

## SELECTION OF CHANGE AGENTS : A CBT- BASED APPROACH

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### **About the Authors**

The authors, working with **Holtec Consulting Private Limited**, have led over 40 national and international consulting assignments in the area of Human Resources. Mr. Karkun (BITS Pilani; IIM Ahmedabad), Executive Director, is the overall in-charge of Management Consulting and Organisational Development at Holtec. Mr. Agarwal (IMT Ghaziabad), Manager, works in the area of HR Consulting.

### **Synopsis**

The Indian Cement Industry is in the grip of a wide-sweeping environmental change. Success and even survival depends on how nimbly organizations change internally to cope with this phenomenon. Management of change is consequently an issue that needs deliberate focus. Responsibility allocation, for this process, must therefore be clear. The authors in this paper have identified certain roles that help in making the change management process successful. These roles are:

- **Analyst** : the person(s) who would collate and analyze data relevant to the particular change initiative and develop action-oriented recommendations thereof.
- **Seller**: the person(s) who would sell the initiative to the company at large and the Change Agents in particular.
- **Change Agent**: the person(s) who would propagate the action steps initiated by the Seller.
- **Project Leader**: the person(s) who, on a project-to project basis, would be leading the various projects emanating out of the particular initiative.

Based on their change-related consulting experience, the authors have developed novice-friendly **Computer Based Tools** (CBTs) to assess the attributes of prospective candidates to fit the different change management profiles.

### **Change Management Basics**

The world today is changing faster than ever before. Technological developments, financial constraints, discerning markets, industry restructuring, government legislation, philosophy extinction and so on are all putting pressures on organizations to change and be in a state of perpetual dynamism. Yet, given the old adage of resistance to change, the process of change is far from easy, and implementing it successfully places considerable demands on the managers involved. The approach, described in this paper, of selecting the Change Team is targeted at helping organisations in managing change in an effective and sustainable way.

The categories of assets that should be placed under change control are broad and include, but are not limited to, systems and processes, technology, roles, responsibilities, and documentation that are relevant to the running, support, and maintenance of systems in the managed environment. In other words, any asset that exists in the environment and is necessary for meeting the service level requirements of the solution should be placed under change control.

The Change Team is expected to encompass and synergise the roles discussed earlier, viz., Analyst, Seller, Change Agent and Project Leader is responsible for managing change in terms of its impact on the categories of assets described earlier. A key goal of the change management process is therefore to ensure that relevant organisational constituents are aware of and understand the impact of the impending change. Since most systems are heavily inter-dependant, any change made in one part of a system normally has a

significant impact on another. Change management attempts to identify all affected systems and processes before the change is implemented in order to mitigate or eliminate any adverse consequences.

Change is a constant in business, and survival is dependent upon the ability to adapt to and to effectively manage it. Change may be imposed or initiated, the result of a company merger, of a new information technology installation, or of a new company direction. However it is presented, change is a challenge.

### **The Emerging Scenario**

The Indian Cement Industry is expected to become the second largest in the world with an estimated capacity of 135 mio t by the year 2003-04.

In the last two budgets, the government, through fiscal incentives has provided a discernible thrust to the housing and the infrastructure sectors. These measures have provided the necessary impetus to cement consumption with a 15% growth reported for FY99-00. Consumption, during the period, witnessed an increase of 12 mio t over 1998-99. This, coupled with a limited capacity addition of only 0.75 mio t during the period, has led to an improvement in the capacity utilization of the Indian cement plants (90%) which till now had been severely constrained by poor offtake. Even though the current Financial Year has seen a comparative deceleration in demand growth, most industry experts are of the opinion that the overall growth rate in consumption, over the next three years, is likely to be of the order of 8% per annum. This implies an increase in consumption by nearly 24 mio t over the period. Over 20 mio t of new/ expanded capacity is expected in the next three years. This scenario could make the Indian cement industry attractive for new entrants. Lower valuations of cement companies have made them attractive targets for takeovers. This has led to a spate of takeovers by financially strong groups.

Consolidation within the industry is well underway with the share of the top seven groups in overall national capacity having increased from 45% to 62% over the period 1995-96 to 1999-00.

Another factor that is changing the structure of Indian cement industry is the entry of international cement players. Saturation in the developed markets of Europe has led the international cement companies to venture in developing markets of Asia (India, China, and South East Asian countries). Lafarge, Cemex, Blue Circle and Italcementi, among others, are actively scouting for possible acquisition targets. These players have been operating in a 'cartelised' market and therefore likely to create a similar market environment in India. This would be enabled by consolidation of Indian players, which is currently happening.

The challenges faced by the World today can be summed up by the 3 Cs, **Competition, Customerisation and Change**. Intensifying competition and the comparative ability or inability of a company to handle the same, is leading to a shakeout of the weaker players. This is being manifested in the escalating trends visible in Mergers & Acquisitions. Customers, with access to increasing choices, are more discerning and demanding. Their loyalty can no longer be taken for granted. The pace of change, in virtually every form of business activity, is indeed mind-boggling. The only way to counter the external change is to bring about an internal change to meet the challenges of the external environment.

### **Core Components of Change Management**

- **Requests For Change (RFC):** Change requests are formalized descriptions of the change, components affected, business need, cost estimates, risk assessment, resource requirements, and approval status.
- **Change Database:** Requests for change are registered and tracked in a central repository called the change database. The concerned function/ department, benefiting most from the proposed change, generally maintains this database.
- **Change Advisory Board (CAB):** The change advisory board is a group of individuals who evaluate change requests and make recommendations. This board mainly consists of the top management, whose job is to approve the resource requirement to initiate the change process, in terms of Men, Machines, Materials, Methods or Money.

- **Change Processes:** Change processes facilitate change implementation. As appropriate, changes are managed along a spectrum of control points ranging from automated approval to full project-level review. In addition, the process is designed to provide a mechanism for performing occasional urgent changes when necessary.
- **Change Management Roles:** At the outset of launching a Change Initiative, certain roles, other than overall management support, need to be identified and ascribed in order to make the process sustainably successful. These roles are described below :
  - ⇒ **Analyst:** the person(s) who would collate and persistently analyze data relevant to the particular initiative and develop the necessary action-oriented recommendations thereof.
  - ⇒ **Seller:** the person(s) who would sell the initiative to the company at large and the Change Agents in particular.
  - ⇒ **Change Agent:** the person(s) who would propagate the action steps initiated by the Seller.
  - ⇒ **Project Leader:** the person(s) who, on a itemised basis, would be leading the various sub-projects relevant to the particular initiative.

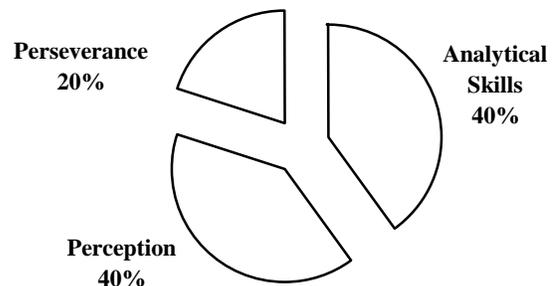
While some of the above roles could be clubbed in the case of small Change Initiatives, the experience of the authors has shown that these roles would need to be explicitly recognised for the larger ones. Not only would it be necessary to nominate people to perform these roles, it would be, perhaps, even more important to ensure that the nominees possess the characteristics required of these roles.

### Role Characteristics

Each of the four roles, described above, require certain essential characteristics to be possessed by the incumbents. These, along with prescriptive weightages, are described in the sections below:

- **Analyst :**

An Analyst is principally expected to possess well developed analytical and perceptive skills so that he/ she is able to structure and diagnose available data manifestations relevant to a change process and recommend appropriate change measures. Since change often gets mired in historical inertia viz an attitude of “we have been always doing it this way”, an analyst must also bring to the table a high complement of perseverance. Figure 1.1 illustrates the characteristics required of an Analyst and the relative importance of each characteristic in terms of the weightages assigned to these.



**Fig 1.1 Characteristics and Weightages for the Analyst**

- **Seller**

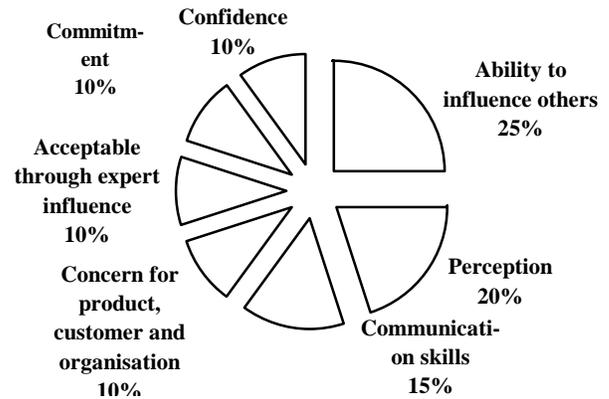
Once a change initiative has been identified, and the Analyst has put together the relevant change recommendations, these need to be effectively **sold** to the concerned people. Apart from possessing Legitimate, Referent & Expert Power, effective selling would be considerably facilitated if sellers were to possess the key characteristics depicted in Fig 1.2:

1. **Ability to influence others:** The Seller must have the ability to influence others so that people and especially the Change Agents feel convinced about the initiative and take the change initiative to its logical conclusion.

2. **Perception:** The Seller’s perceptive skills should be well developed so that he can perceive the change requirements clearly and accordingly formulate a specific approach.

3. **Communication skills:** The Seller needs to be effective in the formulation and presentation of ideas researched by the Analyst. He/ she must therefore possess very good verbal, meta-verbal and written communication skills

4. **Concern for product, customer and organisation:** A Seller must not only have a high concern for the idea he/ she is trying to sell but also for the benefits it will bring to the change customer, in particular and the organisation at large. Any idea that can clearly answer the question “What is in it for me?” for everybody involved has, naturally, a higher probability of acceptance.



**Fig 1.2 Characteristics and Weightages for the Seller**

5. **Acceptable through expert influence:** The Seller should be clear on what he is selling and therefore should be recognized as an expert on the change area suggested. Clarity on the proposed change area also gives the Seller a conviction to sell the concept more forcefully.

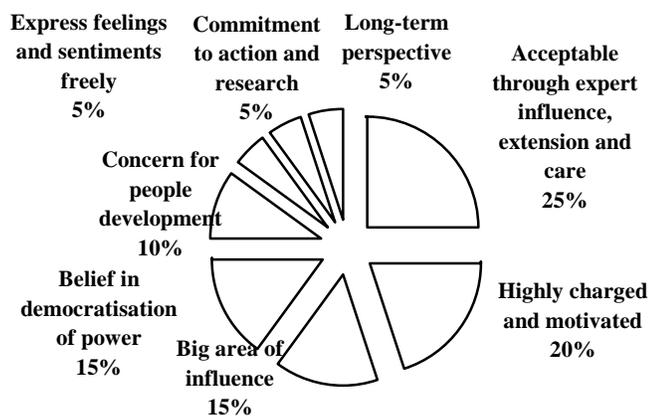
6. **Commitment:** The Seller should have a commitment to the proposed change. Once the Seller is convinced about the change initiative proposed, he must demonstrate a sense of commitment to the cause and convince, through personal example, other people in the process.

7. **Confidence:** The ability to influence others depends to a large extent on the pride that a person has in himself and the work that he does. This, in turn, promotes self-confidence that permits exponents to be more convincing in their articulation. This is a very important characteristic for a Seller.

• **Change Agent**

A Change Agent is one who carries out the change initiated by the Analyst and sold by the Seller. Such people are generally much closer to the scene of actual action. The key characteristics required of Change Agents and the weightages accorded to these are depicted in Fig 1.3:

1. **Acceptable through expert influence/ extension/ demonstrated care:** A Change Agent must have the subject knowledge to actually implement the change initiative. In addition, he/ she should be frank and development oriented, with people at large generally viewing him/ her as an unbiased person, caring for their individual growth.



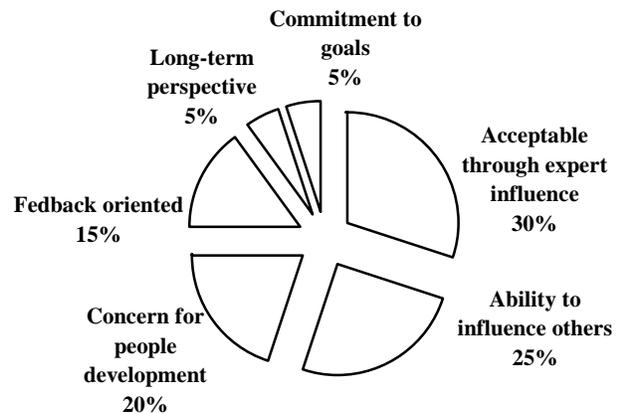
**Fig 1.3 Characteristics and Weightages for the Change Agent**

2. **Highly charged and motivated:** A Change Agent must have a high level of energy and enthusiasm in order to keep the environment charged and lively. He/ she should be a self-motivated person, with an internal locus of control being very high.
3. **Belief in democratization of power:** While a Change Agent may have expert and referent power, he must believe in the dissemination of that power within the people he/ she works with. There has to be a personal and demonstrated belief in delegation and taking people together in the attainment of goals.
4. **Big circle of influence:** The circle of influence of an aspiring Change Agent must be higher than that of average people. The influence should not only span people under direct influence/ control with but must also extend to people in other areas of operation. This would enable mobilisation of expert influence from other people to implement change initiatives. Multi-skilling could be an added advantage for the Change Agent.
5. **Concern for people development:** A Change Agent must have the development of people as one of the most important issues in mind. They should be able to link and influence the growth of individuals to the change initiatives being attempted.
6. **Express feelings and sentiments freely:** A Change Agent has to be feedback oriented. They should be able to provide and receive both positive and negative feedback and be proficient in the handling of feelings and sentiments.
7. **Commitment to both action and research:** A Change Agent should be committed to both analyzing information and taking actions on the same. While essentially being an influencer and a doer, a Change Agent should also have an analytical bent of mind to correctly assess and resolve problems that occur while implementing change.
8. **Long-term perspective:** A Change Agent must have a long-term perspective in mind. The approach towards solving problems should not be reactive but proactive in nature with an innate ability to visualise and examine implications of the actions initiated, in the long-term.

- **Project Leader**

A Project Leader in a change process has the responsibility of implementing a project or a sub-project emanating out of a Change Initiative. As described in Figure 1.4, a Project Leader must have the following characteristics in its order of importance:

1. **Acceptable through expert influence:** It is imperative for the Project Leader to be an expert in his area of specialty viz. Project Management. People must additionally view him as an authority in terms of making things happen.
2. **Ability to influence others:** The Project Leader must have the ability to influence others so that the members of the project team assist him wholeheartedly in implementing the change initiative, even while harbouring individual reservations.



**Fig 1.4 Characteristics and Weightages for the Project Leader**

3. **Concern for people development:** The Project Leader should have a genuine concern for the development of people. While the change initiative, principally, has the organisation's and change areas' goals in mind, individual learning and therefore the growth of individuals must be an advantage sought after.
4. **Feedback oriented:** It is important for the Project Leader to be transparent in his dealings with people and issues. Therefore, the Project Leader must give and receive feedback to and from the people working with him/ her. A feedback would motivate people to stretch to their potential and also help them in making course corrections to effectively implement the change initiatives.
5. **Long-term perspective:** The Project Leader should not focus on short-term gains or methods. Rather, his focus should be on long-term initiatives and instituting changes to bring about improvements in the long-term for the organisation.
6. **Commitment to goals:** The Project Leader should be a visionary and must possess Completer-Finisher skills in order to accomplish the set goals and targets for the organisation.

### Role Allocation

- **Preconditions to Role Allocation:** It would be worthwhile to mention at the outset, that roles in a Change Management process can very rarely be unequivocally allocated by senior management. The principal spirit to be captured is Voluntarism. The requirement to participate in the process must come from an inner conviction about the need for change. History is replete with change initiatives that have failed on account of a lack of this inner conviction, where the emissaries of change, just about, go through the motions. The assumption, therefore, is that an ample choice is available in terms of the number of persons willing to actively contribute their energy to the change process. Should this not be so, the intervention of senior management is necessary to invoke this spirit of Voluntarism. It must be remembered that this is an essential precondition, in the absence of which, the change initiative should not even be launched. It is only after a core group of volunteers is available, that the task of their respective allocation to the four roles identified earlier, can be undertaken.
- **Choosing People to perform Roles:** Once a core group of volunteers are available, profile matching to suit the roles is done through a combination of several behavioral and analytical tests. Questions to the test address the key characteristics of the profiles mentioned earlier. The tests used to address different characteristics of the profiles are given below in Figure 1.5:

**Fig 1.5 Tests used to choose Change Management Functionaries**

Tests	Analyst	Seller	Change Agent	Project Leader
<b>MAO (B)</b> {Motivational analysis in organizations, related to behaviour}			✓	✓
<b>Belbin's Model</b>		✓	✓	✓
<b>MBTI</b> {Myers Brigg's Type of Indicator}	✓		✓	✓
<b>Sales Troika</b>		✓	✓	
<b>Analytical Skills</b>	✓			

Legend :  Tests used

- **Description of Tests:**

1. **Mao(B) {Motivational Analysis in Organizations, related to Behaviour}**: This test helps in understanding an individual's behaviour in an organisation. It is meant to provide a profile of motivational aspects of role behaviour. A person's behaviour is the result of several factors or motives. A knowledge of typical, primary motivators of behaviour in a work setting can help individuals to deal more effectively with people.
2. **Belbin's Model**: The instrument can be used in selection and placement, and in understanding peoples' inclinations and proclivities. Based on the profile of people, this instrument can help in developing best-fit teams for various jobs that an organisation may have to perform.
3. **MBTI {Myers Brigg's Type of Indicator}**: This instrument helps in providing various dimensions of personality, such as, Extraversion/ Intraversion, Sensing/ Intuition, Thinking/ Feeling and Judgement/ Perception. Additionally, it helps in discovering the overall personality as well as career suitability, based on possible combinations of the above dimensions.
4. **Sales Troika**: This instrument helps in understanding the role that an individual plays as a salesperson. It evaluates the concern of the people in the sales line on three aspects - concern for the customer, product and the organisation.
5. **Analytical Skills**: This test helps in estimating the analytical skills of the individual by putting across questions related to his logical/ reasoning ability, mathematical ability, etc. This is a time-bound test carrying a finite number of questions to be attempted in a finite time.

- **CBT {Computer Based Testing }**

*Holtec has developed a computer-based testing tool* that enables the above tests to be administered conveniently. These tests address the key characteristics of the various roles in a change process and a score is given to each characteristic of each profile. The number of questions addressing each characteristic may not be the same in each case. Therefore, while computing the total score, a normalization is done based on the number of questions addressing each characteristic. These scores are then multiplied by the respective weightages to arrive at a weighted score for each characteristic and thus the profile. An example of how a particular score is arrived at is given below in Fig 1.6.

**Fig 1.6 Profile of the individual as a Change Agent**

Characteristics of the Change Agent	Score as derived from the tests, on a scale of 0-10	Weight	Weighted Score	Max Possible Score
Acceptable through Expert influence / Extension / Demonstrated care	4.52	25	113	250
Highly Charged and Motivated	4.95	20	99	200
Belief in Democratization of power	4.26	15	64	150
Big Area of Influence	4.66	15	67	150
Concern for People Development	5.40	10	54	100
Express Feelings and Sentiments Freely	4.80	5	24	50
Commitment to both Action & Research	4.00	5	20	50
Long-term Perspective	5.80	5	29	50
Total Weighted Score			469	1000
Total Effectiveness as a change agent (Out of 1)			<b>0.469</b>	1

Similarly, the scores of the individual being tested, on the other roles is also computed. Based on these, suitable roles to match the innate profile of the individual can be identified and assigned.

A typical combinatorial profile is depicted in Figure 1.7. In this example, the individual appears more suited to take up the role of a Project Leader than the other roles. His suitability as an Analyst appears to be particularly low.



**Fig 1.7 Overall profile of the individual**

### **Core Change Management Process**

Change management ensures that all changes are accurately represented in the database. It is necessary to follow an ordered process to validate and accept changes. The change management process therefore involves the following sequence of actions:

1. Submit the RFC and register in the change database.
2. Assess, plan, and schedule the change.
3. Develop the change and back-out plans.
4. Test the change and back-out plans using an independent tester.
5. Implement the change.
6. Review the impact or results of the change.
7. Close the RFC.

### **Conclusion**

Change management as described in the paper needs careful thinking-through. Not only is it necessary to establish a well planned process along with the core components, it is extremely vital to carefully match the profiles of the volunteers to the roles required by the change initiative. The authors have identified four specific roles – those of an Analyst, a Seller, a Change Agent and a Project Leader. Combinatorial profiles are matched for each volunteering incumbent and based on the areas of strength, specific roles are allotted. In their experience spanning a variety of companies operating in the global environment, the authors feel that such a role selection, considerably enhances the probability of success of the change initiative. To facilitate this selection process, the authors, working under the aegis of Holtec Consulting, have developed a novice-friendly computer based tool.