish Project Credibility
- Management/Sponsor Meetings
- Committee Meetings
- Integration Meetings
- Change Management Meetings
- Communication Team Meetings

#### Develop Sponsorship Commitment
- Messages from the Senior Management
- Town Halls and Face-to-face Meetings
- Brown Bag/ Lunch and Learn Sessions

#### Create Workforce Buy-in
- Road Shows
  - Meeting Presentations
  - Promotions/ Incentives
  - Walk-aways

#### Provide Forum for Feedback
- Formal Survey
- Dialog Sessions/ Focus Groups
- Suggestion Box
- **Rumor Hotlines**
- Information Hotline
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You **Can** Measure Changes in Behavior

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<tr>
<th>Business Case for Change</th>
<th>Leadership/Sponsorship</th>
<th>Communications</th>
<th>Recognition</th>
<th>Team Environment</th>
<th>Technology Support</th>
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Self-Assessment: Change Management Leadership Practices

1. Leaders effectively managed the change.  
   TRUE  FALSE

2. Leaders served as effective change role models.  
   TRUE  FALSE

3. Leaders communications were clear and consistent.  
   TRUE  FALSE

4. Leaders were highly visible in the change process.  
   TRUE  FALSE

5. Leaders held people accountable for the change.  
   TRUE  FALSE

   TRUE  FALSE
Leadership/Sponsorship Best Practices

• Change performance measures and rewards to get people focused.

• Set high expectations and accountability.

• Deliver “quick wins” to build positive energy.

• Recognize and reward successes, sense of urgency, actions and results.

• Train coaches and deployment coordinators.

• Institutionalize the new approaches in the culture.

• Establish an escalation/issues resolution process.
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Empower the Frontline Through Training

- **Motivation “I Want”**
  - Engage “Hearts and Minds” to an emotional connection to the journey

- **Knowledge “To Know”**
  - Teach fundamentals of how to manage change at the individual, team and organizational level of experience

- **Experience Based Learning “So I Can”**
  - Provide hands on practice in communications, gaining alignment, decision-making, team based thinking and action planning
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Ouch... RESISTANCE!

- Unnecessary
- Fear the change
- No input
- Surprise
- Not confident
- Lacks the resources
- Loss of control

People often think ...

- I don’t get it?
- I don’t like it!
- I don’t like YOU!
What Will It Take to Gain Their Support?

✓ Sense of personal gain and benefit.
✓ New personal challenge as a result.
✓ Right thing to do NOW!
✓ Involvement with the change.
✓ Respect for the person leading change.
✓ Believe it’s the right time for the change.
✓ On-going coaching.
✓ Understand what will and will **NOT** change...
How Do You Know Your Change Efforts Have Been Successful?

Change management will have been effective when:

- Leadership sponsorship and process ownership is visible and employees are committed and aligned.
  - Customers and suppliers are frequently communicated with, and supported through a smooth innovation product development transition.
- Everyone understands why change is necessary, what is expected of them, and how the changes will impact them.
- Staff are well trained and understand their roles and responsibilities in any new structures, processes, functions, organizations and systems.
  - Organization changes to be managed are clear and executed effectively.
- Staff engagement, communication and coaching is well managed, timely and effective, ensuring sustainability.
  - Change objectives are delivered

Ensuring business results while minimizing staff disruption
Since the 1990’s, MHMC has delivered organizational effectiveness, Leadership development and change management solutions and training programs that have helped my clients achieve outstanding results in behavior-based Leadership and workforce performance improvement in support of company-wide change projects and strategic change management initiatives.

The Road to Change is never easy. My change management strategies, programs, processes, tools and training programs accelerate employee adoption, involvement and engagement and provide your employees with the skills and knowledge to successfully manage any change, project or program transformation or transition. As your change advocate and “trusted advisors, I can help you deliver sustainable change solutions that are measurable and based on over 20+ years of global experience, working with clients across manufacturing, energy, chemicals, consumer goods, transportation, technology and services value-chains.

Resources and Programs Available from MHMC, LLC


Culture Change & Alignment
- Culture assessments and alignment programs
- M&A cultural integration workshops
- Culture change training and coaching
- Safety culture training and coaching
- Strategic Planning Meeting facilitation

Coaching & Mentoring
- Coaching essentials core training
- 360 degree/multi-level feedback program

Human Capital Consulting
- Performance management improvement
- Talent Management program development
- Human Resources strategic planning and programs
- Employee involvement/engagement development

Organization Development & Design
- Strategies to revitalize/strengthen the organization
- Development of organizational models
- Strategic planning and development

Project Management
- Program and project management
- New-Team project start-up development
- Meeting management and group facilitation

Organizational Assessments & Surveys
- Employee satisfaction survey’s
- Organizational effectiveness survey’s/interviews
- Voice of the Customer/Clients studies
- Team and project effectiveness studies

Behavior-Based Leadership Development
- Behavior-based Leadership development & training
- Senior Leadership team development
- Leadership style analysis and management training
- Creating the High Performance Organization

The Management of Change
- Change management program and process development
- Change Management Leadership presentations
- Change impact readiness assessments/survey’s
- Change management skills and tools training
- Communications planning and deployment
- Stakeholder analysis and management
- Defining the Business Case for Change
- Training and Meeting Facilitation
- Change Agent Coaching and Training

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