

In Brief*

People and Change: Achieving success by managing change through people

“Building a culture of change is really about aligning HR strategy to overall business strategy. It means we have to understand the key factors for success in delivering a business strategy, how much of that is dependent upon the knowledge and capability of people and then building the right programs in the organization to deliver that capability.”

—Louise A. Wilson, Director, People and Change, PwC Consulting, Calgary

Challenges facing organizations in Alberta

- Alberta’s oil and gas industry is not only trying to respond to and recover from the economic downturn, it is also trying to go after big opportunities in unconventional oil and gas, the oilsands, shale gas in the U.S. and Europe and international investments. And that means to remain competitive Alberta businesses are taking on large-scale change initiatives.
- To do this, they are looking at new assets that require different types of technologies, skill sets and — talent, who have experience extracting value out of these non-traditional assets.
- Alberta companies are competing for talent and looking for ways to align and integrate that talent into their restructured companies.

Constant, rapid and often dramatic change is the new reality in the 21st century. Today, Alberta companies barely have time to catch their breath after adapting or restructuring to meet the challenges of one turbulence before another one hits them. Whether it is the economy, technology, new discoveries and markets, government regulation, global issues or demographic-related labour shortages, change is a fast-paced constant now. To succeed in this environment of flux, companies can no longer aim simply to *adapt* to change; they have to *embrace* change with enthusiasm and vision. To do this they need to transform into organizations where every employee’s contribution is fully aligned with the companies’ strategic imperatives. And that means employees need to change what they do and how they do it as their company evolves and adapts. This requires an almost 100% change of mindset for many organizations where mastery is valued—because that means employees will be learning

and doing things differently, perhaps even making mistakes, which is uncomfortable and is the underlying reason why people resist change.

PwC helps organizations improve their ability to manage change through our experience, unique approach, tools, and strategies that will help *make change stick*. In other words, PwC recognizes that change management is no longer an occasional and transitional event, so our approach is to help companies ensure that the right people are in the right roles doing the right things needed for successful and constructive change. PwC helps align the HR programs and policies with the company’s business strategy and the business strategy with the company’s ability to change. A large part of this is helping companies to articulate a clear vision and align leaders and employees to this vision through effective communication and involvement. That means it will quickly be able to meet the demands of external and internal shifts.

Embracing change—the time is now

- Many Alberta companies are facing restructuring and major changes. By taking this opportunity to not only maneuver effectively through the current changes but to create the culture and internal capabilities to make change stick, they will have a competitive advantage for the long term.
- Good change management involves a detailed analysis of a company's workforce, people programs and HR policies. In undergoing this analysis now and making the necessary changes, you will be well positioned and enabled to tackle the return of the war for talent with innovative solutions.
- A change management transformation is really about aligning HR strategy to the business strategy and understanding and identifying the key factors for success in delivering that business strategy. It's about identifying critical resources and maximizing them to be able to drive success through the highs and lows, the turbulences and fluctuations of internal and external changes. It's about positioning yourself well for the recovery and beyond.
- Change management is a necessity for success in this day and age, which is why a growing number of organizations are hiring internal change specialists. However, that in itself can be a major transition and often internal change specialists need external expert help in establishing and building the change capability within their organization.

The Steps to Transformation:

To get started, companies should:

- Take a look at the effectiveness of your leadership team in being able to drive change in a positive way. The ability to motivate and engage employees is critical to drive change in the organization and some leaders may need coaching and training in that area.
- Look at the nature of the change at hand and tailor strategy to the specific change. For example, when a change is complex and there are not easily identifiable action steps and solutions, the approach needs to be inclusive to define the desired outcome. This will ensure buy-in on the part of employees. Tailoring your approach to involvement and communication is critical for success.
- Keep the benefits at the heart of the change front and centre with employees. Everyone should have a clear understanding of what the end goals are, why they are important and see how the steps taken will contribute to meeting those objectives.
- Implement reinforcing mechanisms and conditions to sustain the change over the long-term. This involves aligning people programs, performance management systems training and ongoing employee development to support change.
- Measure outcomes.

The Benefits:

- A sustainable change strategy and readiness.
- Market-driven organizational alignment.
- An engaged, aligned and capable workforce.
- The flexibility and agility to act quickly.
- A work environment that is differentiated from that of competitors—one that will help attract and retain talent on an ongoing basis.
- Bottom line results—change initiatives are expensive to undertake—with delays and poor outcomes only increasing the cost.

PwC Advantage: We Know How to Build Value

Value driver	PwC perspective
The ability to adapt to change is essential to be successful	“Here at PwC, we are seeing a lot of organizations starting to invest in change specialists and we often go in to help them hire the right people into those roles,” says Louise Wilson. “We coach and support those people as they come up to speed and provide tools and methodologies to help make change stick. We will maximize the impact of their talent.”
Strong leadership	In order to introduce transformational change, leaders need to set a compelling vision and bring employees on side. “PwC works with HR across industries, assessing their leadership competency models and development programs to make sure they have a way of continuing the development of leaders over time,” says Ms. Wilson.
A work environment that helps attract and retain employees	PwC has built expertise in creating sustainable people organizations and has a number of tools and approaches to help organizations critically evaluate their workforces, understand their key capabilities and to help them build strategies and people programs that will differentiate them from their competitors. “We try to make sure organizations meet their business objectives by ensuring the people within the organization are effective,” says Ms. Wilson. “That means making sure everyone understands their role and is equipped to be successful and also ensuring roles are directly aligned to overall organizational objectives. There is no formula for what this looks like. It is dependent upon identifying those roles that are critical to execution of the business strategy.”
Key benchmarking capability	PwC owns Saratoga, the largest and most comprehensive database of HR performance measures to help assess workforces and understand the needs of employees. “PwC’s Saratoga team supports all human resource lines by covering the full HR spectrum: organization and operations; compensation and benefits; staffing and hiring; retention and separations, and HR staff and structure,” says Ms. Wilson. “This is exclusive to PwC.”
Sustainable change	Large scale organizational change comes with risk. PwC has the competencies necessary to minimize that risk. “We maximize the results in change initiatives because of our focus on people and our unique change management mindset called Making Change Stick,” says Brian McLean, Partner, PwC Consulting, Calgary. “We make sure that the way individual contributions are defined through organization structures, roles, accountability, performance and management frameworks is all focused on and contributing to sustainable value for the organization. We also help leaders lead change effectively and provide the appropriate vision and support to their employees.”

Our team

In Alberta, PwC has assembled a team with deep, hands-on experience in driving performance improvement through finance and operations transformations for companies around the world. Complementing this capability is our team of People and Change consultants, who help organizations recognize that successful change management is a process of managing change through people. In our experience, organizations that take this approach will better align their people with strategy and accelerate the results and benefits of their change initiative.

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