11 REASONS WHY ORGANISATIONAL CHANGE FAILS

60-70% of organisational change projects fail.[1]

Various studies show that this failure rate has stayed constant from the 1970s to the present day.

Why is this? Here are our 11 most common failings – avoiding them is the first step to improving your odds of success.

Dimensions of organisational change

ORGANISATION   **TEAM**   **INDIVIDUAL**

WHY CHANGE FAILS

When planning change, every organisation should consider and develop an approach to each of these dimensions.

1 Non-committal leadership
Passing accountability onto the project team sends the wrong message about the priority of the proposed change to the rest of the organisation. Leadership has to be fully and visibly onboard.

> Successful leaders commit to being present, collaborative and empowering while acting as role models for change and maintaining momentum.

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2 Misunderstanding drivers for change
Often changes are decided at the leadership level without truly understanding the problem. Instead of diagnosing the source, they are only addressing the symptom.

3 Underestimating the role of teams
Tackling any organisational challenge requires teams of people working together. Change initiatives need their buy in at an early stage.[2]

4 Failure to invest
Research shows CMOs typically have insufficient budget to support effective change management capability beyond the cost of hiring change managers.[3]

> **67%** of CMOs have limited funding to successfully impact organisational change capability growth or to access tools that help with change portfolio management.[4]

5 Poor timing
Understanding how to time delivery and engage stakeholders is key to overcoming resistance and building the capability and resilience necessary to drive change.

6 Entrenched misconceptions
It's wrong to assume that the project 'owns' the changes in the business – each area/manager needs to take ownership of the management and control of the change being received.

7 Lack of communication
Change efforts are unlikely to succeed when leadership fails to clearly articulate and share the vision and reason/s for making the change across the business.

A survey of nearly **300 organisations** found that **60%** of front-line managers were unaware of **'why'** organisational change was needed.[5]

8 Misguided hiring decisions
A common mistake is to make the change manager a junior role and/or create an environment where they report to the project manager.

9 Neglecting the human side
People can't be automatically indoctrinated into 'new ways of working'. Leadership need to display empathy and plan for change in a way that considers their psychological safety.

10 Cultural mismatch
If the change goals are at odds with the cultural DNA of an organisation they are unlikely to be achieved or sustained. The 'new world' needs to be realistic and attainable.

11 Inconsistent processes
Organisations need a common set of tools, definitions and approaches for managing significant change that everyone is across.

There is a direct, negative correlation between all of the above factors and the achievement of planned outcomes and benefits. Avoiding these common failings is therefore a critical first step to attaining and embedding change. In particular, there's a clear need for organisations to grow their change leadership and management capability in line with the degree and pace of change we're seeing in today's market.

Interested in boosting the change management capability within your organisation? Consider our **Change Management Foundation to Practitioner** course. To find out more, call one of our professional development consultants today on 1300 70 13 14.

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